

# WyoLotto FY2022 Q1 Board Report



# Financial Update

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# Financial Update

## Balance Sheet

As of September 30, 2021

Wyoming Lottery Corp

## Balance Sheet

As of September 30, 2021

ASSETS	Sept 30, 21	Sept 30, 20	\$ Change
Current Assets			
Checking/Savings			
Checking Accounts	4,747,376.66	6,233,725.14	(1,486,348.48)
Prize Account Petty Cash (Till)	1,208.74	1,168.74	40.00
Restricted Cash			
Unclaimed Prizes	1,019,115.85	971,051.80	48,064.05
Responsible Gambling Funds	55,652.78	62,840.78	(7,188.00)
Fidelity Fund	62,502.80	59,780.85	2,721.95
Total Checking/Savings	5,885,856.83	7,328,567.31	(1,442,710.48)
Other Current Assets			
Prepaid Expenses	21,788.40	18,991.73	2,796.67
Retail Accounts Receivable	249,317.24	399,380.54	(150,063.30)
Other Receivables	76,836.55	5,679,059.25	(5,602,222.70)
Total Other Current Assets	347,942.19	6,097,431.52	(5,749,489.33)
Total Current Assets	6,233,799.02	13,425,998.83	(7,192,199.81)
Noncurrent Assets			
Capital Assets, Net	426,101.28	197,108.01	228,993.27
Capital Assets, Trademarks	34,700.00	34,700.00	0.00
Work In Progress	0.00	94,267.00	(94,267.00)
Deposits - Building	7,500.00	7,500.00	0.00
Total Noncurrent Assets	468,301.28	333,575.01	134,726.27
Deferred Outflows of Resources			
Pension Related Outflows	131,349.72	137,225.72	(5,876.00)
TOTAL ASSETS	<u>6,833,450.02</u>	<u>13,896,799.56</u>	<u>(7,063,349.54)</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable	451,537.09	396,851.03	54,686.06
Jonah Bank Credit Card	13,465.42	4,963.06	8,502.36
State of Wyoming Transfer Payable	1,059,478.92	1,445,900.00	(386,421.08)
Unearned Revenue (net)	423,071.00	571,000.00	(147,929.00)
Prizes Payable	1,294,223.43	8,622,091.37	(7,327,867.94)
Payroll Liabilities	59,450.63	46,921.24	12,529.39
Total Current Liabilities	3,301,226.49	11,087,726.70	(7,786,500.21)
Noncurrent Liabilities			
Xerox-Capital Lease	37,899.84	56,450.08	(18,550.24)
Net Pension Liability	963,720.09	986,060.09	(22,340.00)
Total Noncurrent Liabilities	1,001,619.93	1,042,510.17	(40,890.24)
Deferred Inflows of Resources			
Pension Related Inflows	219,665.59	168,192.59	51,473.00
Total Liabilities	4,522,512.01	12,298,429.46	(7,775,917.45)
Equity			
Retained Earnings	2,148,362.67	1,294,684.62	853,678.05
Net Income	162,575.34	303,685.48	(141,110.14)
TOTAL LIABILITIES & EQUITY	<u>6,833,450.02</u>	<u>13,896,799.56</u>	<u>(7,063,349.54)</u>

# Financial Update

## Profit & Loss

July 2021 through September 2021

### Wyoming Lottery Corp Profit & Loss July 2021 through September 2021

Operating Income/Expense	July - Sept 21	July - Sept 20	\$ Change
<b>Income</b>			
<b>Income / Revenues</b>			
Mega Millions Sales (net)	1,443,675.80	1,257,837.00	185,838.80
Power Ball Sales (net)	2,297,060.84	2,212,816.60	84,244.24
Cowboy Draw Sales (net)	2,536,425.60	4,502,046.50	-1,965,620.90
Lucky For Life (net)	769,886.00	672,390.00	97,496.00
2by2 Sales (net)	564,573.78	0.00	564,573.78
<b>Total Income / Revenues</b>	<b>7,611,622.02</b>	<b>8,645,090.10</b>	<b>-1,033,468.08</b>
<b>Other Revenues</b>			
Application Fees (Fidelity-Res)	700.00	200.00	500.00
Other Revenues	0.00	0.00	0.00
<b>Total - Other Revenues</b>	<b>700.00</b>	<b>200.00</b>	<b>500.00</b>
<b>Total Income</b>	<b>7,612,322.02</b>	<b>8,645,290.10</b>	<b>-1,032,968.08</b>
<b>Cost of Goods Sold</b>			
<b>Direct Gaming Costs</b>			
<b>Prize Expense - Low Tier/ Hi / MUSL</b>			
Megamillions	644,326.45	629,136.47	15,189.98
Powerball	1,078,291.95	1,145,174.85	-66,882.90
Cowboy Draw	1,594,220.33	2,602,623.33	-1,008,403.00
Lucky For Life	522,457.48	386,427.58	136,029.90
2by2	307,439.36	0.00	307,439.36
<b>Total Direct Gaming Costs / Prize Expense</b>	<b>4,146,735.57</b>	<b>4,763,362.23</b>	<b>-616,626.66</b>
<b>Gaming Expenses</b>			
Gaming Retail Commissions	482,072.76	530,868.36	-48,795.60
Gaming Retail Validation Bonus	11,926.41	14,450.19	-2,523.78
Vendor Expense - (Intralot)	886,033.42	1,005,965.79	-119,932.37
<b>Total Gaming Expenses</b>	<b>1,380,032.59</b>	<b>1,551,284.34</b>	<b>-171,251.75</b>
<b>Total COGS</b>	<b>5,526,768.16</b>	<b>6,314,646.57</b>	<b>-787,878.41</b>
<b>Gross Profit</b>	<b>2,085,553.86</b>	<b>2,330,643.53</b>	<b>-245,089.67</b>
<b>Expense</b>			
<b>Operating Expenses</b>			
Bank Fees	0.00	-24.16	24.16
Board Expenses	4,577.74	2,598.60	1,979.14
Insurance	4,010.83	4,403.17	-392.34
Membership Dues	26,808.68	1,730.75	25,077.93
Accounting / Audit Fees	30,000.00	29,500.00	500.00
Legal Fees	15,645.60	19,409.40	-3,763.80
Marketing	165,048.05	123,863.41	41,184.64
New Game Development	137,641.59	0.00	137,641.59
Outside Contract Services (IT)	36,400.77	31,321.23	5,079.54
Payroll Services	1,142.75	1,406.25	-263.50
Retail Investigation	450.00	0.00	450.00
Facilities & Equipment	35,605.85	29,433.13	6,172.72

# Financial Update

## Profit & Loss, Continued

July 2021 through September 2021

### Wyoming Lottery Corp Profit & Loss July 2021 through September 2021

Operating Income/Expense	July - Sept 21	July - Sept 20	\$ Change
Communications	3,209.52	2,379.89	829.63
Office Costs	8,614.21	4,515.51	4,098.70
Petty Cash Over/Short	3.00	1.00	2.00
Ticket Problem Expense	101.00	5.00	96.00
Retailer Special Incentive	2,000.00	2,500.00	-500.00
Rent & Janitorial	27,575.86	27,180.42	395.44
Salaries, Wages & Benefits	328,891.99	298,844.61	30,047.38
Travel	43,271.01	3,669.41	39,601.60
EE Uniforms	3,490.16	0.00	3,490.16
Total Operating Expenses	874,488.61	582,737.62	291,750.99
Net Operating Income	1,211,065.25	1,747,905.91	-536,840.66
Other Income			
Interest Income	1,538.87	2,496.90	-958.03
Gain/Loss on Sale of Assets	10,300.00	0.00	10,300.00
Total Other Income	11,838.87	2,496.90	9,341.97
Other Expenses			
Interest Expense	849.86	817.33	32.53
Total Other Expense	849.86	817.33	32.53
Net Income before Transfer	1,222,054.26	1,749,585.48	-527,531.22
State of Wyoming Transfers	1,059,478.92	1,445,900.00	-386,421.08
Net Income	162,575.34	303,685.48	-141,110.14
Net Income	162,575.34	303,685.48	
Retained Net Proceeds	162,575.34	303,685.48	
Remaining Net Income (Not Allocated)	0.00	0.00	
Total Reserves Allocation	162,575.34	303,685.48	
State Transfer % of Net Income	86.70%	82.64%	
Remaining % of Net Income	13.30%	17.36%	

# Financial Update

## Profit & Loss Budget vs. Actual

July 2021 through September 2021

### Wyoming Lottery Corp Profit & Loss Budget vs. Actual July 2021 through September 2021

FY 22 QTR 1				
TOTAL				
	Jul - Sept 21	Budget	- Favorable	% of Budget
Ordinary Income/Expense				
Total 40000 · Income / Revenues	7,611,622.02	6,823,371.00	788,251.02	111.55%
Total 48000 · Other Revenues	700.00	0.00	700.00	100.0%
Total Income	7,612,322.02	6,823,371.00	788,951.02	111.56%
Cost of Goods Sold				
Total 50000 · A Direct Gaming Costs	4,146,735.57	3,861,123.00	285,612.57	107.4%
Total 51000 · B Gaming Expenses	1,380,032.59	1,214,562.00	165,470.59	113.62%
Total COGS	5,526,768.16	5,075,685.00	451,083.16	108.89%
Gross Profit	2,085,553.86	1,747,686.00	337,867.86	119.33%
	Jul - Sept 21	Budget	+ Favorable	% of Budget
Expense				
Total 60000 · Business Expenses	35,397.25	58,705.00	-23,307.75	60.3% *
Total 61000 · Contract Services	386,328.76	621,474.99	-235,146.23	62.16% **
Total 62000 · Facilities and Equipment	35,605.85	86,300.00	-50,694.15	41.26% ***
Total 63000 · Operations	41,503.59	43,654.50	-2,150.91	95.07%
Total 64000 · Personnel Salaries, Benefits & Travel	375,653.16	381,279.00	-5,625.84	98.52% ****
Total Expense	874,488.61	1,191,413.48	-316,924.88	73.4%
Net Ordinary Income	1,211,065.25	556,272.51	654,792.74	217.71%
Other Income/Expense				
70000 · Interest Income	1,538.87	1,500.00	38.87	102.59%
81000 · Interest Expense	849.86	568.00	281.86	149.62%
82000 · Gain/Loss on Discarded Assets	10,300.00			
Total Other Expense	849.86	568.00	281.86	149.62%
Net Other Income	10,989.01	932.00	10,057.01	1,179.08%
	Jul - Sept 21	Budget	- Favorable	% of Budget
Net Income before Transfer to State of Wyoming	1,222,054.26	557,204.51	664,849.75	219.32%
Transfer to State of Wyoming	1,059,478.92			
Net Income	162,575.34			

\* Under \$12,000 Board Expenses; Under \$10,000 Insurance

\*\* Under \$9,000 Marketing; Under \$210,000 New Game Dev; Under \$3,500 Retail Investigations

\*\*\* Under \$58,000 Fleet Expenses & IT Equip (New Vehicle & Computers Capitalized); Over \$7,800 Depreciation

\*\*\*\* Under \$4,000 Wages & Benefits; Under \$1,700 Travel

Net Income Allocation:

Retained Net Proceeds Allocation (13.3%)

Net Income:

162,575.34

162,575.34

# Financial Update

## Profit & Loss Responsible Gambling

### Budget vs. Actual

July 2021 through September 2021

Wyoming Lottery Corp  
Profit & Loss Responsible Gambling Budget vs. Actual  
July 2021 through Sept 2021

	FY 22 QTR 1 YTD		
	TOTAL		
	July 21 - Sept 21	FY22 Budget	Favorable
Responsible Gambling Expenses			
Tracker Study Follow Up Research	0.00	15,000.00	15,000.00
Certifications - University of Minnesota	0.00	12,410.00	12,410.00
Strategic Plan 2019	0.00	10,000.00	10,000.00
Brochure Reprints	0.00	7,000.00	7,000.00
Media Planning & Buying	0.00	612.35	612.35
Responsible Gambling Travel/Conferences as Needed	0.00	4,818.43	4,818.43
Fremont County Service Research	0.00	3,000.00	3,000.00
Dues & Sponsorships	0.00	2,812.00	2,812.00
Total Responsible Gambling Expenses	0.00	55,652.78	55,652.78

Responsible Gambling Balance	
4/30/18 Responsible Gambling Balance	64.06
5/1/18 Unclaimed Prize Funding	200,000.00
FY18 Expenses	-25,869.63
FY 19 Expenses	-109,165.65
FY 20 Expenses	-2,188.00
FY 21 Expenses	-7,188.00
9/30/21 Responsible Gambling Balance	55,652.78



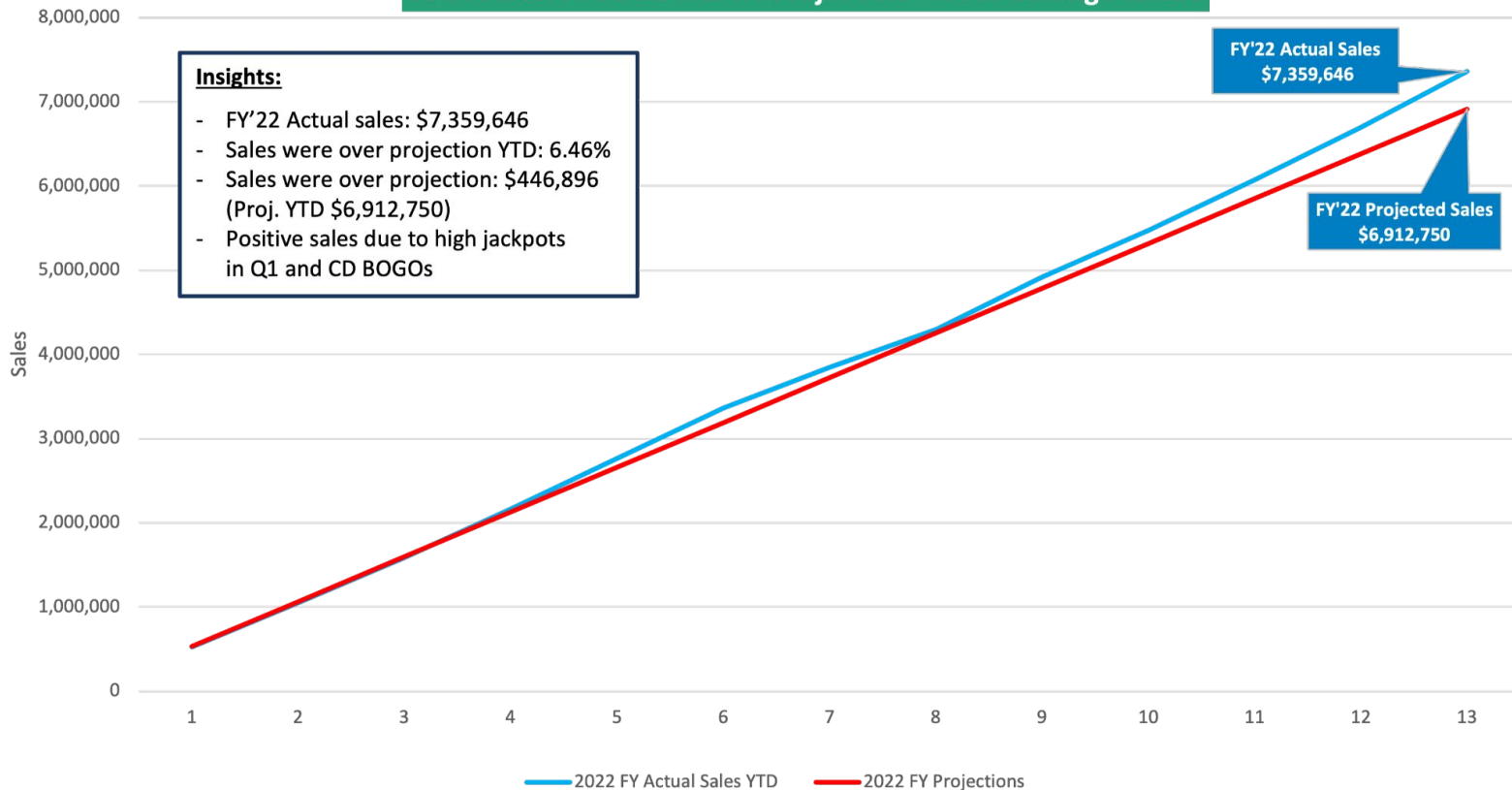
# **Sales Update**

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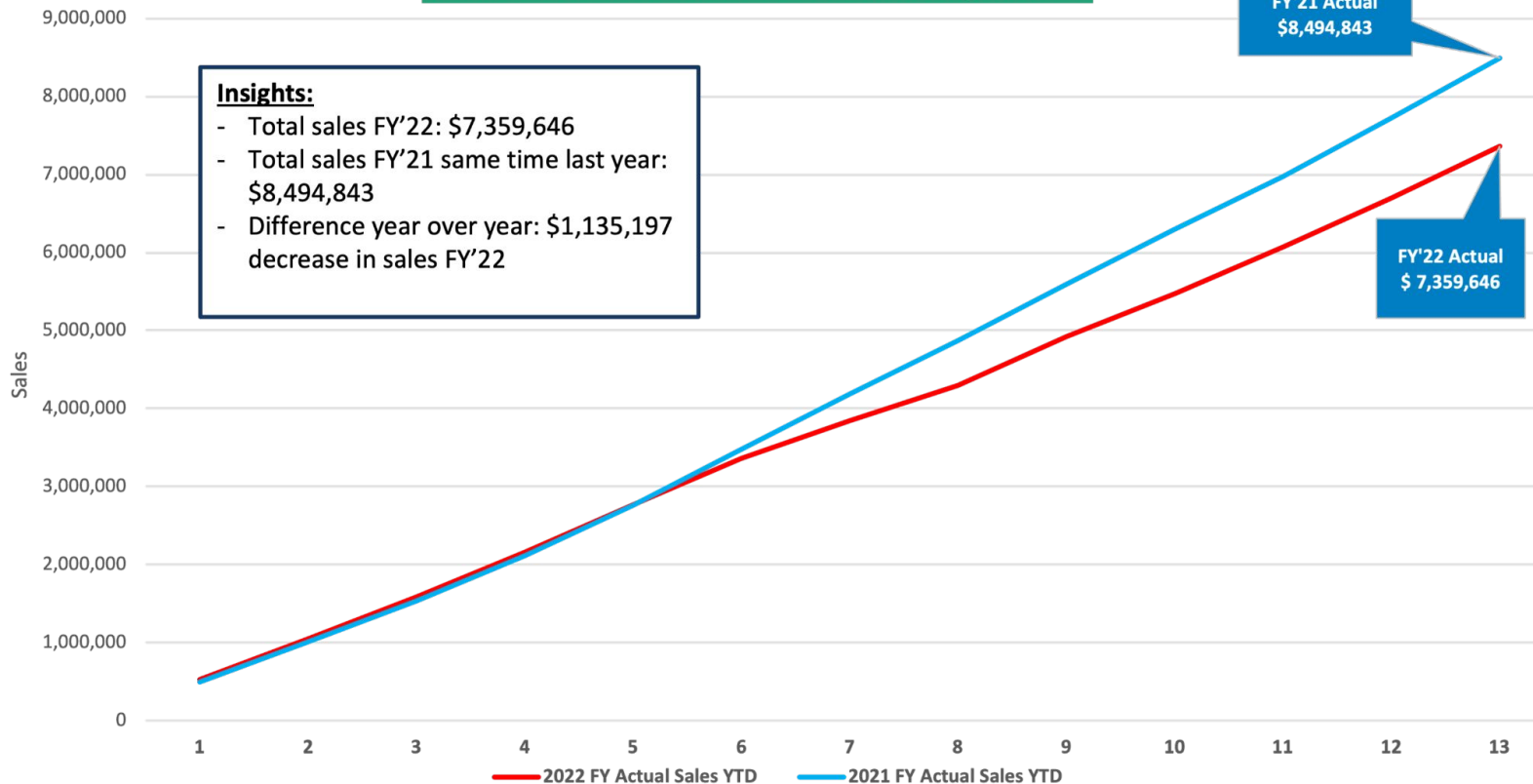
# Sales Update

Total Sales: FY'22 Actual vs. Projection - Week ending 9.25.21



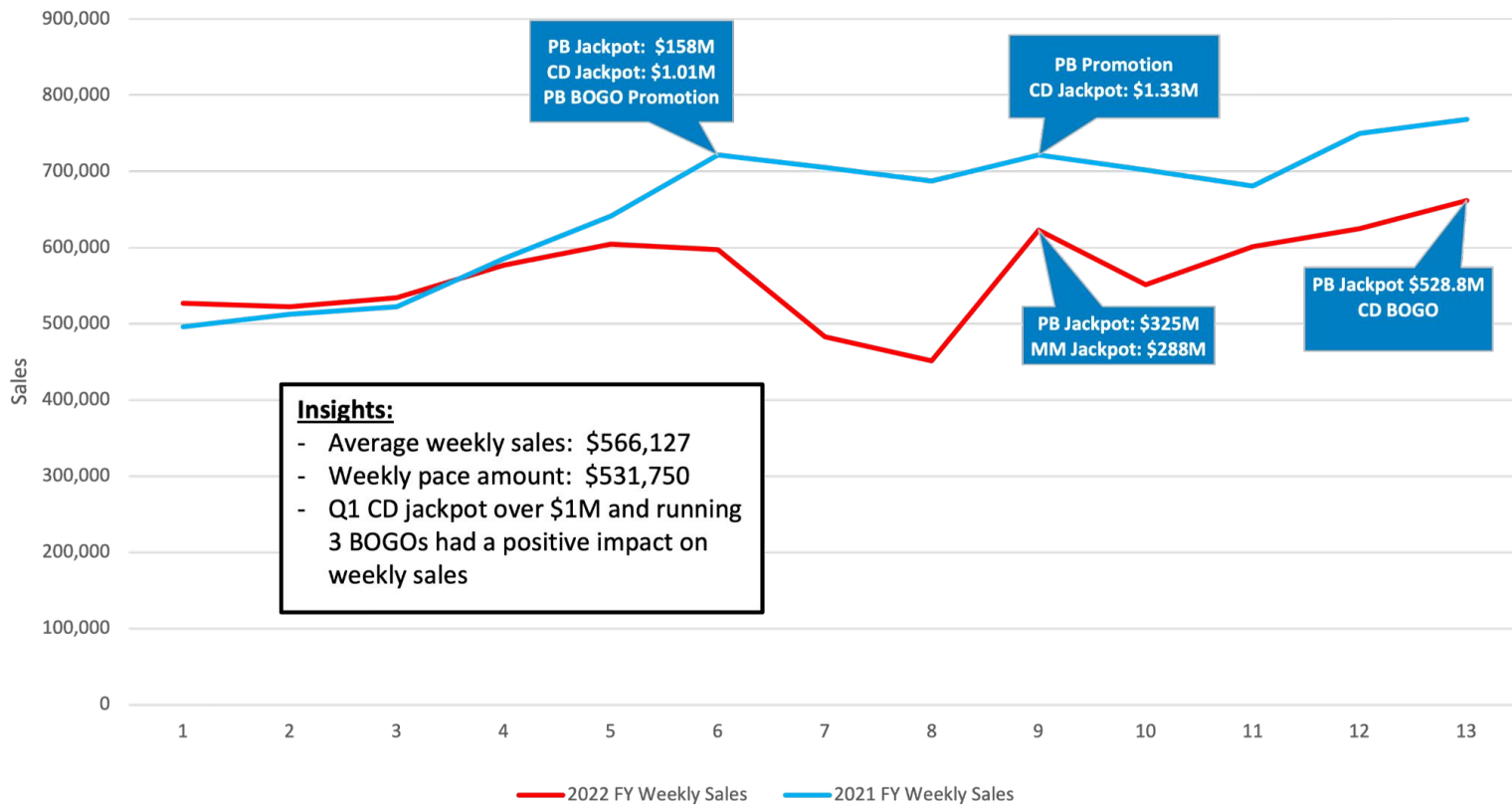
# Sales Update

Total Sales: FY'22 vs. FY'21 - Week ending 9.25.21



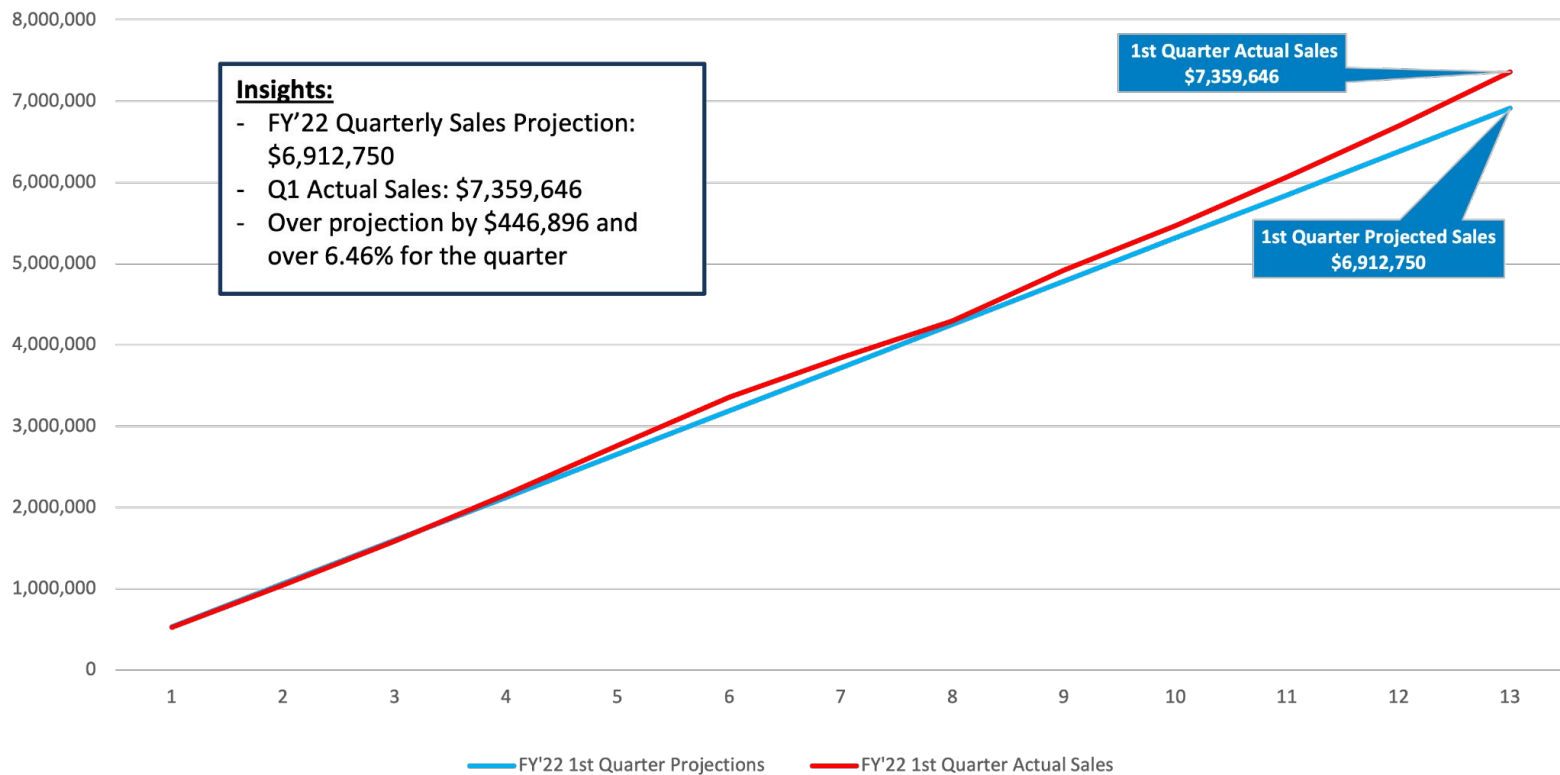
# Sales Update

Actual weekly sales FY'22 vs. FY'21 - Week ending 9.25.2021



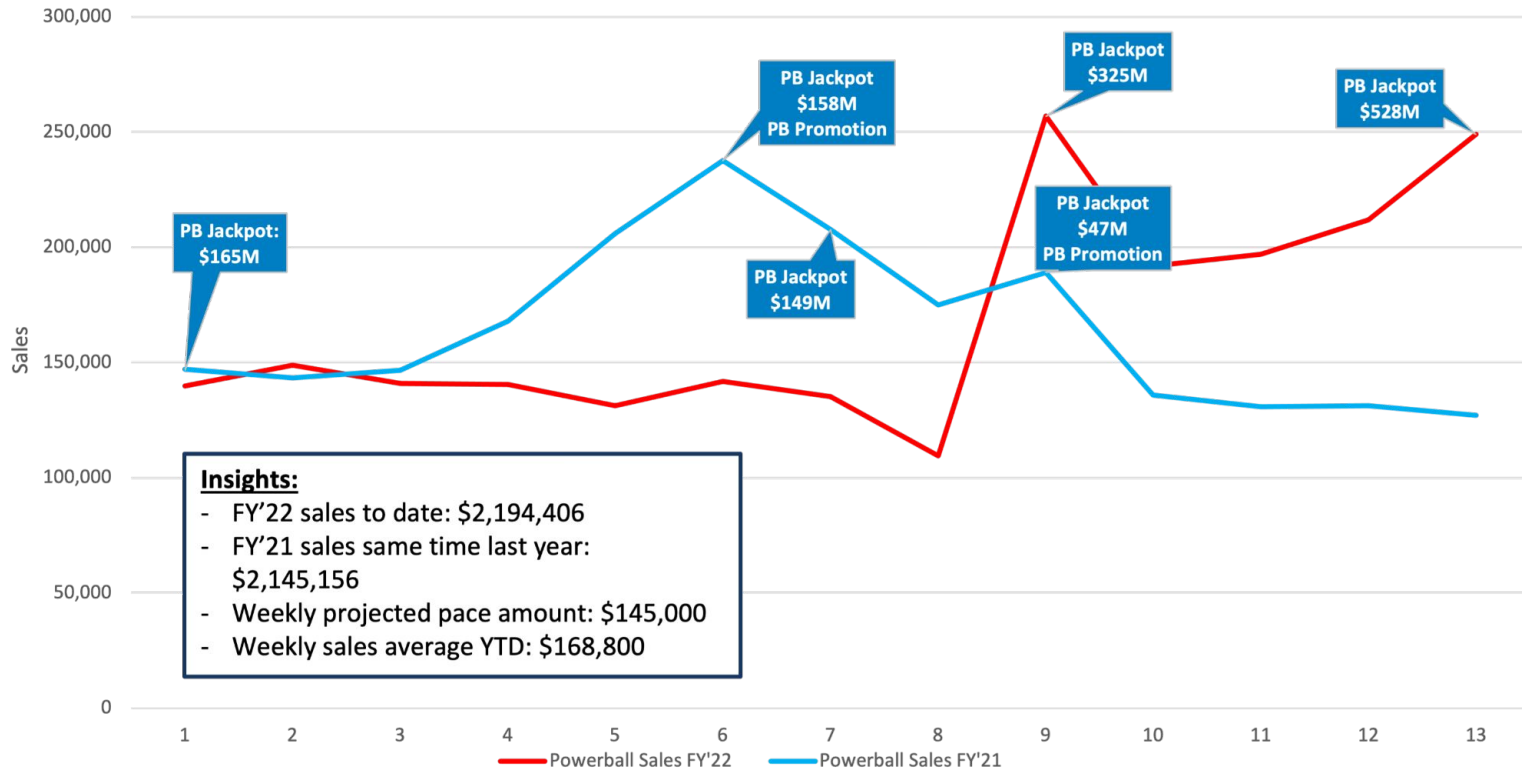
# Sales Update

## FY'22 1<sup>st</sup> Quarter Actual vs. Projections - Week ending 9.25.21



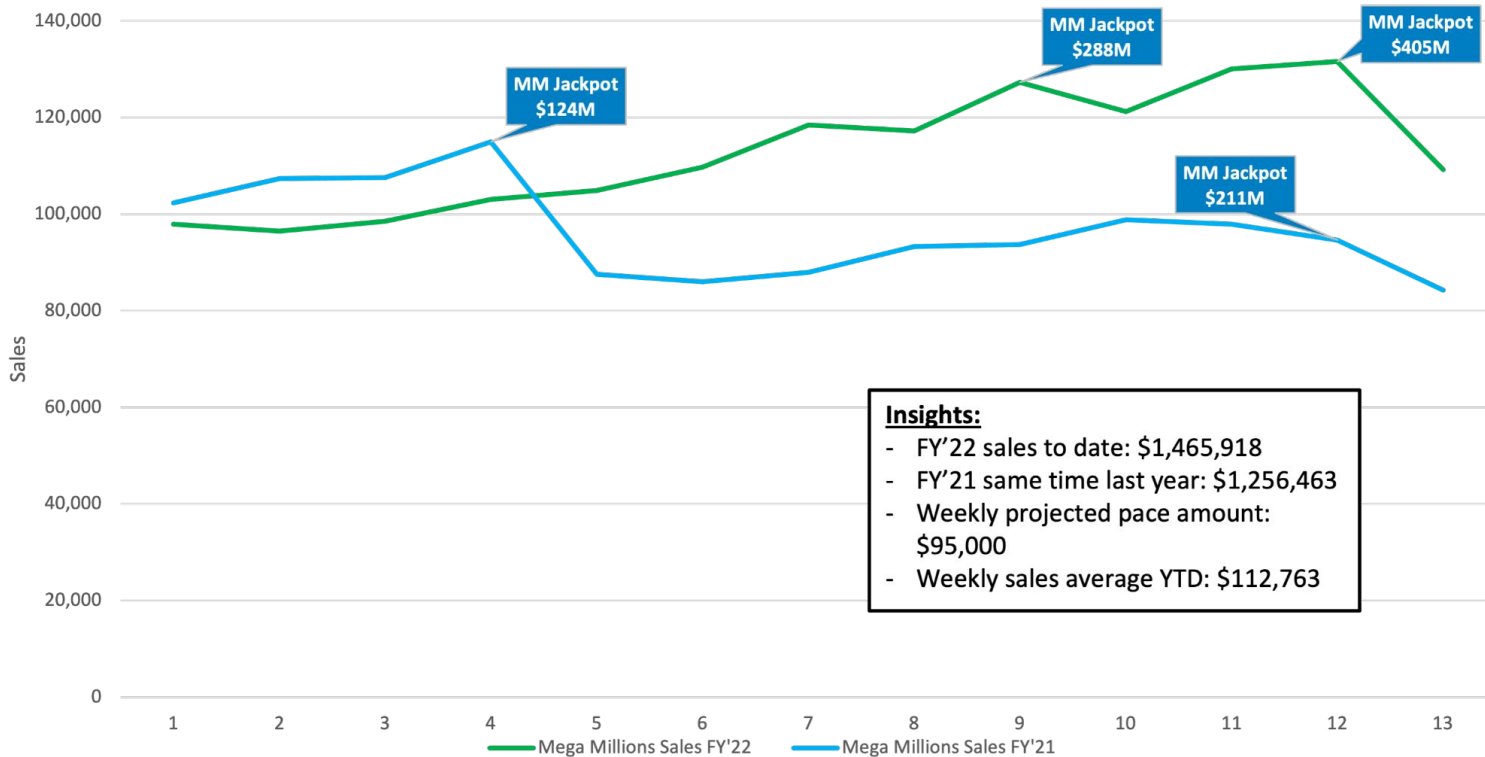
# Sales Update

Powerball FY'22 vs. FY'21 - Week ending 9.25.21



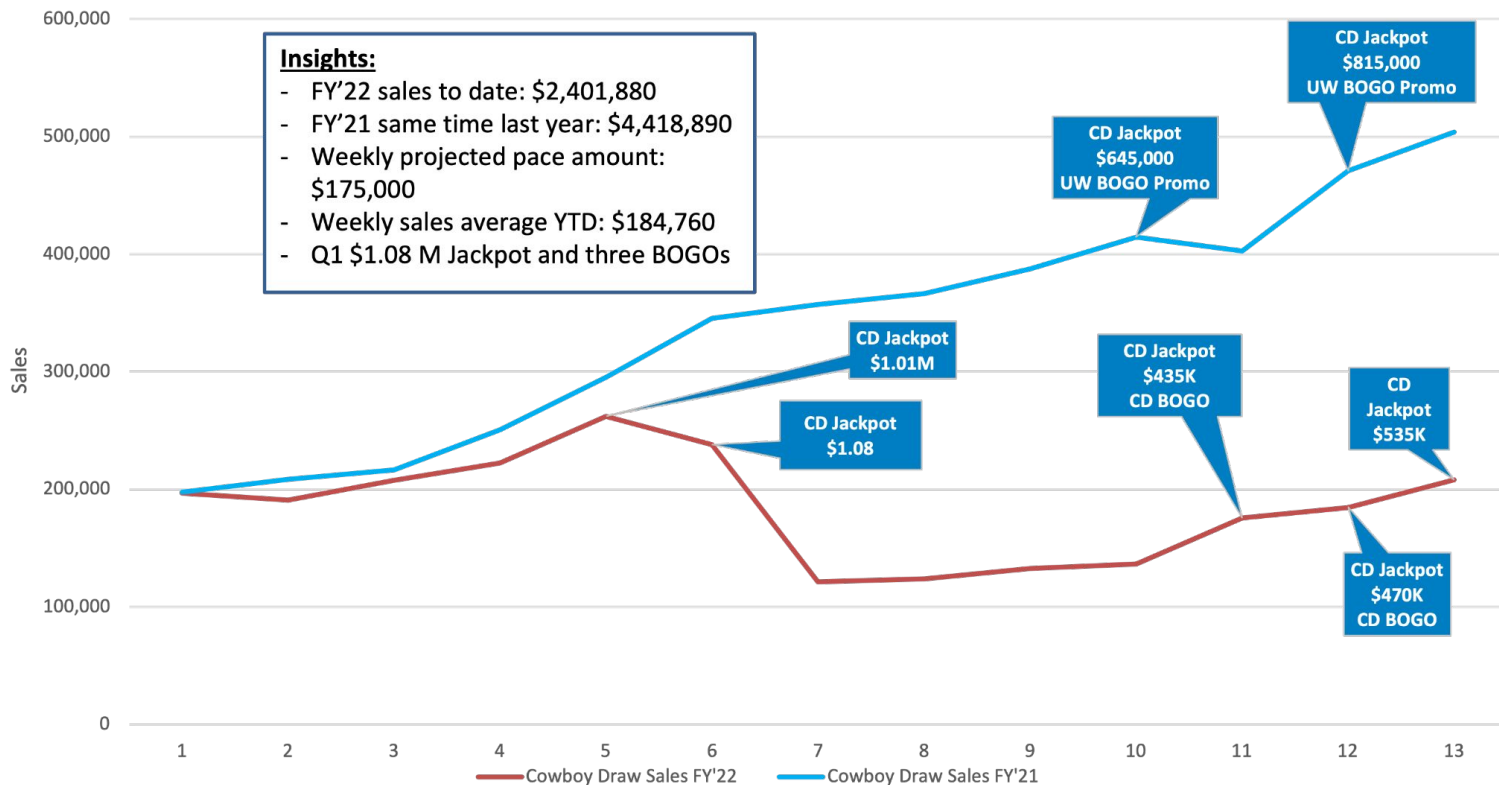
# Sales Update

Mega Millions FY'22 vs. FY'21 - Week ending 9.25.21



# Sales Update

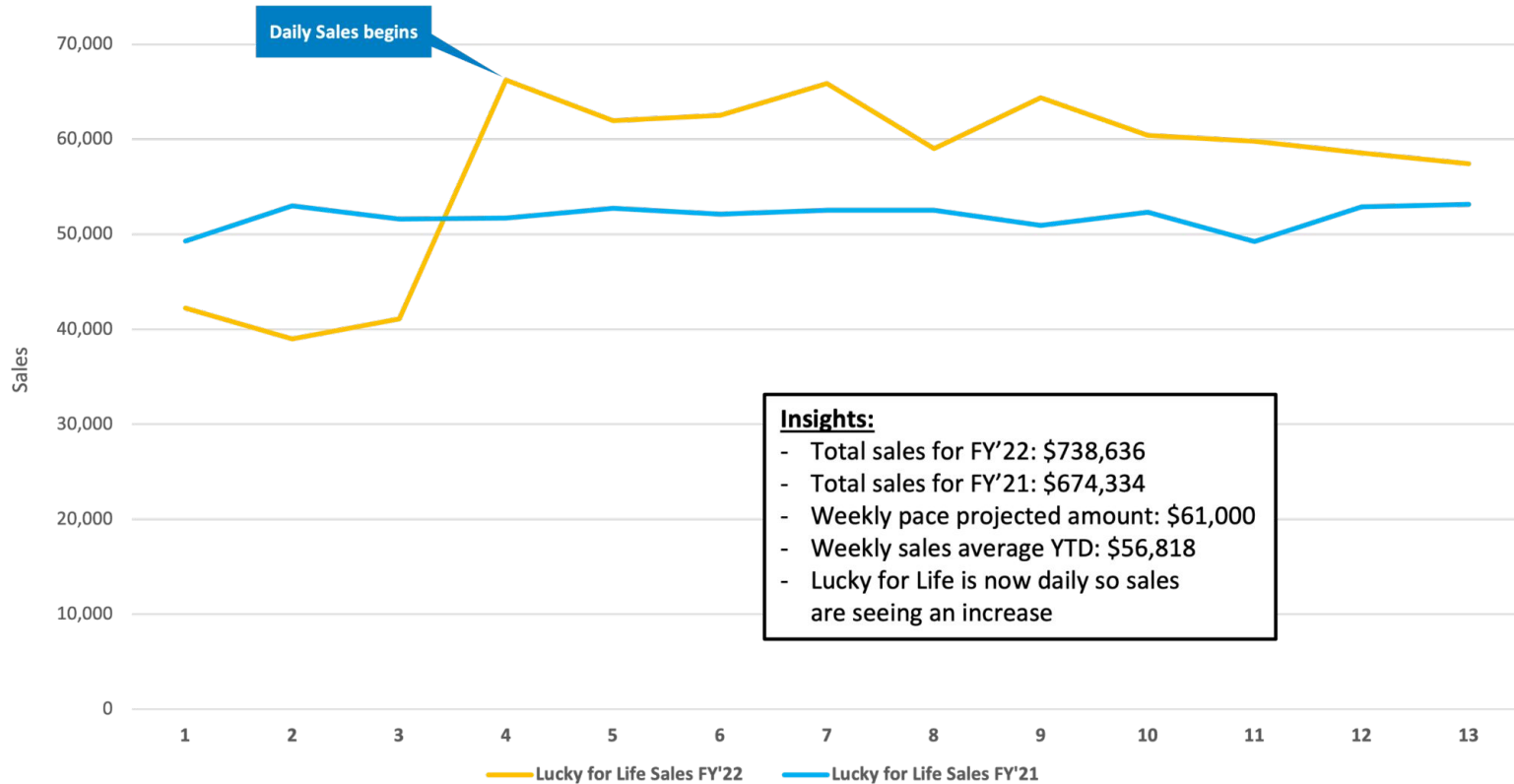
## Cowboy Draw FY'22 vs. FY'21 - Week ending 9.25.21





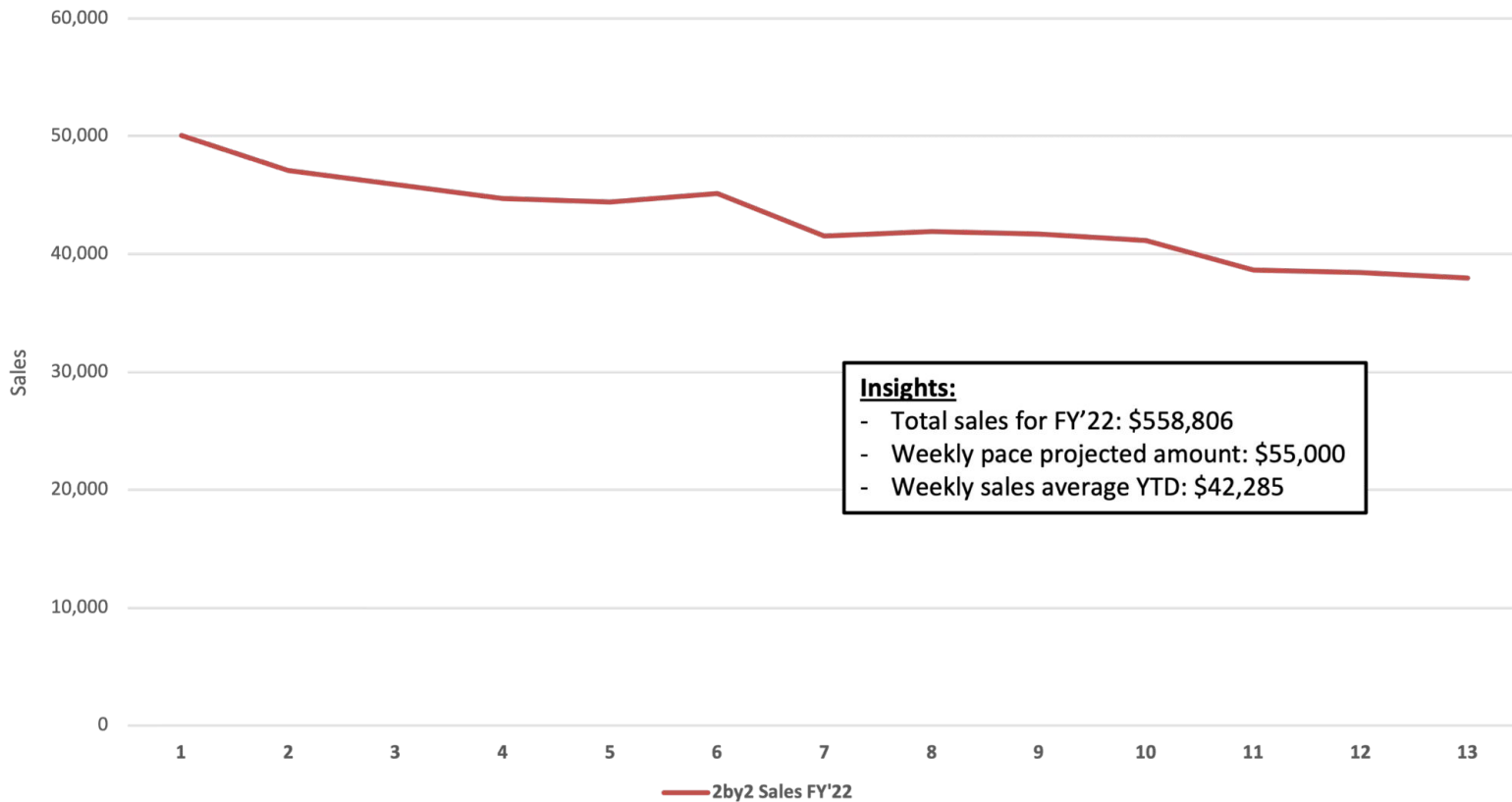
# Sales Update

Lucky for Life FY'22 vs. FY'21 - Week ending 9.25.21



# Sales Update

2by2 FY'22 - Week ending 9.25.21

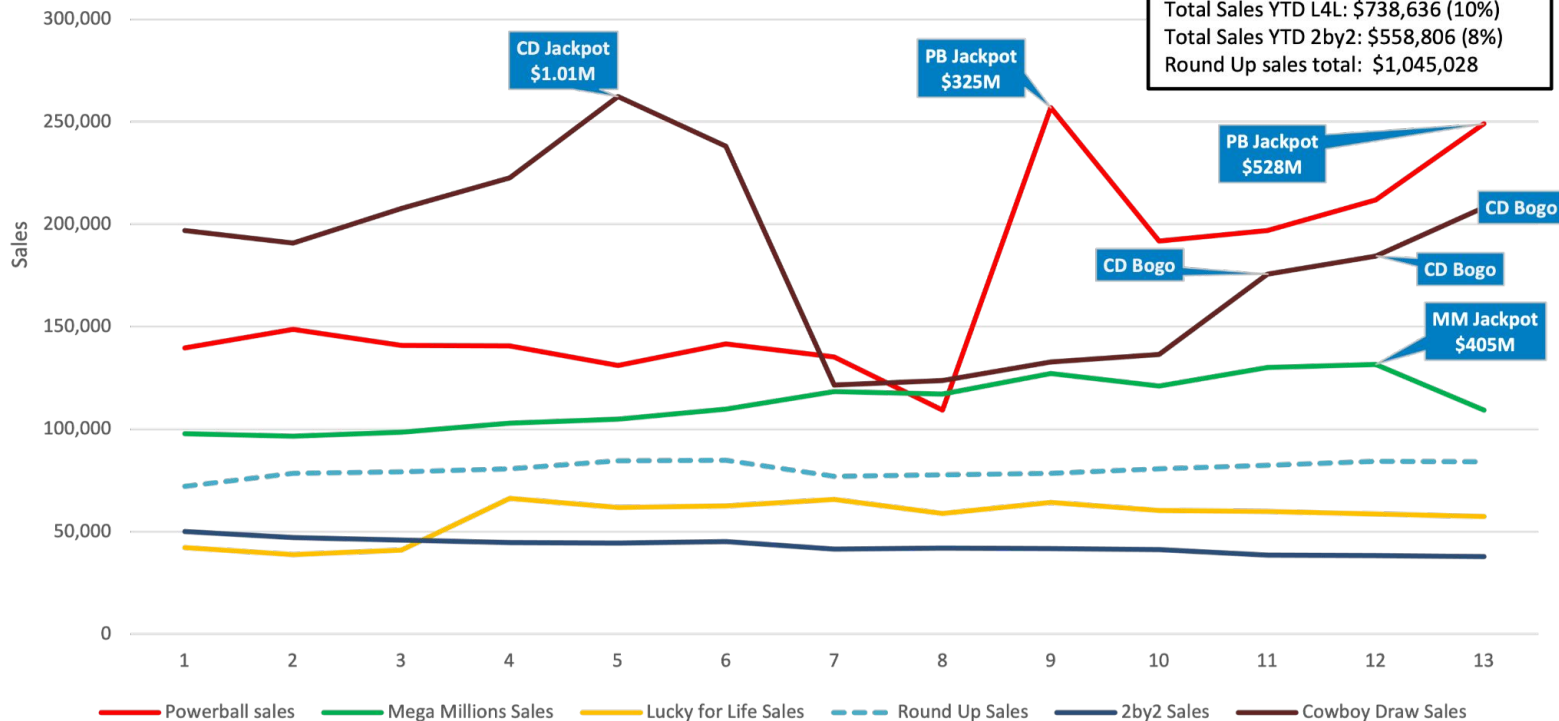


# Sales Update

## WyoLotto Product Sales YTD - Week ending 9.25.21

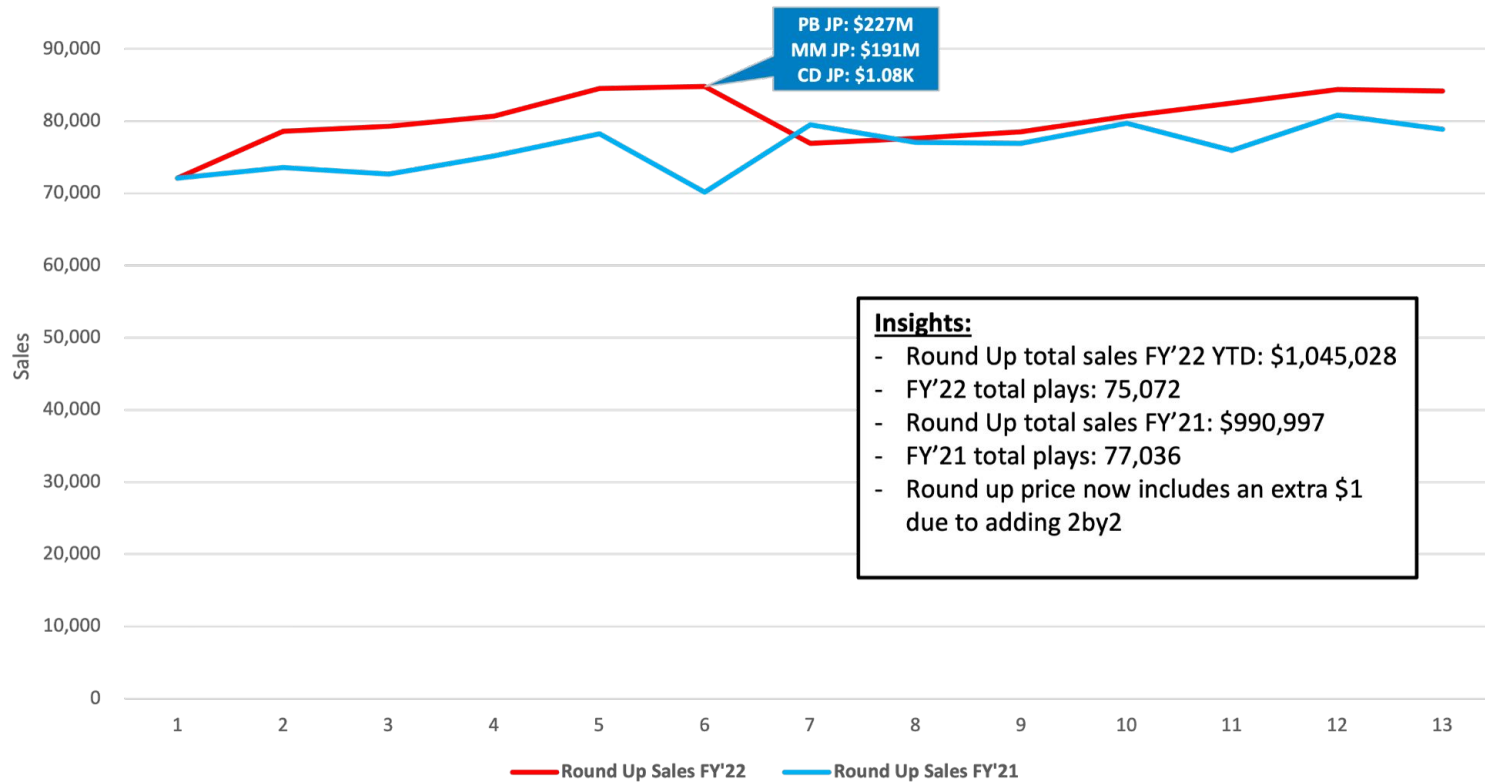
### Insights:

Total Sales YTD PB: \$2,194,406 (30%)  
Total Sales YTD MM: \$1,465,918 (19%)  
Total Sales YTD CD: \$2,401,880 (33%)  
Total Sales YTD L4L: \$738,636 (10%)  
Total Sales YTD 2by2: \$558,806 (8%)  
Round Up sales total: \$1,045,028



# Sales Update

Round Up FY'22 vs. FY'21 - Week ending 9.25.21



# **Corporate Responsibility**

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# Transfer update

## Quarterly transfers to Wyoming:

- Q1 Fiscal Year 2022: \$1,059,478
- Total since launch: \$24,757,027



# Problem Gambling

## Initiatives to prevent problem gambling:

- In collaboration with the Wyoming Department of Health, formed the Wyoming Responsible Gaming Coalition to raise awareness of responsible gambling
- Single transactions are capped at \$125 and products are not available 24/7
- The Problem Gambling Hotline is posted on every ticket, listed on play slips, and on our website
- Problem Gambling brochures are located wherever Lottery tickets are sold
- Continued education regarding Problem and Responsible Gambling is a priority

PROBLEM GAMBLING HELPLINE  
**1-800-522-4700**



Wyoming Responsible Gambling Coalition—  
a partnership funded by the Wyoming Lottery.

*Gambling is a form of entertainment. Play responsibly.  
Must be 18 or older to play.*

**PLAY  
SMART.**

Promote smart,  
responsible gaming  
in Wyoming.

**WYOMING**  
RESPONSIBLE  
GAMBLING  
COALITION



# Game Security

## Leadership in game security and integrity:

- With each game release and subsequent upgrades, the central game system and Random Number Generator (RNG) are tested
- With each batch release, the Statement of Work (SOW) is thoroughly reviewed for accuracy and release outcomes are verified
- In advance of all system changes, game risks are proactively documented, assessed and analyzed
- Lottery's Internal Control System (ICS) provides its players with a sense of security, knowing the central gaming system is operating at the highest degree of integrity
- Continued work with Department of Family Services (DFS) to collect back child support owed by a player from prize payments

# Marketing Update

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# Current Promotions

- **Cowboy Draw BOGO:**
  - Runs Aug. 23 to Nov. 27 with potential for post season games
  - Goal of 250% increase in sales on BOGO Sundays
  - Gross Revenue from 4 BOGOs so far: \$543,965 = 203.7% sales increase



# Current Promotions

## UW Sponsorship:

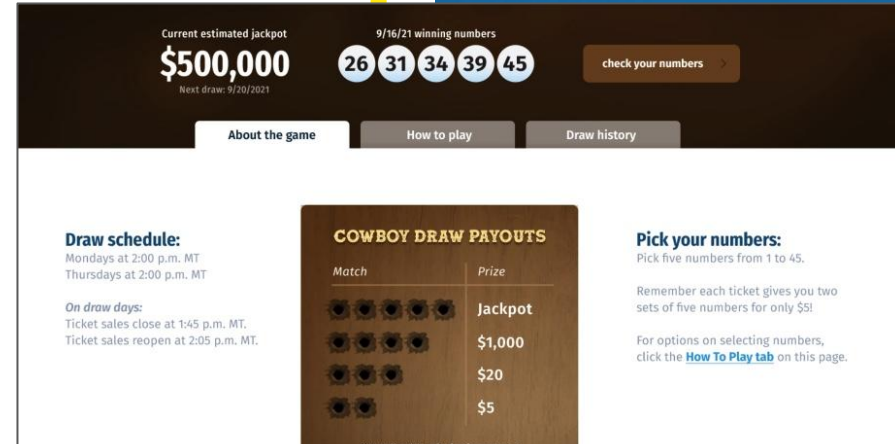
- Tailgate events before kickoff, including:
  - Season opener - Sept. 4
    - On-site media interviews w/ TV and radio
    - Fans standing in line to buy tickets and spin for swag
    - Sales goal of \$1,000 (based on past sales at UW) exceeded, almost \$2,000 total sales at bus
    - Staff worked at the van generating excitement, educating players and bringing brand awareness
  - Homecoming - Oct. 23 vs. New Mexico
    - Selling and spin-to-wins at game
  - Border War - Nov. 6 vs. CSU
    - Selling and spin-to-wins at game





## Current Projects

- **Website Redesign:**
  - Better automation and animation
  - Game pages will stack content to improve user experience and make information easier to digest
  - Estimated launch: Summer 2022
- **Legislative Roadshow:**
  - Beginning in August, we have traveled and met with key legislators across the state to review the implementation of Keno and the future of the lottery.
- **NASPL Award Finalist:**
  - Best New Draw Game finalist for 2by2 - presented at DeskCon national convention



2by2 Graphic Design



# Up Next...

- **Events:**
  - **Nov. 6:** UW vs. CSU Border War tailgate
  - **Nov. 16-18:** Governor's Business Forum
    - Chairman Willox on gaming panel
    - Brand presence
- **Keno Development**
- **Holiday Giving**
  - 2nd year of giving and will focus on Wyoming Senior Citizens Program in partnership with Alf's Pub and Horseshoe Bar & Grill
- **Winners**
  - Celebrate winners through corporate communications
  - Creating new ways to share stories of anonymous winners



# Game Updates

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# Cowboy Draw

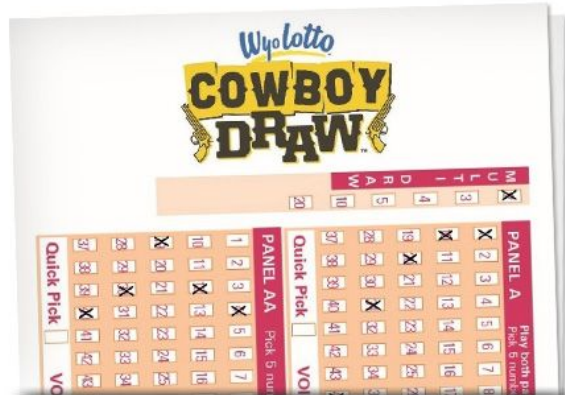
## This Quarter

- 97,031 Total Winners
- \$1,860,417 Total Won
- 181 that won \$1,000
- 1 Jackpot Win

## Since Launch

- 2,704,531 Total Winners
- \$49,758,126 Total Won
- 5,116 that won \$1,000
- 28 Jackpot Wins

TWO CHANCES  
for just **\$5**



# Powerball

## This Quarter

- 38,032 Total Winners
- \$666,253 Total Won
- 4 that won \$1,000 or more
- 0 Jackpot Wins

## Since Launch

- 1,170,710 Total Winners
- \$15,013,272 Total Won
- 44 that won \$1,000 or more
- 0 Jackpot Wins



# Mega Millions

## This Quarter

- 24,132 Total Winners
- \$153,552 Total Won
- 7 that won \$1,000 or more
- 0 Jackpot Wins

## Since Launch

- 1,177,325 Total Winners
- \$12,059,098 Total Won
- 269 that won \$1,000 or more
- 0 Jackpot Wins



# Lucky for Life

## This Quarter

- 49,555 Total Winners
- \$289,503 Total Won
- 3 that won \$1,000 or more
- 0 Jackpot Wins

## Since Launch

- 875,727 Total Winners
- \$12,096,454 Total Won
- 43 that won \$1,000 or more
- 1 Jackpot Wins

PEOPLE ARE  
WINNING!



**\$1,000**  
a day for life



**\$25,000**  
a year for life



**\$5,000**



**NOW DRAWING DAILY**

# 2by2

## This Quarter

- 211,172 Total Winners
- \$273,453 Total Won
- 6 Jackpot Wins

## Since Launch

- 557,559 Total Winners
- \$676,238 Total Won
- 14 Jackpot Wins





**Thank you  
for your time!**

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