





# INTEROFFICE MEMO

*Gary Grief, Executive Director    Ed Rogers, Acting Charitable Bingo Operations Director*

**To:** J. Winston Krause, Chairman  
Carmen Arrieta-Candelaria, Commissioner  
Doug Lowe, Commissioner  
Robert Rivera, Commissioner

**From:** Kathy Pyka, Controller *KP*

**Date:** June 6, 2018

**Re:** Transfers to the State and the Agency's Budget Status

The following documents are provided for your information:

- I. Transfers to the Foundation School Fund, Texas Veterans Commission, and the allocation of unclaimed prizes for fiscal year 2018 transferred as of May 9, 2018
- II. Agency Budget Status

## Transfers to the State

Total accrued basis revenue transfers to the State for the eight-month period ending April 30, 2018 amounted to \$871.3 million. Of the total amount transferred to the State from sales, \$835.9 million was transferred to the Foundation School Fund; \$11.5 million was transferred to the Texas Veterans Commission with the remaining \$23.9 million transferred from unclaimed prizes. The amount transferred to the Foundation School Fund from sales represents a 13.8% increase, or \$101.1 million, over the total amount transferred in fiscal year 2017. To date, cumulative accrued revenue transfers to the Foundation School Fund are \$21.9 billion.

## Agency Budget Status

The FY 2018 Method of Financing budget summary as of February 28, 2018 is attached for your information. The Commission's Lottery Account budget for FY 2018 is \$230.8 million. Of this amount 77.6% was expended and encumbered through the end of the second quarter. The Bingo Operations budget, funded by General Revenue, was \$17.0 million with 12.9% expended and encumbered through the end of the second quarter.

Please feel free to contact me at 512-344-5410 if you need additional information or have any questions.

**Texas Lottery Commission**  
**Fiscal Year Detail of Accrued Revenue Transfers and Allocations to the State of Texas**  
**As of May 9, 2018**

Fiscal Year	Foundation School Fund	Texas Veteran's Commission	General Revenue	Multi-categorical Teaching Hospital Account	Other Beneficiaries*	Total Accrued Revenue Transfers
FY 1992	\$	\$	249,978,109	\$	\$	249,978,109
FY 1993			656,844,512			656,844,512
FY 1994			927,684,072			927,684,072
FY 1995			1,015,037,492			1,015,037,492
FY 1996			1,098,323,023			1,098,323,023
FY 1997	174,237,106		1,008,543,523			1,182,780,629
FY 1998	1,097,795,590					1,097,795,590
FY 1999	953,370,758					953,370,758
FY 2000	827,328,229			35,517,171		862,845,399
FY 2001	825,059,846			4,482,829	34,456,232	863,998,907
FY 2002	859,263,426			40,000,000	29,618,383	928,881,809
FY 2003	882,094,795				66,993,269	949,088,064
FY 2004	1,009,447,487		19,465,000	10,782,342	11,334,095	1,051,028,924
FY 2005	1,009,538,729		22,880,577	9,217,658	28,665,905	1,070,302,869
FY 2006	1,036,110,469		44,222,589	10,000,000		1,090,333,058
FY 2007	1,034,072,617		48,947,388	10,000,000		1,093,020,005
FY 2008	980,744,256		44,134,747	10,000,000		1,034,879,002
FY 2009	999,421,562		52,732,496	10,000,000		1,062,154,058
FY 2010	989,139,753	7,353,334	56,591,791	10,000,000		1,063,084,879
FY 2011	961,885,417	8,648,112	43,249,367	10,000,000		1,023,782,895
FY 2012	1,099,034,712	5,306,574	45,431,754	5,750,000		1,155,523,040
FY 2013	1,148,515,795	6,178,158	53,657,834	5,750,000		1,214,101,786
FY 2014	1,203,771,931	11,539,037		5,411,953		1,220,722,920
FY 2015	1,225,175,057	13,128,754		4,397,812		1,242,701,623
FY 2016	1,372,719,992	14,680,974		4,904,883		1,392,305,849
FY 2017	1,312,856,719	16,206,348		4,904,882		1,333,967,949
FY 2018**	857,732,104	13,117,740		439,444		871,289,288
<b>Cumulative Transfers</b>	<b>\$ 21,859,316,348</b>	<b>\$ 96,159,030</b>	<b>\$ 5,387,724,273</b>	<b>\$ 191,558,974</b>	<b>\$ 171,067,884</b>	<b>\$ 27,705,826,509</b>

\*Includes HHSC Graduate Medical Education and Tertiary Care

\*\*As of April 2018 revenue transfer

Source: with the exception of FY2018, Audited Financial Statements

Texas Lottery Commission						
Unaudited Monthly Detail of Revenue Transfers and Allocations to the State of Texas						
FY 2018 Accrued Revenue Transfers Transfer Period	Transfer Date*	Foundation School Fund	Texas Veterans Commission	Unclaimed Prizes	Total Accrued Revenue Transfers	Reserve For Administration Expenditures
September-17	10/09/17	83,341,221	1,319,918	-	84,661,138	27,717,752
October-17	11/08/17	88,827,168	1,393,291	-	90,220,460	29,386,283
November-17	12/11/17	95,596,463	1,131,090	12,990,116	109,717,669	30,341,654
December-17	01/11/18	105,638,567	1,285,539	-	106,924,106	34,855,723
January-18	02/07/18	109,406,105	1,952,781	-	111,358,886	34,840,108
February-18	03/08/18	97,316,064	1,815,612	10,971,420	110,103,096	32,018,327
March-18	04/09/18	122,800,619	1,387,022	-	124,187,641	38,921,771
April-18	05/09/18	132,940,715	1,175,576	-	134,116,291	1,890,826
<b>Total FY 2018</b>		<b>835,866,923</b>	<b>11,460,828</b>	<b>23,961,536</b>	<b>871,289,288</b>	<b>229,972,446</b>

FY 2018 Reserve for Administration 229,972,446

Quarterly Detail of Unclaimed Prizes Transferred to the State of Texas					
FY 2018 Accrued Revenue Transfers Transfer Period	Transfer Date	Foundation School Fund	Texas Veterans Commission	Multicategorical Teaching Hospital Account	Total Accrued Revenue Transfers
November-17	12/12/17	10,893,761	1,656,911.8	439,444	12,990,116
February-18	03/08/18	10,971,420	-	-	10,971,420
<b>Total FY 2018</b>		<b>21,865,181</b>	<b>1,656,912</b>	<b>439,444</b>	<b>23,961,536</b>

\* Current month transfers to Foundation School Fund and Texas Veterans Commission are due by 15th of each month.

**TEXAS LOTTERY COMMISSION**  
**Unaudited Transfer Calculation for Fund 5025**  
**For the Period April 30, 2018**

	April Final	Year-to-Date	% Sales by Game
<b>Sales Revenue</b>			
Scratch Tickets	\$ 393,137,131.50	\$ 2,927,968,271.75	78.28%
Lotto Texas	10,460,999.00	77,573,746.00	2.07%
Lotto Texas Extra	2,362,376.00	17,062,167.50	0.46%
Pick 3	21,519,316.50	170,115,788.50	4.55%
Pick 3- Sum It Up	425,907.00	3,397,358.50	0.09%
Cash Five	3,465,023.00	28,307,093.00	0.76%
Texas Two-Step	5,001,496.00	35,791,152.00	0.96%
Mega Millions	12,644,898.00	142,318,723.00	3.80%
Megaplier	2,091,322.00	23,132,201.00	0.62%
MM Just the Jackpot	90,123.00	1,144,992.00	0.03%
Daily 4	8,870,219.00	71,635,852.00	1.92%
Daily 4 - Sum It Up	461,005.50	3,864,619.50	0.10%
Powerball	15,783,743.00	183,332,368.00	4.90%
Power Play	2,523,574.00	27,140,207.00	0.73%
All or Nothing	2,364,628.00	19,383,755.00	0.52%
Texas Triple Chance	921,306.00	8,263,621.00	0.22%
<b>Sub-total Sales Revenue</b>	<b>482,123,067.50</b>	<b>3,740,431,915.75</b>	<b>100.00%</b>
Retailer Fees	27,960.00	263,512.50	
<b>Total Sales Revenue</b>	<b>\$ 482,151,027.50</b>	<b>\$ 3,740,695,428.25</b>	
<b>Prize Expenses</b>			
			<b>Prize Expenses as % of Revenue</b>
Scratch Tickets	277,672,071.07	2,058,380,915.63	70.30%
Lotto Texas	5,245,473.03	44,414,142.03	57.25%
Lotto Texas Extra	1,212,656.00	9,496,320.00	55.66%
Pick 3	11,456,210.00	84,187,910.00	49.49%
Pick 3- Sum It Up	199,982.00	1,554,235.00	45.75%
Cash Five	1,732,511.50	14,153,546.50	50.00%
Texas Two-Step	2,447,243.09	17,802,673.25	49.74%
Mega Millions	6,443,534.78	74,276,889.10	52.19%
Megaplier	1,019,640.50	11,691,063.00	50.54%
MM Just the Jackpot	44,888.92	569,615.94	49.75%
Daily 4	4,047,475.00	37,519,300.00	52.38%
Daily 4 - Sum It Up	142,847.00	1,515,075.00	39.20%
Powerball	7,622,977.00	91,561,583.00	49.94%
Power Play	1,222,965.50	13,559,091.00	49.96%
All or Nothing	1,101,364.00	11,530,386.00	59.48%
Texas Triple Chance	414,123.00	4,052,098.00	49.04%
<b>Sub-total Prize Expenses</b>	<b>322,025,962.39</b>	<b>2,476,264,843.45</b>	<b>66.20%</b>
Less:			
Unclaimed Prizes - Transferred in FY18	-	(23,961,536.38)	
Unclaimed Prizes - Prior Month(s) Accrual*	-	(10,081,476.57)	
Unclaimed Prizes - Current Month Accrual	(3,523,345.77)	(3,523,345.77)	
Sub-total Unclaimed Prizes	(3,523,345.77)	(37,566,358.72)	
<b>Sub-total Prize Expenses as Adjusted for Unclaimed Prizes</b>	<b>\$ 318,502,616.62</b>	<b>\$ 2,438,698,484.73</b>	<b>65.19%</b>
Retailer Commissions	24,117,948.24	187,130,388.00	5.00%
<b>Total Expenses</b>	<b>\$ 342,620,564.86</b>	<b>\$ 2,625,828,872.73</b>	
<b>Amount Available to Transfer</b>	<b>\$ 139,530,462.64</b>	<b>\$ 1,114,866,555.52</b>	

	April Final	Year-to-Date
<b>Amount Available to Transfer</b>	<b>\$ 139,530,462.64</b>	<b>\$ 1,114,866,555.52</b>
Less:		
Total AY18 Foundation School Fund Transfers to Date		(702,926,208.12)
Total AY18 Texas Veterans Commission Transfers to Date		(10,285,252.42)
Unclaimed Prizes - Transferred in FY18	-	(23,961,536.38)
Unclaimed Prizes - Prior Month(s) Accrual*	-	(10,081,476.57)
Unclaimed Prizes - Current Month Accrual	(3,523,345.77)	(3,523,345.77)
Sub-total Unclaimed Prizes	(3,523,345.77)	(37,566,358.72)
FY18 Administrative Expenses Allocation through 04/30/18	(1,890,826.14)	(229,972,445.53)
<b>Current Month Amount Available to Transfer</b>	<b>\$ 134,116,290.73</b>	<b>\$ 134,116,290.73</b>
Current Month Transfer to Texas Veterans Commission	1,175,575.56	1,175,575.56
Current Month Transfer to Foundation School Fund	132,940,715.17	132,940,715.17
<b>Total Transferred for Current Month</b>	<b>\$ 134,116,290.73</b>	<b>\$ 134,116,290.73</b>

\*Unclaimed Prizes are transferred on a quarterly basis

\*Totals may not sum due to rounding.



## Texas Lottery Commission Summary Financial Information

(Audited unless otherwise noted)

	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
<b>SALES:</b>										
Total Sales	\$591,570,852	\$1,856,090,753	\$2,760,217,110	\$3,036,517,308	\$3,432,309,408	\$3,745,469,123	\$3,090,031,624	\$2,571,599,617	\$2,657,290,483	\$2,825,298,062
<b>EXPENSE:</b>										
Total Prize Expense	\$268,869,533	\$981,698,406	\$1,528,691,259	\$1,689,345,205	\$1,951,060,296	\$2,151,737,003	\$1,648,106,270	\$1,329,014,108	\$1,508,849,679	\$1,643,183,197
Prize Payout Percentage	45.5%	52.9%	55.4%	55.6%	56.8%	57.4%	53.3%	51.7%	56.8%	58.2%
Commissions	\$29,578,543	\$92,815,046	\$138,011,596	\$151,845,090	\$171,719,838	\$187,394,765	\$154,581,140	\$128,827,796	\$133,000,980	\$141,299,672
Retailer Payments	\$4,282,752	\$6,107,225	\$6,107,225	\$6,942,860	\$5,429,790	\$6,019,956	\$5,596,251	\$4,482,957	\$4,390,015	\$5,048,075
Administrative Expenses	\$45,116,542	\$124,873,791	\$166,644,017	\$188,383,295	\$217,499,396	\$236,216,507	\$198,286,932	\$169,307,159	\$172,193,140	\$172,823,281
<b>UNCLAIMED PRIZES:</b>										
Unclaimed Prizes Transferred to State	-	-	-	\$2,647,094	\$7,284,316	\$2,982,148	-	\$9,688,000	\$35,517,171	\$38,939,061
<b>ACCRUED TRANSFERS:</b>										
To General Revenue Fund	\$249,978,109	\$656,844,512	\$927,684,072	\$1,015,037,492	\$1,098,323,023	\$1,008,543,523	-	-	\$35,517,171	\$4,482,829
To Multicategorical Teaching Hospital Account	-	-	-	-	-	-	-	-	-	\$34,456,232
To Tertiary Care Facility Account	-	-	-	-	-	-	-	-	-	-
To HHSC Graduate Medical Program	-	-	-	-	-	-	-	-	-	-
To Foundation School Fund	-	-	-	-	-	\$174,237,106	\$1,097,795,590	\$953,370,758	\$827,328,229	\$825,059,846
To Texas Veterans Commission	-	-	-	-	-	-	-	-	-	-
Total Accrued Transfers to State	\$249,978,109	\$656,844,512	\$927,684,072	\$1,015,037,492	\$1,098,323,023	\$1,182,780,629	\$1,097,795,590	\$953,370,758	\$862,845,399	\$863,998,907
	<b>FY 02</b>	<b>FY 03</b>	<b>FY 04</b>	<b>FY 05</b>	<b>FY 06</b>	<b>FY 07</b>	<b>FY 08</b>	<b>FY 09</b>	<b>FY 10</b>	<b>FY 11</b>
<b>SALES:</b>										
Total Sales	\$2,966,262,259	\$3,130,692,602	\$3,487,924,570	\$3,662,462,838	\$3,774,685,562	\$3,774,178,802	\$3,671,477,953	\$3,720,113,711	\$3,738,369,487	\$3,811,270,135
<b>EXPENSE:</b>										
Total Prize Expense	\$1,715,355,958	\$1,845,198,257	\$2,068,643,667	\$2,228,000,419	\$2,310,561,488	\$2,315,304,967	\$2,281,125,261	\$2,299,752,567	\$2,300,182,561	\$2,387,243,785
Prize Payout Percentage	57.8%	58.9%	59.3%	60.8%	61.2%	61.3%	62.1%	61.8%	61.5%	62.6%
Commissions	\$148,359,044	\$156,554,911	\$174,413,287	\$183,176,006	\$188,818,621	\$188,751,041	\$183,771,055	\$186,145,362	\$187,302,974	\$190,808,232
Retailer Payments	\$4,172,483	\$3,606,784	\$2,143,103	\$4,286,558	\$2,804,521	\$4,423,161	\$1,953,223	\$1,926,785	\$8,857,990	\$21,424,731
Administrative Expenses	\$166,748,438	\$158,329,321	\$180,818,463	\$178,795,994	\$184,901,385	\$182,731,292	\$167,594,360	\$192,447,630	\$185,283,677	\$184,320,962
<b>UNCLAIMED PRIZES:</b>										
Unclaimed Prizes Transferred to State	\$69,618,383	\$66,993,269	\$41,581,437	\$60,764,140	\$54,222,589	\$58,947,388	\$54,134,747	\$62,732,496	\$66,591,791	\$53,775,634
<b>ACCRUED TRANSFERS:</b>										
To General Revenue Fund	\$40,000,000	-	\$19,465,000	\$22,880,577	\$44,222,589	\$48,947,388	\$44,134,747	\$52,732,496	\$56,591,791	\$43,249,367
To Multicategorical Teaching Hospital Account	\$29,618,383	\$66,993,269	\$10,782,342	\$9,217,658	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
To Tertiary Care Facility Account	-	-	-	-	-	-	-	-	-	-
To HHSC Graduate Medical Program	-	-	\$11,334,095	\$28,665,905	-	-	-	-	-	-
To Foundation School Fund	\$859,263,426	\$882,094,795	\$1,009,447,487	\$1,009,538,729	\$1,036,110,469	\$1,034,072,617	\$980,744,256	\$999,421,562	\$961,885,417	\$961,885,417
To Texas Veterans Commission	-	-	-	-	-	-	-	-	-	-
Total Accrued Transfers to State	\$928,881,809	\$949,088,064	\$1,051,028,924	\$1,070,302,869	\$1,090,333,058	\$1,093,020,005	\$1,034,879,002	\$1,062,154,058	\$1,063,084,879	\$1,023,782,895
	<b>FY 12</b>	<b>FY 13</b>	<b>FY 14</b>	<b>FY 15</b>	<b>FY 16</b>	<b>FY 17</b>	<b>FY 18*</b>	<b>FY 19</b>	<b>FY 20</b>	<b>Cumulative Unaudited</b>
<b>SALES:</b>										
Total Sales	\$4,190,815,913	\$4,376,286,456	\$4,384,597,063	\$4,529,700,425	\$5,067,517,923	\$5,077,461,652	\$3,740,431,916	\$3,740,431,916	\$3,740,431,916	\$93,670,643,604
<b>EXPENSE:</b>										
Total Prize Expense	\$2,632,624,266	\$2,767,359,068	\$2,741,184,820	\$2,858,319,409	\$3,186,430,316	\$3,237,375,437	\$2,476,264,843	\$2,476,264,843	\$2,476,264,843	\$56,371,482,043
Prize Payout Percentage	62.8%	63.2%	62.5%	63.1%	62.9%	64.2%	66.2%	66.2%	66.2%	60.2%
Commissions	\$209,816,328	\$218,892,925	\$219,540,166	\$226,667,064	\$253,512,424	\$253,928,168	\$187,130,388	\$187,130,388	\$187,130,388	\$4,686,662,461
Retailer Payments	\$16,061,583	\$17,940,232	\$17,959,225	\$17,993,225	\$19,793,946	\$22,368,417	\$8,218,211	\$8,218,211	\$8,218,211	\$228,138,127
Administrative Expenses	\$169,440,523	\$181,966,473	\$185,435,445	\$189,334,443	\$206,170,765	\$215,911,246	\$124,309,967	\$124,309,967	\$124,309,967	\$4,745,884,447
<b>UNCLAIMED PRIZES:</b>										
Unclaimed Prizes Transferred to State	\$51,743,502	\$59,870,140	\$78,324,661	\$76,225,020	\$83,552,791	\$69,676,919	\$23,961,536	\$23,961,536	\$23,961,536	\$1,129,774,233
<b>ACCRUED TRANSFERS:</b>										
To General Revenue Fund	\$45,431,754	\$53,657,834	-	\$4,397,812	\$4,904,883	\$4,904,882	\$439,444	\$439,444	\$439,444	\$5,387,724,273
To Multicategorical Teaching Hospital Account	\$5,750,000	\$5,750,000	\$5,411,953	-	-	-	-	-	-	\$191,558,974
To Tertiary Care Facility Account	-	-	-	-	-	-	-	-	-	\$131,067,884
To HHSC Graduate Medical Program	-	-	-	-	-	-	-	-	-	\$40,000,000
To Foundation School Fund	\$1,099,034,712	\$1,148,515,795	\$1,203,771,931	\$1,225,175,057	\$1,372,719,992	\$1,312,856,719	\$857,732,104	\$857,732,104	\$857,732,104	\$21,859,316,348
To Texas Veterans Commission	\$5,306,574	\$6,178,158	\$11,539,037	\$13,128,754	\$14,680,974	\$16,206,348	\$13,117,740	\$13,117,740	\$13,117,740	\$96,159,030
Total Accrued Transfers to State	\$1,155,523,040	\$1,214,101,786	\$1,220,722,920	\$1,242,701,623	\$1,392,305,849	\$1,333,967,949	\$871,289,288	\$871,289,288	\$871,289,288	\$27,705,826,510

(1) Includes transfers from sales and unclaimed prizes

\*Through April, 2018

\* Totals may not sum due to rounding.

Prepared by: Office of the Controller



Texas Lottery Commission  
 Annual Budget Report By Strategy  
 Fiscal Year 2018  
 From 9/1/2017 Through 02/28/18  
 (In Millions)

Fund 5025 - Lottery Dedicated Account						
Strategy	Strategy Title	Budget	YTD Expenditures	YTD Encumbrance	Total Budget Variance	% Expended/Encumbered
A.1.1	Lottery Operations	\$ 6.90	\$ 3.50	\$ 3.24	\$ 0.16	97.8%
A.1.2	Lottery Field Operations	2.95	1.36	1.45	0.14	95.4%
A.1.3	Marketing and Promotion	6.55	1.93	2.45	2.17	66.9%
A.1.4	Security	5.59	2.34	2.77	0.49	91.3%
A.1.5	Central Administration	12.20	5.43	5.90	0.88	92.8%
A.1.6	Lottery Operator Contract	109.28	53.82	53.55	1.92	98.2%
A.1.7	Instant Ticket Production Contract	31.12	5.94	8.88	16.29	47.7%
A.1.8	Mass Media Advertising Contract	24.63	7.23	8.58	8.83	64.2%
A.1.9	Drawing and Broadcast Contract	2.67	1.10	1.54	0.03	98.7%
A.1.10	Market Research Contract	0.01	-	-	0.01	0.0%
A.1.11	Retailer Bonus	4.20	0.59	-	3.61	14.0%
A.1.12	Retailer Commissions	24.73	7.50	-	17.23	30.3%
<b>Total Fund 5025 - Lottery Dedicated Account</b>		<b>\$ 230.83</b>	<b>\$ 90.73</b>	<b>\$ 88.35</b>	<b>\$ 51.75</b>	<b>77.6%</b>
<b>Reconciliation to General Appropriations Act:</b>						
Article IX, Section 8.02, Third Party Reimbursements		(0.86)				
Article IX, Section 14.01, Appropriation Transfers		0.12				
Article IX, Section 17.03, PR Cont-Health Ins (2018-19 GAA)		0.20				
Article IX, Section 17.06, PR Cont - Retire (2018-19 GAA)		0.10				
Unbudgeted Appropriation Authority		0.18				
<b>Total Fund 5025, General Appropriations Act</b>		<b>\$ 230.57</b>				

Fund 5175 - Bingo Administration Fund						
Strategy	Strategy Title	Budget	YTD Expenditures	YTD Encumbrance	Total Budget Variance	% Expended/Encumbered
B.1.1	Bingo Licensing	\$ 0.64	\$ 0.30	\$ 0.32	\$ 0.02	97.0%
B.1.2	Bingo Education and Development	0.10	0.04	0.05	0.01	94.3%
B.1.3	Bingo Law Compliance Field Oper.	1.46	0.53	0.69	0.24	83.3%
B.1.4	Bingo Prize Fee Collection & Acct.	0.29	0.11	0.14	0.04	87.6%
B.1.4	Bingo Prize Fee Allocation	14.48	(0.00)	-	14.48	0.0%
<b>Total Fund 5175 - Bingo Administration Fund</b>		<b>\$ 16.97</b>	<b>\$ 0.99</b>	<b>\$ 1.20</b>	<b>\$ 14.79</b>	<b>12.9%</b>
<b>Reconciliation to General Appropriations Act:</b>						
Rider 8, Local Bingo Prize Fee (2018-19 GAA)		(14.48)				
Article IX, Section 17.06, PR Cont - Retire (2018-19 GAA)		0.01				
Article IX, Section 17.03, PR Cont-Health Ins (2018-19 GAA)		0.02				
Article IX, Section 14.01 Appropriation Transfers		0.01				
Unbudgeted Appropriation Authority		0.02				
<b>Total Fund 5175, General Appropriations Act</b>		<b>\$ 2.55</b>				

Totals may not sum due to rounding.

**TEXAS LOTTERY COMMISSION**  
**FY 2018 METHOD OF FINANCING SUMMARY**  
**From 9/1/2017 Through 02/28/2018**

**LOTTERY-FUND 5025**

<b>FY 2018 Original Appropriation</b>	<b>\$ 230,568,190</b>
Add: Article IX, Section 8.02, Third Party Reimbursements	856,998
Less: Unbudgeted Appropriation Authority	(175,732)
Article IX, Section 17.03, PR Cont-Health Ins (2018-19 GAA)	(198,058)
Article IX, Section 17.06, PR Cont - Retire (2018-19 GAA)	(99,029)
Article IX, Section 14.01, Appropriation Transfers	(122,926)

**FY 2018 Adjusted Appropriation** **\$ 230,829,443**

YTD Expenditures/Encumbrances (179,082,884)

**Remaining Budget** **\$ 51,746,559**

% of Total Budget Expended/Encumbered 77.6%

**BINGO-FUND 5175**

<b>FY 2018 Original Appropriation</b>	<b>\$ 2,549,315</b>
Add: Rider 8, Local Bingo Prize Fee (2018-19 GAA)	14,480,500
Less: Unbudgeted Appropriation Authority	(15,678)
Article IX, Section 17.03, PR Cont-Health Ins (2018-19 GAA)	(22,026)
Article IX, Section 17.06, PR Cont - Retire (2018-19 GAA)	(11,013)
Article IX, Section 14.01, Appropriation Transfers	(9,599)

**FY 2018 Adjusted Appropriation** **\$ 16,971,499**

YTD Expenditures/Encumbrances (2,186,414)

**Remaining Budget** **\$ 14,785,085**

% of Total Budget Expended/Encumbered 12.9%



Texas Lottery Commission  
 Encumbrance Budget Report - Annual Budget Report-Strategy  
 FY 2018  
 From 9/1/2017 Through 2/28/2018

**Fund 5025 - Lottery Dedicated Account**

Account Code	Strategy Title	Budget	YTD Expenditures	YTD Encumbrance	Total Budget Variance	% Expended/ Encumbered
A.1.1	Lottery Operations	6,895,514.82	3,501,128.63	3,239,284.71	155,101.48	97.75%
A.1.2	Lottery Field Operations	2,945,832.35	1,356,684.13	1,453,221.76	135,926.46	95.39%
A.1.3	Marketing and Promotion	6,552,434.87	1,930,160.40	2,450,586.25	2,171,688.22	66.86%
A.1.4	Security	5,593,716.49	2,336,970.62	2,771,225.61	485,520.26	91.32%
A.1.5	Central Administration	12,198,626.65	5,425,738.65	5,895,974.07	876,913.93	92.81%
A.1.6	Lottery Operator Contract	109,284,032.00	53,819,809.64	53,545,063.26	1,919,159.10	98.24%
A.1.7	Instant Ticket Production Contract	31,116,547.17	5,944,379.69	8,882,953.18	16,289,214.30	47.65%
A.1.8	Mass Media Advertising Contracts	24,633,448.00	7,228,224.19	8,578,401.98	8,826,821.83	64.17%
A.1.9	Drawing and Broadcast Contract	2,668,828.00	1,097,990.80	1,537,187.20	33,650.00	98.74%
A.1.10	Market Research Contract	14,450.00	0.00	0.00	14,450.00	0.00%
A.1.11	Retailer Bonus	4,200,000.00	587,899.66	0.00	3,612,100.34	14.00%
A.1.12	Retailer Commissions	24,726,013.00	7,499,999.95	0.00	17,226,013.05	30.33%
	<b>Total 5025 - Texas Lottery Dedicated Account</b>	<b>230,829,443.35</b>	<b>90,728,986.36</b>	<b>88,353,898.02</b>	<b>51,746,558.97</b>	<b>77.58%</b>

Texas Lottery Commission  
 Encumbrance Budget Report - Annual Budget Report-Strategy  
 FY 2018  
 From 9/1/2017 Through 2/28/2018

**5175 - Bingo Administration Fund**

Strategy	Strategy Title	Budget	YTD Expenditures	YTD Encumbrance	Total Budget Variance	% Expended/ Encumbered
B.1.1	Bingo Licensing	643,056.47	304,506.34	318,940.52	19,609.61	96.95%
B.1.2	Bingo Education and Development	96,010.83	42,432.86	48,095.58	5,482.39	94.29%
B.1.3	Bingo Law Compliance Field Oper	1,459,554.87	527,873.33	688,516.94	243,164.60	83.34%
B.1.4	Bingo Prize Fee Collection & Accting	292,377.10	113,155.07	143,106.32	36,115.71	87.65%
B.1.4	Bingo Prize Fee Allocation	14,480,500.00	(212.24)	0.00	14,480,712.24	0.00%
	Total Fund 5175 - Bingo Administration Fund	<u>16,971,499.27</u>	<u>987,755.36</u>	<u>1,198,659.36</u>	<u>14,785,084.55</u>	<u>12.88%</u>

Texas Lottery Commission  
 Quarterly Budget Report  
 Fiscal Year 2018  
 From 9/1/2017 Through 2/28/18

Fund 5025 - Lottery Dedicated Account

Account Code	Account Title	Budget	YTD Expenditures	YTD Encumbrance	Total Budget Variance	% Expended/ Encumbered
6001	Salaries and Wages	\$ 19,369,915	\$ 9,261,759	\$ 10,036,920	\$ 71,236	99.6%
6003	Longevity Pay	398,060	188,500	209,560	-	100.0%
6004	Merit Pool	158,794	-	-	158,794	0.0%
6005	Professional Fees & Services	6,079,783	2,228,073	3,550,457	301,253	95.0%
6006	Lottery Operator Contract	109,118,852	53,654,630	53,545,063	1,919,159	98.2%
6007	Advertising	24,639,448	7,228,224	8,578,402	8,832,822	64.2%
6008	Retailer Bonus	28,926,013	8,087,900	-	20,838,113	28.0%
6009	Printing and Reproduction	30,123,236	6,049,727	9,112,695	14,960,814	50.3%
6015	Other Operating Costs	11,482,242	3,922,912	3,320,801	4,238,529	63.1%
6020	Travel	313,100	90,953	-	222,147	29.0%
6021	Out of State Travel	110,000	16,309	-	93,691	14.8%
6071	Capital Expenditures	110,000	-	-	110,000	0.0%
<b>Total Fund 5025 - Lottery Dedicated Account</b>		<b>\$ 230,829,443</b>	<b>\$ 90,728,986</b>	<b>\$ 88,353,898</b>	<b>\$ 51,746,559</b>	<b>77.6%</b>

Texas Lottery Commission  
 Quarterly Budget Report  
 Fiscal Year 2018  
 From 9/1/2017 Through 2/28/18

Fund 5175 - Bingo Administration Fund

Account Code	Account Title	Budget	YTD Expenditures	YTD Encumbrance	Total Budget Variance	% Expended/Encumbered
6001	Salaries and Wages	\$ 2,209,849	\$ 892,118	\$ 1,105,224	\$ 212,507	90.4%
6003	Longevity Pay	44,660	21,360	23,280	20	100.0%
6004	Merit Pool	28,168	-	-	28,168	0.0%
6005	Professional Fees & Services	98,579	40,054	58,526	-	100.0%
6015	Other Operating Costs	63,243	17,331	11,630	34,283	45.8%
6020	Travel	41,500	17,105	-	24,395	41.2%
6021	Out of State Travel	5,000	-	-	5,000	0.0%
6030	Grants	14,480,500	(212)	-	14,480,712	0.0%
<b>Total Fund 5175 - Bingo Administration Fund</b>		<b>\$ 16,971,499</b>	<b>\$ 987,755</b>	<b>\$ 1,198,659</b>	<b>\$ 14,785,085</b>	<b>12.9%</b>