



**LOUISIANA LOTTERY CORPORATION**  
**A COMPONENT UNIT OF THE STATE OF LOUISIANA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2021 AND 2020**

**LOUISIANA LOTTERY CORPORATION**  
**A COMPONENT UNIT OF THE STATE OF LOUISIANA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2021 AND 2020**

**PREPARED BY ACCOUNTING DEPARTMENT**

**KAREN B. FOURNET**

**SENIOR VICE PRESIDENT**

**SECRETARY TREASURER**

**LOUISIANA LOTTERY CORPORATION  
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COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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September 24, 2021

Board of Directors, Louisiana Lottery Corporation  
Rose J. Hudson, President, Louisiana Lottery Corporation

## **INTRODUCTION**

The Louisiana Lottery Corporation is pleased to submit its Comprehensive Annual Financial Report for the fiscal years ended June 30, 2021 and 2020. Lottery management is responsible for the accuracy and completeness of all data and disclosures in this report. To the best of our knowledge, the information presented is accurate and complete in all material respects and fairly depicts the financial activities and position of the Lottery.

This report is organized into four sections. The introductory section includes this letter of transmittal and an organizational chart. The financial section includes the independent auditor's report, management's discussion and analysis, and the audited financial statements with accompanying notes. Historical, demographic, and industry comparative data are presented in the statistical section of this report. A report on compliance and internal control is included in the last section.

The Louisiana Lottery Corporation was created in October 1990 and began operating on January 15, 1991. Ticket sales began on September 6, 1991. The mission is to generate the maximum revenue for the state of Louisiana while upholding the highest standards of integrity and public trust.

The Lottery is considered a component unit of the State of Louisiana and is reported as a discrete component unit within the state's Comprehensive Annual Financial Report. The fund is operated in a manner similar to a private business enterprise.

During its 30 years of operation, the Lottery has offered a variety of instant and draw-style products. The instant games consist of preprinted "scratch-off" tickets, which contain various symbols and captions covered by latex material. Players instantly determine the winning or non-winning status of their tickets by removing the latex. Draw-style game tickets are produced through terminals at lottery

retailer locations based on player instructions for number selection. Drawings are conducted to determine winning combinations. An instant-win fast play game was introduced at the end of the 2021 fiscal year. Tickets are produced at retailer terminals with an instant indication of any prize winnings. Historical data for all lottery products are presented in the financial and statistical sections of this report.

## **FINANCIAL CONDITION, ACCOMPLISHMENTS, AND POLICIES**

Current year operating performance was very positive. Total sales of \$625.0 million were \$164.5 million above budget and \$115.8 million higher than 2020 fiscal year results. Payments to the state treasury were \$45.9 million above the budgeted amount and \$28.3 million more than the previous year. Sales and statutory required transfers to the state were at the highest levels ever in the thirty-year history of the Lottery. General operating expenses were \$1.4 million under budget. Net position was \$12.5 million as of June 30, 2021.

Cash and investments were \$52.7 million as of June 30, 2021. These funds are available to fund current liabilities for prizes and operations, supplement the long-term funding of enhanced instant game prizes, provide some reserves for funding potential prize liabilities, and maintain some financial protection from future unexpected costs. Liquidity is stable because working capital is continuously replenished through the weekly collection of net sales proceeds from Lottery retailers.

Investment policies and cash forecasting methods have generated interest earnings of approximately \$1.1 million. Cash positions not needed for daily funding of operations are invested in a money market mutual fund or an intermediate-term investment portfolio.

An analysis of comparative financial data is included in *Management's Discussion and Analysis* beginning on page 11. The notes to the financial statements that begin on page 24 contain information about investments (note 3), prize liabilities (note 8), risk management (note 12), and net position (note 14). A historical perspective of the Corporation's performance and financial condition is included in the statistical section beginning on page 41.

## **GOVERNMENT FINANCE OFFICERS ASSOCIATION CERTIFICATE OF ACHIEVEMENT**

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting (page 7) to the Louisiana Lottery Corporation for its comprehensive annual financial report for the fiscal year ended June 30, 2020. This was the twenty third consecutive year that the Lottery has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

## **ORGANIZATIONAL INFORMATION**

### **Enterprise Operations**

The corporate structure of the Lottery enables it to be managed in an entrepreneurial and business-like manner. The Louisiana Lottery's basic business purpose is to provide enjoyable and secure lottery games to the people of the state of Louisiana while maximizing transfers to the state's Lottery Proceeds Fund. The operations involve the sale of lottery tickets, the determination of winning tickets, the payment of prizes, compensation to lottery retailers, and all necessary administrative functions. As intended by the enabling statutes, the Corporation is accountable to the governor, the legislature, and the people of the state through a system of audits, reports, legislative oversight, and thorough financial disclosure.

Operational results are included in the financial and statistical sections of this report.

### **Internal Control Framework**

Management is responsible for the design and operation of the control environment and corporate policies and procedures. An effective control system operating as intended prevents or detects material errors or misstatements. Inherently, most controls cannot provide complete effectiveness and the cost of operating the controls should not exceed the anticipated benefits. However, the internal control structure should provide reasonable assurance that corporate objectives will be achieved in the following categories:

- Reliability of financial reporting
- Safeguarding of corporate assets
- Compliance with applicable laws and regulations

Management has assigned responsibilities and designed processes to prevent potential conflicts of interest or unilateral control of critical functions. The Lottery has segregated duties in several key areas including the following:

- Human resources and payroll processing
- Daily cash management and bank account reconciliations
- Cash disbursement authorization and bank account reconciliations
- Purchasing and accounts payable
- Cash disbursement authorization and accounts payable
- Retailer licensing and retailer accounts receivable
- General ledger accounts receivable and retailer accounts receivable

- Data center processing and programming
- Drawing department and information systems department

Operational policies and procedures have been established to communicate management guidelines and requirements for daily operations. Employee compliance with these standards is constantly monitored and evaluated.

### **Budgetary Controls**

The Corporation is required to submit its annual fiscal year budget to the Board of Directors and the Joint Legislative Committee on the Budget for review and approval. All levels of management are involved in the budgeting process. Available resources are determined based on projected revenue and are allocated to specific areas based on the goals and objectives contained in the Lottery's strategic plan. Operational efficiency is emphasized to direct resources to areas that are expected to maximize revenues, profitability, and the return to the State of Louisiana.

Actual performance is compared to the approved budget monthly. Variances are monitored, and plans are reviewed for potential adjustments.

### **Cash Management**

Cash due from retailers for lottery transactions is collected on a weekly basis through an electronic funds transfer system and deposited into an operating account. Operating cash balances are used to fund daily lottery operations such as prize and vendor payments. Some cash is invested in a U.S. government securities money market mutual fund. Funds not needed for liquidity purposes are invested in a portfolio of intermediate-term U.S. government and agency securities. All investment purchases are restricted by guidelines contained in a board-adopted Investment Policy Statement and all associated state statutes.

### **Risk Management**

The Lottery has purchased various commercial insurance policies for protection from significant economic loss. These policies include coverage for standard automobile liability, general liability, worker's compensation claims, property, electronic data processing equipment, crimes against the corporation, directors' and officers' liability, errors and omissions, cyber risk liability, and retirement plan fiduciary liability. In addition, contracts for major purchases of goods or services contain requirements for vendor indemnification of the Lottery and vendor insurance and performance bond coverages. Management has also segregated a portion of net position for a litigation and prize reserve to cover unanticipated losses.

### **MAJOR INITIATIVES**

Management has developed a vision statement and a long-term strategic plan. The vision statement reads as follows:



“We are a dynamic, dedicated team of innovative professionals using cutting-edge technology to produce fun and engaging products for our customers.”

The strategic plan supports this vision through projects structured toward innovation, increased customer value, operational improvements, corporate citizenship, improved workforce competence and skills, effective information and technology systems, and supportive values and practices.

The plan and related projects were implemented in the 2011-2012 fiscal year, have been updated periodically, and will continue in the 2021-2022 fiscal year.

## **INDEPENDENT AUDIT**

The Louisiana Legislative Auditor performs an annual audit of the Lottery’s financial statements as required by Louisiana statutes. The audits are conducted in accordance with generally accepted auditing standards and generally accepted government auditing standards. The independent auditor’s opinion on the Lottery’s financial statements for the years ended June 30, 2021, and June 30, 2020, is included in the financial section of this report.

## **ACKNOWLEDGMENTS**

The Accounting Department staff prepared each section of the Comprehensive Annual Financial Report. Their efforts have greatly contributed to the success of this informative document. In addition, we appreciate the efforts of the Legislative Auditor’s Office in providing assistance with technical requirements.

We are committed to providing thorough and relevant financial information to the users of our financial statements. Our preparation of this Comprehensive Annual Financial Report reflects this commitment. The additional presentations and disclosures required will assist readers in obtaining an understanding of the Lottery’s historical and current financial results.

Respectfully submitted,

LOUISIANA LOTTERY CORPORATION



James F. Goodrum  
Vice President of Finance and Controller



Karen B. Fournet  
Senior Vice President and Secretary Treasurer

# Louisiana Lottery Corporation Organizational Chart with Principal Officials





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Louisiana Lottery Corporation**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morrill*

Executive Director/CEO



**FINANCIAL SECTION**





LOUISIANA LEGISLATIVE AUDITOR  
MICHAEL J. "MIKE" WAGUESPACK, CPA

September 24, 2021

## Independent Auditor's Report

**BOARD OF DIRECTORS  
LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA**  
Baton Rouge, Louisiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Louisiana Lottery Corporation (Corporation), a component unit of the state of Louisiana, as of and for the years ended June 30, 2021, and June 30, 2020, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control

relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Corporation as of June 30, 2021, and June 30, 2020, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 11 through 18 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Corporation's basic financial statements. The Introductory Section and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Introductory Section and Statistical Section have not been subjected to the auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.



**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 24, 2021, on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

Respectfully submitted,



Michael J. "Mike" Waguespack, CPA  
Legislative Auditor

AB:ETM:RR:EFS:ch

LLC 2021



**LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA  
PROPRIETARY FUND - ENTERPRISE FUND**

**Management's Discussion and Analysis  
For the Years Ended June 30, 2021, and June 30, 2020**

This discussion of the Louisiana Lottery Corporation's financial statements provides an overview and analysis of the Corporation's financial results and position for the fiscal years ended June 30, 2021, and June 30, 2020. Please read it in conjunction with the financial statements and notes to the financial statements.

Our annual report consists of three types of financial statements and accompanying notes that provide narrative explanations and additional details of accounting policies, account balances and activities. Account balances and activities are shown as of and for the fiscal year ended June 30, 2021, with comparative totals for June 30, 2020. The statement of net position; the statement of revenues, expenses, and changes in fund net position; and the notes are presented using the accrual method of accounting. Under this method, financial transactions are recorded when earned or incurred regardless of when cash is received or disbursed. The statement of cash flows reflects cash receipts and disbursements during the fiscal year.

The statement of net position on page 19 includes all assets, liabilities, and net position of the Corporation. Assets consist of money held in investments and bank accounts, amounts owed to the Corporation from licensed lottery retailers and other outside parties, property, and other financial resources. Liabilities represent amounts owed to vendors, employees for wages and benefits, prize winners and the state treasury. Assets and liabilities are classified as either current or noncurrent. A current classification indicates that an asset or liability is expected to be received or paid, respectively, within the subsequent one-year period while a noncurrent classification indicates a period of greater than one year. Net position represents the portion of assets that are not encumbered by liabilities. It serves as an indicator of the net worth of the Corporation.

A summary of the financial results of operations for the reported 12-month period is presented in the statement of revenues, expenses, and changes in fund net position on pages 20 and 21. The categories of activities included on this statement provide reasons for increases or decreases in net position. Operating revenues include sales of lottery tickets and other fees associated with the Corporation's network of retailers and operations. Direct costs and administrative expenses comprise the operating expenses section of this report. Direct costs are variable expenses that fluctuate with the level of sales. Marketing and overhead costs are included in the administrative expenses category. Nonoperating revenues and expenses consist of interest and market value gains or losses from investments, any recognized gain or loss from the disposal of capital assets, and the accrued required remittances to the state as explained in note 15 to the financial statements on page 40.

The statement of cash flows on pages 22 and 23 includes cash receipts and disbursements from operating, noncapital financing, capital financing, and investing activities. This statement also consists of a reconciliation of operating income presented on the accrual basis of accounting to net cash provided by operating activities.

The notes to the financial statements that begin on page 24 present information on accounting policies, cash, investments, accounts receivable, prepaid expenses, capital assets, deposits, prizes payable, vacation and sick leave, changes in noncurrent liabilities, retirement benefits, risk management and contingency, lease and rental commitments, net position, payments to the state treasury, and board of directors. These notes are an integral part of the financial statements.

These statements and notes provide information that is necessary to evaluate the Corporation's financial performance and condition. Each fiscal year's performance affects the end of year financial position. To assist readers with this evaluation, a condensed comparison of financial results between the current year ended June 30, 2021, and the prior years ended June 30, 2020, and June 30, 2019, is presented below followed by further analysis of changes in key performance indicators.

	<b>As of and for the Year Ended June 30, 2021</b>	<b>As of and for the Year Ended June 30, 2020</b>	<b>As of and for the Year Ended June 30, 2019</b>
<b>Operating revenues</b>			
Instant ticket sales-Scratch-Off	\$333,364,160	\$264,626,376	\$225,573,998
Instant ticket sales-Fast Play	405,903		
Draw -style sales	291,175,532	244,483,663	298,393,430
Allowance for uncollectible accounts	(15,899)	10,028	(59,890)
Other operating revenues	5,845	227,852	11,240
<b>Total operating revenues</b>	<b>624,935,541</b>	<b>509,347,919</b>	<b>523,918,778</b>
<b>Nonoperating revenues</b>			
Investment and other income	(151,403)	2,548,060	2,646,049
<b>Total revenues</b>	<b>624,784,138</b>	<b>511,895,979</b>	<b>526,564,827</b>
<b>Operating expenses</b>			
Direct costs:			
Prize expense	353,848,720	277,915,172	285,330,406
Retailer commission and incentives	35,406,569	28,877,437	29,153,104
Other direct costs	9,703,223	7,797,061	8,948,199
Total direct costs	398,958,512	314,589,670	323,431,709
Administrative expenses	18,603,740	18,466,902	18,923,162
<b>Total operating expenses</b>	<b>417,562,252</b>	<b>333,056,572</b>	<b>342,354,871</b>
<b>Nonoperating expenses</b>			
Payments to state treasury	207,497,710	179,159,426	184,318,132
<b>Total expenses</b>	<b>625,059,962</b>	<b>512,215,998</b>	<b>526,673,003</b>
<b>Change in net position</b>	<b>(\$275,824)</b>	<b>(\$320,019)</b>	<b>(\$108,176)</b>
<b>Ending net position</b>	<b>\$12,509,145</b>	<b>\$12,784,969</b>	<b>\$13,104,988</b>

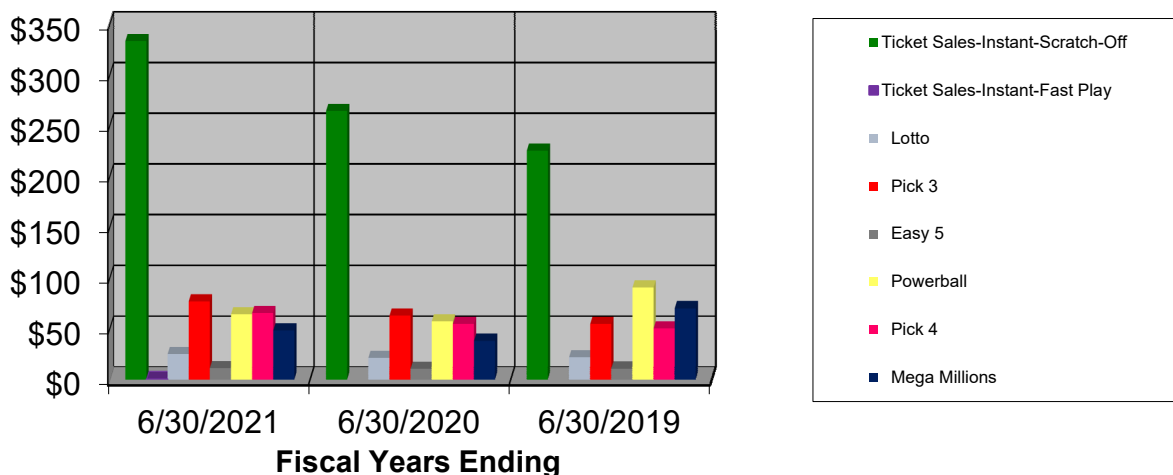
Total revenues were \$624.8 million. The Corporation's annual required statutory transfers to the state treasury generated from operations were \$207.5 million. The reasons for the activity in each component outlined below provide the rationale for these results of operations.

## Operating revenues

The charts presented below reflect sales levels for each of the lottery games offered during the three fiscal years. Discussions of changes in operating revenues follow these charts.

	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>
Ticket Sales-Instant-Scratch-Off	\$333,364,160	\$264,626,376	\$225,573,998
Ticket Sales-Instant-Fast Play	405,903		
<b>Total Instant Sales</b>	<b><u>\$333,770,063</u></b>	<b><u>\$264,626,376</u></b>	<b><u>\$225,573,998</u></b>
<b>Draw-style Sales</b>			
Lotto	\$24,970,154	\$21,228,876	\$21,860,859
Pick 3	77,046,159	62,884,994	54,755,738
Easy 5	11,227,274	10,436,511	10,751,762
Powerball	64,086,034	57,184,920	90,567,612
Pick 4	65,607,488	54,659,474	50,261,424
Mega Millions	48,238,423	38,088,888	70,196,035
<b>Total Draw-Style Sales</b>	<b><u>\$291,175,532</u></b>	<b><u>\$244,483,663</u></b>	<b><u>\$298,393,430</u></b>

### Sales in Millions



Instant scratch-off sales surged by \$68.7 million (26.0%) during the past fiscal year. Strong consumer demand, an effective sales network of licensed lottery retailers, an increase in the average instant prize structure from 62.84% to 64.29%, and effective inventory distribution and management all contributed to the success of this product. The instant Fast Play games were launched on June 28, 2021.

Combined sales for the Pick 3 and Pick 4 daily games exceeded the prior year amounts by \$25.1 million. The jackpot driven games performed better in the 2021 fiscal year because of larger jackpots. Total draw-style sales were higher in fiscal year ended June 30, 2019 mainly because of a \$1.5 billion Mega Millions jackpot in October 2018 and consistently higher Powerball jackpots as compared to the two most current fiscal years.

## **Nonoperating revenues**

Nonoperating revenues include interest earned on investments, minimal other income, and changes in the fair value of investments as follows:

	<u>For the Year Ended June 30, 2021</u>	<u>For the Year Ended June 30, 2020</u>	<u>For the Year Ended June 30, 2019</u>
Interest and Other Income	\$1,158,049	\$1,158,020	\$1,571,547
Change in Fair Value	<u>(1,309,452)</u>	<u>1,390,040</u>	<u>1,074,502</u>
<b>Total</b>	<b><u>(\$151,403)</u></b>	<b><u>\$2,548,060</u></b>	<b><u>\$2,646,049</u></b>

Funds needed for daily liquidity management are either invested in a U.S. government money market fund or remain in the Corporation's main operating bank account. Short-term interest earnings have been very minimal during the 2020 and 2021 fiscal years because the Federal Reserve has maintained interest rates at close to zero as the economy recovers from the COVID-19 pandemic.

The Corporation maintains an intermediate-term portfolio of U.S. government and agency securities to manage fluctuations in short-term investment earnings from year to year and its impact on cash flow in the annual operating budget. Funds not needed for liquidity and working capital purposes are invested in this portfolio. The three-year average annual rate of return at June 30, 2021 is 3.90%.

The changes in fair value in the intermediate-term portfolio were affected by the inverse relationship of the market value of debt securities to market interest rates, the length of time to maturity of the securities in the portfolio, and the timing of purchases and sales. Applicable intermediate market interest rates declined in fiscal years 2019 and 2020 and increased in fiscal year 2021. All changes in fair value would be realized only upon disposal of all investments at the measurement date, each fiscal year end.

Further disclosures on investments and interest rate risk are included in note 3 to the financial statements beginning on page 26.

Total revenues earned during the 2021 and 2020 fiscal years were \$624.8 million and \$511.9 million, respectively. Revenues that are generated each fiscal year are used to fund lottery operations including payment of prizes, retailer compensation, other direct operating costs, administrative expenses, and required payments to the state treasury. Revenue not needed to fund current operations increases net position or if determined to be surplus to the Corporation's future needs, is remitted as an additional transfer to the state treasury. A historical allocation of expenses as a percentage of total revenue is presented in the statistical section of this report on page 50.

## **Direct costs**

Direct costs are expenses that fluctuate directly with the level of sales. Instant and draw-style game prize expense, commission and incentives paid to Lottery retailers, and vendor fees mostly based on a percentage of sales are included in this category. The changes in sales for the three fiscal years resulted in corresponding changes in direct

costs. Total direct costs are approximately between 62% and 64% of sales for each fiscal year presented.

### **Administrative expenses**

The Corporation has maintained high profitability levels for the benefit of the State of Louisiana by controlling its administrative costs each year. These marketing and overhead expenses have remained consistent and under budget during the past twenty fiscal years. The chart on page 49 in the statistical section reflects this consistency and effective cost controls. These efficiencies have enabled the Corporation to maintain financial stability, fund higher instant game prize payouts which generate higher sales and return to the state, and transfer additional surplus funds to the state when available.

### **Payments to state treasury**

Note 15 to the financial statements on page 40 includes a discussion of the statutory requirements for payments to the state treasury. Payments increased by \$28.3 million in fiscal year 2021 and decreased by \$5.2 million in fiscal year 2020. Sales and operational results contributed to the amount of funds remitted to the treasury in each year. Total payments to the state treasury since the Lottery's inception have been approximately \$4.15 billion.

The financial performance reflected above affected the overall financial position of the Corporation at June 30, 2021, and June 30, 2020. A summarized version of the statement of net position presented below reflects the Corporation's overall change in financial resources and claims on those resources.

	<b>As of June 30, 2021</b>	<b>As of June 30, 2020</b>	<b>As of June 30, 2019</b>
<b>Assets</b>			
Current assets	\$40,198,869	\$38,717,318	\$38,692,415
Noncurrent assets:			
Capital assets	4,000,478	4,245,976	4,449,874
Other noncurrent assets	35,762,447	34,412,740	33,916,159
Total noncurrent assets	39,762,925	38,658,716	38,366,033
<b>Total assets</b>	<b>79,961,794</b>	<b>77,376,034</b>	<b>77,058,448</b>
<b>Liabilities</b>			
Current liabilities	48,512,480	47,550,870	44,155,970
Noncurrent liabilities	18,940,169	17,040,195	19,797,490
<b>Total liabilities</b>	<b>67,452,649</b>	<b>64,591,065</b>	<b>63,953,460</b>
<b>Net position</b>			
Net investment in capital assets	4,000,478	4,245,976	4,449,874
Unrestricted	8,508,667	8,538,993	8,655,114
<b>Total net position</b>	<b>\$12,509,145</b>	<b>\$12,784,969</b>	<b>\$13,104,988</b>

### **Current assets**

The fluctuation of current assets for the three years presented was mainly caused by changes in cash and cash equivalents, investments, accounts receivable, and investments in government securities.

Cash and cash equivalents balances are affected by sales volume, level of expenses, and the timing and amount of deposits of accounts receivable and payments to vendors, employees, and the state treasury.

Amounts held in current investments and current investments in government securities fluctuate based on investment management decisions of short-term versus long-term holdings to maintain a proper balance of risk and return in the portfolio.

Retailer accounts receivable balances changed because of sales volume differences at the end of the fiscal years and the timing of the collection of these receivables into cash and cash equivalents.

### **Capital assets**

Capital assets changed slightly in fiscal years 2021 and 2020 because of differences in acquisitions, disposals, and depreciation expense for those years. Details of capital asset additions, deletions, and depreciation are included in note 6 to the financial statements on page 30.



## **Other noncurrent assets**

Noncurrent investments in government securities increased mainly because changes in portfolio holdings between current and longer-term investments discussed in the current assets section and the reinvestment of interest receipts during the fiscal year. In addition, deposits with MUSL decreased in the 2021 fiscal year by approximately \$1.2 million because of the reallocation and return of some prize reserves to the Corporation. Deposits with MUSL were fairly stable in the 2020 fiscal year.

## **Current liabilities**

### **For the year ended June 30, 2021**

Current liabilities increased by approximately \$1.0 million. Accounts payable, accrued payment to the state treasury, and prizes and withholdings payable account for most of this change.

Accounts payable increased by \$245,000 because of differences in the timing and amount of expenses and payments between the two fiscal years.

The accrued payment to state treasury decreased by \$5.7 million because of differences in sales, revenue, and expense levels at the end of the 2021 and 2020 fiscal years.

Prizes and withholdings payable increased by approximately \$6.3 million because of several factors. All components of this liability category are presented in note 8 to the financial statements on page 33.

Draw-style prizes payable increased by \$4.9 million because of differences in sales, winnings, timing of payments, and use of game reserves to fund high payouts.

Instant prizes payable increased by \$740,000, and due to/from MUSL prize pool decreased by \$184,000 because of differences in sales levels and the timing of prize wins and payments between the two fiscal years.

Most of the remaining difference is attributable to a \$884,000 increase in the projected net use of unclaimed prizes in the next fiscal year.

### **For the year ended June 30, 2020**

Current liabilities increased by approximately \$3.4 million. Accounts payable, accrued payment to the state treasury, and prizes and withholdings payable account for most of this change.

Accounts payable decreased by \$480,000 because of differences in the timing and amount of expenses and payments between the two fiscal years.

The accrued payment to state treasury increased by \$4.3 million because of differences in sales and revenue levels at the end of the 2020 and 2019 fiscal years.

Prizes and withholdings payable decreased by approximately \$519,000 because of several factors. All components of this liability category are presented in note 8 to the financial statements on page 33.

Draw-style prizes payable decreased by \$1.85 million because of differences in sales, winnings, timing of payments, and use of game reserves to fund high payouts.

Instant prizes payable increased by \$1.61 million, and due to/from MUSL prize pool increased by \$188,000 because of differences in sales levels and the timing of prize wins and payments between the two fiscal years.

Most of the remaining difference is attributable to a \$462,000 reduction in projected net use of unclaimed prizes in the next fiscal year.

### **Noncurrent liabilities**


Noncurrent liabilities increased by \$1.9 million in fiscal year 2021. MUSL prize reserve payable decreased by approximately \$1.2 million because of the reallocation and return of prize reserves to the Corporation. Unclaimed prizes payable increased by \$3.1 million because expired prizes exceeded the use of the fund for instant game prizes. In fiscal year 2020, noncurrent liabilities decreased by \$2.8 million because expired prizes were lower than the use of the fund for instant game prizes. Further disclosures on noncurrent prizes payable are included in notes 8 and 10 to the financial statements on pages 33 and 35, respectively.

### **Net position**

Finally, net position decreased by \$276,000 in fiscal year 2021 and by \$320,000 in fiscal year 2020 because of the amount of remittances to the state treasury and the net income generated during these years. The specified uses of unrestricted net position are presented in note 14 to the financial statements on page 39.

This financial overview of the Louisiana Lottery Corporation is provided as a supplemental analysis of the financial position and activities of the Corporation as of and for the years ended June 30, 2021, and June 30, 2020. It is based on currently known facts and decisions and includes information about transactions, events, and conditions that are reflected in the financial statements and accompanying notes. The additional presentations and disclosures are included to assist the users of this report in understanding the financial results of the Corporation.

Respectfully submitted,



James F. Goodrum  
Vice President of Finance and Controller



Karen B. Fournet  
Senior Vice President and Secretary Treasurer

LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA  
PROPRIETARY FUND - ENTERPRISE FUND

Statements of Net Position, June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and Cash Equivalents (note 2)	\$19,289,452	\$16,500,882
Investments (note 3)	616,071	2,794,854
Accounts receivable, net (note 4)	17,771,479	16,218,761
Investments in government securities (note 3)	2,444,382	3,123,397
Prepaid expenses (note 5)	63,710	65,647
Other current assets	13,775	13,777
<b>Total current assets</b>	<u>40,198,869</u>	<u>38,717,318</u>
<b>Noncurrent assets:</b>		
Capital assets:		
Land (note 6)	1,542,415	1,542,415
Depreciable capital assets, net (note 6)	2,458,063	2,703,561
Investments in government securities (note 3)	30,320,000	27,725,323
Deposits with Multi-State Lottery Association (note 7)	5,442,447	6,687,417
<b>Total noncurrent assets</b>	<u>39,762,925</u>	<u>38,658,716</u>
<b>TOTAL ASSETS</b>	<u>79,961,794</u>	<u>77,376,034</u>
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Accounts payable	2,290,284	2,045,460
Wages, benefits, and withholdings payable	469,366	410,547
Accrued payment to state treasury (note 15)	12,469,707	18,187,406
Prizes and withholdings payable (note 8)	32,770,028	26,421,241
Compensated absences payable (note 9)	513,095	486,216
<b>Total current liabilities</b>	<u>48,512,480</u>	<u>47,550,870</u>
<b>Noncurrent liabilities:</b>		
Noncurrent prizes payable (notes 8 and 10)	18,599,169	16,699,195
Retailer security deposits	341,000	341,000
<b>Total noncurrent liabilities</b>	<u>18,940,169</u>	<u>17,040,195</u>
<b>TOTAL LIABILITIES</b>	<u>67,452,649</u>	<u>64,591,065</u>
<b>NET POSITION</b>		
Net Investment in capital assets	4,000,478	4,245,976
Unrestricted (note 14)	8,508,667	8,538,993
<b>TOTAL NET POSITION</b>	<u>\$12,509,145</u>	<u>\$12,784,969</u>

The accompanying notes are an integral part of this statement.

LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA  
PROPRIETARY FUND - ENTERPRISE FUND

Statements of Revenues, Expenses, and  
Changes in Fund Net Position  
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>OPERATING REVENUES</b>		
Ticket Sales-Instant-Scratch-Off	\$333,364,160	\$264,626,376
Ticket Sales-Instant-Fast Play	405,903	
Ticket Sales-Draw-style	291,175,532	244,483,663
Allowance for uncollectible accounts	(15,899)	10,028
Retailer license fees	4,175	4,675
Retailer security deposits	1,670	1,880
Miscellaneous revenue		221,297
<b>Total operating revenues</b>	<u>624,935,541</u>	<u>509,347,919</u>
<b>OPERATING EXPENSES</b>		
<b>Direct costs:</b>		
Prize expense-Instant-Scratch-Off	208,484,742	156,008,388
Prize expense-Instant-Fast Play	261,901	
Prize expense-Draw-style	145,102,077	121,906,784
Retailer commission	33,026,903	26,858,748
Retailer incentives	2,379,666	2,018,689
Lottery system vendor fees	4,862,279	3,727,894
Cost of instant tickets	3,917,136	3,168,538
Courier service	923,808	900,629
<b>Total direct costs</b>	<u>398,958,512</u>	<u>314,589,670</u>
<b>Administrative expenses:</b>		
Advertising	6,427,604	6,429,461
Contract labor	257,799	246,398
Depreciation	383,627	403,523
Equipment lease (note 13)	43,806	44,964
Insurance	680,989	592,270
Postage	23,919	36,934
Professional fees	355,189	339,677
Rent (note 13)	264,756	254,239
Repairs and maintenance	311,496	291,773
Salaries, benefits, and taxes	8,375,731	8,244,984
Supplies	352,741	307,898
Communications network	100,079	102,043
Telephone	111,069	108,077
Information Technology	262,228	294,777
Multi-State Lottery	123,612	165,477
Travel	9,505	79,174
Utilities	142,240	137,307
Other general and administrative	377,350	387,926
<b>Total administrative expenses</b>	<u>18,603,740</u>	<u>18,466,902</u>
<b>Total operating expenses</b>	<u>417,562,252</u>	<u>333,056,572</u>

(Continued)

The accompanying notes are an integral part of this statement.

**LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA  
PROPRIETARY FUND - ENTERPRISE FUND**

**Statements of Revenues, Expenses, and  
Changes in Fund Net Position  
For the Years Ended June 30, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
<b>OPERATING INCOME</b>	<u>\$207,373,289</u>	<u>\$176,291,347</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest earned on investments	1,128,327	1,144,094
Net (decrease) increase in the fair value of investments	(1,309,452)	1,390,040
Net gain on disposal of assets	29,722	13,926
Payments to state treasury - required (note 15)	(207,497,710)	(179,159,426)
<b>Total nonoperating revenues (expenses)</b>	<u>(207,649,113)</u>	<u>(176,611,366)</u>
<b>CHANGE IN NET POSITION</b>	(275,824)	(320,019)
<b>TOTAL NET POSITION AT BEGINNING OF YEAR</b>	<u>\$12,784,969</u>	<u>\$13,104,988</u>
<b>TOTAL NET POSITION AT END OF YEAR</b>	<u>\$12,509,145</u>	<u>\$12,784,969</u>

(Concluded)

The accompanying notes are an integral part of this statement.

LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA  
PROPRIETARY FUND - ENTERPRISE FUND

Statements of Cash Flows  
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Cash flows from operating activities</b>		
Cash received from retailers - net of commission and incentives	\$590,839,010	\$480,040,529
Cash from other sources	88,090	297,690
Cash payments for prizes and related taxes	(344,354,989)	(281,086,919)
Cash payments to suppliers of goods or services	(23,271,541)	(21,754,726)
Cash payments to employees for services	(7,223,522)	(7,128,906)
<b>Net cash provided by operating activities</b>	<u>216,077,048</u>	<u>170,367,668</u>
<b>Cash flows from noncapital financing activities</b>		
Cash payments to the state treasury	<u>(213,215,409)</u>	<u>(174,898,502)</u>
<b>Cash flows from capital financing activities</b>		
Proceeds from disposal of capital assets	29,723	15,668
Payments for acquisition of capital assets	(161,061)	(178,436)
<b>Net cash used in capital financing activities</b>	<u>(131,338)</u>	<u>(162,768)</u>
<b>Cash flows from investing activities</b>		
Receipts of interest	1,104,599	1,333,104
Net withdrawals (deposits) of short-term investments	2,178,783	(1,348,637)
Proceeds from investments in government securities	5,927,007	5,383,042
Payments for investments in government securities	(9,152,120)	(4,717,385)
<b>Net cash provided by investing activities</b>	<u>58,269</u>	<u>650,124</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	2,788,570	(4,043,478)
<b>Cash and Cash Equivalents, beginning of year</b>	<u>16,500,882</u>	<u>20,544,360</u>
<b>Cash and Cash Equivalents, end of year</b>	<u>\$19,289,452</u>	<u>\$16,500,882</u>

(Continued)

The accompanying notes are an integral part of this statement.

**LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA  
PROPRIETARY FUND - ENTERPRISE FUND**

**Statements of Cash Flows  
For the Years Ended June 30, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	<u>\$207,373,289</u>	<u>\$176,291,347</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	383,627	403,523
Accrued capital financing activities	22,931	(22,931)
Uncollectible accounts	17,273	(7,528)
Changes in assets and liabilities:		
(Increase) in accounts receivable	(1,546,263)	(3,124,097)
Decrease in prepaid expenses	1,939	345,765
Decrease in deposits with Multi-State Lottery Association	1,244,970	104,907
Increase (decrease) in accounts payable	244,824	(480,010)
Increase in wages, benefits, and withholdings payable	58,820	46,441
Increase in compensated absences payable	26,878	86,904
Increase (decrease) in prizes and withholdings payable	8,248,760	(3,276,653)
	<hr/>	<hr/>
Total Adjustments	<u>8,703,759</u>	<u>(5,923,679)</u>
<b>Net Cash Provided by Operating Activities</b>	<u><u>\$216,077,048</u></u>	<u><u>\$170,367,668</u></u>
<b>Non Cash Investing, Capital, and Financing Activities</b>		
Net decrease (increase) in the fair value of investments	(\$1,309,452)	\$1,390,040
Interest accrued on deposits with Multi-State Lottery Association	\$41,096	\$207,500

(Concluded)

The accompanying notes are an integral part of this statement.

**LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA**

Notes to the Financial Statements  
For the Years Ended June 30, 2021 and 2020

**INTRODUCTION**

The Louisiana Lottery Corporation (the Corporation) was created in accordance with Louisiana Revised Statutes (R.S.) 47:9000-9081 and 14:90(C) and began operating January 15, 1991. The Corporation is organized to provide for lottery games, operations, activities, and payment of prizes. The affairs of the Corporation are administered by a board of directors appointed by the governor, subject to confirmation by the Senate. The Corporation is domiciled in East Baton Rouge Parish and operates five regional offices. For the fiscal years ended June 30, 2021 and June 30, 2020, the Corporation employed 106 and 103 employees, respectively.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. REPORTING ENTITY**

Governmental Accounting Standards Board (GASB) Codification Section 2100 has defined the governmental reporting entity to be the State of Louisiana. The Corporation is considered a component unit of the State of Louisiana because the state has financial accountability for fiscal matters as follows: (1) the board of directors is appointed by the governor; (2) upon dissolution of the Corporation, title to all property owned by the Corporation shall vest in the State of Louisiana; and (3) the Corporation provides financial benefits to the state in the form of transfer of funds to the state treasury. The accompanying financial statements present information only as to the transactions of the programs of the Corporation, a component unit of the State of Louisiana. The Corporation is reported as a discrete component unit within the State of Louisiana's Comprehensive Annual Financial Report.

**B. BASIS OF PRESENTATION**

The Corporation uses a proprietary fund (enterprise fund) to report on its financial position and results of operations. The enterprise fund accounts for the activities relative to conducting a lottery, including, but not limited to, incurring and paying administrative costs and payment of prizes. The fund is operated in a manner similar to a private business enterprise where the governing body has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, management control, accountability, or other purposes. Activities accounted for in the proprietary fund follow all applicable GASB pronouncements.



**C. BASIS OF ACCOUNTING AND MEASUREMENT FOCUS**

Basis of accounting refers to the timing of recognition of revenues and expenses in the accounts and reporting in the financial statements, and the measurement focus refers to what transactions and events should be recorded. The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting in accordance with generally accepted accounting principles. Under this method, revenues are recognized when they are earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows.

**Revenue**

Operating revenue includes sales of lottery tickets and other fees related to operations. Nonoperating revenue includes investment earnings and gains from the disposal of assets. Sales are recognized when instant ticket-scratch off packs are activated for sale and draw-style and fast play game tickets are sold to the public by contracted retailers.

**Prizes**

Prize expense is recognized based on a predetermined prize structure for each instant ticket and draw-style game as revenue is recognized. A portion of the instant ticket scratch-off prize structures is funded with unclaimed prize money pursuant to R.S. 47:9025(D).

**D. CAPITAL ASSET POLICY**

The Corporation has established a \$1,000 threshold for capitalization of purchases of assets that have an estimated useful life of at least three years. In addition, substantial purchases may be capitalized even though the per unit cost may be less than \$1,000. Depreciation of capital assets is calculated using the straight-line method over the estimated useful lives of the assets. The estimated useful lives are derived from realistic expectations of the longevity of the assets based on past experience, published guidelines, and industry experience. The useful lives used in determining depreciation for the various types of assets are found in note 6 on page 30.

**E. LEGISLATIVE BUDGET OVERSIGHT**

R.S. 47:9010(A)(7) requires the Corporation, not later than 30 days before the beginning of each regular session of the legislature, to submit a proposed

**LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA**

Notes to the Financial Statements (Continued)

annual budget of the Corporation and projected net proceeds to the Joint Legislative Committee on the Budget (JLCB) for review and approval. The Corporation submitted its budget for fiscal year ended June 30, 2021 on February 7, 2020. The budget was approved by the JLCB on February 20, 2020.

A formal budgetary comparison is not required by GASB reporting standards for proprietary funds and therefore, a budgetary comparison for the fiscal year ended June 30, 2021, is not presented.

**F. NONOPERATING EXPENSES**

Nonoperating expenses only include payments to the state treasury.

**2. CASH AND CASH EQUIVALENTS**

Cash includes petty cash on hand of \$3,000 and demand deposits of \$15,011,485 at June 30, 2021, and \$15,143 at June 30, 2020. Under state law, the Corporation may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, national banks having their principal offices in the State of Louisiana, in savings accounts or shares of savings and loan associations and savings banks, and in share accounts and share certificate accounts of federally or state chartered credit unions.

Under state law, demand deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. Federal deposit insurance of \$250,000 secured demand deposits as of June 30, 2020 and a portion of demand deposits at June 30, 2021. During fiscal year end June 30, 2021, pledged securities were held in a joint custody safekeeping account in the name of the Corporation and the fiscal agent bank in the form of book entry deposits in the Federal Bank of New York. The market value of the pledged securities at June 30, 2021 is \$15,189,158.

Cash equivalents consist of deposits in a U.S. government money market mutual fund. At June 30, 2021, and June 30, 2020, the total of cash equivalents is \$4,274,967 and is \$16,482,739, respectively.

**3. INVESTMENTS AND INVESTMENTS IN GOVERNMENT SECURITIES**

In accordance with state law and the Corporation's formal investment policy, funds may be invested in U.S. Treasury obligations and U.S. government agency obligations or in eligible mutual funds that invest in these securities, direct security repurchase agreements, and time certificates of deposit. The amount invested in U.S. agency

**LOUISIANA LOTTERY CORPORATION**  
**STATE OF LOUISIANA**  
Notes to the Financial Statements (Continued)

securities cannot exceed sixty percent of all investments with maturities of 30 days or longer. No specific credit ratings are required by the policy, but credit quality is inherently high because of limitations imposed by the policy.

Investments at June 30, 2021 and June 30, 2020, consist of the following:

Investment Type	Fair Value June 30, 2021	* Credit Quality Rating	% of Investments	Investment Maturities (In Years)				
				Less Than 1	1-5	6-10	11-20	21-30
<b>Investments:</b>								
Goldman Sachs Financial Square Government Fund	\$616,071	Aaa-mf	1.85%	\$616,071				
<b>Investments in government securities:</b>								
U.S. Treasury Notes	15,648,125	1	46.88%	1,328,217	\$6,838,758	\$7,481,150		
U.S. Treasury STRIPS	7,798,081	1	23.36%	749,655	4,954,488	1,891,400	\$202,538	
Federal Farm Credit Banks (FFCB) Bonds and Notes	359,796	Aaa	1.08%	359,796				
Federal National Mortgage Association Medium (FNMA MTN)	185,350	Aaa	0.56%		185,350			
Federal Home Loan Banks (FHLB) Bonds	525,448	Aaa	1.57%		525,448			
Federal Home Loan Mortgage Corporation (FHLMC) Mortgage-Backed Securities	3,342,635	Unrated	10.01%		825,271	488,939	1,238,530	\$789,895
Federal National Mortgage Association (FNMA) Mortgage-Backed Securities	3,587,474	Unrated	10.75%	6,714	1,068,293	875,534	1,223,126	413,807
Government National Mortgage Association (GNMA) Mortgage-Backed Securities	1,317,473	1	3.94%		39,598	42,043	1,040,040	195,792
	32,764,382		98.15%	2,444,382	14,437,206	10,779,066	3,704,234	1,399,494
<b>Total Investments</b>	<b>\$33,380,453</b>		<b>100.00%</b>	<b>\$3,060,453</b>	<b>\$14,437,206</b>	<b>\$10,779,066</b>	<b>\$3,704,234</b>	<b>\$1,399,494</b>

\* Credit quality ratings obtained from Moody's Investors Service.

1 Credit quality ratings not required for U.S. government and agency securities that are explicitly guaranteed by the U.S. government.

**LOUISIANA LOTTERY CORPORATION**  
**STATE OF LOUISIANA**  
Notes to the Financial Statements (Continued)

Investment Type	Fair Value June 30, 2020	Credit Quality Rating	% of Investments	Investment Maturities (In Years)				
				Less Than 1	1-5	6-10	11-20	21-30
<b>Investments:</b>								
Federated Hermes Government Obligations Fund	\$2,794,854	Aaa	8.31%	\$2,794,854				
<b>Investments in government securities:</b>								
U.S. Treasury Notes	9,815,770	1	29.18%	803,454	\$3,325,632	\$5,686,684		
U.S. Treasury STRIPS	10,115,220	1	30.07%	2,248,112	5,702,353	1,944,650	\$220,105	
Federal Farm Credit Banks (FFCB) Bonds and Notes	371,142	Aaa	1.10%		371,142			
Federal National Mortgage Association Medium (FNMA MTN)	188,435	Aaa	0.56%		188,435			
Federal Home Loan Banks (FHLB) Bonds	540,259	Aaa	1.61%		347,675	192,584		
Federal Home Loan Mortgage Corporation (FHLMC)								
Mortgage-Backed Securities	3,582,880	Unrated	10.65%	71,586	714,619	1,058,463	860,814	\$877,398
Federal National Mortgage Association (FNMA)								
Mortgage-Backed Securities	4,724,992	Unrated	14.04%	245	1,514,780	730,881	1,450,446	1,028,640
Government National Mortgage Association (GNMA)								
Mortgage-Backed Securities	1,510,022	1	4.48%		70,274	57,341	1,344,256	38,151
	30,848,720		91.69%	3,123,397	12,234,910	9,670,603	3,875,621	1,944,189
<b>Total Investments</b>	<b>\$33,643,574</b>		<b>100.00%</b>	<b>\$5,918,251</b>	<b>\$12,234,910</b>	<b>\$9,670,603</b>	<b>\$3,875,621</b>	<b>\$1,944,189</b>

\* Credit quality ratings obtained from Moody's Investors Service.

1 Credit quality ratings not required for U.S. government and agency securities that are explicitly guaranteed by the U.S. government.

Investments represent the fair value of U.S. Treasury money-market mutual fund shares held by the Corporation.

Investments in government securities are funds not needed for liquidity purposes that are invested in a portfolio of direct longer-term investments in U.S. government and agency securities. These securities are also recorded at fair value. Fair value measurements are classified as Level 2 of the GASB 72 fair value hierarchy. These fixed income securities are valued each day based on readily available market quotations received from commercial pricing services. Such pricing services and brokers will generally provide bid-side quotations.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Corporation will not be able to recover the value of its investments that are in the possession of an outside party. Louisiana state law requires that securities purchased as investments by the Corporation are issued in the name of the Corporation and safe kept at a custodian financial institution or Federal Reserve Bank domiciled in the state of Louisiana. Investments and investments in government securities purchased by the Corporation are held by the custodial bank's trust department in the Corporation's name.

Interest rate risk is the risk that an investment's fair value decreases as market interest rates increase. Typically, this risk is higher in debt securities with longer maturities.

**LOUISIANA LOTTERY CORPORATION**  
**STATE OF LOUISIANA**

Notes to the Financial Statements (Continued)

The Corporation's investment policy states that investment maturities must be scheduled to coincide with cash requirements. Interest rate risk is managed according to the purpose of the investments and the projected time frame for the use of these assets.

The investments in the money market fund are not affected by interest rate risk because the underlying investments in Treasury bills and notes have very short-term maturities, funds can be deposited and withdrawn daily, and the fund's share price remains stable.

Investments in government securities consist of funds that are not expected to be needed in the near future. Investment maturities for this portfolio are scheduled for an average intermediate time horizon. The portfolio is managed to provide investment allocations, characteristics, and yields consistent with its benchmark, the *Bloomberg Barclays Government Intermediate Index*. Interest rate risk is managed by structuring the average maturity and duration of the investments to the benchmark.

The investments in mortgage-backed securities are based on flows from payments on the underlying mortgages that contain prepayment options which cause them to be highly sensitive to changes in interest rates. Generally, when interest rates fall, obligees tend to prepay the assets, thus eliminating the stream of interest payments that would have been received under the original amortization schedule. This reduced cash flow diminishes the fair value of the asset-backed investment.

Typically, the risk that the Corporation will realize material losses from its investments in government securities resulting from changes in market interest rates is mitigated by the low probability that these securities will have to be sold before maturity.

**4. ACCOUNTS RECEIVABLE**

As reflected on the statement of net position, the receivables of the Corporation are as follows:

	As of June 30, 2021	As of June 30, 2020
Retailer accounts receivable	\$17,636,290	\$16,023,707
Interest receivable	99,908	76,180
Miscellaneous receivable	46,471	130,387
Allowance for uncollectible accounts	(11,190)	(11,513)
Total	<u>\$17,771,479</u>	<u>\$16,218,761</u>

**LOUISIANA LOTTERY CORPORATION**  
**STATE OF LOUISIANA**

Notes to the Financial Statements (Continued)

The allowance for uncollectible accounts is based on an analysis of accounts receivable that considers the age of the accounts and the expected collectability of each account.

**5. PREPAID EXPENSES**

Prepaid expenses represent insurance paid for coverage after the fiscal year-end and prepayments for postage, advertising, maintenance agreements, and other expenses.

The balances of prepaid expenses are as follows:

	As of June 30, 2021	As of June 30, 2020
Current prepaid expenses:		
Insurance	\$21,613	\$19,435
Other prepayments	<u>42,097</u>	<u>46,212</u>
Total	<u><u>\$63,710</u></u>	<u><u>\$65,647</u></u>

**6. CAPITAL ASSETS**

Capital assets of the Corporation are included on the statement of net position at historical cost. Depreciable capital assets are shown net of accumulated depreciation. Depreciation of capital assets is charged as an operating expense. Depreciation for financial reporting purposes is computed by the straight-line method over the estimated useful lives of the assets. As assets are retired or sold, the cost and related accumulated depreciation are removed from the appropriate property and equipment accounts. The resulting gain or loss on disposal is reflected in nonoperating revenues and expenses. A summary of changes in capital assets follows:

**LOUISIANA LOTTERY CORPORATION**  
**STATE OF LOUISIANA**  
Notes to the Financial Statements (Continued)

	<u>June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2021</u>
<b>Land</b>	<u>\$1,542,415</u>	<u>NONE</u>	<u>NONE</u>	<u>\$1,542,415</u>
<b>Depreciable Capital Assets:</b>				
Land improvements	\$2,490			\$2,490
Buildings	3,849,715			3,849,715
Building improvements	412,323	\$20,527		432,850
Leasehold improvements	437,202	3,102		440,304
Furniture and fixtures	643,151	7,506		650,657
Equipment	782,840	3,964	(\$19,812)	766,992
Data processing software and equipment	1,293,124	80,099	(1,329)	1,371,894
Communications software and equipment	242,037			242,037
Automobiles	1,016,788	22,931	(81,048)	958,671
<b>Total</b>	<u>8,679,670</u>	<u>138,129</u>	<u>(102,189)</u>	<u>8,715,610</u>
Less - accumulated depreciation:				
Land improvements	(2,490)			(2,490)
Buildings	(1,832,518)	(99,740)		(1,932,258)
Building improvements	(149,890)	(27,369)		(177,259)
Leasehold improvements	(410,483)	(21,675)		(432,158)
Furniture and fixtures	(630,696)	(8,339)		(639,035)
Equipment	(760,682)	(7,039)	19,812	(747,909)
Data processing software and equipment	(1,243,774)	(41,162)	1,329	(1,283,607)
Communications software and equipment	(223,783)	(8,175)		(231,958)
Automobiles	(721,793)	(170,128)	81,048	(810,873)
<b>Total accumulated depreciation</b>	<u>(5,976,109)</u>	<u>(383,627)</u>	<u>102,189</u>	<u>(6,257,547)</u>
<b>Net Depreciable Capital Assets</b>	<u>\$2,703,561</u>	<u>(\$245,498)</u>	<u>\$0</u>	<u>\$2,458,063</u>

**LOUISIANA LOTTERY CORPORATION**  
**STATE OF LOUISIANA**  
Notes to the Financial Statements (Continued)

	<u>June 30, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2020</u>
<b>Land</b>	<u>\$1,542,415</u>	<u>NONE</u>	<u>NONE</u>	<u>\$1,542,415</u>
<b>Depreciable Capital Assets:</b>				
Land improvements	\$2,490			\$2,490
Buildings	3,849,715			3,849,715
Building improvements	412,323			412,323
Leasehold improvements	431,542	\$5,660		437,202
Furniture and fixtures	641,926	1,225		643,151
Equipment	786,506		(3,666)	782,840
Data processing software and equipment	1,289,549	15,935	(12,360)	1,293,124
Communications software and equipment	231,090	10,947		242,037
Automobiles	948,643	167,600	(99,455)	1,016,788
<b>Total</b>	<u>8,593,784</u>	<u>201,367</u>	<u>(115,481)</u>	<u>8,679,670</u>
Less - accumulated depreciation:				
Land improvements	(2,490)			(2,490)
Buildings	(1,732,778)	(99,740)		(1,832,518)
Building improvements	(121,379)	(28,511)		(149,890)
Leasehold improvements	(386,172)	(24,311)		(410,483)
Furniture and fixtures	(623,301)	(7,395)		(630,696)
Equipment	(755,756)	(8,592)	3,666	(760,682)
Data processing software and equipment	(1,205,324)	(50,810)	12,360	(1,243,774)
Communications software and equipment	(215,967)	(7,816)		(223,783)
Automobiles	(643,158)	(176,348)	97,713	(721,793)
<b>Total accumulated depreciation</b>	<u>(5,686,325)</u>	<u>(403,523)</u>	<u>113,739</u>	<u>(5,976,109)</u>
<b>Net Depreciable Capital Assets</b>	<u>\$2,907,459</u>	<u>(\$202,156)</u>	<u>(\$1,742)</u>	<u>\$2,703,561</u>

The estimated useful lives used in determining depreciation for the various types of assets are as follows:

Land improvements	10 years
Buildings	30 to 40 years
Building improvements	15 years
Leasehold improvements	36 months
Furniture and fixtures	60 months
Equipment	60 months to 120 months
Data processing software and equipment	36 months
Communications software and equipment	36 months to 60 months
Automobiles	36 months



**LOUISIANA LOTTERY CORPORATION**  
**STATE OF LOUISIANA**

Notes to the Financial Statements (Continued)

**7. MULTI-STATE LOTTERY ASSOCIATION**

MUSL is an unincorporated government-benefit voluntary association created for the purpose of administering joint lottery games. MUSL currently includes 35 state lottery entities, the District of Columbia, the Virgin Islands, and Puerto Rico. The chief executive officer of each member lottery serves on the MUSL board of directors.

This association administers the Powerball draw-style game and several other draw-style games in participating states. MUSL members can offer the Mega Millions draw-style game pursuant to a cross-selling agreement with the group of lotteries operating that game.

During the fiscal year, the Corporation participated in the MUSL Powerball draw-style game and offered the Mega Millions draw-style game pursuant to the cross-selling agreement. As a member of MUSL, the Corporation is required to contribute to various prize reserve funds maintained by MUSL. The prize reserve funds serve as a contingency reserve to protect MUSL from unforeseen prize liabilities. MUSL periodically reallocates the prize reserve funds between the states based on relative sales levels. All remaining funds remitted will be returned to the Corporation upon leaving MUSL, less any portion of unanticipated prize claims, which may have been paid from the fund. The Corporation has contributed all required reserve funds.

A copy of the MUSL financial statements may be obtained by submitting a written request to MUSL, 8101 Birchwood Court, Suite R, Johnston, Iowa 50131.

**8. PRIZES PAYABLE**

Prizes for the draw-style games are redeemable for 180 days after a drawing. Prizes for instant scratch-off games are redeemable for 90 days after the announced end of the game. Instant Fast Play prizes can be redeemed for 90 days after winning tickets are printed. All prizes not claimed by the applicable deadline are classified as unclaimed and added to the pool from which future prizes are to be awarded or used for special prize promotions pursuant to R.S. 47:9025(D).

**LOUISIANA LOTTERY CORPORATION**  
**STATE OF LOUISIANA**  
Notes to the Financial Statements (Continued)

	<u>As of</u> <u>June 30, 2021</u>	<u>As of</u> <u>June 30, 2020</u>
<b>Current Prizes and Withholdings Payable:</b>		
Instant prizes payable	\$9,317,108	\$8,576,952
Draw-style prizes payable	20,875,770	15,961,722
Due to MUSL prize pool	519,825	703,970
Tax withholdings payable	141,979	148,203
Unclaimed prizes payable	<u>1,915,346</u>	<u>1,030,394</u>
<b>Total Current Prizes and Withholdings Payable</b>	<u><u>\$32,770,028</u></u>	<u><u>\$26,421,241</u></u>
<b>Noncurrent Prizes Payable:</b>		
MUSL prize reserve payable	\$5,442,447	\$6,687,417
Unclaimed prizes payable	<u>13,156,722</u>	<u>10,011,778</u>
<b>Total Noncurrent Prizes Payable</b>	<u><u>\$18,599,169</u></u>	<u><u>\$16,699,195</u></u>

## 9. VACATION AND SICK LEAVE

Corporation full-time employees earn vacation leave at various rates depending on the employees' position and the number of years of service. All employees must complete six months of service, measured from the date of hire, before they are eligible to use vacation or receive termination payment for unused vacation. Vacation leave may not be carried forward into the next year. However, employees may receive payment for a maximum of forty hours of unused vacation. Upon termination, employees will be paid in full for unused eligible and current year's accrued vacation leave. Employees are credited with sick leave at the rate of eight days per year beginning with the date of hire. There is no limitation on the amount of sick leave that can be accumulated. Employees are not paid for accrued sick leave upon termination. Employees may be allowed up to three consecutive days off from regularly scheduled duty with regular pay for bereavement leave. At June 30, 2021, and June 30, 2020, the total values of compensated absences payable are \$513,095 and \$486,216, respectively.

**LOUISIANA LOTTERY CORPORATION**  
**STATE OF LOUISIANA**  
Notes to the Financial Statements (Continued)

**10. CHANGES IN NONCURRENT LIABILITIES**

Noncurrent liability activity, for the years ended June 30, 2021 and 2020, is as follows:

	<u>June 30, 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2021</u>	<u>Due Within One Year</u>
Prizes Payable:					
MUSL prize reserve payable	\$6,687,417	\$116,811	(\$1,361,781)	\$5,442,447	NONE
Unclaimed prizes payable	<u>11,042,172</u>	<u>10,070,995</u>	<u>(6,041,099)</u>	<u>15,072,068</u>	<u>\$1,915,346</u>
Total Prizes Payable	<u>\$17,729,589</u>	<u>\$10,187,806</u>	<u>(\$7,402,880)</u>	<u>\$20,514,515</u>	<u>\$1,915,346</u>
	<u>June 30, 2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2020</u>	<u>Due Within One Year</u>
Prizes Payable:					
MUSL prize reserve payable	\$6,792,324	\$217,913	(\$322,820)	\$6,687,417	NONE
Unclaimed prizes payable	<u>14,156,525</u>	<u>7,442,440</u>	<u>(10,556,793)</u>	<u>11,042,172</u>	<u>\$1,030,394</u>
Total Prizes Payable	<u>\$20,948,849</u>	<u>\$7,660,353</u>	<u>(\$10,879,613)</u>	<u>\$17,729,589</u>	<u>\$1,030,394</u>

**11. RETIREMENT BENEFITS**

**A. AUTHORIZATION AND BASIS OF ACCOUNTING**

R.S. 47:9015(A) states that the Corporation shall provide or arrange for a retirement plan. The retirement plans have been established pursuant to this statute. The plans' provisions and contribution requirements are established and amended by the Board of Directors of the Corporation. A financial and compliance audit has been performed on all the Corporation's retirement plans for the plans' year ending December 31, 2020. A copy of the audit report may be accessed through the Corporation's website at:

<http://www.louisianalottery.com/static/files/docs/financial/retirementplans.pdf>

Administrative and investment services were provided by Principal Life Insurance Company. The financial statements of the Corporation's plans are accounted for using the accrual basis of accounting. Investments are reported at fair value, which is based on deposit values and quoted market prices.

## B. BASIC AND SUPPLEMENTAL RETIREMENT PLANS

### 1. Basic Retirement Plan

The Corporation has a money purchase plan under Section 401(a) of the Internal Revenue Code (IRC) of 1986, as amended, which is intended to constitute a safe harbor within the meaning of Section 3121(b)(7) of the code and the regulations promulgated thereunder. The Basic Retirement Plan, which is a defined contribution plan, began September 1, 1993, with all employees eligible except those who elect coverage under a state retirement plan and those who are either independent contractors or leased employees.

An employee is eligible to participate in the plan immediately upon employment. In addition, a participant is fully vested immediately. In no event shall the assets of this plan revert for the benefit of the Corporation.

As defined in the Basic Retirement Plan, the Corporation's contribution shall be 5% of the participant's compensation for such plan year. The participant's contribution shall equal 6.2% of his or her compensation for such plan year.

No more than the social security wage base in effect as of the first day of the plan year shall be treated as compensation. As of June 1, 1994, the Corporation elected to treat all contributions to the plan as pre-tax.

The distribution of a participant's benefits shall commence as of the date designated by the participant (annuity starting date) after termination of employment with the Corporation but shall not be later than April 1 of the year following the calendar year in which the participant attains age 72 or the date on which the participant terminates his or her employment, if later. Subject to certain restrictions, an active participant may also elect to receive a distribution upon attainment of age 62 without regard to whether the participant has terminated his or her employment.

The required minimum distribution (RMD) rules for participants aged 72 or older were temporarily waived in the 2020 calendar year pursuant to the *Coronavirus Aid, Relief, and Economic Security (CARES) Act*.

The participant shall make a qualified election to receive the distribution in the form of a single-sum payment or to purchase a qualified joint and survivor annuity or single life annuity contract. This qualified election may be revoked, modified, or amended at any time, or multiple times before the participant's annuity starting date; however, the qualified election is irrevocable as of the participant's annuity starting date.

## **2. Supplemental Retirement Plan**

The Corporation has a defined contribution retirement plan that covers substantially all full-time employees. The plan is a governmental plan within the meaning of Section 414(d) of the IRC of 1986, as amended, and is intended to constitute a profit-sharing plan under which contributions are determined without regard to the current or accumulated profits of the Corporation, if any.

An employee is eligible to participate in the plan immediately upon employment. In addition, a participant is fully vested immediately. In no event shall the assets of this plan revert for the benefit of the Corporation.

The Corporation contributes 4.5% of each participant's compensation for the year, as defined. Generally, participants are not permitted to contribute to the plan; however, participants may contribute proceeds from a qualified rollover distribution as allowed by IRC Section 402.

In addition, each fiscal year, the Board of Directors of the Corporation may determine the amount of a discretionary contribution not to exceed 4% of each participant's compensation for any fiscal year.

The distribution of a participant's account shall be made in the form of a single-sum payment after the participant terminates employment with the Corporation, becomes disabled, or dies. A participant may elect to postpone the distribution, in writing on forms provided by the Retirement Plans Committee, provided, however, in no event shall distribution be postponed later than April 1 following the close of the calendar year in which the participant attains age 72 or the date on which the participant terminates his or her employment, if later.

The RMD rules for participants aged 72 or older were temporarily waived in the 2020 calendar year pursuant to the *CARES Act*.

As of June 30, 2021, there were 105 participants in the Basic Plan and 98 participants in the Supplemental Plan.

For the fiscal year ended June 30, 2021, employer and employee contributions to the Basic Plan were \$289,781 and \$359,329, respectively. The employer contributions for the Supplemental Plan were \$498,194.

For the fiscal year ended June 30, 2020, employer and employee contributions to the Basic Plan were \$286,946 and \$355,812, respectively. The employer contributions for the Supplemental Plan were \$488,354.

**LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA**

Notes to the Financial Statements (Continued)

**C. 457(b) RETIREMENT PLAN  
(DEFERRED COMPENSATION PLAN)**

The 457(b) Retirement Plan is a voluntary deferred compensation plan adopted under the provisions of IRC Section 457(b).

A full-time employee is eligible to participate in the plan immediately upon employment. In addition, a participant is fully vested immediately. In no event shall the assets of this plan revert for the benefit of the Corporation.

Effective April 1, 2016, the plan includes an *Automatic Contribution Arrangement*. Eligible employees will be automatically enrolled at the default percentage of 5.5% of compensation on a pre-tax basis unless an affirmative election is made on a *Compensation Deferral Election Form*. In addition, effective July 1, 2017 and on each subsequent July 1<sup>st</sup>, the default percentage shall increase by 1%, up to a maximum of 9.5%.

For the plan year, the sum of compensation deferred by a participant and the Corporation's matching contributions made on behalf of such participant shall not exceed the lesser of such participant's compensation or \$19,500. The Corporation contributes a matching contribution equal to 100% of the first 2.5% of compensation deferred by each participant and 50% of the next 3% of compensation deferred by each participant. Participants can elect any combination of the Pre-tax or Roth deferral options.

Benefits are payable to former employees at the time and in the manner designated by the participants on a distribution election form. In no event may a participant defer payment of benefits later than April 1 of the calendar year immediately following the year in which the participant attains age 72. The distribution of benefits shall be made in the form of a single-sum payment.

The RMD rules for participants aged 72 or older were temporarily waived in the 2020 calendar year pursuant to the *CARES Act*.

In addition, the *CARES Act* permitted plan sponsors to allow *Coronavirus-Related Distributions (CRD)* for 457(b) plan participants during the 2020 calendar year subject to restrictions elected by the *Retirement Plans Committee*. Participants impacted by COVID-19 were allowed withdrawals of up to \$25,000 from the employee elective deferral portion of their accounts. Six participants elected this option during the plan year. Total *CRD* withdrawals were \$68,869.

As of June 30, 2021, there were 89 participants in the 457(b) Retirement Plan.

**LOUISIANA LOTTERY CORPORATION**  
**STATE OF LOUISIANA**

Notes to the Financial Statements (Continued)

For the fiscal year ended June 30, 2021, employer and employee contributions were \$205,647 and \$432,462, respectively. For the fiscal year ended June 30, 2020, employer and employee contributions were \$199,593 and \$417,572, respectively.

**12. RISK MANAGEMENT**

The Corporation is exposed to various risks of loss related to torts, theft of, damage to and the destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Corporation has purchased commercial insurance to cover these risks. In addition, management has established a litigation and prize reserve of \$7,800,000 within the Corporation's net position to cover unanticipated losses (see note 14). The amount of commercial coverage has not decreased nor has the amount of settlements exceeded coverage in any of the past three fiscal years.

**13. LEASE AND RENTAL COMMITMENTS**

The Corporation has noncancelable operating leases with the following annual rental payments for the next three years:

	<u>Equipment</u>	<u>Facilities</u>	<u>Total</u>
2021-2022	\$216,744	\$274,257	\$491,001
2022-2023		137,678	137,678
2023-2024		8,486	8,486
Total	<u>\$216,744</u>	<u>\$420,421</u>	<u>\$637,165</u>

The total operating lease payments for the years ended June 30, 2021, and June 30, 2020, were \$553,305 and \$541,161, respectively.

The Corporation has no capital leases at June 30, 2021.

**14. NET POSITION**

The Corporation has an unrestricted net position at June 30, 2021, of \$8,508,667. As presented in the 2021-2022 fiscal year budget approved by the Joint Legislative Committee on the Budget on August 13, 2021, management has specified that net position of June 30, 2021, be used for the following purposes:

**LOUISIANA LOTTERY CORPORATION**  
**STATE OF LOUISIANA**  
Notes to the Financial Statements (Concluded)

**Specified Uses of Net Position**

New capital expenditure purchases	\$500,000
Litigation and prize reserve	7,800,000
Deposits	<u>13,782</u>
<b>Total specified uses of net position</b>	<b>8,313,782</b>
Retailer security deposits	194,885
<b>Total unrestricted net position</b>	<b><u><u>\$8,508,667</u></u></b>

**15. PAYMENTS TO THE STATE TREASURY**

The Corporation was required to transfer each year not less than 35% of gross revenues to the Lottery Proceeds Fund in the state treasury. Effective August 1, 2020, the minimum transfer percentage was reduced to 25% of gross revenues pursuant to Act No. 318 of the 2020 Regular Session of the Louisiana Legislature. The amount of gross revenues less costs that is determined to be surplus to the needs of the Corporation must also be remitted to the state treasury.

**16. BOARD OF DIRECTORS**

The board of directors consists of nine members appointed by the governor and confirmed by the Senate. No member shall serve more than two consecutive four-year terms. The board of directors must meet at least bimonthly and at such other times as the chairperson or the president may determine.



**STATISTICAL SECTION**

**(UNAUDITED)**

**LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA  
STATISTICAL INFORMATION SECTION**

This section of the Louisiana Lottery Corporation's comprehensive annual financial report presents detailed information as a supplement to the information presented in the financial statements and note disclosures to assist readers in assessing the Corporation's overall financial health.

<b><u>CONTENTS</u></b>	<b>PAGE</b>
<b>FINANCIAL TRENDS</b>	43
These schedules contain trend information from the current year and prior years' comprehensive annual financial reports to help a reader understand how the Corporation's financial performance and position have changed over time.	
<b>REVENUE CAPACITY</b>	59
These schedules contain information to help the reader assess the factors affecting the Corporation's ability to generate sales of lottery tickets. Instant ticket game strategies, including launch schedules and price points, affect the availability and variety of products for purchase at retailer locations. Draw-style sales by game included in the financial trends section provide data about the variety of these drawing-based games that are available to the public. The network of lottery retailers throughout the state determines the market exposure for the Corporation's instant and draw-style games.	
<b>DEMOGRAPHIC AND ECONOMIC INFORMATION</b>	62
These schedules contain demographic and economic indicators to help a reader understand the environment in which the Corporation operates.	
<b>OPERATING INFORMATION</b>	64
These schedules contain information about the Corporation's organizational structure, financial performance indicators compared to other state lotteries, and capital asset information.	

*If available, statistical information is provided for the most recent ten years. Some sections contain less than ten years of data because the information was accumulated and retained in that format only back to the latest year reported. Prospectively, the data will be accumulated and ultimately, the schedules will contain information for a ten-year period.*

## FINANCIAL TRENDS

The Louisiana Lottery Corporation began operating in January 1991 and commenced ticket sales in September 1991. Data from the last ten fiscal years of lottery operations are presented in the following charts. The pie charts that illustrate the allocation of revenues include data from the inception of the Corporation through June 30, 2021.

The information presented in the charts is as follows:

### **Sales**

Instant tickets-Scratch Offs represent the face value of tickets activated by retailers. Draw-style and Instant tickets-Fast Play represents the face value of tickets sold to the public.

### **Revenues**

Include sales, interest income, increases or decreases in the fair value of investments, retailer license fees, miscellaneous revenue, and net gains or losses on disposal of assets.

### **Prize expense**

Represents the accrued expenses for instant tickets and draw-style game winners based on established prize structures.

### **Retailer compensation**

Represents 5% base sales commission and incentive payments.

### **Other direct costs**

Expenses which fluctuate with sales volume including commission paid to the draw-style vendor, the cost of purchasing instant tickets, the cost of delivery to retailers, and lottery system network communication costs.

### **Administrative expenses**

Include all other costs of operating the Lottery.

### **Payments to state treasury**

Represent the payment of net revenues to the State Treasury Lottery Proceeds Fund as required by Louisiana Lottery Law.

Unless otherwise noted, the source for the data contained in the following charts is the Accounting Department of the Louisiana Lottery Corporation.

LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA  
(Unaudited)  
Schedule of Net Position and Changes in Net Position  
Fiscal Year Ending June 30 for the Years Shown

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>REVENUES</b>										
<b>Operating revenues</b>										
<b>Instant ticket sales:</b>										
Ticket Sales-Instant-Scratch-Off	\$158,028,403	\$163,108,984	\$178,925,091	\$202,248,266	\$212,153,131	\$206,293,946	\$217,150,430	\$225,573,998	\$264,626,376	\$333,364,160
Ticket Sales-Instant-Fast Play										405,903
<b>Total instant ticket sales</b>	<b>158,028,403</b>	<b>163,108,984</b>	<b>178,925,091</b>	<b>202,248,266</b>	<b>212,153,131</b>	<b>206,293,946</b>	<b>217,150,430</b>	<b>225,573,998</b>	<b>264,626,376</b>	<b>333,770,063</b>
<b>Draw-style sales:</b>										
Lotto	31,015,710	25,564,558	28,244,532	26,776,296	30,322,581	25,065,748	24,234,668	21,860,859	21,228,876	24,970,154
Pick 3	48,962,935	49,509,325	49,976,275	51,943,319	52,256,843	52,348,516	52,108,444	54,755,738	62,884,994	77,046,159
Easy 5	13,423,308	11,607,069	10,986,829	10,696,512	10,714,131	10,708,429	10,687,597	10,751,762	10,436,511	11,227,274
Powerball	106,851,843	129,940,266	102,270,182	86,606,894	126,056,365	84,999,892	96,167,914	90,567,612	57,184,920	64,086,034
Pick 4	38,512,854	39,457,197	39,590,738	41,643,107	45,846,071	47,274,931	48,710,356	50,261,424	54,659,474	65,607,488
Mega Millions	32,820,616	28,232,497	38,974,218	32,538,722	29,686,965	28,274,755	41,915,689	70,196,035	38,088,888	48,238,423
<b>Total draw-style sales</b>	<b>271,587,266</b>	<b>284,310,912</b>	<b>270,042,774</b>	<b>250,204,850</b>	<b>294,882,956</b>	<b>248,672,271</b>	<b>273,824,668</b>	<b>298,393,430</b>	<b>244,483,663</b>	<b>291,175,532</b>
<b>Total sales</b>	<b>429,615,669</b>	<b>447,419,896</b>	<b>448,967,865</b>	<b>452,453,116</b>	<b>507,036,087</b>	<b>454,966,217</b>	<b>490,975,098</b>	<b>523,967,428</b>	<b>509,110,039</b>	<b>624,945,595</b>
<b>Other operating revenues</b>										
Allowance for uncollectible accounts	(6,279)	(49,272)	(53,837)	(33,225)	(19,287)	(20,222)	(28,177)	(59,890)	10,028	(15,899)
Other income	533,204	9,450	40,273	51,525	9,966	11,005	10,910	11,240	227,852	5,845
<b>Total other operating revenues</b>	<b>526,925</b>	<b>(39,822)</b>	<b>(13,564)</b>	<b>18,300</b>	<b>(9,321)</b>	<b>(9,217)</b>	<b>(17,267)</b>	<b>(48,650)</b>	<b>237,880</b>	<b>(10,054)</b>
<b>Total operating revenues</b>	<b>430,142,594</b>	<b>447,380,074</b>	<b>448,954,301</b>	<b>452,471,416</b>	<b>507,026,766</b>	<b>454,957,000</b>	<b>490,957,831</b>	<b>523,918,778</b>	<b>509,347,919</b>	<b>624,935,541</b>
<b>Nonoperating revenues</b>										
Interest earned on investments	1,808,722	2,093,533	2,043,520	1,772,346	1,427,242	809,819	1,091,346	1,508,362	1,144,094	1,128,327
Net increase (decrease) in the fair value of investments	596,575	(2,191,737)	(511,045)	(429,388)	(115,678)	(957,963)	(815,764)	1,074,502	1,390,040	(1,309,452)
Net gain (loss) on disposal of assets	36,378	36	32,560	19,735	29,600	7,200	44,167	63,185	13,926	29,722
<b>Total nonoperating revenues</b>	<b>2,441,675</b>	<b>(98,168)</b>	<b>1,565,035</b>	<b>1,362,693</b>	<b>1,341,164</b>	<b>(140,944)</b>	<b>319,749</b>	<b>2,646,049</b>	<b>2,548,060</b>	<b>(151,403)</b>
<b>Total revenues</b>	<b>432,584,269</b>	<b>447,281,906</b>	<b>450,519,336</b>	<b>453,834,109</b>	<b>508,367,930</b>	<b>454,816,056</b>	<b>491,277,580</b>	<b>526,564,827</b>	<b>511,895,979</b>	<b>624,784,138</b>

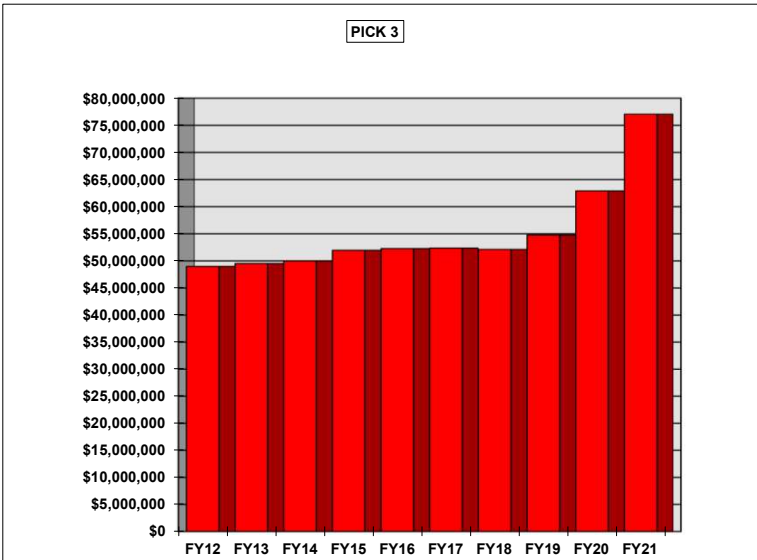
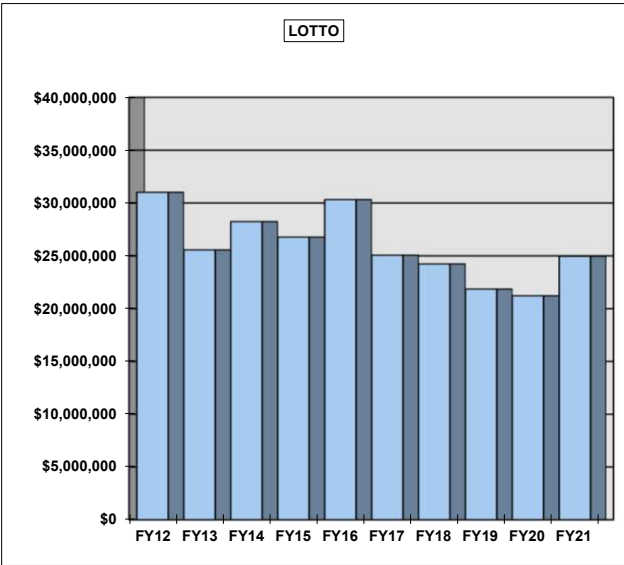
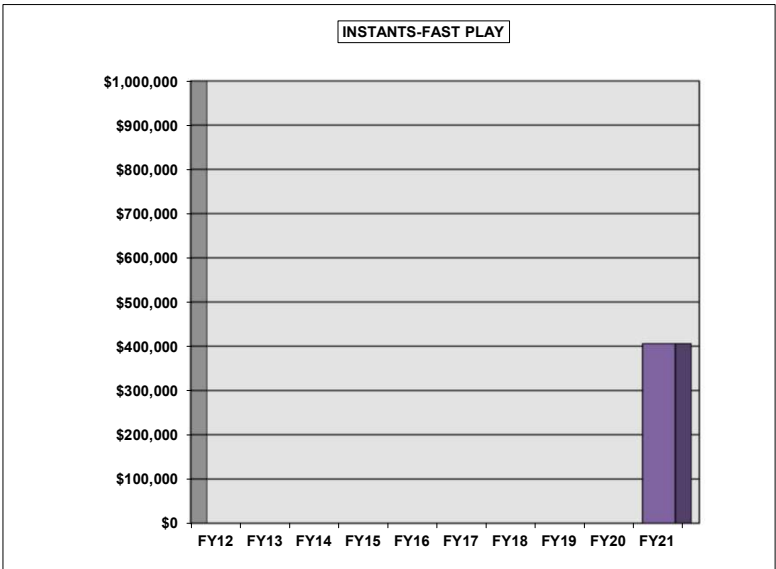
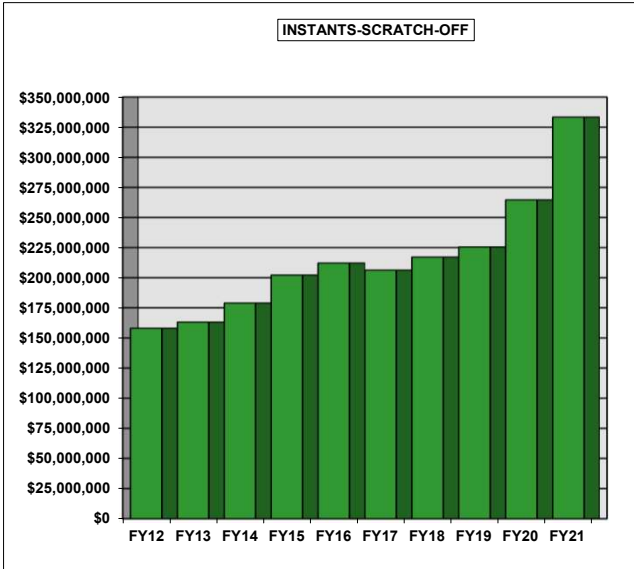
(Continued)

LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA  
(Unaudited)  
Schedule of Net Position and Changes in Net Position  
Fiscal Year Ending June 30 for the Years Shown

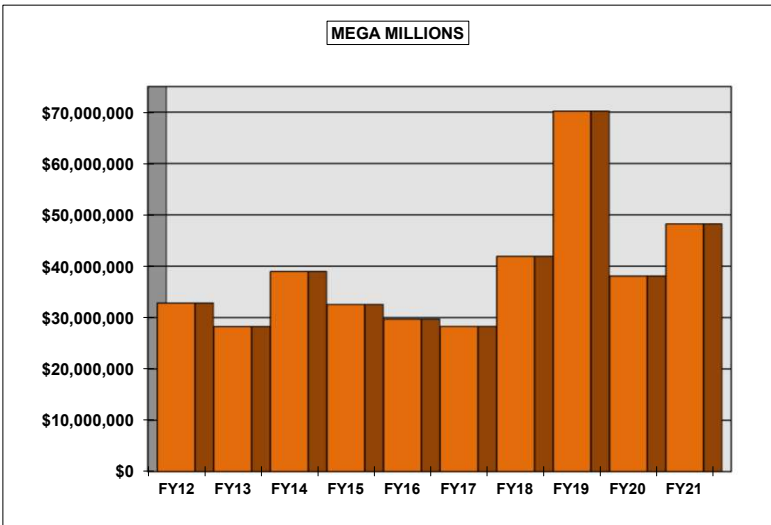
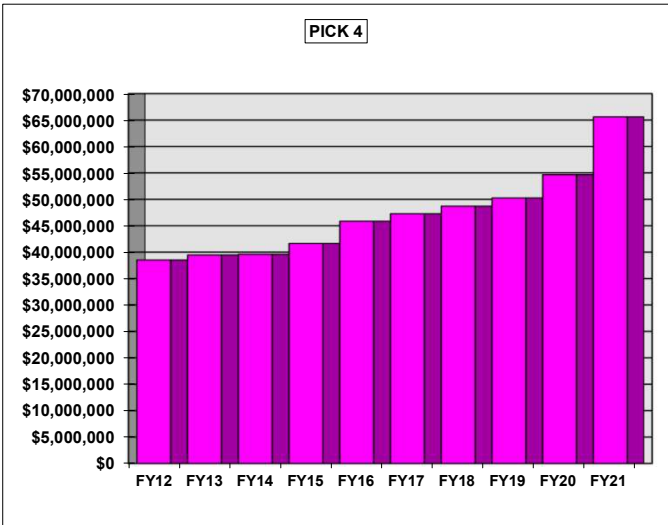
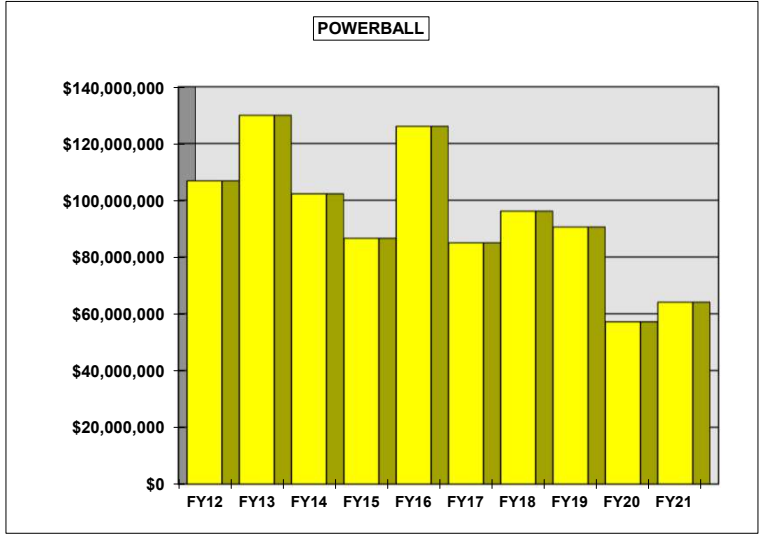
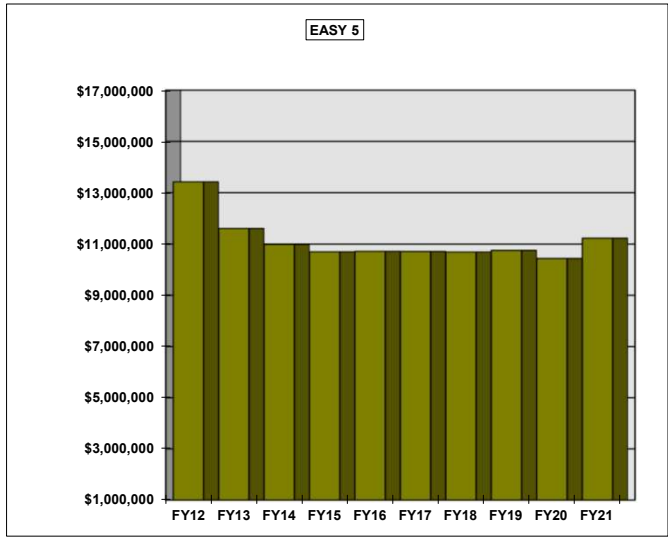
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>OPERATING EXPENSES</b>										
<b>Direct costs:</b>										
Prize expense	\$226,282,669	\$236,159,214	\$237,386,172	\$239,198,279	\$272,926,177	\$242,945,296	\$263,606,902	\$285,330,406	\$277,915,172	\$353,848,720
Unclaimed prizes due to State				(20,000,000)						
Retailer compensation	23,788,663	24,786,537	25,024,150	25,271,832	28,188,671	25,483,326	27,496,227	29,153,104	28,877,437	35,406,569
Other direct costs	7,708,626	8,265,834	8,171,349	7,934,006	9,521,967	8,177,921	9,228,815	8,948,199	7,797,061	9,703,223
<b>Total direct costs</b>	<u>257,779,958</u>	<u>269,211,585</u>	<u>270,581,671</u>	<u>252,404,117</u>	<u>310,636,815</u>	<u>276,606,543</u>	<u>300,331,944</u>	<u>323,431,709</u>	<u>314,589,670</u>	<u>398,958,512</u>
<b>Administrative expenses</b>	<u>17,929,132</u>	<u>18,127,704</u>	<u>18,276,815</u>	<u>18,265,556</u>	<u>18,784,443</u>	<u>18,841,931</u>	<u>18,869,318</u>	<u>18,923,162</u>	<u>18,466,902</u>	<u>18,603,740</u>
<b>Total operating expenses</b>	<u>275,709,090</u>	<u>287,339,289</u>	<u>288,858,486</u>	<u>270,669,673</u>	<u>329,421,258</u>	<u>295,448,474</u>	<u>319,201,262</u>	<u>342,354,871</u>	<u>333,056,572</u>	<u>417,562,252</u>
<b>NONOPERATING EXPENSES</b>										
Payments to state treasury	156,905,490	160,214,975	170,664,700	184,752,815	177,934,550	159,191,670	171,955,980	184,318,132	179,159,426	207,497,710
<b>CHANGES IN NET POSITION</b>	<u>(\$30,311)</u>	<u>(\$272,358)</u>	<u>(\$9,003,850)</u>	<u>(\$1,588,380)</u>	<u>\$1,012,122</u>	<u>\$175,912</u>	<u>\$120,338</u>	<u>(\$108,176)</u>	<u>(\$320,019)</u>	<u>(\$275,824)</u>
<b>NET POSITION</b>										
<b>Net investment in capital assets</b>	\$5,088,913	\$4,960,073	\$4,869,792	\$4,656,254	\$4,417,991	\$4,541,872	\$4,463,230	\$4,449,874	\$4,245,976	\$4,000,478
<b>Unrestricted</b>	17,680,466	17,536,948	8,623,379	7,248,538	8,498,923	8,550,954	8,749,934	8,655,114	8,538,993	8,508,667
<b>Total net position</b>	<u>\$22,769,379</u>	<u>\$22,497,021</u>	<u>\$13,493,171</u>	<u>\$11,904,792</u>	<u>\$12,916,914</u>	<u>\$13,092,826</u>	<u>\$13,213,164</u>	<u>\$13,104,988</u>	<u>\$12,784,969</u>	<u>\$12,509,145</u>

(Concluded)

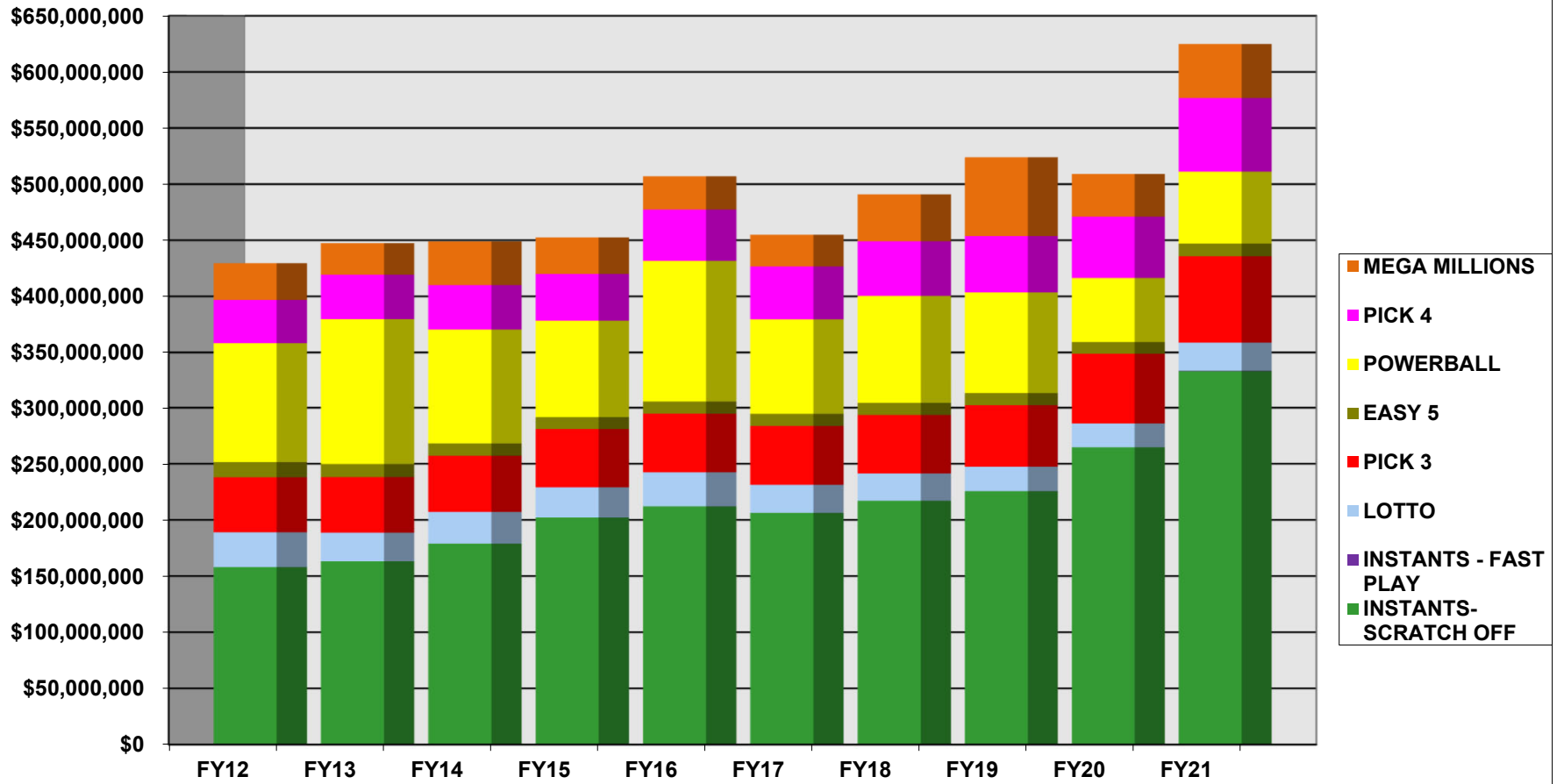
**LOUISIANA LOTTERY CORPORATION  
SALES BY FISCAL YEAR BY PRODUCT LINE  
(UNAUDITED)  
FISCAL YEARS 2012 THROUGH 2021**



**LOUISIANA LOTTERY CORPORATION  
SALES BY FISCAL YEAR BY PRODUCT LINE  
(UNAUDITED)  
FISCAL YEARS 2012 THROUGH 2021**

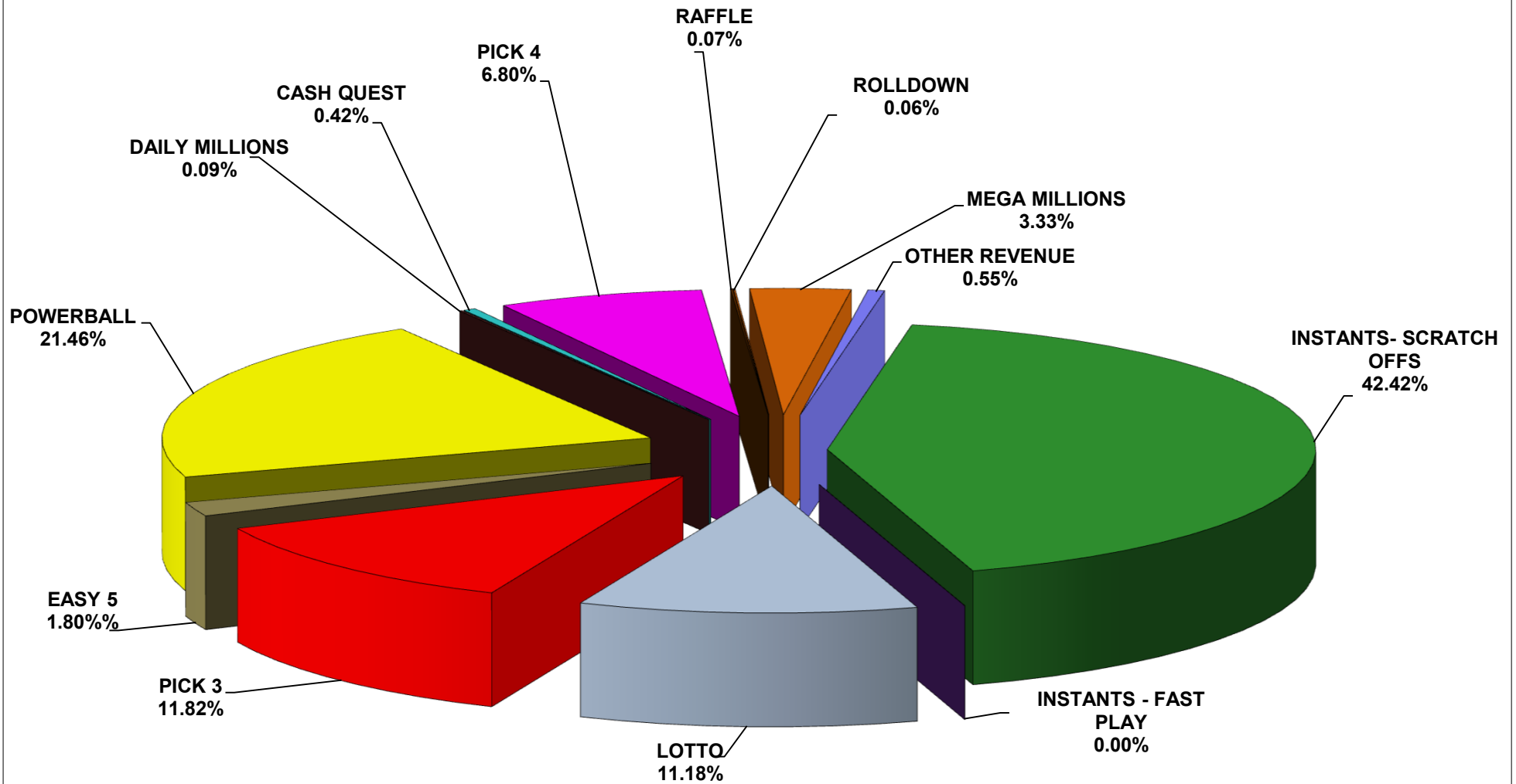


**LOUISIANA LOTTERY CORPORATION  
SALES BY PRODUCT  
(UNAUDITED)  
FISCAL YEARS 2012 THROUGH 2021**

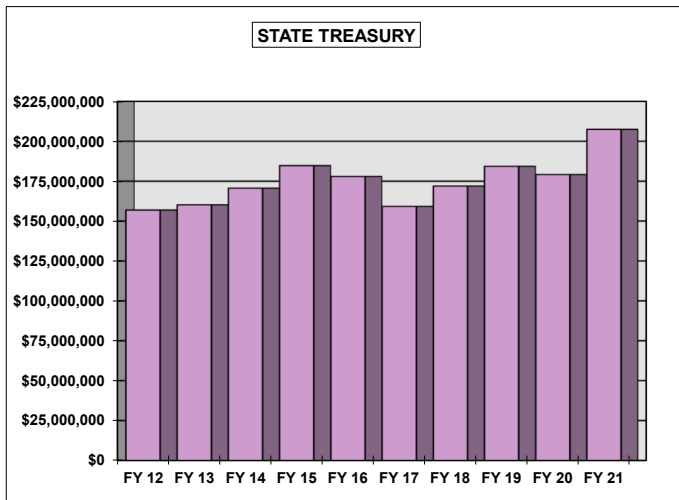
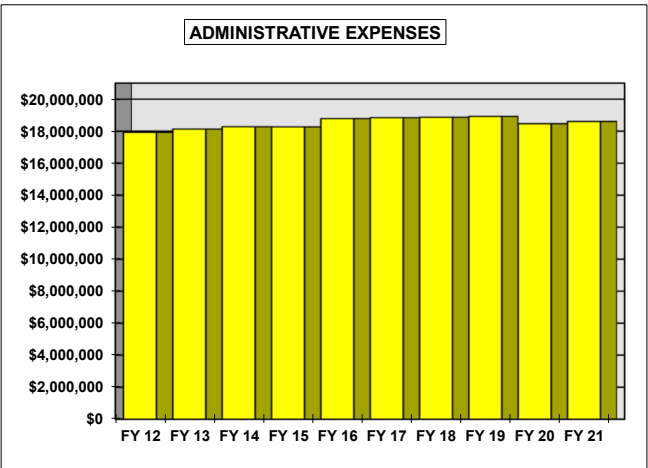
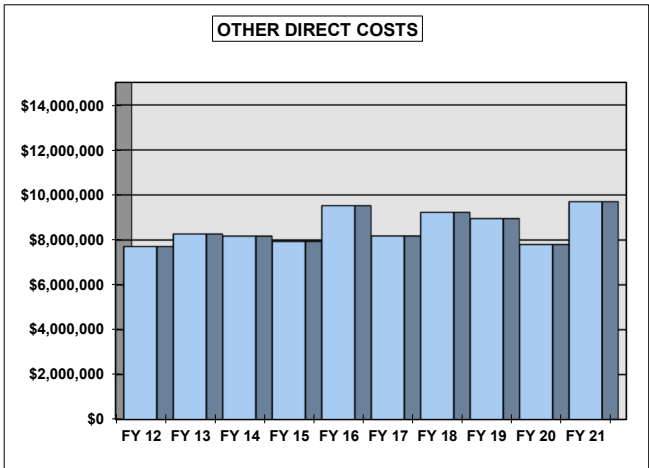
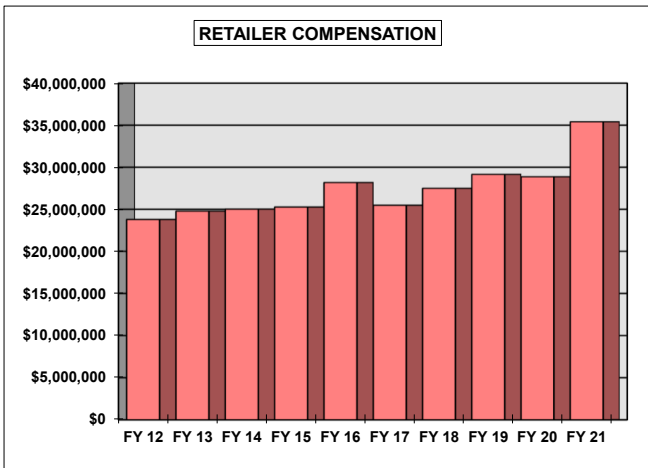
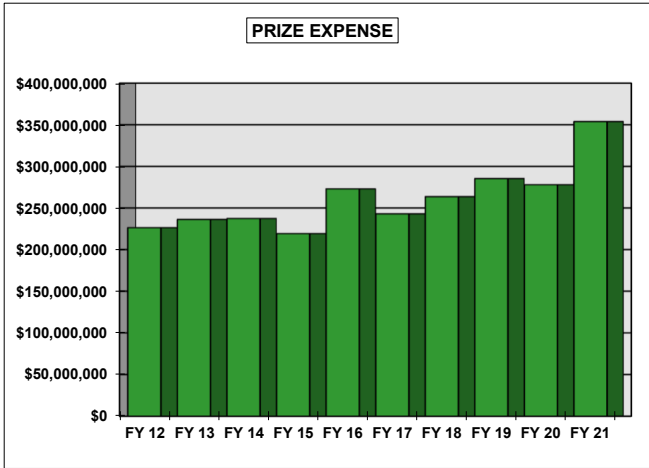




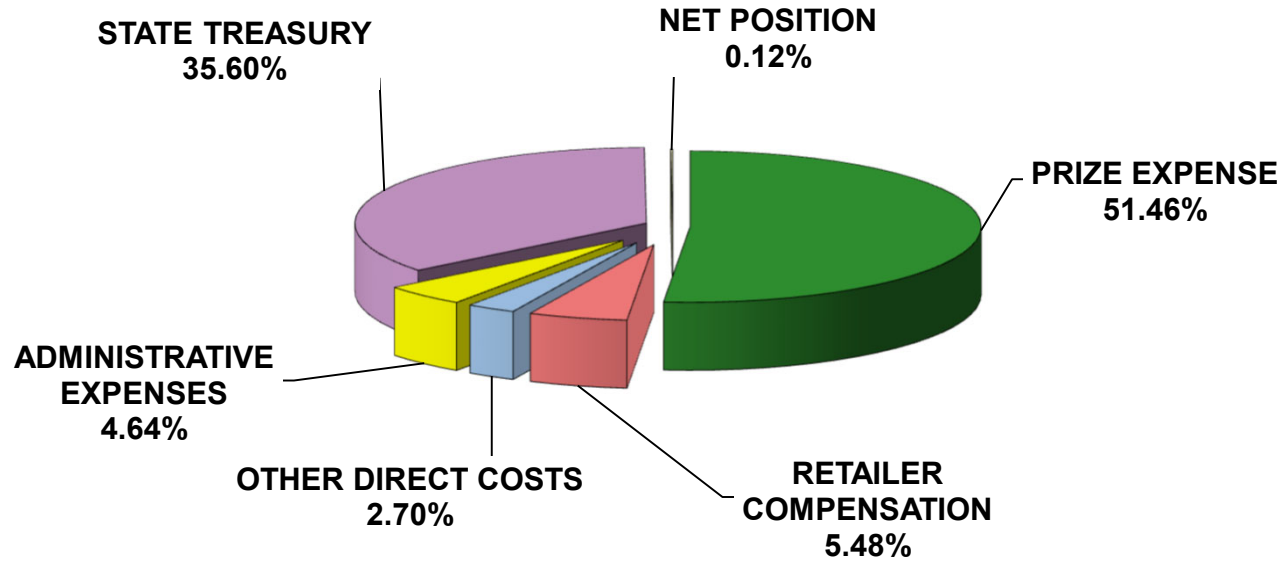
**LOUISIANA LOTTERY CORPORATION  
INCEPTION-TO-DATE REVENUE DISTRIBUTION  
(UNAUDITED)**



**LOUISIANA LOTTERY CORPORATION  
EXPENSES AND PAYMENTS  
(UNAUDITED)  
FISCAL YEARS 2012 THROUGH 2021**



**LOUISIANA LOTTERY CORPORATION  
INCEPTION-TO-DATE  
EXPENSES AND PAYMENTS  
AS A PERCENTAGE OF TOTAL REVENUE  
(UNAUDITED)**



**LOUISIANA LOTTERY CORPORATION  
PAYMENTS TO STATE TREASURY  
(UNAUDITED)  
INCEPTION-TO-DATE**

<u>DATE</u>	<u>AMOUNT</u>	<u>LOTTERY FISCAL YEAR TOTAL</u>	<u>CALENDAR YEAR TOTAL</u>
SEPTEMBER 1991			
DECEMBER 1991	\$50,000,000		\$50,000,000
MARCH 1992	40,000,000		
JUNE 1992	25,000,000	\$115,000,000	
SEPTEMBER 1992	57,200,000		
DECEMBER 1992	44,300,000		166,500,000
MARCH 1993	45,900,000		
JUNE 1993	31,765,000	179,165,000	
SEPTEMBER 1993	32,266,000		
DECEMBER 1993	40,400,000		150,331,000
MARCH 1994	31,365,000		
JUNE 1994	27,995,000	132,026,000	
SEPTEMBER 1994	26,725,000		
DECEMBER 1994	24,500,000		110,585,000
MARCH 1995	25,810,000		
JUNE 1995	34,735,000	111,770,000	
JULY 1995	9,066,822		
AUGUST 1995	8,194,932		
SEPTEMBER 1995	8,507,793		
OCTOBER 1995	7,873,606		
NOVEMBER 1995	8,327,516		
DECEMBER 1995	8,500,000		111,015,669
JANUARY 1996	9,820,865		
FEBRUARY 1996	8,202,764		
MARCH 1996	9,315,166		
APRIL 1996	8,282,972		
MAY 1996	8,428,448		
JUNE 1996	7,971,536	102,492,420	
JULY 1996	8,176,487		
AUGUST 1996	7,890,198		
SEPTEMBER 1996	7,643,764		
OCTOBER 1996	8,385,386		
NOVEMBER 1996	7,773,727		
DECEMBER 1996	8,243,281		100,134,594
JANUARY 1997	8,181,070		
FEBRUARY 1997	8,026,686		
MARCH 1997	9,397,036		
APRIL 1997	8,594,425		
MAY 1997	8,675,328		
JUNE 1997	13,359,518	104,346,906	
JULY 1997	8,399,129		

**LOUISIANA LOTTERY CORPORATION  
PAYMENTS TO STATE TREASURY  
(UNAUDITED)  
INCEPTION-TO-DATE**

<u>DATE</u>	<u>AMOUNT</u>	<u>LOTTERY FISCAL YEAR TOTAL</u>	<u>CALENDAR YEAR TOTAL</u>
AUGUST 1997	8,490,015		
SEPTEMBER 1997	7,522,120		
OCTOBER 1997	7,955,211		
NOVEMBER 1997	7,567,906		
DECEMBER 1997	9,211,519		105,379,963
JANUARY 1998	8,211,078		
FEBRUARY 1998	8,691,278		
MARCH 1998	8,834,355		
APRIL 1998	8,391,642		
MAY 1998	12,684,716		
JUNE 1998	12,079,583	108,038,552	
JULY 1998	15,552,958		
AUGUST 1998	8,358,134		
SEPTEMBER 1998	7,821,200		
OCTOBER 1998	8,067,540		
NOVEMBER 1998	7,277,057		
DECEMBER 1998	7,625,952		113,595,493
JANUARY 1999	8,214,518		
FEBRUARY 1999	7,334,683		
MARCH 1999	9,054,748		
APRIL 1999	7,636,327		
MAY 1999	7,403,142		
JUNE 1999	11,308,906	105,655,165	
JULY 1999	7,691,675		
AUGUST 1999	7,146,000		
SEPTEMBER 1999	7,500,825		
OCTOBER 1999	8,024,420		
NOVEMBER 1999	7,206,148		
DECEMBER 1999	7,706,120		96,227,512
JANUARY 2000	7,415,230		
FEBRUARY 2000	9,698,050		
MARCH 2000	10,341,900		
APRIL 2000	8,822,190		
MAY 2000	8,592,760		
JUNE 2000	8,732,390	98,877,708	
JULY 2000	8,159,960		
AUGUST 2000	7,738,605		
SEPTEMBER 2000	7,309,665		
OCTOBER 2000	7,432,725		
NOVEMBER 2000	10,276,870		
DECEMBER 2000	8,063,285		102,583,630
JANUARY 2001	7,942,029		

**LOUISIANA LOTTERY CORPORATION  
PAYMENTS TO STATE TREASURY  
(UNAUDITED)  
INCEPTION-TO-DATE**

<u>DATE</u>	<u>AMOUNT</u>	<u>LOTTERY FISCAL YEAR TOTAL</u>	<u>CALENDAR YEAR TOTAL</u>
FEBRUARY 2001	9,919,540		
MARCH 2001	9,421,635		
APRIL 2001	8,636,860		
MAY 2001	8,414,910		
JUNE 2001	10,692,250	104,008,334	
JULY 2001	7,988,275		
AUGUST 2001	18,098,020		
SEPTEMBER 2001	8,149,090		
OCTOBER 2001	8,053,040		
NOVEMBER 2001	7,906,850		
DECEMBER 2001	7,756,615		112,979,114
JANUARY 2002	9,397,380		
FEBRUARY 2002	8,219,050		
MARCH 2002	8,556,150		
APRIL 2002	8,394,675		
MAY 2002	9,349,340		
JUNE 2002	9,160,590	111,029,075	
JULY 2002	7,969,575		
AUGUST 2002	8,296,930		
SEPTEMBER 2002	8,978,520		
OCTOBER 2002	8,373,320		
NOVEMBER 2002	7,781,000		
DECEMBER 2002	14,881,880		109,358,410
JANUARY 2003	9,367,485		
FEBRUARY 2003	8,683,630		
MARCH 2003	8,938,100		
APRIL 2003	8,184,390		
MAY 2003	8,600,225		
JUNE 2003	10,785,365	110,840,420	
JULY 2003	11,785,350		
AUGUST 2003	10,099,360		
SEPTEMBER 2003	8,310,460		
OCTOBER 2003	10,643,240		
NOVEMBER 2003	8,592,455		
DECEMBER 2003	12,917,620		116,907,680
JANUARY 2004	9,796,600		
FEBRUARY 2004	9,610,030		
MARCH 2004	10,100,770		
APRIL 2004	9,231,775		
MAY 2004	9,773,075		
JUNE 2004	10,336,200	121,196,935	

**LOUISIANA LOTTERY CORPORATION  
PAYMENTS TO STATE TREASURY  
(UNAUDITED)  
INCEPTION-TO-DATE**

<u>DATE</u>	<u>AMOUNT</u>	<u>LOTTERY FISCAL YEAR TOTAL</u>	<u>CALENDAR YEAR TOTAL</u>
JULY 2004	8,488,925		
AUGUST 2004	8,584,735		
SEPTEMBER 2004	8,909,205		
OCTOBER 2004	9,832,180		
NOVEMBER 2004	9,095,720		
DECEMBER 2004	10,279,105		114,038,320
JANUARY 2005	8,349,700		
FEBRUARY 2005	8,080,810		
MARCH 2005	8,508,585		
APRIL 2005	8,315,245		
MAY 2005	11,268,835		
JUNE 2005	10,678,740	110,391,785	
JULY 2005	8,254,655		
AUGUST 2005	8,120,950		
SEPTEMBER 2005	5,519,665		
OCTOBER 2005	10,870,295		
NOVEMBER 2005	8,526,875		
DECEMBER 2005	9,919,900		106,414,255
JANUARY 2006	10,185,345		
FEBRUARY 2006	14,389,255		
MARCH 2006	11,385,060		
APRIL 2006	10,355,990		
MAY 2006	9,967,465		
JUNE 2006	11,937,660	119,433,115	
JULY 2006	10,153,400		
AUGUST 2006	10,072,650		
SEPTEMBER 2006	10,605,385		
OCTOBER 2006	9,880,170		
NOVEMBER 2006	9,925,840		
DECEMBER 2006	10,506,110		129,364,330
JANUARY 2007	12,367,020		
FEBRUARY 2007	10,355,750		
MARCH 2007	11,982,960		
APRIL 2007	9,526,925		
MAY 2007	9,725,800		
JUNE 2007	13,161,365	128,263,375	
JULY 2007	9,750,850		
AUGUST 2007	13,338,790		
SEPTEMBER 2007	9,451,140		
OCTOBER 2007	9,842,235		
NOVEMBER 2007	10,459,865		
DECEMBER 2007	10,213,145		130,175,845
JANUARY 2008	10,819,300		

**LOUISIANA LOTTERY CORPORATION  
PAYMENTS TO STATE TREASURY  
(UNAUDITED)  
INCEPTION-TO-DATE**

<u>DATE</u>	<u>AMOUNT</u>	<u>LOTTERY FISCAL YEAR TOTAL</u>	<u>CALENDAR YEAR TOTAL</u>
FEBRUARY 2008	11,978,880		
MARCH 2008	13,997,750		
APRIL 2008	11,461,080		
MAY 2008	10,500,360		
JUNE 2008	10,048,130	131,861,525	
JULY 2008	10,434,160		
AUGUST 2008	10,053,780		
SEPTEMBER 2008	9,919,085		
OCTOBER 2008	10,456,065		
NOVEMBER 2008	10,507,165		
DECEMBER 2008	11,907,450		132,083,205
JANUARY 2009	12,547,960		
FEBRUARY 2009	11,947,750		
MARCH 2009	11,753,030		
APRIL 2009	11,153,370		
MAY 2009	12,742,510		
JUNE 2009	12,485,915	135,908,240	
JULY 2009	10,327,065		
AUGUST 2009	11,897,360		
SEPTEMBER 2009	11,258,660		
OCTOBER 2009	10,661,110		
NOVEMBER 2009	9,831,460		
DECEMBER 2009	10,644,340		137,250,530
JANUARY 2010	10,093,340		
FEBRUARY 2010	11,090,400		
MARCH 2010	11,998,175		
APRIL 2010	11,458,715		
MAY 2010	11,626,600		
JUNE 2010	12,814,550	133,701,775	
JULY 2010	10,865,260		
AUGUST 2010	10,623,000		
SEPTEMBER 2010	10,823,825		
OCTOBER 2010	11,018,115		
NOVEMBER 2010	10,940,940		
DECEMBER 2010	10,844,190		134,197,110
JANUARY 2011	11,148,940		
FEBRUARY 2011	11,865,840		
MARCH 2011	12,854,140		
APRIL 2011	11,755,625		
MAY 2011	11,453,130		
JUNE 2011	12,170,485	136,363,490	
JULY 2011	11,355,280		
AUGUST 2011	12,059,415		



**LOUISIANA LOTTERY CORPORATION  
PAYMENTS TO STATE TREASURY  
(UNAUDITED)  
INCEPTION-TO-DATE**

<u>DATE</u>	<u>AMOUNT</u>	<u>LOTTERY FISCAL YEAR TOTAL</u>	<u>CALENDAR YEAR TOTAL</u>
SEPTEMBER 2011	10,594,485		
OCTOBER 2011	11,953,000		
NOVEMBER 2011	11,601,880		
DECEMBER 2011	12,903,980		141,716,200
JANUARY 2012	11,792,440		
FEBRUARY 2012	14,992,910		
MARCH 2012	16,819,660		
APRIL 2012	12,495,950		
MAY 2012	12,490,100		
JUNE 2012	17,846,390	156,905,490	
JULY 2012	11,691,265		
AUGUST 2012	12,696,755		
SEPTEMBER 2012	11,525,090		
OCTOBER 2012	11,094,020		
NOVEMBER 2012	16,830,180		
DECEMBER 2012	11,712,280		161,987,040
JANUARY 2013	11,673,530		
FEBRUARY 2013	12,158,140		
MARCH 2013	15,516,120		
APRIL 2013	12,470,790		
MAY 2013	17,641,110		
JUNE 2013	15,205,695	160,214,975	
JULY 2013	12,515,550		
AUGUST 2013	14,391,600		
SEPTEMBER 2013	13,805,780		
OCTOBER 2013	12,805,280		
NOVEMBER 2013	11,847,320		
DECEMBER 2013	14,819,000		164,849,915
JANUARY 2014	11,902,690		
FEBRUARY 2014	14,599,250		
MARCH 2014	14,467,160		
APRIL 2014	12,354,420		
MAY 2014	12,430,840		
JUNE 2014	24,725,810	170,664,700	
JULY 2014	11,753,955		
AUGUST 2014	12,309,240		
SEPTEMBER 2014	12,498,705		
OCTOBER 2014	13,492,900		
NOVEMBER 2014	12,298,960		
DECEMBER 2014	13,423,270		166,257,200
JANUARY 2015	14,305,185		
FEBRUARY 2015	16,853,170		
MARCH 2015	14,063,320		
APRIL 2015	12,178,070		

**LOUISIANA LOTTERY CORPORATION  
PAYMENTS TO STATE TREASURY  
(UNAUDITED)  
INCEPTION-TO-DATE**

<u>DATE</u>	<u>AMOUNT</u>	<u>LOTTERY FISCAL YEAR TOTAL</u>	<u>CALENDAR YEAR TOTAL</u>
MAY 2015	13,552,300		
JUNE 2015	38,023,740	184,752,815	
JULY 2015	12,577,140		
AUGUST 2015	12,527,225		
SEPTEMBER 2015	13,799,060		
OCTOBER 2015	13,249,490		
NOVEMBER 2015	12,222,635		
DECEMBER 2015	14,784,465		188,135,800
JANUARY 2016	30,108,375		
FEBRUARY 2016	14,187,030		
MARCH 2016	13,866,500		
APRIL 2016	13,715,600		
MAY 2016	13,879,900		
JUNE 2016	13,017,130	177,934,550	
JULY 2016	15,210,610		
AUGUST 2016	11,699,650		
SEPTEMBER 2016	12,136,350		
OCTOBER 2016	12,424,960		
NOVEMBER 2016	13,375,170		
DECEMBER 2016	13,387,000		177,008,275
JANUARY 2017	12,780,920		
FEBRUARY 2017	13,889,190		
MARCH 2017	14,857,940		
APRIL 2017	12,612,130		
MAY 2017	13,491,300		
JUNE 2017	13,326,450	159,191,670	
JULY 2017	13,298,260		
AUGUST 2017	18,315,970		
SEPTEMBER 2017	12,456,760		
OCTOBER 2017	12,498,020		
NOVEMBER 2017	12,629,440		
DECEMBER 2017	15,879,330		166,035,710
JANUARY 2018	15,222,570		
FEBRUARY 2018	13,260,330		
MARCH 2018	17,145,050		
APRIL 2018	13,606,820		
MAY 2018	14,324,940		
JUNE 2018	13,318,490	171,955,980	
JULY 2018	14,011,220		
AUGUST 2018	13,419,240		
SEPTEMBER 2018	13,312,670		
OCTOBER 2018	25,267,210		
NOVEMBER 2018	13,306,050		

**LOUISIANA LOTTERY CORPORATION  
PAYMENTS TO STATE TREASURY  
(UNAUDITED)  
INCEPTION-TO-DATE**

<u>DATE</u>	<u>AMOUNT</u>	<u>LOTTERY FISCAL YEAR TOTAL</u>	<u>CALENDAR YEAR TOTAL</u>
DECEMBER 2018	15,357,580		181,552,170
JANUARY 2019	13,799,180		
FEBRUARY 2019	13,352,010		
MARCH 2019	18,860,870		
APRIL 2019	14,206,710		
MAY 2019	15,498,910		
JUNE 2019	13,926,482	184,318,132	
JULY 2019	13,498,440		
AUGUST 2019	13,181,350		
SEPTEMBER 2019	12,433,280		
OCTOBER 2019	13,438,110		
NOVEMBER 2019	13,568,060		
DECEMBER 2019	15,387,180		171,150,582
JANUARY 2020	15,213,500		
FEBRUARY 2020	13,649,960		
MARCH 2020	14,498,060		
APRIL 2020	15,441,710		
MAY 2020	20,662,370		
JUNE 2020	18,187,406	179,159,426	
JULY 2020	18,069,770		
AUGUST 2020	15,554,681		
SEPTEMBER 2020	14,459,884		
OCTOBER 2020	14,278,821		
NOVEMBER 2020	14,352,300		
DECEMBER 2020	18,054,809		192,423,271
JANUARY 2021	27,406,697		
FEBRUARY 2021	14,700,690		
MARCH 2021	19,879,455		
APRIL 2021	19,312,770		
MAY 2021	18,958,126		
JUNE 2021	12,469,707	207,497,710	112,727,445
<b>TOTAL INCEPTION-TO-DATE</b>	<b>\$4,152,965,268</b>	<b>\$4,152,965,268</b>	<b>\$4,152,965,268</b>

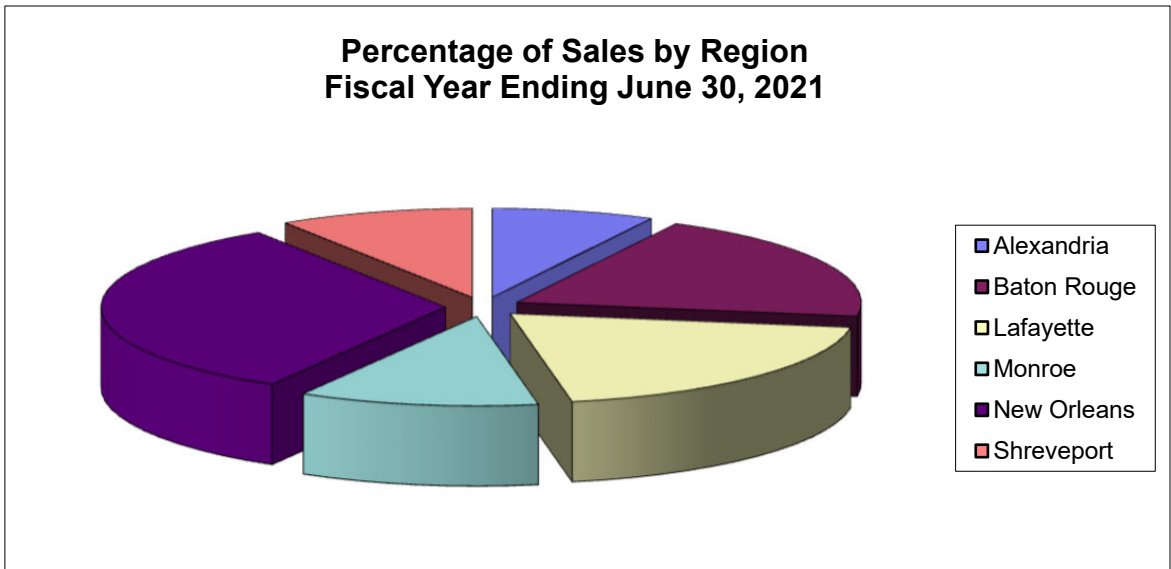
LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA  
(Unaudited)

Schedule of Instant Ticket-Scratch Off Game Launches and Sales by Price Point  
Fiscal Year Ending June 30 for the Years Shown

Price Point	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	% of Total 2021
<b>Number of Launches</b>											
\$1	23	24	24	20	24	21	20	17	23	22	27.16%
\$2	24	27	27	28	30	26	24	17	24	24	29.63%
\$3	6	6	7	8	7	7	8	8	12	13	16.05%
\$5	11	9	9	12	13	13	14	12	16	15	18.52%
\$10	4	4	5	5	5	5	5	5	7	7	8.64%
<b>Total</b>	<u>68</u>	<u>70</u>	<u>72</u>	<u>73</u>	<u>79</u>	<u>72</u>	<u>71</u>	<u>59</u>	<u>82</u>	<u>81</u>	100.00%
<b>Sales</b>											
\$1	\$42,863,800	\$41,059,283	\$39,901,749	\$43,303,188	\$43,713,871	\$38,247,365	\$39,244,142	\$40,103,234	\$46,613,278	\$48,134,383	14.44%
\$2	41,880,575	39,332,690	42,900,963	46,135,770	48,448,784	46,796,080	45,498,302	47,485,743	55,525,731	61,397,524	18.42%
\$3	15,415,458	15,686,361	14,672,286	16,849,743	16,568,436	15,363,585	18,641,166	21,210,786	29,598,834	42,493,608	12.75%
\$5	34,593,695	37,594,100	41,006,523	46,896,335	51,653,060	55,638,216	57,855,660	59,557,375	66,563,223	82,816,715	24.84%
\$10	23,274,875	29,436,550	40,443,570	49,063,230	51,768,980	50,248,700	55,911,160	57,216,860	66,325,310	98,521,930	29.55%
<b>Total</b>	<u>\$158,028,403</u>	<u>\$163,108,984</u>	<u>\$178,925,091</u>	<u>\$202,248,266</u>	<u>\$212,153,131</u>	<u>\$206,293,946</u>	<u>\$217,150,430</u>	<u>\$225,573,998</u>	<u>\$264,626,376</u>	<u>\$333,364,160</u>	100.00%

**LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA  
(Unaudited)  
Schedule of Lottery Retailers and Sales by Region  
Fiscal Year Ending June 30, 2021**

<b>Region</b>	<b>Number of Retailers</b>	<b>% of Total Retailers</b>	<b>Sales</b>	<b>% Total Sales</b>
Alexandria	182	6.45%	\$47,834,773	7.65%
Baton Rouge	592	20.97%	123,841,038	19.82%
Lafayette	691	24.48%	122,888,423	19.66%
Monroe	255	9.03%	70,243,472	11.24%
New Orleans	826	29.26%	202,879,708	32.46%
Shreveport	277	9.81%	57,258,181	9.17%
<b>Total</b>	<b>2,823</b>	<b>100.00%</b>	<b>\$624,945,595</b>	<b>100.00%</b>



LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA  
(Unaudited)  
Schedule of Lottery Retailers and Sales by Region  
Fiscal Year Ending June 30 for the Years Shown

Number of Retailers

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Region</b>										
Alexandria	203	197	198	196	200	199	192	193	185	182
Baton Rouge	591	598	604	598	613	586	608	610	593	592
Lafayette	661	681	682	678	688	683	680	712	696	691
Monroe	265	276	272	266	260	259	256	260	257	255
New Orleans	870	895	874	861	863	851	842	844	825	826
Shreveport	307	302	301	294	295	300	298	295	284	277
<b>Total</b>	<u>2,897</u>	<u>2,949</u>	<u>2,931</u>	<u>2,893</u>	<u>2,919</u>	<u>2,878</u>	<u>2,876</u>	<u>2,914</u>	<u>2,840</u>	<u>2,823</u>

Sales

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Region</b>										
Alexandria	\$33,864,268	\$34,585,407	\$33,987,788	\$34,627,221	\$36,797,304	\$32,452,671	\$33,965,071	\$35,843,960	\$37,817,548	\$47,834,773
Baton Rouge	80,198,787	83,505,683	85,185,570	86,480,723	97,057,168	89,552,371	95,690,742	101,460,320	98,529,521	123,841,038
Lafayette	74,121,167	77,740,112	78,680,521	81,375,421	89,739,014	80,590,314	89,006,303	97,853,281	98,538,047	122,888,423
Monroe	45,734,365	48,266,592	48,623,895	50,077,531	59,733,823	53,262,979	56,656,845	59,862,124	58,730,104	70,243,472
New Orleans	159,041,148	166,581,816	165,668,945	161,894,758	181,704,887	160,981,265	173,604,193	184,477,399	168,627,868	202,879,708
Shreveport	36,655,934	36,740,286	36,821,146	37,997,462	42,003,891	38,126,617	42,051,944	44,470,344	46,866,951	57,258,181
<b>Total</b>	<u>\$429,615,669</u>	<u>\$447,419,896</u>	<u>\$448,967,865</u>	<u>\$452,453,116</u>	<u>\$507,036,087</u>	<u>\$454,966,217</u>	<u>\$490,975,098</u>	<u>\$523,967,428</u>	<u>\$509,110,039</u>	<u>\$624,945,595</u>

**LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA  
(Unaudited)  
Schedule of Demographic and Economic Statistics  
Calendar Years 2012 to 2021**

<b>Calendar Year</b>	<b>Statewide Population</b>	<b>Statewide Personal Income (millions of dollars)</b>	<b>Statewide Personal Income per Capita</b>	<b>Statewide Unemployment Rate</b>
2012	4,602,134	181,373	39,413	6.4%
2013	4,625,470	188,207	40,689	6.2%
2014	4,649,676	196,621	42,287	5.0%
2015	4,671,374	202,048	43,252	6.3%
2016	4,681,666	203,592	43,487	6.1%
2017	4,684,333	204,351	43,491	5.1%
2018	4,659,978	214,183	45,542	4.9%
2019	4,648,794	223,179	48,008	4.8%
2020	4,657,757	232,437	50,037	8.3%
2021	<b>a</b>	<b>a</b>	<b>a</b>	6.9%

**Sources:**

Population from U.S. Census Bureau; Personal income from U.S. Bureau of Economic Analysis; Unemployment rate from U.S. Department of Labor, Bureau of Statistics.

**Note:**

**a= Not yet available.**

**LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA  
(Unaudited)  
Schedule of Principal Employers  
Fiscal Year Ending June 30**

<b>2020 EMPLOYERS</b>	<b>RANGE</b>
State of Louisiana	40,000+
Oschner Health System	25,000+
Louisiana State University System	13,000+
University of Louisiana System	8,000+
Our Lady of the Lake Regional Medical Center	6,000+
Louisiana Community and Technical College System	5,000 - 9,999
Hilton-New Orleans Riverside	5,000 - 9,999
Lafayette General Health	5,000 - 9,999
Willis Knighton Medical Center	5,000 - 9,999
Jazz Casino Co LLC	1,000 - 4,999
East Jefferson General Hospital	1,000 - 4,999
Baton Rouge General Medical Center	1,000 - 4,999
North Oaks Health System	1,000 - 4,999
Lockheed Martin Manned Space	1,000 - 4,999
Southern University System	1,000 - 4,999

<b>2011 EMPLOYERS</b>	<b>RANGE</b>
State of Louisiana	45,000+
Louisiana State University System	25,000+
Oschner Health System	10,000+
University of Louisiana System	5,000 - 9,999
Northrop Grumman Ship Systems	5,000 - 9,999
Willis Knighton Health System	5,000 - 9,999
Lafayette Medical Center	5,000 - 9,999
Our Lady of the Lake Medical Center	5,000 - 9,999
Tulane University	5,000 - 9,999
Louisiana Community and Technical College System	5,000 - 9,999
Southern University System	1,000 - 4,999
US Post Office	1,000 - 4,999
Harrah's Entertainment	1,000 - 4,999
North Oaks Health System	1,000 - 4,999
Allied Health Care, Inc	1,000 - 4,999

\* Information obtained from State of Louisiana Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2020



LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA  
(Unaudited)  
Schedule of Lottery Employees  
Fiscal Year Ending June 30 for the Years Shown

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Full-time	102	105	104	105	102	103	102	102	97	99
Part-time	11	11	10	8	8	9	6	7	6	7
<b>Total</b>	<b><u>113</u></b>	<b><u>116</u></b>	<b><u>114</u></b>	<b><u>113</u></b>	<b><u>110</u></b>	<b><u>112</u></b>	<b><u>108</u></b>	<b><u>109</u></b>	<b><u>103</u></b>	<b><u>106</u></b>
Sales:										
Alexandria	5	4	4	5	4	4	5	5	5	5
Baton Rouge	7	7	8	7	8	7	6	6	5	5
Lafayette	9	9	8	9	9	9	8	9	9	9
Monroe	6	6	6	6	6	6	6	6	6	6
New Orleans	11	10	11	11	9	10	11	11	11	11
Shreveport	4	5	4	4	5	5	5	5	4	5
Warehousing	7	8	7	7	7	8	7	7	4	4
Marketing and administration	64	67	66	64	62	63	60	60	59	61
<b>Total</b>	<b><u>113</u></b>	<b><u>116</u></b>	<b><u>114</u></b>	<b><u>113</u></b>	<b><u>110</u></b>	<b><u>112</u></b>	<b><u>108</u></b>	<b><u>109</u></b>	<b><u>103</u></b>	<b><u>106</u></b>

## U.S. LOTTERY STATISTICS (UNAUDITED)

The following tables:

- U.S. Lotteries' Fiscal 2020 Sales By Game
  - Fiscal 2020 U.S. Lottery Sales, Prizes  
& Government Transfers

Measured by Gross Domestic Product

(Source: La Fleur's 2021 World Lottery Almanac)

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Rockville, MD 20850

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# U.S. lotteries' fiscal 2020 sales by game\*

(in \$Millions)				Systems Games										Total Sales	PC Sales
Lottery	Pop. (M)	Instant	Pull tab	3-digit	4-digit	In-State Lotto	Small Bloc	Power Ball	Mega Millions	For Life	ITG	Monitor Games	Other		
Arizona	7.4	848.4	8.1	14.4		68.7		72.7	57.2		28.6			1,098.0	\$148
Arkansas	3.0	452.3		9.1	5.0	8.0		20.5	16.9	3.0	16.7			531.4	\$175
California	39.4	5,029.8		157.6	31.9	392.7		297.3	359.4			353.3		6,622.0	\$168
Colorado	5.8	490.7		13.4		51.0		51.1	37.7	14.9				658.8	\$113
Connecticut	3.6	757.0		132.2	127.0	68.1		49.5	38.5	17.5		115.4		1,305.3	\$367
Delaware	1.0	92.9		29.0	24.8	4.0	2.6	14.7	11.2	2.9		8.6		190.7	\$193
DC	0.7	47.2		41.8	55.9			5.8	4.7	1.9	10.0	15.7	25.1	208.1	\$292
Florida	21.7	5,665.3		396.3	258.6	510.4		282.2	225.0	65.3	20.0		82.0	7,505.1	\$345
Georgia	10.7	3,088.9		537.2	337.2	115.3		90.0	107.4	28.4	6.7	235.8	89.4	4,636.2	\$433
Idaho	1.8	173.1	43.3	2.5		4.9	2.2	20.4	13.2	3.0	12.5		2.5	277.6	\$152
Illinois <sup>1</sup>	12.6	1,887.8		278.0	261.7	211.9		94.8	110.3					2,844.5	\$226
Indiana	6.8	1,093.0		42.2	40.7	78.7		61.3	40.2	6.5	17.1		4.4	1,384.1	\$205
Iowa	3.2	262.4	10.8	8.5	5.0		6.8	36.4	20.4	5.3	16.3			372.0	\$118
Kansas	2.9	178.7	7.1	7.8		8.9	6.9	23.7	16.0	5.2		16.8	3.9	275.0	\$94
Kentucky	4.5	741.1		167.3	50.9	20.1		49.9	37.0	7.2	14.5	78.8	36.7	1,203.4	\$269
Louisiana	4.6	264.6		62.9	54.7	31.7		57.2	38.1					509.1	\$110
Maine	1.4	251.9		5.8	4.5	1.1	12.5	15.5	8.6	3.5	10.8			314.1	\$233
Maryland	6.1	852.7		251.7	333.7	53.5		70.4	78.6	20.6	31.2	489.5		2,181.9	\$360
Massachusetts	6.9	3,645.7			326.9	118.8		72.2	77.3	24.4		978.7	1.2	5,245.2	\$761
Michigan	10.0	2,038.3	28.3	447.6	534.2	131.5		79.6	99.1	13.2	87.8	524.7	263.3	4,247.4	\$426
Minnesota	5.7	519.3		18.9		26.3	8.8	44.0	25.0	7.1	12.1		7.0	668.6	\$118
Mississippi	3.0	289.3						11.8	10.1					311.2	\$105
Missouri	6.2	1,035.1	109.3	95.2	62.9	46.7		58.4	43.1	8.2		49.9	3.9	1,512.7	\$246
Montana <sup>1</sup>	1.1	24.2				7.8	1.9	8.6	5.0	2.7	5.6		4.1	59.9	\$55
Nebraska	1.9	111.9		6.6		17.9	2.1	25.3	15.2	4.0				183.1	\$94
N. Hampshire	1.4	272.3		5.6	4.9		10.8	23.9	17.5	5.5	5.4	29.0	10.7	385.6	\$282
New Jersey	8.9	1,952.2		408.8	261.5	190.9		125.8	145.7	56.5	17.1	129.9		3,288.5	\$370
New Mexico	2.1	79.3		5.1	1.7	8.1	3.7	16.8	11.5		0.9			127.1	\$60
New York	19.3	4,114.4		947.1	975.4	291.9		250.7	300.1	122.2		695.2	29.6	7,726.7	\$400
N. Carolina	10.6	2,089.2		400.5	185.2	78.0		101.3	75.3	20.4		66.3		3,016.2	\$285
N. Dakota	0.8						7.1	8.3	6.1	2.9				24.4	\$32
Ohio	11.7	1,873.8		400.6	240.5	80.6		85.1	102.0	19.5	158.7	459.5	51.2	3,471.5	\$297
Oklahoma	4.0	198.3		6.2		4.2	5.4	28.9	20.9	3.9				267.8	\$67
Oregon	4.2	149.8			1.7	35.4		31.3	23.7			93.5	2.5	337.9	\$80
Pennsylvania	12.8	3,203.2		266.2	224.9	253.9		137.8	106.2	25.6	102.7	53.7	180.8	4,555.1	\$356
Rhode Island	1.1	112.6	0.0		22.9	3.8		17.9	11.9	4.9		69.8	2.5	246.4	\$233
S. Carolina	5.2	1,582.2		255.3	122.9	24.7		63.2	45.4	12.6				2,106.4	\$404
South Dakota	0.9	37.1				2.9	1.9	8.9	4.6	2.8				58.1	\$65
Tennessee	6.9	1,427.5		64.5	42.2	20.5	10.1	66.7	46.3	11.1		13.5	9.8	1,712.2	\$249
Texas	28.4	5,555.8		280.1	132.2	290.2		213.8	231.9					6,704.0	\$236
Vermont	0.6	111.1		1.3	1.1		4.4	6.4	4.3	1.8	7.1			137.4	\$221
Virginia	8.6	1,166.8		336.9	322.4	43.9		76.1	89.8	27.4	75.5		9.8	2,148.6	\$250
Washington	7.7	619.7		20.8		77.1		42.5	51.0				6.2	817.3	\$106
West Virginia	1.8	145.4		8.2	4.7	4.9	4.6	22.0	13.4			3.4		206.6	\$116
Wisconsin <sup>1</sup>	5.8	513.0	0.8	23.9	14.8	84.6		53.3	34.6				0.5	725.4	\$124
Wyoming	0.6					8.9		6.7	5.0	2.4			1.0	24.1	\$41
<b>Total</b>	<b>315.0</b>	<b>55,045.4</b>	<b>207.7</b>	<b>6,157.1</b>	<b>5,074.6</b>	<b>3,482.6</b>	<b>91.9</b>	<b>3,000.7</b>	<b>2,842.5</b>	<b>564.3</b>	<b>657.2</b>	<b>4,480.7</b>	<b>828.0</b>	<b>82,432.8</b>	<b>\$262</b>
<b>% of total</b>		<b>66.8%</b>	<b>0.3%</b>	<b>7.5%</b>	<b>6.2%</b>	<b>4.2%</b>	<b>0.1%</b>	<b>3.6%</b>	<b>3.4%</b>	<b>0.7%</b>	<b>0.8%</b>	<b>5.4%</b>	<b>1.0%</b>	<b>100.0%</b>	

\* Fiscal year ends June 30 for all U.S. states, except New York (March 31), Texas (August 31), D.C. and Michigan (Sept. 30)<sup>1</sup> Unaudited

Excel\Fiscal 2020 Sales (Analysis)[FY Sales Analysis\_US.xls]Fiscal Sales by Game

Source: La Fleur's 2021 World Lottery Almanac (Copyright 2021)

# FY20 U.S. Lottery Sales, Prizes & Government Transfers Measured by GDP\*

Lottery	2020 Pop. <sup>1</sup> (M)	2020 Gross Domestic Product <sup>2</sup> (Mil)	(in Millions)					PC Sales	PC Gov't	Ticket Sales as % of GDP	Gov't Transfers as % of GDP <sup>7</sup>
			Ticket Sales <sup>3</sup> (Mil)	VLT (net) (Mil)	Gaming (net) (Mil)	Prizes <sup>4</sup> (Mil)	Gov't Transfers <sup>5</sup> (Mil)				
Arizona	7.4	350,141	1,097.96			737.91	226.14	\$148	\$30	0.314%	0.065%
Arkansas	3.0	120,812	531.44			369.61	89.27	\$175	\$29	0.440%	0.074%
California <sup>6</sup>	39.4	2,893,054	6,622.00			4,403.72	1,452.98	\$168	\$37	0.229%	0.050%
Colorado	5.8	365,009	658.84			424.56	142.43	\$113	\$25	0.180%	0.039%
Connecticut	3.6	262,708	1,305.28			822.24	353.21	\$367	\$99	0.497%	0.134%
Delaware <sup>4,5</sup>	1.0	71,611	190.67	300.8	150.0	110.00	215.34	\$193	\$218	0.266%	0.301%
D.C.	0.7	137,972	208.14			122.99	37.71	\$292	\$53	0.151%	0.027%
Florida	21.7	1,026,676	7,505.11			5,030.24	1,913.80	\$345	\$88	0.731%	0.186%
Georgia	10.7	580,732	4,636.18			3,045.57	1,237.35	\$433	\$116	0.798%	0.213%
Idaho	1.8	77,384	277.60			185.85	55.93	\$152	\$31	0.359%	0.072%
Illinois <sup>6</sup>	12.6	807,383	2,841.72			1,842.19	696.01	\$226	\$55	0.352%	0.086%
Indiana	6.8	344,033	1,384.07			914.17	304.60	\$205	\$45	0.402%	0.089%
Iowa	3.2	179,037	371.95			236.32	81.53	\$118	\$26	0.208%	0.046%
Kansas	2.9	161,464	274.99		334.1	166.53	157.45	\$94	\$54	0.170%	0.098%
Kentucky	4.5	193,878	1,203.44			801.24	271.89	\$269	\$61	0.621%	0.140%
Louisiana	4.6	224,129	509.11			277.92	179.16	\$110	\$39	0.227%	0.080%
Maine	1.4	61,496	314.11			212.06	65.24	\$233	\$48	0.511%	0.106%
Maryland <sup>4,5</sup>	6.1	398,609	2,189.77	829.3	450.7	1,369.04	1,112.32	\$362	\$184	0.549%	0.279%
Massachusetts	6.9	546,546	5,245.24			3,865.08	986.85	\$761	\$143	0.960%	0.181%
Michigan	10.0	475,494	4,247.42			2,583.56	1,181.64	\$426	\$119	0.893%	0.249%
Minnesota	5.7	348,034	668.57			423.64	155.98	\$118	\$28	0.192%	0.045%
Mississippi	3.0	105,681	311.20			198.26	70.78	\$105	\$24	0.294%	0.067%
Missouri	6.2	299,131	1,512.71			1,062.49	321.93	\$246	\$52	0.506%	0.108%
Montana <sup>6</sup>	1.1	47,721	59.86			36.77	8.57	\$55	\$8	0.125%	0.018%
Nebraska	1.9	119,692	183.08			108.27	42.41	\$94	\$22	0.153%	0.035%
N. Hampshire	1.4	78,691	392.22			246.88	99.34	\$287	\$73	0.498%	0.126%
New Jersey	8.9	574,018	3,288.51			1,969.61	1,015.67	\$370	\$114	0.573%	0.177%
New Mexico	2.1	93,367	127.05			68.29	38.15	\$60	\$18	0.136%	0.041%
New York <sup>4,5</sup>	19.3	1,587,879	7,726.65	1,599.1	414.8	4,623.60	3,376.81	\$400	\$175	0.487%	0.213%
N. Carolina	10.6	546,776	3,016.21			1,957.59	729.40	\$285	\$69	0.552%	0.133%
N. Dakota <sup>6</sup>	0.8	49,881	24.39			12.67	5.22	\$32	\$7	0.049%	0.010%
Ohio <sup>4,5</sup>	11.7	626,275	3,471.54	820.9		2,259.25	1,127.13	\$297	\$96	0.554%	0.180%
Oklahoma	4.0	173,061	267.76			166.69	65.15	\$67	\$16	0.155%	0.038%
Oregon <sup>4,5</sup>	4.2	233,799	337.19	797.5		223.50	585.74	\$79	\$138	0.144%	0.251%
Pennsylvania	12.8	723,830	4,555.12			2,927.56	1,161.45	\$356	\$91	0.629%	0.160%
R. Island <sup>4,5</sup>	1.1	56,285	246.39	352.8	83.3	153.93	283.87	\$233	\$269	0.438%	0.504%
S. Carolina	5.2	224,689	2,106.37			1,424.23	490.63	\$404	\$94	0.937%	0.218%
S. Dakota <sup>4,5</sup>	0.9	50,951	58.08	234.7		36.15	128.43	\$65	\$144	0.114%	0.252%
Tennessee	6.9	333,194	1,712.24			1,092.05	438.23	\$249	\$64	0.514%	0.132%
Texas	28.4	1,628,185	6,704.03			4,442.36	1,683.73	\$236	\$59	0.412%	0.103%
Vermont	0.6	30,175	137.39			91.65	27.52	\$221	\$44	0.455%	0.091%
Virginia	8.6	519,912	2,148.61			1,318.10	595.36	\$250	\$69	0.413%	0.115%
Washington	7.7	579,695	817.30			530.24	180.95	\$106	\$24	0.141%	0.031%
W. Virginia <sup>4,5</sup>	1.8	68,001	206.60	718.5	28.6	127.85	415.24	\$116	\$233	0.304%	0.611%
Wisconsin <sup>6</sup>	5.8	314,027	725.44			453.52	200.67	\$124	\$34	0.231%	0.064%
Wyoming	0.6	33,233	24.07			13.78	3.33	\$41	\$6	0.072%	0.010%
<b>Total</b>	<b>315.0</b>	<b>18,724,351</b>	<b>82,443.6</b>	<b>5,653.7</b>	<b>1,461.5</b>	<b>53,489.7</b>	<b>24,012.5</b>	<b>\$262</b>	<b>\$76</b>	<b>0.440%</b>	<b>0.128%</b>

\* Fiscal year ends June 30 except New York (March 31), Texas (August 31) and D.C. and Michigan (Sept. 30). <sup>1</sup> Source: U.S. Census Bureau

<sup>2</sup> Source: U.S. Bureau of Economic Analysis; <sup>3</sup> Traditional lottery games only; <sup>4</sup> Prizes don't include VLT & sports books

<sup>5</sup> Includes government transfers for VLT operations; <sup>6</sup> Unaudited

Note: If a lottery's operating statement did not include government transfers, then net income is reported.

Excel\Fiscal 2020 Sales (Analysis)\FY Sales Analysis\_US.xls\Fiscal Sales

LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA  
(Unaudited)  
Schedule of Capital Asset Information  
Fiscal Year Ending June 30 for the Years Shown

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Owned buildings - square feet</b>										
<i>Headquarters</i>										
555 Laurel Street Baton Rouge 70801	28,176	28,176	28,176	28,176	28,176	28,176	28,176	28,176	28,176	28,176
<i>Distribution center</i>										
Baton Rouge	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
<b>Leased locations - square feet occupied</b> (Leasehold improvements on schedule of capital assets)										
2222 Clearview Parkway Metairie, Suite B3 70001	5,525	5,525	5,525	5,525	5,525	5,525	5,525	5,525	5,525	5,525
5520-L Johnston Street Lafayette 70503	3,516	3,516	3,516	3,516	3,516	3,516	3,516	3,516	3,516	3,516
1325 Macarthur Drive Alexandria 71301	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200
1128 Pecanland Road Monroe 71203	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480
767 Shreveport - Barksdale Highway Shreveport 71105	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300
<b>Fleet of owned vehicles</b>										
Cars - security department	4	4	5	6	6	6	7	6	6	6
Passenger vans - sales representatives	38	45	41	43	42	48	41	32	33	33
Trucks	3	4	4	4	4	4	4	3	3	1
Promotional trailers & vehicles	3	3	3	3	3	3	3	3	3	3
	<u>48</u>	<u>56</u>	<u>53</u>	<u>56</u>	<u>55</u>	<u>61</u>	<u>55</u>	<u>44</u>	<u>45</u>	<u>43</u>



**OTHER REPORT REQUIRED BY**  
***GOVERNMENT AUDITING STANDARDS***

The following pages contain a report on internal control over financial reporting and on compliance with laws, regulations, and other matters as required by *Government Auditing Standards*, issued by the Comptroller General of the United States. This report is based on the audit of the financial statements and includes, where appropriate, any significant deficiencies and/or material weaknesses in internal control or compliance and other matters that would be material to the presented financial statements.







LOUISIANA LEGISLATIVE AUDITOR  
MICHAEL J. "MIKE" WAGUESPACK, CPA

September 24, 2021

Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

**BOARD OF DIRECTORS  
LOUISIANA LOTTERY CORPORATION  
STATE OF LOUISIANA  
Baton Rouge, Louisiana**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Louisiana Lottery Corporation (Corporation), a component unit of the state of Louisiana, as of and for the years ended June 30, 2021, and June 30, 2020, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated September 24, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audits of the financial statements, we considered the Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of

deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audits we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audits, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control and compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,



Michael J. "Mike" Waguespack, CPA  
Legislative Auditor

AB:ETM:RR:EFS:ch

LLC 2021