

Annual Comprehensive Financial Report of The Oklahoma Lottery Commission

an Enterprise Fund of the
State of Oklahoma



**For the Fiscal Years Ended
JUNE 30, 2021 and 2020**

TABLE OF CONTENTS	
INTRODUCTORY SECTION	4
Certificate of Achievement for Excellence in Financial Reporting	5
Letter of Transmittal	6
Oklahoma Lottery Commission – Board of Trustees	21
Oklahoma Lottery Organizational Chart	22
FINANCIAL SECTION	23
Independent Auditor’s Report	24
Management’s Discussion and Analysis	26
Basic Financial Statements	30
Statements of Net Position	30
Statement of Revenues, Expenses and Changes in Net Position	31
Statements of Cash Flows	32
Notes to Financial Statements	33
Required Supplementary Information	48
Schedule of OLC’s Proportionate Share of the Net Pension Liability	49
Schedule of OLC’s Contributions to Retirement Plan	50
Notes to Required Supplementary Information	51
Other Supplementary Information	
Revenue and Prize Expense by Game	52
STATISTICAL SECTION	53
Statistical Information Section	54
Revenue and Expenditures-Operational Fiscal Years	55
Net Position by Component	56
Direct Costs and Change in Operating Expenditures	57
Operating Expenses and Major Sources of Revenue	58
Major Revenue Sources (Graphically) for Fiscal Year and through Inception	59
Other Revenues by Fiscal Year and Interest Earned by Fiscal Year	60
Contributions to Education	61
Appropriations/Distributions of Lottery Profits through Inception	62
Historical Appropriation to Beneficiaries	62
Ten Largest Employers and Population	63
Median Household Income and Unemployment Rates	64
Operating Information – Summary of Operating Indicators	65

Schedule of Employees	66
Employees at Fiscal Year-end	67
Schedule of Employees by Operating Unit	67
Employees by Operating Unit at FY-end	67
U.S. Lotteries' Fiscal Year Total Sales & Profits	68
U.S. Lotteries' Unaudited Fiscal Year 2020 Sales by Game	69



**INTRODUCTORY
SECTION**

**Annual Comprehensive Financial Report
of The Oklahoma Lottery Commission**

an Enterprise Fund of the
State of Oklahoma



**For the Fiscal Years Ended
JUNE 30, 2021 and 2020**

Published by
Jay Finks, Executive Director
Tiffany Mather, Director of Finance and Accounting



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Oklahoma Lottery Commission

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



Oklahoma Lottery Commission
123 Robert S. Kerr Avenue
Oklahoma City, Oklahoma 73102



December 3, 2021

To the Citizens of Oklahoma:

The Oklahoma Lottery Commission (OLC) is an agency of the State of Oklahoma. The OLC commenced operations in 2005 as a business enterprise within the framework of state laws and regulations, to implement the public's mandate to provide supplemental funds for public education. The mission of the OLC is to maximize revenues for public education through the creation and marketing of fun and entertaining products consistent with the highest levels of service, integrity and public accountability.

The OLC is pleased to provide this Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021. The ACFR is published by Jay Finks, the Executive Director of the Lottery, and the Director of Finance and Accounting, Tiffany Mather. The ACFR includes OLC annual financial statements prepared by the Accounting Unit, led by Tiffany Mather. It is presented in accordance with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States of America.

The ACFR presents an overview of Lottery finances and operations and displays financial activity of the Lottery in a single enterprise fund. The report follows formal standards of the Governmental Finance Officers Association of the United States and Canada (GFOA). Governmental organizations that publish this type of report can be compared to each other because similar kinds of information are included in the three sections of the report.

This letter of transmittal complements the management's discussion and analysis that accompanies the financial statements and should be read in conjunction with it.

Management is responsible for the accuracy and completeness of the presentation, including all disclosures in the report. To the best of our knowledge, the enclosed information is accurate in all material respects and reported in a manner designed to present fairly the financial position, results of operations, and the cash flows of the Lottery. All disclosures necessary to gain an understanding of the Lottery's financial activities have been included.

History of the Lottery

The citizens of the Great State of Oklahoma approved the Lottery through a voter referendum creating the Oklahoma Education Lottery Act (hereinafter the "Act" or "Lottery Act"), and establishing certain Constitutional provisions, all in November of 2004. The Act is codified as Title 3A, Section 701, et. seq., of the Oklahoma Statutes. The Legislature has amended the Lottery Act in 12 of 16 Legislative sessions in 19 separate bills, starting in the 2005 Legislature. The law changes added seven new sections to the Act and amended eight of the original statutes, some multiple times.

The Constitutional provisions regarding the Lottery, Article 10, Section 41 of the Oklahoma Constitution, do the following:

- Create the Oklahoma Education Lottery Trust Fund (OELTF);
- Establish legal purposes for use of the OELTF;

- Prohibit the Legislature from using the OELTF to supplant other funds used for education;
- Require the State Board of Equalization (BOE) to issue a report in February regarding the supplanting of funds;
- Provide that the Legislature may not make any additional appropriations of funds until the OELTF is replenished if the BOE determines that funds were supplanted.
 - *Note: in the February 21, 2017 meeting of the State Equalization Board (SEB), the SEB determined that the 2016 legislature had supplanted funds using the OELTF in the amount of \$10,144,171. The legislature subsequently appropriated that amount from the Special Cash Fund of the State Treasury to the OELTF, to replace the supplanted funds (SB860, Section 1), as required by this law. This appropriation was placed into the FY'18 OELTF by OMES and was appropriated by the legislature for FY'18 education purposes.*
 - *This “supplantation” was deemed to have happened a second time by the SEB in their February 20, 2018 meeting in the amount of \$19,892,744. This amount was appropriated by the 2018 Legislature from the Unclaimed Property Fund to the OELTF in Section 1 of SB1582. The Equalization Board determined that supplanting did NOT occur in their February 2019 and February 2020 estimates.*

The Act established the Lottery as an independent state agency to market and sell Lottery products. Under the Act, the Lottery returns all profits to the State for appropriation by the State Legislature to education beneficiaries as established in Article 10, Section 41 of the Oklahoma Constitution. The Lottery uses gross proceeds to pay any debt and operating costs. The Lottery must make available at least 45% of gross proceeds for prizes. The original law also required that profit should equal at least 35% of gross proceeds. This requirement placed a heavy burden on the ability of the Lottery to maximize profits as required by law. The 2017 legislature agreed and removed the 35% minimum mandated profit requirement.

The Lottery Act specifies that the Lottery be governed by a seven (7) member Board of Trustees appointed by the Governor, with advice and consent of the Senate. Among others, duties of the Board are to review and approve budgets; review and approve major procurements; hear appeals of executive hearings; and promulgate rules relating to the conduct of lottery games.

An Executive Director, appointed by the Board of Trustees, directs the day-to-day operations of the Lottery. Duties of the Director are to promote the lottery; employ and compensate persons and firms as necessary; prepare budgets for review and approval by the Board and report to various entities and the public as required by law. The Director serves at the pleasure of the Board of Trustees.

Under the Oklahoma Education Lottery Act, funds transferred to the Oklahoma Education Lottery Trust Fund are to be used as follows:

(Statutory, Title 3A, Section 713)

- A. **45%** - Kindergarten through twelfth grade Public Education, including but not limited to compensation and benefits for public school teachers and support employees, and early childhood development programs, which shall include but not be limited to costs associated with pre-kindergarten and full-day kindergarten programs.
- B. **45%** - Tuition grants, loans and scholarships to citizens of this state to enable such citizens to attend colleges and universities located within this state, regardless of whether such colleges and universities are owned or operated by the Oklahoma State Regents for Higher Education, or to attend institutions operated under the authority of the Oklahoma Department of Career and Technology Education; provided such tuition grants, loans and scholarships shall not be made to a citizen of this state to attend a college or university which is not accredited by the Oklahoma State Regents for Higher Education.

Construction of educational facilities for elementary school districts, independent school districts, the

Oklahoma State System of Higher Education, and career and technology education. Capital outlay projects for elementary school districts, independent school districts, the Oklahoma State System of Higher Education, and career and technology education.

Technology for public elementary school district, independent school districts, state higher education and career and technology education facilities, which shall include but not be limited to costs of providing to teachers at accredited public institutions who teach levels kindergarten through twelfth grade, personnel at technology centers under the authority of the Oklahoma State Department of Career and Technology Education, and professors and instructors within the Oklahoma State System of Higher Education, the necessary training in the use and application of computers and advanced electronic instructional technology to implement interactive learning environments in the classroom and to access the statewide distance learning network and costs associated with repairing and maintaining advanced electronic instructional technology.

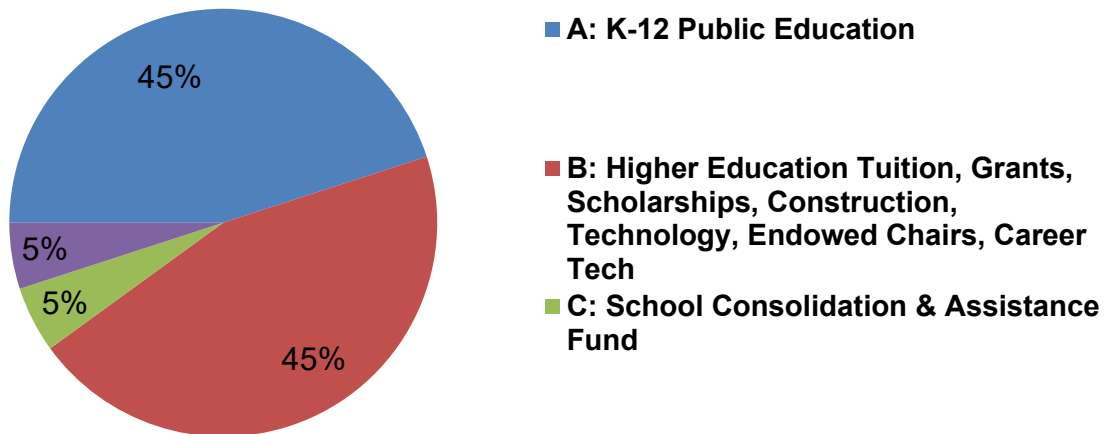
Endowed chairs for professors at institutions of higher education operated by the Oklahoma State System of Higher Education.

Programs and personnel of the Oklahoma School for the Deaf and the Oklahoma School for the Blind.

- C. **5%** - School Consolidation and Assistance Fund. When the total amount in the School Consolidation and Assistance Fund from all sources equals Five Million Dollars (\$5,000,000.00), all monies appropriated pursuant to this paragraph which would otherwise be deposited in the School Consolidation and Assistance Fund in excess of Five Million Dollars (\$5,000,000) shall be allocated by the State Department of Education to public schools based on the audited end-of-year average daily membership in grades 8 through 12 during the preceding school year for the purpose of purchasing technology equipment in order to conduct on-line testing as required by the Achieving Classroom Excellence Act of 2005. If at any time, the total amount in the School Consolidation and Assistance Fund drops below Five Million Dollars (\$5,000,000), the monies appropriated pursuant to this paragraph shall be deposited in the School Consolidation and Assistance Fund until the Fund again reaches Five Million Dollars (\$5,000,000).

- D. **5%** - Teachers' Retirement System Dedicated Revenue Revolving Fund.

Distribution of Lottery Net Proceeds



Legislative relief regarding the Minimum Mandated Profit

For several years, lottery officials lobbied to change the Lottery Act so that the Lottery could maximize profits for Oklahoma education programs. As noted earlier, all lottery profit goes to the OELTF to benefit education programs. Unfortunately, the law also required that the profit had to be a minimum of 35%. This requirement restricted the amount of funding that could be put into prize payouts, resulting in lower prize payouts and lower sales and profits than would have been achieved with better prize payouts.

In the 2017 legislative session, legislative sponsors agreed to a concept that was appealing to a majority of the members. The Lottery promised that if the law was changed, a minimum of \$110 million more in profit could be achieved over the first five years, and that these additional funds could be used for more specific education programs that needed legislative funding. Specifically, the appeal of the change was that any additional funding collected above a \$50 million floor each year would be used to fund pre-K through 3rd grade reading intervention initiatives and Science, Technology, Engineering and Math (STEM) programs. (Title 3A, Section 713.1)

HB 1837 amended the law to remove the 35% minimum mandated profit. The new law established that the first \$50 million of lottery profits were to be transferred to the OELTF and used by the Legislature according to the historical allocations as noted above (the 45%-45%-5%-5% allocation). All net proceeds deposited to the OELTF in excess of the \$50 million were to be appropriated as cash by the legislature and allocated by the State Department of Education to public schools based on the audited end-of-year average daily membership in grades PK-12 during the preceding school year. The funds allocated in this manner were for the purpose of implementing prekindergarten through third grade reading intervention initiatives or science, technology, engineering and math (STEM) programs. Subsequently, the 2019 legislature removed the \$50 million floor and the dedication of funds for STEM programs, but kept the relief provided regarding the mandated profit.

Start of ticket sales and history of game additions:

Historically and currently, the Oklahoma Lottery sells two types of lottery products, Scratchers (instant win games) and draw games. Descriptions of the games and more detail are included under “Lottery Products”.

Ticket sales in Oklahoma started October 12, 2005 with four Scratchers. The first draw game was Pick 3, and it started November 10, 2005. The next draw game was Powerball, Oklahoma’s first multi-state Lottery game. It started January 12, 2006. Cash 5 started on September 1, 2006. Hot Lotto, a smaller multi-state draw game, started January 3, 2008 and ended October 28, 2017. Mega Millions was added January 31, 2010. Pick 4 started July 5, 2011 and ended September 15, 2013. Poker Pick started September 7, 2014 and ended February 26, 2018. Lotto America replaced Hot Lotto and began on November 12, 2017. Lucky 4 Life started February 25, 2018. New Scratcher games are introduced on a scheduled basis.

Economic Conditions and Outlook

Oklahoma enjoys a low tax burden, a low cost of doing business and has a highly skilled and productive work force. Oklahoma lies at the crossroads of U.S. Interstates 35, 40 and 44, three of the nation’s most important transportation and shipping corridors, allowing state businesses to take advantage of opportunities anywhere in the United States.

Oklahoma has vibrant metropolitan areas and its two largest cities, Oklahoma City and Tulsa have been singled out in national surveys and various publications for their economic strengths and other qualities. Oklahoma is one of only a handful of states to have an unemployment rate below the national average. The unemployment rate for October of 2021 was 2.7%, down from 3.0% for September of 2021. 3rd lowest of all the states and D.C., compared to the national average of 4.6% in October of 2021. Over the last five years, Oklahoma had a jobless rate far below that of the country as a whole.

According to State Treasurer, Randy McDaniel, rapidly rising crude oil and natural gas prices helped push Oklahoma Gross Receipts to the Treasury into uncharted territory in October 2021.

“The growth we are seeing reflects true economic expansion even when inflationary factors are taken into consideration,” McDaniel said. “while the strong performance of the state economy – evidenced by record high collections and low unemployment – has become almost routine, it’s still impressive.”

Gross receipts of \$1.27 billion for October 2021 and \$14.7 billion for the past 12 months set record highs. Monthly receipts are up by 16% over the year and 12-month collections are 11.2% higher than during the prior period.

The gross production tax, the state’s severance tax on oil and natural gas, topped \$100 million for a third consecutive month and grew by more than 100% compared to the same month of the prior year for the seventh month in a row.

In October 2021, every major revenue stream showed growth except motor vehicle collections, which were down less than 2%. Collections from the past 12 months show growth in every major revenue stream.

Oklahoma is known for its abundant resources, most notably oil and natural gas. Oklahoma is a leading producer of agricultural products, ranking in the top ten in production of wheat, cattle and hogs, peanuts, grain, sorghum, pecans and rye. Other important industries that have experienced positive growth include aerospace and aviation, which has experienced significant investment and technology advances. Mining, construction, health care, tourism, warehousing and distribution, and food processing and packaging are all major industry in Oklahoma. The Oklahoma economy has been on the rebound following the effects of the initial corona virus emergence. Oklahoma’s October unemployment rate of 2.7% is the lowest ever since the Bureau of Labor Statistics started using the current method in 1976. Governor Kevin Stitt is committed to keeping the State open to business and growing.

State government will focus on critical issues to ensure Oklahoma capitalizes on its potential for growth. Sustained efforts in creating a business friendly environment are essential for creating a bright, strong future. Oklahoma’s executive management will continue to lead in promoting improvement in key areas to improve the lives of all Oklahomans. Oklahoma Governor Kevin Stitt has challenged each state agency to develop programs and measures that will identify Oklahoma as a “Top 10” state in America. Oklahoma will continue to make investments in a high quality educational system where all students can succeed and will also encourage investors to allow their money to work and grow in Oklahoma.

Future Lottery Results and Challenges

Because of the 2017 legislative elimination of the minimum mandated profit requirement of 35%, lottery sales and profit have increased. Prior to that law change, revenues for future years were expected to decline. The statutorily mandated requirement limited how much could be returned to players in the form of prizes, which in turn limited the overall sales and profits of the Lottery. Removal of the restriction allows prize payouts to be improved, which will increase both sales and profits. Immediately after the law change, the Lottery removed older Lottery Scratchers products from the field in the first two weeks of July 2017, replacing them with newer products that had significantly better payouts. This included the first \$10 price point offered in Oklahoma. In FY’2020 (Dec. 20, 2019) the Lottery also introduced a new \$20 Scratchers and a new \$30 Scratchers in FY’2021 (Feb. 23, 2021). These new and popular products, which could not have been offered under the old law, significantly enhance both sales and profits.

Revenues for FY'2021 were up by 29.4% over the FY'2020 revenues, which were up by 10.8% over FY'2019; which were up by 9.3% over FY'2018.

Profits for FY'2021 vs. FY'2020 were up by 22.8%; FY'2020 vs. FY'2019 were down by 4.7%; FY'2019 vs. FY'2018 were up 6.8%; FY'2018 vs. FY'2017 were up 8.2%.

Additional challenges to growth in Lottery revenue include the increasing competition from other gaming venues, most notably Tribal casinos and horseracing / racinos. Oklahoma has entered into compacts with 34 Oklahoma tribes to direct a portion of casino gaming revenues to education. There are more than 130 tribal casinos operating in Oklahoma. These operations compete with the Lottery for limited entertainment dollars.

Other challenges still affecting the growth of Lottery sales include:

- illegal gambling
- illegal gaming machines
- restrictions on legal Lottery venues and types of games
- restrictions on advertising lottery products

One of the challenges to improving lottery product sales was that initially, only cash could be used to make lottery product purchases. The 2018 Legislature changed the Act to allow the use of Debit Cards to make lottery purchases; and the 2020 Legislature amended the law to allow the use of any form of retail payment to purchase lottery products.

Note that the Constitutional provision that mandated liquor stores to only sell alcohol has been removed through a statewide vote. Effective October 1, 2018, liquor stores can now sell additional non-liquor products, within limits, including lottery tickets. The Lottery has pursued recruitment of viable liquor store locations as potential lottery retailers.

Lottery Products

The Lottery offers products in two styles of play, Scratchers and draw games. The Lottery offered Oklahoma players two different raffle games in the past. The raffle games were one-time promotional options not currently available and these are not discussed in the following material.

A description of Scratchers and Draw Games follows.

Scratchers – Scratchers are lottery tickets that require the removal of a latex covering from a play area on the ticket to reveal if the ticket is a winner. The Lottery started Scratcher game sales on October 12, 2005. Scratcher ticket prizes must be claimed within 90 days of the announced game end (announced at retail and on the Lottery website).



Typically, the Scratcher product provides the Player with a set of numbers and provides a set of control numbers. Many of the game styles require the player to match their numbers to the control numbers to be a winner. There are different play styles for Scratcher games, such as matching two or three like symbols, your score beats their score, or your symbol matches a key symbol. The odds of winning vary by game and prize level. Information on how to play the games and the odds of winning the games are on the ticket and on the Lottery's website. The Lottery website includes information showing the remaining winning tickets in each Scratcher game, updated from the previous day. The website also offers the game procedures for each active scratcher and shows financial information for each ended Scratcher game.

Scratcher tickets are offered in \$1, \$2, \$3, \$5, \$10, \$20, and \$30 price points. Prize payouts range from \$1-\$1,000,000 (in the new \$30 ticket). As of the end of FY'21, the Lottery has offered 613 Scratcher games since startup. New games are typically launched every month, on average about three new games per month.

Draw Games – Draw games are lottery games where the player selects numbers, or the system selects numbers for the player. The gaming system prints these numbers on a ticket that is given to the player. All winning draw game tickets sold in Oklahoma must be claimed within 180 days of the drawing.

At specified times, the Lottery or the entity administering the game conducts a drawing to select winning numbers. Players match the numbers on their tickets to the winning numbers. The more numbers matched the more prize money that can be won. Oklahoma Lottery draw games consist of in-state draw games and multi-state draw games. Top prizes in the multi-state games are typically referred to as "jackpots". The multi-state games are often referred to as "jackpot games". The Oklahoma Lottery participates in these multi-state jackpot games so that Oklahoma players have more selections available to them, including the opportunity to participate for the higher jackpots. Since the Oklahoma Lottery is a smaller lottery, it would not be possible to offer these types of high jackpot games without being able to participate with other jurisdictions.

In-state draw games: currently, the Oklahoma Lottery offers the following in-state only draw games:

1. Pick 3
2. Cash 5

Previously offered in-state draw games that are no longer offered in Oklahoma are Pick 4 and Poker Pick.

Multi-state draw games: multi-state games currently offered in Oklahoma include the following:

1. Powerball
2. Mega Millions
3. Lucky for Life
4. Lotto America

Hot Lotto is a multi-state game previously offered in Oklahoma, replaced by Lotto America.

Following are descriptions of each of the draw games offered in Oklahoma.



Pick 3 – Oklahoma’s first draw game sales launched on November 10, 2005. In this game, players select a set of three numbers, 1 each from 0 to 9. Players can try to match the three numbers drawn in the exact order or in various combinations (see Pick 3 table below). Prizes range from \$50 - \$500.

PLAYS	EXAMPLE	IF LOTTERY DRAWS	YOU WIN	ODDS
Straight	7 2 4	7 2 4 Only Exact Match Wins	\$500	1 in 1,000
Box 3-Way	1 1 3	1 1 3 1 3 1 3 1 1	\$160	3 in 1,000
Box 6-Way	7 2 4	7 2 4 2 4 7 4 2 7 7 4 2 2 7 4 4 7 2	\$80	6 in 1,000
Front Pair	7 2 ★	7 2 ★ 72 + Any Number	\$50	1 in 100
Back Pair	★ 2 4	★ 2 4 Any Number + 24	\$50	1 in 100

Cash 5 – To play Cash 5, players select a set of five numbers from 1 to 36. Winning tickets are those that match any two, three, four, or all five of the five numbers drawn. There are four prize categories in this game. The top prize for matching all five numbers is \$34,722, which yields a \$25,000 cash payment after deducting federal and state withholding taxes. This game started on September 1, 2006 with a drawing every Tuesday and Thursday night. The Lottery added a Saturday drawing September 1, 2007. Starting July 1, 2009, the drawings increased to 7 nights a week.



MATCH	PRIZE	ODDS: 1 IN
	\$25,000 (taxes paid)	376,992
	\$500	2,432.2
	\$10	81.1
	Free Ticket (Easy Pick)	8.4

The Jackpot Prize is a fixed amount of \$34,722 less applicable Federal and State Tax withholding of \$8,333. Each winner receives a prize check of \$25,000 except in the situations where there are more than five (5) jackpot winners in a single drawing: when there are six (6) or more jackpot winners in a single draw the winners will share a pre-tax total of \$200,000 equally. The holder of a winning ticket may win in only one category per \$1 play panel and is paid the prize in the highest category won. Prizes are approximately 48% of sales.

Powerball – Powerball is a multi-state game administered by the Multi-State Lottery Association (MUSL). MUSL is a “non-profit” entity governed by a board that consists of the 38 directors of each “Party” lottery, including Oklahoma’s Executive Director. The Board governs the organization. Forty-eight (48) lotteries participate in Powerball (45 states, the District of Columbia, Puerto Rico and the Virgin Islands). The number of participating lotteries includes 11 “Licensee Lotteries” from the Mega Millions consortium.



The Powerball game is played by selecting 5 balls from a pool of white balls and one ball from a pool of red balls (the Powerball). The current version of the game also offers an add-on called “PowerPlay”. By paying an extra \$1 for each set of numbers on the ticket, non-jackpot prizes are multiplied by a separately chosen number (selected by an RNG). This multiplier can be: 2-3-4-5. However if the advertised jackpot is \$150 million or less, then a 10x is added to the pool of possibilities for the PowerPlay multiplier.

Jackpot prizes are won when the Player’s ticket matches the five white balls and the red “Powerball”. While Jackpots are advertised using the estimated annuity amount, the actual value of the jackpot is the portion of the prize pool dedicated to the Jackpot. The “Grand Prize Pool” is currently capped at 34.0066% of sales. The jackpot can be taken by the winner(s) as a cash prize or an annuity prize paid out in 30 annual payments over a 29 year period. Payments for each year are calculated so that they increase by 4% over the prior year.

Powerball set a world record jackpot of \$1.586 billion on Jan. 13, 2016. Three winning tickets in California, Florida and Tennessee shared the record prize.

Drawings are held on Monday, Wednesday, and Saturday nights, and tickets must be purchased prior to each drawing. Drawings are closed approximately one hour before the scheduled drawing, which is 9:59 pm in Oklahoma.

Players may choose their own “lucky” numbers or can have the gaming system terminal select all or some of the numbers. Tickets may be purchased for more than one drawing in advance. On the assigned drawing nights, the winning numbers are selected in a televised drawing that can be viewed in Oklahoma on the MUSL website. Under certain conditions, such as recent hurricanes in Florida where the drawings are conducted, drawings may be recorded and made available as soon as possible. Prizes are won by matching the numbers on a purchased ticket to the winning numbers drawn. The more balls that are matched, the better the prize (see prize payout schedule below).

POWERBALL			POWERPLAY®				
MATCH	PRIZE	ODDS:1 IN	2X	3X	4X	5X	10X
●●●●● + ●	JACKPOT	292,201,338	POWER PLAY DOES NOT APPLY TO THE JACKPOT.				
●●●●●	\$1,000,000	11,688,054	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
●●●●● + ●	\$50,000	913,129	\$100,000	\$150,000	\$200,000	\$250,000	\$500,000
●●●●●	\$100	36,525	\$200	\$300	\$400	\$500	\$1,000
●●●●● + ●	\$100	14,494	\$200	\$300	\$400	\$500	\$1,000
●●●●●	\$7	580	\$14	\$21	\$28	\$35	\$70
●●●●● + ●	\$7	701	\$14	\$21	\$28	\$35	\$70
●●●●●	\$4	92	\$8	\$12	\$16	\$20	\$40
●●●●● + ●	\$4	38	\$8	\$12	\$16	\$20	\$40

Oklahoma started selling Powerball tickets on January 12, 2006. The first drawing for Oklahoma was January 14, 2006.

Powerball game changes:

- FY 2012 marked Powerball's 20th anniversary and on Jan. 15, 2012, the game was changed to offer more millionaires, bigger starting jackpots and better overall odds of winning. The first drawing of this new game was on Wed., Jan. 18, 2012. Players chose the first five numbers from a pool of 59 numbers and then the Powerball number from a pool of 35 numbers. The new starting jackpot doubled to \$40 million (increased from \$20 million). Powerball tickets increased in cost to \$2 per game and the Power Play option cost an additional \$1. The MATCH 5 prize moved from \$200,000 to \$1 million and with the purchase of the Power Play option for \$1, players have the chance to win \$2 million.
- Another game change was October 7, 2015, with players now playing the game by choosing the first five numbers from a pool of 69 numbers and the Powerball number chosen from a pool of 26 numbers. The prize for Match 4 + the Powerball changed to \$50,000. The Power Play option provided increased non-jackpot prizes to 10 times for Jackpot prizes of \$150 million or less. Powerball tickets remained at \$2 per game and the Power Play option was still an additional \$1. The odds of winning any prize improved to 1 in 31.85 from 1 in 35 and the odds of winning the jackpot improved to 1 in 175 million from 1 in 195 million.

Mega Millions – Mega Millions began on August 31, 1996 as the Big Game. The first drawing took place on September 6, 1996, with six states participating: Georgia, Illinois, Maryland, Massachusetts, Michigan and Virginia. The name of the multi-state game changed to "Mega Millions" in May of 2002.



Oklahoma launched Mega Millions sales on January 31, 2010 and our first drawing was February 2, 2010. Players selected 5 out of 59 numbers from the white balls (these can be drawn in any order to win), and selected 1 out of 39 numbers for the yellow Mega Ball®. Jackpots started at \$12 million and rolled over until a player(s) matched all six numbers. Mega Millions tickets cost \$1 per game. Players could select the megaplier option, which allows non-jackpot prizes to be increased by 2, 3, or 4 times, for an additional \$1. If the megaplier option is selected by the player, the 2nd level prize was \$1 million. The jackpot was offered as a cash prize or as an annuity prize paid out in 26 annual payments over 25 years.


The Mega Millions game was revised effective with the October 22, 2013 drawing. First, the game matrix changed: players selected 5 out of 75 balls and 1 out of 15 balls. This changed the odds of winning the jackpot to 1:259 million. The jackpot started at \$15 million rather than \$12 million and grew by at least \$5 million each rollover. The second level prize changed from \$250,000 to \$1 million and the multiplier option included a 5X. In addition, winning with the multiplier option multiplied the 2nd level prize. The annuity prize was changed to 30 payments over 29 years and each payment grew by 5% over the previous year. Mega Millions changed again, effective October 28, 2017. At that time, the starting jackpot became \$40 million and the price changed from \$1 to \$2 for a base Mega Millions wager.

Drawings are held on Tuesday and Friday nights, and tickets must be purchased prior to each drawing. Drawings are closed approximately one hour before the scheduled drawing, which is 9:59 pm in Oklahoma.

Forty-seven (47) lotteries participate in Mega Millions (45 states, the District of Columbia, and the Virgin Islands).

Prize payouts and odds chart on the next page.

Current Mega Millions Chart (since 10/28/2017)



MATCH	PRIZE	ODDS:1in	2x	3x	4x	5x
●●●●●+●	Jackpot	302,575,350	Jackpot	Jackpot	Jackpot	Jackpot
●●●●●	\$1,000,000	12,607,306	\$2,000,000	\$3,000,000	\$4,000,000	\$5,000,000
●●●●●+●	\$10,000	931,001	\$20,000	\$30,000	\$40,000	\$50,000
●●●●●	\$500	38,792	\$1,000	\$1,500	\$2,000	\$2,500
●●●●+●	\$200	14,547	\$400	\$600	\$800	\$1,000
●●●●	\$10	606	\$20	\$30	\$40	\$50
●●●+●	\$10	693	\$20	\$30	\$40	\$50
●●+●	\$4	89	\$8	\$12	\$16	\$20
●+●	\$2	37	\$4	\$6	\$8	\$10



Lotto America - A multi-state draw game started sales in Oklahoma on November 12, 2017 with the first drawing on November 15. It replaced the Hot Lotto Game that was discontinued. Lotto America is a MUSL administered multi-state jackpot game. Players select 5 out of 52 numbers for the white balls and then select 1 out of 10 for the Star Ball. Each play is \$1 and for an extra \$1 the player can add an all Star

Bonus for a chance to multiply the winnings up to 5 times. Jackpots start at \$2 million. The drawings are held on Wednesdays and Saturdays after 10 pm.

Shown in the chart below is the Prize Matrix for the current game. Thirteen states participate in Lotto America, a game that has a progressive Jackpot starting at \$2.0 million dollars.

MATCH	PRIZE	ODDS:1in	2x	3x	4x	5x
●●●●●+●	Jackpot	25,989,600	Jackpot	Jackpot	Jackpot	Jackpot
●●●●●	\$20,000	2,887,733	\$40,000	\$60,000	\$80,000	\$100,000
●●●●●+●	\$1,000	110,594	\$2,000	\$3,000	\$4,000	\$5,000
●●●●●	\$100	12,288	\$200	\$300	\$400	\$500
●●●●+●	\$20	2,404	\$40	\$60	\$80	\$100
●●●●	\$5	267	\$10	\$15	\$20	\$25
●●●+●	\$5	160	\$10	\$15	\$20	\$25
●●+●	\$2	29	\$4	\$6	\$8	\$10
●	\$2	16	\$4	\$6	\$8	\$10

Lucky for Life – Oklahomans joined Lucky for Life February 25, 2018. Players select 5 out of 48 white balls and then select 1 out of 18 for the Lucky Ball. Each play is \$2. A player does not just win once with Lucky for Life, top prizes are FOR LIFE. The top prize of \$1,000 per day for life is paid annually. The minimum payment period for the top prize is 20 years. Top prize winners may choose a one-time cash payment or the annuitized annual payment option.



The chart below is the Prize Matrix for the current game. The overall odds of winning a prize are 1 in 7.77.

MATCH	PRIZE	ODDS:1in
●●●●●+●	\$1,000 per day for life	30,821,472
●●●●●	\$25,000 per year for life	1,813,028
●●●●●+●	\$5,000	143,356
●●●●●	\$200	8,433
●●●●●+●	\$150	3,413
●●●●●	\$20	201
●●●+●	\$25	250
●●●	\$3	15
●+●	\$6	50
●	\$4	32



Prize Claim Centers – Lottery winners are able to claim prizes up to \$600 at any Lottery retailer*, identifiable by the Lottery “Play Here” poster shown to the left. Prizes that exceed \$600 must be claimed at the Lottery headquarters claim center, located at 300 N. Broadway, Oklahoma City, OK 73102. A claim form, evidence of the winner’s social security number and two forms of ID are required for all prizes greater than \$600. Evidence of lottery play is a ticket purchased at a retail location or from the Lottery. Players must present the ticket, which is the legal document required to claim a prize. By law, the Lottery withholds for state and federal taxes on all prizes greater than \$600.

The Lottery also withholds for debt owed to the Oklahoma Tax Commission, Oklahoma Employment Security Commission and the Department of Human Services. The Lottery will also withhold from winnings pursuant to properly and timely served court orders (the order has to be received before the subject prize is paid to a claimant).

Players have 90 days from the announced end-of-game (available on the Lottery web site) to claim Scratcher ticket prizes.

Players have 180 days after the draw date to claim draw game prizes for tickets sold in Oklahoma.

The Lottery sends the winning numbers nightly after the drawings to Oklahoma media outlets. The Lottery also posts the numbers on the Lottery website and the numbers may be obtained as a message by calling the Lottery phone number.

** Retailers are encouraged to pay prizes in cash but are allowed to pay prizes from \$25 - \$600 with a business check or money order if disclosed in advance to the Claimant.*

Highlights of Fiscal Year 2020

Millions Contributed to Education

The Lottery contributed \$80.2 million for education on total Lottery revenues of \$347.5 million in FY-2021. This was an increase in sales and contributions above FY-2020. Sales were up \$79 million or 29.5%; contributions increased by \$15.8 million or 24.3%. Through November of 2021 as this report is being finalized, **more than \$1.1 billion** has been contributed to the Oklahoma Education Lottery Trust Fund by the Lottery Commission to be used for Oklahoma education programs.

Jackpot Winners History

Oklahoma has had four Powerball jackpot winners winning prizes with annuitized values of more than \$325.3 million dollars since inception in 2006. The first jackpot winner made history just 5 months after Oklahoma joined Powerball, on June 17, 2006, by winning the \$101.8 million prize (annuitized value), becoming the first Powerball jackpot winner from Oklahoma. The winners were quoted as saying that “we are proof that you never know when you might win and you cannot win unless you play.”

On June 29, 2007, a couple from Muldrow, Oklahoma claimed the second Powerball Jackpot that was sold in Oklahoma. Their jackpot’s annuitized value was worth \$105.8 million. On August 22, 2008, a trust claimed the third Powerball jackpot sold in Oklahoma. The annuitized amount was \$84.9 million. The fourth Powerball jackpot ticket was sold on November 21, 2009, and claimed by a trust on January 20, 2010. The annuitized amount was \$32.8 million. In addition, through September of 2018, Oklahoma has had 5 Hot Lotto jackpot winners with prizes totaling \$14.98 million, and has awarded 57 prizes of \$1 million or more, in total. During December 2020, Oklahoma had a \$3.5 million Lotto America jackpot winner and another for \$8.5 million in July 2021.

Financial Information

Accounting System and Policies

The Lottery operates the Oklahoma Education Lottery Revolving Fund, an enterprise fund that, like a private business, utilizes the full accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Budgetary Controls

A comprehensive annual budget is prepared for and approved by the Lottery’s Board of Trustees. A budget is submitted annually to the Office of Management and Enterprise Services (OMES) as required by state statutes. The budget is prepared on both a cash basis and a full accrual basis of accounting. The budget is based on sales forecasts, industry trends, program proposals, and approved action plans. The operating budget is submitted to OMES, the Governor and the legislature. Actual costs are monitored throughout the year for compliance with the approved budget and appropriate adjustments are approved if necessary.

Internal Controls

An internal control structure has been designed to ensure that assets are protected from loss, theft or misuse, and to ensure that the accounting system allows compilation of accurate and timely financial information. The internal controls are designed to provide reasonable assurance that these objectives are met. To enhance controls, management has separated responsibilities and provides approval and oversight for the following functions: personnel and payroll; purchasing and accounts payable; general ledger and accounts receivable; cash receipts and cash disbursements; retailer network management and retailer accounts receivable; and system data processing and system programming. Reviews of operations are achieved by the following procedures:

Lottery Vendor Service Organizations (SSAE 16) Audit: Scientific Games International (SG) is Oklahoma Lottery’s contracted vendor for instant and online games. SG Management contracted the services of an independent CPA to perform a Statement on Standards for Attestation Engagements (SSAE 16), Service

Organizations, engagement with testing of identified internal controls. The SSAE 16 is an internationally recognized auditing standard developed by the American Institute of Certified Public Accountants (AICPA). An SSAE 16 audit examination is widely recognized because it represents that a service organization has been through an in-depth audit of their control activities, which generally include controls over information technology and related processes.

Internal Audits: The Lottery contracts with an outside accounting firm to perform appropriate studies and evaluations of accounting and administrative controls, as directed by the Board of Directors, Audit and Finance Committee, one of three standing committees of the Board of Trustees. The Lottery also contracts with a separate outside audit firm from a list of approved auditors for an annual IT audit.

Other Safeguards and Controls: To ensure the integrity of the Lottery, the Lottery has implemented the following measures:

- Specialized security staff.
- Secured facilities and gaming equipment.
- Background checks on retailers, contractors and Lottery employees.
- Lottery tickets with special inks, dyes and security codes.
- Detailed and strict security procedures for game drawings.
- Back-up sites for gaming systems are properly maintained.

Employees

The Lottery had 28 full-time employees and 1 part-time as of June 30, 2021.

Debt Administration

At the end of FY-2021, the Lottery had no long-term liabilities. A start-up line of credit of \$10 million was authorized by the state legislature and extended by J.P. Morgan Chase to the Lottery. The authority for the line of credit expired in August 2007. The Lottery borrowed approximately \$200,000 in 2005, and has fully repaid this debt. The State of Oklahoma received a rating of "Aa2" by Moody's Investors Service and "AA+" by both Standard & Poor's Corporation and Fitch Investors Service general obligation bonds.

Performance Target

The Oklahoma Lottery estimates that it will transfer \$61 million to education in FY-2022, which will bring the total transferred by the Lottery for Oklahoma Education to approx. \$1.1 billion by the end of FY-2022.

Independent Audit

Oklahoma statutes require an annual financial audit by an independent CPA. The independent auditors' report on the Lottery's financial statements is included in the financial section of this report.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Oklahoma Lottery for its annual comprehensive financial reports for each of the fiscal years ending June 30, 2006 through 2020. In order to be awarded a Certificate of Achievement, a government entity must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe our current annual comprehensive

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 certification. This report demonstrates the professionalism and dedicated team effort of Lottery employees. We appreciate their contribution to the success of this report. The Lottery is committed to providing thorough and relevant financial information to the public. This ACFR reflects our commitment to meet the highest standards of accountability and to maintain public trust through the highest ethics and integrity. In addition, we were notified by The Open Group, in April 2012 that we achieved certification in the NASPL National Standards Initiative for Quality Assurance Requirements Definition for Lotteries. The Oklahoma Lottery was the fifth Lottery to achieve this certification (along with Georgia, Louisiana, Missouri, and North Carolina). Credit is also given to our Board of Trustees for their responsiveness and guidance in operating the Lottery.

Respectfully submitted,

Jay Finks
Executive Director

OKLAHOMA LOTTERY COMMISSION

Board of Trustees

9/30/2021



Nevyle Cable
Chairman



James C Orbison
Vice-Chairman



Tracy Yates
Treasurer



Ralph E Blodgett
Trustee



Christy Rawlings
Trustee



Scott Eisenhauer
Trustee

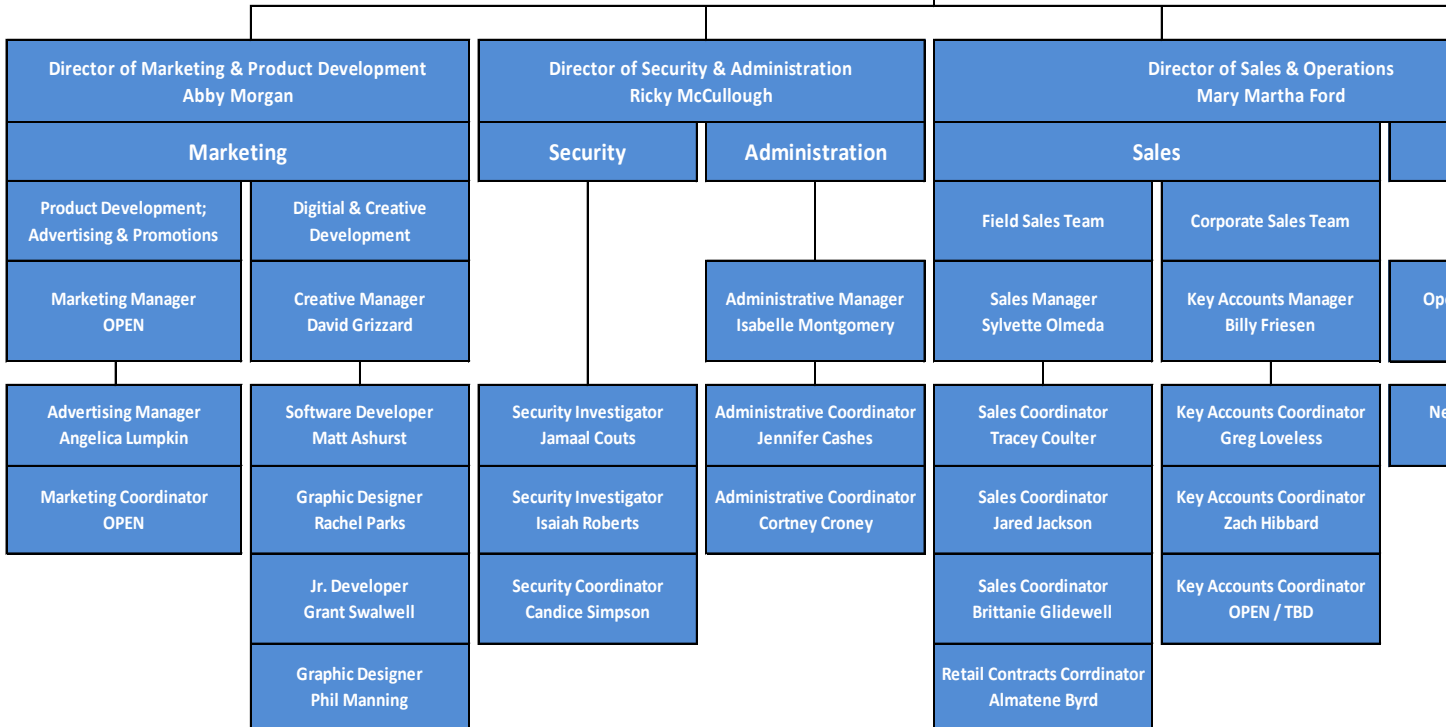


Guy Sims
Trustee

OKLAHOMA LOTTERY COMMISSION

Board of Trustees*

**Executive Director
Jay Finks**



Trustees appointed by Governor; confirmed by Senate



**FINANCIAL
SECTION**

**Annual Comprehensive Financial Report
of The Oklahoma Lottery Commission**

an Enterprise Fund of the
State of Oklahoma



**For the Fiscal Years Ended
JUNE 30, 2021 and 2020**



RSM US LLP

Independent Auditor's Report

Board of Trustees
Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Report on the Financial Statements

We have audited the accompanying financial statements of the Oklahoma Lottery Commission (the OLC), an enterprise fund of the State of Oklahoma, as of and for the years ended June 30, 2021 and 2020; and the related notes to the financial statements, which collectively comprise the OLC'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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 opinions.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

Opinions

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

Emphasis of Matter

As discussed in Note 1 of the financial statements, the financial statements present only the OLC and do not purport to, and do not, present fairly the financial position of the State of Oklahoma, as of June 30, 2021 and 2020, the changes in its financial position, or, where applicable, its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of the OLC's proportionate share of the net pension liability, the schedule of the OLC's contributions, and the related notes to the required supplementary information, 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 audit 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 audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the OLC's basic financial statements. The revenue and prize expense by game and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The revenue and prize expense by game is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompany introductory and statistical sections, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly we do not express an opinion or provide any assurance on it.

RSM US LLP

Oklahoma City, Oklahoma
September 21, 2021

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Management's Discussion and Analysis
June 30, 2021 and 2020

Management of the Oklahoma Lottery Commission (the OLC) provides this management's discussion and analysis of their financial performance for the readers of the OLC's financial statements. This narrative provides an overview of the OLC's financial activity for the fiscal years ended June 30, 2021 and 2020. This analysis is to be considered in conjunction with the financial statements to provide an objective analysis of the OLC's financial activities based on facts, decisions and conditions currently facing management.

Understanding the OLC's Financial Statements

The OLC, an instrumentality of the State of Oklahoma, is accounted for as an enterprise fund that reports all assets and liabilities using the accrual basis of accounting, much like a private business entity. In accordance with accounting principles generally accepted in the United States of America, this report consists of a series of financial statements, along with explanatory notes to the financial statements. The financial statements immediately follow this Management's Discussion and Analysis and are designed to highlight the OLC's net position and changes to its net position resulting from the OLC's operations.

The most important relationship demonstrated within the OLC's financial statements is the requirement that the OLC transfer all net proceeds, "as defined," to the State Treasurer for the Oklahoma Education Lottery Trust Fund (OELTF). Accordingly, a significant focus of these financial statements is determining net proceeds available for transfer to the OELTF.

The OLC is also required to transfer annually the first \$750,000, for both 2021 and 2020, of unclaimed prize money to the Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS). This is discussed further on page 6 of the management's discussion and analysis.

Financial and Activity Highlights

Revenues from lottery games totaled \$346,750,742 and \$267,763,235, respectively, for the fiscal years ended June 30, 2021 and 2020. The OLC returned \$224,003,729 and \$166,692,905 to winners of lottery games; paid commissions and incentives to retailers totaling \$22,193,927 and \$17,123,205; incurred other game-related expenses of \$14,430,084 and \$13,318,210; and had operating expenses of \$7,113,065 and \$6,416,038 for each of the respective fiscal years of 2021 and 2020. The OLC's net position decreased by \$1,227,090 in fiscal year 2021 and decreased by \$218,134 in fiscal year 2020. Transfers made and due to the OELTF were \$80,235,984 and \$64,399,704, respectively, for fiscal years ended June 30, 2021 and 2020.

Revenues from lottery games totaled \$241,693,417 and \$221,110,396, respectively, for the fiscal years ended June 30, 2019 and 2018. The OLC returned \$141,324,235 and \$129,610,748 to winners of lottery games; paid commissions and incentives to retailers totaling \$15,265,982 and \$14,039,604; incurred other game-related expenses of \$10,412,913 and \$10,819,307; and had operating expenses of \$6,887,479 and \$6,169,674 for each of the respective fiscal years of 2019 and 2018. The OLC's net position increased by \$396,783 in fiscal year 2019 and decreased by \$2,975,310 in fiscal year 2018. Transfers made and due to the OELTF were \$67,554,285 and \$63,979,605, respectively, for fiscal years ended June 30, 2019 and 2018.

The OLC's investment in capital assets includes machinery, equipment, computers and software. Capital assets, net of accumulated depreciation, at June 30, 2021, were \$243,323, an increase of \$51,540 from June 30, 2020. Capital assets, net of accumulated depreciation, at June 30, 2020, were \$191,783, an increase of \$91,786 from June 30, 2019. Additional information concerning the OLC's capital assets is contained in Note 4 to the financial statements.

The OLC did not have any long-term debt at June 30, 2021 or 2020.

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Management's Discussion and Analysis
June 30, 2021 and 2020

The following table summarizes the OLC's Statement of Net Position as of June 30:

	2021	2020	2019
Current assets	\$ 57,086,774	\$ 39,890,222	\$ 42,497,772
Noncurrent assets:			
Capital assets, net	243,324	191,783	99,997
Deposit with MUSL	4,827,842	5,107,007	5,105,410
Total assets	<u>\$ 62,157,940</u>	<u>\$ 45,189,012</u>	<u>\$ 47,703,179</u>
Deferred outflows of resources	<u>\$ 625,930</u>	<u>\$ 247,272</u>	<u>\$ 334,147</u>
Current liabilities	\$ 52,202,738	\$ 34,290,897	\$ 36,565,577
Noncurrent liabilities	941,904	211,723	259,852
Total liabilities	<u>\$ 53,144,642</u>	<u>\$ 34,502,620</u>	<u>\$ 36,825,429</u>
Deferred inflows of resources	<u>\$ 4,717</u>	<u>\$ 72,063</u>	<u>\$ 132,162</u>
Net position			
Net position, invested in capital assets	\$ 243,324	\$ 191,783	\$ 99,997
Restricted net position—expendable	10,080,913	11,607,460	11,819,195
Unrestricted (deficit)	(689,726)	(937,642)	(839,457)
Total net position	<u>\$ 9,634,511</u>	<u>\$ 10,861,601</u>	<u>\$ 11,079,735</u>

Net position decreased from fiscal year 2020 to fiscal year 2021 by \$1,227,090. This decrease was primarily attributable to the unclaimed prizes collected for fiscal year 2021 being less than the amount used for prize enhancements & payments to mental health. Fidelity fund receipts were less than Fidelity fund expenditures in fiscal year 2021.

Net position decreased from fiscal year 2019 to fiscal year 2020 by \$218,134. This decrease was primarily attributable to the unclaimed prizes collected for fiscal year 2020 being less than the amount used for prize enhancements & payments to mental health. Fidelity fund receipts were less than Fidelity fund expenditures in fiscal year 2020.

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Management's Discussion and Analysis
June 30, 2021 and 2020

The following table summarizes the OLC's Statement of Revenues, Expenses and Changes in Net Position for the years ended June 30:

	2021	2020	2019
Operating revenues:			
Gaming revenues	\$ 346,750,742	\$ 267,763,235	\$ 241,693,417
Other revenues	310,351	175,696	293,640
Total operating revenues	<u>347,061,093</u>	<u>267,938,931</u>	<u>241,987,057</u>
Nonoperating revenue, interest income	438,606	542,997	604,620
Total revenue	<u>\$ 347,499,699</u>	<u>\$ 268,481,928</u>	<u>\$ 242,591,677</u>
Less prize expense	\$ 224,003,729	\$ 166,692,905	\$ 141,324,235
Less retailer commissions/incentives	22,193,927	17,123,205	15,265,982
Less other direct game costs	14,430,084	13,318,210	10,412,913
Less operating expenses	7,113,065	6,416,038	6,887,479
Total expense	<u>267,740,805</u>	<u>203,550,358</u>	<u>173,890,609</u>
Transfers:			
Transfers to ODMHSAS	750,000	750,000	750,000
Transfers to OELTF	80,235,984	64,399,704	67,554,285
Total transfers	<u>80,985,984</u>	<u>65,149,704</u>	<u>68,304,285</u>
Total expense and transfers	<u>\$ 348,726,789</u>	<u>\$ 268,700,062</u>	<u>\$ 242,194,894</u>
Changes in net position	\$ (1,227,090)	\$ (218,134)	\$ 396,783
Net position at beginning of year	10,861,601	11,079,735	10,682,952
Net position at end of year	<u>\$ 9,634,511</u>	<u>\$ 10,861,601</u>	<u>\$ 11,079,735</u>

Instant sales increased from fiscal year 2020 to fiscal year 2021 by \$57.8 million continuing the growth in instant products from the 2017 legislative change which allowed the Oklahoma Lottery to increase prize payouts. During fiscal year 2021, the Oklahoma Lottery introduced its first \$30 instant ticket, which continues to be a highly popular product. Draw sales increased by \$21.2 million due to increased jackpot levels for Powerball and Mega Millions compared to fiscal year 2020. Large jackpots positively impact the sales for draw games.

Instant sales increased from fiscal year 2019 to fiscal year 2020 by \$62.3 million continuing the growth in instant products from the 2017 legislative change which allowed the Oklahoma Lottery to increase prize payouts. Draw sales decreased by \$36.2 million due to jackpot levels for Powerball and Mega Millions were at historic lows during the course of fiscal year 2020. The lack of large jackpots subsequently had a serious negative impact on overall draw sales.

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Management's Discussion and Analysis
June 30, 2021 and 2020

Net proceeds of the OLC must be transferred to the State Treasurer for the OELTF, with the following exceptions: 1) the cost of property and equipment, net of depreciation, and related debt and 2) other assets that cannot be transferred due to statutory or other legal restriction, including restricted cash from unclaimed prizes, deposits with Multi-State Lottery (MUSL), and the Restricted Fidelity Fund. Unclaimed prizes, after required transfers to the Department of Mental Health and Substance Abuse Services, must be added to a pool from which future prizes are awarded or used for special prize promotions. Deposits with MUSL result from a set-aside of prize expenses paid to MUSL and are available for prize reserves and promotional expenses of MUSL games. The Restricted Fidelity Fund is derived from the licensing fees of new retailers, which may be retained by the OLC up to the budgeted expenses from the fund for the next fiscal year plus \$500,000, in 2021 and 2020, and used to cover losses the OLC may experience due to nonfeasance, misfeasance or malfeasance of a lottery retailer and to pay the costs of vendor, retailer and employee background investigations conducted by the Oklahoma State Bureau of Investigation and for audits conducted by the State Auditor and Inspector.

For the years ended June 30, 2021 and 2020, the total transfers made or due to the OELTF related to operations were \$80,235,984 and \$64,399,704, respectively. Since inception to June 30, 2021, total transfers made or due to the OELTF were \$1,080,572,631. For each of the years ended June 30, 2021 and 2020, the OLC transferred \$750,000 in unclaimed prize funds to the Department of Mental Health and Substance Abuse Services for the treatment of compulsive gambling disorders and educational programs related to such disorders. From inception to June 30, 2020, total transfers to the Oklahoma Department of Mental Health and Substance Abuse Services were \$9,544,600.

The following is a condensed version of the OLC's statement of cash flows for the years ended June 30:

	2021	2020	2019
Cash provided by (used in):			
Operating activities	\$ 83,121,752	\$ 64,290,096	\$ 67,088,042
Noncapital financing activities	(69,782,037)	(68,304,284)	(63,979,539)
Capital and related financing activities	(138,880)	(161,809)	(42,301)
Investing activities	488,513	564,871	583,475
Net increase (decrease) in cash	13,689,348	(3,611,126)	3,649,677
Cash at beginning of year	31,424,498	35,035,624	31,385,947
Cash at end of year	<u>\$ 45,113,846</u>	<u>\$ 31,424,498</u>	<u>\$ 35,035,624</u>

Potential Factors Impacting Future Operations

Future operations always have the potential to be impacted by economic factors and rising costs. The OLC strives to maximize the contribution to education, while maintaining new and entertaining games that engage players. In order to meet these goals, the OLC strives to keep costs low and introduce new games regularly. The OLC is always looking for opportunities to participate in new regional and multi-state games. The OLC is also trying to develop new local games to stay up-to-date with player demands. The OLC began offering a product called Quick Tickets, which has allowed lottery products to be offered through nontraditional retailers, including Dollar General.

Contacting the OLC's Financial Management

This financial report is designed to provide a general overview of the OLC's financial activity for all those interested in the OLC's operations. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Executive Director, Oklahoma Lottery Commission, 405-522-7700, 300 N Broadway, Oklahoma City, Oklahoma 73102.

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Statements of Net Position
June 30, 2021 and 2020

	2021	2020
Assets		
Current assets:		
Cash and cash equivalents	\$ 39,860,775	\$ 24,924,045
Cash equivalents—restricted	5,253,071	6,500,453
Retailer accounts receivable and other	11,735,936	8,317,251
Accounts receivable—Multi-State Lottery	236,992	148,473
Total current assets	57,086,774	39,890,222
Noncurrent assets:		
Capital assets, net	243,324	191,783
Deposit with Multi-State Lottery	4,827,842	5,107,007
Total noncurrent assets	5,071,166	5,298,790
Total assets	\$ 62,157,940	\$ 45,189,012
Deferred outflows of resources, deferred pension plan outflows		
	\$ 625,930	\$ 247,272
Liabilities		
Current liabilities:		
Due to Oklahoma Education Lottery Trust Fund	\$ 33,289,068	\$ 22,085,121
Due to Multi-State Lottery	798,242	683,191
Prizes payable	15,202,321	9,200,823
Accounts payable	2,395,041	1,898,865
Accrued expenses	345,891	254,894
Unearned revenue	172,175	168,403
Total current liabilities	52,202,738	34,290,897
Noncurrent liabilities:		
Accrued compensated absences	78,638	77,540
Net pension liability	863,266	134,183
Total noncurrent liabilities	941,904	211,723
Total liabilities	\$ 53,144,642	\$ 34,502,620
Deferred inflows of resources, deferred pension plan inflows		
	\$ 4,717	\$ 72,063
Net position		
Investment in capital assets	\$ 243,324	\$ 191,783
Restricted net position—expendable:		
Professional fees and other	159,555	170,866
Unclaimed prizes	5,093,516	6,329,787
Multi-State Lottery	4,827,842	5,107,007
Unrestricted (deficit)	(689,726)	(937,842)
Total net position	\$ 9,634,511	\$ 10,861,801

See notes to financial statements.

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

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

	2021	2020
Operating revenues:		
Instant Tickets	\$ 256,040,427	\$ 198,279,748
Draw Games	90,710,315	69,483,487
Total revenue from the sale of lottery tickets	346,750,742	267,763,235
Retailer application fees	127,185	79,035
Other	183,166	96,661
Total operating revenues	347,061,093	267,938,931
Direct costs:		
Prize expense:		
Instant Tickets	181,477,821	138,673,740
Draw Games	46,047,457	34,476,388
Unclaimed prize expense	(3,521,549)	(6,457,223)
Total prize expense	224,003,729	166,692,905
Commissions and incentives to retailers	22,193,927	17,123,205
Instant and online costs	14,430,084	13,318,210
Total direct costs	260,627,740	197,134,320
Gross profit	86,433,353	70,804,611
Operating expenses:		
Advertising and promotion	2,860,137	3,051,254
Salaries, wages and benefits	3,344,426	2,756,912
Contracted and professional services	258,147	221,648
Depreciation	87,339	70,023
Equipment	174,435	49,410
Rent expense	293,847	166,610
Office supplies	14,133	14,537
Travel	21,121	15,146
Other general and administrative	59,480	70,498
Total operating expenses	7,113,065	6,416,038
Operating income	79,320,288	64,388,573
Nonoperating income, interest income	438,606	542,997
Change in net position before transfers	79,758,894	64,931,570
Transfers:		
Required payments to Oklahoma Department of Mental Health and Substance Abuse Services	(750,000)	(750,000)
Required payments to and due to Oklahoma Education Lottery Trust Fund	(80,235,984)	(64,399,704)
Total transfers	(80,985,984)	(65,149,704)
Changes in net position	(1,227,090)	(218,134)
Net position at beginning of year	10,861,601	11,079,735
Net position at end of year	\$ 9,634,511	\$ 10,861,601

See notes to financial statements.

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

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

	2021	2020
Cash flows from operating activities:		
Cash received from retailers	\$ 321,454,806	\$ 249,970,299
Cash payments to prize winners	(217,886,980)	(185,822,185)
Cash payments to suppliers for goods and services	(17,755,987)	(17,121,274)
Cash payments to employees for services	(2,969,252)	(2,735,147)
Cash receipts to fund deposit with Multi-State Lottery	279,165	(1,597)
Net cash provided by operating activities	83,121,752	64,290,098
Cash flows from noncapital financing activities:		
Payments to Oklahoma Department of Mental Health and Substance Abuse Services	(750,000)	(750,000)
Payments to Oklahoma Education Lottery Trust Fund	(69,032,037)	(67,554,284)
Net cash used in noncapital financing activities	(69,782,037)	(68,304,284)
Cash flows from capital and related financing activities, purchase of capital assets		
	(138,880)	(161,809)
Cash flows from investing activities, interest received		
	488,513	564,871
Net change in cash and cash equivalents	13,689,348	(3,611,126)
Cash and cash equivalents at beginning of year	31,424,498	35,035,624
Cash and cash equivalents at end of year	\$ 45,113,846	\$ 31,424,498
Reconciliation of cash to the statements of net position:		
Cash and cash equivalents	\$ 39,860,775	\$ 24,924,045
Cash equivalents—restricted	5,253,071	6,500,453
Total cash, end of year	\$ 45,113,846	\$ 31,424,498
Operating activities:		
Operating income	\$ 79,320,288	\$ 64,388,573
Adjustment to reconcile operating income to net cash provided by operating activities:		
Depreciation	87,339	70,023
Bad-debt expense	7,050	10,175
Changes in operating assets, deferred outflows, liabilities and deferred inflows:		
Retailer accounts receivable	(3,475,642)	(1,253,882)
Accounts receivable—Multi-State Lottery	(88,519)	218,257
Deposit with Multi-State Lottery	279,165	(1,597)
Deferred pension plan outflows	(378,658)	86,875
Due to Multi-State Lottery	115,051	(463,488)
Accounts payable, accrued expenses and accrued compensated absences	588,471	(19,181)
Prizes payable	6,001,698	1,334,206
Net pension liability	729,083	(52,341)
Unearned revenue	3,772	32,573
Deferred pension plan inflows	(67,346)	(60,099)
Net cash provided by operating activities	\$ 83,121,752	\$ 64,290,098

See notes to financial statements.

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Notes to Financial Statements

Note 1. Reporting Entity

The Oklahoma Lottery Commission (the OLC), was formed by the citizens of Oklahoma upon passage of a legislative referendum authorizing the Oklahoma Education Lottery Act (the Act), codified as Title 3A, Section 701, et. seq., of the Oklahoma Statutes. The OLC is an enterprise fund of the State of Oklahoma (the State) responsible for administering lotteries in accordance with the Act. The Act established a board of seven trustees appointed by the governor to oversee operations of the OLC. The OLC transfers Net Proceeds as defined by the Act, to the Oklahoma Education Lottery Trust Fund (OELTF). See Note 7 for additional details.

Note 2. Significant Accounting Policies

Method of accounting: The OLC is accounted for as an enterprise fund. Enterprise funds are used to account for activities that are financed and operated in a manner similar to private business enterprises where the costs of providing lottery games to the general public on a continuing basis are to be financed through the sale of lottery game tickets. The Act requires that all costs of providing lottery games, including capital costs, be recovered from the sale of lottery game tickets.

The Governmental Accounting Standards Board (GASB) is the recognized standard-setting body for accounting principles generally accepted applicable to governmental proprietary activities in the United States of America. The OLC applies all applicable GASB pronouncements.

Basis of accounting: The financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under this method, revenues are recognized when they are earned, and expenses are recognized when they are incurred.

The primary operating revenue of the OLC is ticket sales from games. Nonoperating income primarily consists of interest income. "Operating expenses" are defined under the Act as "all costs of doing business, including but not limited to prizes, commissions, and other compensation paid to retailers, advertising and marketing costs, personnel costs, capital costs, amounts held in or paid from the Fidelity Revolving Fund pursuant to Section 20 of this Act, debt service payments for the payment of initial expenses of start-up, administration and operation of the OLC and other operating costs." The transfers are statutory required transfers to the Oklahoma Education Lottery Trust Fund (OELTF) and the Oklahoma Department of Mental Health and Substance Abuse Services.

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the financial statements and accompanying notes. Actual results could differ from those estimates.

Revenue recognition: Revenue for Pick 3, Cash 5, Lucky for Life, Lotto America, Mega Millions and Powerball (collectively referred to as online games) is recognized when tickets are sold to the public by contracted retailers, except for tickets sold in advance of the draw date for which unearned revenue is recorded. Revenue for scratcher games is recognized upon activation of ticket packs for sale by the retailers.

Commissions: Retailers receive a 6% commission on total sales and 0.75% commission on prizes cashed.

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Notes to Financial Statements

Note 2. Significant Accounting Policies (Continued)

Prizes: Prize expense for scratcher ticket games is recorded at the time the related revenue is recognized based on the predetermined prize structure for each game; periodically, the prize expense is adjusted for unclaimed prizes. Prize expense for online games is recorded at the time the related revenue is recognized based on the known prizes.

Unclaimed prizes: Prizes must be claimed within 90 days after the game-end (end of sales) for scratcher games and within 180 days after the draw date for online games. The first \$750,000 for fiscal year 2021 and 2020 of unclaimed prize money accruing annually must be transferred to the Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS) for the treatment of compulsive gambling disorders and educational programs related to such disorders.

In accordance with Section 724 of the Act, unclaimed prizes are added to a pool from which future prizes are awarded or used for special prize promotions. Under the Act, unclaimed prizes do not constitute net lottery proceeds and are restricted funds that are not available for transfer to the OELTF. Total unclaimed prizes amounted to \$3,521,549 and \$6,457,223 for fiscal years 2021 and 2020, respectively. Unclaimed prizes are netted against prize expense in the statement of revenues, expenses, and changes in net position.

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oklahoma Public Retirement System (OPERS) and additions to/deductions from OPERS and fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred inflows of resources: Deferred inflows of resources are the acquisition of net position by the OLC that are applicable to a future reporting period. At June 30, 2021 and 2020, the OLC had deferred inflows of resources of \$4,717 and \$72,063, respectively. See Note 8 for additional discussion regarding deferred inflows of resources.

Deferred outflows of resources: Deferred outflows of resources are the consumption of net position by the OLC that are applicable to a future reporting period. At June 30, 2021 and 2020, the OLC had deferred outflows of resources of \$625,930 and \$247,272, respectively. See Note 8 for additional discussion regarding deferred outflows of resources.

Net position: The OLC's net position is classified as follows:

Investment in capital assets: This represents the OLC's total investment in capital assets.

Restricted net position, expendable: Net position not invested in capital is restricted by state statute. Restricted net position consists primarily of cash maintained in the OLC's restricted fidelity fund, deposits with the Multi-State Lottery (MUSL), and balance of unclaimed prizes to be used on future prizes or special prize promotions.

Unrestricted net position (deficit): Unrestricted net position (deficit) is the result of the effects of the OLC's recognition of its proportionate share of Net Pension Liability from participation in the Oklahoma Public Employee's Retirement System, the release (use) of Unclaimed Prizes and current year changes in the required deposit with MUSL.

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Notes to Financial Statements

Note 2. Significant Accounting Policies (Continued)

Gross proceeds: Gross proceeds, as defined by the Act, consist of all revenue derived from the sale of lottery game tickets or shares and all other monies derived from the lottery games.

Operating expenses: Operating expenses, as defined by the Act, in the determination of net proceeds, consist of all costs of doing business including, but not limited to, prizes, commissions, and other compensation paid to lottery retailers, advertising and marketing costs, rental fees, personnel costs, capital costs, depreciation of property and equipment, and other operating costs.

Cash and cash equivalents: The OLC's cash and cash equivalents are considered to be cash on hand and amounts maintained in OK INVEST, an internal investment pool administered by the Oklahoma State Treasurer.

Retailer accounts receivable: Retailer accounts receivable represents lottery proceeds due from retailers for online ticket sales and activated ticket packs for scratcher games, less commissions due to retailers and prizes paid by the retailers. Lottery proceeds are collected weekly by the OLC from retailer trust accounts established in trust for benefit of the OLC.

Capital assets, net: Capital assets, which consist of machinery, equipment, computers and software, are stated at cost less accumulated depreciation. The OLC capitalizes all property and equipment purchases of \$500 or more. Depreciation is computed using the straight-line method over the following estimated useful lives: machinery and equipment—five to ten years; computers and software—three to five years. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in the results from operations in the period of disposal.

Restricted cash: In accordance with the Act, retailers contribute a fee to a fidelity fund upon acceptance as a retailer for the OLC. The fund is used to cover losses the OLC may incur due to misfeasance, nonfeasance, or malfeasance of retailers and to contract for investigations, reviews, or audits. At the end of any fiscal year, the OLC must transfer to the OELTF any amount in the restricted fidelity fund which exceeds the budgeted expenses from the fund for the next fiscal year plus \$500,000 for both fiscal years 2021 and 2020. At June 30, 2021 and 2020, no amounts were available for transfer as net proceeds. During fiscal years 2021 and 2020, \$141,760 and \$110,796, respectively, was used to reimburse the OLC for retailer accounts that were delinquent and in collection status, for the retailer application fees and audit fees. Receipts from retailers in collection status are deposited back to the fidelity fund. The fidelity fund is held in a separate account. As of June 30, 2021 and 2020, the balance in the fidelity fund totaled \$159,555 and \$170,666, respectively and is included in the accompanying statement of net position with cash equivalents restricted and expendable restricted net position.

Current unclaimed prizes in excess of \$750,000 for both fiscal years 2021 and 2020, and the balance from prior years are included in cash equivalents restricted and expendable restricted net position in the accompanying statement of net position. These funds are to be utilized to enhance future OLC prizes or promotions and totaled \$5,093,516 and \$6,329,787 as of June 30, 2021 and 2020, respectively.

Risk management: The OLC is exposed to various risks of loss related to torts, destruction of assets due to theft or damage, errors and omissions, injuries to employees, and natural disasters. The OLC has coverage that substantially covers these risks through a self-insured pool for agencies of the State of Oklahoma. This coverage is administered by the Risk Management Division of the Department of Central Services for the State of Oklahoma.

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Notes to Financial Statements

Note 2. Significant Accounting Policies (Continued)

Compensated absences: Employees earn the right to be compensated during absences for vacation and compensatory time. Unused leave benefits are paid to employees upon separation from service. The cost of vacation and compensatory time is accrued in the period in which it is earned.

Bad-debt expense: The OLC recognizes bad-debt expense when retailer account receivables are greater than 90 days old. The accounts receivable balance due to the OLC is satisfied at that time by a transfer of funds from the restricted fidelity fund. The OLC may continue its effort to collect these accounts. Any collection from a retailer balance previously charged to bad-debt expense will be deposited back to the restricted fidelity fund. For the years ended June 30, 2021 and 2020, bad-debt expense was \$7,050 and \$10,175, respectively.

New accounting pronouncements issued not yet adopted: The GASB has issued a new accounting pronouncement which will be effective to OLC in fiscal year ended June 30, 2022. OLC is currently evaluating the impact that this new standard will have on its financial statements. A description of the new accounting pronouncement is described below:

- GASB Statement No. 87, *Leases*, issued June 2017, establishes a single approach to accounting for and reporting leases by state and local governments. Under this statement, a government entity that is a lessee must recognize (1) a lease liability and (2) an intangible asset representing the lessee's right to use the leased asset. In addition, the Commission must report the (1) amortization expense for using the lease asset over the shorter of the term of the lease or the useful life of the underlying asset, (2) interest expense on the lease liability and (3) note disclosures about the lease. The statement provides exceptions from the single-approach for short-term leases, financial purchases, leases of assets that are investments, and certain regulated leases. This statement also addresses accounting for lease terminations and modifications, sale-leaseback transactions, non-lease components embedded in lease contracts (such as service agreements), and leases with related parties.

Subsequent events: The OLC has evaluated subsequent events through September 21, 2021, the date the financial statements were available to be issued.

Note 3. Cash and Cash Equivalents

The OLC's investment in OK INVEST is carried at \$45,113,846 and \$31,424,498 at June 30, 2021 and 2020, respectively, which represents the OLC's net asset value of its interest in OK INVEST. The amounts held in OK INVEST are considered liquid as they are available to be withdrawn on demand with limited redemption restrictions.

Agencies and funds that are considered to be part of the State's reporting entity in the State's Comprehensive Annual Financial Report are allowed to participate in OK INVEST. Oklahoma statutes and the State Treasurer establish the primary objectives and guidelines governing the investment of funds in OK INVEST. Safety, liquidity, and return on investment are the objectives that establish the framework for the day-to-day OK INVEST management, with an emphasis on safety of the capital and the probable income to be derived and meeting the State and its funds' and agencies' daily cash flow requirements. Guidelines in the Investment Policy address credit quality requirements, diversification percentages and the types and maturities of allowable investments. The specifics regarding these policies can be found on the State Treasurer's website at <http://www.ok.gov/treasurer>. The State Treasurer, at his discretion, may further limit or restrict such investments on a day-to-day basis. OK INVEST includes a substantial investment in securities with an overnight maturity as well as in U.S. government securities with a maturity of up to ten years. OK INVEST maintains an overall weighted average maturity of less than four years.

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Notes to Financial Statements

Note 3. Cash and Cash Equivalents (Continued)

Participants in OK INVEST maintain interest in its underlying investments and, accordingly, may be exposed to certain risks. As stated in the State Treasurer information statement, the main risks are interest rate risk, credit/ default risk, liquidity risk, and U.S. government securities risk. Interest rate risk is the risk that during periods of rising interest rates, the yield and market value of the securities will tend to be lower than prevailing market rates; in periods of falling interest rates, the yield will tend to be higher.

Custodial credit risk of investments is the risk that in the event of a bank failure, the government's investments may not be returned to it. OK INVEST is not insured or guaranteed by the State, the FDIC, or any other government agency.

Note 4. Capital Assets, Net

The following is a summary of changes in capital assets and accumulated depreciation during the years ended June 30, 2021 and 2020:

Capital Assets	Year Ended June 30, 2021			
	Beginning Balance	Additions	Deletions	Ending Balance
Machinery and equipment	\$ 1,116,358	\$ 138,880	\$ -	\$ 1,255,238
Computers and software	456,740	-	-	456,740
	<u>1,573,098</u>	<u>138,880</u>	<u>-</u>	<u>1,711,978</u>
Accumulated depreciation:				
Machinery and equipment	953,025	71,301	-	1,024,326
Computers and software	428,290	16,038	-	444,328
	<u>1,381,315</u>	<u>87,339</u>	<u>-</u>	<u>1,468,654</u>
Total capital assets, net	<u>\$ 191,783</u>	<u>\$ 51,541</u>	<u>\$ -</u>	<u>\$ 243,324</u>
Capital Assets	Year Ended June 30, 2020			
	Beginning Balance	Additions	Deletions	Ending Balance
Machinery and equipment	\$ 973,843	\$ 142,515	\$ -	\$ 1,116,358
Computers and software	437,446	19,294	-	456,740
	<u>1,411,289</u>	<u>161,809</u>	<u>-</u>	<u>1,573,098</u>
Accumulated depreciation:				
Machinery and equipment	896,082	56,943	-	953,025
Computers and software	415,210	13,080	-	428,290
	<u>1,311,292</u>	<u>70,023</u>	<u>-</u>	<u>1,381,315</u>
Total capital assets, net	<u>\$ 99,997</u>	<u>\$ 91,786</u>	<u>\$ -</u>	<u>\$ 191,783</u>

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Notes to Financial Statements

Note 5. Compensated Absences

The current portion of accrued compensated absences is included in accrued expenses in the accompanying statements of net position. The following is a summary of changes in the OLC's liability for compensated absences during the year ended June 30:

	Beginning Balance	Additions	Deletions	Ending Balance	Current Portion
Compensated absences 2021	<u>\$ 232,820</u>	<u>\$ 63,007</u>	<u>\$ 59,715</u>	<u>\$ 235,912</u>	<u>\$ 157,274</u>
Compensated absences 2020	<u>\$ 219,983</u>	<u>\$ 53,848</u>	<u>\$ 41,211</u>	<u>\$ 232,820</u>	<u>\$ 155,080</u>

Note 6. Operating Leases

The OLC has entered into various operating leases for office space and equipment used in its daily operations. Pursuant to Oklahoma State Statutes, the OLC's operating leases are limited to terms of one year and must be renewed annually. Accordingly, the OLC has no long-term commitments under the operating leases as of June 30, 2021 or 2020. Rent expense under all operating leases was \$293,847 and \$166,610 for the years ended June 30, 2021 and 2020, respectively.

Note 7. Transfers to Oklahoma Education Lottery Trust Fund

Net Proceeds are defined by the Act as "all revenue derived from the sale of lottery tickets or shares and all other monies derived from the lottery, less operating expenses". In accordance with the Act, all Net Proceeds are transferred to the Oklahoma Education Lottery Trust Fund (OELTF), generally with the first \$50,000,000 transferred by July 15 following the end of the fiscal year, and the balance of the Net Proceeds made subsequent to the OLC's fiscal year.

In accordance with the Act, amounts transferred to the OELTF are to be appropriated by the legislature to education programs according to the parameters established in the Act. Following is an executive summary of these statutory provisions. For the full text, see Title 3A, Section 713 of the Oklahoma Statutes, available on the OLC website.

5%	Teachers' Retirement System Dedicated Revenue Revolving Fund
5%	School Consolidation and Assistance Fund (SCAF): If the SCAF equals \$5,000,000, this 5% will be allocated to public schools to purchase technology equipment to conduct on-line testing
45%	Kindergarten through twelfth grade public education, including compensation and benefits for public school teachers and support employees, and early childhood development programs
45%	Tuition grants, loans, and scholarships to citizens of this state for attending colleges and universities located within this state or to attend Oklahoma Department of Career and Technology Education institutions; construction of educational facilities or capital outlay projects or technology for elementary school districts, independent school districts, the Oklahoma State System of Higher Education, and career and technology education; endowed chairs for professors at institutions of higher education operated by the Oklahoma State System of Higher Education; and programs and personnel of the Oklahoma School for the Deaf and the Oklahoma School for the Blind

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Notes to Financial Statements

Note 7. Transfers to Oklahoma Education Lottery Trust Fund (Continued)

The following is a summary of the amounts available for transfer to the OELTF during the years ended June 30, 2021 and 2020:

	2021	2020
Change in net position before required transfers	\$ 79,758,894	\$ 64,931,570
Less: required transfer to ODMHSAS	(750,000)	(750,000)
Change in net position before required transfer to OELTF	79,008,894	64,181,570
Adjustments to determine distributable net proceeds to OELTF		
Unclaimed prizes	(3,521,549)	(6,457,223)
Required transfer of unclaimed prizes to Oklahoma Department of Mental Health and Substance Abuse Services	750,000	750,000
Unclaimed prize usage	4,000,000	5,900,000
Retailer application fees	(127,185)	(79,035)
Restricted expenses	125,824	104,392
Amount available to transfer to OELTF	<u>\$ 80,235,984</u>	<u>\$ 64,399,704</u>

During the year ended June 30, 2021, OLC transferred \$46,946,916 to the Education Lottery Trust Fund and as of June 30, 2021, owed an additional \$33,289,068, which is recorded as Due to Oklahoma Lottery Trust Fund on the statement of net position.

Note 8. Retirement Program

Plan description: The OLC contributes to the Oklahoma Public Employees Retirement System (OPERS) cost-sharing multiple-employer defined benefit plan. OPERS was established in 1964 by the Oklahoma Legislature and covers substantially all employees of the State, except those covered by six other plans sponsored by the State, and also covers employees of participating counties and local agencies. The Plan provides that all eligible persons, except those specifically excluded, shall become members of OPERS as a condition of their employment. The supervisory authority for the management and operation of OPERS is its Board of Trustees.

OPERS offers retirement and disability benefits, cost of living adjustments on an ad-hoc basis, life insurance benefits, and survivor benefits. The Plan's provisions are established under Title 74 of the Oklahoma Statutes.

Benefits provided: Members qualify for full retirement benefits at their specified normal retirement age or, for any person who became a member prior to July 1, 1992, when the sum of the member's age and years of credited service equals or exceeds 80 (Rule of 80), and for any person who became a member after June 30, 1992, when the member's age and years of credited service equals or exceeds 90 (Rule of 90).

Normal retirement date is further qualified to require that all members employed on or after January 1, 1983 must have six or more years of full-time equivalent employment with a participating employer before being eligible to receive benefits. Credited service is the sum of participating and prior service. Prior service includes nonparticipating service before January 1, 1975, or the entry date of the employer and active wartime military service.

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Notes to Financial Statements

Note 8. Retirement Program (Continued)

A member with a minimum of ten years of participating service may elect early retirement with reduced benefits beginning at age 55 if the participant became a member prior to November 1, 2011, or age 60 if the participant became a member on or after November 1, 2011.

Disability retirement benefits are available for members having eight years of credited service whose disability status has been certified as being within one year of the last day on the job by the Social Security Administration. Disability retirement benefits are determined in the same manner as retirement benefits, but payable immediately without an actuarial reduction.

Benefits are determined at 2% of the average annual salary received during the highest 36 months of the last 10 years of participating service, but not to exceed the applicable annual salary cap, multiplied by the number of years of credited service. Members who join OPERS on or after July 1, 2013, will have their salary averaged over the highest 60 months of the last 10 years. Normal retirement age under the Plan is 62 or Rule of 80/90 if the participant became a member prior to November 1, 2011, or age 65 or Rule of 90 if the participant became a member on or after November 1, 2011.

Members who elect to pay the additional contribution rate, which became available in January 2004, will receive benefits using a 2.5% computation factor for each full year the additional contributions are made. In 2004, legislation was enacted to provide an increased benefit to retiring members who were not yet eligible for Medicare. The Medicare Gap benefit option became available to members under age 65 who retired on or after May 1, 2006. Members may elect to receive a temporary increased benefit to cover the cost of health insurance premiums until the member is eligible to receive Medicare. After the member becomes eligible for Medicare, the retirement benefit will be permanently reduced by an actuarially determined amount. The option is irrevocable, must be chosen prior to retirement, and is structured to have a neutral actuarial cost to the Plan.

Members become eligible to vest fully upon termination of employment after attaining eight years of credited service, or the members' contributions may be withdrawn upon termination of employment.

Contributions: The contribution rates for each member category of the Plan are established by the Oklahoma Legislature after recommendation by the Board based on an actuarial calculation, which is performed to determine the adequacy of such contribution rates.

Each member participates based on their qualifying gross salary earned, excluding overtime. There is no cap on the qualifying gross salary earned, subject to Internal Revenue Service (IRS) limitations on compensation.

For 2021 and 2020, *state agency employers* contributed 16.5% on all salary, and *state employees* contributed 3.5% on all salary.

Contributions to the pension plan from the Oklahoma Lottery Commission were \$202,699 and \$219,189 for the years ended June 30, 2021 and 2020, respectively.

Members have the option to elect to increase the benefit computation factor for all future service from 2.0% to 2.5%. The election is irrevocable, binding for all future employment under OPERS, and applies only to full years of service. Those who make the election pay the standard contribution rate plus an additional contribution rate, 2.91% which is actuarially determined.

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Notes to Financial Statements

Note 8. Retirement Program (Continued)

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions: At June 30, 2021 and 2020, the Oklahoma Lottery Commission reported a liability of \$863,266 and \$134,183, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020 and 2019, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 and 2019, respectively. The Oklahoma Lottery Commission's proportion of the net pension liability was based on the Oklahoma Lottery Commission's share of contributions to the pension plan relative to the contributions of all participating employers. At June 30, 2020 and 2019, the Oklahoma Lottery Commission's proportion was 0.096760960% and 0.100747220%, respectively.

For the years ended June 30, 2021 and 2020, the Oklahoma Lottery Commission recognized pension expense of \$485,778 and \$193,624, respectively. At June 30, 2021 and 2020, the Oklahoma Lottery Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	June 30, 2021		June 30, 2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumption	\$ 308,351	\$ -	\$ -	\$ -
Differences between expected and actual experience	-	4,717	-	31,575
Difference between projected and actual investment earnings on pension plan investments	100,548	-	-	40,488
Changes in proportion and differences between OLC contributions and proportionate share of contributions	14,332	-	28,083	-
Total deferred amounts to be recognized in pension expense in future periods	423,231	4,717	28,083	72,063
OLC contributions subsequent to the measurement date	202,699	-	219,189	-
Total deferred amounts related to pension	\$ 625,930	\$ 4,717	\$ 247,272	\$ 72,063

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Notes to Financial Statements

Note 8. Retirement Program (Continued)

Deferred pension outflows resulting from the OLC's Employer' contributions subsequent to the measurement date, totaling \$202,699 and \$219,189 at June 30, 2021 and 2020, will be recognized as a reduction of the net pension liability in the years ended June 30, 2022 and 2021, respectively. The deferred outflows and deferred inflows resulting from the difference between projected and actual earnings on pension plan investments will be recognized as a reduction of pension expense over five years. The other deferred inflows and outflows will be recognized in pension expense using the average expected remaining service lives of all Plan members. The average is determined by taking the calculated total future service years of the Plan divided by the number of the people in the Plan including retirees. Deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

	June 30, 2021 Deferred Outflows (Inflows)
2022	\$ 249,938
2023	128,758
2024	144,708
2025	210,497
Thereafter	(315,387)
	<u>\$ 418,514</u>

Actuarial assumptions: The total pension liability as of June 30, 2021 and 2020, was determined based on an actuarial valuation prepared as of July 1, 2020 and 2019, respectively using the following actuarial assumptions:

2020

Investment return	6.50% for 2020 compounded annually net of investment expense and including inflation
Salary increases	3.25% to 9.25% per year including inflation
Mortality rates	PUB-2010 Below Median, General Membership Active/Retiree Healthy Mortality Table with base rates project to 2030 using scale MP-2019
No annual post-retirement benefit increases	
Assumed inflation rate	2.50%
Payroll growth	3.25% per year
Actuarial cost method	Entry age
Select period for the termination of employment assumptions	10 years

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Notes to Financial Statements

Note 8. Retirement Program (Continued)

2019

Investment return	7.00% for 2019 compounded annually net of investment expense and including inflation
Salary increases	3.5% to 9.5% per year including inflation
Mortality rates	Active participants and nondisabled pensioners—RP-2014 Mortality Table projected to 2025 by Scale MP-2016 (disabled pensioners set forward 12 years)
No annual post-retirement benefit increases	
Assumed inflation rate	2.75%
Payroll growth	3.5% per year
Actuarial cost method	Entry age
Select period for the termination of employment assumptions	10 years

The actuarial assumptions used in the July 1, 2021 and 2020, valuation are based on the results of the most recent actuarial experience study, which cover the three-year period ended June 30, 2019. The experience study report is dated May 13, 2020.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Large Cap Equity	34.0%	4.7%
U.S. Small Cap Equity	6.0%	5.8%
Int's Developed Equity	23.0%	6.5%
Emerging Market Equity	5.0%	8.5%
Core Fixed Income	25.0%	0.5%
Long Term Treasuries	3.5%	0.0%
US TIPS	3.5%	0.3%
Total	<u>100.0%</u>	

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Notes to Financial Statements

Note 8. Retirement Program (Continued)

Discount rate: The discount rate used to measure the total pension liability was 6.50% and 7.00% for 2021 and 2020, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members and the employers will be made at the current contribution rate as set out in state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determined does not use a municipal bond rate.

Sensitivity of the Oklahoma Lottery Commission's proportionate share of the net pension liability to changes in the discount rate: The following presents the Oklahoma Lottery Commission's proportionate share of the net pension liability calculated using the discount rate of 7.00% for June 30, 2021 and 2020, as well as what Oklahoma Lottery Commission's net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	June 30, 2021			June 30, 2020		
	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Oklahoma Lottery Commission's proportionate share of the net pension liability (asset)	\$ 2,032,200	\$ 863,266	\$ (124,469)	\$ 1,213,226	\$ 134,183	\$ (780,639)

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements, June 30, 2020 Comprehensive Annual Financial Report, available at [2020 CAFR OPERS.pdf \(ok.gov\)](#)

Note 9. Defined Compensation Plans

Oklahoma Public Employees Retirement Defined Contribution Plans

Pathfinder: In 2014, the Oklahoma Legislature enacted legislation in HB 2630 requiring a Defined Contribution System be established by the OPERS for most state employees first employed by a participating State employer on or after November 1, 2015. This bill is codified in Oklahoma Statutes as Title 74, Section 935.1, *et. seq.* Employees of the OLC who first became employees on or after November 1, 2015, and have no prior participation in OPERS must participate in the mandatory Defined Contribution Plan created in accordance with Internal Revenue Code Section 401(a) and 457(b) and Title 590, Chapter 40 of the Oklahoma Administrative Code. The Defined Contribution Plan is known as Pathfinder. Pathfinder and its related Trust(s) are intended to meet the requirements of the Internal Revenue Code. Pathfinder is administered by the OPERS.

Contribution rates are established by Oklahoma Statute and may be amended by the Oklahoma Legislature. For 2015, the initial period of implementation, employees must make mandatory employee contributions of 4.5% of pretax salary to the 401(a) plan and may make additional voluntary contributions to the 457(b) plan, subject to the maximum deferral limit allowed under the Internal Revenue Code. Employees are vested 100% for all employee contributions. The OLC must make mandatory contributions of 6% of the employee's pretax salary and 7% if the employee elects to participate in the 457(b) plan. Employees become vested for the employer contributions based on an established vesting schedule. The amount of the OLC's contributions for Pathfinder for the years ended June 30, 2021 and 2020, was approximately \$62,704 and \$39,050, respectively.

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Notes to Financial Statements

Note 9. Defined Compensation Plans (Continued)

Additionally, in order to reduce the liabilities of the defined benefit plan, the OLC is required to contribute the difference between the established 16.5% defined benefit employer contribution rate and the amount required to match the participating employees' contribution in the defined contribution plan. The amount contributed by the OLC for the years ended June 30, 2021 and 2020, to meet this requirement is \$102,817 and \$64,064, respectively. The OLC had no outstanding payables to OPERS for the defined benefit plan for the years ended June 30, 2021 and 2020.

SoonerSave: The State offers to its own employees, state agency employees and other duly constituted authority or instrumentality employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457 and Chapter 45 of Title 74, Oklahoma Statutes. The Oklahoma State Employees Deferred Compensation Plan (the 457 Plan), also known as SoonerSave, is a voluntary plan that allows participants to defer a portion of their salary into the 457 Plan. Participants allows a person to shelter the portion of their salary that they defer from current federal and state income tax. Taxes on the interest or investment gains on this money, while in the 457 Plan, are also deferred. The deferred compensation is not available to employees until termination, retirement, death or approved unforeseeable emergency.

Under SoonerSave, the untaxed deferred amounts are invested as directed by the participant among various 457 Plan investment options. Effective January 1, 1988, a Trust and Trust Fund covering the 457 Plan assets was established pursuant to federal legislation enacted in 1996, requiring public employers to establish such trusts for plans meeting the requirements of Section 457 of the IRC. Under terms of the Trust, the corpus or income of the Trust Fund may be used only for the exclusive benefit of the 457 Plan participants and their beneficiaries. Further information may be obtained from the Oklahoma State Employees Deferred Compensation Plan audited financial statements for the years ended June 30, 2021 and 2020. The OLC believes that it has no liabilities in respect to the State's plan.

Note 10. Contingencies

The OLC is subject to litigation in the ordinary course of any operations. In the opinion of the OLC's management and its legal counsel, the outcome of such litigation will not have a material impact on the financial position or cash flows of the OLC for the years ended June 30, 2021 and 2020.

Note 11. Contractual Arrangements

In August 2005, the OLC entered into a contract with Scientific Games International, Inc. (SGI) to provide, amongst other things, services and equipment to operate its lotteries. Due to Oklahoma Statutes, the OLC may not contract for a period longer than one year. However, the contract with SGI contained seven one-year renewal options, which the OLC's Board of Trustees renewed annually. In August 2013, the last one-year renewal option matured and a similar contract was entered into with SGI. This contract contains nine one-year renewal options. Under the terms of the contract, the OLC pays SGI a fee based on a percentage of the OLC's sales. For the years ended June 30, 2021 and 2020, the OLC paid SGI \$14,430,084 and \$13,318,210, respectively.

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Notes to Financial Statements

Note 11. Contractual Arrangements (Continued)

The OLC is a member of the MUSL, which operates games on behalf of participating lotteries. MUSL currently operates the Powerball, Mega Millions, Lucky for Life and Hot Lotto games for the OLC. Under the OLC's agreement with the MUSL, the OLC must remit 50% of its Powerball ticket sales, 50% of its Hot Lotto ticket sales and 50% of its Mega Millions ticket sales. This payment is to cover the OLC's share of current jackpot prizes based on the OLC's percent of sales for each drawing and the OLC share of the prize reserve fund. The OLC is responsible for paying winning tickets purchased in Oklahoma; therefore, it is able to deduct winning tickets sold from the amount due to the MUSL on its ticket sales. As of June 30, 2021 and 2020, the OLC owed the MUSL \$798,242 and \$683,191 for ticket sales, and the MUSL owed the OLC \$236,992 and \$148,473 for non-jackpot-winning tickets. The OLC has recorded these items at their gross amounts in the accompanying statements of net position.

As noted above, OLC's payments to MUSL includes the OLC share of the prize reserve fund. The prize reserve fund serves as a contingency reserve to protect all the MUSL members, including the OLC, from unforeseen prize liabilities. These funds are in the possession of the MUSL and are included in expendable restricted net position.

The balances of the deposits are made up of the following:

	June 30	
	2021	2020
Set prize reserve account	\$ 426,636	\$ 557,417
Prize reserve account	2,967,651	3,127,072
Balance of unreserved account	1,433,555	1,422,518
	<u>\$ 4,827,842</u>	<u>\$ 5,107,007</u>

Required Supplementary Information

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Required Supplementary Information
Schedule of OLC's Proportionate Share of the Net Pension Liability
Oklahoma Public Employees Retirement Plan
Last 10 Fiscal Years*

	June 30						
	2021	2020	2019	2018	2017	2016	2015
Measurement date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
OLC's proportion of the net pension liability	0.09676096%	0.10074722%	0.09563208%	0.08877707%	0.08982094%	0.08784744%	0.09022625%
OLC's proportionate share of the net pension liability	\$ 863,266	\$ 134,183	\$ 186,524	\$ 479,985	\$ 891,231	\$ 315,973	\$ 165,624
OLC's covered payroll	1,255,982	1,423,992	1,443,455	1,455,835	1,610,474	1,552,939	1,528,608
OLC's proportionate share of the net pension liability as a percentage of its covered-employee payroll	68.73%	9.42%	12.92%	32.97%	55.34%	20.35%	10.84%
Plan fiduciary net position as a percentage of the total pension liability	91.6%	98.6%	98.0%	94.3%	89.5%	96.0%	97.9%

Note to Schedule:

* Information prior to 2015 is not available.

See notes to required supplementary information.

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Required Supplementary Information
Schedule of OLC's Contributions
Oklahoma Public Employees Retirement Plan
Last 10 Fiscal Years

	June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required to contribute	\$ 202,699	\$ 207,237	\$ 234,958	\$ 238,170	\$ 240,213	\$ 265,728	\$ 256,235	\$ 252,220	\$ 260,035	\$ 289,515
Contributions in relation to the contractually required contributions	202,699	219,189	234,948	238,323	239,231	266,041	256,235	252,220	260,035	289,515
Contributions deficiency (excess)	\$ -	\$ (11,952)	\$ 10	\$ (153)	\$ 982	\$ (313)	\$ -	\$ -	\$ -	\$ -
OLC's covered payroll	1,228,480	1,255,982	1,423,992	1,443,465	1,455,835	1,610,474	1,552,939	1,528,606	*	*
Contributions as a percentage of covered-employee payroll	16.50%	16.50%	16.50%	16.51%	16.43%	16.52%	16.50%	16.50%	*	*

* Information prior to 2015 is not available.

See notes to required supplementary information.

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Required Supplementary Information
Notes to Required Supplementary Information
Oklahoma Public Employees Retirement Plan

Valuation Date

Actuarially determined contributions are calculated as of the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	7 years
Asset valuation method	5-year moving average
Inflation	2.50% for 2020 and 2.75% for 2019
Salary increase	3.25% to 9.25% for 2020 and 3.50% to 9.50% for 2019, including inflation
Investment rate of return	6.50% for 2020, 7.00% for 2019, compounded annually, net of investment expense and including inflation
Retirement age	Age 65 for all members hired on or after November 1, 2011, age 62 for members hired prior to November 1, 2011
Mortality	For 2020, PUB-2010 Below Median, General Membership Active/Retiree Healthy Mortality Table with base rates projected to 2030 using scale MP-2019. For 2019 and 2018, active participants and nondisabled pensioners – RP-2014 Mortality Table projected to 2025 by Scale MP-2016 (disabled pensioners set forward 12 years).

Other Information

House Bill 3350, enacted in 2020, granted a one-time benefit increase to certain retirees. Members who retired prior to or on July 1, 2015 were granted a 4.0% increase to their benefit amounts, members who retired between July 1, 2015 and July 1, 2018 received a 2.0% increase to their benefit amounts, and members who retired after July 1, 2018 did not receive an increase to their benefit amounts. The effective date of the benefit increase is July 1, 2020.

House Bill 1340, enacted in 2018, provides a stipend for members of each system who have been retired for five years as of October 1, 2018. The stipend amount is based on the funding level of the system. OPERS members will receive the lesser of 2% of the gross annual retirement amount or \$1,200. The bill also provides a minimum payment of \$350 for members with 20 years of service. The effective date of the stipend is October 1, 2018.

The Plan has been amended by House Bill 2630 in 2014 which states that effective November 1, 2015, OPERS shall create a defined contribution plan for most people first employed by a participating employer. Exemptions from the new defined contribution plan include hazardous duty members and district attorneys, assistant district attorneys and employees of the district attorney's office. Each employer shall send to OPERS the difference between the required employer contribution to OPERS and the amount required to match the participating employee's contribution in the defined contribution plan.

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Required Supplementary Information (Continued)
Notes to Required Supplementary Information
Oklahoma Public Employees Retirement Plan

Senate Bill 2120, also enacted in 2014, amends House Bill 2630 to further exempt from the new defined contribution plan county elected officials and employees of a county, county hospital, city or town, conservation district, circuit engineering district, and any public or private trust in which a county, city or town participates. Senate Bill 2120 also states that employees who participate in the defined contribution system are excluded from the \$105 health subsidy.

New employees specifically exempted from the defined contribution plan will participate in the existing defined benefit plan.

Oklahoma Lottery Commission
An Enterprise Fund of the State of Oklahoma

Supplementary Information
Revenue and Prize Expense by Game

June 30, 2021								
	Scratcher Games	Pick 3 Game	Cash 5 Game	Lucky for Life Game	Lotto America	Mega Millions Game	Powerball Game	Total
Revenue	\$ 258,040,427	\$ 6,978,105	\$ 4,348,120	\$ 4,141,007	\$ 5,359,628	\$ 31,975,939	\$ 37,907,518	\$ 348,750,742
Prize expense	(181,477,821)	(3,382,520)	(2,044,799)	(2,845,180)	(2,865,982)	(15,964,052)	(19,144,924)	(227,525,278)
Unclaimed prize expense	2,161,981	39,100	24,350	106,669	104,282	392,962	692,205	3,521,549
	<u>\$ 78,724,587</u>	<u>\$ 3,634,685</u>	<u>\$ 2,327,671</u>	<u>\$ 1,402,496</u>	<u>\$ 2,797,928</u>	<u>\$ 16,404,849</u>	<u>\$ 19,454,799</u>	<u>\$ 122,747,013</u>

June 30, 2020								
	Scratcher Games	Pick 3 Game	Cash 5 Game	Lucky for Life Game	Lotto America	Mega Millions Game	Powerball Game	Total
Revenue	\$ 198,279,748	\$ 6,190,229	\$ 4,201,747	\$ 3,856,282	\$ 5,444,051	\$ 20,876,050	\$ 28,915,148	\$ 287,763,235
Prize expense	(138,673,740)	(2,961,100)	(1,842,088)	(2,086,731)	(2,638,787)	(10,575,675)	(14,372,007)	(173,150,128)
Unclaimed prize expense	4,624,418	38,070	22,470	108,924	125,926	374,174	1,187,241	6,457,223
	<u>\$ 64,230,426</u>	<u>\$ 3,265,199</u>	<u>\$ 2,382,129</u>	<u>\$ 1,876,455</u>	<u>\$ 2,931,190</u>	<u>\$ 10,674,549</u>	<u>\$ 15,710,382</u>	<u>\$ 101,070,330</u>



Annual Comprehensive Financial Report of The Oklahoma Lottery Commission

an Enterprise Fund of the
State of Oklahoma



**For the Fiscal Years Ended
JUNE 30, 2021 and 2020**

**OKLAHOMA LOTTERY COMMISSION
STATISTICAL INFORMATION SECTION**

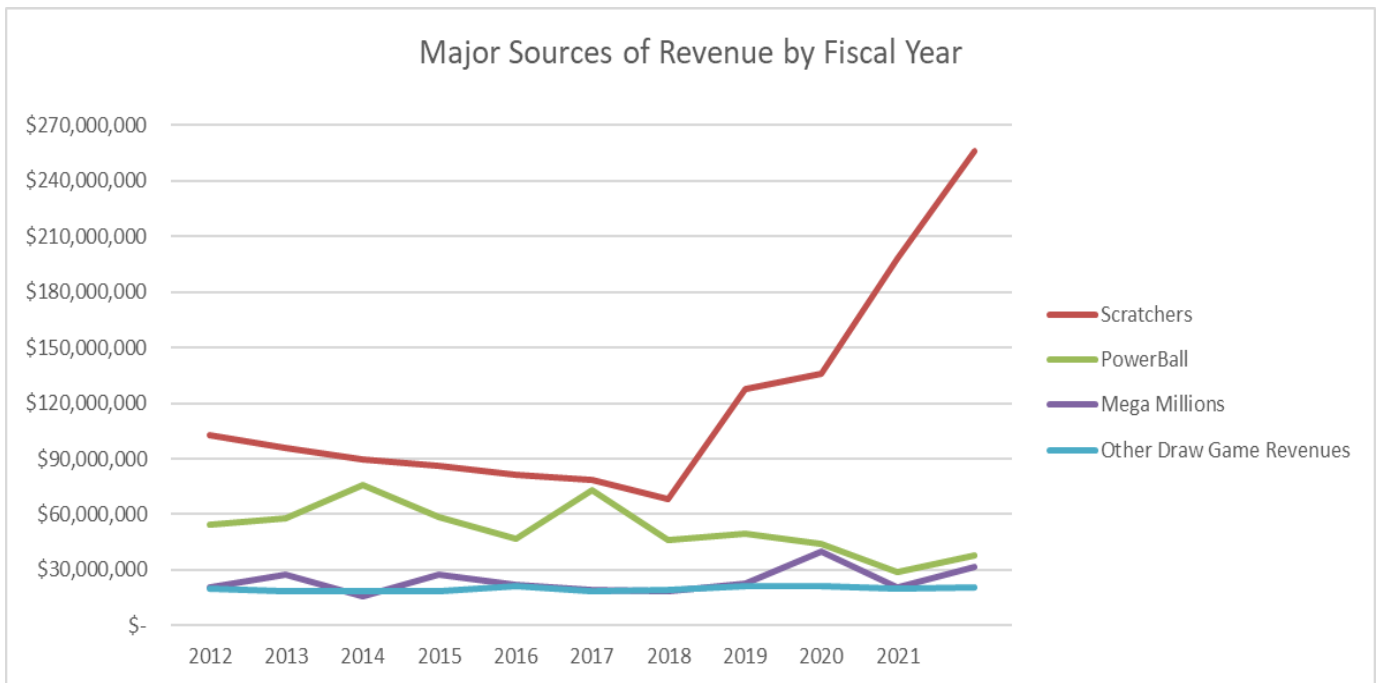
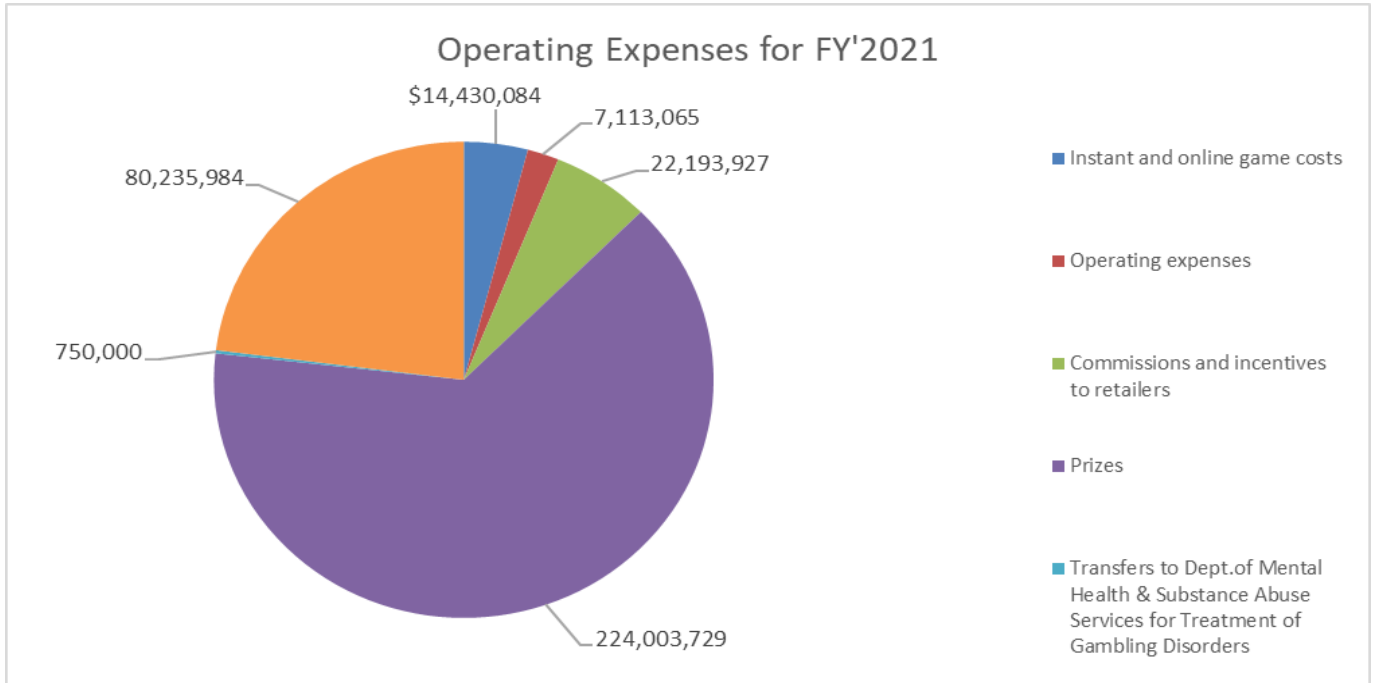
The statistical section of the Oklahoma Lottery Commission's annual comprehensive financial report conveys supplemental information to the data presented in the financial statements and note disclosures to aid readers in reviewing the Lottery's overall financial well-being. Charts provide information about revenues and expenditures by category over time; demographic information about Oklahoma; information about the Lottery's organizational structure and financial performance as well as comparative data from industry data publishers such as the National Association of State and Provincial Lotteries (NASPL), LaFleurs and various lottery financial statements.

REVENUES AND EXPENDITURES – OPERATIONAL FISCAL YEARS

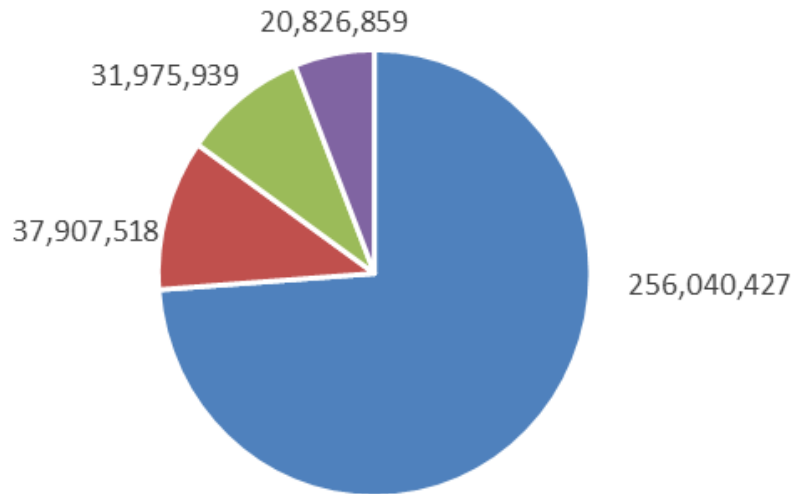
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues:										
Scratcher games	95,978,562	89,393,668	85,876,010	81,600,192	78,559,351	67,988,294	127,627,940	135,965,126	198,279,748	256,040,427
Online games	10,904,714	10,353,034	9,895,762	11,503,830	10,747,860	10,485,163	9,981,045	9,734,256	10,391,976	11,326,225
Mega Millions game	27,328,981	16,108,965	27,674,261	22,099,568	19,470,982	18,238,718	22,786,249	39,759,254	20,876,050	31,975,939
Lotto America							<u>4,976,458</u>	<u>7,226,840</u>	<u>5,444,051</u>	<u>5,359,626</u>
Lucky for Life							<u>1,985,662</u>	<u>4,576,550</u>	<u>3,856,262</u>	<u>4,141,008</u>
Hot Lotto Game	7,407,098	8,306,635	8,858,804	9,917,136	7,801,035	8,450,755	4,202,896	0	0	0
PowerBall game	58,235,023	76,046,572	58,822,255	46,512,750	73,042,366	46,339,573	49,550,146	44,431,391	28,915,148	37,907,518
Retailer application fees	112,375	108,637	106,000	105,245	105,390	100,595	111,740	102,780	79,035	127,185
Other	6,600	6,848	7,250	7,975	6,700	4,550	5,691	190,860	96,661	183,166
Total Revenues	<u>199,973,353</u>	<u>200,324,359</u>	<u>191,240,342</u>	<u>171,746,696</u>	<u>189,733,684</u>	<u>151,607,648</u>	<u>221,227,827</u>	<u>241,987,057</u>	<u>267,938,931</u>	<u>347,061,094</u>
Total Prize Expense	<u>103,052,810</u>	<u>104,463,424</u>	<u>97,496,555</u>	<u>87,782,927</u>	<u>95,517,232</u>	<u>73,342,027</u>	<u>129,610,748</u>	<u>141,324,235</u>	<u>166,692,905</u>	<u>224,003,729</u>
Direct Costs:										
Commissions and incentives to retailers	13,233,747	13,114,765	12,647,675	11,425,710	12,421,019	10,042,940	14,039,604	15,265,982	17,123,205	22,193,927
Instant and on-line costs	6,081,715	5,948,626	7,798,373	7,271,417	7,985,458	8,665,829	10,819,307	10,412,913	13,318,210	14,430,084
Total Direct costs	<u>19,315,462</u>	<u>19,063,391</u>	<u>20,446,048</u>	<u>18,697,127</u>	<u>20,406,477</u>	<u>18,708,769</u>	<u>24,858,911</u>	<u>25,678,895</u>	<u>30,441,415</u>	<u>36,624,011</u>
Operating expenses										
Advertising and promotion	1,652,640	1,623,715	1,520,686	2,743,837	1,767,255	2,004,465	3,134,817	3,550,169	3,051,254	2,860,137
Salaries, wages and benefits	2,661,825	2,419,342	2,345,767	2,129,873	2,184,676	2,363,518	2,513,038	2,792,515	2,756,912	3,344,426
Contracted and professional services	122,459	162,144	167,068	163,050	181,897	166,427	202,902	198,377	221,648	258,147
Depreciation	52,823	37,817	37,985	37,922	33,535	29,541	34,469	43,315	70,023	87,339
Equipment	702	17,291	11,562	18,186	12,626	18,364	15,748	36,640	49,410	174,435
Rent expense	194,901	199,791	193,862	166,777	150,092	144,705	149,179	152,632	166,610	293,847
Office supplies	35,127	34,872	17,774	17,720	18,696	23,403	22,875	24,236	14,537	14,133
Travel	22,269	17,102	11,426	20,171	19,626	9,745	13,193	19,979	15,146	21,121
Other general and administrative	118,015	103,061	180,827	96,670	96,709	58,546	83,451	69,616	70,498	59,480
Total Operating Expenses	<u>4,860,761</u>	<u>4,615,135</u>	<u>4,486,957</u>	<u>5,394,206</u>	<u>4,465,112</u>	<u>4,818,714</u>	<u>6,169,674</u>	<u>6,887,479</u>	<u>6,416,038</u>	<u>7,113,065</u>
Operating income	<u>72,744,320</u>	<u>72,182,409</u>	<u>68,810,782</u>	<u>59,872,436</u>	<u>69,344,863</u>	<u>54,738,138</u>	<u>60,588,494</u>	<u>68,096,448</u>	<u>64,388,573</u>	<u>79,320,289</u>
Non-operating Income (Expense):										
Interest income	281,890	348,277	323,723	243,157	340,285	309,357	415,801	604,620	542,997	438,606
Transfers to OK Department of Mental Health Services	(500,000)	(500,000)	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)
Transfers to/due Oklahoma Education Lottery Trust Fund	(69,990,674)	(70,113,527)	(66,934,120)	(60,111,343)	(66,406,789)	(53,063,688)	(63,229,605)	(67,554,285)	(64,399,704)	(80,235,984)
Total non-operating income (expenses)	<u>(70,208,784)</u>	<u>(70,265,250)</u>	<u>(67,360,397)</u>	<u>(60,618,186)</u>	<u>(66,816,504)</u>	<u>(53,504,331)</u>	<u>(63,563,804)</u>	<u>(67,699,665)</u>	<u>(64,606,707)</u>	<u>(80,547,378)</u>
Change in Net Position	2,535,536	1,917,159	1,450,385	(745,750)	2,528,359	1,233,807	(2,975,310)	396,783	(218,134)	(1,227,090)
Net Position, beginning of year	5,491,977	8,027,513	9,944,672	11,395,057	9,896,096	12,424,455	13,658,262	10,682,952	11,079,735	10,861,601
Restatement-Implementation of GASB 68 & 71				(753,211)	0	0	0	0	0	0
Net Position, end of year	<u>8,027,513</u>	<u>9,944,672</u>	<u>11,395,057</u>	<u>9,896,096</u>	<u>12,424,455</u>	<u>13,658,262</u>	<u>10,682,952</u>	<u>11,079,735</u>	<u>10,861,601</u>	<u>9,634,511</u>
Net Position - Invested in capital assets	105,926	85,122	61,281	94,739	73,182	103,407	101,011	99,997	191,783	243,324
Restricted Net position - expendable	7,921,587	9,859,550	11,333,776	9,801,357	12,351,273	13,554,855	10,851,576	11,819,195	11,607,460	10,080,913
Unrestricted assets	-	-	-	-	-	-	(269,635)	(839,457)	(937,642)	(689,726)
Total of Net Position	<u>8,027,513</u>	<u>9,944,672</u>	<u>11,395,057</u>	<u>9,896,096</u>	<u>12,424,455</u>	<u>13,658,262</u>	<u>10,682,952</u>	<u>11,079,735</u>	<u>10,861,601</u>	<u>9,634,511</u>

Oklahoma Lottery
Net Position by Component
Operational Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net Position, Invested in Capital Assets	148,503	105,926	85,122	61,281	94,739	73,182	103,407	101,011	99,997	191,783	243,324
Restricted net position - expendable	5,343,474	7,921,587	9,859,550	11,333,776	9,801,357	12,351,273	13,554,855	10,851,576	11,819,195	11,607,460	10,080,913
Unrestricted net position - expendable								(269,635)	(839,457)	(937,642)	(689,726)
Total Net Position	5,491,977	8,027,513	9,944,672	11,395,057	9,896,096	12,424,455	13,658,262	10,682,952	11,079,735	10,861,601	9,634,511
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Scratchers	102,969,295	95,978,562	89,393,668	85,876,010	81,600,192	78,559,351	67,988,294	127,627,940	135,965,126	198,279,748	256,040,427
Online Games		10,904,714	10,353,034	9,895,762	11,503,830	10,747,860	10,485,163	9,981,045	9,734,256	10,391,976	11,326,225
Lucky for Life								1,985,662	4,576,550	3,856,262	4,141,008
Lotto America								4,976,458	7,226,840	5,444,051	5,359,626
Hot Lotto	9,514,730	7,407,098	8,306,635	8,858,804	9,917,136	7,801,035	8,450,755	4,202,896	0	0	0
Mega Millions	20,954,777	27,328,981	16,108,965	27,674,261	22,099,568	19,470,982	18,238,718	22,786,249	39,759,254	20,876,050	31,975,939
PowerBall	54,152,013	58,235,023	76,046,572	58,822,255	46,512,750	73,042,366	46,339,573	49,550,146	44,431,391	28,915,148	37,907,518
Retailer Application Fee	112,380	112,375	108,637	106,000	105,245	105,390	100,595	111,740	102,780	79,035	127,185
Other Income	8,234	6,600	6,648	7,250	7,975	6,700	4,550	5,691	190,860	96,661	183,166
Total Revenues	198,579,347	199,973,353	200,324,159	191,240,342	171,746,696	189,733,684	151,607,648	221,227,827	241,987,057	267,938,931	347,061,094
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Transfers to OK Department of Mental Health Services		(500,000)	(500,000)	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)
Transfers to and due Lottery Education Trust Fund	69,396,091	69,990,674	70,113,527	66,934,120	60,111,343	66,406,789	53,063,688	63,229,605	67,554,285	64,399,704	80,235,984

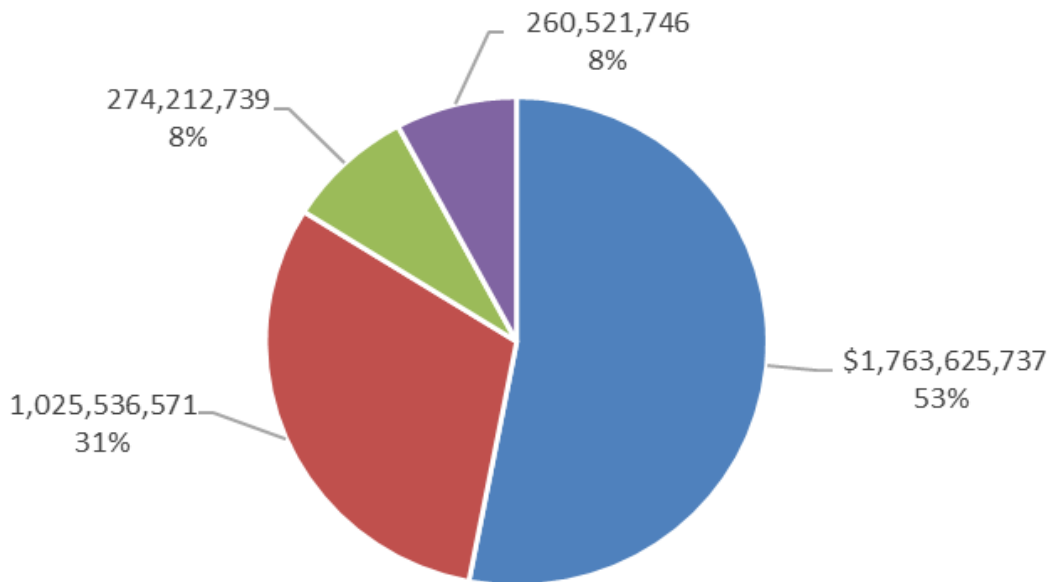


FY'21 Major Revenue Sources

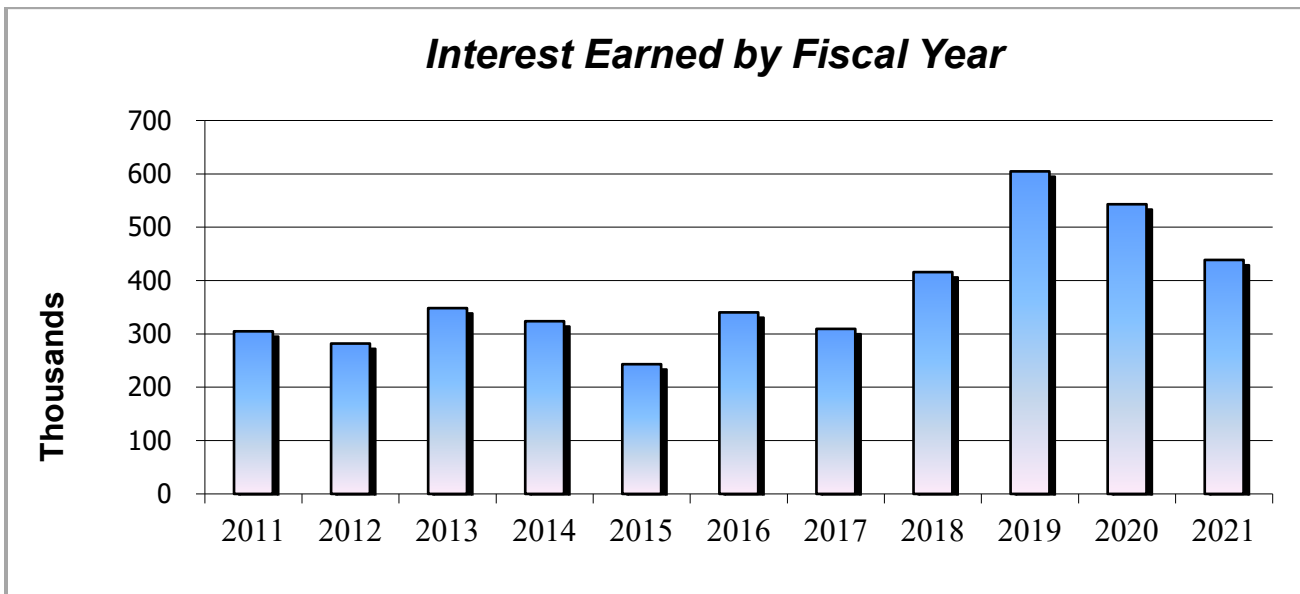
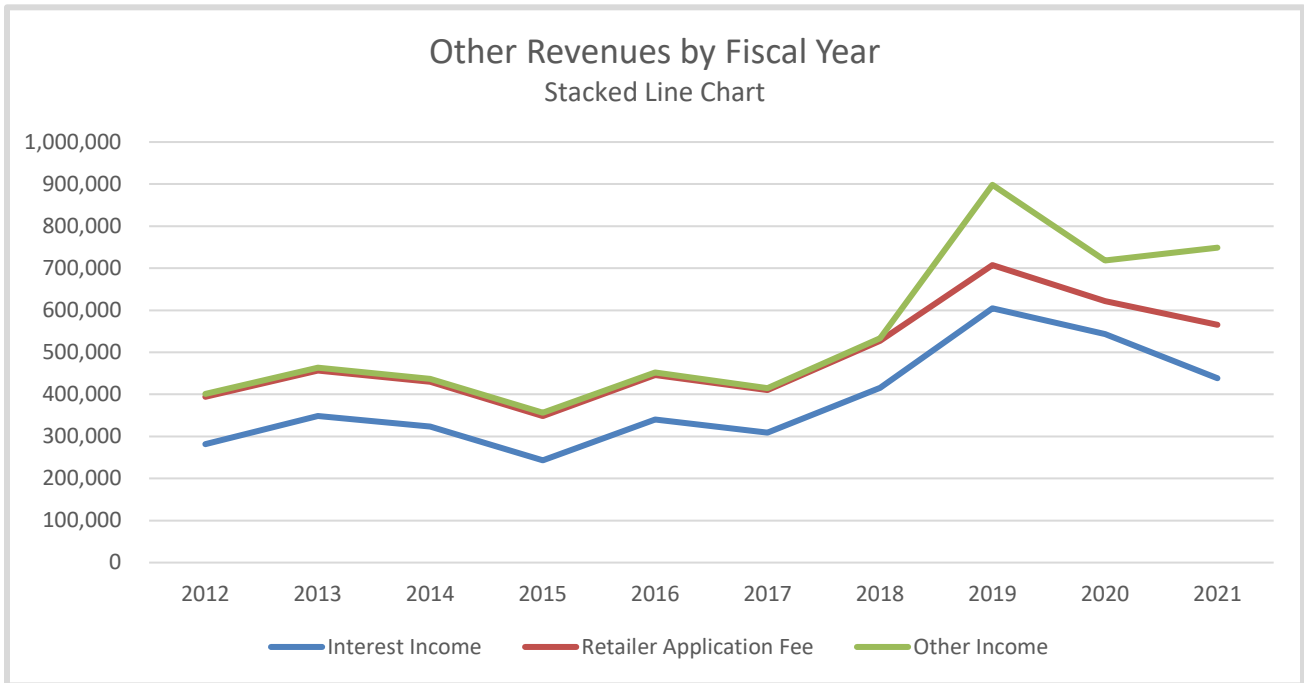


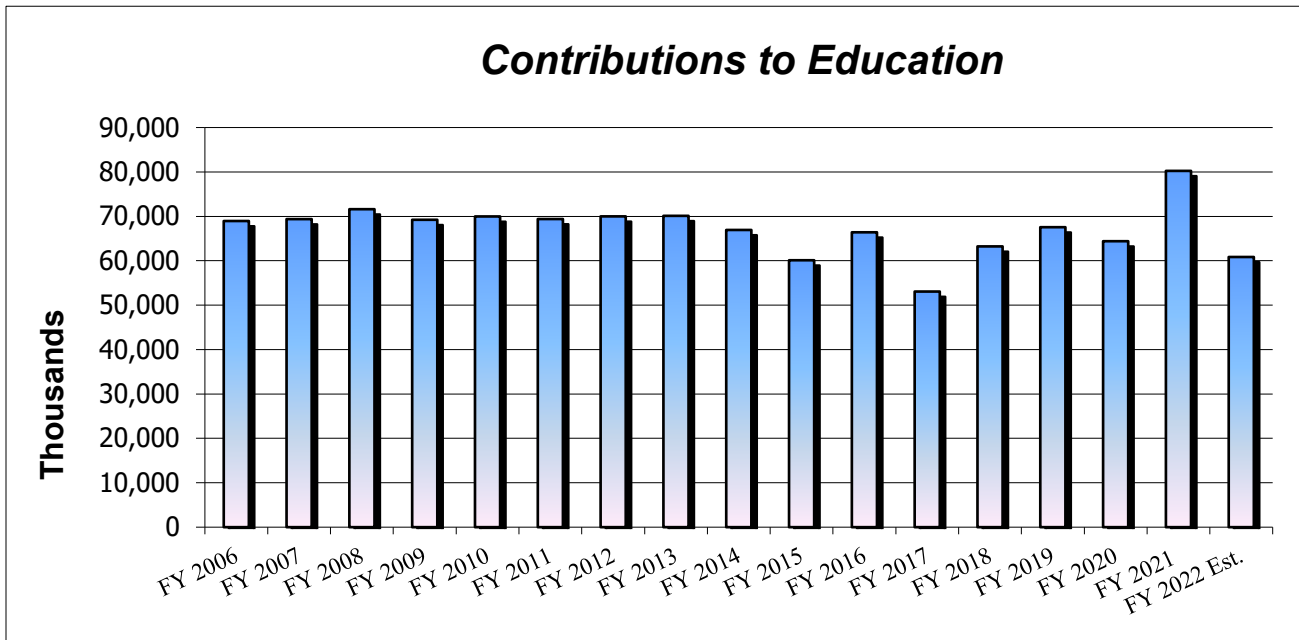
■ Scratchers ■ PowerBall ■ Mega Millions ■ Other Draw Game Revenues

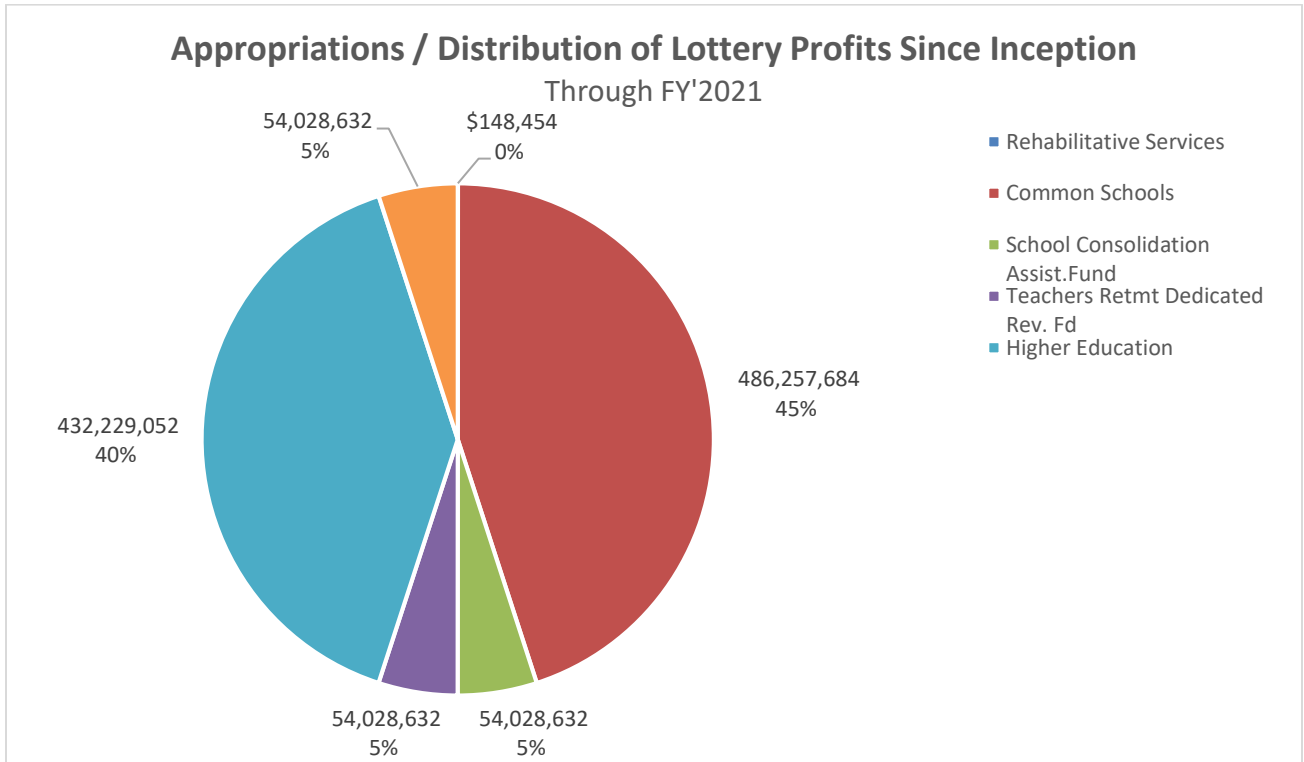
Major Revenues Since Inception Through FY'2021



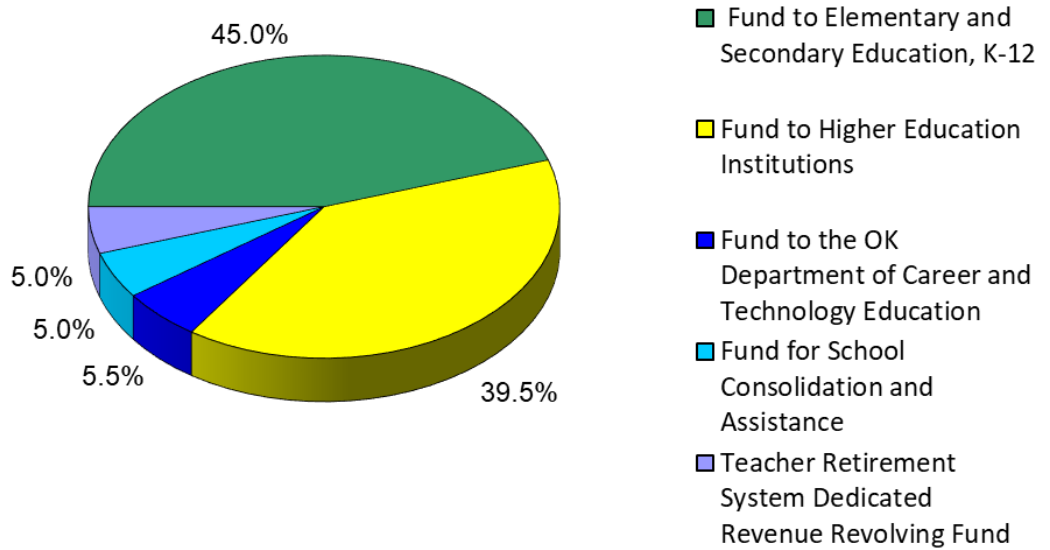
■ Scratchers ■ PowerBall ■ Mega Millions ■ Other Draw Game Revenues







Historical Appropriations to Beneficiaries



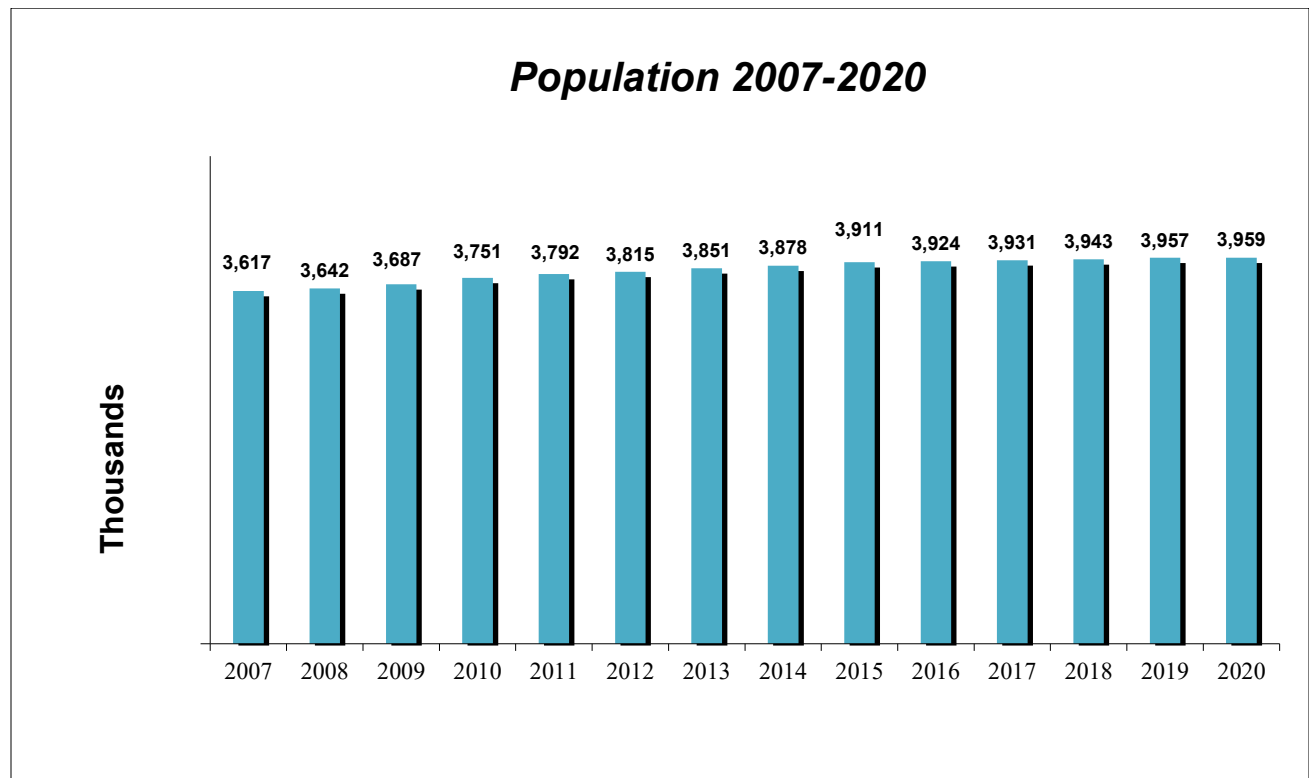
**Oklahoma Lottery Commission
Demographics and Economic Information
2007-2021**

Ten Largest Employers in the State of Oklahoma

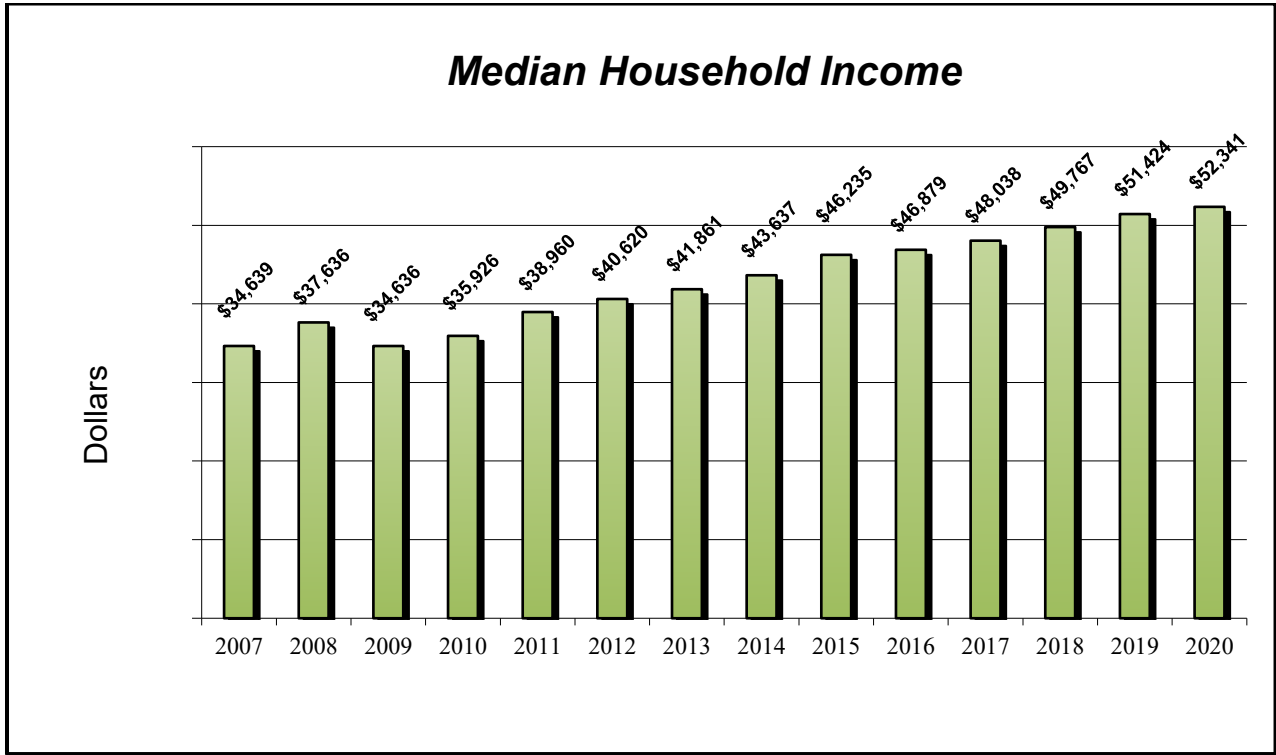
Business Name	Location	Ranking													
		2021	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
DoD Military and Civilian	OKC	1	1	1	1	1	1	1	1	1	1				
Walmart Associates, Inc.	Statewide	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Amazon	OKC	3													
Integrus Health, Inc.	Statewide	4	3	3	3	3	3	3	4	3	6	6		10	
Hobby Lobby Stores, Inc.	Statewide	5	8	8											
Oklahoma State University	Stillwater	6	5	5	5	7	7	6	6	5	9	9	7	7	7
Chickasaw Nation	Ada	7	4		4	5	5	5	3	6	7	7	10	10	
United States Postal Service	Statewide	8	6	6	6	10	10	9	8	8	8	8	5	5	5
Saint Francis Hospital Inc	Tulsa	9													
Dept of Veteran Affairs	Statewide	10													
OK Dept of Human Services	Statewide	10	10	10	6	4	4	4	5	4					
OU Health Sciences Center	Norman		7	7	6	8	8	7	7						
University of Oklahoma	Norman		8	8	6	9	9	8	9	9	5	5	6	6	6
Cherokee Nation of Oklahoma	Talequah										10	10			
Choctaw Nation of OK	Choctaw			4		6	6								
Fort Sill	Lawon										4	4	4	4	4
Mercy Health	Statewide				10										
State of Oklahoma	Statewide									1	1	1	1	1	1
Tinker Air Force Base	OKC									3	3	3	3	3	3
Tulsa Public Schools	Tulsa							10	10				9	9	9
American Airlines, Inc.	Tulsa									10			8	8	8

Source : Oklahoma Department of Commerce, www.okcommerce.gov

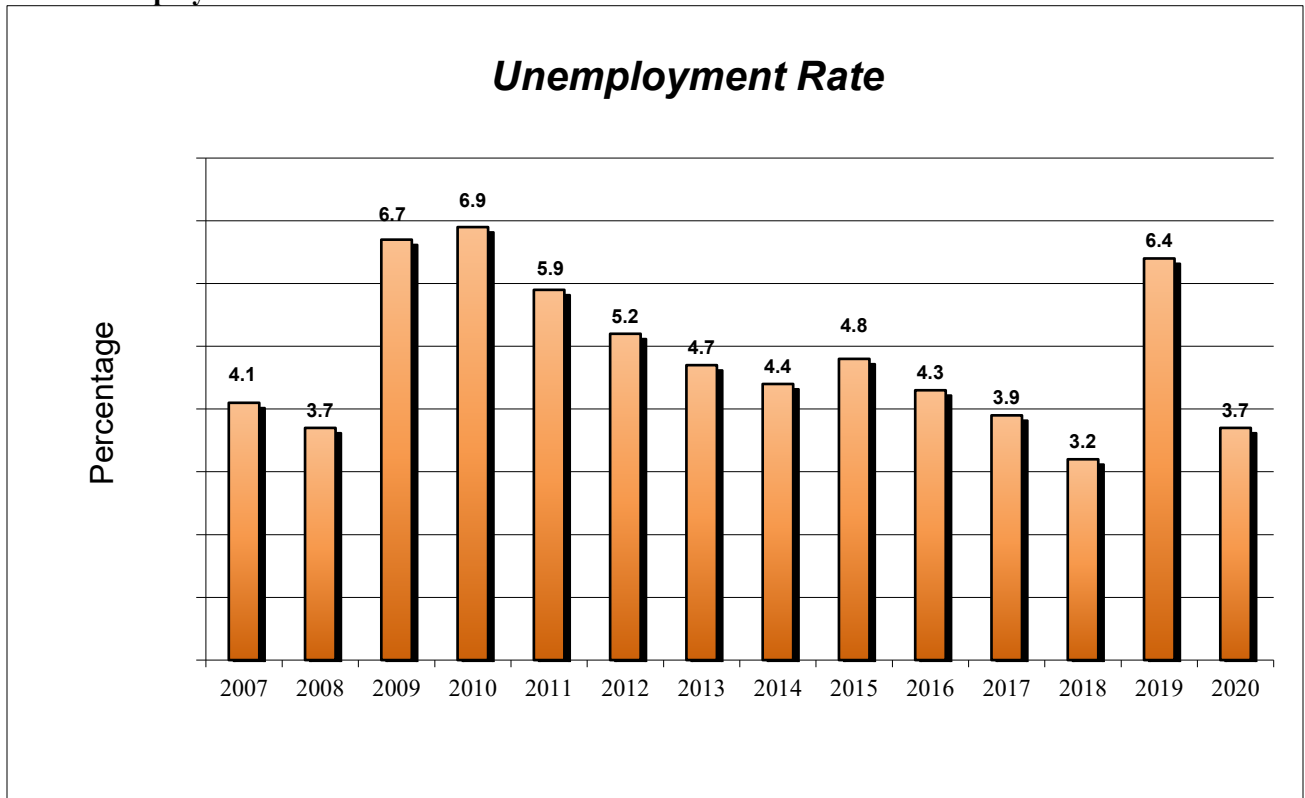
Population: 2007-2020



Oklahoma Lottery Commission
State Median Household Income



State Unemployment Rate: 2007 - 2020



Oklahoma Lottery Commission Operating Information

Summary of Operating Indicators

The Oklahoma Lottery Commission began ticket sales on October 12, 2005. A phased start-up began with the sale of instant tickets (Scratchers), followed by Pick 3 in November 2005, Powerball in January 2006, Cash 5 in September 2006 and Hot Lotto in January 2008 (which ended October 28, 2017). Mega Millions was added in January 2010 and Pick 4 was added in July 2011 (discontinued September 15, 2014). The Poker Pick game was added September 7, 2014 and ended February 26, 2018. Lotto America was added November 12, 2017 and Lucky for Life was added February 25, 2018. The Lottery ended its 17th fiscal year, June 30, 2021 with \$346.7 million in sales, bringing total sales through FY-2021 to more than \$3.370 billion. Contributions to education for FY-2021 were \$80.2 million, bringing total Lottery contributions for Oklahoma education to approximately \$1.0806 Billion. The largest expense each year has been the payment of prizes to lottery winners.

Powerball has been the top selling online game every year, contributing 10.9% of total sales in FY-2021. Powerball sales are mainly impacted by the value of the estimated annuity jackpot. Several high dollar winners, including Oklahoma's four Powerball grand prize winners in 2006, 2007, 2008, and 2009 have helped to promote Powerball sales in the state.

Scratchers (instant tickets) offered by the Oklahoma Lottery Commission, made up 73.84% of total sales for FY-2021. Instant ticket sales as a percentage of total sales for FY-2011 were 54.8% and have increased due to the removal of the minimum mandated 35% profit and the improvement of lottery prizes in the Instant category. Factors that influence the sale of Scratchers are the economy, competition for available entertainment dollars, game themes, price of tickets, prizes, and number of games offered. By far, the main influence on the sale of Scratchers is prize payouts. Prize payouts were limited by the previous minimum mandated profit (35% profit restriction) in the Oklahoma Education Lottery Act. The Lottery repeatedly asked for the repeal of this restriction, which would result in increased sales and profits as demonstrated by the removal of such restrictions in other state lotteries. The 2017 Legislature agreed, granting relief from the restriction. The result after the removal of this restriction is a resounding success.

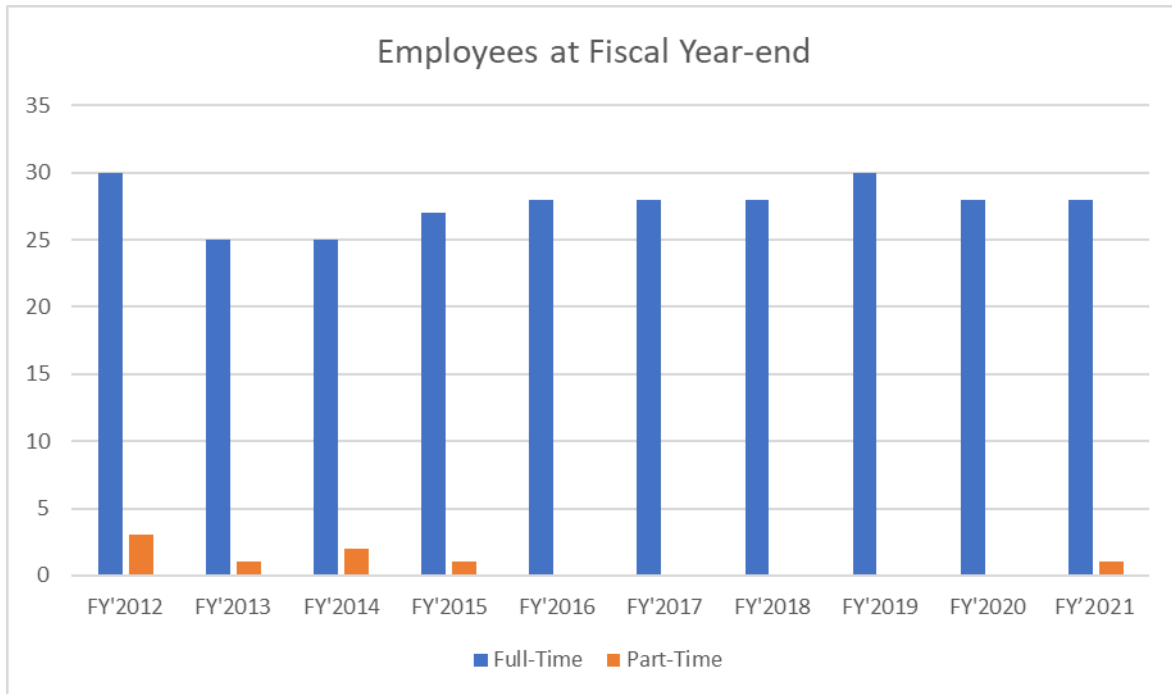
OKLAHOMA LOTTERY COMMISSION

Schedule of Lottery Employees

Fiscal Years Ending June 30

Schedule of Employees

	<u>Full-Time</u>	<u>Part-Time</u>
FY'2012	30	3
FY'2013	25	1
FY'2014	25	2
FY'2015	27	1
FY'2016	28	0
FY'2017	28	0
FY'2018	28	0
FY'2019	30	0
FY'2020	28	0
FY'2021	28	1



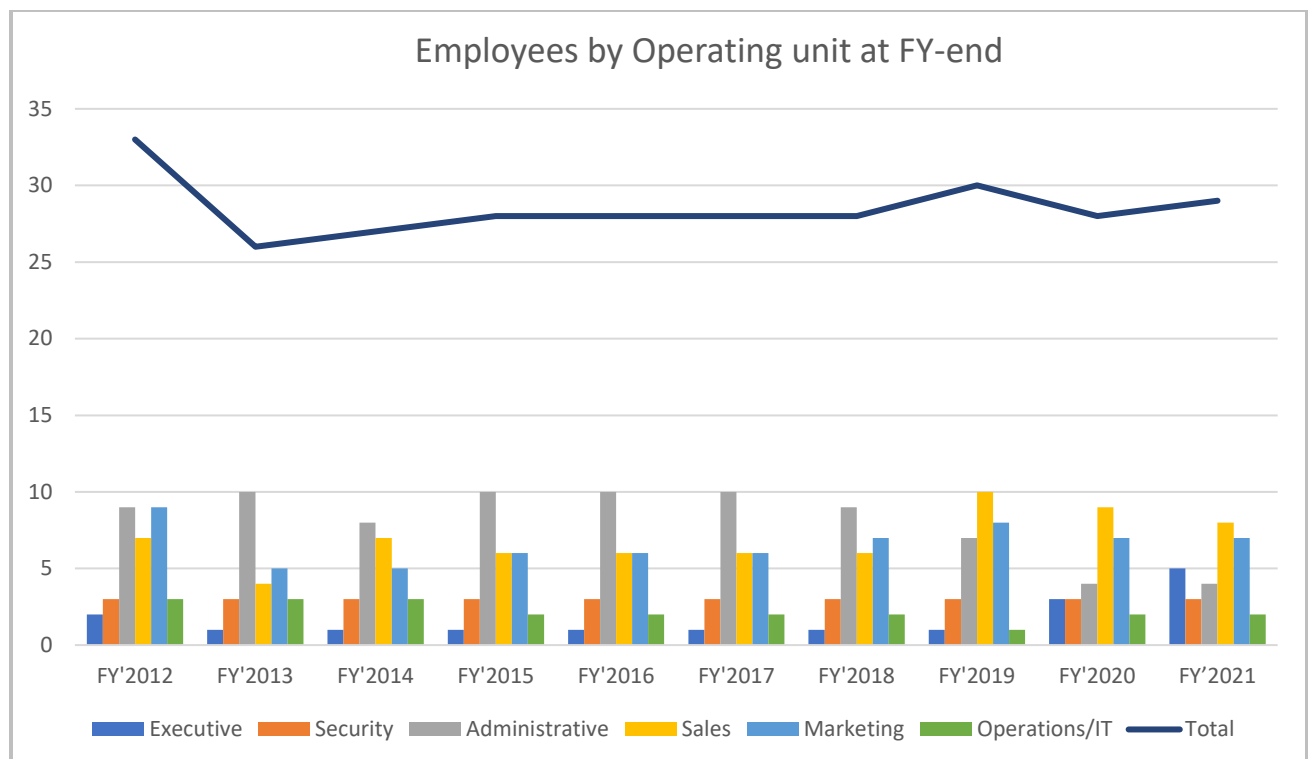
OKLAHOMA LOTTERY COMMISSION

Schedule of Lottery Employees

Fiscal Years Ending June 30

Schedule of Employees by Operating Unit

	Executive	Security	Administrative	Sales	Marketing	Operations/IT	Total
FY'2012	2	3	9	7	9	3	33
FY'2013	1	3	10	4	5	3	26
FY'2014	1	3	8	7	5	3	27
FY'2015	1	3	10	6	6	2	28
FY'2016	1	3	10	6	6	2	28
FY'2017	1	3	10	6	6	2	28
FY'2018	1	3	9	6	7	2	28
FY'2019	1	3	7	10	8	1	30
FY'2020	3	3	4	9	7	2	28
FY'2021	5	3	4	8	7	2	29



U.S. Lotteries Fiscal Year Total Sales & Profits

Lottery Jurisdiction	FY '12		FY '13		FY '14		FY '15		FY '16		FY '17		FY '18		FY '19		FY '20		FY '21	
	Sales (millions)	Transfer (millions)	Sales (millions)	Transfer (millions)	Sales (millions)	Transfer (millions)	Sales (millions)	Transfer (millions)	Sales (millions)	Transfer (millions)	Sales (millions)	Transfer (millions)	Sales (millions)	Transfer (millions)	Sales (millions)	Transfer (millions)	Sales (millions)	Transfer (millions)	Sales (millions)	Transfer (millions)
Arizona	\$646.68	\$164.72	\$692.94	\$176.52	\$ 723.95	\$ 175.62	\$ 750.00	\$ 176.00	\$ 870.90	\$ 205.80	\$ 852.00	\$ 198.20	\$ 981.40	\$ 210.00	\$ 1,076.79	\$ 230.36	\$ 1,097.96	\$ -	\$ 1,439.40	\$ 303.90
Arkansas	\$473.09	\$97.78	\$439.55	\$90.26	\$ 410.07	\$ 81.69	\$ 408.70	\$ 72.30	\$ 455.60	\$ 85.30	\$ 449.50	\$ 84.20	\$ 499.70	\$ 92.48	\$ 515.50	\$ 98.40	\$ 531.44	\$ 89.45	\$ 631.90	\$ 106.60
California	\$4,371.49	\$1,320.73	\$4,445.87	\$1,284.37	\$ 5,034.66	\$ 1,349.60	\$ 5,524.90	\$ 1,395.20	\$ 6,275.60	\$ 1,500.00	\$ 6,233.50	\$ 1,499.00	\$ 6,977.20	\$ 1,710.10	\$ 7,392.10	\$ 1,850.00	\$ 6,629.97	\$ 1,523.77	\$ 8,405.20	\$ 1,887.00
Colorado	\$545.30	\$123.20	\$566.29	\$135.63	\$ 545.03	\$ 130.11	\$ 538.00	\$ 128.00	\$ 594.40	\$ 143.60	\$ 555.30	\$ 133.50	\$ 612.00	\$ 140.70	\$ 679.80	\$ 166.50	\$ 658.84	\$ 142.43	\$ 794.90	\$ 169.40
Connecticut	\$1,081.74	\$311.90	\$1,122.69	\$314.00	\$ 1,112.40	\$ 321.80	\$ 1,144.00	\$ 319.70	\$ 1,230.80	\$ 337.50	\$ 1,216.30	\$ 330.00	\$ 1,267.60	\$ 350.00	\$ 1,333.90	\$ 370.00	\$ 1,305.28	\$ 347.70	\$ 1,497.80	\$ 418.00
Delaware	\$703.23	\$271.33	\$631.90	\$237.23	\$ 597.19	\$ 216.29	\$ 501.00	\$ 240.50	\$ 214.60	\$ 211.00	\$ 156.20	\$ 241.40	\$ 579.40	\$ 254.50	\$ 354.70	\$ -	\$ 220.45	\$ -	\$ 233.80	\$ 216.90
District of Columbia	\$249.53	\$65.50	\$242.71	\$70.00	\$ 215.98	\$ 54.70	\$ 211.00	\$ -	\$ 228.50	\$ -	\$ 218.70	\$ 43.00	\$ 212.10	\$ -	\$ 213.30	\$ 92.30	\$ 205.00	\$ -	\$ 235.00	\$ -
Florida	\$4,449.90	\$1,321.66	\$5,012.99	\$1,424.31	\$ 5,368.23	\$ 1,495.41	\$ 5,583.30	\$ 1,477.00	\$ 6,062.40	\$ 1,674.00	\$ 6,156.50	\$ 1,656.30	\$ 6,700.80	\$ 1,757.60	\$ 7,151.20	\$ 1,917.20	\$ 7,505.11	\$ 1,914.84	\$ 9,076.20	\$ 2,237.60
Georgia	\$3,834.67	\$901.33	\$3,912.16	\$927.48	\$ 4,022.20	\$ 945.10	\$ 4,195.20	\$ 980.50	\$ 4,555.90	\$ 1,090.00	\$ 4,528.90	\$ 1,101.10	\$ 4,597.80	\$ 1,143.50	\$ 4,776.00	\$ 1,207.40	\$ 4,974.84	\$ 1,237.35	\$ 6,034.40	\$ 1,545.00
Idaho	\$175.83	\$41.50	\$197.45	\$48.28	\$ 208.89	\$ 49.00	\$ 210.20	\$ 45.00	\$ 236.10	\$ 51.80	\$ 239.60	\$ 48.70	\$ 265.10	\$ 53.80	\$ 287.90	\$ 60.00	\$ 277.64	\$ 55.00	\$ 371.90	\$ 72.50
Illinois	\$2,680.14	\$708.50	\$2,832.58	\$793.52	\$ 2,802.71	\$ 815.41	\$ 2,837.30	\$ 690.34	\$ 2,856.00	\$ 694.95	\$ 2.84	\$ 723.24	\$ 2,926.00	\$ 722.38	\$ 2,977.60	\$ 735.51	\$ 2,847.50	\$ 714.67	\$ 3,450.00	\$ 696.00
Indiana	\$855.58	\$207.59	\$934.03	\$224.66	\$ 1,018.73	\$ 250.71	\$ 1,041.30	\$ 242.90	\$ 1,207.60	\$ 281.50	\$ 1,213.07	\$ 288.04	\$ 1,270.06	\$ 306.08	\$ 1,347.76	\$ 312.22	\$ 1,384.07	\$ 304.60	\$ 1,737.70	\$ 375.50
Iowa	\$310.85	\$78.73	\$339.25	\$84.89	\$ 314.06	\$ 73.97	\$ 324.80	\$ 74.80	\$ 366.90	\$ 88.00	\$ 352.30	\$ 81.00	\$ 371.00	\$ 87.10	\$ 390.90	\$ 92.80	\$ 371.95	\$ 81.43	\$ 452.60	\$ 101.70
Kansas	\$246.14	\$72.00	\$244.81	\$74.52	\$ 245.71	\$ 74.29	\$ 265.00	\$ 75.00	\$ 287.40	\$ 78.20	\$ 258.00	\$ 73.90	\$ 284.30	\$ 74.80	\$ 308.20	\$ 74.90	\$ 287.02	\$ 69.13	\$ 339.60	\$ 76.50
Kentucky	\$823.55	\$216.44	\$846.67	\$223.81	\$ 858.86	\$ 226.13	\$ 896.40	\$ 231.10	\$ 989.60	\$ 253.00	\$ 1,000.50	\$ 247.70	\$ 1,042.50	\$ 266.40	\$ 1,129.70	\$ 283.60	\$ 1,203.44	\$ 272.22	\$ 1,486.40	\$ 355.10
Louisiana	\$429.62	\$156.91	\$447.42	\$160.21	\$ 448.97	\$ 170.66	\$ 452.30	\$ 158.90	\$ 507.00	\$ 177.90	\$ 455.00	\$ 159.20	\$ 491.00	\$ 172.00	\$ 524.00	\$ 184.30	\$ 509.11	\$ 179.16	\$ 624.90	\$ 207.50
Maine	\$228.35	\$54.33	\$227.72	\$53.52	\$ 229.96	\$ 52.38	\$ 253.10	\$ 54.60	\$ 272.80	\$ 57.00	\$ 270.40	\$ 58.90	\$ 288.90	\$ 63.00	\$ 299.50	\$ 62.70	\$ 314.11	\$ 64.59	\$ 390.70	\$ 71.10
Maryland	\$1,989.62	\$556.26	\$2,364.47	\$868.72	\$ 2,557.99	\$ 891.87	\$ 2,438.90	\$ 1,023.80	\$ 1,905.50	\$ 569.80	\$ 2,809.10	\$ 524.90	\$ 3,080.40	\$ 1,252.30	\$ 2,187.30	\$ 1,305.30	\$ 2,181.90	\$ 1,113.43	\$ 2,600.60	\$ 1,316.60
Massachusetts	\$4,729.60	\$983.79	\$4,839.27	\$955.80	\$ 4,852.38	\$ 974.56	\$ 4,990.90	\$ 983.50	\$ 5,196.30	\$ 986.90	\$ 5,077.80	\$ 1,035.00	\$ 5,340.40	\$ 986.00	\$ 5,480.10	\$ 1,092.00	\$ 5,212.04	\$ -	\$ 5,797.70	\$ 1,050.00
Michigan	\$2,413.46	\$771.00	\$2,476.40	\$735.62	\$ 2,596.44	\$ 744.10	\$ 2,758.20	\$ 795.90	\$ 3,047.10	\$ 880.90	\$ 3,329.80	\$ 915.00	\$ 3,543.70	\$ 937.80	\$ 3,830.80	\$ 991.30	\$ 3,967.00	\$ 1,027.59	\$ 3,925.10	\$ -
Minnesota	\$520.03	\$123.81	\$560.40	\$135.24	\$ 531.52	\$ 128.21	\$ 546.90	\$ 135.50	\$ 592.90	\$ 144.70	\$ 563.50	\$ 139.20	\$ 596.50	\$ 145.10	\$ 636.80	\$ 153.20	\$ 668.57	\$ 155.98	\$ 803.60	\$ 188.80
Mississippi																\$ 340.50	\$ 70.70	\$ 514.50	\$ 137.70	
Missouri	\$1,097.43	\$273.60	\$1,140.83	\$280.01	\$ 1,157.05	\$ 277.54	\$ 1,098.30	\$ 270.70	\$ 1,241.10	\$ 309.00	\$ 1,235.90	\$ 291.60	\$ 1,314.50	\$ 306.10	\$ 1,352.60	\$ 346.70	\$ 1,404.12	\$ 333.00	\$ 1,659.10	\$ 345.00
Montana	\$52.76	\$13.06	\$56.98	\$13.08	\$ 53.29	\$ 12.09	\$ 52.50	\$ 11.70	\$ 60.00	\$ 12.90	\$ 52.70	\$ 9.20	\$ 57.20	\$ 10.70	\$ 61.30	\$ 12.20	\$ 61.41	\$ 8.10	\$ 72.20	\$ 13.30
Nebraska	\$150.61	\$36.08	\$160.75	\$40.01	\$ 157.90	\$ 38.00	\$ 160.00	\$ 36.80	\$ 179.60	\$ 42.80	\$ 173.50	\$ 41.30	\$ 183.40	\$ 45.30	\$ 192.00	\$ 46.60	\$ 182.92	\$ 42.41	\$ 204.90	\$ 48.20
New Hampshire	\$257.90	\$66.77	\$279.34	\$74.33	\$ 275.61	\$ 72.38	\$ 279.60	\$ 74.40	\$ 301.90	\$ 75.80	\$ 297.50	\$ 76.20	\$ 330.90	\$ 87.50	\$ 375.90	\$ 103.30	\$ 384.59	\$ 98.61	\$ 484.60	\$ 145.80
New Jersey	\$2,759.41	\$950.00	\$2,821.40	\$965.01	\$ 2,901.65	\$ 965.01	\$ 3,000.53	\$ 960.00	\$ 3,289.85	\$ 987.00	\$ 3,186.91	\$ 994.00	\$ 3,299.70	\$ 1,030.30	\$ 3,482.35	\$ 1,105.00	\$ 3,215.60	\$ -	\$ 3,683.90	\$ 1,018.00
New Mexico	\$133.79	\$41.33	\$141.76	\$43.68	\$ 136.00	\$ 40.94	\$ 137.00	\$ 41.10	\$ 154.30	\$ 46.30	\$ 126.00	\$ 37.80	\$ 134.00	\$ 40.20	\$ 143.60	\$ 43.10	\$ 127.05	\$ 38.15	\$ 154.90	\$ 46.50
New York	\$8,439.47	\$2,887.99	\$8,934.29	\$3,045.77	\$ 9,226.49	\$ 3,172.96	\$ 9,156.30	\$ 3,110.60	\$ 7,703.10	\$ 3,301.80	\$ 9,676.00	\$ 3,267.90	\$ 9,577.60	\$ 3,371.90	\$ 8,227.60	\$ 3,474.00	\$ 7,726.65	\$ 3,376.81	\$ 7,666.10	\$ 3,590.70
North Carolina	\$1,596.69	\$460.47	\$1,689.80	\$479.51	\$ 1,839.28	\$ 504.13	\$ 1,972.20	\$ 605.00	\$ 2,383.60	\$ 620.60	\$ 2,428.10	\$ 622.00	\$ 2,605.30	\$ 655.10	\$ 2,859.60	\$ 692.50	\$ 3,016.21	\$ 715.78	\$ 3,805.40	\$ 936.80
North Dakota	\$26.04	\$7.62	\$27.84	\$7.92	\$ 26.95	\$ 7.82	\$ 27.00	\$ 7.10	\$ 35.70	\$ 10.30	\$ 27.60	\$ 6.94	\$ 31.30	\$ 8.04	\$ 35.35	\$ 9.34	\$ 24.39	\$ -	\$ 30.40	\$ -
Ohio	\$2,750.05	\$771.03	\$2,863.45	\$803.13	\$ 3,180.72	\$ 1,004.34	\$ 3,663.90	\$ 990.00	\$ 3,056.70	\$ 1,066.10	\$ 3,928.30	\$ 1,040.60	\$ 4,147.40	\$ 1,087.20	\$ 3,360.80	\$ 1,153.90	\$ 3,471.54	\$ 1,127.13	\$ 4,330.10	\$ 1,359.00
Oklahoma	\$199.85	\$70.49	\$200.21	\$70.62	\$ 191.13	\$ 67.68	\$ 171.60	\$ 60.10	\$ 189.60	\$ 66.40	\$ 151.50	\$ 53.10	\$ 221.10	\$ 63.20	\$ 241.70	\$ 67.40	\$ 267.76	\$ 64.40	\$ 346.80	\$ 81.00
Oregon	\$2,873.87	\$549.05	\$2,951.89	\$530.59	\$ 1,052.81	\$ 516.67	\$ 1,117.00	\$ 581.70	\$ 353.00	\$ 572.90	\$ 1,246.30	\$ 662.40	\$ 1,302.40	\$ 726.10	\$ 380.10	\$ 730.10	\$ 337.93	\$ 63.47	\$ 409.50	\$ 502.90
Pennsylvania	\$3,480.90	\$1,060.89	\$3,699.66	\$1,067.38	\$ 3,799.57	\$ 1,081.50	\$ 3,819.60	\$ 1,060.90	\$ 4,135.30	\$ 1,121.30	\$ 4,001.00	\$ 1,045.70	\$ 4,200.60	\$ 1,093.60	\$ 4,503.30	\$ 1,143.20	\$ 4,595.72	\$ 1,141.80	\$ 5,436.90	\$ 1,302.60
Rhode Island	\$3,532.18	\$377.71	\$3,700.56	\$379.23	\$ 837.95	\$ 376.33	\$ 759.40	\$ 381.30	\$ 260.90	\$ 360.80	\$ 732.30	\$ 362.70	\$ 739.80	\$ 365.00	\$ 785.80	\$ 397.30	\$ 246.42	\$ 283.87	\$ 296.00	\$ 302.40
South Carolina	\$1,135.65	\$297.74	\$1,199.20	\$305.21	\$ 1,264.44	\$ 330.70	\$ 1,401.70	\$ 348.90	\$ 1,600.40	\$ 404.60	\$ 1,635.70	\$ 400.30	\$ 1,750.20	\$ 437.90	\$ 1,980.90	\$ 488.60	\$ 2,106.37	\$ 490.63	\$ 2,415.80	\$ 605.60
South Dakota	\$603.19	\$100.40	\$637.44	\$107.70	\$ 239.33	\$ 106.23	\$ 250.90	\$ 109.90	\$ 55.50	\$ 116.90	\$ 261.60	\$ 117.20	\$ 278.70	\$ 124.00	\$ 293.30	\$ 129.00	\$ 58.16	\$ 128.02	\$ 73.70	\$ 162.00
Tennessee	\$1,311.20	\$323.44	\$1,367.54	\$339.71	\$ 1,417.07	\$ 337.27	\$ 1,475.00	\$ 347.70	\$ 1,626.00	\$ 394.00	\$ 1,611.00	\$ 386.70	\$ 1,735.00	\$ 421.68	\$ 1,812.00	\$ 447.18	\$ -	\$ -	\$ -	\$ -
Texas	\$4,190.82	\$1,153.56	\$4,376.28	\$1,214.10	\$ 4,384.60	\$ 1,220.72	\$ 4,524.50	\$ 1,242.00	\$ 5,067.50	\$ 1,270.80	\$ 5,077.50	\$ 1,334.00	\$ 5,613.30	\$ 1,438.10	\$ 6,247.20	\$ 1,622.20	\$ 6,704.03	\$ 1,683.73	\$ 8,115.60	\$ -
Vermont	\$100.93	\$22.33	\$102.08	\$22.93	\$ 102.31	\$ 22.56	\$ 111.80	\$ 22.80	\$ 124.30	\$ 26.40	\$ 122.40	\$ 25.50	\$ 132.40	\$ 27.10	\$ 139.30	\$ 29.50	\$ 137.43	\$ 27.57	\$ 161.50	\$ 32.40
Virginia	\$1,616.00	\$487.06	\$1,689.24	\$486.53	\$ 1,810.82	\$ 538.55	\$ 1,843.90	\$ 533.80	\$ 2,006.90	\$ 588.20	\$ 1,989.90	\$ 558.30	\$ 2,139.80	\$ 606.20	\$ 2,293.60	\$ 649.70	\$ 2,148.61	\$ 595.36	\$ 2,592.10	\$ 766.70
Washington	\$535.20	\$138.04	\$569.59	\$139.23	\$ 594.52	\$ 147.67	\$ 599.70	\$ 141.30	\$ 696.00	\$ 172.50	\$ 673.30	\$ 161.90	\$ 733.94	\$ 182.97	\$ 803.30	\$ 215.78	\$ 817.30	\$ -	\$ 950.70	\$ -
West Virginia	\$1,457.53	\$662.98	\$1,328.37	\$522.99	\$ 1,214.28	\$ 553.13	\$ 1,115.10	\$ 496.30	\$ 188.20	\$ 482.60	\$ 1,039.10	\$ 460.90	\$ 1,054.00	\$ 477.10	\$ 1,105.31	\$ 461.30	\$ 208.55	\$ 402.00	\$ 249.20	\$ 559.00
Wisconsin	\$547.64	\$150.35	\$566.10	\$156.30	\$ 568.84	\$ 168.77	\$ 574.50	\$ 166.43	\$ 627.20	\$ 158.09	\$ 602.80	\$ 183.30	\$ 667.40	\$ 170.30	\$ 716.80	\$ 235.00	\$ 725.45	\$ -	\$ 894.50	\$ -
Wyoming	\$0.00	\$0.00	\$0.00	\$0.00	\$ -	\$ -	\$ -	\$ -	\$ 33.40	\$ 2.00	\$ 28.10	\$ 5.20	\$ 28.75	\$ 4.74	\$ 36.96	\$ 6.62	\$ 24.07	\$ 3.33	\$ 30.70	\$ -
TOTAL U.S. (SUS)	\$70,607.51	\$19,451.00	\$73,882.17	\$20,113.56	\$71,128.54	\$20,784.60	\$73,201.23	\$20,901.07	\$73,323.95	\$21,721.94	\$76,603.82	\$21,726.22	\$84,206.55	\$23,505.97	\$84,324.52	\$24,889.51	\$80,686.02	\$19,988.21	\$94,908.50	\$23,351.30

U.S. Lotteries' Unaudited Fiscal Year 2021 Sales by Game

	(in \$millions)														Total Sales	PC Sales	VLT ¹
	Pop. (M)	Instant	Pull Tab	3-Digit	4-Digit	In State Lotto	S. Bloc Lotto	Power Ball	Mega Millions	For Life	FTG	Monitor Games	Other				
Arizona	7.4	1,109.8	12.0	17.4		66.0		98.9	90.1		45.1			1,439.4	\$194		
Arkansas	3.0	529.4		12.0	6.5	10.3		26.7	23.8	3.4	19.7			631.9	\$209		
California	39.4	6,396.7		186.2	37.8	435.9		408.3	529.1			411.2		8,405.2	\$214		
Colorado	5.8	573.0		15.9		66.5		66.9	57.1	15.5				794.9	\$137		
Connecticut	3.6	837.7		150.9	143.3	53.8		64.2	57.1	17.8	37.1	136.0		1,497.8	\$421		
D.C.	0.7	49.5		47.8	64.4			7.2	6.6	2.1	11.4	16.4	29.6	235.0	\$330		
Delaware	1.0	111.5		36.6	29.4	4.7	2.7	19.3	16.7	3.2		9.7		233.8	\$237	366.8	
Florida	21.7	6,827.9		465.1	293.3	594.7		363.7	337.1	69.2	20.8		104.5	9,076.2	\$418		
Georgia	10.7	4,005.8		639.9	418.7	131.9		125.4	159.6	23.2	6.3	305.6	217.9	6,034.4	\$563		
Idaho	1.8	227.2	66.8	2.7	0.6	6.2	2.5	26.2	19.8	3.3	14.1		2.5	371.9	\$204		
Illinois	12.6	2,214.4		352.4	342.7	220.2		126.9	157.9		35.6			3,450.0	\$274		
Indiana	6.8	1,384.5		50.3	45.7	80.7		78.7	60.0	7.4	24.2		6.3	1,737.7	\$257		
Iowa	3.2	316.9	12.8	9.5	5.5		6.4	43.4	29.0	5.6	23.5			452.6	\$143		
Kansas	2.9	232.2		8.9		11.3	7.0	29.4	22.9	5.4		19.6	3.0	339.6	\$117		
Kentucky	4.5	961.7		194.2	60.2	18.4		61.3	50.2	7.8	13.6	100.2	19.0	1,486.4	\$332		
Louisiana	4.6	333.4		77.0	65.6	36.2		64.1	48.2		0.4			624.9	\$135		
Maine	1.4	314.6		6.8	5.2	1.1	12.9	18.9	13.7	3.5	13.9			390.7	\$289		
Maryland	6.1	993.4		290.8	395.7	60.0		93.2	107.9	20.9	66.5	572.2		2,600.6	\$429	1,160.4	
Massachusetts	6.9	4,019.5	0.3		370.7	119.2		95.2	111.4	24.2		1,057.2		5,797.7	\$841		
Michigan ²	10.0	1,868.9	28.4	392.4	493.5	115.1		77.6	98.1	13.2	82.8	524.8	230.3	3,925.1	\$394		
Minnesota	5.7	615.6		22.2		33.0	8.7	58.4	41.1	7.9	9.9		7.0	803.6	\$142		
Mississippi	3.0	431.3		15.4		2.0		34.5	31.2					514.5	\$173		
Missouri	6.2	1,216.5		110.0	75.0	58.3		71.1	58.9	10.8		58.5		1,659.1	\$270		
Montana	1.1	29.9				8.7	1.9	10.4	7.6	2.8	7.2		3.6	72.1	\$67		
Nebraska	1.9	123.0		7.8		17.2	2.3	30.0	20.4	4.3				204.9	\$106		
New Hampshire	1.4	320.4		5.9	5.3		11.2	26.1	22.3	5.4	16.5	47.8	23.8	484.6	\$355		
New Jersey	8.9	2,072.7		453.3	291.0	237.0		174.9	213.9	59.7	28.8	152.6		3,683.9	\$415		
New Mexico	2.1	95.5		5.9	1.9	5.8	3.8	22.8	18.1		1.1			154.9	\$74		
New York	19.3	4,231.7		942.3	903.2	278.4		257.1	333.9	119.7		567.9	31.8	7,666.1	\$396	739.8	
North Carolina	10.6	2,560.8		498.6	227.8	90.5		138.4	118.9	24.9	64.9	80.6		3,805.4	\$359		
North Dakota	0.8						7.6	10.5	8.8	3.4				30.3	\$40		
Ohio	11.7	2,315.8		485.9	284.0	85.1		120.1	152.7	22.2	192.1	606.1	66.1	4,330.1	\$370	1,186.2	
Oklahoma	4.0	256.0		7.0		4.3	5.4	37.9	32.0	4.1				346.8	\$87		
Oregon	4.2	196.0			2.0	36.0		40.4	33.7			98.9	2.5	409.5	\$97	860.3	
Pennsylvania	12.8	3,757.9		305.8	260.9	272.4		195.5	178.5	29.4	143.9	54.9	237.7	5,436.9	\$425		
Rhode Island	1.1	134.6	0.0		24.3	8.3		20.9	15.7	4.8		78.8	8.4	296.0	\$280	345.1	
S. Carolina	5.2	1,763.0		311.5	154.2	29.1		79.5	65.1	13.4				2,415.8	\$463		
South Dakota	0.9	47.5				2.9	1.8	11.2	7.3	3.0				73.7	\$83	300.2	
Texas ²	29.4	6,633.3		310.4	141.9	329.5		323.6	376.9					8,115.6	\$276		
Vermont	0.6	131.7		1.4	1.3		4.6	8.0	6.5	1.9	6.3			161.5	\$259		
Virginia	8.6	1,302.1		390.3	376.1	50.1		103.4	129.5	31.3	61.7	46.2	101.5	2,592.1	\$302		
Washington	7.7	701.2		23.2		91.2		57.8	71.0				6.4	950.7	\$124		
West Virginia	1.8	173.1		8.7	5.0	5.0	4.7	27.4	19.4			5.8		249.2	\$140	890.4	
Wisconsin	5.8	634.7	0.5	28.9	18.6	77.8		74.7	58.5				0.9	894.5	\$153		
Wyoming	0.6					12.1		8.8	7.1	2.7				30.7	\$53		
Total	309.1	63,052.3	120.9	6,891.0	5,551.4	3,767.1	83.6	3,838.9	4,025.1	577.3	947.3	4,951.0	1,102.6	94,908.5	\$307	5,849.2	

¹ VLT sales denote net machine income ² Estimated FY21 sales

Source: LaFleur's



Oklahoma Lottery Commission

123 Robert S. Kerr Avenue
Oklahoma City, OK 73102

405-522-7700

www.lottery.ok.gov