



State of Wisconsin • DEPARTMENT OF REVENUE

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Tony Evers
Governor

Peter Barca
Secretary of Revenue

September 13, 2019

Governor Tony Evers
Attorney General Josh Kaul
State Treasurer Sarah Godlewski
Secretary of State Douglas La Follette
State Auditor Joe Chrisman
Senate Chief Clerk Jeffrey Renk
Assembly Chief Clerk Patrick E. Fuller
Secretary of Administration Joel Brennan

RE: Wisconsin Lottery Quarterly Report

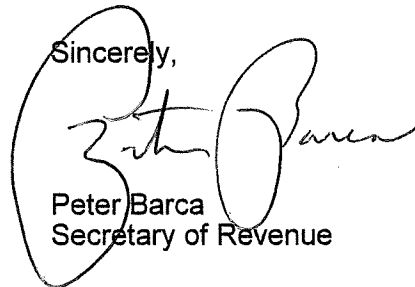
I am submitting the quarterly report of the Wisconsin Lottery for the quarter ending June 30, 2019, as required by s. 565.37(3), Wis. Stats. The attached materials contain unaudited Wisconsin Lottery year-to-date revenue and expenditure information.

Lottery sales were \$174.8 million for the fourth quarter of fiscal year 2019, an increase of 6.4% over the same quarter last year.

The information reported here is a summary and is not intended to be a complete financial accounting of Wisconsin Lottery operations.

If you have any questions or comments regarding this report, please feel free to contact me at (608) 266-6466.

Sincerely,



Peter Barca
Secretary of Revenue

Attachment

c: Angela K. Miller - LFB
Jere Bauer - LFB
Erin Scharlau - LAB
Brian Pahnke - DOA
Paul Ziegler - DOA
Julie Raes - DOR
Jean L. Adler - DOR
Laurie Grams - DOR
Robert Schmidt - DOR
Cindy Polzin - DOR

WISCONSIN LOTTERY
 Division of the Wisconsin Department of Revenue
 Year to Date Revenues and Expenditures and Changes to Fund Balance
 Budgetary Basis
 Fiscal Year 2018-2019

REPORT OF REVENUES AND EXPENDITURES:

OPERATING REVENUES

	Revised	Quarter Ended 09/30/18	Quarter Ended 12/31/18	Quarter Ended 03/31/19	Quarter Ended 06/30/19	Year to Date Total
OPERATING REVENUES	161,706,617.96	200,469,140.07	176,248,072.45	174,788,258.21	713,212,068.69	
OPERATING EXPENDITURES						
Prize Expense (Appr 86200)	102,666,950.36	123,078,113.97	98,318,298.40	108,131,982.46	432,195,345.19	
Retailer Commissions (Appr 86100)	151,706.15	414,977.26	1,270,897.80	7,865,512.12	9,703,093.33	
Retailer Commissions (Appr 80200)	9,786,634.43	12,041,820.02	9,961,266.54	8,210,279.01	40,000,000.00	
Administrative Expenses (Appr 86000 and 99200)	3,428,602.42	3,342,860.75	4,583,746.13	6,938,667.55	18,293,876.85	
Vendor Fees (Appr 86500)	2,941,728.95	5,028,302.78	4,330,320.07	8,478,157.48	20,778,509.28	
Change in Encumbrance Balance from Prior Year				(793.94)	(793.94)	
Total Operating Expenditures	118,975,622.31	143,906,074.78	118,464,528.94	139,623,804.68	520,970,030.71	
NET OPERATING INCOME	42,730,995.65	56,563,065.29	57,783,543.51	35,164,453.53	192,242,037.98	

NON-OPERATING REVENUE

Investment Income	209,677.82	640,544.56	1,109,847.06	623,802.34	2,583,871.78	
Miscellaneous	4,331.21	302,264.01	813,741.59	-	1,120,336.81	
Restitution	4,154.86	41,696.95	(818.28)	12,785.86	57,819.39	
Total Non-Operating Revenue	218,163.89	984,505.52	1,922,770.37	636,588.20	3,762,027.98	

NON-OPERATING EXPENDITURES

Transfer in from General Fund (Appr 80200)	(9,786,634.43)	(12,041,820.02)	(9,961,266.54)	(8,210,279.01)	(40,000,000.00)	
Transfer to Building Trust Fund (Appr 86000)				287,000.00	287,000.00	
Transfers within DOR for Property Tax Credit (Appr 36300 and 99000)	(166,446.83)	(25,833.76)	234,599,319.58	(182,271.56)	234,224,767.43	
Transfers within DOR for Lottery Credit Administration (Appr 26200)	39,121.04	55,762.36	61,696.97	72,003.77	228,584.14	
Transfers to DOJ for Law Enforcement (Appr 26100)	101,300.48	78,587.79	80,060.95	92,350.78	352,300.00	
Transfers to DHS for Compulsive Gambling Programs (Appr 86000)	-	-	396,000.00	-	396,000.00	
Transfers for Late Lottery Credit Claims (Appr 36600)	57,048.75	41,903.07	108.57	556,160.58	655,220.97	
Total Non-Operating Expenditures	(9,755,610.99)	(11,891,400.56)	225,175,919.53	(7,385,035.44)	196,143,872.54	
NET NON-OPERATING INCOME	9,973,774.88	12,875,906.08	(223,253,149.16)	8,021,623.64	(192,381,844.56)	

NET FUND INCREASE/(DECREASE)

52,704,770.53	69,438,971.37	(165,469,605.65)	43,186,077.17	(139,786.58)	
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FUND BALANCE:

Year-to-Date

BEGINNING FUND BALANCE FROM PREVIOUS QUARTER

32,309,603.37	85,014,373.90	154,453,345.27	(11,016,260.38)	32,309,603.37	
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THIS QUARTER NET FUND INCREASE/(DECREASE)

52,704,770.53	69,438,971.37	(165,469,605.65)	43,186,077.17	(139,786.58)	
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CLOSING FUND BALANCE

85,014,373.90	154,453,345.27	(11,016,260.38)	32,169,816.79	32,169,816.79	
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Note 1 Operating Revenues are comprised of Sales net of Sales Discount; Retailer Contract Fees; Retailer Processing Fees; and Miscellaneous Revenue.
 Note 2 The Change in Encumbrance is reported in Q4 to provide consistency with Annual Fiscal Report for the Lottery Fund.
 Note 3 Retailer Commissions (Appr 80200) relates to the Transfer in from General Fund (Appr 80200).
 Note 4 Q3 Non-Operating Revenue Restitution is negative due to a reclassification.
 Note 5 Q3 Closing Fund Balance is negative due to the Property Tax Credit distribution made in March.
 Note 6 Q1 Beginning Fund Balance was revised.

