COLORADO LOTTERY STATEMENT OF LOTTERY REVENUES, PRIZE DISBURSEMENTS AND OTHER EXPENSES

(UNAUDITED)

FOR THE THIRD QUARTER ENDED

MARCH 31, 2010

COLORADO LOTTERY FINANCIAL STATEMENTS (UNAUDITED)

DISTRIBUTION

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Ms. Betty Martinez

Lottery Commissioner

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Lottery Commissioner

Ms. Tracie L. Keesee
Mr. Dana Franzen, CPA

Lottery Commissioner

Ms. Roxy Huber

Vacant

Director, Colorado Lottery

Mr. Tom Kitts

Acting Director, Colorado Lottery

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STATE OF COLORADO

COLORADO LOTTERY DIVISION

Department of Revenue

Headquarters 212 W. 3rd Street, Suite 210 Pueblo, CO 81003 (719) 546-2400 (719) 546-5208 Fax



Bill Ritter, Jr. Governor Roxy Huber Executive Director

Tom Kitts Acting Lottery Director

April 30, 2010

State Treasurer and Members of the Colorado Lottery Commission:

Pursuant to CRS 24-35-204, the Colorado Lottery is required to furnish monthly, "a complete statement of lottery revenues, prize disbursements and other expenses."

The financial performance for the third quarter ended March 31, 2010 depicts total revenues of \$370.0 million, gross ticket sales of \$369.3 million, net income before proceeds distributions of \$83.6 million, and a net increase in net assets of \$.9 million. Accordingly, a total of \$82.7 million in distributions will have been made by June 1, 2010 in the following manner; \$41.3 million to the Great Outdoors Colorado Fund, \$8.3 million to the Division of Parks and Outdoor Recreation, \$33.1 million to the Conservation Trust Fund, for distribution to cities and other local government agencies.

The attached financial statements for the third quarter ended March 31, 2010 have not been audited. They have been prepared in accordance with generally accepted accounting principles, using established accounting and internal control procedures. These procedures include, but are not limited to, documentation and accounting estimates, which support the production of reliable financial statements. As with any system of accounting and internal control procedures, there are inherent limitations, and the procedures cannot be relied upon to completely eliminate the occurrence of discrepancies, error or omissions, but should reduce that risk to a relatively low tolerable level.

Respectfully submitted,

Barb Aggson Controller

Colorado Lottery

COLORADO LOTTERY FINANCIAL STATEMENTS (UNAUDITED)

TABLE OF CONTENTS

Financial Highlights	1
Supplement to Financial Highlights	2
Statements of Net Assets	3
Statements of Revenues, Expenses, and Changes in Fund Net Assets	4
Statements of Cash Flows	5
Statements of Net Assets-Powerball Annuity Winners Trust Fund	6
Statements of Changes in Fund Net Assets-Powerball Annuity Winners Trust Fund	7
Schedule of Revenue and Costs for Scratch and On-Line Games	8
Schedule of Percent of Prize Expense to Gross Ticket Sales	8
Budget Status	9

COLORADO LOTTERY FINANCIAL HIGHLIGHTS \$ IN MILLIONS

FOR THE THIRD QUARTERS ENDED MARCH 31, 2010 AND 2009

The table included below and the graphs included on page 2 present certain summarized operating results of the Colorado Lottery for the third quarters ended March 31, 2010, and 2009 and should be read in conjunction with the financial statements presented herein. The graphs included on page 2 are presented for the purpose of demonstrating the Colorado Lottery's compliance with certain statutes that pertain to its operations.

	For the Third Quarters Ended March 31,						
	2010)	2009				
	Total	Actual Percent	Total	Actual Percent			
INCOME							
Gross Ticket Sales Nonoperating revenue	\$369.26 0.78	_	\$371.29 1.30				
TOTAL INCOME	370.04		372.59				
LESS:							
PRIZES	\$229.09	62.0% (1)	\$226.67	61.0% (1)			
RETAILER COMMISSIONS AND BONUSES	\$28.14	7.6% (1)	\$27.68	7.5% (1)			
ADMINISTRATIVE COSTS							
Ticket Costs and Vendor Fees Other Operating Expenses	7.94 21.23		7.77 17.79				
TOTAL ADMINISTRATIVE COSTS (Note 3)	29.17	7.9% (2)	25.56	6.9% (2)			
	83.64		92.68				
NET CHANGE IN NET ASSETS	0.95	_	1.16				
PROCEEDS DISTRIBUTION	\$82.69	22.3% (2)	\$91.52	24.6% (2)			

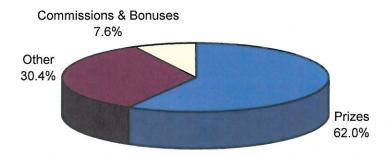
Note 1: Percent of gross ticket sales.

Note 2: Percent of total income.

Note 3: Total operating expenses per the statement of revenues, expenses and changes in fund net assets includes unappropriated expenses such as depreciation and accrued annual and sick leave. The actual administrative costs percentage would be slightly lower if they were removed from the calculation.

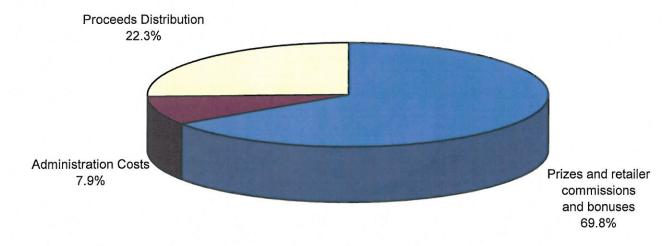
COLORADO LOTTERY SUPPLEMENT OF FINANCIAL HIGHLIGHTS FOR THE THIRD QUARTER ENDED MARCH 31, 2010

PERCENT OF GROSS TICKET SALES



To depict compliance with the 50% prize payment statute and the commission/bonus rules.

PERCENT OF TOTAL INCOME



To depict status of administrative expenditures to date.

COLORADO LOTTERY STATEMENTS OF NET ASSETS MARCH 31, 2010 AND 2009 (UNAUDITED)

ASSETS	2010	2009
Current Assets: Cash and Investments Accounts Receivable, net of the allowance for doubt- ful accounts of \$245,475 in 2010 and \$182,804 in 2009 Consignment Inventory, at Cost Warehouse Inventory, at Cost Prepaid Expenses Total Current Assets	\$ 33,385,626 20,284,314 121,754 997,755 91,381 54,880,830	\$ 34,265,454 21,804,084 107,166 1,095,793 257,767 57,530,264
Reserve and Restricted Assets: Cash and Investments-Operating Reserve Cash and Investments-Licensed Agent Recovery Reserve Receipts Prepaid Prize Expense with MUSL Total Reserve and Restricted Assets	1,200,000 351,240 3,944,710 5,495,950	1,100,000 380,423 3,944,710 5,425,133
Capital Assets: Equipment Leasehold Improvements Less Accumulated Depreciation and Amortization Total Capital Assets TOTAL ASSETS	6,388,462 0 (2,752,614) 3,635,848 \$ 64,012,631	4,660,618 0 (2,738,041) 1,922,577 \$ 64,877,975
LIABILITIES		
Current Liabilities: Accounts Payable Prize Liability Payable to MUSL Wages and Benefits Accrued Annual and Sick Leave Retailer Bonus Liability Funds Available for Distribution Deferred Revenue Total Current Liabilities	\$ 3,712,967 25,184,549 233,958 92,400 0 834,081 27,655,621 0 57,713,576	\$ 3,553,024 26,144,527 0 15,600 0 802,370 29,588,338 322,134 60,425,993
Long-Term Liabilities: Accrued Annual and Sick Leave Expired Warrants Liability Total Long-Term Liabilities TOTAL LIABILITIES	1,028,834 83,133 1,111,967 58,825,543	954,668 94,314 1,048,982 61,474,975
NET ASSETS		
Investment in Capital Assets Restricted-Licensed Agent Recovery Reserve Restricted-Operating Reserve Unrestricted-Other	3,635,848 351,240 1,200,000 0	1,922,577 380,423 1,100,000 0
TOTAL NET ASSETS	5,187,088	3,403,000
TOTAL LIABILITIES AND NET ASSETS	\$ 64,012,631	\$ 64,877,975

COLORADO LOTTERY STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS

FOR THE THIRD QUARTERS ENDED MARCH 31, 2010 AND 2009 (UNAUDITED)

	2010	2009
OPERATING REVENUES		
Gross Ticket Sales	\$ 369,260,275	\$ 371,285,507
DIRECT OPERATING EXPENSES		
Prize Expense	231,530,774	226,851,643
Powerball Prize Variance	(2,437,980)	(180,794)
Retailer Commissions and Bonuses	28,144,474	27,675,535
Cost of Tickets and Vendor Fees	7,941,361	7,770,056
GROSS PROFIT ON SALE OF TICKETS	104,081,646	109,169,067
OTHER OPERATING EXPENSES		
Marketing and Communications	10,471,621	8,406,052
Administration Fees Paid to MUSL	104,249	82,246
Wages and Benefits	6,101,958	6,483,161
Professional Services	132,033	209,105
State Agencies Services	96,511	91,374
Department of Revenue Services	399,845	417,504
Travel	79,891	85,747
Equipment	1,204,260	20,944
Depreciation	463,893	91,476
Accrued Annual and Sick Leave	108,866	130,053
Space Rental	528,449	511,543
Rents for Equipment	22,961	20,793
Motorpool Leasing	230,733	312,547
Materials and Supplies	105,592	51,858
Telephone	71,417	78,628
On-Line Telecommunications	376,411	248,174
Data Processing Supplies and Services	24,396	15,870
Equipment Maintenance	365,590	201,389
Postage	35,724	43,317
Printing	7,126	6,251
Delivery Expense	194,740	174,249
Other	106,056	112,124
Total Other Operating Expenses	21,232,322	17,794,405
OPERATING INCOME	82,849,324	91,374,662
NONOPERATING REVENUES (EXPENSES)		
Other Revenue	94,213	143,465
Investment Income	682,361	1,157,201
Funds Distributed for Current Year	(55,031,661)	(61,925,285)
Funds Available for Distribution for Current Year	(27,655,621)	(29,588,338)
Total Nonoperating Revenues (Expenses)	(81,910,708)	(90,212,957)
NET INCOME(LOSS)	\$ 938,616	\$ 1,161,705
NET ASSETS, BEGINNING OF YEAR	4,248,472	2,241,295
Net Change in Net Assets	938,616	1,161,705
NET ASSETS, END OF PERIOD	\$ 5,187,088	\$ 3,403,000

COLORADO LOTTERY STATEMENTS OF CASH FLOWS FOR THE THIRD QUARTERS ENDED MARCH 31, 2010 & 2009 (UNAUDITED)

Cash paid in prizes (230,974,171) (222,224,4 Cash payments to suppliers (26,146,116) (16,923,6 Cash paid in retailer commissions (24,561,185) (24,716,7 Cash payments to employees for services (6,482,479) (7,443,9 Cash payments to employees for services (6,482,479) (7,443,9 Cash payments to employees for services (32,743) (275,60 Cash for services) (23,121,893) (89,080,71 Cash flows from non-capital financing activities: (83,121,893) (89,080,71 Cash flows from non-capital and related financing activities: (83,121,893) (89,080,71 Cash flows from capital and related financing activities: (1,378,500) (1,518,81 Cash flows from investing activities: (1,378,500) (1,518,81 Cash flows from investing activities: (1,483,049) 3,574,60 Cash and investments, Beginning of Year (including \$1,488,771 and \$1,743,139) respectively, in restricted accounts) (1,483,049) 3,574,60 Cash and investments, End of Period, (including \$1,551,240 and \$1,480,423, respectively, in restricted accounts) (1,483,042) 36,419,915 32,171,27 Cash and investments, End of Period, (including \$1,551,240 and \$1,480,423, respectively, in restricted accounts) (2,92,00 Cash and in	,		2010		2009
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Cash payments to employees for services (6,482,479) (7,443,9) Cash paid in retailer bonus (3,356,605) (2,845,7) Cash received (used) - other (32,743) (275,6) Net cash provided by operating activities 82,334,983 93,017,0 Cash flows from non-capital financing activities: (83,121,893) (89,080,7) Net cash used by noncapital financing activities (83,121,893) (89,080,7) Cash flows from capital and related financing activities: (1,378,500) (1,518,8) Cash flows from investing activities: (1,378,500) (1,518,8) Cash flows from investing activities: (1,483,049) 3,574,6) Losh flows from investing activities: (1,483,049) 3,574,6) Cash and investments, Englining of Year (including \$1,488,771 and \$1,743,139, respectively, in restricted accounts) 36,419,915 32,171,2) Cash and investments, End of Period, (including \$1,551,240 and \$1,480,423, respectively, in restricted accounts) \$ 34,936,866 \$ 35,745,8' Reconciliation of operating income to net cash provided by operating activities: Operating income 463,893 91,47 Loss on disposition of equipment Loss on disposition of equipment Loss on dispositio					(16,923,663)
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Cash flows from non-capital financing activities: (83,121,893) (89,080,70) Net cash used by noncapital financing activities (83,121,893) (89,080,70) Cash flows from capital and related financing activities: (1,378,500) (1,518,80) Cash flows from investing activities: (1,378,500) (1,518,80) Cash flows from investing activities: 682,361 1,157,200 Interest received 682,361 1,157,200 Net increase (decrease) in cash and investments (1,483,049) 3,574,600 Cash and investments, Beginning of Year (including \$1,488,771) 36,419,915 32,171,200 and \$1,743,139, respectively, in restricted accounts) 36,419,915 32,171,200 Cash and investments, End of Period, (including \$1,551,240) 34,936,866 \$35,745,800 Reconciliation of operating income to net cash provided by operating activities: Operating income \$82,849,324 \$91,374,600 Adjustments to reconcile operating income to net cash 463,893 91,474 Loss on disposition of equipment 38,457 2,98 Other revenue 94,213 143,40 Change in: Accounts Receivabl	Cash received (used) - other		(32,743)		(275,629)
Distribution of net proceeds (83,121,893) (89,080,70)	Net cash provided by operating activities		82,334,983		93,017,036
Net cash used by noncapital financing activities (83,121,893) (89,080,70) Cash flows from capital and related financing activities: (1,378,500) (1,518,80) Cash flows from investing activities: (1,378,500) (1,518,80) Interest received 682,361 1,157,200 Net increase (decrease) in cash and investments (1,483,049) 3,574,600 Cash and investments, Beginning of Year (including \$1,488,771 and \$1,743,139, respectively, in restricted accounts) 36,419,915 32,171,200 Cash and investments, End of Period, (including \$1,551,240 and \$1,480,423, respectively, in restricted accounts) \$ 34,936,866 \$ 35,745,800 Reconcilitation of operating income to net cash provided by operating activities: Operating income \$ 82,849,324 \$ 91,374,600 Adjustments to reconcile operating income to net cash Depreciation 463,893 91,470 Loss on disposition of equipment 38,457 2,980 Other revenue 94,213 143,460 Change in: Accounts Receivable 265,129 (2,992,00 Ticket Inventory 388,979 (306,09 Change in Prepaid Prize Expense with MUSL (16,144) (175,63	Cash flows from non-capital financing activities:				
Cash flows from capital and related financing activities: (1,378,500) (1,518,81) Cash flows from investing activities: (1,378,500) (1,518,81) Interest received 682,361 1,157,2 682,361 1,157,2 682,361 1,157,2 Net increase (decrease) in cash and investments (1,483,049) 3,574,65 Cash and investments, Beginning of Year (including \$1,488,771 36,419,915 32,171,25 Cash and investments, End of Period, (including \$1,551,240 36,419,915 32,171,25 Cash and investments, End of Period, (including \$1,551,240 34,936,866 \$ 35,745,85 Reconcilitation of operating income to net cash provided by operating activities: 8 82,849,324 \$ 91,374,66 Adjustments to reconcile operating income to net cash 463,893 91,47 2,98 Other revenue 94,213 143,46 2,98 Other revenue 265,129 (2,992,06 Ticket Inventory 388,979 (306,09 Change in Prepaid Prize Expense with MUSL (16,144) (175,63 Liabilities (1,797,519) 4,878,18	Distribution of net proceeds		(83,121,893)		(89,080,706)
Cash flows from capital and related financing activities: (1,378,500) (1,518,81) Cash flows from investing activities: (1,378,500) (1,518,81) Interest received 682,361 1,157,2 682,361 1,157,2 682,361 1,157,2 Net increase (decrease) in cash and investments (1,483,049) 3,574,65 Cash and investments, Beginning of Year (including \$1,488,771 36,419,915 32,171,25 Cash and investments, End of Period, (including \$1,551,240 36,419,915 32,171,25 Cash and investments, End of Period, (including \$1,551,240 34,936,866 \$ 35,745,85 Reconcilitation of operating income to net cash provided by operating activities: 8 82,849,324 \$ 91,374,66 Adjustments to reconcile operating income to net cash 463,893 91,47 2,98 Other revenue 94,213 143,46 2,98 Other revenue 265,129 (2,992,06 Ticket Inventory 388,979 (306,09 Change in Prepaid Prize Expense with MUSL (16,144) (175,63 Liabilities (1,797,519) 4,878,18	Net cash used by noncapital financing activities		(83 121 803)		(80 080 706)
Acquisition of capital assets (1,378,500) (1,518,8) Cash flows from investing activities: 1,157,2 Interest received 682,361 1,157,2 Net increase (decrease) in cash and investments (1,483,049) 3,574,60 Cash and investments, Beginning of Year (including \$1,488,771) 36,419,915 32,171,20 and \$1,743,139, respectively, in restricted accounts) \$ 34,936,866 \$ 35,745,80 Cash and investments, End of Period, (including \$1,551,240) \$ 34,936,866 \$ 35,745,80 Reconciliation of operating income to net cash provided by operating activities: Operating income \$ 82,849,324 \$ 91,374,60 Adjustments to reconcile operating income to net cash 463,893 91,47 Loss on disposition of equipment 38,457 2,98 Other revenue 94,213 143,46 Change in: Accounts Receivable 265,129 (2,992,00 Ticket Inventory 388,979 (306,09 Change in Prepaid Prize Expense with MUSL (16,144) (175,63 Liabilities (175,63 4,878,18	The cash used by honeaphar initioning activities	-	(05,121,055)		(07,000,700)
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Interest received 682,361 1,157,2 682,361 1,157,2 682,361 1,157,2 682,361 1,157,2 682,361 1,157,2 682,361 1,157,2 682,361 1,157,2 682,361 1,157,2 682,361 1,157,2 682,361 1,157,2 682,361 3,574,63 3,574,63 3,574,63 3,574,3139, respectively, in restricted accounts) 36,419,915 32,171,2	Cash flows from investing activities:				
Net increase (decrease) in cash and investments (1,483,049) 3,574,62 Cash and investments, Beginning of Year (including \$1,488,771 and \$1,743,139, respectively, in restricted accounts) 36,419,915 32,171,22 Cash and investments, End of Period, (including \$1,551,240 and \$1,480,423, respectively, in restricted accounts) \$ 34,936,866 \$ 35,745,82 Reconciliation of operating income to net cash provided by operating activities: Operating income \$ 82,849,324 \$ 91,374,666 Adjustments to reconcile operating income to net cash 463,893 91,47 Loss on disposition of equipment 38,457 2,98 Other revenue 94,213 143,46 Change in: 265,129 (2,992,06 Ticket Inventory 388,979 (306,09 Change in Prepaid Prize Expense with MUSL (16,144) Other Assets 48,651 (175,63 Liabilities (1,797,519) 4,878,18			682,361		1,157,201
Cash and investments, Beginning of Year (including \$1,488,771 and \$1,743,139, respectively, in restricted accounts) 36,419,915 32,171,22 Cash and investments, End of Period, (including \$1,551,240 and \$1,480,423, respectively, in restricted accounts) \$ 34,936,866 \$ 35,745,82 Reconciliation of operating income to net cash provided by operating activities: Operating income \$ 82,849,324 \$ 91,374,662 Adjustments to reconcile operating income to net cash Depreciation 463,893 91,47 Loss on disposition of equipment 38,457 2,98 Other revenue 94,213 143,46 Change in: 462,129 (2,992,00 Ticket Inventory 388,979 (306,09 Change in Prepaid Prize Expense with MUSL (16,144) (16,144) Other Assets 48,651 (175,63 Liabilities (1,797,519) 4,878,18					1,157,201
Cash and investments, Beginning of Year (including \$1,488,771 and \$1,743,139, respectively, in restricted accounts) 36,419,915 32,171,22 Cash and investments, End of Period, (including \$1,551,240 and \$1,480,423, respectively, in restricted accounts) \$ 34,936,866 \$ 35,745,82 Reconciliation of operating income to net cash provided by operating activities: Operating income \$ 82,849,324 \$ 91,374,662 Adjustments to reconcile operating income to net cash Depreciation 463,893 91,47 Loss on disposition of equipment 38,457 2,98 Other revenue 94,213 143,46 Change in: 462,129 (2,992,00 Ticket Inventory 388,979 (306,09 Change in Prepaid Prize Expense with MUSL (16,144) (16,144) Other Assets 48,651 (175,63 Liabilities (1,797,519) 4,878,18	Net increase (decrease) in cash and investments	Q.	(1 483 040)		3 574 650
and \$1,743,139, respectively, in restricted accounts) Cash and investments, End of Period, (including \$1,551,240 and \$1,480,423, respectively, in restricted accounts) Reconciliation of operating income to net cash provided by operating activities: Operating income \$ 82,849,324 \$ 91,374,66 Adjustments to reconcile operating income to net cash Depreciation Depreciation Loss on disposition of equipment Other revenue Change in: Accounts Receivable Ticket Inventory Change in Prepaid Prize Expense with MUSL Other Assets Liabilities (1,797,519) 32,171,22 34,936,866 \$ 32,475,87 34,936,866 \$ 35,745,87 91,374,66 \$ 463,893 91,47 2,98 91,374,66 463,893 91,47 2,98 94,213 143,46 (2,992,06 388,979 (306,09 Change in Prepaid Prize Expense with MUSL Other Assets 48,651 (175,63 Liabilities (1,797,519) 4,878,18			(1,403,049)		3,374,030
and \$1,480,423, respectively, in restricted accounts) \$ 34,936,866 \$ 35,745,87 Reconciliation of operating income to net cash provided by operating activities: Operating income \$ 82,849,324 \$ 91,374,66 Adjustments to reconcile operating income to net cash Depreciation 463,893 91,47 Loss on disposition of equipment 38,457 2,98 Other revenue 94,213 143,46 Change in: 265,129 (2,992,06 Ticket Inventory 388,979 (306,09 Change in Prepaid Prize Expense with MUSL (16,144) (16,144) Other Assets 48,651 (175,63 Liabilities (1,797,519) 4,878,18		::::::::::::::::::::::::::::::::::::::	36,419,915		32,171,227
and \$1,480,423, respectively, in restricted accounts) \$ 34,936,866 \$ 35,745,87 Reconciliation of operating income to net cash provided by operating activities: Operating income \$ 82,849,324 \$ 91,374,66 Adjustments to reconcile operating income to net cash Depreciation 463,893 91,47 Loss on disposition of equipment 38,457 2,98 Other revenue 94,213 143,46 Change in: 265,129 (2,992,06 Ticket Inventory 388,979 (306,09 Change in Prepaid Prize Expense with MUSL (16,144) (16,144) Other Assets 48,651 (175,63 Liabilities (1,797,519) 4,878,18	C. 1 - 1'				
Reconciliation of operating income to net cash provided by operating activities: Operating income Adjustments to reconcile operating income to net cash Depreciation Loss on disposition of equipment Other revenue Change in: Accounts Receivable Ticket Inventory Change in Prepaid Prize Expense with MUSL Other Assets Liabilities Operating activities: \$82,849,324 \$ 91,374,666 463,893 91,47 2,98 91,47 2,98 94,213 143,46 (2,992,00 388,979 (306,09 (16,144) Other Assets 48,651 (175,63) Liabilities		P	24 026 966	Φ	25 745 977
Operating income \$ 82,849,324 \$ 91,374,66 Adjustments to reconcile operating income to net cash 463,893 91,47 Loss on disposition of equipment 38,457 2,98 Other revenue 94,213 143,46 Change in: 265,129 (2,992,06 Ticket Inventory 388,979 (306,09 Change in Prepaid Prize Expense with MUSL (16,144) Other Assets 48,651 (175,63 Liabilities (1,797,519) 4,878,18	and \$1,480,423, respectively, in restricted accounts)	<u> </u>	34,930,800	D	33,143,877
Adjustments to reconcile operating income to net cash 463,893 91,47 Loss on disposition of equipment 38,457 2,98 Other revenue 94,213 143,46 Change in: 265,129 (2,992,00 Ticket Inventory 388,979 (306,09 Change in Prepaid Prize Expense with MUSL (16,144) Other Assets 48,651 (175,63 Liabilities (1,797,519) 4,878,18	Reconciliation of operating income to net cash provided by operating ac	ctiviti	es:		
Adjustments to reconcile operating income to net cash 463,893 91,47 Loss on disposition of equipment 38,457 2,98 Other revenue 94,213 143,46 Change in: 265,129 (2,992,00 Ticket Inventory 388,979 (306,09 Change in Prepaid Prize Expense with MUSL (16,144) Other Assets 48,651 (175,63 Liabilities (1,797,519) 4,878,18	Operating income	\$	82.849.324	8	91.374.662
Depreciation 463,893 91,47 Loss on disposition of equipment 38,457 2,98 Other revenue 94,213 143,46 Change in: 265,129 (2,992,00 Ticket Inventory 388,979 (306,09 Change in Prepaid Prize Expense with MUSL (16,144) Other Assets 48,651 (175,63 Liabilities (1,797,519) 4,878,18			,- ,- , ,		, 1,0,0 0
Loss on disposition of equipment 38,457 2,98 Other revenue 94,213 143,46 Change in: 265,129 (2,992,00 Ticket Inventory 388,979 (306,09 Change in Prepaid Prize Expense with MUSL (16,144) Other Assets 48,651 (175,63 Liabilities (1,797,519) 4,878,18			463.893		91,476
Other revenue 94,213 143,46 Change in: 265,129 (2,992,00 Ticket Inventory 388,979 (306,09 Change in Prepaid Prize Expense with MUSL (16,144) Other Assets 48,651 (175,63 Liabilities (1,797,519) 4,878,18					2,983
Change in: Accounts Receivable 265,129 (2,992,00 Ticket Inventory 388,979 (306,09 Change in Prepaid Prize Expense with MUSL (16,144) Other Assets 48,651 (175,63 Liabilities (1,797,519) 4,878,18					143,465
Accounts Receivable 265,129 (2,992,00 Ticket Inventory 388,979 (306,09 Change in Prepaid Prize Expense with MUSL (16,144) Other Assets 48,651 (175,63 Liabilities (1,797,519) 4,878,18			,		,
Ticket Inventory 388,979 (306,09) Change in Prepaid Prize Expense with MUSL (16,144) Other Assets 48,651 (175,63) Liabilities (1,797,519) 4,878,18			265.129		(2,992,008)
Change in Prepaid Prize Expense with MUSL (16,144) Other Assets 48,651 (175,63 Liabilities (1,797,519) 4,878,18					(306,094)
Other Assets 48,651 (175,63 Liabilities (1,797,519) 4,878,18					0
Liabilities (1,797,519) 4,878,18					(175,636)
Net cash provided by operating activities \$ 82,334,983 \$ 93,017,03	Liabilities		encorrection of the company		4,878,188
Net cash provided by operating activities \$ 82,334,983 \$ 93,017,03					
	Net cash provided by operating activities	\$	82,334,983	\$	93,017,036

The accompanying notes are an intregal part of these financial statements.

COLORADO LOTTERY POWERBALL ANNUITY WINNERS TRUST FUND STATEMENTS OF FIDUCIARY NET ASSETS MARCH 31, 2010 AND 2009

(UNAUDITED)

ASSETS	2010	2009
Current Assets: Current Portion Long Term Investments-PB Annuity	401,000	386,000
Long Term Assets: Long Term Investments-PB Annuity	9,552,504	10,374,143
TOTAL ASSETS	\$ 9,953,504	\$ 10,760,143
NET ASSETS		
Held in Trust for Powerball Winner	9,953,504	10,760,143
TOTAL NET ASSETS	\$ 9,953,504	\$ 10,760,143

COLORADO LOTTERY

POWERBALL ANNUITY WINNERS TRUST FUND STATEMENTS OF CHANGES IN FIDUCIARY NET ASSETS FOR THE THIRD QUARTERS ENDED MARCH 31, 2010 AND 2009

(UNAUDITED)

Additions	2010	2009
Investment Income Contributions from Multi-State Lottery Association	\$ 353,330	\$ 1,326,848
Total Additions	353,330	1,326,848
Deductions		
Prize Payments	386,000	371,000
Change in net assets	(32,670)	955,848
Net Assets held in Trust for Powerball Winner		
Beginning of Year	9,986,174	9,804,295
End of Period	\$ 9,953,504	\$ 10,760,143

COLORADO LOTTERY

SCHEDULE OF REVENUE AND COSTS FOR SCRATCH AND ON-LINE GAMES FOR THE THIRD QUARTER ENDED MARCH 31, 2010

(With Comparative Totals for the Third Quarter Ended March 31, 2009)

	Games in Progress					FY 10	FY 09
	Scratch	Lotto	Powerball	Cash 5	Matchplay	Total	Scratch and On-Line
TICKET SALES	\$245,430,138	\$29,615,335	\$75,373,619	\$16,402,399	\$2,438,784	\$369,260,275	\$371,285,507
PRIZE EXPENSE POWERBALL PRIZE VARIANCE	(166,698,641) N/A	(16,506,151) N/A	(38,176,939) 2,437,980	(8,799,994) N/A	(1,349,049) N/A	(231,530,774) 2,437,980	(226,851,643) 180,794
NET REVENUE AFTER PRIZES	78,731,497	13,109,184	39,634,660	7,602,405	1,089,735	140,167,481	144,614,658
COMMISSIONS, BONUSES, TICKET COSTS & VENDOR FEES (Note 1) Retailer Commission Retailer Bonus Cost of Tickets Sold Telecomm Reimbursements On-Line Vendor Fees	(17,155,367) (2,725,311) (2,293,658) 372,407 (4,145,292)	(1,769,994) (194,465) N/A 44,937 (494,002)	(4,508,124) (486,403) N/A 114,369 (1,252,452)	(981,026) (154,015) N/A 24,888 (275,665)	(146,674) (23,095) N/A 3,702 (40,595)	(24,561,185) (3,583,289) (2,293,658) 560,303 (6,208,006)	(24,716,708) (2,958,827) (1,923,854) 550,396 (6,396,598)
TOTAL	(25,947,221)	(2,413,524)	(6,132,610)	(1,385,818)	(206,662)	(36,085,835)	(35,445,591)
GROSS PROFIT ON SALE OF TICKETS	\$52,784.276	\$10,695,660	\$33,502,050	\$6,216,587	\$883 <u>.</u> 073	<u>\$104.081,646</u>	\$109,169,067
AVERAGE DAILY TICKET SALES	\$895 730	\$108,085	\$275,086	\$59 863	\$62,533	\$1,347.665	\$1,355,05 <u>7</u>

Note 1: Administrative costs of Lottery operations, including wages, advertising and other expenses are not shown.

COLORADO LOTTERY SCHEDULE OF PERCENT OF PRIZE EXPENSE TO GROSS TICKET SALES FOR THE THIRD QUARTER ENDED MARCH 31, 2010

		Games in Progress					
	Scratch	Lotto	Powerball	Cash 5	Matchplay	Powerball Prize Variance	FY 10 Total
Prize Expense (/)Ticket Sales	\$166,698,641 245,430,138	\$16,506,151 29,615,335	\$38,176,939 75,373,619	\$8,799,994 16,402,399	\$1,349,049 2,438,784	-\$2,437,980 N/A	\$229,092,794 369,260,275
Prize %	67_92%	55.74%	5 <u>0.65%</u>	53.65%	55 32%		62.04% <u></u>

COLORADO LOTTERY BUDGET STATUS

FOR THE TEN MONTHS ENDED APRIL 30, 2010

Budget (Note 1) Expended (Note 3) Amount Available (Note 2) Expended (Note 3) Personal Services \$8,900,998 \$5,968,126 \$2,932,872 67.1% DOR Postage 5,054 0 5,054 0.0% Amortization Equal 139,163 94,622 44,541 68.0% Suppl Amortization Equalization 82,825 57,143 25,682 69.0% Workmer's Compensation 47,158 38,356 8,802 81.3% Health and Life 770,105 494,546 275,559 64.2% Short Term Disability 10,207 7,719 2,488 75.6% Operating 12,203,156 873,666 329,520 72.6% Variable Vehicle 155,162 0 155,162 0.0% Leased Space 678,351 523,833 154,518 77.2% Leased Space-Grand Junction 7,019 4,616 2,403 65.8% Risk Management 22,390 17,793 4,597 79.5% Vehicle Lease Payments 117,305		FY 10	Amount		Percent
Personal Services		Budget	Expended	Amount	Expended
DOR Postage 5,054 0 3,054 0.0% Amortization Equal 139,163 34,622 44,541 68.0% Suppl Amortization Equalization 82,825 57,143 25,682 69.0% Workmen's Compensation 47,158 38,356 8,802 81,3% Health and Life 770,105 494,546 275,559 64.2% Short Term Disability 10,207 7,719 2,488 75,6% Operating 1,203,156 873,636 329,520 72,6% Variable Vehicle 155,162 0 155,162 0.0% Leased Space 678,351 523,833 154,518 77.2% Leased Space Grand Junction 7,019 4,616 2,403 65.8% Risk Management 22,390 17,793 4,597 79.5% Vehicle Lease Payments 117,305 83,840 33,465 71.5% Travel 113,498 79,890 33,608 70.4% Purch. Of Services-Computer Center 3,052 2,449		(Note 1)	(Note 3)	Available	(Note 2)
Amortization Equal 139,163 94,622 44,541 68.0% Suppl Amortization Equalization 82,825 57,143 25,682 69.0% Workmen's Compensation 47,158 38,356 8,802 81.3% Health and Life 770,105 494,546 275,559 64.2% Short Term Disability 10,207 7,719 2,488 75.6% Operating 1,203,156 873,636 329,520 72.6% Variable Vehicle 155,162 0 155,162 0.0% Leased Space 678,351 523,833 154,518 77.2% Leased Space-Grand Junction 7,019 4,616 2,403 65.8% Risk Management 22,390 17,793 4,597 79.5% Vehicle Lease Payments 117,305 83,840 33,465 71.5% Travel 113,498 79,890 33,608 70.4% Purch. Of Services-Computer Center 3,052 2,449 603 80.2% Afracting, Communications & Sales 14,700,000	Personal Services	\$8,900,998	\$5,968,126	\$2,932,872	67.1%
Suppl Amortization Equalization 82,825 57,143 25,682 69.0% Workmen's Compensation 47,158 38,356 8,802 81.3% Health and Life 770,105 494,546 275,559 64.2% Short Term Disability 10,207 7,719 2,488 75.6% Operating 1,203,156 873,636 329,520 72.6% Variable Vehicle 155,162 0 155,162 0.0% Leased Space 678,351 523,833 154,518 77.2% Leased Space-Grand Junction 7,019 4,616 2,403 65.8% Risk Management 22,390 17,793 4,597 79.5% Vehicle Lease Payments 117,305 83,840 33,465 71.5% Travel 113,498 79,890 33,608 70.4% Purch. Of Services-Computer Center 3,052 2,449 603 80.2% Marketing, Communications & Sales 14,700,000 10,260,324 4,439,676 69.8% Communications Services	DOR Postage	5,054	0	5,054	0.0%
Workmen's Compensation 47,158 38,356 8,802 81.3% Health and Life 770,105 494,546 275,559 64.2% Short Term Disability 10,207 7.719 2,488 75.6% Operating 1,203,156 873,636 329,520 72.6% Variable Vehicle 155,162 0 155,162 0.0% Leased Space 678,351 523,833 154,518 77.2% Leased Space Grand Junction 7,019 4,616 2,403 65.8% Risk Management 22,390 17,793 4,597 79.5% Vehicle Lease Payments 117,305 83,840 33,465 71.5% Travel 113,498 79,890 33,608 70.4% Purch. Of Services-Computer Center 3,052 2,449 603 80.2% Marketing, Communications & Sales 14,700,000 10,260,324 4,439,676 69.8% Communications Services 2,060 1,526 534 74.1% Payments to MNT 374,676	Amortization Equal	1.39,163	94,622	44,541	68.0%
Health and Life 770,105 494,546 275,559 64.2% Short Term Disability 10,207 7.719 2,488 75.6% Operating 1,203,156 873,636 329,520 72.6% Variable Vehicle 155,162 0 155,162 0.0% Leased Space 678,351 523,833 154,518 77.2% Leased Space-Grand Junction 7,019 4,616 2,403 65.8% Risk Management 22,390 17,793 4,597 79.5% Vehicle Lease Payments 117,305 83,840 33,465 71.5% Travel 113,498 79,890 33,608 70.4% Purch. Of Services-Computer Center 3,052 2,449 603 80.2% Marketing, Communications & Sales 14,700,000 10,260,324 4,439,676 69.8% Communications Services 2,060 1,526 534 74.1% Payments to MNT 374,676 281,007 93,669 75.0% Fayments to Other Agencies 239,410 </td <td>Suppl Amortization Equalization</td> <td>82,825</td> <td>57,143</td> <td>25,682</td> <td>69.0%</td>	Suppl Amortization Equalization	82,825	57,143	25,682	69.0%
Short Term Disability 10,207 7.719 2,488 75.6% Operating 1,203,156 873,636 329,520 72.6% Variable Vehicle 155,162 0 155,162 0.0% Leased Space 678,351 523,833 154,518 77.2% Leased Space Grand Junction 7,019 4,616 2,403 65,84 Risk Management 22,390 17,793 4,597 79.5% Vehicle Lease Payments 117,305 83,840 33,465 71.5% Travel 113,498 79,890 33,608 70.4% Purch. Of Services-Computer Center 3,052 2,449 603 80,2% Marketing, Communications & Sales 14,700,000 10,260,324 4,439,676 69,8% Communications Services 2,060 1,526 534 74.1% Payments to MNT 374,676 281,007 93,669 75.0% Payments to Other Agencies 239,410 86,439 152,971 36.1% Legal Services 32,2473 <td>Workmen's Compensation</td> <td>·47,158</td> <td>38,356</td> <td>8,802</td> <td>81.3%</td>	Workmen's Compensation	·47,158	38,356	8,802	81.3%
Operating 1,203,156 873,636 329,520 72.6% Variable Vehicle 155,162 0 155,162 0.0% Leased Space 678,351 523,833 154,518 77.2% Leased Space-Grand Junction 7,019 4,616 2,403 65.8% Risk Management 22,390 17,793 4,597 79.5% Vehicle Lease Payments 117,305 83,840 33,465 71.5% Travel 113,498 79,890 33,608 70.4% Purch. Of Services-Computer Center 3,052 2,449 603 80.2% Marketing, Communications & Sales 14,700,000 10,260,324 4,439,676 69.8% Communications Services 2,060 1,526 534 74.1% Payments to MNT 374,676 281,007 93,669 75.0% Payments to Other Agencies 239,410 86,439 152,971 36.1% Legal Services 33,305 399,845 133,460 75.0% Ticket Costs 533,305	Health and Life	770,105	494,546	275,559	64.2%
Variable Vehicle 155,162 0 155,162 0.0% Leased Space 678,351 523,833 154,518 77.2% Leased Space-Grand Junction 7,019 4,616 2,403 65.8% Risk Management 22,390 17,793 4,597 79.5% Vehicle Lease Payments 117,305 83,840 33,465 71.5% Travel 113,498 79,890 33,608 70.4% Purch. Of Services-Computer Center 3,052 2,449 603 80.2% Marketing, Communications & Sales 14,700,000 10,260,324 4,439,676 69.8% Communications Services 2,060 1,526 534 74.1% Payments to MNT 374,676 281,007 93,669 75.0% Payments to Other Agencies 239,410 86,439 152,971 36.1% Legal Services 32,473 10,072 22,401 31.0% Indirect Costs 533,305 399,845 133,460 75.0% Research 250,000	Short Term Disability	10,207	7,719	2,488	75.6%
Leased Space 678,351 523,833 154,518 77.2% Leased Space-Grand Junction 7,019 4,616 2,403 65.8% Risk Management 22,390 17,793 4,597 79.5% Vehicle Lease Payments 117,305 83,840 33,465 71.5% Travel 113,498 79,890 33,608 70.4% Purch. Of Services-Computer Center 3,052 2,449 603 80.2% Marketing, Communications & Sales 14,700,000 10,260,324 4,439,676 69.8% Communications Services 2,060 1,526 534 74.1% Payments to MNT 374,676 281,007 93,669 75.0% Payments to Other Agencies 239,410 86,439 152,971 36.1% Legal Services 32,473 10,072 22,401 31.0% Indirect Costs 533,305 399,845 133,460 75.0% Ticket Costs-Scratch 6,284,000 2,387,234 3,896,766 38.0% Research 25	Operating	1,203,156	873,636	329,520	72.6%
Leased Space-Grand Junction 7,019 4,616 2,403 65.8% Risk Management 22,390 17,793 4,597 79.5% Vehicle Lease Payments 117,305 83,840 33,465 71.5% Travel 113,498 79,890 33,608 70.4% Purch. Of Services-Computer Center 3,052 2,449 603 80.2% Marketing, Communications & Sales 14,700,000 10,260,324 4,439,676 69.8% Communications Services 2,060 1,526 534 74.1% Payments to MNT 374,676 281,007 93,669 75.0% Payments to Other Agencies 239,410 86,439 152,971 36.1% Legal Services 32,473 10,072 22,401 31.0% Indirect Costs 533,305 399,845 133,460 75.0% Ticket Costs-Scratch 6,284,000 2,387,234 3,896,766 38.0% Research 250,000 211,297 38,703 84,5% Vendor Fees 12,3	Variable Vehicle	155,162	0	155,162	0.0%
Risk Management 22,390 17,793 4,597 79.5% Vehicle Lease Payments 117,305 83,840 33,465 71.5% Travel 113,498 79,890 33,608 70.4% Purch. Of Services-Computer Center 3,052 2,449 603 80.2% Marketing, Communications & Sales 14,700,000 10,260,324 4,439,676 69.8% Communications Services 2,060 1,526 534 74.1% Payments to MNT 374,676 281,007 93,669 75.0% Payments to Other Agencies 239,410 86,439 152,971 36.1% Legal Services 32,473 10,072 22,401 31.0% Indirect Costs 533,305 399,845 133,460 75.0% Ticket Costs-Scratch 6,284,000 2,387,234 3,896,766 38.0% Research 250,000 211,297 38,703 84.5% Vendor Fees 12,376,154 7,401,566 4,974,588 59.8% Prize Payments 400,	Leased Space	678,351	523,833	154,518	77.2%
Vehicle Lease Payments 117,305 83,840 33,465 71.5% Travel 113,498 79,890 33,608 70.4% Purch. Of Services-Computer Center 3,052 2,449 603 80.2% Marketing, Communications & Sales 14,700,000 10,260,324 4,439,676 69.8% Communications Services 2,060 1,526 534 74.1% Payments to MNT 374,676 281,007 93,669 75.0% Payments to Other Agencies 239,410 86,439 152,971 36.1% Legal Services 32,473 10,072 22,401 31.0% Indirect Costs 533,305 399,845 133,460 75.0% Ticket Costs-Scratch 6,284,000 2,387,234 3,896,766 38.0% Research 250,000 211,297 38,703 84.5% Vendor Fees 12,376,154 7,401,566 4,974,588 59.8% Prize Payments 400,264,560 231,530,774 168,733,786 57.8% Retailer Compensation	Leased Space-Grand Junction	7,019	4,616	2,403	65.8%
Travel 113,498 79,890 33,608 70.4% Purch. Of Services-Computer Center 3,052 2,449 603 80.2% Marketing, Communications & Sales 14,700,000 10,260,324 4,439,676 69.8% Communications Services 2,060 1,526 534 74.1% Payments to MNT 374,676 281,007 93,669 75.0% Payments to Other Agencies 239,410 86,439 152,971 36.1% Legal Services 32,473 10,072 22,401 31.0% Indirect Costs 533,305 399,845 133,460 75.0% Ticket Costs-Scratch 6,284,000 2,387,234 3,896,766 38.0% Research 250,000 211,297 38,703 84.5% Vendor Fees 12,376,154 7,401,566 4,974,588 59.8% Prize Payments 400,264,560 231,530,774 168,733,786 57.8% Retailer Compensation 49,290,600 28,144,474 21,146,126 57.1% Multi-State Lottery Funds 177,433 104,249 73,184 58.8% Lottery System Migration 3,281,051 1,097,219 2,183,832 33.4% Powerball Prize Variance 12,960,000 5,642,551 7,317,449 43.5% Rollforwards 13,920 13,920 0 100.0%	Risk Management	22,390	17,793	4,597	79.5%
Purch. Of Services-Computer Center 3,052 2,449 603 80.2% Marketing, Communications & Sales 14,700,000 10,260,324 4,439,676 69.8% Communications Services 2,060 1,526 534 74.1% Payments to MNT 374,676 281,007 93,669 75.0% Payments to Other Agencies 239,410 86,439 152,971 36.1% Legal Services 32,473 10,072 22,401 31.0% Indirect Costs 533,305 399,845 133,460 75.0% Ticket Costs-Scratch 6,284,000 2,387,234 3,896,766 38.0% Research 250,000 211,297 38,703 84.5% Vendor Fees 12,376,154 7,401,566 4,974,588 59.8% Prize Payments 400,264,560 231,530,774 168,733,786 57.8% Retailer Compensation 49,290,600 28,144,474 21,146,126 57.1% Multi-State Lottery Funds 177,433 104,249 73,184 58.8%	Vehicle Lease Payments	117,305	83,840	33,465	71.5%
Marketing, Communications & Sales 14,700,000 10,260,324 4,439,676 69.8% Communications Services 2,060 1,526 534 74.1% Payments to MNT 374,676 281,007 93,669 75.0% Payments to Other Agencies 239,410 Legal Services 32,473 10,072 22,401 31.0% Indirect Costs 533,305 399,845 133,460 75.0% Research 250,000 211,297 38,703 84.5% Vendor Fees 12,376,154 7,401,566 4,974,588 Prize Payments 400,264,560 231,530,774 168,733,786 57.8% Retailer Compensation 49,290,600 28,144,474 21,146,126 57.1% Multi-State Lottery Funds 177,433 104,249 73,184 58.8% Lottery System Migration 3,281,051 1,097,219 2,183,832 33.4% Powerball Prize Variance 12,960,000 5,642,551 7,317,449 43.5% Rollforwards	Travel	113,498	79,890	33,608	70.4%
Communications Services 2,060 1,526 534 74.1% Payments to MNT 374,676 281,007 93,669 75.0% Payments to Other Agencies 239,410 86,439 152,971 36.1% Legal Services 32,473 10,072 22,401 31.0% Indirect Costs 533,305 399,845 133,460 75.0% Ticket Costs-Scratch 6,284,000 2,387,234 3,896,766 38.0% Research 250,000 211,297 38,703 84.5% Vendor Fees 12,376,154 7,401,566 4,974,588 59.8% Prize Payments 400,264,560 231,530,774 168,733,786 57.8% Retailer Compensation 49,290,600 28,144,474 21,146,126 57.1% Multi-State Lottery Funds 177,433 104,249 73,184 58.8% Lottery System Migration 3,281,051 1,097,219 2,183,832 33.4% Powerball Prize Variance 12,960,000 5,642,551 7,317,449 43.5% <	Purch. Of Services-Computer Center	3,052	2,449	603	80.2%
Payments to MNT 374,676 281,007 93,669 75.0% Payments to Other Agencies 239,410 86,439 152,971 36.1% Legal Services 32,473 10,072 22,401 31.0% Indirect Costs 533,305 399,845 133,460 75.0% Ticket Costs-Scratch 6,284,000 2,387,234 3,896,766 38.0% Research 250,000 211,297 38,703 84.5% Vendor Fees 12,376,154 7,401,566 4,974,588 59.8% Prize Payments 400,264,560 231,530,774 168,733,786 57.8% Retailer Compensation 49,290,600 28,144,474 21,146,126 57.1% Multi-State Lottery Funds 177,433 104,249 73,184 58.8% Lottery System Migration 3,281,051 1,097,219 2,183,832 33.4% Powerball Prize Variance 12,960,000 5,642,551 7,317,449 43.5% Rollforwards 13,920 13,920 0 100.0%	Marketing, Communications & Sales	14,700,000	10,260,324	4,439,676	69.8%
Payments to Other Agencies 239,410 86,439 152,971 36.1% Legal Services 32,473 10,072 22,401 31.0% Indirect Costs 533,305 399,845 133,460 75.0% Ticket Costs-Scratch 6,284,000 2,387,234 3,896,766 38.0% Research 250,000 211,297 38,703 84.5% Vendor Fees 12,376,154 7,401,566 4,974,588 59.8% Prize Payments 400,264,560 231,530,774 168,733,786 57.8% Retailer Compensation 49,290,600 28,144,474 21,146,126 57.1% Multi-State Lottery Funds 177,433 104,249 73,184 58.8% Lottery System Migration 3,281,051 1,097,219 2,183,832 33.4% Powerball Prize Variance 12,960,000 5,642,551 7,317,449 43.5% Rollforwards 13,920 13,920 0 100.0%	Communications Services	2,060	1,526	534	74.1%
Legal Services 32,473 10,072 22,401 31.0% Indirect Costs 533,305 399,845 133,460 75.0% Ticket Costs-Scratch 6,284,000 2,387,234 3,896,766 38.0% Research 250,000 211,297 38,703 84.5% Vendor Fees 12,376,154 7,401,566 4,974,588 59.8% Prize Payments 400,264,560 231,530,774 168,733,786 57.8% Retailer Compensation 49,290,600 28,144,474 21,146,126 57.1% Multi-State Lottery Funds 177,433 104,249 73,184 58.8% Lottery System Migration 3,281,051 1,097,219 2,183,832 33.4% Powerball Prize Variance 12,960,000 5,642,551 7,317,449 43.5% Rollforwards 13,920 13,920 0 100.0%	Payments to MNT	374,676	281,007	93,669	75.0%
Indirect Costs 533,305 399,845 133,460 75.0% Ticket Costs-Scratch 6,284,000 2,387,234 3,896,766 38.0% Research 250,000 211,297 38,703 84.5% Vendor Fees 12,376,154 7,401,566 4,974,588 59.8% Prize Payments 400,264,560 231,530,774 168,733,786 57.8% Retailer Compensation 49,290,600 28,144,474 21,146,126 57.1% Multi-State Lottery Funds 177,433 104,249 73,184 58.8% Lottery System Migration 3,281,051 1,097,219 2,183,832 33.4% Powerball Prize Variance 12,960,000 5,642,551 7,317,449 43.5% Rollforwards 13,920 13,920 0 100.0%	Payments to Other Agencies	239,410	86,439	152,971	36.1%
Ticket Costs-Scratch 6,284,000 2,387,234 3,896,766 38.0% Research 250,000 211,297 38,703 84.5% Vendor Fees 12,376,154 7,401,566 4,974,588 59.8% Prize Payments 400,264,560 231,530,774 168,733,786 57.8% Retailer Compensation 49,290,600 28,144,474 21,146,126 57.1% Multi-State Lottery Funds 177,433 104,249 73,184 58.8% Lottery System Migration 3,281,051 1,097,219 2,183,832 33.4% Powerball Prize Variance 12,960,000 5,642,551 7,317,449 43.5% Rollforwards 13,920 13,920 0 100.0%	Legal Services	32,473	10,072	22,401	31.0%
Research 250,000 211,297 38,703 84.5% Vendor Fees 12,376,154 7,401,566 4,974,588 59.8% Prize Payments 400,264,560 231,530,774 168,733,786 57.8% Retailer Compensation 49,290,600 28,144,474 21,146,126 57.1% Multi-State Lottery Funds 177,433 104,249 73,184 58.8% Lottery System Migration 3,281,051 1,097,219 2,183,832 33.4% Powerball Prize Variance 12,960,000 5,642,551 7,317,449 43.5% Rollforwards 13,920 13,920 0 100.0%	Indirect Costs	533,305	399,845	133,460	75.0%
Vendor Fees 12,376,154 7,401,566 4,974,588 59.8% Prize Payments 400,264,560 231,530,774 168,733,786 57.8% Retailer Compensation 49,290,600 28,144,474 21,146,126 57.1% Multi-State Lottery Funds 177,433 104,249 73,184 58.8% Lottery System Migration 3,281,051 1,097,219 2,183,832 33.4% Powerball Prize Variance 12,960,000 5,642,551 7,317,449 43.5% Rollforwards 13,920 13,920 0 100.0%	Ticket Costs-Scratch	6,284,000	2,387,234	3,896,766	38.0%
Prize Payments 400,264,560 231,530,774 168,733,786 57.8% Retailer Compensation 49,290,600 28,144,474 21,146,126 57.1% Multi-State Lottery Funds 177,433 104,249 73,184 58.8% Lottery System Migration 3,281,051 1,097,219 2,183,832 33.4% Powerball Prize Variance 12,960,000 5,642,551 7,317,449 43.5% Rollforwards 13,920 13,920 0 100.0%	Research	250,000	211,297	38,703	84.5%
Retailer Compensation 49,290,600 28,144,474 21,146,126 57.1% Multi-State Lottery Funds 177,433 104,249 73,184 58.8% Lottery System Migration 3,281,051 1,097,219 2,183,832 33.4% Powerball Prize Variance 12,960,000 5,642,551 7,317,449 43.5% Rollforwards 13,920 13,920 0 100.0%	Vendor Fees	12,376,154	7,401,566	4,974,588	59.8%
Multi-State Lottery Funds 177,433 104,249 73,184 58.8% Lottery System Migration 3,281,051 1,097,219 2,183,832 33.4% Powerball Prize Variance 12,960,000 5,642,551 7,317,449 43.5% Rollforwards 13,920 13,920 0 100.0%	Prize Payments	400,264,560	231,530,774	168,733,786	57.8%
Lottery System Migration 3,281,051 1,097,219 2,183,832 33.4% Powerball Prize Variance 12,960,000 5,642,551 7,317,449 43.5% Rollforwards 13,920 13,920 0 100.0%	Retailer Compensation	49,290,600	28,144,474	21,146,126	57.1%
Powerball Prize Variance 12,960,000 5,642,551 7,317,449 43.5% Rollforwards 13,920 13,920 0 100.0%	Multi-State Lottery Funds	177,433	104,249	73,184	58.8%
Rollforwards 13,920 13,920 0 100.0%	Lottery System Migration	3,281,051	1,097,219	2,183,832	33.4%
Notification and the second and the	Powerball Prize Variance	12,960,000	5,642,551	7,317,449	43.5%
TOTAL \$513,035,085 \$295,819,066 \$209,898,570 57.66%	Rollforwards	13,920			
	TOTAL	\$513,035,085	\$295,819,066	\$209,898,570	57.66%

FY10 Staffing (FTE)

126.0 (Appropriated)

114.974 (Projected)

Reconciliation of Expenses per "Statement of Revenues, Expenses and Changes in Retained Earnings" to Budgeted Expenditures:

Expenses Per Statement of Revenues, Expenses and Changes in Retained Earnings

Prize Expense	231,530,774
Powerball Prize Variance	(2,437,980)
Commissions and Bonuses	28,144,474
Cost of Tickets & Vendor Fees	7,941,361
Operating Expenses	21,232,322
Total Expenses per Statement of Revenues, Expenses and Changes in Retained Earnings	286,410,951
Plus: Powerball Variance classified as revenue Telecommunications offset classified as revenue	8,080,531 560,303
Less: Non-appropriated expenses and other adjustments	
Depreciation	(463,893)
Accrued Annual and Sick Leave	(108,866)
Loss on Disposal of Equipment classified as revenue	(38,457)
Sub-Total	294,440,569
Plus: Capitalized Fixed Assets	1,378,497
	295,819,066

Note 1 - FY10 budget includes Lottery Long Bill and transfers from the Department of Revenue and anticipated supplemental funding.

Note 2 - Percent of fiscal year elapsed through March 31, 2010 is 75%.

Note 3 - Amount expended includes expenditures for both capitalized and non-capitalized equipment.