



ANNUAL REPORT

FISCAL YEAR 2023

The mission of the Hoosier Lottery is to return maximum net income to the state in a socially responsible manner.



LETTER FROM THE EXECUTIVE DIRECTOR

For nearly 35 years, the Hoosier Lottery has achieved our mission to maximize revenue to the State of Indiana in a socially responsible manner. As required by Indiana Code 4-30-3-3, the Lottery Commission publishes an annual report detailing the financial statements from the previous fiscal year (FY). As the financial statements within this report indicate, FY 2023 was a great year for the Hoosier Lottery and our beneficiaries. We transferred \$370.2 million to the State of Indiana as surplus revenue, a 6.8% increase over FY 2022. Sales of Lottery products during FY 2023 broke another record with \$1.746 billion in total sales, including \$1.3 billion in Scratch-off sales. Draw games accounted for \$440 million in sales.

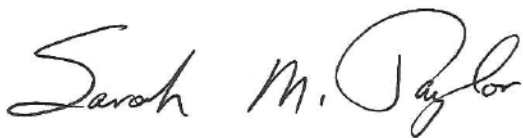
The Hoosier Lottery is proud of our role in providing monies to benefit the Teachers' Retirement Fund, local police and firefighters' pensions, and offsetting up to 50% of motor vehicle excise taxes for all Hoosier vehicle owners through the Lottery Surplus Fund. Giving back to good causes is all part of the Hoosier Lottery's commitment to helping build a "Stronger, Safer, Smarter" Indiana.

We're also proud of our continued partnership with our more than 4,400 retail partners located throughout all 92 counties across the state. Our sales team constantly communicates with retailers, gaining valuable information about changing player dynamics, allowing us to adapt our business plan for continued growth. Because of this great partnership, Hoosier Lottery retailers earned \$118.9 million in retailer commissions in FY 2023. Since the Lottery's creation in 1989, total payments to retailers account for almost \$2 billion.

Likewise, we continue to partner with IGT Indiana to develop new and exciting games. Our newest draw game Cash POP, which officially launched at the end of FY 2023, has seen growth in sales each quarter. We also continue to have exciting promotions, through our myLOTTERY loyalty program, with various professional sports partners and others to provide one-of-a-kind VIP experiences.

This year, I had the honor to serve as president of the North American Association of State and Provincial Lotteries (NASPL). I gained valuable knowledge and deepened important relationships with lotteries across North America, all in an effort to improve the lottery industry as a whole.

Thank you again to everyone involved in making the Hoosier Lottery successful. We look forward to another year of providing outstanding products and service to our players and retailers all while giving back to our good causes.



Sarah M. Taylor
Executive Director of the Hoosier Lottery



FISCAL YEAR 2023 IN REVIEW

OUR MISSION

Return maximum net income to the state in a socially responsible manner

65.63% Prize Payments
6.81% Retailer Commissions
1.72% Police/Fire Pensions
17.77% Lottery Surplus Fund



6.35% Operating Expenses
1.72% Teachers' Retirement Fund



MORE THAN
\$7 BILLION
GIVEN BACK TO
GOOD CAUSES

GIVING
BACK

\$370.2 MILLION
FY 23 Total Contributions
to the State of Indiana

SALES

\$1.307 BILLION

**DRAW
\$439 MILLION**

**TOTAL:
\$1.746 BILLION**

LAUNCHED

SCRATCH OFFS 43 Games Launched
FastPlay 21 Games Launched
CASH POP 1 New Draw Game Launched

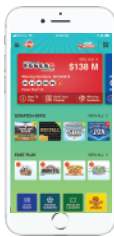
Total: 65

myLOTTERY

Increased membership by
146,930 for a total of
380,285 members
(24.7% increase from FY22)

560,118 DIGITAL
myPlayslip
SCANS AT RETAIL

Over **348,359** Hoosier Lottery app downloads and **89,505,001** ticket scans in FY 23



86.8%
of Retailers
now accept debit for
Hoosier Lottery purchases

\$22 MILLION
IN PUBLICITY
EARNED VALUE IN
INDIANA

\$1.35 BILLION
PRIZES PAID

\$119 MILLION
RETAILER
COMMISSION PAID

HELD
1,200
Walmart Promotional Events,
meeting
180,000 customers

75 Key Account Promotions
across 525 weeks of
overlapping activity

Licensing Accomplishments

New Applications - 117
Change of Ownership Applications - 234
Renewal Applications - 338

Total - 689

**EXPANDED
RESPONSIBLE GAMING
POSITIVE PLAY
EDUCATIONAL TOOLS**



HELD **100** promotional events to help direct players to Scratch-off and Draw game players to Self-Service machines



840
CASES
INVESTIGATED BY
SECURITY DEPARTMENT



4,436
RETAILERS
70.4% CONVENIENCE

**14 ADVERTISING
CAMPAIGNS**

**SCRATCH
OFFS** SCRATCH AWAY
168.9 MILLION
TICKETS SOLD

NUMBER OF EMPLOYEES

124 IGT INDIANA EMPLOYEES
63 COMMISSION EMPLOYEES
5 COMMISSION MEMBERS

THE STATE LOTTERY COMMISSION OF INDIANA
STATEMENTS OF NET POSITION
JUNE 30, 2023 AND 2022

	2023	2022
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 63,072,062	\$ 58,806,302
Investments, Current Portion	8,404,747	9,503,119
Accounts Receivable, Net	168,612,150	153,302,057
Prepaid Expenses	192,888	182,438
Total Current Assets	240,281,847	221,793,916
NONCURRENT ASSETS		
Long-Term Investments, Less Current Portion	60,555,048	69,536,567
Restricted Assets	8,297,040	8,461,597
Net Pension Asset	155,251	-
Capital Assets, Net	1,047,925	1,287,453
Total Noncurrent Assets	70,055,264	79,285,617
 Total Assets	 310,337,111	 301,079,533
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,016,837	1,139,173
CURRENT LIABILITIES		
Accounts Payable:		
State	25,687,016	20,892,448
Trade	31,258,547	35,095,843
Current Portion of Prize Liability	185,392,775	168,859,817
Unearned Revenue	1,232,250	855,965
Other Accrued Expenses	902,854	706,657
Total Current Liabilities	244,473,442	226,410,730
LONG-TERM LIABILITIES		
Prize Liability, Less Current Portion	63,531,422	67,474,384
Net Pension Liability	1,625,170	1,169,219
Total Long-Term Liabilities	65,156,592	68,643,603
 Total Liabilities	 309,630,034	 295,054,333
TOTAL DEFERRED INFLOWS OF RESOURCES	116,762	1,055,026
NET POSITION		
Unrestricted	(7,893,064)	(3,639,703)
Restricted for MUSL	8,297,040	8,461,597
Restricted for Net Pension Asset	155,251	-
Investment in Capital Assets	1,047,925	1,287,453
 Total Net Position	 \$ 1,607,152	 \$ 6,109,347

All financial figures based on Fiscal Year 2023. The above financial information is derived from our June 30, 2023 financial statements, which were audited by CliftonLarsonAllen LLP.

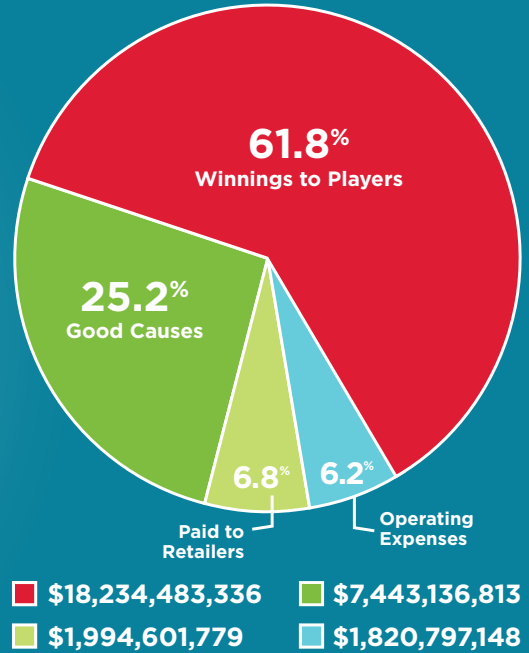
THE STATE LOTTERY COMMISSION OF INDIANA
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
OPERATING REVENUES		
Scratch-Off Ticket Sales, Net	\$ 1,306,695,215	\$ 1,342,882,125
On-Line Ticket Sales	439,601,736	359,973,347
Total Operating Revenues	1,746,296,951	1,702,855,472
OPERATING EXPENSES		
Direct Game Expenses:		
Scratch-Off Games Prizes	924,263,150	950,330,619
On-Line Games Prizes	221,869,149	188,185,149
Total Direct Game Expenses	1,146,132,299	1,138,515,768
Indirect Game Expenses:		
Retailer Commissions	118,924,534	115,550,260
Lottery Expenses:		
Central Gaming System Expenses	32,387,793	31,761,255
Advertising and Promotion	21,823,927	17,714,722
Instant Ticket Printing	16,376,829	17,513,504
Miscellaneous Lottery Expenses	2,338,721	1,946,581
Management Fees	11,703,800	10,981,820
Other Game Expenses	1,100,748	738,603
Total Indirect Game Expenses	204,656,352	196,206,745
Total Operating Expenses	1,350,788,651	1,334,722,513
PROVIDER NET INCOME	395,508,300	368,132,959
OTHER OPERATING EXPENSES		
Salaries, Wages, and Benefits	5,091,006	4,713,744
General and Administrative	2,510,197	2,357,151
Total Other Operating Expenses	7,601,203	7,070,895
OPERATING INCOME	387,907,097	361,062,064
NONOPERATING REVENUES (EXPENSES)		
Interest Income	1,945,196	85,731
Net Decrease in Fair Value of Investments	(5,017,423)	(10,851,795)
Increase in Net Pension Liability	515,228	604,170
Provider Incentive	(19,775,415)	(18,406,648)
Other Income, Net	169,875	4,069,838
Total Nonoperating Expenses, Net	(22,162,539)	(24,498,704)
NET INCOME PRIOR TO DISTRIBUTIONS	365,744,558	336,563,360
DISTRIBUTIONS		
Distributions to the State	(344,559,738)	(319,918,537)
Distributions to be Paid to the State	(25,687,016)	(26,892,448)
Total Distributions	(370,246,754)	(346,810,985)
CHANGE IN NET POSITION	(4,502,195)	(10,247,625)
Net Position - Beginning of Year	6,109,347	16,356,972
NET POSITION - END OF YEAR	\$ 1,607,152	\$ 6,109,347

All financial figures based on Fiscal Year 2023. The above financial information is derived from our June 30, 2023 financial statements, which were audited by CliftonLarsonAllen LLP.



STATEWIDE PAYMENTS SINCE INCEPTION



The Hoosier Lottery has given back more than **\$7 Billion** to good causes since 1989



\$1.0 Billion

to the Teachers' Retirement Fund



\$820 Million

to local police and firefighters' pensions



\$5.5 Billion

to the Lottery Surplus Fund, used in part to lower excise taxes paid by Hoosier vehicle owners

Celebrating Winners

- ✓ \$18.2 Billion Paid to Players
- ✓ \$2.0 Billion Paid to Retailers

KEEPING *Play* POSITIVE

- ✓ Set Your Limits
- ✓ Understand the Odds
- ✓ Have Fun



For more information, check out our CSR Report.

CORPORATE SOCIAL RESPONSIBILITY FY 2023 BY THE NUMBERS



RESPONSIBLE GAMING POSITIVE PLAY PLAYER ENGAGEMENT

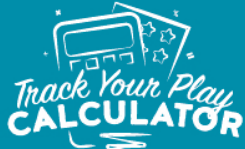
MORE THAN
76,000
POSITIVE PLAY
PAGE VIEWS

MORE THAN
10.7 MILLION
IMPRESSIONS

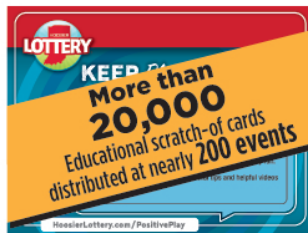
4 **18+ TO PLAY**
1-800-994-8448
PROBLEM GAMBLING
HELPLINE
PLAY RESPONSIBLY
CAMPAIGNS



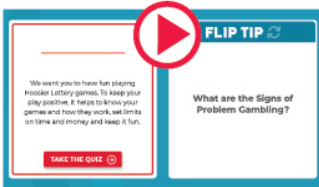
Enhanced online



15 ONLINE
POSITIVE PLAY
FLIP TIPS



**NEW FINANCIAL
WELLNESS VIDEO**



RETAILER & EMPLOYEE TRAINING

18+ TO PLAY
1-800-994-8448
PROBLEM GAMBLING
HELPLINE
PLAY RESPONSIBLY

TRAINING

SALES TEAM
85

NEW EMPLOYEES
26

MARKETING
CODE OF CONDUCT
TRAINING
118

RG Triennial
Training Retail
Locations:

100%
PARTICIPATION

127
RETAILERS

4,355
RETAILERS

TREATMENT REFERRAL

USE OF **18+ TO PLAY**
1-800-994-8448
PROBLEM GAMBLING
HELPLINE
PLAY RESPONSIBLY

345.6 MILLION TICKETS

MORE THAN 1,800
SOCIAL MEDIA POSTS

MORE THAN 2,600
PROMOTIONAL PIECES

MORE THAN 1,000
YouTube VIDEOS

11 ADVERTISING CAMPAIGNS

HELPLINE:

1,213 CALLS
TRANSFERRED
2,167 ONLINE "CHAT NOW"
ENGAGEMENTS
MORE THAN 11,600
CUSTOMER PRINTOUTS AT RETAIL

4,390 LOCATIONS

DID YOU KNOW?

LOTTERY

HOOSIER LOTTERY IS THE ONLY STATE LOTTERY IN THE U.S. THAT HAS A DEDICATED RESPONSIBLE GAMING DEPARTMENT. WE OFFER A VARIETY OF TOOLS AND RESOURCES TO HELP YOU PLAY RESPONSIBLY. VISIT US AT www.hoosierlottery.com/responsible FOR MORE INFORMATION.

GAME DESIGN

100% RG visual assessment
of **43** new games



WORLD LOTTERY ASSOCIATION
CERTIFIED
WLA RESPONSIBLE GAMING
FRAMEWORK
LEVEL 4 / VALID UNTIL 2024

World Lottery Association Level 4 Certification
in Responsible Gaming in our 9th year

RESEARCH

MORE THAN \$64,500 GRANT DOLLARS AWARDED

2 RESEARCH GRANTS AWARDED

3 PROFESSIONAL DEVELOPMENT GRANTS AWARDED

STAKEHOLDER ENGAGEMENT

HOSTED 4 Indiana Council on Problem Gambling Responsible Gaming Committee Meetings, with **25 Indiana Gaming Operators represented**

MEMBERSHIPS



ATTENDED CONFERENCES

National Council on Problem Gambling
Indiana Council on Problem Gambling

PRESENTATIONS FOR

North American Association of State and Provincial Lotteries
Multi-State Lottery Association on the Marketing Code of Conduct

COMMUNITY & EMPLOYEE ENGAGEMENT

4 PHILANTHROPIC DRIVES



2 COMMUNITY ENGAGEMENTS



indyhub



EMPLOYEE APPRECIATION WEEKS



MONTHLY CSR EMPLOYEE NEWSLETTERS

RESPONSIBLE BUSINESS PRACTICES

USE OF DIGITAL



41%

INCREASED OVER FY 22

560,000
my playslip
USES

Created a Sustainability Program plan



Shared **43** LinkedIn Posts



FISCAL YEAR 2023 WINNER HIGHLIGHTS

Scratch-off and Draw Game Winners



Paid \$39,695,800 in prizes to 14 \$1M+ prize winners

627 winners interviewed by Security

2,997 Drawings for Hoosier Lottery Draw games
conducted by Draw Managers

Pictured left to right:

Marilu Maldonado of Gary won \$10,000 playing Quick Draw
Anthony Grier of New Albany won \$500,000 playing Supreme Gold
Austin Bryant of Plainfield won \$50,000 playing Powerball
Mary Mumma of Fort Wayne won \$200,000 playing \$10 Extreme Green

Retailers



Total Payments to Retailers: \$118,924,534

More than \$275,000 earned from Big Jackpot bonuses

Pictured left to right:

Sarah M. Taylor visits with the owners of Bedel's One Stop Marathon in Laurel
Sarah M. Taylor visits with the manager of Circle S Food Mart in Evansville

myLOTTERY and Social Media Winners

Five 2nd Chance Drawings

25 myLOTTERY/social media
drawings conducted

118 winners awarded prizes



Pictured left to right:

myLOTTERY Grand Prize Contestant Debra Tardy of Marion won \$10,000 during an Indianapolis Colts game in January 2023
Two Hoosier Lottery players won a myLOTTERY Grand Prize trip for two to Las Vegas to see the Fever play the Aces court-side

Check out more winning stories by visiting the
Hoosier Stories section on HoosierLottery.com



OUR COMMISSION



The State Lottery Commission of Indiana is composed of five members appointed by the Governor of Indiana. The Commission was created by Indiana law to oversee the operation of the Lottery. The Commission acts as an advisor to the Executive Director making recommendations regarding the operations and management of the Hoosier Lottery®.

William A. Zielke



William A. Zielke was first appointed Chairman of The State Lottery Commission of Indiana in December 2009 by Governor Mitchell E. Daniels, Jr. In May 2013, he was reappointed as Chairman by Governor Michael R. Pence and in January 2018, he was reappointed as Chairman by Governor Eric J. Holcomb.

A native of Chicago, Bill currently resides in Fort Wayne, Indiana. He earned his B.A. from Northern Illinois University and spent 30 years in the telecommunications industry, primarily in leadership positions with Contel of Indiana, Contel of Illinois, and finally as President of GTE North. He then held the position of Vice President of Marketing & International Development with Do It Best Corporation for 12 years, where it was his role to oversee store design & market development,

channel development, member advertising, communications, and e-commerce.

Dedicated to the communities in which he lives and works, Bill has volunteered for many area non-profit organizations and projects. He currently serves as a board member of the Schwab Foundation, Wayne Pipe and Supply, and Horizon Bank. He previously was Commissioner of the Fort Wayne Parks and Recreation Department, Chairman of the Board of Directors for the Greater Fort Wayne Chamber of Commerce, Chairman of the annual fundraising campaign and Chairman of the Board of the United Way, Chairman of the Indiana Telephone Association, and Co-Chair (with wife, Pam) of the Capital Campaign for the YWCA. He formerly was a board member of IU Health Fort Wayne, Junior Achievement, Aboite New Trails, Lutheran Hospital and Lutheran Health Network. In addition, he was a former board member of Kyber Corp. Bill is an active outdoor enthusiast, as is his wife, Pam, and their two adult children.

Norman H. Gurwitz



Norman H. Gurwitz was appointed as a Commissioner of the State Lottery Commission of Indiana in June 2018 by Governor Eric J. Holcomb.

Gurwitz currently is an Indianapolis-based business consultant in the areas of strategic planning, operational management and corporate finance. He previously had a 23-year career with Emmis Communications Corporation where he served as Executive Vice President, Corporate Counsel, and Director of Human Resources. While Emmis Corporation owned the Seattle Mariners baseball team, Gurwitz negotiated all player agreements and arbitration settlements.

Prior to joining Emmis Communications, Gurwitz had a private law practice in Indianapolis and previously worked as an attorney for the Internal Revenue Service in Washington, D.C.

In 2020 Gurwitz was appointed by the Mayor of Indianapolis as Chairman of the Board of the Indianapolis Bond Bank which works with the City Council and Mayor to help the growth of the City of Indianapolis by providing money and support to companies and projects, through bonds. In addition, he was Co-Chair of Big Ten Men's and Women's Basketball Tournaments in Indianapolis and was on the Board of Visitors for IU's McKinney School of Law in Indianapolis. He also was on the Board of Directors for The Finish Line, Inc.

Gurwitz graduated from Indiana University and the IU Law School. He also holds an LLM in tax from Georgetown University School of Law.

Andy Mallon



Andrew J. Mallon has served as the Executive Director of the Capital Improvement Board of Managers (CIB) since May of 2019. As such, Mallon is responsible for all operations, maintenance, and capital improvements of the Indiana Convention Center and Lucas Oil Stadium, as well as capital improvements for Gainbridge Fieldhouse and Victory Field in Indianapolis.

Mallon has successfully steered the CIB through dramatic industry shifts throughout the COVID-19 pandemic, during which he also successfully restructured CIB's existing debt and funded the \$360 Million renovation of Gainbridge Fieldhouse. He is also responsible for the \$130 Million Phase VI expansion of the Indiana Convention Center that will break ground later this year.

Prior to joining the CIB, Mallon served as Corporation Counsel for the City of Indianapolis, supervising all legal representation and counsel. Most notably while at the City of Indianapolis, Mallon oversaw the planning, design, financing, and procurement of the \$600 million Community Justice Campus project. In addition, he served as a lead negotiator and counsel in several other high-profile real estate and economic development projects.

Mallon earned his law degree from the Indiana University McKinney School of Law and his bachelor's degree with honors from the College of William and Mary. He is a life-long Indianapolis resident. He currently lives on the north side of Indy with his wife and two school-aged children.

Roger Utzinger



Roger Utzinger was appointed to the Hoosier Lottery Commission by Governor Eric Holcomb in August 2022. He grew up in Muskegon, Michigan and graduated from Hope College. He earned his MBA from Grand Valley State University.

After service in the US Army, Roger began a 31-year career with GTE including finance positions in Indiana where he was Budget Director and then Vice-President of Finance for the 13-state Eastern Region of GTE. He also worked with GTE corporate leadership in Stamford, Connecticut. His last assignment took him to Dallas, Texas where he helped manage the two-year merger process between Bell Atlantic and Verizon. Since retiring, Roger has consulted with two businesses in the Dallas area.

In addition to his successful business career, Roger is an accomplished church musician both as an organist and a choir director at churches in several communities.

Roger and his wife of 56 years moved back to Carmel, Indiana and are enjoying their two sons' families with five grandchildren.

Robert D. Wynkoop



Robert D. Wynkoop currently works at Purdue University as the Associate Vice President for Administrative Operations. In this role, he leads a team responsible for Purdue's Procurement Services, Real Estate and Development, Space Management, Logistics, the Purdue University Airport, and the Purdue Memorial Union. He has also been the driving force behind several innovative and strategic initiatives on Purdue's West Lafayette campus including partnerships with Amazon, Aramark, Starship, JLL, Subaru, and People's Brewing.

Previously, Wynkoop worked at the Indiana Department of Administration (IDOA) under then-Governor Mitch Daniels, where he served as commissioner from 2010 to 2013. In this position, he ran a key state agency responsible for extracting cost savings and creating efficiencies throughout state government by focusing on strategic approaches to the procurement of goods and services. His team saved Hoosier taxpayers over \$150 million during his time at IDOA.

Wynkoop received his bachelor's degree in business administration from Taylor University and his master's degree in information and communication sciences from Ball State University.

He lives in West Lafayette with his wife and two children.



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PROBLEM GAMBLING
HELPLINE
18+
TO PLAY
PLAY RESPONSIBLY