



# ANNUAL REPORT

## FISCAL YEAR 2022

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

Each year, as required by IC 4-30-3-3, the Lottery Commission publishes an annual report detailing the financial statements from the previous fiscal year. As the following financial statements indicate, FY 2022 was another great year for the Hoosier Lottery and our beneficiaries. We closed the books on FY 2022 with a transfer of \$346.8 million to the State of Indiana, the second highest amount in our 33-year history.

This year was marked by another significant milestone when we surpassed \$7 billion in total transfers to our good causes. The Lottery is proud of our role in providing funds to benefit the Teachers' Retirement Fund, local police and firefighters' pension funds, and offsetting up to 50% of motor vehicle excise taxes for all Hoosier vehicle owners through our contribution to the Lottery Surplus Fund.

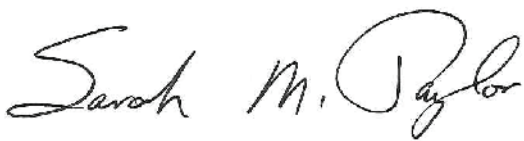
While the Hoosier Lottery can take some credit for our success, much of the praise goes to our approximately 4,400 retailers in all 92 counties. The Hoosier Lottery continues to focus on and partner with our traditional retail partners. Our sales team constantly communicates with retailers to gain valuable information about player preferences and adapting our business plan for continued growth. Because of this great relationship, Hoosier Lottery retailers earned \$115.5 million in retailer commissions during FY 2022. Since the Lottery's creation in 1989, total payments to retailers have surpassed \$1.8 billion. We sincerely thank each and every one of our retail partners.

Thanks also to our loyal Hoosier Lottery players who, in FY 2022, won over \$1.1 billion in prizes. We know that much of those winnings stay within the state and contribute greatly to local communities.

We continue to develop new and exciting Scratch-off games such as the Extreme Green, Ice Cold 7s, and an Elvis inspired ticket. We also continue to give away unique prizes in our myLOTTERY 2nd Chance Promotions, such as tickets to Indiana Pacers' and Indianapolis Colts games.

I'd also like to take a moment of personal privilege and thank the Lottery Commission for allowing me to serve as President of the Multi-State Lottery Association (MUSL) for the past 2 years. While I remained focused on my duties as Executive Director of the Hoosier Lottery, serving as MUSL president allowed me to gain valuable knowledge and deepen relationships with lotteries across North America, all in an effort to improve the lottery industry.

Thank you again to everyone involved in making the Hoosier Lottery successful. You are truly helping the Lottery achieve our mission of maximizing revenues to the State of Indiana in a socially responsible manner.



Sarah M. Taylor  
Executive Director of the Hoosier Lottery

**THE STATE LOTTERY COMMISSION OF INDIANA**  
**STATEMENTS OF NET POSITION**  
**JUNE 30, 2022 AND 2021**

	2022	2021
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 58,806,302	\$ 46,593,744
Investments, Current Portion	9,503,119	9,865,150
Accounts Receivable, Net	153,302,057	160,463,851
Prepaid Transfers to the State and Other Prepaid Expenses	182,438	1,569,562
Total Current Assets	221,793,916	218,492,307
<b>NONCURRENT ASSETS</b>		
Long-Term Investments, Less Current Portion	69,536,567	84,653,398
Prepaid Transfers to the State, Less Current Portion	-	8,423,077
Restricted Assets	8,461,597	8,667,675
Net Pension Asset	-	465,012
Capital Assets, Net	1,287,453	198,870
Total Noncurrent Assets	79,285,617	102,408,032
Total Assets	301,079,533	320,900,339
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	1,139,173	617,922
<b>CURRENT LIABILITIES</b>		
Accounts Payable:		
State	20,892,448	27,738,245
Trade	35,095,843	31,844,834
Current Portion of Prize Liability	168,859,817	159,988,747
Unearned Revenue	855,965	1,852,057
Other Accrued Expenses	706,657	709,238
Total Current Liabilities	226,410,730	222,133,121
<b>LONG-TERM LIABILITIES</b>		
Prize Liability, Less Current Portion	67,474,384	71,832,915
Unearned Revenue	-	8,423,077
Net Pension Liability	1,169,219	1,495,397
Total Noncurrent Liabilities	68,643,603	81,751,389
Total Liabilities	295,054,333	303,884,510
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	1,055,026	1,276,779
<b>NET POSITION</b>		
Unrestricted	(3,639,703)	7,025,415
Restricted for MUSL	8,461,597	8,667,675
Restricted for Net Pension Asset	-	465,012
Investment in Capital Assets	1,287,453	198,870
Total Net Position	\$ 6,109,347	\$ 16,356,972

All financial figures based on Fiscal Year 2022. The above financial information is derived from our June 30, 2022 financial statements, which were audited by CliftonLarsonAllen LLP.

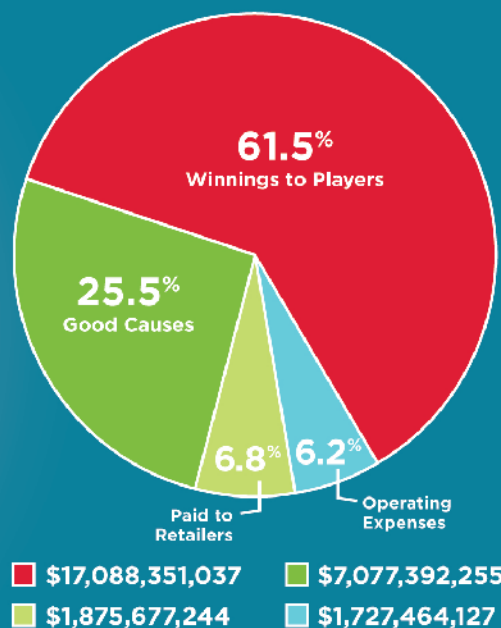
**THE STATE LOTTERY COMMISSION OF INDIANA**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**YEARS ENDED JUNE 30, 2022 AND 2021**

	2022	2021
<b>OPERATING REVENUES</b>		
Scratch-Off Ticket Sales, Net	\$ 1,342,882,125	\$ 1,384,468,618
On-Line Ticket Sales	359,973,347	353,265,414
Total Operating Revenues	<u>1,702,855,472</u>	<u>1,737,734,032</u>
<b>OPERATING EXPENSES</b>		
Direct Game Expenses:		
Scratch-Off Games Prizes	950,330,619	967,253,592
On-Line Games Prizes	188,185,149	176,605,037
Total Direct Game Expenses	<u>1,138,515,768</u>	<u>1,143,858,629</u>
Indirect Game Expenses:		
Retailer Commissions	115,550,260	117,532,198
Lottery Expenses:		
Central Gaming System Expenses	31,761,255	31,739,862
Advertising and Promotion	17,714,722	15,215,154
Instant Ticket Printing	17,513,504	16,607,791
Miscellaneous Lottery Expenses	1,946,581	1,659,160
Management Fees	10,981,820	10,762,659
Other Game Expenses	738,603	504,146
Total Indirect Game Expenses	<u>196,206,745</u>	<u>194,020,970</u>
Total Operating Expenses	<u>1,334,722,513</u>	<u>1,337,879,599</u>
<b>PROVIDER NET INCOME</b>	368,132,959	399,854,433
<b>OTHER OPERATING EXPENSES</b>		
Salaries, Wages, and Benefits	4,713,744	4,457,065
General and Administrative	2,357,151	2,353,093
Total Other Operating Expenses	<u>7,070,895</u>	<u>6,810,158</u>
<b>OPERATING INCOME</b>	361,062,064	393,044,275
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest Income	85,731	17,575
Net Decrease in Fair Value of Investments	(10,851,795)	(7,035,364)
Increase in Net Pension Liability	604,170	350,896
Provider Incentive	(18,406,648)	(19,492,722)
Other Income, Net	4,069,838	1,979,011
Total Nonoperating Expenses, Net	<u>(24,498,704)</u>	<u>(24,180,604)</u>
<b>NET INCOME PRIOR TO DISTRIBUTIONS</b>	336,563,360	368,863,671
<b>DISTRIBUTIONS</b>		
Distributions to the State	(319,918,537)	(347,809,893)
Distributions to be Paid to the State	(26,892,448)	(27,738,245)
Total Distributions	<u>(346,810,985)</u>	<u>(375,548,138)</u>
<b>CHANGE IN NET POSITION</b>	(10,247,625)	(6,684,468)
Net Position - Beginning of year	<u>16,356,972</u>	<u>23,041,440</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 6,109,347</u>	<u>\$ 16,356,972</u>

All financial figures based on Fiscal Year 2022. The above financial information is derived from our June 30, 2022 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



**\$977 Million** to the Teachers' Retirement Fund



**\$790 Million** to local police and firefighters' pensions



**\$5.2 Billion** to the Lottery Surplus Fund, used in part to lower excise taxes paid by Hoosier vehicle owners

### Celebrating Winners

- ✓ \$17.0 Billion Paid to Players
- ✓ \$1.8 Billion Paid to Retailers

### KEEPING *Play* POSITIVE

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

For more information, check out our CSR Report.





# FISCAL YEAR 2022 WINNER HIGHLIGHTS

## Scratch-off and Draw Game Winners



**Paid \$45.8M in prizes to 20 \$1M+ prize winners**

**647 winners interviewed by Security**

**730 Drawings for Hoosier Lottery Draw games conducted by Draw Managers**

Pictured: Top left - Wendy Kalsch from Mount Vernon \$50,000 Powerball® winner  
Top right - Claraetta Wilkerson from Portage \$50,000 Extreme Cash Scratch-off winner  
Bottom left - Sam Gadsen from Indianapolis \$1,000,000 Mega Millions® winner  
Bottom right - Craig J. from Plainfield \$15,800,000 Hoosier Lotto® winner

## myLOTTERY and Social Media Winners

**7 2nd Chance Drawings**

**33 myLOTTERY/social media drawings conducted**

**186 winners awarded prizes**



Pictured: Top - David Lacy from Tipton, celebrates winning Indianapolis Colts 2022-2023 Club Season Tickets  
Bottom left - Pamela Bliss, grand prize winner of the myLOTTERY promotion with the Indiana Pacers, enjoys a pregame on-court experience  
Bottom Right - The Hoosier Lottery awarded a Frankfort, Ind. man, Jeff Ramsey and his fiancé a 2021 Chevy Silverado won as part of its 2021 Indiana State Fair Truck Giveaway 2nd Chance Promotion

## Retailers

**Total Payments to Retailers: \$115M**

**More than \$322K earned from big jackpot bonuses**



Pictured: Top - Lassus Bros. Oil, Inc. received a retail bonus check of \$100,000 for selling the \$15.8 million Hoosier Lotto® jackpot winning ticket

**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 Zielke currently resides in Fort Wayne, Indiana. Bill 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 twelve 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 Commissioner of the Fort Wayne Parks and Recreation Department and is a board member of IU Health Fort Wayne, the Schwab Foundation, Wayne Pipe and Supply, and Horizon Bank. He previously was 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; board member of Junior Achievement; and Co-chair (with wife, Pam) of the Capital Campaign for the YWCA. He formerly was a board member of 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 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, DC.

In the community, 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.

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## 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.

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## 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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