

**OREGON STATE LOTTERY**  
**Operating Statement Summary**  
**For the Month Ended 11/30/2016**  
**Rounded to Whole Thousands**

	Traditional Lottery				Video Lottery				Total Lottery			
	Current Month Actual	Current Month Budget	Last Year Actual	Actual to Budget Variance	Current Month Actual	Current Month Budget	Last Year Actual	Actual to Budget Variance	Current Month Actual	Current Month Budget	Last Year Actual	Actual to Budget Variance
Revenue	\$27,941	\$25,838	\$24,244	\$2,103	\$952,860	\$944,818	\$905,341	\$8,042	\$980,801	\$970,656	\$929,585	\$10,145
Prizes	16,744	16,816	15,517	71	879,191	871,786	837,154	(7,405)	895,935	888,601	852,671	(7,334)
Net revenue	11,197	9,022	8,727	2,174	73,669	73,033	68,188	637	84,866	82,055	76,914	2,811
Direct expenses	4,307	3,946	3,752	(361)	20,166	22,046	18,796	1,881	24,473	25,992	22,548	1,520
Indirect revenue/expenses	666	679	519	13	5,173	6,816	5,154	1,644	5,839	7,495	5,673	1,656
<b>Net profit</b>	<b>\$6,223</b>	<b>\$4,397</b>	<b>\$4,456</b>	<b>\$1,826</b>	<b>\$48,331</b>	<b>\$44,170</b>	<b>\$44,237</b>	<b>\$4,162</b>	<b>\$54,554</b>	<b>\$48,567</b>	<b>\$48,693</b>	<b>\$5,987</b>

**Percentages of Distributable Revenue For the Month:**

Prizes	59.8%	65.1%	64.0%	92.2%	92.3%	92.5%	91.3%	91.5%	91.7%
Administrative Expenses	17.9%	17.9%	17.7%	2.7%	3.1%	2.7%	3.1%	3.5%	3.1%

**Year to Date Operating Summary:**

**Percentages of Distributable Revenue For the Year to Date:**

Prizes	62.1%	64.7%	65.7%	92.2%	92.2%	92.5%	91.4%	91.5%	91.8%
Administrative Expenses	17.0%	17.8%	16.6%	2.7%	3.1%	2.7%	3.1%	3.5%	3.1%

**OREGON STATE LOTTERY**  
**Operating Statement**  
**For the Month Ended 11/30/2016**  
**Net Revenue Basis**

	<b>Total Lottery</b>									
	<u>Traditional</u>	<u>% of Net</u>	<u>Video</u>	<u>% of Net</u>	<u>Total Actual</u>	<u>% of Net</u>	<u>Budget</u>	<u>% of Net</u>	<u>Variance</u>	<u>% Variance</u>
<b>Revenue</b>										
Scratch-Its <sup>SM</sup> Instant Tickets	\$10,315,968				\$10,315,968		\$10,325,676		(\$9,708)	0%
Megabucks <sup>SM</sup>	2,873,845				2,873,845		2,719,455		154,390	6%
Powerball <sup>®</sup>	5,397,021				5,397,021		3,168,959		2,228,062	70%
Mega Millions <sup>®</sup>	1,117,723				1,117,723		1,205,778		(88,055)	(7%)
Raffle <sup>SM</sup>										0%
Keno	7,692,711				7,692,711		7,841,323		(148,612)	(2%)
Pick 4 <sup>SM</sup>	115,853				115,853		125,644		(9,791)	(8%)
Win For Life <sup>SM</sup>	299,074				299,074		294,321		4,753	2%
Lucky Lines <sup>SM</sup>	128,448				128,448		156,428		(27,980)	(18%)
Video Lottery <sup>SM</sup> (Gross Receipts)			952,860,456		952,860,456		944,818,327		8,042,129	1%
Total	27,940,643		952,860,456		980,801,099		970,655,911		10,145,188	1%
Prize Expense	16,744,122		879,191,053		895,935,174		888,601,365		(7,333,809)	(1%)
<b>Net Revenue</b>	<b>11,196,521</b>	<b>100%</b>	<b>73,669,404</b>	<b>100%</b>	<b>84,865,925</b>	<b>100%</b>	<b>82,054,546</b>	<b>100%</b>	<b>2,811,379</b>	<b>3%</b>
<b>Direct Expenses</b>										
Commissions	2,362,822	21%	17,873,384	24%	20,236,206	24%	20,106,503	25%	(129,704)	(1%)
Game Vendor Charges	598,372	5%	39,376	0%	637,748	1%	825,509	1%	187,761	23%
Tickets	331,749	3%		0%	331,749	0%	253,601	0%	(78,148)	(31%)
Advertising	943,444	8%	16,767	0%	960,212	1%	993,374	1%	33,162	3%
Sales Support	43,600	0%		0%	43,600	0%	89,250	0%	45,650	51%
Game Equipment, Parts & Maintenance		0%	24,255	0%	24,255	0%	845,623	1%	821,368	97%
Depreciation	27,304	0%	2,211,743	3%	2,239,046	3%	2,878,623	4%	639,577	22%
<b>Total Direct Expenses</b>	<b>4,307,292</b>	<b>38%</b>	<b>20,165,525</b>	<b>27%</b>	<b>24,472,817</b>	<b>29%</b>	<b>25,992,483</b>	<b>32%</b>	<b>1,519,666</b>	<b>6%</b>
<b>Gross Profit</b>	<b>6,889,229</b>	<b>62%</b>	<b>53,503,879</b>	<b>73%</b>	<b>60,393,108</b>	<b>71%</b>	<b>56,062,063</b>	<b>68%</b>	<b>4,331,045</b>	<b>8%</b>
Gross Profit as Percent of Total Lottery	11.41%		88.59%		100.00%					
<b>Indirect Revenue</b>										
Gain (Loss) on Sale of Fixed Assets	(181)	0%	(1,406)	0%	(1,588)	0%		0%	(1,588)	0%
Other Income	37,949	0%	294,727	0%	332,676	0%	134,000	0%	198,676	148%
<b>Total Indirect Revenue</b>	<b>37,768</b>	<b>0%</b>	<b>293,321</b>	<b>0%</b>	<b>331,089</b>	<b>0%</b>	<b>134,000</b>	<b>0%</b>	<b>197,089</b>	<b>147%</b>
<b>Indirect Expenses</b>										
Public Information	73,585	1%	571,480	1%	645,065	1%	589,071	1%	(55,994)	(10%)
Market Research	9,331	0%	72,469	0%	81,800	0%	132,847	0%	51,047	38%
Personal Services	460,215	4%	3,574,175	5%	4,034,391	5%	4,316,337	5%	281,946	7%
Services & Supplies	133,808	1%	1,039,190	1%	1,172,998	1%	2,179,493	3%	1,006,495	46%
Depreciation	26,860	0%	208,603	0%	235,463	0%	411,278	1%	175,815	43%
<b>Total Indirect Expenses</b>	<b>703,799</b>	<b>6%</b>	<b>5,465,918</b>	<b>7%</b>	<b>6,169,716</b>	<b>7%</b>	<b>7,629,026</b>	<b>9%</b>	<b>1,459,309</b>	<b>19%</b>
<b>Net Profit</b>	<b>\$6,223,199</b>	<b>56%</b>	<b>\$48,331,282</b>	<b>66%</b>	<b>\$54,554,481</b>	<b>64%</b>	<b>\$48,567,038</b>	<b>59%</b>	<b>\$5,987,443</b>	<b>12%</b>

**OREGON STATE LOTTERY**  
**Supplemental Schedule of Services and Supplies Expenses**  
**For the month ended 11/30/2016**

	<u>Traditional</u>			<u>Video</u>			<u>Total Lottery</u>		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Travel	\$2,754	\$4,991	\$2,237	\$21,392	\$50,128	\$28,736	\$24,146	\$55,119	\$30,973
Office Expenses	3,424	5,010	1,586	26,592	50,319	23,727	30,016	55,329	25,313
Retailer Network Expenses	70,111	57,021	(13,090)	544,504	572,763	28,259	614,615	629,784	15,169
Retailer Network Recovery	(68,675)	(54,552)	14,123	(533,352)	(547,958)	(14,606)	(602,027)	(602,510)	(483)
Telecommunications	12,424	9,714	(2,710)	96,492	97,579	1,087	108,917	107,293	(1,624)
Intergovernmental Charges	8,589	6,710	(1,879)	66,704	67,401	697	75,293	74,111	(1,182)
Technology Expenses	25,197	34,789	9,592	195,686	349,451	153,765	220,883	384,240	163,357
Professional Services	56,377	108,703	52,326	437,845	1,091,889	654,044	494,222	1,200,592	706,370
Staff Training & Recruiting	5,502	3,757	(1,745)	42,728	37,742	(4,986)	48,230	41,499	(6,731)
Facilities	5,421	6,570	1,149	42,100	65,991	23,891	47,521	72,561	25,040
Facilities Maintenance	5,575	2,594	(2,981)	43,301	26,056	(17,245)	48,876	28,650	(20,226)
Other Services & Supplies	2,240	5,783	3,543	17,399	58,084	40,685	19,640	63,867	44,227
Fleet Expenses	6,211	6,244	33	48,234	62,714	14,480	54,445	68,958	14,513
Supplier Diversity	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>135,150</b>	<b>197,334</b>	<b>62,184</b>	<b>1,049,625</b>	<b>1,982,159</b>	<b>932,534</b>	<b>1,184,777</b>	<b>2,179,493</b>	<b>994,716</b>
Less Non Distributable Revenue	(1,344)	-	1,344	(10,435)	-	10,435	(11,779)	-	11,779
<b>AMOUNT REPORTED</b>	<b>\$133,806</b>	<b>\$197,334</b>	<b>\$63,528</b>	<b>\$1,039,190</b>	<b>\$1,982,159</b>	<b>\$942,969</b>	<b>\$1,172,998</b>	<b>\$2,179,493</b>	<b>\$1,006,495</b>

**OREGON STATE LOTTERY**  
**Operating Statement**  
**For the Year to Date through 11/30/2016**  
**Net Revenue Basis**

					<u>Total Lottery</u>					
	<u>Traditional</u>	<u>% of Net</u>	<u>Video</u>	<u>% of Net</u>	<u>Total Actual</u>	<u>% of Net</u>	<u>Budget</u>	<u>% of Net</u>	<u>Variance</u>	<u>% Variance</u>
<b>Revenue</b>										
Scratch-Its <sup>SM</sup> Instant Tickets	\$49,943,807				\$49,943,807		\$50,002,627		(\$58,820)	0%
Megabucks <sup>SM</sup>	15,297,770				15,297,770		14,999,943		297,827	2%
Powerball <sup>®</sup>	19,899,063				19,899,063		17,628,099		2,270,964	13%
Mega Millions <sup>®</sup>	7,787,928				7,787,928		7,495,257		292,671	4%
Raffle <sup>SM</sup>										0%
Keno	39,865,739				39,865,739		39,963,026		(97,287)	0%
Pick 4 <sup>SM</sup>	604,351				604,351		614,507		(10,157)	(2%)
Win For Life <sup>SM</sup>	1,550,586				1,550,586		1,535,617		14,969	1%
Lucky Lines <sup>SM</sup>	861,176				861,176		895,367		(34,191)	(4%)
Video Lottery <sup>SM</sup> (Gross Receipts)			4,820,518,930		4,820,518,930		4,800,570,120		19,948,810	0%
<b>Total</b>	<b>135,810,419</b>		<b>4,820,518,930</b>		<b>4,956,329,349</b>		<b>4,933,704,563</b>		<b>22,624,786</b>	<b>0%</b>
Prize Expense	84,561,420		4,446,785,023		4,531,346,443		4,514,657,782		(16,688,661)	0%
<b>Net Revenue</b>	<b>51,248,999</b>	<b>100%</b>	<b>373,733,907</b>	<b>100%</b>	<b>424,982,906</b>	<b>100%</b>	<b>419,046,781</b>	<b>100%</b>	<b>5,936,125</b>	<b>1%</b>
<b>Direct Expenses</b>										
Commissions	11,553,446	23%	94,101,866	25%	105,655,312	25%	105,793,994	25%	138,682	0%
Game Vendor Charges	2,979,214	6%	689,088	0%	3,668,302	1%	4,194,633	1%	526,331	13%
Tickets	1,299,266	3%		0%	1,299,266	0%	1,234,697	0%	(64,569)	(5%)
Advertising	3,534,350	7%	421,510	0%	3,955,859	1%	4,966,870	1%	1,011,011	20%
Sales Support	231,557	0%		0%	231,557	0%	446,250	0%	214,693	48%
Game Equipment, Parts & Maintenance		0%	328,066	0%	328,066	0%	4,228,115	1%	3,900,049	92%
Depreciation	136,518	0%	10,821,208	3%	10,957,726	3%	14,661,179	3%	3,703,453	25%
<b>Total Direct Expenses</b>	<b>19,734,350</b>	<b>39%</b>	<b>106,361,737</b>	<b>28%</b>	<b>126,096,087</b>	<b>30%</b>	<b>135,525,737</b>	<b>32%</b>	<b>9,429,650</b>	<b>7%</b>
<b>Gross Profit</b>	<b>31,514,649</b>	<b>61%</b>	<b>267,372,170</b>	<b>72%</b>	<b>298,886,819</b>	<b>70%</b>	<b>283,521,044</b>	<b>68%</b>	<b>15,365,775</b>	<b>5%</b>
Gross Profit as Percent of Total Lottery	10.54%		89.46%		100.00%					
<b>Indirect Revenue</b>										
Gain (Loss) on Sale of Fixed Assets	(9,083)	0%	(77,057)	0%	(86,139)	0%		0%	(86,139)	0%
Other Income	187,962	0%	1,594,678	0%	1,782,639	0%	670,000	0%	1,112,639	166%
<b>Total Indirect Revenue</b>	<b>178,879</b>	<b>0%</b>	<b>1,517,621</b>	<b>0%</b>	<b>1,696,500</b>	<b>0%</b>	<b>670,000</b>	<b>0%</b>	<b>1,026,500</b>	<b>153%</b>
<b>Indirect Expenses</b>										
Public Information	321,938	1%	2,731,337	1%	3,053,274	1%	2,945,355	1%	(107,919)	(4%)
Market Research	(12,658)	0%	(107,395)	0%	(120,053)	0%	664,235	0%	784,288	118%
Personal Services	2,084,011	4%	17,680,874	5%	19,764,885	5%	21,581,685	5%	1,816,800	8%
Services & Supplies	563,229	1%	4,778,469	1%	5,341,698	1%	10,897,465	3%	5,555,767	51%
Depreciation	126,569	0%	1,073,821	0%	1,200,391	0%	1,785,808	0%	585,417	33%
<b>Total Indirect Expenses</b>	<b>3,083,089</b>	<b>6%</b>	<b>26,157,106</b>	<b>7%</b>	<b>29,240,195</b>	<b>7%</b>	<b>37,874,548</b>	<b>9%</b>	<b>8,634,353</b>	<b>23%</b>
<b>Net Profit</b>	<b>\$28,610,439</b>	<b>56%</b>	<b>\$242,732,685</b>	<b>65%</b>	<b>\$271,343,124</b>	<b>64%</b>	<b>\$246,316,496</b>	<b>59%</b>	<b>\$25,026,628</b>	<b>10%</b>

Unaudited; not presented in accordance with GAAP

\*FY 2017 budget amounts are based on the December 2016 forecast

**OREGON STATE LOTTERY**  
**Supplemental Schedule of Services and Supplies Expenses**  
**For the Year to Date through 11/30/2016**

	Traditional			Video			Total Lottery		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Travel	\$18,110	\$26,066	\$7,956	\$153,645	\$249,529	\$95,884	\$171,754	\$275,595	\$103,841
Office Expenses	16,492	26,165	9,673	139,921	250,480	110,559	156,413	276,645	120,232
Retailer Network Expenses	338,103	297,828	(40,275)	2,868,486	2,851,092	(17,394)	3,206,588	3,148,920	(57,668)
Retailer Network Recovery	(318,534)	(284,930)	33,604	(2,702,466)	(2,727,620)	(25,154)	(3,021,000)	(3,012,550)	8,450
Telecommunications	52,590	50,739	(1,851)	446,178	485,726	39,548	498,768	536,465	37,697
Intergovernmental Charges	43,585	35,047	(8,538)	369,778	335,508	(34,270)	413,363	370,555	(42,808)
Technology Expenses	121,786	181,709	59,923	1,033,237	1,739,491	706,254	1,155,022	1,921,200	766,178
Professional Services	214,581	567,766	353,185	1,820,518	5,435,194	3,614,676	2,035,099	6,002,960	3,967,861
Staff Training & Recruiting	14,667	19,625	4,958	124,434	187,870	63,436	139,100	207,495	68,395
Facilities	25,396	34,314	8,918	215,458	328,491	113,033	240,854	362,805	121,951
Facilities Maintenance	14,363	13,549	(814)	121,859	129,701	7,842	136,222	143,250	7,028
Other Services & Supplies	11,425	30,203	18,778	96,928	289,132	192,204	108,353	319,335	210,982
Fleet Expenses	23,713	32,611	8,898	201,181	312,179	110,998	224,894	344,790	119,896
Supplier Diversity	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>576,277</b>	<b>1,030,692</b>	<b>454,415</b>	<b>4,889,157</b>	<b>9,866,773</b>	<b>4,977,616</b>	<b>5,465,430</b>	<b>10,897,465</b>	<b>5,432,035</b>
Less Non Distributable Revenue	(13,046)	-	13,046	(110,686)	-	110,686	(123,733)	-	123,733
<b>AMOUNT REPORTED</b>	<b>\$563,231</b>	<b>\$1,030,692</b>	<b>\$467,461</b>	<b>\$4,778,471</b>	<b>\$9,866,773</b>	<b>\$5,088,302</b>	<b>\$5,341,697</b>	<b>\$10,897,465</b>	<b>\$5,555,768</b>

**OREGON STATE LOTTERY**  
**Comparative Balance Sheet**

	<u>As of</u> <u>11/30/2016</u>	<u>As of</u> <u>11/30/2015</u>
<b>Assets</b>		
Current Assets:		
Cash	\$361,736,758	\$300,280,837
Investments for Prize Payments at Fair Value	11,172,889	11,992,285
Accounts Receivable - Games	15,362,634	24,512,995
Accounts Receivable - Other	11,378	104,454
Allowance for Doubtful Accounts	(46,636)	(77,965)
Ticket Inventory	1,466,945	1,997,882
Prepaid Expenses	2,030,247	1,830,035
<b>Total Current Assets</b>	<b>391,734,216</b>	<b>340,640,523</b>
Noncurrent Assets:		
Investments for Prize Payments at Fair Value	122,708,485	127,017,981
Prize Reserves with Multi-State Lottery (MUSL)	3,213,698	3,299,068
Equipment Receivable	5,177,125	-
Net Pension Asset	-	4,500,208
Capital Assets:		
Equipment, Net of Accumulated Depreciation	77,664,204	65,721,649
Computer Software, Net of Accumulated Depreciation	17,367,628	5,413,169
Building and Improvements, Net of Accumulated Depreciation	5,631,041	5,422,837
Intangibles Non-Software, Net of Accumulated Depreciation	126,302	342,820
Vehicles, Net of Accumulated Depreciation	2,707,749	2,112,476
Construction In Progress	1,559,375	-
Leasehold Improvements, Net of Accumulated Depreciation	30,926	89,760
<b>Total Noncurrent Assets</b>	<b>236,186,534</b>	<b>213,919,968</b>
Deferred Outflows	2,940,774	1,665,565
<b>Total Assets and Deferred Outflows</b>	<b>\$630,861,524</b>	<b>\$556,226,056</b>
<b>Liabilities</b>		
Current Liabilities:		
Economic Development Fund Liability	\$108,859,552	\$104,537,296
Prize Liability	27,002,776	27,709,615
Prize Liability - Investments at Fair Value	11,277,433	11,989,385
Accounts Payable	10,562,430	21,373,228
Compensated Absences - Current	3,795,351	3,750,405
Deferred Revenue	302,678	424,013
Deposit Liability	156,684	107,605
Contracts Payable - Current	1,787,299	485,332
<b>Total Current Liabilities</b>	<b>163,744,202</b>	<b>170,376,879</b>
Noncurrent Liabilities:		
Deferred Prize Liability	125,354,818	129,382,636
Contracts Payable - Noncurrent	21,076,414	5,136,944
Net Pension Liability	11,406,657	-
Net Other Postemployment Benefits (OPEB) Obligation	691,535	764,716
<b>Total Noncurrent Liabilities</b>	<b>158,529,424</b>	<b>135,284,296</b>
Deferred Inflows	2,777,285	8,683,579
<b>Total Liabilities and Deferred Inflows</b>	<b>325,050,912</b>	<b>314,344,754</b>
<b>Equity</b>		
Retained Earnings:		
Fixed Asset Book Value	105,087,226	79,102,711
Restricted Reserves, Inventory, Prepaids and Deferred Outflows	9,651,664	13,292,758
Asset Purchases Committed by Commission	97,697,400	73,881,659
Capital Reserve for VLTM Program	15,000,000	-
Operating Working Capital	78,374,322	75,604,175
<b>Total Retained Earnings</b>	<b>305,810,612</b>	<b>241,881,303</b>
<b>Total Liabilities and Equity</b>	<b>\$630,861,524</b>	<b>\$556,226,056</b>

**OREGON STATE LOTTERY**  
**Statement of Cash Flows - Direct Method**  
**For the Month Ended 11/30/2016**

	<u>November</u>	<u>Year to Date</u>
<b>Cash Flows from Operating Activities:</b>		
Receipts from Customers	\$992,795,811	\$4,958,719,945
Payments to Prize Winners	(\$898,718,061)	(\$4,535,942,528)
Payments to Employees	(\$3,980,272)	(\$19,760,664)
Payments to Suppliers	(\$23,932,197)	(\$126,849,563)
<b>Net Cash Provided (Used) in Operating Activities</b>	<b>\$66,165,281</b>	<b>\$276,167,189</b>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Transfers to Other Funds	-	(\$329,607,497)
Other Income	\$25,218	\$546,635
<b>Net Cash Provided (Used) in Noncapital Financing Activities</b>	<b>25,218</b>	<b>(329,060,862)</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Acquisition/Restoration of Capital Assets	(\$91,579)	(\$9,264,745)
Contract Payments	(\$232,777)	(\$591,358)
Proceeds from Disposition/Impairment of Capital Assets	\$2,087	\$89,488
<b>Net Cash Provided (Used) in Capital and Related Financing Activities</b>	<b>(322,269)</b>	<b>(9,766,615)</b>
<b>Cash Flows from Investing Activities:</b>		
Purchases of Investments	-	(\$203,586)
Proceeds from Sales and Maturities of Investments	\$773,000	\$4,976,000
Interest on Investments and Cash Balances	\$296,647	\$1,570,066
Investment Expense	-	(\$3,242)
<b>Net Cash Provided (Used) in Investing Activities</b>	<b>\$1,069,647</b>	<b>\$6,339,239</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>66,937,877</b>	<b>(56,321,049)</b>
Cash and Cash Equivalents - Beginning	\$294,798,882	\$418,057,807
<b>Cash and Cash Equivalents - Ending</b>	<b>\$361,736,758</b>	<b>\$361,736,758</b>
<b>Reconciliation of Operating Income to Net Cash Provided (used) by Operating Activities</b>		
<b>Operating Income (Loss)</b>	<b>\$54,554,481</b>	<b>\$271,343,124</b>
<b>Adjustments to reconcile operating income to cash flows from operating activities</b>		
Depreciation and Amortization	2,474,509	12,158,117
Capital Asset Reclassifications to/(from) Expense	0	185,020
Other Income	(342,868)	(1,820,233)
<b>Net Changes in Assets and Liabilities:</b>		
(Increase) / Decrease in Accounts Receivable - Games	12,196,458	2,878,774
(Increase) / Decrease in Securities	6,352,676	13,528,935
(Increase) / Decrease in Ticket Inventory	120,738	103,771
(Increase) / Decrease in Prepaid Expenses	39,692	(576,216)
Increase / (Decrease) in Accounts Payable	28,791	(3,031,872)
Increase / (Decrease) in Compensated Absences Liability	39,800	(76,716)
Increase / (Decrease) in Deposit Liability	38,314	87,684
Increase / (Decrease) in Deferred Revenue	(201,747)	(488,178)
Increase / (Decrease) in Prize Liability	(9,400,635)	(19,791,872)
Increase in Economic Development Liability - Unclaimed Prizes Payable	265,072	1,666,853
Increase / (Decrease) in Net OPEB Obligation	0	0
<b>Total Adjustments and Changes</b>	<b>11,610,800</b>	<b>4,824,065</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$66,165,281</b>	<b>\$276,167,189</b>

**OREGON STATE LOTTERY**  
Fiscal Year 2017 Financial Plan

	Commission Approved Budget			Forecast Adjustments					Adjusted Budget		
	Traditional	Video	Total	September	December	Mid Year	March	May	Traditional	Video	Total
<b>Revenue</b>											
Video Lottery <sup>SM</sup>	-	\$11,755,558,363	\$11,755,558,363	\$19,505,629	(\$58,407,962)	-	-	-	-	\$11,716,656,030	\$11,716,656,030
Scratch-its <sup>SM</sup> Instant Tickets	132,060,443	-	132,060,443	(2,092,748)	(1,203,763)	-	-	-	128,763,932	-	128,763,932
Megabucks <sup>SM</sup>	32,702,402	-	32,702,402	1,602,883	(150,728)	-	-	-	34,154,557	-	34,154,557
Pick 4 <sup>SM</sup>	1,498,060	-	1,498,060	25,368	(26,627)	-	-	-	1,496,801	-	1,496,801
Powerball®	39,729,951	-	39,729,951	1,619,055	(844,403)	-	-	-	40,504,603	-	40,504,603
Mega Millions®	14,533,185	-	14,533,185	1,690,412	(208,034)	-	-	-	16,015,563	-	16,015,563
Win for Life <sup>SM</sup>	3,782,566	-	3,782,566	17,488	(139,916)	-	-	-	3,660,138	-	3,660,138
Keno	94,903,556	-	94,903,556	2,637,292	(2,379,763)	-	-	-	95,161,085	-	95,161,085
Lucky Lines <sup>SM</sup>	1,903,214	-	1,903,214	28,578	69,004	-	-	-	2,000,796	-	2,000,796
Raffle <sup>SM</sup>	2,500,000	-	2,500,000	-	-	-	-	-	2,500,000	-	2,500,000
<b>Total Revenue</b>	<b>323,613,377</b>	<b>11,755,558,363</b>	<b>12,079,171,740</b>	<b>25,033,957</b>	<b>(63,292,192)</b>				<b>324,257,475</b>	<b>11,716,656,030</b>	<b>12,040,913,505</b>
Less: Prizes	210,243,041	10,863,957,371	11,074,200,412	17,333,071	(58,829,590)	-	-	-	210,332,566	10,822,371,326	11,032,703,892
<b>Net revenue</b>	<b>113,370,336</b>	<b>891,600,992</b>	<b>1,004,971,328</b>	<b>7,700,886</b>	<b>(4,462,602)</b>				<b>113,924,908</b>	<b>894,284,704</b>	<b>1,008,209,612</b>
<b>Direct Expenses</b>											
Commissions	27,350,350	210,357,284	237,707,634	1,837,634	(1,081,078)	-	-	-	27,404,712	211,059,478	238,464,189
Game Vendor Charges	7,195,793	2,940,873	10,136,666	93,976	(83,027)	-	-	-	7,206,742	2,940,873	10,147,615
Tickets	3,142,715	-	3,142,715	-	-	-	-	-	3,142,715	-	3,142,715
Advertising	9,740,470	2,180,000	11,920,470	-	-	-	-	-	9,740,470	2,180,000	11,920,470
Sales Support	1,071,016	-	1,071,016	-	-	-	-	-	1,071,016	-	1,071,016
Game Equip, Parts & Maint	-	10,147,500	10,147,500	-	-	-	-	-	-	10,147,500	10,147,500
Depreciation	323,625	34,854,327	35,177,952	-	-	-	-	-	323,625	34,854,327	35,177,952
<b>Total Direct Expenses</b>	<b>48,823,968</b>	<b>260,479,984</b>	<b>309,303,952</b>	<b>1,931,610</b>	<b>(1,164,106)</b>				<b>48,889,279</b>	<b>261,182,177</b>	<b>310,071,457</b>
<b>Gross Profit</b>	<b>64,546,368</b>	<b>631,121,008</b>	<b>695,667,376</b>	<b>5,769,276</b>	<b>(3,298,496)</b>				<b>65,035,629</b>	<b>633,102,527</b>	<b>698,138,156</b>
Relative Gross Profit %	9.28%	90.72%	100.00%						9.28%	90.72%	100.00%
<b>Indirect Revenue</b>	<b>149,196</b>	<b>1,458,804</b>	<b>1,608,000</b>						<b>149,196</b>	<b>1,458,804</b>	<b>1,608,000</b>
<b>Indirect Expenses</b>											
Public Information	683,707	6,685,143	7,368,850	(300,000)	-	-	-	-	655,872	6,412,978	7,068,850
Market Research	147,913	1,446,257	1,594,170	-	-	-	-	-	147,913	1,446,257	1,594,170
Salaries & Benefits	4,882,411	47,739,190	52,621,601	-	-	-	-	-	4,882,411	47,739,190	52,621,601
Services & Supplies	2,398,950	23,456,424	25,855,374	300,000	-	-	-	-	2,426,785	23,728,589	26,155,374
Depreciation	382,418	3,739,208	4,121,626	-	-	-	-	-	382,418	3,739,208	4,121,626
<b>Total Indirect Expenses</b>	<b>8,495,399</b>	<b>83,066,222</b>	<b>91,561,621</b>						<b>8,495,399</b>	<b>83,066,222</b>	<b>91,561,621</b>
<b>Net Profit</b>	<b>\$56,200,165</b>	<b>\$549,513,590</b>	<b>\$605,713,755</b>	<b>\$5,769,276</b>	<b>(\$3,298,496)</b>				<b>\$56,689,426</b>	<b>\$551,495,109</b>	<b>\$608,184,535</b>
<b>Additional Information:</b>											
Capital Outlay			\$98,234,250							\$98,234,250	
FTE Count			479							479	