

South Carolina Education Lottery
Statement of Net Position
June 30, 2018

Assets

Current Assets	
Cash	\$ 24,227,946
Accounts Receivable	48,016,609
Allowance for Doubtful Accounts	(1,256,113)
Inventory - Instant Tickets	4,226,495
Prepaid Expenses	752,478
Total Current Assets	75,967,415
Long-Term Assets	
Deferred outflows-pension expense	2,659,784
Reserve Accounts - MUSL	5,465,908
Intellectual property	555,815
Accumulated amortization	(428,041)
Total intellectual property	127,774
Property and Equipment	
Furniture, Fixtures & Equipment	1,007,568
Data Processing Equipment	2,113,562
Draw Equipment	335,417
Vehicles	282,392
Leaseholds	1,315,694
Accumulated Depreciation	(4,708,379)
Total Property & Equipment	346,254
Total Long-term Assets	8,599,721
Total Assets	\$ 84,567,136

Liabilities

Current Liabilities	
Prizes Payable	\$ 33,374,232
Accounts Payable	2,861,716
Payable to MUSL	1,561,902
Accrued Expenses	1,809,459
Accrued Compensated Absences	541,509
Deferred Revenue	455,652
Total Current Liabilities	40,604,470
Long-term Liabilities	
Accrued Compensated Absences	291,456
Deferred inflows-pension expense	1,599,585
Net pension liability	15,535,361
Net OPEB liability	11,717,096
Total Long-term Liabilities	29,143,498
Total Liabilities	\$ 69,747,968

Net Position

Invested in capital assets, net of related debt	\$ 474,028
Restricted - Fidelity Funds	493,961
Restricted for Education Lottery Account	13,851,178
Total Net Position	\$ 14,819,168

South Carolina Education Lottery
Statement of Revenue, Expenses, and Changes in Net Position
For the Twelve Months Ending June 30, 2018

	FY18	FY17	FY18	FY17
	Current	Current	Year - to -	Year - to -
	Month	Month	Date	Date
	Amount	Amount	Amount	Amount
Revenue				
Revenue - Instant games	\$ 103,420,496	\$ 107,251,024	\$ 1,260,581,630	\$ 1,189,676,209
Revenue - Pick 3	17,213,601	16,410,328	213,132,561	196,197,831
Revenue - Pick 4	8,280,444	7,927,905	101,128,568	97,226,529
Revenue - Powerball	5,237,897	7,518,926	93,177,864	82,625,999
Revenue - Palmetto Cash 5	2,166,819	2,152,149	23,918,157	20,756,104
Revenue - Mega Millions	3,691,482	2,921,733	45,544,772	34,839,371
Revenue - Lucky For Life	981,354	1,156,484	12,679,134	14,376,338
Revenue - Terminal games	37,571,597	38,087,525	489,581,056	446,022,172
Total game revenue	140,992,093	145,338,549	1,750,162,686	1,635,698,381
Permit fees	7,425	17,685	547,740	535,765
Reserve for bond fees	3,300	2,100	32,370	27,200
Retailer telephone fees	282,105	231,885	3,056,925	3,006,165
Miscellaneous revenue	7,179	3,091	79,157	54,475
Total revenue	141,292,102	145,593,309	1,753,878,878	1,639,321,985
Direct costs				
Commissions and incentives				
Retailer commissions	9,869,885	10,173,234	122,503,984	114,490,418
Retailer incentives	200,841	40,073	953,267	898,522
Total commissions and incentives	10,070,726	10,213,306	123,457,251	115,388,940
Prize expense				
Instant games	73,232,769	78,857,831	911,316,653	862,331,501
Terminal games	18,870,810	19,874,668	238,469,488	223,868,971
Total prize expense	92,103,579	98,732,499	1,149,786,142	1,086,200,472
Instant and terminal game direct costs				
Instant game costs	460,024	834,562	9,778,403	8,787,983
Terminal game costs	1,169,010	724,053	8,948,492	8,627,984
Total instant and terminal game direct costs	1,629,034	1,558,615	18,726,895	17,415,966
Total direct costs	103,803,339	110,504,420	1,291,970,287	1,219,005,378
Gross profit	37,488,763	35,088,889	461,908,591	420,316,607
Operating expenses				
Advertising - Lottery	649,136	637,904	8,340,042	8,112,517
Security & credit checks	6,715	10,792	259,887	271,790
Salaries	687,236	827,722	7,727,378	7,493,159
Draw talent / Contract employment	5,651	6,259	65,261	52,836
Overtime	6,513	274	22,729	5,757
Per diem - Commissioners	-	-	1,820	805
Employee benefits	1,002,066	558,651	3,407,374	2,833,639
Advertising for employment	575	278	7,941	4,410
Auditing & financial	20,881	9,344	301,451	286,829
Consultants	40,523	-	472,476	54,910
Depreciation & amortization	23,758	23,806	275,004	268,058
Dues & memberships	3,940	2,191	43,144	29,548
Education & training	9,630	529	36,361	49,426
Employee recognition	4,403	-	17,122	10,236
Insurance	(37,067)	16,079	236,804	260,262
Lease - Office space	50,995	51,160	615,106	636,646
Lease - Vehicles	-	-	329	(48)
Legal	39,387	14,767	398,619	89,352
Maintenance & repairs	3,414	4,748	51,798	56,796
Licenses & warranties	12,602	10,720	256,281	143,833
Miscellaneous expense	2,552	11,989	31,529	117,132
Postage & freight	6,814	4,367	59,340	31,341
Printing	5,694	7,956	85,453	84,262
Promotion - Retailers	8,158	3,568	27,925	88,986
Rent - Equipment	-	48	3,283	1,355
Security services	46,852	39,047	462,286	449,981
Services - Payroll	1,567	2,860	15,212	20,178
Supplies - Office	2,662	1,593	53,884	39,571
Supplies - Data processing	4,114	193	125,116	36,079
Telecommunications services	6,244	6,422	78,485	93,810
Telephone	12,488	10,619	140,304	114,292
Travel - Commissioners	207	-	5,513	2,762
Travel - Field service reps vehicle mileage	23,021	25,699	288,148	273,130
Travel - Staff & others	4,976	480	30,840	27,603
Utilities	4,532	6,679	38,999	34,709
Total operating expenses	2,660,239	2,296,742	23,983,246	22,075,955
Non-operating income (expense)				
Interest income	830	910	10,957	3,250
Gain (Loss) on asset disposal	-	-	-	44
Interest expense	-	-	-	(35)
Total non-operating income (expense)	830	910	10,957	3,259
Change in net position before amount remitted to Education Lottery Account	34,829,354	32,793,057	437,936,302	398,243,911
Remitted to the Education Lottery Account	41,720,186	46,614,931	430,978,177	410,525,548
Change in net position	(6,890,832)	(13,821,874)	6,958,125	(12,281,637)
Net position - beginning of period	33,801,593	33,774,510	19,952,636	32,234,273
IMPLEMENTATION EFFECT OF GASB 75	(12,091,593)	-	(12,091,593)	-
Net position - end of period	\$ 14,819,168	\$ 19,952,636	\$ 14,819,168	\$ 19,952,636

South Carolina Education Lottery
Statement of Net Proceeds Due to the Education Lottery Account
For the Twelve Months Ending Saturday, June 30, 2018

	Current Month	Year to Date
Change in net position before amount remitted to Education Lottery Account	\$ 34,829,354	\$ 437,936,302
Amount invested in capital assets, net of related debt		
Property, equipment & intellectual property	(44,871)	(114,785)
Accumulated depreciation & amortization	23,758	275,004
Net property, equipment & intellectual property	(21,113)	160,219
Capital assets, net of related debt	(21,113)	160,219
Restricted fidelity fund cash	26,586	(1,764)
Remitted to and due to the the Education Lottery Account	\$ 34,834,828	\$ 438,094,757

8/16/2018