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Kim Reynolds · Governor
Adam Gregg · Lt. Governor

Matthew N. Strawn · Chief Executive Officer

AGENDA

IOWA LOTTERY BOARD

September 27, 2022

10:30 am

Dial In: 515-206-9299

(No PIN # is required to join the call)

1. Call to Order
 - a. Approval of Agenda
 - b. Approval of Minutes – June 30, 2022
2. CEO Update
3. Quarterly Reports
 - a. Revenue (Sales & Marketing)
 - b. External Relations
 - c. Finance
4. FY24 Budget
5. Key Personnel
6. Contract for Draw Services
7. Contract Extensions
 - a. IGT – Scratch Ticket Printing
 - b. Pollard Banknote – Scratch Ticket Printing
 - c. Scientific Games – Scratch Ticket Printing
8. Adopted and Filed Rulemaking
9. Annual Board Notifications
10. Adjournment

If you require the assistance of auxiliary aids or services to participate in or attend the meeting because of a disability please call our ADA coordinator at 515-725-7864, or if you are hearing impaired, call Relay TTY at 1-800-735-2942.

MINUTES

IOWA LOTTERY BOARD

June 30, 2022

10:30 a.m.

The Iowa Lottery Board convened at 10:30 a.m.; Board Chairperson Josh Cook presiding.

Board Members Present:

Mary Rathje, Mary Junge, Dana Wingert, Katie New.

Board Members Present on Teleconference:

Josh Cook, Hon. Michael Fitzgerald.

Board Members Absent:

None.

Lottery Staff Participating:

Matt Strawn, CEO; Larry Loss, EVP/COO; Megan Tooker, VP, General Counsel; Mary Neubauer, VP, External Relations; Hale Strasser, VP, IT Systems; Kim Knight, VP, Finance and CFO; Steve Waymire, VP, Security; Cory Hart, Director, Marketing and Advertising; David Ranscht, AAG; Deb Bassett, Board Secretary.

Others Present:

Jonathan Roth; Dave Berger, Scientific Games; Maria Wagenhofer, LSA.

Others Present on Teleconference:

Emma Shulte, LSA; Xavier Leonard, LSA.

CALL TO ORDER

Chairperson Cook called the meeting to order at 10:30 a.m. and roll was taken. There was a quorum. Cook announced the meeting would be held via teleconference in accordance with Iowa Code section 21.8.

Junge moved to conduct the meeting via teleconference. Rathje seconded. Motion carried unanimously.

APPROVAL OF AGENDA

Rathje moved to approve the agenda for the meeting. Junge seconded. Motion carried unanimously.

APPROVAL OF MINUTES

Wingert moved to approve the March 22, 2022 board meeting minutes. New seconded. Motion carried unanimously.

CEO UPDATE

Strawn welcomed new board members Dana Wingert and Katie New, and thanked John Quinn and Sherrae Hanson for their service on the board. Strawn also recognized COO Larry Loss for his dedication and service to the lottery over his 37 year career.

Strawn stated the last two years of sales have been the most successful in the lottery's 37 year history. FY22 sales exceeded \$430M for the second year in a row. Through May, FY22 sales totaled \$398,922,129 and proceeds to the State totaled \$89,715,536. FY22 proceeds will exceed \$95M, which is the second highest return of proceeds in lottery history. Scratch ticket sales trail the record FY21 pace but FY22 sales will be the second highest in lottery history. Sales of lotto games have been strong and steady. External economic factors (ie increased gas prices) will likely impact lottery sales for the foreseeable future.

QUARTERLY REPORTS

Marketing:

Hart stated the "Explore Iowa" promotion is underway. Players can enter non-winning Explore Iowa tickets for a chance to win a Polaris vehicle or cash prizes. Upcoming promotions include "Fly with Cy".

External Relations:

Neubauer stated the summer Explore Iowa tour provided an opportunity to highlight the ways lottery proceeds support vital state causes. Veterans and advocates joined the lottery at a variety of events across Iowa for presentations highlighting Iowa Lottery support for the Iowa Veterans Trust Fund (ITVF). Since 2008, the lottery has raised nearly \$35M for the IVTF.

Security:

Waymire stated there were 124 records of contact during the quarter. There were 23 cases made; 19 of the 23 cases involved theft and 12 of those were retail employee theft cases. The Security department has a goal of conducting compliance checks on at least 20% of all licensed retailers annually. For FY22, security performed checks on 22.5% of them.

Finance:

Knight stated through May, YTD sales are ahead of budget by \$59M, while YTD sales are \$18.3M below sales for the same time last year. Through May, YTD proceeds are ahead of budget by \$22M, while YTD proceeds are \$5.2M below proceeds for the same time last year. FY21 sales and proceeds reflected the high jackpots in Mega Millions and Powerball, when both topped \$700M in January 2021 and Mega Millions grew to more than \$1B. Through May, YTD prize expense is \$253.2M and ahead of budget by \$42.9M. YTD prize expense is \$12.6M below prize expense for the same time last year. YTD operating expenses through May remain under budget and comparable to the 5-year average.

Junge moved to approve the quarterly reports. New seconded. Motion carried unanimously.

FY23 BUDGET REVISIONS

Knight stated the board approved the FY23 budget in September 2021. Knight requested the board approve FY23 budget revisions totaling \$400,000.

Rathje moved to approve the FY23 budget revisions. Wingert seconded. Motion carried unanimously.

KEY PERSONNEL

Strawn recommended Jon Roth as Chief Revenue Officer with a starting salary of \$152,755.20 annually and a one-time recruitment payment of \$5,000.

Wingert moved to approve Jon Roth as Chief Revenue Officer. New seconded. Motion carried unanimously.

Strawn recommended the following key personnel changes effective July 8, 2022:

- Change Megan Tooker’s title to Chief Administrative Officer and General Counsel; change her pay grade from 02 to 03 and increase her salary to \$141,876.80 annually.
- Change Mary Neuabuer’s title to VP, External Relations & Social Responsibility; change her pay grade from 02 to 03 and increase her salary to \$148,345.60 annually.
- Change Hale Strasser’s title to VP, Lottery Systems; change his pay grade from 02 to 03 and increase his salary to \$148,345.60 annually.

Junge moved to approve the key personnel changes. Rathje seconded. Motion carried unanimously.

Strawn requested the board to authorize a 1.1% across-the-board pay increase for lottery key employees effective the pay period beginning June 24, 2022, the same amount approved by the state for non-contract employees; and, the authority to approve with-in grade increases, up to 3%, for eligible lottery key employees, based on performance, up to the paygrade maximum, on the employee’s increase eligibility date.

New moved to approve the 1.1% ATB and with-in grade increases up to 3% for key employees for FY23. Wingert seconded. Motion carried unanimously.

FISCAL POLICY UPDATES

Tooker and Knight discussed four fiscal policies for the board’s consideration.

- **200-100 Authorization Criteria:** The policy was updated to add language from Iowa Code 99G.7 as follows, “in the absence of the CEO, the Iowa Lottery Executive Vice President shall perform the duties of the CEO and shall have all the powers and responsibilities herein assigned to the CEO.”
- **210-205 Travel--In State – Subsistence Allowance:** The policy was updated to replace “COO” with “EVP.”
- **240-102 Purchasing Policies and Services Contracting:** Pursuant to changes to Iowa Administrative Code (IAC) 117.15 and 118.5, thresholds were updated to reflect that competitive bids are required for goods or services exceeding \$15,000. The previous threshold was \$5,000.
Approval thresholds for the Purchasing Agent, Director, Marketing and Advertising, and Promotions Manager were increased from \$1,500 to \$2,500.
Approval levels which previously stated “COO” have been replaced with “CFO” and the authorized backup during absences by the CEO and/or CFO have been updated to “EVP.”
- **210-130 Travel-General-Lottery Vehicles:** The policy was updated to increase the reimbursement rate per business mile from \$.39 to \$.50 effective July 1, 2022. This change is in keeping with the DAS fiscal policy.

Wingert moved to approve the fiscal policy updates. Junge seconded. Motion carried unanimously.

SECURITY BACKGROUND INVESTIGATION POLICY UPDATE

Waymire recommended the board approve the following positions as sensitive positions requiring a full back investigation: CEO, EVP, all other key personnel, Public Service Manager 1 and 2, Public Service Manager 2, Investigator 3, and Information Technology Specialist 3 – 5.

Junge moved to approve the Security background investigation policy update. Rathje seconded. Motion carried unanimously.

CONTRACTS

Pull-Tab Printing

Tooker stated the current pull-tab printing contract and all extensions expire on December 31, 2022. The lottery issued an RFP for the purchase of pull-tab tickets to solicit proposals for printing of pull-tab tickets and related services. American Games was the only vendor to submit a proposal in response to the RFP. American Games is the lottery's current vendor for printing of pull-tab tickets.

The RFP evaluation committee recommended the lottery issue a "Notice of Intent to Award" to American Games, Inc, a Pollard Banknote Company, for RFP IL 22-06.

Junge moved to issue a "Notice of Intent to Award" to American Games for RFP IL 22-06, for the purchase of pull-tab tickets; and authorize the lottery to enter into an agreement with American Games for services set forth in the RFP. New seconded. Motion carried unanimously.

Assignment of Scientific Games' Contracts

Tooker stated the lottery has two contracts with Scientific Games International, Inc. – one for the lottery's computer gaming system and one for the printing of instant (scratch) tickets. Both contracts are considered "major procurement contracts".

On April 4, 2022, Scientific Games Corp finalized its sale of Scientific Games International, Inc. to BCP Acquisitions, LLC, The lottery's contracts with Scientific Games International, Inc. prohibit the vendor from assigning the contracts without written lottery approval. The lottery CEO has signed an assignment and assumption agreement. Lottery staff is recommending the board approve the agreement as well.

Rathje moved to approve the Assignment Agreement for the Scientific Games contracts. Wingert seconded. Motion carried unanimously.

ADMINISTRATIVE RULE CHANGES

Tooker requested the board approve the proposed changes related to Iowa Administrative Code Chapter 12, Licensing. The changes include updating the lottery's license eligibility criteria to deny a license if the lottery has received a certificate of noncompliance from the centralized collection unit of the department of revenue.

New moved to approve the Administrative Rule changes. Junge seconded. Motion carried unanimously.

LOTTO AMERICA GAME RULES UPDATE

Tooker stated Lotto America is adding a Monday draw to its weekly draw schedule beginning July 18, 2022; therefore, the game rules need to be updated to reflect the change.

Wingert moved to approve the revisions to the Lotto America game rules. New seconded. Motion carried unanimously.

ELECTION OF OFFICERS

Cook asked for nominations for chair and vice chair. Junge nominated Mary Rathje as chair. Rathje nominated Mary Junge as vice chair.

Wingert moved to approve the nominations for chair and vice chair. New seconded. Motion carried unanimously.

Strawn thanked Josh Cook for his service as the chair during the last year.

OTHER BUSINESS

Junge read a resolution in recognition and appreciation of Larry Loss's commitment, dedication, and invaluable contributions to the Iowa Lottery during his 37 year career.

Rathje moved to adopt the resolution (attached). Junge seconded. Motion carried unanimously.

ADJOURNMENT

Junge moved to adjourn. Rathje seconded. Motion carried unanimously.

Meeting adjourned at 12:15 p.m.

Resolution of the Iowa Lottery Authority Board In Recognition and Appreciation of Larry Loss

WHEREAS, the Iowa Lottery Authority's mission is to conduct a statewide lottery in a secure, controlled manner so as to responsibly maximize net revenue while maintaining the dignity of the state of Iowa and the welfare of its people.

WHEREAS, starting on July 29, 1985, Larry Loss has devoted his career to serving Iowans by leading with integrity, helping deliver record proceeds to worthwhile state causes, and by holding positions of significance with the Iowa Lottery.

WHEREAS, Larry Loss served as Lottery District Sales Representative from 1985 to 1989, Lottery Regional Manager from 1989 to 1999, Lottery Director of Sales from 1999 to 2004, Lottery Vice President of Sales from 2004 to 2011, Lottery Vice President of Sales and Product Development/Executive Vice President from 2011 to 2018, and Lottery Chief Operating Officer and Executive Vice President from 2018 to 2022.

WHEREAS, during his service as Executive Vice President, Larry Loss provided counsel, insight, perspective, and guidance to members of the Iowa Lottery Authority Board.

WHEREAS, the Iowa Lottery Authority Board seeks to publicly recognize Larry Loss's commitment, dedication, and invaluable contributions to the Iowa Lottery and its public-minded mission.

NOW, THEREFORE, BE IT RESOLVED, that the Iowa Lottery Authority Board acknowledges and extends its gratitude to Larry Loss for his distinguished service to the State of Iowa and the Iowa Lottery Authority and his lasting contributions to the enterprise and its mission.

BE IT FURTHER RESOLVED, that this Resolution is saved in the permanent minutes of the Iowa Lottery Authority and a copy of this Resolution is given to Larry Loss.

As adopted on this 30th day of June, 2022 by
the Iowa Lottery Authority Board,

Josh Cook
Chairman

**Iowa Lottery Authority
Security Report
July 1-September 27, 2022**

Lottery Security personnel are responsible for physical and cybersecurity functions at the four regions and central warehouse sites. Investigators monitor Powerball, Mega Millions, Lotto America and Lucky for Life Drawings, provide assistance to the public and assist on criminal investigations.

For this quarter, the security team investigated 23 cases involving potential criminal activity, completed 165 compliance checks and made 102 incident reports.

Cases:	23	TYPE: Retailer Employee Theft:	10
Open:	19	Theft:	11
Closed:	4	Fraud:	2

Compliance checks: 165

Incident reports: 102

Customer assist: 16

Damaged tickets: 2

Law enforcement assist: 4

Missing tickets: 3

Missing tickets-shipping: 2

Quality control checks: 12

Regional assist: 2

Retailer assist: 2

Scratch ticket printing ticket issue: 1

Theft: 19

Ticket reconstruction: 18

Validations: 4

Validations winner: 5

Validations draw: 4

Other: 8

Other: (1) bi-annual winner file review, (1) Test draw exercise, (2) Promotional draws, (1) virtual print, (1) lost property belonging to a winner, (1) regional alarm testing, (1) VIP club issue

IOWA LOTTERY
 PERFORMANCE MEASURES
 FY 2022
 June 30, 2022

MONTH		JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Gross Sales	Budget FY 2022	28,850,099	28,712,965	26,265,499	30,937,029	28,183,524	31,044,582	36,553,908	29,716,412	34,045,438	31,533,328	34,080,388	31,076,828
	Actual '22	34,805,463	35,848,683	38,190,315	35,863,981	33,793,692	39,055,540	41,561,778	32,289,982	36,665,395	36,660,496	34,169,472	33,758,973
Prize Expense	Budget FY 2022	17,803,859	17,684,726	16,317,930	18,837,948	17,579,299	19,268,874	22,162,239	18,523,184	21,085,431	19,823,847	21,281,050	19,353,613
	Actual '22	22,212,471	23,030,405	23,405,501	22,622,122	20,920,915	25,873,345	25,533,663	21,427,554	23,447,700	23,213,448	21,538,971	20,988,013
Operating Expenses	Budget FY 2022	1,322,221	1,312,536	1,294,305	1,265,329	1,320,576	1,356,233	1,258,347	1,216,305	1,313,712	1,303,848	1,303,084	1,388,905
	Actual '22	1,042,718	1,128,836	1,128,282	1,155,532	1,126,856	1,075,696	1,109,407	1,033,788	1,172,700	1,093,795	1,098,442	501,953
Total Proceeds	Budget FY 2022	7,843,454	5,222,891	5,201,418	6,267,171	5,474,976	4,708,692	8,195,292	6,159,726	5,684,356	6,415,285	6,559,410	5,767,746
	Actual '22	7,924,582	7,352,489	9,614,890	8,364,150	7,867,371	8,011,186	10,483,802	6,376,567	7,948,894	8,261,301	7,510,304	8,235,884
YEAR TO DATE													
Gross Sales	Budget FY 2022	28,850,099	57,563,064	83,828,563	114,765,592	142,949,116	173,993,698	210,547,606	240,264,018	274,309,456	305,842,784	339,923,172	371,000,000
	Actual '22	34,805,463	70,654,146	108,844,461	144,708,442	178,502,134	217,557,674	259,119,452	291,409,434	328,074,829	364,735,325	398,904,797	432,663,770
Prize Expense	Budget FY 2022	17,803,859	35,488,585	51,806,515	70,644,463	88,223,762	107,492,636	129,654,875	148,178,059	169,263,490	189,087,337	210,368,387	229,722,000
	Actual '22	22,212,471	45,242,876	68,648,377	91,270,499	112,191,414	138,064,759	163,598,422	185,025,976	208,473,676	231,687,124	253,226,095	274,214,108
Operating Expenses	Budget FY 2022	1,322,221	2,634,757	3,929,062	5,194,391	6,514,967	7,871,200	9,129,547	10,345,852	11,659,564	12,963,412	14,266,496	15,655,401
	Actual '22	1,042,718	2,171,554	3,299,836	4,455,368	5,582,224	6,657,920	7,767,327	8,801,115	9,973,815	11,067,610	12,166,052	12,668,005
Total Proceeds	Budget FY 2022	7,843,454	13,066,345	18,267,763	24,534,934	30,009,910	34,718,602	42,913,894	49,073,620	54,757,976	61,173,261	67,732,671	73,500,417
	Actual '22	7,924,582	15,277,071	24,891,961	33,256,111	41,123,482	49,134,668	59,618,470	65,995,037	73,943,931	82,205,232	89,715,536	97,951,420

Current Month Year to Date

Prize Payout - Budget	62.28%	61.92%
Prize Payout - Actual	62.17%	63.38%
Sales - Actual increase (decrease) vs. Budget		16.62%
Proceeds - Actual increase (decrease) vs. Budget		33.27%

IOWA LOTTERY
PERFORMANCE MEASURES
FY 2022

June 30, 2022		JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
MONTH													
Gross Sales	Budget FY 2022	28,850,099	28,712,965	26,265,499	30,937,029	28,183,524	31,044,582	36,553,908	29,716,412	34,045,438	31,533,328	34,080,388	31,076,828
	5-year av.	30,903,653	30,833,189	27,642,879	32,737,660	29,623,090	32,068,549	37,134,062	30,491,376	35,483,164	33,252,815	35,622,626	31,935,086
	Actual '21	35,877,538	32,785,001	31,506,897	34,353,991	32,731,982	36,906,837	54,318,023	34,416,873	40,320,964	42,376,935	41,588,709	35,408,261
	Actual '22	34,805,463	35,848,683	38,190,315	35,863,981	33,793,692	39,055,540	41,561,778	32,289,982	36,665,395	36,660,496	34,169,472	33,758,973
Prize Expense	Budget FY 2022	17,803,859	17,684,726	16,317,930	18,837,948	17,579,299	19,268,874	22,162,239	18,523,184	21,085,431	19,823,847	21,281,050	19,353,613
	5-year av.	18,996,278	19,305,258	17,358,134	20,238,554	18,096,352	21,305,098	22,380,263	18,233,000	23,274,297	20,739,354	22,062,620	20,060,094
	Actual '21	22,153,996	20,849,533	20,674,330	22,370,618	20,496,799	24,004,205	33,337,154	20,531,035	27,590,811	27,743,840	26,112,404	23,012,504
	Actual '22	22,212,471	23,030,405	23,405,501	22,622,122	20,920,915	25,873,345	25,533,663	21,427,554	23,447,700	23,213,448	21,538,971	20,988,013
Operating Expenses	Budget FY 2022	1,322,221	1,312,536	1,294,305	1,265,329	1,320,576	1,356,233	1,258,347	1,216,305	1,313,712	1,303,848	1,303,084	1,388,905
	5-year av.	1,079,786	1,083,580	1,050,986	1,123,971	1,113,579	1,082,294	1,123,426	1,018,592	1,089,177	1,088,116	1,168,525	1,518,266
	Actual '21	1,057,133	1,062,290	1,128,016	1,102,987	1,093,994	1,069,718	1,094,968	1,009,962	1,192,141	1,120,108	1,182,708	1,713,450
	Actual '22	1,042,718	1,128,836	1,128,282	1,155,532	1,126,856	1,075,696	1,109,407	1,033,788	1,172,700	1,093,795	1,098,442	501,953
Total Proceeds	Budget FY 2022	7,843,454	5,222,891	5,201,418	6,267,171	5,474,976	4,708,692	8,195,292	6,159,726	5,684,356	6,415,285	6,559,410	5,767,746
	5-year av.	7,444,689	6,635,464	6,222,668	7,953,862	6,858,920	6,015,135	9,324,697	7,823,558	6,972,907	7,854,595	8,550,150	7,145,897
	Actual '21	9,181,924	6,774,387	6,550,482	7,620,918	7,367,665	7,882,974	14,454,946	9,382,698	6,701,785	9,034,938	9,991,764	6,803,014
	Actual '22	7,924,582	7,352,489	9,614,890	8,364,150	7,867,371	8,011,186	10,483,802	6,376,567	7,948,894	8,261,301	7,510,304	8,235,884

YEAR TO DATE

Gross Sales	Budget FY 2022	28,850,099	57,563,064	83,828,563	114,765,592	142,949,116	173,993,698	210,547,606	240,264,018	274,309,456	305,842,784	339,923,172	371,000,000
	5-year av.	30,903,653	61,736,842	89,379,721	122,117,381	151,740,471	183,809,020	220,943,082	251,434,458	286,917,622	320,170,437	355,793,063	387,728,149
	Actual '21	35,877,538	68,662,539	100,169,436	134,523,427	167,255,409	204,162,246	258,480,269	292,897,142	333,218,106	375,595,041	417,183,750	452,592,011
	Actual '22	34,805,463	70,654,146	108,844,461	144,708,442	178,502,134	217,557,674	259,119,452	291,409,434	328,074,829	364,735,325	398,904,797	432,663,770
Prize Expense	Budget FY 2022	17,803,859	35,488,585	51,806,515	70,644,463	88,223,762	107,492,636	129,654,875	148,178,059	169,263,490	189,087,337	210,368,387	229,722,000
	5-year av.	18,996,278	38,301,536	55,659,670	75,898,224	93,994,576	115,299,674	137,679,937	155,912,937	179,187,234	199,926,588	221,989,208	242,049,302
	Actual '21	22,153,996	43,003,529	63,677,859	86,048,477	106,545,276	130,549,481	163,886,635	184,417,670	212,008,481	239,752,321	265,864,725	288,877,229
	Actual '22	22,212,471	45,242,876	68,648,377	91,270,499	112,191,414	138,064,759	163,598,422	185,025,976	208,473,676	231,687,124	253,226,095	274,214,108
Operating Expenses	Budget FY 2022	1,322,221	2,634,757	3,929,062	5,194,391	6,514,967	7,871,200	9,129,547	10,345,852	11,659,564	12,963,412	14,266,496	15,655,401
	5-year av.	1,079,786	2,163,366	3,214,352	4,338,323	5,451,902	6,534,196	7,657,622	8,676,214	9,765,391	10,853,507	12,022,032	13,540,298
	Actual '21	1,057,133	2,119,423	3,247,439	4,350,426	5,444,420	6,514,138	7,609,106	8,619,068	9,811,209	10,931,317	12,114,025	13,827,475
	Actual '22	1,042,718	2,171,554	3,299,836	4,455,368	5,582,224	6,657,920	7,767,327	8,801,115	9,973,815	11,067,610	12,166,052	12,668,005
Total Proceeds	Budget FY 2022	7,843,454	13,066,345	18,267,763	24,534,934	30,009,910	34,718,602	42,913,894	49,073,620	54,757,976	61,173,261	67,732,671	73,500,417
	5-year av.	7,444,689	14,080,153	20,302,821	28,256,683	35,115,603	41,130,738	50,455,435	58,278,993	65,251,900	73,106,495	81,656,645	88,802,542
	Actual '21	9,181,924	15,956,311	22,506,793	30,127,711	37,495,376	45,378,350	59,833,296	69,215,994	75,917,779	84,952,717	94,944,481	101,747,495
	Actual '22	7,924,582	15,277,071	24,891,961	33,256,111	41,123,482	49,134,668	59,618,470	65,995,037	73,943,931	82,205,232	89,715,536	97,951,420

	Current Month	Year to Date
Prize Payout - Budget	62.28%	61.92%
Prize Payout - 5-Year Average	62.82%	62.43%
Prize Payout - Actual	62.17%	63.38%
Sales - Actual increase (decrease) vs. 5-Year Average		11.59%
Proceeds - Actual increase (decrease) vs. 5-Year Average		10.30%
Sales - Actual increase (decrease) vs. Budget		16.62%
Proceeds - Actual increase (decrease) vs. Budget		33.27%

IOWA LOTTERY AUTHORITY

Statement of Net Position

Thursday, June 30, 2022

FINAL

	Year-to-date 6/30/2022	Year-to-date 6/30/2021
Assets		
Current assets:		
Cash	\$ 25,779,354.67	\$ 29,381,952.80
Cash on hand	600.00	600.00
Restricted assets - cash	706,134.42	795,450.00
Prepaid expense	237,096.50	59,284.92
Interest receivable	32,929.79	4,117.20
Accounts receivable, net	7,053,799.97	5,428,754.99
Ticket inventories	3,282,142.39	3,367,165.03
Investment in prize annuities	58,607.93	59,166.57
Total current assets	37,150,665.67	39,096,491.51
Noncurrent assets:		
Prize reserve	4,771,772.20	4,739,181.77
Investment in prize annuities	834,622.57	895,730.66
Capital assets, net	7,120,640.31	6,935,144.52
Lease assets, net	2,386,290.76	-
Total noncurrent assets	15,113,325.84	12,570,056.95
Total assets	52,263,991.51	51,666,548.46
Deferred Outflows of Resources	1,287,088.00	1,547,443.00
Liabilities		
Current liabilities:		
Multi-State Prize Payable	1,368,634.89	959,625.03
Mega Millions Prize Payable	452,262.50	543,456.52
Pick 4 Prize Payable	198,759.90	439,485.80
Pick 3 Prize Payable	259,462.00	228,420.40
Lucky for Life Prize Payable	211,386.60	138,709.00
Lucky for Life Prize Reserve	538,605.23	636,338.36
Lucky for Life Due To (From)	-	189,916.81
Lucky for Life Low Tier Due To (From) UNCLAIMED	-	12,957.46
Lotto America Prize Payable	198,814.00	180,448.00
Unclaimed Prize Liability	826,406.29	1,971,816.80
InstaPlay Prize Payable	107,330.00	148,504.23
Retailer/Other Deposits	7,500.00	15,000.00
Annuity Prizes Payable	58,607.93	59,166.57
Accounts payable and accruals	2,141,522.51	1,083,791.73
Lease liability	473,045.94	-
Unearned revenue	404,053.44	207,789.94
Salary and benefits payable	177,782.67	140,238.03
Compensated absences and OPEB	1,086,564.90	1,019,691.27
State withholding payable	99,376.26	92,146.80
Federal withholding payable	91,651.26	39,600.00
Proceeds due to state causes	24,007,488.95	25,829,716.41
Total current liabilities	32,709,255.27	33,936,819.16
Long-term liabilities:		
Accounts payable and accruals	67,273.00	82,658.00
Lease liability	1,912,075.84	-
Net pension liability	131,134.00	6,530,000.00
Prize reserve	4,771,772.20	4,739,181.77
Compensated absences and OPEB	2,079,575.51	2,057,399.32
Annuity prizes payable	834,622.57	895,730.66
Total long-term liabilities	9,796,453.12	14,304,969.75
Total liabilities	42,505,708.39	48,241,788.91
Deferred Inflows of Resources	5,477,029.00	570,653.00
Net Position		
Net investment in capital assets	7,120,640.31	6,935,144.52
Unrestricted	(1,552,298.19)	(2,533,594.97)
Total net position	5,568,342.12	4,401,549.55

IOWA LOTTERY AUTHORITY
Statement of Revenues, Expenses and Changes in Net Position
For the Twelve Months Ending Thursday, June 30, 2022

FINAL

	Month ended 6/30/2022	Month ended 6/30/2021	Year-to-date 6/30/2022	Year-to-date 6/30/2021
Operating revenues:				
Instant-scratch ticket sales	\$22,262,304.00	\$26,101,394.58	\$293,126,549.45	\$316,934,650.58
InstaPlay sales	2,063,305.00	1,429,120.00	23,436,815.00	23,478,424.00
Pick 3 sales	723,240.00	795,592.50	9,265,786.00	9,540,165.50
Powerball sales	4,023,802.00	3,001,652.00	53,076,000.00	43,419,694.50
Mega Millions Sales	1,773,725.00	1,379,014.00	20,375,167.00	28,980,779.00
Pick 4 sales	461,209.50	464,428.50	5,602,823.50	5,470,758.50
Lucky for Life sales	670,656.00	420,924.00	8,071,004.00	5,555,026.00
Lotto America sales	718,938.00	634,995.00	7,011,217.00	6,441,090.00
Pull-tab sales	1,061,793.08	1,181,140.73	12,698,407.91	12,771,422.99
Application fees	250.00	500.00	5,300.00	4,700.00
Other	8,801.60	930.51	21,083.41	6,317.55
Total operating revenues	<u>33,768,024.18</u>	<u>35,409,691.82</u>	<u>432,690,153.27</u>	<u>452,603,028.62</u>
Operating expenses:				
Scratch ticket prizes	14,528,840.00	17,722,212.00	195,258,147.20	211,664,731.57
InstaPlay prizes	1,429,076.30	1,038,264.58	17,081,835.96	17,225,460.10
Pick 3 prizes	433,944.00	477,355.50	5,559,471.60	5,766,801.70
Powerball prizes	2,012,329.50	1,500,907.50	26,546,085.00	21,710,608.00
Mega Millions prizes	886,862.50	689,507.00	10,185,738.80	14,490,389.50
Pick 4 prizes	276,725.70	278,657.10	3,361,694.10	3,282,455.10
Lucky for Life prizes	398,594.34	250,171.00	4,793,209.53	3,535,075.04
Lotto America prizes	359,469.00	317,497.50	3,505,608.50	3,220,545.00
Pull-tab prizes	662,171.25	737,932.01	7,922,316.59	7,981,163.19
Advertising/publicity	638,602.09	982,548.83	8,393,217.31	7,421,984.85
Retailer compensation expense	2,191,985.69	2,321,155.18	28,255,266.12	29,694,890.82
Ticket expense	220,903.45	261,636.64	3,276,221.30	3,564,730.18
Vendor compensation expense	(838,941.93)	481,044.36	5,271,948.28	6,237,017.97
Salary and benefits	(155,745.56)	1,454,328.03	9,518,539.45	11,190,015.07
Travel	23,586.31	24,127.33	278,981.78	196,656.96
Supplies	9,669.06	2,650.07	118,521.13	103,778.02
Printing	-	1,185.00	4,571.17	3,076.27
Postage	191.36	388.39	10,129.61	7,380.15
Communications	21,118.90	20,221.33	187,447.37	173,362.14
Rentals	(89,037.39)	24,548.82	106,830.92	304,104.00
Utilities	11,278.34	10,246.78	94,375.93	91,330.90
Professional fees	7,138.36	9,557.45	99,832.14	119,267.78
Vending machine maintenance	22,848.00	21,840.00	271,152.00	261,166.25
Outside services and repairs	208,196.54	124,148.27	1,397,712.21	918,260.68
Data processing	10,975.09	10,513.25	129,246.45	128,505.87
Equipment	106,610.22	36,918.52	481,480.17	509,009.23
Reimbursement to other state agencies	64,281.36	40,758.65	514,972.94	460,093.14
Depreciation	49,903.88	38,979.36	527,832.62	457,135.80
Amortization	429,365.72	-	429,365.72	-
Other	10,744.25	4,151.88	73,539.28	53,094.22
MUSL/Lotto administrative expense	2,615.20	883.75	31,581.16	9,116.46
Total operating expenses	<u>23,934,301.53</u>	<u>28,884,336.08</u>	<u>333,686,872.34</u>	<u>350,781,205.96</u>
Operating income	<u>9,833,722.65</u>	<u>6,525,355.74</u>	<u>99,003,280.93</u>	<u>101,821,822.66</u>
Non-operating revenue (expenses):				
Proceeds to state causes	(8,235,883.99)	(6,803,014.09)	(97,951,422.01)	(101,747,494.33)
Interest income	39,997.65	4,441.85	87,823.09	59,467.11
Interest expense	(19,546.44)	-	(19,546.44)	-
Gain (Loss) on disposal of capital assets	7,985.00	-	46,657.00	18,400.00
Net non-operating revenues (expenses)	<u>(8,207,447.78)</u>	<u>(6,798,572.24)</u>	<u>(97,836,488.36)</u>	<u>(101,669,627.22)</u>
Change in net position	1,626,274.87	(273,216.50)	1,166,792.57	152,195.44
Net position beginning of period	3,942,067.25	4,674,766.05	4,401,549.55	4,249,354.11
Net position end of period	<u>5,568,342.12</u>	<u>4,401,549.55</u>	<u>5,568,342.12</u>	<u>4,401,549.55</u>

IOWA LOTTERY AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR FISCAL YEARS 2018 THROUGH 2022
FINAL

	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018
OPERATING REVENUES					
Instant-scratch ticket sales	293,126,549	316,934,651	262,447,704	250,642,094	244,260,964
Instaplay sales	23,436,815	23,478,424	16,279,705	11,876,560	9,733,769
Pick 3 sales	9,265,786	9,540,165	8,502,502	7,871,469	7,705,163
Powerball sales	53,076,000	43,419,695	36,428,043	54,833,068	58,471,047
Mega Millions sales	20,375,167	28,980,779	20,433,854	36,322,749	21,293,740
Hot Lotto sales	-	-	-	-	3,761,425
Pick 4 sales	5,602,823	5,470,758	4,950,001	4,292,190	4,341,103
Lucky for Life sales	8,071,004	5,555,026	5,335,530	5,427,678	5,600,490
Lotto America sales	7,011,217	6,441,090	6,751,811	8,753,137	4,872,494
Pull-tab sales	12,698,408	12,771,423	10,824,344	10,876,605	10,916,692
Application fees	5,300	4,700	3,750	3,775	3,725
Other revenue	21,083	6,317	7,436	55,516	8,135
Total operating revenues	432,690,152	452,603,028	371,964,680	390,954,841	370,968,747
OPERATING EXPENSES					
Scratch ticket prize expense	195,258,147	211,664,732	174,595,972	166,890,489	160,144,268
Instaplay prize expense	17,081,836	17,225,460	11,659,100	8,255,638	6,351,026
Pick 3 prize expense	5,559,472	5,766,802	5,101,502	4,670,681	4,567,778
Powerball prize expense	26,546,085	21,710,608	18,219,035	25,500,971	28,512,041
Mega Millions prize expense	10,185,739	14,490,389	10,216,927	18,473,201	10,764,359
Hot Lotto prize expense	-	-	-	(46,872)	1,782,452
Pick 4 prize expense	3,361,694	3,282,455	3,237,775	2,553,524	2,519,312
All or Nothing prize expense	-	-	-	(89)	(31,061)
Lucky for Life prize expense	4,793,210	3,535,075	3,147,141	3,111,848	3,305,691
Lotto America prize expense	3,505,608	3,220,545	3,375,906	4,300,353	2,436,247
Pull-tab prize expense	7,922,317	7,981,163	6,763,647	6,805,266	6,826,208
VIP Club prize expense	-	-	-	1,315,880	197,001
Promotional prize expense	-	-	-	109,753	115,750
Advertising/Publicity	8,393,217	7,421,985	6,780,551	7,276,923	7,162,018
Retailer compensation expense	28,255,266	29,694,891	24,314,334	25,447,739	24,213,812
Ticket expense	3,276,221	3,564,730	3,242,459	3,284,663	3,170,682
Vendor compensation expense	5,271,948	6,237,018	6,058,063	6,356,385	8,227,403
Salary and benefits	9,518,539	11,190,015	10,861,223	10,459,454	10,936,612
Travel	278,982	196,657	231,957	261,529	256,766
Supplies	118,521	103,778	94,247	106,009	157,977
Printing	4,571	3,076	1,402	3,767	10,088
Postage	10,130	7,380	7,097	5,458	5,561
Communications	187,447	173,362	188,930	202,355	170,146
Rentals	106,831	304,104	318,204	310,280	305,225
Utilities	94,376	91,331	92,719	95,043	95,756
Professional fees	99,832	119,268	169,265	162,023	157,930
Vending machine maintenance	271,152	261,166	257,040	253,416	294,907
Outside services & repairs	1,397,712	918,261	870,282	828,180	827,274
Data processing	129,246	128,506	125,918	109,069	94,977
Equipment	481,480	509,009	392,535	512,247	610,777
Reimbursement to other					
state agencies	514,973	460,093	479,618	457,598	440,449
Depreciation	527,833	457,136	481,223	541,020	546,260
Amortization	429,366	-	-	-	-
Other	73,539	53,094	56,126	63,061	57,647
MUSL administrative expense	31,581	9,116	33,596	71,544	8,056
Total operating expenses	333,686,871	350,781,205	291,373,794	298,748,406	285,241,395
Operating income (loss)	99,003,281	101,821,823	80,590,886	92,206,435	85,727,352

IOWA LOTTERY AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR FISCAL YEARS 2018 THROUGH 2022
FINAL

	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018
Non-operating revenues (expenses)					
Proceeds to state causes**	(97,951,422)	(101,747,494)	(81,529,332)	-	-
State General Fund	-	-	-	(90,364,965)	(84,596,200)
Veterans Trust Fund	-	-	-	(2,500,000)	(2,500,000)
Interest income	87,823	59,467	383,498	495,974	313,694
Interest expense	(19,546)	-	-	-	-
Gain (Loss) on disposal of capital assets	46,657	18,400	1,647	15,017	(139,572)
Net non-operating revenues(expenses)	(97,836,488)	(101,669,627)	(81,144,187)	(92,353,974)	(86,922,078)
Change in net position	1,166,793	152,196	(553,301)	(147,539)	(1,194,726)
Net position, beginning of period, as restated*	4,401,550	4,249,354	4,802,655	4,950,194	6,144,920
Net position, end of period	5,568,343	4,401,550	4,249,354	4,802,655	4,950,194

* beginning Net Position was restated in FY 2018 due to implementation of GASB 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions

** beginning in FY20, proceeds are reported as one total

IOWA LOTTERY
PERFORMANCE MEASURES
FY 2023
August 31, 2022

MONTH		JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Gross Sales	Budget FY 2023	29,659,327	29,421,354	26,322,781	31,367,288	28,330,955	30,927,309	35,785,444	29,338,046	34,267,550	31,898,250	34,321,951	30,659,745
	Actual '23	44,238,093	33,672,563	-	-	-	-	-	-	-	-	-	-
Prize Expense	Budget FY 2023	18,298,547	18,087,439	16,412,408	19,123,060	17,633,220	19,140,462	21,819,012	18,273,367	21,168,253	20,059,348	21,380,541	19,105,343
	Actual '23	26,916,442	22,393,790	-	-	-	-	-	-	-	-	-	-
Operating Expenses	Budget FY 2023	1,207,471	1,313,053	1,259,696	1,214,149	1,293,618	1,279,525	1,278,394	1,199,071	1,338,928	1,159,838	1,367,324	1,352,183
	Actual '23	1,039,962	1,254,852	-	-	-	-	-	-	-	-	-	-
Total Proceeds	Budget FY 2023	6,746,765	5,474,794	5,134,204	6,562,580	5,659,164	4,962,972	7,693,629	6,455,068	5,753,212	6,480,676	7,054,565	5,879,443
	Actual '23	11,122,326	5,376,525	-	-	-	-	-	-	-	-	-	-
YEAR TO DATE													
Gross Sales	Budget FY 2023	29,659,327	59,080,681	85,403,462	116,770,750	145,101,705	176,029,014	211,814,458	241,152,504	275,420,054	307,318,304	341,640,255	372,300,000
	Actual '23	44,238,093	77,910,656	-	-	-	-	-	-	-	-	-	-
Prize Expense	Budget FY 2023	18,298,547	36,385,986	52,798,394	71,921,454	89,554,674	108,695,136	130,514,148	148,787,515	169,955,768	190,015,116	211,395,657	230,501,000
	Actual '23	26,916,442	49,310,232	-	-	-	-	-	-	-	-	-	-
Operating Expenses	Budget FY 2023	1,207,471	2,520,524	3,780,220	4,994,369	6,287,987	7,567,512	8,845,906	10,044,977	11,383,905	12,543,743	13,911,067	15,263,250
	Actual '23	1,039,962	2,294,814	-	-	-	-	-	-	-	-	-	-
Total Proceeds	Budget FY 2023	6,746,765	12,221,559	17,355,763	23,918,343	29,577,507	34,540,479	42,234,108	48,689,176	54,442,388	60,923,064	67,977,629	73,857,072
	Actual '23	11,122,326	16,498,851	-	-	-	-	-	-	-	-	-	-

Current Month Year to Date

Prize Payout - Budget	61.48%	61.59%
Prize Payout - Actual	66.50%	63.29%
Sales - Actual increase (decrease) vs. Budget		31.87%
Proceeds - Actual increase (decrease) vs. Budget		35.00%

IOWA LOTTERY
PERFORMANCE MEASURES
FY 2023

August 31, 2022		JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
MONTH													
Gross Sales	Budget FY 2023	29,659,327	29,421,354	26,322,781	31,367,288	28,330,955	30,927,309	35,785,444	29,338,046	34,267,550	31,898,250	34,321,951	30,659,745
	5-year av.	31,271,788	32,666,612	30,104,677	34,632,627	30,436,261	34,195,547	39,648,290	30,980,341	36,422,159	34,715,288	36,029,043	32,709,710
	Actual '22	34,805,463	35,848,683	38,190,315	35,863,981	33,793,692	39,055,540	41,561,778	32,289,982	36,665,395	36,660,496	34,169,472	33,758,973
	Actual '23	44,238,093	33,672,563	-	-	-	-	-	-	-	-	-	-
Prize Expense	Budget FY 2023	18,298,547	18,087,439	16,412,408	19,123,060	17,633,220	19,140,462	21,819,012	18,273,367	21,168,253	20,059,348	21,380,541	19,105,343
	5-year av.	19,511,123	20,551,910	18,873,244	21,460,967	18,747,257	22,793,372	23,986,123	18,979,664	23,791,611	21,753,528	22,557,975	20,761,240
	Actual '22	22,212,471	23,030,405	23,405,501	22,622,122	20,920,915	25,873,345	25,533,663	21,427,554	23,447,700	23,213,448	21,538,971	20,988,013
	Actual '23	26,916,442	22,393,790	-	-	-	-	-	-	-	-	-	-
Operating Expenses	Budget FY 2023	1,207,471	1,313,053	1,259,696	1,214,149	1,293,618	1,279,525	1,278,394	1,199,071	1,338,928	1,159,838	1,367,324	1,352,183
	5-year av.	1,082,107	1,093,682	1,077,102	1,148,087	1,117,363	1,077,318	1,126,365	1,019,843	1,103,065	1,098,841	1,136,246	1,240,977
	Actual '22	1,042,718	1,128,836	1,128,261	1,155,601	1,126,787	1,075,638	1,109,279	1,033,959	1,171,228	1,088,538	1,093,344	107,196
	Actual '23	1,039,962	1,254,852	-	-	-	-	-	-	-	-	-	-
Total Proceeds	Budget FY 2023	6,746,765	5,474,794	5,134,204	6,562,580	5,659,164	4,962,972	7,693,629	6,455,068	5,753,212	6,480,676	7,054,565	5,879,443
	5-year av.	7,333,080	7,045,063	6,912,017	8,493,290	6,986,392	6,614,802	10,120,743	7,578,408	7,309,389	8,169,593	8,386,794	7,283,026
	Actual '22	7,924,582	7,352,489	9,614,890	8,364,150	7,867,371	8,011,186	10,483,802	6,376,567	7,948,894	8,261,301	7,510,304	8,209,456
	Actual '23	11,122,326	5,376,525	-	-	-	-	-	-	-	-	-	-

YEAR TO DATE

Gross Sales	Budget FY 2023	29,659,327	59,080,681	85,403,462	116,770,750	145,101,705	176,029,014	211,814,458	241,152,504	275,420,054	307,318,304	341,640,255	372,300,000
	5-year av.	31,271,788	63,938,400	94,043,077	128,675,704	159,111,965	193,307,512	232,955,802	263,936,143	300,358,302	335,073,590	371,102,633	403,812,343
	Actual '22	34,805,463	70,654,146	108,844,461	144,708,442	178,502,134	217,557,674	259,119,452	291,409,434	328,074,829	364,735,325	398,904,797	432,663,770
	Actual '23	44,238,093	77,910,656	-	-	-	-	-	-	-	-	-	-
Prize Expense	Budget FY 2023	18,298,547	36,385,986	52,798,394	71,921,454	89,554,674	108,695,136	130,514,148	148,787,515	169,955,768	190,015,116	211,395,657	230,501,000
	5-year av.	19,511,123	40,063,033	58,936,277	80,397,244	99,144,501	121,937,873	145,923,996	164,903,660	188,695,271	210,448,799	233,006,774	253,768,014
	Actual '22	22,212,471	45,242,876	68,648,377	91,270,499	112,191,414	138,064,759	163,598,422	185,025,976	208,473,676	231,687,124	253,226,095	274,214,108
	Actual '23	26,916,442	49,310,232	-	-	-	-	-	-	-	-	-	-
Operating Expenses	Budget FY 2023	1,207,471	2,520,524	3,780,220	4,994,369	6,287,987	7,567,512	8,845,906	10,044,977	11,383,905	12,543,743	13,911,067	15,263,250
	5-year av.	1,082,107	2,175,789	3,252,891	4,400,978	5,518,341	6,595,659	7,722,024	8,741,867	9,844,932	10,943,773	12,080,019	13,320,996
	Actual '22	1,042,718	2,171,554	3,299,815	4,455,416	5,582,203	6,657,841	7,767,120	8,801,079	9,972,307	11,060,845	12,154,189	12,261,385
	Actual '23	1,039,962	2,294,814	-	-	-	-	-	-	-	-	-	-
Total Proceeds	Budget FY 2023	6,746,765	12,221,559	17,355,763	23,918,343	29,577,507	34,540,479	42,234,108	48,689,176	54,442,388	60,923,064	67,977,629	73,857,072
	5-year av.	7,333,080	14,378,143	21,290,160	29,783,450	36,769,842	43,384,644	53,505,387	61,083,795	68,393,184	76,562,777	84,949,571	92,232,597
	Actual '22	7,924,582	15,277,071	24,891,961	33,256,111	41,123,482	49,134,668	59,618,470	65,995,037	73,943,931	82,205,232	89,715,536	97,924,992
	Actual '23	11,122,326	16,498,851	-	-	-	-	-	-	-	-	-	-

	Current Month	Year to Date
Prize Payout - Budget	61.48%	61.59%
Prize Payout - 5-Year Average	62.91%	62.66%
Prize Payout - Actual	66.50%	63.29%
Sales - Actual increase (decrease) vs. 5-Year Average		21.85%
Proceeds - Actual increase (decrease) vs. 5-Year Average		14.75%
Sales - Actual increase (decrease) vs. Budget		31.87%
Proceeds - Actual increase (decrease) vs. Budget		35.00%

IOWA LOTTERY AUTHORITY
Statement of Revenues, Expenses and Changes in Net Position
For the One Month Ending Sunday, July 31, 2022

	Month ended 7/31/2022	Month ended 7/31/2021	Year-to-date 7/31/2022	Year-to-date 7/31/2021
Operating revenues:				
Instant-scratch ticket sales	\$21,887,384.00	\$24,775,049.00	\$21,887,384.00	\$24,775,049.00
InstaPlay sales	2,219,150.00	1,699,331.00	2,219,150.00	1,699,331.00
Pick 3 sales	803,569.00	794,110.50	803,569.00	794,110.50
Powerball sales	3,651,551.50	3,295,095.00	3,651,551.50	3,295,095.00
Mega Millions Sales	12,673,730.00	1,632,550.00	12,673,730.00	1,632,550.00
Pick 4 sales	500,982.00	475,495.00	500,982.00	475,495.00
Lucky for Life sales	721,802.00	549,818.00	721,802.00	549,818.00
Lotto America sales	800,229.00	560,703.00	800,229.00	560,703.00
Pull-tab sales	979,695.00	1,023,311.51	979,695.00	1,023,311.51
Application fees	450.00	175.00	450.00	175.00
Other	608.18	570.73	608.18	570.73
Total operating revenues	<u>44,239,150.68</u>	<u>34,806,208.74</u>	<u>44,239,150.68</u>	<u>34,806,208.74</u>
Operating expenses:				
Scratch ticket prizes	14,762,745.00	16,625,192.00	14,762,745.00	16,625,192.00
InstaPlay prizes	1,728,400.26	1,119,428.19	1,728,400.26	1,119,428.19
Pick 3 prizes	482,141.40	476,466.30	482,141.40	476,466.30
Powerball prizes	1,829,772.50	1,648,059.00	1,829,772.50	1,648,059.00
Mega Millions prizes	6,336,865.00	816,275.00	6,336,865.00	816,275.00
Pick 4 prizes	324,360.10	285,297.00	324,360.10	285,297.00
Lucky for Life prizes	428,992.23	323,109.94	428,992.23	323,109.94
Lotto America prizes	400,114.50	280,351.50	400,114.50	280,351.50
Pull-tab prizes	623,051.50	638,292.16	623,051.50	638,292.16
Advertising/publicity	965,575.30	626,585.71	965,575.30	626,585.71
Retailer compensation expense	2,860,691.15	2,273,409.03	2,860,691.15	2,273,409.03
Ticket expense	243,638.59	238,976.63	243,638.59	238,976.63
Vendor compensation expense	670,087.49	514,014.15	670,087.49	514,014.15
Salary and benefits	822,665.81	853,984.65	822,665.81	853,984.65
Travel	37,291.01	19,322.55	37,291.01	19,322.55
Supplies	4,695.01	16,528.94	4,695.01	16,528.94
Printing	40.00	-	40.00	-
Postage	426.22	255.43	426.22	255.43
Communications	13,605.21	13,112.54	13,605.21	13,112.54
Rentals	25,498.45	16,817.00	25,498.45	16,817.00
Utilities	9,452.76	8,820.57	9,452.76	8,820.57
Professional fees	7,577.00	8,617.85	7,577.00	8,617.85
Vending machine maintenance	22,848.00	21,840.00	22,848.00	21,840.00
Outside services and repairs	107,998.16	70,368.65	107,998.16	70,368.65
Data processing	12,512.01	10,531.03	12,512.01	10,531.03
Equipment	91.96	5,915.99	91.96	5,915.99
Reimbursement to other state agencies	35,121.56	36,053.33	35,121.56	36,053.33
Depreciation	49,308.92	38,494.59	49,308.92	38,494.59
Other	13,904.52	4,124.83	13,904.52	4,124.83
MUSL/Lotto administrative expense	8,777.45	2,665.86	8,777.45	2,665.86
Total operating expenses	<u>32,828,249.07</u>	<u>26,992,910.42</u>	<u>32,828,249.07</u>	<u>26,992,910.42</u>
Operating income	<u>11,410,901.61</u>	<u>7,813,298.32</u>	<u>11,410,901.61</u>	<u>7,813,298.32</u>
Non-operating revenue (expenses):				
Proceeds to state causes	(11,122,326.09)	(7,924,582.47)	(11,122,326.09)	(7,924,582.47)
Net non-operating revenues (expenses)	<u>(11,122,326.09)</u>	<u>(7,924,582.47)</u>	<u>(11,122,326.09)</u>	<u>(7,924,582.47)</u>
Change in net position	288,575.52	(111,284.15)	288,575.52	(111,284.15)
Net position beginning of period	5,594,996.29	4,401,549.55	5,594,996.29	4,401,549.55
Net position end of period	<u>5,883,571.81</u>	<u>4,290,265.40</u>	<u>5,883,571.81</u>	<u>4,290,265.40</u>

IOWA LOTTERY AUTHORITY
Statement of Revenues, Expenses and Changes in Net Position
For the Two Months Ending Wednesday, August 31, 2022

	Month ended 8/31/2022	Month ended 8/31/2021	Year-to-date 8/31/2022	Year-to-date 8/31/2021
Operating revenues:				
Instant-scratch ticket sales	\$ 22,867,610.00	\$ 24,836,958.00	\$ 44,754,994.00	\$ 49,612,007.00
InstaPlay sales	1,831,974.00	1,633,406.00	4,051,124.00	3,332,737.00
Pick 3 sales	779,178.00	771,844.50	1,582,747.00	1,565,955.00
Powerball sales	3,073,600.00	3,847,551.50	6,725,151.50	7,142,646.50
Mega Millions Sales	1,815,337.00	2,153,448.00	14,489,067.00	3,785,998.00
Pick 4 sales	492,256.50	445,384.00	993,238.50	920,879.00
Lucky for Life sales	723,464.00	664,182.00	1,445,266.00	1,214,000.00
Lotto America sales	938,775.00	444,123.00	1,739,004.00	1,004,826.00
Pull-tab sales	1,150,368.70	1,051,785.76	2,130,063.70	2,075,097.27
Application fees	250.00	1,900.00	700.00	2,075.00
Other	594.40	1,420.85	1,202.58	1,991.58
Total operating revenues	<u>33,673,407.60</u>	<u>35,852,003.61</u>	<u>77,912,558.28</u>	<u>70,658,212.35</u>
Operating expenses:				
Scratch ticket prizes	16,141,026.00	16,826,484.00	30,903,771.00	33,451,676.00
InstaPlay prizes	1,347,759.18	1,198,750.16	3,076,159.44	2,318,178.35
Pick 3 prizes	467,506.80	463,106.70	949,648.20	939,573.00
Powerball prizes	1,537,657.50	1,924,357.00	3,367,430.00	3,572,416.00
Mega Millions prizes	907,668.50	1,076,724.00	7,244,533.50	1,892,999.00
Pick 4 prizes	371,433.00	267,230.40	695,793.10	552,527.40
Lucky for Life prizes	429,979.97	394,746.62	858,972.20	717,856.56
Lotto America prizes	469,387.50	222,061.50	869,502.00	502,413.00
Pull-tab prizes	721,371.47	656,944.47	1,344,422.97	1,295,236.63
Advertising/publicity	943,505.56	748,350.97	1,909,080.86	1,374,936.68
Retailer compensation expense	2,173,775.20	2,344,927.09	5,034,466.35	4,618,336.12
Ticket expense	337,104.42	236,680.70	580,743.01	475,657.33
Vendor compensation expense	532,847.57	559,382.26	1,202,935.06	1,073,396.41
Salary and benefits	1,010,577.18	936,326.67	1,833,242.99	1,790,311.32
Travel	27,363.11	24,136.57	64,654.12	43,459.12
Supplies	10,777.93	7,972.87	15,472.94	24,501.81
Printing	27.50	-	67.50	-
Postage	421.97	275.17	848.19	530.60
Communications	15,444.19	13,867.01	29,049.40	26,979.55
Rentals	26,103.35	16,972.10	51,601.80	33,789.10
Utilities	9,395.91	8,010.75	18,848.67	16,831.32
Professional fees	7,169.00	9,058.10	14,746.00	17,675.95
Vending machine maintenance	22,848.00	21,840.00	45,696.00	43,680.00
Outside services and repairs	134,604.37	59,793.96	242,602.53	130,162.61
Data processing	12,511.90	10,782.53	25,023.91	21,313.56
Equipment	38,676.37	14,438.51	38,768.33	20,354.50
Reimbursement to other state agencies	35,345.28	34,548.50	70,466.84	70,601.83
Depreciation	48,054.96	39,832.78	97,363.88	78,327.37
Other	13,685.98	4,721.04	27,590.50	8,845.87
MUSL/Lotto administrative expense	8,777.45	2,665.88	17,554.90	5,331.74
Total operating expenses	<u>27,802,807.12</u>	<u>28,124,988.31</u>	<u>60,631,056.19</u>	<u>55,117,898.73</u>
Operating income	<u>5,870,600.48</u>	<u>7,727,015.30</u>	<u>17,281,502.09</u>	<u>15,540,313.62</u>
Non-operating revenue (expenses):				
Proceeds to state causes	(5,376,524.93)	(7,352,489.11)	(16,498,851.02)	(15,277,071.58)
Gain (Loss) on disposal of capital assets	-	10,400.00	-	10,400.00
Net non-operating revenues (expenses)	<u>(5,376,524.93)</u>	<u>(7,342,089.11)</u>	<u>(16,498,851.02)</u>	<u>(15,266,671.58)</u>
Change in net position	494,075.55	384,926.19	782,651.07	273,642.04
Net position beginning of period	5,956,341.04	4,290,265.40	5,667,765.52	4,401,549.55
Net position end of period	<u>6,450,416.59</u>	<u>4,675,191.59</u>	<u>6,450,416.59</u>	<u>4,675,191.59</u>

Budget For Lottery Fund

	FY 2022 YTD Actual	FY 2023 Board Approved Budget	FY 2024 Proposed Budget
Resources			
Lottery sales	\$ 432,663,770	\$ 372,300,000	\$ 374,200,000
Interest income	87,823	60,000	60,000
Application fees	5,300	5,000	5,000
Other	21,083	5,000	5,000
Total Resources	432,777,976	372,370,000	374,270,000
Expenses and Change in Net Assets			
Prizes	274,214,107	230,501,000	231,698,000
Retailer compensation	28,255,266	24,945,100	25,072,400
Advertising production and media purchases	8,393,217	14,892,000	14,675,815
Retailer Lottery system/Terminal Communications	5,335,129	7,163,530	7,160,657
Instant/Pull-tab ticket expense	3,288,225	4,546,400	4,546,400
Vending machines & maintenance/Ticket dispensers	487,152	539,248	571,120
Courier delivery of instant tickets	1,045,771	1,135,000	1,135,000
Lottery operating expense	12,668,005	15,263,250	15,457,919
Interest Expense	19,546	-	19,546
Increase (decrease) in net assets	1,120,136	(472,600)	(308,200)
Total Expenses and Change in Net Assets	334,826,554	298,512,928	300,028,657
Proceeds			
Proceeds Transfer to Veterans Trust Fund	2,500,000	2,500,000	2,500,000
Proceeds Transfer to Public Safety Survivor Benefit Fund	100,000	100,000	100,000
Proceeds Transfer to Department of Corrections Survivor Benefits Fund	100,000	100,000	100,000
Proceeds Transfer to General Fund	95,251,422	71,157,072	71,541,343
Total Proceeds Transfers	97,951,422	73,857,072	74,241,343
Total Expenses and Proceeds	432,777,976	372,370,000	374,270,000

Lottery Operations -Budget Detail

	FY 2022	FY 2023	FY 2024
	YTD	Board Approved	Proposed
	Actual	Budget	Budget
Administrative payroll	\$ 9,518,539	\$ 11,699,545	\$ 11,699,545
Travel & Transportation	278,982	407,500	407,500
Supplies	79,320	103,000	103,000
Printing	4,571	10,500	10,500
Postage	10,130	7,000	10,000
Communications	187,447	192,400	192,400
Rentals	106,831	299,179	179,617
Utilities	94,376	108,800	120,500
Professional fees	99,832	204,000	204,000
Outside services and repair	374,532	262,957	262,957
Data processing	129,246	150,000	150,000
Equipment	238,502	492,869	527,434
Reimbursement to state agencies	514,973	531,900	531,900
Depreciation	527,833	707,600	543,200
Amortization	429,366	-	429,366
Other expenses	73,525	86,000	86,000
Total operating expenses	12,668,005	15,263,250	15,457,919

**EXTENSION AND AMENDMENT OF
AGREEMENT FOR THE PURCHASE OF
INSTANT TICKETS AND RELATED SERVICES**

This Extension of Agreement for the Purchase of Instant Tickets and Related Services (Extension) is effective on the last date set forth below and is made by and between the **Iowa Lottery Authority** (Lottery) and **IGT Global Solutions Corporation** (IGT or Contractor).

In consideration of the mutual covenants contained in this Extension, the sufficiency of which is acknowledged, it is agreed as follows:

SECTION 1. IDENTITY OF THE PARTIES.

1.1 The Lottery is an instrumentality of the State of Iowa and is authorized by Iowa Code Chapter 99G to conduct a lottery in the State of Iowa. The Lottery's address is 13001 University Avenue, Clive, Iowa 50325.

1.2 IGT is a corporation, incorporated under the laws of Delaware, and engaged in the business of printing lottery scratch tickets and other services. The address for Contractor is 10 Memorial Boulevard, Providence, RI 02903.

SECTION 2. EXTENSION OF TERM.

On or about January 1, 2019, the Lottery and Contractor entered into an Agreement for the Purchase of Instant Tickets and Related Services ("Agreement"). The term of the Agreement was for two years beginning January 1, 2019 through December 21, 2020, plus up to four (4) additional one-year option periods exercisable at the option of the Lottery. Pursuant to Section 5 of the Agreement, the third option period is hereby exercised by the Lottery extending the term through December 31, 2023.

SECTION 3. AMENDMENTS.

None.

SECTION 4. AGREEMENT OTHERWISE UNCHANGED.

Except as specifically modified hereby, the terms of this Agreement shall remain in full force and effect.

SECTION 5. EXECUTION

IN WITNESS WHEREOF, in consideration of the mutual covenants set forth above and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into the above Extension and have caused their duly authorized representatives to execute this Extension.

Iowa Lottery Authority

By: _____
Name: Kimberly Knight
Title: VP of Finance & CFO

Date: _____

IGT Global Solutions Corporation

By: _____
Name: Joseph S. Gendron
Title: Chief Operating Officer, Lottery

Date: _____

**EXTENSION AND AMENDMENT OF
AGREEMENT FOR THE PURCHASE OF
INSTANT TICKETS AND RELATED SERVICES**

This Extension of Agreement for the Purchase of Instant Tickets and Related Services (Extension) is effective on the last date set forth below and is made by and between the **Iowa Lottery Authority** (Lottery) and **Pollard Banknote Limited** (Pollard or Contractor).

In consideration of the mutual covenants contained in this Extension, the sufficiency of which is acknowledged, it is agreed as follows:

SECTION 1. IDENTITY OF THE PARTIES.

1.1 The Lottery is an instrumentality of the State of Iowa and is authorized by Iowa Code Chapter 99G to conduct a lottery in the State of Iowa. The Lottery's address is 13001 University Avenue, Clive, Iowa 50325.

1.2 Pollard is a Canadian public corporation, incorporated under the federal laws of Canada, and engaged in the business of printing lottery scratch tickets and other services. The address for Pollard is 140 Otter Street, Winnipeg, Manitoba, Canada R3T 0M8.

SECTION 2. EXTENSION OF TERM.

On or about December 12, 2018, the Lottery and Contractor entered into an Agreement for the Purchase of Instant Tickets and Related Services ("Agreement"). The term of the Agreement was for two years beginning 1/1/2019 through 12/31/2020, plus up to four (4) additional one-year option periods exercisable at the option of the Lottery. Pursuant to Section 5 of the Agreement, the third option period is hereby exercised extending the term through December 31, 2023.

SECTION 3. AMENDMENTS.

None.

SECTION 4. AGREEMENT OTHERWISE UNCHANGED.

Except as specifically modified hereby, the terms of this Agreement shall remain in full force and effect.

SECTION 5. EXECUTION

IN WITNESS WHEREOF, in consideration of the mutual covenants set forth above and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into the above Extension and have caused their duly authorized representatives to execute this Extension.

Iowa Lottery Authority

By: _____
Name: Kimberly Knight
Title: Vice President of Finance & CFO

Date: _____

Pollard Banknote Limited

By: _____
Name: Douglas E. Pollard
Title: Co. Chief Executive Officer

Date: _____

**EXTENSION AND AMENDMENT OF
AGREEMENT FOR THE PURCHASE OF
INSTANT TICKETS AND RELATED SERVICES**

This Extension of Agreement for the Purchase of Instant Tickets and Related Services (Extension) is effective on the last date set forth below and is made by and between the **Iowa Lottery Authority** (Lottery) and **Scientific Games, LLC.** (SG or Contractor).

In consideration of the mutual covenants contained in this Extension, the sufficiency of which is acknowledged, it is agreed as follows:

SECTION 1. IDENTITY OF THE PARTIES.

1.1 The Lottery is an instrumentality of the State of Iowa and is authorized by Iowa Code Chapter 99G to conduct a lottery in the State of Iowa. The Lottery's address is 13001 University Avenue, Clive, Iowa 50325.

1.2 The Contractor is a limited liability company, incorporated under the laws of Delaware, and engaged in the business of printing lottery scratch tickets and other services. The address for Contractor is 1500 Bluegrass Lakes Parkway, Alpharetta, Georgia 30004.

SECTION 2. EXTENSION OF TERM.

On or about December 20, 2018, the Lottery and Contractor entered into an Agreement for the Purchase of Instant Tickets and Related Services ("Agreement"). The term of the Agreement was for two years beginning 1/1/2019 through 12/31/2020, plus up to four (4) additional one-year option periods exercisable at the option of the Lottery. Pursuant to Section 5 of the Agreement, the third option period is hereby exercised extending the term through December 31, 2023.

SECTION 3. AMENDMENTS.

None.

SECTION 4. AGREEMENT OTHERWISE UNCHANGED.

Except as specifically modified hereby, the terms of this Agreement shall remain in full force and effect.

SECTION 5. EXECUTION

IN WITNESS WHEREOF, in consideration of the mutual covenants set forth above and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into the above Extension and have caused their duly authorized representatives to execute this Extension.

Iowa Lottery Authority

By: _____
Name: Kimberly Knight
Title: Vice President of Finance and CFO

Date: _____

Scientific Games, LLC.

By: _____
Name: John Schulz
Title: Senior Vice President

Date: _____



13001 University Avenue
Clive Iowa 50325-8225
www.ialottery.com
515.725.7900

Kim Reynolds · Governor
Adam Gregg · Lt. Governor

Matthew N. Strawn · Chief Executive Officer

To: ILA Board
From: Megan Tooker
Date: September 27, 2022
Re: Administrative Rule Update

At the June meeting, the ILA Board approved a “Notice of Intended Action” to update the lottery’s administrative rules to provide a mechanism for the lottery to deny or suspend a lottery retailer license if the lottery receives a certificate of noncompliance from the centralized collection use of the department of revenue.

The lottery did not receive any public input on the proposed changes.

The Iowa Legislature’s Administrative Rules Review Committee has not expressed any concerns.

I recommend the board adopt and file the proposed administrative rule changes in the administrative code bulletin. The changes will be effective November 23, 2022.

LOTTERY AUTHORITY, IOWA[531]

Adopted and Filed

Rule making related to licensing

The Board of Directors of the Iowa Lottery Authority hereby amends Chapter 12, “Licensing,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code section 99G.9(3).

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code sections 99G.24 and 272D.8.

Purpose and Summary

This rule making reflects changes related to the Authority’s five-year rules review. These amendments align the Authority’s rules with Iowa Code chapter 272D. These amendments update the Authority’s license eligibility criteria to deny or suspend a license if the Authority has received a certificate of noncompliance regarding an applicant or licensee from the centralized collection unit of the Iowa Department of Revenue.

These amendments also remove references to the Iowa Code Supplement.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on August 10, 2022, as **ARC 6445C**. No public comments were received. No public hearing was held. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Board of Directors of the Iowa Lottery Authority on September 27, 2022.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

No waiver provision is included because Iowa Code section 272D.8 does not provide for one.

Effective Date

This rule making will become effective on November 23, 2022.

The following rule-making actions are adopted:

Item 1. Amend rule 531—12.1(99G,252J), parenthetical implementation statute, as follows:

531—12.1(99G,252J,272D) License eligibility criteria.

Item 2. Adopt the following new subrule 12.1(4):

12.1(4) The lottery will deny a license to any applicant defined by this chapter if the lottery has received a certificate of noncompliance from the centralized collection unit of the department of revenue with regard to the individual, until the unit furnishes the lottery with a withdrawal of the certificate of noncompliance.

Item 3. Amend rule **531—12.1(99G,252J)**, implementation sentence, as follows:

This rule is intended to implement Iowa Code ~~section~~ sections 99G.7(1), 99G.9(3), 99G.21(2), 99G.24, 252J.2 and Iowa Code Supplement sections 99G.7(1), 99G.9(3), 99G.21(2), and 99G.24, and 272D.8.

Item 4. Amend rule 531—12.4(99G,252J), parenthetical implementation statute, as follows:

531—12.4(99G,252J,272D) Lottery licenses.

Item 5. Amend subrule 12.4(7) as follows:

12.4(7) The lottery will grant, deny, or place on hold all applications within 60 days of acceptance of an application. Applications placed on hold shall be considered denied for purposes of appeal.

a. If an application is denied because the lottery has received a certificate of noncompliance from the child support recovery unit in regard to an individual, the effective date of denial of the issuance of the license, as specified in the notice required by Iowa Code section 252J.8, shall be 60 days following service of the notice upon the applicant.

b. If an application is denied because the lottery has received a certificate of noncompliance from the centralized collections unit of the department of revenue regarding an applicant or person as defined by this chapter, the effective date of denial of the issuance of the license, as specified in the notice required by Iowa Code section 272D.8, shall be 60 days following service of the notice upon the applicant.

Item 6. Amend rule **531—12.4(99G,252J)**, implementation sentence, as follows:

This rule is intended to implement Iowa Code sections 99G.7, 99G.9(3), 99G.21(2), 99G.24, 99G.30, 252J.2, and 252J.8 and Iowa Code Supplement sections 99G.7, 99G.9(3), 99G.21(2), 99G.24, and 99G.30, and 272D.8.

Item 7. Amend rule 531—12.12(99G,252J), parenthetical implementation statute, as follows:

531—12.12(99G,252J,272D) Suspension or revocation of a license.

Item 8. Adopt the following new paragraph **12.12(1)“v”**:

v. When the lottery receives a certificate of noncompliance from the centralized collection unit of the department of revenue in regard to nonpayment of a state debt, unless the unit furnishes the lottery with a withdrawal of the certificate of noncompliance. This paragraph applies both to sole proprietorships and to persons with the requisite ownership interest in or relation to any other organized business entity as set forth in 531—12.3(99G). This paragraph applies in addition to the procedures set forth in Iowa Code chapter 272D.

Item 9. Amend subrules 12.12(2) and 12.12(3) as follows:

12.12(2) The effective date of revocation or suspension of a license, or denial of the issuance or renewal of a license, as specified in the notice required by Iowa Code section 252J.8, shall be 60 days following service of the notice upon the licensee. All The effective date of revocation or suspension of a license, or denial of the issuance or renewal of a license, for nonpayment of state debt, as specified in the notice required by Iowa Code section 272D.8, shall be 60 days following service of the notice upon the licensee. The effective date for all other notices of revocation or suspension shall be 20 days following service upon a licensee.

12.12(3) If a retailer’s license is suspended for more than 180 days from the effective date of the suspension, the lottery will revoke the retailer’s license upon 15 days’ notice served in conformance

with 531—12.13(99G,252J,272D).

Item 10. Amend rule **531—12.12(99G,252J)**, implementation sentence, as follows:

This rule is intended to implement Iowa Code ~~section~~ sections 99G.9(3), 99G.21(2), 99G.24, 99G.27, 99G.30(3), 99G.35, 252J.8, and Iowa Code Supplement sections 99G.9(3), 99G.21(2), 99G.24, 99G.27, 99G.30(3), and 99G.35 272D.8(2).

Item 11. Amend rule 531—12.13(99G,252J) as follows:

531—12.13(99G,252J,272D) Methods of service.

12.13(1) The notice required by Iowa Code section 252J.8 shall be served upon the licensee by restricted certified mail, return receipt requested, or personal service in accordance with Iowa Rule of Civil Procedure 1.305. Alternatively, the licensee may accept service personally or through authorized counsel.

12.13(2) The notice required by Iowa Code section 272D.8 shall be served upon the licensee by certified mail, return receipt requested; by personal service in accordance with Iowa Rule of Civil Procedure 1.305; or through authorized counsel. Alternatively, the licensee may accept service personally or through authorized counsel.

12.13(3) Notice of a license revocation or a suspension for the reasons described in 531—12.12(99G,252J,272D) shall be served upon the licensee by restricted certified mail, return receipt requested, or personal service in accordance with Iowa Rule of Civil Procedure 1.305. Alternatively, the licensee may accept service personally or through authorized counsel. The notice shall set forth the reasons for the suspension or revocation and provide for an opportunity for a hearing. If requested by the licensee, a hearing on the suspension or revocation shall be held within 180 days or less after the notice has been served.

This rule is intended to implement Iowa Code ~~section~~ sections 99G.9(3), 99G.21(2), 99G.24, 252J.8 and Iowa Code Supplement sections 99G.9(3), 99G.21(2), and 99G.24, and 272D.8.

Item 12. Amend rule 531—12.14(99G,252J) as follows:

531—12.14(99G,252J,272D) Licensee's obligation. Licensees and license applicants ~~shall~~ must keep the lottery informed of all court actions and all child support recovery unit actions or centralized collection unit actions taken under or in connection with Iowa Code chapter 252J ~~and shall~~ or 272D. Licensees and applicants must also provide the lottery with copies, within seven days of filing or issuance, of all applications filed with the district court pursuant to Iowa Code section 252J.9or 272D.9, all court orders entered in such actions, and any withdrawals of certificates of noncompliance by the child support recovery unit or centralized collections unit.

This rule is intended to implement Iowa Code ~~section~~ sections 99G.9(3), 99G.21(2), 252J.8 and Iowa Code Supplement sections 99G.9(3) and 99G.21(2), and 272D.8.

Item 13. Amend rule 531—12.15(99G,252J) as follows:

531—12.15(99G,252J,272D) Calculating the effective date. In the event a licensee or applicant files a timely district court action following service of a lottery notice pursuant to Iowa Code sections 252J.8 and 252J.9or sections 272D.8 and 272D.9, the lottery shall continue with the intended action described in the notice upon the receipt of a court order lifting the stay, dismissing the action, or otherwise directing the lottery to proceed. For purposes of determining the effective date of revocation or suspension, or denial of the issuance or renewal of a license, the lottery shall count the number of days before the action was filed and the number of days after the action was disposed of by the court.

This rule is intended to implement Iowa Code sections 99G.9(3), 99G.21(2), 252J.8, and 252J.9 and Iowa Code Supplement sections 99G.9(3) and 99G.21(2), 272D.8, and 272D.9.



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Kim Reynolds · Governor
Adam Gregg · Lt. Governor
Matthew N. Strawn · Chief Executive Officer

September 27, 2022

To: Iowa Lottery Board
From: Megan Tooker
Re: Memberships Approved in FY22

The following is a report of the FY2022 payments for memberships in outside organizations as required by policy 230.600, Payment Policies - Memberships in Outside Organizations.

- | | |
|--|-------------|
| • Iowa Grocery Industry Association (IGIA) | \$500.00 |
| • Petroleum Marketers and Convenience Stores of Iowa (FUEL Iowa) | \$688.00 |
| • North American Association of State & Provincial Lotteries (NASPL) | \$20,000.00 |
| • World Lottery Association (WLA) 5,600 Swiss Francs | \$5,809.50 |

**IOWA LOTTERY AUTHORITY
OUT-OF-STATE TRAVEL
FY 2022**

EMPLOYEE	DATE	DESCRIPTION	DESTINATION	COST
Matthew N Strawn	8/9/2021	Lottery Director Work Groups	Washington DC	\$ 562.84
Matthew N Strawn	8/24/2021	NASPL Director's Meeting	Kansas City, MO	-
Cory R Hart	9/16/2021	Promo Winners / FLY with CY	Las Vegas, NV	162.59
Mary A Neubauer	9/16/2021	Promo Winners / FLY with CY	Las Vegas, NV	172.56
Pamela S Brocker	9/16/2021	Promo Winners / FLY with CY	Las Vegas, NV	254.49
Larry L Loss	9/16/2021	Promo Winners / FLY with CY	Las Vegas, NV	226.47
Martha A Scanlan	9/27/2021	MGIR Fall Conference	Welch, MN	467.75
Larry L Loss	10/26/2021	PGRI Lottery Expo Conference	Nashville, TN	1,114.16
Matthew N Strawn	10/26/2021	PGRI Lottery Expo Conference (MUSL BD Meeting)	Nashville, TN	-
Cory R Hart	11/15/2021	La Fleur's 2021 Austin Conference	Austin, TX	1,075.52
Matthew N Strawn	11/15/2021	La Fleur's 2021 Austin Conference (Panelist)	Austin, TX	1,019.83
Kimberly Knight	4/10/2022	Lottery Leadership Institute 2022	Cleveland, OH	2,602.04
Martha A Scanlan	4/11/2022	Midwest Gaming Investigators & Regulators	Deadwood, SD	603.26
Charles Ellis	4/18/2022	Upper Midwest Convenience Store & Energy Convention	St Paul, MN	430.29
Joseph Schroder	4/18/2022	Upper Midwest Convenience Store & Energy Convention	St Paul, MN	384.00
Matthew N Strawn	4/19/2022	Smart-Tech 2022 (MUSL BD Committee Meeting)	Miami, FL	-
Pamela S Brocker	4/22/2022	Warehouse Dash	Chicago, IL	824.37
Mary A Neubauer	4/22/2022	Warehouse Dash	Chicago, IL	858.65
Cory R Hart	5/23/2022	La Fleur's Richmond Conference	Richmond, VA	2,097.79
			TOTAL	\$ 12,856.61