



INTEROFFICE MEMO

Gary Grief, Executive Director

Michael P. Farrell, Charitable Bingo Operations Director

To: J. Winston Krause, Chairman
Carmen Arrieta-Candelaria, Commissioner
Doug Lowe, Commissioner
Robert Rivera, Commissioner

From: Kathy Pyka, Controller *KP*

Date: January 28, 2019

Re: Transfers to the State and the Agency's Budget Status

The following documents are provided for your information:

- I. Transfers to the Foundation School Fund, Texas Veterans Commission, and the allocation of unclaimed prizes for fiscal year 2019 transferred as of January 9, 2019
- II. Agency Budget Status

Transfers to the State

Total accrued basis revenue transfers to the State for the four-month period ending January 31, 2019 amounted to \$504.3 million. Of the total amount transferred to the State from sales, \$487.6 million was transferred to the Foundation School Fund; \$3.6 million was transferred to the Texas Veterans Commission with the remaining \$13.1 million transferred from unclaimed prizes. The amount transferred to the Foundation School Fund from sales represents a 30.6% increase, or \$114.2 million, over the total amount transferred in fiscal year 2018. To date, cumulative accrued revenue transfers to the Foundation School Fund are \$22.9 billion.

Agency Budget Status

The FY 2019 Method of Financing budget summary as of November 30, 2018 is attached for your information. The Commission's Lottery Account budget for FY 2019 is \$237.0 million. Of this amount 69.7% was expended and encumbered through the end of the first quarter. The Bingo Operations budget, funded by the Bingo Administration Account, was \$17.0 million with 13.4% expended and encumbered through the end of the first quarter.

Please feel free to contact me at 512-344-5410 if you need additional information or have any questions.

Texas Lottery Commission						
Fiscal Year Detail of Accrued Revenue Transfers and Allocations to the State of Texas						
As of January 9, 2019						
Fiscal Year	Foundation School Fund	Texas Veteran's Commission	General Revenue	Multi- categorical Teaching Hospital Account	Other Beneficiaries*	Total Accrued Revenue Transfers
FY 1992	\$	\$	\$	\$	\$	\$ 249,978,109
FY 1993			656,844,512			656,844,512
FY 1994			927,684,072			927,684,072
FY 1995			1,015,037,492			1,015,037,492
FY 1996			1,098,323,023			1,098,323,023
FY 1997	174,237,106		1,008,543,523			1,182,780,629
FY 1998	1,097,795,590					1,097,795,590
FY 1999	953,370,758					953,370,758
FY 2000	827,328,229			35,517,171		862,845,399
FY 2001	825,059,846			4,482,829	34,456,232	863,998,907
FY 2002	859,263,426			40,000,000	29,618,383	928,881,809
FY 2003	882,094,795				66,993,269	949,088,064
FY 2004	1,009,447,487		19,465,000	10,782,342	11,334,095	1,051,028,924
FY 2005	1,009,538,729		22,880,577	9,217,658	28,665,905	1,070,302,869
FY 2006	1,036,110,469		44,222,589	10,000,000		1,090,333,058
FY 2007	1,034,072,617		48,947,388	10,000,000		1,093,020,005
FY 2008	980,744,256		44,134,747	10,000,000		1,034,879,002
FY 2009	999,421,562		52,732,496	10,000,000		1,062,154,058
FY 2010	989,139,753	7,353,334	56,591,791	10,000,000		1,063,084,879
FY 2011	961,885,417	8,648,112	43,249,367	10,000,000		1,023,782,895
FY 2012	1,099,034,712	5,306,574	45,431,754	5,750,000		1,155,523,040
FY 2013	1,148,515,795	6,178,158	53,657,834	5,750,000		1,214,101,786
FY 2014	1,203,771,931	11,539,037		5,411,953		1,220,722,920
FY 2015	1,225,175,057	13,128,754		4,397,812		1,242,701,623
FY 2016	1,372,719,992	14,680,974		4,904,883		1,392,305,849
FY 2017	1,312,856,719	16,206,348		4,904,882		1,333,967,949
FY 2018	1,431,907,289	18,127,925		439,444		1,450,474,658
FY 2019**	500,261,341	3,577,977		439,442		504,278,760
Cumulative Transfers	\$ 22,933,752,874	\$ 104,747,193	\$ 5,387,724,273	\$ 191,998,416	\$ 171,067,884	\$ 28,789,290,640

*Includes HHSC Graduate Medical Education and Tertiary Care

**As of December 2018 revenue transfer

Source: with the exception of FY2019, Audited Financial Statements

Texas Lottery Commission						
Unaudited Monthly Detail of Revenue Transfers and Allocations to the State of Texas						
FY 2019 Accrued Revenue Transfers		Foundation	Texas Veterans	Unclaimed	Total Accrued	Reserve For
Transfer Period	Transfer Date*	School Fund	Commission	Prizes	Revenue Transfers	Administration Expenditures
September-18	10/09/18	98,529,204.17	635,713.31	-	99,164,917.48	30,925,484.70
October-18	11/07/18	173,273,213.14	718,672.54	-	173,991,885.68	46,907,347.69
November-18	12/11/18	100,337,754.66	808,144.86	13,059,559.62	114,205,459.14	33,045,444.74
December-18	01/09/19	115,501,096.57	1,415,401.59	-	116,916,498.16	37,579,272.71
Total FY 2019		487,641,268.54	3,577,932.30	13,059,559.62	504,278,760.46	148,457,549.84
FY 2019 Reserve for Administration					148,457,549.84	

Quarterly Detail of Unclaimed Prizes Transferred to the State of Texas				
FY 2019 Accrued Revenue Transfers		Foundation	Texas Veterans	Multicategorical
Transfer Period	Transfer Date	School Fund	Commission	Teaching Hospital Account
November-18	12/11/18	12,620,072.62	45.00	439,442.00
Total FY 2019		12,620,072.62	45.00	439,442.00
				13,059,559.62

* Current month transfers to Foundation School Fund and Texas Veterans Commission are due by 15th of each month.

TEXAS LOTTERY COMMISSION
Unaudited Transfer Calculation for Fund 5025
For the Period December 31, 2018

	December Final	Year-to-Date	
Sales Revenue			% Sales by Game
Scratch Tickets	\$ 430,182,458.00	\$ 1,539,558,716.00	72.59%
Lotto Texas	8,850,320.00	36,392,703.00	1.72%
Lotto Texas Extra	2,163,432.00	8,722,685.00	0.41%
Pick 3	20,976,834.00	81,594,801.50	3.85%
Pick 3- Sum It Up	411,263.50	1,618,554.00	0.08%
Cash Five	4,031,928.00	15,792,801.00	0.74%
Texas Two-Step	5,194,102.00	19,380,645.00	0.91%
Mega Millions	25,681,338.00	210,201,127.00	9.91%
Megaplier	3,956,502.00	28,838,171.00	1.36%
MM Just the Jackpot	114,321.00	936,699.00	0.04%
Daily 4	9,570,552.00	36,795,063.50	1.73%
Daily 4 - Sum It Up	533,393.50	1,988,771.50	0.09%
Powerball	19,515,451.00	112,186,043.00	5.29%
Power Play	3,142,900.00	16,835,413.00	0.79%
All or Nothing	2,521,958.00	9,979,947.00	0.47%
Sub-total Sales Revenue	536,846,753.00	2,120,822,140.50	100.00%
Retailer Fees	22,990.00	105,385.00	
Total Sales Revenue	\$ 536,869,743.00	\$ 2,120,927,525.50	
Prize Expenses			Prize Expenses as % of Revenue
Scratch Tickets	304,240,573.65	1,086,556,222.78	70.58%
Lotto Texas	4,600,278.06	16,282,716.64	44.74%
Lotto Texas Extra	1,215,664.00	4,657,498.00	53.40%
Pick 3	9,784,240.00	37,985,240.00	46.55%
Pick 3- Sum It Up	174,862.00	741,816.00	45.83%
Cash Five	1,954,302.00	7,898,565.80	50.01%
Texas Two-Step	2,609,477.19	9,963,809.75	51.41%
Mega Millions	11,559,564.92	108,021,449.74	51.39%
Megaplier	1,723,346.00	14,164,327.00	49.12%
MM Just the Jackpot	49,226.30	462,333.48	49.36%
Daily 4	4,169,175.00	17,611,950.00	47.86%
Daily 4 - Sum It Up	219,371.00	715,318.00	35.97%
Powerball	9,905,901.00	56,130,184.00	50.03%
Power Play	1,593,937.50	8,424,394.50	50.04%
All or Nothing	1,684,104.00	5,462,630.00	54.74%
Sub-total Prize Expenses	355,484,022.62	1,375,078,455.69	64.84%
Less:			
Unclaimed Prizes - Transferred in FY19	-	(13,059,559.62)	
Unclaimed Prizes - Prior Month(s) Accrual*	-		
Unclaimed Prizes - Current Month Accrual	(5,535,745.87)	(5,535,745.87)	
Sub-total Unclaimed Prizes	(5,535,745.87)	(18,595,305.49)	
Sub-total Prize Expenses as Adjusted for Unclaimed Prizes	\$ 349,948,276.75	\$ 1,356,483,150.20	63.96%
Retailer Commissions	26,889,949.51	106,172,319.13	5.01%
Total Expenses	\$ 376,838,226.26	\$ 1,462,655,469.33	
Amount Available to Transfer	\$ 160,031,516.74	\$ 658,272,056.17	

	December Final	Year-to-Date
Amount Available to Transfer	\$ 160,031,516.74	\$ 658,272,056.17
Less:		
Total AY19 Foundation School Fund		
Transfers to Date		(372,140,171.97)
Total AY19 Texas Veterans Commission		
Transfers to Date		(2,162,530.71)
Unclaimed Prizes - Transferred in FY19	-	(13,059,559.62)
Unclaimed Prizes - Prior Month(s) Accrual*	-	-
Unclaimed Prizes - Current Month Accrual	(5,535,745.87)	(5,535,745.87)
Sub-total Unclaimed Prizes	(5,535,745.87)	(18,595,305.49)
FY19 Administrative Expenses Allocation through 12/31/18	(37,579,272.71)	(148,457,549.84)
Current Month Amount Available to Transfer	\$ 116,916,498.16	\$ 116,916,498.16
Current Month Transfer to Texas Veterans Commission	1,415,401.59	1,415,401.59
Current Month Transfer to Foundation School Fund	115,501,096.57	115,501,096.57
Total Transferred for Current Month	\$ 116,916,498.16	\$ 116,916,498.16

*Unclaimed Prizes are transferred on a quarterly basis

*Totals may not sum due to rounding.



Texas Lottery Commission Summary Financial Information

(Audited unless otherwise noted)

	FY92	FY93	FY94	FY95	FY96	FY97	FY98	FY99	FY00	FY01
<u>SALES:</u>										
Total Sales	\$591,570,852	\$1,856,090,753	\$2,760,217,110	\$3,036,517,308	\$3,432,309,408	\$3,745,469,123	\$3,090,031,624	\$2,571,599,617	\$2,657,290,483	\$2,825,298,062
<u>EXPENSE:</u>										
Total Prize Expense	\$268,869,533	\$981,698,406	\$1,528,691,259	\$1,689,345,205	\$1,951,060,296	\$2,151,737,003	\$1,648,106,270	\$1,329,014,108	\$1,508,849,679	\$1,643,183,197
Prize Payout Percentage	45.5%	52.9%	55.4%	55.6%	56.8%	57.4%	53.3%	51.7%	56.8%	58.2%
Commissions	\$29,578,543	\$92,815,046	\$138,011,596	\$151,845,090	\$171,719,838	\$187,394,765	\$154,581,140	\$128,827,796	\$133,000,980	\$141,299,672
Retailer Payments	-	\$4,282,752	\$6,107,225	\$6,942,860	\$5,429,790	\$6,019,956	\$5,596,251	\$4,482,957	\$4,390,015	\$5,048,075
Administrative Expenses	\$45,116,542	\$124,873,791	\$166,644,017	\$188,383,295	\$217,499,396	\$236,216,507	\$198,286,932	\$169,307,159	\$172,193,140	\$172,823,281
<u>UNCLAIMED PRIZES:</u>										
Unclaimed Prizes Transferred to State	-	-	-	\$2,647,094	\$7,284,316	\$2,982,148	-	\$9,688,000	\$35,517,171	\$38,939,061
<u>ACCRUED TRANSFERS:</u>										
To General Revenue Fund	\$249,978,109	\$656,844,512	\$927,684,072	\$1,015,037,492	\$1,098,323,023	\$1,008,543,523	-	-	-	-
To Multicategorical Teaching Hospital Account	-	-	-	-	-	-	-	-	\$35,517,171	\$4,482,829
To Tertiary Care Facility Account	-	-	-	-	-	-	-	-	-	\$34,456,232
To HHSC Graduate Medical Program	-	-	-	-	-	-	-	-	-	-
To Foundation School Fund	-	-	-	-	-	\$174,237,106	\$1,097,795,590	\$827,328,229	\$825,059,846	-
To Texas Veterans Commission	-	-	-	-	-	-	-	-	-	-
Total Accrued Transfers to State	\$249,978,109	\$656,844,512	\$927,684,072	\$1,015,037,492	\$1,098,323,023	\$1,182,780,629	\$1,097,795,590	\$953,370,758	\$862,845,399	\$863,998,907
<u>SALES:</u>										
Total Sales	\$2,966,262,259	\$3,130,692,602	\$3,487,924,570	\$3,662,462,838	\$3,774,685,562	\$3,774,178,802	\$3,671,477,953	\$3,720,113,711	\$3,738,369,487	\$3,811,270,135
<u>EXPENSE:</u>										
Total Prize Expense	\$1,715,355,958	\$1,845,198,257	\$2,068,643,667	\$2,228,000,419	\$2,310,561,488	\$2,315,304,967	\$2,281,125,261	\$2,299,752,567	\$2,300,182,561	\$2,387,243,785
Prize Payout Percentage	57.8%	58.9%	59.3%	60.8%	61.2%	61.3%	62.1%	61.8%	61.5%	62.6%
Commissions	\$148,359,044	\$156,554,911	\$174,413,287	\$183,176,006	\$188,818,621	\$188,751,041	\$183,771,055	\$186,145,362	\$187,302,974	\$190,808,232
Retailer Payments	\$4,172,483	\$3,606,784	\$2,143,103	\$4,286,558	\$2,804,521	\$4,423,161	\$1,953,223	\$1,926,785	\$8,857,990	\$21,424,731
Administrative Expenses	\$166,748,438	\$158,329,321	\$180,818,463	\$178,795,994	\$184,901,385	\$182,731,292	\$167,594,360	\$192,447,630	\$185,283,677	\$184,320,962
<u>UNCLAIMED PRIZES:</u>										
Unclaimed Prizes Transferred to State	\$69,618,383	\$66,993,269	\$41,581,437	\$60,764,140	\$54,222,589	\$58,947,388	\$54,134,747	\$62,732,496	\$66,591,791	\$53,775,634
<u>ACCRUED TRANSFERS:</u>										
To General Revenue Fund	-	-	\$19,465,000	\$22,880,577	\$44,222,589	\$48,947,388	\$44,134,747	\$52,732,496	\$56,591,791	\$43,249,367
To Multicategorical Teaching Hospital Account	\$40,000,000	-	\$10,782,342	\$9,217,658	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
To Tertiary Care Facility Account	\$29,618,383	\$66,993,269	-	-	-	-	-	-	-	-
To HHSC Graduate Medical Program	-	-	\$11,334,095	\$28,665,905	-	-	-	-	-	-
To Foundation School Fund	\$859,263,426	\$882,094,795	\$1,009,447,487	\$1,009,538,729	\$1,036,110,469	\$1,034,072,617	\$980,744,256	\$999,421,562	\$989,139,753	\$961,885,417
To Texas Veterans Commission	-	-	-	-	-	-	-	-	-	\$8,648,112
Total Accrued Transfers to State	\$928,881,809	\$949,088,064	\$1,051,028,924	\$1,070,302,869	\$1,090,333,058	\$1,093,020,005	\$1,034,879,002	\$1,062,154,058	\$1,063,084,879	\$1,023,782,895
<u>SALES:</u>										
Total Sales	\$4,190,815,913	\$4,376,286,456	\$4,384,597,063	\$4,529,700,425	\$5,067,517,923	\$5,077,461,652	\$5,626,846,887	\$5,120,822,141	\$5,626,846,887	\$5,626,846,887
<u>EXPENSE:</u>										
Total Prize Expense	\$2,632,624,266	\$2,767,359,068	\$2,741,184,820	\$2,858,319,409	\$3,186,430,316	\$3,257,375,437	\$3,666,102,586	\$1,375,078,456	\$3,666,102,586	\$3,666,102,586
Prize Payout Percentage	62.8%	63.2%	62.5%	63.1%	62.9%	64.2%	65.2%	64.8%	65.2%	65.2%
Commissions	\$209,816,328	\$218,892,925	\$219,540,166	\$226,667,064	\$253,512,424	\$253,928,168	\$281,498,020	\$106,172,319	\$281,498,020	\$281,498,020
Retailer Payments	\$16,061,583	\$17,940,232	\$17,959,225	\$21,897,293	\$19,793,946	\$22,368,417	\$24,222,594	7,402,300	\$24,222,594	\$24,222,594
Administrative Expenses	\$169,440,523	\$181,966,473	\$185,435,445	\$189,334,443	\$206,170,765	\$215,911,246	\$209,354,896	\$55,966,203	\$209,354,896	\$209,354,896
<u>UNCLAIMED PRIZES:</u>										
Unclaimed Prizes Transferred to State	\$51,743,502	\$59,870,140	\$78,324,661	\$76,225,020	\$83,552,791	\$69,676,919	\$71,290,369	\$13,059,560	\$71,290,369	\$71,290,369
<u>ACCRUED TRANSFERS:</u>										
To General Revenue Fund	\$45,431,754	\$53,657,834	-	-	-	-	-	-	-	-
To Multicategorical Teaching Hospital Account	\$5,750,000	\$5,750,000	\$5,411,953	\$4,397,812	\$4,904,883	\$4,904,882	\$439,444	\$439,442	\$439,444	\$439,444
To Tertiary Care Facility Account	-	-	-	-	-	-	-	-	-	-
To HHSC Graduate Medical Program	-	-	-	-	-	-	-	-	-	-
To Foundation School Fund	\$1,099,034,712	\$1,148,515,795	\$1,203,771,931	\$1,225,175,057	\$1,372,719,992	\$1,312,856,719	\$1,431,907,289	\$500,261,341	\$1,431,907,289	\$1,431,907,289
To Texas Veterans Commission	\$5,306,574	\$6,178,158	\$11,539,037	\$13,128,754	\$14,680,974	\$16,206,348	\$18,127,925	\$3,577,977	\$18,127,925	\$18,127,925
Total Accrued Transfers to State	\$1,155,523,040	\$1,214,101,786	\$1,220,722,920	\$1,242,701,623	\$1,392,305,849	\$1,333,967,949	\$1,450,474,658	\$504,278,760	\$1,450,474,658	\$1,450,474,658

(1) Includes transfers from sales and unclaimed prizes

* Totals may not sum due to rounding.

Prepared by: Office of the Controller

Through December 2018



Texas Lottery Commission
Annual Budget Report By Strategy
Fiscal Year 2019
From 9/1/2018 Through 11/30/18
(In Millions)

Fund 5025 - Lottery Dedicated Account						
Strategy	Strategy Title	Budget	YTD Expenditures	YTD Encumbrance	Total Budget Variance	% Expended/Encumbered
A.1.1	Lottery Operations	\$ 7.01	\$ 1.86	\$ 4.93	\$ 0.22	96.9%
A.1.2	Lottery Field Operations	3.22	0.67	2.29	0.26	92.0%
A.1.3	Marketing and Promotion	6.36	0.89	3.83	1.64	74.2%
A.1.4	Security	5.59	1.08	4.23	0.28	95.0%
A.1.5	Central Administration	12.95	2.97	8.95	1.03	92.1%
A.1.6	Lottery Operator Contract	110.92	30.25	80.49	0.18	99.8%
A.1.7	Instant Ticket Production Contract	37.70	0.99	4.13	32.57	13.6%
A.1.8	Mass Media Advertising Contract	25.93	1.28	14.21	10.45	59.7%
A.1.9	Drawing and Broadcast Contract	2.15	0.36	1.79	0.00	99.9%
A.1.10	Market Research Contract	0.09	-	-	0.09	0.0%
A.1.11	Retailer Bonus	-	-	-	-	0.0%
A.1.12	Retailer Commissions	25.10	-	-	25.10	0.0%
Total Fund 5025 - Lottery Dedicated Account		\$ 237.03	\$ 40.35	\$ 124.86	\$ 71.82	69.7%

Reconciliation to General Appropriations Act:

Article IX, Section 8.02, Third Party Reimbursements	(0.46)
Article IX, Section 14.01, Appropriation Transfers	0.05
Rider 11, Appn of Increased Revenues	(9.74)
Article IX, Section 17.03, PR Cont-Health Ins (2018-19 GAA)	0.20
Article IX, Section 17.06, PR Cont - Retire (2018-19 GAA)	0.10
Unbudgeted Appropriation Authority	0.79
Total Fund 5025, General Appropriations Act	\$ 227.97

Fund 5175 - Bingo Administration Fund						
Strategy	Strategy Title	Budget	YTD Expenditures	YTD Encumbrance	Total Budget Variance	% Expended/Encumbered
B.1.1	Bingo Licensing	\$ 0.65	\$ 0.13	\$ 0.46	\$ 0.06	91.3%
B.1.2	Bingo Education and Development	0.10	0.02	0.07	0.01	90.7%
B.1.3	Bingo Law Compliance Field Oper.	1.43	0.29	1.01	0.13	90.6%
B.1.4	Bingo Prize Fee Collection & Acct.	0.31	0.07	0.23	0.01	95.8%
B.1.4	Bingo Prize Fee Allocation	14.48	-	-	14.48	0.0%
Total Fund 5175 - Bingo Administration Fund		\$ 16.97	\$ 0.51	\$ 1.77	\$ 14.69	13.4%

Reconciliation to General Appropriations Act:

Rider 8, Local Bingo Prize Fee (2018-19 GAA)	(14.48)
Article IX, Section 17.06, PR Cont - Retire (2018-19 GAA)	0.01
Article IX, Section 17.03, PR Cont-Health Ins (2018-19 GAA)	0.02
Article IX, Section 14.01 Appropriation Transfers	0.01
Unbudgeted Appropriation Authority	0.02
Total Fund 5175, General Appropriations Act	\$ 2.55

Totals may not sum due to rounding.

TEXAS LOTTERY COMMISSION
FY 2019 METHOD OF FINANCING SUMMARY
From 9/1/2018 Through 11/30/18

LOTTERY-FUND 5025

FY 2019 Original Appropriation

\$ 227,966,621

Add: Article IX, Section 8.02, Third Party Reimbursements 463,250
Rider 11, Appn of Increased Revenues 9,738,935

Less: Unbudgeted Appropriation Authority (793,503)
Article IX, Section 17.03, PR Cont-Health Ins (2018-19 GAA) (201,241)
Article IX, Section 17.06, PR Cont - Retire (2018-19 GAA) (100,620)
Article IX, Section 14.01, Appropriation Transfers (45,926)

FY 2019 Adjusted Appropriation

\$ 237,027,516

YTD Expenditures/Encumbrances (165,211,409)

Remaining Budget

\$ 71,816,107

% of Total Budget Expended/Encumbered 69.7%

BINGO-FUND 5175

FY 2019 Original Appropriation

\$ 2,549,315

Add: Rider 8, Local Bingo Prize Fee (2018-19 GAA) 14,480,500

Less: Unbudgeted Appropriation Authority (20,905)
Article IX, Section 17.03, PR Cont-Health Ins (2018-19 GAA) (21,773)
Article IX, Section 17.06, PR Cont - Retire (2018-19 GAA) (10,886)
Article IX, Section 14.01, Appropriation Transfers (5,592)

FY 2019 Adjusted Appropriation

\$ 16,970,659

YTD Expenditures/Encumbrances (2,276,844)

Remaining Budget

\$ 14,693,815

% of Total Budget Expended/Encumbered 13.4%

Texas Lottery Commission
Encumbrance Budget Report - Annual Budget Report-Strategy
FY 2019
From 9/1/2018 Through 11/30/18

Fund 5025 - Lottery Dedicated Account

Account Code	Strategy Title	Budget	YTD Expenditures	YTD Encumbrance	Total Budget Variance	% Expended/ Encumbered
A.1.1	Lottery Operations	7,006,776.76	1,860,629.58	4,928,200.85	217,946.33	96.9%
A.1.2	Lottery Field Operations	3,222,492.30	673,017.03	2,292,298.55	257,176.72	92.0%
A.1.3	Marketing and Promotion	6,364,431.09	888,373.43	3,831,945.55	1,644,112.11	74.2%
A.1.4	Security	5,592,182.41	1,076,784.34	4,234,258.41	281,139.66	95.0%
A.1.5	Central Administration	12,946,539.88	2,967,724.65	8,950,428.08	1,028,387.15	92.1%
A.1.6	Lottery Operator Contract	110,923,293.00	30,254,421.66	80,493,675.45	175,195.89	99.8%
A.1.7	Instant Ticket Production Contract	37,700,000.00	994,152.57	4,132,457.67	32,573,389.76	13.6%
A.1.8	Mass Media Advertising Contracts	25,933,448.00	1,277,286.30	14,207,755.27	10,448,406.43	59.7%
A.1.9	Drawing and Broadcast Contract	2,150,000.00	356,333.32	1,791,666.68	2,000.00	99.9%
A.1.10	Market Research Contract	91,450.00	0.00	0.00	91,450.00	0.0%
A.1.11	Retailer Bonus	0.00	0.00	0.00	0.00	0.0%
A.1.12	Retailer Commissions	25,096,903.00	0.00	0.00	25,096,903.00	0.0%
Total 5025 - Texas Lottery Dedicated Account		<u>237,027,516.44</u>	<u>40,348,722.88</u>	<u>124,862,686.51</u>	<u>71,816,107.05</u>	<u>69.7%</u>

Texas Lottery Commission
Encumbrance Budget Report - Annual Budget Report-Strategy
FY 2019
From 9/1/2018 Through 11/30/18

5175 - Bingo Administration Fund

Strategy	Strategy Title	Budget	YTD Expenditures	YTD Encumbrance	Total Budget Variance	% Expended/ Encumbered
B.1.1	Bingo Licensing	648,297.16	128,000.18	463,682.28	56,614.70	91.3%
B.1.2	Bingo Education and Development	99,772.71	22,331.18	68,206.99	9,234.54	90.7%
B.1.3	Bingo Law Compliance Field Oper	1,427,933.15	286,776.03	1,006,904.98	134,252.14	90.6%
B.1.4	Bingo Prize Fee Collection & Accting	314,156.46	73,717.66	227,224.80	13,214.00	95.8%
B.1.4	Bingo Prize Fee Allocation	14,480,500.00	0.00	0.00	14,480,500.00	0.0%
	Total Fund 5175 - Bingo Administration Fund	<u>16,970,659.48</u>	<u>510,825.05</u>	<u>1,766,019.05</u>	<u>14,693,815.38</u>	<u>13.4%</u>

Texas Lottery Commission
Quarterly Budget Report
Fiscal Year 2019
From 9/1/2018 Through 11/30/18

Fund 5175 - Bingo Administration Fund

Account Code	Account Title	Budget	YTD Expenditures	YTD Encumbrance	Total Budget Variance	% Expended/ Encumbered
6001	Salaries and Wages	\$ 2,177,781	\$ 459,897	\$ 1,635,192	\$ 82,691	96.2%
6003	Longevity Pay	47,400	9,620	36,100	1,680	96.5%
6004	Merit Pool	30,938	-	-	30,938	0.0%
6005	Professional Fees & Services	98,699	15,214	77,845	5,640	94.3%
6015	Other Operating Costs	86,259	22,270	16,882	47,107	45.4%
6020	Travel	44,082	2,397	-	41,685	5.4%
6021	Out of State Travel	5,000	1,427	-	3,573	28.5%
6030	Grants	14,480,500	-	-	14,480,500	0.0%
Total Fund 5175 - Bingo Administration Fund		\$ 16,970,659	\$ 510,825	\$ 1,766,019	\$ 14,693,815	13.4%

Texas Lottery Commission
Quarterly Budget Report
Fiscal Year 2019
From 9/1/2018 Through 11/30/18

Fund 5025 - Lottery Dedicated Account

Account Code	Account Title	Budget	YTD Expenditures	YTD Encumbrance	Total Budget Variance	% Expended/ Encumbered
6001	Salaries and Wages	\$ 20,205,984	\$ 4,747,847	\$ 15,233,617	\$ 224,520	98.9%
6003	Longevity Pay	406,320	92,920	307,060	6,340	98.4%
6004	Merit Pool	252,094	-	-	252,094	0.0%
6005	Professional Fees & Services	5,535,064	792,501	4,496,478	246,085	95.6%
6006	Lottery Operator Contract	110,986,131	30,317,260	80,493,675	175,196	99.8%
6007	Advertising	25,938,448	1,277,286	14,207,755	10,453,406	59.7%
6008	Retailer Bonus	25,096,903	-	-	25,096,903	0.0%
6009	Printing and Reproduction	36,665,966	1,015,952	4,378,813	31,271,200	14.7%
6015	Other Operating Costs	11,398,950	2,042,181	5,649,330	3,707,439	67.5%
6020	Travel	294,410	42,397	-	252,013	14.4%
6021	Out of State Travel	110,000	20,379	-	89,621	18.5%
6071	Capital Expenditures	137,247	-	95,957	41,290	69.9%
Total Fund 5025 - Lottery Dedicated Account		\$ 237,027,516	\$ 40,348,723	\$ 124,862,687	\$ 71,816,107	69.7%