

MONTANA LOTTERY

STATEMENT OF NET POSITION
(Unaudited)

June 30, 2025

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APPOINTED OFFICIALS

Bob Brown, Lottery Director

Bryan Costigan, Lottery Assistant Director for Security

LOTTERY COMMISSION

		Term Expires
Leo Prigge	Butte	January 1, 2027
Tony Harbaugh	Miles City	January 1, 2025
Steve Morris	Helena	January 1, 2025
Janna Taylor	Rollins	January 1, 2026
Jon Metropoulos	Helena	January 1, 2026

REPORT DISTRIBUTION – 2025

According to Section 23-7-202(9), MCA, copies of this report must be distributed to the following:

Governor – Greg Gianforte
Legislative Auditor – Angus Maciver
Speaker of the House – Brandon Ler

Director of Dept. of Administration – Misty Ann Giles
President of the Senate – Matt Regier

The law provides “the President of the Senate and the Speaker of the House will determine the report distribution to each member of the appropriate committee of each house of the legislature.” The President of the Senate and the Speaker of the House have requested that this report be distributed to the following committees:

HOUSE – STATE ADMINISTRATION COMMITTEE

Darling, Julie (Ch.)	Cochran, Curtis	Parry, Gar	Sooktis, Jad
Bertoglio, Marta	Edwards, Becky	Reksten, Linda	Strand, Peter
Kortum, Kelly	Fyant, Shelly	Running Wolf, Tyson	Tilleman, Eric
Bennett, Lyn	Lee, Marc	Schubert, Lukas	Wirth, Zack
Byrne, Ed	Love, Kathy	Schubert, Lukas	

HOUSE – BUSINESS AND LABOR COMMITTEE

Buttrey, Ed (Ch.)	Fitzpatrick, Chip	Ler, Brandon	Schomer, Curtis
Seekins-Crowe, Kerr	Fitzpatrick, Steve	Maness, Shannon	Seckinger, Joshua
Lynch, Jennifer	Gist, Steve	Marshall, Ron	Sprunger, Courtenay
Carter, Bob	Isaly, Jamie	Nicol, Nelly	Sullivan, Katie
DeMarois, Scott	Karlen, Jonathan	Oblander, Greg	Thiel, Morgan

SENATE – STATE ADMINISTRATION COMMITTEE

Manzella, Theresa (Ch.)	Ellis, Janet	Regier, Matt
McKamey, Wendy	Morigeau, Jacinda	Tezak, Tony
Hayman, Denise	Phalen, Bob	Vance, Shelley

SENATE – BUSINESS, LABOR, AND ECONOMIC AFFAIRS COMMITTEE

Noland, Mark (Ch.)	Ellsworth, Jason	Loge, Denley	Phalen, Bob
Trebas, Jeremy	Gillespie, Bruce	Morigeau, Jacinda	Webber, Susan
Curdy, Willis	Hunter, Gregg	Novak, Sara	Zolnikov, Daniel

MONTANA LOTTERY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE QUARTERS ENDED JUNE 30, 2025 AND 2024
(Unaudited)

	Quarter Ended June 30, 2025	Quarter Ended June 30, 2024	Year to Date Fiscal Year 2025	Year to Date Fiscal Year 2024
OPERATING REVENUES:				
Scratch ticket revenue	\$ 7,212,906	\$ 7,106,722	\$ 27,964,993	\$ 27,235,936
Powerball revenue	2,774,251	4,143,039	10,872,278	22,082,859
Montana Cash revenue	3,821,526	1,056,160	6,861,182	6,457,698
MT Millionaire revenue	10,000,040	0	10,000,040	7,600,000
Mega Millions revenue	1,806,147	1,729,370	8,326,233	10,559,791
Treasure Play revenue	3,959,215	1,496,297	8,456,188	7,853,061
Lucky for Life revenue	1,044,460	1,088,752	3,837,532	4,118,600
Big Sky Bonus revenue	736,168	654,434	2,581,454	2,620,344
Lotto America revenue	395,793	446,893	2,992,019	1,895,332
Sports Bet revenue	17,151,343	14,299,037	66,184,270	63,721,790
License, permits, and misc	2,460	3,280	7,111	9,974
Total Operating Revenues	48,904,309	32,023,984	148,083,299	154,155,385
Less Direct Game Costs:				
Scratch ticket prize expense	3,756,869	4,949,185	18,128,213	18,279,289
On-line ticket prize expense	11,284,772	7,117,088	28,067,109	35,483,539
Sports Bet ticket prize expense	15,064,067	12,707,844	56,417,021	55,437,911
Retailer commission	2,448,351	1,877,033	7,142,558	7,559,779
Cost of tickets sold	177,593	372,227	1,041,346	799,235
Vendor fees	2,694,503	1,904,491	9,712,610	9,661,978
Total Direct Game Costs	35,426,154	28,927,868	120,508,856	127,221,731
Income Before Operating Expenses	13,478,156	3,096,116	27,574,442	26,933,654
OPERATING EXPENSES:				
Advertising	166,707	226,325	555,091	688,462
Advertising Production	170,386	72,647	327,142	217,834
Audit Fees	28,569	8,295	39,645	65,225
Bad Debts Expense	(1,120)	1,173	(1,120)	(442)
Communications	89,189	87,837	323,442	328,487
Contractual Services	37,471	106,747	136,364	218,483
Depreciation and Amortization	9,475	18,181	41,555	37,746
Administrative Service Fee	29,709	0	118,836	118,994
Multi-State Dues	38,314	38,615	38,314	38,615
Public Relations	17,100	24,739	40,690	53,399
Other	(18,172)	(17,940)	49,268.96	46,293
Personal Services	781,626	673,200	3,059,111	2,863,790
Repairs and Maintenance	5,062	3,974	16,978	17,174
Supplies and Materials	39,640	93,814	229,683	277,504
Travel	19,305	3,092	43,479	33,347
Utilities and Rent	42,850	58,882	242,918	244,040
Total Operating Expense	1,456,112	1,399,581	5,261,398	5,248,951
Operating Income	12,022,044	1,696,535	22,313,044	21,684,703
NONOPERATING REVENUES (EXPENSES)				
Interest earnings	21,002	1,737	21,952	4,835
Gain/Loss on sale of asset	(10,262)	0	15,326	9,624
Other	(40,418)	0	(40,418)	0
Pension Expense	(76,489)	(178,239)	(76,489)	(178,239)
OPEB Expenses	(277)	20,917	(277)	20,917
Total Nonoperating Revenues(Expenses)	(106,444)	(155,585)	(79,906)	(142,863)
Income Before Operating Transfers	11,915,600	1,540,950	22,233,138	21,541,840
Operating Transfers Out - General Fund	(11,353,100)	(939,042)	(19,983,138)	(19,312,432)
Operating Transfers Out -OCHE	(562,500)	(562,500)	(2,250,000)	(2,250,000)
Total Operating Transfers	(11,915,600)	(1,501,542)	(22,233,138)	(21,562,432)
CHANGE IN NET POSITION	0	(20,592)	0	(20,592)
Total Net Position, Beginning of Period	(2,395,122)	(2,417,711)	(2,395,122)	(2,417,711)
Prior Period Adjustments	-	-	-	-
TOTAL NET POSITION, END OF PERIOD	\$ (2,395,122)	\$ (2,438,303)	\$ (2,395,122)	\$ (2,438,303)

The accompanying notes are an integral part of these financial statements.

MONTANA LOTTERY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION
AND RECONCILIATION OF BUDGET AND ACTUAL (BUDGETARY BASIS) TO GAAP BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Unaudited)

	<u>Budget</u> Fiscal Year July 1, 2024- June 30, 2025	<u>Actual</u> Through Quarter Ending June 30, 2025 (Unaudited)	Actual as a Percent of Final Budget (%)
REVENUES:			
Scratch ticket revenue	\$ 27,340,000	\$ 27,964,993	102.29
Powerball revenue	12,240,000	10,872,278	88.83
Montana Cash revenue	5,110,000	6,861,182	134.27
MT Millionaire revenue	10,000,000	10,000,040	100.00
Mega Millions revenue	5,200,000	8,326,233	160.12
Treasure Play revenue	8,250,000	8,456,188	102.50
Lucky for Life revenue	3,890,000	3,837,532	98.65
Big Sky Bonus revenue	3,010,000	2,581,454	85.76
Lotto America revenue	1,910,000	2,992,019	156.65
Sports Bet revenue	75,000,000	66,184,270	88.25
License, permits, and misc	12,000	7,111	59.25
Total Revenues	<u>151,962,000</u>	<u>148,083,299</u>	97.45
DIRECT GAME COSTS:			
Scratch ticket prize expense	21,818,370	18,128,213	83.09
On-line ticket prize expense	33,780,420	28,067,109	83.09
Sports Bet ticket prize expense	67,901,210	56,417,021	83.09
Retailer commission	10,200,000	7,142,558	70.03
Cost of tickets sold	1,160,000	1,041,346	89.77
Vendor fees	12,946,350	9,712,610	75.02
Total Direct Game Costs	<u>147,806,350</u>	<u>120,508,856</u>	81.53
OPERATING EXPENSES:			
Advertising	644,000	555,091	86.19
Advertising Production	335,000	327,142	97.65
Audit Fees	149,492	39,645	26.52
Communications	367,725	323,442	87.96
Contractual Services	213,285	136,364	63.94
Depreciation and Amortization	0	41,555	
Administrative Service Fee	119,152	118,836	99.73
Multi-State Dues	40,000	38,314	95.78
Public Relations	60,000	40,690	67.82
Other	-31,810	49,269	-154.89
Personal Services	3,055,339	3,059,111	100.12
Repairs and Maintenance	32,000	16,978	53.06
Supplies and Materials	305,200	229,683	75.26
Travel	83,400	43,479	52.13
Utilities and Rent	225,016	242,918	
Total Operating Expenses	<u>5,597,799</u>	<u>5,261,398</u>	93.99
Operating Income	<u>(1,442,149)</u>	<u>22,313,044</u>	-1547.21
NONOPERATING REVENUES (EXPENSES):			
Interest earnings	3,000	21,952	731.73
Gain/Loss on sale of asset	0	15,326	N/A
Other	0	(40,418)	N/A
Pension Expense	0	(76,489)	N/A
OPEB Expenses	0	(277)	N/A
NET INCOME (BUDGETARY BASIS)	<u>\$ (1,439,149)</u>	<u>\$ 22,233,138</u>	-1544.88
RECONCILIATION OF BUDGETARY/GAAP BASIS:			
Capitalized equipment purchases	35,000	0	0.00
Adjustment for compensated absences	0	0	N/A
Bad Debts	0	1,120	N/A
MUSL interest earnings	1,000	20,581	2058.13
Total Reconciling Items	36,000	21,701	
NET INCOME (GAAP BASIS)	<u>\$ (1,403,149)</u>	<u>\$ 22,254,839</u>	-1586.06

The accompanying notes are an integral part of these financial statements.

MONTANA LOTTERY
ANALYSIS OF REVENUES AND EXPENSES BY PRODUCT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

(Unaudited)

	SCRATCH	POWERBALL	MONTANA CASH	MT MILLIONAIRE	MEGA MILLIONS	TREASURE PLAY	LUCKY FOR LIFE	BIG SKY BONUS	LOTTO AMERICA	SPORTS BET	ADMIN
REVENUES:	\$ 27,964,993	\$ 10,872,278	\$ 6,861,182	\$ 10,000,040	\$ 8,326,233	\$ 8,456,188	\$ 3,837,532	\$ 2,581,454	\$ 2,992,019	\$ 66,184,270	\$ 7,111
DIRECT GAME COSTS:											
Prize Expense	18,128,213	4,788,426	3,463,882	5,793,800	3,998,791	5,091,916	1,767,187	1,763,341	1,399,766	56,417,021	0
Retailer Commissions	2,238,995	542,321	343,060	500,002	416,313	644,943	191,877	129,073	149,601	1,986,375	0
Cost of Tickets Sold	1,041,346	0	0	0	0	0	0	0	0	0	0
Vendor Fees	<u>2,227,288</u>	<u>860,616</u>	<u>548,189</u>	<u>800,003</u>	<u>664,832</u>	<u>673,856</u>	<u>306,283</u>	<u>206,278</u>	<u>238,884</u>	<u>3,186,380</u>	<u>0</u>
NET OPERATING REVENUE	4,329,151	4,680,915	2,506,051	2,906,235	3,246,297	2,045,473	1,572,185	482,762	1,203,768	4,594,494	7,111
OPERATING EXPENSES:											
Advertising	105,581	10,626	20,086	28,356	18,067	59,538	13,076	12,660	7,424	278,882	795
Advertising Production	93,212	12,532	20,896	5,250	27,907	35,836	8,907	8,907	3,524	71,467	38,703
Audit Fees	0	0	0	0	0	0	0	0	0	0	39,645
Bad Debts	0	0	0	0	0	0	0	0	0	0	(1,120)
Communications	233,123	0	0	0	0	0	0	0	0	0	90,320
Contractual Services	0	0	0	0	0	0	0	0	0	2,034	134,330
Depreciation and Amortization	10,825	2,244	1,970	1,862	1,675	2,714	1,321	1,459	1,209	7,027	9,250
Administrative Service Fee	30,969	6,417	5,633	5,324	4,789	7,760	3,779	4,159	3,458	20,095	26,453
Multi-State Dues	0	25,410	0	0	8,291	0	2,368	0	2,245	0	0
Public Relations	9,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	22,690
Other	0	0	0	0	0	0	0	0	0	0	49,269
Personal Services	797,204	165,192	145,002	137,048	123,282	199,760	97,280	107,069	89,020	517,296	680,958
Repairs and Maintenance	0	0	0	0	0	0	0	0	0	0	16,978
Supplies and Materials	0	0	0	0	0	0	0	0	0	0	229,683
Travel	0	0	0	0	0	0	0	0	0	0	43,479
Utilities and Rent	<u>25,322</u>	<u>5,247</u>	<u>4,606</u>	<u>4,353</u>	<u>3,916</u>	<u>6,345</u>	<u>3,090</u>	<u>3,401</u>	<u>2,828</u>	<u>16,431</u>	<u>167,380</u>
TOTAL OPERATING EXPENSES	1,305,235	228,668	199,192	183,193	188,927	312,953	130,821	138,655	110,708	914,232	1,548,813
OPERATING INCOME	3,023,916	4,452,247	2,306,859	2,723,042	3,057,370	1,732,520	1,441,364	344,107	1,093,060	3,680,262	(1,541,702)
NONOPERATING REVENUES (EXPENSES)											
Interest Earnings	0	0	0	0	0	0	0	0	0	0	21,952
Pension Expenses	0	0	0	0	0	0	0	0	0	0	(76,489)
Gain(Loss) on Sale of Asset	0	0	0	0	0	0	0	0	0	0	15,326
Other	0	0	0	0	0	0	0	0	0	0	(40,418)
OPEB Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(277)</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	0	0	0	0	0	0	0	0	0	0	(79,906)
NET INCOME BY PRODUCT	<u>\$ 3,023,916</u>	<u>\$ 4,452,247</u>	<u>\$ 2,306,859</u>	<u>\$ 2,723,042</u>	<u>\$ 3,057,370</u>	<u>\$ 1,732,520</u>	<u>\$ 1,441,364</u>	<u>\$ 344,107</u>	<u>\$ 1,093,060</u>	<u>\$ 3,680,262</u>	<u>\$ (1,621,608)</u>
PROFIT AS A % OF REVENUE	10.81%	40.95%	33.62%	27.23%	36.72%	20.49%	37.56%	13.33%	36.53%	5.56%	N/A
PRIOR YEAR PROFIT AS A % OF REVENUE	7.36%	37.77%	17.09%	27.66%	36.94%	13.66%	6.71%	12.50%	38.74%	5.41%	N/A

NOTE: THIS IS TWELVE MONTHS' ACTIVITY AND THEREFORE SHOULD NOT BE INTERPRETED TO SHOW HOW OUR PRODUCTS HAVE PERFORMED IN PAST YEARS OR WILL PERFORM IN THE FUTURE.

The accompanying notes are an integral part of these financial statements.