

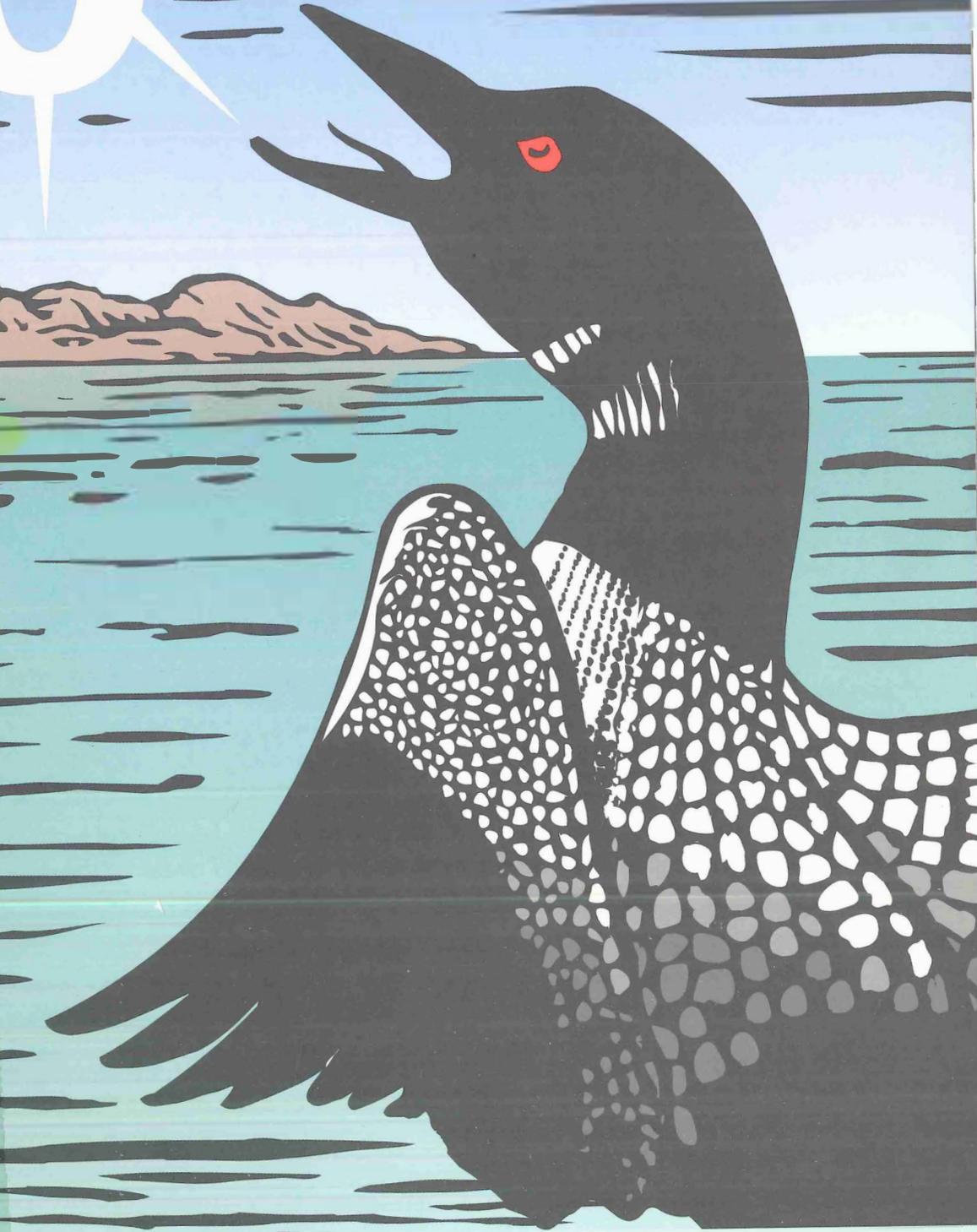
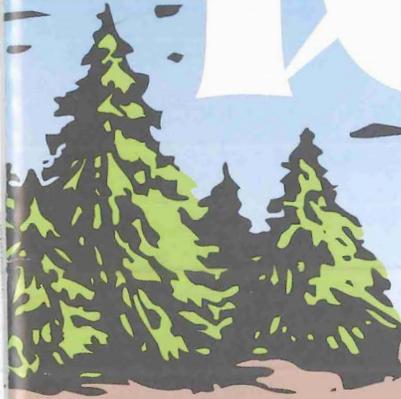
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Fiscal Year 2000 Annual Report

## A Letter From the Director

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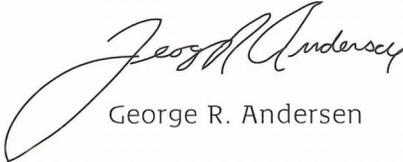
**Our mission is to provide secure, attractive games, maximize revenues and to support our retailers and players.**

This annual report serves to provide an overview of Lottery activities for Fiscal Year 2000. Record sales, highlights of activities and financial details are provided for your review.

Lottery sales will vary from year to year, depending on such variables as weather, gasoline prices, the economy and random nature of jackpot rollovers. Our mission is to provide secure, attractive games, maximize revenues and to support our retailers and players.

Our thanks to all who sell, play and benefit from our enterprise. A special thanks goes to our suppliers and staff for all they do.

Very truly yours,



George R. Andersen



*Proceeds Benefit Our Natural  
and Economic Environments.*

## Introduction to Fiscal Year 2000

Fiscal year 2000 (July 1, 1999 - June 30, 2000) was an exciting time for the Minnesota State Lottery. On April 17, 2000, the Lottery celebrated 10 years of ticket sales (Scratch Games began on April 17, 1990 and Online Games began on August 14, 1990). During these 10 years, lottery sales exceeded \$3.5 billion, players won more than \$2.1 billion in prizes, retailers earned \$209 million in commissions and incentives and the State of Minnesota received more than \$857 million — the General Fund received \$573.5 million and \$245.7 million was transferred to the Environment and Natural Resources Trust Fund.

The Lottery's 10th anniversary was just one of many exciting events that occurred during the fiscal year. Farrah Slad of Brainerd claimed a \$78.8 million (cash option) Powerball® jackpot — a Minnesota record — on July 1, 1999, the first day of the fiscal year. Two new record Gopher 5® jackpots were recorded: \$1,103,795 for the drawing on Sept. 28, 1999 and \$1,364,344 on June 23, 2000.

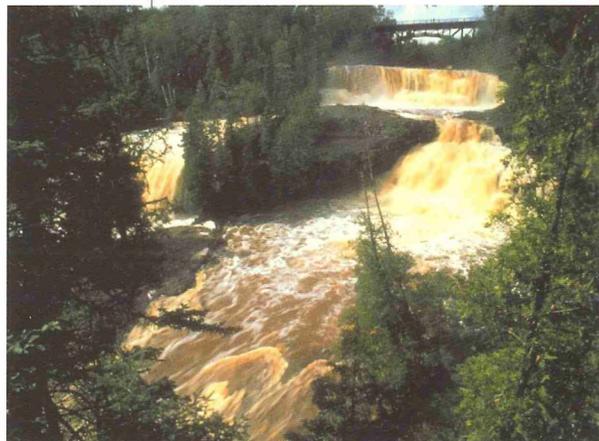
The first \$10 Scratch ticket was introduced in October 1999 and the SPAM™ Scratch Game, the first lottery game to feature a Minnesota product, went on sale in May 2000. Lottery sales set new weekly and annual sales records this fiscal year: sales exceeded \$14.3 million the week of Feb. 29, 2000 and fiscal year sales reached \$397.2 million.

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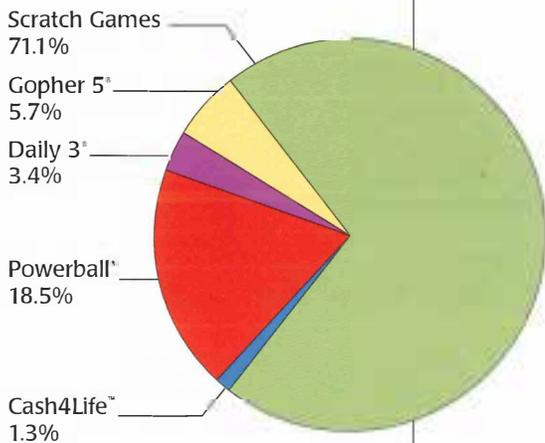
**Over the past 10 years,  
lottery sales exceeded  
\$3.5 billion and play-  
ers won more than  
\$2.1 billion in prizes.**



*Since April 17, 1990,  
the Lottery has trans-  
ferred \$245.7 million  
to the Environment  
and Natural Resources  
Trust Fund.*

## Financial Highlights of Fiscal Year 2000

**Minnesota State Lottery players won a record \$241.5 million in prizes (60.8 percent of sales) in FY2000.**



The Minnesota State Lottery celebrated 10 years of Scratch Game sales on April 17, 2000. To kick off the celebration, the Lottery introduced the Tenth Anniversary Game.

The launch of 29 Scratch Games and sales of four Online Games during FY2000 resulted in a record sales year of \$397.2 million. This was a 1.8 percent increase over fiscal year 1999.

Scratch Game sales reached \$282.4 million in FY2000, an increase of 6.3 percent over the previous year. At 71 percent of total sales, Scratch Games continued to account for the bulk of lottery revenue.

Online Game sales were \$114.8 million in FY2000, a 7.7 percent decline from FY1999. Gopher 5<sup>®</sup> sales were up 17.5 percent to \$22.6 million, Powerball<sup>®</sup> sales finished at \$73.7 million, Daily 3<sup>®</sup> sales were up 3.2 percent to \$13.4 million and Cash4Life<sup>™</sup> sales reached \$5.1 million.

A new weekly sales record was set the week of February 29 through March 6, 2000 when sales reached \$14,382,500. Of this amount, approximately \$5.7 million was from sales of Scratch Games while Powerball accounted for \$7.5 million in sales due to a \$150 million jackpot.

Minnesota State Lottery players won a record \$241.5 million in prizes (60.8 percent of sales) in FY2000. Three Powerball jackpots, 21 Gopher 5 jackpots, one Cash4Life jackpot and 31 Scratch prizes of more than \$30,000 are included in this total. In addition, thousands of players won smaller lottery prizes playing Scratch and Online Games.

Retailers also benefited from selling lottery tickets in fiscal year 2000. The Lottery's network of more than 3200 retailers earned \$23.8 million in sales commissions and \$3.3 million through retailer incentives. Total retailer compensation was up 1.4 percent over FY99. Lottery retailers are located in all 87 counties and in 667 cities throughout Minnesota.

#### TOP 10 LOTTERY RETAILERS FOR FISCAL YEAR 2000

1. M & H Gas, Moorhead
2. MPAF-MSP International Airport
3. Wally's Holiday Station Store, East Grand Forks
4. Orton's Moorhead Citgo, Moorhead
5. M & H Gas, St. Paul
6. Rice Street Spur, St. Paul
7. Merwin Drug, Robbinsdale
8. Hornbacher Foods, Moorhead
9. Rademacher DBA Bill's Superette, Brooklyn Park
10. Rademacher DBA Bill's Superette, Andover



*More than 3200 lottery retailers throughout Minnesota earned \$27.1 million in commissions and incentives in FY2000.*

The State of Minnesota received more than \$86 million from lottery sales in FY2000. The Environment and Natural Resources Trust Fund, which receives 40 percent of net proceeds, received \$23.5 million for environmental projects statewide — \$20.9 million from net proceeds and \$2.6 million in unclaimed prizes.

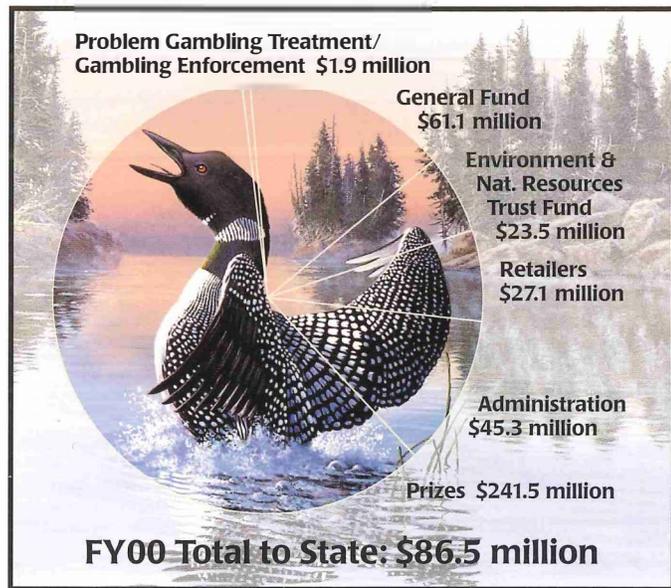
**The State of Minnesota received more than \$86 million from lottery sales in fiscal year 2000.**

The Trust Fund was established to provide a source of funding to enhance and expand Minnesota's natural resources. Only the earnings of the Trust Fund may be appropriated by the Legislature to fund

projects. The Legislative Commission on Minnesota Resources (LCMR), which consists of 20 legislators, reviews all funding requests and selects the projects to be funded. The full Legislature must then approve the final projects.

The General Fund, which supports state-run services like K-12 education, transportation, social services and crime prevention, received \$61.1 million. Lottery transfers to the General Fund totaled \$31.3 million in net proceeds, \$4 million in unclaimed prize money and \$25.8 million in-lieu-of-sales tax. State law directs that for every dollar spent on lottery tickets during FY2000, 6.5 cents was earmarked as in-lieu-of-sales tax and transferred to the General Fund.

**The Lottery transferred \$61.1 million to the General Fund in FY2000 to fund state-run services like K-12 education, transportation, social services and crime prevention.**



The Lottery transferred \$1.75 million to the state Department of Human Services for problem gambling treatment programs. The Lottery is the sole funding source for state-sponsored problem gambling treatment, prevention and education efforts.

# This Year's Winners and Games

Lottery players won a record \$241.5 million in prizes during fiscal year 2000 — \$185.8 million on Scratch Games and \$55.7 million from Online Games.

## Scratch Games

Several Scratch Games featuring new play styles or other unique features were introduced during the Lottery's 10th anniversary year. The average payout of the 29 Scratch games introduced during the fiscal year was 67.5 percent.

The first \$10 Scratch Game introduced in Minnesota, The Golden Ticket Games, was launched on Oct. 26, 1999. Overall odds were 1:1 (each ticket was at least a \$3 winner) and the top prize was \$250,000. This ticket was the first to use technology that enabled the Lottery to merge two separate tickets into the same foil pouch.

A second \$10 pouch game, the 10th Anniversary Game, was launched on April 11, 2000 to kick off the Lottery's 10th anniversary celebration. Each ticket was at least a \$3 winner and contained a stub for a free Powerball®, Gopher 5® or Daily 3® ticket.

The Lottery also continued to offer players \$5, \$3, \$2 and \$1 Scratch Games. The \$5 Viva Las Vegas and Casino Buffet games offered a \$100,000 top prize, while Northwoods Bingo was a popular \$3 game. Minnesota players were introduced to a new style of play with Crossword, a \$2 ticket. Players won by completing words in a crossword puzzle.

The Lottery teamed up with the Hormel Foods Corp. of Austin, Minn. when it launched the \$2 SPAM™ Scratch Game on May 30, 2000. This was the first time a Minnesota State Lottery game featured a



Rich Olson of Coon Rapids was the third person to claim the Golden Ticket Games' top prize of \$250,000.

The average payout of Scratch Games in Fiscal Year 2000 was 67.5 percent.



A quick trip to the convenience store was worth \$100,000 to Duran Olson of Thief River Falls after he purchased a Casino Buffet Scratch ticket.



SPAM<sup>®</sup> was the first Minnesota product featured on a Minnesota State Lottery game.



Scratch Slots offered players a record 79 percent prize payout.



Minnesota product. T-shirts featuring the SPAM<sup>™</sup> Scratch ticket were available to players at select Lottery-sponsored events and retailer promotions during the summer. The launch of this unique Scratch ticket resulted in national television coverage from Los Angeles to Orlando.

Scratch Slots, one of fourteen \$1 games launched during the fiscal year, offered a record 79 percent prize payout.

### Online Games

Minnesota offered its players four very different Online Games during the fiscal year. Daily 3<sup>®</sup>, Minnesota's first and longest-running Online Game, offers players eight different ways to match one, two or all three of the numbers drawn. Daily 3 produced 63,911 winning tickets on sales of more than \$13.3 million in FY2000.



Gopher 5<sup>®</sup> is Minnesota's own cash lotto game, offering a jackpot that starts at \$100,000 and grows until it is won. In FY2000, Gopher 5 resulted in 350,151 tickets winning more than \$13.1 million. Gopher 5 set two new jackpot records in FY2000. A group of 22 Northwest Airlines employees shared a then-record \$1,103,795 Gopher 5 jackpot from the Sept. 28, 1999 drawing. Just nine months later, on June 23, 2000, Gopher 5 reached a new record jackpot of \$1,364,344. Two ticket holders split that prize.

In FY2000, the multi-state Powerball<sup>™</sup> game produced more than 2.1 million winning tickets in Minnesota, paying players more than \$72 million in prizes.

It took six months for Terry Barron and Sara Betterly of Cottage Grove to realize they had a Gopher 5<sup>®</sup> ticket worth \$315,757.



A group of 22 Northwest Airlines employees claimed a \$1.1 million Gopher 5<sup>®</sup> jackpot.



Three Powerball® jackpot prizes were claimed in Minnesota during FY2000. The fiscal year got off to a great start on July 1, 1999 when Farrah Slad, a 21-year-old Brainerd resident, claimed the \$78.8 million cash option prize she won on June 30, 1999. Slad's prize was the largest ever won in Minnesota, and the third largest jackpot in Powerball history. She purchased the winning ticket at Holiday StationStores, Inc. in Baxter.



*Sandy Wynne: "I kept thinking this was a dream, but even if it was, it was a really neat one."*

John and Sandy Wynne of Oakdale, who purchased their ticket at M & H Gas in St. Paul, claimed their \$31 million cash option prize on Nov. 1, 1999, while Keith and Carol Goergen of Elgin claimed their \$25.9 million cash option jackpot on March 6, 2000. Greenway Co-op in Elgin sold the Goergens their winning ticket.

**Carol Goergen:**  
**"It still doesn't feel real yet. It's unimaginable."**



In addition to the jackpot winners, 37 Powerball tickets worth \$100,000 were sold in Minnesota during the fiscal year. Among these winners were two pools: A group of 29 employees of St. Mary's University in Winona, calling themselves the "SMU Crew," won the prize on March 1, 2000 while a second pool, the Fireside Breakfast Club of the Twin Cities, won a \$100,000 prize on March 4, 2000.



*Patricia Spitzack-Havlish of Rochester couldn't think of a better reason to take a day off work than to claim a \$100,000 Powerball® prize.*

The multi-state Cash4Life™ game yielded 545,456 winning tickets worth more than \$1.7 million to Minnesota's players. Gary and Gayle Rudlong, Sr. of Big Lake became Minnesota's fifth \$1,000/week for life grand prize winners on July 23, 1999.



*Pictured are most of the 29 employees of St. Mary's University in Winona, who shared a \$100,000 Powerball® prize.*

## During our First Ten Years...

*Farrah Slad of Brainerd claimed a \$78.8 million Powerball® prize on July 1, 1999.*

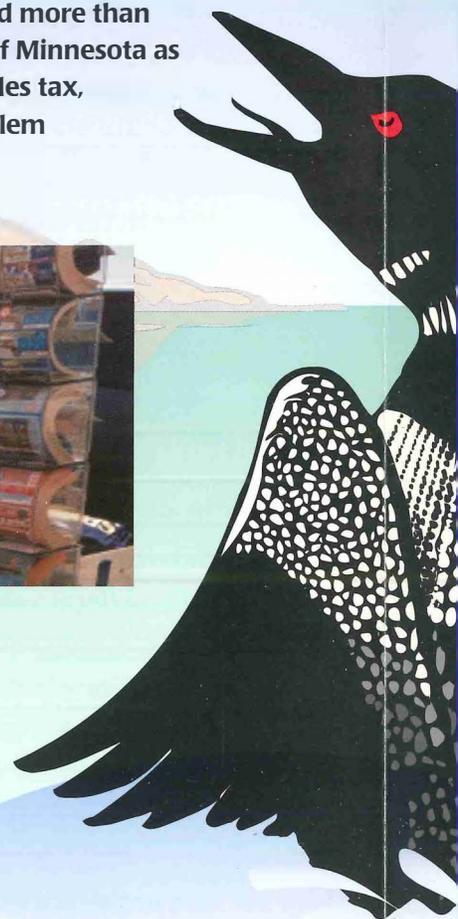


The Lottery has offered players 181 Scratch Games since its first game, Match 3, went on sale on April 17, 1990. More than 150 players won prizes of \$100,000, \$250,000, \$1,000,000, \$1,000/month for life or \$1,000/week for life on these games since they began.

Sales of Online Games total almost \$1.1 billion since they were introduced in August 1990. More than \$530 million was paid in prizes – 1,145 players have won or shared a prize of \$100,000 or more.

The Lottery has transferred more than \$857 million to the State of Minnesota as net proceeds, in-lieu-of-sales tax, unclaimed prizes and problem gambling treatment.

*In the 10 years the Lottery has been in existence, retailers throughout Minnesota earned more than \$209 million in commissions and incentives selling lottery tickets.*



Lotto\*Minnesota®, Powerball's® predecessor, produced six jackpot winners. Powerball sales have reached more than \$611.6 million, while Lotto\*Minnesota® sales totaled \$93.4 million.



Minnesota has had 12 Powerball® jackpot winners and 450 winners of the \$100,000 second prize since the game started in April 1992.



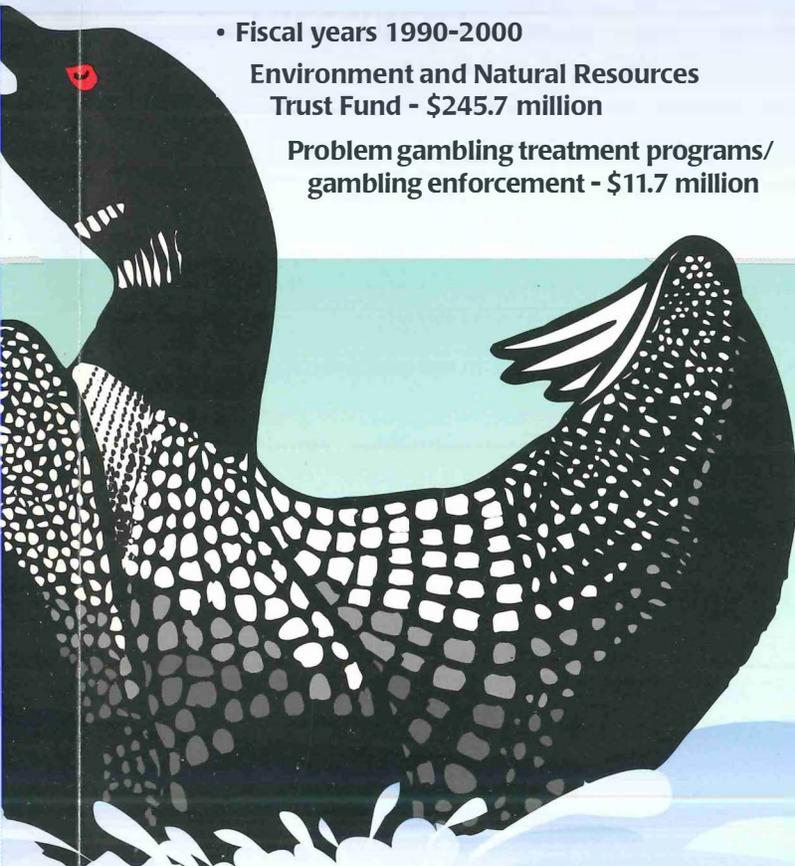
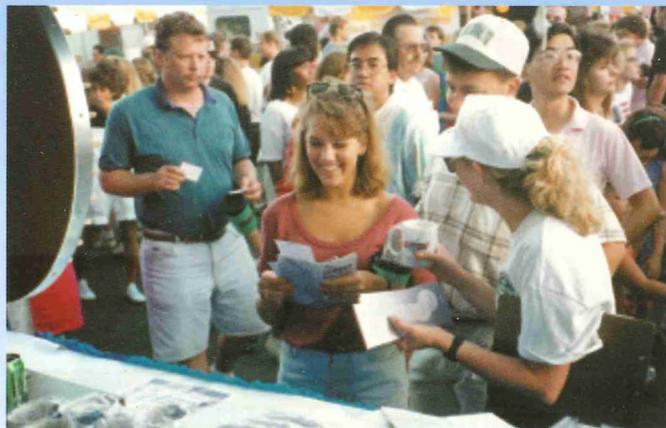
Gopher 5® sales have exceeded \$196.6 million since the game began in August 1991, and has produced 301 jackpot winners.



Since Daily 3® began in August 1990, total sales have reached more than \$147.2 million.

**NET PROCEEDS TO BENEFICIARIES:**

- Fiscal years 1990-1991  
Greater Minnesota Corporation (now Minnesota Technology, Inc.) - \$9.9 million  
Infrastructure Development Fund for Capital Improvement Projects - \$20.1 million
- Fiscal year 1991  
Debt Service for Higher Education and Environment - \$6.4 million
- Fiscal years 1991-2000  
General Fund - \$563.2 million
- Fiscal years 1990-2000  
Environment and Natural Resources Trust Fund - \$245.7 million  
Problem gambling treatment programs/ gambling enforcement - \$11.7 million



Since April 1990, Lottery players have claimed over \$2.1 billion in prizes.



From April 8, 1994 to June 29, 1995, DATO!™ sales reached \$2.2 million.



From Sept. 16, 1996 to March 29, 1998, Daily Millions™ sales were \$15.3 million.



Since March 1998, five Cash4Life™ \$1,000/week grand prizes and four \$100,000 prizes were won in Minnesota. Sales reached just over \$15.7 million.



Since Scratch Games were introduced in Minnesota in April 1990, sales have exceeded \$2.5 billion. Of this amount, close to \$1.6 billion has been paid in prizes.

## 1999 - 2001 Trust Fund Projects

**For the 1999-2001 biennium, 70 projects received funding of \$26 million from the Environment and Natural Resources Trust Fund. The Trust Fund is funded in part by Lottery proceeds.**



Local initiative grants program - \$1,680,000

Management and restoration of natural plant communities on state trails - \$150,000

Gitchi-Gami State Trail - \$550,000

State park and recreation area acquisition, development, betterment and rehabilitation - \$1,000,000

Fort Snelling State Park/Upper Bluff implementation - \$100,000

Interpretive boat tours of Hill Annex Mine State Park - \$60,000

Metropolitan regional parks acquisition, rehabilitation and development - \$2,000,000

Historic site land acquisition - \$175,000

Traverse Des Sioux site development - \$250,000

On-site sewage treatment alternatives: performance, outreach and demonstration - \$550,000

Identification of sediment sources in agricultural watersheds - \$350,000

Tracking sources of fecal pollution using DNA techniques - \$300,000

Groundwater flow in the Prairie du Chien aquifer - \$110,000

Erosion impacts on the Cannon Valley Big Woods - \$150,000

Green forest certification project - \$150,000

Accelerated transfer of new forest research findings - \$115,000

Minnesota wildlife tourism initiative - \$250,000

Integrated prairie management - \$350,000

Diversifying agriculture for environmental, economic and social benefits - \$400,000

Minnesota river basin initiative local leadership - \$300,000

Mesabi Iron Range water and mineral resource planning - \$650,000

Organic farming training project - \$350,000



Tools and training for community-based planning - \$450,000

Protecting Dakota County farmland and natural areas - \$200,000

Conservation-based development program - \$150,000

Evaluate biodiesel made from waste fats and oils - \$125,000

Updating outmoded soil surveys - \$500,000

Minnesota environmentally preferable chemicals project - \$150,000

By-products application to agricultural, mineland and forest soils - \$350,000

Winter severity index for deer - \$60,000

Uncommon Ground: an educational television series - \$400,000

Karst education for southeastern Minnesota - \$120,000

Minnesota wolf public education - \$100,000

Accessible outdoor recreation - \$400,000

Science outreach and integrated learning on soil - \$250,000

Teacher training in interdisciplinary environmental education - \$60,000

Twin Cities environmental service learning - \$40,000

Sustainability forums - \$200,000

Measuring children's exposure to environmental health hazards - \$500,000

Minnesota county biological survey - \$1,600,000

Environmental indicators initiative - \$400,000

Dakota County wetland health monitoring program - \$160,000

Predicting water and forest resources health and sustainability - \$300,000

Assessing Lake Superior waters off the North Shore - \$400,000

Minnesota's forest bird diversity initiative - \$350,000

Farm ponds as critical habitats for native amphibians - \$250,000

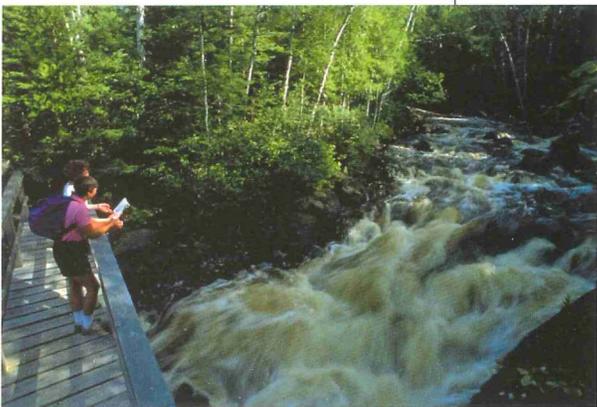


**Since start-up, the Lottery has transferred \$245.7 million to the Environment and Natural Resources Trust Fund, which has funded more than 200 projects.**



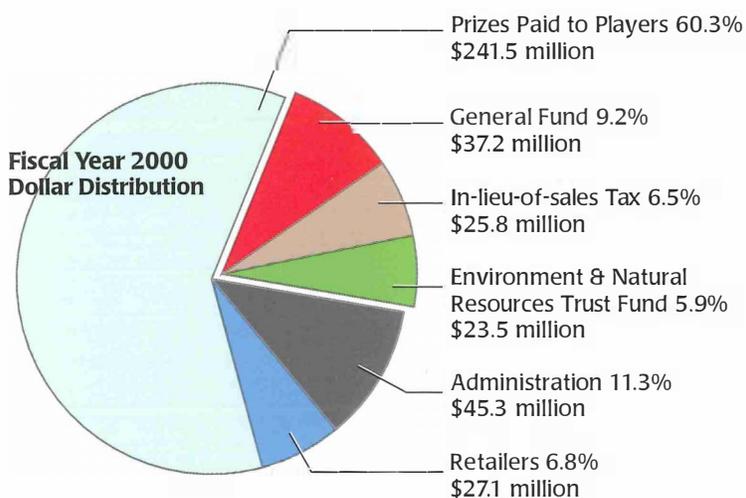
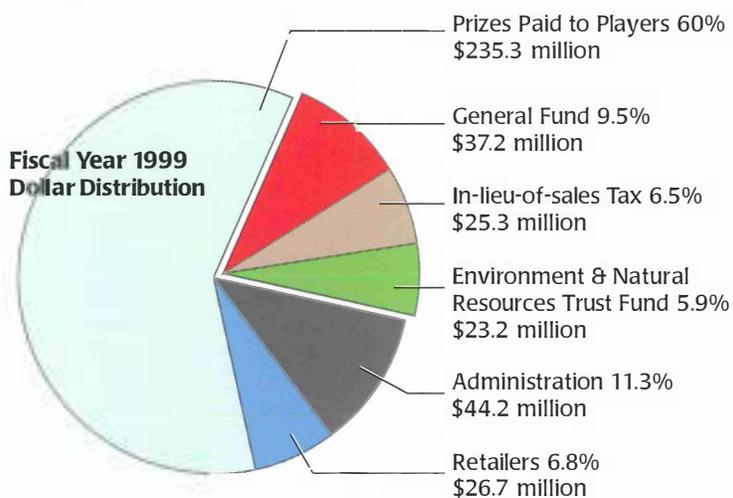


**Lottery dollars help to protect and enhance Minnesota's environmental resources.**

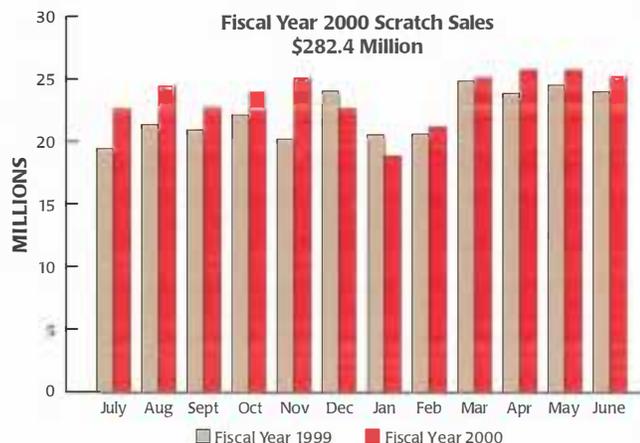
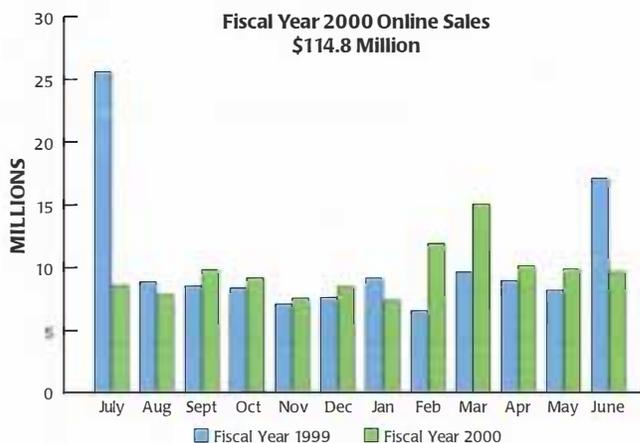


- Improved fungus collection and database - \$70,000
- Sustainable woodlands and prairies on private lands - \$450,000
- National prairie passage - linking isolated prairie preserves - \$150,000
- Greening the metro Mississippi-Minnesota River valleys - \$800,000
- Restoring the greater prairie chicken to southwestern Minnesota - \$60,000
- The Prairie Heritage Fund - \$500,000
- Public boat access and fishing piers - \$1,000,000
- Arboretum land acquisition and wetland restoration - \$700,000
- Native prairie prescribed burns - \$400,000
- Implement the Chisago and Washington County green corridor project - \$400,000
- RIM shoreland stabilization - \$350,000
- Nongame wildlife match account - \$470,000
- Wildlife habitat acquisition and development - \$300,000
- Minnesota releaf matching grant program - \$500,000
- Landscaping for wildlife and nonpoint source pollution prevention - \$150,000
- Lakescaping for wildlife and water quality initiative - \$140,000
- Development and assessment of oak wilt biological control technologies - \$200,000
- Restoring ecological health to St. Paul's Mississippi River bluffs - \$200,000
- Mussel resource survey - \$400,000
- Freshwater mussel resources in the St. Croix River - \$58,000
- Biological control of eurasian water milfoil and purple loosestrife - \$150,000
- Evaluate establishment and impact of leafy spurge biocontrol agents - \$140,000
- State park and recreation area acquisition - \$496,000
- Metropolitan regional park system - \$495,000

## Financial Charts



Almost 90 percent of Lottery dollars are returned to Minnesotans in the form of prize money, retailer commissions and contributions to the state for environmental projects, public services and problem gambling treatment programs.



## Financial Statements

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INCOME STATEMENT	2000	1999
<b>Revenue</b>		
Sales	\$397,286,425	\$390,011,807
Less In-lieu-of-sales Tax	<u>25,823,618</u>	<u>25,350,752</u>
Total Gross Receipts	371,462,807	364,661,055
Other Non-Operating Revenue	<u>2,995,873</u>	<u>2,032,879</u>
Total Gross Revenue	374,458,680	366,693,934
<b>Expenses</b>		
Direct Costs		
Prize Expense	241,517,453	235,320,417
Retailer Commissions & Incentives	<u>27,134,266</u>	<u>26,759,658</u>
Total Direct Costs	268,651,719	262,080,075
Operating Expense		
Online Vendor Commission	8,367,630	9,778,215
Ticket Costs	4,882,547	4,065,027
Advertising	8,721,249	8,047,727
Salaries & Benefits	10,823,923	10,277,315
Promotion	3,987,951	3,878,985
Purchased Services	1,829,333	1,534,235
Communication	969,686	1,079,167
Occupancy Costs	1,794,069	1,718,269
Supplies & Materials	801,269	811,827
Computer and OmniLink Maintenance	528,429	815,909
Depreciation	1,608,358	1,468,364
Contribution: Gambling Enforcement	150,000	150,000
Other Expense	<u>796,326</u>	<u>597,893</u>
Total Operating Expense	45,260,770	44,222,933
<b>Operating Transfers</b>		
Compulsive Gambling Contribution from Prize Fund	1,750,000	2,365,000
Unclaimed Prizes to State	<u>6,642,803</u>	<u>5,196,330</u>
Total Operating Transfers	8,392,803	7,561,330
<b>Net Proceeds</b>	52,153,388	52,829,596

Year ending June 30, 2000 compared to June 30, 1999

*These financial statements are excerpts from the Lottery's audited financial statements for the years ending June 30, 2000 and June 30, 1999. Complete financial statements are available upon request.*

STATEMENT OF CASH FLOWS	2000	1999
<b>Cash Flows from Operating Activities</b>		
Operating Income	\$57,550,318	\$58,358,047
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities		
Depreciation	1,608,358	1,468,364
Other Income	791,176	364,747
<b>Changes in Assets and Liabilities</b>		
Accounts Receivable	6,836,134	(7,246,488)
Interest Receivable	(38,933)	41,103
Scratch Ticket Inventory	(12,488)	201,329
Merchandise Prize Inventory	216,077	(216,077)
Prepaid Expenses	(12,087)	1,114
Unclaimed Prizes Due to State	1,446,473	188,010
Due to Other State Agencies	(1,852)	(8,210)
Accounts Payable	(4,157,173)	3,740,613
In-lieu-of-sales Tax Payable	(453,135)	467,650
Prize Liability	343,977	1,314,787
Retailer Incentives Payable	(741,255)	(1,728,258)
Promotions Payable	36,189	(58,831)
Compensated Absences Payable	72,281	83,502
Deferred Revenue	210,805	61,187
Prize Annuity Payable	<u>(30,802)</u>	<u>(285,580)</u>
Net Cash Provided by Operating Activities	63,664,063	56,747,009
<b>Cash Flows from Noncapital Financing Activities</b>		
Net Proceeds Paid to State	(54,975,835)	(51,302,028)
Compulsive Gambling Contribution Transfer	(1,750,000)	(2,365,000)
Unclaimed Prizes Transfer	<u>(6,642,803)</u>	<u>(5,196,330)</u>
Net Cash Used by Noncapital Financing Activities	(63,368,638)	(58,863,358)
<b>Cash Flows from Capital Financing Activities</b>		
Purchases of Fixed Assets	<u>(1,064,482)</u>	<u>(1,548,469)</u>
Net Cash Used by Capital Financing Activities	(1,064,482)	(1,548,469)
<b>Cash Flows from Investing Activities</b>		
Proceeds from Redemption of Prize Annuity Investments	232,000	232,000
Investment Income	<u>2,053,931</u>	<u>1,714,783</u>
Net Cash Provided by (Used in) Investing Activities	2,285,931	1,946,783
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	1,516,874	(1,718,035)
<b>Beginning-of-Year Cash and Cash Equivalents</b>	<u>17,997,211</u>	<u>19,715,246</u>
<b>End-of-Year Cash and Cash Equivalents</b>	19,514,085	17,997,211
<b>Non-Cash Transactions from Investing Activities</b>		
Prize Annuity Investment Income	150,766	(46,651)

Year ending June 30, 2000 compared to June 30, 1999

<b>BALANCE SHEET</b>	<b>2000</b>	<b>1999</b>
<b>Assets</b>		
Cash and Cash Equivalents	\$19,514,085	\$17,997,211
Accounts Receivable	4,053,320	10,889,454
Interest Receivable	140,126	101,193
Scratch Ticket Inventory	432,956	420,468
Merchandise Prize Inventory	0	216,077
Prepaid Expense	40,147	28,060
Prize Annuity Investments	2,921,476	3,002,710
Fixed Assets, Net	<u>4,267,896</u>	<u>4,811,772</u>
Total Assets	31,370,006	37,466,945

**Liabilities and Retained Earnings**

<b>Liabilities</b>		
Net Proceeds Due to State	3,794,995	6,617,442
Unclaimed Prizes Due to State	6,642,803	5,196,330
Due to Other State Agencies	27,838	29,690
Accounts Payable	1,840,785	5,997,958
In-lieu-of-sales Tax Payable	2,255,013	2,708,148
Prize Liability	12,073,057	11,729,080
Retailer Incentives Payable	0	741,255
Promotions Payable	36,189	0
Compensated Absences Payable	1,032,856	960,575
Deferred Revenue	476,490	265,685
Prize Annuity Payable	<u>3,189,980</u>	<u>3,220,782</u>
Total Liabilities	31,370,006	37,466,945
<b>Retained Earnings</b>		
Retained Earnings	<u>0</u>	<u>0</u>
Total Liabilities and Retained Earnings	31,370,006	37,466,945

<b>TOTAL PAID TO STATE BENEFICIARIES</b>	<b>2000</b>	<b>1999</b>
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<b>General Fund</b>		
In-lieu-of-sales Tax	\$25,823,618	\$25,350,752
Net Proceeds	31,292,033	31,697,758
Unclaimed Prizes	3,985,682	3,117,798
Compulsive Gambling from Prize Fund	<u>1,750,000</u>	<u>2,365,000</u>
Total General Fund	62,851,333	62,531,308

**Environment and Natural Resources Trust Fund**

Net Proceeds	20,861,355	21,131,838
Unclaimed Prizes	<u>2,657,121</u>	<u>2,078,532</u>
Total Environment & Nat. Resources Trust Fund	23,518,476	23,210,370

Transfer for Gambling Enforcement from Operating Fund	<u>150,000</u>	<u>150,000</u>
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<b>Total Paid to State</b>	86,519,809	85,891,678
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Year ending June 30, 2000 compared to June 30, 1999

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**Headquarters**

2645 Long Lake  
(651) 635-8100

**Customer Service**

Weekdays 8 a.m.  
(651) 297-7456

**24-hour Pre-Rec**

(651) 297-7371

**Regional Offices**

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5463 Mountain  
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Detroit Lakes • ( )  
1111 Highway 1C  
Jerry Ouren, reg

Marshall • (507)  
750 W. College  
Doug Landsmar

Brainerd • (218) 828-2722  
523 S. 6th St., Brainerd, MN 56401  
Gloria Vande Brake, regional manager

Owatonna • (507) 444-2400  
205 Cedardale Dr., Owatonna, MN 55060  
Mark Heiling, regional manager

Eagan • (651) 688-1800  
1060 Lone Oak Rd., Eagan, MN 55121  
Steve Addabbo & Terrie Watters, regional managers

**E-mail:** [lottery@winternet.com](mailto:lottery@winternet.com)

**Web site:** <http://www.lottery.state.mn.us>

Written by Debbie Hoffmann

Designed by Kara Vagts

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*Marketing:*  
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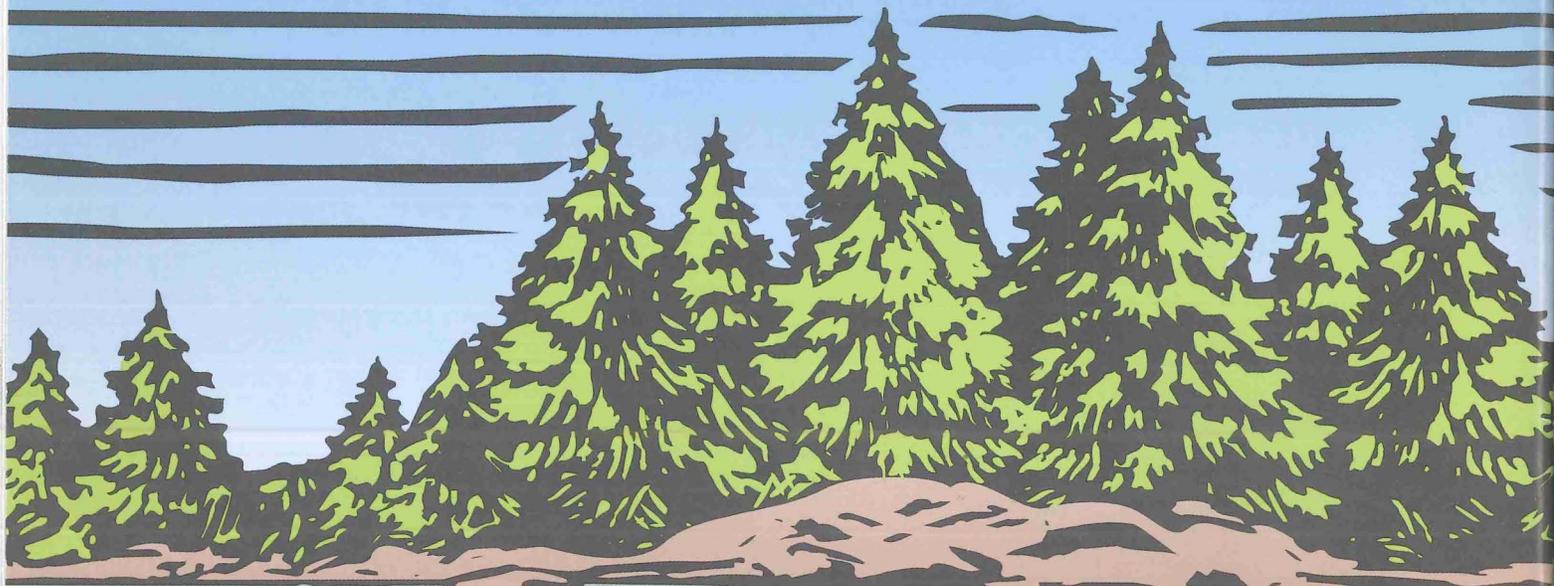
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*Planning Director:*  
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*Manager:*  
*Debbie Hoffmann*

*Legal Counsel:*  
*Dale McDonnell*





*Proceeds Benefit Our Natural  
and Economic Environments.*