

**NEW JERSEY STATE LOTTERY COMMISSION**

Financial Statements  
with Supplementary Information

June 30, 2000

(With Independent Auditors' Report Thereon)

**NEW JERSEY STATE LOTTERY COMMISSION**

**Table of Contents**

	<b>Page</b>
Independent Auditors' Report	1
<b>Financial Statements:</b>	
Balance Sheet	2
Statement of Revenues, Expenditures and Contributions and Changes in Fund Balance	3
Notes to Financial Statements	4-9
<b>Supplementary Information:</b>	
1 Statement of Revenues, Expenditures and Contributions and Changes in Fund Balance - Budget and Actual	10
2 Schedule of Instant Game Revenues	11-15
3 Schedule of Administrative Fund Appropriations and Expenditures	16



New Jersey Headquarters  
150 John F. Kennedy Parkway  
Short Hills, NJ 07078

### Independent Auditors' Report

Commissioners of the  
New Jersey State Lottery Commission:

We have audited the accompanying balance sheet of the New Jersey State Lottery Commission (the "Commission") as of June 30, 2000, and the related statement of revenues, expenditures and contributions and changes in fund balance for the year then ended. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Commission as of June 30, 2000, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules 1 through 3 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

**KPMG LLP**

September 22, 2000



**NEW JERSEY STATE LOTTERY COMMISSION**

Balance Sheet

June 30, 2000

(with comparative totals at June 30, 1999)

	<b>Special</b>	<b>Agency</b>	<b>Administrative</b>	<b>Total (Memorandum Only)</b>	
	<b>Revenue</b>			<b>Fund</b>	<b>2000</b>
	<b>Fund</b>	<b>Fund</b>	<b>Fund</b>		
<b>Assets</b>					
Cash	\$ 2,879,200	—	250	2,879,450	1,816,648
Accounts receivable, net of allowance for doubtful accounts of \$150,000	12,865,671	—	—	12,865,671	25,282,060
Interfund receivable - administration	—	—	6,664,680	6,664,680	5,521,770
Investments:					
Deposit Fund contracts (note 2)	—	1,192,842,062	—	1,192,842,062	1,234,711,063
State of New Jersey Cash Management Fund	152,375,179	—	—	152,375,179	96,134,070
Prepaid expenses and other assets	8,719,977	—	—	8,719,977	7,641,321
<b>Total assets</b>	<b>\$ 176,840,027</b>	<b>1,192,842,062</b>	<b>6,664,930</b>	<b>1,376,347,019</b>	<b>1,371,106,932</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
Accounts payable and accrued expenses	\$ 27,098,456	—	4,936,269	32,034,725	19,501,073
Obligation for unpaid prize awards	64,499,883	—	—	64,499,883	33,135,752
Due to State of New Jersey - education and institutions	67,928,948	—	—	67,928,948	65,342,709
Interfund payable - administration	6,664,680	—	—	6,664,680	5,521,770
Installment prize obligations	—	1,192,842,062	—	1,192,842,062	1,234,711,063
<b>Total liabilities</b>	<b>166,191,967</b>	<b>1,192,842,062</b>	<b>4,936,269</b>	<b>1,363,970,298</b>	<b>1,358,212,367</b>
<b>Fund Balances:</b>					
Reserve for encumbrances	—	—	1,728,661	1,728,661	948,628
Reserve for prize awards	10,398,060	—	—	10,398,060	11,695,937
Reserve for bond insurance	250,000	—	—	250,000	250,000
<b>Total fund balances</b>	<b>10,648,060</b>	<b>—</b>	<b>1,728,661</b>	<b>12,376,721</b>	<b>12,894,565</b>
<b>Total liabilities and fund balances</b>	<b>\$ 176,840,027</b>	<b>1,192,842,062</b>	<b>6,664,930</b>	<b>1,376,347,019</b>	<b>1,371,106,932</b>

See accompanying notes to financial statements.

**NEW JERSEY STATE LOTTERY COMMISSION**

Statement of Revenues, Expenditures and Contributions  
and Changes in Fund Balance

Year Ended June 30, 2000  
(with comparative amounts for 1999)

	<u>2000</u>	<u>1999</u>
Revenues:		
Pick 3	\$ 435,357,544	445,843,485
Pick 6 Lotto	162,253,933	283,321,879
Pick 4	235,947,774	243,791,538
Jersey Cash 5	81,398,827	101,921,062
Lotzee	27,171,498	44,224,412
The Big Game	299,374,184	10,937,739
Instant games	<u>597,336,867</u>	<u>528,363,892</u>
	<u>1,838,840,627</u>	<u>1,658,404,007</u>
Other income:		
Forfeited prize awards	17,009,727	19,748,772
Interest income	5,428,009	4,186,426
Miscellaneous	<u>1,036,638</u>	<u>990,575</u>
	<u>23,474,374</u>	<u>24,925,773</u>
Total revenues	<u>1,862,315,001</u>	<u>1,683,329,780</u>
Expenditures:		
Allocation for prize awards	989,808,601	888,318,671
Commissions - agents	100,355,733	90,737,243
Operating expenditures	16,680,397	15,563,552
Vendor fees - machine	22,310,718	19,675,430
Vendor fees - instant	7,020,111	6,111,758
Multi-state fees	25,270	—
On-line network fees	<u>6,703,067</u>	<u>8,060,528</u>
Total expenditures	<u>1,142,903,897</u>	<u>1,028,467,182</u>
Contributions for aid to education and State institutions	<u>719,928,948</u>	<u>652,342,709</u>
Total expenditures and contributions for aid to education and State institutions	<u>1,862,832,845</u>	<u>1,680,809,891</u>
Revenues (under) over expenditures and contributions	(517,844)	2,519,889
Fund balance, beginning of year	<u>12,894,565</u>	<u>10,374,676</u>
Fund balance, end of year	<u>\$ 12,376,721</u>	<u>12,894,565</u>

See accompanying notes to financial statements.

## NEW JERSEY STATE LOTTERY COMMISSION

### Notes to Financial Statements

June 30, 2000

#### (1) **Organization and Summary of Significant Accounting Policies**

##### ***Organization***

The New Jersey State Lottery Commission (the "Commission") was established in 1970 pursuant to the "State Lottery Law," N.J.S.A. 5:9-1, et seq. The Commission operates within the Department of Treasury of the State of New Jersey. The Commission's financial statements include the operations for which the Commission is financially accountable and exercises oversight responsibility. The Commission is authorized and empowered to promulgate rules and regulations regarding the conduct of lottery games, including the price or prices of tickets, the number and size of prizes on winning tickets, the licensing of agents and the apportionment of ticket revenues.

##### ***Summary of Significant Accounting Policies***

The following is a summary of the significant accounting practices of the Commission:

##### ***Basis of Accounting***

The Commission prepares its financial statements using the modified accrual basis of accounting for governmental fund types. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Expenditures are recorded when the liability is incurred, if measurable.

##### ***Fund Accounting***

The various funds of the Commission are included within the financial reporting entity of the State of New Jersey. Within the general purpose financial statements of the State of New Jersey, the Commission is accounted for within three funds. The following funds are included in the Commission's financial statements:

- Special Revenue Fund - This fund is established to account for revenues and expenditures of lottery games which are included in the State's Special Revenue Fund.
- Agency Fund - This fund accounts for installment prize obligations and the related investments held to satisfy those obligations. This fund is included as part of the State's Agency Fund.

## NEW JERSEY STATE LOTTERY COMMISSION

### Notes to Financial Statements

June 30, 2000

- Administrative Fund - This fund accounts for expenditures for administration of the Commission which are included in the State's General Fund.

For financial reporting purposes, the revenues, expenditures and changes in fund balance of the Special Revenue Fund and the Administrative Fund have been combined. For the year ended June 30, 2000, the contribution for administrative expenses and encumbrance obligation aggregated \$17,858,405 of which \$6,664,680 was payable to the State Treasury at June 30, 2000.

#### *Contributions and Prize Awards*

The State Lottery Law requires at least 30% of gross revenues from ticket sales to be paid to the State Treasury for aid to education and State institutions. Pursuant to this law, the Commission has also designated all unallocated revenues for aid to education and State institutions. Contributions for the year ended June 30, 2000 aggregated \$719,928,948 of which \$67,928,948 was due to the State Treasury at June 30, 2000.

The Commission has designated that a minimum of 45% of gross revenues be reserved for prize awards, including agent bonuses. A prize award obligation is established when the winning ticket number is selected for the respective lottery game based on eligible winning tickets sold. The obligation is funded from the respective prize reserve accounts.

#### *Forfeited Prizes*

New Jersey Law requires that prizes not claimed within one year from the date of the drawing are forfeited. Effective November 21, 1991, the Commission authorized that 70% of forfeited prizes are to be maintained in a reserve for prize awards. Such funds are available to augment future prize awards or, at the discretion of the Executive Director, to augment the Lottery's contribution for aid to education and State institutions. For the year ended June 30, 2000 unclaimed prizes aggregating \$23,376,474 were forfeited of which \$7,009,727 is included in other income for the year ended June 30, 2000. During June 2000, the Executive Director authorized the use of \$10,000,000 in reserve for prize awards funds to be used for additional contributions for aid to education and State institutions, and is included in other income for the year ended June 30, 2000. At June 30, 2000, accounts payable and accrued expenses include \$6,713,750 related to forfeited prizes.

## NEW JERSEY STATE LOTTERY COMMISSION

### Notes to Financial Statements

June 30, 2000

#### ***Revenue Recognition***

“The Big Game” is a multi-state lottery which offers a minimum jackpot of \$5 million and nine ways to win. Other member states include Georgia, Illinois, Maryland, Massachusetts, Michigan and Virginia. To play “The Big Game” players chose five numbers from a pool of 50 and one number, “The Big Money Ball” from a pool of 36. To win the top prize, players must match all five numbers and “The Big Money Ball” number. “The Big Game” drawings take place in Atlanta, Georgia every Tuesday and Friday at 11:00 p.m.

Revenues from the sale of lottery tickets are recognized as follows:

- “Pick-3”, “Pick 4”, “Pick-6” Lotto, “Jersey Cash 5”, “Lotzee” and “The Big Game” on the drawing date
- Instant games, daily based upon the settlement of instant game inventory packs by selling agents.

Sales adjustments are recorded based upon final reconciliations prepared after the termination of a lottery instant game. Lottery tickets claimed and disbursed by agents as free ticket prizes are not reflected as lottery ticket sales or prize awards.

#### ***Cash Management Fund***

Investments in the State of New Jersey Cash Management Fund are valued at cost which approximates fair value. The State of New Jersey Cash Management Fund is a common trust fund administered by the State Department of the Treasury, Division of Investment. Securities in the fund are insured, registered or held by the Division of Investment or its agent in the Commission's name.

## NEW JERSEY STATE LOTTERY COMMISSION

### Notes to Financial Statements

June 30, 2000

#### ***Accounts Receivable***

Accounts receivable is comprised primarily of amounts due from agents.

#### ***Equipment and Inventory***

Equipment and inventory of the Commission are recorded within the general purpose financial statements of the State of New Jersey in the General Fixed Asset Account Group. The Commission follows the policy of not capitalizing equipment and inventory purchases. Items of this nature are recognized as expenditures by the Commission in the statement of revenues, expenditures and contributions and changes in fund balance during the period in which they are acquired.

#### ***Installment Prize Obligations and Amount Allocated to Prize Amounts***

Installment prize obligations are recorded based upon the present value of an annuity at terms to yield a series of future payments needed to meet the obligations of the Commission for prize disbursements. The Commission purchases annuity contracts from insurance companies and U.S. Government Securities to fund its liability for installment prize obligations. Amounts allocated to prize awards reflect the anticipated cost of annuity contracts and U.S. Government Securities necessary to satisfy stated prize awards plus any single payment awards.

#### ***Vacation and Sick Leave***

Accumulated unpaid vacation, sick pay, and other employee benefits are not accrued. In the event of retirement, certain employees are reimbursed for accumulated sick leave equal to one-half of the unused days, not exceeding \$15,000. Upon termination, an employee is reimbursed for accumulated vacation pay. Accumulated vacation and accumulated sick leave are estimated to be immaterial by the management of the Commission and are not recorded in the accompanying financial statements.

#### ***Total Memorandum Only Columns***

Total memorandum only columns are presented for additional analysis and are not intended to present consolidated financial information of the Commission.

## NEW JERSEY STATE LOTTERY COMMISSION

### Notes to Financial Statements

June 30, 2000

#### *Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

#### **(2) Annuity contracts**

The Commission purchases annuity contracts from insurance companies and U.S. Government securities to fund its liability for future installment prize obligations. An annuity contract represents an obligation by an insurance company to provide a fixed series of payments over a specified period. U.S. Government securities are carried at fair value. Annuity contracts are carried at their current contract values which are based upon their original purchase price adjusted for credited interest and amounts already received. Annuity contracts are subject to credit risk. The Commission seeks to control its exposure to such credit risk by purchasing annuity contracts only from insurance companies which meet certain minimum standards. Such standards include a minimum required claims payment rating from Standard and Poors Corporation, a private rating agency, of at least "AA". However, due to the long-term nature of these contracts, the credit quality of the issuer is subject to change. At June 30, 2000, the Commission held annuity contracts totaling \$1,192,842,062 issued through thirteen insurance companies. The projected future costs of installment prize obligations amount to \$1,830,478,531 which are due in installments ranging from ten years to the lifetime of the recipient. A significant portion of the Commission's investment in annuity contracts at such date is concentrated among five companies as follows:

Alexander Hamilton Life Insurance Co.  
New York Life Insurance Co.  
Mutual of America  
Ohio National Life  
Great West Life Assurance Co.

## NEW JERSEY STATE LOTTERY COMMISSION

### Notes to Financial Statements

June 30, 2000

The estimated fair value of annuity contracts approximates the carrying value reflected in the accompanying balance sheet at June 30, 2000. Fair value has been estimated by discounting future cash flows using the current rates of annuity contracts with similar credit ratings and maturities.

#### (3) **Litigation**

The Commission is a party to a number of legal actions arising out of the conduct of its business. While the ultimate results of the lawsuits or other proceedings against the Commission cannot be predicted with certainty, management of the Commission does not expect that these matters will have a material adverse effect on the financial position or results of operations of the Commission.

#### (4) **Commitments**

##### *Contractual arrangements*

The Commission maintains a gaming network of over 6,000 on-line locations where all games are sold. GTECH Corporation (GTECH) is responsible for operating the on-line games and providing courier services under a contract expiring November 23, 2001.

##### *Operating leases*

The Commission leases certain office facilities under noncancellable operating lease agreements expiring through 2005.

Future minimum lease payments are as follows:

<u>June 30</u>	
2001	674,676
2002	666,500
2003	666,500
2004	666,500
2005	277,708

Rent expense for office facilities in 2000 was \$771,847.

**Schedule 1**

**NEW JERSEY STATE LOTTERY COMMISSION**

Statement of Revenues, Expenditures and Contributions  
and Changes in Fund Balance - Budget and Actual

Year Ended June 30, 2000

	<u>Budget</u>	<u>Actual</u>	<b>Variance favorable (unfavorable)</b>
Revenue:			
Sales, all games	\$ 1,800,000,000	1,838,840,627	38,840,627
Other income:			
Forfeited prize awards	15,000,000	17,009,727	2,009,727
Interest income	5,000,000	5,428,009	428,009
Miscellaneous	<u>1,150,000</u>	<u>1,036,638</u>	<u>(113,362)</u>
Total revenues	<u>1,821,150,000</u>	<u>1,862,315,001</u>	<u>41,165,001</u>
Expenditures:			
Allocation for prize awards	955,502,000	989,808,601	(34,306,601)
Commissions - agents	99,863,000	100,355,733	(492,733)
Operating expenditures	21,686,000	16,680,397	5,005,603
Vendor fees - machine	6,322,000	22,310,718	(15,988,718)
Vendor fees - instant	7,500,000	7,020,111	479,889
Multi-state fees	—	25,270	(25,270)
On-line network fees	<u>17,277,000</u>	<u>6,703,067</u>	<u>10,573,933</u>
Total expenditures	<u>1,108,150,000</u>	<u>1,142,903,897</u>	<u>(34,753,897)</u>
Contributions for aid to education and State institutions	<u>713,000,000</u>	<u>719,928,948</u>	<u>(6,928,948)</u>
Total expenditures and contributions for aid to education and State institutions	<u>1,821,150,000</u>	<u>1,862,832,845</u>	<u>(41,682,845)</u>
Revenues under expenditures and contributions	—	(517,844)	(517,844)
Fund balance, beginning of year	<u>12,894,565</u>	<u>12,894,565</u>	<u>—</u>
Fund balance, end of year	<u>\$ 12,894,565</u>	<u>12,376,721</u>	<u>(517,844)</u>

## Schedule 2

## NEW JERSEY STATE LOTTERY COMMISSION

## Schedule of Instant Game Revenues

Year Ended June 30, 2000  
(with comparative amounts for 1999)

	<u>2000</u>	<u>1999</u>
Win For Life (G)	\$ —	6,561
Win For Life (H)	—	2,400
Win For Life (I)	—	4,701
Win For Life (J)	(210)	212,562
Win For Life (K)	—	9,887,898
Win For Life (L)	6,900	16,907,739
Win For Life (M)	201,966	16,742,087
Win For Life (N)	10,882,938	5,933,736
Win For Life (O)	16,307,322	—
Win For Life (P)	15,954,156	—
Win For Life (Q)	1,530,348	—
Bingo (A)	—	11,222
Bingo (B)	13,184,270	31,227,433
Bingo Extra	4,404,519	9,733,527
Cash Vault	—	(1,500)
Cash Vault (B)	611,400	10,211,926
Crossword	16,257,885	70,200
Crossword (B)	15,952,758	—
Crossword (C)	16,035,858	—
Crossword (D)	5,486,013	—
Double Dollars (A)	5,400	10,336,487
Double Dollars (B)	1,312,538	9,073,769
Double Dollars (C)	10,264,712	114,900
Father's Day (A)	(1,200)	2,455,605
Father's Day (B)	2,413,772	2,385,999
Father's Day (C)	1,431,836	—
Happy Birthday (A)	(1,515)	7,636,111
Happy Birthday (B)	4,694,051	3,538,974
Mother's Day (A)	(3,300)	949,777
Mother's Day (B)	429,701	5,327,233
Mother's Day (C)	4,157,612	—
Red Hot Doubler (A)	(600)	278,813
Red Hot Doubler (B)	8,342,548	—
Super 7's (A)	286	38,650
Super 7's (B)	—	4,816,365
Super 7's (C)	47,100	11,204,497
Super 7's (D)	5,641,286	5,162,672

## Schedule 2

## NEW JERSEY STATE LOTTERY COMMISSION

## Schedule of Instant Game Revenues

Year Ended June 30, 2000  
(with comparative amounts for 1999)

	<u>2000</u>	<u>1999</u>
Zodiac	\$ 2,700	7,573,734
Zodiac (B)	6,010,594	—
Casino Action	16,813,285	—
Carnival Cash	15,174,745	169,800
Stakes Are High	14,355,060	—
Turn of the Century	14,324,763	—
Lucky 7's Bingo	14,191,695	—
Wild Bingo	12,276,459	833,436
Countdown to the Holidays	11,882,240	—
30th Anniversary	11,200,128	—
Winner Wonderland	11,152,372	—
Autumn Glory	10,839,930	—
Amazin 8's	10,707,422	—
Break the Bank	10,506,358	—
Keys to the Castle	10,038,740	—
Caribbean Stud Poker	9,838,060	—
Spring Blossoms	9,087,884	—
Sunshine & Daydreams	8,916,292	1,455,886
Jeopardy	8,885,988	—
Spin to Win	8,864,476	—
Lucky Eightball	8,765,964	—
Cold Cash Doubler	8,151,717	—
Tripling Dollars	8,118,768	—
Quick Silver	8,080,594	—
7-11-21	7,997,409	—
Royal Ransom	7,922,394	—
Treasure Hunt	7,821,018	2,730,926
Touchdown	7,792,584	—
High Roller	7,758,265	9,228,745
Money Maze	7,471,773	—
Crazy Aces	7,289,246	—
Deal Me In	7,238,017	—
Triple Action	6,935,564	—
Double Down	6,911,515	—
50 Smackers	6,800,300	—
Ticket to Ride	6,318,798	—
Crack the Safe	6,265,478	—

## Schedule 2

## NEW JERSEY STATE LOTTERY COMMISSION

## Schedule of Instant Game Revenues

Year Ended June 30, 2000  
(with comparative amounts for 1999)

	<u>2000</u>	<u>1999</u>
Megabucks Slots	\$ 6,005,352	—
Wild Money	5,995,325	—
St. Patty's Day	5,943,669	—
Golden Ghost	5,815,132	—
Seymour Bucks	5,794,205	—
Celebrate 30 years	5,755,911	—
Hearts are Wild	5,075,305	3,436,476
Louisville Slugger	4,928,742	—
All New Bingo	4,682,018	—
Open Sesame	3,710,368	7,278,060
Old Glory	3,696,290	2,293,584
Baseball Bucks	3,295,187	3,180,009
Bridal Bucks	3,245,494	—
Holiday Wishes	3,160,650	11,648,130
Blue Skies and Buttercups	3,138,672	8,006,200
League Night	3,010,745	12,791,915
Nines In A Line	2,850,000	—
Double Your Luck	2,756,063	—
Wedding Celebration	2,596,150	6,634,220
Wild Wild Winning	2,274,295	14,611,920
One for the Money	1,646,154	6,440,136
Super Slots	1,575,680	9,466,163
\$5,000 Jackpot	1,475,931	7,995,687
Ace in the Hole	1,363,488	5,319,831
The Winning Ticket	1,289,626	4,575,226
Cash Bam Boom	1,150,111	—
50 Grand	1,007,096	9,930,812
Shore Excitement	966,000	—
Frosty Dollars	728,618	8,776,246
Three Wishes	602,948	8,580,462
Blackjack	589,288	9,191,149
Deuces Wild	527,293	10,019,443
Winning Deal	347,762	6,809,254
Roulette Cash	325,357	7,409,908
Holiday Surprise (A)	260,328	—
12 Ways to Celebrate	255,520	10,173,913
Wild Bills	255,119	5,698,147

## Schedule 2

## NEW JERSEY STATE LOTTERY COMMISSION

## Schedule of Instant Game Revenues

Year Ended June 30, 2000  
(with comparative amounts for 1999)

	<u>2000</u>	<u>1999</u>
Red White Blue Slots	\$ 233,100	—
Triple Your Luck	214,710	10,716,402
Bullseye	140,594	7,684,090
Leprechaun Luck	78,541	6,013,629
Catch 5	43,904	10,538,874
Strike it Rich	28,460	6,560,335
Kisses & Cash	24,350	6,803,756
Autumn Gold	21,482	10,905,870
Frakencash	21,272	5,461,460
Heart of Gold	17,235	3,323,605
Football Fever	12,446	8,507,414
Summer Sizzler	11,746	6,959,871
Merry Money	11,197	5,585,420
Fat Cat	7,415	8,314,130
Jokers Wild	300	857,274
Double Doubler	203	47,956
\$1,000,000 Holiday	—	64,490
Cool Cash	—	(601)
Double Dip	—	(601)
Fall Fest	—	7,874
Football Fun	—	8,797
Heat Wave	—	(1,804)
High Card	—	35,639
Luck of the Irish	—	(1,500)
Lucky Hearts	—	(5,400)
Lucky Pairs	—	(905)
Matrimoney	—	2,696
Mega Slots	—	2,806
Money Wheel	—	(900)
Power Play	—	(900)
Rub A Dub Doubler	—	2,398
Spring Fling	—	(600)
Stars & Stripes	—	(900)
Treasure Chest	—	33,774
Wheel of Fortune	—	844,456
Wild Time	—	(1,200)
Winning Streak	—	(600)

**Schedule 2**

**NEW JERSEY STATE LOTTERY COMMISSION**

Schedule of Instant Game Revenues

Year Ended June 30, 2000  
(with comparative amounts for 1999)

	<u>2000</u>	<u>1999</u>
Cash In A Flash	\$ (14)	12,512
Monte Carlo	(82)	135,384
Double Header	(100)	5,399
Blizzard Bucks	(224)	58,164
Harley Davidson	(280)	10,283,441
Frosty Doughman	(288)	34,612
Dream Cash Doubler	(300)	5,359,020
Jacks or Better	(300)	189,594
Cash Cow	(309)	8,090
Hot Cash	(329)	196,776
Twilight Zone	(584)	26,376
Lucky Dollars	(595)	16,695
Blossom Bucks	(600)	230,202
Lucky Shot	(885)	147,600
Cash Stampede	(1,200)	684,873
Musical Cats	(1,200)	57,920
Winning Combination	(1,200)	2,616,163
In the Chips	(1,217)	3,569,110
Pennant Fever	(1,468)	2,793,259
Star Trek	(1,522)	2,435,618
Gold Rush	(1,540)	1,530,160
Lucky Streak	(1,800)	136,560
Volcanic Cash	(2,100)	247,524
Fire Cracker Cash	(2,168)	4,136,673
High Hopes	(2,425)	10,360,465
You Lucky Dog	(3,060)	7,511,720
Sands Casino Bucks	(5,890)	5,484,935
\$1 Million Celebration	(8,120)	4,306,070
Sales adjustment	<u>154,875</u>	<u>(7,890)</u>
Total instant game revenues	\$ <u><u>597,336,867</u></u>	<u><u>528,363,892</u></u>

NEW JERSEY STATE LOTTERY COMMISSION

Schedule of Administrative Fund Appropriations and Expenditures

Year Ended June 30, 2000  
(with comparative amounts for 1999)

	2000					1999				
	Authorized appropriation transfers	Other authorized appropriations	Expenditures	Reserve for encumbrances	Lapsed	Authorized appropriation transfers	Other authorized appropriations	Expenditures	Reserve for encumbrances	Lapsed
Salaries and wages	\$ —	—	6,631,473	—	—	—	—	6,426,818	—	—
Personnel services	6,631,473	—	6,631,473	—	—	6,426,818	—	6,426,818	—	—
Printing and office supplies	—	—	305,114	10,262	—	—	—	305,976	2,421	—
Vehicular supplies	—	—	99	75	—	—	—	298	16	—
Household supplies	—	—	5,342	486	—	—	—	5,763	652	—
Other supplies	—	—	4,494	—	—	—	—	3,417	—	—
Materials and supplies	325,920	—	315,049	10,823	48	318,618	—	315,454	3,089	75
Travel	—	—	138,611	—	—	—	—	134,602	1,637	—
Telephone	—	—	88,252	—	—	—	—	91,121	—	—
Postage	—	—	90,008	—	—	—	—	95,650	—	—
Data processing	—	—	13,034	90	—	—	—	389,489	72,465	—
Household and security	—	—	158,105	4,273	—	—	—	158,665	4,226	—
Professional services	—	—	347,148	19,571	—	—	—	337,615	66,582	—
Advertising	—	—	7,615,705	1,368,061	—	—	—	6,465,854	571,383	—
Data processing - internal	—	—	16,949	—	—	—	—	35,462	—	—
Services other than personnel	9,859,809	—	8,467,812	1,391,995	2	8,751,046	—	7,708,458	716,293	326,295
Maintenance - buildings	—	—	6,806	2,537	—	—	—	6,223	1,980	—
Maintenance - office equipment	—	—	16,774	1,802	—	—	—	20,963	762	—
Maintenance - vehicles	—	—	—	—	—	—	—	—	—	—
Rent - building and ground	—	—	771,847	100,000	—	—	—	777,343	92,000	—
Rent - central motor pool	—	—	96,426	—	—	—	—	83,842	—	—
Rent - other	—	—	2,960	14	—	—	—	2,985	117	—
Maintenance and fixed charges	999,167	—	894,813	104,353	1	986,220	—	891,356	94,859	5
Other equipment	—	—	7,974	7,310	—	—	—	45,624	16,426	—
Information processing equipment	—	—	26,638	165	—	—	—	56,372	765	—
Additions and improvements	123,306	—	34,612	7,475	81,219	125,054	—	101,996	17,191	5,867
Total	17,939,675	—	16,343,759	1,514,646	81,270	16,607,756	—	15,444,082	831,432	332,242
Add:										
Prior year reserve for encumbrances expended during current year	—	948,628	336,638	214,015	397,975	—	363,061	119,470	117,196	126,395
Total Administrative Fund	\$ 17,939,675	948,628	16,680,397	1,728,661	479,245	16,607,756	363,061	15,563,552	948,628	458,637