

State of Maine



Department of Administrative and Financial Services

Bureau of Alcoholic Beverages and Lottery Operations

Financial Statements
Fiscal Year Ending June 30, 2016



PAUL R. LEPAGE
GOVERNOR

STATE OF MAINE
DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
DIVISION OF FINANCIAL AND PERSONNEL SERVICES
74 STATE HOUSE STATION, AUGUSTA, MAINE 04333

RICHARD ROSEN
COMMISSIONER

October 31, 2016

Gregory R. Mineo, Director
Timothy R. Poulin, Deputy Director
Bureau of Alcoholic Beverages and Lottery Operations
8 State House Station
Augusta, Maine 04333-0008

Dear Mr. Mineo and Mr. Poulin,

Submitted herein is the annual report for the Bureau of Alcoholic Beverages and Lottery Operations for the fiscal year ending June 30, 2016. This report presents the financial position of lottery operations. The report does not reflect sales or operating expenses of the lottery retail agents.

If you have any suggestions or comments about these schedules please contact us at your earliest convenience. If there are other schedules that you wish to be included in our next annual report, please let us know so that we may work together on the design of the report.

Sincerely,

Kendra L. Coates
Director
General Government Service Center



The Bureau is proud of its commitment to providing the citizens of Maine with fun and exciting entertainment through the responsible sale of lottery games.

The Bureau has a fiscal and social obligation to promote lottery games to the citizens of Maine in a responsible manner. We are proud to take a leadership role in promoting responsible gaming in Maine and the nation. In addition to promoting responsible playing on lottery games, sales materials and its website, the Bureau partners with the Maine CDC, Maine's Gambling Control Board, the National Council on Problem Gambling, and the National Association of State and Provincial Lottery's Responsible Gaming Committee to promote responsible gaming and provide resources to those in need.

As part of its fiscal responsibility, since 1974, the Maine Lottery has generated over \$5.24 billion in sales revenues, over \$3.15 billion in prizes to players and over \$362 million in commissions and bonuses to our network of lottery retail agents. Over \$1.3 billion has been transferred to the State's General Fund to support programs and services all across Maine. In FY16 for the second consecutive year, the Maine Lottery achieved records in total sales, transfer to the General Fund, commissions to lottery retail agents and prizes paid to players.

The Bureau is pleased that the Maine Lottery business has a positive impact and supports our local economy responsibly.

www.maineLOTTERY.com

MAINE ★ SPIRITS

Maine Spirits is a partnership between the Bureau and Pine State Spirits, a subsidiary of Pine State Trading Co. created as a result of a competitive bidding process in FY14. Prior to this new contractual fee for services partnership, Maine created a 10 year lease arrangement with Maine Beverage Company. During the 10 year lease arrangement, the State realized approximately \$189 million in profit for the General Fund. This amount included \$125 million in up-front money paid in FY03 and FY04 and profit sharing when the spirits business generated profits over a guaranteed amount to Maine Beverage Company.

The Bureau For the second consecutive year in FY16, Maine's spirits business achieved record sales and realized a profit of over \$46 million. Spirits sales grew 4.19% on top of growth of 4.58% in FY15.

The Bureau through its partnerships with suppliers, suppliers' representatives and our agency liquor store network, continues to responsibly grow the business socially and financially. Maine consumers are receiving more value in their spirits purchases than ever before.

In addition to its fiscal obligation, the Bureau has a social commitment to the citizens of Maine to promote the sale of spirits in a responsible manner.

In FY16, the Bureau in partnership with a grant from the National Alcoholic Beverage Control Association (NABCA) facilitated a competition among Maine high schools to create a video about the dangers of underage drinking. The initial response was excellent. 3 winning videos were selected from over 21 submitted and are running on local television.

In FY17, the Bureau with it partners, Pine State Spirits, is using another NABCA grant for social responsibility messaging programs.

The Bureau is confident that the Maine spirits business has a positive impact and supports our local economy in an orderly and responsible manner.

www.MaineSpirits.com

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Department of Administrative and Financial Services
Bureau of Alcoholic Beverages and Lottery Operations
HISTORICAL GROSS SALES AS COMPARED TO TOTAL TRANSFERS

For Fiscal Years 1994 - 2016

| Fiscal Year | Liquor Sales | Lottery Sales | Heritage Sales | Total Sales |
|-------------|----------------|----------------|----------------|----------------|
| 2016 | \$ 165,283,999 | \$ 270,047,651 | \$ 2,291,833 | \$ 437,623,483 |
| 2015 | \$ 155,513,235 | \$ 250,671,431 | \$ 2,400,612 | \$ 408,585,278 |
| 2014 | \$ 143,966,700 | \$ 227,935,315 | \$ 2,021,379 | \$ 373,923,394 |
| 2013 | \$ 138,357,900 | \$ 225,640,604 | \$ 2,083,042 | \$ 366,081,546 |
| 2012 | \$ 132,497,500 | \$ 226,387,260 | \$ 1,966,301 | \$ 357,899,879 |
| 2011 | \$ 126,149,900 | \$ 214,100,761 | \$ 2,325,493 | \$ 342,576,154 |
| 2010 | \$ 122,610,900 | \$ 214,746,496 | \$ 2,286,077 | \$ 339,643,473 |
| 2009 | \$ 119,050,100 | \$ 208,026,397 | \$ 2,643,774 | \$ 329,720,271 |
| 2008 | \$ 114,169,100 | \$ 225,500,155 | \$ 3,018,616 | \$ 342,687,871 |
| 2007 | \$ 109,502,600 | \$ 227,184,778 | \$ 2,839,097 | \$ 339,526,475 |
| 2006 | \$ 104,114,000 | \$ 226,231,509 | \$ 3,472,515 | \$ 333,818,024 |
| 2005 | \$ 97,042,500 | \$ 206,168,485 | \$ 3,130,645 | \$ 306,341,630 |
| 2004 | \$ 89,054,685 | \$ 182,645,792 | \$ 3,228,538 | \$ 274,929,015 |
| 2003 | \$ 85,395,495 | \$ 161,689,836 | \$ 2,943,273 | \$ 250,028,605 |
| 2002 | \$ 81,576,220 | \$ 152,828,875 | \$ 5,079,880 | \$ 239,484,975 |
| 2001 | \$ 79,647,455 | \$ 140,635,023 | \$ 5,955,682 | \$ 226,238,160 |
| 2000 | \$ 76,599,135 | \$ 143,134,147 | \$ 4,779,464 | \$ 224,512,746 |
| 1999 | \$ 72,382,945 | \$ 137,529,119 | \$ 7,057,795 | \$ 216,969,859 |
| 1998 | \$ 70,426,846 | \$ 144,670,300 | \$ 4,219,798 | \$ 219,316,944 |
| 1997 | \$ 68,075,556 | \$ 142,040,139 | \$ 4,214,863 | \$ 214,330,558 |
| 1996 | \$ 68,181,524 | \$ 143,185,328 | \$ 5,504,375 | \$ 216,871,227 |
| 1995 | \$ 68,112,331 | \$ 153,204,327 | | \$ 221,316,658 |
| 1994 | \$ 71,186,901 | \$ 145,197,086 | | \$ 216,383,987 |

| Fiscal Year | Liquor Transfer | Lottery Transfer | Heritage Transfer | Total Transferred | % of Sales |
|-------------|--------------------|------------------|-------------------|-------------------|------------|
| 2016 | \$ 9,639,000 * | \$ 56,972,850 | \$ 603,833 | \$ 67,215,683 | 15.36% |
| 2015 | \$ 9,714,884 * | \$ 54,002,444 | \$ 647,458 | \$ 64,364,786 | 15.75% |
| 2014 | \$ 12,298,432 ** | \$ 51,845,477 | \$ 574,142 | \$ 64,718,051 | 17.31% |
| 2013 | \$ 10,979,738 ** | \$ 52,908,602 | \$ 593,629 | \$ 64,481,969 | 17.61% |
| 2012 | \$ 10,254,968 ** | \$ 53,785,567 | \$ 530,622 | \$ 64,571,157 | 18.04% |
| 2011 | \$ 9,405,382 ** | \$ 49,547,800 | \$ 645,824 | \$ 59,599,007 | 17.40% |
| 2010 | \$ 8,823,077 ** | \$ 52,201,531 | \$ 669,789 | \$ 61,694,397 | 18.16% |
| 2009 | \$ 8,217,940 ** | \$ 49,839,434 | \$ 734,120 | \$ 58,791,494 | 17.83% |
| 2008 | \$ 7,513,763 ** | \$ 49,491,086 | \$ 811,844 | \$ 57,816,693 | 16.87% |
| 2007 | \$ 6,356,499 ** | \$ 50,624,742 | \$ 810,598 | \$ 57,791,839 | 17.02% |
| 2006 | \$ 4,443,800 ** | \$ 50,879,647 | \$ 908,065 | \$ 56,231,512 | 16.84% |
| 2005 | \$ 51,536,907 *** | \$ 49,328,103 | \$ 800,309 | \$ 101,665,319 | 33.19% |
| 2004 | \$ 103,957,966 *** | \$ 41,752,637 | \$ 774,917 | \$ 146,485,520 | 53.28% |
| 2003 | \$ 27,749,668 | \$ 39,442,111 | \$ 811,296 | \$ 68,003,076 | 27.20% |
| 2002 | \$ 26,821,646 | \$ 39,317,891 | \$ 1,171,888 | \$ 67,311,425 | 28.11% |
| 2001 | \$ 25,860,058 | \$ 35,450,105 | \$ 1,389,111 | \$ 62,699,274 | 27.71% |
| 2000 | \$ 26,094,244 | \$ 38,125,786 | \$ 1,427,972 | \$ 65,674,871 | 29.25% |
| 1999 | \$ 21,255,952 | \$ 39,620,893 | \$ 1,749,542 | \$ 62,626,387 | 28.86% |
| 1998 | \$ 22,139,996 | \$ 40,742,055 | \$ 1,104,635 | \$ 64,086,118 | 29.22% |
| 1997 | \$ 22,250,530 | \$ 40,717,655 | \$ 1,068,469 | \$ 64,206,056 | 29.96% |
| 1996 | \$ 23,085,031 | \$ 37,757,632 | \$ 1,617,105 | \$ 62,459,768 | 28.80% |
| 1995 | \$ 21,785,740 | \$ 41,185,167 | | \$ 62,970,907 | 28.45% |
| 1994 | \$ 23,755,033 | \$ 44,616,761 | | \$ 68,371,794 | 31.60% |

*This amount is only the transfer back from the MMBB designated for the General Fund

**These amounts include listing fees, premium tax and the profit sharing amount received from Maine Beverage Company; and the Liquor Sales, are calculated on a calendar year basis.

***In May of 2004, the State signed a ten year lease with Maine Beverage Company for the warehousing and distribution of spirits subject to pricing regulation by the state. Maine Beverage paid the state \$75 million in

Bureau of Alcoholic Beverages and Lottery Operations
Lottery Operations
BALANCE SHEET
For Month ending June 30,

ASSETS:

| | 2016 | | 2015 |
|--------------------------------|----------------------|--|----------------------|
| Current Assets | | | |
| Cash | \$ - | | \$ - |
| Petty Cash - Imprest Fund | 750,200 | | 750,200 |
| Accounts Receivable | 26,735,590 | | 27,226,547 |
| Reserve for Doubtful Accounts | (180,981) | | (666,779) |
| Prepaid Expense | 105,940 | | 290,172 |
| Total Current Assets | 27,410,748 | | \$ 27,600,140 |
| Fixed Assets | | | |
| Equipment | \$ 44,202 | | \$ 44,202 |
| Less: Reserve for Depreciation | (44,202) | | (44,202) |
| Total Fixed Assets | \$ - | | \$ - |
| TOTAL ASSETS | \$ 27,410,748 | | \$ 27,600,140 |

LIABILITIES:

| | | | |
|----------------------------|---------------------|-----|---------------------|
| Accounts Payable | \$ 1,459,425 | | \$ 409,761 |
| Accrued Payroll | 18,261 | (1) | 83,333 |
| Accrued Subscriptions | 121,022 | | 159,341 |
| Accrued Vacation Liability | 102,123 | | 102,123 |
| Vouchers Payable | - | (2) | 243,034 |
| Due to Other Funds | 5,353,965 | (3) | 7,842,419 |
| TOTAL LIABILITIES | \$ 7,054,796 | | \$ 8,840,010 |

RESERVES:

| | | | |
|---|----------------------|-----|----------------------|
| MUSL Prize Reserve | \$ 2,059,978 | (4) | \$ 3,099,682 |
| Lucky For Life Expired Prize Reserve | 95,569 | (6) | 85,844 |
| Lucky For Life Prize Reserve | 1,551,072 | (5) | 1,340,880 |
| Instant Ticket Prize Reserve | 16,610,214 | (7) | 14,218,724 |
| Reserve for Instant Game Annuities | 39,119 | (8) | 15,000 |
| Untransferred Profit | - | | - |
| TOTAL RESERVES | \$ 20,355,952 | | \$ 18,760,130 |
| TOTAL LIABILITIES & RESERVES | \$ 27,410,748 | | \$ 27,600,140 |

Bureau of Alcoholic Beverages and Lottery Operations

Lottery Operations

Comparative Statements of Income and Expense

For Fiscal Years ending June 30,

| SALES | 2016 | % of Sales | 2015 | % of Sales | % Change 2015 to 2016 |
|--|-----------------------|----------------|-----------------------|----------------|--------------------------|
| Instant Tickets | | | | | |
| \$1 Instant | \$ 13,296,715 | 4.88% | \$ 13,307,030 | 5.26% | (0.08%) |
| Heritage Game | 2,291,833 | 0.84% | 2,400,612 | 0.95% | (4.53%) |
| \$2 Instant | 30,086,514 | 11.05% | 29,941,688 | 11.83% | 0.48% |
| \$3 Instant | 30,534,906 | 11.21% | 28,735,887 | 11.35% | 6.26% |
| \$5 Instant | 57,305,780 | 21.04% | 50,743,405 | 20.05% | 12.93% |
| \$10 Instant | 34,969,310 | 12.84% | 29,178,250 | 11.53% | 19.85% |
| \$20 Instant | 19,573,640 | 7.19% | 21,126,100 | 8.35% | (7.35%) |
| \$25 Instant | 22,436,850 | 8.24% | 24,071,350 | 9.51% | (6.79%) |
| <i>Total Instant</i> | \$ 210,495,548 | 77.29% | \$ 199,504,322 | 78.83% | 5.51% |
| Draw Games | | | | | |
| Pick 3 | \$ 5,310,034 | 1.95% | \$ 5,058,299 | 2.00% | 4.98% |
| Pick 4 | 4,257,730 | 1.56% | 4,028,841 | 1.59% | 5.68% |
| Megabucks | 10,728,270 | 3.94% | 10,937,587 | 4.32% | (1.91%) |
| Powerball | 28,240,791 | 10.37% | 18,786,636 | 7.42% | 50.32% |
| Gimme 5 | 1,410,717 | 0.52% | 1,382,788 | 0.55% | 2.02% |
| Monopoly | - | 0.00% | 248,160 | 0.10% | N/A |
| Lucky for Life | 4,357,430 | 1.60% | 4,737,803 | 1.87% | (8.03%) |
| Hot Lotto | 1,709,979 | 0.63% | 2,191,348 | 0.87% | (21.97%) |
| Mega Millions | 5,828,986 | 2.14% | 6,196,260 | 2.45% | (5.93%) |
| <i>Total Draw</i> | \$ 61,843,936 | 22.71% | \$ 53,567,721 | 21.17% | 15.45% |
| <i>Total Ticket Sales</i> | \$ 272,339,484 | 100.00% | \$ 253,072,043 | 100.00% | |
| OTHER INCOME | | | | | |
| Distribution Expenses paid by IF&W | \$ 57,296 | 0.02% | \$ 60,015 | 0.02% | (4.53%) |
| Expired Instant Prize Reserve | 2,597,083 (9) | 0.95% | 1,792,459 | 0.71% | 44.89% |
| Expired Instant Prize Reserve - Heritage | 41,358 (9) | 0.02% | 59,847 | 0.02% | (30.89%) |
| Interest Income - Tri State | - | N/A | - | N/A | N/A |
| Misc Income | 676,497 | 0.25% | (400,934) | (0.16%) | (268.73%) |
| <i>Total Other Income</i> | \$ 3,372,234 | 1.24% | \$ 1,511,387 | 0.60% | 123.12% |
| <i>Total Receipts</i> | \$ 275,711,717 | | \$ 254,583,430 | | 8.30% |
| EXPENSES | | | | | |
| Cost of Goods Sold | \$ 205,719,784 | 75.54% | \$ 192,119,682 | 75.92% | 7.08% |
| Maine Operating Expenses | 3,553,936 | 1.30% | 3,695,065 | 1.46% | (3.82%) |
| Tri-State Operating Expenses | 2,625,737 (10) | 0.96% | 2,305,781 | 0.91% | 13.88% |
| Heritage Game Expenses | 1,729,358 | 0.64% | 1,813,001 | 0.72% | (4.61%) |
| World Poker Tour Expenses | 88,496 | | - | N/A | |
| Contractor Incentive Plan | 2,844,383 | | - | N/A | |
| RewardME Players Club | 1,573,339 | | - | N/A | |
| <i>Total Expenses</i> | \$ 218,135,034 | 80.10% | \$ 199,933,529 | 79.00% | 9.10% |
| Transfer to General Fund | \$ 56,972,850 | 20.92% | \$ 54,002,444 | 21.34% | 5.50% |
| Transfer to Fish & Wildlife | 603,833 | 0.22% | 647,458 | 0.26% | (6.74%) |
| Profit Due from/to Gen. Fund | - | N/A | - | N/A | N/A |
| <i>Total Transfer</i> | \$ 57,576,684 | 21.14% | \$ 54,649,901 | 21.59% | 5.36% |
| Changes from FY 2015 to FY 2016 | | | | | |
| Sales: | Dollars | % | | | |
| Instant | 10,991,226 | 5.51% | | | |
| Draw | 8,276,215 | 15.45% | | | |
| Total | 19,267,441 | 7.61% | | | |
| Cost of Goods Sold | 13,600,103 | 7.08% | | | |
| Maine Operating Expenses | (141,129) | (3.82%) | | | |

Bureau of Alcoholic Beverages and Lottery Operations

Lottery Operations

HERITAGE GAME INCOME STATEMENT

For Fiscal Years ending: June 30,

| | 2016 | 2015 |
|---|--------------------------|---------------------|
| SALES | | |
| Game 192 - Moose Money | \$ - | \$ (2,899) |
| Game 214 - Wild Bucks | - | 314,484 |
| Game 241 - Stinkin Rich | - | 974,158 |
| Game 259 - Gopher Gold | 109,924 | 1,114,869 |
| Game 280 - Moose Moolah | 1,464,441 | - |
| Game 308 - Maine-Ah Money | 717,468 | - |
| Total Sales | \$ 2,291,833 | \$ 2,400,612 |
| OTHER INCOME | | |
| Expired Prize Reserve | \$ 41,358 | \$ 59,847 |
| Total Income | \$ 2,333,191 (11) | \$ 2,460,459 |
| EXPENSES | | |
| Game 192 - Moose Money | \$ - | \$ (1,744) |
| Game 214 - Wild Bucks | - | 193,596 |
| Game 241 - Stinkin Rich | - | 598,912 |
| Game 259 - Gopher Gold | 67,636 | 685,979 |
| Game 280 - Moose Moolah | 901,777 | - |
| Game 308 - Maine-Ah Money | 438,086 | - |
| Vendor Fees | 80,616 | 83,953 |
| Agent Commissions | 183,347 | 192,049 |
| Agent Bonuses | 600 | 240 |
| Advertising | - | - |
| Sta Cap | - | - |
| Distribution Expenses | 57,296 | 60,015 |
| Total Expenses | \$ 1,729,358 | \$ 1,813,001 |
| Outdoor Heritage Fund Profit | \$ 603,833 | \$ 647,458 |

Bureau of Alcoholic Beverages and Lottery Operations
Lottery Operations
Maine Operating Expense Schedule
Year To Date
For Fiscal Years ending June 30,

| | 2016 | 2015 | % Change 2015 to 2016 |
|--|---------------------|---------------------|--------------------------|
| Lottery Administration | | | |
| Personal Services | \$ 1,611,635 | (12) \$ 1,441,924 | 11.77% |
| State Services | 203,924 | 202,529 | 0.69% |
| Non-State Services | 3,470 | 22,942 | (84.88%) |
| Travel Expenses | 9,767 | 11,045 | (11.57%) |
| Rents | 128,190 | 139,707 | (8.24%) |
| Office Supplies | 18,792 | 18,945 | (0.81%) |
| General Operations | 33,476 | 262,397 | (87.24%) |
| Portion paid by IFW | (32,393) | (34,100) | (5.01%) |
| <i>Total Administrative</i> | \$ 1,976,862 | \$ 2,065,389 | (4.29%) |
| Lottery Operations | | | |
| General Operations | \$ 111,863 | \$ 152,742 | (26.76%) |
| Other Instant Expense | 312,099 | 317,497 | (1.70%) |
| Other Draw Expense | 109,041 | 176,358 | (38.17%) |
| Customer Service | 35,350 | 36,911 | (4.23%) |
| State Post Office | - | - | N/A |
| Other Agent Expenses | - | - | N/A |
| Portion paid by IFW | (9,163) | (11,102) | (17.46%) |
| <i>Total Operational</i> | \$ 559,191 | \$ 672,405 | (16.84%) |
| Advertising Charges | | | |
| Ad Agency Fees | \$ 201,619 | \$ 186,830 | 7.92% |
| TV/Radio Production | 85,273 | 37,117 | 129.74% |
| TV/Radio Media | 508,743 | 650,297 | (21.77%) |
| Promotional Material | 155,385 | 13,003 | 1,094.99% |
| Advertising Notices | - | - | N/A |
| StaCap | 25,308 | 24,822 | 1.96% |
| Portion paid by IFW | (15,740) | (14,814) | 6.25% |
| <i>Total Advertising</i> | \$ 960,588 | \$ 897,255 | 7.06% |
| <i>Subtotal</i> | \$ 3,496,640 | \$ 3,635,050 | (3.81%) |
| Plus: IF&W reimbursement | 57,296 | 60,015 | (4.53%) |
| Total Maine Operating Expenses | \$ 3,553,936 | \$ 3,695,065 | (3.82%) |
| Total Sales Including Heritage | \$ 272,339,484 | \$ 253,072,043 | 7.61% |
| Total Operating Expense as % of Sales | 1.30% | 1.46% | |

Bureau of Alcoholic Beverages and Lottery Operations
Lottery Operations
Cost of Goods Sold Schedule (excluding Heritage)
For Fiscal Years ending June 30,

| | 2016 | % of Sales | 2015 | % of Sales | % Change 2015 to 2016 |
|--|-----------------------|---------------|-----------------------|---------------|--------------------------|
| Prize Expense | | | | | |
| \$ 1 Instant | \$ 8,191,922 | 61.61% | \$ 8,233,832 | 61.88% | (0.51%) |
| \$ 2 Instant | 19,962,309 | 66.35% | 19,902,435 | 66.47% | 0.30% |
| \$ 3 Instant | 20,365,427 | 66.70% | 19,187,868 | 66.77% | 6.14% |
| \$ 5 Instant | 39,547,745 | 69.01% | 35,099,960 | 69.17% | 12.67% |
| \$10 Instant | 25,648,376 | 73.35% | 21,416,520 | 73.40% | 19.76% |
| \$20 Instant | 14,716,671 | 75.19% | 15,934,028 | 75.42% | (7.64%) |
| \$25 Instant | 17,049,076 | 75.99% | 18,331,713 | 76.16% | (7.00%) |
| Pick 3 | 2,653,734 | 49.98% | 2,531,802 | 50.05% | 4.82% |
| Pick 4 | 2,086,721 | 49.01% | 2,025,726 | 50.28% | 3.01% |
| Megabucks | 5,336,880 | 49.75% | 5,407,977 | 49.44% | (1.31%) |
| Powerball | 14,106,337 | 49.95% | 9,470,544 | 50.41% | 48.95% |
| Gimme 5 | 747,705 | 53.00% | 732,911 | 53.00% | 2.02% |
| Monopoly Millionaires Club | - | N/A | (12,557) | -5.06% | N/A |
| Lucky for Life | 2,614,470 | 60.00% | 2,825,495 | 59.64% | (7.47%) |
| Hot Lotto | 852,837 | 49.87% | 1,005,163 | 45.87% | (15.15%) |
| Mega Millions | 2,906,582 | 49.86% | 3,094,969 | 49.95% | (6.09%) |
| Total Prize Expense | \$ 176,786,790 | 65.47% | \$ 165,188,385 | 65.90% | 7.02% |
| Vendor Fees | | | | | |
| \$ 1 Instant | \$ 467,972 | 3.52% | \$ 465,430 | 3.50% | 0.55% |
| \$ 2 Instant | 1,058,927 | 3.52% | 1,047,349 | 3.50% | 1.11% |
| \$ 3 Instant | 1,074,647 | 3.52% | 1,005,169 | 3.50% | 6.91% |
| \$ 5 Instant | 2,016,865 | 3.52% | 1,774,913 | 3.50% | 13.63% |
| \$10 Instant | 1,230,823 | 3.52% | 1,020,619 | 3.50% | 20.60% |
| \$20 Instant | 688,938 | 3.52% | 738,887 | 3.50% | (6.76%) |
| \$25 Instant | 789,582 | 3.52% | 842,130 | 3.50% | (6.24%) |
| Pick 3 | 186,888 | 3.52% | 176,939 | 3.50% | 5.62% |
| Pick 4 | 149,861 | 3.52% | 140,931 | 3.50% | 6.34% |
| Megabucks | 377,568 | 3.52% | 382,575 | 3.50% | (1.31%) |
| Powerball | 994,089 | 3.52% | 657,057 | 3.50% | 51.29% |
| Gimme 5 | 49,648 | 3.52% | 48,370 | 3.50% | 2.64% |
| Monopoly Millionaires Club | (2) | N/A | 8,676 | 3.50% | N/A |
| Lucky for Life | 153,344 | 3.52% | 165,714 | 3.50% | (7.46%) |
| Hot Lotto | 60,178 | 3.52% | 76,652 | 3.50% | (21.49%) |
| Mega Millions | 205,134 | 3.52% | 216,735 | 3.50% | (5.35%) |
| Total Vendor Fees | \$ 9,504,461 | 3.52% | \$ 8,768,143 | 3.50% | 8.40% |
| Agent Commissions and Bonuses | | | | | |
| \$ 1 Instant | \$ 929,975 | 6.99% | \$ 931,502 | 7.00% | (0.16%) |
| \$ 2 Instant | 2,121,986 | 7.05% | 2,111,410 | 7.05% | 0.50% |
| \$ 3 Instant | 2,154,148 | 7.05% | 2,027,467 | 7.06% | 6.25% |
| \$ 5 Instant | 4,090,915 | 7.14% | 3,620,377 | 7.13% | 13.00% |
| \$10 Instant | 2,491,272 | 7.12% | 2,073,628 | 7.11% | 20.14% |
| \$20 Instant | 1,408,715 | 7.20% | 1,541,828 | 7.30% | (8.63%) |
| \$25 Instant | 1,590,390 | 7.09% | 1,715,165 | 7.13% | (7.27%) |
| Pick 3 | 266,058 | 5.01% | 253,248 | 5.01% | 5.06% |
| Pick 4 | 222,441 | 5.22% | 208,200 | 5.17% | 6.84% |
| Megabucks | 526,911 | 4.91% | 533,255 | 4.88% | (1.19%) |
| Powerball | 1,403,578 | 4.97% | 949,543 | 5.05% | 47.82% |
| Gimme 5 | 70,531 | 5.00% | 69,134 | 5.00% | 2.02% |
| Monopoly Millionaires Club | - | N/A | 12,404 | 5.00% | N/A |
| Lucky for Life | 218,217 | 5.01% | 235,871 | 4.98% | (7.48%) |
| Hot Lotto | 101,303 | 5.92% | 109,211 | 4.98% | (7.24%) |
| Mega Millions | 314,710 | 5.40% | 308,866 | 4.98% | 1.89% |
| Total Agent Commissions & Bonuses | \$ 17,911,150 | 6.63% | \$ 16,701,108 | 6.66% | 7.25% |
| Other Expenses | | | | | |
| Royalty Fees | \$ 694,496 | 0.26% | \$ 424,806 | 0.17% | 63.49% |
| Other Ad agency expenses | 249,264 | 0.09% | 134,269 | 0.05% | 85.64% |
| Postage | 14,213 | 0.01% | 21,550 | 0.01% | (34.05%) |
| Rental of equipment | 559,411 | 0.21% | 881,420 | 0.35% | (36.53%) |
| Total Other Expenses | \$ 1,517,383 | 0.56% | \$ 1,462,045 | 0.58% | 3.78% |
| Total Cost of Goods Sold | \$ 205,719,784 | 76.18% | \$ 192,119,682 | 76.64% | 7.08% |
| Total Sales (excluding Heritage) | \$ 270,047,651 | | \$ 250,671,431 | | 7.73% |
| Cost of Goods Sold as % of Sales (excluding Heritage) | 76.18% | | 76.64% | | |

Bureau of Alcoholic Beverages and Lottery Operations
Lottery Operations
Cost of Goods Sold - Draw Games
For Fiscal Years ending: June 30,

| 2016 | | | | | | | | | | |
|--------------------------|---------------------|---------------------|---------------------|----------------------|---------------------|-------------------|---------------|---------------------|---------------------|----------------------|
| | Megabucks | Pick 3 | Pick 4 | Powerball | Lucky for Life | Gimme 5 | Monopoly | Hot Lotto | Mega Millions | Total Draw |
| Sales | \$ 10,728,270 | \$ 5,310,034 | \$ 4,257,730 | \$ 28,240,791 | \$ 4,357,430 | \$ 1,410,717 | \$ - | \$ 1,709,979 | \$ 5,828,986 | \$ 61,843,936 |
| Prize Expense | 5,336,880 | 2,653,734 | 2,086,721 | 14,106,337 | 2,614,470 | 747,705 | - | 852,837 | 2,906,582 | 31,305,265 |
| Vendor Fees | 377,568 | 186,888 | 149,861 | 994,089 | 153,344 | 49,648 | (2) | 60,178 | 205,134 | 2,176,708 |
| Agent Commissions | 526,911 | 266,058 | 222,441 | 1,403,578 | 218,217 | 70,531 | - | 101,303 | 314,710 | 3,123,750 |
| Other Ad agency expenses | 43,241 | 21,402 | 17,161 | 113,825 | 17,563 | 5,686 | - | 6,892 | 23,494 | 249,264 |
| Total COGS | \$ 6,284,599 | \$ 3,128,082 | \$ 2,476,183 | \$ 16,617,830 | \$ 3,003,593 | \$ 873,570 | \$ (2) | \$ 1,021,210 | \$ 3,449,920 | \$ 36,854,987 |
| Gross Profit on Sales | \$ 4,443,671 | \$ 2,181,951 | \$ 1,781,546 | \$ 11,622,961 | \$ 1,353,837 | \$ 537,147 | \$ 2 | \$ 688,769 | \$ 2,379,066 | \$ 24,988,949 |
| Gross Profit Percent | 41.42% | 41.09% | 41.84% | 41.16% | 31.07% | 38.08% | N/A | 40.28% | 40.81% | 40.41% |

| 2015 | | | | | | | | | | |
|--------------------------|---------------------|---------------------|---------------------|----------------------|---------------------|-------------------|-----------------|---------------------|---------------------|----------------------|
| | Megabucks | Pick 3 | Pick 4 | Powerball | Lucky for Life | Gimme 5 | Monopoly | Hot Lotto | Mega Millions | Total Draw |
| Sales | \$ 10,937,587 | \$ 5,058,299 | \$ 4,028,841 | \$ 18,786,636 | \$ 4,737,803 | \$ 1,382,788 | \$ 248,160 | \$ 2,191,348 | \$ 6,196,260 | \$ 53,567,721 |
| Prize Expense | 5,407,977 | 2,531,802 | 2,025,726 | 9,470,544 | 2,825,495 | 732,911 | (12,557) | 1,005,163 | 3,094,969 | 27,082,029 |
| Vendor Fees | 382,575 | 176,939 | 140,931 | 657,057 | 165,714 | 48,370 | 8,676 | 76,652 | 216,735 | 1,873,647 |
| Agent Commissions | 533,255 | 253,248 | 208,200 | 949,543 | 235,871 | 69,134 | 12,404 | 109,211 | 308,866 | 2,679,732 |
| Other Ad agency expenses | 27,415 | 12,679 | 10,098 | 47,089 | 11,875 | 3,466 | 622 | 5,493 | 15,531 | 134,269 |
| Total COGS | \$ 6,351,222 | \$ 2,974,668 | \$ 2,384,956 | \$ 11,124,233 | \$ 3,238,954 | \$ 853,881 | \$ 9,145 | \$ 1,196,518 | \$ 3,636,101 | \$ 31,769,678 |
| Gross Profit on Sales | \$ 4,586,365 | \$ 2,083,631 | \$ 1,643,885 | \$ 7,662,403 | \$ 1,498,849 | \$ 528,907 | \$ 239,015 | \$ 994,830 | \$ 2,560,159 | \$ 21,798,043 |
| Gross Profit Percent | 41.93% | 41.19% | 40.80% | 40.79% | 31.64% | 38.25% | 96.31% | 45.40% | 41.32% | 40.69% |

| Percentage Change FY 2015 to FY 2016 | | | | | | | | | | |
|---|-----------|--------|--------|-----------|----------------|---------|----------|-----------|---------------|------------|
| | Megabucks | Pick 3 | Pick 4 | Powerball | Lucky for Life | Gimme 5 | Monopoly | Hot Lotto | Mega Millions | Total Draw |
| Sales | (1.91%) | 4.98% | 5.68% | 50.32% | (8.03%) | 2.02% | N/A | (21.97%) | (5.93%) | 15.45% |
| COGS | (1.05%) | 5.16% | 3.83% | 49.38% | (7.27%) | 2.31% | N/A | (14.65%) | (5.12%) | 16.01% |
| Gross Profit | (3.11%) | 4.72% | 8.37% | 51.69% | (9.67%) | 1.56% | N/A | (30.77%) | (7.07%) | 14.64% |

* Telephone expense for the draw games is allocated by sales dollars

Bureau of Alcoholic Beverages and Lottery Operations
Lottery Operations
Cost of Goods Sold - Instant Tickets (excluding Heritage)
For Fiscal Years ending: June 30,

2016

| | \$1 Instant | \$2 Instant | \$3 Instant | \$5 Instant | \$10 Instant | \$20 Instant | \$25 Instant | Total Instant |
|-------------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| Sales | \$ 13,296,715 | \$ 30,086,514 | \$ 30,534,906 | \$ 57,305,780 | \$ 34,969,310 | \$ 19,573,640 | \$ 22,436,850 | \$ 208,203,715 |
| Prize Expense | 8,191,922 | 19,962,309 | 20,365,427 | 39,547,745 | 25,648,376 | 14,716,671 | 17,049,076 | 145,481,525 |
| Vendor Fees | 467,972 | 1,058,927 | 1,074,647 | 2,016,865 | 1,230,823 | 688,938 | 789,582 | 7,327,754 |
| Agent Commissions | 929,975 | 2,121,986 | 2,154,148 | 4,090,915 | 2,491,272 | 1,408,715 | 1,590,390 | 14,787,400 |
| Royalty Fees/Sta Cap | - | - | - | 679,516 | 14,980 | - | - | 694,496 |
| Postage / Rental of Eq. | 36,634 | 82,892 | 84,127 | 157,884 | 96,344 | 53,927 | 61,816 | 573,623 |
| Total COGS | \$ 9,626,503 | \$ 23,226,113 | \$ 23,678,349 | \$ 46,492,925 | \$ 29,481,794 | \$ 16,868,251 | \$ 19,490,863 | \$ 168,864,798 |
| Gross Profit on Sales | \$ 3,670,212 | \$ 6,860,401 | \$ 6,856,557 | \$ 10,812,855 | \$ 5,487,516 | \$ 2,705,389 | \$ 2,945,987 | \$ 39,338,917 |
| Gross Profit Percent | 27.60% | 22.80% | 22.45% | 18.87% | 15.69% | 13.82% | 13.13% | 18.89% |

2015

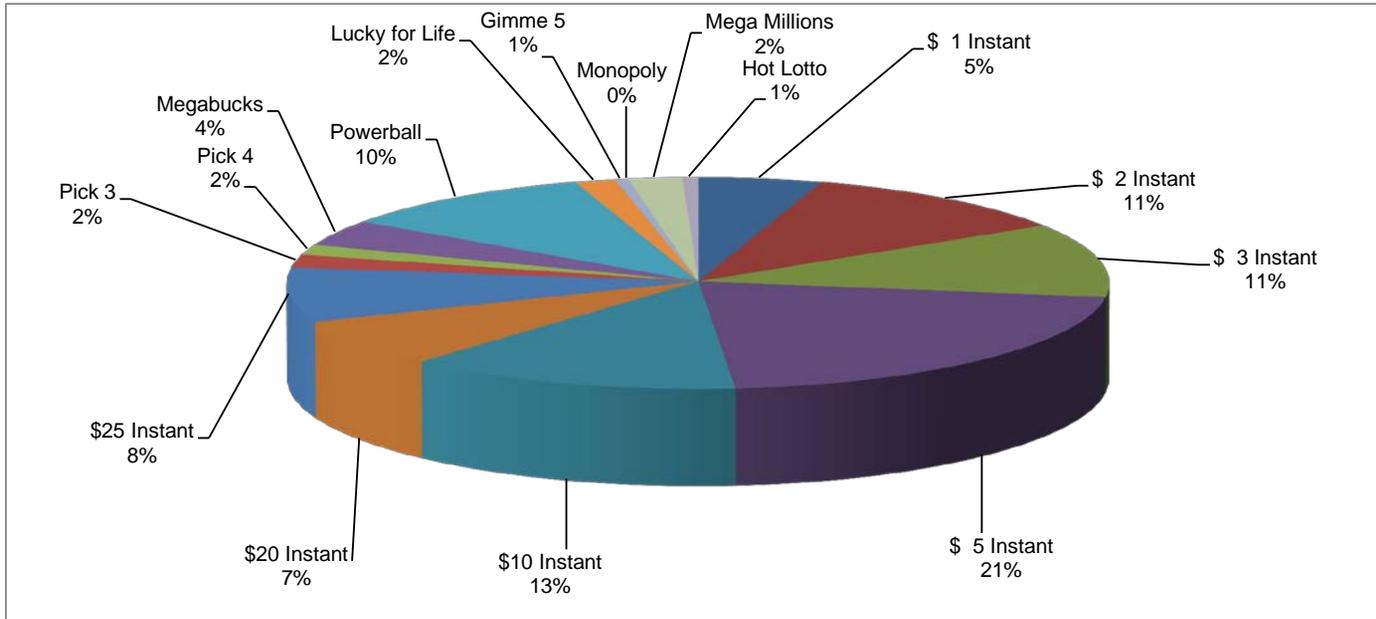
| | \$1 Instant | \$2 Instant | \$3 Instant | \$5 Instant | \$10 Instant | \$20 Instant | \$25 Instant | Total Instant |
|-------------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| Sales | \$ 13,307,030 | \$ 29,941,688 | \$ 28,735,887 | \$ 50,743,405 | \$ 29,178,250 | \$ 21,126,100 | \$ 24,071,350 | \$ 197,103,710 |
| Prize Expense | 8,233,832 | 19,902,435 | 19,187,868 | 35,099,960 | 21,416,520 | 15,934,028 | 18,331,713 | 138,106,356 |
| Vendor Fees | 465,430 | 1,047,349 | 1,005,169 | 1,774,913 | 1,020,619 | 738,887 | 842,130 | 6,894,496 |
| Agent Commissions | 931,502 | 2,111,410 | 2,027,467 | 3,620,377 | 2,073,628 | 1,541,828 | 1,715,165 | 14,021,376 |
| Royalty Fees/Sta Cap | - | 165,660 | - | 233,700 | - | - | - | 399,359 |
| Postage / Rental of Eq. | 60,962 | 137,169 | 131,645 | 232,465 | 133,671 | 96,783 | 110,276 | 902,970 |
| Total COGS | \$ 9,691,726 | \$ 23,364,023 | \$ 22,352,149 | \$ 40,961,414 | \$ 24,644,438 | \$ 18,311,526 | \$ 20,999,282 | \$ 160,324,557 |
| Gross Profit on Sales | \$ 3,615,304 | \$ 6,577,665 | \$ 6,383,738 | \$ 9,781,991 | \$ 4,533,812 | \$ 2,814,574 | \$ 3,072,068 | \$ 36,779,153 |
| Gross Profit Percent | 27.17% | 21.97% | 22.22% | 19.28% | 15.54% | 13.32% | 12.76% | 18.66% |

Percentage Change FY 2015 to FY 2016

| | \$1 Instant | \$2 Instant | \$3 Instant | \$5 Instant | \$10 Instant | \$20 Instant | \$25 Instant | Total Instant |
|--------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|---------------|
| Sales | (0.08%) | 0.48% | 6.26% | 12.93% | 19.85% | (7.35%) | N/A | 5.63% |
| COGS | (0.67%) | (0.59%) | 5.93% | 13.50% | 19.63% | (7.88%) | N/A | 5.33% |
| Gross Profit | 1.52% | 4.30% | 7.41% | 10.54% | 21.04% | (3.88%) | N/A | 6.96% |

Note : Schedule excludes Heritage Game

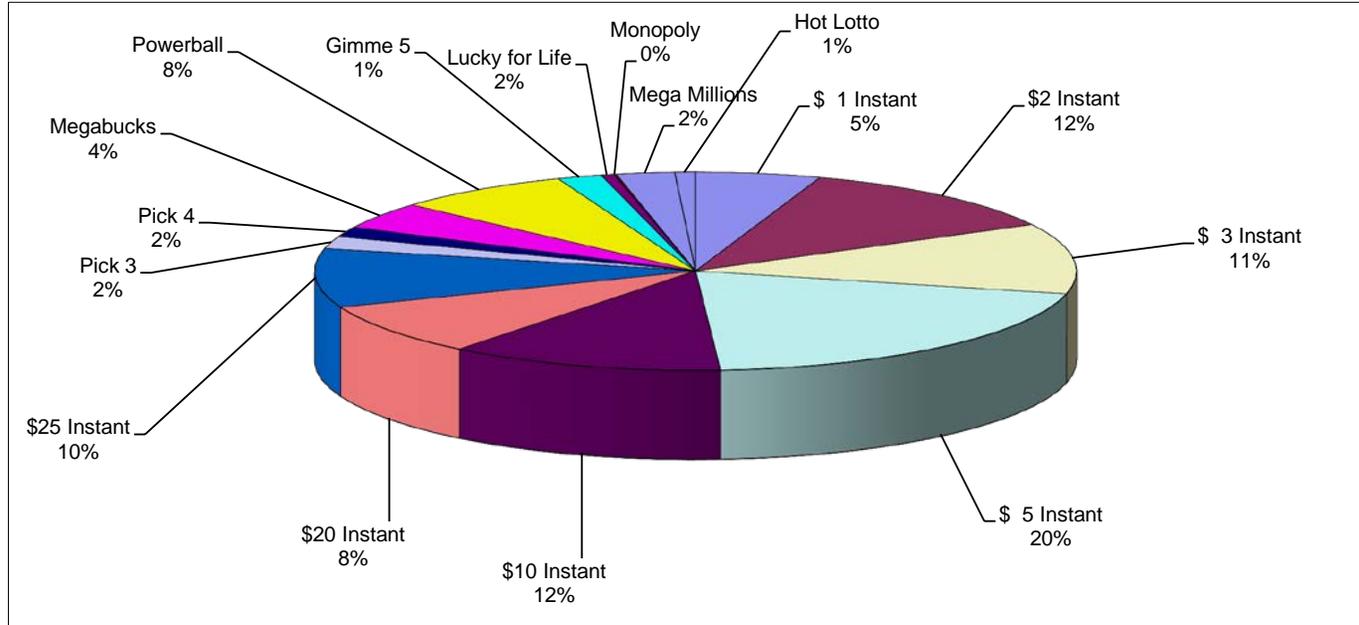
**Bureau of Alcoholic Beverages and Lottery Operations
 Lottery Operations
 COMPARATIVE SALES ANALYSIS
 FOR FISCAL YEARS 2016-2015**



2016

| | | | |
|----------------|-----------|--------------------|----|
| \$ 1 Instant | \$ | 13,296,715 | ** |
| \$ 2 Instant | \$ | 30,086,514 | |
| \$ 3 Instant | \$ | 30,534,906 | |
| \$ 5 Instant | \$ | 57,305,780 | |
| \$10 Instant | \$ | 34,969,310 | |
| \$20 Instant | \$ | 19,573,640 | |
| \$25 Instant | \$ | 22,436,850 | |
| Pick 3 | \$ | 5,310,034 | |
| Pick 4 | \$ | 4,257,730 | |
| Megabucks | \$ | 10,728,270 | |
| Powerball | \$ | 28,240,791 | |
| Lucky for Life | \$ | 4,357,430 | |
| Gimme 5 | \$ | 1,410,717 | |
| Monopoly | \$ | - | |
| Mega Millions | \$ | 5,828,986 | |
| Hot Lotto | \$ | 1,709,979 | |
| | \$ | 270,047,651 | |

**Bureau of Alcoholic Beverages and Lottery Operations
 Lottery Operations
 COMPARATIVE SALES ANALYSIS
 FOR FISCAL YEARS 2016-2015**

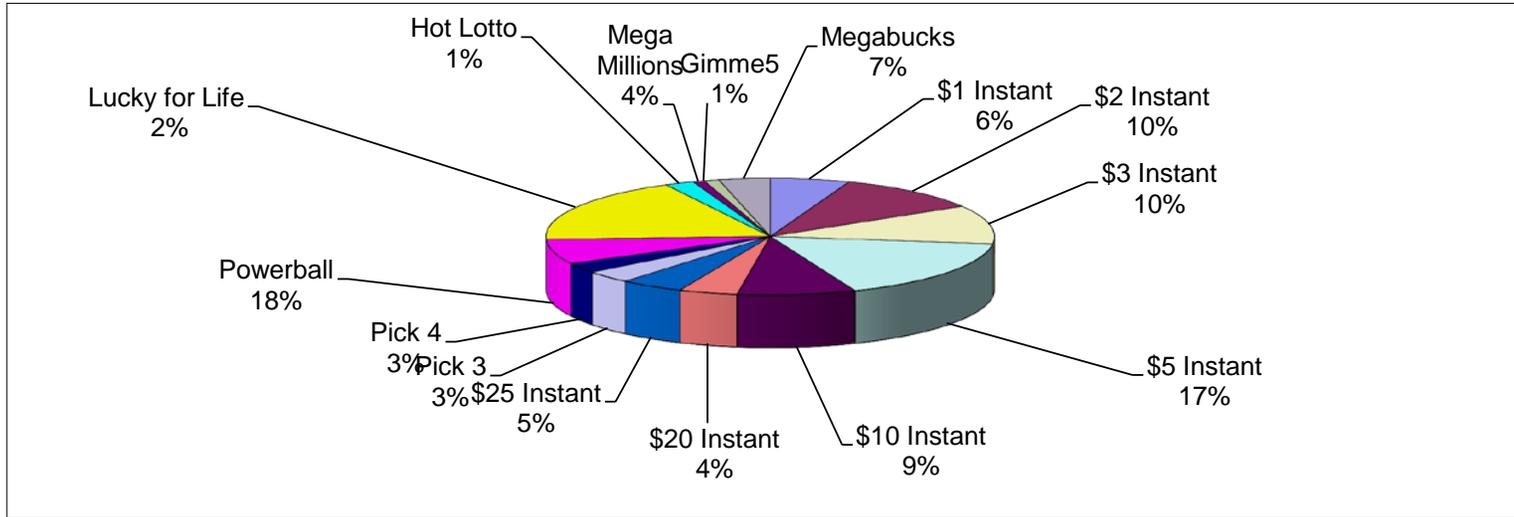


2015

| | | | |
|----------------|-----------|--------------------|----|
| \$ 1 Instant | \$ | 13,307,030 | ** |
| \$ 2 Instant | \$ | 29,941,688 | |
| \$ 3 Instant | \$ | 28,735,887 | |
| \$ 5 Instant | \$ | 50,743,405 | |
| \$10 Instant | \$ | 29,178,250 | |
| \$20 Instant | \$ | 21,126,100 | |
| \$25 Instant | \$ | 24,071,350 | |
| Pick 3 | \$ | 5,058,299 | |
| Pick 4 | \$ | 4,028,841 | |
| Megabucks | \$ | 10,937,587 | |
| Powerball | \$ | 18,786,636 | |
| Lucky for Life | \$ | 4,737,803 | |
| Gimme 5 | \$ | 1,382,788 | |
| Monopoly | \$ | 248,160 | |
| Mega Millions | \$ | 6,196,260 | |
| Hot Lotto | \$ | 2,191,348 | |
| | \$ | 250,671,431 | |

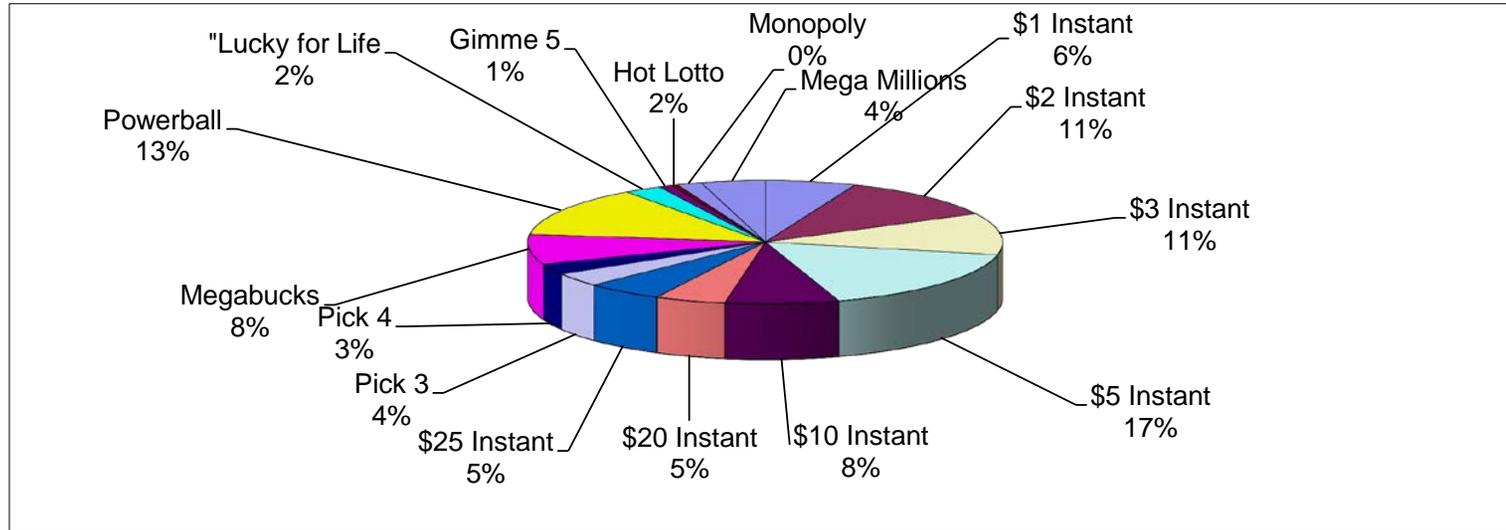
** Excludes the Outdoor Heritage Game and Promotional Sales

Bureau of Alcoholic Beverages and Lottery Operations
Lottery Operations
GROSS PROFIT COMPARISON
FOR FISCAL YEARS 2016-2015



| <u>Game</u> | <u>2016 Gross Profit</u> | <u>Percentage of GP</u> |
|----------------|------------------------------|-------------------------|
| \$1 Instant | \$ 3,670,212 | 5.71% ** |
| \$2 Instant | \$ 6,860,401 | 10.66% |
| \$3 Instant | \$ 6,856,557 | 10.66% |
| \$5 Instant | \$ 10,812,855 | 16.81% |
| \$10 Instant | \$ 5,487,516 | 8.53% |
| \$20 Instant | \$ 2,705,389 | 4.21% |
| \$25 Instant | \$ 2,945,987 | 4.58% |
| Pick 3 | \$ 2,181,951 | 3.39% |
| Pick 4 | \$ 1,781,546 | 2.77% |
| Megabucks | \$ 4,443,671 | 6.91% |
| Powerball | \$ 11,622,961 | 18.07% |
| Lucky for Life | \$ 1,353,837 | 2.10% |
| Gimme 5 | \$ 537,147 | 0.84% |
| Monopoly | \$ 2 | 0.00% |
| Hot Lotto | \$ 688,769 | 1.07% |
| Mega Millions | \$ 2,379,066 | 3.70% |
| | \$ 64,327,866 | 100.00% |

**Bureau of Alcoholic Beverages and Lottery Operations
 Lottery Operations
 GROSS PROFIT COMPARISON
 FOR FISCAL YEARS 2016-2015**



| | <u>2015</u> | |
|----------------|----------------------|-------------------------|
| <u>Game</u> | <u>Gross Profit</u> | <u>Percentage of GP</u> |
| \$1 Instant | \$ 3,615,304 | 6.17% ** |
| \$2 Instant | \$ 6,577,665 | 11.23% |
| \$3 Instant | \$ 6,383,738 | 10.90% |
| \$5 Instant | \$ 9,781,991 | 16.70% |
| \$10 Instant | \$ 4,533,812 | 7.74% |
| \$20 Instant | \$ 2,814,574 | 4.80% |
| \$25 Instant | \$ 3,072,068 | 5.24% |
| Pick 3 | \$ 2,083,631 | 3.56% |
| Pick 4 | \$ 1,643,885 | 2.81% |
| Megabucks | \$ 4,586,365 | 7.83% |
| Powerball | \$ 7,662,403 | 13.08% |
| Lucky for Life | \$ 1,498,849 | 2.56% |
| Gimme 5 | \$ 528,907 | 0.90% |
| Monopoly | \$ 239,015 | 0.41% |
| Hot Lotto | \$ 994,830 | 1.70% |
| Mega Millions | \$ 2,560,159 | 4.37% |
| | \$ 58,577,196 | 100.00% |

**Excludes Heritage Games and Promotional Sales

Lottery Operations Footnotes

Balance Sheet:

- (1) Accrued Payroll is necessary to help more accurately reflect total salary expense for Fiscal Year 2016 and represents nine days for June 2016.
- (2) Vouchers Payable represents invoices that have been processed and for which payment is due, that will not be disbursed until July.
- (3) Due to Other Funds reflects the amount of Lottery profit owed to the General Fund. This balance fluctuates depending on the timing of cash flow from the Lottery's accounts receivable bank sweeps through Treasury.
- (4) MUSL Prize Reserve represents the potential liability of prize winning Powerball, Hot Lotto and Mega Million tickets that have been sold but not yet redeemed.
- (5) Lucky for Life Prize Reserve represents the potential liability of prize winning Lucky for Life tickets that have been sold but not yet redeemed.
- (6) Lucky for Life Prize expired Reserve represents liability of prize winning Lucky for Life tickets that have been sold but not yet redeemed and will be awarded as other prizes.
- (7) The Instant Ticket Prize Reserve represents the potential liability of prize winning instant tickets that have been sold but not yet redeemed.
- (8) The balance in Reserve for Instant Game Annuities is the amount due to winners of multiple year payout instant ticket games.

Year to Date Comparative Statements of Income and Expenses:

- (9) Expired Instant Prize Reserve represents the income received from winning expired instant tickets that were never redeemed.
- (10) Tri-State Operating Expense is listed as a separate line item to accurately reflect the Cost of Goods Sold.

Heritage Game Income Statement:

(11) Heritage Game instant tickets are sold through the Maine State Lottery to generate revenues that will directly benefit conservation projects through the following grant categories:

- Category 1 Fisheries and wildlife habitat conservation projects
- Category 2 Acquisition and management of public lands, parks, wildlife conservation areas and public access, and outdoor recreation sites and facilities
- Category 3 Endangered and threatened species conservation projects
- Category 4 Natural resources law enforcement

Maine Operating Expense Schedule:

(12) Included in Personal Services for June 2016 is a nine day payroll accrual. The accrual is necessary to help more accurately reflect total salary expense for Fiscal Year 2016.

**Bureau of Alcoholic Beverages and Lottery Operations
Spirits Operations**

BALANCE SHEET

For Fiscal Years ending: June 30,

ASSETS:

| | 2016 | 2015 |
|-----------------------|----------------------|----------------------|
| Current Assets | | |
| Cash | \$ 9,248,446 | \$ 11,316,898 |
| Cash with Fiduciary | 33,870,218 | 32,139,478 |
| Accounts Receivable | 1,963,249 | 1,552,810 |
| Total Current Assets | \$ 45,081,914 | \$ 45,009,186 |
| TOTAL ASSETS | \$ 45,081,914 | \$ 45,009,186 |

LIABILITIES:

| | | |
|--------------------------|-----------------------|-----------------------|
| Accounts Payable | \$ 4,860,539 (13) | \$ 5,307,488 |
| Compensated Absences | 17,772 | - |
| Due to Other Funds | 185,777,102 (14) | 201,000,000 |
| Interest Matured Payable | (4,615,966) | - |
| Accrued payroll | 8,376 | 14,128 |
| TOTAL LIABILITIES | \$ 186,047,823 | \$ 206,321,616 |

RESERVES:

| | | |
|---|----------------------|----------------------|
| Retained Earnings | \$ 25,642,521 | \$ - |
| Unappropriated Surplus | (166,608,431) | (161,312,431) |
| TOTAL LIABILITIES & RESERVES | \$ 45,081,914 | \$ 45,009,186 |

Bureau of Alcoholic Beverages and Lottery Operations
Spirits Operations
Comparative Statements of Income and Expense
For Fiscal Years ending June 30,

| | | 2016 | | 2015 |
|-------------------------------|--|-----------------------|------|-----------------------|
| Sales | Gross sales | \$ 165,366,535 | | \$ 156,136,691 |
| | <i>Revenue</i> | \$ 165,366,535 | | \$ 156,136,691 |
| Other Revenue | Interest earned | \$ 62,959 | | \$ 9,480 |
| | Product listing fees | - | | 8,400 |
| | Bottle deposit | - | | 427,522 |
| | Prior year adjustment | 939 | | - |
| | <i>Other revenue</i> | \$ 62,959 | | \$ 445,403 |
| | Total Revenue | \$ 165,429,494 | | \$ 156,582,093 |
| Spirit Expenses | Product cost | \$ 105,073,292 | | \$ 98,143,598 |
| | Bottle deposit | 1,427,650 | | 1,721,097 |
| | Warehousing & Distribution | 7,573,230 | | 7,234,317 |
| | Trade Marketing | 3,500,499 | | 2,236,686 |
| | Personnel | 285,497 | | 228,407 |
| | Advertising | 1,280,263 | | 1,002,634 |
| | Technology | 2,458 | | 4,247.12 |
| | Misc operating expenses | 10,583 | | 105,450.79 |
| | Stacap | 64,011 | | 31,367 |
| | <i>Total</i> | \$ 119,217,483 | | \$ 110,707,804 |
| Other Expenses | Bond bank quarterly fees | \$ 76,254 | | \$ 56,640 |
| | Interest payments due on bonds | 6,970,652 | 2 | 7,180,621 |
| | <i>Total</i> | \$ 7,046,907 | | \$ 7,237,261 |
| | Total Expenses | \$ 126,264,390 | | \$ 117,945,065 |
| General Fund Transfers | Product listing fee transfer to General Fund | \$ 33,300 | | \$ 8,400 |
| | Premium tax transfer to General Fund | 2,505,668 | | 2,405,832 |
| | Transfer to General Fund from MMBB | 9,639,000 | (15) | 9,714,884 |
| | | \$ 12,177,968 | | \$ 12,129,116 |
| | Total GF Transfers | \$ 12,177,968 | | \$ 12,129,116 |
| Profit | Total Profit | \$ 26,987,136 | | \$ 28,913,744 |
| Other Transfers | Transfer to MMBB | \$ 15,614,804 | | \$ 25,990,717 |
| | Total Other Transfer | \$ 15,614,804 | | \$ 25,990,717 |

Spirits Operations Footnotes

Balance Sheet:

- (13) Accounts Payable represents invoices that have been processed and for which payment is due, that will not be disbursed until July.
- (14) Due to Other Funds reflects the amount outstanding for the Bonds with Maine Municipal Bond Bank.
- (15) Amount transferred back from Maine Municipal Bond Bank to the general fund.