



**FISCAL YEAR 2026-27  
PROPOSED BUDGET**  
(Dollars in Thousands)

Attachment

	<b>FY 2025-26 Year-End Estimate</b>	<b>% of Sales</b>	<b>FY 2026-27 Proposed Budget</b>	<b>% of Sales</b>	<b>Difference</b>
<b>SALES:</b>					
Scratchers	\$6,900,000	74.0 %	\$7,040,000	75.2 %	\$140,000
Powerball	833,000	8.9 %	565,000	6.0 %	(268,000)
Mega Millions	490,500	5.3 %	640,000	6.8 %	149,500
SuperLotto Plus	233,500	2.5 %	240,000	2.6 %	6,500
Hot Spot	455,000	4.9 %	455,000	4.9 %	0
Fantasy 5	167,000	1.8 %	171,000	1.8 %	4,000
Daily 3	177,000	1.9 %	176,500	1.9 %	(500)
Daily 4	36,000	0.4 %	35,500	0.4 %	(500)
Daily Derby	32,000	0.3 %	37,000	0.4 %	5,000
<b>TOTAL, ESTIMATED SALES</b>	<b>\$9,324,000</b>		<b>\$9,360,000</b>		<b>\$36,000</b>
<b>PRIZE EXPENSE:</b>					
		<b>Prize Payout %</b>		<b>Prize Payout %</b>	
Scratchers	\$4,954,200	71.8 %	\$5,082,880	72.2 %	\$128,680
Powerball	421,238	50.6 %	282,500	50.0 %	(138,738)
Mega Millions	232,818	47.5 %	320,000	50.0 %	87,182
SuperLotto Plus	108,254	46.4 %	112,800	47.0 %	4,546
Hot Spot	289,153	63.6 %	289,153	63.6 %	0
Daily Games	201,880	49.0 %	209,468	49.9 %	7,588
2nd Chance	9,100		9,100		0
Prize Expense Savings	(59,996)		(60,902)		(906)
<b>TOTAL, PRIZE EXPENSE</b>	<b>\$6,156,646</b>	<b>66.0 %</b>	<b>\$6,244,998</b>	<b>66.7 %</b>	<b>\$88,352</b>
<b>NET SALES AFTER PRIZE EXPENSE</b>	<b>\$3,167,354</b>		<b>\$3,115,002</b>		<b>(\$52,352)</b>
<b>ADMINISTRATIVE EXPENSES:</b>					
		<b>% of Sales</b>		<b>% of Sales</b>	
<b>Retailer Compensation:</b>					
Commission	\$538,927	5.8 %	\$540,880	5.8 %	\$1,953
Cashing Bonus	56,876	0.6 %	57,247	0.6 %	370
Special Handling	34,993	0.4 %	35,126	0.4 %	133
Incentives	4,000	0.0 %	4,000	0.0 %	0
<b>Gaming Costs:</b>					
Gaming Contract (Brightstar)	129,399	1.4 %	129,835	1.4 %	437
Retailer Administrative and Gaming Fees	(21,918)		(22,769)		(851)
Scratchers Ticket, Delivery, and Support Costs	60,000	0.6 %	72,000	0.8 %	12,000
<b>TOTAL, RETAILER &amp; GAMING COSTS</b>	<b>\$802,277</b>	<b>8.6 %</b>	<b>\$816,320</b>	<b>8.7 %</b>	<b>\$14,043</b>
<b>Operating Costs:</b>					
Personal Services	\$144,754	1.6 %	\$152,039	1.6 %	\$7,286
Marketing Budget Plan	106,375	1.1 %	86,719	0.9 %	(19,656)
Contractual Services	25,211	0.3 %	32,887	0.4 %	7,676
Depreciation	13,744	0.1 %	13,434	0.1 %	(310)
Operating Expense	24,258	0.3 %	31,824	0.3 %	7,566
Reserve for Insurable Risk	0	0.0 %	5,000	0.1 %	5,000
Administrative Spending Reserve	0	0.0 %	78,576	0.8 %	78,576
<b>Subtotal, Operating Costs</b>	<b>\$314,342</b>	<b>3.4 %</b>	<b>\$400,480</b>	<b>4.3 %</b>	<b>\$86,138</b>
<b>TOTAL, ADMINISTRATIVE EXPENSES</b>	<b>\$1,116,620</b>	<b>12.0 %</b>	<b>\$1,216,800</b>	<b>13.0 %</b>	<b>\$100,180</b>
<b>CONTRIBUTION TO EDUCATION</b>	<b>\$2,050,734</b>		<b>\$1,898,202</b>		<b>(\$152,532)</b>
Unclaimed Prizes	58,725		48,000		(10,725)
Interest Income	37,000		32,000		(5,000)
<b>TOTAL AVAILABLE FOR EDUCATION</b>	<b>\$2,146,459</b>		<b>\$1,978,202</b>		<b>(\$168,257)</b>
<b>TOTAL CONTRIBUTION TO EDUCATION WITH RESERVES</b>	<b>\$2,146,459</b>		<b>\$2,061,778</b>		<b>(\$84,681)</b>

\*Numbers may not add due to rounding.