



STATE OF ILLINOIS  
OFFICE OF THE  
**AUDITOR GENERAL**

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**DEPARTMENT OF THE LOTTERY**  
**State Lottery Fund**

**Financial Audit For the Year Ended June 30, 2023**

**Release Date: February 6, 2024**

|                             |          |
|-----------------------------|----------|
| <b>FINDINGS THIS AUDIT:</b> | <b>0</b> |
| <b>FINDINGS LAST AUDIT:</b> | <b>2</b> |

**INTRODUCTION**

This digest covers the financial audit of the Department of the Lottery's (Department) State Lottery Fund as of and for the year ended June 30, 2023. The Department's State Compliance Examination for the two years ended June 30, 2023 will be released at a later date.

There were no findings disclosed during our audit.

**AUDITOR'S OPINION**

The auditors stated the financial statements of the State Lottery Fund as of and for the year ended June 30, 2023, are fairly stated in all material respects.

This financial audit was conducted by Sikich, LLP.

**SIGNED ORIGINAL ON FILE**

JANE CLARK  
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

**SIGNED ORIGINAL ON FILE**

FRANK J. MAUTINO  
Auditor General

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**DEPARTMENT OF THE LOTTERY  
STATE LOTTERY FUND  
FINANCIAL AUDIT  
For the Year Ended June 30, 2023**

| STATEMENT OF NET POSTION (DEFICIT) (in thousands)                                     | 2023               | 2022               |
|---|--------------------|--------------------|
| <b>Assets and Deferred Outflows of Resources</b>                                      |                    |                    |
| Cash and cash equivalents.....  | \$ 99,043          | \$ 73,670          |
| Investments.....  | 227,809            | 246,397            |
| Receivables (net).....  | 45,410             | 68,087             |
| Due from other State funds.....   | 27                 | 134,539            |
| Capital assets (net).....   | 19                 | 20                 |
| Other.....  | 51                 | 94                 |
| Deferred Outflows of Resources - pension and OPEB.....                                | 21,971             | 18,404             |
| Total.....  | <u>394,330</u>     | <u>541,211</u>     |
| <b>Liabilities and Deferred Inflows of Resources</b>                                  |                    |                    |
| Prizes payable.....   | 80,288             | 79,202             |
| Accounts payable and accrued liabilities.....   | 2,199              | 1,877              |
| Annuity prizes payable.....   | 240,902            | 246,738            |
| Unearned revenue.....   | 2,076              | 1,665              |
| Due to other State funds.....   | 15,037             | 139,749            |
| Net pension liability.....  | 73,372             | 75,900             |
| Net OPEB liability.....   | 22,973             | 42,126             |
| Other.....  | 1,608              | 1,381              |
| Deferred Inflows of Resources - pension and OPEB.....                                 | 39,592             | 24,401             |
| Total.....  | <u>478,047</u>     | <u>613,039</u>     |
| <b>Net Position</b>   |                    |                    |
| Net investment in capital assets.....   | -                  | 6                  |
| Unrestricted.....   | (83,717)           | (71,834)           |
| Total.....  | <u>\$ (83,717)</u> | <u>\$ (71,828)</u> |
| STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (DEFICIT) (in thousands) | 2023               | 2022               |
| <b>Operating Revenues</b>   |                    |                    |
| Charges for sales and services.....   | \$ 3,609,258       | \$ 3,393,755       |
| Other.....  | 4,844              | 5,315              |
| Total.....  | <u>3,614,102</u>   | <u>3,399,070</u>   |
| <b>Operating Expenses</b>   |                    |                    |
| Costs of sales and services.....  | 173,806            | 175,136            |
| Prizes and claims.....  | 2,364,897          | 2,211,364          |
| Vaccine raffle expense.....   | -                  | 7,000              |
| General and administrative.....   | 193,736            | 178,916            |
| Other.....  | 33                 | 38                 |
| Total.....  | <u>2,732,472</u>   | <u>2,572,454</u>   |
| Operating income.....   | 881,630            | 826,616            |
| <b>Nonoperating revenues (expenses)</b>   |                    |                    |
| Investment income (expense).....  | (4,540)            | (21,846)           |
| Interest income.....  | 203                | -                  |
| Interest expense.....   | (8,205)            | (7,890)            |
| Grant revenue.....  | -                  | 7,000              |
| Other.....  | 659                | 2,099              |
| Total.....  | <u>(11,883)</u>    | <u>(20,637)</u>    |
| Transfers to other State Funds.....   | (881,636)          | (699,648)          |
| Change in net position.....   | <u>(11,889)</u>    | <u>106,331</u>     |
| Beginning net position.....   | (71,828)           | (178,159)          |
| Ending net position.....  | <u>\$ (83,717)</u> | <u>\$ (71,828)</u> |
| <b>AGENCY DIRECTOR</b>  |                    |                    |
| During Audit Period: Mr. Harold Mays  |                    |                    |
| Currently: Mr. Harold Mays  |                    |                    |