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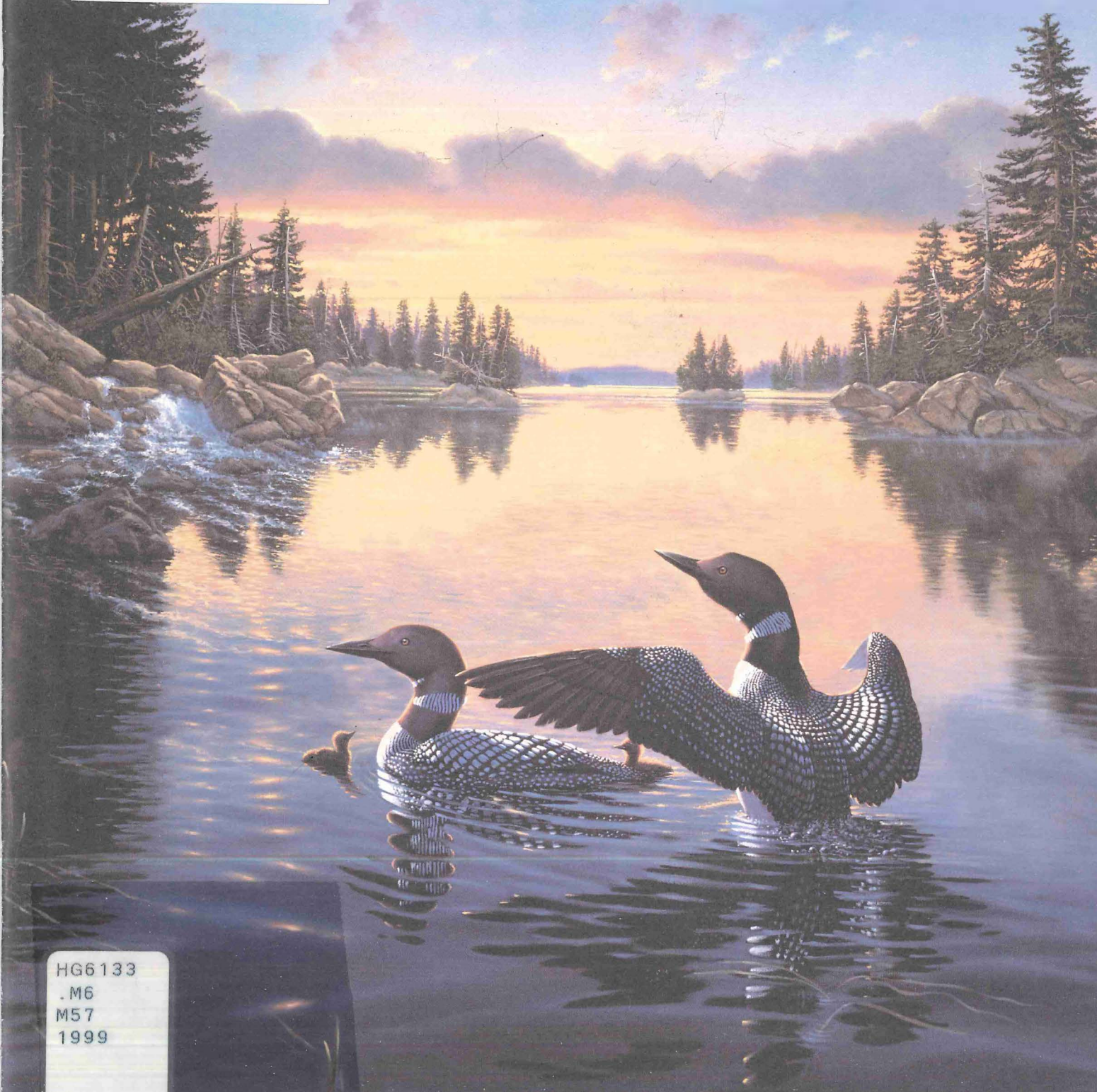
# Annual Report

Fiscal Year 1999

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## MINNESOTA STATE LOTTERY

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*Proceeds Benefit Our Natural  
and Economic Environments.*

As we begin the celebration of the Lottery's Tenth Anniversary, having started sales in April 1990, we can reflect on both FY99 and the years prior. FY99 saw record sales, spurred on by extraordinary Powerball jackpots and strong Scratch Games.

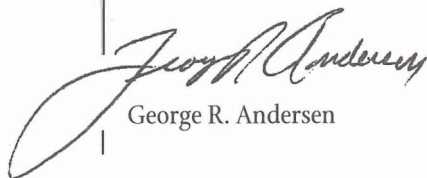
#### **A LETTER FROM THE DIRECTOR**

It was also a landmark year for retailers, as increased commissions reflected the key role played by our retail outlets. New OmniLink terminals have generated higher sales and more customer convenience. All in all, it was a very good year for the good causes that benefit from our games.

The role of the Lottery is to make money for the selected beneficiaries, while offering a secure, entertaining form of gambling. It must operate in the real world of retail, providing customers with the opportunity to play a variety of games designed to meet their needs and wants. No one has to play, but the majority of adults choose to do so, and for that we are most grateful.

It is a privilege to be a part of the Lottery — to work with such a dedicated staff, retailers, players and public officials who have enabled the Lottery to become what it is today. We at the Lottery will continue to do our best to serve you.

Very truly yours,



George R. Andersen

**The role of the Lottery is to make money for selected beneficiaries, while offering a secure, entertaining form of gambling.**

**Lottery sales in fiscal year 1999 reached an all-time record of \$390 million — up 4.6 percent from \$372.8 million in 1998.**

Lottery sales in fiscal year 1999 reached an all-time record of \$390 million — up 4.6 percent from \$372.8 million in 1998. This sales record was fueled by record Powerball jackpots during the year. These jackpots led to a 20 percent increase in Powerball sales and a 10 percent increase in sales of Online Games (Powerball, Gopher 5, Cash4Life and Daily 3). Fiscal year per capita sales averaged \$82, with a high of \$147 in Polk County and a low of \$31 in Red Lake County.

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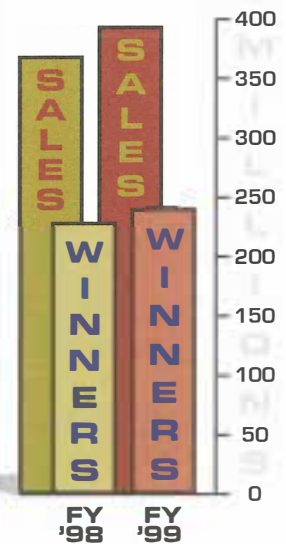
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**FINANCIAL HIGHLIGHTS OF FISCAL YEAR 1999**

Players, retailers, Minnesota businesses and the State benefited from the Lottery in fiscal year 1999. Players won a record \$235.3 million in prizes, a 4.6 percent increase over FY98.

In April, the Lottery started the process of replacing the aging equipment retailers use to validate tickets with new state-of-the-art terminals. It took about three months to supply 1500 retailers with the new OmniLink terminals. The OmniLinks allow these small-volume retailers to sell Online Games. The Lottery estimates that these terminals contributed approximately \$5 million in additional Online sales during fiscal year 1999.

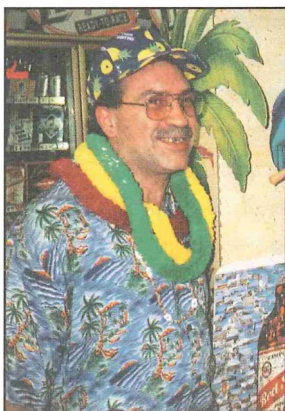
The Lottery updated its computer systems in FY99 with the purchase of three new AS/400 computers. The primary system (AS/400-620) is used for all internal processing, including tracking and validating of all lottery tickets; computing and tracking retailer commissions; and tracking the



**Lottery sales increased 4.6 percent while players won a record \$235.3 million, up 4.6 percent from the previous fiscal year.**

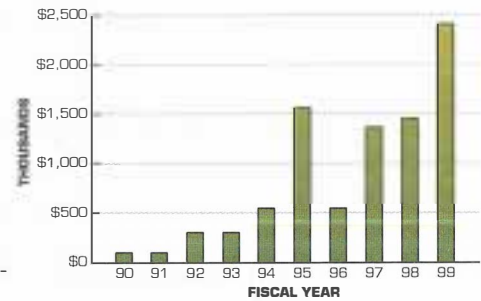
**The Lottery transferred more than \$2.3 million to the State of Minnesota in FY99 for compulsive gambling treatment.**

**At Pixie Liquors in Brooklyn Park, owners Brian and Mike Taaffe incorporate play days like this Caribbean-themed event into their store's marketing mix in order to keep customers browsing longer.**

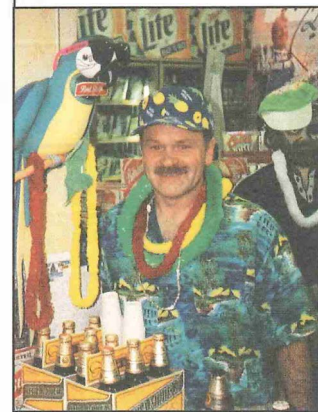


Lottery's budget. The back-up system (AS/400-620) ensures Lottery operations are not interrupted. It is used whenever the primary system is unavailable (i.e., during a power outage). Finally, the development system (AS/400 S-20) is used to test new games and software. This system played a major role in the Lottery's Y2K testing, processing and development efforts.

The Lottery transferred more than \$2.3 million to the State of Minnesota in FY99 for compulsive gambling treatment. Included in this amount was \$750,000 for Project Turnabout, an addiction recovery center in Granite Falls that provides in-patient treatment for compulsive gambling, alcohol and drug dependency and domestic abuse and community violence. Project Turnabout matched these funds with private donations and constructed three new buildings on its campus: new housing for patients enrolled in the compulsive gambling treatment program; a new gymnasium for all patients; and a new admissions/office center. Since its inception in April 1990 through June 1999, the Lottery has transferred more than \$8.5 million to the State for compulsive gambling treatment. Since 1998, the Lottery has been the only source of state funding for this treatment.



**Lottery Contributions to Compulsive Gambling Treatment Programs**



**RETAILERS ARE KEY TO LOTTERY'S SUCCESS**

On July 1, 1998 the Legislature, with the Lottery's strong support, increased retailer commissions to 5.5 percent. In addition, retailers now receive 1 percent of the prizes (up to \$599) paid to players who redeem tickets in their stores.

**On July 1, 1998 the Legislature, with the Lottery's strong support, increased retailer commissions to 5.5 percent. Retailers also receive 1 percent of the prizes paid to players who redeem tickets in their stores.**

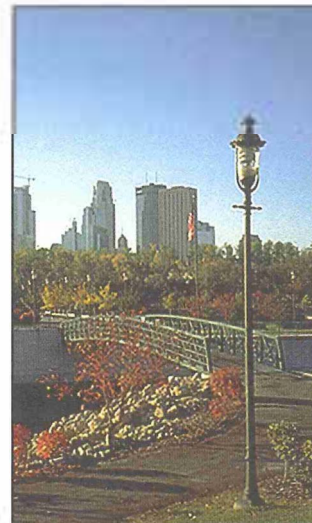
This legislative action resulted in an additional \$5.2 million in commissions and incentives for the approximately 3,350 retailers throughout Minnesota that sold lottery products in fiscal year 1999. The top-selling lottery retailers this fiscal year were M & H Gas in Moorhead; the Metropolitan Public Airports Foundation at Minneapolis-St. Paul International Airport; Wally's Holiday Stationstore in East Grand Forks; Consource in East Grand Forks; and Rice Street Spur in St. Paul.

#### **PROCEEDS BENEFIT OUR ECONOMIC ENVIRONMENT**

Minnesota companies earned more than \$24.6 million for products and services they provided to the Lottery in fiscal year 1999. These companies range from Speedee Delivery, the St. Cloud company that delivers lottery tickets to each retailer in Minnesota, to AccessAbility, Inc., the sheltered workshop in the Twin Cities that packages point of purchase items placed in each store. The Lottery also paid more than \$594,000 to woman-owned and minority-owned companies for products and services they provided.

Each time a player purchases a lottery ticket, Minnesota wins. The Minnesota State Lottery transferred over \$85.8 million to the State of Minnesota in FY99. The Legislature determines how this money is spent.

Currently, 60 percent of Lottery net proceeds go to the state General Fund for programs such as K-12 and higher education, health and human services and criminal justice. The



**The Minnesota State Lottery transferred over \$85.8 million to the State of Minnesota in FY99.**

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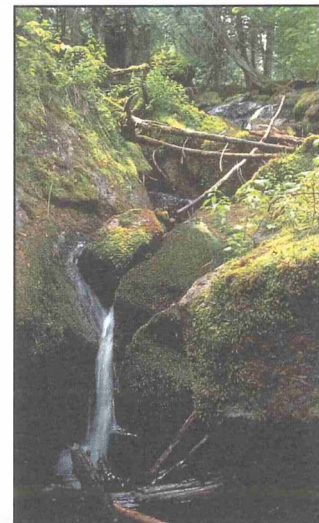
**60 percent of Lottery net proceeds go to the state General Fund for programs such as K-12 and higher education, health and human services and criminal justice. The Lottery transferred more than \$62.5 million to the General Fund in FY99.**

Lottery transferred more than \$62.5 million to the General Fund in FY99. This amount included net proceeds, a portion of unclaimed prizes, funds for compulsive gambling treatment programs and a 6.5 percent in-lieu-of-sales tax. For every dollar spent on Lottery tickets, 6.5 cents is earmarked as in-lieu-of-sales tax and transferred to the General Fund. From April 1990 through June 1999, the Lottery has transferred more than \$508 million to the General Fund.

#### **PROCEEDS BENEFIT OUR NATURAL ENVIRONMENT**

The remaining 40 percent of Lottery net proceeds are directed to the Environment and Natural Resources Trust Fund. This 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, which consists of 20 legislators, reviews all funding requests and selects the projects that will receive funding. The full Legislature must then approve the projects. A constitutional amendment passed in November 1998 ensures the Trust Fund will continue to receive Lottery proceeds through the year 2025.

The Trust Fund received \$23.2 million in Lottery net proceeds and from a portion of unclaimed prizes in FY99. From April 1990 through June 1999, the Lottery has transferred over \$222.2 million to the Trust Fund, which has provided funding to 177 projects to improve and enhance Minnesota's environment and natural resources.



**Through June 1999, the Lottery transferred over \$222.2 million to the Environment and Natural Resources Trust Fund.**

**Scratch Game sales accounted for 68 percent of total sales, or \$265.5 million.**



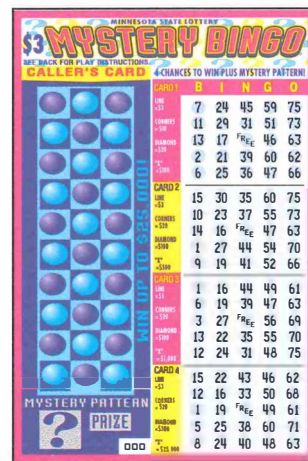
Continuing a trend that's been in place since the Lottery began in 1990, Scratch Games were the game of choice among players in fiscal year 1999. Scratch Game sales accounted for 68 percent of total sales, or \$265.5 million.

The Lottery introduced 25 new Scratch Games during the fiscal year, priced at \$1, \$2, \$3 and \$5. These games featured a variety of themes, play styles and top prizes. The \$1 games, the most popular among Scratch players since the Lottery started in 1990, maintained their most-favored status in FY99. The thirteen \$1 games introduced this year garnered 47 percent of total Scratch sales.

**SCRATCH AND ONLINE GAMES CONTINUED TO ENTERTAIN**

The Lottery offered a number of Scratch Game "firsts" during the fiscal year. The top prize in Caribbean Cruise, one of seven \$2 games that debuted this year, was a week-long Caribbean cruise for two. The lucky winners had their choice of ports in the east or west Caribbean. Players also had a chance to win a cruise through a second chance drawing. All players who mailed in three non-winning Caribbean Cruise tickets from January 4 through June 15 were automatically entered in these cruise drawings, held every day in February and on June 16.

In November the Lottery launched Mystery Bingo, its first-ever \$3 game. A second bingo game, Bonus Bingo, followed with four bingo cards on one ticket for \$3.



**In November the Lottery launched Mystery Bingo, its first-ever \$3 game.**



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**Online Games were the major force behind Minnesota's record sales year.**



**Carolyn Hammerbeck, a retired bookkeeper from Hibbing, is all smiles over the six-figure Powerball prize she claimed on July 30.**



**Bobbi Jo Underdahl of Austin dreams about the seven-day cruise she won playing the Caribbean Cruise Scratch Game.**

Two \$5 games were introduced this year. Twenty lucky players won the \$100,000 top prize playing High Stakes and Casino Royale.

### THIS YEAR'S WINNERS AND GAMES

While Scratch Games were the game of choice, Online Games were the major force behind Minnesota's record sales year. The \$124 million in sales was the highest since 1995. The 21-state Powerball game fueled this increase when it started the fiscal year with a record \$295.7 million Powerball jackpot split by 13 Ohio machinists with a ticket purchased in Indiana.

Farrah Slad of Brainerd caused a media frenzy when she won a Minnesota-record \$78.8 million cash option Powerball jackpot on June 30, the last day of the fiscal year. The 21-year-old was grinning ear-to-ear when she claimed the third largest Powerball jackpot prize ever.

In addition to Slad's jackpot win, many other players won prizes playing Powerball. A Moorhead couple was a big winner when a ticket they held won a \$28.4 million cash option jackpot on Sept. 26. Thirty \$100,000 Powerball tickets were sold in Minnesota — three were shared by coworkers and one was split among five family members. On July 24, a group of 62 Possis Medical employees, a medical supply manufacturing company in Coon Rapids, claimed a \$100,000 prize; 18 second-shift employees at Viking Materials in Minneapolis won \$100,000 on January 20; five employees of Tool Products, Inc., a New Hope tool and die



**Farrah Slad of Brainerd caused a media frenzy when she won a Minnesota-record \$78.8 million cash option Powerball jackpot on June 30, the last day of the fiscal year.**



**Gopher 5, Minnesota's own cash lotto game, generated 25 jackpot wins in FY99.**



**Pictured above are approximately half of the 62 employees of Coon Rapids-based Possis Medical who shared a \$100,000 Powerball prize.**

**POWERBALL**  
It could happen.



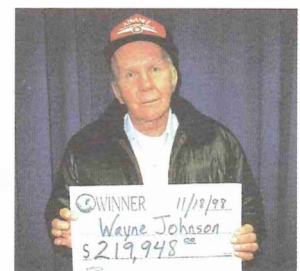
**Viking Materials employees (above) shared a \$100,000 Powerball prize when their pool came within one red ball of winning the jackpot.**

company, claimed their \$100,000 prize on June 29; and on August 6 a Plymouth man shared his \$100,000 prize with his wife and four children. Powerball generated 2,494,222 winning tickets in Minnesota in fiscal year 1999, which paid more than \$123.9 million.

Gopher 5, Minnesota's own cash lotto

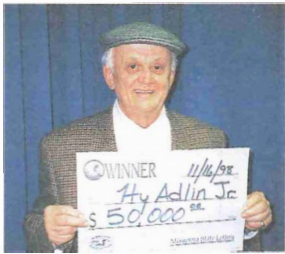
game, generated 25 jackpot wins in FY99. The jackpots ranged from \$100,000 to \$722,726. Two jackpots were split by three lucky ticket holders and one jackpot was claimed by a pool of players. On May 4, twenty employees of the Hennepin County Economic Assistance department split a ticket worth \$284,035. This was the second jackpot win for this group — eight members of this pool were also members of the original 17-member pool that claimed a \$276,121 Gopher 5 jackpot on March 31, 1994. During fiscal year 1999, 296,864 Gopher 5 winners were paid over \$11.2 million.

**GOPHER 5**  
Minnesota's Own Cash Lotto Game



**Wayne Johnson's \$219,948 Gopher 5 jackpot ticket sat on a dresser in his Spring Lake Park home for two weeks.**

**Cash4Life, the multi-state game with a top prize of \$1,000-a-week-for-life, began on March 30, 1998.**



**Bloomington's Hymen Adlin, Jr. had a feeling that he'd win a Cash4Life prize. He won \$50,000 on Friday the 13th.**

Cash4Life, the multi-state game with a \$1,000-a-week-for-life top prize, began on March 30, 1998. Don and Florence Lanes of Plymouth became Minnesota's first Cash4Life grand prize winners when their ticket matched the four numbers drawn on August 5. Cash4Life also offers prizes of \$100,000, \$50,000 and \$25,000. One \$100,000, nine \$50,000 and twelve \$25,000 tickets were sold in Minnesota during the fiscal year. Minnesota players won \$3.8 million on 688,811 winning Cash4Life tickets.

Daily 3 has been a very steady performer for the Lottery. Among all games, Daily 3 offers the best odds of winning \$500. The three-digit game paid the holders of 60,734 winning tickets more than \$6.2 million in FY99.

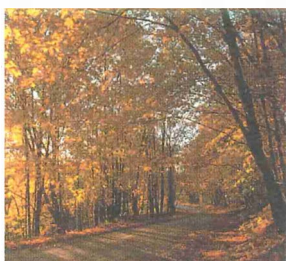
# Daily 3

**Don and Florence Lanes of Plymouth were Minnesota's first winners of the Cash4Life grand prize.**

## Cash4Life



**With financing from the trust fund, abandoned railroad beds are turned into recreational trails, piers and boat ramps are built to improve access to our lakes, campgrounds are renovated and marginal farmland is returned to wildlife habitat and wetlands.**



The following projects were funded entirely or in part by the Environment and Natural Resources Trust Fund during 1997-99 with proceeds from the sale of lottery tickets.

**ENVIRONMENT AND NATURAL RESOURCES TRUST FUND**

State Park and Recreation Area Acquisition, Development, Betterment and Rehabilitation — \$3.5 million

Metropolitan Regional Parks Acquisition, Rehabilitation and Development — \$3.5 million

Protecting Rural Historic Landscapes in High Development Areas — \$80,000

Developing the Birch Coulee State Historic Site — \$253,000

Nitrate Education and Testing — \$150,000

Snake River Watershed Improvements — \$100,000

Red River Valley Planning and Management — \$375,000

Sustainable Lake Plans — \$270,000

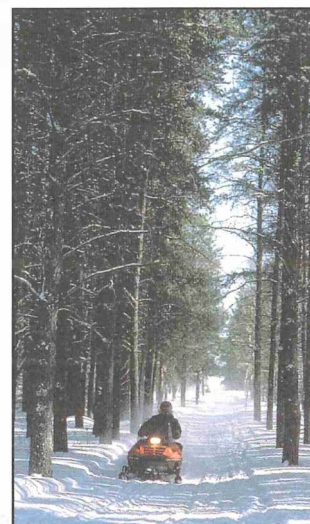
Minneapolis Chain of Lakes Lakeshore Restoration — \$300,000

Pollution Trends in Minnesota Lakes — \$325,000

Biological Control of Agricultural Pests — \$200,000

Crop Management to Minimize Pesticide Use — \$300,000

Sustainable Farming Systems — \$560,000



**Trust Fund projects help to restore and preserve state trails for hikers, snowmobilers, skiers and other nature lovers.**

**It wouldn't be Minnesota without sparkling lakes, lush forests, beautiful wildflowers and a wide variety of native wildlife.**



Prairie-Grassland Landscapes — \$350,000

Toxic Emissions from Fire Department Training — \$65,000

New Models for Land Use Planning — \$530,000

**LOTTERY PROCEEDS SUPPORT THE ENVIRONMENT**

Metropolitan Area Groundwater Model to Predict Contaminant Movement — \$300,000

Minnesota River Basin Natural Resource Data Project — \$250,000

Land Use Development and Natural Resource Protection Model — \$400,000

Fillmore County Soil Survey — \$65,000

Renewable Energy Demonstration and Education in State Parks — \$80,000

School Nature Area Project — \$250,000

Minnesota Frog Watch — \$300,000

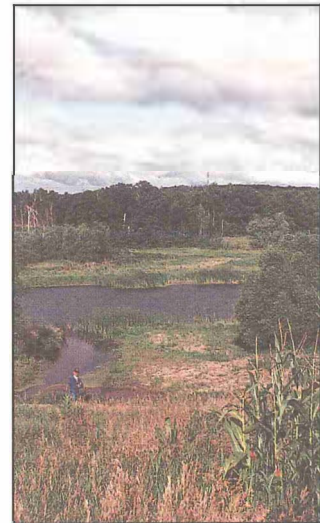
Partners in Accessible Recreation and Environmental Responsibility — \$550,000

A Public School Partnership: Environmental Service Learning — \$100,000

State Wolf Management — \$100,000

Electronic Environmental Education Raptor Network — \$222,000

Environmental Indicators Initiative — \$250,000



**Wetland conservation is important to Minnesota ecology.**



Minnesota's Forest Bird Diversity Initiative — \$350,000

Water Quality Indicators — \$250,000

Stream Habitat Protection — \$225,000

Loons: Indicators of Mercury in the Environment — \$230,000



Training and Research Vessel for Lake Superior — \$130,000

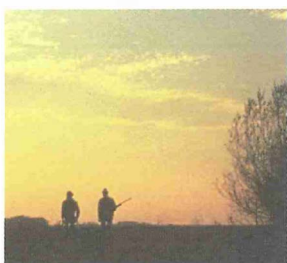
**TRUST FUND PROJECTS ARE SPREAD ACROSS THE STATE**

Minnesota Rare Mussel Conservation — \$91,000

Sand Dunes State Forest Acquisition — \$400,000

Arboretum Land Acquisition — \$450,000

Prairie Heritage Fund — \$500,000



Phalen Area Wetland Restoration, Phase II — \$600,000

Reinvest in Minnesota - Critical Habitat Match Program — \$630,000

Reinvest in Minnesota - Wildlife Habitat Stewardship — \$400,000

Reinvest in Minnesota - Scientific and Natural Area Acquisition — \$200,000

Reinvest in Minnesota - Wildlife Habitat Acquisition — \$500,000

Reinvest in Minnesota - Fisheries Land Acquisition — \$567,000



**Proceeds from the sale of lottery tickets are spent in every Minnesota county through the Environment and Natural Resources Trust Fund.**

**Habitat protection and acquisition, lake access and reforestation are among the many Trust Fund projects that Lottery proceeds help fund.**

Minnesota County Biological Survey — \$1.2 million

Fishing Piers and Public Shore Access — \$355,000

Public Boat Access — \$350,000

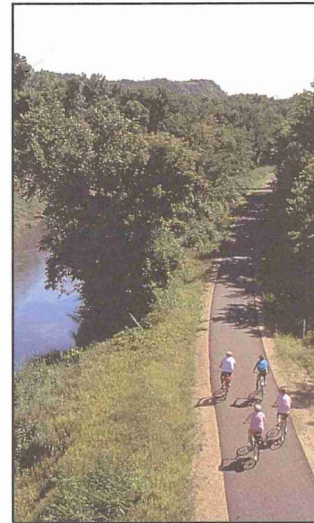
**TRUST FUND PROJECTS ENHANCE OUR QUALITY OF LIFE**

Fisheries Statewide Hatchery Rehabilitation — \$400,000

Restoring White Pine in the Minnesota Landscape — \$120,000

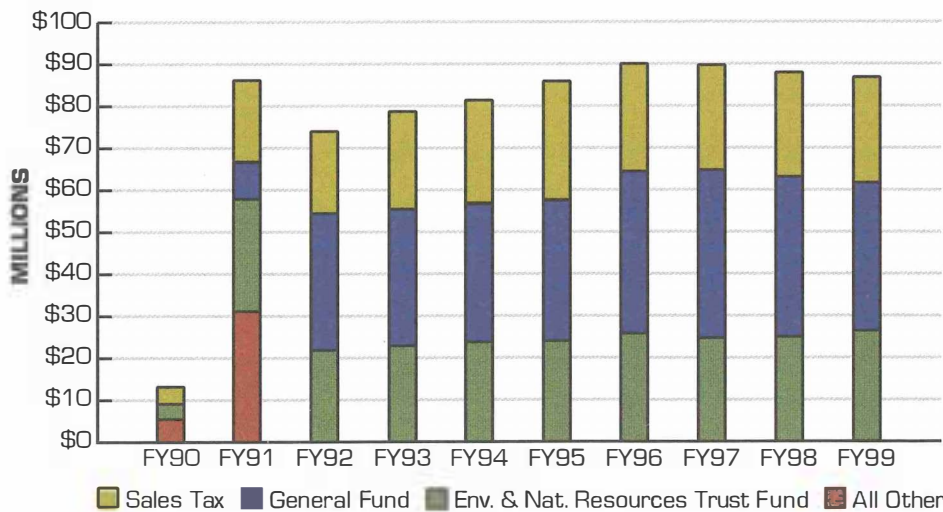
Oak Savannah Restoration in St. Paul Regional Parks — \$200,000

Biological Control of Eurasian Water Milfoil and Purple Loosestrife — \$150,000

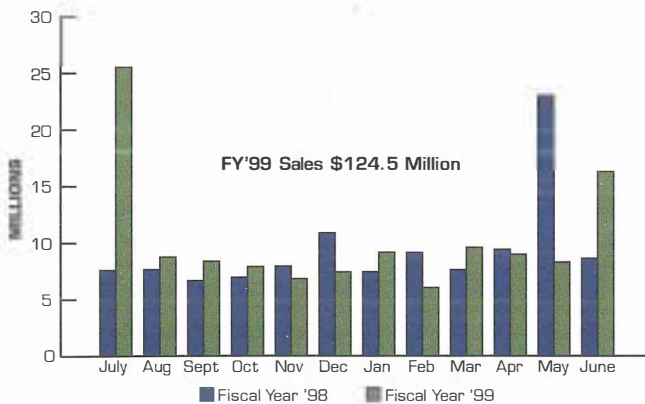
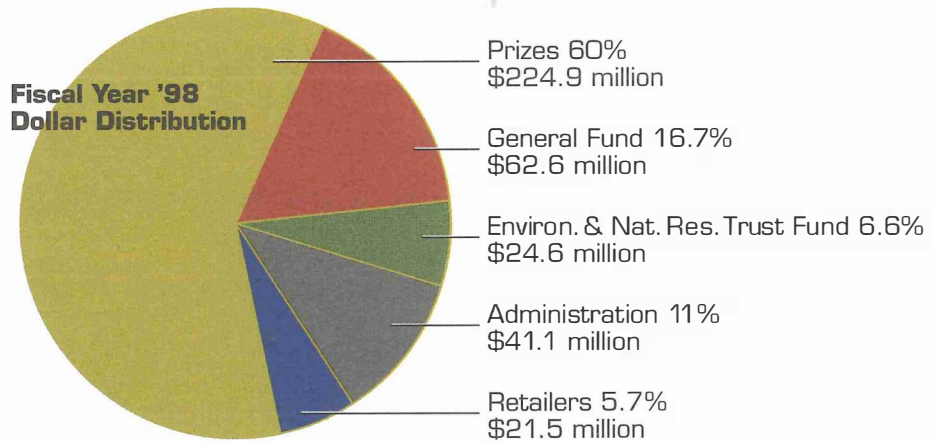
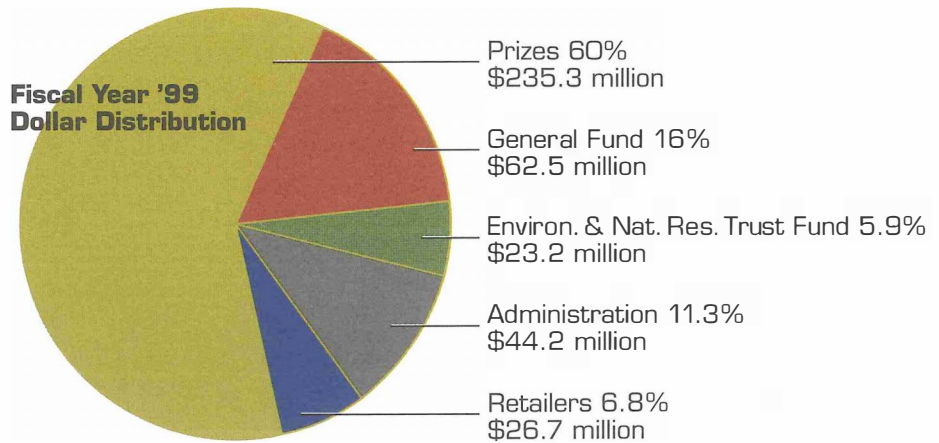


**Bicyclists enjoy a sunny afternoon ride along the Cannon Valley Trail, part of a network of maintained nature paths across the state.**

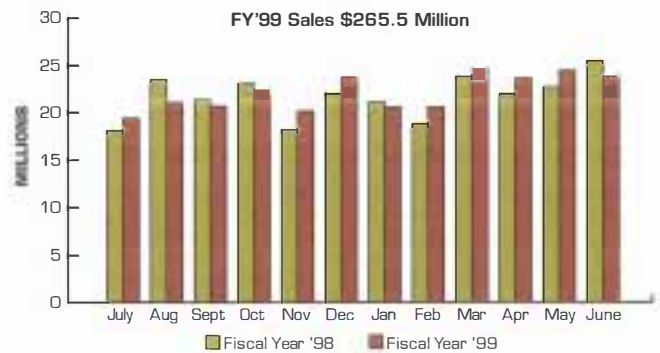
**Lottery Contributions to State**



**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 compulsive gambling treatment programs.**



**Online Game Sales**



**Scratch Game Sales**

**Income Statement**

**These financial statements are excerpts from the Lottery's audited financial statements for the years ending June 30, 1999 and June 30, 1998. Complete financial statements are available upon request.**

	1999	1998
<b>Revenue</b>		
Sales	\$390,011,807	\$372,872,371
Less In-Lieu-of-Sales Tax	25,350,752	24,236,714
Total Gross Receipts	364,661,055	348,635,657
Other Non-Operating Revenue	2,032,879	2,094,293
Total Gross Revenue	366,693,934	350,729,950
<b>Expenses</b>		
Direct Costs		
Prize Expense	235,320,417	224,962,901
Retailer Commissions & Incentives	26,759,658	21,532,246
Total Direct Costs	262,080,075	246,495,147
Operating Expense		
Online Vendor Commission	9,778,215	7,979,156
Ticket Costs	4,065,027	3,924,030
Advertising	8,047,727	8,450,281
Salaries & Benefits	10,277,315	9,725,129
Promotion	3,878,985	3,083,546
Purchased Services	1,534,235	1,477,864
Communication	1,079,167	1,304,766
Occupancy Costs	1,718,269	1,882,191
Supplies & Materials	811,827	919,553
Computer and OmniLink Maintenance	815,909	388,443
Depreciation	1,468,364	1,050,796
Contribution: Gambling Enforcement	150,000	150,000
Other Expense	597,893	803,533
Total Operating Expense	44,222,933	41,139,288
<b>Operating Transfers</b>		
Compulsive Gambling Contribution from Prize Fund	2,365,000	1,425,000
Unclaimed Prizes to State	5,196,330	5,008,320
Total Operating Transfers	7,561,330	6,433,320
<b>Net Proceeds</b>	<b>52,829,596</b>	<b>56,662,195</b>

Year ending June 30, 1999, compared to June 30, 1998



**Statement of  
Cash Flows**

	1999	1998
<b>Cash Flows from Operating Activities</b>		
Operating Income	\$58,358,047	\$61,001,222
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities		
Depreciation	1,468,364	1,050,796
Other Income	364,747	159,769
Changes in Assets and Liabilities		
Accounts Receivable	(7,246,488)	4,163,657
Interest Receivable	41,103	(5,693)
Scratch Ticket Inventory	201,329	(211,610)
Merchandise Prize Inventory	(216,077)	0
Prepaid Expenses	1,114	(29,174)
Unclaimed Prizes Due to State	188,010	611,783
Due to Other State Agencies	(8,210)	(6,283)
Accounts Payable	3,740,613	(30,843)
In-Lieu-of-Sales Tax Payable	467,650	(109,738)
Prize Liability	1,183,592	(1,447,523)
Prize Reserve	131,195	(131,195)
Retailer Incentives Payable	(1,728,258)	469,513
Promotions Payable	(58,831)	58,831
Compensated Absences Payable	83,502	97,144
Deferred Revenue	61,187	96,383
Prize Annuity Payable	(28,580)	408,996
Net Cash Provided by Operating Activities	56,747,009	66,146,035
<b>Cash Flows from Noncapital Financing Activities</b>		
Net Proceeds Paid to State	(51,302,028)	(58,250,019)
Compulsive Gambling Contribution Transfer	(2,365,000)	(1,425,000)
Unclaimed Prizes Transfer	(5,196,330)	(5,008,320)
Net Cash Used by Noncapital Financing Activities	(58,863,358)	(64,683,339)
<b>Cash Flows from Capital Financing Activities</b>		
Purchases of Fixed Assets	(1,548,469)	(3,797,919)
Net Cash Used by Capital Financing Activities	(1,548,469)	(3,797,919)
<b>Cash Flows from Investing Activities</b>		
Proceeds from Redemption of Prize Annuity Investments	232,000	52,000
Change in Prize Annuity Investments	0	(2,558,882)
Interest Income	1,714,783	1,877,246
Net Cash Provided by (Used in) Investing Activities	1,946,783	(629,636)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(1,718,035)</b>	<b>(2,964,859)</b>
<b>Beginning-of-Year Cash and Cash Equivalents</b>	<b>19,715,246</b>	<b>22,680,105</b>
<b>End-of-Year Cash and Cash Equivalents</b>	<b>17,997,211</b>	<b>19,715,246</b>
<b>Non-Cash Transactions from Investing Activities</b>		
Prize Annuity Investment Income	(46,651)	57,278
Non-Cash Transactions from Investing Activities	(46,651)	57,278

Year ending June 30, 1999, compared to June 30, 1998

CONTINUED ON PAGE 17

**Balance Sheet**

	1999	1998
<b>Assets</b>		
Cash and Cash Equivalents	\$17,997,211	\$19,715,246
Accounts Receivable	10,889,454	3,642,966
Interest Receivable	101,193	142,296
Scratch Ticket Inventory	420,468	621,797
Merchandise Prize Inventory	216,077	0
Prepaid Expense	28,060	29,174
Prize Annuity Investments	3,002,710	3,281,360
Fixed Assets, Net	4,811,772	4,731,667
<b>Total Assets</b>	<b>37,466,945</b>	<b>32,164,506</b>

**Liabilities and Retained Earnings**

<b>Liabilities</b>		
Net Proceeds Due to State	6,617,442	5,089,874
Unclaimed Prizes Due to State	5,196,330	5,008,320
Due to Other State Agencies	29,690	37,900
Accounts Payable	5,997,958	2,257,345
In-Lieu-of-Sales Tax Payable	2,708,148	2,240,498
Prize Liability	10,729,080	9,545,488
Prize Reserve	1,000,000	868,805
Retailer Incentives Payable	741,255	2,469,513
Promotions Payable	0	58,831
Compensated Absences Payable	960,575	877,073
Deferred Revenue	265,685	204,498
Prize Annuity Payable	3,220,782	3,506,361
<b>Total Liabilities</b>	<b>37,466,945</b>	<b>32,164,506</b>
<b>Retained Earnings</b>	<b>0</b>	<b>0</b>
<b>Total Liabilities and Retained Earnings</b>	<b>37,466,945</b>	<b>32,164,506</b>

**Total Paid to State Beneficiaries**

	1999	1998
<b>Total Paid to State Beneficiaries</b>		
<b>GENERAL FUND</b>		
In-Lieu-of-Sales Tax	\$25,350,752	\$24,236,714
Net Proceeds	31,697,758	33,997,317
Unclaimed Prizes	3,117,798	3,004,992
Compulsive Gambling from Prize Fund	2,365,000	1,425,000
<b>Total General Fund</b>	<b>62,531,308</b>	<b>62,664,023</b>
<b>ENVIRONMENT AND NATURAL RESOURCES TRUST FUND</b>		
Net Proceeds	21,131,838	22,664,878
Unclaimed Prizes	2,078,532	2,003,328
<b>Total Environmental Trust Fund</b>	<b>23,210,370</b>	<b>24,668,206</b>
Transfer for Gambling Enforcement from Operating Fund	150,000	150,000
<b>Total Paid to State</b>	<b>85,891,678</b>	<b>87,482,229</b>

Year ending June 30, 1999, compared to June 30, 1998

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**Director:**  
**George R**

**Director of**  
**Operation**  
**Don Mast**

**Director of**  
**Marketing**  
**John Mell**

**Director of**  
**Administr**  
**Mary Elle**

**Chief of S**  
**Doug Will**

**Research**  
**Planning I**  
**Don Feen**

**Public Rel**  
**Manager:**  
**Debbie H**

**Legal Cou**  
**Dale McD**

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## Y DIRECTORY AND INFORMATION



**The Lottery employs  
134 people at its  
Roseville head-  
quarters and 65  
people in its six  
regional offices.**

Gloria VanDerDrake, regional manager

Owatonna • (507) 444-2400  
1836 S. Cedar Ave., Owatonna, MN 55060

Mark Heiling, regional manager

Eagan • (651) 688-1800  
1060 Lone Oak Rd., Eagan, MN 55121

Sylvia Cruz & Terrie Watters, regional managers

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

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

Cover Painting by Derk Hansen

Written by Debbie Hoffmann

Designed by Drew VanKrevelen



*Cover painting by Derk Hansen*



*Proceeds Benefit Our Natural  
and Economic Environments.*