

**CALIFORNIA STATE LOTTERY  
ADJUSTMENTS TO FY 2006-07 BUDGET**  
(Dollars in Millions)

	Original Budget <u>FY 2006-07</u>	% of <u>Sales</u>	<u>Change</u>	Adjusted Budget <u>FY 2006-07</u>	% of <u>Sales</u>
<b>SALES</b>					
o Estimated Sales	\$3,600	100.0%	(\$400)	\$3,200	100.0%
<b>PRIZES</b>					
o Prize Expense	\$1,800	50.0%	(\$200)	\$1,600	50.0%
Promotional Prizes	\$141	3.9%	(\$31)	\$110	3.4%
Total Prizes	\$1,941	53.9%	(\$231)	\$1,710	53.4%
<b>ADMINISTRATIVE EXPENSES</b>					
o Retailer Compensation	\$255	7.1%	(\$27)	\$228	7.1%
o Game Operations	\$60	1.7%	(\$2)	\$58	1.8%
o Communications	\$36	1.0%	\$3	\$39	1.2%
o General Administration	\$76	2.1%	\$0	\$76	2.4%
o Administrative Reserve	\$8	0.2%	(\$7)	\$1	0.0%
Total Administrative Expenses	\$435	12.1%	(\$33)	\$402	12.6%
<b>EDUCATION REVENUE</b>					
o Statutory Requirement	\$1,224	34.0%	(\$136)	\$1,088	34.0%
o Interest and Other Income	\$16	0.4%	\$0	\$16	0.5%
o Unclaimed Prizes	\$30	0.8%	\$0	\$30	0.9%
Total Revenues for Education	\$1,270	35.3%	(\$136)	\$1,134	35.4%