

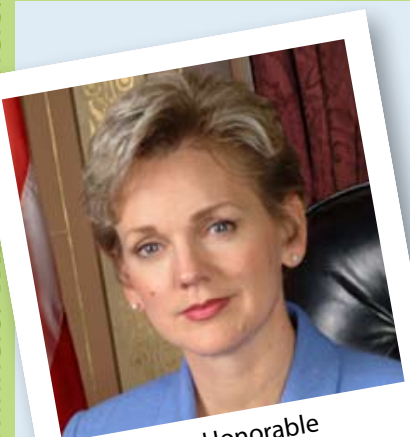
**2009
Annual
Report**

Michigan Lottery winners are featured in a collage of photos. The winners include:

- A man and a woman holding a check for \$48,000.
- A woman and a man holding a check for \$10,000.
- A man holding a check for \$10,000.
- A woman holding a check for \$10,000.
- A group of three people holding a check for \$10,000.

The Michigan Lottery logo is centered on a green background with a repeating pattern of the word "Winners!" in white. The logo itself consists of a blue circle containing a brown tree trunk and a canopy made of numerous gold coins. Below the circle is a white wavy line representing a river or lake. The word "MICHIGAN" is written in white capital letters above the circle, and "LOTTERY" is written in white capital letters below the wavy line.





The Honorable
Jennifer M. Granholm
Governor, State of Michigan

Fiscal year 2009 was one of challenges and changes for the Michigan Lottery. Faced with a less than favorable economy, our obvious challenge was trying to raise as much revenue for the state **School Aid Fund** as possible. With fewer government resources available, it was even more imperative that the Lottery focus on its primary mission: generating revenue for public education in Michigan. Despite the economic climate, \$724.5 million was deposited into the fund during FY 2009 and since 1972, we have provided over \$15 billion for public education.

In addition to supporting public education, the Lottery paid more prize money in FY 2009 than ever. In total, players claimed **\$1.41 billion in prizes** ranging from \$1 to \$42 million, a 6 percent increase from FY 2008.

Our biggest partners, the more than 10,000 **retailers** across the state who sell our products, earned more in commissions than previous years. They saw a 1 percent increase over last year's commissions, with over \$174.2 million paid in FY 2009.

The Lottery had record-breaking **sales** of over \$2.37 billion in FY 2009! The increase in sales, prizes paid and commissions can be attributed to the introduction of new game options like the Lucky 7s Raffle and Win For Life Raffle, as well as **second chance contests**. And by providing a variety of ticket price points from 50 cents to \$50 and a wide variety of play styles, the Lottery's many products appeal to a broad customer base.

Internally, the Lottery accomplished a major project in FY 2009: the conversion and upgrade of our computer operations. This massive undertaking affected every facet of our operations and was a huge success due to the cooperation and teamwork between our vendors, retailers and staff.

We are proud of our accomplishments in FY 2009 and look forward to making games more fun for our players and profitable for our retailers. Ultimately, however, we are always looking at how we can increase revenue to support public education in Michigan.



M. Scott Bowen
Lottery Commissioner



Winners!

Brand new games, second chance opportunities, large Daily 3 & 4 payouts and the most prize money ever paid in one year were just a few highlights for Lottery players in Michigan in FY 2009.

The Lottery started the year off with a bang and a brand new **Mega Millions** winner. Chris Crane and his wife Tina, of Washington, became Michigan's eighth jackpot winners when they claimed the October 3 Mega Millions jackpot worth \$42 million. The Cranes took the annuity option, which guarantees a payment of approximately \$1.14 million a year for 26 years. The winning ticket, which represented Michigan's sixth largest Mega Millions jackpot, was

sold at the Stoney Creek Party Shoppe in

Washington. The lucky retailer received a \$50,000 bonus. In total, \$110.9 million in prize money was collected by Mega Millions winners.

Classic Lotto 47 players also scored big in FY 2009. The Lottery had five Classic Lotto 47 jackpot winners ranging from \$2.6 million to \$18.4 million. Among the four winners was a group of 14 lucky players from Newberry who won \$12.7 million in the July 1 drawing. They called themselves the Island Dreamers, after the Island Grille restaurant where they worked together. The winners took the lump-sum prize and after taxes, each member of the group received approximately \$346,000. While the Island Dreamers took home the actual prize money, they weren't the only big winners. The community of Newberry reaped the benefits as well when club members purchased homes,



The Island Dreamers, \$12.7 million
Classic Lotto 47, July 2009



Krissy Posey, \$105,000
Fantasy 5, March 2009

hired local tradesmen to update their existing homes and purchased several vehicles from local dealerships. In total, \$35.1 million was paid to Classic Lotto 47 winners in FY 2009.

FY 2009 also saw big payouts in the Daily 3 & 4 games. The largest **Daily 3** payout came on February 15 when the number 222 was pulled for the evening draw. Over \$3.2 million in prize money was paid out to winners that night. On August 24, the **Daily 4** saw big winners when the midday number 1119 was drawn. Winners that day claimed over \$7.1 million on that

drawing alone. In total, Daily 3 & 4 players

collected over \$374.5 million in prizes during FY 2009.

In total, Lottery players won more prize money – \$1.41 billion – than ever before. In addition to the winners highlighted above, **Fantasy 5** winners collected \$26.5 million; **Keno!** players won \$6.6 million; instant ticket winners collected \$490.4 million; raffle winners claimed \$23.4 million in prizes; and **Club Keno** and **Pull Tabs** winners collected \$356.1 million.

Some of the Lottery's top prizes were awarded during special drawings, such as the popular \$2 million live drawing in the \$20 **Instant Games**. Three drawings conducted throughout the year made three very lucky players Michigan millionaires. Stephen Maes of New Baltimore was the first \$2 million winner, following a drawing at The Palace of Auburn Hills during

Winners Overall Summary

Games offered: Mega Millions, Classic Lotto 47, Fantasy 5, Kenol!, Daily 3, Daily 4, Millionaire Raffle, Super Raffle, Win For Life Raffle, Lucky 7s Raffle, Club Keno, Pull Tabs, Instant Games

Sales: \$2.38 billion

Contribution to

School Aid Fund: \$724.5 million

Prizes paid: \$1.41 billion

Range of prizes: \$1 to Mega Millions jackpot

the Detroit Pistons half-time show on December 5. Shelly Gruszczynski of Utica was the next big winner after she participated in the grand prize drawing on March 3 also conducted at The Palace. Ziylong Allawerdi of West Bloomfield was the lucky winner of \$2 million during a drawing following the International Freedom Festival fireworks in Detroit on June 24.

And even players who didn't win instant cash prizes were still able to get in on the action. Over 3.7 million non-winning tickets were entered into **second chance** drawings during FY 2009. These contests included prize packs, tickets to various sporting events and thousands of dollars in cash prizes. In all, 2,663 Michigan Lottery players claimed second chance prizes in fiscal year 2009.

Out of the hundreds of thousands of winners in FY 2009, several stories stand out. Jim Dancy of Richland won \$10,000 on a Club Keno ticket. While most might immediately begin thinking about what that extra cash could buy, Jim had a different thought: Why not give to the community and to those who need it more? Jim generously donated his \$10,000 prize to the Kalamazoo United Way. The organization was thrilled at the unexpected bonus that would be invested in health and human service programs in the Kalamazoo area.

The Covenant Life Worship Center in Haslett was also a big winner in FY 2009. A Lucky 7s Raffle ticket was purchased for the church then safely tucked away and forgotten until August. The ticket was a \$70,000 winner and because Covenant Life is tax exempt, it received the full \$70,000 prize, which went into a building fund and missionary fund to help support Haslett community service projects.

Congratulations to all our 2009 winners and we look forward to giving away millions more in 2010!



Chris and Tina Crane, \$42 million
Mega Millions, October 2008

Online Games



Willard Higdon, \$250,000
Mega Millions, July 2009



Covenant of Life Worship Center, \$70,000
Lucky 7s Raffle, August 2009



Bill Wishart, \$183,000
Fantasy 5, May 2009

Online Games Summary

Games offered: Mega Millions,
Classic Lotto 47, Fantasy 5, Keno!, Daily 3,
Daily 4; Millionaire Raffle, Super Raffle;
Lucky 7s Raffle; Win For Life Raffle

Sales: \$1.08 billion

**Contribution to
School Aid Fund:** \$415.9 million

Prizes paid: \$563.4 million

Range of prizes: \$1 to Mega Millions jackpot

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Ralph Saunders, \$100,000
Millionaire Raffle, January 2009



Thomas Roberts, \$250,000
Mega Millions, September 2009



John Marshall, \$100,000
Super Raffle, November 2009

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Instant Games

Instant Games Summary

Number of Instant games introduced in FY 2009: **72**

Sales: \$749.1 million

Contribution to School Aid Fund: \$166.3 million

Prizes paid: \$490.4 million

Range of prizes: \$1 to \$2 million



Norbert Hill, \$300,000
Tripling Red Hot Cashword, June 2009



Angela Baker, \$300,000
Bingo, June 2009

Club Games

Club Games Summary

Games offered: **Club Keno** with Kicker option, **The Jack**, **Pull Tabs**

Sales: \$547.9 million

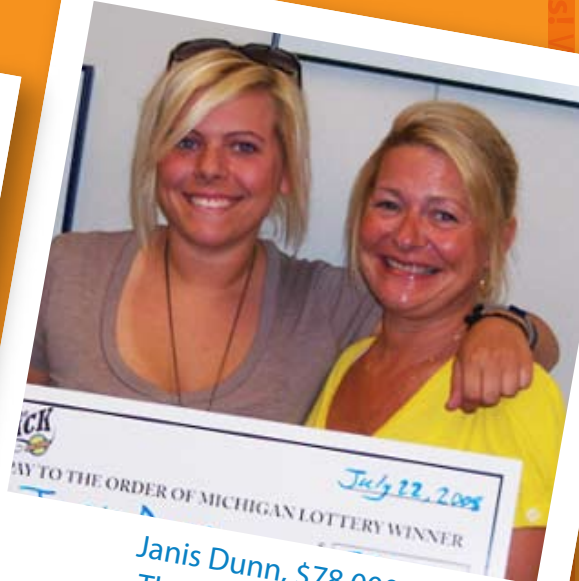
Contribution to School Aid Fund: \$142.3 million

Prizes paid: \$353.9 million

Range of prizes: 50 cents to \$20 million



Charles Reynolds, \$83,000
The Jack, June 2009



Janis Dunn, \$78,000
The Jack, July 2009



Greater Kalamazoo United Way, \$10,000
Club Keno, April 2009

Retailers



Holiday Market in Newberry sold a jackpot-winning Classic Lotto 47 ticket to employees from the Island Grille Restaurant.



Moonraker in Battle Creek was a 2009 Million Dollar Retailer.



Stoney Creek Party Shoppe in Washington received a \$50,000 bonus for selling a Mega Millions jackpot-winning ticket in October 2008.



Rose Mary's Country Store in Marshall, one of over 10,000 Michigan Lottery retailers



Maria's Italian Bakery in Ypsilanti earned a \$2,000 bonus for selling a \$100,000 winning Super Raffle ticket.

Retailer Summary

Number of retailers: 10,680

Commissions paid to Michigan Lottery retailers in FY 2009: \$174.2 million

Commission structure: 6 percent on all tickets sold; 2 percent on in-store redemptions up to \$600; 2 percent to retailers on redeemed winning tickets from \$601 to \$100,000 sold in their stores; \$2,000 for redeemed winning tickets valued over \$100,000 sold in their stores; \$5,000 for the sale of a Classic Lotto 47 jackpot-winning ticket; and \$50,000 for the sale of a Mega Millions jackpot-winning ticket.

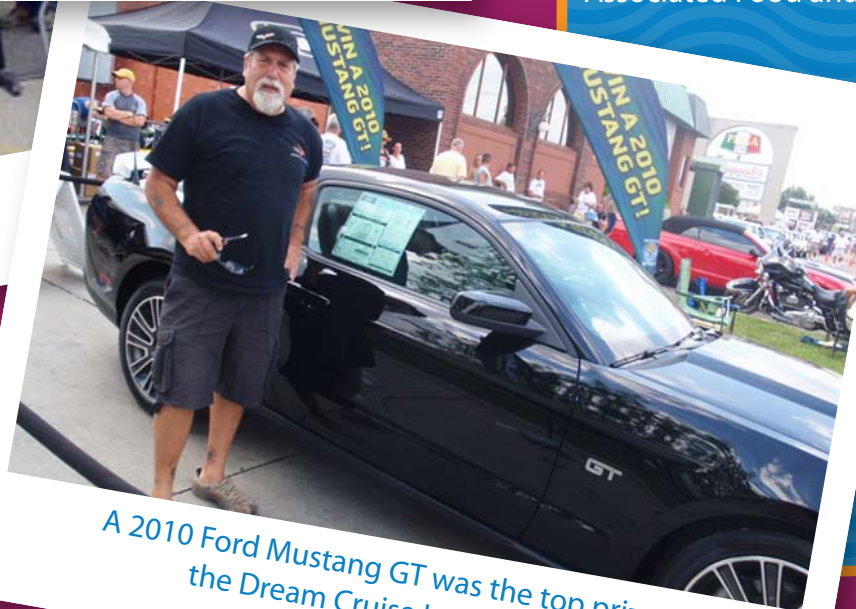
Events & Sponsorships



Detroit Red Wings sponsorship



The Lottery's Mobile retail outlet sold tickets throughout the state.



A 2010 Ford Mustang GT was the top prize on the Dream Cruise Instant ticket.

Events and Partners

- Winter Blast**, Detroit (Meijer, Taylor)
- West Michigan White Caps**, Comstock Park (Party World, Comstock Park)
- Kalamazoo Kings**, Kalamazoo (Corkscrew Food & Beverage, Kalamazoo)
- Michigan International Speedway**, Brooklyn (June & August)
(Hawkeye's Grill & Pub, Brooklyn)
- Detroit River Days**, Detroit (Livernois McGraw Party Store, Detroit)
- Stars & Stripes**, Mt. Clemens (Rec Bowl, Mt. Clemens)
- Rothbury Festival**, Rothbury (Cristina's Party Store, Lansing)
- Traverse City Cherry Festival**, Traverse City (Westside Beverage, Traverse City)
- St. Joseph Venetian Festival**, St. Joseph (Roger's Foodland, St. Joseph)
- Ionia Free Fair**, Ionia (Ionia Marathon, Ionia)
- Buick Open**, Grand Blanc (Whigville Market, Grand Blanc)
- Labadie Pig Gig**, Bay City (Meijer, Bay City)
- Woodward Dream Cruise**, Royal Oak (Cristina's Party Store, Lansing)
- DTE concerts**, Clarkston (The Palace of Auburn Hills, Auburn Hills)
- Michigan State Fair, Detroit (Hazel Park Raceway, Hazel Park)
- Arts, Beats & Eats**, Pontiac (Thrifty Convenience Drug Store, Pontiac)
- Arts & Apples**, Rochester (Cheerful Dollar 2, Pontiac)
- University of Michigan tailgate, Ann Arbor (Cristina's Party Store, Lansing)
- Associated Food and Petroleum Dealers trade show, Novi (Cristina's Party Store, Lansing)

Sponsorships

- Detroit Red Wings**
- Detroit Pistons**
- Detroit Tigers**
- Detroit Lions**
- Grand Rapids Griffins**
- Michigan International Speedway**
- America's Thanksgiving Day Parade**
- B93 Birthday Bash**
- Motor City Bowl**

Second Chance



Second Chance Drawings Summary

Number of drawings: 33

Number of entries: 3.9 million

Number of winners: 2,331

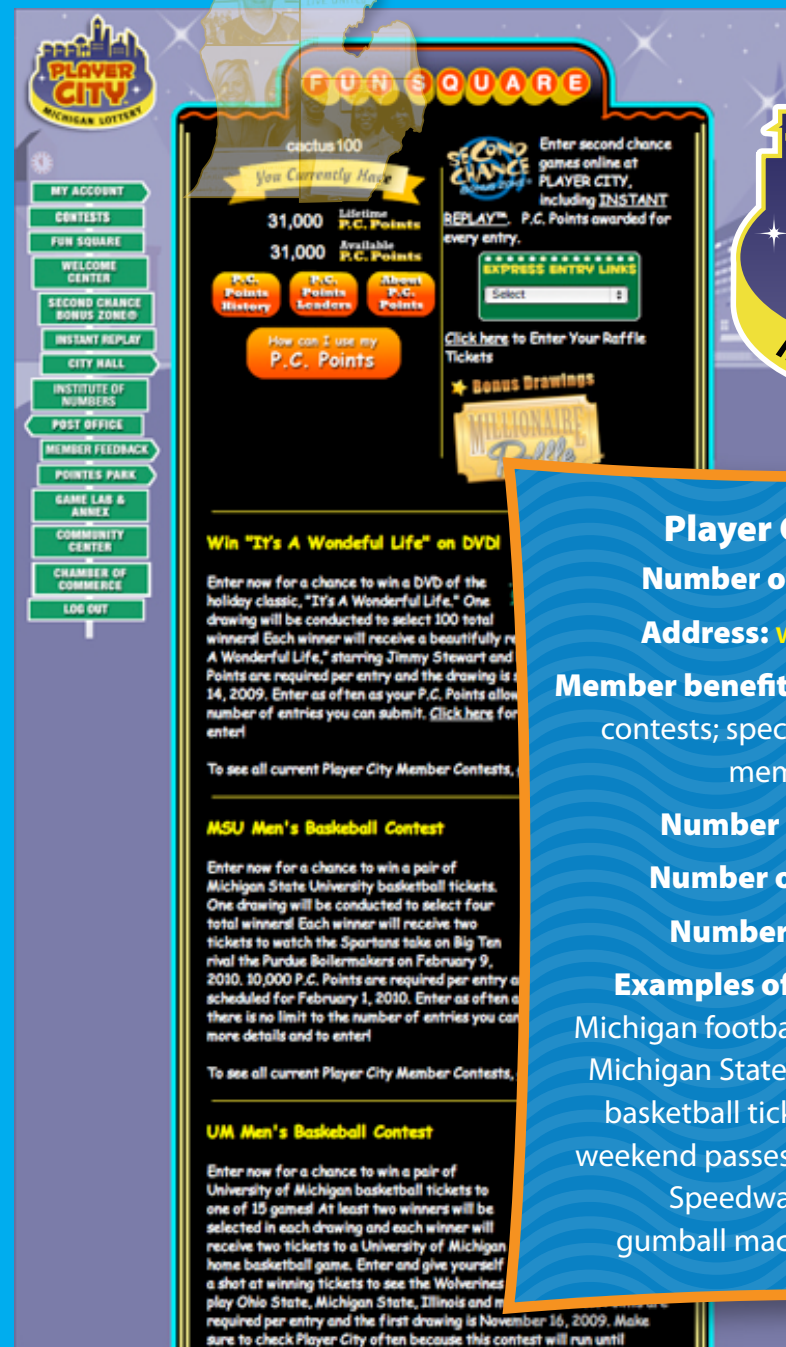
Examples of prizes: \$10,000 to \$1 million;
Detroit Red Wings branded merchandise;
home entertainment center; custom
concert experience

Second chance games:

Instant Replay
Cadillac Cash
12 Days of Cash
Detroit Red Wings
Cinema Cash
\$1 Million Sweepstakes
Dream Cruise
Double Bubble
Musical Money

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Player City



Player City Summary

Number of citizens: 350,000

Address: www.playercity.net

Member benefits: winning number alerts;
contests; special drawings; coupons;
member rewards

Number of drawings: 117

Number of entries: 100,558

Number of winners: 306

Examples of prizes: University of
Michigan football and basketball tickets;
Michigan State University football and
basketball tickets; Rothbury Festival
weekend passes; Michigan International
Speedway VIP experience;
gumball machines; Instant tickets.

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Charitable Gaming

Charitable Gaming Division Summary

Fundraising generated by nonprofits through bingos, raffles, millionaire parties, and the sale of charity game tickets

Game revenue: \$559 million

Proceeds for charitable causes: \$78 million

Prizes paid: \$408 million

Innovative owners take the lead by investing in new buildings, creative signs and high tech equipment for their bingo halls.



Texas Hold'em events raised over \$16 million in profits in FY 2009.

2009 Financials

Statement of Revenues, Expenses and Transfers (in Thousands)

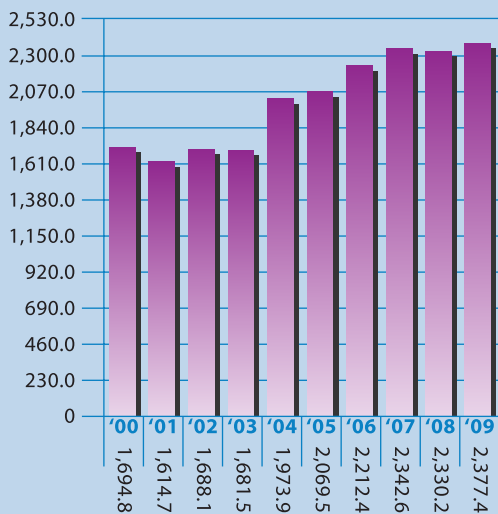
Operating Revenues	FY 2009	FY 2008
Daily 3	\$ 350,999	\$ 346,661
Daily 4	\$ 335,907	\$ 324,961
Daily Double	\$ —	\$ 844
Classic Lotto 47	\$ 64,232	\$ 64,129
Fantasy 5	\$ 51,310	\$ 51,322
Mega Millions	\$ 222,690	\$ 184,766
Keno!	\$ 13,987	\$ 13,849
Raffle Games	\$ 41,296	\$ 45,546
Instant Games	\$ 749,052	\$ 734,200
Club Keno	\$ 519,926	\$ 526,475
Lucky Streak	\$ —	\$ 13
Pull Tabs	\$ 28,038	\$ 37,432
Total Ticket Sales	\$ 2,377,437	\$ 2,330,198
Other Revenue	\$ 895	\$ 1,942
Charitable Gaming Revenue	\$ 20,663	\$ 18,941
Total Operating Revenue	\$ 2,398,995	\$ 2,351,081
Operating Expenses		
Prizes Awarded	\$ 1,436,373	\$ 1,350,735
Less Unclaimed Prizes	\$ 28,730	\$ 27,394
Net Prizes Awarded	\$ 1,407,643	\$ 1,323,341
Other Operating Expenses		
Retailer Commissions	\$ 174,162	\$ 172,155
Vendor/Bank Commissions	\$ 35,464	\$ 43,705
Direct Game Expenses	\$ 18,383	\$ 19,651
Advertising	\$ 26,965	\$ 17,632
Administrative Expenses	\$ 20,793	\$ 21,109
Charitable Gaming Expenses	\$ 8,899	\$ 8,303
Total Operating Expenses	\$ 1,692,309	\$ 1,605,896
Net Operating Revenue	\$ 706,686	\$ 745,185
Non-Operating Revenue (Expenses)		
Investment Income	\$ 48,940	\$ 27,878
Unrealized Investment Revenue (Loss)	\$ (29,137)	\$ 4,895
Prize Amortization	\$ (18,402)	\$ (20,700)
Net Non-Operating Revenue	\$ 1,401	\$ 12,073
Net Income Before Disbursements	\$ 708,087	\$ 757,258
Net Income Disbursed to General Fund	\$ 11,764	\$ 10,638
Net Income Disbursed to DCH for		
Compulsive Gaming Helpline	\$ 990	\$ 990
Reserved Unrealized Loss on Investments	\$ (29,137)	\$ 4,895
Net Income Disbursed to School Aid Fund	\$ 724,470	\$ 740,735

2009 Financials

Financial Trends: 2000 through 2009

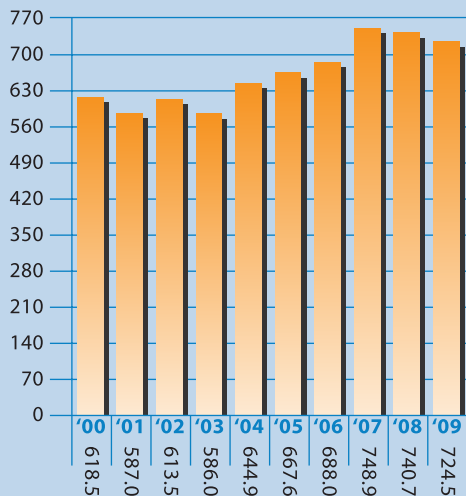
Ticket Sales History

(In Millions)



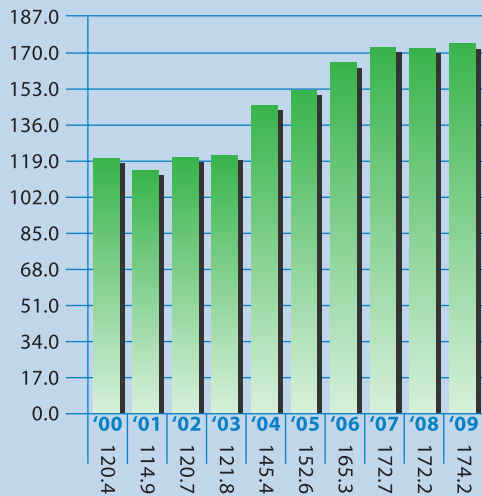
Net to Education

(In Millions)



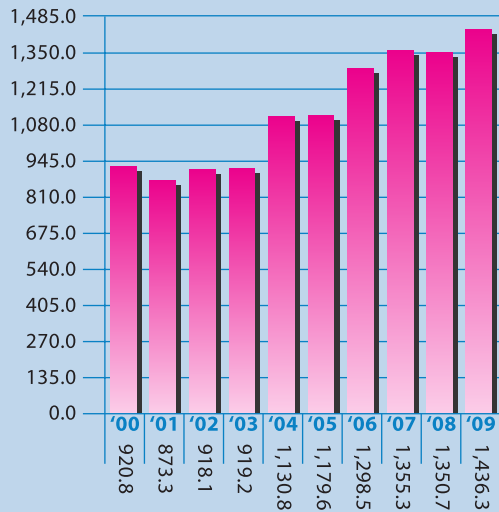
Retailer Commissions

(In Millions)



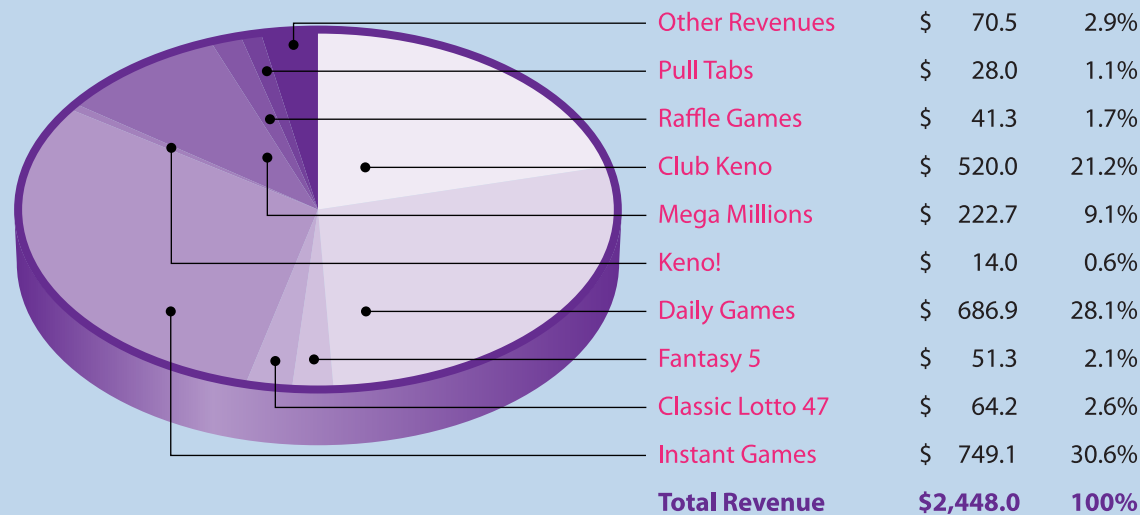
Prizes Won

(In Millions)

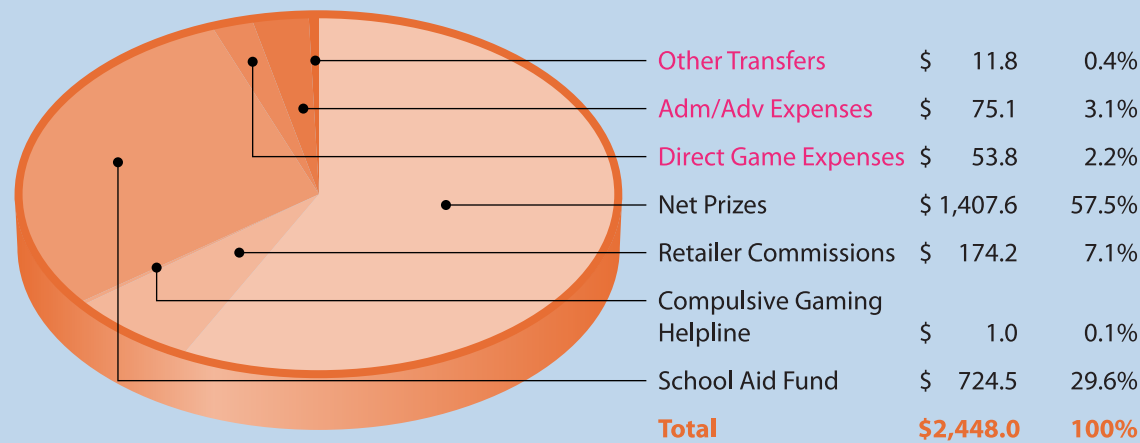


2009 Financials

Total Revenue (In Thousands)



Where the Money Goes (In Thousands)



Michigan Lottery 15 36 20

Michigan.gov The Official State of Michigan Website

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Prize Payouts
Michigan Lottery paid \$25,659,911 in prizes last week. Congratulations to all!

Raffle News

MILLIONAIRE Raffle

As of 2:00 PM December 8, only 347,910 Millionaire Raffle tickets are still available.

Only 600,000 tickets are available for the big drawing, scheduled for on or after January 6.

Players who buy early have more chances to win! Millionaire Raffle has added 8 weekly bonus drawings for \$25,000! Bonus drawings will be held each week from November 18, 2009 through January 6, 2010. Visit the [Second Chance Bonus Zone](#) to register. The earlier you buy and enter, the more drawings you'll be in and the more chances you'll have to win! And check out the [Winners](#) page to see a list of our lucky winners!

Winning Numbers

Daily-5 Mid: Tue, 12/08/09 208 Eve: Mon, 12/07/09 888	Daily-6 Mid: Tue, 12/08/09 6216 Eve: Mon, 12/07/09 1832	KENO Mon, 12/07/09 05 08 09 12 15 21 29 30 31 34 39 47 48 50 53 60 68 69 75 78 79 80
MEGA MILLIONS Fri, 12/04/09 04 33 41 51 58 38	POWERBALL Sat, 12/05/09 10 19 21 23 34 45	5 Mon, 12/07/09 06 10 14 26 33
Next Drawing: Tue, 12/08/09 Estimated Jackpot: \$83 million	Next Drawing: Wed, 12/09/09 Estimated Jackpot: \$1.2 million	Next Drawing: Tue, 12/08/09 Estimated Jackpot: \$100,000

Recent Winners

Muskegon man claims \$305,225 prize

MGCB
Illegal Gambling Anonymous Tip Line

MAKE ME RICH!

Raffle

PLAYER CITY
MICHIGAN LOTTERY

Quick Links

- Commissioner M. Scott Bowen
- MEGA MILLIONS AND POWERBALL AGREE TO TICKET-SELLING PARTNERSHIP
- Millionaire Raffle on sale now!
- One player wins \$2.2 million jackpot!
- It's a Wonderful Life, on sale now!
- November 2009 Winners
- Speakers Bureau
- 2008 Annual Report PDF
- 2008 Comprehensive Annual Financial Report PDF
- Charitable Gaming
- Problem Gambling Help Available

Web Site Summary

www.michigan.gov/lottery

Total page views:

103,953,909

Average page views per day:

284,805

Total visits (non-unique):

39,242,993

Most popular page:

Past winning numbers

MICHIGAN



LOTTERY

Michigan Lottery

If you bet more than you can afford to lose, you've got a problem. Call 1-800-270-7117 for confidential help.

This report was produced by the Public Relations Division of the Michigan Bureau of State Lottery.

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