

Milestone For New Mexico



Benefitting New Mexico's Future:
A Progress Report
on the Lottery's First Year

selling the tickets



to raise the money



to fund the programs



to make education



better for New Mexico.



BENEFITTING
NEW MEXICO'S
FUTURE

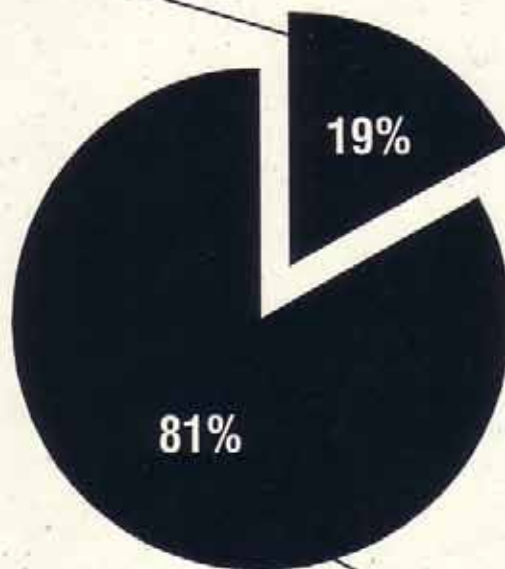
Starting from Scratch

In its first year of operation, the New Mexico Lottery generated revenues of \$87.5 million through the sale of instant scratch-off tickets and "on-line" tickets used in computerized games. Scratchers[®] were introduced on the Lottery's first day of sales, April 27, 1996. The on-line game of **POWERBALL[®]** followed on October 20, with **Daily Millions**, another on-line game, starting on February 16, 1997.

Income From Ticket Sales

Total Sales: \$87.5 million*

On-line Sales
(POWERBALL[®] and Daily Millions)
\$16.5 million*



Instant Sales
("Scratchers[®]")
\$71 million*

*Unaudited estimated amounts through 3/31/97



Dividing the Dollar

The Lottery returns a minimum of 50 percent of proceeds to players in the form of prizes. Funds are also allocated to cover the cost of product, as well as retailer commissions and administrative costs. Once these expenses have been covered, the Lottery turns over all net proceeds to the State Treasurer for use in funding education in New Mexico.

Where the \$87.5 Million Goes*



Prizes for Players
52.1% — \$45.6 Million



Cost of Product
7.5% — \$6.6 Million



Retailer Commissions
6.4% — \$5.6 Million



Administrative Costs
9.9% — \$8.7 Million



Education Programs:
Total: 24.1% — \$21 Million

Critical Capital Outlay
14.3% — \$12.5 Million



College Tuition Fund
9.8% — \$8.5 Million

* Unaudited estimated amounts through 3/31/97.
Includes all start-up costs incurred prior to 4/27/96.



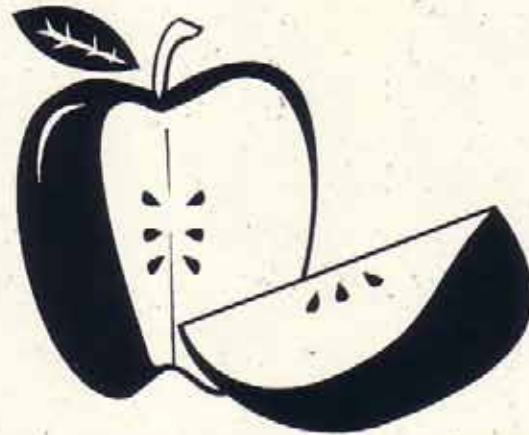
Funding Our Children's Future

The New Mexico Lottery raised \$21 million in net proceeds for New Mexico education in its first year of operation. Of this amount, 60 percent went to the state's public school capital outlay fund, which benefits educational and capital projects ("bricks and mortar") for grades K-12. The remaining 40 percent of net proceeds went to the state's lottery tuition fund, which provides tuition assistance ("Lottery Success Scholarships") to New Mexico residents for public post-secondary education in New Mexico.

How the Dollars Get Distributed

Total net proceeds to education:
\$21 million

Public School
Capital Outlay Fund:
\$12.5 million



Lottery
Tuition Fund:
\$8.5 million*

For the period April 27, 1996 through April 26, 1997

Notes:

Includes cash turned over to State Treasurer and accruals to be turned over.

* Includes end-of-year transfer from reserve fund to tuition fund.

Figures are unaudited.



New Bricks and Mortar for New Mexico Schools

On January 16, 1997, the Public School Capital Outlay Council awarded lottery proceeds of \$7,194,579 to 23 New Mexico School Districts. The awards are shown to the right.

School District	Project	Lottery Funds Awarded
Bernalillo	Renovation of high school	\$500,000
Dexter	New elementary - Phase 3	\$400,000
Estancia	High school classrooms	\$60,400
Gadsden	Chaparral Middle School classrooms	\$500,000
Gallup	Indian Hills classrooms	\$250,000
Grady	Classrooms, kitchen, commons	\$15,000
Hatch	New elementary classrooms	\$886,000
Jemez Valley	Re-roofing	\$100,000
Las Vegas City	High School vocational ed classrooms	\$240,000
Las Vegas West	New Luis Armijo Elementary	\$800,000
Lordsburg	Traylor Elementary classrooms	\$233,702
Magdalena	K-12 classroom addition	\$370,000
Mora	New middle school building	\$307,000
Moriarty	Begin Route 66 Elementary	\$335,000
Mosquero	Classrooms and computer lab	\$370,000
Pecos	New elementary school	\$75,000
Peñasco	Elementary classroom addition	\$366,000
Pojoaque	High school library, ancillary, science	\$100,000
Questa	Cerro Elementary remodel	\$115,498
Raton	Continue code correction	\$300,979
Socorro	New elementary classrooms	\$500,000
Springer	Remodel elementary and middle school	\$120,000
Tucumcari	New upper/lower elementary	\$250,000
Total		\$7,194,579

Source: Capital Outlay Analyst
State Department of Education
Capital Outlay Unit



Success Scholarships for New Mexico Students

In August 1997, the New Mexico Commission on Higher Education will begin awarding tuition scholarships to an estimated 3,100 full-time students entering their sophomore year at New Mexico public post-secondary institutions.

The Program Features Include:



100 percent tuition funding



eight consecutive semesters of eligibility beginning with the *second* semester of college enrollment



no application required

To Qualify for a Scholarship, Students Must:



graduate from a New Mexico high school or earn a New Mexico General Equivalency Diploma (GED)



enroll full-time in a New Mexico public, post-secondary institution in the first regular semester following high school graduation, and pay the tuition for that semester



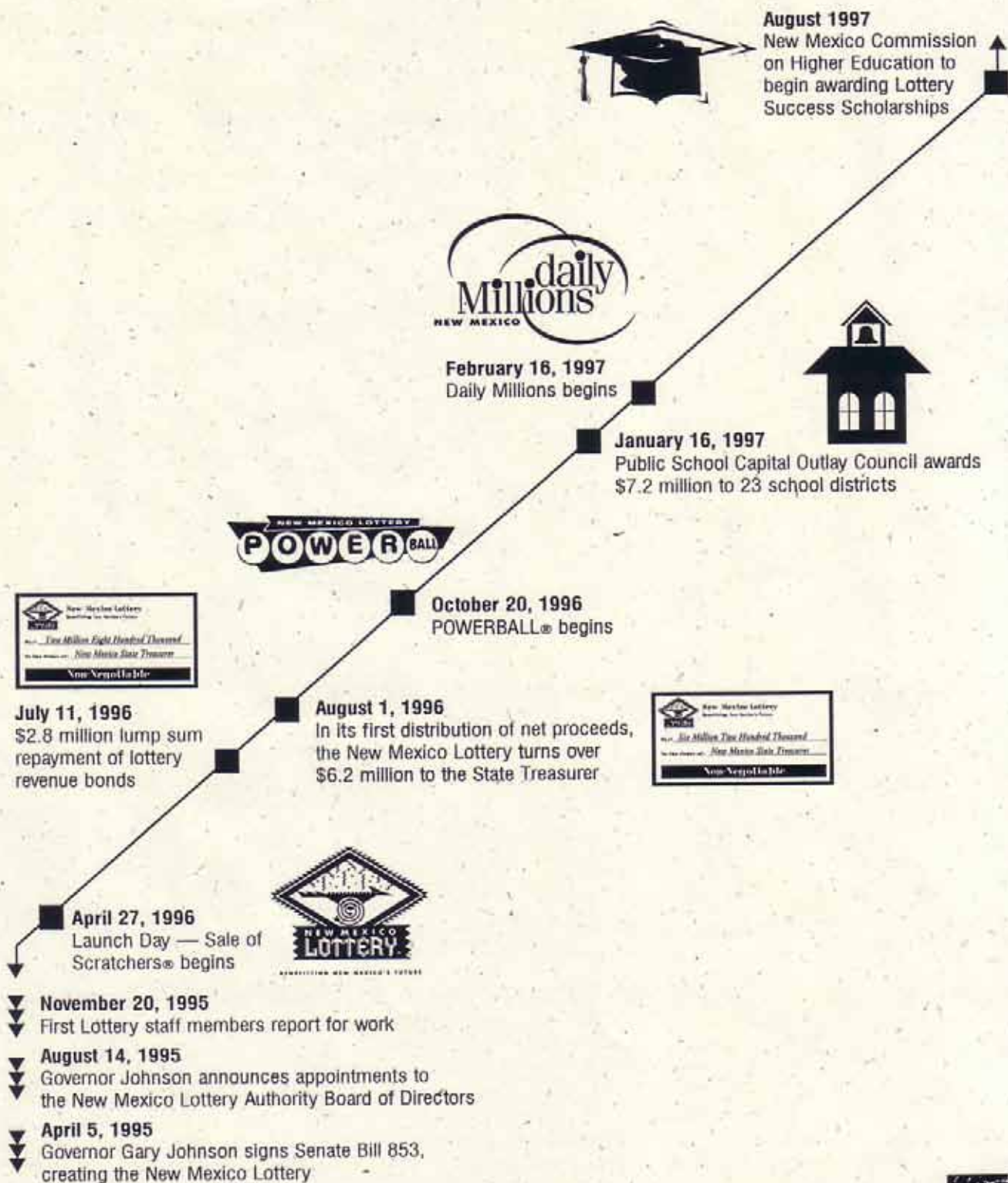
earn a 2.5 GPA in the first semester

For more information, call the New Mexico Commission on Higher Education at (800) 279-9777, or access the Commission's web site at [HTTP://WWW.NMCHE.ORG](http://www.nmche.org).

Source: New Mexico Commission on Higher Education



From the Ground Up: Building the Lottery



It's FUN to Win BIG!



Prize	Number of Winners (4/27/96-4/22/97)	Total Amounts Paid
\$100,000	12	\$1,200,000
\$25,000	4	\$100,000
\$10,000	59	\$590,000
\$8,888	6	\$53,328
\$7,777	6	\$46,662
\$7,500	40	\$300,000
\$5,000	248	\$1,240,000
\$3,000	23	\$69,000
\$2,500	73	\$182,500
\$2,100	7	\$14,700
\$2,000	68	\$136,000
\$1,500	4	\$6,000
\$1,000	800	\$800,000

