



**STATEMENT OF GAMING REVENUES,
GAMING TAXES, AND EXPENDITURES**

(UNAUDITED)

FOR THE EIGHT (8) MONTHS ENDED

FEBRUARY 28, 2023



COLORADO

Department of Revenue

Specialized Business Group—Gaming

1707 Cole Blvd., Suite 300
Lakewood, CO 80401

April 27, 2023

State Treasurer and Members of the Colorado Limited Gaming Control Commission:

Pursuant to Section 44-30-203 (i), C.R.S., the Colorado Division of Gaming is required to furnish monthly a, "report which contains a full and complete statement of the division's revenues and expenses."

The attached combined financial statements for February 28, 2023 have not been audited. They contain the most current data available. This information has been collected and recorded in accordance with generally accepted accounting principles.

Respectfully submitted,

Vickie Floyd
Division Controller

**COLORADO DIVISION OF GAMING
FINANCIAL STATEMENTS
(UNAUDITED)**

DISTRIBUTION

| | |
|-------------------------------------------------------------------|--------------------------------------------------------------------|
| Honorable Jared Polis | Governor |
| Representative Julie McCluskie | Speaker of the House of Representatives |
| Senator Stephen Fenberg | President of the Senate |
| Senator Paul Lundeen | Senate Minority Leader |
| Representative Mike Lynch | House Minority Leader |
| Senator Rachel Zenzinger | Chair, Joint Budget Committee |
| Mr. Richard Nathan | Chair, Limited Gaming Control Commission |
| Mr. Justin Davis | Vice Chair, Limited Gaming Control Commission |
| Mr. Kevin Armstrong | Limited Gaming Control Commission |
| Mr. Shawn Coleman | Limited Gaming Control Commission |
| Ms. Patsy Landaveri | Limited Gaming Control Commission |
| Mr. Mark Ferrandino | Executive Director, Department of Revenue |
| Mr. Michael Phibbs | Senior Director, Specialized Business Group, Department of Revenue |
| Mr. Daniel Hartman | Director, Division of Gaming |
| Mr. Scott Koehler | Accounting Director, Department of Revenue |
| Mr. Bob Jaros | State Controller |
| Mr. Charles Scheibe | Chief Financial Officer, Department of the Treasury |
| Ms. Aly Jabrocki | State Archivist |
| Ms. Kerri Hunter | State Auditor |
| Ms. Amanda King | Joint Legislative Library |
| Ms. Megan Davisson | Deputy Director for Budget, Governor's Office |
| Colorado State Publications Depository and Distribution Center | State of Colorado Library |

**DIVISION OF GAMING
STATEMENT OF REVENUES
GAMING TAXES, AND EXPENDITURES
(UNAUDITED)**

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**COLORADO DIVISION OF GAMING
TAX REVENUES COMPARISON
FEBRUARY 28, 2023 AND 2022**

The Colorado Limited Gaming Control Commission assesses taxes based on adjusted gross proceeds (AGP).

The tax rates for period ending June 30, 2023 are:

- 3% on AGP from charitable gaming
- .25% on amounts up to \$2 million
- 2% on amounts over \$2 million and up to \$5 million
- 9% on amounts over \$5 million and up to \$8 million
- 11% on amounts over \$8 million and up to \$10 million
- 16% on amounts over \$10 million and up to \$13 million
- 20% on amounts over \$13 million

The tax rates for year ending June 30, 2023 are the same as they were for year ending June 30, 2022.

For Periods Beginning July 1, 2021 and 2022 through February 28, 2022 and 2023

| <u>AGP Comparison</u> | | | | |
|------------------------------|-----------------------|-----------------------|----------------------|-------------------|
| Range | Prior Year AGP | Current Year AGP | Difference | Percent Change |
| \$0 - \$2 Million | \$ 1,399,776 | \$ 3,845,566 | \$ 2,445,790 | 174.73% |
| \$2 - \$5 Million | \$ 26,324,013 | \$ 24,855,550 | \$ (1,468,463) | (5.58)% |
| \$5 - \$8 Million | \$ 29,751,610 | \$ 24,379,667 | \$ (5,371,943) | (18.06)% |
| \$8 - \$10 Million | \$ 35,373,153 | \$ 8,760,393 | \$ (26,612,760) | (75.23)% |
| \$10 - \$13 Million | \$ 59,477,803 | \$ 62,714,322 | \$ 3,236,519 | 5.44% |
| \$13+ Million | \$ 522,581,688 | \$ 595,718,419 | \$ 73,136,731 | 14.00% |
| Total | \$ 674,908,043 | \$ 720,273,917 | \$ 45,365,874 | 6.72% |

| <u>Tax Comparison</u> | | | | |
|------------------------------|----------------------|-----------------------|---------------------|-------------------|
| Range | Prior Year Tax | Current Year Tax | Difference | Percent Change |
| \$0 - \$2 Million | \$ 158,499 | \$ 164,614 | \$ 6,115 | 3.86% |
| \$2 - \$5 Million | \$ 1,686,480 | \$ 1,657,111 | \$ (29,369) | (1.74)% |
| \$5 - \$8 Million | \$ 5,557,645 | \$ 5,794,170 | \$ 236,525 | 4.26% |
| \$8 - \$10 Million | \$ 3,671,047 | \$ 4,263,643 | \$ 592,596 | 16.14% |
| \$10 - \$13 Million | \$ 6,316,448 | \$ 6,674,292 | \$ 357,844 | 5.67% |
| \$13+ Million | \$ 78,516,338 | \$ 85,343,684 | \$ 6,827,346 | 8.70% |
| Total | \$ 95,906,457 | \$ 103,897,514 | \$ 7,991,057 | 8.33% |

| <u>Open Casinos Comparison</u> | | | |
|---------------------------------------|---------------------------------------------------------|--------------------------------------------------------|------------|
| Range | Prior Year No. of Tax Returns Filed by Casinos | This Year No. of Tax Returns Filed by Casinos | Difference |
| \$0 - \$2 Million | 2 | 5 | 3 |
| \$2 - \$5 Million | 7 | 5 | (2) |
| \$5 - \$8 Million | 5 | 4 | (1) |
| \$8 - \$10 Million | 4 | 1 | (3) |
| \$10 - \$13 Million | 5 | 6 | 1 |
| \$13+ Million | 10 | 12 | 2 |
| Total | 33 | 33 | 0 |

**COLORADO DIVISION OF GAMING
COMBINED STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE (UNAUDITED)
EIGHT MONTHS ENDED FEBRUARY 28, 2023 AND 2022**

| | FY 2023 | | | | FY 2022 | | | |
|-----------------------------------------------------|----------------------------|-------------------------------------|---------------------------|--------------------------|----------------------------|-------------------------------------|---------------------------|--------------------------|
| | EXTENDED GAMING FUND | RESPONSIBLE GAMING GRANT FUND | LIMITED GAMING FUND | TOTAL GAMING FUNDS | EXTENDED GAMING FUND | RESPONSIBLE GAMING GRANT FUND | LIMITED GAMING FUND | TOTAL GAMING FUNDS |
| REVENUES: | | | | | | | | |
| Gaming Taxes | \$ 0 | \$ 0 | \$ 103,897,532 | \$ 103,897,532 | \$ 0 | \$ 0 | \$ 95,907,056 | \$ 95,907,056 |
| License and Application Fees | 0 | 0 | 452,096 | 452,096 | 0 | 0 | 438,032 | 438,032 |
| Background Investigations | 0 | 0 | 72,171 | 72,171 | 0 | 0 | 74,341 | 74,341 |
| Fines | 0 | 0 | 2,940 | 2,940 | 0 | 0 | 1,848 | 1,848 |
| Interest Income | 95,902 | 35,463 | 995,792 | 1,127,157 | 19,624 | 0 | 359,005 | 378,629 |
| Other Revenue | 0 | 0 | 564 | 564 | 0 | 0 | 85 | 85 |
| TOTAL REVENUES | 95,902 | 35,463 | 105,421,095 | 105,552,460 | 19,624 | 0 | 96,780,367 | 96,799,991 |
| EXPENDITURES: | | | | | | | | |
| Salaries and Benefits | 0 | 14,060 | 5,842,302 | 5,856,362 | 0 | 0 | 5,536,894 | 5,536,894 |
| Annual and Sick Leave Payouts | 0 | 0 | 27,758 | 27,758 | 0 | 0 | 24,024 | 24,024 |
| Professional Services | 0 | 0 | 88,155 | 88,155 | 0 | 0 | 80,171 | 80,171 |
| Travel | 0 | 0 | 59,992 | 59,992 | 0 | 0 | 23,524 | 23,524 |
| Automobiles | 0 | 0 | 139,170 | 139,170 | 0 | 0 | 118,406 | 118,406 |
| Printing | 0 | 0 | 11,531 | 11,531 | 0 | 0 | 8,189 | 8,189 |
| Police Supplies | 0 | 0 | 34,397 | 34,397 | 0 | 0 | 12,055 | 12,055 |
| Computer Services & Name Searches | 0 | 0 | 51,657 | 51,657 | 0 | 0 | 69,961 | 69,961 |
| Materials, Supplies, and Services | 0 | 0 | 227,341 | 227,341 | 0 | 0 | 245,806 | 245,806 |
| Postage | 0 | 0 | 1,660 | 1,660 | 0 | 0 | 2,784 | 2,784 |
| Telephone | 0 | 0 | 52,647 | 52,647 | 0 | 0 | 50,550 | 50,550 |
| Utilities | 0 | 0 | 22,268 | 22,268 | 0 | 0 | 18,110 | 18,110 |
| Other Operating Expenditures | 0 | 0 | 86,641 | 86,641 | 0 | 0 | 60,050 | 60,050 |
| Leased Space | 0 | 0 | 95,857 | 95,857 | 0 | 0 | 81,652 | 81,652 |
| Capital Outlay | 0 | 0 | 14,478 | 14,478 | 0 | 0 | 0 | 0 |
| EXPENDITURES - SUBTOTAL | 0 | 14,060 | 6,755,854 | 6,769,914 | 0 | 0 | 6,332,176 | 6,332,176 |
| STATE AGENCY SERVICES | | | | | | | | |
| Colorado Bureau of Investigation | 0 | 0 | 0 | 0 | 0 | 0 | 119,750 | 119,750 |
| Division of Fire Prevention and Control | 0 | 0 | 185,089 | 185,089 | 0 | 0 | 171,604 | 171,604 |
| Colorado State Patrol | 0 | 0 | 2,320,219 | 2,320,219 | 0 | 0 | 2,231,883 | 2,231,883 |
| State Auditors | 0 | 0 | 9,130 | 9,130 | 0 | 0 | 8,690 | 8,690 |
| Indirect Costs - Department of Revenue | 0 | 0 | 776,999 | 776,999 | 0 | 0 | 783,890 | 783,890 |
| Regulatory Agencies | 0 | 0 | 0 | 0 | 0 | 0 | 2,375 | 2,375 |
| Colorado Department of Law | 0 | 0 | 154,391 | 154,391 | 0 | 0 | 162,036 | 162,036 |
| OIT Purchased Services | 0 | 0 | 99,912 | 99,912 | 0 | 0 | 262,591 | 262,591 |
| TOTAL STATE AGENCY SERVICES | 0 | 0 | 3,545,740 | 3,545,740 | 0 | 0 | 3,742,819 | 3,742,819 |
| Non Personal Services Background Exp. | 0 | 0 | 4,660 | 4,660 | 0 | 0 | 1,884 | 1,884 |
| TOTAL EXPENDITURES | 0 | 14,060 | 10,306,254 | 10,320,314 | 0 | 0 | 10,076,879 | 10,076,879 |
| Excess of Revenues Over Expenditures | 95,902 | 21,403 | 95,114,841 | 95,232,146 | 19,624 | 0 | 86,703,488 | 86,723,112 |
| FY22 & FY21 Extended Gaming Distr. | (46,823,932) | 0 | 0 | (46,823,932) | (17,647,531) | 0 | 0 | (17,647,531) |
| FUND BALANCE AT JULY 1, 2022 & 2021 | 46,823,932 | 2,500,000 | 2,445,701 | 51,769,633 | 17,647,531 | 0 | 2,267,873 | 19,915,404 |
| TOTAL FUND BAL. FEBRUARY 28, 2023 & 2022 | \$ 95,902 | \$ 2,521,403 | \$ 97,560,542 | \$ 100,177,847 | \$ 19,624 | \$ 0 | \$ 88,971,361 | \$ 88,990,985 |

COLORADO DIVISION OF GAMING
STATEMENT OF BUDGET TO ACTUAL
EIGHT MONTHS ENDED FEBRUARY 28, 2023
(UNAUDITED)

| | BEGINNING BUDGET * | SUPPLE- MENTAL CHANGES / ROLLFORWARDS | ANNUAL REVISED ESTIMATED BUDGET ** | 66.7% OF BUDGETED AMOUNT EXCEPT FOR TAXES *** | YEAR-TO-DATE ACTUAL | OVER / (UNDER) ANNUAL BUDGET | % EARNED % EXPENDED OF ANNUAL BUDGET |
|------------------------------------------------------|-----------------------|------------------------------------------------|---------------------------------------------|-----------------------------------------------------------|------------------------|---------------------------------------|-----------------------------------------------|
| REVENUES: | | | | | | | |
| Gaming Taxes | \$ 166,507,340 | \$ 0 | \$ 166,507,340 | \$ 97,739,808 | \$ 103,897,532 | \$ (62,609,808) | 62.40% |
| License and Application Fees | 649,710 | 0 | 649,710 | 433,140 | 452,096 | (197,614) | 69.58% |
| Background Investigations | 164,551 | 0 | 164,551 | 109,701 | 72,171 | (92,380) | 43.86% |
| Fines and Fees | 0 | 0 | 0 | 0 | 2,940 | 2,940 | 100.00% |
| Interest Revenue | 669,286 | 0 | 669,286 | 446,191 | 995,792 | 326,506 | 148.78% |
| Other Revenue | 0 | 0 | 0 | 0 | 564 | 564 | 100.00% |
| TOTAL REVENUES | 167,990,887 | 0 | 167,990,887 | 111,993,925 ^^ | 105,421,095 | (62,569,792) | 62.75% |
| EXPENDITURES: | | | | | | | |
| Personal Services | 10,306,436 | 0 | 10,306,436 | 6,870,957 | 5,950,668 | (4,355,768) | 57.74% |
| Operating Expenditures | 781,994 | (75,000) | 706,994 | 471,330 | 376,002 | (330,992) | 53.18% |
| Workers Compensation | 25,015 | 0 | 25,015 | 16,677 | 16,677 | (8,338) | 66.67% |
| Risk Management | 38,439 | 0 | 38,439 | 25,626 | 25,626 | (12,813) | 66.67% |
| Licensure Activities | 127,074 | 0 | 127,074 | 84,716 | 53,257 | (73,817) | 41.91% |
| Leased Space | 155,000 | 0 | 155,000 | 103,333 | 95,857 | (59,143) | 61.84% |
| Vehicle Lease Payments - Fixed | 118,486 | 0 | 118,486 | 78,991 | 72,770 | (45,716) | 61.42% |
| Vehicle Lease Payments - Variable | 86,000 | (2,000) | 84,000 | 56,000 | 66,321 | (17,679) | 78.95% |
| Utilities | 28,925 | 0 | 28,925 | 19,283 | 22,268 | (6,657) | 76.99% |
| Legal Services | 286,686 | (55,100) | 231,586 | 154,391 | 154,391 | (77,195) | 66.67% |
| CORE Operations | 86,243 | 0 | 86,243 | 57,495 | 57,495 | (28,748) | 66.67% |
| Payments to Office of Information Technology | 149,869 | 0 | 149,869 | 99,913 | 99,912 | (49,957) | 66.67% |
| IT Division - MIPC Phones & ISD | 51,269 | 0 | 51,269 | 34,179 | 28,043 | (23,226) | 54.70% |
| Indirect Costs - Department of Revenue | 1,165,499 | 0 | 1,165,499 | 776,999 | 776,999 | (388,500) | 66.67% |
| State Agency Services | 4,018,554 | 0 | 4,018,554 | 2,679,036 | 2,505,308 | (1,513,246) | 62.34% |
| Division Expenditures | 17,425,489 | (132,100) | 17,293,389 | 11,528,926 | 10,301,594 | (6,991,795) | 59.57% |
| Non Personal Services Background Expenditures | 68,425 | 0 | 68,425 | 45,617 | 4,660 | (63,765) | 6.81% |
| TOTAL EXPENDITURES | 17,493,914 | (132,100) | 17,361,814 | 11,574,543 | 10,306,254 | (7,055,560) | 59.36% |
| EXCESS OF REVENUES OVER EXPENDITURES | \$ 150,496,973 | N/A | \$ 150,629,073 | \$ 100,419,382 | \$ 95,114,841 | \$ (55,514,232) | 63.15% |

* Represents original information given to the Commission in April and May of 2022.

The percent of the fiscal year elapsed through February 28, 2023 is 66.7%.

** Amount includes Long Bill items and Supplemental Appropriations.

*** The original tax projection assumed an AGP increase of 10%, which was then applied to the existing casinos' graduated tax tiers. The \$97,739,808 is this tax projection through February, which is \$6,157,724 less than the actual taxes collected for the same period.

^^ Calculated number is not a sum, rather elapsed percentage of Annual Revised Estimated Budget.