

July 25, 2014

The Honorable Terence R. McAuliffe
Governor
Commonwealth of Virginia
Patrick Henry Building, 3rd floor
Richmond, Virginia 23219

Re: June 2014 Lottery Results

Dear Governor McAuliffe:

I am pleased to provide our report of monthly activities and financial update for the month of June 2014, as required in §58.1-4006 of the *Code of Virginia*.

June sales totaled \$149.2 million, up \$10.7 million (+7.7%) compared to the same month last year. Lottery sales for the fiscal year ending June totaled \$1,810.8 million, up \$121.6 million (+7.2%) compared to last year. Sales across all product lines were strong for the fiscal year, with especially strong growth in scratcher sales. A final audited report of fiscal year 2014 Lottery sales, prizes and profits will be available after the Auditor of Public Accounts completes their audit next month.

The Lottery initiated its final transfer for the 2014 fiscal year on June 20, 2014, meeting the \$532.7 million for total transfers to the Lottery Proceeds Fund as expected and included in the Appropriations Act. The final residual transfer of FY2014 profits will occur after the Auditor of Public Accounts completes their review and certifies our profit total for the fiscal year, on or about August 15, 2014. This final residual transfer will be included in our revised profit transfer estimate for the 2015 fiscal year, to be included in the Governor's introduced budget amendments in December. The \$525.0 million estimate for fiscal year 2015 included in the current 2014 Appropriation Act is higher than the estimate approved by the Lottery Board, and already anticipates some estimated residual transfer of fiscal year 2014 profits.

Please let me know if you have any questions or if you would like more information.

Very truly yours,

Paula I. Otto

c: The Honorable Walter A. Stosch, Chairman, Senate Finance Committee
The Honorable S. Chris Jones, Chairman, House Appropriations Committee
The Honorable R. Lee Ware, Jr., Chairman, House Finance Committee
The Honorable Paul Reagan, Chief of Staff, Office of the Governor
The Honorable Richard D. Brown, Secretary of Finance
Daniel S. Timberlake, Director, Department of Planning & Budget
David A. Von Moll, State Comptroller
Elizabeth B. Daley, Staff Director, Senate Finance Committee
Robert P. Vaughn, Staff Director, House Appropriations Committee
Cynthia D. Lawrence, Chairman, Virginia Lottery Board