



March 31, 2023

The Honorable Glenn Youngkin
 Governor
 Commonwealth of Virginia
 Patrick Henry Building, 3rd floor
 1111 E. Broad Street
 Richmond, VA 23219

Re: February 2023 Lottery Results

Dear Governor Youngkin:

I am very pleased to provide our report of monthly activities and financial update for the month of February 2023, as required in §58.1-4006 of the *Code of Virginia*. I am also showing results compared to the official forecast, as included in your introduced budget (HB1400/SB800).

February Monthly Update:

	Monthly Actuals Feb FY23	% of Total	Monthly Actuals Feb FY22	Current Month FY23 vs FY22		Monthly Forecast Feb FY23	Current Month Actuals vs Forecast	
				\$ Change	% Change		\$ Change	% Change
Sales								
Scratchers	\$ 100,595,619	27.5%	\$ 96,899,958	\$ 3,695,661	3.8%	\$ 100,763,988	\$ (168,369)	-0.17%
Draw Games	\$ 89,133,182	24.3%	\$ 82,180,088	\$ 6,953,094	8.5%	\$ 87,011,188	\$ 2,121,994	2.44%
iLottery Instants	\$ 176,346,160	48.2%	\$ 104,242,419	\$ 72,103,741	69.2%	\$ 145,000,000	\$ 31,346,160	21.62%
Total	\$ 366,074,961	100.0%	\$ 283,322,465	\$ 82,752,496	29.2%	\$ 332,775,176	\$ 33,299,785	10.01%
Prize Expense				FY23 Rates	FY22 Rates		Forecast Rates	
Scratchers	\$ 73,575,963	26.9%	\$ 67,986,170	73.1%	70.2%	\$ 72,348,540	71.8%	
Draw Games	\$ 44,025,444	16.1%	\$ 35,803,302	49.4%	43.6%	\$ 46,383,467	53.3%	
iLottery Instants	\$ 156,423,986	57.1%	\$ 91,792,462	88.7%	88.1%	\$ 128,760,000	88.8%	
Total	\$ 274,025,393	100.0%	\$ 195,581,934	74.9%	69.0%	\$ 247,492,007	74.4%	
Retailer Earnings	\$ 10,215,159		\$ 10,156,337	5.6%	5.8%	\$ 10,627,679	5.7%	
Admin Expenses	\$ 16,131,057		\$ 13,922,138	4.4%	4.9%	\$ 15,699,130	4.7%	
Other Income	\$ 290,408		\$ 49,025			\$ 100,000		
Profits	\$ 65,993,760		\$ 63,711,081	\$ 2,282,679	3.58%	\$ 59,056,360	\$ 6,937,400	11.75%

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Fiscal Year to Date Update:

	YTD FY23 February	% of Total	YTD FY22 February	Year to Date FY23 vs FY22		Forecast FY23 YTD February	Year to Date FY23 vs FY23 Forecast	
				\$ Change	% Change		\$ Change	% Change
Sales								
Scratchers	\$ 849,124,990	28.1%	\$ 911,860,165	\$ (62,735,175)	-6.88%	\$ 818,613,151	\$ 30,511,839	3.73%
Draw Games	\$ 896,739,993	29.7%	\$ 779,373,011	\$ 117,366,982	15.06%	\$ 790,117,449	\$ 106,622,544	13.49%
iLottery Instants	\$ 1,273,500,758	42.2%	\$ 802,255,411	\$ 471,245,347	58.74%	\$ 1,146,227,069	\$ 127,273,689	11.10%
Total	\$ 3,019,365,741	100.0%	\$ 2,493,488,587	\$ 525,877,154	21.09%	\$ 2,754,957,669	\$ 264,408,072	9.60%
Prize Expense				FY23 Rates	FY22 Rates		Forecast Rates	
Scratchers	\$ 608,961,731	27.4%	\$ 650,716,970	71.7%	71.4%	\$ 587,764,242	71.8%	
Draw Games	\$ 476,252,817	21.5%	\$ 390,698,521	53.1%	50.1%	\$ 419,938,716	53.1%	
iLottery Instants	\$ 1,133,905,053	51.1%	\$ 712,449,391	89.0%	88.8%	\$ 1,017,849,641	88.8%	
Total	\$ 2,219,119,601	100.0%	\$ 1,753,864,882	73.5%	70.3%	\$ 2,025,552,599	73.5%	
Retailer Earnings	\$ 93,666,933		\$ 94,283,343	5.7%	5.7%	\$ 90,626,451	5.7%	
Admin Expenses	\$ 126,750,465		\$ 104,944,988	4.2%	4.2%	\$ 126,425,591	4.6%	
Other Income	\$ 2,674,973		\$ 795,329			\$ 800,000		
Profits	\$582,503,715		\$541,190,703	\$41,313,012	7.63%	\$ 513,153,028	\$ 69,350,687	13.51%

Sales Highlights

February activity was steady, with no weather interruptions and the continued strength of iLottery offerings. For FY23, total sales are more than 9% ahead of the official forecast, primarily from the strong jackpot game sales this year (Mega Millions and Powerball). Year-over-year comparison shows sales up more than 21% over last year. However, scratcher ticket sales, games that are sold only in retail stores, are down almost 7% compared to last year.

Profit Highlights

Profits for the month and the year-to-date were strong. February profits were slightly ahead of forecast, culminating in the \$69 million year-to-date surplus versus forecast. We continue to be on a solid pace to meet the profit transfers expected in the budget for the current fiscal year, as anticipated by the Conference Report passed by the House and Senate. Any surplus will become part of the total transfers available in the Lottery Proceeds Fund for FY24.

Other Highlights

A major highlight of the month was a single Virginia ticket winning the estimated \$162.5 million annuity Powerball jackpot on Saturday March 4, 2023. The winning ticket is worth a guaranteed cash value of \$82.6 million. On Monday, March 6, I was proud to visit Gill Brothers, the retail store that sold the ticket, in Dublin, Virginia to present the owner with a \$50,000 check. The bonus was earned through our longstanding retailer selling bonus program. This is just one of many ways our valuable retailer partners share in the benefits of lottery sales.

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

Respectfully,



Kelly T. Gee

- c: The Honorable Janet D. Howell, Chairwoman, Senate Finance & Appropriations Committee
- The Honorable Barry D. Knight, Chairman, House Appropriations Committee
- The Honorable Roxann L. Robinson, Chairwoman, House Finance Committee
- The Honorable Jeff Goettman, Chief of Staff, Office of the Governor
- The Honorable Stephen E. Cummings, Secretary of Finance
- Michael Maul, Director, Department of Planning & Budget
- Lewis R. McCabe, State Comptroller
- April Kees, Director, Senate Finance & Appropriations Committee
- Anne E. Oman, Staff Director, House Appropriations Committee
- Ferhan Hamid, Chairman, Virginia Lottery Board