



May 31, 2023

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

Re: April 2023 Lottery Results

Dear Governor Youngkin:

I am very pleased to provide our report of monthly activities and financial update for the month of April 2023, as required in §58.1-4006 of the *Code of Virginia*. I am showing results compared to the estimates included in Chapter 769, the budget passed on April 12, 2023.

April Monthly Update:

	Monthly Actuals Apr FY23	% of Total	Monthly Actuals Apr FY22	Current Month FY23 vs FY22		Monthly Forecast Apr FY23	Current Month Actuals vs Forecast	
				\$ Change	% Change		\$ Change	% Change
Sales								
Scratchers	\$ 98,921,968	25.6%	\$ 108,151,568	\$ (9,229,600)	-8.5%	\$ 104,011,599	\$ (5,089,631)	-4.9%
Draw Games	\$ 89,943,885	23.2%	\$ 96,015,695	\$ (6,071,810)	-6.3%	\$ 94,728,498	\$ (4,784,613)	-5.1%
iLottery Instant	\$ 198,141,777	51.2%	\$ 118,439,363	\$ 79,702,414	67.3%	\$ 160,000,000	\$ 38,141,777	23.8%
Total	\$ 387,007,630	100.0%	\$ 322,606,626	\$ 64,401,004	20.0%	\$ 358,740,097	\$ 28,267,533	7.9%
Prize Expense				<u>FY23 Rates</u>	<u>FY22 Rates</u>		<u>Forecast Rates</u>	
Scratchers	\$ 72,374,816	24.9%	\$ 78,395,192	73.2%	72.5%	\$ 74,680,328	71.8%	
Draw Games	\$ 42,794,231	14.7%	\$ 52,535,859	47.6%	54.7%	\$ 50,604,545	53.4%	
iLottery Instant	\$ 175,483,785	60.4%	\$ 104,837,160	88.6%	88.5%	\$ 142,080,000	88.8%	
Total	\$ 290,652,832	100.0%	\$ 235,768,211	75.1%	73.1%	\$ 267,364,873	74.5%	
Retailer Earnings	\$ 10,571,203		\$ 11,658,718	5.9%	5.9%	\$ 11,223,225	5.7%	
Admin Expenses	\$ 15,946,897		\$ 12,039,768	4.1%	3.7%	\$ 13,247,703	3.7%	
Other Income	\$ 570,197		\$ 34,723			\$ 266,488		
Profits	<u>\$ 70,406,895</u>		<u>\$ 63,174,652</u>	<u>\$ 7,232,243</u>	<u>11.4%</u>	<u>\$ 67,170,784</u>	<u>\$ 3,236,111</u>	<u>4.8%</u>

Fiscal Year to Date Update:

	YTD FY23 Apr	% of Total	YTD FY22 Apr	Year to Date FY23 vs FY22		Forecast FY23 YTD Apr	Year to Date FY23 vs FY23 Forecast	
<u>Sales</u>				<u>\$ Change</u>	<u>% Change</u>		<u>\$ Change</u>	<u>% Change</u>
Scratchers	\$ 1,067,323,205	27.9%	\$ 1,131,933,094	\$ (64,609,889)	-5.7%	\$ 1,037,852,193	\$ 29,471,012	2.8%
Draw Games	\$ 1,082,795,285	28.3%	\$ 967,979,725	\$ 114,815,560	11.9%	\$ 982,662,337	\$ 100,132,948	10.2%
iLottery Instants	\$ 1,680,087,655	43.9%	\$ 1,043,571,134	\$ 636,516,521	61.0%	\$ 1,471,227,069	\$ 208,860,586	14.2%
Total	\$ 3,830,206,145	100.0%	\$ 3,143,483,953	\$ 686,722,192	21.8%	\$ 3,491,741,599	\$ 338,464,546	9.7%
<u>Prize Expense</u>				<u>FY23 Rates</u>	<u>FY22 Rates</u>		<u>Forecast Rates</u>	
Scratchers	\$ 768,927,051	27.2%	\$ 809,214,821	72.0%	71.5%	\$ 745,177,874	71.8%	
Draw Games	\$ 562,779,081	19.9%	\$ 493,256,581	52.0%	51.0%	\$ 522,686,846	53.2%	
iLottery Instants	\$ 1,493,763,775	52.9%	\$ 925,663,403	88.9%	88.7%	\$ 1,306,449,637	88.8%	
Total	\$ 2,825,469,907	100.0%	\$ 2,228,134,805	73.8%	70.9%	\$ 2,574,314,357	73.7%	
<u>Retailer Earnings</u>	\$ 115,869,552		\$ 117,595,365	5.7%	5.8%	\$ 113,916,874	5.7%	
<u>Admin Expenses</u>	\$ 159,617,227		\$ 131,088,643	4.2%	4.2%	\$ 156,321,804	4.5%	
<u>Other Income</u>	\$ 3,569,500		\$ 859,353			\$ 1,166,488		
<u>Profits</u>	<u>\$ 732,818,959</u>		<u>\$ 667,524,493</u>	<u>\$ Change</u>	<u>% Change</u>	<u>\$ 648,355,052</u>	<u>\$ Change</u>	<u>% Change</u>
				<u>\$ 65,294,466</u>	<u>9.8%</u>		<u>\$ 84,463,907</u>	<u>13.0%</u>

Sales Highlights

For FY23, total sales are nearly 10% ahead of the official forecast, primarily from the strong jackpot game sales this year (Mega Millions and Powerball) and the continued strength of iLottery offerings. Year-over-year comparison shows sales up nearly 22%. However, scratcher ticket sales, games that are sold only in retail stores, are down nearly 6% compared to last year.

Profit Highlights

Profits for the month and the year-to-date continue strong. April profits were ahead of forecast, culminating in the \$84 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. Any surplus will become part of the total transfers available in the Lottery Proceeds Fund for FY24.

Other Highlights

I am proud to share that the Virginia Lottery will receive four awards at the 76th Annual Virginia Public Relations Awards in June. Two of the awards are related to the Lottery’s responsible gaming awareness efforts, one reflects the year-round connection we have with our K-12 public educators, and one spotlights the creative ways in which we engage with our players via a monthly electronic newsletter. The breadth of these recognitions highlights the presence and value of the Virginia Lottery in every corner of the commonwealth.

Finally, in June we look forward to awarding four educators in surprise presentations through our Thank a Teacher campaign. The teachers in Chesterfield, Williamsburg, Winchester and Roanoke each will receive a Virginia-themed vacation and supplies for their school. This campaign provides a fantastic opportunity to remind both our key education stakeholders and all of our dedicated Lottery employees about our important mission to raise revenue for our public schools.

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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