



March 29, 2024

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

Re: February 2024 Lottery Results

Dear Governor Youngkin:

I am very pleased to provide our report of monthly activities and financial update for the month of February 2024, as required in §58.1-4006 of the *Code of Virginia*. Comparisons to forecast are based on the estimates as included in HB/SB29 for fiscal year 2024.

February Monthly Update:

	Monthly Actuals Feb FY24	% of Total	Monthly Actuals Feb FY23	Current Month FY24 vs FY23		Monthly Forecast Feb FY24	Current Month Actuals vs Forecast	
				\$ Change	% Change		\$ Change	% Change
Sales								
Scratchers	\$ 107,697,032	24.9%	\$ 100,595,619	\$ 7,101,413	7.1%	\$ 100,000,000	\$ 7,697,032	7.7%
Draw Games	\$ 93,138,971	21.5%	\$ 89,133,182	\$ 4,005,789	4.5%	\$ 87,817,504	\$ 5,321,467	6.1%
iLottery Instants	\$ 231,890,813	53.6%	\$ 176,346,160	\$ 55,544,653	31.5%	\$ 246,000,000	\$ (14,109,187)	-5.7%
Total	\$ 432,726,816	100.0%	\$ 366,074,961	\$ 66,651,855	18.2%	\$ 433,817,504	\$ (1,090,688)	-0.3%
Prize Expense				<u>FY24 Rates</u>	<u>FY23 Rates</u>		<u>Forecast Rates</u>	
Scratchers	\$ 78,879,842	23.3%	\$ 73,575,963	73.2%	73.1%	\$ 72,200,000	72.2%	
Draw Games	\$ 52,336,606	15.5%	\$ 44,025,444	56.2%	49.4%	\$ 46,947,553	53.5%	
iLottery Instants	\$ 206,978,413	61.2%	\$ 156,423,990	89.3%	88.7%	\$ 218,694,000	88.9%	
Total	\$ 338,194,861	100.0%	\$ 274,025,397	78.2%	74.9%	\$ 337,841,553	77.9%	
Retailer Earnings	\$ 10,699,431		\$ 10,215,159	5.6%	5.6%	\$ 10,672,601	5.7%	
Admin Expenses	\$ 17,240,115		\$ 16,131,057	4.0%	4.4%	\$ 19,980,152	4.6%	
Other Income	\$ 559,858		\$ 290,408			\$ 350,000		
Profits	\$ 67,152,267		\$ 65,993,756	\$ 1,158,511	1.8%	\$ 65,673,198	\$ 1,479,069	2.3%

March 29, 2024

Page Two

February Highlights

With one additional day in February 2024, total sales were stronger than last February; however, profits were lower than last year due to player luck and higher prize expense rates. No significant winter weather interruptions, one additional sales day and the continued reduced competition in the retail market supported a 5.5% retail sales growth this month when compared to February 2023.

Fiscal Year to Date Update:

	YTD FY24 Feb	% of Total	YTD FY23 Feb	Year to Date FY24 vs FY23		Forecast FY24 YTD Feb	Year to Date FY24 vs FY24 Forecast	
				\$ Change	% Change		\$ Change	% Change
Sales								
Scratchers	\$ 817,747,267	23.0%	\$ 849,124,990	\$ (31,377,723)	-3.7%	\$ 795,408,963	\$ 22,338,304	2.8%
Draw Games	\$ 873,688,366	24.6%	\$ 896,739,993	\$ (23,051,627)	-2.6%	\$ 852,450,245	\$ 21,238,121	2.5%
iLottery Instants	\$ 1,858,599,718	52.4%	\$ 1,273,500,758	\$ 585,098,960	45.9%	\$ 1,866,000,000	\$ (7,400,282)	-0.4%
Total	\$ 3,550,035,351	100.0%	\$ 3,019,365,741	\$ 530,669,610	17.6%	\$ 3,513,859,208	\$ 36,176,143	1.0%
Prize Expense				FY24 Rates	FY23 Rates		Forecast Rates	
Scratchers	\$ 591,539,160	21.7%	\$ 608,961,731	72.3%	71.7%	\$ 574,285,271	72.2%	
Draw Games	\$ 471,743,707	17.3%	\$ 476,252,817	54.0%	53.1%	\$ 451,788,396	53.0%	
iLottery Instants	\$ 1,662,287,614	61.0%	\$ 1,133,905,055	89.4%	89.0%	\$ 1,658,874,000	88.9%	
Total	\$ 2,725,570,481	100.0%	\$ 2,219,119,603	76.8%	73.5%	\$ 2,684,947,667	76.4%	
<u>Retail Earnings</u>	\$ 89,632,922		\$ 93,666,933	5.7%	5.7%	\$ 92,818,839	5.7%	
<u>Admin Expenses</u>	\$ 132,302,304		\$ 126,750,465	3.7%	4.2%	\$ 158,080,363	4.5%	
<u>Other Income</u>	\$ 7,582,469		\$ 2,674,973			\$ 2,800,000		
Profits	\$ 610,112,113		\$ 582,503,713	\$ 27,608,400	4.7%	\$ 580,812,339	\$ 29,299,774	5.0%

Year to Date Highlights

For the fiscal year, iLottery Instants continue to experience strong growth in the fourth year of availability. Overall profits are up 5% compared both to last year and the updated forecast included in your introduced budget.

Other Highlights

We continue to monitor legislation from the 2024 Session related to the regulation of skill games, casino gaming, and illegal gambling coordination efforts. Our retail sales activity continues to show strength in the recent weeks since skill games were widely disabled following the Supreme Court ruling.

A highlight from this month has been the recognition of three talented public-school students through the Lottery’s Thank a Teacher Art Contest. We had the great pleasure of visiting several areas of our beautiful state for these surprise presentations. In addition to receiving gift cards and supplies for their schools from our partners at The Supply Room, the designs from

March 29, 2024

Page Three

these artists will be featured on thousands of thank-you notes that will be distributed to educators across the state through the Lottery's Thank a Teacher campaign in April and May:

- Sadie Clark, Mountain View Elementary, Grade 5, Roanoke County Public Schools
- Maria Rose Sajan, Grafton Middle School, Grade 7, York County School Division
- Helen Hou, Albemarle High School, Grade 12, Albemarle County Public Schools

The Virginia Lottery's mission to support public education K-12 is highlighted through these campaigns and many other initiatives throughout the year.

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

Respectfully,



Tony R. Russell

- c: The Honorable L. Louise Lucas, Chairwoman, Senate Finance & Appropriations Committee
 The Honorable Luke E. Torian, Chairman, House Appropriations Committee
 The Honorable Vivian E. Watts, 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
 Sharon H. Lawrence, Acting State Comptroller
 April Kees, Director, Senate Finance & Appropriations Committee
 Anne E. Oman, Staff Director, House Appropriations Committee
 Ferhan Hamid, Chairman, Virginia Lottery Board