



April 30, 2024

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

**Re: March 2024 Lottery Results**

Dear Governor Youngkin:

I am very pleased to provide our report of monthly activities and financial update for the month of March 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.

March Monthly Update:

	Monthly Actuals Mar FY24	% of Total	Monthly Actuals Mar FY23	Current Month FY24 vs FY23		Monthly Forecast Mar FY24	Current Month Actuals vs Forecast	
				\$ Change	% Change		\$ Change	% Change
<b>Sales</b>								
Scratchers	\$ 136,716,049	25.4%	\$ 119,276,247	\$ 17,439,802	14.6%	\$ 118,000,000	\$ 18,716,049	15.9%
Draw Games	\$ 129,080,510	24.0%	\$ 96,111,407	\$ 32,969,103	34.3%	\$ 97,806,590	\$ 31,273,920	32.0%
iLottery Instants	\$ 272,507,470	50.6%	\$ 208,445,120	\$ 64,062,350	30.7%	\$ 246,000,000	\$ 26,507,470	10.8%
Total	\$ 538,304,029	100.0%	\$ 423,832,774	\$ 114,471,255	27.0%	\$ 461,806,590	\$ 76,497,439	16.6%
<b>Prize Expense</b>				<u>FY24 Rates</u>	<u>FY23 Rates</u>		<u>Forecast Rates</u>	
Scratchers	\$ 101,282,155	24.8%	\$ 87,590,504	74.1%	73.4%	\$ 85,196,000	72.2%	
Draw Games	\$ 64,629,882	15.8%	\$ 43,732,033	50.1%	45.5%	\$ 52,175,438	53.3%	
iLottery Instants	\$ 242,110,141	59.3%	\$ 184,374,935	88.8%	88.5%	\$ 218,694,000	88.9%	
Total	\$ 408,022,178	100.0%	\$ 315,697,472	75.8%	74.5%	\$ 356,065,438	77.1%	
<u>Retailer Earnings</u>	\$ 15,807,167		\$ 11,631,417	6.4%	5.6%	\$ 12,294,039	5.7%	
<u>Admin Expenses</u>	\$ 19,543,911		\$ 16,919,870	3.6%	4.0%	\$ 20,458,043	4.4%	
<u>Other Income</u>	\$ 609,582		\$ 324,330			\$ 350,000		
<b>Profits</b>	<b>\$ 95,540,355</b>		<b>\$ 79,908,345</b>	<b>\$ 15,632,010</b>	<b>19.6%</b>	<b>\$ 73,339,070</b>	<b>\$ 22,201,285</b>	<b>30.3%</b>

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March Highlights

March 2024 saw several new records set: highest monthly scratcher sales, highest monthly iLottery Instants sales, and highest monthly profits. The scratcher monthly record, for a product sold only at retail locations across Virginia, shattered the previous record established in March 2021. Retail sales have continued to perform strongly in calendar year 2024, with March 2024 retail sales nearly 20% higher than March 2023. Retail sales were strengthened due to both national jackpot games (Mega Millions and Powerball) rolling to over \$1 billion in March, helping to support record profits for the month.

Fiscal Year to Date Update:

	YTD FY24 Mar	% of Total	YTD FY23 Mar	Year to Date FY24 vs FY23		Forecast FY24 YTD Mar	Year to Date FY24 vs FY24 Forecast	
				\$ Change	% Change		\$ Change	% Change
<b>Sales</b>								
Scratchers	\$ 954,463,316	23.3%	\$ 968,401,237	\$ (13,937,921)	-1.4%	\$ 913,408,963	\$ 41,054,353	4.5%
Draw Games	\$ 1,002,768,876	24.5%	\$ 992,851,400	\$ 9,917,476	1.0%	\$ 950,256,835	\$ 52,512,041	5.5%
iLottery Instants	\$ 2,131,107,188	52.1%	\$ 1,481,945,878	\$ 649,161,310	43.8%	\$ 2,112,000,000	\$ 19,107,188	0.9%
Total	\$ 4,088,339,380	100.0%	\$ 3,443,198,515	\$ 645,140,865	18.7%	\$ 3,975,665,798	\$ 112,673,582	2.8%
<b>Prize Expense</b>				<u>FY24 Rates</u>	<u>FY23 Rates</u>		<u>Forecast Rates</u>	
Scratchers	\$ 692,821,315	22.1%	\$ 696,552,235	72.6%	71.9%	\$ 659,481,271	72.2%	
Draw Games	\$ 536,373,589	17.1%	\$ 519,984,850	53.5%	52.4%	\$ 503,963,833	53.0%	
iLottery Instants	\$ 1,904,397,755	60.8%	\$ 1,318,279,990	89.4%	89.0%	\$ 1,877,568,000	88.9%	
Total	\$ 3,133,592,659	100.0%	\$ 2,534,817,075	76.6%	73.6%	\$ 3,041,013,104	76.5%	
Retailer Earnings	\$ 105,440,089		\$ 105,298,349	5.8%	5.7%	\$ 105,112,878	5.7%	
Admin Expenses	\$ 151,846,214		\$ 143,670,329	3.7%	4.2%	\$ 178,538,413	4.5%	
Other Income	\$ 8,192,050		\$ 2,999,303			\$ 3,150,000		
<b>Profits</b>	<u>\$ 705,652,468</u>		<u>\$ 662,412,065</u>	<u>\$ 43,240,403</u>	<u>6.5%</u>	<u>\$ 654,151,403</u>	<u>\$ 51,501,065</u>	<u>7.9%</u>

Year to Date Highlights

For the fiscal year, iLottery Instants continue to experience strong growth. Beginning in January, retail sales also began to show growth over the prior year, and we expect that the deficit accumulated in the first half of FY24 will be fully erased by the end of June. Overall profits are up 6.5% compared to last year, and nearly 8% stronger than 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, as well as the budget process. Our retail sales activity continues to show strength in the months since skill games were widely disabled following the Supreme Court of Virginia’s ruling. The conference budget anticipated \$25 million in excess FY24 profits to be available as part of the FY25 Lottery Proceeds Fund for K-12 public education.

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On May 1, the Virginia Lottery Board will hold a regular business meeting in Portsmouth at Tidewater Community College, near the first permanent established Virginia casino, and will welcome its newest appointed member: Sherry L. Williams.

This is my first update to you in my role as Executive Director of the Virginia Lottery. I am honored to lead the Virginia Lottery in its continued successes, maintaining its established best-in-class performance. In a state with arguably the most competitive gaming market in the U.S. today, continuing the successful business operations while growing the regulatory oversight responsibilities to maintain the public trust and confidence in Virginia gaming is my baseline goal. I know that we will continue to establish new industry standards, all of which benefit the Commonwealth of Virginia, our public schools, localities, problem gambling treatment, and all of the programs and services associated with gaming.

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

Respectfully,



Khalid R. Jones

- 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