



October 31, 2024

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

Re: September 2024 Lottery Results

Dear Governor Youngkin:

I am very pleased to provide our report of monthly activities and financial update for the month of September 2024, as required in §58.1-4006 of the *Code of Virginia*.

September Monthly Update:

	Monthly Actuals Sept FY25	% of Total	Monthly Actuals Sept FY24	Current Month FY25 vs FY24	
<u>Sales</u>				<u>\$ Change</u>	<u>% Change</u>
Scratchers	\$ 107,005,255	24.2%	\$ 95,956,269	\$ 11,048,986	11.5%
Draw Games	\$ 95,026,379	21.5%	\$ 101,932,750	\$ (6,906,371)	-6.8%
iLottery Instants	\$ 240,722,591	<u>54.4%</u>	\$ 219,252,389	\$ 21,470,202	<u>9.8%</u>
Total	\$ 442,754,225	100.0%	\$ 417,141,408	\$ 25,612,817	6.1%
<u>Prize Expense</u>				<u>FY25 Rates</u>	<u>FY24 Rates</u>
Scratchers	\$ 79,521,846	23.3%	\$ 70,465,853	74.3%	73.4%
Draw Games	\$ 46,884,300	13.7%	\$ 51,206,622	49.3%	50.2%
iLottery Instants	\$ 215,529,640	<u>63.0%</u>	\$ 196,518,604	<u>89.5%</u>	<u>89.6%</u>
Total	\$ 341,935,786	100.0%	\$ 318,191,079	77.2%	76.3%
<u>Retailer Earnings</u>	\$ 10,911,701		\$ 10,130,733	5.8%	5.5%
<u>Admin Expenses</u>	\$ 18,361,746		\$ 15,753,852	4.1%	3.8%
<u>Other Income</u>	\$ 1,122,780		\$ 879,179		
<u>Profits</u>	<u>\$ 72,667,772</u>		<u>\$ 73,944,923</u>	<u>\$ (1,277,151)</u>	<u>-1.7%</u>

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Fiscal Year to Date Update:

	YTD FY25 Sept	% of Total	YTD FY24 Sept	Year to Date FY25 vs FY24	
<u>Sales</u>				<u>\$ Change</u>	<u>% Change</u>
Scratchers	\$ 325,347,667	24.1%	\$ 288,405,551	\$ 36,942,116	12.8%
Draw Games	\$ 285,780,881	21.1%	\$ 348,368,075	\$ (62,587,194)	-18.0%
iLottery Instant	\$ 741,228,893	54.8%	\$ 664,647,642	\$ 76,581,251	11.5%
Total	\$ 1,352,357,441	100.0%	\$ 1,301,421,268	\$ 50,936,173	3.9%
<u>Prize Expense</u>				<u>FY25 Rates</u>	<u>FY24 Rates</u>
Scratchers	\$ 238,466,142	22.8%	\$ 207,420,719	73.3%	71.9%
Draw Games	\$ 145,363,372	13.9%	\$ 182,123,634	50.9%	52.3%
iLottery Instant	\$ 662,430,505	63.3%	\$ 596,673,370	89.4%	89.8%
Total	\$ 1,046,260,019	100.0%	\$ 986,217,723	77.4%	75.8%
<u>Retailer Earnings</u>	\$ 32,334,899		\$ 32,376,589	5.6%	5.5%
<u>Admin Expenses</u>	\$ 53,522,697		\$ 46,892,833	4.0%	3.6%
<u>Other Income</u>	\$ 2,356,067		\$ 2,433,733		
<u>Profits</u>	\$ 222,595,893		\$ 238,367,856	\$ (15,771,963)	-6.6%

Sales Highlights

FY25 continues to see improved performance from scratcher sales, a product sold only at licensed retail locations, as well as iLottery instant games. Draw game sales continue to be lower than last year, primarily due to the cycle of national game jackpots (Powerball & Mega Millions) this year compared to this time last year. Overall, sales were up nearly 4% compared to last year.

Profit Highlights

September profits were lower than last year due to lower jackpot game sales. Year to date, profits were down more than 6% from last year's exceptionally strong result. Overall, profits totaled more than \$222 million in the first quarter. Retailer earnings were only slightly lower year over year, although the retailer earnings rate is higher than last year for the first quarter.

Other Highlights

One of many features of retailer compensation is earnings in the form of bonuses for selling winning tickets associated with large prizes. I was recently joined by Lottery Board member Sherry Williams and several Lottery employees to present a \$10,000 check to franchisee owner Mehedul "Rony" Islam whose Henrico location sold a \$7 million winning Scratcher ticket. It was a pleasure to witness Mr. Islam's excitement and a great reminder of the Virginia Lottery's support of businesses all across the Commonwealth.

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Also, the Lottery Board held a regular business meeting this week to review and discuss revisions to the Lottery forecast for the current biennium. Those recommendations were forwarded to you and key members of your administration.

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

Respectfully,

A handwritten signature in black ink, appearing to read "Khalid R. Jones". The signature is fluid and cursive, with the first name "Khalid" being more prominent than the last name "Jones".

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 John Littel, Chief of Staff, Office of the Governor
- The Honorable Stephen E. Cummings, Secretary of Finance
- Michael Maul, Director, Department of Planning & Budget
- Scott Adams, State Comptroller
- April Kees, Director, Senate Finance & Appropriations Committee
- Anne E. Oman, Staff Director, House Appropriations Committee
- Ferhan Hamid, Chairman, Virginia Lottery Board