



December 2, 2024

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

Re: October 2024 Lottery Results

Dear Governor Youngkin:

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

October Monthly Update:

	Monthly Actuals Oct FY25	% of Total	Monthly Actuals Oct FY24	Current Month FY25 vs FY24	
<u>Sales</u>				\$ Change	% Change
Scratchers	\$ 103,995,853	23.4%	\$ 90,636,122	\$ 13,359,731	14.7%
Draw Games	\$ 92,174,025	20.8%	\$ 118,474,024	\$ (26,299,999)	-22.2%
iLottery Instant	\$ 247,425,064	<u>55.8%</u>	\$ 228,074,073	\$ 19,350,991	<u>8.5%</u>
Total	\$ 443,594,942	100.0%	\$ 437,184,219	\$ 6,410,723	1.5%
<u>Prize Expense</u>				FY25 Rates	FY24 Rates
Scratchers	\$ 75,002,847	21.9%	\$ 65,202,134	72.1%	71.9%
Draw Games	\$ 45,006,031	13.1%	\$ 67,265,558	48.8%	56.8%
iLottery Instant	\$ 222,618,164	<u>65.0%</u>	\$ 204,008,888	<u>90.0%</u>	<u>89.4%</u>
Total	\$ 342,627,042	100.0%	\$ 336,476,580	77.2%	77.0%
<u>Retailer Earnings</u>	\$ 11,844,498		\$ 10,987,976	6.4%	5.7%
<u>Admin Expenses</u>	\$ 17,769,521		\$ 16,913,867	4.0%	3.9%
<u>Other Income</u>	\$ 1,197,922		\$ 1,104,510		
<u>Profits</u>	\$ <u>72,551,803</u>		\$ <u>73,910,306</u>	\$ <u>(1,358,503)</u>	<u>-1.8%</u>

Fiscal Year to Date Update:

	YTD FY25 Oct	% of Total	YTD FY24 Oct	Year to Date FY25 vs FY24	
<u>Sales</u>				<u>\$ Change</u>	<u>% Change</u>
Scratchers	\$ 429,343,520	23.9%	\$ 379,041,673	\$ 50,301,847	13.3%
Draw Games	\$ 377,954,906	21.0%	\$ 466,842,098	\$ (88,887,192)	-19.0%
iLottery Instant	\$ 988,653,956	55.0%	\$ 892,721,715	\$ 95,932,241	10.7%
Total	\$ 1,795,952,382	100.0%	\$ 1,738,605,486	\$ 57,346,896	3.3%
<u>Prize Expense</u>				<u>FY25 Rates</u>	<u>FY24 Rates</u>
Scratchers	\$ 313,468,989	22.6%	\$ 272,622,853	73.0%	71.9%
Draw Games	\$ 190,369,403	13.7%	\$ 249,389,192	50.4%	53.4%
iLottery Instant	\$ 885,048,669	63.7%	\$ 800,682,258	89.5%	89.7%
Total	\$ 1,388,887,061	100.0%	\$ 1,322,694,303	77.3%	76.1%
<u>Retailer Earnings</u>	\$ 44,179,397		\$ 43,364,565	5.8%	5.5%
<u>Admin Expenses</u>	\$ 71,292,212		\$ 63,806,700	4.0%	3.7%
<u>Other Income</u>	\$ 3,553,985		\$ 3,538,244		
<u>Profits</u>	<u>\$ 295,147,697</u>		<u>\$ 312,278,162</u>	<u>\$ (17,130,465)</u>	<u>-5.5%</u>

Sales Highlights

Scratcher ticket sales, a product category sold only at retail locations, continue to show strong growth over last year. This growth is due to the continued solid relationships with over 5,300 licensed retailer outlets across Virginia, and the absence of skill machines in these locations this year compared to last. iLottery performance also continues to see double-digit growth, but sales of draw games products are down nearly 20% due to the lack of high national jackpots (Mega Millions and Powerball) compared to last year. In total, sales were up more than 3%.

Profit Highlights

October profits were lower than last year due to continued softness in national jackpot game sales. Year to date, profits were down nearly 6% from last year's exceptionally strong result. Overall, profits totaled more than \$295 million in the first third of the fiscal year. Conversely, retailer earnings were stronger than last year, due to the growth in scratcher sales and key retailer incentive programs in place to support both retailer earnings and lottery profits. On average, retailers have earned 5.8% of sales in commissions and incentives this year.

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Other Highlights

The annual Virginia's New Year's Millionaire Raffle is on sale at retailers across the Commonwealth. There are 625,000 tickets available for sale. This popular annual game offers five million-dollar prizes and chances to win several \$100,000 or \$500 prizes. Along with other traditional holiday game offerings, this is the time of year that we take the opportunity through our Gift Responsibly campaign to remind Virginians that lottery games are not for minors.

Virginia Lottery employees have been giving back to communities across the commonwealth through our Lottery Outreach program, including Salvation Army, Feed More: Children's Program, the Chesterfield Food Bank Outreach Center and the Virginia Peninsula Foodbank. Also, our support of the annual Commonwealth of Virginia Campaign is in full swing through a variety of activities including a cornhole tournament, a chili cook-off and bake sale, and a silent auction.

Finally, I was glad to recently participate in the Commonwealth's revenue forecast process, attending both the Joint Advisory Board of Economists and the Governor's Advisory Council on Revenue Estimates meetings. Lottery profits and transfers to the Lottery Proceeds Fund provide about 10% of the funding for K-12 public education, and we constantly ensure that our profits are maximized while also maintaining a focus on responsible gaming, the integrity of our games, and efficient operations.

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 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