



February 28, 2025

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

Re: January 2025 Lottery Results

Dear Governor Youngkin:

I am very pleased to provide our report of monthly activities and financial update for the month of January 2025, as required in §58.1-4006 of the *Code of Virginia*. Comparisons to forecast are based on the estimates as included HB1600/SB800 for fiscal year 2025.

January Monthly Update:

	Monthly Actuals Jan FY25	% of Total	Monthly Actuals Jan FY24	Current Month FY25 vs FY24		Monthly Forecast Jan FY25	Current Month Actuals vs Forecast	
				<u>\$ Change</u>	<u>% Change</u>		<u>\$ Change</u>	<u>% Change</u>
<u>Sales</u>								
Scratchers	\$ 97,267,166	20.0%	\$ 104,743,738	\$ (7,476,572)	-7.1%	\$ 108,677,547	\$ (11,410,381)	-10.5%
Draw Games	\$ 96,634,663	19.9%	\$ 108,543,881	\$ (11,909,218)	-11.0%	\$ 110,734,438	\$ (14,099,775)	-12.7%
iLottery Instant	\$ 292,097,121	60.1%	\$ 241,499,725	\$ 50,597,396	21.0%	\$ 272,383,783	\$ 19,713,338	7.2%
Total	\$ 485,998,950	100.0%	\$ 454,787,344	\$ 31,211,606	6.9%	\$ 491,795,768	\$ (5,796,818)	-1.2%
<u>Prize Expense</u>				<u>FY25 Rates</u>	<u>FY24 Rates</u>		<u>Forecast Rates</u>	
Scratchers	\$ 70,188,358	18.7%	\$ 74,907,393	72.2%	71.5%	\$ 80,421,385	74.0%	
Draw Games	\$ 46,937,257	12.5%	\$ 54,856,866	48.6%	50.5%	\$ 60,242,176	54.4%	
iLottery Instant	\$ 258,896,746	68.9%	\$ 213,475,716	88.6%	88.4%	\$ 243,511,102	89.4%	
Total	\$ 376,022,361	100.0%	\$ 343,239,975	77.4%	75.5%	\$ 384,174,663	78.1%	
Retailer Earnings	\$ 10,607,285		\$ 11,195,277	5.8%	5.5%	\$ 11,742,743	5.7%	
Admin Expenses	\$ 18,861,186		\$ 16,393,727	3.9%	3.6%	\$ 20,497,771	4.2%	
Other Income	\$ 715,224		\$ 641,321			\$ 833,333		
<u>Profits</u>	\$ 81,223,342		\$ 84,599,686	\$ (3,376,344)	-4.0%	\$ 76,213,924	\$ 5,009,418	6.6%

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Fiscal Year to Date Update:

	YTD FY25 Jan	% of Total	YTD FY24 Jan	Year to Date FY25 vs FY24		Forecast FY25 YTD Jan	Year to Date FY25 vs FY25 Forecast	
				<u>\$ Change</u>	<u>% Change</u>		<u>\$ Change</u>	<u>% Change</u>
Sales								
Scratchers	\$ 762,464,168	23.5%	\$ 710,050,235	\$ 52,413,933	7.4%	\$ 763,956,460	\$ (1,492,292)	-0.2%
Draw Games	\$ 678,965,201	20.9%	\$ 780,549,396	\$ (101,584,195)	-13.0%	\$ 691,428,353	\$ (12,463,152)	-1.8%
iLottery Instants	\$ 1,803,389,475	55.6%	\$ 1,626,708,905	\$ 176,680,570	10.9%	\$ 1,820,893,461	\$ (17,503,986)	-1.0%
Total	\$ 3,244,818,844	100.0%	\$ 3,117,308,536	\$ 127,510,308	4.1%	\$ 3,276,278,274	\$ (31,459,430)	-1.0%
Prize Expense				<u>FY25 Rates</u>	<u>FY24 Rates</u>		<u>Forecast Rates</u>	
Scratchers	\$ 558,367,995	22.3%	\$ 512,659,318	73.2%	72.2%	\$ 562,812,477	73.7%	
Draw Games	\$ 333,263,015	13.3%	\$ 419,407,101	49.1%	53.7%	\$ 367,093,070	53.1%	
iLottery Instants	\$ 1,613,501,556	64.4%	\$ 1,455,309,200	89.5%	89.5%	\$ 1,627,878,754	89.4%	
Total	\$ 2,505,132,566	100.0%	\$ 2,387,375,619	77.2%	76.6%	\$ 2,557,784,301	78.1%	
<u>Retailer Earnings</u>	\$ 77,729,644		\$ 78,933,490	5.7%	5.7%	\$ 82,591,882	5.7%	
<u>Admin Expenses</u>	\$ 127,319,425		\$ 115,062,184	3.9%	3.7%	\$ 141,583,670	4.3%	
<u>Other Income</u>	\$ 7,427,855		\$ 7,022,610			\$ 5,833,331		
Profits	\$ 542,065,064		\$ 542,959,853	\$ (894,789)	-0.2%	\$ 500,151,752	\$ 41,913,312	8.4%

Sales Highlights

January weather interruptions contributed to the decline in retail sales activity for the month, with Scratchers and draw games both falling short of monthly goals and behind same month prior year levels. iLottery instants continue to show strong growth, up 21% compared to January 2024 and stronger than forecast for the month.

Overall sales are up more than 4% year to date and just about 1% short of forecast through January. For the year to date, Scratchers are up more than 7% while draw games trail last year's record-breaking performance. Draw game sales are softer than last year due primarily to lower national jackpots and low prize payout rates for the daily games. iLottery instants on the other hand, are up nearly 11% compared to the prior year, and very close to the forecast.

Profit Highlights

Despite overall sales that are slightly below forecast, FY 2025 profits through January total over \$542 million, roughly flat with last year's record breaking pace and more than 8% ahead of the forecast included in the proposed budget. The strength in profits comes from lower-than-expected prize payouts, especially in the daily draw games, and from better than budgeted administrative spending efficiency. Retailers continue to earn nearly 6% of sales in commissions and incentives while total earnings are slightly lower than last year due to softer retail sales.

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Other Highlights

March 1 will mark the beginning of Problem Gambling Awareness Month. Through our long-standing partnership with the Virginia Council on Problem Gambling, the Lottery funds a statewide helpline which serves as a gateway to additional resources for individuals and their families concerned about problem gambling. I was honored to participate in a brand-new public service announcement that will air as part of a robust statewide paid digital media campaign. Though we shine a spotlight on this important message this time each year, we remain committed to reminding Virginians all year long about the importance of responsible play.

Finally, I am looking forward to honoring three outstanding public-school artists as part of our annual Thank a Teacher Art Contest. We will be conducting surprise presentations in York County, Greensville County and Radford City, awarding the student winners with a gift card and the schools with supplies through our great partnership with The Supply Room. The winning artwork will be featured on thousands of thank-you notes that will be distributed to educators across the commonwealth leading up to National Teacher Appreciation Week in the first week of May.

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