



March 31, 2025

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

Re: February 2025 Lottery Results

Dear Governor Youngkin:

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

February Monthly Update:

	Monthly Actuals Feb FY25	% of Total	Monthly Actuals Feb FY24	Current Month FY25 vs FY24		Monthly Forecast Feb FY25	Current Month Actuals vs Forecast	
				<u>\$ Change</u>	<u>% Change</u>		<u>\$ Change</u>	<u>% Change</u>
<u>Sales</u>								
Scratchers	\$ 94,028,866	19.8%	\$ 107,697,032	\$ (13,668,166)	-12.7%	\$ 110,117,752	\$ (16,088,886)	-14.6%
Draw Games	\$ 78,194,226	16.4%	\$ 93,138,971	\$ (14,944,745)	-16.0%	\$ 94,204,178	\$ (16,009,952)	-17.0%
iLottery Instants	\$ 303,394,501	63.8%	\$ 231,890,813	\$ 71,503,688	30.8%	\$ 265,263,368	\$ 38,131,133	14.4%
Total	\$ 475,617,593	100.0%	\$ 432,726,816	\$ 42,890,777	9.9%	\$ 469,585,298	\$ 6,032,295	1.3%
<u>Prize Expense</u>				<u>FY25 Rates</u>	<u>FY24 Rates</u>		<u>Forecast Rates</u>	
Scratchers	\$ 69,854,609	18.6%	\$ 78,879,842	74.3%	73.2%	\$ 81,487,136	74.0%	
Draw Games	\$ 36,927,411	9.8%	\$ 52,336,606	47.2%	56.2%	\$ 51,863,722	55.1%	
iLottery Instants	\$ 268,679,475	71.6%	\$ 206,978,413	88.6%	89.3%	\$ 237,145,451	89.4%	
Total	\$ 375,461,495	100.0%	\$ 338,194,861	78.9%	78.2%	\$ 370,496,309	78.9%	
<u>Retailer Earnings</u>	\$ 9,514,711		\$ 10,699,431	5.9%	5.6%	\$ 11,623,757	5.7%	
<u>Admin Expenses</u>	\$ 18,850,191		\$ 17,240,115	4.0%	4.0%	\$ 20,324,975	4.3%	
<u>Other Income</u>	\$ 641,161		\$ 559,858			\$ 833,333		
<u>Profits</u>	<u>\$ 72,432,357</u>		<u>\$ 67,152,267</u>	<u>\$ 5,280,090</u>	<u>7.9%</u>	<u>\$ 67,973,590</u>	<u>\$ 4,458,767</u>	<u>6.6%</u>

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Fiscal Year to Date Update:

	YTD FY25 Feb	% of Total	YTD FY24 Feb	Year to Date FY25 vs FY24		Forecast FY25 YTD Feb	Year to Date FY25 vs FY25 Forecast	
				<u>\$ Change</u>	<u>% Change</u>		<u>\$ Change</u>	<u>% Change</u>
Sales								
Scratchers	\$ 856,493,034	23.0%	\$ 817,747,267	\$ 38,745,767	4.7%	\$ 874,074,212	\$ (17,581,178)	-2.0%
Draw Games	\$ 757,159,426	20.4%	\$ 873,688,366	\$ (116,528,940)	-13.3%	\$ 785,632,530	\$ (28,473,104)	-3.6%
iLottery Instants	<u>\$ 2,106,783,976</u>	<u>56.6%</u>	<u>\$ 1,858,599,718</u>	<u>\$ 248,184,258</u>	<u>13.4%</u>	<u>\$ 2,086,156,829</u>	<u>\$ 20,627,147</u>	<u>1.0%</u>
Total	\$ 3,720,436,436	100.0%	\$ 3,550,035,351	\$ 170,401,085	4.8%	\$ 3,745,863,571	\$ (25,427,135)	-0.7%
Prize Expense				<u>FY25 Rates</u>	<u>FY24 Rates</u>		<u>Forecast Rates</u>	
Scratchers	\$ 628,222,604	21.8%	\$ 591,539,160	73.3%	72.3%	\$ 644,299,613	73.7%	
Draw Games	\$ 370,190,426	12.9%	\$ 471,743,707	48.9%	54.0%	\$ 418,956,792	53.3%	
iLottery Instants	<u>\$ 1,882,181,031</u>	<u>65.3%</u>	<u>\$ 1,662,287,614</u>	<u>89.3%</u>	<u>89.4%</u>	<u>\$ 1,865,024,205</u>	<u>89.4%</u>	
Total	\$ 2,880,594,061	100.0%	\$ 2,725,570,481	77.4%	76.8%	\$ 2,928,280,610	78.2%	
<u>Retailer Earnings</u>	\$ 87,244,355		\$ 89,632,922	5.7%	5.7%	\$ 94,215,639	5.7%	
<u>Admin Expenses</u>	\$ 146,169,616		\$ 132,302,298	3.9%	3.7%	\$ 161,908,644	4.3%	
<u>Other Income</u>	\$ 8,069,016		\$ 7,582,469			\$ 6,666,664		
Profits	<u>\$ 614,497,420</u>		<u>\$ 610,112,119</u>	<u>\$ 4,385,301</u>	<u>0.7%</u>	<u>\$ 568,125,342</u>	<u>\$ 46,372,078</u>	<u>8.2%</u>

Sales Highlights

Despite February 2025 having one less day compared to last year due to leap year, that 3.5% reduction in selling days did not translate into a downturn in overall sales when compared with February 2024. February lottery sales were up 10%, with most of that increase owed to iLottery activity given that scratcher and retail draw game sales were down 15% combined in February compared with last year.

Overall sales are up nearly 5% year to date and just about 1% short of forecast through February. Retail sales of scratchers and draw games are down more than 4% compared to last year while iLottery instants continue to experience strong growth, up 13% compared to the prior year, and slightly ahead of forecast.

Profit Highlights

Despite overall sales that are slightly below forecast, FY 2025 profits through February total over \$614 million, now slightly ahead of 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. Despite softness in our two core retail products, we are also experiencing near historical highs in retailer compensation through three quarters as retailers continue to earn nearly 6% of sales in commissions and incentives.

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Other Highlights

I have had the great pleasure this month to visit three beautiful areas of the Commonwealth to award three talented public-school students through the Lottery's Thank a Teacher Art Contest with gift cards and supplies for their schools from The Supply Room:

- Avalyn Church, Belle Heth, Radford City, Grade 5
- Riley Rodriguez, Edward Wyatt Middle School, Greenville County, Grade 8
- Allie Beatley, Grafton High School, York County, Grade 9

Participating in these surprise presentations is such a great reminder of why we do what we do at the Lottery and that's supporting our public schools. Highlighting students, educators and schools is truly a highlight for me.

Our core Thank a Teacher campaign, in which we encourage the public to send thank-you notes featuring these beautiful designs to their favorite teachers, kicks off on March 31.

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