



April 30, 2025

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 2025 Lottery Results**

Dear Governor Youngkin:

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

**March Monthly Update:**

	Monthly Actuals Mar FY25	% of Total	Monthly Actuals Mar FY24	Current Month FY25 vs FY24		Monthly Forecast Mar FY25	Current Month Actuals vs Forecast	
<b><u>Sales</u></b>				<u>\$ Change</u>	<u>% Change</u>		<u>\$ Change</u>	<u>% Change</u>
Scratchers	\$ 105,470,316	20.0%	\$ 136,716,049	\$ (31,245,733)	-22.9%	\$ 134,936,770	\$(29,466,454)	-21.8%
Draw Games	\$ 91,494,530	17.4%	\$ 129,080,510	\$ (37,585,980)	-29.1%	\$ 103,945,477	\$(12,450,947)	-12.0%
iLottery Instants	\$ 329,354,543	<u>62.6%</u>	\$ 272,507,470	\$ 56,847,073	<u>20.9%</u>	\$ 299,253,521	\$ 30,101,022	<u>10.1%</u>
Total	\$ 526,319,389	100.0%	\$ 538,304,029	\$ (11,984,640)	-2.2%	\$ 538,135,768	\$(11,816,379)	-2.2%
<b><u>Prize Expense</u></b>				<u>FY25 Rates</u>	<u>FY24 Rates</u>		<u>Forecast Rates</u>	
Scratchers	\$ 78,428,490	18.5%	\$ 101,282,155	74.4%	74.1%	\$ 99,853,210	74.0%	
Draw Games	\$ 49,973,529	11.8%	\$ 64,629,882	54.6%	50.1%	\$ 57,228,457	55.1%	
iLottery Instants	\$ 296,625,958	<u>69.8%</u>	\$ 242,110,141	<u>90.1%</u>	<u>88.8%</u>	\$ 267,532,648	<u>89.4%</u>	
Total	\$ 425,027,977	100.0%	\$ 408,022,178	80.8%	75.8%	\$ 424,614,315	78.9%	
<u>Retailer Earnings</u>	\$ 10,781,035		\$ 15,807,167	5.8%	6.4%	\$ 13,651,803	5.7%	
<u>Admin Expenses</u>	\$ 18,197,316		\$ 19,543,912	3.5%	3.6%	\$ 21,714,087	4.0%	
<u>Other Income</u>	\$ 577,411		\$ 609,582			\$ 833,333		
<b><u>Profits</u></b>	<u>\$ 72,890,472</u>		<u>\$ 95,540,354</u>	<u>\$ (22,649,882)</u>	<u>-23.7%</u>	<u>\$ 78,988,896</u>	<u>\$ (6,098,424)</u>	<u>-7.7%</u>

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Fiscal Year to Date Update:

	YTD FY25 Mar	% of Total	YTD FY24 Mar	Year to Date FY25 vs FY24		Forecast FY25 YTD Mar	Year to Date FY25 vs FY25 Forecast	
<b><u>Sales</u></b>				<u>\$ Change</u>	<u>% Change</u>		<u>\$ Change</u>	<u>% Change</u>
Scratchers	\$ 961,963,350	22.7%	\$ 954,463,316	\$ 7,500,034	0.8%	\$ 1,009,010,982	\$ (47,047,632)	-4.7%
Draw Games	\$ 848,653,956	20.0%	\$ 1,002,768,876	\$ (154,114,920)	-15.4%	\$ 889,578,007	\$ (40,924,051)	-4.6%
iLottery Instants	<u>\$ 2,436,138,519</u>	<u>57.4%</u>	<u>\$ 2,131,107,188</u>	<u>\$ 305,031,331</u>	<u>14.3%</u>	<u>\$ 2,385,410,350</u>	<u>\$ 50,728,169</u>	<u>2.1%</u>
Total	\$ 4,246,755,825	100.0%	\$ 4,088,339,380	\$ 158,416,445	3.9%	\$ 4,283,999,339	\$ (37,243,514)	-0.9%
<b><u>Prize Expense</u></b>				<u>FY25 Rates</u>	<u>FY24 Rates</u>		<u>Forecast Rates</u>	
Scratchers	\$ 706,651,094	21.4%	\$ 692,821,315	73.5%	72.6%	\$ 744,152,823	73.8%	
Draw Games	\$ 420,163,954	12.7%	\$ 536,373,589	49.5%	53.5%	\$ 476,185,249	53.5%	
iLottery Instants	<u>\$ 2,178,806,990</u>	<u>65.9%</u>	<u>\$ 1,904,397,755</u>	<u>89.4%</u>	<u>89.4%</u>	<u>\$ 2,132,556,852</u>	<u>89.4%</u>	
Total	\$ 3,305,622,038	100.0%	\$ 3,133,592,659	77.8%	76.6%	\$ 3,352,894,924	78.3%	
<u>Retailer Earnings</u>	\$ 98,025,390		\$ 105,440,089	5.7%	5.8%	\$ 107,867,443	5.7%	
<u>Admin Expenses</u>	\$ 164,366,931		\$ 151,846,208	3.9%	3.7%	\$ 183,622,731	4.3%	
<u>Other Income</u>	\$ 8,646,427		\$ 8,192,050			\$ 7,499,997		
<b><u>Profits</u></b>	<u>\$ 687,387,893</u>		<u>\$ 705,652,474</u>	<u>\$ (18,264,581)</u>	<u>-2.6%</u>	<u>\$ 647,114,238</u>	<u>\$ 40,273,655</u>	<u>6.2%</u>

### Monthly Sales Highlights

March sales fell 2% short of forecast due to lower retail Lottery sales with national game jackpots under \$500M. Compare this to last March, when both national games had jackpots surpass \$1B. Historically, high national jackpots have a crossover impact on Scratcher sales as well. As a result, Scratcher sales also fell well below expectations. iLottery activity, however, shows a strong 10% year-over-year growth.

### Year to Date Sales Highlights

Overall sales are up nearly 4% year-to-date but are 1% below forecast through March. Retail Scratcher sales are up nearly 1% from last year, while draw games have declined by over 15%, mainly due to low national jackpots. iLottery's 14% growth has been crucial for maintaining overall profit strength.

### Profit Highlights

Although overall sales are slightly below forecast, profits for FY 2025 through March exceed \$687 million, which is more than \$40 million ahead of the forecast included in the proposed budget. The higher profitability is attributed to lower-than-expected prize payouts, particularly in daily draw games, better than expected administrative spending efficiency and historical iLottery performance through three quarters. Despite the weaker performance of our two core retail products, retailer compensation for the first three quarters is approaching \$100 million, with retailers continuing to earn nearly 6% of sales in commissions and incentives.

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Other Highlights

I want to take this opportunity to express our gratitude to Cynthia Lawrence for her service on the Virginia Lottery Board. We appreciate all citizens who serve the Commonwealth in this capacity, and it is particularly notable that Ms. Lawrence's role spanned two decades. We look forward to working with our newly appointed Board member, Charles W. King, the current Interim President of James Madison University.

I am proud to share that during the month of April Virginia Lottery employees have had a strong presence in communities across the Commonwealth in support of Global Volunteer Month. Through our uniquely designed Lottery Outreach Program, approximately 150 employees have provided more than 500 hours of service to about a dozen organizations, including Jill's Blankets, Habitat for Humanity, SOAR 365 and several food banks from southwest Virginia to the Peninsula to name a few.

The people at this agency are the reason I can say that my first year in this role, which I officially marked on April 10, has been the most rewarding of my professional life. Our more than 400 employees are incredibly dedicated and passionate individuals who are truly a pleasure to lead. From my first day on the job, I have felt incredibly welcomed and I am honored to continue supporting the mission of the Virginia Lottery.

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', with a stylized flourish at the end.

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