



January 2, 2025

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

Re: November 2024 Lottery Results

Dear Governor Youngkin:

I am very pleased to provide our report of monthly activities and financial update for the month of November 2024, as required in §58.1-4006 of the *Code of Virginia*. Also with this month’s reporting, I am providing activity compared to the forecasted Lottery profit transfers as included in HB1600/SB800 for fiscal year 2025.

November Monthly Update:

	Monthly Actuals Nov FY25	% of Total	Monthly Actuals Nov FY24	Current Month FY25 vs FY24		Monthly Forecast Nov FY25	Current Month Actuals vs Forecast	
				<u>\$ Change</u>	<u>% Change</u>		<u>\$ Change</u>	<u>% Change</u>
<u>Sales</u>								
Scratchers	\$ 111,987,656	24.7%	\$ 101,844,793	\$ 10,142,863	10.0%	\$ 103,985,751	\$ 8,001,905	7.7%
Draw Games	\$ 92,672,552	20.5%	\$ 94,268,902	\$ (1,596,350)	-1.7%	\$ 95,917,394	\$ (3,244,842)	-3.4%
iLottery Instants	\$ 248,394,258	54.8%	\$ 228,450,219	\$ 19,944,039	8.7%	\$ 255,579,459	\$ (7,185,201)	-2.8%
Total	\$ 453,054,466	100.0%	\$ 424,563,914	\$ 28,490,552	6.7%	\$ 455,482,604	\$ (2,428,138)	-0.5%
<u>Prize Expense</u>				<u>FY25 Rates</u>	<u>FY24 Rates</u>		<u>Forecast Rates</u>	
Scratchers	\$ 83,552,357	23.8%	\$ 74,558,876	74.6%	73.2%	\$ 76,949,456	74.0%	
Draw Games	\$ 45,830,418	13.1%	\$ 55,652,319	49.5%	59.0%	\$ 52,480,486	54.7%	
iLottery Instants	\$ 221,595,234	63.1%	\$ 204,558,241	89.2%	89.5%	\$ 228,488,036	89.4%	
Total	\$ 350,978,009	100.0%	\$ 334,769,436	77.5%	78.9%	\$ 357,917,978	78.6%	
<u>Retailer Earnings</u>	\$ 11,197,956		\$ 10,643,471	5.8%	5.7%	\$ 11,334,869	5.7%	
<u>Admin Expenses</u>	\$ 18,831,955		\$ 18,583,017	4.2%	4.4%	\$ 19,988,861	4.4%	
<u>Other Income</u>	\$ 1,386,143		\$ 1,561,305			\$ 833,334		
<u>Profits</u>	<u>\$ 73,432,689</u>		<u>\$ 62,129,295</u>	<u>\$ 11,303,394</u>	<u>18.2%</u>	<u>\$ 67,074,230</u>	<u>\$ 6,358,459</u>	<u>9.5%</u>

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Fiscal Year to Date Update:

	YTD FY25 Nov	% of Total	YTD FY24 Nov	Year to Date FY25 vs FY24		Forecast FY25 YTD Nov	Year to Date FY25 vs FY25 Forecast	
				<u>\$ Change</u>	<u>% Change</u>		<u>\$ Change</u>	<u>% Change</u>
Sales								
Scratchers	\$ 541,331,176	24.1%	\$ 480,886,466	\$ 60,444,710	12.6%	\$ 531,336,313	\$ 9,994,863	1.9%
Draw Games	\$ 470,627,458	20.9%	\$ 561,111,000	\$ (90,483,542)	-16.1%	\$ 478,896,517	\$ (8,269,059)	-1.7%
iLottery Instants	<u>\$ 1,237,048,214</u>	<u>55.0%</u>	<u>\$ 1,121,171,934</u>	<u>\$ 115,876,280</u>	<u>10.3%</u>	<u>\$ 1,254,627,232</u>	<u>\$ (17,579,018)</u>	<u>-1.4%</u>
Total	\$ 2,249,006,848	100.0%	\$ 2,163,169,400	\$ 85,837,448	4.0%	\$ 2,264,860,062	\$ (15,853,214)	-0.7%
Prize Expense				<u>FY25 Rates</u>	<u>FY24 Rates</u>		<u>Forecast Rates</u>	
Scratchers	\$ 397,021,346	22.8%	\$ 347,181,729	73.3%	72.2%	\$ 390,673,568	73.5%	
Draw Games	\$ 236,199,820	13.6%	\$ 305,041,511	50.2%	54.4%	\$ 251,007,876	52.4%	
iLottery Instants	<u>\$ 1,106,643,903</u>	<u>63.6%</u>	<u>\$ 1,005,240,498</u>	<u>89.5%</u>	<u>89.7%</u>	<u>\$ 1,121,636,745</u>	<u>89.4%</u>	
Total	\$ 1,739,865,069	100.0%	\$ 1,657,463,738	77.4%	76.6%	\$ 1,763,318,189	77.9%	
<u>Retailer Earnings</u>	\$ 55,377,353		\$ 54,008,036	5.8%	5.6%	\$ 57,340,354	5.7%	
<u>Admin Expenses</u>	\$ 90,124,165		\$ 82,389,716	4.0%	3.8%	\$ 99,629,282	4.4%	
<u>Other Income</u>	\$ 4,940,125		\$ 5,099,547			\$ 4,166,669		
Profits	<u>\$ 368,580,386</u>		<u>\$ 374,407,457</u>	<u>\$ (5,827,071)</u>	<u>-1.6%</u>	<u>\$ 348,738,906</u>	<u>\$ 19,841,480</u>	<u>5.7%</u>

Sales Highlights

Scratcher ticket sales, a product category sold only at retail locations, continue to show strong growth over last year and is the leading contributor to our current performance, outpacing the updated forecast for the year. This growth is due to the continued solid relationships with over 5,300 licensed retailer outlets across Virginia, and the reduction of skill machines in these locations this year compared to last. On this note, retailer earnings also currently outpace that of last year through the first 5 months of the fiscal year. While iLottery performance continues to see double-digit growth, the growth is slowing overall, and the product category is slightly below forecast. In total, sales were up 4% compared to last year and are less than 1% behind forecast overall.

Profit Highlights

November profits were stronger than last year due to stronger Scratcher sales, and lower overall prize expense rates. Year to date, profits were down nearly \$6 million from last year's exceptionally strong result. Overall, profits totaled more than \$368 million in the first five months of the fiscal year, with retailers earning more than \$1 million more than the same timeframe last year. On average, retailers have earned 5.8% of sales in commissions and incentives this year. Despite overall sales that are slightly below forecast, profits are nearly \$20 million ahead of the updated forecast, due to lower-than-expected prize rates and better than budgeted administrative cost efficiency.

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Other Highlights

The annual Virginia's New Year's Millionaire Raffle sold out on Friday December 27, giving 625,000 ticket holders a chance to win one of five \$1 million prizes and hundreds of other prizes. The drawing will be held on New Year's Day, and we look forward to meeting Virginia's newest millionaires when the winning tickets are claimed. In addition to the New Year raffle excitement, Mega Millions grew to a national jackpot of over \$1.2 billion (9th largest jackpot in US history) for the Friday December 27 drawing that had a single winning jackpot ticket sold, so 2025 will begin with a new starting jackpot for the New Year's Eve drawing.

I look forward to the upcoming legislative session, and the Virginia Lottery stands ready to assist the Commonwealth in ensuring responsible, secure, and legal gaming for the benefit of its citizens and the programs supported through gaming revenues.

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