



March 18, 2024

The Honorable Michael W. Frerichs  
Illinois State Treasurer  
James R. Thompson Center  
100 W. Randolph St, Suite 15-600  
Chicago, IL 60601

**Re: January 2024 - Monthly Report of Revenues, Prize Disbursements and Other Expenses by the Illinois Department of the Lottery**

Dear Mr. Frerichs:

In accordance with the requirements of the Illinois Lottery Law, 20 ILCS 1605/9, attached, please find the Report of Revenues, Prize Disbursements and Other Expenses for the Illinois Department of the Lottery (Department) for the Month Ending January 31, 2024. Also, included is an explanation of Lottery transfers. This report will be updated and distributed to you after each month end. If you have any questions, please contact Amber Chappell, Acting Chief Financial Officer of the Lottery, at (217) 524-0008.

Sincerely,

Harold Mays  
Director, Illinois Lottery

cc: The Honorable Don Harmon  
The Honorable Emanuel C. Welch  
The Honorable John Curran  
The Honorable Tony McCombie  
Members of the Illinois Lottery Control Board

J.B. Pritzker  
Governor

Harold Mays  
Director

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## **Explanation of Transfers by the Department of the Lottery**

### **Transfers to the Common School Fund**

In accordance with 20 ILCS 1605/9.3, the Illinois Department of the Lottery (Department) is statutorily mandated to transfer estimated net proceeds to the Common School Fund (CSF) on a monthly basis. The transfer shall be made on the last day of each month or shortly thereafter. The estimated proceeds transferred monthly are to be reconciled to actual proceeds upon completion of the applicable annual fiscal year audit. If actual net proceeds are more than estimated net proceeds, the remaining amount shall be deposited in the CSF. If actual net proceeds are less than estimated net proceeds, the excess amount shall offset estimated net lottery proceeds the following fiscal year. The net lottery proceeds shall be determined after deducting prizes, retailer bonuses, costs incurred in the operation and administration of the Lottery, and transfers to specialty causes. Additionally, they shall be determined in accordance with Generally Accepted Accounting Principles (GAAP) for governmental entities.

The CSF estimated net proceed transfers made in January 2024 totaled **\$75.0 million** and were made on January 10<sup>th</sup> and January 17<sup>th</sup>.

### **Transfers to Specialty Causes**

Per the Illinois Lottery Law (20 ILCS 1605/21.5 thru 21.13), the Illinois Department of the Lottery shall offer a special instant scratch-off game for eight various causes as outlined in the Law in Fiscal Year 2024. The Department transfers the net proceeds from these causes to the specified funds within the State of Illinois on a monthly basis. The net proceeds are transferred one month in arrears of the revenues being generated and upon final reconciliation of instant sales, less prize expense, and operating expenses of the specific ticket. During January, the special causes the Department supports earned net proceeds of **\$785 thousand**. This amount was cash transferred in February.

**Illinois Department of the Lottery**  
**Report of Revenues, Expenses, and Operating Income**  
**For the Month Ending January 31, 2024**

In January, the Department generated sales of **\$314.3 million** and related prize expense of **\$215.6 million**. Per the Illinois Lottery Law (20 ILCS 1605/10.3), the Department is required to collect proceeds from the sale of Lottery tickets net of prizes paid and commissions earned from authorized retailers. The proceeds resulted in cash collections of **\$133.4 million** from the weekly net sweeps of Lottery retailer's accounts and net deposits from the iLottery platform. The funds collected were deposited in the State Lottery Fund (Fund 711).

We have summarized the unaudited sales and expense activity on the accrual basis of the Department below.

	<b>January 2024</b>
<b>Operating Revenue</b>	
<b>Ticket Sales</b>	
Instant Tickets	185,989,407
Mega Millions	10,643,806
Powerball	13,284,296
Lotto	9,065,499
Lucky Day Lotto	10,174,735
Pick 3	21,728,763
Pick 4	22,124,353
Fast Play	41,316,785
Sales Allowance	(50,327)
Sales Adjustments	(36,939)
<b>Total Ticket Sales</b>	314,240,378
<b>Other</b>	413,522
<b>Total Operating Revenue</b>	314,653,900
<b>Operating Expenses</b>	
<b>Cost of Sales and Services</b>	14,568,204
<b>Prizes and Claims Expense</b>	
Instant Tickets	138,389,433
Mega Millions	4,858,609
Powerball	5,690,843
Lotto	4,286,277
Lucky Day Lotto	5,172,876
Pick 3	13,904,115
Pick 4	10,304,080
Fast Play	33,022,332
<b>Total Prizes and Claims Expense</b>	215,628,565
<b>General and Administrative</b>	15,881,729
<b>Total Operating Expenses</b>	246,078,498
<b>Operating Income</b>	68,575,402

**Illinois Department of the Lottery**  
**Report of Cash Receipts, Disbursements, and Transfers**  
**For the Month Ending January 31, 2024**

We have summarized the cash activity of the State Lottery Fund (Fund 711) below:

Cash Balance Carried Forward from Last Month	\$ 99.2M
Total Receipts into the Fund for this Month	110.8M
Expenditures/Transfers from the Fund for this Month*	<u>&lt;135.1M&gt;</u>
Cash Balance at the End of the Month	<u>\$ 74.9M</u>

\*Cash Expenditures/Transfers this Month included:

Vouchers Paid	\$ 19.1M
Prize Payments	\$ 41.0M
Transfers to Common School Fund	\$ 75.0M

The Department will be carrying forward a jackpot reserve balance of **\$15.3 million** into the following month for the Lotto (**\$10.4 million**), Mega Millions (**\$333 million**), and Powerball (**\$206 million**) jackpots.