



October 1, 2024

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

Re: July 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 July 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, Chief Financial Officer of the Lottery, at (217) 524-0008.

Sincerely,

Amber Chappell
Chief Financial Officer, 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

Illinois Lottery
122 S. Michigan Avenue
19th Floor
Chicago, IL 60603
(312) 793-3030 Main
(312) 793-5514 Fax

404 N. 5th Street
Springfield, IL 62702
(217) 524-5147 Main
(217) 785-3990 Fax

illinoislottery.com

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 July 2024 totaled **\$70.0 million** and were made on July 10th and July 24th.

Transfers to Specialty Causes

Per the Illinois Lottery Law (20 ILCS 1605/21.4 thru 21.16), the Illinois Department of the Lottery shall offer a joint special instant scratch-off game for ten various causes as outlined in the Law. 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 joint ticket. During July, the special causes the Department supports earned net proceeds of **\$787 thousand**. This amount was cash transferred in August.

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

In July, the Department generated sales of **\$313.0 million** and related prize expense of **\$214.0 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 **\$133.3 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.

	July 2024
Operating Revenue	
Ticket Sales	
Instant Tickets	180,203,794
Mega Millions	10,947,591
Powerball	9,297,816
Lotto	7,873,493
Lucky Day Lotto	14,191,678
Pick 3	22,914,996
Pick 4	23,277,712
Fast Play	44,287,871
Sales Allowance	27,592
Sales Adjustments	(24,853)
Total Ticket Sales	312,997,690
Other	507,503
Total Operating Revenue	313,505,193
Operating Expenses	
Cost of Sales and Services	14,486,128
Prizes and Claims Expense	
Instant Tickets	134,795,302
Mega Millions	6,192,403
Powerball	4,510,306
Lotto	3,937,259
Lucky Day Lotto	6,148,559
Pick 3	10,973,765
Pick 4	12,209,160
Fast Play	35,251,439
Total Prizes and Claims Expense	214,018,193
General and Administrative	15,556,015
Total Operating Expenses	244,060,336
Operating Income	69,444,857

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

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

Cash Balance Carried Forward from Last Month	\$ 320.5M
Total Receipts into the Fund for this Month	135.8M
Expenditures/Transfers from the Fund for this Month*	<u><398.1M></u>
Cash Balance at the End of the Month	<u>\$ 58.2M</u>

*Cash Expenditures/Transfers this Month included:

Vouchers Paid	\$ 20.4M
Prize Payments	\$ 306.8M
Transfers to Common School Fund	\$ 70.0M
Transfers to Special Causes	\$ 0.8M
Other Statutory Transfers	\$ 0.1M

The Department will be carrying forward a jackpot liability reserve balance of **\$16.3 million** into the following month for the Lotto (**\$7.7 million**), Mega Millions (**\$358 million**), and Powerball (**\$171 million**) jackpots. Additionally, the jackpot liability reserve includes the outstanding liability for the **\$4.1 million** Lotto winner draw date May 2, 2024.