



Director's Comments

Presentation to
California State Lottery Commission
September 26, 2019

Director's Report 7A

Overview

General Business Update

YTD Sales Update

Agenda Action Items

- 9(a) - Hispanic Market Advertising Services Contract
- 9(b) - Extension of African American Advertising Services Contract



Overview (continued)

9(c) - Request to Add Positions for the Sales & Marketing Division

9(d) - Amendment for Internal Control System Contract

9(e) – Windows 10 Refresh Project

9(f) – Consolidated Communications Enterprise Services, Inc. Contract Amendment



Overview (continued)

9(g) - Extension of KPMG Financial Audit Contract

9(h) - Request to Add Positions to Support the Risk & Process Evaluation Section



Sales Update:

Year-to-Date Sales Below Goal for Key Products

	FY Sales thru 9-21-19 (in millions)	% of Goal	Change vs. Last Year
<u>TOTAL SALES</u>	<u>\$1,494.31</u>	<u>94%</u>	<u>-1%</u>
Scratchers (Consumer Sales)	\$1,134.09	97%	3%
<u>Multi-State Games</u>	<u>\$135.74</u>	<u>64%</u>	<u>-34%</u>
Powerball	\$60.48	58%	-19%
MEGA Millions	\$75.27	71%	-43%
SuperLotto Plus	\$65.75	105%	15%
Daily Games	\$85.28	100%	2%
Hot Spot	\$73.45	104%	9%

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Lower Jackpots So Far this Fiscal Year Has Sales and Profits Below Goal

- Total sales are 93% of goal and profits at 91%
- The biggest driver of below goal sales and profits are the lower jackpots so far this fiscal year
- On September 20th, Mega Millions had the first jackpot this year over \$200 million.

As of August 31, 2019	% of Goal
Total Sales	93%
Total Profits	91%
Scratchers Profits	98%
Draw Game Profits	82%

