



Director's Comments

Presentation to
California State Lottery Commission
June 25, 2020

Director's Report 7A

Year-End to be about 10% Shy of Goals

Game	FY 2019-20 Goal	Estimated Year-End Sales	% of Goal
TOTAL SALES	\$7,295,000,000	\$6,584,500,000	90%
Scratchers	\$5,375,000,000	\$5,000,000,000	93%
<u>Multi-State Games</u>	<u>\$925,000,000</u>	<u>\$656,000,000</u>	<u>71%</u>
• Powerball	\$460,000,000	\$297,000,000	65%
• Mega Millions	\$465,000,000	\$359,000,000	77%
Super Lotto Plus	\$275,000,000	\$231,000,000	84%
Daily Games	\$385,000,000	\$388,500,000	101%
Hot Spot	\$335,000,000	\$309,000,000	92%

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Comparisons with Last Year

Category	Unofficial FY 2018-19	Estimated FY 2019-20	% Change
Sales	\$7,388,050,000	\$6,600,000,000	-11%
Allocation of Sales to Education	\$1,810,000,000	\$1,450,000,000	-20%
Unclaimed Prizes and Interest Earnings	\$61,000,000	\$86,000,000	+41%
Total Contribution to Education	\$1,871,000,000	\$1,536,000,000	-18%

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Key Factors in FY 2019-20 Sales Declines

Scratchers

- Lower consumer demand for the first month and one-half of the COVID-19 pandemic
- Adjusting Ticket Distribution operations to social distancing protocols reduces ticket volume being shipped



Key Factors in Sales Declines (continued)

Jackpot Games

- Powerball and Mega Millions had historically low number of jackpots of \$400 million or more
- Pandemic initially impacted sales by 30-40%; sales improved but are still lower than pre-pandemic levels

Hot Spot

- Pandemic impacted sales the most due to closure of bars and restaurants

