October 9, 2019

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

Re: September 2019 - 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 (Lottery) for the Month Ending September 30, 2019. 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 Carol Radwine, CFO of the Lottery, at (217) 558-4817.

Sincerely,

Harold Mays
Acting Director, Illinois Lottery

cc: The Honorable John J. Cullerton
The Honorable Michael J. Madigan
The Honorable Bill Brady
The Honorable Jim Durkin
Members of the Illinois Lottery Control Board

J.B. Pritzker
Governor

Harold Mays
Acting Director

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Explanation of Transfers by the Department of the Lottery

Transfers to the Common School Fund

The Illinois Department of the Lottery is mandated to make a monthly transfer to the Common School Fund on the last day of each month or shortly thereafter. Currently, the Lottery requests the Illinois Office of the Comptroller to make transfers to the Common School Fund twice a month. The first transfer is made mid-month with the second transfer following shortly after month-end.

The amount transferred during any given month is based on the FY'09 actual monthly transfer for the respective month adjusted for inflation. The rate of inflation used in calculating transfers to the Common School Fund is defined in administrative rules.

If the cash available in the State Lottery Fund does not support the planned weekly transfer amount, a transfer is made at an amount affordable and any shortfall is to be made up in future weekly transfers as funds become available.

In September, the Department transferred $52,102,000 to the Common School Fund, which includes the remaining amount for August. The final prescribed transfer for the month of September in the amount of $31,249,250 was transferred on October 4. At the end of September, the cash balance in the State Lottery Fund was $46.7M.

Payments to the Capital Projects Fund

The Illinois Department of the Lottery requests the Illinois Office of the Comptroller to make one annual deposit into the Capital Projects Fund. The Department processed a deposit of $18,503,860.42 by September 30 for the estimated remaining proceeds of Fiscal Year 2019. The remaining proceeds from Fiscal Year 2019 was more than the Department estimated to contribute.

Report of Revenues, Prize Disbursements and Other Expenses for the Illinois Department of the Lottery For the Month Ending September 30, 2019

The weekly sweeps of Lottery retailers generated $91,389,107.40 in adjusted gross revenues to the State Lottery Fund during the month of September 2019.

The FY'20 transfers to the Common School Fund for the month of September were $52,102,000 (including $20,852,750 for the remainder of August's statutorily prescribed transfer and excluding $31,249,250, which was transferred in October). To date, the Lottery has met the statutorily prescribed transfer amounts to the CSF in FY'20.

Cash Balance Carried Forward From Last Month	$ 66.6M
Total Receipts into the Fund for this Month	$ 92.2M
Expenditures/Transfers from the Fund for this Month	$<112.1M>
Cash Balance at the End of the Month	$ 46.7M

Expenditures/Transfers this Month included:	
Vouchers Paid this Month	$ 16.7M
Transfers out of 711 for Prize Payments	$ 24.8M
Transfers to Common School Fund	$ 52.1M
Deposit in Capital Projects Fund	$ 18.5M

Lottery will be carrying forward a jackpot reserve balance of $13.3M into the following month for the Lotto ($6.25M), Mega Millions ($45.0M), and Powerball ($60.0M) jackpots, including $6.2M for Illinois' share of the $227.0M jackpot Mega Millions winner drawn on September 24, 2019.

The prescribed Common School Fund transfers for October 2019 total $65,366,500.