



# Audit Summary

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Auditor General

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## Rhode Island Lottery

Fiscal Year Ended June 30, 2024

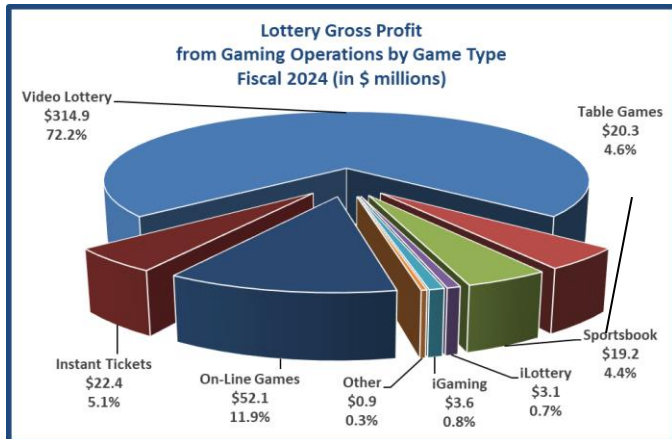
We completed an audit of the financial statements of the Rhode Island Lottery (Lottery) for the fiscal year ended June 30, 2024. The Lottery paid \$426.4 million to the State's General Fund for the fiscal year ended June 30, 2024. The amounts paid to the General Fund represent the Lottery's net income after payment of prize awards, commissions, other costs of gaming operations, and operating expenses.

Overall Lottery revenue, including gaming activity at the Lottery's two casinos, experienced a decline during fiscal 2024 compared to 2023. The fiscal 2024 transfer to the State decreased \$8.2 million over the previous fiscal year.

The Lottery's gross profit from gaming operations before operating expenses totaled \$436.5 million for the fiscal year ended June 30, 2024. Video lottery accounted for \$314.9 million or 72.2% of total gross profit. Net video lottery revenue decreased by approximately 1.8% compared to the prior year.

On-line (traditional drawing) games gross profit totaled \$52.1 million or an increase of 2.4% mostly due to increased wagering on larger jackpot prize drawings for PowerBall® and Mega Millions®, three of which were more than \$1 billion. Gross profit on instant ticket games revenue totaled \$22.4 million in fiscal 2024, a decrease of 7.7% over fiscal 2023. Gross profit from iLottery remained consistent with the prior year at \$3.1 million.

Net revenue from table games totaled \$131.1 million for the year ended June 30, 2024. After commissions paid to the facilities and the host towns, and related operating expenses, the State's share of net revenue from table games amounted to \$20.3 million, a 4.1% decrease over fiscal 2023.



Sportsbook gross profit totaled \$19.2 million, after commissions, payouts, and marketing expenses, a decrease of \$6.3 million or 24.8% over the previous fiscal year, as sports betting competition in nearby states increased.

iGaming, which commenced in March 2024, gross profit totaled \$3.6 million, after commissions, payouts and marketing expenses.

The Lottery's operating expenses totaled approximately \$15.1 million for the year ended June 30, 2024, an increase of 1.1 million over the prior year.

We concluded that the Lottery's financial statements for the year ended June 30, 2024 were fairly presented in accordance with accounting principles generally accepted in the United States of America. We did not identify any deficiencies in internal control required to be reported under *Government Auditing Standards*.

### Audit Highlights

- The Lottery paid \$426.4 million to the State's General Fund for the year ended June 30, 2024 – a decrease of \$8.2 million compared to the prior fiscal year.
- Video lottery accounted for \$314.9 million or 72.2% of the Lottery's gross profit from gaming operations in fiscal 2024.
- Table games accounted for \$20.3 million of gross profit for fiscal 2024, a 4.1% decrease over fiscal 2023.
- On-line games gross profit totaled \$52.1 million for an increase of 2.4% mostly due to increased play for larger jackpot prizes, three of which were more than \$1 billion.
- Sportsbook gross profit totaled \$19.2 million a decrease of 24.8% over fiscal 2023. Sportsbook wagering opportunities continued to increase within neighboring states throughout fiscal 2024, increasing overall competition for Sportsbook revenue.
- iGaming commenced in March 2024 and produced a gross profit of \$3.6 million after commissions, prize awards and marketing expenses.
- We expressed an unmodified opinion on the Lottery's financial statements for the year ended June 30, 2024.

This audit report is available on our website [www.oag.ri.gov](http://www.oag.ri.gov). Please contact David Bergantino at [david.bergantino@rioag.gov](mailto:david.bergantino@rioag.gov) with any questions regarding the audit of the RI Lottery.