



Memo

Date:	May 22, 2025
To:	Oregon Lottery Commissioners
From:	Mike Wells, director
Subject:	Follow up from the April 25, 2025, OSL Commission Meeting

During the April commission meeting, Commissioner Conrad requested information about past DAS forecasts and their variances from actuals. Noel Coombes, data scientist, provided the following information:

The following table contains the four quarterly forecasts for overall product net sales made just prior to and during the 2025 Fiscal year at the Oregon Lottery.

Fiscal Year	Fiscal Quarter	Forecast Version	Forecasted Net Sales	Actual Net Sales	Variance
2025	Qtr 1	1. May 2024 Forecast	360,597,023	354,090,902	(6,506,121)
2025	Qtr 2	1. May 2024 Forecast	375,208,296	351,752,881	(23,455,415)
2025	Qtr 2	2. September 2024 Forecast	372,670,316	351,752,881	(20,917,435)
2025	Qtr 3	1. May 2024 Forecast	378,213,005	352,996,427	(25,216,578)
2025	Qtr 3	2. September 2024 Forecast	377,338,852	352,996,427	(24,342,425)
2025	Qtr 3	3. December 2024 Forecast	373,539,573	352,996,427	(20,543,146)
2025	Qtr 4	1. May 2024 Forecast	375,784,277		
2025	Qtr 4	2. September 2024 Forecast	380,922,680		
2025	Qtr 4	3. December 2024 Forecast	382,664,970		
2025	Qtr 4	4. March 2025 Forecast	385,424,263		

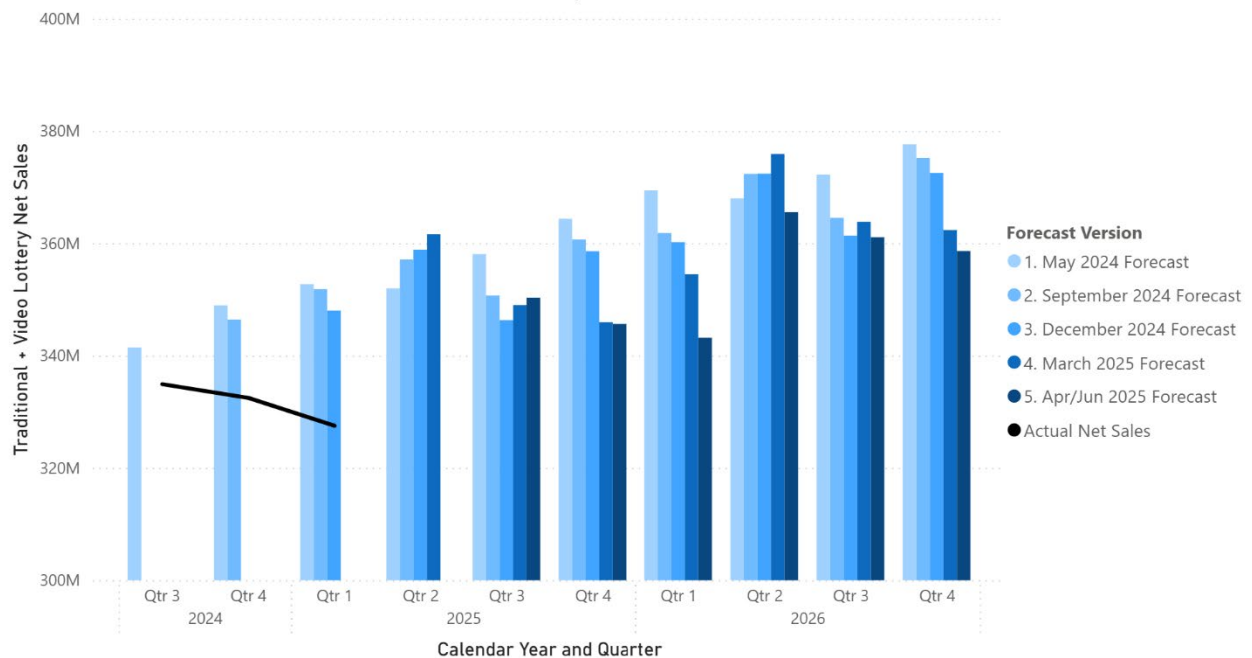


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The forecasts process for traditional and video lottery products are currently performed separately for Lottery budgeting. Sports is internally forecasted and only goes to the end of the fiscal year. The OEA forecast for traditional and video product lines goes out multiple years and as Lottery had sales miss forecasts (largely in FQ2 and FQ3), subsequent forecasts were decreased in FY26 onwards.

See below figure of Net Sales Forecasts Over Time as the forecasts go forward in time (light blue to darker blue) relative to the Actual Net Sales (black line).

Net Sales Forecasts Over Time: Traditional and Video Only





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Some products throughout the year had their expectations revised upward due to persistently beating their prior baseline sales for a long enough duration to warrant an increase (Megabucks, Mega Millions, Scratch-it). See the below figure for the individual product forecasts for our most recent complete FQ 1 (January 2025 through March 2025), which had the May/September/December forecasts constructed prior to the start of that period. Cash Pop was introduced into the subsequent March forecast, replacing Lucky Lines.

Year	Quarter	Forecast Version	Product	Forecasted Net Sales	Actual Net Sales	Variance
2025	Qtr 1	1. May 2024 Forecast	Video Lottery	315,552,324	288,197,235	(27,355,089)
2025	Qtr 1	2. September 2024 Forecast	Video Lottery	314,831,846	288,197,235	(26,634,611)
2025	Qtr 1	3. December 2024 Forecast	Video Lottery	310,761,280	288,197,235	(22,564,045)
2025	Qtr 1	1. May 2024 Forecast	Raffle	1,200,000	1,200,000	0
2025	Qtr 1	2. September 2024 Forecast	Raffle	1,200,000	1,200,000	0
2025	Qtr 1	3. December 2024 Forecast	Raffle	1,200,000	1,200,000	0
2025	Qtr 1	1. May 2024 Forecast	Pick 4	192,787	221,553	28,766
2025	Qtr 1	2. September 2024 Forecast	Pick 4	193,136	221,553	28,417
2025	Qtr 1	3. December 2024 Forecast	Pick 4	204,646	221,553	16,907
2025	Qtr 1	1. May 2024 Forecast	Lucky Lines	148,500	27,037	(121,463)
2025	Qtr 1	2. September 2024 Forecast	Lucky Lines	148,500	27,037	(121,463)
2025	Qtr 1	3. December 2024 Forecast	Lucky Lines	151,068	27,037	(124,031)
2025	Qtr 1	1. May 2024 Forecast	Sports	25,512,521	25,491,921	(20,600)
2025	Qtr 1	2. September 2024 Forecast	Sports	25,512,521	25,491,921	(20,600)
2025	Qtr 1	3. December 2024 Forecast	Sports	25,512,521	25,491,921	(20,600)
2025	Qtr 1	1. May 2024 Forecast	Scratch Its	12,424,928	13,371,461	946,533
2025	Qtr 1	2. September 2024 Forecast	Scratch Its	12,304,220	13,371,461	1,067,241
2025	Qtr 1	3. December 2024 Forecast	Scratch Its	12,835,411	13,371,461	536,050
2025	Qtr 1	1. May 2024 Forecast	Powerball	6,447,635	8,736,262	2,288,627
2025	Qtr 1	2. September 2024 Forecast	Powerball	6,447,635	8,736,262	2,288,627
2025	Qtr 1	3. December 2024 Forecast	Powerball	6,500,526	8,736,262	2,235,736
2025	Qtr 1	1. May 2024 Forecast	Megabucks	3,905,303	1,853,593	(2,051,710)
2025	Qtr 1	2. September 2024 Forecast	Megabucks	3,905,303	1,853,593	(2,051,710)
2025	Qtr 1	3. December 2024 Forecast	Megabucks	4,009,687	1,853,593	(2,156,094)
2025	Qtr 1	1. May 2024 Forecast	Win For Life	297,637	327,071	29,434
2025	Qtr 1	2. September 2024 Forecast	Win For Life	276,220	327,071	50,851
2025	Qtr 1	3. December 2024 Forecast	Win For Life	292,674	327,071	34,397
2025	Qtr 1	1. May 2024 Forecast	Keno	8,619,507	9,076,055	456,548
2025	Qtr 1	2. September 2024 Forecast	Keno	8,607,610	9,076,055	468,445
2025	Qtr 1	3. December 2024 Forecast	Keno	7,914,699	9,076,055	1,161,356
2025	Qtr 1	1. May 2024 Forecast	Mega Millions	3,911,862	3,677,816	(234,046)
2025	Qtr 1	2. September 2024 Forecast	Mega Millions	3,911,862	3,677,816	(234,046)
2025	Qtr 1	3. December 2024 Forecast	Mega Millions	4,157,062	3,677,816	(479,246)