

Budget Savings Options 2020

Dollars in Thousands

Agency: Washington's Lottery

Agency Priority H, M, L	Impact 1-5	Program/Activity	GF-5				Other Funds				FTE Change		Brief Description and Rationale	Effective Date (MM/YY)	Impacts of Reductions and Other Considerations	Law/Reg. Change Required (cite)			
			FY 20	FY 21	FY 22	FY 23	Fund	FY 20	FY 21	FY 22	FY 23	FY 20					FY 21		
M	2	010 - Lottery Commission / A001 Washington's Lottery					578							-1.2	Close Tacoma Mall and SouthCenter Kiosks, removing 2 80% FTEs. Retains Kiosk manager to operate SeaTac Kiosk. Kiosk program was established to increase Lottery's presence, provide customer service in high traffic locations, and support marketing events for key campaigns. These are staffed with part time employees and will be the least impactful to our overall operations and sales.	10/20	Reduces the Lottery's presence and customer service in key markets, potentially resulting in revenue loss to our beneficiaries.	n/a	
M	2	010 - Lottery Commission / A001 Washington's Lottery					577								Reduce rent expense for Tacoma Mall and SouthCenter Kiosk closures.	10/20	Associated with the previous item, reduces the Lottery's presence and customer service in key markets, potentially resulting in revenue loss to our beneficiaries.	n/a	
H	1	010 - Lottery Commission / A001 Washington's Lottery					578								Close Yakima Regional Office and consolidate with Spokane Office. Removes one Regional Manager and one Customer Service Specialist. Reduce lease and associated facility expenses. This begins January 2021 due to 6 month early termination notice lease requirements. With a small staff, Lottery does not have many options for reductions while still being able to generate revenue. This consolidation will still allow us to provide customer service and support our retailers east of the mountains although still challenging due to the large geographical territory covered.	1/21	Reduces regionalized customer service and requires customers to travel further for in person claims over \$600 that must be redeemed at a Lottery Office.	n/a	
H	1	010 - Lottery Commission / A001 Washington's Lottery					577								Reduce Motor Pool expense for one sales vehicle. This begins half way through FY21	1/21	Associated with the previous item, reduces regionalized customer service and requires customers to travel further for in person claims over \$600 that must be redeemed at a Lottery Office.	n/a	
H	1	010 - Lottery Commission / A001 Washington's Lottery					578								Close Everett Regional Office and consolidate with Federal Way Office. Removes one Regional Manager and one Customer Service Specialist. Reduces lease and associated facility expenses. This begins January 2021 due to 6 month early termination notice lease requirements. With a small staff, Lottery does not have many options for reductions while still being able to generate revenue. This consolidation will still allow us to support our retailers and provide customer service in our largest market, although covering such a large geographical territory and population will be challenging.	1/21	Reduces regionalized customer service and requires customers to travel further for in person claims over \$600 that must be redeemed at a Lottery Office.	n/a	
H	1	010 - Lottery Commission / A001 Washington's Lottery					577								Reduces Motor Pool expense for one sales vehicle. This begins half way through FY21	1/21	Associated with the previous item, reduces regionalized customer service and requires customers to travel further for in person claims over \$600 that must be redeemed at a Lottery Office.	n/a	
L	1	010 - Lottery Commission / A001 Washington's Lottery					577								Delays of Promotional/Operational Expenditures due to COVID-19. Cancellation of promotions, delays in merchandising shipping, etc. allowed the Lottery to reduce its expenditures in FY20.	6/20	No immediate impacts.	n/a	
L	1	010 - Lottery Commission / A001 Washington's Lottery					578								One-Time Vacancy and Administrative Savings as a result of COVID-19. The Lottery accumulated savings as a result of the Stay Home Order.	6/21	No immediate impacts.	n/a	
			Total (All Funds):																

Total (All Funds): (\$4,250) (\$1,105) (\$668) (\$668)

Priority:
 L = Low priority agency activity or program
 M = Medium priority agency activity or program
 H = High priority agency activity or program

Impact:
 1 = Allows continuation of the program/activity at a reduced level
 2 = Eliminates the ability to perform program objectives
 3 = Eliminates agency function
 4 = Long term implications (moves the problem to next biennium)
 5 = Short term (reduction to one time increase)