

Revenue Estimating Conference  
Slot Machine Revenues  
February 22, 2008  
Executive Summary

The Revenue Estimating Conference meeting on Slot Machine revenues adopted revised estimates for tax revenues from slot machine operations for fiscal years 2007-08 through 2011-12. The estimates of transfers to the Educational Enhancement Trust Fund were affected as follows:

Slot Machines Tax Collections			
Millions of \$			
	Oct-07 Estimate	Feb-08 Estimate	Difference
2006-07	48.2	48.2	0.0
2007-08	123.1	120.3	-2.8
2008-09	133.3	122.9	-10.4
2009-10	157.8	180.2	22.4
2010-11	179.1	280.0	100.9
2011-12		294.8	

The forecast reflects updated tax collections data and information concerning the number of machines in the currently operating facilities. Collections have been running close to estimate through February in spite of fewer than expected machines operating at Gulfstream. The conference expects that the current economic weakness coupled with the replacement of 800 Class II machines with Class III machines at the Hard Rock Casino will lead to collections coming in slightly below estimate for the rest of the current fiscal year. That weakness will continue into 2008-09, with the number of machines remaining at the current level throughout that fiscal year.

Beginning in 2009-10, the outlook improves due to the introduction of slot machines in the Pari-mutuel facilities in Miami-Dade County. The forecast assumes that all three Miami-Dade facilities will operate 1,500 machines for half the fiscal year, and that no more machines are added through the end of the forecast period. Additionally, the forecast assumes that in 2010-11, Dania opens up with 1,500 machines, and Mardi Gras adds an additional 770 machines to reach the statutory maximum of 2,000. The additional activity as a result of the new machines results in about \$100 million dollars above the current estimate being added in 2010-11.

**Revenue Estimating Conference  
Slot Machines Tax  
2/22/2008**

<b>TOTAL ALL FACILITIES</b>						
	<b>Tax</b>		<b>Number of Machines</b>		<b>Income Per Machine</b>	
	Oct-07	Feb-08	Oct-07	Feb-08	Oct-07	Feb-08
2006-07	48.2	48.2	1,432	1,432	67,318	67,318
2007-08	123.1	120.3	3,855	3,600	63,864	66,836
2008-09	133.3	122.9	3,852	3,552	69,201	69,191
2009-10	157.8	180.2	5,352	8,052	58,966	44,749
2010-11	179.1	280.0	6,750	10,322	53,057	54,256
2011-12		294.8		10,322		57,125

<b>% CHANGE</b>						
	<b>Tax</b>		<b>Number of Machines</b>		<b>Income Per Machine</b>	
	Oct-07	Feb-08	Oct-07	Feb-08	Oct-07	Feb-08
2007-08	155.4%	149.6%	169.2%	151.4%	-5.1%	-0.7%
2008-09	8.3%	2.1%	-0.1%	-1.3%	8.4%	3.5%
2009-10	18.4%	46.6%	38.9%	126.7%	-14.8%	-35.3%
2010-11	13.5%	55.4%	26.1%	28.2%	-10.0%	21.2%
2011-12		5.3%		0.0%		5.3%

	Base	New Forecast	Difference	Sales Tax Impact	Lottery Impact
2007-08	120.3	120.3			
2008-09	122.9	122.9			
2009-10	129.0	180.2	51.1	-4.0	-2.9
2010-11	135.5	280.0	144.5	-11.3	-8.1
2011-12	142.3	294.8	152.6	-11.9	-8.5

**Revenue Estimating Conference  
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2/22/2008**

	Tax		Number of Machines		Income Per Machine	
	Oct-07	Feb-08	Oct-07	Feb-08	Oct-07	Feb-08
Mardi Gras	23.1	23.1	588	588	78,452	78,452
Gulf Stream	15.4	15.4	523	523	58,711	58,711
Pompano	11.3	11.3	321	321	70,424	70,424
<b>TOTAL</b>	<b>48.2</b>	<b>48.2</b>	<b>1,432</b>	<b>1,432</b>	<b>67,318</b>	<b>67,318</b>

	Tax		Number of Machines		Income Per Machine	
	Oct-07	Feb-08	Oct-07	Feb-08	Oct-07	Feb-08
Mardi Gras	40.9	39.5	1,211	1,213	67,610	65,069
Gulf Stream	17.3	18.9	1,144	887	30,165	42,617
Pompano	64.9	61.9	1,500	1,500	86,541	82,586
<b>TOTAL</b>	<b>123.1</b>	<b>120.3</b>	<b>3,855</b>	<b>3,600</b>	<b>63,864</b>	<b>66,836</b>

	Tax		Number of Machines		Income Per Machine	
	Oct-07	Feb-08	Oct-07	Feb-08	Oct-07	Feb-08
Mardi Gras	44.9	40.1	1,230	1,230	73,019	65,210
Gulf Stream	18.3	20.7	1,122	822	32,579	50,381
Pompano	70.1	62.1	1,500	1,500	93,464	82,765
Dania		0.0		0		0
Calder		0.0		0		0
Flagler		0.0		0		0
Miami Jai-Alai		0.0		0		0
<b>TOTAL</b>	<b>133.3</b>	<b>122.9</b>	<b>3,852</b>	<b>3,552</b>	<b>69,201</b>	<b>69,191</b>

	Tax		Number of Machines		Income Per Machine	
	Oct-07	Feb-08	Oct-07	Feb-08	Oct-07	Feb-08
Mardi Gras	36.2	37.1	1,230	1,230	58,871	60,319
Gulf Stream	14.7	18.1	1,122	822	26,267	44,083
Pompano	56.5	57.4	1,500	1,500	75,355	76,557
Dania	50.3	0.0	1,500	0	67,113	0
Calder		22.5		1,500		30,012
Flagler		22.5		1,500		30,012
Miami Jai-Alai		22.5		1,500		30,012
<b>TOTAL</b>	<b>157.8</b>	<b>180.2</b>	<b>5,352</b>	<b>8,052</b>	<b>58,966</b>	<b>44,749</b>

	Tax		Number of Machines		Income Per Machine	
	Oct-07	Feb-08	Oct-07	Feb-08	Oct-07	Feb-08
Mardi Gras	54.4	52.2	2,000	2,000	54,393	52,168
Gulf Stream	18.2	16.6	1,500	822	24,268	40,304
Pompano	52.2	49.7	1,500	1,500	69,623	66,212
Dania	54.3	40.4	1,750	1,500	62,008	53,874
Calder		40.4		1,500		53,874
Flagler		40.4		1,500		53,874
Miami Jai-Alai		40.4		1,500		53,874
<b>TOTAL</b>	<b>179.1</b>	<b>280.0</b>	<b>6,750</b>	<b>10,322</b>	<b>53,057</b>	<b>54,256</b>

	Tax		Number of Machines		Income Per Machine	
	Oct-07	Feb-08	Oct-07	Feb-08	Oct-07	Feb-08
Mardi Gras		54.9		2,000		54,926
Gulf Stream		17.4		822		42,436
Pompano		52.3		1,500		69,713
Dania		42.5		1,500		56,723
Calder		42.5		1,500		56,723
Flagler		42.5		1,500		56,723
Miami Jai-Alai		42.5		1,500		56,723
<b>TOTAL</b>		<b>294.8</b>		<b>10,322</b>		<b>57,125</b>

EDUCATIONAL ENHANCEMENT (LOTTERY) TRUST FUND  
 CONSENSUS REVENUE ESTIMATING CONFERENCE  
 RETROSPECT  
 FY 2005-06 and FY 2006-07  
 (\$ MILLIONS)

18-Jan-2008

	RECURRING	NON- RECURRING	TOTAL
<b>FUNDS AVAILABLE 2005-06</b>			
Balance forward from 2004-05	0.0	65.8	65.8
Revenues from ticket sales	1,218.5	0.0	1,218.5
Transfer from DOL Administrative TF	0.0	60.0	60.0
Unencumbered DOL balance from 04-05	0.0	15.1	15.1
Miscellaneous adjustments	0.0	25.3	25.3
Nonoperating revenue	0.0	3.2	3.2
Interest earnings	1.5	0.0	1.5
Total 2005-06 funds available	1,220.0	169.4	1,389.4
<b>EXPENDITURES 2005-06</b>			
Public Schools	271.9	67.3	339.2
State University System	138.2	6.5	144.7
Community Colleges	99.8	7.0	106.8
Critical Jobs Initiative	0.0	4.7	4.7
Bright Futures	306.7	0.0	306.7
Student Financial Assistance	18.1	0.0	18.1
Debt Service on outstanding bonds	202.9	0.0	202.9
Total 05-06 expenditures	1,037.6	85.5	1,123.1
AVAILABLE RESERVES	182.4	83.9	266.3
<b>FUNDS AVAILABLE 2006-07</b>			
Balance forward from 2005-06	0.0	266.3	266.3
Revenues from Lottery ticket sales	1,256.4	0.0	1,256.4
Revenues from slot machine activity	172.9	(124.7)	48.2
Transfer from DOL Administrative TF	0.0	6.1	6.1
Interest earnings	6.3	0.0	6.3
Miscellaneous revenue	0.0	0.7	0.7
FCO reversions	0.0	1.0	1.0
Total 2006-07 funds available	1,435.6	149.4	1,585.0
<b>EXPENDITURES 2006-07</b>			
Public Schools	330.9	0.0	330.9
State University System	166.9	10.1	177.0
State University System/challenge grants	0.0	120.1	120.1
Community Colleges	115.8	24.1	139.9
Community Colleges/facilities matching grants	0.0	35.0	35.0
Bright Futures	346.3	0.0	346.3
Student Financial Assistance	21.4	0.0	21.4
Classrooms First/Class Size Reduction	206.1	0.0	206.1
Total 06-07 expenditures	1,187.4	189.3	1,376.9
AVAILABLE RESERVES	248.2	(39.9)	208.1

**EDUCATIONAL ENHANCEMENT TRUST FUND  
FINANCIAL OUTLOOK STATEMENT**

including results of the July 25, 2008 Revenue Estimating Conference  
FY 2007-08 and FY 2008-09  
(\$ MILLIONS)

DATE: 25-Jul-08  
TIME: 8:30 AM

	<u>RECURRING</u>	<u>NON- RECURRING</u>	<u>TOTAL</u>
<b>FUNDS AVAILABLE 2007-08</b>			
Balance forward from 2006-07	0.0	208.1	208.1
Revenues from Lottery ticket sales	1,278.2	1.6	1,279.8
Revenues from slot machine activity	282.0	(159.7)	122.3
Transfer from DOL Administrative TF	0.0	6.9	6.9
Debt Service reduction/Class Size bonding	0.0	5.6	5.6
Interest earnings	7.2	0.0	7.2
Total 2007-08 funds available	<u>1,567.4</u>	<u>62.5</u>	<u>1,629.9</u>
<b>ESTIMATED EXPENDITURES 2007-08</b>			
Public Schools	420.3	0.0	420.3
Public Schools/non-FEFP	20.0	15.0	35.0
State University System	166.9	4.5	171.4
State University System/challenge grants	0.0	74.3	74.3
Community Colleges	117.4	0.0	117.4
Community Colleges/matching grants	0.0	48.7	48.7
Bright Futures	398.4	0.0	398.4
Student Financial Assistance	39.4	0.0	39.4
SMART Schools/Classrooms First	166.9	0.0	166.9
Class Size Reduction/Debt Service	125.3	0.0	125.3
Reductions to appropriations	(61.9)	2.9	(59.0)
Total 07-08 estimated expenditures	<u>1,392.7</u>	<u>145.4</u>	<u>1,538.1</u>
AVAILABLE RESERVES	174.7	(82.9)	91.8
<b>FUNDS AVAILABLE 2008-09</b>			
Balance forward from 2007-08	0.0	91.8	91.8
Revenues from Lottery ticket sales	1,243.8	0.5	1,244.3
Revenues from slot machine activity	280.0	(157.1)	122.9
Unused appropriations	0.0	57.8	57.8
Interest earnings	3.0	0.0	3.0
Total 2008-09 funds available	<u>1,526.8</u>	<u>(7.0)</u>	<u>1,519.8</u>
<b>APPROPRIATIONS 2008-09</b>			
Public Schools	402.3	0.0	402.3
Public Schools/non-FEFP	6.9	3.3	10.2
State University System	205.9	22.6	228.5
Community Colleges	121.9	8.1	130.0
Bright Futures	422.7	13.5	436.2
Student Financial Assistance	38.9	0.0	38.9
SMART Schools/Classrooms First	166.9	0.0	166.9
Class Size Reduction/Debt Service	155.0	0.0	155.0
Total 08-09 effective appropriations	<u>1,520.5</u>	<u>47.5</u>	<u>1,568.0</u>
AVAILABLE RESERVES	6.3	(54.5)	(48.2)

**EDUCATIONAL ENHANCEMENT TRUST FUND  
FINANCIAL OUTLOOK STATEMENT**

including results of the July 25, 2008 Revenue Estimating Conference  
FY 2009-10, FY 2010-11, and FY 2011-12  
(\$ MILLIONS)

DATE: 25-Jul-08  
TIME: 8:30 AM

	<u>RECURRING</u>	<u>NON- RECURRING</u>	<u>TOTAL</u>
<b>FUNDS AVAILABLE 2009-10</b>			
Balance forward from 2008-09	0.0	0.0	0.0
Revenues from Lottery ticket sales	1,291.3	0.0	1,291.3
Revenues from slot machine activity	280.0	(99.8)	180.2
Interest earnings	3.0	0.0	3.0
Total 2009-10 funds available	<u>1,574.3</u>	<u>(99.8)</u>	<u>1,474.5</u>
<b>FUNDS AVAILABLE 2010-11</b>			
Balance forward from 2009-10	0.0	0.0	0.0
Revenues from Lottery ticket sales	1,309.6	0.0	1,309.6
Revenues from slot machine activity	280.0	0.0	280.0
Interest earnings	3.0	0.0	3.0
Total 2010-11 funds available	<u>1,592.6</u>	<u>0.0</u>	<u>1,592.6</u>
<b>FUNDS AVAILABLE 2011-12</b>			
Balance forward from 2010-11	0.0	0.0	0.0
Revenues from Lottery ticket sales	1,330.3	0.0	1,330.3
Revenues from slot machine activity	294.8	0.0	294.8
Interest earnings	3.0	0.0	3.0
Total 2011-12 funds available	<u>1,628.1</u>	<u>0.0</u>	<u>1,628.1</u>