

Revenue Estimating Conference
Slot Machine Revenues
February 1, 2010
Executive Summary

The Revenue Estimating Conference meeting on Slot Machine revenues adopted revised estimates for tax revenues from slot machine operations for fiscal years 2009-10 through 2013-14. The estimates of transfers to the Educational Enhancement Trust Fund were affected as follows:

Slot Machines Tax Collections			
Millions of \$			
	Oct-09 Estimate	Feb-10 Estimate	Difference
2006-07	48.2	48.2	0.0
2007-08	122.3	122.3	0.0
2008-09	104.1	104.1	0.0
2009-10	127.9	129.6	1.7
2010-11	175.8	166.7	-9.1
2011-12	181.0	189.4	8.4
2012-13	188.4	193.8	5.4
2013-14		199.0	

The forecast reflects updated tax collections data and information concerning the number of machines in the currently operating facilities. Collections since the last conference have been running above estimate, by a total of \$6.4 million in the months October through January. The conference expects that for the currently operating facilities, revenue will be slightly above estimate for the rest of the current fiscal year, overall ending up at \$8.9 million above estimate. However, the expectation in October was that Miami Jai-Alai would be opening in April of this year, but that opening has been delayed almost an entire year. As a result, the \$7.2 million expected to be received from Miami Jai-Alai this year has been removed from the forecast, so that the aggregate estimate for the 2009-10 fiscal year ends up being only \$1.7 million above the previous estimate.

For the 2010-11 fiscal year, there are two significant changes in assumptions as compared to the prior estimate. First, Miami Jai-Alai is expected not to be open for the entire fiscal year as in the previous estimate, but to open around March 1, 2011, and with only 1,000 machines instead of the previously forecast 1,400 machines. Additionally, Flagler is expected to add 105 new machines on July 1, 2010. The revenue from the additional Flagler machines is more than offset by the delay in opening Miami Jai-Alai, with the net result being a reduction of \$9.1 million relative to the October 2009 estimate.

Beginning in 2011-12, the main difference from the previous forecast is the level of tax collections from the Flagler facility, with both a higher number of machines and higher per machine income than in the previous forecast. Although there are fewer machines projected for Miami Jai-Alai, higher than previously projected per machine income keeps the taxes collected by that facility fairly close to the previous estimate.

**Revenue Estimating Conference
Slot Machines Tax
2/1/2010**

TOTAL ALL FACILITIES						
	Tax		Number of Machines		Income Per Machine per Day	
	Oct-09	Feb-10	Oct-09	Feb-10	Oct-09	Feb-10
2006-07	48.2	48.2	1,432	1,432	190.95	190.95
2007-08	122.3	122.3	3,626	3,626	185.18	185.18
2008-09	104.4	104.1	3,776	3,748	151.56	151.89
2009-10	127.9	129.6	5,353	4,655	147.17	150.20
2010-11	175.8	166.7	7,015	6,732	137.31	135.68
2011-12	181.0	189.4	7,015	6,732	140.99	153.70
2012-13	188.4	193.8	7,015	6,732	146.75	157.30
2013-14		199.0		6,732		161.51

% CHANGE						
	Tax		Number of Machines		Income Per Machine per Day	
	Oct-09	Feb-10	Oct-09	Feb-10	Oct-09	Feb-10
2007-08	153.7%	153.7%	153.2%	153.2%	-3.0%	-3.0%
2008-09	-14.6%	-14.9%	4.1%	3.4%	-18.2%	-18.0%
2009-10	22.5%	24.5%	41.8%	24.2%	-2.9%	-1.1%
2010-11	37.5%	28.6%	31.0%	44.6%	-6.7%	-9.7%
2011-12	3.0%	13.6%	0.0%	0.0%	2.7%	13.3%
2012-13	4.1%	2.3%	0.0%	0.0%	4.1%	2.3%
2013-14		2.7%		0.0%		2.7%

**Revenue Estimating Conference
Slot Machines Tax
2/1/2010**

2006-07	Tax		Number of Machines		Income Per Machine per Day	
	Oct-09	Feb-10	Oct-09	Feb-10	Oct-09	Feb-10
Mardi Gras	23.1	23.1	588	588	216.13	216.13
Gulf Stream	15.4	15.4	523	523	161.39	161.39
Pompano	11.3	11.3	321	321	193.22	193.22
TOTAL	48.2	48.2	1432	1432	190.95	190.95

2007-08	Tax		Number of Machines		Income Per Machine per Day	
	Oct-09	Feb-10	Oct-09	Feb-10	Oct-09	Feb-10
Mardi Gras	39.6	39.6	1239	1239	174.47	174.47
Gulf Stream	19.6	19.6	887	887	120.76	120.76
Pompano	63.7	63.7	1500	1500	232.17	232.17
TOTAL	122.3	122.3	3626	3626	185.18	185.18

2008-09	Tax		Number of Machines		Income Per Machine per Day	
	Oct-09	Feb-10	Oct-09	Feb-10	Oct-09	Feb-10
Mardi Gras	34.3	33.9	1,440	1,440	130.50	129.04
Gulf Stream	21.1	20.9	835	834	138.15	137.60
Pompano	49.1	49.0	1,501	1,474	179.21	182.30
Calder						
Flagler						
Miami Jai-Alai						
TOTAL	104.4	103.9	3,776	3,748	151.56	151.89

2009-10	Tax		Number of Machines		Income Per Machine per Day	
	Oct-09	Feb-10	Oct-09	Feb-10	Oct-09	Feb-10
Mardi Gras	27.3	27.6	1,361	1,368	109.97	110.64
Gulf Stream	20.8	22.5	851	850	133.82	144.97
Pompano	47.0	49.2	1,474	1,464	174.68	184.15
Calder *	12.7	12.7	1,235	1,245	127.40	127.01
Flagler *	12.9	17.6	700	700	142.85	193.66
Miami Jai-Alai	7.2		1,400		113.06	
TOTAL	127.9	129.6	5,353	4,655	147.17	150.20

* Open for part of the 2009-10 fiscal year

2010-11	Tax		Number of Machines		Income Per Machine per Day	
	Oct-09	Feb-10	Oct-09	Feb-10	Oct-09	Feb-10
Mardi Gras	27.9	27.9	1,354	1,368	112.78	111.75
Gulf Stream	21.0	22.9	850	850	135.24	147.51
Pompano	48.6	49.8	1,476	1,464	180.52	186.45
Calder	29.3	29.4	1,235	1,245	129.95	129.56
Flagler	19.0	27.0	700	805	148.59	183.56
Miami Jai-Alai*	30.0	9.7	1,400	1,000	117.59	158.91
TOTAL	175.8	166.7	7,015	6,732	137.31	135.68

* Expected to be open for part of the 2010-11 fiscal year

2011-12	Tax		Number of Machines		Income Per Machine per Day	
	Oct-09	Feb-10	Oct-09	Feb-10	Oct-09	Feb-10
Mardi Gras	28.7	28.3	1,354	1,368	115.84	113.11
Gulf Stream	21.5	23.2	850	850	137.90	149.31
Pompano	50.3	50.7	1,476	1,464	186.32	189.20
Calder	30.2	30.0	1,235	1,245	133.48	131.51
Flagler	19.6	27.4	700	805	152.62	186.26
Miami Jai-Alai	30.8	29.7	1,400	1,000	120.20	162.43
TOTAL	181.0	189.4	7,015	6,732	140.99	153.70

2012-13	Tax		Number of Machines		Income Per Machine per Day	
	Oct-09	Feb-10	Oct-09	Feb-10	Oct-09	Feb-10
Mardi Gras	29.9	28.8	1,354	1,368	120.80	115.41
Gulf Stream	22.2	23.8	850	850	143.12	153.46
Pompano	52.6	51.8	1,476	1,464	195.25	193.99
Calder	31.3	30.5	1,235	1,245	138.82	134.30
Flagler	20.4	28.1	700	805	159.93	190.97
Miami Jai-Alai	32.0	30.8	1,400	1,000	125.35	168.58
TOTAL	188.4	193.8	7,015	6,732	146.75	157.30

2013-14	Tax		Number of Machines		Income Per Machine per Day	
	Oct-09	Feb-10	Oct-09	Feb-10	Oct-09	Feb-10
Mardi Gras		29.4		1,368		117.72
Gulf Stream		24.5		850		157.68
Pompano		53.1		1,464		198.84
Calder		31.2		1,245		137.49
Flagler		28.8		805		195.75
Miami Jai-Alai		32.0		1,000		175.32
TOTAL		199.0		6,732		161.51

EDUCATIONAL ENHANCEMENT TRUST FUND
FINANCIAL OUTLOOK STATEMENT
from the 2010 Regular Legislative Session
FY 2009-10 through FY 2013-14
(\$ MILLIONS)

DATE: 15-Jul-10

	<u>RECURRING</u>	<u>NON- RECURRING</u>	<u>TOTAL</u>
FUNDS AVAILABLE 2009-10			
Balance forward from 2008-09	0.0	111.1	111.1
Revenues from Lottery ticket sales	1,166.3	(0.8)	1,165.5
Revenues from slot machine activity	189.4	(59.8)	129.6
Transfer from DOL Administrative TF	7.9	0.0	7.9
Interest earnings	3.0	0.0	3.0
Total 2009-10 funds available	<u>1,366.6</u>	<u>50.5</u>	<u>1,417.1</u>
APPROPRIATIONS 2009-10			
Public Schools	295.3	33.5	328.8
Workforce Education	3.8	0.0	3.8
State University System	201.2	0.0	201.2
Community Colleges	117.0	0.0	117.0
Bright Futures	418.9	0.0	418.9
Student Financial Assistance	35.3	0.0	35.3
SMART Schools/Classrooms First	167.0	0.0	167.0
Class Size Reduction/Debt Service	154.3	(2.4)	151.9
HB5001 (2010), Section 41	0.0	(0.2)	(0.2)
HB5001 (2010), Section 42	0.0	(7.3)	(7.3)
HB5001 (2010), Section 43	0.0	7.4	7.4
HB5001 (2010), Section 46	0.0	(6.7)	(6.7)
Total 09-10 appropriations	<u>1,392.8</u>	<u>24.3</u>	<u>1,417.1</u>
AVAILABLE RESERVES	(26.2)	26.2	0.0
FUNDS AVAILABLE 2010-11			
Balance forward from 2009-10	0.0	0.0	0.0
Revenues from Lottery ticket sales	1,157.5	0.0	1,157.5
Revenues from slot machine activity	189.4	(22.7)	166.7
Measures affecting revenues (slot machines)	17.9	(42.9)	(25.0)
Interest earnings	3.0	0.0	3.0
Total 2010-11 funds available	<u>1,367.8</u>	<u>(65.6)</u>	<u>1,302.2</u>
APPROPRIATIONS 2010-11			
Public Schools	242.7	0.0	242.7
Workforce Education	7.3	0.0	7.3
State University System	230.7	0.0	230.7
Community Colleges	127.0	0.0	127.0
Bright Futures	338.4	0.0	338.4
Student Financial Assistance	35.1	0.0	35.1
SMART Schools/Classrooms First	164.8	0.0	164.8
Class Size Reduction/Debt Service	154.7	0.0	154.7
Total 10-11 appropriations	<u>1300.6</u>	<u>0.0</u>	<u>1300.6</u>
AVAILABLE RESERVES	67.2	(65.6)	1.6

EDUCATIONAL ENHANCEMENT TRUST FUND
FINANCIAL OUTLOOK STATEMENT
from the 2010 Regular Legislative Session
FY 2009-10 through FY 2013-14
(\$ MILLIONS)

DATE: 15-Jul-10

	<u>RECURRING</u>	<u>NON- RECURRING</u>	<u>TOTAL</u>
FUNDS AVAILABLE 2011-12			
Balance forward from 2010-11	0.0	1.6	1.6
Revenues from Lottery ticket sales	1,169.8	0.0	1,169.8
Revenues from slot machine activity	189.4	0.0	189.4
Measures affecting revenues (slot machines)	18.3	(23.4)	(5.1)
Interest earnings	3.0	0.0	3.0
Total 2011-12 funds available	1,380.5	(21.8)	1,358.7
FUNDS AVAILABLE 2012-13			
Balance forward from 2011-12	0.0	0.0	0.0
Revenues from Lottery ticket sales	1,184.4	0.0	1,184.4
Revenues from slot machine activity	193.8	0.0	193.8
Measures affecting revenues (slot machines)	18.7	(21.5)	(2.8)
Interest earnings	3.0	0.0	3.0
Total 2012-13 funds available	1,399.9	(21.5)	1,378.4
FUNDS AVAILABLE 2013-14			
Balance forward from 2012-13	0.0	0.0	0.0
Revenues from Lottery ticket sales	1,203.0	0.0	1,203.0
Revenues from slot machine activity	199.0	0.0	199.0
Measures affecting revenues (slot machines)	19.1	0.0	19.1
Interest earnings	3.0	0.0	3.0
Total 2013-14 funds available	1,424.1	0.0	1,424.1

**EDUCATIONAL ENHANCEMENT TRUST FUND
FINANCIAL OUTLOOK STATEMENT**

including results of the February 8, 2010 Revenue Estimating Conference
FY 2009-10 through FY 2013-14
(\$ MILLIONS)

DATE: 12-Feb-10
TIME: 9:00 AM

	<u>RECURRING</u>	<u>NON- RECURRING</u>	<u>TOTAL</u>
FUNDS AVAILABLE 2009-10			
Balance forward from 2008-09	0.0	111.1	111.1
Revenues from Lottery ticket sales	1,166.3	(0.8)	1,165.5
Revenues from slot machine activity	189.4	(59.8)	129.6
Transfer from DOL Administrative TF	7.9	0.0	7.9
Interest earnings	3.0	0.0	3.0
Total 2009-10 funds available (A)	<u>1,366.6</u>	<u>50.5</u>	<u>1,417.1</u>
APPROPRIATIONS 2009-10			
Public Schools	295.3	33.5	328.8
Workforce Education	3.8	0.0	3.8
State University System	201.2	0.0	201.2
Community Colleges	117.0	0.0	117.0
Bright Futures	418.9	0.0	418.9
Student Financial Assistance	35.3	0.0	35.3
SMART Schools/Classrooms First	167.0	0.0	167.0
Class Size Reduction/Debt Service	154.3	(2.4)	151.9
Total 09-10 appropriations	<u>1,392.8</u>	<u>31.1</u>	<u>1,423.9</u>
AVAILABLE RESERVES	(26.2)	19.4	(6.8)
FUNDS AVAILABLE 2010-11			
Balance forward from 2009-10	0.0	0.0	0.0
Revenues from Lottery ticket sales	1,157.5	0.0	1,157.5
Revenues from slot machine activity	189.4	(22.7)	166.7
Interest earnings	3.0	0.0	3.0
Total 2010-11 funds available (A)	<u>1,349.9</u>	<u>(22.7)</u>	<u>1,327.2</u>
FUNDS AVAILABLE 2011-12			
Balance forward from 2010-11	0.0	0.0	0.0
Revenues from Lottery ticket sales	1,169.8	0.0	1,169.8
Revenues from slot machine activity	189.4	0.0	189.4
Interest earnings	3.0	0.0	3.0
Total 2011-12 funds available (A)	<u>1,362.2</u>	<u>0.0</u>	<u>1,362.2</u>
FUNDS AVAILABLE 2012-13			
Balance forward from 2011-12	0.0	0.0	0.0
Revenues from Lottery ticket sales	1,184.4	0.0	1,184.4
Revenues from slot machine activity	193.8	0.0	193.8
Interest earnings	3.0	0.0	3.0
Total 2012-13 funds available (A)	<u>1,381.2</u>	<u>0.0</u>	<u>1,381.2</u>
FUNDS AVAILABLE 2013-14			
Balance forward from 2012-13	0.0	0.0	0.0
Revenues from Lottery ticket sales	1,203.0	0.0	1,203.0
Revenues from slot machine activity	199.0	0.0	199.0
Interest earnings	3.0	0.0	3.0
Total 2013-14 funds available (A)	<u>1,405.0</u>	<u>0.0</u>	<u>1,405.0</u>

(A) Senate Bill 788 authorizes the ratification of an Indian Gaming Compact by the Florida Legislature after execution by the Governor. Revenue from the ratification which would be available for appropriation from the Educational Enhancement Trust Fund (EETF) is not included here. The bill also authorizes the transfer of any Indian Gaming revenues already received by the state to the EETF once the U.S. Department of Interior approves the ratification; those contingent receipts also are not shown at this time.