Revenue Forecasting Committee - March 2007 - Racino Revenue

GENERAL FUND REVENUE	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
December 2006 Forecast - General Fund Revenue	$4,346,725	$6,684,052	$6,565,834	$9,891,016	$10,525,598	$10,704,610
Incremental Effect of March 2007 Forecast		$490,489	$301,303	$448,481	$465,171	$470,475
March 2007 Forecast - Revised General Fund Revenue	$4,346,725	$7,174,541	$6,867,137	$10,339,497	$10,990,769	$11,175,085

FUND FOR A HEALTHY MAINE REVENUE	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
December 2006 Forecast - Fund for a Healthy Maine Revenue	$1,771,173	$3,097,701	$3,052,445	$4,652,986	$4,819,650	$4,819,650
Incremental Effect of March 2007 Forecast		$211,280	$147,761	$219,938	$219,938	$219,938
March 2007 Forecast - Fund for a Healthy Maine Revenue	$1,771,173	$3,308,981	$3,200,206	$4,872,924	$5,039,588	$5,039,588

Detail of Current Revenue Forecast - Distribution of Total Slot Income

			2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
Gross Slot Income (Coin/Voucher In)	A		$309,840,487	$584,034,689	$556,557,500	$847,465,000	$876,450,000	$876,450,000
Player's Share (Payback Value)	B		$289,030,355	$545,104,531	$518,989,869	$790,261,113	$817,289,625	$817,289,625
General Fund - Administration (1% of Gross Slot Income)	C	1.0%	$3,098,405	$5,840,347	$5,565,575	$8,474,650	$8,764,500	$8,764,500
"Net Slot Machine Income" (=A-B-C)			$17,711,727	$33,089,811	$32,002,056	$48,729,238	$50,395,875	$50,395,875
Licensees' Share of "Net Slot Machine Income"		**61.0%**	**$10,804,153**	**$20,184,785**	**$19,521,254**	**$29,724,835**	**$30,741,484**	**$30,741,484**

Distribution of State Share of "Net Slot Machine Income"	**39.0%**	**2005-06 Actual**	**2006-07**	**2007-08**	**2008-09**	**2009-10**	**2010-11**
General Fund (other)	3.0%	$531,352	$992,694	$960,062	$1,461,877	$1,511,876	$1,511,876
General Fund (After 48 months - November 2009)	1.0%	$0	$0	$0	$0	$319,643	$503,959
Fund for Healthy Maine	10.0%	$1,771,173	$3,308,981	$3,200,206	$4,872,924	$5,039,588	$5,039,588
University of Maine Scholarship Fund (FAME)	2.0%	$354,235	$661,796	$640,041	$974,585	$1,007,918	$1,007,918
Maine Community College System - Scholarship Funds	1.0%	$177,117	$330,898	$320,021	$487,292	$503,959	$503,959
Resident Municipalities	1.0%	$177,117	$330,898	$320,021	$487,292	$503,959	$503,959
Purse Supplements	10.0%	$1,771,173	$3,308,981	$3,200,206	$4,872,924	$5,039,588	$5,039,588
Sire Stakes Fund	3.0%	$531,352	$992,694	$960,062	$1,461,877	$1,511,876	$1,511,876
Fund to Encourage Racing at Commercial Tracks	4.0%	$708,469	$1,323,592	$1,280,082	$1,949,170	$2,015,835	$2,015,835
Fund to Stabilize Off-Track Betting (48 months - until Oct 2009)	2.0%	$354,235	$661,796	$640,041	$974,585	$368,633	$0
Fund to Stabilize Off-Track Betting (after 48 months - Nov 2009)	1.0%	$0	$0	$0	$0	$319,643	$503,959
Agricultural Fair Support Fund	3.0%	$531,352	$992,694	$960,062	$1,461,877	$1,511,876	$1,511,876

Revenue Summary	**2005-06 Actual**	**2006-07**	**2007-08**	**2008-09**	**2009-10**	**2010-11**
General Fund						
General Fund Administration	$3,098,405.00	$5,840,347	$5,565,575	$8,474,650	$8,764,500	$8,764,500
General Fund (Other)	$531,351.80	$992,694	$960,062	$1,461,877	$1,831,519	$2,015,835
Licensing revenue	$585,985.25	$329,500	$329,500	$389,500	$382,750	$382,750
Reimbursement - Background Checks	$130,983.39	$12,000	$12,000	$13,470	$12,000	$12,000
Subtotal - General Fund	**$4,346,725**	**$7,174,541**	**$6,867,137**	**$10,339,497**	**$10,990,769**	**$11,175,085**
Fund for Healthy Maine	**$1,771,173**	**$3,308,981**	**$3,200,206**	**$4,872,924**	**$5,039,588**	**$5,039,588**
Other Special Revenue Funds						
Harness Racing Commission	$3,896,580	$7,279,757	$7,040,453	$10,720,433	$10,767,451	$10,583,134
HRC - Subtotal	$3,896,580	$7,279,757	$7,040,453	$10,720,433	$10,767,451	$10,583,134
PUS- host municipalities	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000
University of Maine Scholarship Fund (FAME)	$354,235	$661,796	$640,041	$974,585	$1,007,918	$1,007,918
Maine Community College System Scholarships	$177,117	$330,898	$320,021	$487,292	$503,959	$503,959
Resident Municipalities	$177,117	$330,898	$320,021	$487,292	$503,959	$503,959
Subtotal - Other Special Revenue Funds	**$4,630,049**	**$8,628,349**	**$8,345,536**	**$12,694,602**	**$12,808,287**	**$12,623,970**

Details and Assumptions

Calculated Gross Slot Machine Income Per Month	# of days	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
Total Gross Slot Income - Fiscal Year		**$309,840,487**	**$584,034,689**	**$556,557,500**	**$847,465,000**	**$876,450,000**	**$876,450,000**
July	31	$0	$58,000,282	$51,537,500	$50,065,000	$79,050,000	$79,050,000
August	31	$0	$45,683,294	$51,537,500	$81,375,000	$81,375,000	$81,375,000
September	30	$0	$49,496,760	$49,875,000	$78,750,000	$78,750,000	$78,750,000
October	31	$0	$49,186,407	$51,537,500	$81,375,000	$81,375,000	$81,375,000
November	30	$26,353,621	$49,511,516	$49,875,000	$78,750,000	$78,750,000	$78,750,000
December	30	$25,680,177	$51,644,600	$42,750,000	$67,500,000	$67,500,000	$67,500,000
January	31	$42,054,745	$46,136,272	$42,702,500	$67,425,000	$67,425,000	$67,425,000
February	28	$38,052,564	$48,888,058	$38,570,000	$60,900,000	$60,900,000	$60,900,000
March	31	$41,217,878	$51,537,500	$42,702,500	$67,425,000	$67,425,000	$67,425,000
April	29	$40,340,452	$41,325,000	$41,325,000	$65,250,000	$65,250,000	$65,250,000
May	31	$52,463,113	$44,175,000	$47,120,000	$74,400,000	$74,400,000	$74,400,000
June	30	$43,677,937	$48,450,000	$47,025,000	$74,250,000	$74,250,000	$74,250,000

Player's Share of Slot Machine Income Per Month	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
Total Player's Share - Fiscal Year	**$289,030,355**	**$545,104,531**	**$518,989,869**	**$790,261,113**	**$817,289,625**	**$817,289,625**
July	$0	$54,067,349	$48,058,719	$46,685,613	$73,714,125	$73,714,125
August	$0	$42,633,685	$48,058,719	$75,882,188	$75,882,188	$75,882,188
September	$0	$46,146,894	$46,508,438	$73,434,375	$73,434,375	$73,434,375
October	$0	$45,994,468	$48,058,719	$75,882,188	$75,882,188	$75,882,188
November	$24,521,586	$46,266,489	$46,508,438	$73,434,375	$73,434,375	$73,434,375
December	$23,932,523	$48,267,141	$39,864,375	$62,943,750	$62,943,750	$62,943,750
January	$39,145,785	$43,138,794	$39,820,081	$62,873,813	$62,873,813	$62,873,813
February	$35,487,203	$45,622,618	$35,966,525	$56,789,250	$56,789,250	$56,789,250
March	$38,440,827	$48,058,719	$39,820,081	$62,873,813	$62,873,813	$62,873,813
April	$37,632,335	$38,535,563	$38,535,563	$60,845,625	$60,845,625	$60,845,625
May	$49,023,676	$41,193,188	$43,939,400	$69,378,000	$69,378,000	$69,378,000
June	$40,846,420	$45,179,625	$43,850,813	$69,238,125	$69,238,125	$69,238,125

Licensing and Application Revenues:	#	Fee	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
Slot Machine Operator- Initial Application Fee	1	$200,000	$0	$0	$0	$0	$0	$0
Slot Machine Operator- Annual Renewal Fee		$75,000	$150,000	$75,000	$75,000	$75,000	$75,000	$75,000
Transfer of Operator Renewal Fee to host municipality			($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)
Slot Machine Distributor - Initial Application Fee	3	$200,000	$400,000	$0	$0	$0	$0	$0
Slot Machine Distributor - Annual Renewal Fee	3	$75,000	$0	$225,000	$225,000	$225,000	$225,000	$225,000
Slot Machines - Initial Registration Fee		$100	$32,700	$0	$0	$52,500	$0	$0
Slot Machines - Annual Renewal Fee		$100	$0	$47,500	$47,500	$47,500	$100,000	$100,000
Gambling Services Vendors	2	$2,000	$10,000	$4,000	$4,000	$4,000	$4,000	$4,000
Number of Licensed Employees			128	120	120	120	150	150
Application Fees from Licensed Employees		$250	$6,050	$0	$0	$7,500	$0	$0
Licensed Employees - Annual Renewal Fees		$25	$0	$3,000	$3,000	$3,000	$3,750	$3,750
Other Revenue deposited as Licensing Revenue			$12,235	$0	$0	$0	$0	$0
Total License Fees			**$585,985**	**$329,500**	**$329,500**	**$389,500**	**$382,750**	**$382,750**
Licensee Background Check Cost Reimbursement			$130,983	$12,000	$12,000	$13,470	$12,000	$12,000

Number of Machines	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
July	0	475	475	475	1,000	1,000
August	0	475	475	1,000	1,000	1,000
September	0	475	475	1,000	1,000	1,000
October	0	475	475	1,000	1,000	1,000
November	475	475	475	1,000	1,000	1,000
December	475	475	475	1,000	1,000	1,000
January	475	475	475	1,000	1,000	1,000
February	475	475	475	1,000	1,000	1,000
March	475	475	475	1,000	1,000	1,000
April	475	475	475	1,000	1,000	1,000
May	475	475	475	1,000	1,000	1,000
June	475	475	475	1,000	1,000	1,000

Payback % Average for Month	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
July	0.00%	93.22%	93.25%	93.25%	93.25%	93.25%
August	0.00%	93.32%	93.25%	93.25%	93.25%	93.25%
September	0.00%	93.23%	93.25%	93.25%	93.25%	93.25%
October	0.00%	93.51%	93.25%	93.25%	93.25%	93.25%
November	93.05%	93.45%	93.25%	93.25%	93.25%	93.25%
December	93.19%	93.46%	93.25%	93.25%	93.25%	93.25%
January	93.08%	93.50%	93.25%	93.25%	93.25%	93.25%
February	93.26%	93.32%	93.25%	93.25%	93.25%	93.25%
March	93.26%	93.25%	93.25%	93.25%	93.25%	93.25%
April	93.29%	93.25%	93.25%	93.25%	93.25%	93.25%
May	93.44%	93.25%	93.25%	93.25%	93.25%	93.25%
June	93.52%	93.25%	93.25%	93.25%	93.25%	93.25%

Average Total Slot Income Per Machine Per Day	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
Average for the Fiscal Year	**$2,776.40**	**$3,422**	**$3,225**	**$2,483**	**$2,413**	**$2,413**
July	$0.00	3,488.74	$3,500	$3,400	$2,550	$2,550
August	$0.00	3,434.83	$3,500	$2,625	$2,625	$2,625
September	$0.00	3,473.46	$3,500	$2,625	$2,625	$2,625
October	$0.00	3,698.23	$3,500	$2,625	$2,625	$2,625
November	$2,133.90	3,722.67	$3,500	$2,625	$2,625	$2,625
December	$2,002.35	3,197.81	$3,000	$2,250	$2,250	$2,250
January	$2,529.61	3,468.89	$2,900	$2,175	$2,175	$2,175
February	$2,861.10	3,675.79	$2,900	$2,175	$2,175	$2,175
March	$3,099.09	$3,500	$2,900	$2,175	$2,175	$2,175
April	$3,145.45	$3,000	$3,000	$2,250	$2,250	$2,250
May	$3,155.68	$3,000	$3,200	$2,400	$2,400	$2,400
June	$3,284.06	$3,400	$3,300	$2,475	$2,475	$2,475

LRI, Inc. 2001
Income Statement
For the Nine Months Ending September 30, 2006

	Current Month		Year to Date	
Revenues				
Other Income - Restaurant	445.80	0.04	445.80	0.04
Other Income - OTB	136,389.21	12.14	136,389.21	12.14
Other Income - LRI	0.00	0.00	0.00	0.00
Employee Beverage Income	558.43	0.05	558.43	0.05
LOTTERY INCOME	5,890.00	0.52	5,890.00	0.52
Restaurant Food Income	30,851.04	2.75	30,851.04	2.75
Restaurant Liquor Income	48,860.49	4.35	48,860.49	4.35
Rental Income - KITTYHAWK	102,029.13	9.08	102,029.13	9.08
Rental Income - Labor	0.00	0.00	0.00	0.00
Income OTB	527,713.46	46.96	527,713.46	46.96
Commission Income OTB	0.00	0.00	0.00	0.00
Hub Income OTB	169,537.76	15.09	169,537.76	15.09
Income Breakage	32,171.19	2.86	32,171.19	2.86
Program Sales Income	22,490.37	2.00	22,490.37	2.00
Program Printing Income	0.00	0.00	0.00	0.00
Interest Income- R & B Bowling	0.00	0.00	0.00	0.00
Interest Income-OTB	42,333.84	3.77	42,333.84	3.77
Interest Income - Kittyhawk	897.32	0.08	897.32	0.08
Interest Income-General	3,574.90	0.32	3,574.90	0.32
Realized Gain/Loss	0.00	0.00	0.00	0.00
Total Revenues	1,123,742.94	100.00	1,123,742.94	100.00
Cost of Sales				
Misc. Food Purchases	19,669.62	1.75	19,669.62	1.75
Beef & Pork Purchases	0.00	0.00	0.00	0.00
Produce Purchases	0.00	0.00	0.00	0.00
RAKE Vending Purchases- OTB	0.00	0.00	0.00	0.00
Liquor Purchases	2,057.30	0.18	2,057.30	0.18
Bottled Beer Purchases	9,950.03	0.89	9,950.03	0.89
Draft Beer Purchases	0.00	0.00	0.00	0.00
Non-Alcoholic Beverages	2,784.37	0.25	2,784.37	0.25

LRI, Inc. 2001
Income Statement
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Wine Purchases	0.00	0.00	0.00	0.00
Purchase Discount	0.00	0.00	0.00	0.00
Purchase Discount	0.00	0.00	0.00	0.00
Total Cost of Sales	34,461.32	3.07	34,461.32	3.07
Gross Profit	1,089,281.62	96.93	1,089,281.62	96.93
Expenses				
Salaries & Wages-Restaurant	22,438.39	2.00	22,438.39	2.00
Salaries & Wages-OTB	329,167.10	29.29	329,167.10	29.29
Salaries & Wages-General	0.00	0.00	0.00	0.00
Labor Cost-OTB	(15.00)	0.00	(15.00)	0.00
OTB Teller Shorts	2,213.34	0.20	2,213.34	0.20
Payroll Taxes-Restaurant	1,606.25	0.14	1,606.25	0.14
Payroll Taxes-OTB	27,094.57	2.41	27,094.57	2.41
Payroll Taxes-General	0.00	0.00	0.00	0.00
SIMPLE IRA MATCH-OTB	6,768.25	0.60	6,768.25	0.60
SIMPLE IRA MATCH-General	0.00	0.00	0.00	0.00
Medical Insurance-OTB	25,090.46	2.23	25,090.46	2.23
Medical Insurance-General	0.00	0.00	0.00	0.00
Police & Security-OTB	0.00	0.00	0.00	0.00
Advertising-OTB	12,902.88	1.15	12,902.88	1.15
Advertising-General	186.75	0.02	186.75	0.02
Printing-OTB	8,793.83	0.78	8,793.83	0.78
Promotions & Publicity-OTB	854.65	0.08	854.65	0.08
Trophies, Prizes & Awards-Bowl	0.00	0.00	0.00	0.00
Trophies, Prizes & Awards-OTB	100.00	0.01	100.00	0.01
Uniforms-OTB	0.00	0.00	0.00	0.00
Supplies-OTB	10,961.31	0.98	10,961.31	0.98
Supplies-General	0.00	0.00	0.00	0.00
Services-Restaurant	307.54	0.03	307.54	0.03
Services-OTB	15,071.36	1.34	15,071.36	1.34
Electricity-OTB	17,054.61	1.52	17,054.61	1.52
Electricity-General	9.76	0.00	9.76	0.00

LRI, Inc. 2001
Income Statement
For the Nine Months Ending September 30, 2006

Heating & Oil-OTB	7,138.49	0.64	7,138.49	0.64
Heating & Oil-General	0.00	0.00	0.00	0.00
Telephone-OTB	7,123.45	0.63	7,123.45	0.63
Telephone-General	0.00	0.00	0.00	0.00
Water & Sewerage-OTB	15.05	0.00	15.05	0.00
Water & Sewerage-General	0.00	0.00	0.00	0.00
Rubbish Removal-OTB	103.50	0.01	103.50	0.01
Rubbish Removal- GLI II	0.00	0.00	0.00	0.00
Insurance-OTB	9,857.18	0.88	9,857.18	0.88
Insurance-GLI II	0.00	0.00	0.00	0.00
Insurance-General	0.00	0.00	0.00	0.00
LIFE INSURANCE	4,160.04	0.37	4,160.04	0.37
Real Estate Taxes-OTB	8,618.54	0.77	8,618.54	0.77
Real Estate Taxes-General	8,621.07	0.77	8,621.07	0.77
USE TAX PAYABLE	0.00	0.00	0.00	0.00
Personal Property Taxes-OTB	396.66	0.04	396.66	0.04
Postage & Freight -OTB	801.96	0.07	801.96	0.07
Postage & Freight-General	0.00	0.00	0.00	0.00
Professional Fees-Restaurant	93.27	0.01	93.27	0.01
Professional Fees-OTB	14,098.56	1.25	14,098.56	1.25
Professional Fees - Kittyhawk	0.00	0.00	0.00	0.00
Professional Fees-General	473.00	0.04	473.00	0.04
Bank Charges-OTB	1,862.27	0.17	1,862.27	0.17
Bank Charges-General	0.00	0.00	0.00	0.00
Bad Debt-OTB	0.00	0.00	0.00	0.00
Cash Over/Short-Restaurant	(279.27)	(0.02)	(279.27)	(0.02)
Cash Over/Short-OTB	200.67	0.02	200.67	0.02
R & M Grounds-OTB	2,877.32	0.26	2,877.32	0.26
R & M Grounds -Hayden	0.00	0.00	0.00	0.00
R & M Grounds -GLI II	0.00	0.00	0.00	0.00
R & M Grounds-General	1,654.28	0.15	1,654.28	0.15
R & M Equipment-Restaurant	0.00	0.00	0.00	0.00
R & M Equipment-OTB	3,108.40	0.28	3,108.40	0.28
R & M Equipment-General	118.81	0.01	118.81	0.01
R & M Buildings-OTB	(2,217.04)	(0.20)	(2,217.04)	(0.20)

LRI, Inc. 2001
Income Statement
For the Nine Months Ending September 30, 2006

R & M Building - Kittyhawk	2,000.12	0.18	2,000.12	0.18
R & M Buildings-General	0.00	0.00	0.00	0.00
Janitorial -GLI II	0.00	0.00	0.00	0.00
Equipment Rental-Restaurant	433.19	0.04	433.19	0.04
Equipment Rental-OTB	49,724.78	4.42	49,724.78	4.42
Equipment Rental-General	9,007.96	0.80	9,007.96	0.80
LRI OFFICE RENT EXPENSE	8,788.50	0.78	8,788.50	0.78
Totalisator	51,153.12	4.55	51,153.12	4.55
Hub Fee	39,351.97	3.50	39,351.97	3.50
Fair Fee	4,395.35	0.39	4,395.35	0.39
Interface Fee	7,061.55	0.63	7,061.55	0.63
Program Expenses	7,390.00	0.66	7,390.00	0.66
Travel-OTB	2,157.48	0.19	2,157.48	0.19
Travel-General	0.00	0.00	0.00	0.00
Donations-General	250.00	0.02	250.00	0.02
Licenses, Dues & Subs-Rest.	70.00	0.01	70.00	0.01
Licenses, Dues & Subs-OTB	4,426.70	0.39	4,426.70	0.39
Licenses, Dues & Subs-General	0.00	0.00	0.00	0.00
Miscellaneous Expense-OTB	305.85	0.03	305.85	0.03
Misc - Fairgrounds / Bld #4	0.00	0.00	0.00	0.00
Miscellaneous Expense-General	1,800.00	0.16	1,800.00	0.16
Depreciation - Buildings	0.00	0.00	0.00	0.00
Depreciation - Equipment	65,511.00	5.83	65,511.00	5.83
Depreciation - Grounds	0.00	0.00	0.00	0.00
Depreciation - Motor Vehicles	0.00	0.00	0.00	0.00
Depreciation - Lease Hold Impr	0.00	0.00	0.00	0.00
DEPRECIATION - FURN & FIXTURES	0.00	0.00	0.00	0.00
DEPRECIATION - LAND & IMP	0.00	0.00	0.00	0.00
Amortization	0.00	0.00	0.00	0.00
RENTAL EXPENSE - OTB	50,981.10	4.54	50,981.10	4.54
Interest Expense-OTB	0.00	0.00	0.00	0.00
Interest Expense -Kittyhawk	52,505.06	4.67	52,505.06	4.67
Interest Expense-General	0.00	0.00	0.00	0.00
INTEREST EXPENSE	0.00	0.00	0.00	0.00
Federal Income Taxes	0.00	0.00	0.00	0.00

LRI, Inc. 2001
Income Statement
For the Nine Months Ending September 30, 2006

INCOME TAX EXPENSE	0.00	0.00	0.00	0.00
Deferred Tax Expense	0.00	0.00	0.00	0.00
Deferred Tax Benefit	0.00	0.00	0.00	0.00
Deferred Tax Benefit	0.00	0.00	0.00	0.00
Gain/Loss on Sale	(5,000.00)	(0.44)	(5,000.00)	(0.44)
Total Expenses	901,745.99	80.24	901,745.99	80.24
Net Income	187,535.63	16.69	187,535.63	16.69

Part VI - Financial Data

JOHN MARTIN'S MANOR	
PROFIT & LOSS	
9/30/2006	
	YTD
REVENUE	
HANDLE	4,183,768
POOL WINNINGS-ALLOCATED	(3,288,533)
NET HANDLE REVENUE	895,235
OTHER REVENUE	
NET BREAKAGE	20,227
FOOD SERVIE SALES	755,754
BANQUET	207,488
ROOM\OTHER CHARGES	6,077
OTHER INCOME	300
ATM INCOME	1,974
PROGRAM INCOME	8,941
UNCASHED TICKET REV	10,621
LOTTO REVENUE	4,506
SLOT REVENUE	99,227
TOTAL OTHER REVENUE	1,115,115
GROSS REVENUE	2,010,350
HANDLE EXPENSES:	
TRACK FEES	175,852
STATE TAX - MAINE	418,536
TOTE FEES	20,919
INTERFACE FEES	6,276
SIMULCAST FEES	45,000
TOTAL HANDLE EXPENSES	666,583
OTB OPERATING EXPENSES:	
PAYROLL:	
MANAGERS	26,453
MUTUEL CLERKS	47,814
OVERTIME	142
TAXES	6,755
LICENSE FEES - PARI-MUTUEL	180
POSTAGE & SHIPPING	1,803
OPERATING SUPPLIES	1,192
PROGRAM COSTS	5,580
MAINTENANCE & REPAIRS	7,365
PARKING	23
RUBBISH REMOVAL	754
PROPERTY TAX	969
REAL ESTATE TAX	2,796
EQUIPMENT RENTAL	9,061
TRAVEL	817
AUTO EXPENSES	2,167
MEALS & ENTERTAINMENT	270
OUTSIDE SERVICES	3,980
CONSULTANTS	31,250
TELEPHONES	69
DATA LINES	11,895
HEAT	4,895
ELECTRICITY	14,350
WATER	3,499
CABLE TV	1,681
ADVERTISING	2,314
PROMOTIONS	9,088
VIP FOOD & BEVERAGE	2,534
MISC. UNCONTROLLABLE	4
FOOD SERVICE EXPENSES:	
FOOD SERVICE - COST OF SALES	479,263
PAYROLL - FOOD SERVICE MGMT	37,037
PAYROLL - BANQUET SALES	19,693

JOHN MARTIN'S MANOR	
PROFIT & LOSS	
9/30/2006	
	YTD
PAYROLL - CHEF & KITCHEN	205,610
PAYROLL - BAR	21,884
PAYROLL - SERVERS	49,198
PAYROLL - MAINTENANCE	20,518
PAYROLL- FOOD SERVICE O/T	5,870
PAYROLL TAXES - FOOD SERVICE	40,333
FOOD SERVICE - AUTO	90
FOOD SERVICE - M&R	21,492
FOOD SERVICE - UNIFORMS	2,833
FOOD SERVICE - RE TAX	8,389
FOOD SERVICE - PROPERTY TAX	969
FOOD SERVICE - OPERATING SUPPLIES	47,819
FOOD SERVICE - ELECTRIC	34,411
FOOD SERVICE - GAS\HEAT	15,019
FOOD SERVICE - PHONE	3,967
FOOD SERVICE - RUBBISH REMOVAL	5,782
FOOD SERVICE- WATER	5,600
FOOD SERVICE - EQUIPMENT RENTAL	2,925
FOOD SERVICE - OUTSIDE SERVICES	4,953
FOOD SERVICE - SECURITY	3,078
FOOD SERVICE - ADVERTISING	25,143
FOOD SERVICE - POSTAGE & SHIPPING	468
FOOD SERVICE - VIP DINING CARDS	910
FOOD SERVICE - BANK CHARGES	11,125
FOOD SERVICE - DUES & SUBSCRIPTIONS	190
FOOD SERVICE - PERMITS & LICENSES	1,405
FOOD SERVICE - UNCONTROLLABLE LOSSES	806
OPERATING EXPENSES	797,217
TOTAL OPERATING EXPENSES	1,943,063
GROSS PROFIT	67,287

Midcoast OTB, Inc.
Profit & Loss
January through September 2006

	Jan - Sep 06
Ordinary Income/Expense	
Income	
5000 · Sales	
5010 · OTB/Sales	
5011 · Commission	1,131,827.62
5014 · Cash +/--	
5015 · Cross Cash	116.04
5016 · NSF	-460.00
5014 · Cash +/-- - Other	25,252.33
Total 5014 · Cash +/--	24,908.37
Total 5010 · OTB/Sales	1,156,735.99
5020 · Programs/Sales	2,641.00
Total 5000 · Sales	1,159,376.99
5030 · Lottery/Sales	30,264.00
Total Income	1,189,640.99
Expense	
6000 · Advertising/Promotions	2,983.83
6010 · Commissions	
6015 · Maine State	522,027.94
6016 · Maine/local tracks	
6018 · Maine/Bangor	1,290.36
6019 · Maine/Fairs	527.01
6020 · Maine/Scarborough	5,278.02
Total 6016 · Maine/local tracks	7,095.39
6025 · In-State Tracks	
6026 · Bangor Raceway	4,144.63
6027 · Fairs	6,459.54
6028 · Scarborough Downs	15,300.13
Total 6025 · In-State Tracks	25,904.30
6035 · United Tote	12,281.33
6010 · Commissions - Other	333.49
Total 6010 · Commissions	567,642.45
6060 · Hub fee/United Tote	44,080.60
6070 · Interface Fee	5,980.43
6075 · Simulcast Fees	198,796.41
6110 · Automobile Expense	301.72
6115 · Electricity Expense	1,015.69
6145 · Decoder fees	61,869.75
6160 · Dues and Subscriptions	113.50
6170 · Equipment Rental	51,205.40
6180 · Insurance	
6182 · Auto	20.00
6186 · Health Insurance	13,824.00

Midcoast OTB, Inc.
Profit & Loss
January through September 2006

	Jan - Sep 06
6190 · Liability Insurance	6,795.00
6191 · Property & Crime Insurance	2,000.00
6195 · Work Comp	1,174.00
Total 6180 · Insurance	23,813.00
6230 · Licenses and Permits	503.50
6235 · Lottery Tickets	30,470.00
6240 · Miscellaneous	0.00
6250 · Postage and Delivery	358.07
6255 · Freight Expense	49.58
6261 · Program Expense	16,377.82
6270 · Professional Fees	
6275 · Accounting	720.00
6277 · Consulting fees	12,000.00
6280 · Legal Fees	35.00
Total 6270 · Professional Fees	12,755.00
6290 · Rent	
6291 · OTB Rent	43,728.00
6292 · Office Rent	6,000.00
Total 6290 · Rent	49,728.00
6300 · Repairs & Maintenance	
6310 · Building Repairs/Maintenance	7,747.36
6320 · Equipment Repairs	6,745.44
Total 6300 · Repairs & Maintenance	14,492.80
6340 · Telephone	11,719.00
6350 · Travel & Ent	
6360 · Meals	75.00
6365 · Meals/Employee	6,431.06
6370 · Travel	532.70
6375 · Client Development	1,347.99
Total 6350 · Travel & Ent	8,386.75
6400 · Wages Expense	156,346.12
6410 · PayRoll Taxes	
6415 · ER/Soc. Security/Medicare	11,960.49
6420 · FUTA	540.08
6425 · SUTA	1,050.06
Total 6410 · PayRoll Taxes	13,550.63
6545 · Equipment Supplies	1,172.50
6550 · Office Supplies/Expense	1,930.31
6560 · Payroll Expenses	
6561 · Compliance Div, Maine State	0.00
6560 · Payroll Expenses - Other	771.35
Total 6560 · Payroll Expenses	771.35
6680 · Recruiting	140.63

Midcoast OTB, Inc.
Profit & Loss
January through September 2006

	Jan - Sep 06
6820 · Taxes	
6850 · Sales Tax	516.14
Total 6820 · Taxes	516.14
Total Expense	1,277,070.98
Net Ordinary Income	-87,429.99
Other Income/Expense	
Other Income	
7010 · Interest Income	
7012 · Gardiner Svgs/Escrow	3,273.49
7013 · Gardiner Svgs/Lottery	1,246.63
Total 7010 · Interest Income	4,520.12
7030 · Other Income	
7031 · Cancelled Outs & Vouchers	19,844.56
7032 · Dividends & NSF Fees	-12.00
7033 · OTB Stab. Fund	119,899.50
Total 7030 · Other Income	139,732.06
Total Other Income	144,252.18
Other Expense	
8010 · Other Expenses	-11.00
8015 · Racino Disbursements	15,727.90
Total Other Expense	15,716.90
Net Other Income	128,535.28
Net Income	41,105.29

Sanford O.T.B.
Profit & Loss
January through September 2006

	Jan - Sep 06
Other Expense	
Amortization	9,750.00
Exp-42% Racino Stipend Tony P	48,766.60
Depreciation Expense	16,715.00
Total Other Expense	75,231.60
Net Other Income	40,879.34
Net Income	**47,601.09**

Sanford O.T.B.
Profit & Loss
January through September 2006

		Jan - Sep 06
Ordinary Income/Expense		
Income		
Food/Beverage Revenue		67,753.58
Program Revenue		7,081.50
Simulcast Revenue		810,371.97
Total Income		885,207.05
Cost of Goods Sold		
Cost Of Sales-Food/Beverarge		42,324.27
Cost Of Sales-ITW		
Decoder Expense	46,782.94	
Simulcast Expense	212,406.13	
State Expense	376,134.29	
Total Cost Of Sales-ITW		635,323.36
Cost of Sales- Programs		5,743.31
Total COGS		683,390.94
Gross Profit		201,816.11
Expense		
Advertising Expense		1,779.20
Bank Service Charges		89.92
Consulting Expense		9,750.00
Insurance		6,107.95
Licenses and Permits		1,760.00
Maintenance		
Maintenance Expense/Security	789.00	
Maintenance - Other	335.00	
Total Maintenance		1,124.00
Miscellaneous		3,687.39
Office Supplies Expense		4,127.04
Payroll Expenses		116,849.21
Postage and Delivery		22.31
Professional Fees		
Accounting Expense	2,250.00	
Total Professional Fees		2,250.00
Property Tax Expense		3,042.64
Rent		29,999.97
Utilities		
Electricity	10,126.19	
Gas and Electric	2,370.34	
Telephone	1,531.87	
Utilities - Other	476.33	
Total Utilities		14,504.73
Total Expense		195,094.36
Net Ordinary Income		6,721.75
Other Income/Expense		
Other Income		
Other Income - Racino Stipend		116,110.94
Total Other Income		116,110.94

Thomas E. Foster, *President*
William McFarland, *1st Vice President*
Emery Pierce, *2nd Vice President*

Lincoln O. Orff, *Secretary*
James W. Tracy, *Treasurer*

WINDSOR FAIR

O.F.P.R.
2007 MAY -4 AM 11:37

May 2, 2007

Lock Kiermaier,
Legislative Analyst
Office of Fiscal & Program Review
5 State House Station
Augusta, ME 04333-0005

Dear Sir:

Windsor Fair is held each year in late August and early September. Normally there is harness racing held on each day of our 9 day fair. However, weather forced cancellation of 1 race day in 2006. The following is in response to your request for financial information :

Racino Funds Rec'd:				Useage:
Purse Supplement:	1/06	$ 19,603.32		2006 Race Purses
	1/06	1,995.54	-Agr. Fair Fund	" " "
	4/06	26,157.55		" " "
	7/06	29,122.82		" " "
		--------------	$ 76,883.23	
	10/06	33,336.98		Held for 2007 Race Purses
Agr. Fair Fund:	1/06	5,047.04		2006 Premiums
Regular Purse Suppl.:				
	1/05	$ 18,901.25		2004 Race Purses
	5/05	19,937.60		2005 Race Purses
	9/05	20,488.06		" " "
	1/06	19,864.76		" " "
		-------------	$ 60,290.42 (2005)	
	5/06	16,713.35		2006 Race Purses
	9/06	17,755.81		" " "
	1/07	2,431.96		" " "
		--------------	$ 36,901.12 (2006)	

Race Purses Paid:	2005 FAIR		2006 FAIR	
Total Purses	$ 178,162.00		$ 231,726.00	
- Breeders Stakes Funds	-30,081.00		71,912.00	
	---------------		----------------	
	$ 148,081.00	(9 Days)	$ 159,814.00	(8 Days)

I trust this provides the information that you requested.

Sincerely,

James W. Tracy

James W. Tracy
Treasurer

Maine State Legislature
OFFICE OF POLICY AND LEGAL ANALYSIS
13 State House Station, Augusta, Maine 04333-0013
Telephone: (207) 287-1670
Fax: (207) 287-1275

MEMORANDUM

Date: **March 15, 2007**

To: **Members, Legal and Veterans' Affairs**
Members, Appropriation and Financial Affairs

From: **Danielle Fox, policy analyst** Dani

RE: **Information regarding slot machine distributions**

Attached please find the statutory language that created the funds to be recipients of slot machine revenue for commercial tracks (4% divided among 2 commercial tracks) and off-track betting facilities (2% for 5 facilities, reduced to 1% in 2009). You will note that neither fund places requirements on how that money is to be spent.

Also attached is the language pertaining to the distribution of slot machine revenue as proposed by the initiated bill passed by the voters. The funds that were not considered in the initiated bill but became part of the law enacted by LD 1820 are the funds mentioned above and a distribution to the host municipality.

Finally, attached is the fiscal note with projections for slot machine revenue through 2006-07. This note anticipated an earlier start date for the racino (actual start date was 11/4/05) and operation of the maximum number of slot machines (1500) by year three. The current number of slot machines in operation is approximately 475. An increase in the number of machines (reportedly just over 1000 machines) is expected with the opening of a new facility.

LVA will be requesting information from Henry Jackson and representatives from the commercial tracks and OTBs regarding the use of funds from racino revenue.

I hope you find this information helpful. Feel free to contact me if you have any questions.

Four percent of 39% distribution from slot machine revenue:

8 § 299. Fund to Encourage Racing at Maine's Commercial Tracks

1. Fund created. The Fund to Encourage Racing at Maine's Commercial Tracks is established to provide revenues to Maine's commercial tracks.

2. Distribution. On May 30th, September 30th and January 30th, all amounts credited to the fund established by this section as of the last day of the preceding month and not distributed before that day must be distributed to each commercial track licensed under section 271, with each track receiving that amount of the money available for distribution determined by multiplying that amount times a fraction, the numerator of which is the total number of live race days conducted by the commercial track during the preceding time period and the denominator of which is the total number of race days conducted by all commercial tracks licensed under section 271 during that time period. The payment in January must be adjusted so that for the prior 3 time periods each commercial track receives that fraction of the total money distributed over the full year from the fund established by this section, the amount determined by multiplying the total amount of money times a fraction, the numerator of which is the number of live race days conducted by the commercial track during the calendar year and the denominator of which is the total number of race days conducted by all commercial tracks licensed under section 271 during that calendar year.

Section history:

2003, c. 687 , § A4 (NEW). 2003, c. 687 , § B11 (AFF).

Two percent of 39% of slot machine revenue to OTBs - reduced to 1% in 2009

8 § 300. Fund to Stabilize Off-track Betting Facilities

1. Fund created. The Fund to Stabilize Off-track Betting Facilities is established to provide revenues to those off-track betting facilities licensed and in operation as of December 31, 2003.

2. Distribution. On May 30th, September 30th and January 30th, all amounts credited to the fund established by this section as of the last day of the preceding month and not distributed before that day must be distributed to each of Maine's off-track betting facilities licensed and in operation as of December 31, 2003. Distributions must be made in equal amounts to each off-track betting facility in operation as of the date of the distribution.

Section history:

2003, c. 687 , § A4 (NEW). 2003, c. 687 , § B11 (AFF).

Distributions as proposed in initiated bill:

§923. Allocation of funds

1. Distribution from commercial track. A licensee shall collect and distribute gross slot income from slot machines operated by the licensee as follows.

A. Twenty-five percent of total gross slot income must be sent to the commission for distribution by the commission as follows:

1% State

(1) One percent of total gross slot income must be retained for administrative expenses of the commission. An amount not to exceed $250,000 may be expended by the commission for addiction counseling services in accordance with rules adopted by the commission;

7% to purses

(2) Seven percent of total gross slot income must be used by the commission to supplement harness racing purses and must be disbursed for that purpose at the times and in the manner prescribed in section 296;

1% sire stakes

(3) One percent of total gross slot income must be credited by the commission to the Sire Stakes Fund created in section 281;

3% Fairs

(4) Three percent of the total gross slot income must be forwarded by the commission to the Treasurer of State, who shall credit the money to the Agricultural Fair Support Fund established in Title 7, section 76;

10 Pres. drugs

(5) Ten percent of the total gross slot income must be forwarded by the commission to the State Controller to be credited to the Fund for a Healthy Maine established by Title 22, section 1511 and segregated into a separate account under Title 22, section 1511, subsection 10, with use of funds in the account restricted to the purposes described in Title 22, section 1511, subsection 6, paragraph E;

2% scholarships UMS

(6) Two percent of the total gross slot income must be forwarded by the commission to the Finance Authority of Maine for application to the University of Maine System Scholarship Fund created in Title 20-A, section 11631; and

1% scholarships community colleges

(7) One percent of the total gross slot income must be forwarded by the commission to the board of trustees of the Maine Technical College System to be applied by the board to fund its scholarships program under Title 20-A, section 12716, subsection 1.

B. The balance of the gross slot income must be retained by the licensee from which the licensee is required to pay the slot machine distributor and all other expenses associated with the operation of the slot machines.

Please note pages 3 and 4

Currently 475 machines operating at Bangor

121st Maine Legislature
Office of Fiscal and Program Review

LD 1820
An Act To Establish the Gambling Control Board To License and Regulate Slot Machines at Commercial Harness Racing Tracks

LR 2664(03)
Fiscal Note for Bill As Amended by Committee Amendment " "
Committee: Legal and Veterans Affairs
Fiscal Note Required: Yes
Majority Report

Actual → Bangor slot machine facility operation start date 11/4/05

Fiscal Note

	2003-04	2004-05	Projections 2005-06	Projections 2006-07
Net Cost (Savings)				
General Fund	$161,116	($1,035,867)	($2,061,689)	($6,886,982)
Fund For Healthy Maine	$0	$1,076,557	$24,480	$62,400
Appropriations/Allocations				
General Fund	$0	$1,825,778	$2,178,545	$3,859,394
Other Special Revenue Funds	$0	$3,952,506	$8,088,055	$20,585,895
Revenue				
General Fund	($161,116)	$2,861,645	$4,240,234	$10,746,376
Fund For Healthy Maine	$0	($1,076,557)	($24,480)	($62,400)
Other Special Revenue Funds	($38,717)	($64,449)	$3,186,617	$8,193,428

Fiscal Detail and Notes

This bill effectively amends certain provisions of IB 2003, c.1 (LD 1371) which authorized slot machines to be located at commercial horse racing tracks. The revenue impacts of IB 2003, c.1 were factored into budgeted revenue estimates. The revenue impacts identified above for the General Fund, the Fund for a Healthy Maine and Other Special revenue Funds reflect the net (incremental) revenue impacts of amending the Inititiated Bill. However, because the Initiated Bill could not be amended by the Legislature to include the necessary appropriations and allocations it needed, the appropriations and allocations section included in this bill reflects the full costs of enacting this bill (LD 1820).

Revenue Summary of General Fund and Fund for Healthy Maine
Baseline Revenue from IB 2003, c.1 (LD 1371)

	2003-04	2004-05	Projections 2005-06	Projections 2006-07
General Fund				
Baseline Revenue for IB 2003, c.1; LD 1371	$161,116	($337,327)	($414,236)	($1,055,603)
Revenue Generated by LD 1820	$0	$2,524,318	$3,825,998	$9,690,773
Net General Fund Revenue Effect	**($161,116)**	**$2,861,645**	**$4,240,234**	**$10,746,376**
Fund for Healthy Maine				
Baseline revenue for IB 2003, c.1; LD 1371	$0	$2,661,450	$3,257,640	$8,307,000
Revenue Generated by LD 1820	$0	$1,584,893	$3,233,160	$8,244,600
Net Fund For Healthy Maine Revenue Effect	**$0**	**($1,076,557)**	**($24,480)**	**($62,400)**
Other Special Revenue Funds				
Baseline revenue for IB 2003, c.1; LD 1371	$38,717	$4,016,955	$4,901,438	$12,392,467
Revenue Generated by LD 1820	$0	$3,952,506	$8,088,055	$20,585,895
Net Other Special Revenue Funds Effect	**($38,717)**	**($64,449)**	**$3,186,617**	**$8,193,428**

This bill is different from the initiated bill in several respects:

First, because of the delay in implementation since the initiated bill became law (effective date of January 4, 2004), the fiscal impacts for fiscal year 2003-04 identified in the initiated bill are no longer applicable.

Second, this bill replaces the State Harness Racing Commission as the agency charged with the regulatory responsibility for overseeing the use of slot machines at race tracks with a new Gambling Control Board which will be part of the Department of Public Safety. The use of a different regulatory agency results in different enforcement costs.

Third, the distribution of proceeds from gross slot income has been significantly changed, including a reduction in the distribution for the owner of the racetrack and new distributions for certain functions of state and municipal government. A number of distributions to state government remain unchanged.

Finally, the method by which the regulatory costs of state government are paid has been changed. The Initiated Bill reserved 1% of gross slot income as Other Special Revenue for the costs that would be incurred by Maine State Government to provide administrative and regulatory oversight over the operation of the authorized slot machine facilities. Because this was not adequate to cover the costs of state government, the fiscal note for the Initiated Bill reflected a significant General Fund cost. The provisions of this bill, as amended, specify that 1% of total slot income and 3% of gross slot income is to be deposited into the General Fund. The resources that have been reserved for regulatory and enforcement purposes in this bill are adequate to cover the regulatory costs of state governement.

Presented below is an estimate of revenues and subsequent distribution that may be generated assuming one licensed slot machine operator with a total of 1,500 slot machines by the end of fiscal year 2006-07. This table includes a breakdown of the General Fund and Other Special Revenue Funds impacts.

-1500 machines

Summary of Slot Machine Revenue	2004-05	2005-06	2006-07
Total Slot Machine Revenue	$158,489,348	$323,316,000	$824,460,000
89% Payback	$141,055,520	$287,751,240	$733,769,400
General Fund Administration @ 1%	$1,584,893	$3,233,160	$8,244,600
Gross Slot Income @ 10%	$15,848,935	$32,331,600	$82,446,000
61% of Gross Slot Income to Licensee	$9,667,850	$19,722,276	$50,292,060
39% of Gross Slot Income to State & Host Municipality	$6,181,085	$12,609,324	$32,153,940
Required Distribution of Gross Slot Income (39% State & Host Municipality Share)			
General Fund (3%)	$475,468	$969,948	$2,473,380
Fund For Healthy Maine (10%)	$1,584,893	$3,233,160	$8,244,600
Purse Supplements (10%)	$1,584,893	$3,233,160	$8,244,600
Agricultural Fair Support Fund (3%)	$475,468	$969,948	$2,473,380
FAME (2%)	$316,979	$646,632	$1,648,920
Sire Stakes Fund (3%)	$475,468	$969,948	$2,473,380
Fund to Encourage Racing at Maine's Commercial Tracks (4%)	$633,957	$1,293,264	$3,297,840
Fund to Stabilize Off-Track Betting (2%)	$316,979	$646,632	$1,648,920
Maine Community College System (1%)	$158,489	$323,316	$824,460
Host Municipalities (1%)	$158,489	$323,316	$824,460
Other Revenue Impacts:			
License fees to the General Fund	$524,250	$74,563	$124,563
Reimbursements to the General Fund	$161,116	$0	$0
Impact on Lottery - Diverted "Gaming/Gambling" Revenue to Slot Machines			
5% of Gross Slot Income	$871,691	$1,778,238	$4,534,530
25% General Fund Transfer	($217,923)	($444,560)	($1,133,633)
Impact on Harness Racing - Diverted "Gaming/Gambling" Revenue to Slot Machines			
2% of Gross Slot Income	$348,677	$711,295	$1,813,812
Loss of Revenue from diverted revenue by Fund/Account:			
General Fund	($3,487)	($7,113)	($18,138)
Subtotal General Fund Revenue	($221,410)	($451,673)	($1,151,771)
Other Special Revenue Funds			
- Purse Supplements	($6,276)	($12,803)	($32,649)
- Sire Stakes Fund	($3,452)	($7,042)	($17,957)

- Agricultural Fair Support Fund	($4,010)	($8,180)	($20,859)
- Commercial Racetracks	($4,324)	($8,820)	($22,491)
- Promotional Board	($872)	($1,778)	($4,535)
Subtotal Dedicated Revenue	($18,934)	($38,623)	($98,491)

<u>Summary of Expenditure</u>

General Fund:			
- Attorney General	$71,230	$71,230	$71,230
- Public Safety	$1,754,548	$2,107,315	$3,788,164
General Fund Total	$1,825,778	$2,178,545	$3,859,394
Other Special Revenue Funds:			
- Agriculture, Food and Rural Resources	$3,477,038	$7,093,107	$18,087,515
- Public Safety (Host Municipalities)	$0	$25,000	$25,000
- FAME	$316,979	$646,632	$1,648,920
- Maine Community College System	$158,489	$323,316	$824,460
Other Special Revenue Total	$3,952,506	$8,088,055	$20,585,895

<u>Summary of Revenue Impacts</u>

General Fund:			
- 1% of Total Slot Income	$1,584,893	$3,233,160	$8,244,600
- 3% of Gross Slot Income	$475,468	$969,948	$2,473,380
- Reimbursements	$161,116	$0	$0
- License fees to the General Fund	$524,250	$74,563	$124,563
- Diverted Lottery Revenue	($217,923)	($444,560)	($1,133,633)
- Diverted Pari-mutuel Revenue	($3,487)	($7,113)	($18,138)
General Fund Total	$2,524,318	$3,825,999	$9,690,773
Fund for Healthy Maine:			
- Proceeds From Slot Machines	$1,584,893	$3,233,160	$8,244,600
Fund for Healthy Maine - Total	$1,584,893	$3,233,160	$8,244,600
Other Special Revenue Funds:			
- Agriculture, Food and Rural Resources	$3,477,038	$7,093,107	$18,087,515
- Public Safety (Host Municipalities)	$0	$25,000	$25,000
- FAME	$316,979	$646,632	$1,648,920
- Maine Community College System	$158,489	$323,316	$824,460
Other Special Revenue Total	$3,952,506	$8,088,055	$20,585,895
Host Municipalities	$158,489	$323,316	$824,460

INITIATED BILL
Second Regular Session of the 121st

I.B. 2 - L.D. 1371

An Act To Allow Slot Machines at Commercial Horse Racing Tracks

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 7 MRSA §76 is enacted to read:

§76. Agricultural Fair Support Fund

1. Fund created. The Treasurer of State shall establish an account to be known as the "Agricultural Fair Support Fund" and shall credit to it all the money received for that purpose under Title 8, section 923, subsection 1, paragraph A, subparagraph 4.

2. Disbursement. No later than January 31st of each year, all funds held as of the end of the previous calendar year in the Agricultural Fair Support Fund must be distributed by the Treasurer of State as follows:

A. Sixty percent of these funds must be distributed to all entities licensed as agricultural fairs by the department that during the previous year were licensed to and did accept pari-mutuel wagers on harness horse races. Each licensed entity must receive a proportionate distribution based upon the number of days in the preceding year each licensee raced during its regular fair meet. The funds must be used by the fairs to supplement purses; and
B. Forty percent of these funds must be divided among all entities licensed as agricultural fairs by the department. These funds must be distributed in the same proportion as funds distributed for premium reimbursement and may be used at the fairs' discretion.

Sec. 2. 8 MRSA §263-C, sub-§4, as reallocated by PL 1999, c. 790, Pt. A, §8, is amended to read:

4. Duties. The executive director has the following duties:

A. Management of the work of the commission, including:

(1) Rulemaking;
(2) Processing appeals;
(3) Licensing of tracks and off-track betting facilities; ~~and~~
(4) Setting race dates; and
(5) Registration of slot machines and licensing of slot machine operators and slot machine distributors; and

B. Management of the work of the department regarding harness racing ~~and~~, off-track betting and slot machine operations, including:

(1) Supervision of all staff involved in harness racing ~~and~~, off-track betting and slot machine functions;
(2) Management of the collection and distribution of revenues under this chapter;
(3) Budget development and management;
(4) Policy development with regard to harness racing ~~and~~, off-track betting and slot machines;
(5) Management of participant licensing;
(6) Enforcement of harness racing ~~and~~, off-track betting and slot machine statutes and rules;
(7) Investigation of harness racing ~~and~~, off-track betting and slot machine violations;
(8) Facilitating the development of positive working relationships in the harness racing industry and State

Government; and
(9) Making reports to the Governor and Legislature and recommendations to the commissioner regarding harness racing ~~and~~, off-track betting and slot machine operations and the need for changes in statutes and rules.

Sec. 3. 8 MRSA §271, sub-§1, as amended by PL 2001, c. 567, §3, is further amended to read:

1. Licensing. If the commission is satisfied that all of this chapter and rules prescribed by the commission have been substantially complied with during the past year and will be fully complied with during the coming year by the person, association or corporation applying for a license; that the applicant, its members, directors, officers, shareholders, employees, creditors and associates are of good moral character; that the applicant is financially responsible; and that the award of racing dates to the applicant is appropriate under the criteria contained in subsection 2, it may issue a license for the holding of harness horse races or meets for public exhibition with pari-mutuel pools, which must expire on December 31st. The fee for a license is $100 or $10 per week, whichever is higher. The commission shall provide a booklet containing harness racing laws and rules and relevant portions of the Maine Administrative Procedure Act to every initial licensee and a fee not to exceed $10 must be included in the license fee to cover the cost of this publication. The commission shall provide necessary revisions of this booklet to those persons renewing licenses at the time of renewal and shall include the cost of the revisions, not to exceed $10, in the renewal fee. The license must set forth the name of the licensee, the place where the races or race meets are to be held and the specific race dates and time of day or night during which racing may be conducted by the licensee. If the commission determines that the location where a commercial track is licensed to conduct races is unavailable, it may permit a licensee to transfer its license to another location. The substitute location and the races conducted there by the licensee must be conducted in accordance with this chapter. ~~Any such license issued is not transferable or assignable.~~ The District Court Judge, as designated in Title 4, chapter 5, may revoke any license issued at any time for violation of the commission's rules or licensing provisions upon notice and hearing. ~~The license of any corporation is automatically revoked, subject to Title 5, chapter 375, upon the~~ A license issued under this section is transferable or assignable as long as the commission finds that the transferee or assignee satisfies all elements for the issuance of the license being transferred or assigned. A change in ownership, legal or equitable, of 50% or more of the voting stock of ~~the~~ a corporation ~~and the corporation may not hold a harness horse race or meet for public exhibition without a new license~~ licensed under this section constitutes a transfer of the license.

Sec. 4. 8 MRSA §§296 and 297 are enacted to read:

§296. Fund to supplement harness racing purses

1. Fund created. A fund is established to supplement harness racing purses to which the commission shall credit all payments received pursuant to section 923, subsection 1, paragraph A, subparagraph (2) for distribution in accordance with this section.

2. Distribution. On May 30th, September 30th and January 30th, all amounts credited to the fund established by this section as of the last day of the preceding month and not distributed before that day must be distributed to each commercial track licensed to operate slot machines under section 911, with each track receiving that amount of the money available for distribution determined by multiplying that amount times a fraction, the numerator of which is the total number of live race days conducted by the commercial track during the preceding time period and the denominator of which is the total number of race days conducted by all commercial tracks licensed to operate slot machines under section 911 during that time period. The payment in January must be adjusted so that for the prior 3 time periods each commercial track receives that fraction of the total money distributed over the full year from the fund established by this section, the amount determined by multiplying the total amount of money times a fraction, the numerator of which is the number of live race days conducted by the commercial track during the calendar year and the denominator of which is the total number of race days conducted by all commercial tracks licensed to operate slot machines under section 911 during that calendar year. The funds distributed pursuant to this section must be used to supplement harness racing purses.

3. Rules. The commission may adopt rules to enforce the obligation of licensees to use funds distributed under this section to supplement harness racing purses and to require licensees to account for funds.

§297. Working capital advance

The commission is authorized to establish an advance to the commission from any licensee under section 911 in an amount of up to $250,000 to fund any necessary start-up costs associated with the implementation of a system of slot machines in the State pursuant to chapter 30. Funds advanced for this purpose must be credited against the licensee's obligation to pay the first $250,000 to the commission under section 923.

Sec. 5. 8 MRSA c. 30 is enacted to read:

CHAPTER 30
SLOT MACHINES
SUBCHAPTER 1
GENERAL PROVISIONS

§901. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Associated equipment. "Associated equipment" means any proprietary device, machine or part used in the manufacture or maintenance of a slot machine, including, but not limited to, integrated circuit chips, printed wire assemblies, printed wire boards, printing mechanisms, video display monitors and metering devices.

2. Commission. "Commission" means the State Harness Racing Commission within the Department of Agriculture, Food and Rural Resources.

3. Director. "Director" means the executive director of the commission.

4. Drug abuser. "Drug abuser" has the same meaning as set forth in Title 5, section 20003, subsection 10.

5. Drug addict. "Drug addict" has the same meaning as set forth in Title 5, section 20003, subsection 11.

6. Drug-dependent person. "Drug-dependent person" has the same meaning as set forth in Title 5, section 20003, subsection 12.

7. Distribute. "Distribute" means to sell, lease, license, place or otherwise make available for use in the State.

8. Fugitive from justice. "Fugitive from justice" has the same meaning as set forth in Title 15, section 201, subsection 4.

9. Gross slot income. "Gross slot income" means money or credits inserted into a slot machine minus money or credits or prizes paid out to winners.

10. Licensee. "Licensee" means a person licensed by the commission to operate a slot machine in accordance with section 911.

11. Operate. "Operate" means to offer for public use.

12. Pari-mutuel facility. "Pari-mutuel facility" means a location at which a person is licensed under chapter 11 to accept pari-mutuel wagers on horse races.

13. Person. "Person" means an individual, corporation, association, partnership, trust or other business organization.

14. Slot machine. "Slot machine" means any mechanical, electrical or electronic device, contrivance or machine or other device, contrivance or machine that, upon insertion of a coin, token, credit or similar object or thing of value, is available to play or operate, the play or operation of which by the element of chance may deliver or entitle the person playing or operating the device, contrivance or machine to receive cash, tokens or credits to be exchanged for cash, merchandise or anything of value, whether the payoff is made automatically from the device, contrivance or machine or in any other manner, and includes progressive electronic gaming devices with a payoff that increases as the electronic gaming device is played.

15. Slot machine distributor. "Slot machine distributor" means a person who is licensed under this chapter to distribute slot machines and associated equipment for use in the State.

16. Uniform location agreement. "Uniform location agreement" means a written agreement between a licensee and a slot machine distributor that governs the terms and conditions of the placement of slot machines on the premises of the licensee.

§902. License required

1. Operation of slot machines. A person may operate a slot machine in this State if the person is licensed to do so by the commission under section 911, but not otherwise.

2. Distribution of slot machines. A person may distribute a slot machine and associated equipment for use in this State if the person is licensed to do so by the commission under section 913, but not otherwise.

3. Slot machines. A person may not operate or distribute a slot machine in this State unless the machine is registered with the commission under section 912.

4. Ownership of slot machines. A person may not place or operate a slot machine for use in this State if the slot machine is owned by any person other than a slot machine distributor licensed under section 913.

§903. Administration and enforcement

The commission shall enforce and administer the provisions of this chapter.

§904. Powers and duties of the commission

1. Powers. The commission may:

A. Regulate, supervise and exercise general control over the ownership, operation and distribution of slot machines;
B. Adopt rules necessary to administer and enforce this chapter;
C. Investigate any alleged violations of this chapter or rules adopted under this chapter and investigate the direct or indirect ownership or control of any licensee or slot machine distributor;
D. In any investigation conducted under this chapter, issue subpoenas to compel the attendance of witnesses and the production of evidence relevant to any fact at issue;
E. Enter the offices, facilities or other places of business of a licensee or slot machine distributor to determine compliance with this chapter and rules adopted under this chapter;
F. Require a licensee to file an annual financial report with the commission, including a balance sheet and profit and loss statement, a list of all persons having any beneficial interest in the licensee, and such other information as the commission may require, all in such form as the commission may establish by rule;
G. Keep accurate and complete records of its proceedings and to certify the records as may be appropriate;
H. Take any other action as may be reasonable or appropriate to enforce this chapter and the rules adopted under this chapter;
I. Approve or disapprove terms and conditions of uniform location agreements; and

J. Subject to any applicable laws relating to public contracts, enter into a contract for the performance of the commission's duties under this chapter. A contract awarded or entered into by the commission may not be assigned by the holder of the contract except by specific approval of the commission.

2. Duties. The commission shall:

A. Investigate or cause to be investigated all complaints made to the commission regarding ownership, distribution or operation of slot machines and all violations of this chapter or the rules adopted under this chapter;
B. Adopt rules to prevent undesirable conduct relating to the ownership, distribution and operation of slot machines, including, but not limited to, the following:

(1) The practice of any fraud or deception upon a player of a slot machine;
(2) The presence of a slot machine in or at premises that may be unsafe due to fire hazard or other such conditions;
(3) The use of obscene advertising;
(4) The infiltration of organized crime into the ownership, distribution or operation of slot machines; and
(5) The presence of disorderly persons in a location where slot machines are in use;

C. Disable any slot machine following a determination that:

(1) A person has illegally tampered with the slot machine;
(2) The funds from the slot machine have not been distributed, deposited or allocated in accordance with section 923; or
(3) The slot machine does not meet the registration requirements of this chapter or rules adopted under this chapter;

D. Collect funds due to the State under section 923;
E. Certify monthly to the Commissioner of Agriculture, Food and Rural Resources a full and complete statement of all slot machine revenue, credits disbursed by licensees, administrative expenses and the allocation of gross slot income for the preceding month;
F. Submit by January 15th an annual report to the Governor and the joint standing committee of the Legislature having jurisdiction over legal affairs of slot machine revenue, credits disbursed by licensees, administrative expenses and the allocation of gross slot income for the preceding year; and
G. Prepare and submit to the Department of Agriculture, Food and Rural Resources a budget for the administration of this chapter.

SUBCHAPTER 2
LICENSING

§911. License to operate

1. Eligible persons. The commission may issue a license to operate slot machines to any person who is licensed to operate a commercial track, as defined in section 275-A, that satisfies the following criteria:

A. The commercial track is located at or within a 5-mile radius of the center of a commercial track that conducted harness racing with pari-mutuel wagering on more than 25 days during calendar year 2002; and
B. The operation of slot machines at the commercial track is approved by the voters of the municipality in which the commercial track to be licensed is located by referendum election held at any time after December 31, 2002 and before December 31, 2003.

2. Requirements for license. The person applying for a license under subsection 1 must satisfy the qualifications set forth in section 914.

3. Operation of machines. A licensee may operate a slot machine on any day during the calendar year at the location where the commercial track is licensed to accept pari-mutuel wagers on horse races, without restriction on hours of operation.

4. Placement of slot machines. A licensee shall prohibit persons under 21 years of age from any area in which a slot machine is located except that persons 18 to 20 years of age may be present if directly employed by the licensee or a slot machine distributor.

5. Uniform location agreement. Each slot machine is subject to a uniform location agreement between the slot machine distributor and the licensee. A copy of the agreement must be submitted to the commission. The uniform location agreement is the complete and sole agreement between the licensee and the slot machine distributor regarding slot machines. No other agreement between the licensee and the slot machine distributor is legally binding.

6. Disclosure of other contracts and agreements. A licensee must disclose to the director any and all contracts or agreements the licensee establishes with a slot machine distributor.

7. Restriction against proliferation. A license may not be issued under subsection 1 to any commercial track located within 100 miles of any existing licensee.

§912. Registration of slot machines

1. Registration required. A slot machine may not be operated or distributed in this State unless the slot machine is registered by the commission, the operator is licensed by the commission under section 911 and the distributor of the slot machine is licensed under section 913.

2. Requirements for registration. To be registered, a slot machine:

A. May not have any means of manipulation that affect the random probabilities of winning a game;
B. Must have one or more mechanisms that accept coin or cash in the form of bills and that are designed to prevent a person from obtaining credits or cash without paying;
C. Must be designed to suspend operation until reset if a person attempts, by physical or other tampering, to obtain credits or cash without paying;
D. Must have nonresettable meters housed in a readily accessible locked slot machine area that keep a permanent record of all cash inserted into the slot machine, credits or cash awarded by the slot machine, credits played for games and credits distributed by tickets issued by the slot machine; and
E. Must have accounting software that keeps an electronic record of information that includes, but is not limited to, total cash inserted into the slot machine; total cash awarded, total credits played for games and total credits distributed by tickets made by the slot machine; and the payback percentage of each game.

3. Examination of prototypes. The commission shall examine prototypes of slot machines and associated equipment of slot machine distributors seeking registration as required in this chapter. The commission shall require the slot machine distributor seeking examination and approval of the slot machine or associated equipment to pay the anticipated cost of the examination before the examination occurs. After the examination occurs, the commission shall refund overpayments or charge and collect amounts sufficient to reimburse the commission for underpayments of actual cost. The commission may contract for the examinations of slot machines and associated equipment as required by this section.

4. Unregistered slot machine subject to confiscation. Any slot machine that is not registered as required by this section is contraband and a public nuisance and is subject to confiscation by any law enforcement officer.

§913. Licensing of slot machine distributors

1. License required. A person may not distribute any slot machine in the State unless the person is licensed under this section.

2. Requirements for license. The commission may issue a license to distribute slot machines to an applicant that meets the qualifications set out in section 914.

§914. Qualifications for license

1. Minimum qualifications. A person must satisfy the following qualifications to be a licensee under section 911 or a slot machine distributor under section 913.

A. The person must be of good moral character.
B. The person has not been convicted of a crime punishable by one year or more of imprisonment in any jurisdiction, unless at least 10 years have passed since satisfactory completion of the sen-tence or probation imposed by the court for the crime.
C. The person has not been convicted of a violation of this chapter or Title 17, chapter 14.
D. The person is not a fugitive from justice, a drug abuser, a drug addict, a drug-dependent person, an illegal alien or a person who was dishonorably discharged from the military forces within 10 years prior to the date of application.
E. The person has completed the application form and complied with the requirements of section 915.
F. The person has sufficient financial assets to meet any financial obligations imposed by this chapter.
G. The person has not knowingly made a false statement of material fact in applying for a license under this chapter.
H. The person has sufficient knowledge and experience in the operation of commercial tracks and slot machines to effectively operate the commercial track and slot machines to which the license application relates in accordance with this chapter and the rules and standards adopted under this chapter.

2. Background investigation; additional qualifications. Before a license is granted under this chapter, the commission shall conduct a thorough background investigation of the applicant to ensure satisfaction of the qualifications set forth in this chapter and such additional qualifications as the commission may establish by rules adopted under section 904. The applicant shall provide information on a form as required by the director.

§915. Applications

1. Form. An application for a license required under this chapter must be on the form provided by the director. The application must contain, but is not limited to, the following information regarding the individual applicant and each officer, director, partner or owner of any legal or beneficial interest in a person applying for a license:

A. Full name;
B. Full current address and addresses for the prior 5 years;
C. A record of previous issuances of, refusals to issue and revocations of a license under this chapter; and
D. All information the commission determines is necessary or appropriate to determine whether the applicant satisfies the minimum qualifications specified in section 914, subsection 1.

2. Signature as certification. The applicant, by affixing the applicant's signature to the application, certifies the following:

A. That the statements made in the application and any documents made a part of the application are true and correct;
B. That the applicant understands that the information provided pursuant to subsection 1, paragraph D is used by the commission, along with other information, in judging good moral character and that this information may be cause for refusal to issue a license; and
C. That the applicant understands that knowingly making a false statement in the application or in a document made a part of the application is grounds for refusal to issue a license or for revocation or suspension of a license.

3. Consent to review records. At the request of the commission, the applicant shall take whatever action is necessary to permit the director to examine all accounts and records in the applicant's possession, under the applicant's control or under the control of 3rd parties but accessible by consent of the applicant, and must authorize all 3rd parties in possession or in control of those accounts or records to allow the director or a designee to examine the accounts and records as the director determines necessary, to ascertain:

A. Whether the information supplied on the application or any documents made a part of the application is true and correct;
B. Whether each of the requirements of this section has been met; or
C. Whether the applicant meets the requirements for licensure under this chapter and under rules adopted under this chapter.

The consent to review records includes the applicant taking whatever action is necessary to permit the commission or its designee to have access to confidential records held by banks, courts, law enforcement agencies and the military for purposes stated in this subsection.

4. Existing license. Commercial tracks with a license to operate under chapter 11 in force as of the effective date of this chapter that satisfy the eligibility requirements of section 911 must be automatically considered a licensee under section 911 and are not required to submit an application for a license under section 911.

§916. Fees; term of license or registration; transferability

1. Fees. The annual fee for a license or registration issued under this chapter is as follows:

A. Registration of a slot machine under section 912 is $10;
B. A license for a slot machine distributor under section 913 is $1,000; and
C. A license for an operator of a slot machine under section 911 is $1,000.

In addition to the annual license or registration fee, the director may charge a one-time application fee for a license or registration listed in paragraph A, B or C in an amount equal to the actual cost of processing the application and performing any background investigations. All fees collected pursuant to this section must be deposited directly to the General Fund.

2. Term of license and registration. All licenses and registrations issued by the director under this chapter are effective for 10 years and are automatically renewable at the conclusion of the term for an additional term of 10 years, unless revoked pursuant to section 917.

3. Transferable. A license issued under this chapter is transferable or assignable as long as the director finds that the transferee or assignee satisfies all requirements for the issuance of the license transferred or assigned.

§917. Actions relating to licenses and registrations

1. Suspension or revocation of license; refusal to renew. The commission may refuse to renew a license or registration or revoke a license or registration after a hearing in accordance with the Maine Administrative Procedure Act for just cause, including any of the following:

A. The person made or caused to be made a false statement of material fact in obtaining a license or registration under this chapter or in connection with service rendered within the scope of the license or registration issued;
B. The person or the person's agent violated any provision of this chapter or any rule adopted under this chapter; or
C. The holder of a license or registration under this chapter becomes ineligible to hold that license or registration.

The commission may not suspend a license or registration unless the director determines that probable cause exists for the suspension. The commission shall immediately notify the licensee or registration holder in writing of the suspension and the date the suspension is to take effect. If the licensee or registration holder wishes to have a hearing, the licensee or registration holder must petition the Superior Court in writing within 20 days of the date of the suspension and the Superior Court shall conduct a hearing expeditiously. If a hearing is requested, the license or registration remains in effect pending the outcome of the hearing. Suspension, nonrenewal or revocation of a license or registration is subject to appeal as administrative action under the Maine Administrative Procedure Act.

2. Ineligibility period following refusal to issue or renew license or revocation of license. A person may not apply to the commission for any license under section 911 or 913 less than 2 years after the commission refused to issue or renew a license under section 911 or 913 or less than one year after the revocation of a license issued to the person under section 911 or 913.

SUBCHAPTER 3
SLOT MACHINE OPERATION; ALLOCATION OF FUNDS

§921. Limits on slot machine use

1. Age of player. A licensee may not permit a person under 21 years of age to play a slot machine.

2. Time and money limits not required. A licensee is not required to impose a limit on the amount of time or money spent by an individual playing the slot machines on the licensee's premises. A licensee has no civil or criminal liability for the amount of time or money spent by an individual playing slot machines on the licensee's premises.

§922. Payment of credits by licensee

A licensee shall redeem credits for players who earn credits on a slot machine located on the premises of that licensee in accordance with rules adopted by the commission.

§923. Allocation of funds

1. Distribution from commercial track. A licensee shall collect and distribute gross slot income from slot machines operated by the licensee as follows.

A. Twenty-five percent of total gross slot income must be sent to the commission for distribution by the commission as follows:

(1) One percent of total gross slot income must be retained for administrative expenses of the commission. An amount not to exceed $250,000 may be expended by the commission for addiction counseling services in accordance with rules adopted by the commission;
(2) Seven percent of total gross slot income must be used by the commission to supplement harness racing purses and must be disbursed for that purpose at the times and in the manner prescribed in section 296;
(3) One percent of total gross slot income must be credited by the commission to the Sire Stakes Fund created in section 281;
(4) Three percent of the total gross slot income must be forwarded by the commission to the Treasurer of State, who shall credit the money to the Agricultural Fair Support Fund established in Title 7, section 76;
(5) Ten percent of the total gross slot income must be forwarded by the commission to the State Controller to be credited to the Fund for a Healthy Maine established by Title 22, section 1511 and segregated into a separate account under Title 22, section 1511, subsection 10, with use of funds in the account restricted to the purposes described in Title 22, section 1511, subsection 6, paragraph E;
(6) Two percent of the total gross slot income must be forwarded by the commission to the Finance Authority of Maine for application to the University of Maine System Scholarship Fund created in Title 20-A, section 11631; and
(7) One percent of the total gross slot income must be forwarded by the commission to the board of trustees of the Maine Technical College System to be applied by the board to fund its scholarships program

under Title 20-A, section 12716, subsection 1.

B. The balance of the gross slot income must be retained by the licensee from which the licensee is required to pay the slot machine distributor and all other expenses associated with the operation of the slot machines.

2. Failure to deposit funds. A licensee who willfully refuses to comply with this section commits a Class D crime. The license of that person may be revoked by the commission and the slot machines operated by that licensee may be disabled and may be confiscated by the director.

3. Late payments. The commission may adopt rules establishing the dates on which payments required by this section are due. All payments not remitted when due must be paid together with interest on the unpaid balance at a rate of 1.5% per month.

SUBCHAPTER 4
ENFORCEMENT AND PENALTIES

§931. Reports; records

1. Reports; records. The commission may require from any licensee under section 911, a slot machine distributor licensed under section 913 or holder of a registration under section 912 whatever records and reports the director considers necessary for the administration and enforcement of this chapter.

2. Location. A holder of a license or registration under this chapter shall maintain all records required by this chapter or by rules adopted under this chapter at the primary business office within this State of the license holder or on the premises where the slot machine is operated. In the case of a slot machine distributor, the records must be maintained at the primary business office of the slot machine distributor. The primary business office must be designated by the license holder in the license application. All records must be open to inspection and audit by the commission or its designee and a license holder may not refuse the commission or its designee the right to inspect or audit the records. Refusal to permit inspection or audit of the records constitutes grounds for revocation of the license or registration.

§932. Access to premises, equipment and records

A person holding a license or registration under this chapter shall permit the director to inspect any equipment, prizes, records or items and materials used or to be used in the operation of any slot machine owned, distributed or operated by that person. A person holding a license or registration under this chapter shall consent in writing to the examination of all the licensee's books and records related to operations licensed under this chapter and shall authorize all 3rd parties in possession or in control of those books and records to allow the director or the director's designee to examine such books and records as the director determines necessary.

§933. Contempt

If a witness refuses to obey a subpoena issued by the commission to give any evidence to proper inquiry by the commission, the commission may petition the Superior Court in the county where the refusal occurred to find the witness in contempt. The commission shall cause to be served on the witness an order requiring that witness to appear before the Superior Court to show cause why that witness should not be adjudged in contempt. The court shall, in a summary manner, hear the evidence and, if the evidence warrants the court to do so, punish the witness in the same manner and to the same extent as for contempt before the Superior Court or with reference to the process of the Superior Court.

§934. Violations

1. Violations by licensees. The commission shall adopt by rule under section 904 a schedule of fines and other disciplinary actions against licensees and slot machine distributors for violation of the provisions of this chapter and rules adopted under this chapter.

2. Class C crimes by any person. A person commits a Class C crime if that person:

A. Tampers with a slot machine with intent to interfere with the proper operation of that slot machine;
B. Manipulates or intends to manipulate the outcome, payback or operation of a slot machine by physical tampering or any other means; or
C. Operates or distributes a slot machine in this State without a license.

§935. Fines and suspensions

To enforce the provisions of this chapter and any rules adopted under this chapter, the commission is authorized to establish a schedule of fines for each violation of this chapter or each violation of the rules. The commission is authorized to levy a fine, after notice and hearing, for each violation of this chapter or each violation of the rules.

The commission is authorized to establish a schedule of suspensions of licenses and may levy suspensions for each violation of this chapter or the rules adopted pursuant to this chapter.

Any person aggrieved by any fine or suspension imposed by the commission may seek judicial review pursuant to the Maine Administrative Procedure Act.

§936. Rules

Rules adopted pursuant to this chapter are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.

§937. Applicability of Title 17, chapter 14

Except as expressly provided in this chapter, the provisions of Title 17, chapter 14 do not apply to the ownership, distribution or operation of slot machines in the State.

Sec. 6. 22 MRSA §1511, sub-§10 is enacted to read:

10. Restricted accounts. The State Controller is authorized to establish separate accounts within the fund in order to segregate money received by the fund from any source, whether public or private, that requires as a condition of the contribution to the fund that the use of the money contributed be restricted to one or more of the purposes specified in subsection 6. Money credited to a restricted account established under this subsection may be applied only to the purposes to which the account is restricted.

Sec. 7. 25 MRSA §3902, sub-§4 is enacted to read:

4. Notice of violation of slot machine law. A liquor enforcement officer who notices a violation of any provision of Title 8, chapter 30 shall promptly notify the State Harness Racing Commission of the violation.

Effective January 4, 2004.

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State House, Room 108
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Contact the Office of the Revisor of Statutes

Racing Director
Union Fair/Maine Wild Blueberry Festival
57 BackPasture Lane
Hope, Maine 04847

O.F.P.R.
2007 MAY 16 AM 11:47

Mr. Lock Kiermaier
Legislative Analyst
Office of Fiscal and Program Review
5 State House Station
Augusta, Maine 04333-0005

Dear Mr. Kiermaier:

This is in response to your request of April 26, 2007 for financial information regarding purses paid and other Racino money received by our Fair.

Since the inception of Racino funding in November 2005, Union Fair has received $80,702.19 of Racino derived funds that, by law, must be paid out in purses. The vast majority of that money was paid out in purses in 2006; however, due to a rain out day a small portion is held in a special account for the horsemen and women and will be paid out in purses in 2007.

Since the inception of Racino Funding in November 2005, Union Fair has received $32,411.35 of Racino derived funding form the Agricultural Fair Support Fund. By law this money may be used for general purposes and has been used for such items as repair and maintenance of the race track, upgrade of the track water truck, repair and maintenance of the grandstand, paddock and betting facilities, and construction of a new exhibit building.

During 2006 Union Fair received $26,675.84 from the Purse Supplement Fund. This money was used to pay purses in 2006.

During 2006, Union Fair received $87,582 from the Sires Stakes Fund. This money was used to pay purses for the Sires Stakes races contested at Union Fair.

All of the above figures may be verified by reference to the Maine State Harness Racing Commission Annual Reports for 2005 and 2006.

If you have any further questions please feel free to contact me at (207) 785-6398.

Richard A. Crabtree

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Title 8: AMUSEMENTS AND SPORTS

Chapter 31: GAMBLING CONTROL BOARD (HEADING: PL 2003, c. 687, Pt. A, §5 (new); Pt. B, §11 (aff))

Subchapter 3: SLOT MACHINE OPERATION; ALLOCATION OF FUNDS (HEADING: PL 2003, c. 687, Pt. A, §5 (new); Pt. B, §11 (aff))

§1036. Allocation of funds (CONFLICT)

1. Distribution for administrative expenses of board. A slot machine operator shall collect and distribute 1% of gross slot machine income to the Treasurer of State for deposit in the General Fund for the administrative expenses of the board. [2005, c. 663, §11 (amd).]

2. Distribution from commercial track. A slot machine operator shall collect and distribute 39% of the net slot machine income from slot machines operated by the slot machine operator to the board for distribution by the board as follows:

A. Three percent of the net slot machine income must be deposited to the General Fund for administrative expenses of the board, including gambling addiction counseling services, in accordance with rules adopted by the board; [2005, c. 663, §12 (amd).]

B. Ten percent of the net slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the fund established in section 298 to supplement harness racing purses; [2005, c. 663, §12 (amd).]

C. Three percent of the net slot machine income must be credited by the board to the Sire Stakes Fund created in section 281; [2005, c. 663, §12 (amd).]

D. (CONFLICT: Text as amended by PL 2005, c. 563, §10) Three percent of the total gross slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the Agricultural Fair Support Fund established in Title 7, section 91; [2005, c. 563, §10 (amd).]

D. (CONFLICT: Text as amended by PL 2005, c. 663, §12) Three percent of the net slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the Agricultural Fair Support Fund established in Title 7, section 77; [2005, c. 663, §12 (amd).]

E. Ten percent of the net slot machine income must be forwarded by the board to the State Controller to be credited to the Fund for a Healthy Maine established by Title 22, section 1511 and segregated into a separate account under Title 22, section 1511, subsection 11, with the use of funds in the account restricted to the purposes described in Title 22, section 1511, subsection 6, paragraph E; [2005, c. 663, §12 (amd).]

F. Two percent of the net slot machine income must be forwarded by the board to the University of Maine System Scholarship Fund created in Title 20-A, section 10909; [2005, c. 663, §12 (amd).]

G. One percent of the net slot machine income must be forwarded by the board to the board of trustees of the Maine Community College System to be applied by the board of trustees to fund its scholarships program under Title 20-A, section 12716, subsection 1; [2005, c. 663, §12 (amd).]

H. Four percent of the net slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the Fund to Encourage Racing at Maine's Commercial Tracks, established in section 299; however, the payment required by this paragraph is terminated when all commercial tracks have obtained a license to operate slot machines in accordance with this chapter; [2005, c. 663, §12 (amd).]

I. Two percent of the net slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the Fund to Stabilize Off-track Betting Facilities established by section 300, as long as a facility has conducted off-track wagering operations for a minimum of 250 days during the preceding 12-month period in which the first payment to the fund is required. After 48 months of receiving an allocation of the net slot machine income from a licensed operator, the percent of net slot machine income forwarded to the Fund to Stabilize Off-track Betting Facilities is reduced to 1% with the remaining 1% to be forwarded to the State in accordance with subsection 1; and [2005, c. 663, §12 (amd).]

J. One percent of the net slot machine income must be forwarded directly to the municipality in which the slot machines are located. [2005, c. 663, §12 (amd).]

[2005, c. 563, §10 (amd); c. 663, §12 (amd).]

3. Failure to deposit funds. A slot machine operator who knowingly or intentionally fails to comply with this section commits a Class C crime. In addition to any other sanction available by law, the license of that person may be revoked by the board and the slot machines operated by that slot machine operator may be disabled, and the slot machines, slot machines' proceeds and associated equipment may be confiscated by the board and are subject to forfeiture under Title 17-A, section 959 or 960. [2003, c. 687, Pt. A, §5 (new); Pt. B, §11 (aff).]

4. Late payments. The board may adopt rules establishing the dates on which payments required by this section are due. All payments not remitted when due must be paid together with interest on the unpaid balance at a rate of 1.5% per month. [2003, c. 687, Pt. A, §5 (new); Pt. B, §11 (aff).]

Revenue Forecasting Committee - March 2007 - Racino Revenue

GENERAL FUND REVENUE	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
December 2006 Forecast - General Fund Revenue	$4,346,725	$6,684,052	$6,565,834	$9,891,016	$10,525,598	$10,704,610
Incremental Effect of March 2007 Forecast		$490,489	$301,303	$448,481	$465,171	$470,475
March 2007 Forecast - Revised General Fund Revenue	$4,346,725	$7,174,541	$6,867,137	$10,339,497	$10,990,769	$11,175,085

FUND FOR A HEALTHY MAINE REVENUE	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
December 2006 Forecast - Fund for a Healthy Maine Revenue	$1,771,173	$3,097,701	$3,052,445	$4,652,986	$4,819,650	$4,819,650
Incremental Effect of March 2007 Forecast		$211,280	$147,761	$219,938	$219,938	$219,938
March 2007 Forecast - Fund for a Healthy Maine Revenue	$1,771,173	$3,308,981	$3,200,206	$4,872,924	$5,039,588	$5,039,588

Detail of Current Revenue Forecast - Distribution of Total Slot Income

			2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
Gross Slot Income (Coin/Voucher In)	A		$309,840,487	$584,034,689	$556,557,500	$847,465,000	$876,450,000	$876,450,000
Player's Share (Payback Value)	B		$289,030,355	$545,104,531	$518,989,869	$790,261,113	$817,289,625	$817,289,625
General Fund - Administration	C	1.0%	$3,098,405	$5,840,347	$5,565,575	$8,474,650	$8,764,500	$8,764,500
"Net Slot Machine Income" (=A-B-C)			$17,711,727	$33,089,811	$32,002,056	$48,729,238	$50,395,875	$50,395,875
Licensees' Share of "Net Slot Machine Income"		**61.0%**	**$10,804,153**	**$20,184,785**	**$19,521,254**	**$29,724,835**	**$30,741,484**	**$30,741,484**

Distribution of State Share of "Net Slot Machine Income"	39.0%	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
General Fund (other)	3.0%	$531,352	$992,694	$960,062	$1,461,877	$1,511,876	$1,511,876
General Fund (After 48 months - November 2009)	1.0%	$0	$0	$0	$0	$319,643	$503,959
Fund for Healthy Maine	10.0%	$1,771,173	$3,308,981	$3,200,206	$4,872,924	$5,039,588	$5,039,588
University of Maine Scholarship Fund (FAME)	2.0%	$354,235	$661,796	$640,041	$974,585	$1,007,918	$1,007,918
Maine Community College System - Scholarship Funds	1.0%	$177,117	$330,898	$320,021	$487,292	$503,959	$503,959
Resident Municipalities	1.0%	$177,117	$330,898	$320,021	$487,292	$503,959	$503,959
Purse Supplements	10.0%	$1,771,173	$3,308,981	$3,200,206	$4,872,924	$5,039,588	$5,039,588
Sire Stakes Fund	3.0%	$531,352	$992,694	$960,062	$1,461,877	$1,511,876	$1,511,876
Fund to Encourage Racing at Commercial Tracks	4.0%	$708,469	$1,323,592	$1,280,082	$1,949,170	$2,015,835	$2,015,835
Fund to Stabilize Off-Track Betting (48 months - until Oct 2009)	2.0%	$354,235	$661,796	$640,041	$974,585	$368,633	$0
Fund to Stabilize Off-Track Betting (after 48 months - Nov 2009)	1.0%	$0	$0	$0	$0	$319,643	$503,959
Agricultural Fair Support Fund	3.0%	$531,352	$992,694	$960,062	$1,461,877	$1,511,876	$1,511,876

Revenue Summary	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
General Fund						
General Fund Administration	$3,098,405.00	$5,840,347	$5,565,575	$8,474,650	$8,764,500	$8,764,500
General Fund (Other)	$531,351.80	$992,694	$960,062	$1,461,877	$1,831,519	$2,015,835
Licensing revenue	$585,985.25	$329,500	$329,500	$389,500	$382,750	$382,750
Reimbursement - Background Checks	$130,983.39	$12,000	$12,000	$13,470	$12,000	$12,000
Subtotal - General Fund	**$4,346,725**	**$7,174,541**	**$6,867,137**	**$10,339,497**	**$10,990,769**	**$11,175,085**
Fund for Healthy Maine	**$1,771,173**	**$3,308,981**	**$3,200,206**	**$4,872,924**	**$5,039,588**	**$5,039,588**
Other Special Revenue Funds						
Harness Racing Commission	$3,896,580	$7,279,757	$7,040,453	$10,720,433	$10,767,451	$10,583,134
HRC - Subtotal	$3,896,580	$7,279,757	$7,040,453	$10,720,433	$10,767,451	$10,583,134
PUS- host municipalities	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000
University of Maine Scholarship Fund (FAME)	$354,235	$661,796	$640,041	$974,585	$1,007,918	$1,007,918
Maine Community College System Scholarships	$177,117	$330,898	$320,021	$487,292	$503,959	$503,959
Resident Municipalities	$177,117	$330,898	$320,021	$487,292	$503,959	$503,959
Subtotal - Other Special Revenue Funds	**$4,630,049**	**$8,628,349**	**$8,345,536**	**$12,694,602**	**$12,808,287**	**$12,623,970**

Details and Assumptions

Calculated Gross Slot Machine Income Per Month	# of days	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
Total Gross Slot Income - Fiscal Year		**$309,840,487**	**$584,034,689**	**$556,557,500**	**$847,465,000**	**$876,450,000**	**$876,450,000**
July	31	$0	$58,000,282	$51,537,500	$50,065,000	$79,050,000	$79,050,000
August	31	$0	$45,683,294	$51,537,500	$81,375,000	$81,375,000	$81,375,000
September	30	$0	$49,496,760	$49,875,000	$78,750,000	$78,750,000	$78,750,000
October	31	$0	$49,186,407	$51,537,500	$81,375,000	$81,375,000	$81,375,000
November	30	$26,353,621	$49,511,516	$49,875,000	$78,750,000	$78,750,000	$78,750,000
December	30	$25,680,177	$51,644,600	$42,750,000	$67,500,000	$67,500,000	$67,500,000
January	31	$42,054,745	$46,136,272	$42,702,500	$67,425,000	$67,425,000	$67,425,000
February	28	$38,052,564	$48,888,058	$38,570,000	$60,900,000	$60,900,000	$60,900,000
March	31	$41,217,878	$51,537,500	$42,702,500	$67,425,000	$67,425,000	$67,425,000
April	29	$40,340,452	$41,325,000	$41,325,000	$65,250,000	$65,250,000	$65,250,000
May	31	$52,463,113	$44,175,000	$47,120,000	$74,400,000	$74,400,000	$74,400,000
June	30	$43,677,937	$48,450,000	$47,025,000	$74,250,000	$74,250,000	$74,250,000

Player's Share of Slot Machine Income Per Month	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
Total Player's Share - Fiscal Year	**$289,030,355**	**$545,104,531**	**$518,989,869**	**$790,261,113**	**$817,289,625**	**$817,289,625**
July	$0	$54,067,349	$48,058,719	$46,685,613	$73,714,125	$73,714,125
August	$0	$42,633,685	$48,058,719	$75,882,188	$75,882,188	$75,882,188
September	$0	$46,146,894	$46,508,438	$73,434,375	$73,434,375	$73,434,375
October	$0	$45,994,468	$48,058,719	$75,882,188	$75,882,188	$75,882,188
November	$24,521,586	$46,266,489	$46,508,438	$73,434,375	$73,434,375	$73,434,375
December	$23,932,523	$48,267,141	$39,864,375	$62,943,750	$62,943,750	$62,943,750
January	$39,145,785	$43,138,794	$39,820,081	$62,873,813	$62,873,813	$62,873,813
February	$35,487,203	$45,622,618	$35,966,525	$56,789,250	$56,789,250	$56,789,250
March	$38,440,827	$48,058,719	$39,820,081	$62,873,813	$62,873,813	$62,873,813
April	$37,632,335	$38,535,563	$38,535,563	$60,845,625	$60,845,625	$60,845,625
May	$49,023,676	$41,193,188	$43,939,400	$69,378,000	$69,378,000	$69,378,000
June	$40,846,420	$45,179,625	$43,850,813	$69,238,125	$69,238,125	$69,238,125

Licensing and Application Revenues:	#	Fee	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
Slot Machine Operator- Initial Application Fee	1	$200,000	$0	$0	$0	$0	$0	$0
Slot Machine Operator- Annual Renewal Fee		$75,000	$150,000	$75,000	$75,000	$75,000	$75,000	$75,000
Transfer of Operator Renewal Fee to host municipality			($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)
Slot Machine Distributor - Initial Application Fee	3	$200,000	$400,000	$0	$0	$0	$0	$0
Slot Machine Distributor - Annual Renewal Fee	3	$75,000	$0	$225,000	$225,000	$225,000	$225,000	$225,000
Slot Machines - Initial Registration Fee		$100	$32,700	$0	$0	$52,500	$0	$0
Slot Machines - Annual Renewal Fee		$100	$0	$47,500	$47,500	$47,500	$100,000	$100,000
Gambling Services Vendors	2	$2,000	$10,000	$4,000	$4,000	$4,000	$4,000	$4,000
Number of Licensed Employees			128	120	120	120	150	150
Application Fees from Licensed Employees		$250	$6,050	$0	$0	$7,500	$0	$0
Licensed Employees - Annual Renewal Fees		$25	$0	$3,000	$3,000	$3,000	$3,750	$3,750
Other Revenue deposited as Licensing Revenue			$12,235	$0	$0	$0	$0	$0
Total License Fees			**$585,985**	**$329,500**	**$329,500**	**$389,500**	**$382,750**	**$382,750**
Licensee Background Check Cost Reimbursement			$130,983	$12,000	$12,000	$13,470	$12,000	$12,000

Number of Machines	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
July	0	475	475	475	1,000	1,000
August	0	475	475	1,000	1,000	1,000
September	0	475	475	1,000	1,000	1,000
October	0	475	475	1,000	1,000	1,000
November	475	475	475	1,000	1,000	1,000
December	475	475	475	1,000	1,000	1,000
January	475	475	475	1,000	1,000	1,000
February	475	475	475	1,000	1,000	1,000
March	475	475	475	1,000	1,000	1,000
April	475	475	475	1,000	1,000	1,000
May	475	475	475	1,000	1,000	1,000
June	475	475	475	1,000	1,000	1,000

Payback % Average for Month	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
July	0.00%	93.22%	93.25%	93.25%	93.25%	93.25%
August	0.00%	93.32%	93.25%	93.25%	93.25%	93.25%
September	0.00%	93.23%	93.25%	93.25%	93.25%	93.25%
October	0.00%	93.51%	93.25%	93.25%	93.25%	93.25%
November	93.05%	93.45%	93.25%	93.25%	93.25%	93.25%
December	93.19%	93.46%	93.25%	93.25%	93.25%	93.25%
January	93.08%	93.50%	93.25%	93.25%	93.25%	93.25%
February	93.26%	93.32%	93.25%	93.25%	93.25%	93.25%
March	93.26%	93.25%	93.25%	93.25%	93.25%	93.25%
April	93.29%	93.25%	93.25%	93.25%	93.25%	93.25%
May	93.44%	93.25%	93.25%	93.25%	93.25%	93.25%
June	93.52%	93.25%	93.25%	93.25%	93.25%	93.25%

Average Total Slot Income Per Machine Per Day	2005-06 Aetual	2006-07	2007-08	2008-09	2009-10	2010-11
Average for the Fiscal Year	**$2,776.40**	**$3,422**	**$3,225**	**$2,483**	**$2,413**	**$2,413**
July	$0.00	3,488.74	$3,500	$3,400	$2,550	$2,550
August	$0.00	3,434.83	$3,500	$2,625	$2,625	$2,625
September	$0.00	3,473.46	$3,500	$2,625	$2,625	$2,625
October	$0.00	3,698.23	$3,500	$2,625	$2,625	$2,625
November	$2,133.90	3,722.67	$3,500	$2,625	$2,625	$2,625
December	$2,002.35	3,197.81	$3,000	$2,250	$2,250	$2,250
January	$2,529.61	3,468.89	$2,900	$2,175	$2,175	$2,175
February	$2,861.10	3,675.79	$2,900	$2,175	$2,175	$2,175
March	$3,099.09	$3,500	$2,900	$2,175	$2,175	$2,175
April	$3,145.45	$3,000	$3,000	$2,250	$2,250	$2,250
May	$3,155.68	$3,000	$3,200	$2,400	$2,400	$2,400
June	$3,284.06	$3,400	$3,300	$2,475	$2,475	$2,475

Calculation of 39% State Share	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
Total 39% State Share - Fiscal Year	**$6,907,573.44**	**$12,905,026**	**$12,480,802**	**$19,004,403**	**$19,654,391**	**$19,654,391**
July	$0	$1,307,642.81	$1,155,728	$1,122,708	$1,772,696	$1,772,696
August	$0	$1,011,182.51	$1,155,728	$1,824,834	$1,824,834	$1,824,834
September	$0	$1,113,410.57	$1,118,447	$1,765,969	$1,765,969	$1,765,969
October	$0	$1,053,029.40	$1,155,728	$1,824,834	$1,824,834	$1,824,834
November	$611,714.50	$1,072,465.78	$1,118,447	$1,765,969	$1,765,969	$1,765,969
December	$581,432.56	$1,115,795.01	$958,669	$1,513,688	$1,513,688	$1,513,688
January	$970,480.74	$989,084.79	$957,604	$1,512,006	$1,512,006	$1,512,006
February	$852,085.97	$1,082,858.32	$864,932	$1,365,683	$1,365,683	$1,365,683
March	$922,300.03	$1,155,728	$957,604	$1,512,006	$1,512,006	$1,512,006
April	$898,837.86	$926,713	$926,713	$1,463,231	$1,463,231	$1,463,231
May	$1,136,774.11	$990,624	$1,056,666	$1,668,420	$1,668,420	$1,668,420
June	$933,947.67	$1,086,491	$1,054,536	$1,665,056	$1,665,056	$1,665,056

Fund for a Healthy Maine Share of 39% State Share	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
	$1,771,173	**$3,308,982**	**$3,200,207**	**$4,872,926**	**$5,039,590**	**$5,039,590**
July	$0.00	$335,293.03	$296,341	$287,874	$454,538	$454,538
August	$0.00	$259,277.57	$296,341	$467,906	$467,906	$467,906
September	$0.00	$285,489.89	$286,781	$452,813	$452,813	$452,813
October	$0.00	$270,007.54	$296,341	$467,906	$467,906	$467,906
November	$156,849.87	$274,991.23	$286,781	$452,813	$452,813	$452,813
December	$149,085.27	$286,101.28	$245,813	$388,125	$388,125	$388,125
January	$248,841.22	$253,611.48	$245,539	$387,694	$387,694	$387,694
February	$218,483.58	$277,655.98	$221,778	$350,175	$350,175	$350,175
March	$236,487.19	$296,341	$245,539	$387,694	$387,694	$387,694
April	$230,471.25	$237,619	$237,619	$375,188	$375,188	$375,188
May	$291,480.54	$254,006	$270,940	$427,800	$427,800	$427,800
June	$239,473.76	$278,588	$270,394	$426,938	$426,938	$426,938

General Fund Share of 39% State Share	2005-06 Actual	2006-07	2007-08	2008-09	2009-10	2010-11
	$531,352	**$992,694**	**$960,061**	**$1,461,878**	**$1,511,877**	**$1,511,877**
July	$0.00	$100,587.91	$88,902	$86,362	$136,361	$136,361
August	$0.00	$77,783.27	$88,902	$140,372	$140,372	$140,372
September	$0.00	$85,646.97	$86,034	$135,844	$135,844	$135,844
October	$0.00	$81,002.26	$88,902	$140,372	$140,372	$140,372
November	$47,054.96	$82,497.37	$86,034	$135,844	$135,844	$135,844
December	$44,725.58	$85,830.39	$73,744	$116,438	$116,438	$116,438
January	$74,652.36	$76,083.45	$73,662	$116,308	$116,308	$116,308
February	$65,545.07	$83,296.79	$66,533	$105,053	$105,053	$105,053
March	$70,946.16	$88,902	$73,662	$116,308	$116,308	$116,308
April	$69,141.37	$71,286	$71,286	$112,556	$112,556	$112,556
May	$87,444.16	$76,202	$81,282	$128,340	$128,340	$128,340
June	$71,842.13	$83,576	$81,118	$128,081	$128,081	$128,081

AUTOTOTE

O.F.P.R.
2007 MAY -3 PM 12: 42

COPY

Representative Linda M. Valentino
5 State House Station
Augusta, ME 04333-0005

Dear Representative Valentino:

Autotote Enterprises Inc. is grateful for the opportunity you have provided for us to explain our uses of and commitment to the present revenue allocation in Maine.

Autotote in June 2005 purchased John Martin's Manor Restaurant and OTB in Waterville, Maine. Although we own and operate off-track wagering facilities worldwide, we entered the Maine market following the establishment of Maine's regulated racino operation in Bangor and the legislature's allocation of racino tax revenue.

The horse racing and pari-mutuel industry in Maine is similar to the industry in most other states. Breeders are encouraged to invest in the development of the harness racing industry through a network of regulated horse-racing facilities, which draw their income from a small portion of the wagers posted by customers. In some states, like Maine, a customer need not be present at the racing facility to place a wager. An OTB is as crucial a part of the horse breeding industry as is the hay baler or race track owner.

It is important for the Committee to remember that Maine has the highest pari-mutuel wagering tax in the nation. The first half of all income is paid to Maine.

Secondly, despite the high wagering tax rate, we were able to invest in Maine because of the racino allocation. And, we have invested in the right things. We have invested more than $100,000 in capital improvements in the Waterville facility. We now have 50 employees. Due to the racino allocation, we are able to afford benefits not previously provided. Our employees enjoy 401(K) retirement plans, vital health insurance and discounted stock purchasing plans.

However, investments in our employees, the addition of employees and additional capital investment depends on a stable business, legislative and regulatory environment. As recently as last summer, Governor Baldacci praised the efficacy of the racino allocations and offered his opposition to any effort to change the formula.

Based on the Governor's assurances, we began the development of additional expansion with more jobs. We must disclose that those plans have been postponed pending the conclusion of this debate. We consider the allocation crucial to our ability to maintain, let alone expand, our Maine operations.

We appreciate, again, this opportunity to discuss our valued use of the funds created by the racing industry in Maine and how those funds are achieving their purpose.

Autotote Enterprises, Inc.
600 Long Wharf Drive, New Haven, CT 06511
203.946.3100 Fax 203.946.3222
A Scientific Games Company

Off-track wagering produces half the revenue supporting Maine's harness racing. If this distribution of new and additional tax revenue is altered, OTBs will ultimately close.

Sincerely,

Rick Pullman

Rick Pullman
President, Autotote Enterprises

CC: Governor John E. Baldacci

In 2006 the Maine OTB's received in total approximately $600,000 in Racino Stabilization Revenues. With a 50% tax rate on gross revenue this enabled the OTB's to return over $3,000,000 back to the State of Maine.
$1.00 in for a $5.00 return.

This is a Fiscal Policy Worth Protecting.

LD1820 is working as it was designed to do !

Please allow LD1820 to continue unchanged.
All of Maine Harness Racing depends on it's Future !

ESTABLISHED IN 1840

FRANKLIN COUNTY AGRICULTURAL SOCIETY

MAINE'S GREATEST COUNTY EXHIBITION

Farmington, Maine 04938

2007 MAY -3 AM 11:39 O.F.P.R.

May 2, 2007

Mr. Lock Kiermaier
Legislative Analyst
Maine State Legislature
Office of Fiscal & Program Review
5 State House Station
Augusta, Maine 043333-0005

Dear Sir:

Henry Jackson has requested Franklin County Agricultural Society to reply directly to you on questions 2 and 4 from your letter to him of April 26, 2007. Mr. Jackson indicates that his office will supply you with the information needed for questions 1, 3 and 5.

Question #2 – The amount of Racino Purse money received by Farmington Fair for the 2006 racing program was $78,830.40. This money all went towards our total purse money for 2006 which was $96,205.00

Question #4 –A- The amount of purse supplement that we received for race year 2005 was $45,242.26 this went toward a total race purse of $75,660.00.

B- The purse supplement that we received for race year 2006 was $33,928.76. This went towards a total race purse of $96,205.00.

Franklin County Agricultural Society

John H Stansfield

John H. Stansfield
Treasurer

GOVERNOR
JOHN ELIAS BALDACCI

COMMISSIONER
SETH H. BRADSTREET, III

HARNESS RACING COMMISSION
GEORGE W. MCHALE, CHAIR
HENRY JACKSON, EXECUTIVE DIRECTOR
RALPH CANNEY, PROGRAM MANAGER
28 STATE HOUSE STATION
AUGUSTA, ME 04333-0028
TEL: (207) 287-3221
FAX: (207) 287-7548

April 27, 2007

TO: All Licensed Pari Mutuel Facilities: Bangor Historic Track, Inc; Davric Maine Corporation; Northern Maine Fair Association; Sagadahoc Agricultural and Horticultural Society; Skowhegan State Fair; Knox Agricultural Fair and Wild Maine Blueberry Festival; Windsor Fair; Oxford County Agricultural Society; Franklin County Agricultural Society; Cumberland Farmers Club; West Oxford Agricultural Society; Lewiston Raceway Inc.; Sagtuck, Inc.; OTB Facilitators, LLC; and, Autotote Enterprises, Inc.

FROM: Henry W. Jackson, Executive Director

RE: Information Requested by the Joint Standing Committee on Appropriations and Financial Affairs

On Tuesday, April 24, 2007 the Joint Standing Committee on Appropriations and Financial Affairs held a workshop to discuss the revenues that were generated from the Racino operation in Bangor. During the discussions several issues came to light that the Committee determined needed further clarification and supporting documentation.

I am attaching the letter from the Legislative Analyst that outlines the information the Committee is requesting. I have discussed the letter with the analyst and determined that your organization will need to provide the information requested in items numbered 2 and 4 to him directly as soon as possible. I will provide the information requested in items numbered 1, 3 and 5.

Either Mr. Kiermaier or I will answer any questions you may have regarding either his letter or mine.

Sincerely yours,

Henry W. Jackson
Executive Director

CC: Senator Peggy Rotundo, Chair
Representative Jeremy Fisher, Chair
Lock Kiermaier, Legislative Analyst
Robert Welch, Executive Director
Seth H. Bradstreet, III, Commissioner

MAINE STATE LEGISLATURE
OFFICE OF FISCAL AND PROGRAM REVIEW
5 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0005
Telephone: (207) 287-1635
FAX: (207) 287-6469

April 26, 2007

Mr. Henry Jackson
Executive Director
Maine Harness Racing Commission
State House Station 28
Augusta, ME 04333-0028

Dear Henry,

I am writing to you with regards to requests for information made by the Joint Standing Committee on Appropriations and Financial Affairs during their meeting on Tuesday, April 24, 2007. As you know from your attendance at that meeting, committee members discussed the topic of the distribution of racino revenue and want detailed financial information regarding the following:

1. FY 06 expenditures for each of the harness racing-related dedicated accounts that receive racino distributions;
2. Financial reports from each of the harness racing- related entities that received racino distributions; these financial reports should provide detailed information about how the distributed funds from FY 06 were expended and for what purpose;
3. Any information that may exist regarding the economic impact of harness racing on the state as a whole;
4. Detailed financial information on the various harness racing purses that were paid through the commission during the past 2 years; this information should pertain to the financial activities of the commercial tracks separate from any revenue generated by the racino; and
5. Copies of the most recent financial reports submitted to the commission by each of the OTBs.

Some of this information can be provided from the commission's own financial data and other information will need to be collected from private entities. On behalf of the committee, I am asking that you attach copies of this letter to whatever cover letter you write to send to the relevant entities to request the financial information that the committee is asking for.

Given the committee's pressing need to review this information in the context of their on-going budget deliberations, the requested information should be provided to the committee as soon as possible. Please do not hesitate to contact me regarding any clarification that may be needed with regards to these requests.

Sincerely,

Lock Kiermaier

Lock Kiermaier
Legislative Analyst
Office of Fiscal and Program Review

Cc Senator Peggy Rotundo, Chair
Representative Jeremy Fischer, Chair
Jim Dionne, Principal Analyst

P.O. Box 468
Scarborough, ME 04074
Telephone 207-883-4331
FAX 883-2020

April 30, 2007

Senator Margaret Rotundo, Chair
Committee on Appropriations and Financial Affairs
5 State House Station
Augusta, ME 04333-0005

Dear Senator Rotundo:

As president of Scarborough Downs, I write in support of the existing Fund to Encourage Racing at Commercial Tracks (the "Fund") and all of the funds distributed among the participants in the harness racing industry. Our industry supports over 100,000 acres of productive open farmland, all of Maine's agricultural fairs, and preserves the state's agrarian heritage. These various funds make all that possible, and we need them to survive and to provide the expanded racing schedule to which we have committed in reliance on the law.

The Bangor slot facility is part of harness racing. It is thus appropriate that the slot business should contribute to the complex web of funds through which all harness racing venues are required to support one another. In addition to being appropriate, that support is vital to our survival. Maine's commercial tracks have operated at substantial losses for decades. Since my family acquired Scarborough Downs in 1979, for example, the business has a cumulative loss of nearly $14,000,000. Bangor Raceway always operated at a loss, and Lewiston Raceway, of course, failed. In 1997 a task force appointed by Governor King concluded that introducing slot machines at both commercial tracks was essential for the industry to survive.

Maine voters finally approved slot machines at both commercial tracks by referendum in 2003. We don't yet have slots, and the Fund will expire when we get them. In the meantime, the Fund has allowed the Downs to survive, to increase our racing schedule and, indeed, to provide more live racing than all other tracks and fairs in Maine combined. Although the Fund has also allowed us to make much needed improvements, we have a very long way to go. Last year, for example, we removed our hub rail and light poles, which drivers felt posed a safety hazard. We do not, however, have sufficient revenues to replace the lights. Accordingly, the Downs had to abandon its traditional night racing.

Similarly, because purses have been (and remain) lower than in other states, the Downs provides free year-round stabling facilities to our horsemen, and we're the only track in America that does so. We've invested significant funds holding those barns together and our horsemen donate time to help with maintenance, but our barns need much additional attention, work and investment. Our grandstand is so badly out-of-date that we cannot allow patrons above the first floor, and we don't have anywhere near the funds needed to update the building.

I have enclosed a more comprehensive list of the financial realities that make the Fund essential for the survival of the Downs. But the simple fact is that no commercial harness track in a rural state will long survive without other forms of gaming or, at the very least, revenues from such gaming. We cannot compete with Bangor Raceway or with tracks in other states without these funds.

If you have any questions about this matter I would greatly appreciate it if you would call me and afford me and the other participants in harness racing a chance to speak directly with you.

Sincerely,

Sharon Terry

Sharon Terry

P.O. Box 468
Scarborough, ME 04074
Telephone 207-883-4331
FAX 883-2020

WHY THE DOWNS NEEDS THE FUND TO ENCOURAGE RACING AT MAINE'S COMMERCIAL TRACKS

Increased live race days in reliance on the fund	23
Approximate pre-stipend loss from each and every live race date	$9,500.00
Total annual pre-stipend loss from live racing	$1,190,000.00
Cumulative losses at the Downs	$12,800,000.00
Lost annual revenues with closing of Bangor OTB	$119,838.00
Needed to replace lighting system	$750,000.00
Needed to renovate grandstand	$3,650,000.00
Needed to renovate barns	$1,650,000.00
Needed annually to provide full-time electricity to barns	$52,000.00
U.S. harness tracks closed last 20 years	138
U.S. harness tracks opening not supported by gaming	0
Preserving our fairs, farms and open spaces	Priceless

RACINO DISTRIBUTIONS
2006

PROVIDED BY:
HENRY JACKSON
EXECUTIVE DIRECTOR
MAINE STATE HARNESS RACING COMMISSION

SUMMARY AND DETAILED INFORMATION ATTACHED

SIRE STAKES DETAIL WILL BE PROVIDED ON MONDAY AFTERNOON, MAY 7, 2007

FACTS AND FIGURES REQUESTED BY
JOINT STANDING COMMITTEE ON APPROPRIATIONS AND FINANCIAL AFFAIRS

Provided by Henry Jackson, Executive Director, Maine Harness Racing Commission

Outline the wagering pattern at the Off-track Betting Facilities for the past three years:

2004	Five facilities	36,840,441
2005	Five facilities (except 3 weeks)	33,371,018
	Bangor Raceway operated as an inter-track wagering facility	
2006	Four facilities	24,990,894
	Bangor Raceway operated as an inter-track wagering facility for the full year.	

Funds distributed from the wagering dollars by the Maine State Harness Racing Commission to supplement purses:

2004	Purse Supplement Fund	1,378,504.11
2005	Purse Supplement Fund	1,266,098.83
2006	Purse Supplement Fund	1,047,069.14
2004	Commercial Meet Stipend Fund	121,254.25
2005	Commercial Meet Stipend Fund	117,082.84
2006	Commercial Meet Stipend Fund	116,950.66
2004	Extended Meet Stipend Fund	100,789.71
2005	Extended Meet Stipend Fund	86,794.76
2006	Extended Meet Stipend Fund	72,140.02

Funds distributed to racetracks as reimbursement for sponsoring Sire Stakes events:

2004	Sire Stakes Program events	720,135.00
2005	Sire Stakes Program events	632,309.00
2006	Sire Stakes Program events	1,414,685.00
	Includes revenues generated in 2005 ($106,731.35) and 2006 ($956,239.11) from the Racino operation in Bangor.	

Purses paid by licensed facilities:

2004	Total Purses (overnight events)	3,578,673
2005	Total Purses (overnight events)	3,143,931
2006	Total Purses (overnight events)	4,821,755

Purse money includes revenues from the Racino for 2005 and 2006. Any funds generated from the Racino and other fund sources are carried forward to the next racing season. Funds disbursed to the fairs in October and January have been carried forward to the 2007 racing season. Funds disbursed to the commercial tacks were used to pay purses through the end of the racing season.

2006 Racino Distribution
014-01A-4746-05-1322
OTB Stabilization Fund

Facility	Percentage	Due
Winners Circle	25.00%	159,373.18
Winners OTB	25.00%	159,373.18
OTB Facilitators	25.00%	159,373.18
John Martin's Manor	25.00%	159,373.18
Total	100.00%	637,492.72
Available	637,492.72	

2006 Racino Distribution
014-01A-4206-04-1322
Commercial Track Support

Track	Days Raced	Percentage	Due
Scarborough Downs	125	73.9645%	943,036.61
Bangor Raceway	44	26.0355%	331,948.88
Total	169	100.0000%	1,274,985.49
Available	1,274,985.49		

2006 Racino Distribution
014-01A-4786-03-1322
Purse Supplement
January 1 through December 31

TRACK	DASHES	PERCENT	DUE	Ist Quarter	2nd Quarter	3rd Quarter	Balance Due
Scarborough Downs	1255	54.7557%	1,745,317.15	391,586.25	435,977.21	499,064.52	418,689.17
Bangor Raceway	490	21.3787%	681,438.57	136,226.43	151,669.32	173,616.36	219,926.46
Northern Maine Fair	53	2.3124%	73,706.62	15,539.13	17,300.68	19,804.15	21,062.66
Topsham Fair	53	2.3124%	73,706.62	15,539.13	17,300.68	19,804.15	21,062.66
Skowhegan Fair	67	2.9232%	93,176.29	19,164.94	21,337.51	24,425.12	28,248.72
Union Fair	50	2.1815%	69,534.55	18,128.99	20,184.13	23,104.84	8,116.59
Windsor Fair	86	3.7522%	119,599.42	26,157.55	29,122.82	33,336.98	30,982.07
Oxford County Fair	40	1.7452%	55,627.64	10,877.40	12,110.48	13,862.90	18,776.86
Farmington Fair	62	2.7051%	86,222.84	19,164.94	21,337.51	24,425.12	21,295.27
Cumberland Fair	66	2.8796%	91,785.60	19,164.94	21,337.51	24,425.12	26,858.03
Cumberland Ext.	10	0.4363%	13,906.91	2,589.86	2,883.44	3,300.69	5,132.92
Fryeburg	60	2.6178%	83,441.46	15,539.13	17,300.68	19,804.15	30,797.50
Total	2,292	100.0000%	3,187,463.67	689,678.69	767,861.97	878,974.10	850,948.91

Available	3,187,463.67
Per Dash	1390.69096

TABLE V

Distribution of Agricultural Fair Support Fund from Racino Distribution

Available 956,239.13

34% to Purse Supplement	325,121.30	(TABLE VII)
66% to Premium Reimbursement	631,117.83	
13% for Administration	82,045.32	
Balance to Premium Reimbursement	549,072.51	(TABLE VI)

TABLE VI

2006 Racino Distribution
014-01A-4736-02-1322
Ag. Fair Support Fund

Fair	Premiums	Due
Acton	28,296	11,408.94
Athens	8,203	3,307.45
Bangor	60,016	24,198.43
Blue Hill	52,902	21,330.07
Clinton	25,432	10,254.17
Common Ground	6,617	2,667.97
Cumberland	109,208	44,032.63
Farmington	62,567	25,227.00
Fryeburg	327,775	132,158.78
Houlton	53,906	21,734.88
Litchfield	33,313	13,431.79
Monmouth	13,428	5,414.17
New Portland	10,118	4,079.57
Northern Maine	67,789	27,332.50
Ossipee Valley	38,240	15,418.36
Oxford County	45,224	18,234.30
Piscataquis Valley	26,721	10,773.90
Pittston	22,455	9,053.85
Skowhegan	107,061	43,166.96
Springfield	24,057	9,699.78
Topsham	39,822	16,056.22
Union	73,179	29,505.75
Windsor	114,496	46,164.75
World's Fair	4,369	1,761.58
Harmony Free Fair	6,594	2,658.70
Total	1,361,788	549,072.51
Available	549,072.51	
Percent	0.403199698	

TABLE VII

2006 Racino Distribution
014-01A-4736-02-1322
Ag. Fair Support Fund
Purse Supplement

Track	Dashes	Percent	Due
Scarborough Downs	1,255	54.7557%	178,022.35
Bangor Raceway	490	21.3787%	69,506.74
Northern Maine Fair	53	2.3124%	7,518.08
Topsham Fair	53	2.3124%	7,518.08
Skowhegan Fair	67	2.9232%	9,503.98
Union Fair	50	2.1815%	7,092.52
Windsor Fair	86	3.7522%	12,199.14
Oxford County Fair	40	1.7452%	5,674.02
Farmington Fair	62	2.7051%	8,794.73
Cumberland Fair	66	2.8796%	9,362.13
Cumberland Extended	10	0.4363%	1,418.50
Fryeburg Fair	60	2.6178%	8,511.03
Total	2,292	100.0000%	325,121.30
Available	325,121.30		

To : The Appropriations Committee

Re: OTB use of Racino funds

Attached is a 2006 financial analysis of the Winner's Circle OTB located in Lewiston, Maine. Since the OTBs have existed, Lewiston has continued to be the largest of the OTB sites in amount wagered.

You will note several areas of our financial condition

1) The Lewiston OTB generated $895,410.46 for the Racing Industry and the State of Maine in 2006 alone. (OVER $15 MILLION since we opened in 1992). We received approximately $120,000 in checks from the State in 2006.

2) With the Stabilization fund, income from the OTB operations BEFORE taxes and BEFORE any salary for the President (James Day) was a loss of -$80,768. If we took out the factor of depreciation, last years cash flow was a negative -$19,461.

SO what did we do with last years distribution. We had a negative cash flow and negative income INCLUDING the distribution and we still generated $895,000 for the industry and State.

We notice that if everything stayed the same and we got a complete distribution for the first distribution period as compared with the $17,800 partial distribution received in 2006, we would have had a positive cash flow of just over $20,000 and still a taxable loss of about -$40,000.

This all before consideration of any pay for James Day, President of the company.

3) WE RECEIVED $119,900 to generate over $895,000 for the industry and State. Our profits before salary to the President were negative INCLUDING the help we get. We are the most heavily taxed OTB structure in the country. FAILURE to receive the stabilization fund, would bring into serious doubt whether we would continue to operate as we have in the past or at all.

THIS IS WHAT WE ARE DISCUSSING THIS YEAR and EVERY YEAR THEREAFTER.

Given there was stability in this fund, we had planned on starting construction of a new facility to be completed before the end of this year. We are scheduled to be heard in front of the City Planning in June and begin construction in June for a November occupancy.

The building cost is projected to be $1 Million dollars. Schedule of budgeted costs and plans are included. I cannot in good concience consider this investment without some stability.

We recognize that you have to invest in order to survive and we are willing to do this. Even though I have demonstrated the need for the stabilization fund to be included in yearly income just to cash flow, but we are also investing in our future to try to make sure there is a future.

LRI, Inc. 2001
Income Statement
For the Month Ending December 31, 2006

	Food service OTB 2006	Off Track 2006
OTB Income		
Income from wagering		1,851,661.93
MONEY TO INDUSTRY		(895,410.46)
Horsemen		
Agricultural Fairs		
Scarborough Downs		
Bangor Raceway		
Breeders		
MONEY FOR COST OF SIGNAL		(305,125.56)
Amount of income earned AND retained		651,125.91
Revenues		
Other Income - Restaurant	582.80	0.00
RACINO INCOME	0.00	**119,899.50**
Other Income - LRI	0.00	57,199.09
Employee Beverage Income	772.43	0.00
Lottery Income	8,350.00	0.00
Restaurant Food Income	40,738.04	0.00
Restaurant Liquor Income	65,038.59	0.00
Rental Income - KITTYHAWK	0.00	0.00
Income OTB	0.00	651,125.91
Industry Income OTB	0.00	0.00
Accounting Income	0.00	0.00
Income Breakage	0.00	38,973.49
Program Sales Income	0.00	29,429.25
Program Printing Income	0.00	0.00
Interest Income- R & B Bowling	0.00	0.00
Interest Income-OTB	0.00	0.00
Interest Income - Kittyhawk	0.00	0.00
Interest Income-General	0.00	0.00
Realized Gain/Loss	0.00	0.00
Total Revenues	115,481.86	896,627.24
Cost of Sales		
Food Purchases	25,513.91	0.00
Liqour Purchases	18,323.29	0.00
Pro Shop Purchases / Discount	0.00	0.00
Total Cost of Sales	43,837.20	0.00
Gross Profit	71,644.66	896,627.24
Expenses		

LRI, Inc. 2001
Income Statement
For the Month Ending December 31, 2006

Labor Cost	33,023.10	543,770.39
Police & Security	0.00	0.00
Advertising	0.00	16,379.48
Printing	0.00	11,997.60
Promotion & Publicity	0.00	6,323.20
Uniforms	0.00	307.11
Paper Goods / Supplies	0.00	13,718.83
Services	381.04	10,311.49
Electricity	0.00	23,705.34
Heating & Oil	0.00	9,445.45
Telephone	0.00	9,677.87
Water & Sewerage	0.00	15.05
Trash Removal	0.00	103.50
Insurance-OTB	0.00	16,143.14
Insurance-GLI II	0.00	0.00
Insurance-General	0.00	0.00
LIFE INSURANCE	0.00	0.00
Real Estate Tax & Personal Pro	0.00	9,067.16
Postage & Freight	0.00	1,394.55
Professional Fees	116.24	6,202.94
Bank Charges	0.00	2,250.65
Cash Over/Short	0.00	18,999.40
Repairs & Maintenance	199.00	16,176.75
Equipment Rental	601.47	84,180.35
Totalisator	0.00	68,709.90
Hub Fee	0.00	51,070.88
Fair Fee	0.00	24,672.34
Travel	0.00	3,327.12
Donations	0.00	0.00
Licenses, Dues & Subscriptions	825.00	4,330.70
Miscellaneous	0.00	305.85
Depreciation & Amortization	0.00	61,306.90
Interest Expense	0.00	0.00
Extraordinary Expense	0.00	0.00
Total Expenses	35,145.85	1,013,893.94
Net Income	36,498.81	(117,266.70)
NET INCOME FROM OTB		(80,767.89)

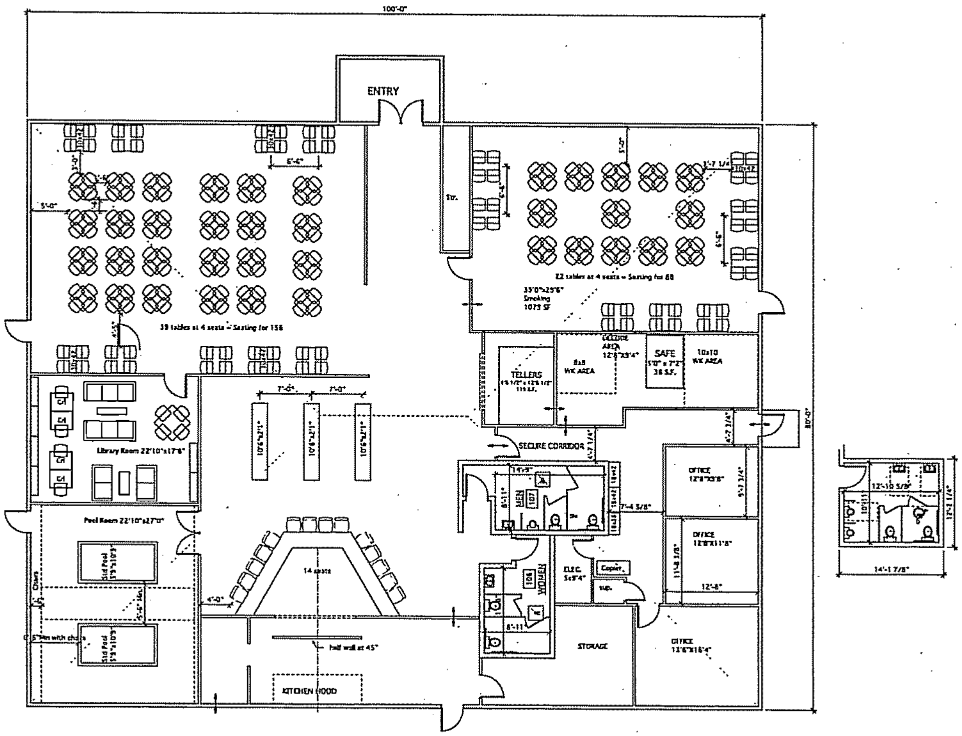
Racino money received 2006	Feb-06	17,788.56
	May-06	46,942.90
	Sep-06	55,168.04
	Total 2006	**119,899.50**
	Distribution for 2007	
	Jan-07	57,262.23

Net Income from OTB operations is before any pay to the President -
NO pay associated with Jim Day from the OTB operations

e		INITIAL BUDGET	REVISED ESTIMATES	TOTALS
	Construction			
	Total Construction Costs	$832,000.00		$832,000.00
	Preliminary Soft Costs			
	Legal Expenses		$4,000.00	
	Regulatory Application & Public Notice		$600.00	
	Town Planning Board Application Process		$8,000.00	
	Special Inspections		$1,800.00	
	Architectural Drawings / Plans		$18,000.00	
	Reimbursible Expenses Professional Work (at 5%)		$900.00	
	Site Engineering		included in line #7	
	Boundary Survey (add on)		included in line #7	
	Geotechnical Survey (add on)		included in line #7	
	Total Preliminary Soft Costs		*$33,300.00*	
	Construction Phase			
	Building (interior / exterior construction)	$80.00	$648,700.00	
	Site Work (paving, landscaping, fencing, septic, etc.) - best guess	$18.75	$150,000.00	
	Total Construction Phase	$98.75	*$798,700.00*	
	All Equipment			
	All Equipment	$168,000.00		$168,000.00
	TOTAL PROJECT	**$1,000,000.00**		**$1,000,000.00**
	EQUIPMENT BREAKDOWN			
	SIGNAGE			
*			$19,000.00	
*				
*				
*				
	Total Signage			$19,000.00
	SECURITY EQUIPMENT			
*	Alarm System		$5,000.00	
	Move Vault		$400.00	
*	Door security		$9,000.00	
*				
	TOTAL VAULTS			$14,400.00
	Tvs			
*	LCD - 30" with warranty		$42,000.00	
*	Larger Tvs		$9,000.00	
*				
	Total Drive-up			$51,000.00
	FURNITURE, FIXTURES AND SUPPLIES			
	Carrolls		$4,000.00	

e		INITIAL BUDGET	REVISED ESTIMATES	TOTALS
*	Teller area			
	Bar stools		$6,600.00	
*	Chairs		$12,000.00	
	Pool Tables		$4,000.00	
	New Tables and Bases		$10,000.00	
	Office Funiture - Jim and Jayne		$8,000.00	
	Office Furniture - Other		$4,000.00	
	Library furniture		$3,000.00	
	TOTAL ff&e			$51,600.00
	TOTAL MERCHANDISING			$0.00
	KITCHEN			
	budget		$30,000.00	
	TOTAL EQUIPMENT - KITCHEN			$30,000.00
				$0.00
	TELECOMMUNICATIONS / DATA			
	Reprogramming		$2,000.00	
	TOTAL TELECOMMUNICATIONS / DATA			$2,000.00
	TOTAL EQUIPMENT			$168,000.00

A	SITEWORK		$150,000.00		
B	PAVING	$	35,975.00		
C	LANDSCAPING	$	16,500.00		
D	CONCRETE				
E	BUILDING	$	85,371.00		
F	MASONRY	$	6,972.00		
G					
H	CARPENTRY	$	35,450.00		
I	GLASS & GLAZING	$	15,262.00		
J	DRIVIT / SIDING	$	40,000.00		
K	METAL STUDS & GYPSUM BOARD	$	40,000.00		
L	FLOORING	$	30,000.00		
M	CEILINGS	$	12,000.00		
N	DOORS & HARDWARE	$	20,000.00		
O	ROOFING	$	15,000.00		
P	TOILET ACCESSORIES & PARTITIONS	$	5,000.00		
Q	PAINTING	$	20,000.00		
R	HVAC & PLUMBING	$	80,000.00		
	HVAC - Equipment				
	HVAC - Labor				
	Plumbing - Equipment	$	15,470.00		
	Plumbing - Labor				
	Engineering Program				
S	ELECTRICAL	$	48,000.00		
	Cabling				
T	SPRINKLERS	$	-		
U	ENGINEERING				
U	DESIGN FEES	$	-		
V	GEN CONST. (Permits, Ins, Trailors, Toilets, ETC)	$	15,000.00		
W	CONSTRUCTION MANAGEMENT	$	36,000.00		
	CONTINGENCY	$	76,700.00		
	Blinds				
	Signage				
	Closing Costs				
	Points				
	Interest				
	Alarm				
	Interior Furniture				
		$	798,700.00	Budget	$798,700.00
				Over budg	$0.00



May require exit this side???

Standard Pool tables are:
5'9"x10'9"
5'3"x9'9"
4'9"x8'9"

SCHEME 1A ~ revised 5/1/07

8,000 ft2

1/8" = 1'-0"