

Off-Track Betting Special Projects Fund

MISSION STATEMENT

It is the mission of the Off-Track Betting (OTB) Fund to finance projects from off-track betting receipts, as determined by the Mayor and Council.

PRIMARY FUNCTIONS

The primary function of the OTB Fund is to account for OTB revenues and to allocate those revenues for special projects.

FUND HIGHLIGHTS

The State Legislature approved a horse racing bill in December 1986 that included a provision for race tracks to operate off-track betting parlors in Illinois. A facility was opened in Rockford on November 18, 1987. The City and the County each receives one percent of the handle.

The City utilizes receipts for financing nonrecurring projects, the Rockford arts and property tax relief. Past undertakings have included property tax relief, contribution to the arts, certain road projects and fire station construction.

OTB SPECIAL PROJECTS FUND BUDGET SUMMARY

	2011	2012	2012	2013	INCREASE
APPROPRIATION	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ESTIMATE</u>	<u>BUDGET</u>	<u>(DECREASE)</u>
DEBT SERVICE/INTEREST	\$0	\$200	\$0	\$0	(\$200)
TRANSFER TO REDEVELOP	0	\$50,000	\$25,000	\$75,000	25,000
ARTS	25,000	0	0	0	0
TOTAL	<u>\$25,000</u>	<u>\$50,200</u>	<u>\$25,000</u>	<u>\$75,000</u>	<u>\$24,800</u>

	2010	2011	2012	2013	INCREASE
FUNDING SOURCE	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>(DECREASE)</u>
OTB RECEIPTS	\$98,229	\$98,310	\$90,000	\$95,000	\$5,000
INTEREST INCOME	0	0	0	700	700
TOTAL	<u>\$98,229</u>	<u>\$98,310</u>	<u>\$90,000</u>	<u>\$95,700</u>	<u>\$5,700</u>

BUDGET HIGHLIGHTS

- Income budgeted at \$95,700 was increased to historical actual.
- A \$75,000 transfer to redevelopment is budgeted to pay back debt service paid from the redevelopment fund in previous years.

OTB SPECIAL PROJECTS FUND FIVE YEAR FORECAST

The 2014-2018 five year forecast assumes no revenue growth and expenditure of revenue for Redevelopment Fund reimbursement. With debt service completed in 2007, the fund's deficit should be eliminated in 2012. Future excess funds will reimburse the Redevelopment Fund for past advances, \$700,000, made in 2005 – 2007 with the reimbursement complete by 2020.

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OTB SPECIAL PROJECTS FUND 2014-2018 FINANCIAL FORECAST (IN 000'S)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues	\$96	\$96	\$96	\$101	\$101
Expenditures	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Excess (Deficit)	(4)	(4)	(4)	<u>1</u>	<u>1</u>
Beginning Balance	<u>57</u>	<u>53</u>	<u>50</u>	<u>46</u>	<u>46</u>
Ending Balance	<u>\$53</u>	<u>\$50</u>	<u>\$46</u>	<u>\$46</u>	<u>\$47</u>