

Revenue Estimating Conference for Abandoned Property and Transfers to the State School Trust Fund

Executive Summary

The projection of receipts from unclaimed property and the subsequent distribution into the State School Trust Fund were revised July 26, 2011 by the Revenue Estimating Conference.

Remittances of abandoned property to the State for FY 2010-11 were \$346.3 million, \$7.3 million above estimate. The Conference adopted annual growth rates of 3% in future unclaimed property receipts, and the estimate of the proportion of property returned to owners was set at 57%.

The Conference was updated regarding remittances from the FDIC bank closures. These remittances may only be held by the state for a ten-year period, after which any remaining property that has not been claimed must be returned to the FDIC. FDIC remittances amounted to \$43.1 million over the 2009-10 and 2010-11 fiscal years.

For FY 2011-12 the estimate of the transfer to the State School TF was increased by \$15.6 million from the previous forecast. This increase, combined with an estimated balance forward from FY 2010-11 of \$120.0 million leaves a projected surplus for the current fiscal year of \$55.7 million.

Abbreviated Funds Available Statement for FY 2012-13 (\$ Millions)

FUNDS AVAILABLE 2012-13	
Balance forward from 2011-12	55.7
Estimated transfers from Unclaimed Property TF	160.6
Nonoperating revenue	3.8

Total 12-13 funds available	220.1

**Unclaimed Property Receipts, Refunds to Owners, and Transfers to the State School TF
July 26, 2011**

FINAL

	<u>Receipts</u>			<u>Refunds</u>			<u>Transfer to State School TF</u>		
	OLD	NEW	change	OLD	NEW	change	OLD	NEW	change
1992-93									
1993-94									
1994-95									
1995-96									
1996-97									
1997-98									
1998-99									
1999-00									
2000-01									
2001-02									
2002-03									
2003-04									
2004-05									
2005-06									
2006-07									
2007-08									
2008-09									
2009-10									
	OLD	NEW	change	OLD	NEW	change	OLD	NEW	change
2010-11	339.0	346.3	7.3	205.3	190.2	-15.1	130.9	157.5	26.6
2011-12	349.2	356.7	7.5	218.0	203.4	-14.6	126.1	141.7	15.6
2012-13	359.7	367.4	7.7	213.3	200.4	-12.9	141.3	160.6	19.3
2013-14	370.5	378.4	7.9	219.8	206.4	-13.4	145.6	165.6	20.0
2014-15	381.6	389.8	8.2	226.4	212.6	-13.8	150.1	170.8	20.7
2015-16	#N/A	401.5	#N/A	#N/A	218.9	#N/A	#N/A	176.2	#N/A

Unclaimed Property Trust Fund

26-Jul-11

FINAL

	<u>FY 04-05</u>	<u>FY 05-06</u>	<u>FY 06-07</u>	<u>FY 07-08</u>	<u>FY 08-09</u>	<u>FY 09-10</u>	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>FY 12-13</u>	<u>FY 14-15</u>	<u>FY 15-16</u>
<u>Funds Available</u>												
Beginning Balance	3.9	3.9	4.2	4.7	3.5	10.0	17.3	9.8	15.0	15.0	15.0	15.0
Abandoned property receipts	208.1	232.2	218.9	312.3	298.0	329.1	346.3	356.7	367.4	378.4	389.8	401.5
Nonrecurring receipts		122.5	53.0			29.0						
Transfers in	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other nonoperating receipts	0.6	0.3	0.2	0.4	0.3	0.7	0.4	0.0	0.0	0.0	0.0	0.0
Total Funds Available	212.6	358.9	276.3	317.4	301.8	368.8	364.0	366.5	382.4	393.4	404.8	416.5
<u>DBF Uses of Funds</u>												
Operating Expenses	6.9	4.2	4.2	5.7	4.4	6.0	6.4	6.4	6.4	6.4	6.4	6.4
Refunds to owners - regular	95.7	103.8	99.6	121.5	162.6	191.2	175.9	192.5	200.4	206.4	212.6	218.9
Refunds to owners - demutualization			22.2	10.4								
Refunds to owners - reduced dormancy			47.0	19.3	12.3							
Refunds to owners - FDIC							14.3	10.9				
Miscellaneous disbursements	0.0	1.8	1.6	0.0	0.5	0.1	0.1	0.0	0.0	0.0	0.0	0.0
Retained Balance	3.9	4.2	4.7	3.5	10.0	17.3	9.8	15.0	15.0	15.0	15.0	15.0
Total DBF Uses	106.5	113.9	179.3	160.4	189.8	214.6	206.5	224.8	221.8	227.8	234.0	240.3
Available for transfer to State School TF												
	106.1	245.0	97.0	157.0	112.0	154.2	157.5	141.7	160.6	165.6	170.8	176.2
State School TF receipts from transfers	142.4	264.2	175.0	197.0	152.0	226.2	207.5					
Transfers from State School TF back to DFS	-38.0	-22.0	-78.0	-40.0	-40.0	-72.0	-50.0					
Net Transfer to State School TF	104.4	242.2	97.0	157.0	112.0	154.2	157.5	141.7	160.6	165.6	170.8	176.2
Ratio of refunds to regular receipts	54%	54%	45%	54%	61%	63%	56%	57%	57%	57%	57%	57%
growth rate of regular receipts	17%	12%	-6%	43%	-5%	10%	5%	3%	3%	3%	3%	3%