

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

Executive Summary

The projection of receipts and refunds to owners from unclaimed property and the subsequent distribution into the State School Trust Fund were revised January 8, 2018, by the Revenue Estimating Conference.

The Conference reviewed year-to-date actual receipts and refunds as compared to the monthly estimates adopted in August, noting that a monthly forecast was adopted for the first time in August and may not accurately predict the annual receipts and refunds. For receipts, the Conference maintained the previous estimate without any changes because most of the receipts (over 73%) are expected to occur in April and May. For refunds to owners, the Conference decreased the Fiscal Year 2017-18 estimate by \$7.4 million (2.3%) based on year-to-date refund activity and anticipated refund levels for the remainder of the fiscal year. The Conference also reduced the refunds ratio from 73.1% to the 2016-17 level of 72.5% beginning in Fiscal Year 2018-19. The refunds rate is applied to the average of the two prior years of receipts (excluding atypical receipts).

Using these assumptions, the Conference adopted an estimate of \$448.0 million in receipts and \$306.2 million in refunds for Fiscal Year 2017-18 and \$441.8 million in receipts and \$312.8 million in refunds for the 2018-19 fiscal year. On net, this produced projected transfers to the State School Trust Fund of \$129.7 million for Fiscal Year 2017-18 and \$120.4 million for Fiscal Year 2018-19. As a result, the transfers to the State School Trust Fund were increased by a combined total of \$10.1 million across the two fiscal years.

The table below shows the differences from the previous estimate.

	July 2017	January 2018	Difference
2017-18 Receipts	448.0	448.0	0.0
2017-18 Refunds	313.5	306.2	-7.4
2017-18 Transfer to State School Trust Fund	122.3	129.7	7.4
2018-19 Receipts	441.8	441.8	0.0
2018-19 Refunds	315.5	312.8	-2.7
2018-19 Transfer to State School Trust Fund	117.7	120.4	2.7
NET DIFFERENCE			10.1

Dollars shown in millions.

Revenue Estimating Conference

Unclaimed Property

Forecast of Receipts, Refunds to Owners, and Transfers to the State School Trust Fund

January 8, 2018

**Unclaimed Property Receipts, Refunds to Owners, and Transfers to the State School Trust Fund
January 8, 2018**

ACTUAL

	<u>Receipts</u>	<u>Refunds</u>	<u>Transfer to State School TF</u>
2006-07	271.9	168.8	97.0
2007-08	312.3	151.2	157.0
2008-09	298.0	174.9	112.0
2009-10	358.1	191.2	154.2
2010-11	346.3	190.2	157.5
2011-12	376.5	210.6	163.6
2012-13	469.9	253.1	206.2
2013-14	383.1	243.0	142.3
2014-15	482.1	250.4	213.0
2015-16	471.5	268.8	175.6
2016-17	428.2	310.4	133.9

ADOPTED FORECAST

	<u>OLD</u>	<u>NEW</u>	<u>change</u>	<u>OLD</u>	<u>NEW</u>	<u>change</u>	<u>OLD</u>	<u>NEW</u>	<u>change</u>
2017-18	448.0	448.0	0.0	313.5	306.2	-7.4	122.3	129.7	7.4
2018-19	441.8	441.8	0.0	315.5	312.8	-2.7	117.7	120.4	2.7
2019-20	448.5	448.5	0.0	332.1	329.4	-2.7	107.8	110.5	2.7
2020-21	455.1	455.1	0.0	325.4	322.6	-2.8	121.1	123.9	2.8
2021-22	461.6	461.6	0.0	330.3	327.5	-2.8	122.7	125.5	2.8
2022-23	468.0	468.0	0.0	335.1	332.2	-2.9	124.3	127.2	2.9

**Unclaimed Property Receipts, Refunds to Owners, and Transfers to the State School Trust Fund
January 8, 2018**

PRE-CONFERENCE ESTIMATES

FORECAST - HIGH

	<u>OLD</u>	<u>NEW</u>	<u>change</u>	<u>OLD</u>	<u>NEW</u>	<u>change</u>	<u>OLD</u>	<u>NEW</u>	<u>change</u>
2017-18	448.0	457.2	9.2	313.5	306.2	-7.4	122.3	138.9	16.6
2018-19	441.8	451.1	9.3	315.5	311.4	-4.1	117.7	131.1	13.4
2019-20	448.5	458.0	9.5	332.1	331.2	-0.9	107.8	118.2	10.4
2020-21	455.1	464.8	9.7	325.4	324.5	-0.9	121.1	131.7	10.6
2021-22	461.6	471.4	9.8	330.3	329.4	-0.9	122.7	133.4	10.7
2022-23	468.0	477.9	9.9	335.1	334.2	-0.9	124.3	135.1	10.8

FORECAST - MIDDLE

	<u>OLD</u>	<u>NEW</u>	<u>change</u>	<u>OLD</u>	<u>NEW</u>	<u>change</u>	<u>OLD</u>	<u>NEW</u>	<u>change</u>
2017-18	448.0	448.0	0.0	313.5	306.2	-7.4	122.3	129.7	7.4
2018-19	441.8	441.8	0.0	315.5	312.8	-2.7	117.7	120.4	2.7
2019-20	448.5	448.5	0.0	332.1	329.4	-2.7	107.8	110.5	2.7
2020-21	455.1	455.1	0.0	325.4	322.6	-2.8	121.1	123.9	2.8
2021-22	461.6	461.6	0.0	330.3	327.5	-2.8	122.7	125.5	2.8
2022-23	468.0	468.0	0.0	335.1	332.2	-2.9	124.3	127.2	2.9

FORECAST - LOW

	<u>OLD</u>	<u>NEW</u>	<u>change</u>	<u>OLD</u>	<u>NEW</u>	<u>change</u>	<u>OLD</u>	<u>NEW</u>	<u>change</u>
2017-18	448.0	448.0	0.0	313.5	313.5	0.0	122.3	122.3	0.0
2018-19	441.8	441.8	0.0	315.5	315.5	0.0	117.7	117.7	0.0
2019-20	448.5	448.5	0.0	332.1	332.1	0.0	107.8	107.8	0.0
2020-21	455.1	455.1	0.0	325.4	325.4	0.0	121.1	121.1	0.0
2021-22	461.6	461.6	0.0	330.3	330.3	0.0	122.7	122.7	0.0
2022-23	468.0	468.0	0.0	335.1	335.1	0.0	124.3	124.3	0.0

Unclaimed Property Trust Fund
History and Forecast Detail

HIGH

	Actual from Trial Balance					FORECAST - HIGH ESTIMATE					
	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18 est.	FY 18-19 est.	FY 19-20 est.	FY 20-21 est.	FY 21-22 est.	FY 22-23 est.
1 Funds Available											
2 Beginning Balance	6.1	14.1	4.3	14.7	33.9	11.4	15.0	15.0	15.0	15.0	15.0
3 Abandoned property receipts	409.4	383.1	427.1	429.4	428.2	444.2	451.1	458.0	464.8	471.4	477.9
4 Atypical receipts	60.5		55.0	42.1		13.0					
5 Transfers in	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6 Other nonoperating receipts	4.1	0.4	0.3	0.9	2.6	0.4	0.4	0.4	0.4	0.4	0.4
7 Total Funds Available	480.1	397.6	486.7	487.1	464.7	469.0	466.5	473.4	480.2	486.8	493.3
8 Uses of Funds											
9 Operating Expenses	4.0	4.4	4.4	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6
10 Refunds to owners - regular	215.1	243.0	250.4	268.8	310.4	306.2	311.4	319.6	324.5	329.4	334.2
11 Payment correction	38.0										
12 Refunds to owners - demutualization											
13 Refunds to owners - reduced dormancy											
14 Refunds to owners - FDIC								11.6			
15 Miscellaneous disbursements	2.7	3.6	4.2	4.2	4.4	4.4	4.4	4.4	4.4	4.4	4.4
16 Retained Balance	14.1	4.3	14.7	33.9	11.4	15.0	15.0	15.0	15.0	15.0	15.0
17 Total Uses	273.9	255.3	273.7	311.5	330.8	330.2	335.4	355.2	348.5	353.4	358.2
18 Available for transfer to											
19 State School TF (NEW estimate)	206.2	142.3	213.0	175.6	133.9	138.9	131.1	118.2	131.7	133.4	135.1
20 State School TF (OLD estimate)						122.3	117.7	107.8	121.1	122.7	124.3
21 Change in estimate						16.6	13.4	10.4	10.6	10.7	10.8
22 Ratio of refunds to receipts	59.5%	61.8%	63.2%	66.4%	72.5%	71.4%	71.4%	71.4%	71.4%	71.4%	71.4%
23 Growth rate of regular receipts	8.7%	-6.4%	11.5%	0.5%	-0.3%	3.7%	1.6%	1.5%	1.5%	1.4%	1.4%
24 Growth rate of regular refunds	3.4%	13.0%	3.1%	7.3%	15.5%	-1.4%	1.7%	2.6%	1.5%	1.5%	1.5%
25 Change in transfer amount	26.0%	-31.0%	49.7%	-17.6%	-23.7%	3.7%	-5.6%	-9.8%	11.4%	1.3%	1.3%
26	Assumed Receipts Growth Rate NEW					3.7%	1.6%	1.5%	1.5%	1.4%	1.4%
27	Assumed Receipts Growth Rate OLD					1.6%	1.6%	1.5%	1.5%	1.4%	1.4%
28	Assumed Refunds % NEW					71.4%	71.4%	71.4%	71.4%	71.4%	71.4%
29	Assumed Refunds % OLD					73.1%	73.1%	73.1%	73.1%	73.1%	73.1%

Unclaimed Property Trust Fund
History and Forecast Detail

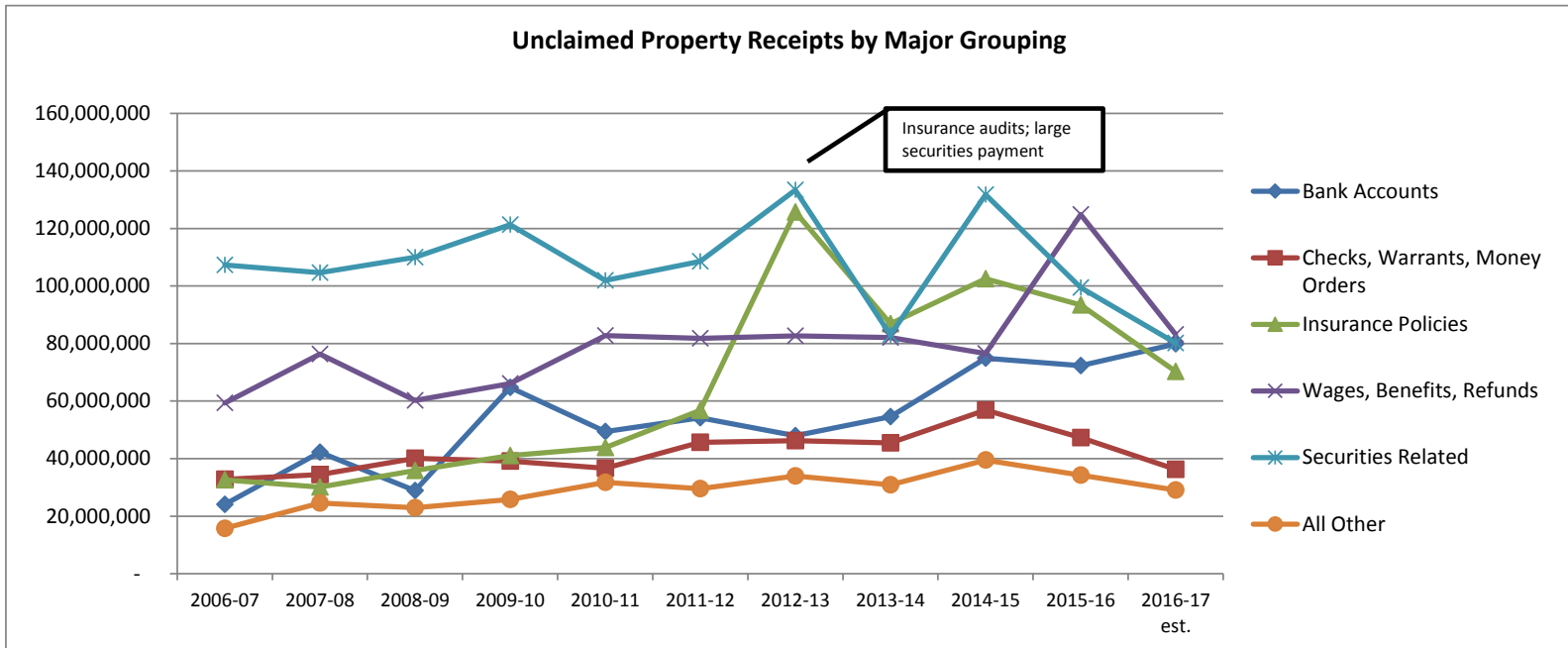
MIDDLE

	Actual from Trial Balance					FORECAST - MIDDLE ESTIMATE					
	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18 est.	FY 18-19 est.	FY 19-20 est.	FY 20-21 est.	FY 21-22 est.	FY 22-23 est.
1 Funds Available											
2 Beginning Balance	6.1	14.1	4.3	14.7	33.9	11.4	15.0	15.0	15.0	15.0	15.0
3 Abandoned property receipts	409.4	383.1	427.1	429.4	428.2	435.0	441.8	448.5	455.1	461.6	468.0
4 Atypical receipts	60.5		55.0	42.1		13.0					
5 Transfers in	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6 Other nonoperating receipts	4.1	0.4	0.3	0.9	2.6	0.4	0.4	0.4	0.4	0.4	0.4
7 Total Funds Available	480.1	397.6	486.7	487.1	464.7	459.8	457.2	463.9	470.5	477.0	483.4
8 Uses of Funds											
9 Operating Expenses	4.0	4.4	4.4	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6
10 Refunds to owners - regular	215.1	243.0	250.4	268.8	310.4	306.2	312.8	317.8	322.6	327.5	332.2
11 Payment correction	38.0										
12 Refunds to owners - demutualization											
13 Refunds to owners - reduced dormancy											
14 Refunds to owners - FDIC								11.6			
15 Miscellaneous disbursements	2.7	3.6	4.2	4.2	4.4	4.4	4.4	4.4	4.4	4.4	4.4
16 Retained Balance	14.1	4.3	14.7	33.9	11.4	15.0	15.0	15.0	15.0	15.0	15.0
17 Total Uses	273.9	255.3	273.7	311.5	330.8	330.2	336.8	353.4	346.6	351.5	356.2
18 Available for transfer to											
19 State School TF (NEW estimate)	206.2	142.3	213.0	175.6	133.9	129.7	120.4	110.5	123.9	125.5	127.2
20 State School TF (OLD estimate)						122.3	117.7	107.8	121.1	122.7	124.3
21 Change in estimate						7.3	2.7	2.7	2.8	2.8	2.9
22 Ratio of refunds to receipts	59.5%	61.8%	63.2%	66.4%	72.5%	71.4%	72.5%	72.5%	72.5%	72.5%	72.5%
23 Growth rate of regular receipts	8.7%	-6.4%	11.5%	0.5%	-0.3%	1.6%	1.6%	1.5%	1.5%	1.4%	1.4%
24 Growth rate of regular refunds	3.4%	13.0%	3.1%	7.3%	15.5%	-1.4%	2.2%	1.6%	1.5%	1.5%	1.4%
25 Change in transfer amount	26.0%	-31.0%	49.7%	-17.6%	-23.7%	-3.2%	-7.1%	-8.2%	12.1%	1.3%	1.4%
26	Assumed Receipts Growth Rate NEW					1.6%	1.6%	1.5%	1.5%	1.4%	1.4%
27	Assumed Receipts Growth Rate OLD					1.6%	1.6%	1.5%	1.5%	1.4%	1.4%
28	Assumed Refunds % NEW					71.4%	72.5%	72.5%	72.5%	72.5%	72.5%
29	Assumed Refunds % OLD					73.1%	73.1%	73.1%	73.1%	73.1%	73.1%

Unclaimed Property Trust Fund
History and Forecast Detail

LOW

	Actual from Trial Balance					FORECAST - LOW ESTIMATE					
	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18 est.	FY 18-19 est.	FY 19-20 est.	FY 20-21 est.	FY 21-22 est.	FY 22-23 est.
1 Funds Available											
2 Beginning Balance	6.1	14.1	4.3	14.7	33.9	11.4	15.0	15.0	15.0	15.0	15.0
3 Abandoned property receipts	409.4	383.1	427.1	429.4	428.2	435.0	441.8	448.5	455.1	461.6	468.0
4 Atypical receipts	60.5		55.0	42.1		13.0					
5 Transfers in	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6 Other nonoperating receipts	4.1	0.4	0.3	0.9	2.6	0.4	0.4	0.4	0.4	0.4	0.4
7 Total Funds Available	480.1	397.6	486.7	487.1	464.7	459.8	457.2	463.9	470.5	477.0	483.4
8 Uses of Funds											
9 Operating Expenses	4.0	4.4	4.4	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6
10 Refunds to owners - regular	215.1	243.0	250.4	268.8	310.4	313.5	315.5	320.5	325.4	330.3	335.1
11 Payment correction	38.0										
12 Refunds to owners - demutualization											
13 Refunds to owners - reduced dormancy											
14 Refunds to owners - FDIC								11.6			
15 Miscellaneous disbursements	2.7	3.6	4.2	4.2	4.4	4.4	4.4	4.4	4.4	4.4	4.4
16 Retained Balance	14.1	4.3	14.7	33.9	11.4	15.0	15.0	15.0	15.0	15.0	15.0
17 Total Uses	273.9	255.3	273.7	311.5	330.8	337.5	339.5	356.1	349.4	354.3	359.1
18 Available for transfer to											
19 State School TF (NEW estimate)	206.2	142.3	213.0	175.6	133.9	122.3	117.7	107.8	121.1	122.7	124.3
20 State School TF (OLD estimate)						122.3	117.7	107.8	121.1	122.7	124.3
21 Change in estimate						0.0	0.0	0.0	0.0	0.0	0.0
22 Ratio of refunds to receipts	59.5%	61.8%	63.2%	66.4%	72.5%	73.1%	73.1%	73.1%	73.1%	73.1%	73.1%
23 Growth rate of regular receipts	8.7%	-6.4%	11.5%	0.5%	-0.3%	1.6%	1.6%	1.5%	1.5%	1.4%	1.4%
24 Growth rate of regular refunds	3.4%	13.0%	3.1%	7.3%	15.5%	1.0%	0.6%	1.6%	1.5%	1.5%	1.5%
25 Change in transfer amount	26.0%	-31.0%	49.7%	-17.6%	-23.7%	-8.7%	-3.8%	-8.4%	12.3%	1.3%	1.3%
26	Assumed Receipts Growth Rate NEW					1.6%	1.6%	1.5%	1.5%	1.4%	1.4%
27	Assumed Receipts Growth Rate OLD					1.6%	1.6%	1.5%	1.5%	1.4%	1.4%
28	Assumed Refunds % NEW					73.1%	73.1%	73.1%	73.1%	73.1%	73.1%
29	Assumed Refunds % OLD					73.1%	73.1%	73.1%	73.1%	73.1%	73.1%



*Note: Securities related receipts are estimated for all years. For 2016-17, the graph reflects estimates based on reports loaded in the DFS database as of December 28. Reports totaling approximately \$49.5 million had not been loaded as of that date.

