

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

Executive Summary

Estimates of receipts and refunds to owners from unclaimed property and the subsequent distribution to the State School Trust Fund were discussed on November 16, 2020, by the Revenue Estimating Conference.

The Conference reviewed the year-to-date data for Fiscal Year 2020-21. From July through October 2020, the State of Florida received \$66.5 million in receipts. This amount was \$14.1 million over the monthly estimates adopted as part of the Summer forecast season. During the same time period, the State of Florida processed \$138.8 million in refunds. This refund amount was \$16.0 million above the monthly estimates.

The higher than expected level of refunds is attributable to a single \$8.75 million refund to the FDIC processed in August. While the FDIC refund was included in the annual estimate of refunds for Fiscal Year 2020-21, there was uncertainty about when it would be processed. Consequently, the total was spread over the monthly estimates for refunds and not placed in a specific month, causing a discrepancy when it was paid in full in August.

Since the Division of Unclaimed Property¹ concurred with the principals' finding that there was little other than normal noise in the data, the Conference reaffirmed its existing forecast. As a result, Fiscal Year 2020-21 projected receipts will stay at \$507 million and Fiscal Year 2020-21 projected refunds will stay at \$327.6 million.

The projected transfer to the State School Trust Fund in Fiscal Year 2020-21 stays the same at \$183.9 million. The projected transfers for Fiscal Year 2021-22 through Fiscal Year 2025-26 were also left unchanged.

The following table shows the differences from the previous forecast for the current and upcoming fiscal years.

	July 2020	November 2020	Difference
2020-21 Receipts	\$507.0	\$507.0	\$0.0
2020-21 Refunds	\$327.6	\$327.6	\$0.0
2020-21 Transfer to State School Trust Fund	\$183.9	\$183.9	\$0.0
2021-22 Receipts	\$513.4	\$513.4	\$0.0
2021-22 Refunds	\$330.9	\$330.9	\$0.0
2021-22 Transfer to State School Trust Fund	\$171.0	\$171.0	\$0.0

Dollars shown in millions.

¹ The Division of Unclaimed Property is a division within the Department of Financial Services. The Division of Unclaimed Property is responsible for the collection of unclaimed property and the disbursement of the refunds.

Revenue Estimating Conference

Unclaimed Property

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

Winter Conference

Monday November 16, 2020

**Unclaimed Property Receipts, Refunds to Owners, and Transfers to the State School Trust Fund
Monday November 16, 2020**

ACTUAL	Receipts	Refunds	Transfer to State School TF
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
2017-18	507.8	317.9	178.5
2018-19	535.5	316.7	218.8
2019-20	500.5	321.9	144.0

ADOPTED FORECAST												
	Receipts			Refunds			Adjustments			Transfer to State School TF		
	<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>	<u>OLD</u>	<u>NEW</u>	<u>change</u>
2020-21	507.0	507.0	0.0	327.6	327.6	0.0	4.5	4.5	0.0	183.9	183.9	0.0
2021-22	513.4	513.4	0.0	330.9	330.9	0.0	-11.6	-11.6	0.0	171.0	171.0	0.0
2022-23	520.1	520.1	0.0	335.9	335.9	0.0	-6.6	-6.6	0.0	177.6	177.6	0.0
2023-24	526.5	526.5	0.0	341.1	341.1	0.0	-7.0	-7.0	0.0	178.4	178.4	0.0
2024-25	532.6	532.6	0.0	345.7	345.7	0.0	-6.0	-6.0	0.0	180.9	180.9	0.0
2025-26	538.5	538.5	0.0	349.8	349.8	0.0	-6.2	-6.2	0.0	182.5	182.5	0.0

Fiscal Year 2020-21 Unclaimed Property Receipts and Refunds to Owners

RECEIPTS	JULY	AUG	SEPT	OCT	YTD	Actual Annual Total
2015-16 ACTUAL	8.4	5.3	6.9	25.4	46.0	471.5
2016-17 ACTUAL	7.1	7.9	13.8	16.8	45.6	428.2
2017-18 ACTUAL	4.6	2.7	6.9	29.8	43.9	507.8
2018-19 ACTUAL	3.8	6.3	5.0	27.1	42.2	535.5
2019-20 ACTUAL	10.1	5.4	12.7	21.7	49.9	500.5
2020-21 ACTUAL	26.2	18.9	9.4	12.0	66.5	
2020-21 JULY ESTIMATE	26.2	9.0	10.5	6.7	52.4	507.0
Above/Below Estimate	-	9.9	(1.1)	5.3	14.1	
REFUNDS	JULY	AUG	SEPT	OCT	YTD	Actual Annual Total
2015-16 ACTUAL	21.0	22.0	32.2	22.2	97.4	268.8
2016-17 ACTUAL	24.1	23.9	29.1	28.4	105.4	310.4
2017-18 ACTUAL	26.6	26.4	37.0	28.4	118.4	317.9
2018-19 ACTUAL	25.8	28.2	25.7	23.5	103.2	316.7
2019-20 ACTUAL	24.6	34.0	26.7	30.1	115.3	321.9
2020-21 ACTUAL	43.0	39.3	28.8	27.7	138.8	
2020-21 JULY ESTIMATE	43.0	25.1	26.3	28.4	122.8	327.6
Above/Below Estimate	-	14.2	2.5	(0.7)	16.0	

Unclaimed Property Trust Fund

Historical Detail

	<u>FY 14-15</u>	<u>FY 15-16</u>	<u>FY 16-17</u>	<u>FY 17-18</u>	<u>FY 18-19</u>	<u>FY19-20</u>
1 <u>Funds Available</u>						
2 Beginning Balance	4.3	14.7	33.9	11.4	15.7	8.8
3 Abandoned property receipts	412.9	422.2	424.1	483.3	510.0	500.5
4 Atypical receipts	69.2	49.3	4.1	24.5	25.5	0.0
5 Transfers in	0.0	0.0	0.0	0.0	0.0	0.0
6 Other nonoperating receipts	0.3	0.9	2.6	1.2	2.2	1.1
7 Total Funds Available	<u>486.7</u>	<u>487.1</u>	<u>464.7</u>	<u>520.4</u>	<u>553.4</u>	<u>510.3</u>
8 <u>Uses of Funds</u>						
9 Operating Expenses	4.4	4.6	4.6	5.0	5.0	5.1
10 Refunds to owners - regular	250.4	268.8	310.4	317.9	316.8	321.9
11 Refunds to owners - FDIC	0.0	0.0	0.0	0.0	0.0	0.0
12 Miscellaneous disbursements	4.2	4.2	4.4	3.3	3.1	1.8
13 Retained Balance	<u>14.7</u>	<u>33.9</u>	<u>11.4</u>	<u>15.7</u>	<u>9.8</u>	<u>37.5</u>
14 Total Uses	<u>273.7</u>	<u>311.5</u>	<u>330.8</u>	<u>341.9</u>	<u>334.5</u>	<u>366.3</u>
15 Available for transfer to						
16 State School TF (Actual)	213.0	175.6	133.9	178.5	218.8	144.0
18 Growth rate of regular receipts	7.8%	2.3%	0.5%	14.0%	5.5%	-1.9%
19 Growth rate of regular refunds	3.1%	7.3%	15.5%	2.4%	-0.4%	1.6%
20 Change in transfer amount	49.7%	-17.6%	-23.7%	33.3%	22.6%	-34.2%

Unclaimed Property Trust Fund

Adopted Forecast

	<u>FY 19-20</u>	<u>FY 20-21 est.</u>	<u>FY 21-22 est.</u>	<u>FY 22-23 est.</u>	<u>FY 23-24 est.</u>	<u>FY 24-25 est.</u>	<u>FY 25-26 est.</u>
1 <u>Funds Available</u>							
2 Beginning Balance	8.8	37.5	15.0	15.0	15.0	15.0	15.0
3 Abandoned property receipts	500.5	507.0	513.4	520.1	526.5	532.6	538.5
4 Atypical receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5 Transfers in	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6 Other nonoperating receipts	1.1	1.1	1.1	1.1	1.1	1.1	1.1
7 Total Funds Available	510.3	545.5	529.5	536.2	542.5	548.6	554.6
8 <u>Uses of Funds</u>							
9 Operating Expenses	5.1	5.1	5.1	5.1	5.1	5.1	5.1
10 Refunds to owners - regular	321.9	327.6	330.9	335.9	341.1	345.7	349.8
11 Refunds to owners - FDIC	0.0	12.1	5.7	0.7	1.1	0.1	0.3
12 Miscellaneous disbursements	1.8	1.8	1.8	1.8	1.8	1.8	1.8
13 Retained Balance	37.5	15.0	15.0	15.0	15.0	15.0	15.0
14 Total Uses	366.3	361.6	358.5	358.5	364.1	367.7	372.1
15 Available for transfer to							
16 State School TF (NEW estimate)	144.0	183.9	171.0	177.6	178.4	180.9	182.5
17 State School TF (OLD estimate)	131.2	183.9	171.0	177.6	178.4	180.9	182.5
18 Change in estimate	12.8	0.0	0.0	0.0	0.0	0.0	0.0
20 Growth rate of regular receipts	-1.9%	1.3%	1.3%	1.3%	1.2%	1.2%	1.1%
21 Growth rate of regular refunds	1.6%	1.8%	1.0%	1.5%	1.6%	1.4%	1.2%
22 Change in transfer amount	-34.2%	27.7%	-7.0%	3.9%	0.5%	1.4%	0.9%
23 Assumed Receipts Growth Rate NEW	-1.9%	1.3%	1.3%	1.3%	1.2%	1.2%	1.1%
24 Assumed Receipts Growth Rate OLD	-1.9%	1.3%	1.3%	1.3%	1.2%	1.2%	1.1%
25 Assumed Refunds % NEW	61.7%	63.2%	65.7%	65.8%	66.0%	66.1%	66.1%
26 Assumed Refunds % OLD	61.7%	63.2%	65.7%	65.8%	66.0%	66.1%	66.1%