

GENERAL REVENUE FUND
FINANCIAL OUTLOOK STATEMENT

Including Fiscal Year 2019-20 Closeout, and Other Adjustments as of December 11, 2020
FY 2019-20 through FY 2025-26
(\$ MILLIONS)

DATE: December 14, 2020

	<u>RECURRING</u>	<u>NON- RECURRING</u>	<u>TOTAL</u>
FUNDS AVAILABLE 2019-20			
Balance Forward from 2018-19	0.0	2,489.8	2,489.8
Revenue Collections	32,563.5	(1,077.7)	31,485.8
Adjustment to Earnings on Investments for CARES Act	0.0	32.3	32.3
BP Settlement Agreement Payment State Share (D)	26.7	0.0	26.7
Trust Fund Transfers	0.0	350.9	350.9
Fixed Capital Outlay Reversions	0.0	20.2	20.2
FEMA Reimbursement (Michael/Irma/Matthew/Debby/Charley/Frances/Ivan/Jeanne)	0.0	154.3	154.3
CARES Act Relief - COVID-19 (E)	0.0	5,855.8	5,855.8
Federal Funds Interest Earnings Rebate	(2.3)	0.0	(2.3)
Miscellaneous Addjstments	0.0	0.0	0.0
Total 2019-20 Funds Available (A) (B) (C) (D)	32,587.9	7,825.6	40,413.5
EXPENDITURES 2019-20			
State Operations	16,240.6	879.3	17,119.9
Aid to Local Government	16,238.2	(76.4)	16,161.7
Fixed Capital Outlay	40.7	227.9	268.6
Fixed Capital Outlay/Aid to Local Government	3.7	406.4	410.1
SB 2500 (2019) Transfer to Budget Stabilization Fund (s. 100) (A)	0.0	91.2	91.2
Transfer to Lawton Chiles Endowment Fund (C)	0.0	0.0	0.0
Miscellaneous Nonoperating Expenditures	0.0	9.7	9.7
Total 2019-20 Expenditures	32,523.2	1,538.1	34,061.3
ENDING BALANCE (B) (C) (E)	64.6	6,287.6	6,352.2
FUNDS AVAILABLE 2020-21			
Balance Forward from 2019-20	0.0	6,352.2	6,352.2
Estimated Revenues	31,543.3	(553.2)	30,990.1
Prior Year Sales Tax Liabilities for Local Share/Distribution	0.0	(119.7)	(119.7)
BP Settlement Agreement Payment State Share (D)	26.7	0.0	26.7
Tobacco Settlement Lawsuit Payment	0.0	192.9	192.9
HB 5001 (2020) Trust Fund Transfers (Net of Vetoes; Line Item 615I; s. 127)	0.0	188.8	188.8
Fixed Capital Outlay Reversions	0.0	3.4	3.4
FEMA Reimbursement (Irma,Michael)	0.0	21.6	21.6
COVID-19 Reimbursement	0.0	80.0	80.0
Federal Funds Interest Earnings Rebate	(1.8)	0.0	(1.8)
Total 2020-21 Funds Available (A) (B) (C) (D)	31,568.2	6,166.0	37,734.2
EFFECTIVE APPROPRIATIONS 2020-21			
State Operations	17,237.7	435.4	17,673.1
Aid to Local Government	16,783.5	(191.5)	16,592.0
Fixed Capital Outlay	53.3	94.6	147.9
Fixed Capital Outlay/Aid to Local Government	1.7	330.5	332.2
HB 5001 (2020) Transfer to Budget Stabilization Fund (s. 128) (A)	0.0	100.0	100.0
Transfer to Lawton Chiles Endowment Fund (C)	0.0	0.0	0.0
Reappropriations	0.0	44.7	44.7
Bills with Appropriations (Net of Vetoes)	5.6	0.4	6.0
Budget Amendments - COVID-19 Response	0.0	1,168.9	1,168.9
Placed in Reserve: COVID-19 Budget Amendment	0.0	(49.4)	(49.4)
Budget Amendment - CARES Act Housing Assistance (COVID-19) (E)	0.0	250.0	250.0
Budget Amendment - CARES Act Reemployment Assistance (COVID-19) (E)	0.0	67.8	67.8
Budget Amendments - CARES Act Funds to Local Governments (COVID-19) (E)	0.0	339.8	339.8

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Bridge Loans - Hurricane Sally	0.0	5.0	5.0
Budget Amendments - Hurricane Response (Sally)	0.0	7.1	7.1
Total 2020-21 Effective Appropriations	34,081.8	2,603.3	36,685.1
ENDING BALANCE (B) (C) (E)	(2,513.6)	3,562.7	1,049.1
FUNDS AVAILABLE 2021-22			
Balance Forward from 2020-21	0.0	1,049.1	1,049.1
Estimated Revenues	34,077.9	(386.7)	33,691.2
BP Settlement Agreement Payment State Share (D)	26.7	0.0	26.7
Unused Appropriations/Reversions	0.0	95.7	95.7
Fixed Capital Outlay Reversions	0.0	3.4	3.4
Federal Funds Interest Earnings Rebate	(0.9)	0.0	(0.9)
Total 2021-22 Funds Available (A) (B) (C) (D)	34,103.7	761.5	34,865.2
FUNDS AVAILABLE 2022-23			
Estimated Revenues	35,386.8	(107.5)	35,279.3
BP Settlement Agreement Payment State Share (D)	26.7	0.0	26.7
Unused Appropriations/Reversions	0.0	95.7	95.7
Fixed Capital Outlay Reversions	0.0	3.4	3.4
Federal Funds Interest Earnings Rebate	(1.6)	0.0	(1.6)
Total 2022-23 Funds Available (A) (B) (D)	35,411.9	(8.4)	35,403.5
FUNDS AVAILABLE 2023-24			
Estimated Revenues	36,809.1	(8.4)	36,800.7
BP Settlement Agreement Payment State Share (D)	26.7	0.0	26.7
Unused Appropriations/Reversions	0.0	95.7	95.7
Fixed Capital Outlay Reversions	0.0	3.4	3.4
Federal Funds Interest Earnings Rebate	(2.1)	0.0	(2.1)
Total 2023-24 Funds Available (A) (B) (D)	36,833.7	90.7	36,924.4
FUNDS AVAILABLE 2024-25			
Estimated Revenues	38,091.2	(1.5)	38,089.7
BP Settlement Agreement Payment State Share (D)	26.7	0.0	26.7
Unused Appropriations/Reversions	0.0	95.7	95.7
Fixed Capital Outlay Reversions	0.0	3.4	3.4
Federal Funds Interest Earnings Rebate	(1.7)	0.0	(1.7)
Total 2024-25 Funds Available (A) (B) (D)	38,116.2	97.6	38,213.8
FUNDS AVAILABLE 2025-26			
Estimated Revenues	39,413.6	0.0	39,413.6
BP Settlement Agreement Payment State Share (D)	26.7	0.0	26.7
Unused Appropriations/Reversions	0.0	95.7	95.7
Fixed Capital Outlay Reversions	0.0	3.4	3.4
Federal Funds Interest Earnings Rebate	(1.6)	0.0	(1.6)
Total 2025-26 Funds Available (A) (B) (D)	39,438.7	99.1	39,537.8

FOOTNOTES

- (A) The cash balance in the Budget Stabilization Fund (not shown here) at the time of this Outlook is \$1,674.2 million and includes the FY 2020-21 transfer of \$100.0 million. Based on the August 14, 2020 forecast, transfers of zero in FY 2021-22 and FY 2022-23, \$11.7 million in FY 2023-24, \$91.1 million in FY 2024-25 and \$155.5 million in FY 2025-26 will be required.
- (B) This financial statement is based on current law as it is currently administered. It does not include the potential effect of any legal actions that might affect revenues or appropriations. The Attorney General periodically issues an update on any such litigation. In addition, it does not recognize any projected deficits or surpluses in any spending programs unless specifically stated.

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<p>(C) The 2012 General Appropriations Act transferred \$350.0 million from the Lawton Chiles Endowment Fund to the General Revenue Fund. House Bill 5301 (Chapter 2012-33, Laws of Florida) requires that an amount equal to the amount of Medical-Hospital Fees collected above the January 2012 revenue estimate be transferred back to the Endowment in the following fiscal years until repayment is complete. The actual revenues collected in FY 2019-20 were lower than the January 2012 estimate; thus, no transfer is required for FY 2020-21. The final repayment of \$304.7 million (not shown on this Outlook) will be due in FY 2021-22, in accordance with section 409.915(8), F.S.</p> <p>(D) Payments are associated with the settlement reached in In re: Oil Spill by the Oil Rig "Deepwater Horizon" in the Gulf of Mexico, MDL No. 2179 (April 20, 2010). The payments are in consideration of the full and complete settlement and release of claims by the state for various damages. It provides a total payment to the State of Florida of \$2.0 billion over the period FY 2016-17 through FY 2032-33. The first payment of \$400 million was received on July 1, 2016. Annual payments of \$106.7 million began in FY 2018-19. Pursuant to Chapter 2017-63, L.O.F., 75 percent of all payments to the state must be transferred immediately from the General Revenue Fund to the Triumph Gulf Coast Trust Fund for subsequent transfer to a trust account held by Triumph Gulf Coast, Inc. The revenue numbers shown here are net of this transfer.</p> <p>(E) The Coronavirus Aid, Relief, and Economic Security [CARES] Act provided substantial federal government support to individuals, businesses, hospitals, and specific industries dealing with the COVID-19 pandemic and its associated economic consequences. [Public Law No: 116-136; enacted 03/27/2020] Among other things, the legislation created the Coronavirus Relief Fund within the U.S. Department of the Treasury to fund necessary state and local government expenditures incurred due to the COVID-19 public health emergency. The funds currently can be used only for costs not accounted for in the budget most recently approved as of March 27, 2020, and incurred during the period from March 1, 2020, to December 30, 2020. Florida's total allocation was \$8,328.2 million, of which \$2,472.4 million was distributed by the US Department of the Treasury directly to Florida local governments with populations greater than 500,000. The remaining \$5,855.8 million was transferred to the State of Florida.</p> <p>All Relief Fund dollars received by the state have been shown on this outlook as they were received. They have only been debited on the General Revenue Outlook to the extent that formal budget actions have already occurred. However, there remains a high degree of uncertainty surrounding the allowable uses of these dollars by states and local governments. To the extent that the funds cannot be used to fill revenue shortfalls or offset current appropriations when they are used for pandemic-related purposes, or if additional COVID-19 expenditures are required, the Fiscal Year 2020-21 ending balance shown in this outlook will be lower, potentially becoming negative. While today the funds may not be used to fill shortfalls in state or local government revenue (with the exception of covering expenditures that would otherwise qualify), full or partial relaxation of this prohibition was an early part of the negotiations over additional stimulus. Even though additional relief discussions are still underway in Washington, as of the date this outlook was adopted, there were no details or proposed language available. Different treatment in the financial outlook may be warranted in the future.</p> <p>(F) On January 18, 2017, the State of Florida filed a Motion to Join ITG Brands, LLC as a Defendant and to enforce the Settlement Agreement in the State of Florida, et. al., v. Am. Tobacco Co., R.J. Reynolds Tobacco Co., et. al., No. 95-1466 AH (Fla. 15th Cir. Ct.). On August 18, 2018, the Circuit Court entered a final judgment specifying the principal sum and interest due from R.J. Reynolds to the State of Florida for the period June 12, 2015, through April 30, 2018, as well as providing guidance on how any future unpaid liability to the State should be calculated. In addition, the final judgment reflected the court's rulings issued December 27, 2017, and May 24, 2018, collectively known as the "Liability Orders." R.J. Reynolds subsequently appealed the lower court's decision regarding its liability. On July 29, 2020, the District Court of Appeal unanimously affirmed the lower court's final judgment in all respects, and on September 18, 2020, denied the Appellant's motion for rehearing, rehearing en banc, and certification to the Florida Supreme Court. In response, R.J. Reynolds paid the State of Florida \$192,869,589.86 million to cover the full amount of the outstanding judgment (inclusive of principal and interest). This amount was deposited into the General Revenue Fund on October 6, 2020. Notwithstanding this payment, R.J. Reynolds filed Notice to Invoke Discretionary Jurisdiction of the Florida Supreme Court on October 15, 2020, seeking review of the District Court of Appeals opinion. As of December 14, 2020, the Florida Supreme Court has not yet decided whether to grant discretionary review for this case.</p>			