

RECENT STATE FINANCIAL DEVELOPMENTS

Fiscal Year 2024-25

Budget and Revenues— The Fiscal Year 2024-25 adopted budget totaled \$116.5 billion, which was consistent with spending levels in the adopted Fiscal Year 2023-24 budget. The General Fund budget totaled approximately \$48.6 billion, representing a 5.4% increase from the adopted Fiscal Year 2023-24 General Revenue budget of \$46.1 billion, and was funded primarily from general revenue collections.

Actual net general revenue collections of \$49.7 billion for Fiscal Year 2024-25 were approximately \$1.7 billion, or 3.5%, higher than the estimates used to develop the Fiscal Year 2024-25 budget and approximately \$1.3 billion, or 2.8%, higher than the collections in the prior fiscal year. The largest year-over-year increases were in sales tax collections (\$893.0 million, or 2.5%, above prior year) and earnings on investments (\$443.8 million, or 40.6%, above prior year).

Reserves – The Fiscal Year 2024-25 year-end General Fund balance was approximately \$12.1 billion. The Fiscal Year 2024-25 adopted budget included a \$300 million transfer to the Budget Stabilization Fund (“BSF”), which increased the year-end balance in that fund to approximately \$4.4 billion. Including the BSF, total General Fund reserves at fiscal year-end were approximately \$16.6 billion. Additionally, when approximately \$3.1 billion in various excess trust fund balances are included, the total State reserves at the end of Fiscal Year 2024-25 were approximately \$19.7 billion (39.6% of Fiscal Year 2024-25 net general revenue collections). The Emergency Preparedness Response Fund (“EPRF”) received additional appropriations in Fiscal Year 2024-25, but the balance was obligated to fund disaster relief efforts.

Fiscal Year 2025-26

Budget – The Fiscal Year 2025-26 adopted budget totals \$114.8 billion, which is \$1.7 billion, or 1.5%, less than the Fiscal Year 2024-25 adopted budget of \$116.5 billion. The General Fund budget, funded primarily from general revenue collections, totals approximately \$50.3 billion, representing a 3.5% increase from the adopted Fiscal Year 2024-25 General Revenue budget of \$48.6 billion.

Revenues – In January 2026, the Revenue Estimating Conference adopted a new forecast for net general revenue collections in Fiscal Year 2025-26 of \$51.0 billion, an increase of approximately \$503 million from the August 2025 forecast, and which would represent an increase of \$1.3 billion, or 2.6%, from the collections in the prior Fiscal Year. The increase in projected net general revenue collections was primarily driven by continued strength in sales tax collections, with estimated sales tax collections for Fiscal Year 2025-26 increasing by \$585 million from the prior estimate. Projections for Indian gaming revenues and earnings on investments also increased by \$129 million and \$114 million, respectively, from the August 2025 forecast, while the estimate for corporate income tax collections was reduced by \$401 million based on current collection trends and uncertainty about the impacts of federal trade policy on corporate profits.

Actual net general revenue collections of \$41.9 billion for the ten-month period ended April 30, 2026, were approximately \$353.7 million, or 0.9%, higher than the January 2026 estimates and approximately \$1.7 billion, or 4.2%, higher than the same period of the prior fiscal year.

Reserves – Based on the January 23, 2026, General Fund Outlook Statement, the Fiscal Year 2025-26 year-end General Fund balance is projected at approximately \$10.6 billion. The Fiscal Year 2025-26 adopted budget included a \$429.6 million transfer to the BSF, which increased the estimated year-end balance of that fund to approximately \$4.9 billion. Including the BSF, total General Fund reserves at fiscal year-end are currently projected at approximately \$15.5 billion. Additionally, when approximately \$2.6 billion in various estimated excess trust fund balances are included, the total estimated State reserves at the end of Fiscal Year 2025-26 are approximately \$18.0 billion (35.3% of projected Fiscal Year 2025-26 net general revenue collections). The EPRF received additional appropriations in Fiscal Year 2025-26, but the balance has been obligated to fund ongoing disaster relief efforts.

Fiscal Year 2026-27

The 2026 Special Legislative Session ended on May 29, 2026, with the State Legislature adopting the General Appropriations Act for Fiscal Year 2026-27 (the “Fiscal Year 2026-27 Budget”) totaling \$114.5 billion. The Fiscal Year 2026-27 Budget is \$306 million (0.3%) less than the Fiscal Year 2025-26 budget of \$114.8 billion. The General Fund budget totals approximately \$52.3 billion, representing a 3.9% increase from Fiscal Year 2025-26, and will be funded primarily from general revenue collections and \$226.5 million in trust fund transfers. The Fiscal Year 2026-27 Budget includes a \$118 million transfer to the BSF which will increase the balance of the fund to almost \$5 billion.

The State’s budget is not finalized until reviewed and approved by the Governor. When the Fiscal Year 2026-27 Budget is presented to the Governor, he will have 15 days to review and either sign the bill into law; veto the bill in its entirety; veto individual line-item appropriations; or do nothing, which will result in the bill becoming law without his signature.

Impact of Recent Hurricanes

The State has been impacted by hurricanes in recent fiscal years, with Hurricanes Ian, Nicole, and Idalia making landfall in Fiscal Years 2022-23 and 2023-24. In Fiscal Year 2024-25, Hurricanes Debby, Helene, and Milton made landfall in Florida in August 2024, September 2024, and October 2024, respectively. States of emergency were declared in advance of each of these storms, which provided the Governor with broad spending authority to meet the State’s financial obligations resulting from the storms.

The State continues to monitor and receive updates on storm-related expenditures from all State agencies. The State anticipates that it will receive reimbursements from the Federal Emergency Management Agency (“FEMA”) for 75%, 90%, or 100% of a significant portion of the costs related to the hurricanes, with the reimbursement levels dependent on the category of expenses and amount of overall State expenditures for each storm. Estimated State agency costs include paying a portion of the storm-related expenses of counties and the costs of certain categories of individual assistance provided by FEMA to Florida citizens. The majority of the State costs related to the hurricanes have already been or will be funded by amounts in the EPRF and the General Fund balance in advance of future FEMA reimbursements.

Additionally, the State provided up to \$3 billion of General Revenue funding for reinsurance coverage during the 2022 and 2023 hurricane seasons through two separate programs. As of June 30, 2025, the State reduced the maximum appropriations from the General Fund balance for those programs to \$905 million, and approximately \$818.9 million of the contingent appropriations had been utilized as of April 2026. State funded reinsurance coverage was not offered for the 2024 or 2025 hurricane seasons, leaving a balance of approximately \$86.1 million of contingent appropriations which are not expected to be utilized and will remain in the General Fund balance.

The estimates provided above are based on information available at the time of the estimates. Such estimates are subject to revision as additional information becomes available. Also, estimates are subject to risks and uncertainties which may cause results to differ materially from those estimates set forth above. No assurance is given that actual results will not differ materially from the estimates provided above.

6/10/2026