FY 2019 revenue to the General (GF) and Education Funds (EF) totaled $7.5 billion, a year-over-year (YoY) growth of 7.2%. The 7.2% growth rate is above the consensus target of 5.7%. The EF growth rate equates to a revenue surplus of $134 million. After adjusting for year-end transfers and designations and excluding previously budgeted reserves for FY 2020, the new net reserves available for FY 2020 is $107 million. The GF growth rate equates to a revenue deficit of $38 million. After adjustments, the new net reserves available for FY 2020 is $22 million. The Transportation Fund ended FY 2019 at $610 million, $6 million above the target of $604 million.

General Fund collections totaled $2.6 billion in FY 2019, representing a YoY growth rate of 3.8%. The 3.8% growth over the prior year is below the adopted consensus target of 5.3%. Most sources came in below target, including a sales tax growth rate of 4.8% (vs. 5.5% target) and All Other Sources at –0.3% (vs. 4.3% target).

Education Fund collections reached $4.9 billion in FY 2019, representing a YoY increase of 9.0%. The 9.0% growth rate is well above the adopted 6.0% target. Behind the healthy Education Fund performance is individual and corporate income taxes, with income tax coming in at 8.0% and corporate income tax at 16.3%. Although strong, the 16.3% corporate rate was below target. All Other Sources to the EF came in up 24.8% over the prior year.

Transportation Fund collections reached $610 million in FY 2019, up 4.4% over the prior year. This is about 1% higher than the 3.4% target. Behind the performance of the Transportation Fund are the motor fuel tax, which came in up 5% over the prior year (vs. 2.9% target), and the special fuel tax, which came in up 5.5% above the prior year (vs. 3.3% target).