

FINANCIAL MANAGEMENT SERVICES
MONTHLY FINANCIAL REPORT
NOVEMBER 20, 2020

ECONOMIC HIGHLIGHTS

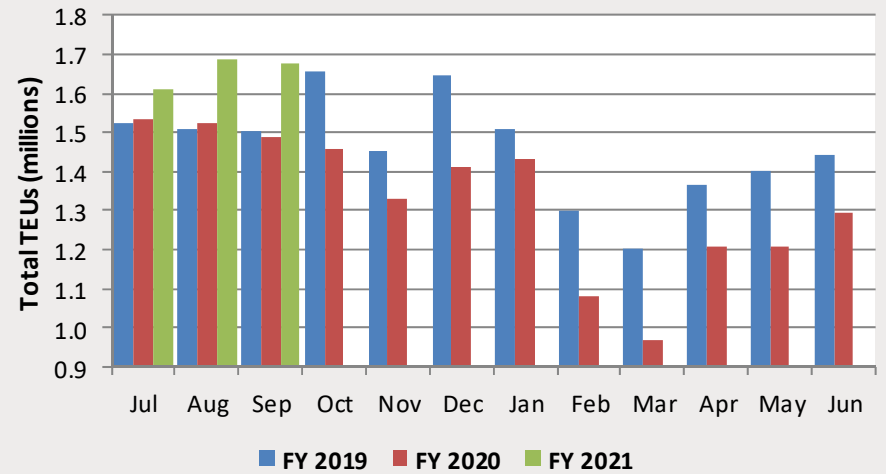
Arizona Indicators

- Combined container volume at the Port of Los Angeles and the Port of Long Beach was 12.9 percent higher in September 2020 than in September 2019.
- The U.S. Energy Information Administration reported the price of West Coast No. 2 diesel was \$2.95 per gallon in September 2020, down from \$3.59 per gallon in September 2019.
- The Arizona average price per gallon for regular unleaded gas was \$2.29 in September 2020, compared to \$2.92 in September 2019.
- The Arizona seasonally adjusted unemployment rate, as reported by the Arizona Office of Economic Opportunity, increased to 6.7 percent in September 2020, up from 4.6 percent in September 2019.

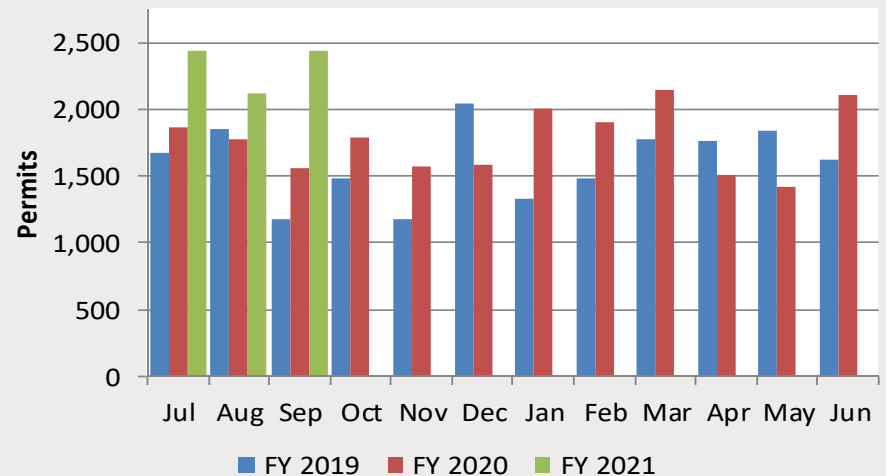
Greater Phoenix Area Indicators

- The number of new single-family building permits issued in Maricopa County in September 2020 was up 57.2 percent compared to the same month of 2019.
- The monthly employment report published by the Arizona Office of Economic Opportunity stated the construction sector in the Greater Phoenix Area lost 2,900 jobs year-over-year from September 2019 to September 2020, a decrease of 2.1 percent.
- The Greater Phoenix Area unadjusted unemployment rate was 6.3 percent in September 2020, up from 3.9 percent in September 2019.

Container Statistics for Port of LA and Port of Long Beach



Maricopa County New Single-family Building Permits

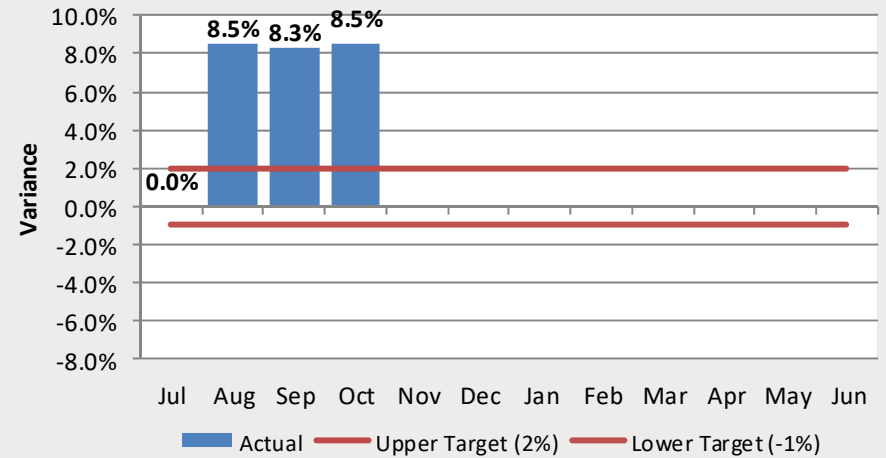


HIGHWAY USER REVENUE FUND (HURF) THROUGH OCTOBER 31, 2020

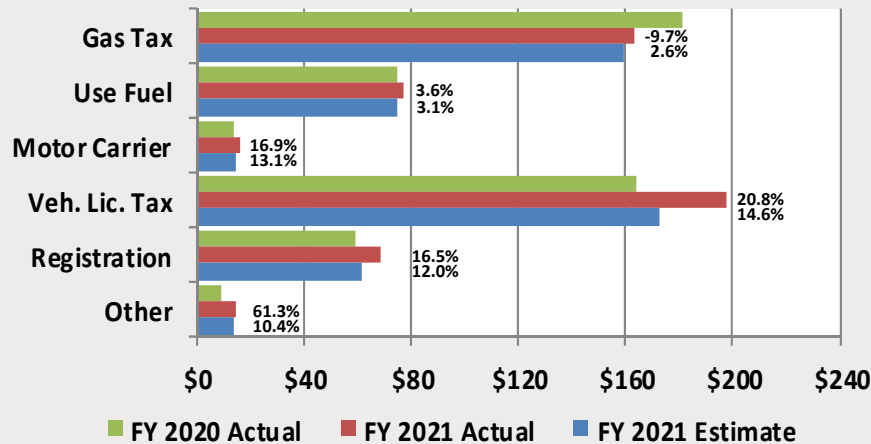
Highlights

- Year-to-date FY 2021 HURF revenues are 8.5 percent above forecast and 7.3 percent above the same period of FY 2020.
- Gas tax revenues have decreased 9.7 percent year-to-date from FY 2020 to the same period of FY 2021. Year-to-date FY 2021 gas tax collections are 2.6 percent above forecast.
- Year-to-date, vehicle license tax revenues have increased 20.8 percent from FY 2020 to FY 2021 and are 14.6 percent above the forecast.

Variance from Forecast Year-to-date



Revenue Category Performance Year-to-date (\$ in Millions)



Monthly Comparison (\$ in Thousands)

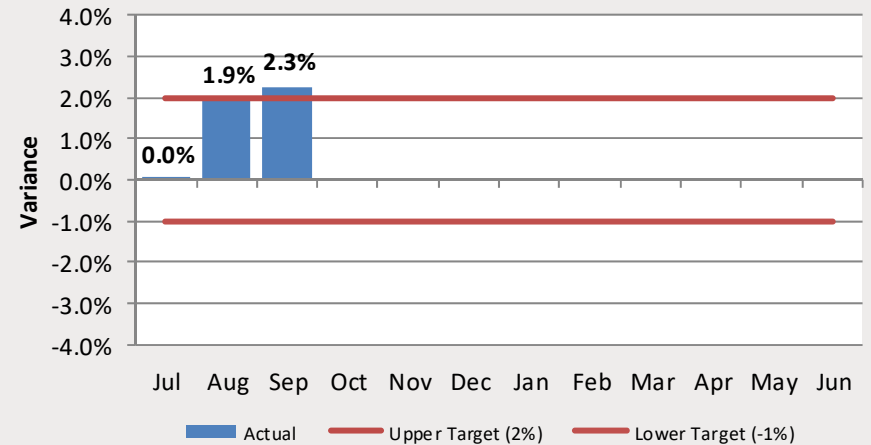
| | FY 2020 Actual | FY 2021 Actual | Change | FY 2021 Estimate | Change |
|-----------|-------------------|-------------------|--------|---------------------|--------|
| July | \$131,728 | \$129,298 | -1.8% | \$129,300 | 0.0% |
| August | \$115,207 | \$137,523 | 19.4% | \$116,600 | 17.9% |
| September | \$128,192 | \$135,177 | 5.4% | \$125,330 | 7.9% |
| October | \$125,872 | \$135,808 | 7.9% | \$124,350 | 9.2% |
| Subtotal | \$500,998 | \$537,806 | 7.3% | \$495,580 | 8.5% |
| November | \$129,928 | | | | |
| December | \$123,858 | | | | |
| January | \$135,737 | | | | |
| February | \$129,641 | | | | |
| March | \$130,810 | | | | |
| April | \$119,307 | | | | |
| May | \$94,021 | | | | |
| June | \$116,536 | | | | |
| Total | \$1,480,836 | \$537,806 | | \$495,580 | |

REGIONAL AREA ROAD FUND (RARF) THROUGH SEPTEMBER 30, 2020

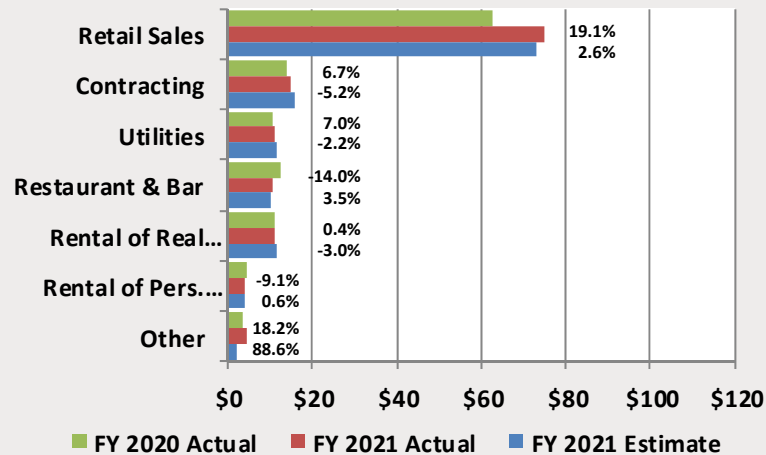
Highlights

- FY 2021 RARF revenues through September surpassed the same period of FY 2020 by 10.3 percent and were 2.3 percent above the forecast.
- Retail sales, the largest revenue category of RARF, grew 19.1 percent year-to-date when compared to the same period of the last fiscal year.
- Restaurant and Bar revenues declined 14.0 percent year-to-date when compared to the same period of the last fiscal year.
- Year-to-date contracting revenues increased 6.7 percent compared to the same period of the last fiscal year.
- The 30 year mortgage interest rate in September 2020 was 2.89 percent, lower than the 3.61 percent experienced in September 2019.

Variance from Forecast Year-to-date



Revenue Category Performance Year-to-date (\$ in Millions)



Monthly Comparison (\$ in Thousands)

| | FY 2020 Actual | FY 2021 Actual | Change | FY 2021 Estimate | Change |
|-----------|----------------|----------------|--------|------------------|--------|
| July | \$39,782 | \$44,192 | 11.1% | \$44,191 | 0.0% |
| August | \$39,410 | \$43,976 | 11.6% | \$42,304 | 4.0% |
| September | \$40,071 | \$43,358 | 8.2% | \$42,124 | 2.9% |
| Subtotal | \$119,262 | \$131,526 | 10.3% | \$128,619 | 2.3% |
| October | | | | \$0 | |
| November | | | | \$0 | |
| December | | | | \$0 | |
| January | | | | \$0 | |
| February | | | | \$0 | |
| March | | | | \$0 | |
| April | | | | \$0 | |
| May | | | | \$0 | |
| June | | | | \$0 | |
| Total | \$491,103 | \$131,526 | | \$128,619 | |

INVESTMENT PERFORMANCE THROUGH SEPTEMBER 30, 2020 (\$ IN THOUSANDS)

| Investment Pools | Monthly Average Available Cash | Monthly Average Invested Balance | Percent Invested | September | | Year-to-date (YTD) | |
|-----------------------------------|---|---|---------------------|----------------------|------------------|----------------------|--------------|
| | | | | Interest Received | Current Yield | Interest Received | YTD Yield |
| Pool 2 | | | | | | | |
| Highway | \$325,595 | \$323,054 | 99.22% | \$163 | 0.61% | \$622 | 0.79% |
| MAG/PAG 12.6% & 2.6% and PAG STAN | \$306,760 | \$306,674 | 99.97% | \$155 | 0.61% | \$606 | 0.79% |
| HURF Bond Redemption | \$28,885 | \$28,358 | 98.18% | \$16 | 0.61% | \$36 | 0.79% |
| GANS 2019A Proceeds | \$4,505 | \$0 | 0.00% | \$0 | 0.61% | \$10 | 0.79% |
| Other/1 | \$145,890 | \$137,891 | 94.52% | \$72 | 0.61% | \$286 | 0.79% |
| Subtotal | \$811,636 | \$795,978 | 98.07% | \$406 | 0.61% | \$1,561 | 0.79% |
| Pool 3 Revised | | | | | | | |
| HELP/2 | \$1,219 | \$1,219 | 100.00% | \$1 | 0.58% | \$2 | 0.64% |
| Other/3 | \$12,368 | \$12,107 | 97.89% | \$6 | 0.58% | \$20 | 0.64% |
| Subtotal | \$13,587 | \$13,326 | 98.08% | \$6 | 0.58% | \$22 | 0.64% |
| Pool 4 | | | | | | | |
| Local Agency Deposits | \$11,145 | \$10,613 | 95.23% | \$7 | 0.82% | \$25 | 0.95% |
| RARF Bond Redemption | \$34,353 | \$33,724 | 98.17% | \$22 | 0.82% | \$41 | 0.95% |
| Regional Area Road Fund | \$433,591 | \$431,048 | 99.41% | \$293 | 0.82% | \$1,038 | 0.95% |
| Subtotal | \$479,089 | \$475,385 | 99.23% | \$322 | 0.82% | \$1,104 | 0.95% |
| Total | \$1,304,312 | \$1,284,689 | 98.50% | \$734 | 0.70% | \$2,687 | 0.85% |

Source: State Treasurer's Office Statement of Accounts.

/1 Pool 2 Other includes HURF, Aviation, Equipment, Highway Postage, Highway GANS Cash Reserves and GANS redemption funds.

/2 HELP: Highway Expansion and Extension Loan Program.

/3 Pool 3 Other includes Economic Strength, Magazine, Storage Tank, Special Plates and Safety Enforcement funds.