

**ARIZONA DEPARTMENT OF TRANSPORTATION
MONTHLY FINANCIAL REPORTS
SEPTEMBER 13, 2013**

ARIZONA DEPARTMENT OF TRANSPORTATION

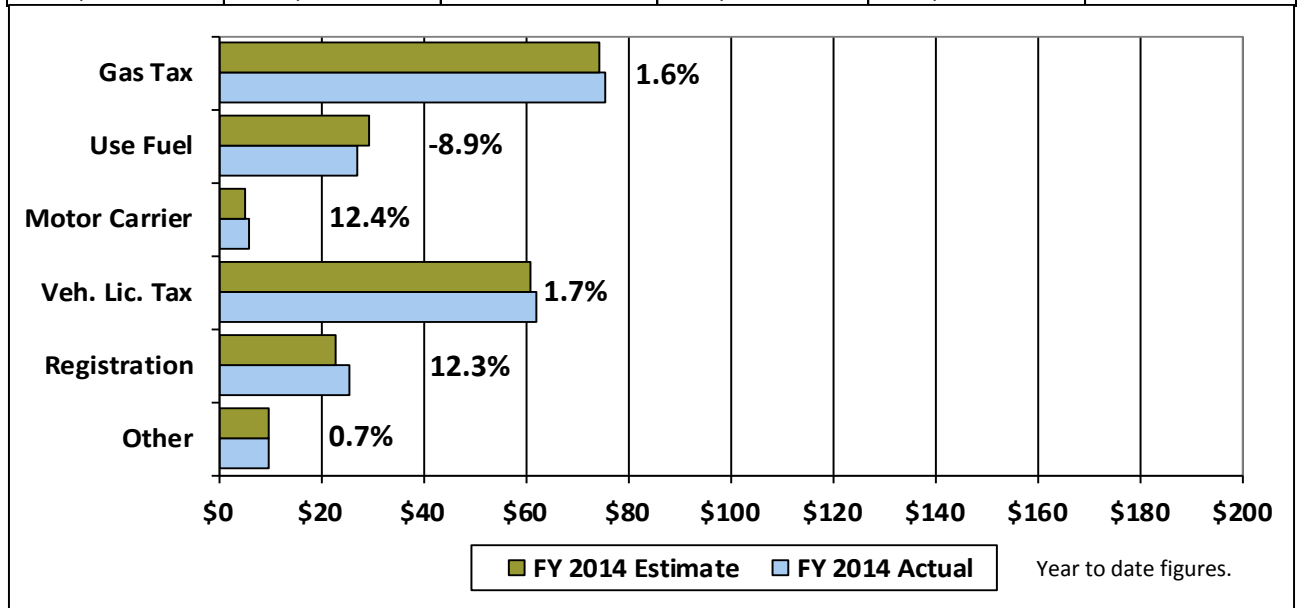
HIGHWAY USER REVENUE FUND

AUGUST 2013

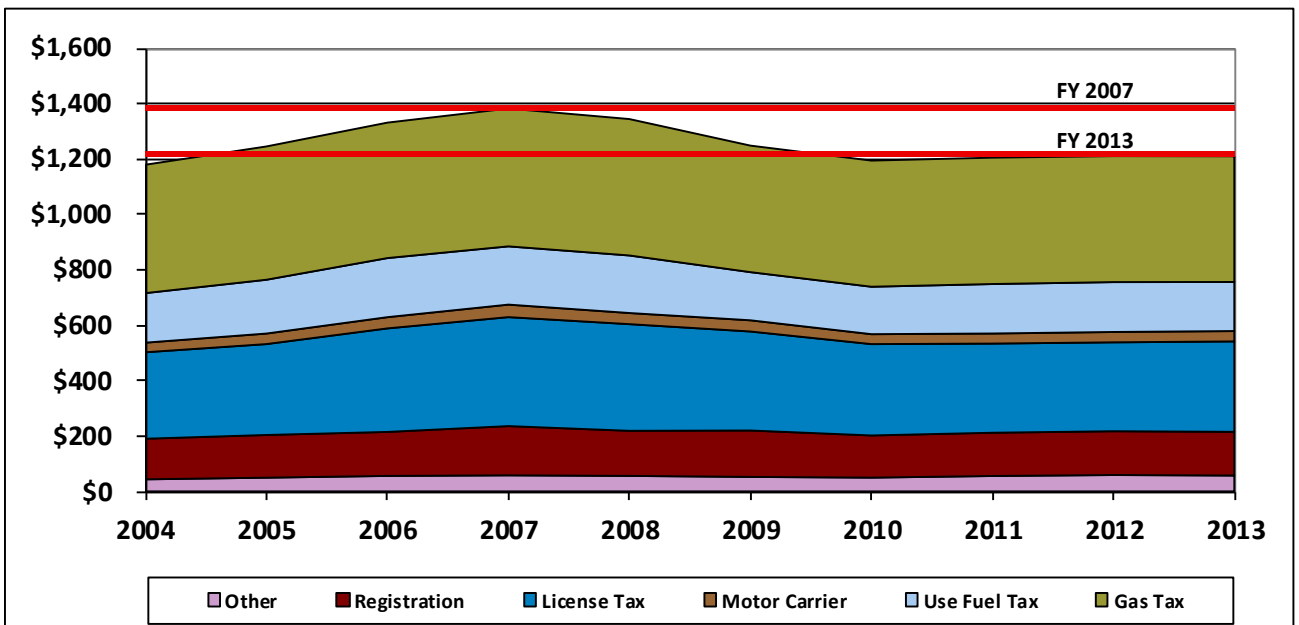
(DOLLARS IN MILLIONS)

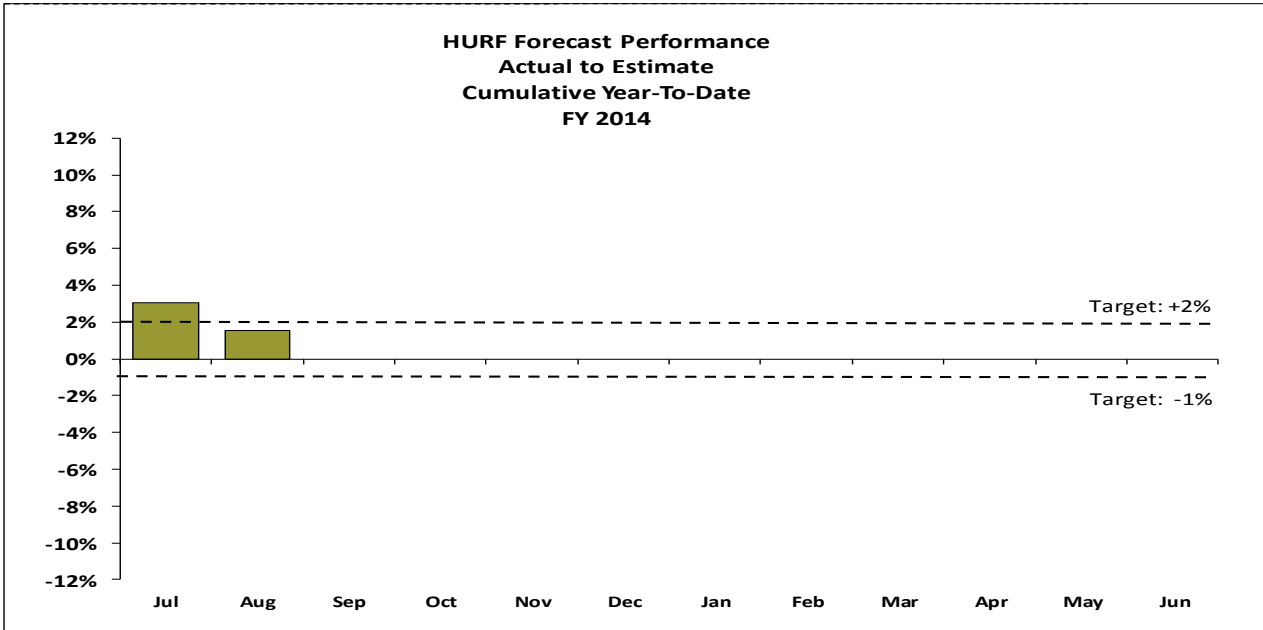
Current Revenue Trends

August			Year-To-Date		
FY 2013 Act.	FY 2014 Act.	Change	FY 2013 Act.	FY 2014 Act.	Change
\$101.2	\$99.3	-1.9%	\$198.7	\$204.1	2.7%
FY 2014 Act.	FY 2014 Est.	Change	FY 2014 Act.	FY 2014 Est.	Change
\$99.3	\$99.3	0.0%	\$204.1	\$201.0	1.5%



Historical Revenue Trends By Category



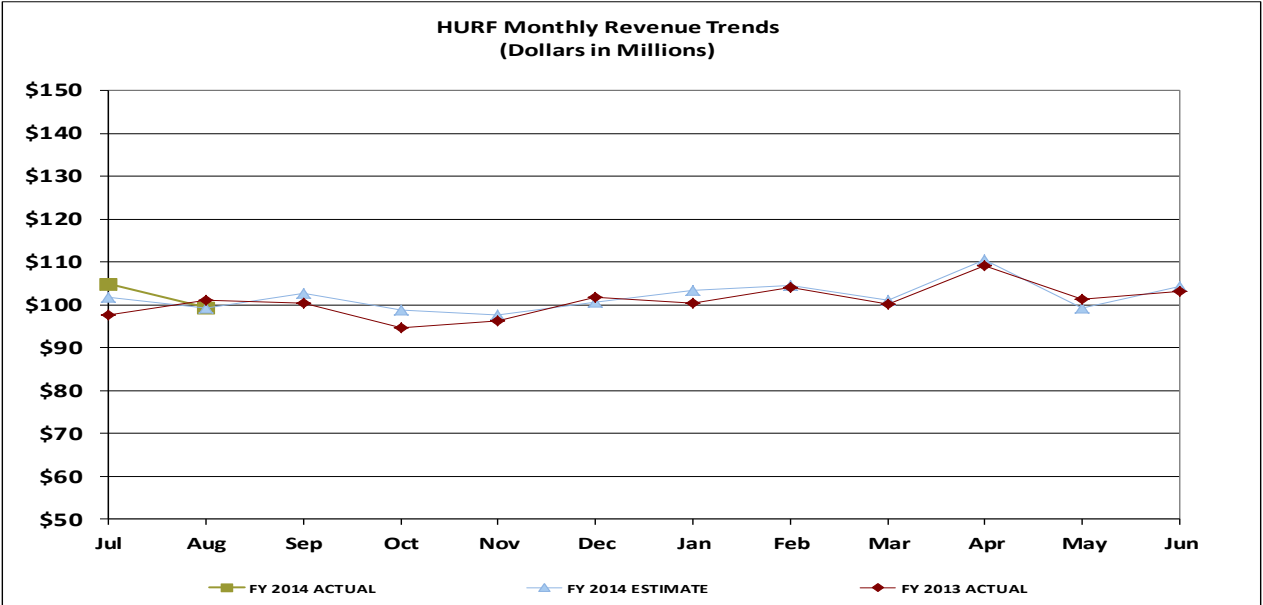


Summary:

HURF collections for the first two months of FY 2014 totaled \$204.1 million, an increase of 2.7 percent above the same period last year and 1.5 percent above the estimate. August HURF revenues amounted to \$99.3 million, a decrease of 1.9 percent from August 2012 and even with the estimate. All major revenue categories, except **Use Fuel Tax** and **Other**, posted year-over-year growth through August. The **Use Fuel Tax** decrease was due to a larger than normal International Fuel Tax Agreement (IFTA) payment in August while the **Other** revenue category decrease was due a one-time interest penalty paid by a fuel supplier in August 2012.

Highlights:

- The **Vehicle License Tax (VLT)** revenue category through August was 10.3 percent above the same time period last year and 1.7 percent above the estimate.



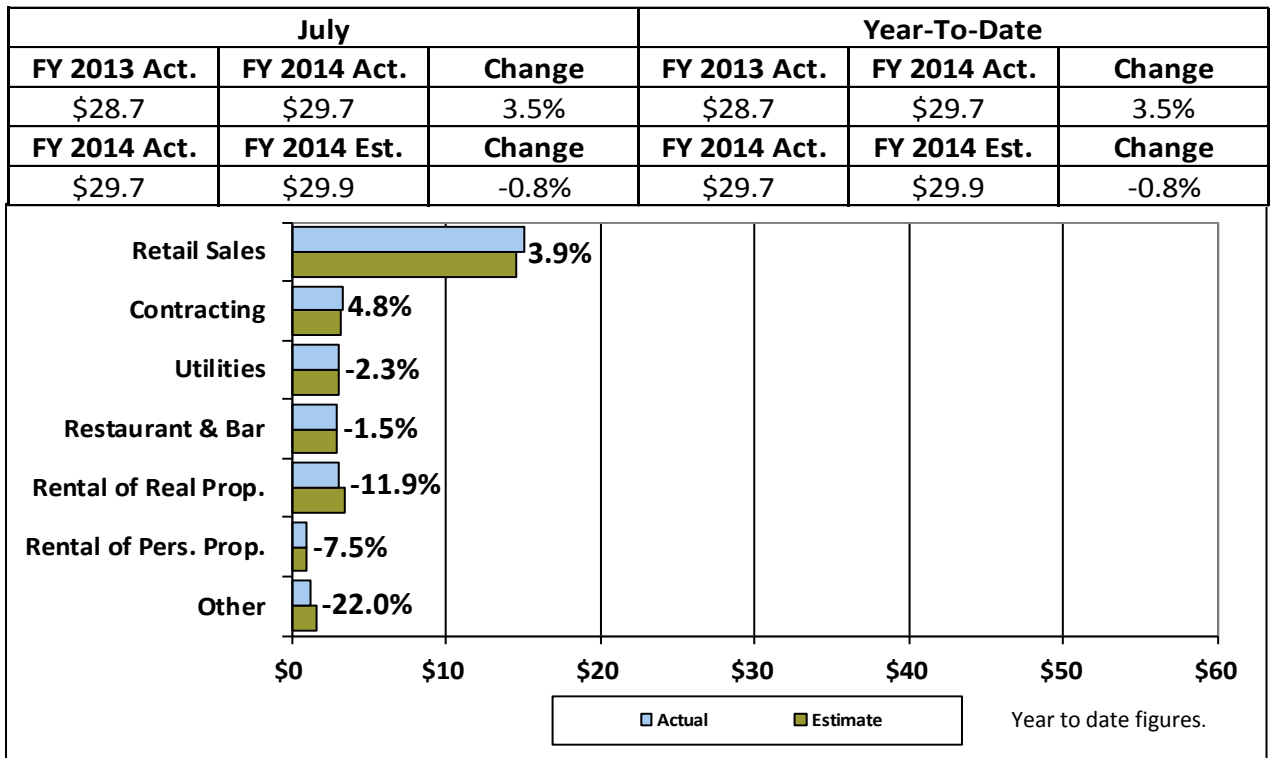
ARIZONA DEPARTMENT OF TRANSPORTATION

MARICOPA TRANSPORTATION EXCISE TAX

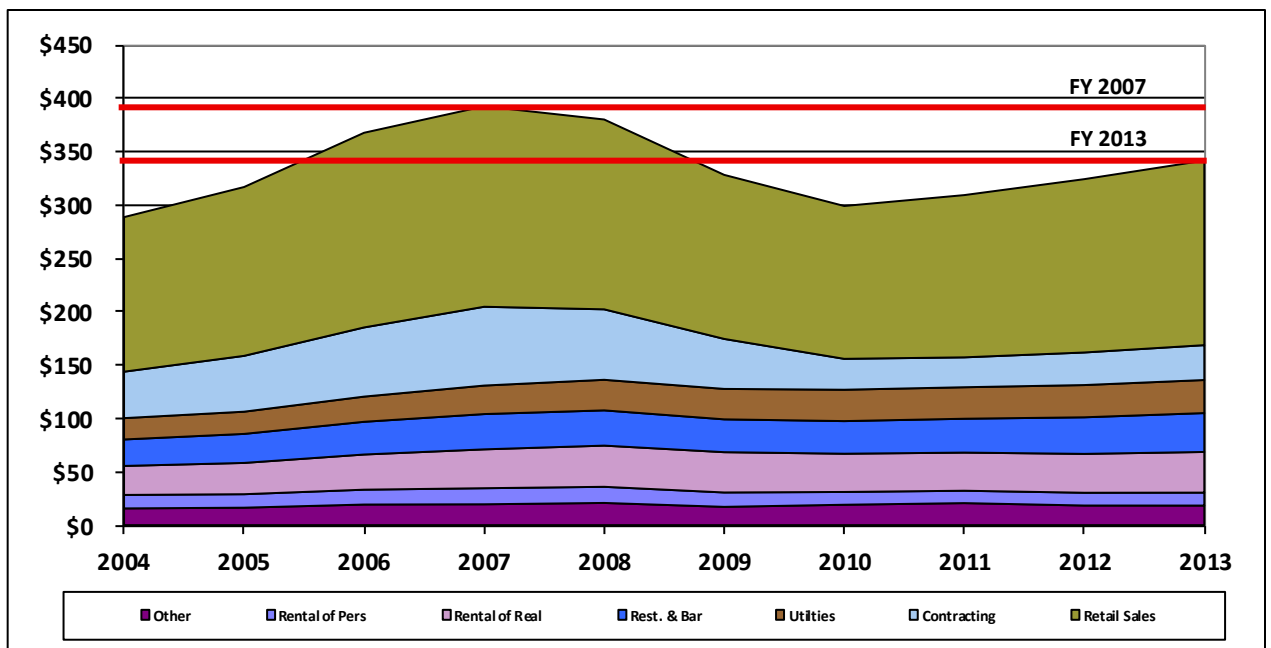
JULY 2013

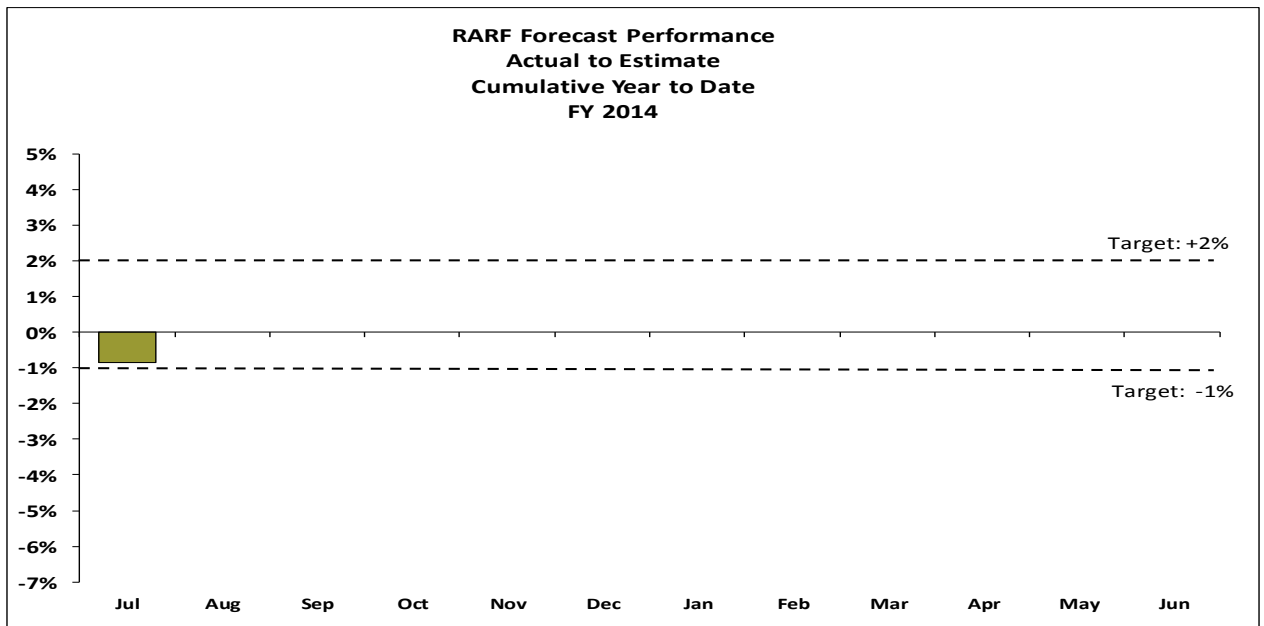
(DOLLARS IN MILLIONS)

Current Revenue Trends



Historical Revenue Trends By Category



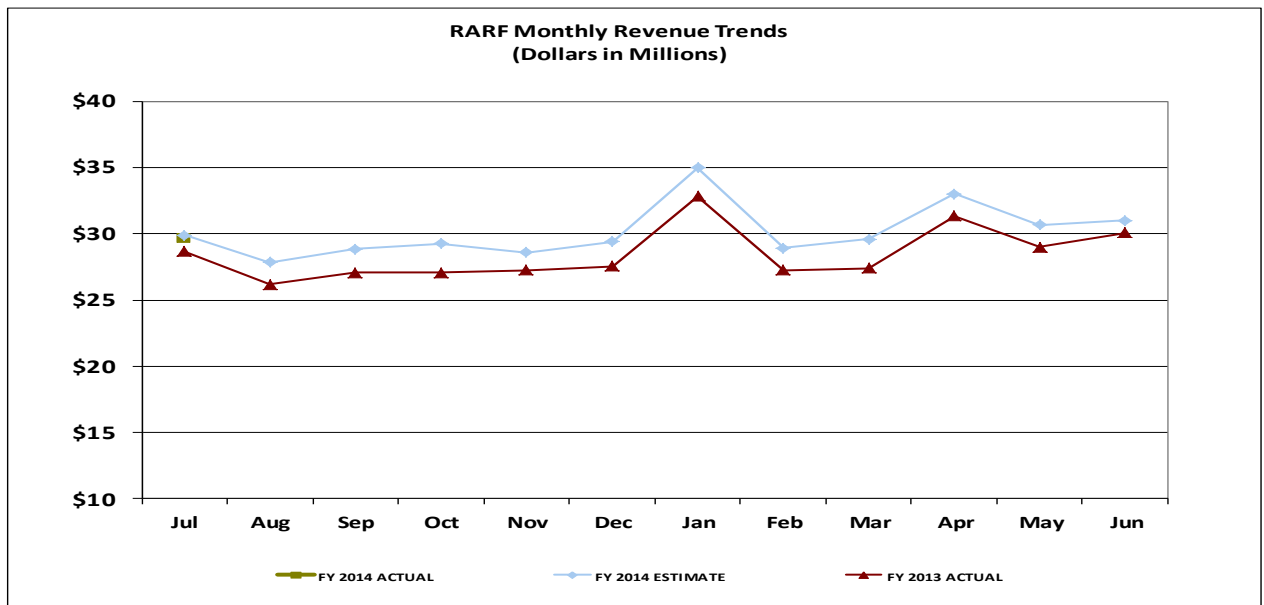


Summary:

FY 2014 RARF revenue forecast is \$362.0 million, an increase of 6.0 percent over FY 2013. The Maricopa County economy is strengthening with improvement in employment, population growth and personal income. Overall, Maricopa County consumers are feeling confident and more likely to spend after years of economic uncertainty, geopolitical issues and a devastated housing market. July RARF revenues totaled \$29.7 million, an increase of 3.5 percent above July 2012 but 0.8 percent below the estimate.

Highlights:

- The **Contracting** revenue category has posted four straight months of double-digit year-over-year growth with a 16.8 percent increase in July. According to the Phoenix Blue Chip, Second Quarter 2013 report, Greater Phoenix single family home permits are expected to increase by 36 percent in calendar year 2013 and 49 percent in calendar year 2014. Although the growth rates are distorted by the low base due to the housing market implosion, the growth still bodes well for future **Contracting** revenue growth.



ARIZONA DEPARTMENT OF TRANSPORTATION

AVIATION FUND

JUNE 2013

(DOLLARS IN THOUSANDS)

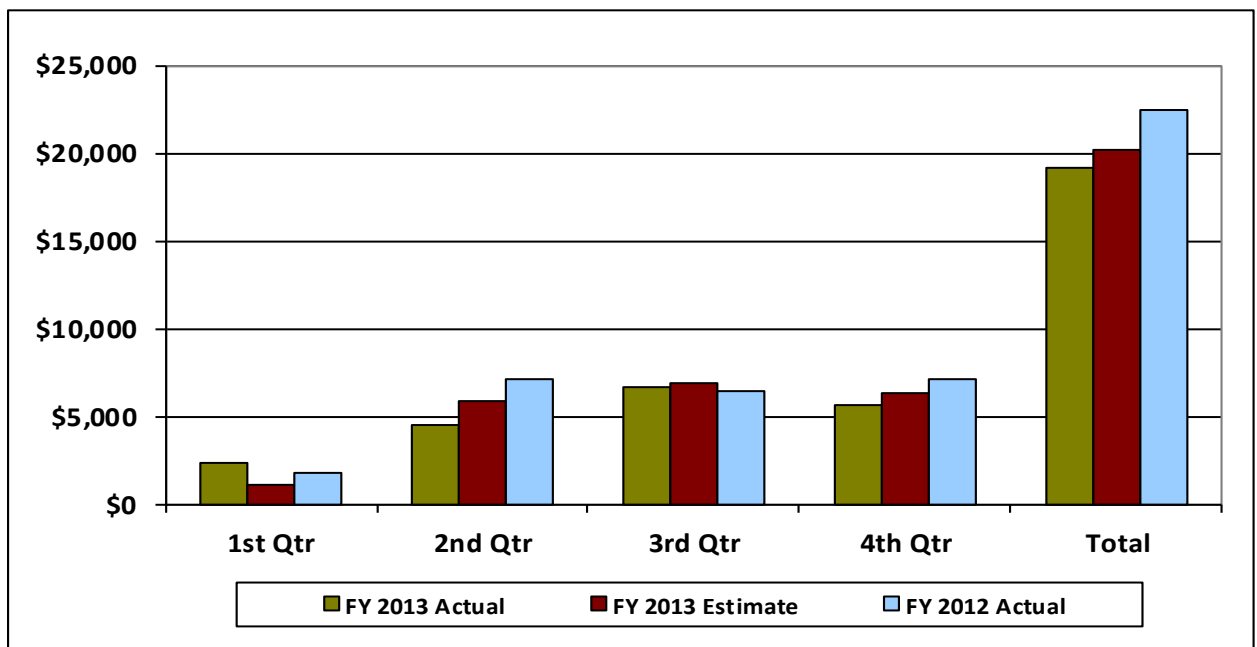
Quarterly Revenue Trends

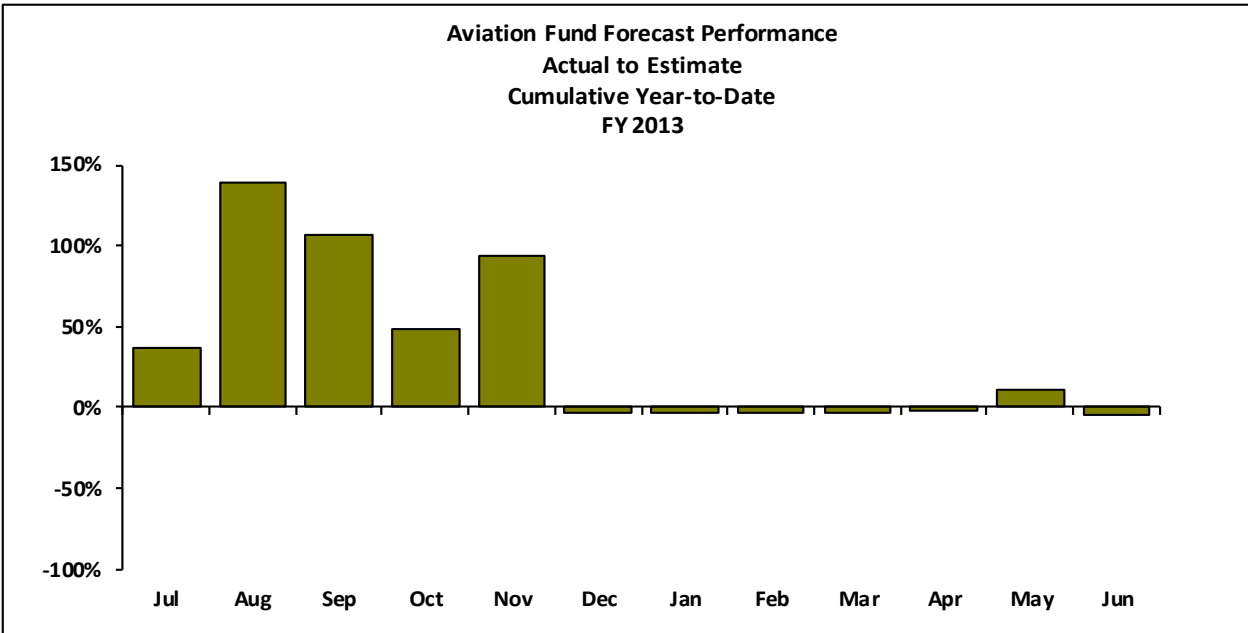
	FY 2012 <u>Actual</u>	FY 2013 <u>Actual</u>	<u>Change</u>	FY 2013 ^{/1} <u>Estimate</u>	<u>Change</u>
First Quarter	\$1,720	\$2,278	32.4%	\$1,102	106.7%
Second Quarter	\$7,154	\$4,475	-37.4%	\$5,893	-24.1%
Third Quarter	\$6,458	\$6,677	3.4%	\$6,896	-3.2%
Fourth Quarter	\$7,134	\$5,669	-20.5%	\$6,266	-9.5%
Total^{/2}	\$22,466	\$19,099	-15.0%	\$20,157	-5.3%

Notes: /1 Forecast as of July 2012

/2 Details may not add due to rounding

Aviation Revenues By Quarter





Summary:

FY 2013 Aviation Fund collections amounted to \$19.1 million, a decrease of 15.0 percent from FY 2012 and 5.3 percent below the forecast. The fourth quarter of FY 2013 revenues totaled \$5.7 million, a decrease of 20.5 percent from the fourth quarter of FY 2012 and 9.5 percent below the estimate. The year-over-year decrease can be attributed to lower **Flight Property Tax** and **Aircraft Registration** revenues. The lower **Flight Property Tax** collections were due to lower assessed values on the aircraft fleet which were expected to reach bottom in FY 2013. The decrease in **Aircraft Registration** revenues was due to increased enforcement efforts in FY 2012 which resulted in a one-time spike in revenues from late registration fees.

Approximately 72 percent of the Aviation Fund collections are generated from the flight property tax and aircraft lieu tax (registration) and occur in three periods during the year. The flight property tax is typically deposited in November/December and May/June while the majority of the aircraft lieu tax is received in February/March.

