

**FINANCIAL MANAGEMENT SERVICES  
MONTHLY FINANCIAL REPORT  
OCTOBER 16, 2015**

## ECONOMIC HIGHLIGHTS

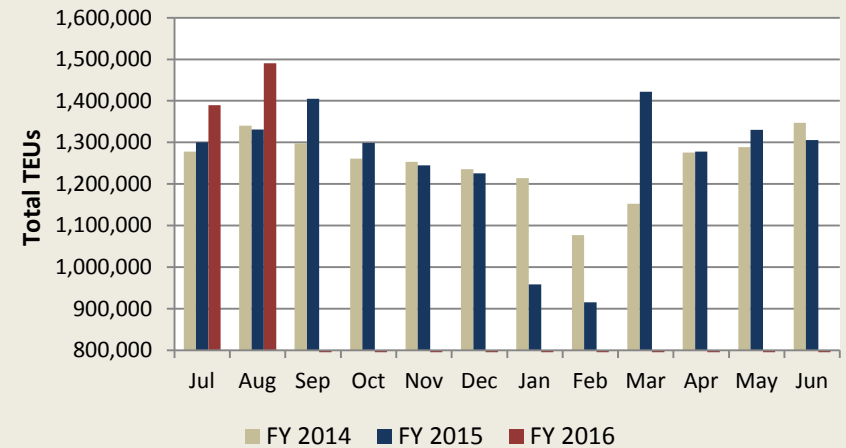
### Arizona Indicators

- A direct relationship typically exists between the Port of Los Angeles and Port of Long Beach shipping container volume and use fuel consumption in Arizona because of the movement of goods from California through Arizona to destinations throughout the United States.
- Combined container volume at the Port of Los Angeles and Port of Long Beach was 12.0 percent higher in August 2015 than in August 2014.
- The U.S. Energy Information Administration reported the price of West Coast No 2 diesel was \$2.82 per gallon in August 2015, down from \$4.01 per gallon in August 2014.
- The Arizona seasonally adjusted unemployment rate, as reported by the Arizona Department of Administration, fell from 6.7 percent in August 2014 to 6.3 percent in August 2015.

### Greater Phoenix Area Indicators

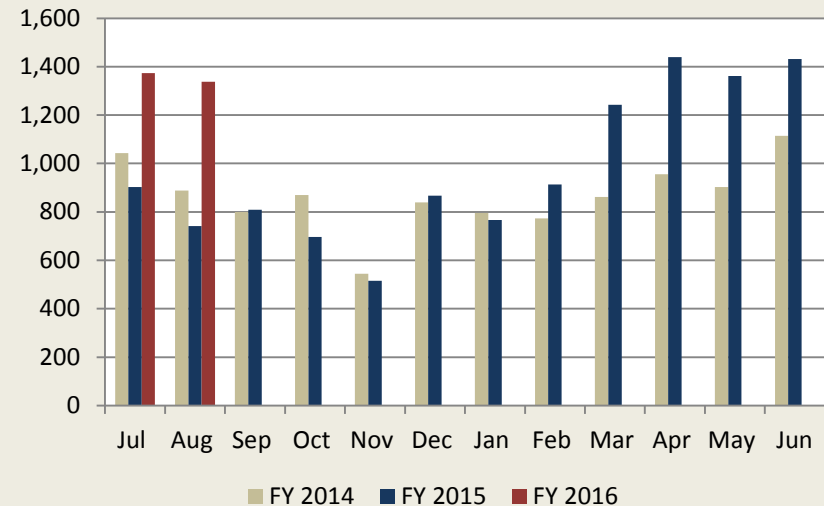
- The number of new single-family building permits issued in Maricopa County in August 2015 grew 80.6 percent compared to the same month of 2014. Estimated single-family building permits issued in Maricopa County have been experiencing significant year-over-year growth since February 2015.
- The August Employment Report published by the Arizona Department of Administration stated the construction sector in the Greater Phoenix Area gained 7,000 jobs year-over-year from August 2014 to August 2015, an increase of 7.3 percent.
- The Greater Phoenix Area unadjusted unemployment rate was 5.8 percent in August 2015, down from 6.4 percent in August 2014.

### Container Statistics for Port of LA and Port of Long Beach



TEU (Twenty-foot equivalent unit) - a maritime industry standardized measurement used for counting cargo containers of differing lengths.

### Maricopa County New Single-Family Building Permits

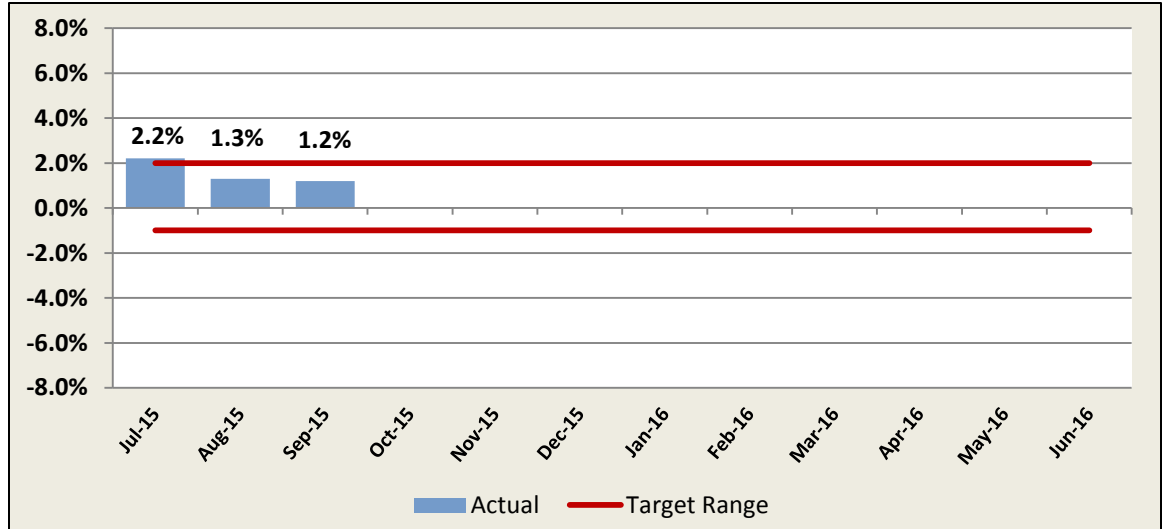


# HIGHWAY USER REVENUE FUND (HURF) THROUGH SEPTEMBER 30, 2015

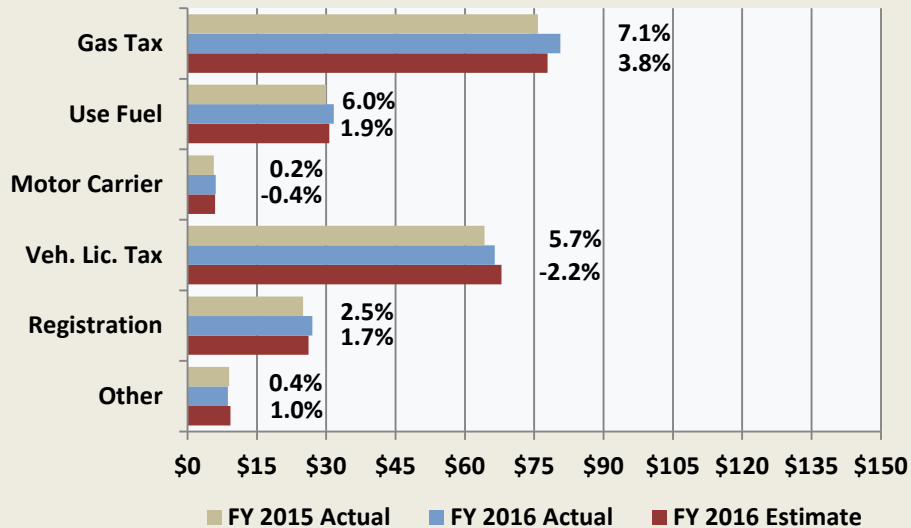
## Highlights

- Both gas and use fuel revenues experienced positive growth rates in the first quarter of FY 2016 when compared to the same quarter of FY 2015.
- Arizona gas prices declined in September, with the Arizona average price per gallon falling to \$2.38 for regular unleaded gas. Arizona gas prices were 93 cents per gallon lower than they were in September of last year.
- Along with lower gas prices, September gas tax collections were 8.4 percent higher than in the same month of the previous year.

## Variance from Forecast Year to Date



## Revenue Category Performance Year to Date (\$ in Millions)



## Monthly Comparisons (\$ in Thousands)

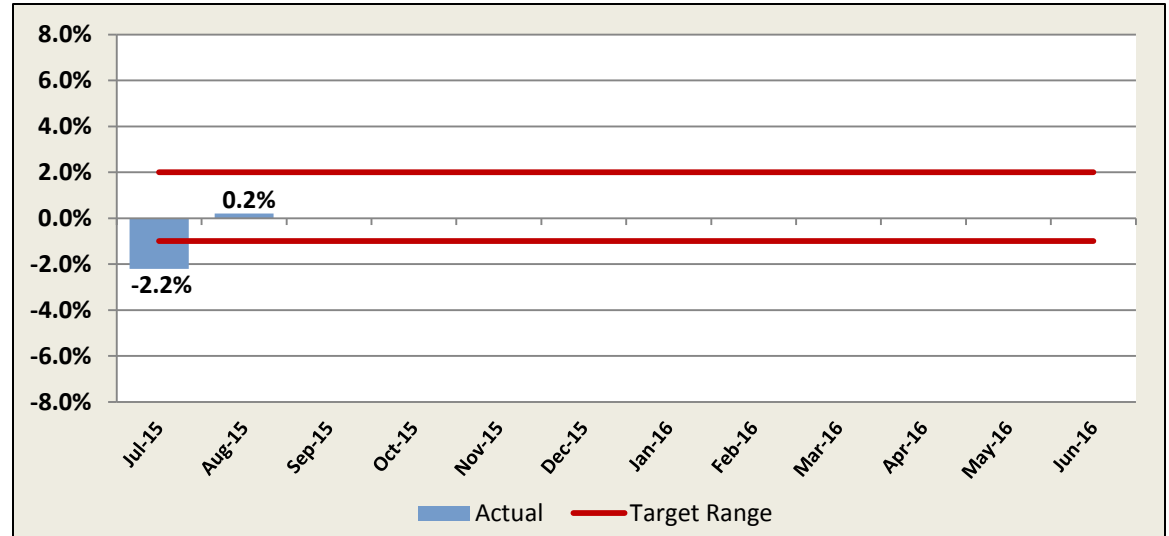
	FY 2015 Actual	FY 2016 Actual	Change	FY 2016 Estimate	Change
July	\$105,953	\$112,198	5.9%	\$109,750	2.2%
August	103,784	108,456	4.5%	108,147	0.3%
September	104,092	110,398	6.1%	109,190	1.1%
<b>Subtotal</b>	<b>\$313,829</b>	<b>\$331,051</b>	<b>5.5%</b>	<b>\$327,087</b>	<b>1.2%</b>
October	101,931			106,036	
November	102,418			105,413	
December	105,850			111,029	
January	110,249			112,174	
February	109,134			114,578	
March	108,363			111,099	
April	120,165			121,549	
May	108,263			108,202	
June	110,238			113,833	
<b>Total</b>	<b>\$1,290,439</b>	<b>\$331,051</b>		<b>\$1,331,000</b>	

# REGIONAL AREA ROAD FUND (RARF) THROUGH AUGUST 31, 2015

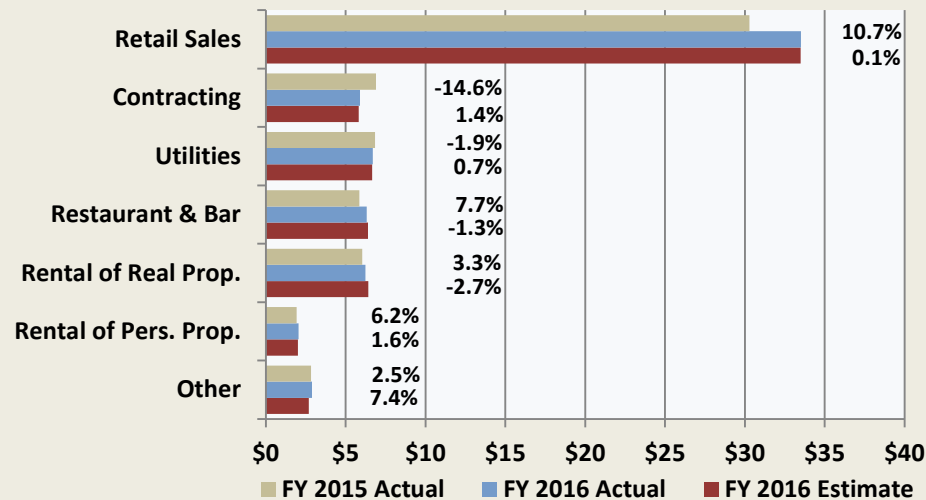
## Highlights

- Retail sales, the largest revenue category of RARF, grew 10.7 percent in the first two months of FY 2016 when compared to the same period of the prior year.
- Meanwhile, the contracting category of RARF decreased 14.6 percent in the first two months of FY 2016 when compared to the same period of the prior year.
- Some of the year-over-year changes in the retail sales and contracting categories of RARF can be explained by legislation taking effect in February 2015 that moved taxes collected on certain contracting activities from the contracting revenue category to the retail revenue category.

## Variance from Forecast Year to Date



## Revenue Category Performance Year to Date (\$ in Millions)



## Monthly Comparisons (\$ in Thousands)

INVESTMENT PERFORMANCE THROUGH AUGUST 31, 2015 (\$ IN THOUSANDS)

Investment Pools	Monthly Average Invested Balance/5	Percent Invested	August		Year-to Date (YTD)	
			Interest Received	Current Yield	Interest Received	YTD Yield
<b>Pool 2</b>						
Highway/1	\$123,820	99.35%	\$63	0.57%	\$252	0.58%
MAG/PAG 12.6% & 2.6% and PAG STAN	\$328,778	99.90%	\$159	0.57%	\$186	0.58%
HURF Bond Redemption	\$20,351	100.00%	\$8	0.57%	\$10	0.58%
FY13A HURF Proceeds	\$200,242	97.83%	\$97	0.57%	\$201	0.58%
Other/2	\$92,354	99.55%	\$50	0.57%	\$94	0.58%
<b>Subtotal</b>	<b>\$765,545</b>	<b>99.22%</b>	<b>\$377</b>	<b>0.57%</b>	<b>\$743</b>	<b>0.58%</b>
<b>Pool 3</b>						
HELP/3	\$78,769	99.99%	\$48	0.71%	\$96	0.72%
Other/4	\$13,201	99.55%	\$8	0.71%	\$14	0.72%
<b>Subtotal</b>	<b>\$91,970</b>	<b>99.93%</b>	<b>\$56</b>	<b>0.71%</b>	<b>\$109</b>	<b>0.72%</b>
<b>Pool 4</b>						
RARF Bond Redemption	\$13,073	100.00%	\$8	0.78%	\$9	0.73%
Regional Area Road Fund	\$414,786	99.99%	\$276	0.78%	\$517	0.73%
<b>Subtotal</b>	<b>\$427,859</b>	<b>99.99%</b>	<b>\$284</b>	<b>0.78%</b>	<b>\$526</b>	<b>0.73%</b>
<b>Total</b>	<b>\$1,285,374</b>	<b>99.53%</b>	<b>\$716</b>	<b>0.66%</b>	<b>\$1,378</b>	<b>0.65%</b>

## HIGHWAY EXPANSION AND EXTENSION LOAN PROGRAM (HELP) CASH STATUS AS OF SEPTEMBER 30, 2015

Revenues:	I-T-D
Federal Capitalization	\$46,185,974
State Match	2,791,729
Board Funding Obligation, Series 1999	100,000,000
Board Funding Obligation, Series 2000	100,000,000
Board Funding Obligation, Series 2002	40,000,000
Board Funding Obligation, Series 2003	140,000,000
Board Funding Obligation, Series 2007	50,000,000
Highway Fund Transfer	20,000,000
General Fund Appropriation	20,000,000
Interest Received on Loans	27,031,891
Interest Income	44,750,310
Principal Repaid on Loans	545,578,522
<b>Total Revenues</b>	<b><u>\$1,136,338,426</u></b>
<b>Expenditures:</b>	
Loan Draws	\$545,578,522
BFO Payment to Treasurer - Principal	430,000,000
BFO Payment to Treasurer - Interest	39,667,756
Highway Fund Repayment	20,000,000
General Fund Reversion	20,000,000
Administration	2,226,371
<b>Total Expenditures</b>	<b><u>\$1,057,472,649</u></b>
<b>Final Cash Balance as of 09/30/15*</b>	<b>\$78,865,777</b>

\*Per Laws 2015, Chapter 8 (SB 1469), \$20.0 million to be swept from the HELP fund to the state general fund in fiscal year 2016