

FINANCIAL MANAGEMENT SERVICES  
MONTHLY FINANCIAL REPORT  
JANUARY 19, 2018

## ECONOMIC HIGHLIGHTS

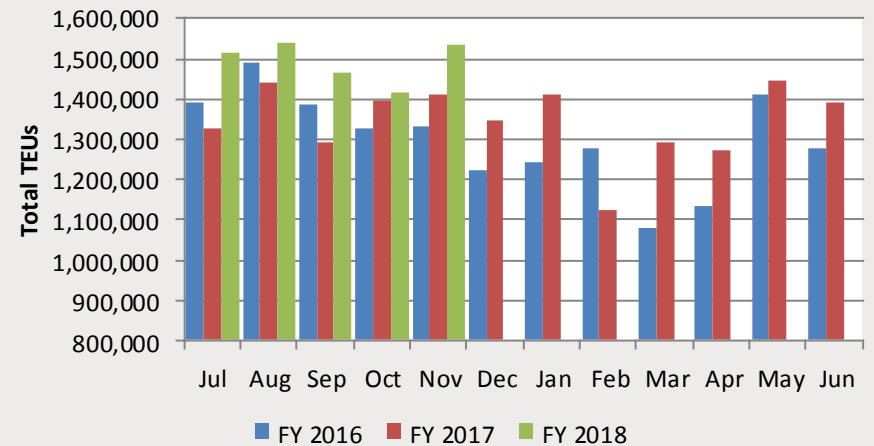
### Arizona Indicators

- Combined container volume at the Port of Los Angeles and the Port of Long Beach was 8.9 percent higher in November 2017 than in November 2016.
- The U.S. Energy Information Administration reported the price of West Coast No. 2 diesel was \$3.37 per gallon in November 2017, up from \$2.75 per gallon in November 2016. The Arizona average price per gallon for regular unleaded gas was \$2.39 in November 2017, compared to \$2.12 in November 2016.
- The Arizona seasonally adjusted unemployment rate, as reported by the Arizona Office of Economic Opportunity, fell from 5.0 percent in November 2016 to 4.3 percent in November 2017.

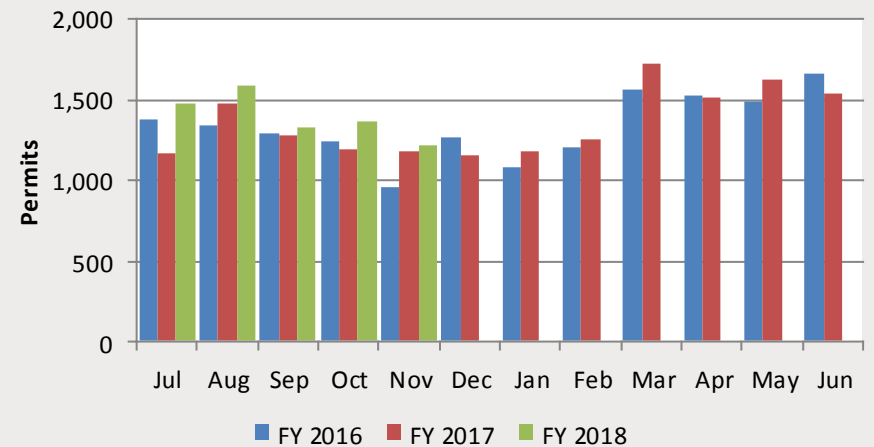
### Greater Phoenix Area Indicators

- The number of new single-family building permits issued in Maricopa County in November 2017 grew 3.3 percent compared to the same month of 2016.
- The November Employment Report published by the Arizona Office of Economic Opportunity stated the construction sector in the Greater Phoenix Area gained 8,600 jobs year-over-year from November 2016 to November 2017, an increase of 8.3 percent.
- The Greater Phoenix Area unadjusted unemployment rate was 3.7 percent in November 2017, down from 4.1 percent in November 2016.

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



### Maricopa County New Single-family Building Permits

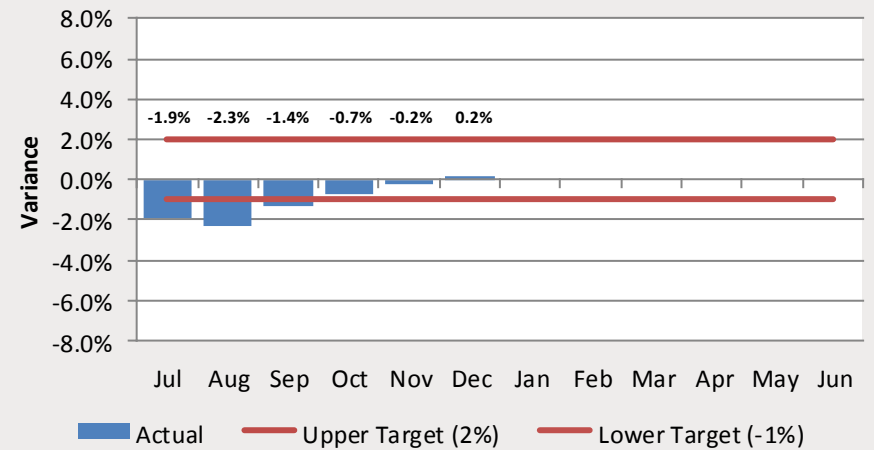


# HIGHWAY USER REVENUE FUND (HURF) THROUGH DECEMBER 31, 2017

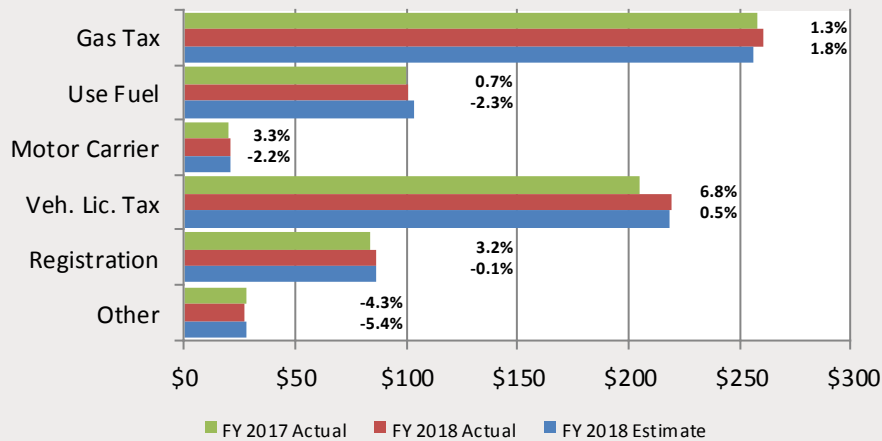
## Highlights

- FY 2018 is 0.2 percent above forecast year-to-date, with FY 2018 revenues 2.9 percent above the same period in FY 2017.
- Revenues in HURF's largest category, gas tax, have increased 1.3 percent from FY 2017 to FY 2018 year-to-date. Gas tax collections are 1.8 percent above forecast year-to-date.
- In FY 2018, vehicle license tax revenues grew 6.8 percent compared to FY 2017 year-to-date. Vehicle renewal registrations and new car registrations are up 8.4 percent and 7.7 percent, respectively, over the same time period.

## Variance from Forecast Year-to-date



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



## Monthly Comparison (\$ in Thousands)

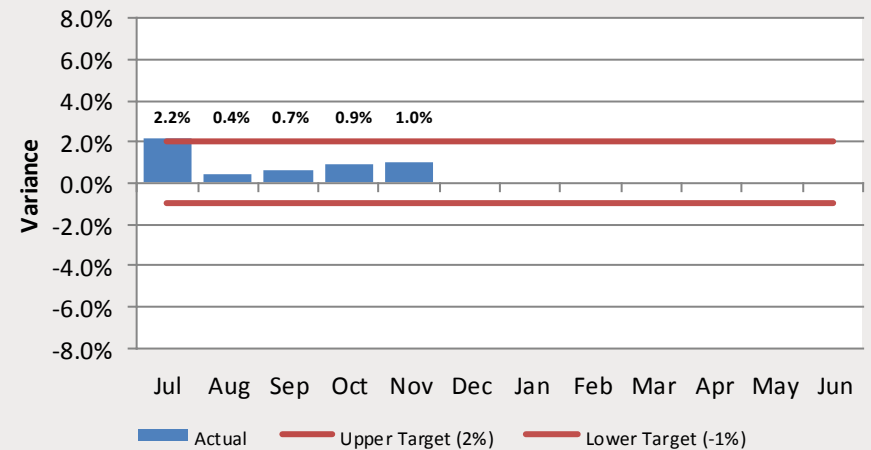
	FY 2017 Actual	FY 2018 Actual	Change	FY 2018 Estimate	Change
July	\$119,624	\$119,155	-0.4%	\$121,466	-1.9%
August	\$112,285	\$114,333	1.8%	\$117,632	-2.8%
September	\$116,373	\$120,553	3.6%	\$119,849	0.6%
October	\$116,214	\$118,848	2.3%	\$117,414	1.2%
November	\$111,731	\$117,992	5.6%	\$115,771	1.9%
December	\$118,167	\$123,775	4.7%	\$121,185	2.1%
Subtotal	\$694,394	\$714,656	2.9%	\$713,317	0.2%
January	\$119,891			\$123,716	
February	\$116,612			\$123,126	
March	\$117,363			\$122,869	
April	\$129,361			\$133,377	
May	\$115,783			\$120,707	
June	\$123,119			\$125,388	
Total	\$1,416,523	\$714,656		\$1,462,500	

# REGIONAL AREA ROAD FUND (RARF) THROUGH NOVEMBER 30, 2017

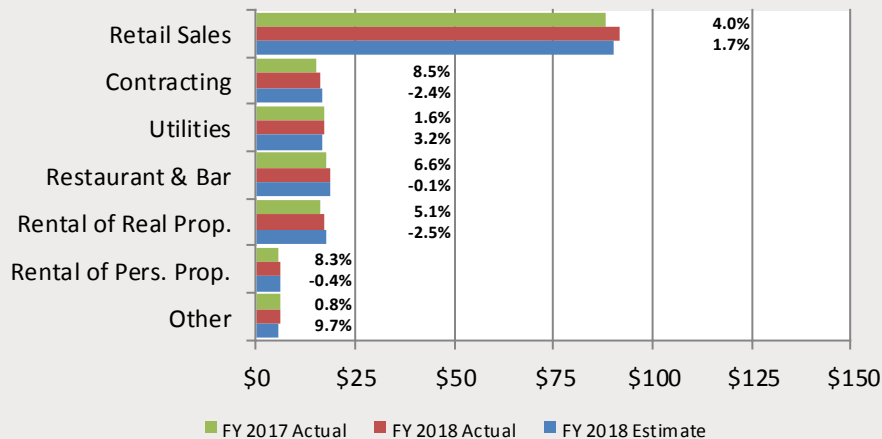
## Highlights

- Year-to-date FY 2018 RARF revenues through October surpassed the same period in FY 2017 by 4.6 percent and were 1.0 percent above the forecast.
- Retail sales, the largest revenue category of RARF, grew 4.0 percent year-to-date when compared to the same period of the last fiscal year.
- Year-to-date RARF contracting revenues increased 8.5 percent compared to the same period in the last fiscal year, but were 2.4 percent below forecast. The interest rate on 30 year mortgages in November 2017 was 3.92 percent, higher than the 3.77 percent experienced in October 2016.

## Variance from Forecast Year-to-date



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



## Monthly Comparison (\$ in Thousands)

	FY 2017 Actual	FY 2018 Actual	Change	FY 2018 Estimate	Change
July	\$33,492	\$35,805	6.9%	\$35,038	2.2%
August	\$33,126	\$33,527	1.2%	\$34,017	-1.4%
September	\$33,575	\$34,727	3.4%	\$34,309	1.2%
October	\$33,071	\$34,934	5.6%	\$34,431	1.5%
November	\$33,115	\$34,994	5.7%	\$34,475	1.5%
Subtotal	\$166,378	\$173,987	4.6%	\$172,270	1.0%
December	\$34,058			\$35,436	
January	\$39,652			\$41,410	
February	\$32,662			\$34,309	
March	\$32,961			\$35,306	
April	\$37,452			\$39,605	
May	\$35,284			\$36,603	
June	\$35,623			\$37,061	
Total	\$414,071	\$173,987		\$432,000	

## INVESTMENT PERFORMANCE THROUGH NOVEMBER 30, 2017

Investment Pools	Monthly Average Available Cash	Monthly Average Invested Balance	Percent Invested	November		Year-to-date (YTD)	
				Interest Received	Current Yield	Interest Received	YTD Yield
<b>Pool 2</b>							
Highway	\$151,007	\$145,054	96.06%	\$148	1.25%	\$847	1.21%
MAG/PAG 12.6% & 2.6% and PAG STAN	\$441,908	\$406,630	92.02%	\$415	1.25%	\$2,011	1.21%
HURF Bond Redemption	\$59,953	\$59,297	98.91%	\$60	1.25%	\$171	1.21%
HURF 2013A Proceeds	\$1,923	\$1,723	89.58%	\$2	1.25%	\$11	1.21%
Other/1	\$124,690	\$111,646	89.54%	\$109	1.25%	\$411	1.21%
<b>Subtotal</b>	<b>\$779,482</b>	<b>\$724,351</b>	<b>92.93%</b>	<b>\$734</b>	<b>1.25%</b>	<b>\$3,451</b>	<b>1.21%</b>
<b>Pool 3 Revised</b>							
HELP/2	\$30,174	\$30,174	100.00%	\$35	1.43%	\$269	1.42%
Other/3	\$9,108	\$8,887	97.57%	\$11	1.43%	\$50	1.42%
<b>Subtotal</b>	<b>\$39,282</b>	<b>\$39,061</b>	<b>99.44%</b>	<b>\$46</b>	<b>1.43%</b>	<b>\$319</b>	<b>1.42%</b>
<b>Pool 4</b>							
RARF Bond Redemption	\$41,409	\$40,956	98.91%	\$43	1.29%	\$117	1.23%
Regional Area Road Fund/4	\$402,070	\$398,541	99.12%	\$422	1.29%	\$2,048	1.23%
<b>Subtotal</b>	<b>\$443,479</b>	<b>\$439,497</b>	<b>99.10%</b>	<b>\$465</b>	<b>1.29%</b>	<b>\$2,166</b>	<b>1.23%</b>
<b>Total</b>	<b>\$1,262,243</b>	<b>\$1,202,908</b>	<b>95.30%</b>	<b>\$1,245</b>	<b>1.27%</b>	<b>\$5,936</b>	<b>1.23%</b>

Note: Numbers may not add due to rounding. Beginning in FY 2018, the methodology for calculating the Percent Invested has changed to consider monies set aside for pending payments which were not previously considered.

Source: State Treasurer's Office Statement of Accounts.

/1 Pool 2 Other includes HURF, Aviation, STAN TOC, Equipment, Highway Postage, STAN RORS, 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.

/4 Includes RARF GANS Cash Reserves.