

FINANCIAL MANAGEMENT SERVICES  
MONTHLY FINANCIAL REPORT  
FEBRUARY 16, 2018

## ECONOMIC HIGHLIGHTS

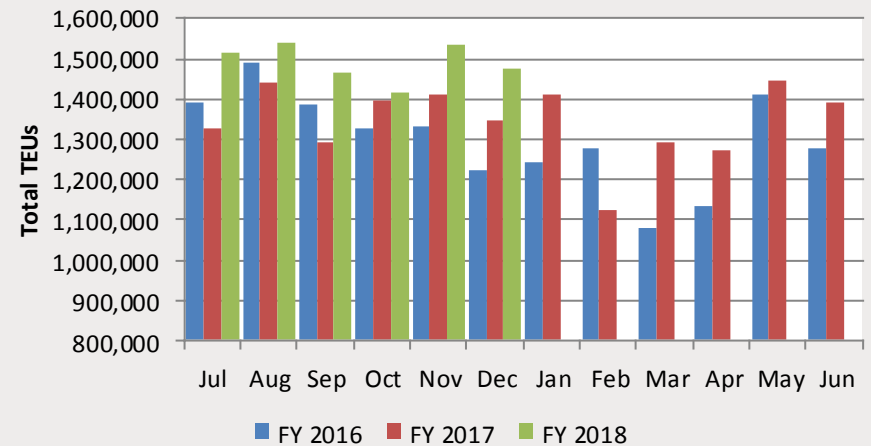
### Arizona Indicators

- Combined container volume at the Port of Los Angeles and the Port of Long Beach was 9.7 percent higher in December 2017 than in December 2016.
- The U.S. Energy Information Administration reported the price of West Coast No. 2 diesel was \$3.34 per gallon in December 2017, up from \$2.78 per gallon in December 2016. The Arizona average price per gallon for regular unleaded gas was \$2.31 in December 2017, compared to \$2.15 in December 2016.
- The Arizona seasonally adjusted unemployment rate, as reported by the Arizona Office of Economic Opportunity, fell from 5.0 percent in December 2016 to 4.5 percent in December 2017.

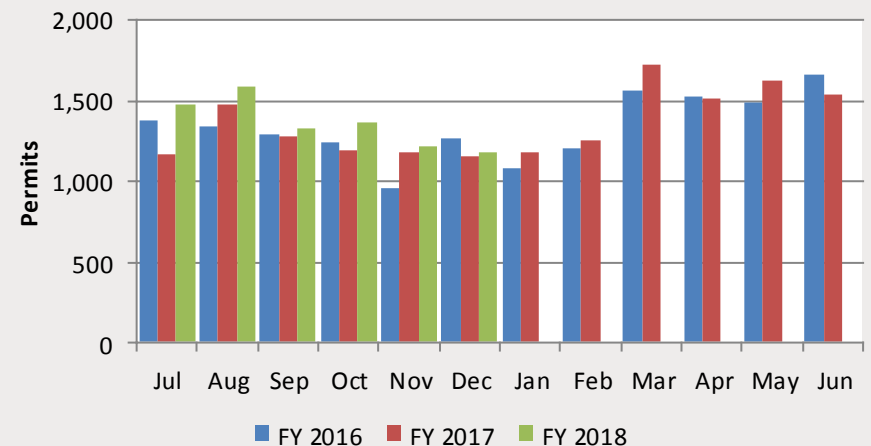
### Greater Phoenix Area Indicators

- The number of new single-family building permits issued in Maricopa County in December 2017 grew 1.9 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 7,600 jobs year-over-year from December 2016 to December 2017, an increase of 7.3 percent.
- The Greater Phoenix Area unadjusted unemployment rate was 3.9 percent in December 2017, down from 4.1 percent in December 2016.

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



### Maricopa County New Single-family Building Permits

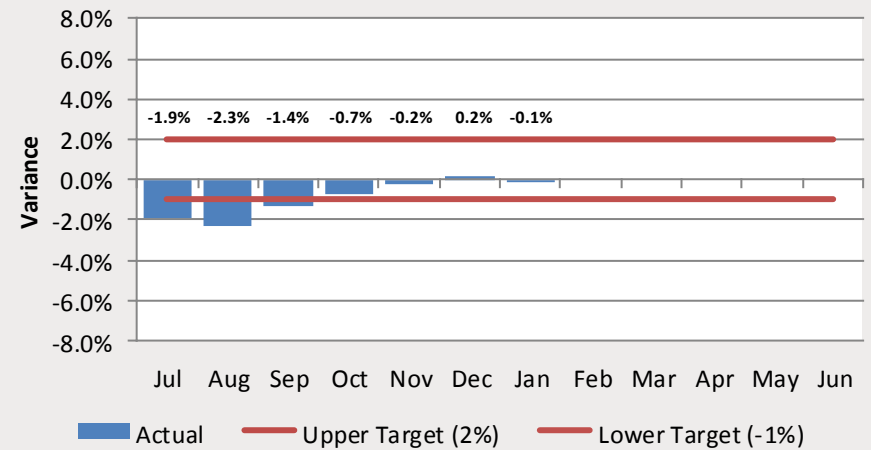


# HIGHWAY USER REVENUE FUND (HURF) THROUGH JANUARY 31, 2018

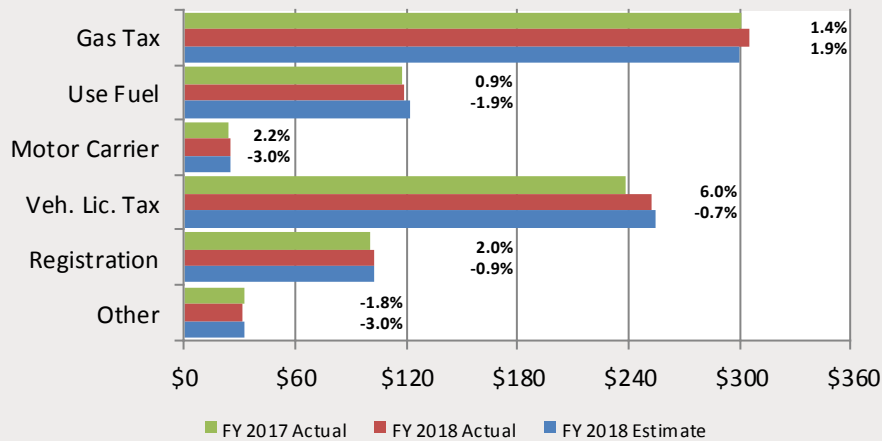
## Highlights

- FY 2018 is 0.1 percent below forecast year-to-date, with FY 2018 revenues 2.6 percent above the same period in FY 2017.
- Revenues in HURF's largest category, gas tax, have increased 1.4 percent from FY 2017 to FY 2018 year-to-date. Gas tax collections are 1.9 percent above forecast year-to-date.
- In FY 2018, vehicle license tax revenues grew 6.0 percent compared to FY 2017 year-to-date. Vehicle renewal registrations and new car registrations are up 8.0 percent and 7.1 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)

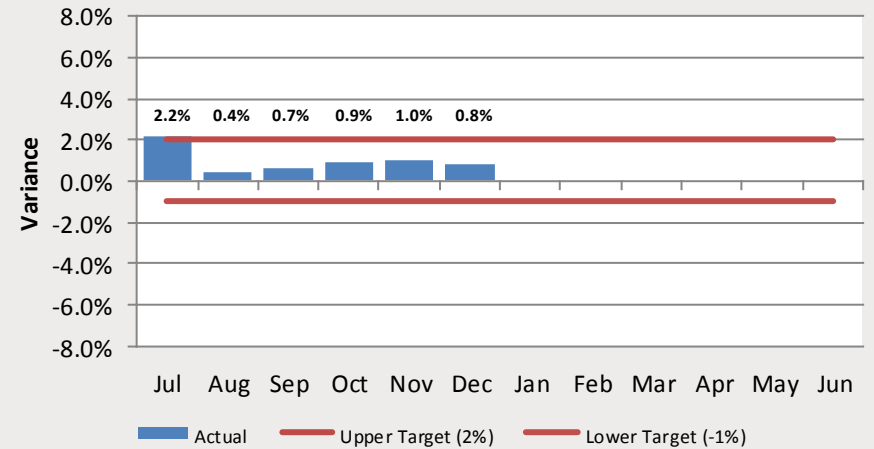
	FY 2017 Actual	FY 2018 Actual	Change	FY 2018 Estimate	Change
July	\$119,624	\$119,155	-0.4%	\$121,466	-1.9%
August	\$112,285	\$114,333	1.8%	\$117,632	-2.8%
September	\$116,373	\$120,553	3.6%	\$119,849	0.6%
October	\$116,214	\$118,848	2.3%	\$117,414	1.2%
November	\$111,731	\$117,992	5.6%	\$115,771	1.9%
December	\$118,167	\$123,775	4.7%	\$121,185	2.1%
January	\$119,891	\$121,125	1.0%	\$123,716	-2.1%
Subtotal	\$814,285	\$835,781	2.6%	\$837,033	-0.1%
February				\$123,126	
March				\$122,869	
April				\$133,377	
May				\$120,707	
June				\$125,388	
Total	\$1,416,523	\$835,781		\$1,462,500	

# REGIONAL AREA ROAD FUND (RARF) THROUGH DECEMBER 31, 2017

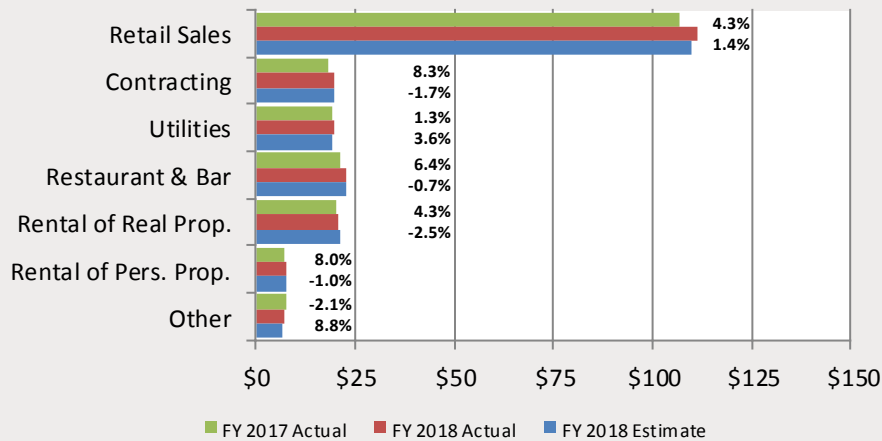
## Highlights

- Year-to-date FY 2018 RARF revenues through December surpassed the same period in FY 2017 by 4.5 percent and were 0.8 percent above the forecast.
- Retail sales, the largest revenue category of RARF, grew 4.3 percent year-to-date when compared to the same period of the last fiscal year.
- Year-to-date RARF contracting revenues increased 8.3 percent compared to the same period in the last fiscal year, but were 1.7 percent below forecast. The interest rate on 30 year mortgages in December 2017 was 3.95 percent, lower than the 4.20 percent experienced in December 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%
December	\$34,058	\$35,459	4.1%	\$35,436	0.1%
Subtotal	\$200,436	\$209,445	4.5%	\$207,706	0.8%
January				\$41,410	
February				\$34,309	
March				\$35,306	
April				\$39,605	
May				\$36,603	
June				\$37,061	
Total	\$414,071	\$209,445		\$432,000	

INVESTMENT PERFORMANCE THROUGH DECEMBER 31, 2017

Investment Pools	Monthly Average Available Cash	Monthly Average Invested Balance	Percent Invested	December		Year-to-date (YTD)	
				Interest Received	Current Yield	Interest Received	YTD Yield
<b>Pool 2</b>							
Highway	\$159,520	\$153,092	95.97%	\$172	1.34%	\$1,019	1.23%
MAG/PAG 12.6% & 2.6% and PAG STAN	\$445,495	\$410,228	92.08%	\$466	1.34%	\$2,477	1.23%
HURF Bond Redemption	\$67,352	\$66,683	99.01%	\$76	1.34%	\$246	1.23%
HURF 2013A Proceeds	\$1,929	\$1,729	89.63%	\$2	1.34%	\$13	1.23%
Other/1	\$102,520	\$96,639	94.26%	\$111	1.34%	\$522	1.23%
<b>Subtotal</b>	<b>\$776,816</b>	<b>\$728,372</b>	<b>93.76%</b>	<b>\$827</b>	<b>1.34%</b>	<b>\$4,278</b>	<b>1.23%</b>
<b>Pool 3 Revised</b>							
HELP/2	\$30,208	\$30,208	100.00%	\$39	1.54%	\$309	1.44%
Other/3	\$9,960	\$9,809	98.48%	\$13	1.54%	\$62	1.44%
<b>Subtotal</b>	<b>\$40,168</b>	<b>\$40,017</b>	<b>99.62%</b>	<b>\$52</b>	<b>1.54%</b>	<b>\$371</b>	<b>1.44%</b>
<b>Pool 4</b>							
RARF Bond Redemption	\$47,695	\$47,233	99.03%	\$56	1.41%	\$174	1.26%
Regional Area Road Fund/4	\$414,540	\$411,033	99.15%	\$489	1.41%	\$2,537	1.26%
<b>Subtotal</b>	<b>\$462,235</b>	<b>\$458,266</b>	<b>99.14%</b>	<b>\$545</b>	<b>1.41%</b>	<b>\$2,711</b>	<b>1.26%</b>
<b>Total</b>	<b>\$1,279,219</b>	<b>\$1,226,655</b>	<b>95.89%</b>	<b>\$1,424</b>	<b>1.37%</b>	<b>\$7,360</b>	<b>1.25%</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.