

FINANCIAL MANAGEMENT SERVICES
MONTHLY FINANCIAL REPORT
APRIL 12, 2019

ECONOMIC HIGHLIGHTS

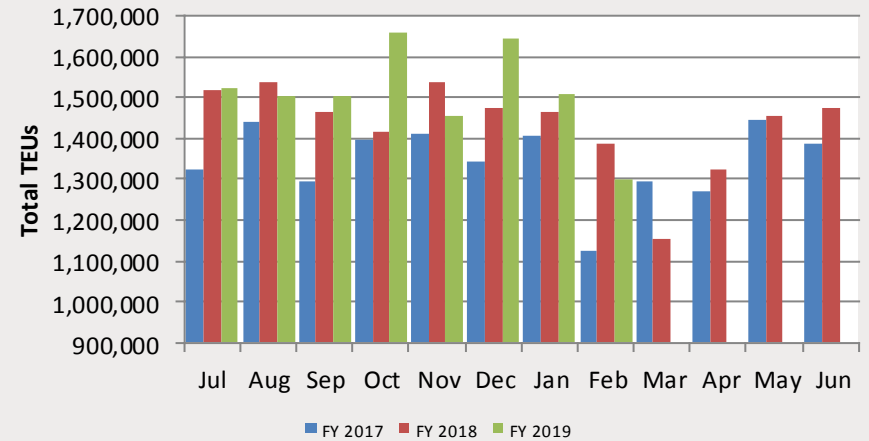
Arizona Indicators

- Combined container volume at the Port of Los Angeles and the Port of Long Beach was 6.1 percent lower in February 2019 than in February 2018.
- The U.S. Energy Information Administration reported the price of West Coast No. 2 diesel was \$3.46 per gallon in February 2019, up from \$3.42 per gallon in February 2018. The Arizona average price per gallon for regular unleaded gas was \$2.42 in February 2019, compared to \$2.37 in February 2018.
- The Arizona seasonally adjusted unemployment rate, as reported by the Arizona Office of Economic Opportunity, was 5.1 percent in February 2019, up from 4.8 percent in February 2018.

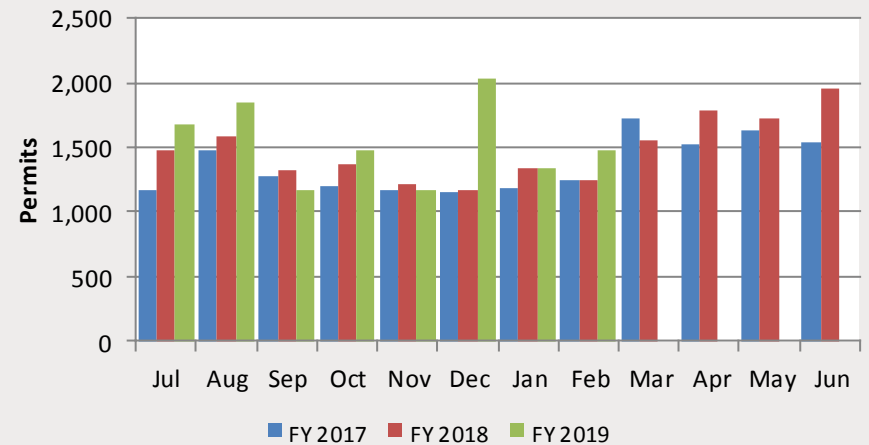
Greater Phoenix Area Indicators

- The number of new single-family building permits issued in Maricopa County in February 2019 grew 19.5 percent compared to the same month of 2018.
- The monthly employment report published by the Arizona Office of Economic Opportunity stated the construction sector in the Greater Phoenix Area gained 11,900 jobs year-over-year from February 2018 to February 2019, an increase of 9.9 percent.
- The Greater Phoenix Area unadjusted unemployment rate was 4.2 percent in February 2019, a decrease from 4.4 percent in February 2018.

Container Statistics for Port of LA and Port of Long Beach



Maricopa County New Single-family Building Permits

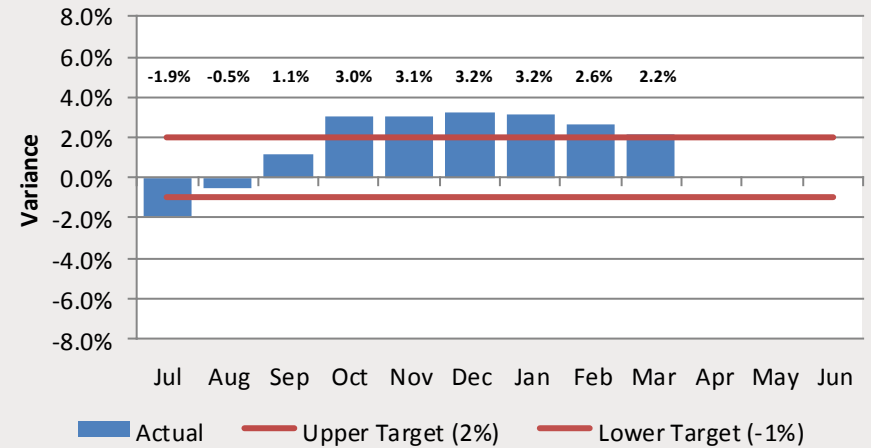


HIGHWAY USER REVENUE FUND (HURF) THROUGH MARCH 31, 2019

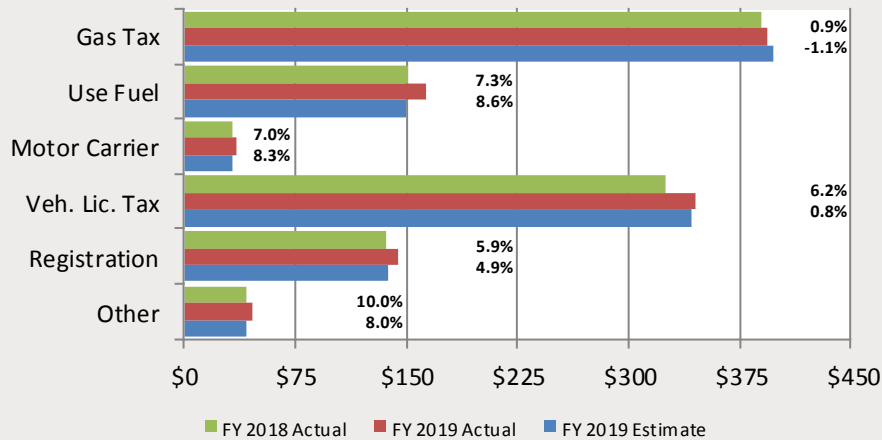
Highlights

- FY 2019 HURF revenues are 2.2 percent above forecast year-to-date and are 4.6 percent above the same period in FY 2018.
- Gas tax revenues have increased 0.9 percent from FY 2018 to FY 2019 year-to-date. Gas tax collections are 1.1 percent below forecast year-to-date.
- Most of the \$23.8 million variance from forecast year-to-date is due to higher than expected use fuel revenues (\$12.9 million difference), higher than expected registration revenues (\$6.7 million difference), and higher than expected VLT revenues (\$2.6 million difference).

Variance from Forecast Year-to-date



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



Monthly Comparison (\$ in Thousands)

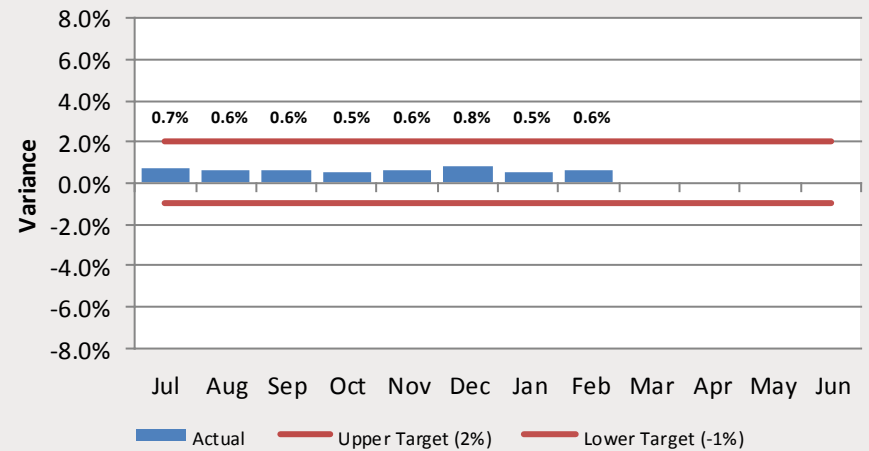
	FY 2018 Actual	FY 2019 Actual	Change	FY 2019 Estimate	Change
July	\$119,155	\$121,456	1.9%	\$123,853	-1.9%
August	\$114,333	\$120,681	5.6%	\$119,475	1.0%
September	\$120,553	\$127,674	5.9%	\$122,310	4.4%
October	\$118,848	\$130,724	10.0%	\$120,354	8.6%
November	\$117,992	\$123,260	4.5%	\$119,162	3.4%
December	\$123,775	\$127,345	2.9%	\$122,706	3.8%
January	\$121,125	\$129,293	6.7%	\$125,535	3.0%
February	\$123,478	\$124,621	0.9%	\$126,051	-1.1%
March	\$117,775	\$121,325	3.0%	\$123,163	-1.5%
Subtotal	\$1,077,034	\$1,126,379	4.6%	\$1,102,609	2.2%
April				\$136,067	
May				\$122,748	
June				\$128,777	
Total	\$1,455,779	\$1,126,379		\$1,490,201	

REGIONAL AREA ROAD FUND (RARF) THROUGH FEBRUARY 28, 2019

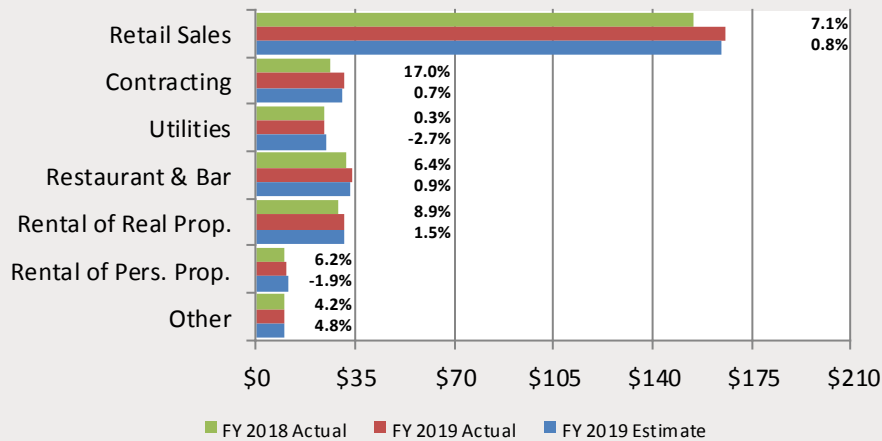
Highlights

- Year-to-date FY 2019 RARF revenues through February surpassed the same period of FY 2018 by 7.4 percent and were 0.6 percent above the forecast.
- Retail sales, the largest revenue category of RARF, grew 7.1 percent year-to-date when compared to the same period of the last fiscal year.
- Year-to-date RARF contracting revenues increased 17.0 percent compared to the same period of the last fiscal year, and were 0.7 percent above forecast. The interest rate on 30 year mortgages in February 2019 was 4.37 percent, higher than the 4.33 percent experienced in February 2018.

Variance from Forecast Year-to-date



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



Monthly Comparison (\$ in Thousands)

	FY 2018 Actual	FY 2019 Actual	Change	FY 2019 Estimate	Change
July	\$35,805	\$37,953	6.0%	\$37,693	0.7%
August	\$33,527	\$36,854	9.9%	\$36,674	0.5%
September	\$34,727	\$37,315	7.5%	\$37,103	0.6%
October	\$34,934	\$37,383	7.0%	\$37,230	0.4%
November	\$34,994	\$37,580	7.4%	\$37,277	0.8%
December	\$35,459	\$38,845	9.5%	\$38,212	1.7%
January	\$41,557	\$44,292	6.6%	\$44,576	-0.6%
February	\$35,485	\$37,530	5.8%	\$37,032	1.3%
Subtotal	\$286,487	\$307,752	7.4%	\$305,797	0.6%
March				\$38,242	
April				\$42,912	
May				\$39,444	
June				\$40,005	
Total	\$438,654	\$307,752		\$466,400	

INVESTMENT PERFORMANCE THROUGH FEBRUARY 28, 2019 (\$ IN THOUSANDS)

Investment Pools	Monthly Average Available Cash	Monthly Average Invested Balance	Percent Invested	February		Year-to-date (YTD)	
				Interest Received	Current Yield	Interest Received	YTD Yield
Pool 2							
Highway	\$230,100	\$225,079	97.82%	\$415	2.40%	\$2,758	2.15%
MAG/PAG 12.6% & 2.6% and PAG STAN	\$450,741	\$450,197	99.88%	\$831	2.40%	\$6,276	2.15%
HURF Bond Redemption	\$65,886	\$65,197	98.95%	\$119	2.40%	\$638	2.15%
GANS 2017A Proceeds	\$8,159	\$8,056	98.74%	\$15	2.40%	\$217	2.15%
Other/1	\$101,534	\$100,130	98.62%	\$186	2.40%	\$1,403	2.15%
Subtotal	\$856,420	\$848,659	99.09%	\$1,566	2.40%	\$11,291	2.15%
Pool 3 Revised							
HELP/2	\$30,904	\$30,904	100.00%	\$61	2.56%	\$476	2.33%
Other/3	\$10,325	\$10,242	99.20%	\$20	2.56%	\$144	2.33%
Subtotal	\$41,229	\$41,147	99.80%	\$81	2.56%	\$620	2.33%
Pool 4							
RARF Bond Redemption	\$76,529	\$75,795	99.04%	\$145	2.52%	\$647	2.20%
RARF 2018 Proceeds	\$140,601	\$140,570	99.98%	\$274	2.52%	\$2,425	2.20%
Regional Area Road Fund	\$479,708	\$477,620	99.56%	\$924	2.52%	\$6,614	2.20%
Subtotal	\$696,839	\$693,984	99.59%	\$1,343	2.52%	\$9,686	2.20%
Total	\$1,594,488	\$1,583,790	99.33%	\$2,990	2.46%	\$21,597	2.18%

Source: State Treasurer's Office Statement of Accounts.

/1 Pool 2 Other includes HURF, HURF 2013A Proceeds, Aviation, STAN TOC, 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.