

FINANCIAL MANAGEMENT SERVICES  
MONTHLY FINANCIAL REPORT  
OCTOBER 26, 2018

## ECONOMIC HIGHLIGHTS

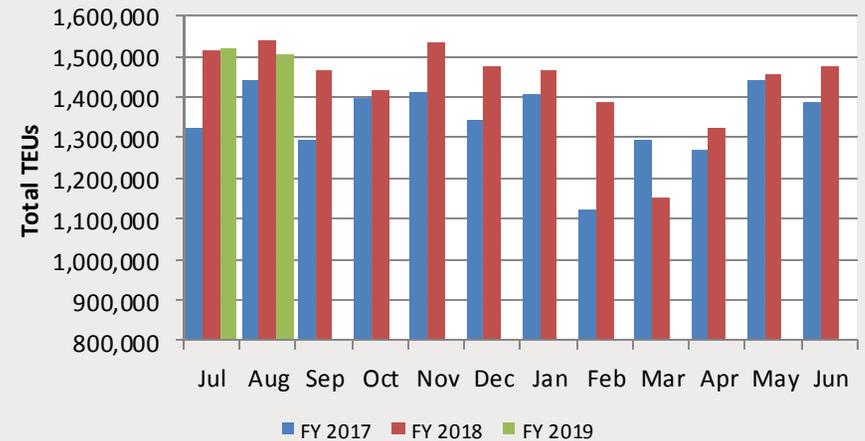
### Arizona Indicators

- Combined container volume at the Port of Los Angeles and the Port of Long Beach was 2.2 percent lower in August 2018 than in August 2017.
- The U.S. Energy Information Administration reported the price of West Coast No. 2 diesel was \$3.71 per gallon in August 2018, up from \$2.88 per gallon in August 2017. The Arizona average price per gallon for regular unleaded gas was \$2.86 in August 2018, compared to \$2.43 in August 2017.
- The Arizona seasonally adjusted unemployment rate, as reported by the Arizona Office of Economic Opportunity, fell from 4.7 percent in August 2017 to 4.6 percent in August 2018.

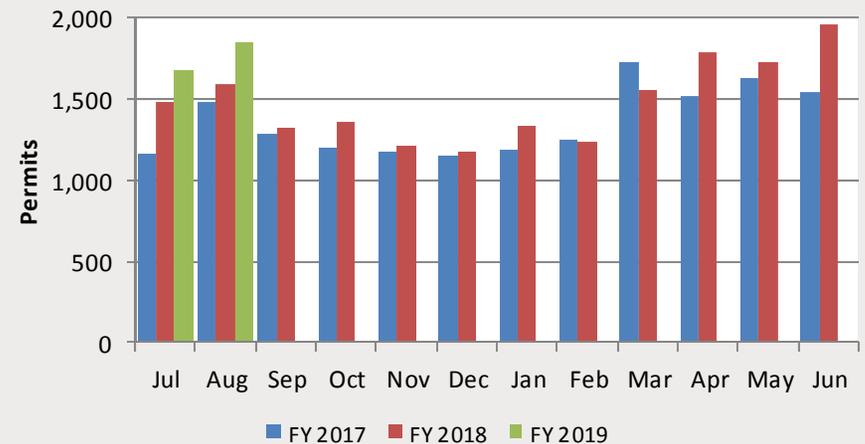
### Greater Phoenix Area Indicators

- The number of new single-family building permits issued in Maricopa County in August 2018 grew 16.5 percent compared to the same month of 2017.
- The monthly employment report published by the Arizona Office of Economic Opportunity stated the construction sector in the Greater Phoenix Area gained 13,600 jobs year-over-year from August 2017 to August 2018, an increase of 11.7 percent.
- Although total employment increased within the Greater Phoenix Area, the unadjusted unemployment rate increased to 4.5 percent in August 2018 from 4.4 percent in August 2017. This is due to increased labor force participation within the Greater Phoenix Area.

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



### Maricopa County New Single-family Building Permits

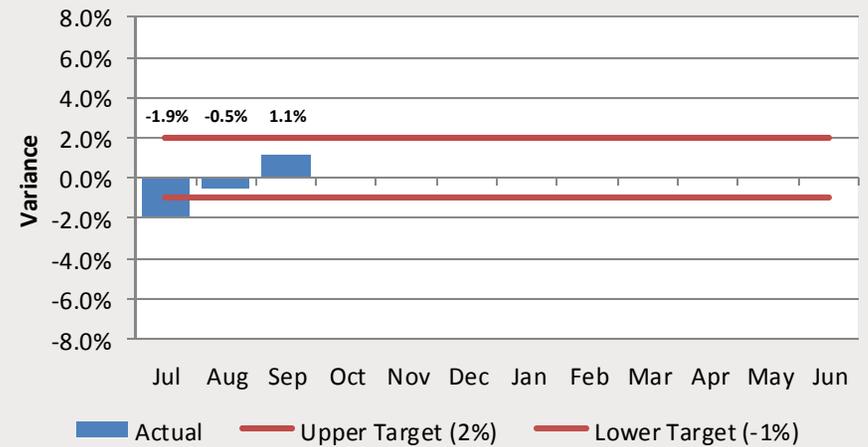


# HIGHWAY USER REVENUE FUND (HURF) THROUGH SEPTEMBER 30, 2018

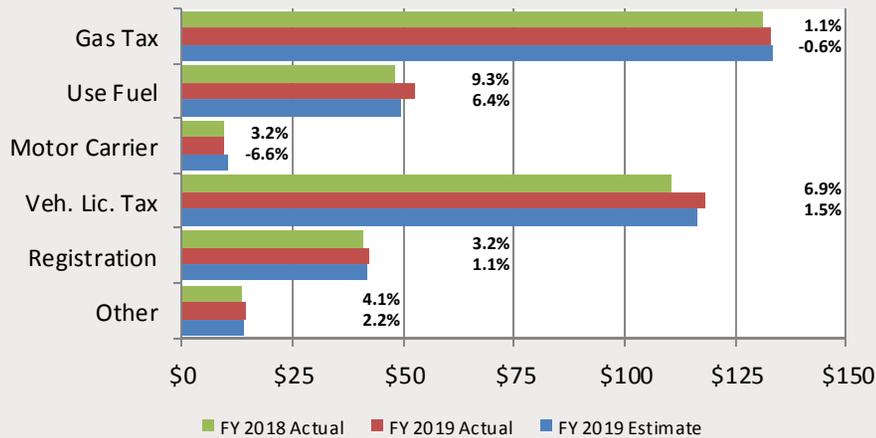
## Highlights

- FY 2019 HURF revenues are 1.1 percent above forecast year-to-date and are 4.5 percent above the same period in FY 2018.
- Gas tax revenues have increased 1.1 percent from FY 2018 to FY 2019 year-to-date. Gas tax collections are 0.6 percent below forecast year-to-date.
- In FY 2019, vehicle license tax revenues grew 6.9 percent compared to FY 2018 year-to-date.

## Variance from Forecast Year-to-date



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



## Monthly Comparison (\$ in Thousands)

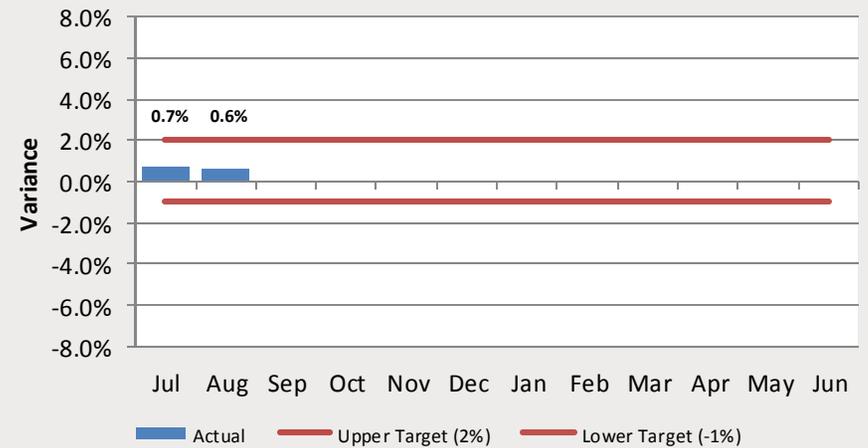
	FY 2018 Actual	FY 2019 Actual	Change	FY 2019 Estimate	Change
July	\$119,155	\$121,456	1.9%	\$123,853	-1.9%
August	\$114,333	\$120,681	5.6%	\$119,475	1.0%
September	\$120,553	\$127,674	5.9%	\$122,310	4.4%
Subtotal	\$354,041	\$369,811	4.5%	\$365,638	1.1%
October	\$118,848			\$120,354	
November	\$117,992			\$119,162	
December	\$123,775			\$122,706	
January	\$121,125			\$125,535	
February	\$123,478			\$126,051	
March	\$117,775			\$123,163	
April	\$132,783			\$136,067	
May	\$118,097			\$122,748	
June	\$127,865			\$128,777	
Total	\$1,455,779	\$369,811		\$1,490,201	

# REGIONAL AREA ROAD FUND (RARF) THROUGH AUGUST 31, 2018

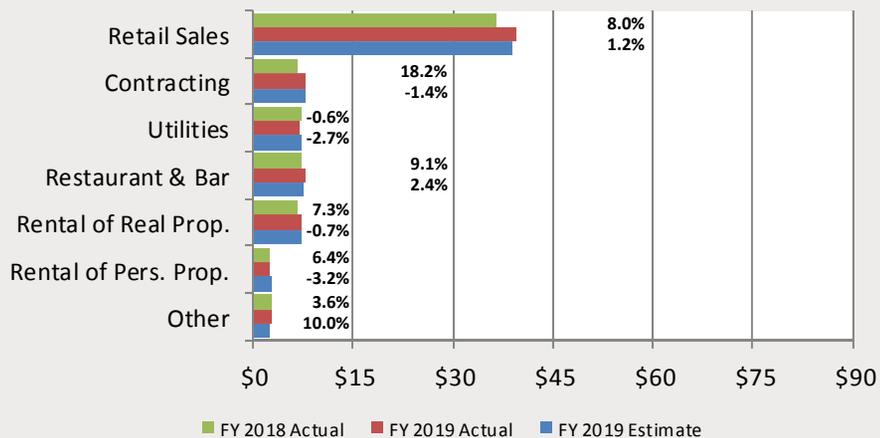
## Highlights

- Year-to-date FY 2019 RARF revenues through August surpassed the same period of FY 2018 by 7.9 percent and were 0.6 percent above the forecast.
- Retail sales, the largest revenue category of RARF, grew 8.0 percent year-to-date when compared to the same period of the last fiscal year.
- Year-to-date RARF contracting revenues increased 18.2 percent compared to the same period of the last fiscal year, and were 1.4 percent below forecast. The interest rate on 30 year mortgages in August 2018 was 4.55 percent, higher than the 3.88 percent experienced in August 2017.

## 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%
Subtotal	\$69,332	\$74,807	7.9%	\$74,367	0.6%
September				\$37,103	
October				\$37,230	
November				\$37,277	
December				\$38,212	
January				\$44,576	
February				\$37,032	
March				\$38,242	
April				\$42,912	
May				\$39,444	
June				\$40,005	
Total	\$438,654	\$74,807		\$466,400	

INVESTMENT PERFORMANCE THROUGH AUGUST 31, 2018 (\$ IN THOUSANDS)

Investment Pools	Monthly Average Available Cash	Monthly Average Invested Balance	Percent Invested	August		Year-to-date (YTD)	
				Interest Received	Current Yield	Interest Received	YTD Yield
<b>Pool 2</b>							
Highway	\$185,643	\$179,895	96.90%	\$290	1.96%	\$557	1.95%
MAG/PAG 12.6% & 2.6% and PAG STAN	\$447,599	\$447,464	99.97%	\$718	1.96%	\$1,424	1.95%
HURF Bond Redemption	\$20,552	\$20,001	97.32%	\$33	1.96%	\$44	1.95%
HURF 2013A Proceeds	\$2,061	\$0	0.00%	\$0	1.96%	\$0	1.95%
Other/1	\$139,685	\$129,482	92.70%	\$201	1.96%	\$409	1.95%
<b>Subtotal</b>	<b>\$795,541</b>	<b>\$776,842</b>	<b>97.65%</b>	<b>\$1,242</b>	<b>1.96%</b>	<b>\$2,434</b>	<b>1.95%</b>
<b>Pool 3 Revised</b>							
HELP/2	\$31,835	\$31,833	99.99%	\$56	2.16%	\$110	2.12%
Other/3	\$9,225	\$9,085	98.49%	\$16	2.16%	\$32	2.12%
<b>Subtotal</b>	<b>\$41,060</b>	<b>\$40,918</b>	<b>99.66%</b>	<b>\$72</b>	<b>2.16%</b>	<b>\$142</b>	<b>2.12%</b>
<b>Pool 4</b>							
RARF Bond Redemption	\$14,216	\$13,834	97.31%	\$24	2.02%	\$31	1.93%
RARF 2018 Proceeds	\$289,233	\$247,898	85.71%	\$127	2.02%	\$127	1.93%
Regional Area Road Fund	\$439,512	\$434,773	98.92%	\$712	2.02%	\$1,359	1.93%
<b>Subtotal</b>	<b>\$742,961</b>	<b>\$696,505</b>	<b>93.75%</b>	<b>\$863</b>	<b>2.02%</b>	<b>\$1,517</b>	<b>1.93%</b>
<b>Total</b>	<b>\$1,579,563</b>	<b>\$1,514,265</b>	<b>95.87%</b>	<b>\$2,178</b>	<b>1.99%</b>	<b>\$4,093</b>	<b>1.95%</b>

Source: State Treasurer's Office Statement of Accounts.

/1 Pool 2 Other includes HURF, 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.