

FINANCIAL MANAGEMENT SERVICES
MONTHLY FINANCIAL REPORT
FEBRUARY 21, 2020

ECONOMIC HIGHLIGHTS

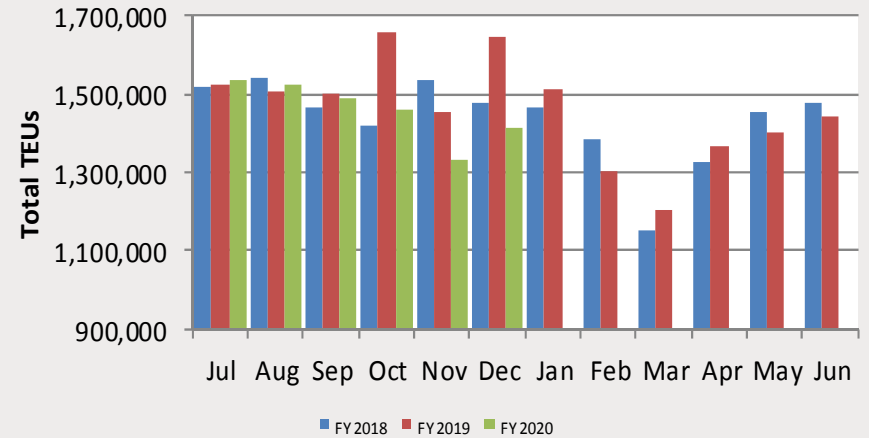
Arizona Indicators

- Combined container volume at the Port of Los Angeles and the Port of Long Beach was 14.2 percent lower in December 2019 than in December 2018.
- The U.S. Energy Information Administration reported the price of West Coast No. 2 diesel was \$3.64 per gallon in December 2019, up from \$3.62 per gallon in December 2018. The Arizona average price per gallon for regular unleaded gas was \$2.84 in December 2019, compared to \$2.67 in December 2018.
- The Arizona seasonally adjusted unemployment rate, as reported by the Arizona Office of Economic Opportunity, was 4.6 percent in December 2019, down from 4.9 percent in December 2018.

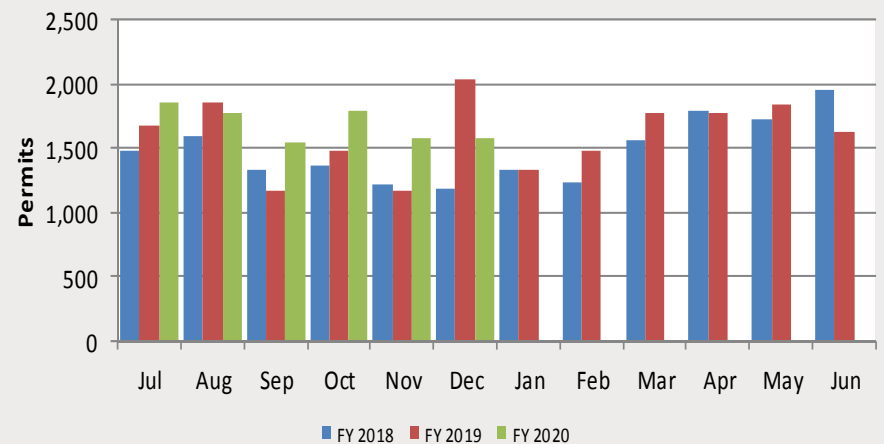
Greater Phoenix Area Indicators

- The number of new single-family building permits issued in Maricopa County in December 2019 was down 22.6 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 8,300 jobs year-over-year from December 2018 to December 2019, an increase of 6.4 percent.
- The Greater Phoenix Area unadjusted unemployment rate was 3.7 percent in December 2019, down from 4.3 percent in December 2018.

Container Statistics for Port of LA and Port of Long Beach



Maricopa County New Single-family Building Permits

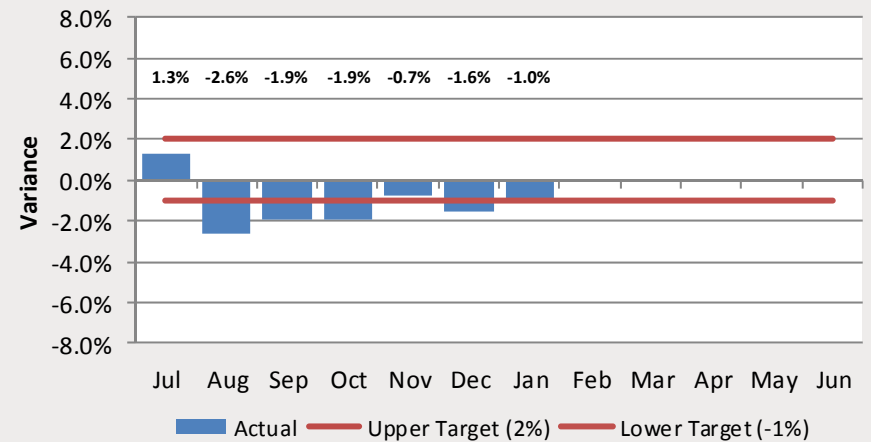


HIGHWAY USER REVENUE FUND (HURF) THROUGH JANUARY 31, 2020

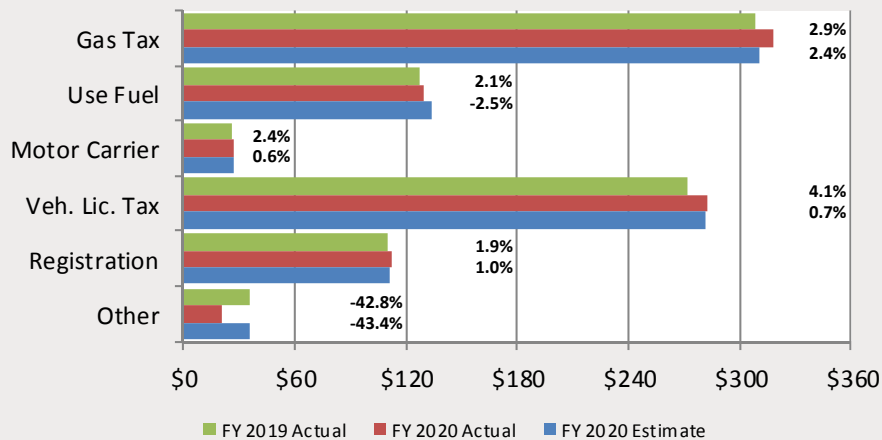
Highlights

- Year-to-date FY 2020 HURF revenues are 1.0 percent below forecast and 1.1 percent above the same period of FY 2019.
- Gas tax revenues have increased 2.9 percent year-to-date from FY 2019 to the same period of FY 2020. Year-to-date FY 2020 gas tax collections are 2.4 percent above forecast.
- Year-to-date, vehicle license tax revenues have increased 4.1 percent from FY 2019 to FY 2020 and are 0.7 percent above the forecast.

Variance from Forecast Year-to-date



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



Monthly Comparison (\$ in Thousands)

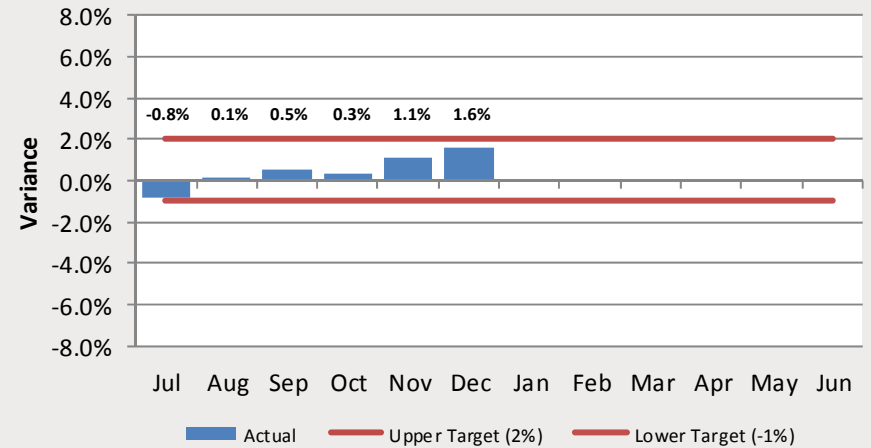
	FY 2019 Actual	FY 2020 Actual	Change	FY 2020 Estimate	Change
July	\$121,456	\$131,728	8.5%	\$130,016	1.3%
August	\$120,681	\$115,207	-4.5%	\$123,625	-6.8%
September	\$127,674	\$128,192	0.4%	\$128,799	-0.5%
October	\$130,724	\$125,872	-3.7%	\$128,209	-1.8%
November	\$123,260	\$129,928	5.4%	\$124,886	4.0%
December	\$127,345	\$123,858	-2.7%	\$131,158	-5.6%
January	\$129,293	\$135,737	5.0%	\$132,424	2.5%
Subtotal	\$880,433	\$890,521	1.1%	\$899,117	-1.0%
February				\$0	
March				\$0	
April				\$0	
May				\$0	
June				\$0	
Total	\$1,520,221	\$890,521		\$899,117	

REGIONAL AREA ROAD FUND (RARF) THROUGH DECEMBER 31, 2019

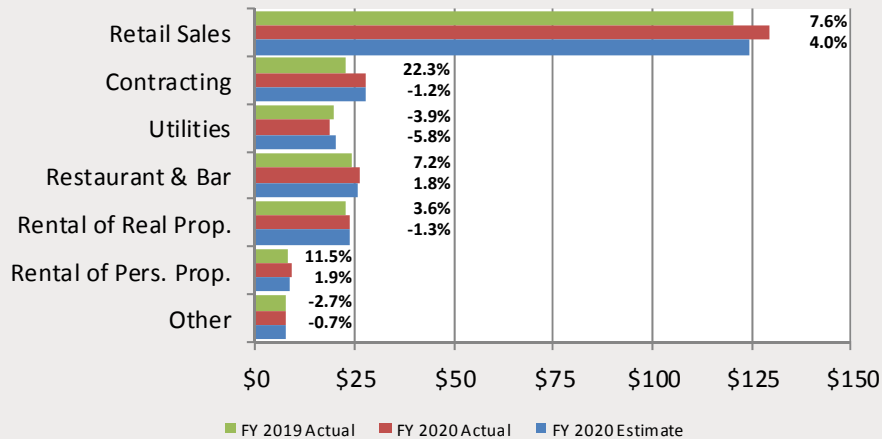
Highlights

- Year-to-date FY 2020 RARF revenues through December surpassed the same period of FY 2019 by 7.4 percent and were 1.6 percent above the forecast.
- Retail sales, the largest revenue category of RARF, grew 7.6 percent year-to-date when compared to the same period of the last fiscal year.
- Restaurant and Bar revenues grew 7.2 percent year-to-date when compared to the same period of the last fiscal year.
- Year-to-date contracting revenues increased 22.3 percent compared to the same period of the last fiscal year. The 30 year mortgage interest rate in December 2019 was 3.72 percent, lower than the 4.64 percent experienced in December 2018.

Variance from Forecast Year-to-date



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



Monthly Comparison (\$ in Thousands)

	FY 2019 Actual	FY 2020 Actual	Change	FY 2020 Estimate	Change
July	\$37,953	\$39,782	4.8%	\$40,099	-0.8%
August	\$36,854	\$39,410	6.9%	\$39,053	0.9%
September	\$37,315	\$40,071	7.4%	\$39,474	1.5%
October	\$37,383	\$39,564	5.8%	\$39,711	-0.4%
November	\$37,580	\$41,581	10.6%	\$39,798	4.5%
December	\$38,845	\$42,257	8.8%	\$40,787	3.6%
Subtotal	\$225,930	\$242,664	7.4%	\$238,922	1.6%
January				\$0	
February				\$0	
March				\$0	
April				\$0	
May				\$0	
June				\$0	
Total	\$468,620	\$242,664		\$238,922	

INVESTMENT PERFORMANCE THROUGH DECEMBER 31, 2019 (\$ IN THOUSANDS)

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
Pool 2							
Highway	\$288,636	\$283,319	98.16%	\$451	1.89%	\$2,622	2.08%
MAG/PAG 12.6% & 2.6% and PAG STAN	\$330,080	\$329,380	99.79%	\$528	1.89%	\$4,023	2.08%
HURF Bond Redemption	\$65,138	\$62,992	96.71%	\$101	1.89%	\$377	2.08%
GANS 2019A Proceeds	\$26,669	\$26,230	98.36%	\$42	1.89%	\$416	2.08%
Other/1	\$134,370	\$128,000	95.26%	\$209	1.89%	\$1,343	2.08%
Subtotal	\$844,894	\$829,921	98.23%	\$1,332	1.89%	\$8,781	2.08%
Pool 3 Revised							
HELP/2	\$1,207	\$1,207	100.00%	\$2	1.96%	\$14	2.24%
Other/3	\$11,394	\$11,317	99.33%	\$19	1.96%	\$112	2.24%
Subtotal	\$12,601	\$12,524	99.39%	\$21	1.96%	\$125	2.24%
Pool 4							
Local Agency Deposits	\$12,667	\$12,064	95.24%	\$22	2.18%	\$109	2.31%
RARF Bond Redemption	\$67,532	\$66,059	97.82%	\$123	2.18%	\$430	2.31%
Regional Area Road Fund	\$483,519	\$479,328	99.13%	\$885	2.18%	\$5,501	2.31%
Subtotal	\$563,717	\$557,451	98.89%	\$1,030	2.18%	\$6,040	2.31%
Total	\$1,421,213	\$1,399,897	98.50%	\$2,383	2.02%	\$14,945	2.17%

Source: State Treasurer's Office Statement of Accounts.

/1 Pool 2 Other includes HURF, Aviation, 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.