

FINANCIAL MANAGEMENT SERVICES
MONTHLY FINANCIAL REPORT
JULY 16, 2021

ECONOMIC HIGHLIGHTS

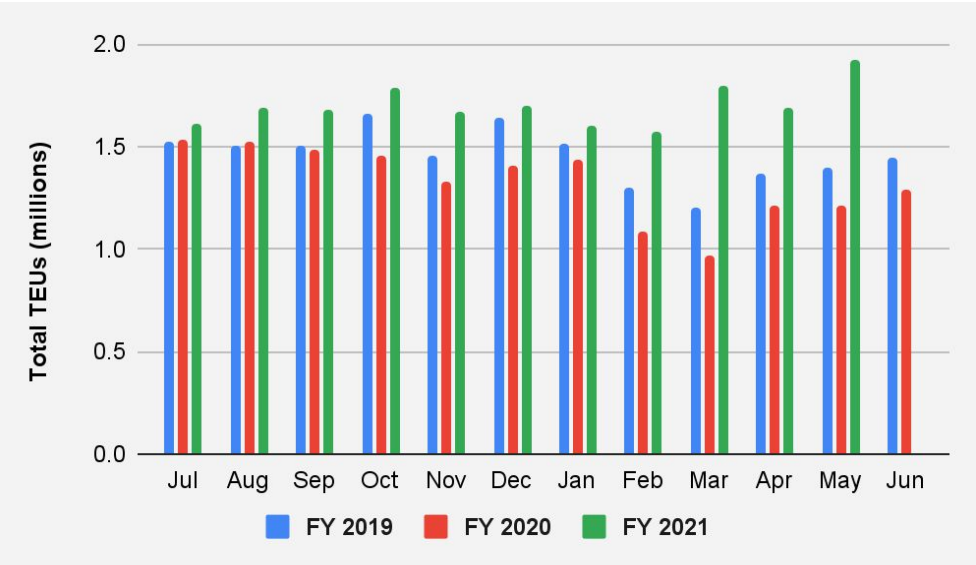
Arizona Indicators

- Combined container volume at the Port of Los Angeles and the Port of Long Beach was 58.6 percent higher in May 2021 than in May 2020.
- The U.S. Energy Information Administration reported the price of West Coast No. 2 diesel was \$3.72 per gallon in May 2021, up from \$2.90 per gallon in May 2020.
- The Arizona average price per gallon for regular unleaded gas was \$3.13 in May 2021, compared to \$2.17 in May 2020.
- The Arizona seasonally adjusted unemployment rate, as reported by the Arizona Office of Economic Opportunity, decreased to 6.7 percent in May 2021, down from 9 percent in May 2020.

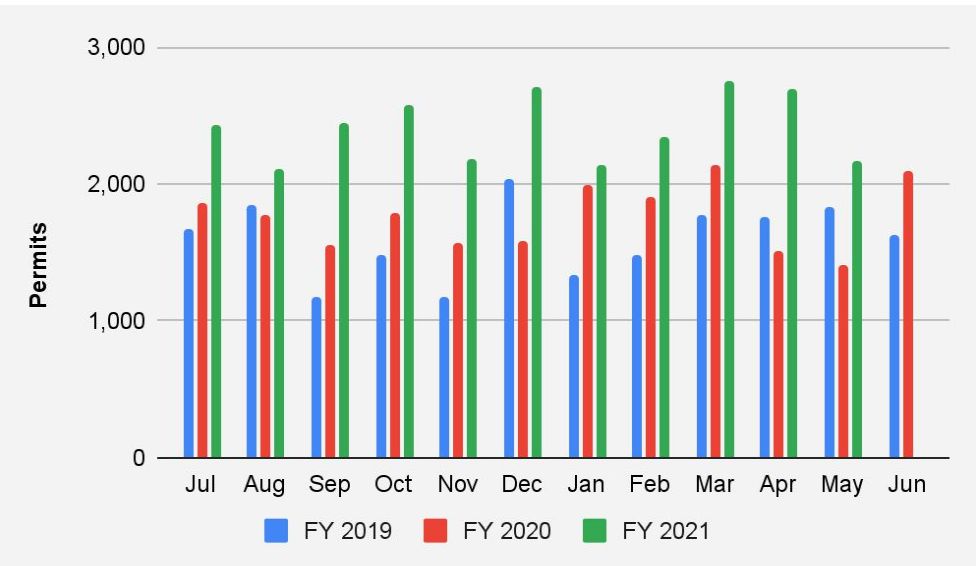
Greater Phoenix Area Indicators

- The number of new single-family building permits issued in Maricopa County in May 2021 was up 53.8 percent compared to the same month of 2020.
- The monthly employment report published by the Arizona Office of Economic Opportunity stated the construction sector in the Greater Phoenix Area gained 900 jobs year-over-year from May 2020 to May 2021, an increase of 0.7 percent.
- The Greater Phoenix Area unadjusted unemployment rate was 6.2 percent in May 2021, down from 10.1 percent in May 2020.

Container Statistics for Port of LA and Port of Long Beach



Maricopa County New Single-family Building Permits

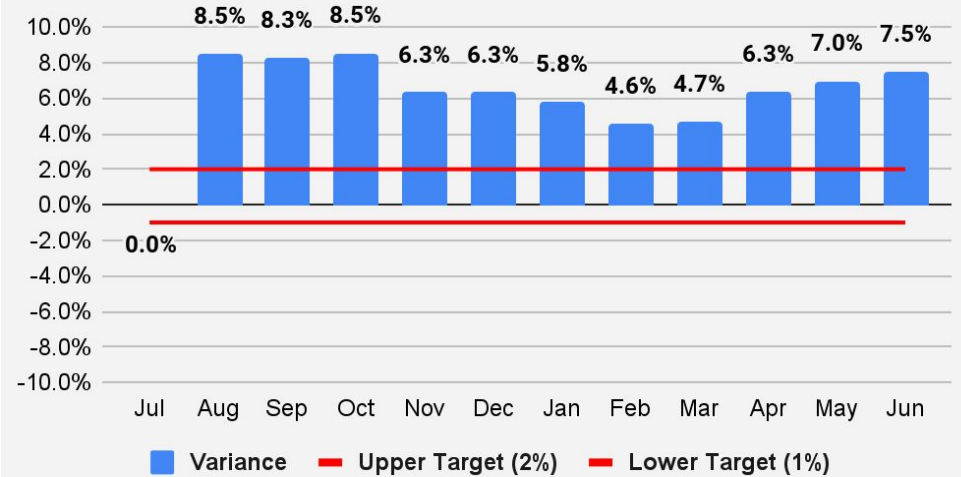


HIGHWAY USER REVENUE FUND (HURF) THROUGH JUNE 30, 2021

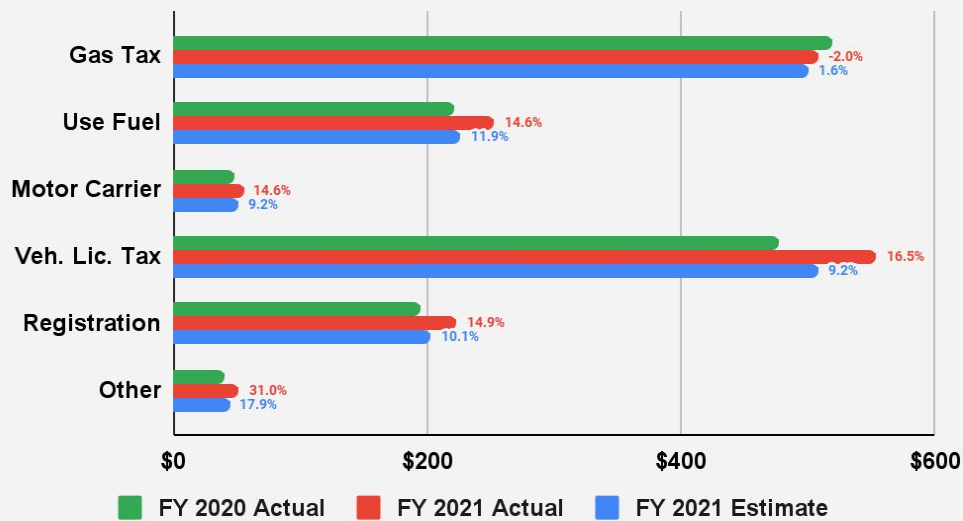
Highlights

- Year-to-date FY 2021 HURF revenues are 7.5 percent above forecast and 9.9 percent above the same period of FY 2020.
- Gas tax revenues have decreased 2 percent year-to-date from FY 2020 to the same period of FY 2021. Year-to-date FY 2021 gas tax collections are 1.6 percent above forecast.
- Year-to-date, vehicle license tax revenues have increased 16.5 percent from FY 2020 to FY 2021 and are 9.2 percent above the forecast.

Variance from Forecast Year-to-date



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



Monthly Comparison (\$ in Thousands)

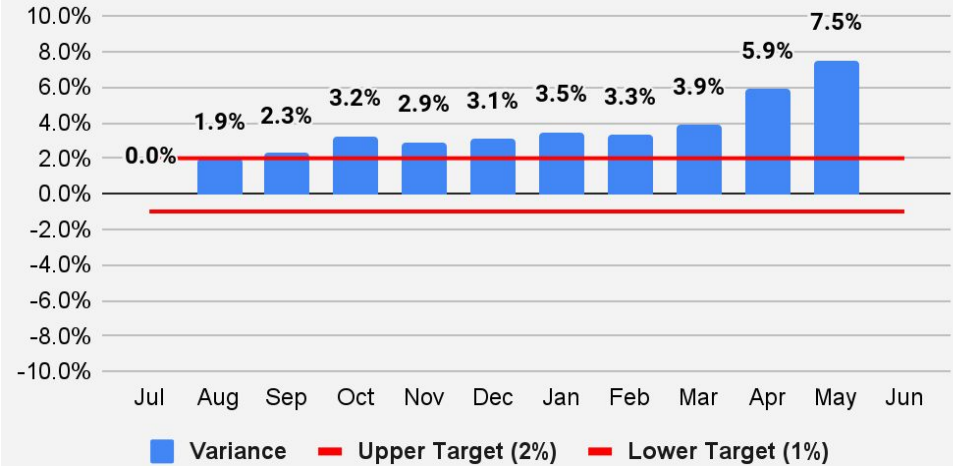
| | FY 2020 Actual | FY 2021 Actual | Change | FY 2021 Estimate | Change |
|--------------|--------------------|--------------------|-------------|--------------------|-------------|
| July | \$131,728 | \$129,298 | -1.8% | \$129,300 | 0.0% |
| August | \$115,207 | \$137,523 | 19.4% | \$116,600 | 17.9% |
| September | \$128,192 | \$135,177 | 5.4% | \$125,330 | 7.9% |
| October | \$125,872 | \$135,808 | 7.9% | \$124,350 | 9.2% |
| November | \$129,928 | \$123,905 | -4.6% | \$126,740 | -2.2% |
| December | \$123,858 | \$131,960 | 6.5% | \$124,190 | 6.3% |
| January | \$135,737 | \$136,319 | 0.4% | \$132,730 | 2.7% |
| February | \$129,641 | \$122,277 | -5.7% | \$127,190 | -3.9% |
| March | \$130,810 | \$134,929 | 3.1% | \$127,580 | 5.8% |
| April | \$119,307 | \$158,788 | 33.1% | \$131,610 | 20.7% |
| May | \$94,021 | \$134,094 | 42.6% | \$118,240 | 13.4% |
| June | \$116,536 | \$147,092 | 26.2% | \$130,340 | 12.9% |
| Total | \$1,480,836 | \$1,627,170 | 9.9% | \$1,514,200 | 7.5% |

REGIONAL AREA ROAD FUND (RARF) THROUGH MAY 31, 2021

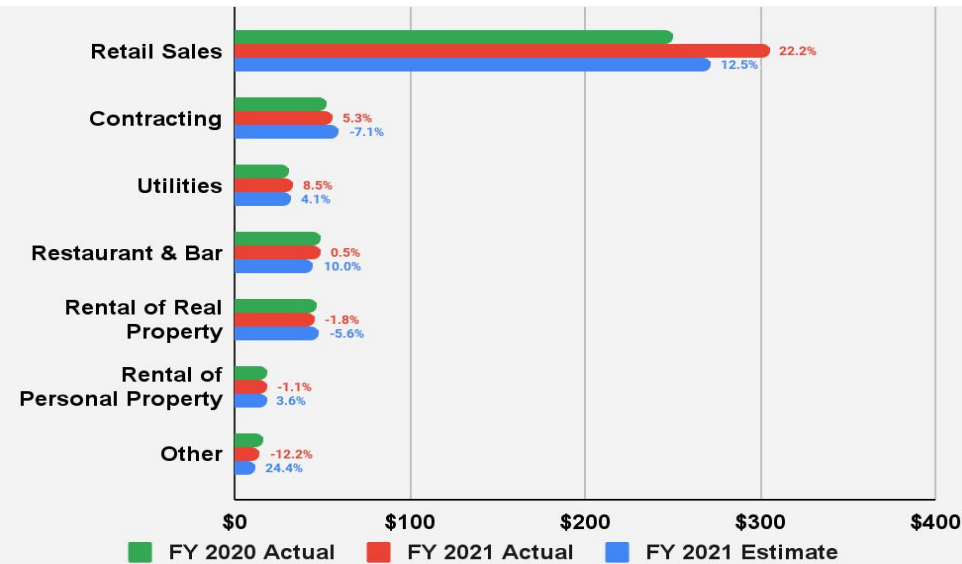
Highlights

- Year-to-date FY 2021 RARF revenues through May surpassed the same period of FY 2020 by 12.8 percent and were 7.5 percent above the forecast.
- Retail sales, the largest revenue category of RARF, grew 22.2 percent year-to-date when compared to the same period of the last fiscal year.
- Restaurant and Bar revenues grew 0.5 percent year-to-date when compared to the same period of the last fiscal year.
- Year-to-date contracting revenues increased 5.3 percent compared to the same period of the last fiscal year.
- The 30 year mortgage interest rate in May 2021 was 2.96 percent, lower than the 3.23 percent experienced in May 2020.

Variance from Forecast Year-to-date



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



Monthly Comparison (\$ in Thousands)

| | FY 2020 Actual | FY 2021 Actual | Change | FY 2021 Estimate | Change |
|-----------------|------------------|------------------|--------------|------------------|-------------|
| July | \$39,782 | \$44,192 | 11.1% | \$44,191 | 0.0% |
| August | \$39,410 | \$43,976 | 11.6% | \$42,304 | 4.0% |
| September | \$40,071 | \$43,358 | 8.2% | \$42,124 | 2.9% |
| October | \$39,564 | \$44,229 | 11.8% | \$41,605 | 6.3% |
| November | \$41,581 | \$43,177 | 3.8% | \$42,470 | 1.7% |
| December | \$42,257 | \$44,704 | 5.8% | \$42,996 | 4.0% |
| January | \$49,046 | \$52,190 | 6.4% | \$49,475 | 5.5% |
| February | \$41,452 | \$42,783 | 3.2% | \$41,954 | 2.0% |
| March | \$40,185 | \$44,095 | 9.7% | \$40,602 | 8.6% |
| April | \$41,226 | \$54,386 | 31.9% | \$43,795 | 24.2% |
| May | \$35,174 | \$50,271 | 42.9% | \$40,319 | 24.7% |
| Subtotal | \$449,748 | \$507,361 | 12.8% | \$471,835 | 7.5% |
| June | \$41,356 | \$0 | | \$42,661 | |
| Total | \$491,103 | \$507,361 | | \$514,496 | |

INVESTMENT PERFORMANCE THROUGH MAY 31, 2021 (\$ IN THOUSANDS)

| Investment Pools | Monthly | Monthly | Percent Invested | May | | Year-to-date (YTD) | |
|-----------------------------------|------------------------------|--------------------------------|---------------------|----------------------|------------------|----------------------|--------------|
| | Average Available Cash | Average Invested Balance | | Interest Received | Current Yield | Interest Received | YTD Yield |
| Pool 2 | | | | | | | |
| Highway | \$407,771 | \$403,034 | 98.84% | \$82 | 0.24% | \$1,558 | 0.51% |
| MAG/PAG 12.6% & 2.6% and PAG STAN | \$338,047 | \$337,923 | 99.96% | \$68 | 0.24% | \$1,462 | 0.51% |
| HURF Bond Redemption | \$97,988 | \$97,450 | 99.45% | \$22 | 0.24% | \$219 | 0.51% |
| Other/1 | \$147,005 | \$140,530 | 95.60% | \$29 | 0.24% | \$670 | 0.51% |
| Subtotal | \$990,810 | \$978,938 | 98.80% | \$201 | 0.24% | \$3,909 | 0.51% |
| Pool 3 Revised | | | | | | | |
| HELP/2 | \$1,223 | \$1,223 | 100.00% | \$0 | 0.34% | \$5 | 0.48% |
| Other/3 | \$11,773 | \$11,538 | 98.00% | \$3 | 0.34% | \$55 | 0.48% |
| Subtotal | \$12,996 | \$12,760 | 98.19% | \$4 | 0.34% | \$60 | 0.48% |
| Pool 4 | | | | | | | |
| Local Agency Deposits | \$12,907 | \$12,234 | 94.79% | \$4 | 0.36% | \$62 | 0.63% |
| RARF Bond Redemption | \$122,778 | \$122,145 | 99.48% | \$37 | 0.36% | \$295 | 0.63% |
| Regional Area Road Fund | \$463,328 | \$460,064 | 99.30% | \$141 | 0.36% | \$2,540 | 0.63% |
| Subtotal | \$599,013 | \$594,443 | 99.24% | \$182 | 0.36% | \$2,897 | 0.63% |
| Total | \$1,602,820 | \$1,586,141 | 98.96% | \$386 | 0.30% | \$6,867 | 0.56% |

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.