

FINANCIAL MANAGEMENT SERVICES
MONTHLY FINANCIAL REPORT
JULY 17, 2020

ECONOMIC HIGHLIGHTS

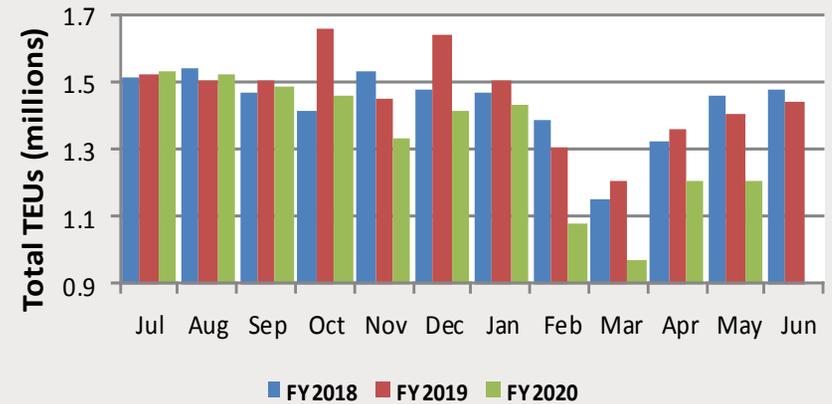
Arizona Indicators

- Combined container volume at the Port of Los Angeles and the Port of Long Beach was 13.7 percent lower in May 2020 than in May 2019.
- The U.S. Energy Information Administration reported the price of West Coast No. 2 diesel was \$2.90 per gallon in May 2020, down from \$3.78 per gallon in May 2019.
- The Arizona average price per gallon for regular unleaded gas was \$2.17 in May 2020, compared to \$3.14 in May 2019.
- The Arizona seasonally adjusted unemployment rate, as reported by the Arizona Office of Economic Opportunity, was 8.9 percent in May 2020, up from 4.8 percent in May 2019.

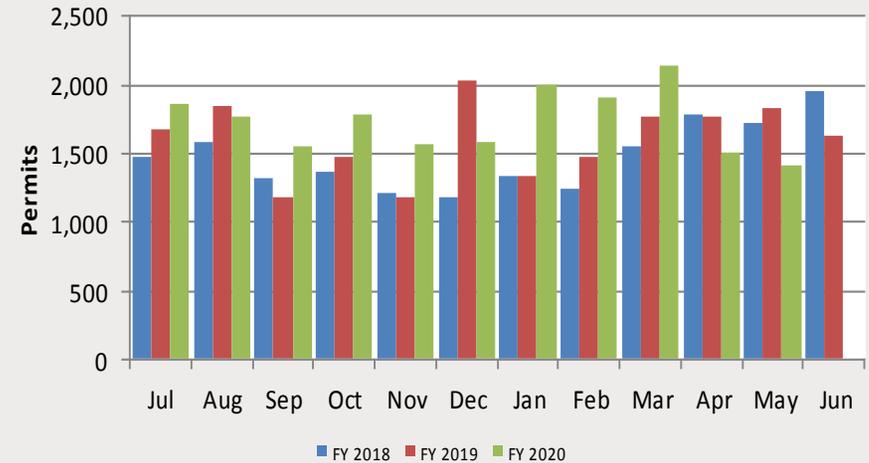
Greater Phoenix Area Indicators

- The number of new single-family building permits issued in Maricopa County in May 2020 was down 23.2 percent compared to the same month of 2019.
- The monthly employment report published by the Arizona Office of Economic Opportunity stated the construction sector in the Greater Phoenix Area gained 400 jobs year-over-year from May 2019 to May 2020, an increase of 0.3 percent.
- The Greater Phoenix Area unadjusted unemployment rate was 8.3 percent in May 2020, up from 4.0 percent in May 2019.

Container Statistics for Port of LA and Port of Long Beach



Maricopa County New Single-family Building Permits

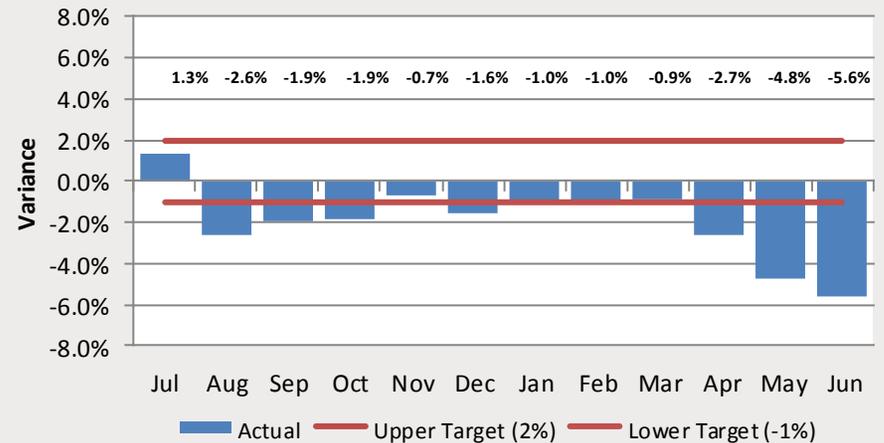


HIGHWAY USER REVENUE FUND (HURF) THROUGH JUNE 30, 2020

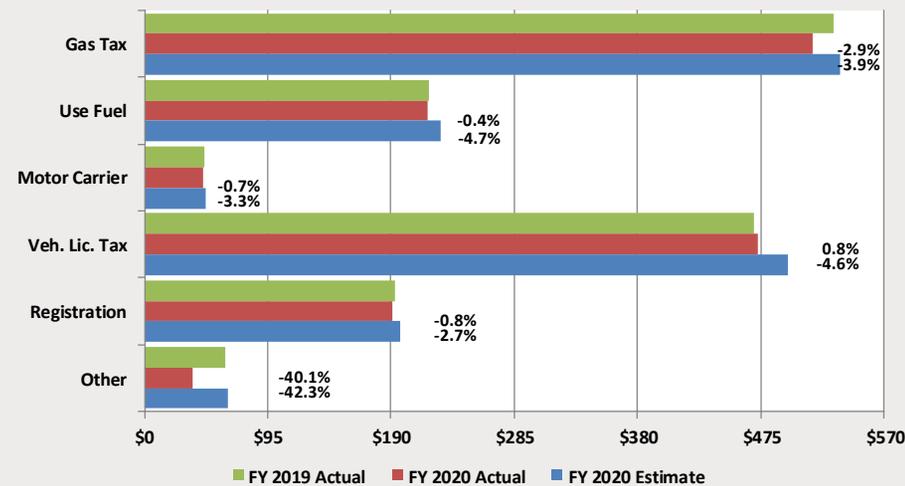
Highlights

- FY 2020 HURF revenues are 5.6 percent below original September forecast and 2.6 percent below the FY 2019.
- Gas tax revenues have decreased 2.9 percent from FY 2019 to FY 2020.
- Gas tax revenues in the month of June 2020 were 17.7 percent lower than in June 2019. FY 2020 gas tax collections are 3.9 percent below original September forecast.
- Vehicle license tax revenues have increased 0.8 percent from FY 2019 to FY 2020 and are 4.6 percent below the original September forecast.

Variance from Original September Forecast Year-to-date



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



Monthly Comparison (\$ in Thousands)

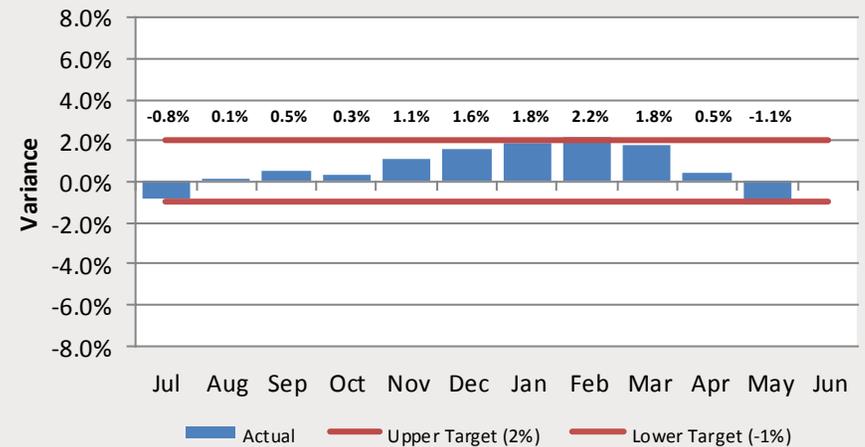
	FY 2019 Actual	FY 2020 Actual	Change	FY 2020 Estimate	Change
July	\$121,456	\$131,728	8.5%	\$130,016	1.3%
August	\$120,681	\$115,207	-4.5%	\$123,625	-6.8%
September	\$127,674	\$128,192	0.4%	\$128,799	-0.5%
October	\$130,724	\$125,872	-3.7%	\$128,209	-1.8%
November	\$123,260	\$129,928	5.4%	\$124,886	4.0%
December	\$127,345	\$123,858	-2.7%	\$131,158	-5.6%
January	\$129,293	\$135,737	5.0%	\$132,424	2.5%
February	\$124,621	\$129,641	4.0%	\$131,702	-1.6%
March	\$121,325	\$130,810	7.8%	\$130,958	-0.1%
April	\$137,886	\$119,307	-13.5%	\$143,361	-16.8%
May	\$120,066	\$94,021	-21.7%	\$127,443	-26.2%
June	\$135,891	\$116,538	-14.2%	\$136,819	-14.8%
Total	\$1,520,221	\$1,480,838	-2.6%	\$1,569,400	-5.6%

REGIONAL AREA ROAD FUND (RARF) THROUGH MAY 31, 2020

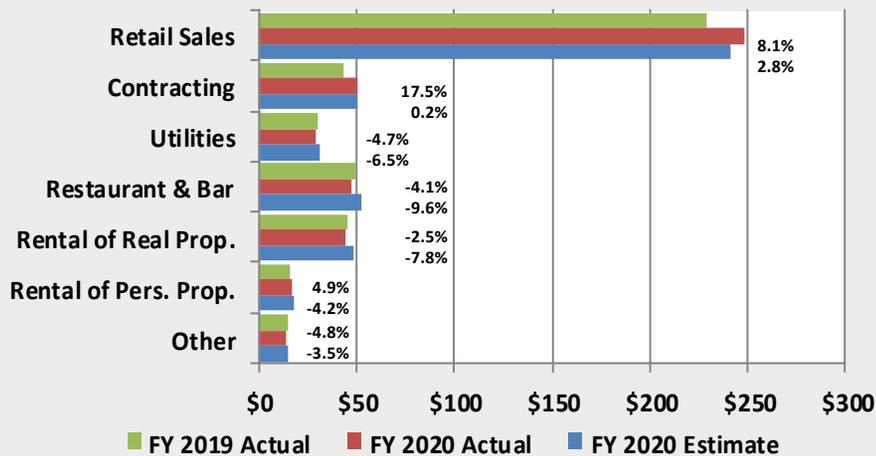
Highlights

- Year-to-date FY 2020 RARF revenues through May surpassed the same period of FY 2019 by 5.0 percent and were 1.1 percent below the original September forecast. May 2020 RARF was 12.2 percent below May 2019.
- Retail sales, the largest revenue category of RARF, grew 8.1 percent year-to-date when compared to the same period of the last fiscal year and were 4.0 percent below May 2019.
- Restaurant and Bar revenues declined 4.1 percent year-to-date when compared to the same period of the last fiscal year and were 43.2 percent below May 2019.
- Year-to-date contracting revenues increased 17.5 percent compared to the same period of the last fiscal year and were 13.4 percent above May 2019.
- The 30 year mortgage interest rate in May 2020 was 3.23 percent, lower than the 4.07 percent experienced in May 2019.

Variance from Original September 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%
January	\$44,292	\$49,046	10.7%	\$47,490	3.3%
February	\$37,530	\$41,452	10.5%	\$39,611	4.6%
March	\$36,890	\$40,185	8.9%	\$40,613	-1.1%
April	\$43,516	\$41,226	-5.3%	\$45,965	-10.3%
May	\$40,056	\$35,174	-12.2%	\$42,258	-16.8%
Subtotal	\$428,214	\$449,748	5.0%	\$454,859	-1.1%
June	\$40,406			\$0	
Total	\$468,620	\$449,748		\$454,859	

INVESTMENT PERFORMANCE THROUGH MAY 31, 2020 (\$ IN THOUSANDS)

Investment Pools	Monthly Average Available Cash	Monthly Average Invested Balance	Percent Invested	May		Year-to-date (YTD)	
				Interest Received	Current Yield	Interest Received	YTD Yield
Pool 2							
Highway	\$312,956	\$305,893	97.74%	\$253	0.98%	\$4,442	1.79%
MAG/PAG 12.6% & 2.6% and PAG STAN	\$297,053	\$296,436	99.79%	\$246	0.98%	\$5,869	1.79%
HURF Bond Redemption	\$98,276	\$97,865	99.58%	\$89	0.98%	\$830	1.79%
GANS 2019A Proceeds	\$16,354	\$16,165	98.84%	\$13	0.98%	\$537	1.79%
Other/1	\$151,456	\$145,814	96.27%	\$123	0.98%	\$2,156	1.79%
Subtotal	\$876,095	\$862,173	98.41%	\$724	0.98%	\$13,834	1.79%
Pool 3 Revised							
HELP/2	\$1,216	\$1,216	100.00%	\$1	0.86%	\$21	1.89%
Other/3	\$10,463	\$10,307	98.50%	\$8	0.86%	\$182	1.89%
Subtotal	\$11,679	\$11,523	98.66%	\$8	0.86%	\$203	1.89%
Pool 4							
Local Agency Deposits	\$11,938	\$11,126	93.20%	\$11	1.18%	\$192	2.04%
RARF Bond Redemption	\$121,590	\$121,000	99.52%	\$121	1.18%	\$1,072	2.04%
Regional Area Road Fund	\$453,650	\$451,055	99.43%	\$451	1.18%	\$8,930	2.04%
Subtotal	\$587,178	\$583,181	99.32%	\$583	1.18%	\$10,194	2.04%
Total	\$1,474,952	\$1,456,877	98.77%	\$1,316	1.07%	\$24,232	1.90%

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.