

FINANCIAL MANAGEMENT SERVICES
MONTHLY FINANCIAL REPORT
JULY 21, 2023

ECONOMIC HIGHLIGHTS

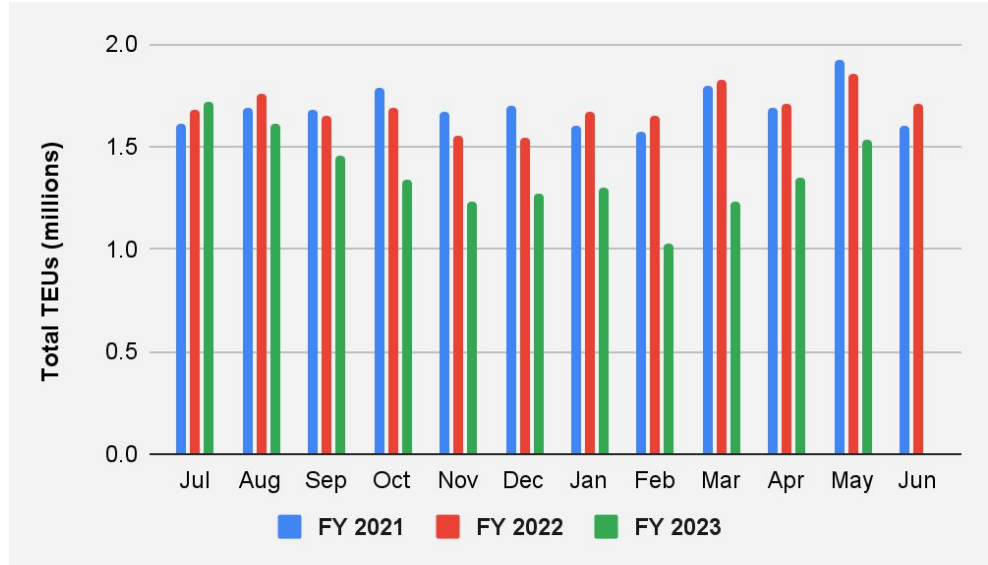
Arizona Indicators

- Combined container volume at the Port of Los Angeles and the Port of Long Beach was 17.3 percent lower in May 2023 than in May 2022.
- The U.S. Energy Information Administration reported the price of West Coast No. 2 diesel was \$4.61 per gallon in May 2023, down from \$6.08 per gallon in May 2022.
- The Arizona average price per gallon for regular unleaded gas was \$4.64 in May 2023, compared to \$4.78 in May 2022.
- The Arizona seasonally adjusted unemployment rate, as reported by the Arizona Office of Economic Opportunity, decreased to 3.4 percent in May 2023, down from the 3.7 percent experienced in May 2022.

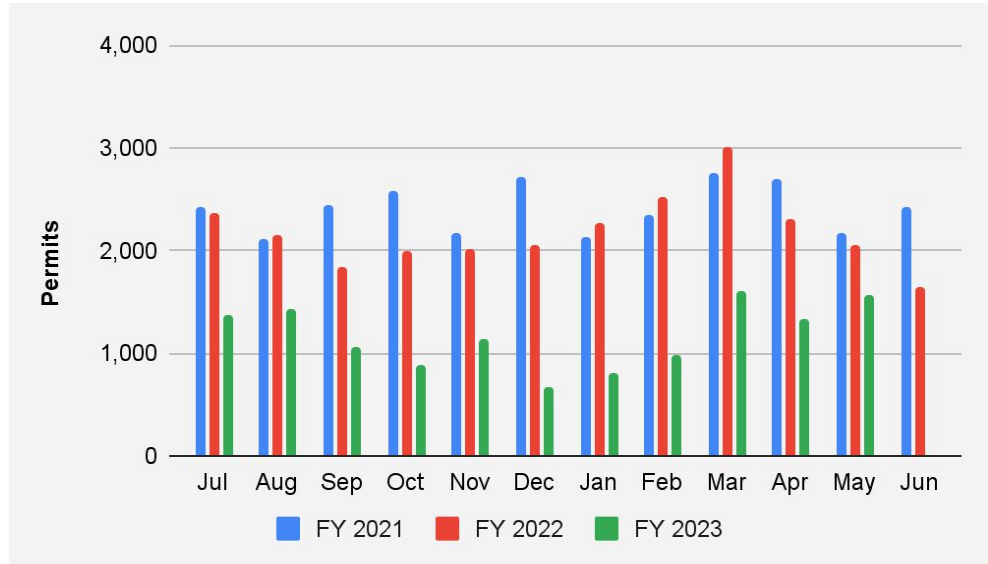
Greater Phoenix Area Indicators

- The number of new single-family building permits issued in Maricopa County in May 2023 was down 23.9 percent compared to the same month of 2022.
- The monthly employment report published by the Arizona Office of Economic Opportunity stated the construction sector in the Greater Phoenix Area gained 4,800 jobs year-over-year from May 2022 to May 2023, an increase of 3.2 percent.
- The Greater Phoenix Area unadjusted unemployment rate was 3.3 percent in May 2023, no change from 3.3 percent of May 2022.

Container Statistics for Port of LA and Port of Long Beach



Maricopa County New Single-Family Building Permits

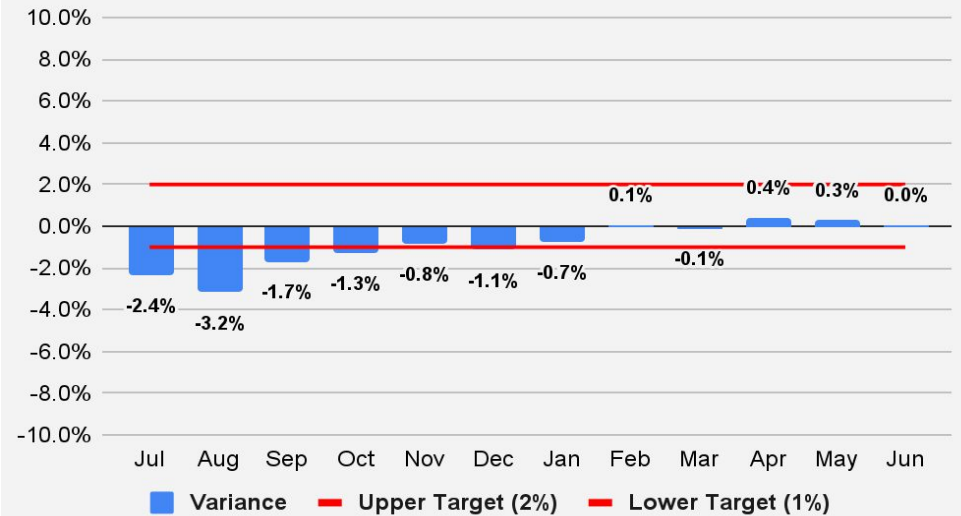


HIGHWAY USER REVENUE FUND (HURF) THROUGH JUNE 30, 2023

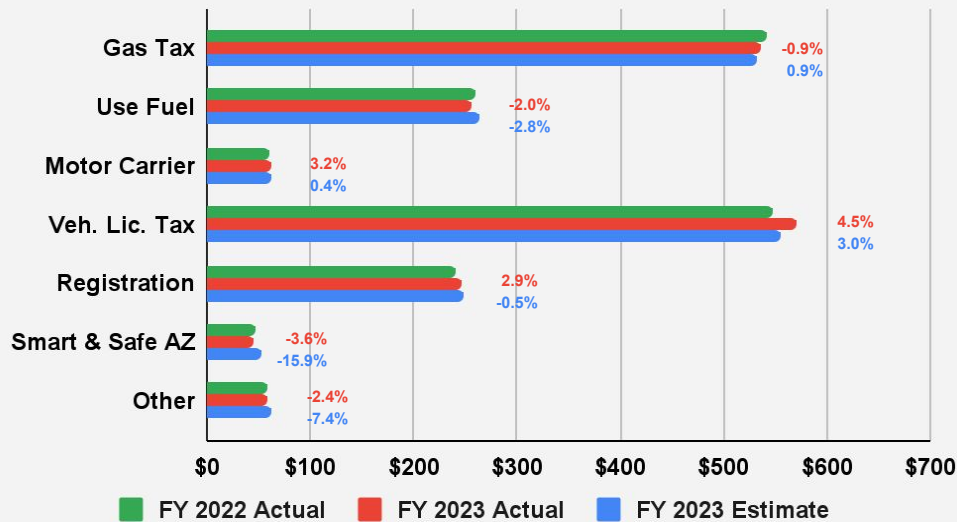
Highlights

- FY 2023 HURF revenues are 0.0 percent from forecast and 1.2 percent above the FY 2022.
- FY 2023 gas tax revenues decreased 0.9 percent from FY 2022 to FY 2023 and are 0.9 percent above the forecast.
- FY 2023 vehicle license tax revenues increased 4.5 percent from FY 2022 and are 3.0 percent above the forecast.

Variance from Forecast Year-to-Date



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



Monthly Comparison (\$ in Thousands)

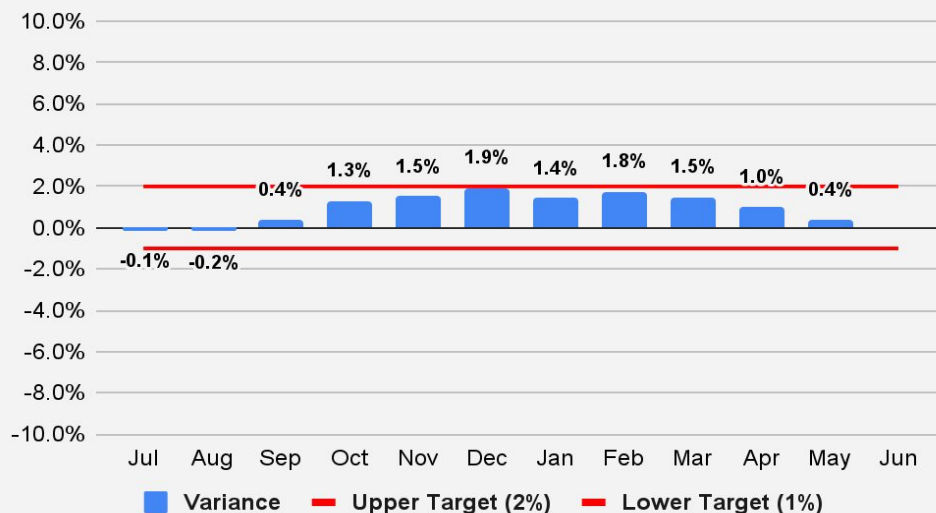
	FY 2022 Actual	FY 2023 Actual	% Change	FY 2023 Estimate	% Difference
July	\$141,549	\$136,857	-3.3%	\$140,170	-2.4%
August	\$145,382	\$131,267	-9.7%	\$136,740	-4.0%
September	\$140,641	\$144,129	2.5%	\$142,430	1.2%
October	\$138,239	\$139,825	1.1%	\$139,830	0.0%
November	\$128,788	\$134,121	4.1%	\$132,830	1.0%
December	\$156,756	\$159,878	2.0%	\$163,890	-2.4%
January	\$140,216	\$144,293	2.9%	\$141,870	1.7%
February	\$128,466	\$138,803	8.0%	\$130,690	6.2%
March	\$151,450	\$143,439	-5.3%	\$145,470	-1.4%
April	\$157,159	\$167,126	6.3%	\$159,800	4.6%
May	\$131,403	\$134,772	2.6%	\$136,370	-1.2%
June	\$169,089	\$174,783	3.4%	\$178,380	-2.0%
Total	\$1,729,138	\$1,749,295	1.2%	\$1,748,470	0.0%

REGIONAL AREA ROAD FUND (RARF) THROUGH MAY 31, 2023

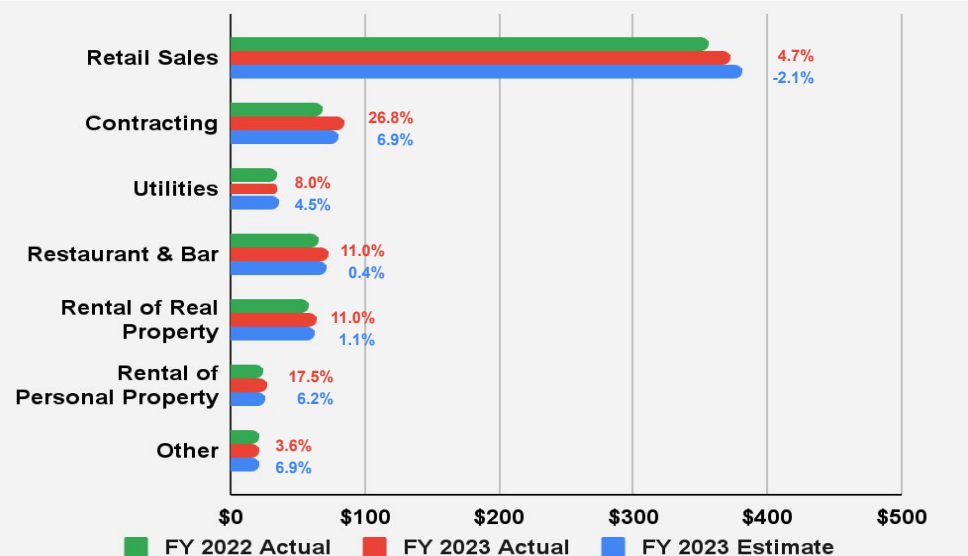
Highlights

- Year-to-date FY 2023 RARF revenues through May surpassed the same period of FY 2022 by 8.8 percent and were 0.4 percent above the forecast.
- Retail sales, the largest revenue category of RARF, grew 4.7 percent year-to-date when compared to the same period of the last fiscal year.
- Restaurant and Bar revenues grew 11 percent year-to-date when compared to the same period of the last fiscal year.
- Contracting revenues increased 26.8 percent year-to-date when compared to the same period of the last fiscal year.
- Contracting revenues increased 26.8 percent year-to-date when compared to the same period of the last fiscal year.
- The 30 year mortgage interest rate in May 2023 was 6.43 percent, higher than the 5.23 percent experienced in May 2022.

Variance from Forecast Year-to-Date



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



Monthly Comparison (\$ in Thousands)

	FY 2022 Actual	FY 2023 Actual	% Change	FY 2023 Estimate	% Difference
July	\$53,297	\$59,187	11.1%	\$59,260	-0.1%
August	\$50,362	\$55,376	10.0%	\$55,530	-0.3%
September	\$53,685	\$57,963	8.0%	\$57,050	1.6%
October	\$51,724	\$58,830	13.7%	\$56,540	4.1%
November	\$52,242	\$58,304	11.6%	\$56,950	2.4%
December	\$54,503	\$60,941	11.8%	\$58,600	4.0%
January	\$63,959	\$68,502	7.1%	\$69,330	-1.2%
February	\$51,571	\$58,146	12.7%	\$55,780	4.2%
March	\$53,599	\$57,867	8.0%	\$58,230	-0.6%
April	\$63,399	\$66,118	4.3%	\$68,080	-2.9%
May	\$58,664	\$59,368	1.2%	\$62,840	-5.5%
Subtotal	\$607,004	\$660,602	8.8%	\$658,190	0.4%
June	\$57,846	\$0	-	\$61,920	-
Total	\$664,850	\$660,602		\$720,110	

INVESTMENT PERFORMANCE THROUGH MAY 31, 2023 (\$ IN THOUSANDS) /4

Investment Pools	Monthly Average Available Cash	Monthly Average Invested Balance	Percent Invested	May		Fiscal Year-to-date (FYTD)	
				Interest Received	Current Yield	Interest Received	FYTD Yield
Pool 2							
Highway	\$1,374,099	\$1,362,746	99.17%	\$4,561	3.93%	\$26,108	3.03%
MAG/PAG 12.6% & 2.6%	\$504,624	\$503,993	99.87%	\$1,683	3.93%	\$12,905	3.03%
HURF Bond Redemption	\$113,225	\$112,741	99.57%	\$377	3.93%	\$1,906	3.03%
Other/1	\$190,922	\$182,802	95.75%	\$593	3.93%	\$4,961	3.03%
Subtotal	\$2,182,870	\$2,162,282	99.06%	\$7,213	3.93%	\$45,879	3.03%
Pool 3							
SMART/2	\$50,889	\$50,889	100.00%	\$172	3.99%	\$1,076	3.12%
Other/3	\$13,453	\$13,062	97.09%	\$42	3.99%	\$402	3.12%
Subtotal	\$64,342	\$63,951	99.39%	\$214	3.99%	\$1,478	3.12%
Pool 4							
Local Agency Deposits	\$46,235	\$44,999	97.33%	\$140	3.71%	\$1,127	2.70%
RARF Bond Redemption	\$128,515	\$128,005	99.60%	\$405	3.71%	\$1,916	2.70%
Regional Area Road Fund	\$716,623	\$712,458	99.42%	\$2,248	3.71%	\$17,025	2.70%
Subtotal	\$891,372	\$885,461	99.34%	\$2,793	3.71%	\$20,068	2.70%
Total	\$3,138,584	\$3,111,694	99.14%	\$10,220	3.87%	\$67,425	2.94%

Source: State Treasurer's Office Statement of Accounts.

/1 Pool 2 Other includes HURF, Aviation, Equipment, Highway Postage, and Highway GANS Cash Reserve funds.

/2 SMART: State Match Advantage for Rural Transportation.

/3 Pool 3 Other includes Economic Strength, Magazine, Storage Tank, Special Plates, and Highway Expansion and Extension Loan Program (HELP) funds.

/4 Totals may not add due to rounding.