



Arizona Treasurer's Report

State Treasurer Eileen I. Klein

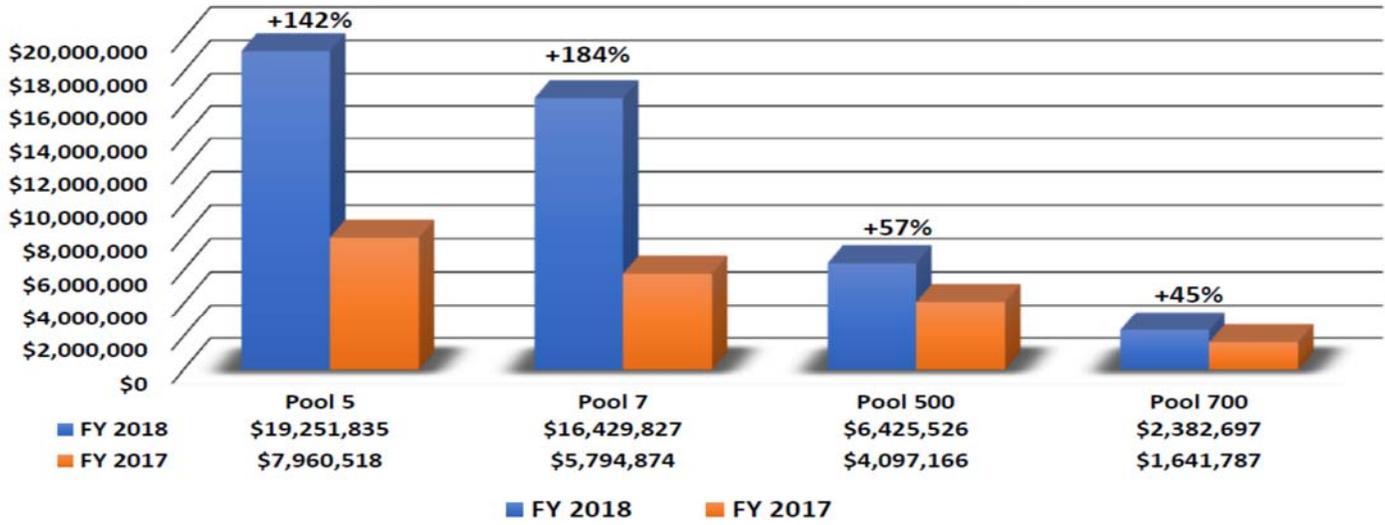
June 2018 Monthly Report

LGIP Edition



The month-end June 30, 2018 also saw the end of the 2018 fiscal year. As the chart below illustrates, all four LGIP Pools saw significant increases in earnings distributions compared to FY 2017.

LGIP Earnings Distributions FY 2018 vs. FY 2017



Pool 5 more than doubled its FY 2017 earnings distributions while earnings in Pool 7 nearly tripled. Learn more about LGIP below.

“The Treasury is proud of its long tradition helping to build strong local communities and our performance this year delivered. The LGIP Pools achieved outstanding earnings while continuing to deliver safety and liquidity to our participants.”

-Arizona Treasurer Klein

LGIP JUNE DISTRIBUTIONS

- Pool 5 \$2,554,925
- Pool 7 \$1,984,022
- Pool 500 \$633,959
- Pool 700 \$213,145

WHAT IS LGIP?

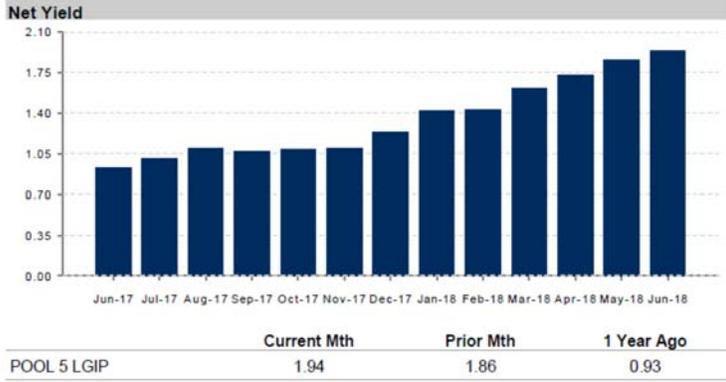
The Office of the State Treasurer Arizona operates four Local Government Investment Pools which are voluntary, fixed-income investment vehicles managed by Treasury staff. More than 150 cities, towns, counties, and other government entities have participated since the first LGIP pool began in 1980.

BENEFITS OF LGIP

- Pooled investments with other participants creating economy of scale
- Significantly lower costs
- Competitive yields
- 100% liquidity

The Arizona Treasurer is responsible for the banking and investment management duties for the state, provides investment services to local governments, and manages the Land Endowment Trust Fund which primarily benefits public schools. Investment policy is set by the State Board of Investment (BOI) which meets monthly to review all Treasury investment activities. Visit aztreasury.gov for complete BOI reports.

JUNE 2018 LGIP PERFORMANCE RESULTS



Pool 5 is a diversified short-term fund similar to a prime money market fund. It invests in government securities, certificates of deposit, commercial paper of companies, and other highly liquid, low-risk securities. As of June 30, 2018, Pool 5 had \$1.356 Billion in assets with a Net Asset Value of \$1.00. The fund continues to maintain the highest rating from S&P (AAA f/S1+).



Pool 7 is a short-term fund that invests only in securities backed by the full faith and credit of the United States Government and therefore has an AAA weighted average rating. As of June 30, 2018, Pool 7 had \$1.362 Billion in assets with a Net Asset Value of \$1.00.



Pool 500 is a medium-term fund investing in similar securities as Pool 5 but with longer maturities and a floating NAV for those participants with a longer-term investment horizon than Pool 5. As of June 30, 2018, Pool 500 had \$342.5 Million in assets and a floating Net Asset Value of \$1.0213. The weighted average rating of all securities is AA-3.



Pool 700 is a full faith and credit, medium-term fund investing in similar securities as Pool 7 but with longer maturities and a floating NAV for those participants with a longer-term investment horizon than Pool 7. As of June 30, 2018, Pool 700 had \$138.2 Million in assets with a floating Net Asset Value of \$0.9949. The weighted average rating for all securities is AAA.