



OFFICE OF THE
ARIZONA STATE TREASURER

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**AZ Treasury's Local Government Investment Pool 5 Maintains Top Rating
with 'AAAf' and 'S1+' ratings for more than 10 years**

PHOENIX, AZ– Today the S&P Global Ratings affirmed an 'AAAf' fund credit quality rating (FCQR) and 'S1+' fund volatility rating (FVR) for the Arizona Local Government Investment Pool (LGIP) Pool 5 managed by the State Treasurer of Arizona. According to S&P Global Ratings, a 'AAAf' rated fund's portfolio exposure is extremely strong, and a 'S1+' rated fund exhibits very low volatility of monthly returns.

"We are immensely proud of our investment team here at the Arizona State Treasury. Our team has maintained the pool's pristine ratings for over a decade and will continue to work hard for Arizona taxpayers," said Arizona Treasurer Kimberly Yee. The Pool received its initial affirmation from the S&P Global Ratings in November 2008.

With \$1.97 billion in deposits and 14.1% increase YoY, the Arizona LGIP Pool 5 is the largest of the four LGIP Pools the Office of the Arizona State Treasurer manages. Each LGIP is a fixed-income investment pool with multiple contributors such as cities, towns, counties and other government entities. The pools provide short-term and medium-term investment services for a wide array of public entities and is generally used for liquid cash equivalent needs for public entities. Combined, the four LGIP pools had \$4.43 billion of deposits with 15.9% increase YoY as of May 31, 2020.

"Safety before Liquidity before Yield has always been our investment motto. Safety is key when we are investing hard-earned taxpayer dollars," said Treasurer Yee. "Local governments in Arizona can have trust and confidence when they invest their tax dollars with our office. That's why we've seen a 15.9% increase in LGIP assets under management in the last year."

The investment objective of Arizona LGIP Pool 5 is to maintain the safety of principal, maintain liquidity to meet cash flow needs and provide competitive investment returns. Arizona LGIP Pool 5 invests in a diversified pool of high-quality fixed-income assets, including top-grade corporate debt, commercial paper, and U.S. government and agency securities. The Treasurer's office pools LGIP investments with other funds to provide greater liquidity and greater yield than possible on their own, and the Treasurer's Office provides this service at a much lower cost than other options.

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