



OFFICE OF THE
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**AZ Treasury's Local Government Investment Pool 5 Maintains Top Rating
with 'AAAf' and 'S1+' Ratings for 13 Years**

PHOENIX, AZ— The S&P Global Ratings recently 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 incredibly proud of our highly-trained investment team here at the Arizona Treasury. Our team has maintained the pool's impeccable ratings for over a decade, and we will continue to work hard for Arizona's local governments and taxpayers," said Arizona Treasurer Kimberly Yee. The Pool received its initial affirmation from the S&P Global Ratings in November 2008.

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. Combined, the four LGIP pools have nearly \$5 billion of deposits. Since Treasurer Yee took Office in 2019, LGIP assets have increased by over 30% as of June 2, 2021.

"Our investment philosophy has always been Safety before Liquidity before Yield. I prioritize protecting Arizonan's hard-earned tax dollars and increasing earnings, so our communities benefit statewide," said Treasurer Yee. "Local governments in Arizona can have the trust and confidence that their monies will be protected when they invest with our Office. That's why we've seen an increase of over 30% in LGIP assets since I have taken Office."

Each LGIP is a fixed-income investment pool with multiple contributors such as cities, towns, counties, and other government entities. With \$1.9 billion in deposits, the Arizona LGIP Pool 5 is the largest of the four LGIP Pools the Office of the Arizona State Treasurer manages.

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. The Treasurer's Office provides this service at a much lower cost than other options.

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