



OFFICE OF THE
ARIZONA STATE TREASURER

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FY 2014 INVESTMENT EARNINGS TOP \$130 MILLION

Endowment Trust Fund Market Value Increases \$719 Million YOY

PHOENIX – As Arizona’s thirteenth month accounting of state funds concludes for fiscal year 2014, the State Treasurer’s Office released the following results for the **\$13.17 billion** in total taxpayer assets under management:

- Despite another year of near zero interest rates, **\$130,283,112** in earnings were distributed to all participants. That breaks down to \$73 million for the Permanent Land Endowment Trust Fund (with \$67.8 million benefiting K-12 public education), \$35 million for State Agencies, \$15.2 million for the General Fund, and \$7.1 million for Local Government Investment Pool participants.
- Arizona’s Permanent Land Endowment Trust fund ended FY 2014 with a market value at an all-time record high of **\$4,868,539,602**, up more than **\$719 million** over FY 2013.
- The unrealized gains in the Endowment also hit an all-time high of **\$1.94 billion** for FY 2014, up **41.7 percent** over FY 2013.
- Arizona’s total available operating cash ended FY 2014 with a balance of **\$2.76 billion** and a monthly average of **\$2.07 billion** for the year, up **15.4 percent** over FY 2013.
- The Budget Stabilization Fund (rainy day fund) ended FY 2014 with a balance of **\$455,333,903**.

“Safety is always the top priority when investing public dollars,” said State Treasurer Doug Ducey. “Lower risk usually translates into lower returns. I’m extremely proud that our team has managed to deliver significant results while continuing to protect those dollars first and foremost. I’m also grateful for the guidance our Board of Investment provides on a monthly basis as we continue to navigate through the daily challenges of always unpredictable markets.”

As noted in the May 2014 issue of *Institutional Investor’s Foundation & Endowment Money Management*, the most notable growth and returns have been realized in the Permanent Land Endowment Trust Fund. Treasurer Ducey’s first investment change after taking office in January 2011 was to increase the Endowment’s asset allocation in the equity market by adding the S&P 600 small-cap portfolio. Aided by a steadily growing stock market that investment has yielded **15.98 percent** to date, helping the Endowment fund grow **50 percent** from a market value of \$3.2 billion in February 2011 to more than **\$4.8 billion** today.

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