



OFFICE OF THE
Arizona State Treasurer



EILEEN I. KLEIN
TREASURER

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CONTACT: Dave Cherry - Press Secretary
davec@aztreasury.gov
(602) 542-7841

**TREASURY ISSUES ANNUAL PROGRESS REPORT ON DISTRIBUTIONS UNDER PROP 123
--MORE THAN \$823 MILLION TO SCHOOLS SINCE BECOMING LAW--**

PHOENIX – Arizona Treasurer Eileen I. Klein announced today that distributions from the Permanent Land Endowment Trust Fund (PLETF) for fiscal year ending June 30, 2018 were \$317 Million bringing the total distributed since Prop 123 became law to \$884 Million. Of that, distributions to public schools were \$823 Million. The period covers FY 2016-2018. [Click here for supporting financial documents.](#)

Passed by voters in May 2016, Prop 123 increased the distribution of PLETF payments from 2.5% to 6.9% a year through fiscal year 2025. The PLETF has 13 beneficiaries; all receive the 6.9% payout rate with the largest distributions going to public schools (approximately 93%).

“It’s encouraging to see The Endowment delivering at a time when schools need resources,” Treasurer Klein said. “We’ve grown the PLETF’s market value; helping schools get even more,” Klein added. As previously reported, the amount to be distributed to schools in FY 2019 will increase by \$26.5 Million due to strong investment performance.

The chart below compares annual fiscal year distributions from the PLETF before and after Prop 123:

- 2015 **\$81 Million** (all beneficiaries) **\$75 Million** (public schools only)
- 2016 **\$277 Million** (all beneficiaries) **\$259 Million** (public schools only)
- 2017 **\$290 Million** (all beneficiaries) **\$269 Million** (public schools only)
- 2018 **\$317 Million** (all beneficiaries) **\$295 Million** (public schools only)

[Click here for Treasury responsibilities and frequently asked questions regarding Prop 123.](#)

“Voters made a tough choice when deciding whether to approve Prop 123, they deserve transparency when it comes to knowing how the ballot measure is performing against their expectations. We’re delivering the payments on time and growing the fund along the way,” Klein said.

BACKGROUND:

After receiving proceeds from Trust Land sales, the Treasury handles all investment management for the PLETF without the added cost of outside advisors. The Treasury is required by law to make monthly distributions to beneficiaries based on a 5-year market value formula and fulfills its duties

under Prop 123 by making monthly payments in a timely manner. The PLETF hit a month-end, all-time market value high in Arizona history on July 31, 2018 of \$6.013 Billion.

About the Arizona Office of the State Treasurer

The State Treasurer is responsible for the banking and investment management duties for the state, provides investment services to local governments, and manages the Land Endowment (PLETF) which primarily benefits public schools. The Treasury has more than \$14 Billion in assets under management and stewards the financial activity of Arizona's \$35 Billion state budget. Eileen I. Klein is the 35th Treasurer of Arizona.