

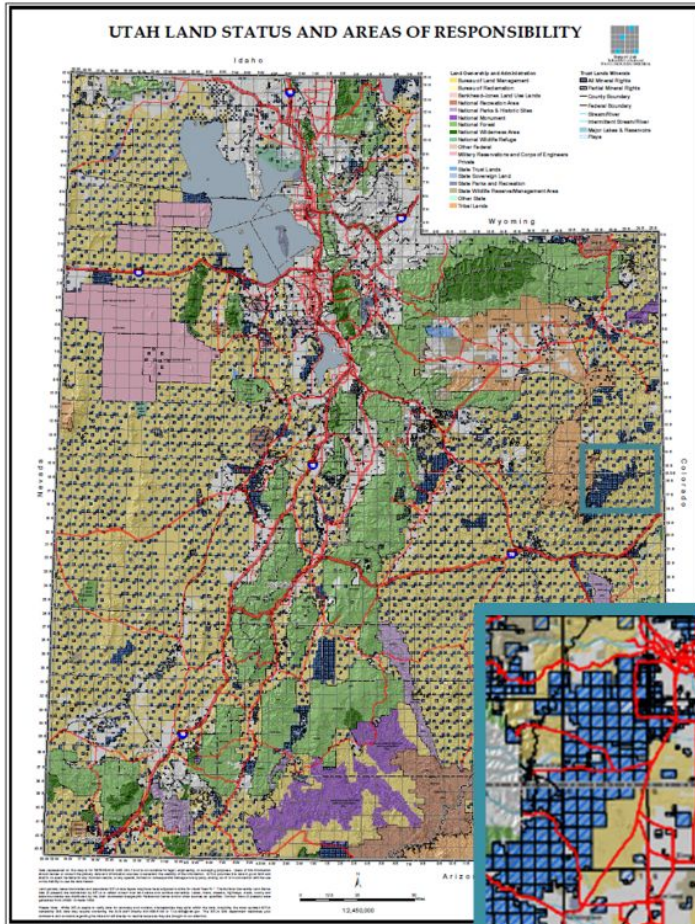
# Board Study Session June 2025

## Utah Trust System

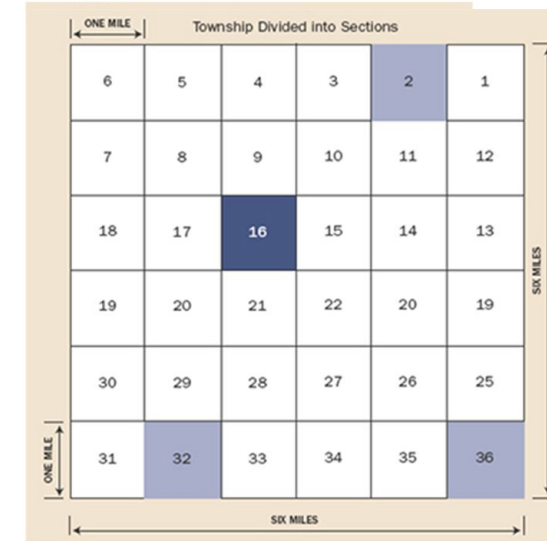
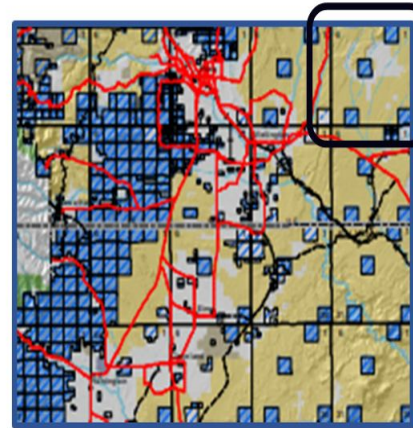
# School LAND Trust

USBE Board Member Orientation

# Land Granted at Statehood



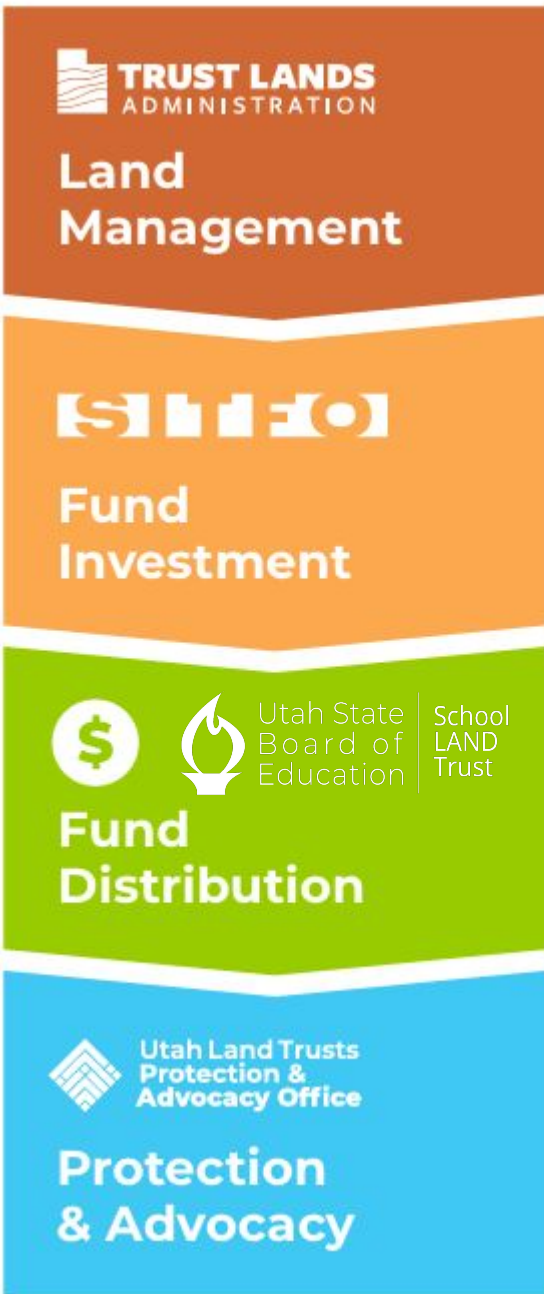
## DESIGNATED TOWNSHIPS



Township = 36 square miles

Section = 1 square mile

Public Schools received 4 sections

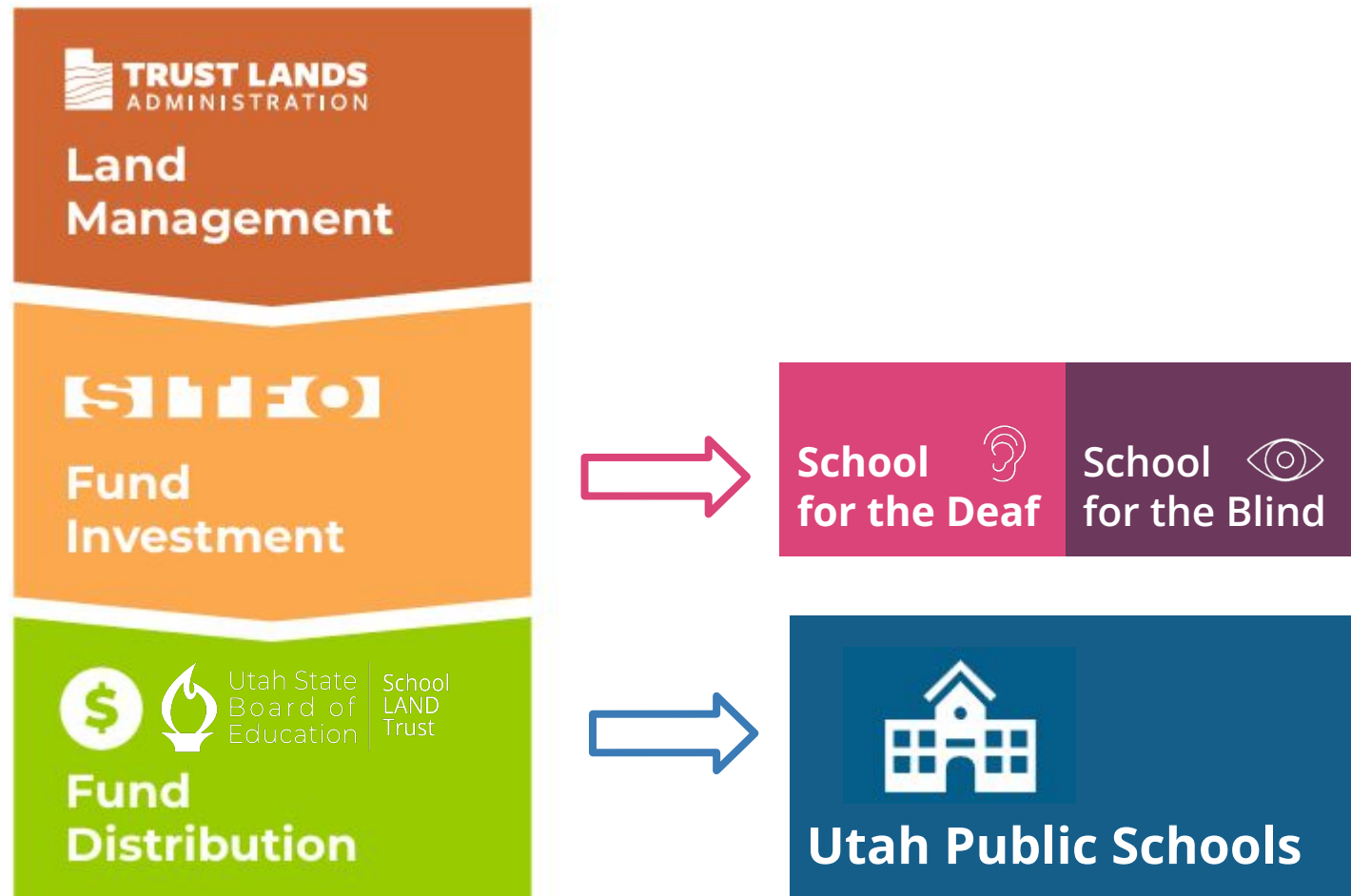


# Utah Trust System

- Self Funded - No Tax Dollars
- Three Public Ed Beneficiaries
  - Public Schools
  - School for the Deaf
  - School for the Blind



# Funding from Trust Lands to Schools



# Dedicated Revenue to School LAND Trust Program



Elected Council at Every Public School  
Principal  
School Employees  
Parents - Majority Vote

**Councils Prepare Academic Plans**

**Local Boards Approve**

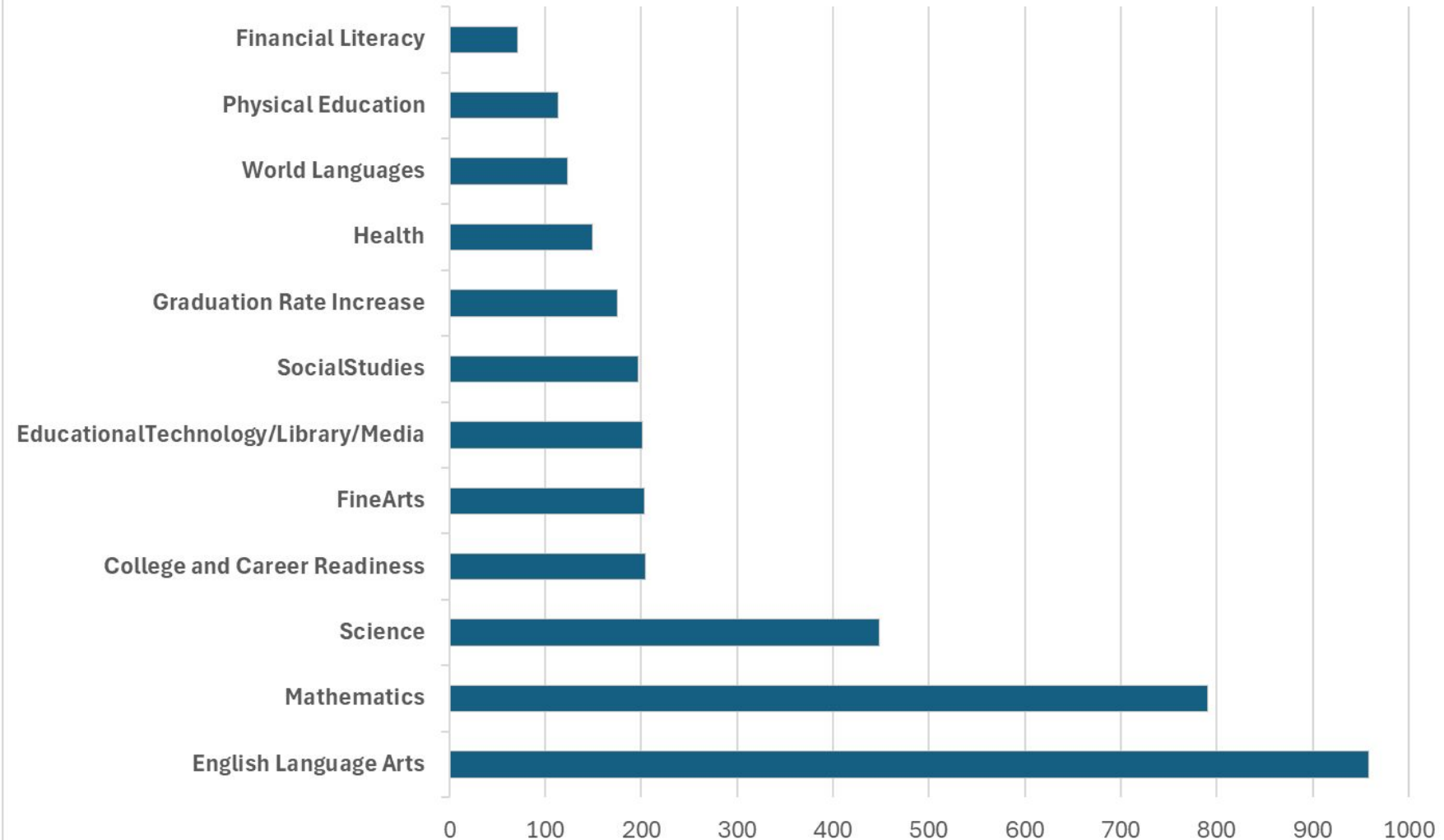
**USBE- Administers, Trains, Compliance**

# Unique Academic Plans



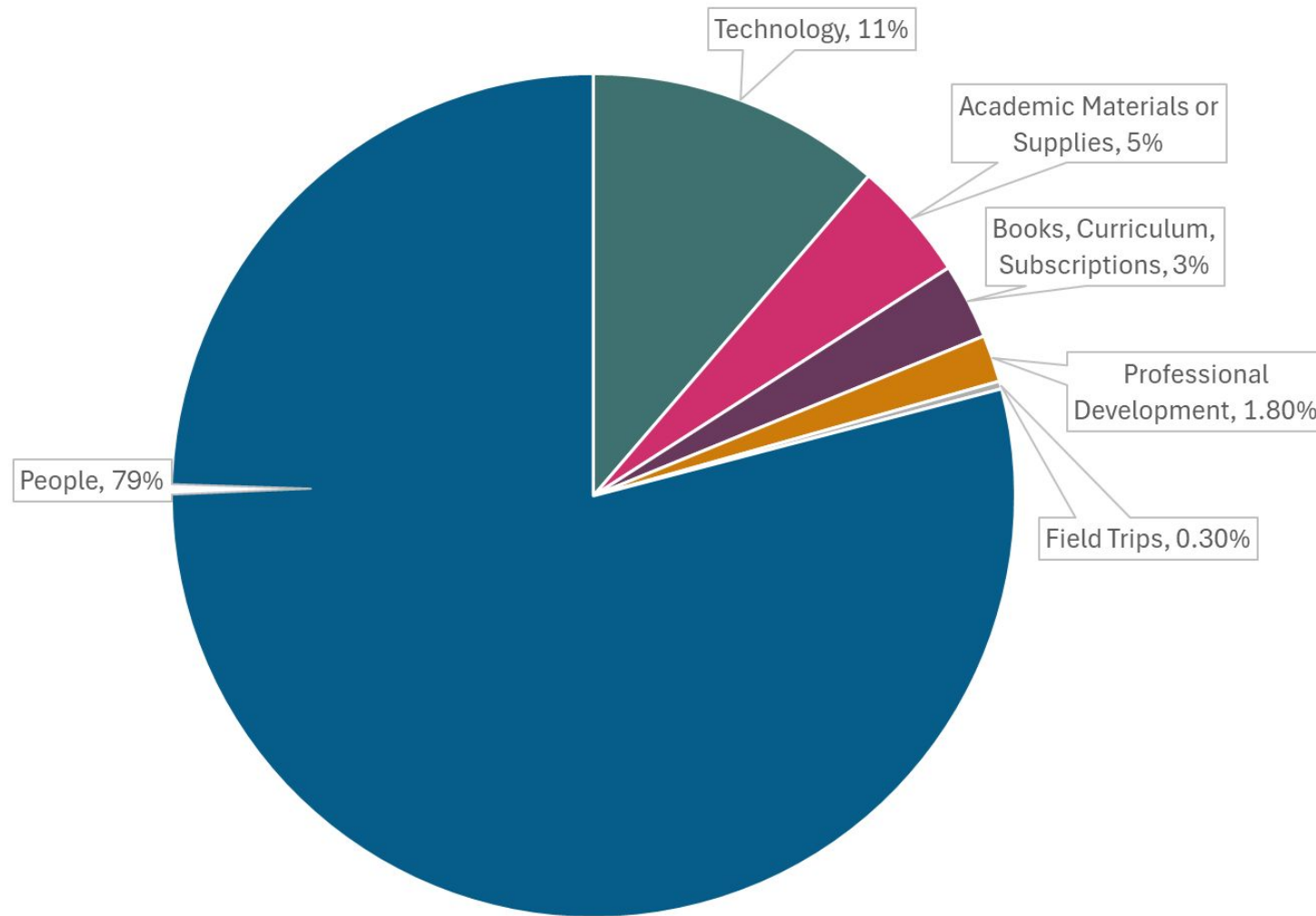
# School LAND Trust Program

Number of Schools Selecting Each Academic Area - 2024 Plans



# School LAND Trust Program

How Schools Spent 2023-2024 Funds - \$101.8 Million





# Distribution to Schools Then and Now

Fiscal Year	Fund Balance	Distribution	Average Per Pupil
2001	\$ 321,974,960.14	\$ 4,950,000.00	\$10
2006	\$ 686,916,667.34	\$ 13,986,147.00	\$25.38
2011	\$ 1,202,588,378.37	\$ 22,609,271.00	\$36.10
2016	\$ 2,078,045,195.08	\$ 45,783,571.00	\$73
2021	\$ 2,949,108,991.79	\$ 88,829,088.17	\$133.21
2026		\$111,314,400.00	<b>\$166.18</b>



# Board Oversight and Involvement with the Trust and Program



Be Informed



Receive Recommendations



Set Policy for Success



## Be Informed

- Annual Trust System Report
- Quarterly Reports to Finance Committee
- Relay Constituent Concerns



## Receive Recommendations

- Trust Lands Advisory Committee
  - Appointed by the Board - February
  - Trust System, Program, Councils



## Set Policy for Success

- Two Board Rules
- Legislative Recommendations

# Opportunities

- Board Direction to TLAC
  - **Review Code & Rule for Clarity and Simplification**
  - Possible Code and Rule Changes
- Advocacy Working Group Recommendations
  - **Increased USBE Board Involvement in Trust System**
  - Possible Code Change



Utah State  
Board of  
Education

School  
LAND  
Trust

Paula Plant, Director

[paula.plant@schools.utah.gov](mailto:paula.plant@schools.utah.gov)

801-538-7555

801-201-6681

# School & Institutional Trust Lands Administration's Role in Trust System

Utah State Board of Education

Michelle McConkie • Executive Director

Stephanie Barber-Renteria • Managing Director, Energy & Minerals



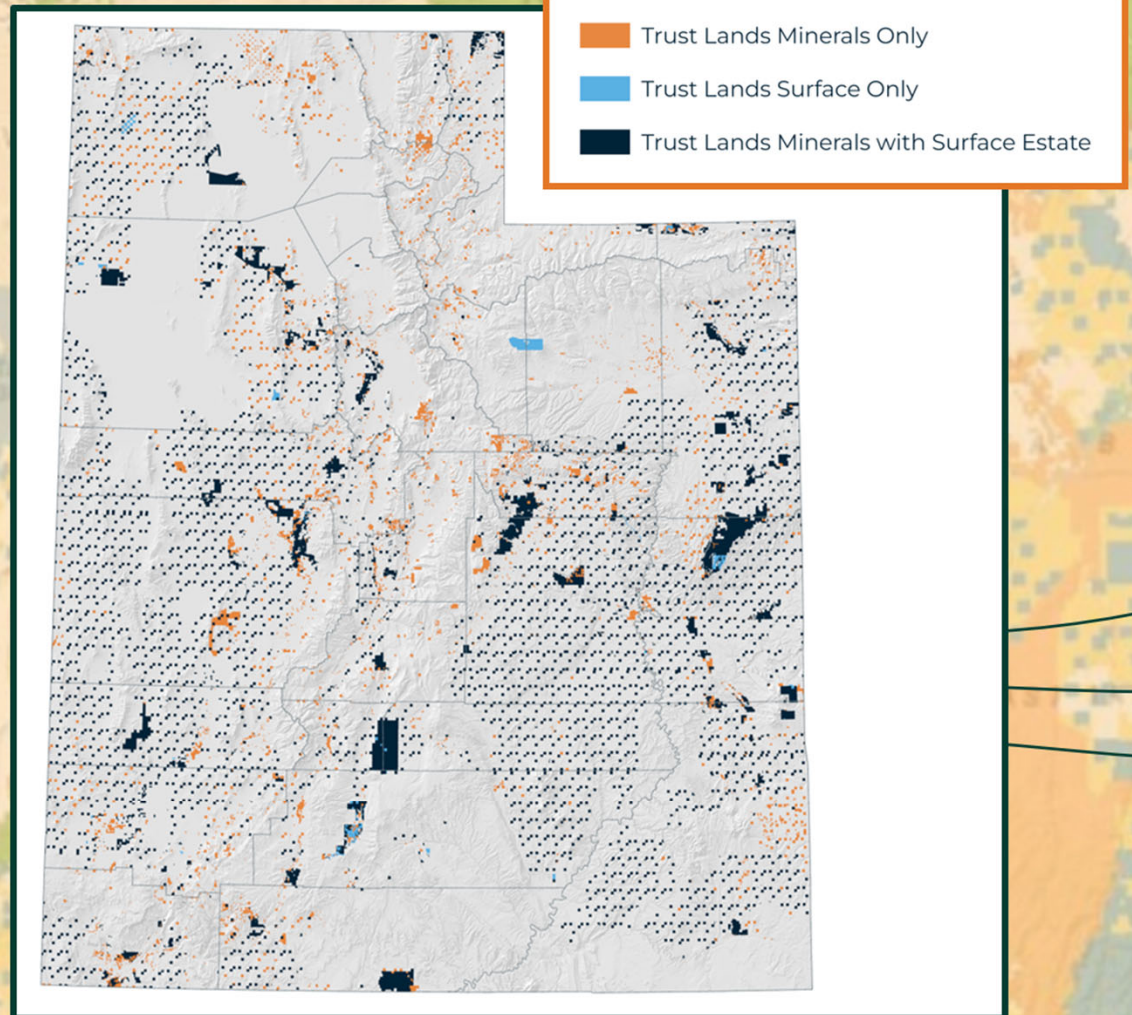
**7 MILLION  
ACRES**

Granted at  
statehood

**Currently:  
3.3 million  
surface**

**&**

**4.5 million  
mineral**







**Michelle E. McConkie**  
Executive Director



**Chris Fausett**  
Surface Resources  
Managing Director



**Stephanie  
Barber-Renteria**  
Energy & Minerals  
Managing Director



**Kyle Pasley**  
Real Estate  
Development  
Managing Director



**Mike Johnson**  
Chief Legal Counsel



**Marla Kennedy**  
Director of  
Communications  
& Governmental Affairs



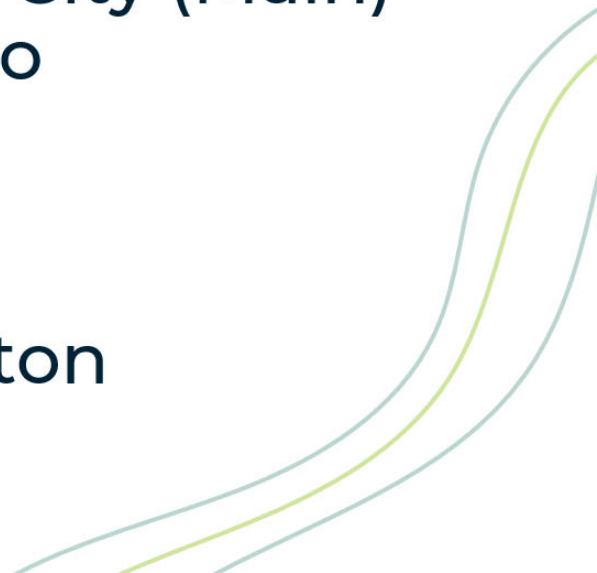


# Trust Lands Team

**78 Employees**

## **Six Offices:**

Salt Lake City (Main)  
Monticello  
Price  
Richfield  
Vernal  
Washington



A historical map of the Great Lakes region, showing various tribes like the Saukees, Ojibwas, and Mascoutas, and geographical features like Lake Michigan and Lake Ontario. The map is overlaid with a semi-transparent dark green layer containing text. Three yellow curved lines are drawn across the top left portion of the map.

# HOW WE OPERATE

Our agency consists of **three Business Groups** that lease, sell, and maintain the trust lands we manage, and **several Operations Groups** that provide vital support to all business transactions.

The goal of all agency groups is **to maximize return to current and future beneficiaries.**



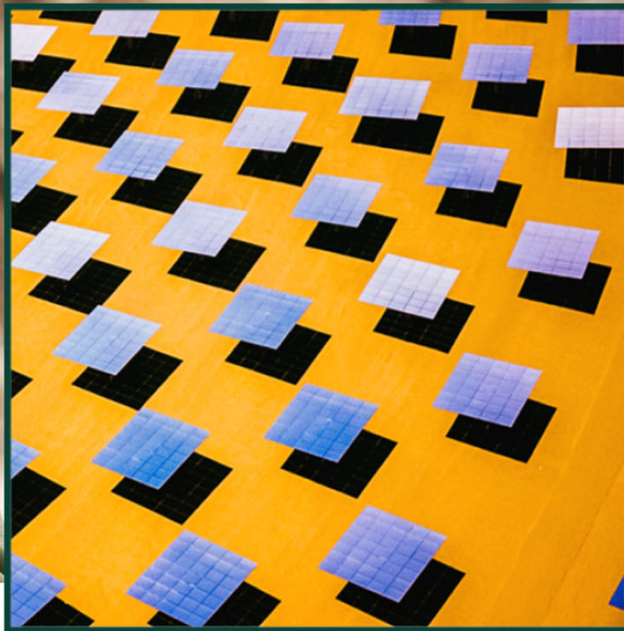
The background of the slide is a photograph of the interior of Antelope Canyon, showing smooth, undulating sandstone walls in shades of orange, red, and purple, illuminated by soft, directional light.

# **REVENUE GROUPS**

**ENERGY & MINERALS**

**REAL ESTATE PLANNING & DEVELOPMENT**

**SURFACE RESOURCE USES**



# ENERGY & MINERALS TEAM

oil and gas, helium, coal, metalliferous minerals, potash and mineral salts, lithium, limestone, clay, volcanic materials, bitumen, gilsonite, phosphate, gemstone and fossils, building stone, geothermal resources, wind, solar and energy storage leases





# Real Estate Planning & Development

Created in 1996 to pursue real estate development opportunities. Focus on:

- Land Use Master Planning and Zoning
- Capital investment in backbone infrastructure
- Complex real estate transaction structures
- Long-term involvement in major projects



# Surface Resources

---

- **Easements**
- **Special Use Leases**
- **Forestry & Timber Sales**
- **Rights of Entry**
- **Livestock Grazing**
- **Land Sales**



**TOTAL**  
**\$129.7**  
**MILLION**  
**FY 2024**  
**Revenue**

REAL ESTATE &  
DEVELOPMENT

**\$54.27 M**

SURFACE  
RESOURCES


**\$17.49 M**

ENERGY &  
MINERALS

**\$57.96 M**



# Land Characterization & Strategic Mineral Mapping

**TRUST LANDS**  
ADMINISTRATION

Mineral Portal

Home Page

Legend

Infrastructure Group Layer

Transmission Lines

Geoscience Group Layer

Minerals Group Layer

UGS Mining Districts

Oil & Gas Group Layer

UGS Oil & Gas Fields

Oil

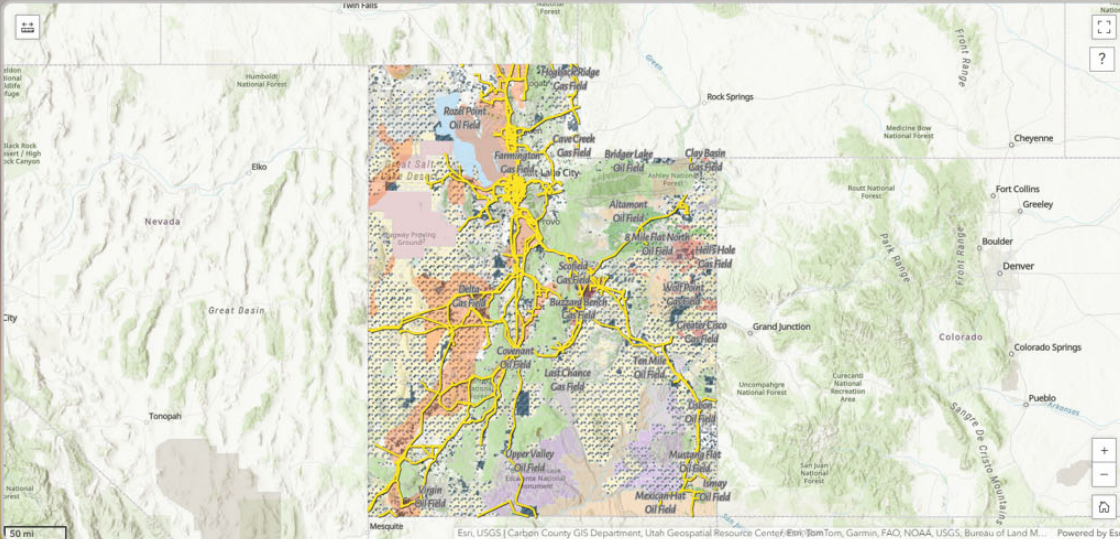
Gas

CO2

Renewable Energy Group Layer

Geothermal Energy Zone

Utah Potential Geothermal Resource Areas



50 mi

Esri, USGS | Carbon County GIS Department, Utah Geospatial Resource Center, Esri, TomTom, Garmin, FAO, NOAA, USGS, Bureau of Land M... Powered by Esri

Search

☐ June Mineral Offering

☒ Infrastructure Group Layer

☐ Surface Lease Management

☒ Energy & Minerals Lease Management

☒ Geoscience Group Layer

☐ Internal Energy & Minerals Evaluations

☐ BLM Agreements & Leasing Group Layer

☐ Lease Stipulations Group Layer

☐ Administrative Block

☐ Ownership Active Leases

☐ PLSS/Counties

☒ Mineral Ownership

☒ Surface Ownership

NI 43-101 Reports

Search

Abbott and others (2011) Independent technical report on the mining operations at the Comstock-Mountain Lion Deposit, Iron Mountain District, Iron County, Utah

View File in OCMS

Ainsworth (2005) Summary report for Glen Hawk Minerals Ltd, San Rafael Project (Down Yonder uranium deposit), Emery County, Utah

View File in OCMS

Allen (2009) Report on the potash potential of the Green River Potash Project area, Grand County, Utah

View File in OCMS

Internal Energy & Minerals Evaluations

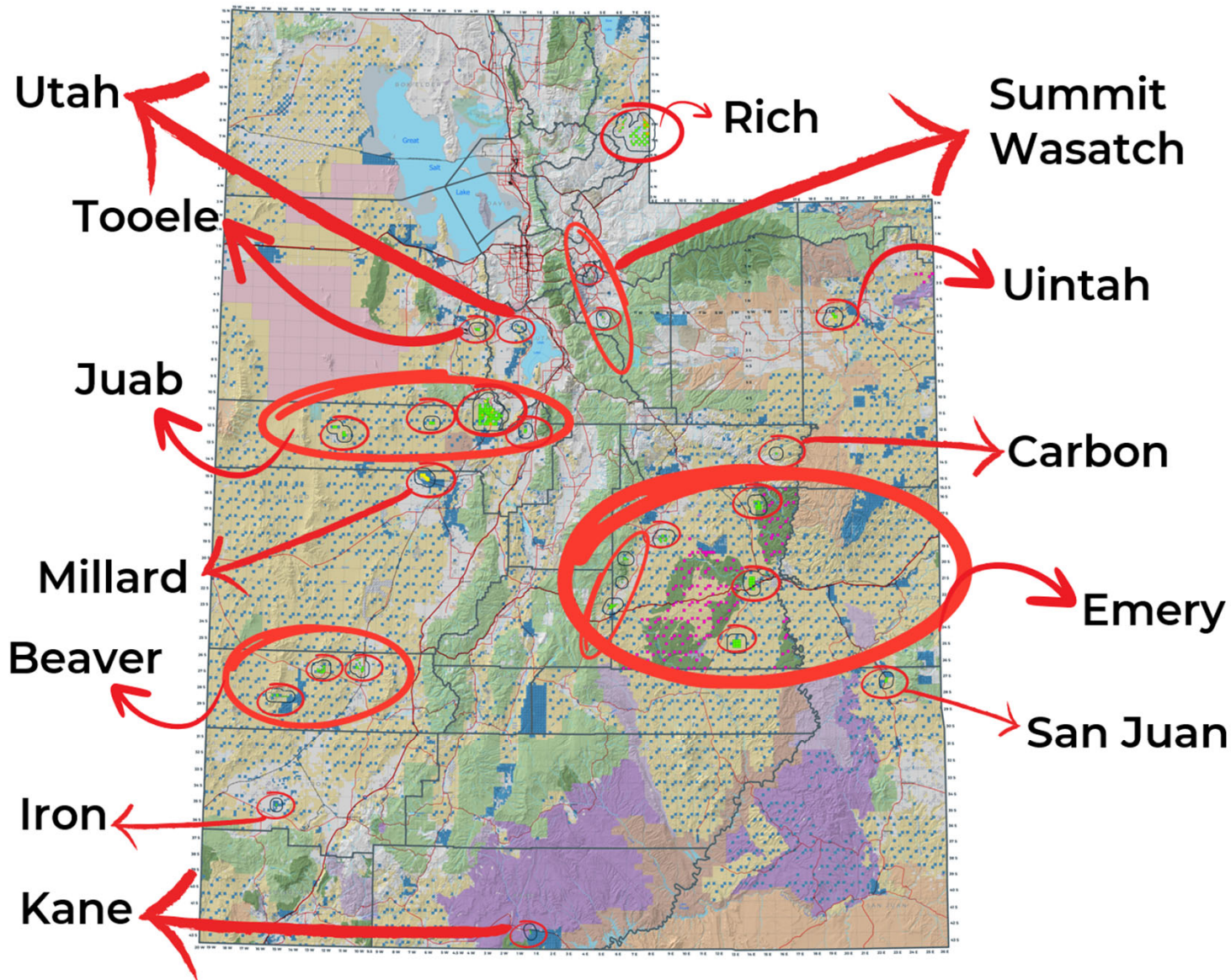
1 of 11753

Comment	TRACT IS LOCATED ALONG THE WHITE HOUSE SIDING OF THE D&RGW RR LINE. ACCESS IS VIA I-70 WHICH CROSSES E-W THROUGH THE CENTER OF THE TRACT. BEDROCK CONSISTS OF THE UPPER (BLUE GATE) SH. MBR. OF THE MANCOS SH. (GROUP). SURFICIAL UNITS CONSIST OF ALLUVIAL PEDIMENT IN THE SE 1/4 WITH SPARSE STREAM-CHANNEL DEPOSITS IN THE S1/4.
Evaluation Date	12/21/2001
Ownership	Surface & Minerals
County	Grand
Description	Potential

UGS Reports: Blackett and Boden (2009) Reconnaissance of aggregate resource potential of Pintura area SITLA tracts, Washington County, Utah

1 of 121

Commodity	(Aggregate, Sand & Gravel)
Title/Description	Reconnaissance of aggregate resource potential of Pintura area SITLA tracts, Washington County, Utah - Prepared for the Utah School and Institutional Trust Lands Administration
County	(Washington)
Block	Pintura Block
UGS Report	Blackett and Boden (2009) Reconnaissance of aggregate resource potential of Pintura area SITLA



John D. Dingell, Jr.  
Conservation, Management  
and Recreation Act

- Started by local leaders and officials
- Bi-partisan support, 5 years to complete
- Traded wilderness areas for economic development opportunities

### 15 COUNTIES

Beaver	San Juan
Carbon	Sevier
Emery	Summit
Iron	Tooele
Juab	Uintah
Kane	Utah
Millard	Wasatch
Rich	





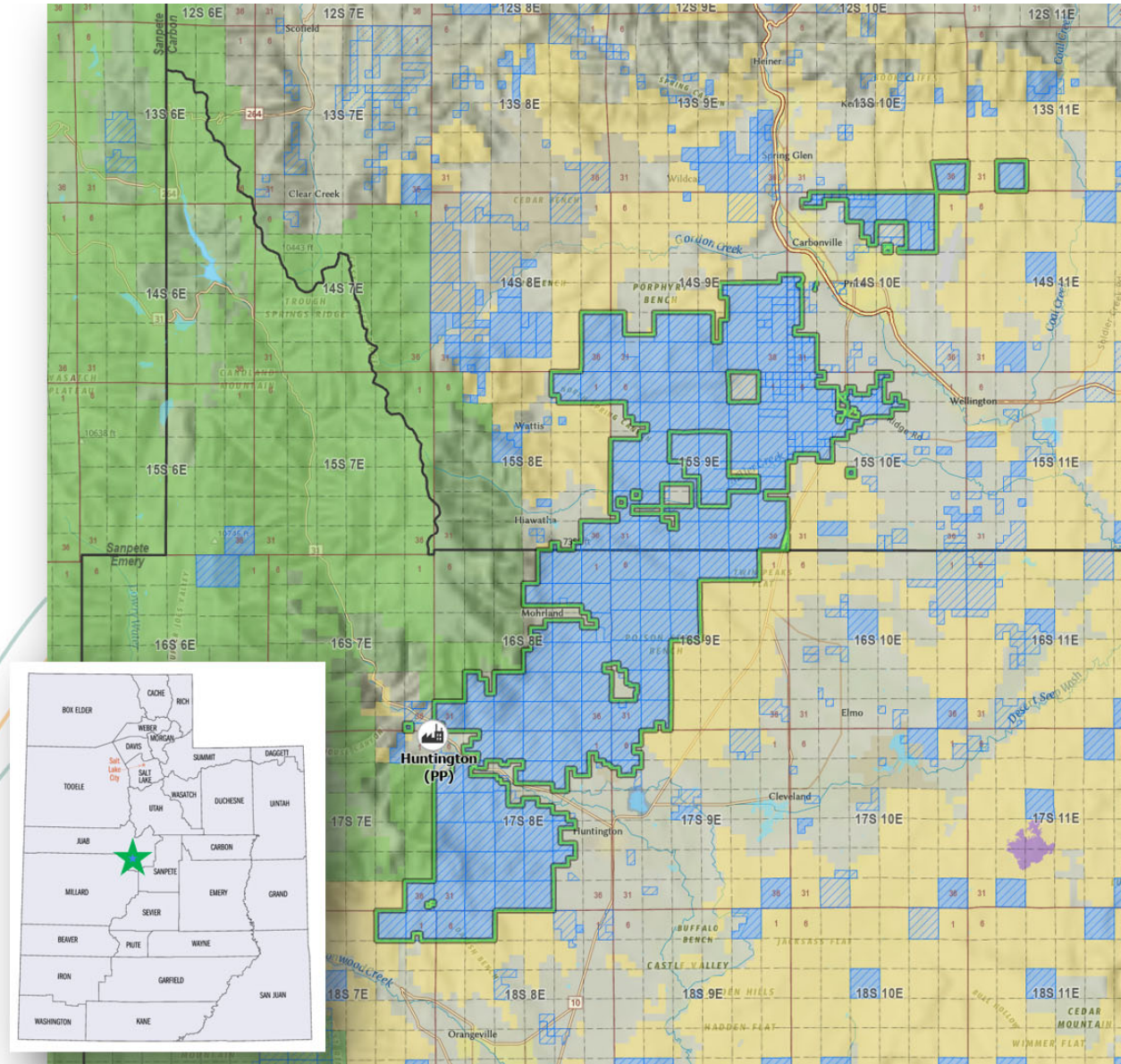
Interest in geothermal exploration and development projects in Utah is rapidly growing.

- 35 Total Geothermal Agreements
- 58,000 Total Acres
- Notable Geothermal Projects on Trust Lands include the **FORGE Project** and **Fervo Cape Station**

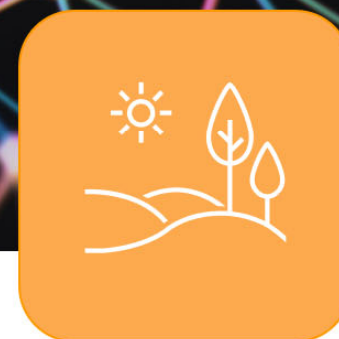
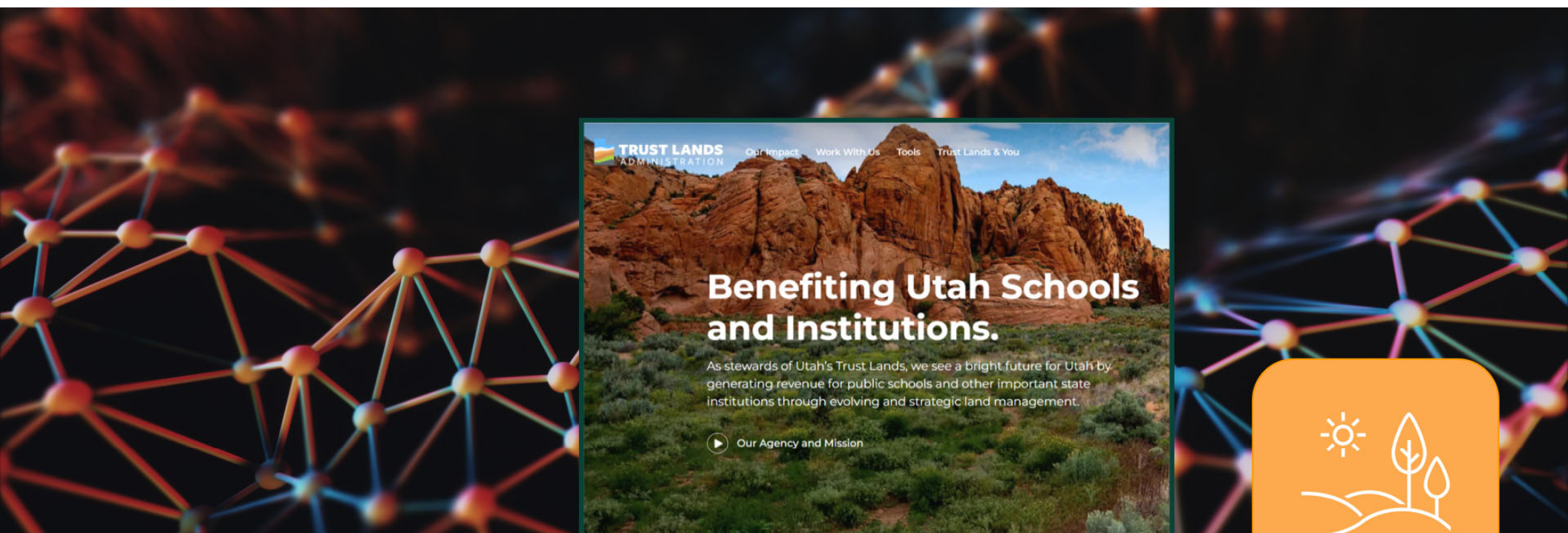
**GEOHERMAL**  
**ENERGY**

# Carbon (CO<sub>2</sub>) Sequestration

- Drunkards Wash area, Carbon and Emery Counties
- Agreement with Urban Oil and Gas Group, LLC
- Operator of oil and gas unit
- Effective January 1, 2025
- Covering over 83,000 acres of trust lands
- Favorable geology in the Jurassic Navajo Sandstone
- TLA received bonus payment
- Royalties to be paid for injected CO<sub>2</sub>







# **TLA** **WEBSITE** Information

- Go to [trustlands.utah.gov](https://trustlands.utah.gov)
- Find links to TLA News & Social Media
- Helpful tools like Maps & Lease Records



# Thank you

ANY QUESTIONS?



**TRUST LANDS**  
ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS







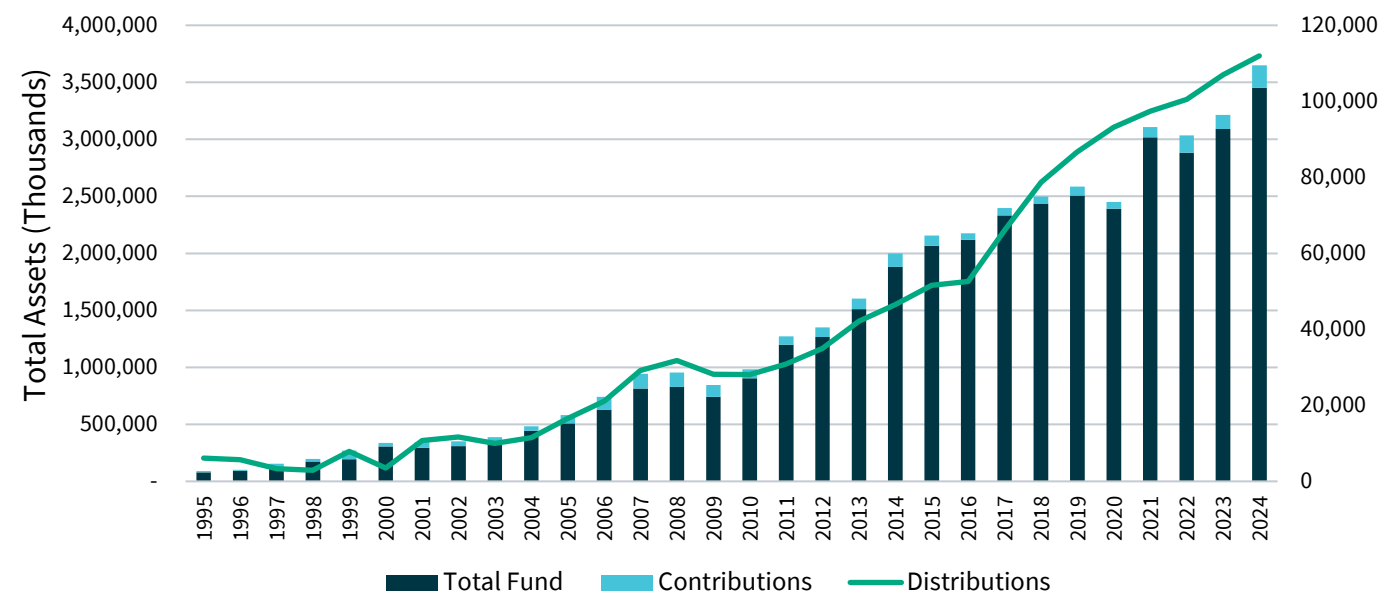
# Annual Report

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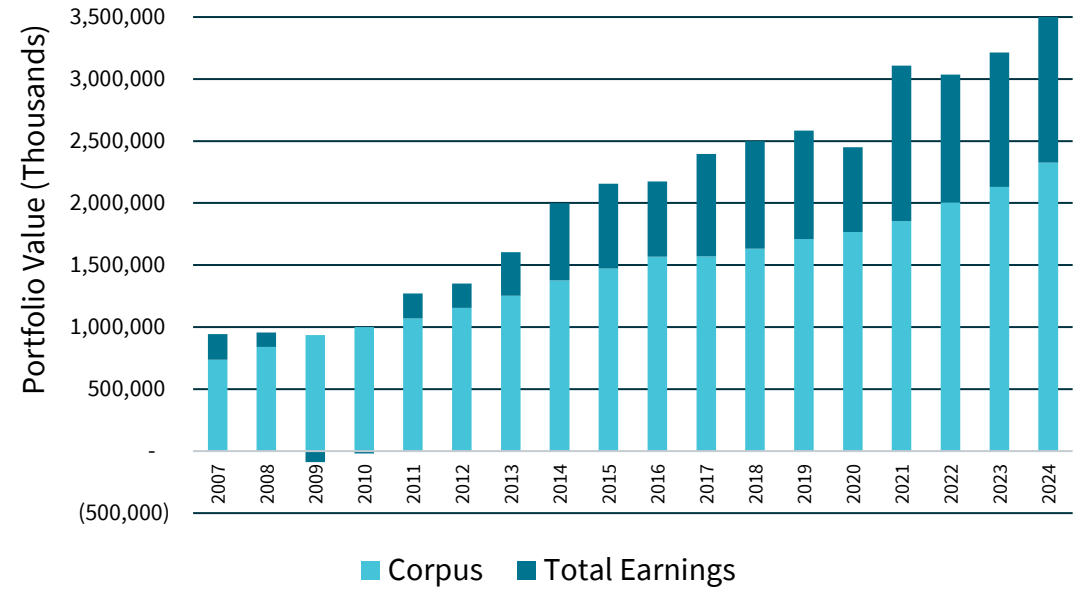
Utah State Board of Education

- To responsibly maximize the return on the invested principal of the School and Institutional Trusts for the current and future benefit of Utah’s education programs.

Fund Value, Contributions, and Distributions (FY)



Corpus & Earnings (FY)



## INVESTMENT BELIEFS

This document contains our guiding principles, which inform our decision-making and governance. While not a policy or procedural manual, it gives an overview of who we are, what our mission is, and how we aim to achieve it.

[Download PDF](#)

## INVESTMENT POLICY

This policy outlines the governing framework within which SITFO operates. It was created in conjunction with the SITFO Board to assist in effectively supervising, monitoring and evaluating the investment of assets.

[Download PDF](#)

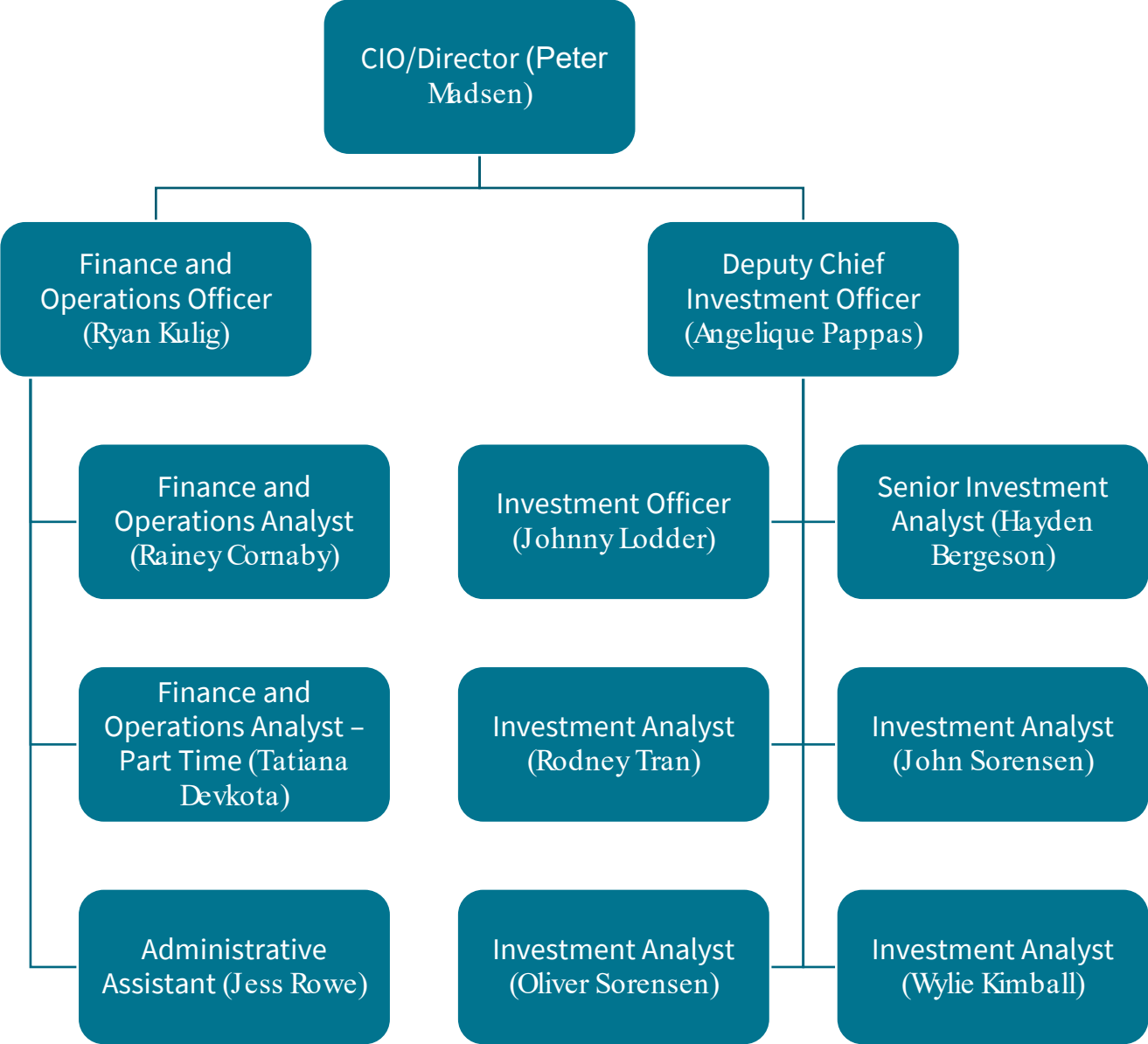
## FY 2023 ANNUAL REPORT

The annual report is intended to provide a review of the previous fiscal year as well as a look into the ongoing projects and goals of the agency.

[Download PDF](#)

- Marlo Oaks – Chair, Board of Trustees
  - Treasurer Oaks has had a 25-year career in investment banking and investment management. He oversaw institutional portfolios at Farmers Insurance Group (\$24 billion) and Intermountain Healthcare (\$7.5 billion). Treasurer Oaks holds the CFA and CAIA credentials.
- Bong Choi – Vice Chair, Board of Trustees
  - Bong previously served as CIO of FJ Management. He has over 25 years of experience in investment management across all asset classes. Bong earned his MBA from Harvard Business School and his BA from Yale University. He is a CFA and CAIA charterholder.
- David R. Nixon – Board of Trustees
  - David worked at Coopers & Lybrand and as Assistant Treasurer and Director of Global Investments at EDS, responsible for assets totaling \$15 billion. David has an accounting MBA. His extensive international experience includes work in both developed and emerging markets and living in Colombia, Belgium, and England.
- David F. Zucker – Board of Trustees
  - David is Managing Partner of Lead Lap Enterprises. He has 30 years of experience as an executive in across multiple sectors and prominent companies such as Disney and ESPN. David also serves as board chair for a leading healthcare organization with a \$4 billion foundation.
- Mark Siddoway – Board of Trustees
  - Mark is President of Cynosure Advisors, where he manages advisory team and investment process for \$1.5 billion of client assets. He was previously the Head of Client Relations of Grandeur Peak Global Advisors, a Portfolio Manager and Asset Allocator in the Lehigh University Investment Office, and Deputy Chief Investment Officer at Utah Retirement Systems. He has an MBA from BYU and holds the CFA and CAIA credentials.



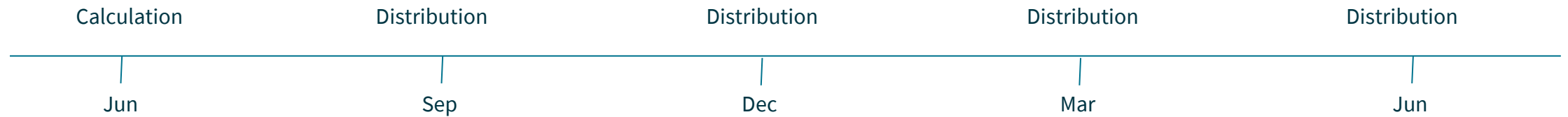


- Investment & Risk Consultants – RVK, FOS, Other Strategic Partners
  - RVK and Albourne were hired in 2020 to assist with all aspects of SITFO's activities. RVK is a generalist consultant providing support and services in areas ranging from governance, asset allocation, and manager research. Albourne is a specialist consultant providing support in areas such as strategy research and manager selection in alternative asset classes. Northern Trust Front Office Solutions (FOS) provides SITFO with performance, portfolio planning, CRM and other features through a cloud-based software platform.
- Independent Research and Data – Bloomberg, eVestment, BCA, Top Down, NDR, Burgiss, Albourne
  - These partners and advisors facilitate the provision of raw data as well as its objective interpretation.
- Fund Managers – Strategy Specific Investment Advisory Relationships
  - The buying and selling of individual securities is carried out by best in class, specialized, investment managers. These investment managers are highly scrutinized before and after selection.
- Custodian Bank – Northern Trust
  - Northern Trust is one of the largest global custodian banks . They were hired in 2016 to institutionalize custody of assets and to provide an independent accounting of the trusts.
- Risk Management – VENN, Bloomberg, and internal tools
  - SITFO avails itself of software services such as VENN, and Bloomberg to provide quantitative risk management analysis. In addition, SITFO utilizes its independent consultants' tools and staff to provide performance analysis and contribute to risk reporting.

## Distribution Policy



- FY25 distribution for School Trust based on policy
  - 50% (1 + CPI + Enrollment Growth) x Previous Year Distribution
  - 50% (4% x 20Q average)
  - Subject to a cap of 4% against 20Q average
  - Constitutional Amendment (4% to 5%) takes effect next formula calculation in FY 26
- Total School Fund distribution in FY25 \$111, 314,465.73
  - To fund the FY 26 school year



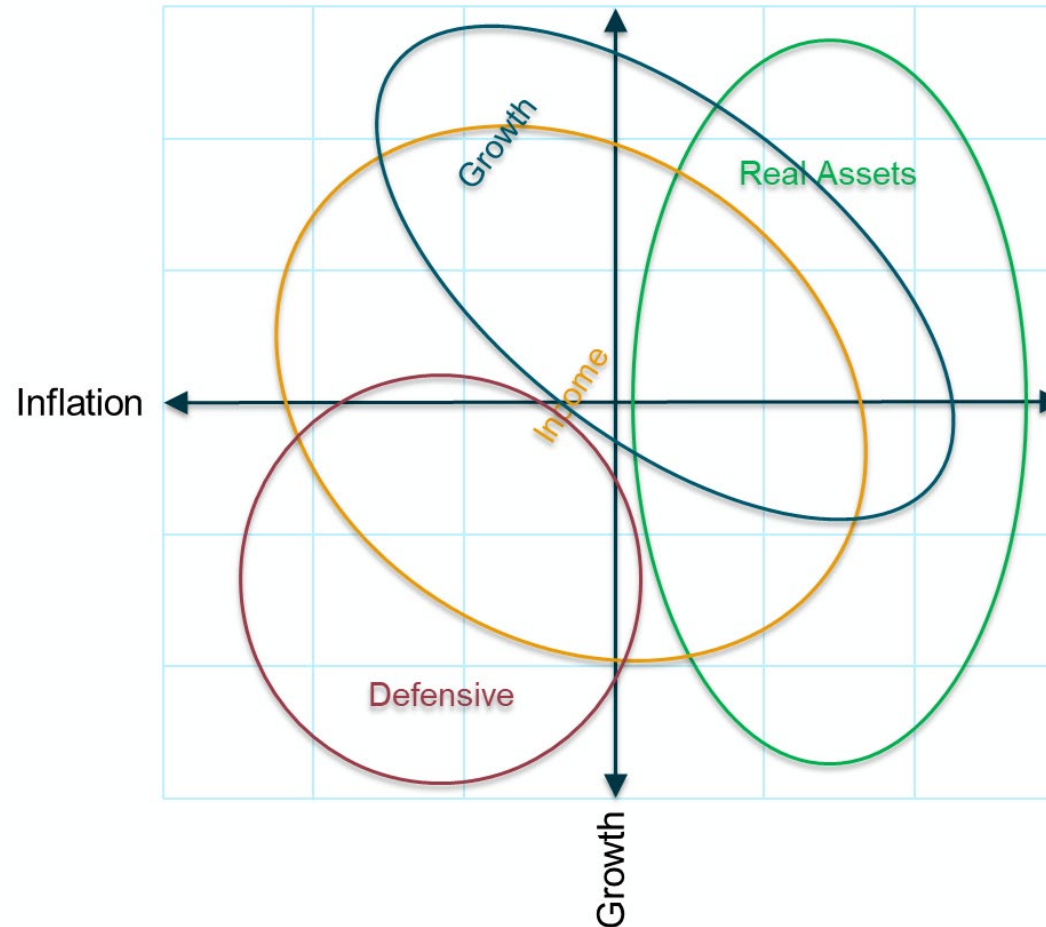
## **SITFO is a prudent investor with a long-term horizon**

- Investment objective: CPI +5%
  - 10-year inflation estimate at ~2.5% (long term average ~3%) = 7.5% - 8% target return
  - SITFO's focus is on achieving the target return with the least risk necessary to best protect the distribution
- Risk objective:
  - SITFO considers the volatility and drawdown of a 70% equity and 30% bond portfolio as risk limits when determining asset allocation. This is not a benchmark for performance, it is a proxy for used for measuring and communicating risk.
  - Given the above, SITFO estimates annualized volatility of as much as ~12% and a drawdown of -28% for expected risk limits
  - There is a minimum of 15% required to be held in daily liquid assets

## Investment Process – Asset Allocation



- Framing the portfolio to diversify across fundamental, long-term factors
- Simplify thinking for clarity and communication



- Return Hurdle by Category
  - Growth:  $\text{CPI} + 6.0\%$ 
    - Expected to provide the strongest positive returns during periods of sustained economic growth, as well as presenting the highest expected risk (e.g., stocks, private equity)
  - Real Assets:  $\text{CPI} + 5.5\%$ 
    - Inflation oriented and typically backed by hard assets (e.g., real estate, infrastructure, commodities, etc.). Real assets may present characteristics of income and growth, and thus have a moderate risk profile (e.g., commercial real estate, natural resources)
  - Income:  $\text{CPI} + 4.5\%$ 
    - Income is expected to generate positive returns during a range of economic growth scenarios via an income stream. Although this category is not expected to contribute as much risk as growth, it is still considered a risk-taking investment (e.g., corporate bonds, asset backed securities)
  - Defensive:  $\text{CPI} + 2.5\%$ 
    - The investments in this grouping are intended to do well in negative economic scenarios or periods of market stress (e.g., cash, government bonds, hedging strategies). We do not categorize corporate bonds, or other assets that rely on economic growth, as defensive





Level	AssetClass	Min	Target %	Max	Benchmark
2	Growth	40%	45%	50%	Composite of Public & Private, Pro-Rata
3	Public Equity	19%	25%	30%	MSCIACWIIMI
3	Private Equity	15%	20%	26%	Hamilton Lane Private Equity Composite
2	RealAssets	10%	15%	20%	Composite of Public & Private, Pro-Rata
3	Public RealAssets	0%	5%	8%	S&PRealAssetsEquity Index
3	Private RealAssets	7%	10%	15%	Hamilton Lane Private RealAssetsComposite
2	Income	25%	30%	35%	Composite of Public & Private, Pro-Rata
3	Public Income	15%	20%	23%	U.S. High Yield 1-3 YearsIndex
3	Private Income	7%	10%	15%	Hamilton Lane Private Credit Composite
2	Defensive	5%	10%	15%	Composite, Pro-Rata
3	Duration	0%	3%	6%	Bloomberg 20-30 YearSTRIP
3	Convexity	3%	7%	11%	HFRIMacro Index
3	Cash	0%	0%	3%	3 Mo U.S. T-Bill
1	Total Portfolio		100%		

# Performance and Risk

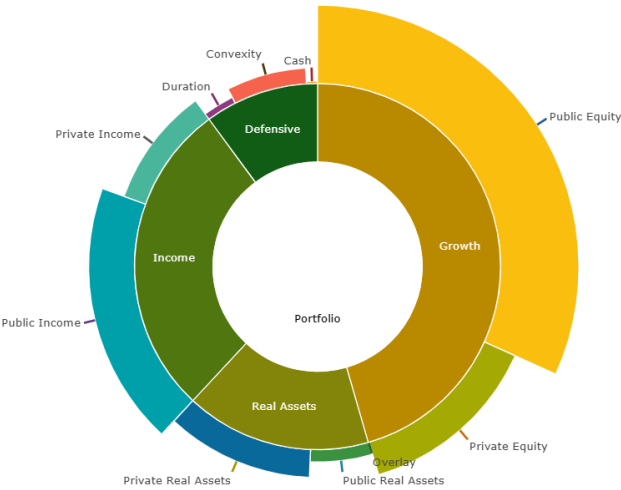


## All Portfolios IP State of Utah School & Institutional Trust Funds Total Fund

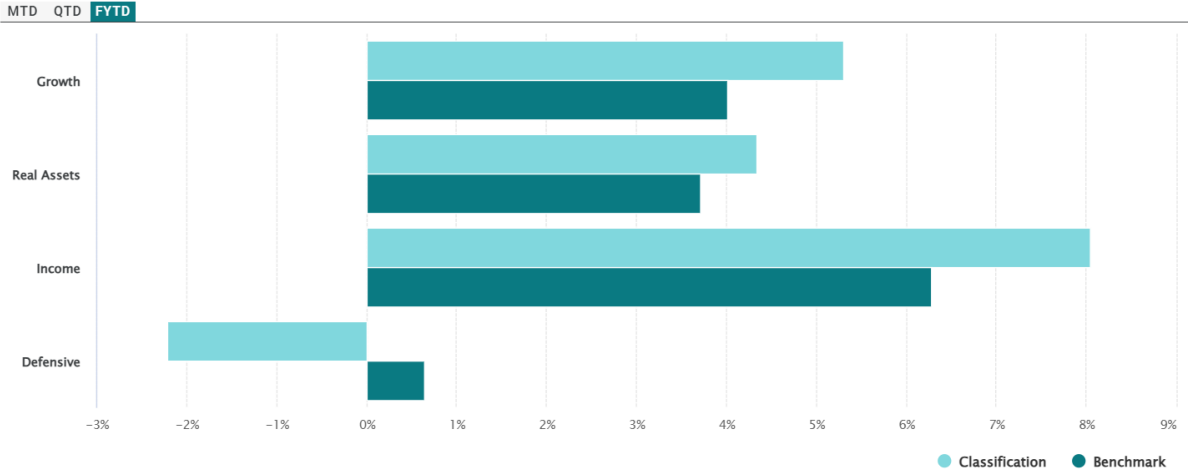
18 Portfolios

Group	Portfolio	Nav	Return %	Net Income	Last Final Mo...
Default	State of Utah School & Instituti...	3,851,995,179.28	0.35	13,287,714.43	Feb 2025
Participan...	School Fund Total Fund	3,548,861,348.38	0.00	0.00	Feb 2025
Participan...	Miners Hospital Total Fund	109,618,771.00	0.00	0.00	Feb 2025
Participan...	School of Mines Total Fund	29,419,063.68	0.00	0.00	Feb 2025
Participan...	Utah State University Total Fund	28,392,671.73	0.00	0.00	Feb 2025
Participan...	Reservoirs Fund Total Fund	27,077,246.17	0.00	0.00	Feb 2025
Participan...	Institute for the Blind Total Fund	26,294,935.85	0.00	0.00	Feb 2025
Participan...	University of Utah Total Fund	15,293,574.27	0.00	0.00	Feb 2025
Participan...	Industrial School Total Fund	11,241,983.21	0.00	0.00	Feb 2025
Participan...	Utah State Hospital Total Fund	11,148,175.41	0.00	0.00	Feb 2025
Participan...	Normal School Total Fund	9,889,608.93	0.00	0.00	Feb 2025
Participan...	Deaf School Fund Total Fund	5,414,246.71	0.00	0.00	Feb 2025

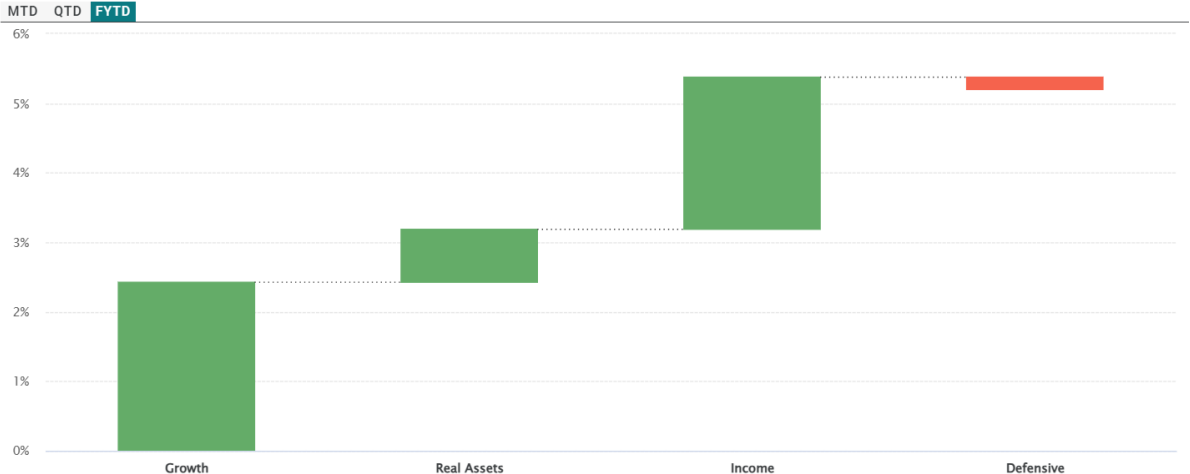
## Exposure Analysis IP State of Utah School & Institutional Trust Funds Total Fund



## Performance IP State of Utah School & Institutional Trust Funds Total Fund



## Contribution IP State of Utah School & Institutional Trust Funds Total Fund



*Semiliquid and illiquid investments are excluded/reported with a lag of up to two quarters.*

# Portfolio & Performance – Estimated as of April 30, 2025



Investments	Positions Information		Rates of Return						
Asset Diagram - Level 2 Overlay > Asset Diagram	Ending Value	End Weight %	MTD	QTD	FYTD	CYTD	1 Year	3 Year	5 Year
▼ Total	3,851,995,179.28	100.00	0.35	0.35	5.20	1.12	8.02	5.74	9.05
Total Portfolio Benchmark - Lagged					4.17	0.60	6.80	5.43	8.79
▼ Growth 106	1,751,217,013.55	45.46	0.76	0.76	5.30	0.70	9.44	7.32	13.56
Growth Benchmark - Lagged					4.02	-0.75	8.85	8.01	13.35
> Public Equity 17	1,222,861,778.08	31.75	0.61	0.61	5.63	-0.12	10.38	9.78	14.10
> Private Equity 89	528,355,235.47	13.72	1.12	1.12	3.31	2.70	5.25	-0.38	9.99
▼ Real Assets 56	631,317,343.29	16.39	-1.05	-1.05	4.32	0.99	6.69	4.30	9.34
Real Assets Benchmark - Lagged					3.72	2.47	4.38	0.78	6.50
> Public Real Assets 5	195,450,154.01	5.07	-2.86	-2.86	7.88	1.11	10.96	4.86	12.22
> Private Real Assets 51	435,867,189.28	11.32	-0.23	-0.23	1.43	0.43	3.35	4.48	7.26
▼ Income 69	1,077,204,638.32	27.96	0.60	0.60	8.05	1.61	10.34	6.49	7.03
Income Benchmark - Lagged					6.28	1.24	8.03	6.86	7.55
> Public Income 22	716,816,226.59	18.61	0.65	0.65	9.80	1.80	12.26	7.57	6.72
> Private Income 47	360,388,411.73	9.36	0.50	0.50	4.54	1.23	6.55	4.50	8.15
▼ Defensive 19	392,256,184.12	10.18	0.07	0.07	-2.21	1.50	-2.89	-0.77	-1.49
Defensive Benchmark					0.65	1.55	0.33	-0.76	0.52
> Duration 1	103,015,187.70	2.67	-1.45	-1.45	-9.13	3.97	-5.30	-5.13	-7.93
> Convexity 12	249,015,815.12	6.46	0.71	0.71	-1.88	0.58	-6.23	-0.40	1.39
> Cash 5	37,164,357.63	0.96	0.08	0.08	2.74	0.76	3.48	3.88	2.35

*Semiliquid and illiquid investments are excluded/reported with a lag of up to two quarters.*





# Utah Land Trusts Protection & Advocacy Office

# Utah's School and Institutional TRUST SYSTEM

At statehood, land was entrusted to support state institutions - primarily public education.

We ensure the continued growth and integrity of these trusts for the benefit of Utah's schoolchildren and other public purposes.



Land Management



Fund Investment



Fund Distribution



Protection & Advocacy

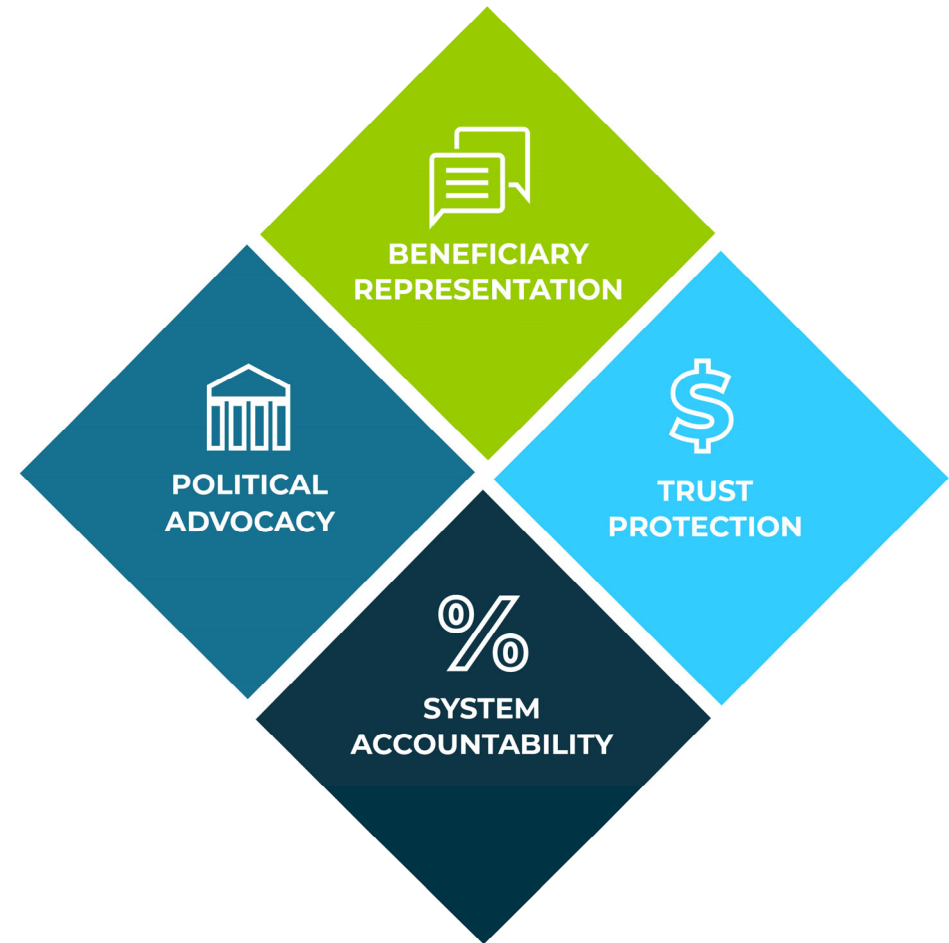




## Utah Land Trusts Protection & Advocacy Office

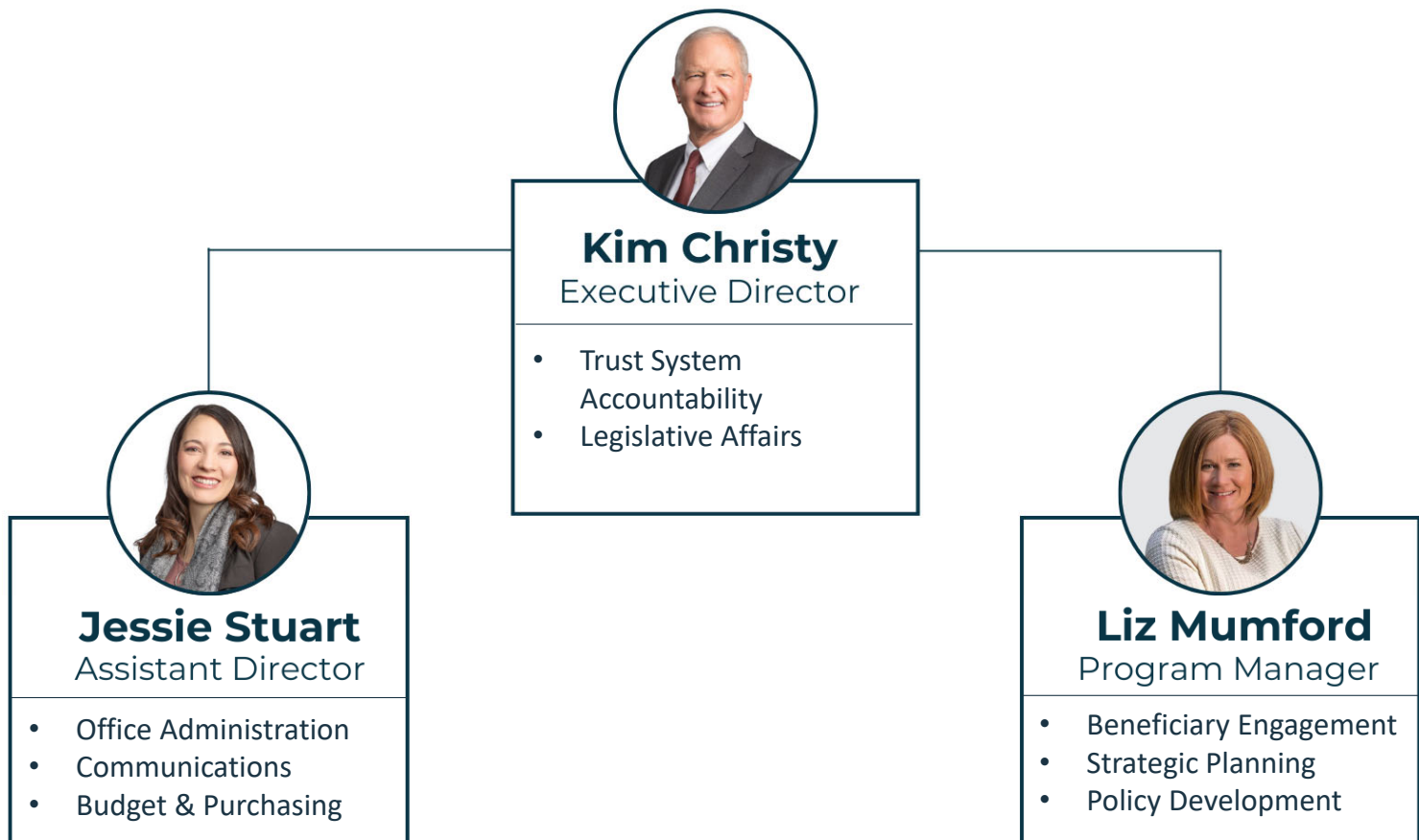
### Trust Protection & Advocacy

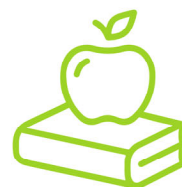
Created in 2018, the Protection & Advocacy Office advances the rights and interests of the beneficiaries through trust protection, political advocacy, system accountability and beneficiary representation.





# Advocacy Office Team:





**Public and  
Higher Education**

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**Health and  
Human Services**

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**Public Buildings  
and Reservoirs**

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## Public Schools

**\$112 M | 2025 – 26 School Year**



## Schools for the Deaf and Blind

**\$139 K – School for the Deaf**

**\$920 K – Schools for the Blind**





# Work of the Advocacy Office:



## **Communication**

Responding to questions about distributions and trust land transactions



## **Monitoring**

Monitoring transactions and policies at TLA and SITFO on behalf of beneficiaries



## **Distribution Updates**

Providing customized annual distribution announcements to beneficiaries



## **Annual Report**

Publishing the Trust System Annual Report



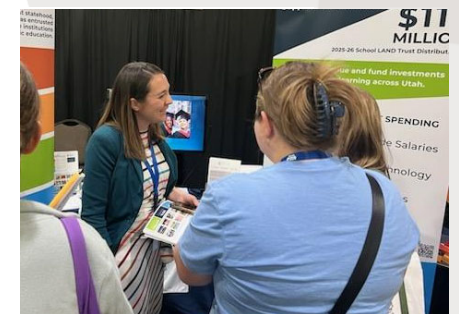
## **Legislative Advocacy**

Delivering legislative updates on relevant bills during the session



# Advocacy on Behalf of Public Education

- Preserving intent of Trust distributions for Community Councils
- Balancing distributions for current and future students
- Protecting beneficiary interests in transactions
- Collaborating with Trust Land Advisory Council at USBE
- Engaging with State Board Members



# Trust System Beneficiary Advocacy Study Group

## 2024 OLAG Audit

- Lack of clarity, strategic plan, and objective measures in the Advocacy Office.
- Lack of accountability and transparency for use of distributions by the non-public education beneficiaries.

## Study Group Formed

Approved by the legislature in November 2024 to address the audit findings and recommendations.

## Deliverables Due

Transportation and Infrastructure Appropriations Subcommittee report in October 2025 may include:

- Draft of legislative changes
- Proposed structural and internal policy changes
- Findings to drive strategic plan and goals

## Study Group Composition

	Sen. Derrin R. Owens, Senate Co-Chair	
	Rep. Jefferson S. Burton, House Co-Chair	
	Warren Petersen, TLA Board Chair	
	Marlo Oaks, Utah State Treasurer	
	Richard Ellis, Advocacy Committee Chair	
	Institutional Beneficiary Representative, open seat	
	Dr. Cade Douglas, TLAC Vice Chair	
	Rich K. Nye, Governor's Sr. Advisor of Public Education	
	Tom Bachtell, Retired Attorney with Trust System Experience	

