



Asset and Investment Review Task Force

treasurer.utah.gov/AIR

Meeting Minutes

June 25, 2025 | 3:00 p.m. - 4:30 p.m. | Minutes approved on August 15, 2025

IN-PERSON

Office of State Treasurer, Conference Room
350 N. State Street, Suite 170
Salt Lake City, UT 84114

VIRTUAL

Zoom: <http://bit.ly/40aEuxh>
Website Stream: treasurer.utah.gov/AIR
YouTube Stream: <https://bit.ly/USTyt>

Task Force Members in Attendance:

Utah Treasurer Marlo Oaks
Auditor Tina Cannon
Senator Keven Stratton
Representative Val Peterson (Virtual)
Daniel Gardiner, Department of Financial Institutions
Howard Headlee, Utah Bankers Association (Virtual)
Billy Hesterman, Utah Taxpayers Association (Virtual)
Paul Jerome, West Jordan City/Utah League of Cities & Towns
Kim Jackson, Utah County/Utah Association of Counties (Virtual)
LeGrand Bitter, Utah Association of Special Districts

Advisory Task Force Members in Attendance:

Todd Hauber, Granite School District/Utah Association of School Business Officials

Other Attendees:

Kirt Slauch, Utah Office of State Treasurer
Brittany Griffin, Utah Office of State Treasurer
Jason Nielsen, Utah Office of State Treasurer (Virtual)
Brook McCarrick, AAG for State Treasurer (Virtual)
Jason Allen, Utah Office of State Auditor
Alex Nielson, Utah Office of State Auditor
Marcie Mortensen, Office of State Auditor

1. Task Force Business

Call to Order

Treasurer Oaks called the meeting to order at 3 p.m.. Task force members and guests provided quick introductions.

Approval of Minutes

Treasurer Oaks presented the May 23, 2025 meeting minutes for discussion and approval. Auditor Cannon moved to approve the minutes. Mr. Gardiner seconded the motion. The motion carried unanimously, with all task force members voting in favor of approving the minutes.

2. Investment Study Procurement

Treasurer Oaks noted that his office is in the final stages of a process to procure an outside vendor to analyze the economic trade-offs between placing funds on deposit at local financial institutions and investing in

instruments like money market funds. Mr. Headlee requested to see the solicitation. Treasurer Oaks committed to providing the solicitation to any interested task force members.

3. Public Entity Reserves Data

Mr. Nielson opened with a recap of the previous meeting, noting agreement on focusing more on unrestricted cash and cash equivalents. The Auditor's Office had already begun pulling data from financial reports, and the group discussed comparing it with data from Annual Comprehensive Financial Reports. There was consensus on using ratio analysis to track trends and comparing indicators across government types—such as cities, school districts, and special service districts—not just identifying outliers. He explained that Ms. Mortensen spent the past month integrating data sources, developing ratio examples, and preparing comparative visuals. The goal of today's meeting was to present the dashboard and gather feedback.

Ms. Mortensen introduced the dashboard's three main tabs: Single Entity Explorer, Statewide Explorer, and Outliers. The Single Entity Explorer lets users compare data across specific entities. She demonstrated how selecting multiple districts—like Alpine and Davis—displays shared categories side-by-side for comparison, with color-coded bars and hover-over labels. The Explorer includes eight financial ratio graphs assessing cash management, with subtitles, detailed hover features, and explanatory captions. In the banking section, a stacked bar chart shows where funds are held, account types, and year-over-year comparisons. The investment section includes a market vs. cost value graph and a heat map showing where assets are custodied—e.g., Alpine's holdings with Vanguard. The final section features two graphs on total market value by security type and entity—one by year, the other across all years. Ms. Mortensen noted that the other two tabs are filter-independent and exploratory: one shows stacked values over time; the other, a bubble chart mapping security types by market value. Mr. Nielson then paused the walkthrough to invite feedback, asking whether the dashboard—especially the Single Entity Explorer—was addressing the group's priorities.

Mr. Headlee praised the team's work, calling the dashboard impressive and the data both fascinating and surprising. Noting the lack of purple in the entity comparison, he referenced concerns he'd raised earlier. He then asked Treasurer Oaks what portion of the investments—excluding qualified bank CDs—are deployed within Utah. Treasurer Oaks replied, "Not a lot."

Mr. Slauch asked if all dashboard data came from the Deposit and Investment Report. Mr. Nielson replied that about half came from those reports, with the rest from ACFRs, and noted the ratios were designed to link both sources. He then asked about including budget data to compare budgeted vs. actual figures. Mr. Nielson said it hadn't been added yet but could be, explaining the initial focus was on unrestricted cash based on prior discussions. Mr. Slauch emphasized that budget comparisons would be helpful and offered to help gather the data, noting it might be easy to scrape. Mr. Nielson asked how many years should be included; Mr. Slauch suggested going back two to three years before the cash increase began in 2020–2021. Mr. Headlee asked how far back the current dashboard data extends, noting that he hadn't caught the earliest available year when it was selected. Ms. Mortensen responded that the data generally goes back to 2018. While there are a few entries from 2016 and 2017, she explained that those years are very sparse, and users likely won't see much if selecting them. For that reason, she recommended using 2018 as the baseline for most analyses.

Mr. Headlee asked how difficult it would be to pull data from a year 10–20 years ago—like 2000 or 2005—to provide historical context, even if it wasn't tied to a major turning point. Mr. Nielson said retrieving a single older year might be possible but comes with challenges: some entities have changed or no longer exist, and structured data before 2018 is limited. Most usable data begins in 2018, when standardized reporting and Salesforce were adopted. Still, he agreed to explore options before the next meeting. Mr. Headlee clarified that even one or two representative entities could be helpful to illustrate long-term shifts. Mr. Nielson agreed and said the team would look into it.

Ms. Mortensen introduced the Statewide Explorer tab, which builds on the Single Entity Explorer with added features. Users can view unrestricted cash, expenditures, and median cash levels by government type, with interactive tools to explore entity-level data. The tab also includes aggregated ratios, deposit types, and market values. She concluded with the Outliers tab, which uses box plots to highlight unusual cash distributions by government level and year.

Mr. Headlee asked if the dashboard could display ratios instead of just dollar amounts to account for entity size. Mr. Nielson said ratios weren't currently included but could be added. Treasurer Oaks agreed, noting that ratios would improve comparability. Mr. Nielson mentioned the dashboard uses a log scale to address size differences but supported adding ratios. Mr. Slaugh suggested also adjusting for inflation using the CPI-U to show real, not just nominal, values. This would help distinguish actual cash growth from inflation-driven increases. Mr. Nielson asked if this should be a toggle or separate view. Mr. Slaugh recommended a toggle, especially for ratios, saying it would enhance the dashboard's usefulness despite the added effort.

Mr. Gardiner revisited the deposits by bank type section, asking how categories were defined. Mr. Nielson explained they come from standardized dropdowns in the D&I report. Mr. Gardiner suggested breaking out deposits by financial institution type—e.g., Utah-based vs. national banks. Mr. Slaugh said this was feasible and proposed grouping banks as local, regional, or national. Mr. Nielson agreed to follow up to define categories. Treasurer Oaks and Mr. Gardiner stressed the importance of understanding a bank's economic impact in Utah, not just its charter. Mr. Headlee suggested assessing how much a bank reinvests locally, referencing Wyoming's model. Mr. Gardiner supported the idea, though he noted community-level data may be harder to access. Mr. Slaugh clarified the focus should remain on commercial banks, as industrial banks don't typically hold public deposits. Gardiner added credit unions should also be considered. Treasurer Oaks noted smaller banks tend to lend more locally, while larger banks are less engaged with small borrowers. Mr. Gardiner agreed, highlighting regional banks like Zions as an exception. Mr. Nielson said the team could stratify data by bank type or size with an external classification source but asked for clarity on the goal. Mr. Headlee said it should align with the task force's economic development mission: understanding which banks are more likely to reinvest public funds into Utah's economy, unlike the Money Management Council's focus on safety. Mr. Nielson added the analysis could extend to account types and asked whether their in-state investment impact could be estimated. Mr. Headlee agreed, emphasizing that not all deposits have the same economic effect, even if held in similar accounts.

The group discussed how to assess the economic impact of public deposits, focusing on whether funds are reinvested in Utah. Treasurer Oaks noted that deposits in large national banks may offer less local benefit than those in Utah-based community banks. Mr. Headlee agreed but stressed the need for a clear model to measure actual impact, especially given the complexity of multi-state institutions. Mr. Jerome added that banks act in the interest of shareholders, not necessarily local economies, unless incentivized. Mr. Headlee suggested using Call Reports to compare in-state deposits and lending, helping identify banks that support Utah's economy regardless of their headquarters. He emphasized the goal is economic development: banks lending more in Utah than they collect should be recognized, while those doing the opposite might be deprioritized. He added, with humor, that while all banks involved are his members, the task force must stay mission-focused. Mr. Headlee then asked if bank-level data is shown in the dashboard. Mr. Nielson said some bank names appear in the Single Entity Explorer but aren't centralized. He said it's feasible to add a tab for comparing data by bank and encouraged considering it in future updates.

Ms. Mortensen outlined the remaining features of the Outliers tab, including a heat map showing percent change in unrestricted cash over time and a summary table with stats like median, quartiles, and standard deviation by government level. High values are highlighted to flag potential issues. A final table shows unrestricted cash by entity and year (2018–2024), allowing users to track trends—for example, for Spectrum Academy. Mr. Nielson added that the layout lets users begin with a broad overview, spot outliers, and drill down to specific entities. Mr. Jerome asked if the data includes all fund types; Mr. Nielson confirmed it shows

total unrestricted cash without fund-type breakdowns but said more detailed ratios could be added. Mr. Jerome noted that fund balance policies may differ by fund type, which should be considered when interpreting results.

The discussion shifted to dashboard access. Mr. Nielson proposed replacing the old link with the new one to avoid confusion, and the group agreed. He committed to updating it by the next day and encouraged members to test the tool and suggest improvements. Mr. Slaugh confirmed work is ongoing to add budget and inflation-adjusted data. Mr. Nielson said budget data back to 2018 should be ready by the next meeting in two months. Mr. Slaugh suggested surveying CFOs of larger entities to understand why unrestricted cash balances have increased. Mr. Headlee supported the idea and emphasized also asking about appropriate reserve levels. Mr. Nielson asked whether the survey should target all CFOs, just outliers, or only large entities. Treasurer Oaks raised the question of how many outliers are small; Mr. Nielson said both small and large entities are represented. Mr. Slaugh recommended focusing on larger entities across all government types to assess whether cash growth is sector-specific. The group agreed it's important to include more than just outliers to capture broader trends. Mr. Headlee stressed coordinating with associations like the League of Cities and Towns and others to identify thoughtful participants and ensure outreach is respectful. Treasurer Oaks noted that representatives from those associations were present and invited collaboration. Auditor Cannon and Mr. Nielson said the Auditor's Office could distribute the survey but may not be best suited to write policy-related questions. Mr. Slaugh offered for the Treasurer's Office to draft the survey and circulate it for feedback. Mr. Headlee suggested consulting the legislative branch to align the survey with policy goals. Senator Stratton agreed, emphasizing practical insights to guide good policy. Mr. Hauber proposed piloting the survey with a small group of CFOs to refine its clarity and usefulness before wider distribution.

4. Other Business/Adjournment

Treasurer Oaks opened the discussion on future meeting topics, suggesting it would be useful to develop a summary document—essentially a map or executive summary—to help frame the task force's ongoing discussions. He asked whether that summary should be a simple presentation of the dashboard's data or something more interpretive. Senator Stratton responded that while the dashboard provides valuable numbers, the group should explore what those numbers mean, what's behind them, and what the implications might be. Mr. Slaugh agreed and suggested that task force members begin thinking about the narrative behind the data: where balances are coming from, whether they reflect prudent financial planning or inefficient excess, and how they align with actual needs and use. He emphasized the value of gathering perspectives from members, all of whom bring financial expertise.

Treasurer Oaks asked whether the group could determine where excess cash is coming from—e.g., tax revenues, federal programs like the Inflation Reduction Act, or investment returns. Mr. Jerome and Auditor Cannon explained that federal rules (e.g., ARPA) required spending federal funds first, displacing local tax dollars and inflating reserves. Cannon added that rising interest earnings also complicate interpretation. Mr. Jerome cited Alpine School District and Eagle Mountain as examples, noting funding complexities and the need to consider context, like reserves earmarked for capital projects. Mr. Slaugh added that with high interest rates and costly borrowing, some entities are building reserves to avoid issuing debt.

Mr. Headlee praised the team's work on understanding reserves and backed the CFO survey and coordination with associations. He noted the group would soon need to shift from analyzing reserves to discussing how public funds can better support Utah's economy. He emphasized considering yield and investment strategy alongside safety and liquidity and proposed inviting Dr. Richard Werner to present on macroeconomic lending and institutional behavior.

Treasurer Oaks thanked participants for the thoughtful discussion and moved to adjourn the meeting. Mr. Jerome seconded, and the meeting was officially adjourned.