

## RESOLUTION No. **37174**

Extend to December 31, 2016, the Council-approved Corporate Securities Do-Not-Buy List (Resolution)

WHEREAS, the City Treasurer is charged with investing the City's cash assets in accordance with the City's Investment Policy;

WHEREAS, the objectives of the City's Investment Policy are to, in priority order, (1) prudently protect the City's principle sums and ensure the preservation of capital, (2) provide ample liquidity to meet the City's operating needs and cash requirements, and (3) generate a market rate of return;

WHEREAS, in 2010, the City Council approved a change to the City's Investment Policy allowing up to 35% of the City's investment portfolio to be invested in corporate securities, subject to criteria and in compliance with State law;

WHEREAS, consistent with its responsibilities to the residents of the City of Portland, the City Council has social and ethical obligations to seek to avoid adding to its portfolio those securities issued by corporations whose practices egregiously contradict efforts to create a prosperous, educated, healthy, and equitable society;

WHEREAS, corporations that engage in practices that damage the environment and health, engage in abusive labor practices, violate corporate ethical and governance standards, engage in extreme tax avoidance strategies, exercise such a level of market dominance as to disrupt normal competitive market forces, or contribute to human rights violations undermine efforts to create a prosperous, educated, healthy, and equitable society;

WHEREAS, since 2013, the City Council has provided the City Treasurer with a Council-approved list of corporate issuers in which the City shall not directly invest its cash assets, and this list is now known as the Corporate Securities Do-Not-Buy List;

WHEREAS, the current Corporate Securities Do-Not-Buy List expires on December 31, 2015, unless extended by Council through a subsequent resolution;

WHEREAS, on December 12, 2014, City Council adopted a resolution creating the Socially Responsible Investments Committee charged with recommending corporate issuers in which the City shall not directly invest its cash assets;

WHEREAS, on July 8, 2015, City Council adopted a resolution appointing seven volunteer public members to the Socially Responsible Investments Committee, and since then the Committee has held three meetings and is working diligently to develop a process and work plan to fulfill its charge;

WHEREAS, the Socially Responsible Investments Committee is charged with making a recommendation, which may include "no change," and explanatory report to City Council once per calendar year and no later than October 1;

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WHEREAS, given that City Council did not appoint members until July 2015, the Socially Responsible Investments Committee will provide its first recommendation and explanatory report to City Council by October 1, 2016;

WHEREAS, on October 2, 2013, City Council adopted Resolution 37037 directing the City Treasurer not to invest additional cash assets in Wal-Mart; and

WHEREAS, on September 24, 2015, City Council adopted Resolution 37153 directing the City Treasurer not to invest additional cash assets in 100 oil and gas companies and 100 coal companies.

NOW, THEREFORE, BE IT RESOLVED that Council provides to the City Treasurer the Corporate Securities Do-Not-Buy List included as Exhibits A and B to this resolution and directs that the City shall not directly invest additional cash assets in the corporate debt securities issued by the companies on this list.

BE IT FURTHER RESOLVED that unless extended by Council through a subsequent resolution, this resolution shall expire on December 31, 2016.

Passed by the Council:

DEC 16 2015

Commissioner Steve Novick

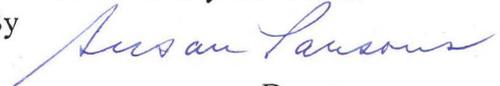
Prepared by: Katie Shriver

Date Prepared: December 4, 2015

**Mary Hull Cabellero**

Auditor of the City of Portland

By



Deputy

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<p style="text-align: center;"><b>INTRODUCED BY</b> Commissioner/Auditor: <b>Novick</b></p>	<p>CLERK USE: DATE FILED <u>DEC 08 2015</u></p>
<p style="text-align: center;"><b>COMMISSIONER APPROVAL</b></p> <p>Mayor—Finance and Administration - Hales</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick <i>[Signature]</i></p>	<p style="text-align: center;"><b>Mary Hull Caballero</b> Auditor of the City of Portland</p> <p>By: <u><i>[Signature]</i></u> Deputy</p> <p><b>ACTION TAKEN:</b></p>
<p style="text-align: center;"><b>BUREAU APPROVAL</b></p> <p>Bureau:</p> <p>Bureau Head:</p>	
<p>Prepared by: Katie Shriver Date Prepared: 12-7-15</p>	
<p>Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p>	
<p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>	
<p><b>City Auditor Office Approval:</b> required for Code Ordinances</p>	
<p><b>City Attorney Approval:</b> required for contract, code, easement, franchise, charter, Comp Plan</p>	
<p>Council Meeting Date <b>12-16-15</b></p>	

<b>AGENDA</b>
<p><b>TIME CERTAIN</b> <input checked="" type="checkbox"/> <span style="float: right;">2 of 2</span> <b>Start time: 3:45 p.m.</b></p> <p><b>Total amount of time needed: 15 minutes</b> (for presentation, testimony and discussion) 15 minutes for this item and the Investment Policy.</p>
<p><b>CONSENT</b> <input type="checkbox"/></p>
<p><b>REGULAR</b> <input type="checkbox"/> <b>Total amount of time needed: _____</b> (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	_____	
4. Novick	4. Novick	✓	
Hales	Hales	✓	