



CITY OF PORTLAND

OFFICE OF MANAGEMENT AND FINANCE

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**City of Portland
Socially Responsible Investments Committee
Monday, September 19, 2016**

Committee Members Present: Dave Cutler, Sayer Jones, Robert Landauer, Hyung Nam, Katrina Scotto di Carlo and Kristen Sheeran.

City Personnel Present: Kelly Ball, OMF Business Operations; Jennifer Cooperman, OMF Treasury; Julian Massenburg, OMF Business Operations; Katie Shriver, Commissioner Novick's Office; Janet Storm, OMF Business Operations.

Welcome

Kelly Ball reviewed the agenda and the Committee's timeline. The committee will submit its report by October 1. The report will be put on the City's website for the public to view and Council will consider the Committee's recommendations when it votes on the Do-Not-Buy List toward the end of the year.

Communications

Dave Cutler and Hyung Nam spoke with Occupation-Free PDX about updates on the Dakota Pipeline, Wells Fargo, and Caterpillar.

Nam also spoke with Amanda of Enlace about Wells Fargo, and with Miguel at Wells Fargo about the Committee's concerns.

Sayer Jones spoke with Amanda at Enlace about Wells Fargo and was contacted by Occupation-Free PDX but did not speak with them.

Ball had several communications with Wells Fargo about committee process and timeline.

Report Discussion

There were no changes to the report's introduction, charge, membership, and terms. In the summary, the Bank of Tokyo was removed from the list of companies to be recommended for the DNB List.

The Treasurer's Financial Analysis was edited to clarify that U.S. Treasury securities are the standard market benchmark against which the City uses to measure prices and value of other interest rate sensitive fixed income securities, such as corporate bonds. The committee agreed that, because the Treasurer has based financial loss estimates on the US Treasuries benchmark, it would be important to note in the report that it is possible that the City's portfolio returns may exceed or underperform these estimates.

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An additional column was added to the report chart to reflect financial impacts over a one-year term for each eligible issuer. These annual amounts were also added to the narrative on each individual issuer.

There were no changes to the narratives for Walmart, Wells Fargo, and Caterpillar other than formatting.

The committee discussed what would be included in the report's conclusion. Topics included:

- Financial analysis considerations
- Applying Council Principles to the behavior of eligible issuers
- A suggestion to add private prisons to the list of Principles
- A suggestion of a watch list and a way to reward companies for good behavior
- Incorporating committee's work into procurement

MSCI Reports

There were no MSCI reports distributed.

Focused Public Input:

There was no focused public input.

General Public Comment

The committee took general public comment from eight community members. Comments included support for the committee's work, the determination to recommend Wells Fargo and Caterpillar be added to the DNB List, and in support of divestment from private prisons. Comments from: Amanda Aguilar Shank and Cecelia Beckwith from Enlace; Curtis Bell Maxine Fookson, Ned Roche, and Rod Such from Occupy-Free PDX; Andrea Lamaine from the Coalition for jobs with Justice; and Philip Killary.

Next Steps

The next meeting on September 27 will include:

- Final deliberation on the Committee's report to Council.

More information and a full meeting schedule is available at <http://www.portlandoreogn.gov/omf/sric>.