



City of San Leandro

Civic Center
835 East 14th Street
San Leandro, California

Minutes

Finance Committee

Tuesday, January 8, 2019

5:30 PM

City Hall, Sister Cities Gallery

1. CALL TO ORDER

Mayor Cutter called the meeting to order at 5:30 p.m

1.A. Attendance

Mayor Cutter, Councilmember Lee, Councilmember Hernandez

City staff present: City Manager Kay, Finance Director Baum and Budget & Compliance Manager Perini

Public present: Deborah Hirsch, Amy Chavnik and Sarah Bailey

1.B. Announcements

None

2. DISCUSSION ITEMS

2.A. [19-001](#)

Discussion of Investment Policy

City Manager Kay stated that at the November 19, 2018 City Council meeting, Council has requested a review of the City's Investment Policy.

Finance Director Baum spoke to the process of updated the Investment Policy as well as how funds are invested. The Investment Policy is updated in June of each year, and is in compliance with State law. Funds are invested in A, AA, or AAA securities and with maturity dates up to 5 years.

In addition to the \$80 million invested with Chandler Asset Management, \$60 million is invested with the Local Agency Investment Fund and is immediately available.

Mayor Cutter stated that further discussion is needed on incorporating language into the Investment Policy which states the City of San Leandro will no longer invest in companies that manufacture fossil fuel.

The Committee has directed staff to work with Chandler Asset Management on a list of investments that are deemed not both socially and environmentally responsible.

City Manager Kay recommends staff work on the language to minimize any grey area and assure clarity. Staff will return to the Finance Committee with

recommendations before taking to Council.

Mayor Cutter has also asked Director Baum to contact the City of Berkeley regarding their Investment Policy.

3. PUBLIC COMMENTS

Deborah Hirsch, speaking for San Leandro Climate Advocates stated that the group is taking investments seriously and is excited to look at policy; timing is right to align policies and sustainability. Ms. Hirsch stated that the City of Berkeley has a comprehensive investment policy and has integrated a number of social and environmental criteria, along with traditional criteria of yield and liquidity. Ms. Hirsch recommends that the City of San Leandro, review Berkeley's policy which is has stated that they will not invest in companies that manufacture, fossil fuel, guns, tobacco and nuclear weapons. Ms. Hirsch would also like to recommend the City of San Leandro add divesting from private prisons.

Amy Chavnik questioned how the City of San Leandro defines fossil fuel, sustainable, social responsible companies. Ms. Chavnik hopes that the Committee with come up with clear language that will be included in the Investment Policy.

Sarah Bailey stated she hopes for clear direction from the Committee that evening.

4. COMMITTEE MEMBER COMMENTS

None

5. ADJOURN

The meeting adjourned at 6:21 p.m.