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;;;BOSTON CITY COUNCIL (2:30)
;;;2/28/2019

YOUR TESTIMONY.
I'D ALSO LIKE TO SAY THAT WE
ALSO ACCEPT TESTIMONY IN WRITING
THROUGH E-MAIL OR SNAIL MAIL,
CCC.WM@BOSTON.GOV.
WE'D ASK YOU TO RESTRAIN FROM MY
PUBLIC DISPLAYS OF APPROVAL OR
NONAPPROVAL.
SEEMS TO BE A LONG HEARING
TODAY.
I MAY HAVE TO EXCUSE MYSELF AT
SOME POINT LATER TODAY.
I'D ALSO LIKE TO INTRODUCE MY
COLLEAGUES IN IN ORDER OF THEIR
ARRIVAL.
I'LL START WITH THE SPONSORS.
COUNCILLOR EDWARDS TO MY RIGHT
IS MICHELLE WU.
IN ORDER OF ARRIVAL, COUNCILLOR
KIM JANEY, COUNCILLOR FLYNN,
O'MALLEY, COUNCILLOR FRANK
BAKER.
I WANT TO ACKNOWLEDGE THAT MATT
O'MALLEY IS A CO-SPONSOR ON THIS
HEARING.
AGAIN, I'D LIKE TO WELCOME THE
PANEL.
WE HAVE BRIEF OPENING STATEMENTS
FROM THE THREE RESPONSIBLE
SENIORS.
I WOULD ASK IF ANYBODY ELSE
WOULD WAIVE THAT OPPORTUNITY SO
WE CAN GET INTO IT.
LET ME FIRST RECOGNIZE
COUNCILLOR LYDIA EDWARDS.
>> THANK YOU.
I'D LIKE TO THANK THE ADVOCATES
AND COMMITTEE MEMBERS BEING HERE
TODAY.
WE'RE HERE TO DISCUSS THE
FIDUCIARY RESPONSIBILITIES.
WE'RE DISMISSING THE IDEA THAT
THEY'RE INCAPABLE AND CREATE
MECHANISMS FOR INVESTING WITH
OUR VALUES.
BOSTON HAS A LONG HISTORY OF
ACTIVIST IN THIS AREA WITH

COUNCILLOR YANCEY, MAYOR FLYNN,
REPRESENTATIVE MEL KING ALL
FIGHTING FOR DIVESTMENT FROM
APARTHEID.

I'M PLEASED TO BE A CO-SPONSOR
WITH TWO COLLEAGUES THAT HAVE
TAKEN ACTION IN REGARD TO
SUSTAINABILITY.

OUR COMMITTEE CHAIRMAN AND
REPRESENTATIVES OF THE
RETIREMENT BOARD ARE HERE TODAY
AND HAVE PLAYED CRITICAL ROLES
IN WANTING OUR PENSIONS FOR
RETIREES.

I THANK YOU FOR THAT WORK.
TODAY'S DISCUSSIONS NEED TO
START WITH REGULAR DISCLOSURE
AND OPEN DIALOGUE WHERE OUR
MONEY IS AND THE STANDARDS ARE
WHEN WE DETERMINE HOW TO INVEST
IT.

WE HAVE AMPLE DISCRETION WITH
SOME FUNDS.

WITH THE PENSION FUND, WE HAVE
MORE RESTRICTIONS.

WE CAN MOVE TOWARDS POLICIES
THAT ALLOWS TO INVEST
RESPONSIBLY AND SUSTAINABLY.
TRANSPARENCY IS IMPORTANT.

BUT IT'S NOT THE END GONE IN AND
OF ITSELF.

SO LET ME BE VERY CLEAR.

I DO BELIEVE FIRMLY THE CITY
SHOULD NOT BE INVESTING IN
FOSSIL FUELS, WE SHOULD NOT BE
INVESTING IN PRIVATE PRISONS,
NOT INVESTED IN WEAPONS AND
PREDATORY STUDENTS LOAN
COMPANIES BUT WE SHOULD BE
INVESTING IN OUR COMMUNITY AND A
SOCIALY JUST ECONOMY.

IT'S ALSO IMPORTANT TO MAKE A

DISTINCTION AND DEPLOYING FUNDS
THAT MEET THE NEIGHBORHOOD AND
COMMUNITY BUSINESSES.

I'M HAPPY TO SEE US TAKE A SMALL
STEP TOWARDS COMMUNITY BANKS
WHICH INCREASING LENDING
OPPORTUNITY.

COUNCILLOR ARROYO IN 2013 PUSHED
FOR THE COMMUNITY BANKING AND
STANDARDS ON INVESTMENT.
THAT RESULTED IN THE MUNICIPAL

REINVESTMENT ESTABLISHED AND
AUTHORIZED IN SECTION 6.8 OF THE

ORDINANCE.

THERE'S BEEN WORK AND THE CITY
HAS SET STANDARDS FOR BANKING
BEFOREHAND.

IT'S LIKE TO LOOK AT THE
STAKEHOLDER GROUP TO ACCOUNT FOR
THE CONCERNS AND THE KINDS OF
COMMUNITY INVESTMENT
OPPORTUNITIES THAT WE WILL
DISCUSS TODAY.

WE NEED TO GO FURTHER AND ONE OF
THE PANELS TODAY WILL DISDOES --
DISCUSS CREATIVE INVESTMENT.
I WANT TO MAKE SURE THE THAT
STAKEHOLDER ACTIVISM HAS ITS
PLACE AND LIMITS.

IT MAY HELP US WIN DISCLOSURE
FROM COMPANIES LIKE EXXON ABOUT
LYING TO THE PUBLIC ON CLIMATE
CHANGE BUT WON'T REDUCE THE A
BECAUSE THERES THE CRIMINAL
JUSTICE SYSTEM.

WE'RE PLEDGING TO BE CARBON
NEUTRAL BUT WE HAVE MILLIONS
INVESTED IN CARBON POLLUTION.WE
DON'T COUNT THE IMPACT OF THESE
DOLLARS ON OUR CLIMATE PLAN.
WE'RE TRYING TO PROTECT RETIREES
BUT WE HAVE A SHORTAGE OF
HOUSING.

WE'RE STARTING TO MAKE THE
BUILDINGS RESILIENT TO HEAT OR
WITHSTAND STORMS.

MAYORS IN NEW YORK CITY ARE
DIVESTING FROM FOSSIL FUELS.
CAN WE THINK ABOUT TAKING A
LEADERSHIP ROLE TODAY?

APARTHEID?

WE'VE DONE THIS BEFORE.

CAN WE GO A STEP FURTHER BY NOT
SIMPLY ASKING WHAT WE SHOULD NOT
DO BUT ASKING RESIDENTS WHERE
OUR MONEY SHOULD GO?

I'M EXCITED FOR THIS HEARING.

WE'VE HEARD AN ANNOUNCEMENT THIS
MORNING ABOUT \$150 MILLION AND I
LOOK FORWARD TO DISCUSSING HOW
WE CAN WORK TOGETHER TO SET
STANDARDS FOR THAT \$150 MILLION

INVESTMENT.

MORE IMPORTANTLY, TO LOOK AT THE \$5 OR \$6 BILLION IN OUR PENSION AND MAKE SURE THAT IS SET TO A MORALLY JUST STANDARD AS WELL. THANK YOU.

>> I LIKE TO REMIND COLLEAGUES WHEN WE GET TO THE QUESTION AND ANSWER PERIOD, WE'LL BE HOLDING TO A FIVE-MINUTE HARD STOP AND FOR PUBLIC TESTIMONY WILL BE A THREE-MINUTE HARD STOP, A LOT OF FOLKS THAT SIGNED UP. COUNCILLOR WU.

>> THANK YOU.

I'LL BE BRIEF JUST TO THANK ALL OF OUR PANELISTS THAT ARE BEFORE US NOW AND JOINING US AND THE ADVOCATES AND PARTICULARLY MY COLLEAGUES PUSHING THIS ISSUE. WE'RE AT A CROSS ROADS AROUND INCOME AND EQUALITY AND CLIMATE CHANGE.

THE URGENCY TO ACT COULD NOT BE GREATER.

GIVEN THERE'S A VACUUM IN FEDERAL LEADERSHIP, DELAYS IN THE STATE LEVEL, EVERY MUNICIPALITY HAS THE OBLIGATION TO TAKE WHATEVER STEPS WE CAN TO MOVE FORWARD AND CLOSING THESE GAPS.

I WOULD ADD THAT HERE WHAT WE LEARNED IN OUR LAST HEARING, WE FOCUSED ON FOSSIL FUEL DIVESTMENT.

WE'RE AT THE PLACE WHERE THAT IS NOT -- THERE'S NOT A CHOICE BETWEEN THE FINANCIAL HEALTH OF OUR INVESTMENTS AND SOCIAL JUSTICE AND MORAL COMPASS OF OUR VALUES.

THE CHOICES WE'RE FACED WITH NOW ARE ABOUT THE INVESTMENT VEHICLE, MECHANISMS THAT END UP IN SOME WAYS DOING BETTER, PARTICULARLY WITH THE RISK THAT FOSSIL FUELLING PRESENT.

IT WILL BE SMARTER TO MOVE IN THIS DIRECTION.

I WANT TO THANK THE CO SPONSORS AND MY COLLEAGUES FOR BEING HERE.

THIS IS WHAT WE SHOULD BE DOING WITH THE CITY'S NOT JUST

POLICIES BUT OUR PURCHASING
POWER AND POWER OF THE PURSE AS
WELL, PUTTING OUR MONEY WHERE
OUR MOUTH IS.

THANK YOU.

>> IT'S IMPORTANT THAT OUR MONEY
REFLECTS THE VALUE OF OUR CITY,
AND THAT MEANS NO TO PRISON, NO
TO FOR-PROFIT PREDATORY LENDERS,
NO TO MANUFACTURERS OF WEAPONS,
AND NO TO THE FOSSIL FUEL
INDUSTRY.

WE HAVE OFTEN SAID THAT EVERY
FISCAL CONSERVATIVE AUTOTO BE A
ENVIRONMENTALIST, BECAUSE WE
HAVE SEEN TIME AND TIME AGAIN,
WE'RE NOW UP TO NEARLY \$6
TRILLION HA HAS BEEN TAKEN OUT
OF FOSSIL FUELS, DIVESTED FROM
OIL AND NATURAL GAS INDUSTRIES,
AND THOSE PORTFOLIOS ARE
PERFORMING AT MUCH HIGHER, MUCH
BETTER RATES.

THEY'RE GETTING A BETTER RETURN
ON INVESTMENT MOVING AWAY FROM
FOSSIL FUELS.

AN OVERWHELMING MAJORITY OF TOP
INVESTORS IN THE U.S. RENEWABLE
ENERGY SECTOR SAY THEY WILL
DOUBLE THEIR CUMULATIVE
INVESTMENTS BETWEEN NOW AND 2030
ACCORDING TO THE AMERICAN
COUNCIL FOR RENEWABLE ENERGY.

ACCORDING TO MCKENZIE AND
COMPANY, 77% OF NEW GLOBAL
ELECTRICAL GENERATION CAPACITY
FROM NOW UNTIL 2050 WILL COME
FROM WIND AND SOLAR.

THERE A GROWING GLOBAL MARKET.
WE HAVE SEEN CHINA SPENDING
\$126.6 BILLION FOLLOWED BY THE
UNITED STATES AT \$40 BILLION.

CHINA IS NEARLY QUINN UP
THELING, CERTAINLY QUADRUPLING
WHAT OUR INVESTMENT IS IN CLEAN
ENERGY.

IT'S HIGH TIME WE DEFUND THE
INDUSTRY THAT FUNDS CLIMATE
DENIAL AND PREVENTS CLIMATE
ACTION.

LET'S GET TO WORK.

>> THANK YOU.

LY HAND IT NOW TO THE PANEL.

>> GOOD MORNING.

I'M GOING TO START TODAY WITH SOME WELL-WORN POINTS THAT YOU'VE HEARD ME HIGHLIGHT BEFORE.

YOU HAVE HEARD ME TALK ABOUT THESE POINTS BEFORE BECAUSE THEY ARE CRITICAL FOR OUR ABILITY TO INVEST IN OUR CITY, AND THEY'RE ALSO A VERY IMPORTANT BACKDROP TO OUR DISCUSSION TODAY.

TOGETHER MAYOR WALSH AND THIS COUNCIL HAVE BALANCED STRONG FISCAL PRACTICES WITH MAKING INVESTMENTS TO OUR NEIGHBORHOODS AND OUR PEOPLE.

THIS HAS BEEN AFFIRMED BY MOODY'S AND S&P, OUR RATINGS AGENCIES.

AS RECENTLY AS THIS MONTH THE CITY'S MANAGE.

PRACTICES AND LONG-TERM PLANNING WERE CREDITED BY BOTH RATERS ONCE AGAIN GIVING US THE HIGHEST RATING POSSIBLE.

OUR CONTINUED COMMITMENT TO AGGRESSIVELY PAYING DOWN OUR UNFUNDED PENSION LIABILITY DIFFERENTIATES US AND HAVE RATED US CREDIT POSITIVE.

MORE DIRECT THAN A GOOD REPORT CARD FOR THE CITY, THE PENSION FUNDING COMMITMENTS WE'VE MADE HAVE A DIRECT IMPACT ON OUR RETIREES.

WE'RE COMMITTED TO COMBINING THE DEFINED BENEFIT.

THE AVERAGE RETIREE BENEFIT WAS LESS THAN \$3,000 A MONTH AND ABOUT \$35,000 A YEAR.

FULLY FUNDING OUR LIABILITY WILL NOT ONLY ENSURE WE CAN PROVIDE THESE BENEFITS AS ESTIMATED TODAY, BUT IT WILL ALLOW US TO CONSIDER ADJUSTMENTS TO BENEFITS TO REACT TO CHANGES AND COST OF LIVING.

YESTERDAY THE CITY OF LEOMINSTER WAS IN THE NEWS FOR REACHING FULL FUNDING OF THEIR PENSION LIABILITY.

WITH THAT MILESTONE, THEIR RETIREMENT SYSTEM HAS COMMITTED TO A COST OF LIVING ADJUSTMENT FOR THEIR RETIREES, THE FIRST

ONE IN MANY YEARS.

HERE IN BOSTON, THE BOSTON MUNICIPAL RESEARCH BUREAU HAS RECOMMENDED AND ADVISED THE CITY TO NOT PURSUE COST OF LIVING ADJUSTMENTS UNTIL WE'RE 80% FUNDED.

THAT'S JUST A RECOMMENDATION, BUT AS OF OUR LAST VALUATION, WE WERE 77% FUNDED SOME MAKING MEANINGFUL PROGRESS IN OUR FUNDED RATIO THROUGH THE CITY CONTRIBUTIONS AND THE ANNUAL BUDGET AND ALSO MARKET RETURNS IS CRITICAL TO THAT CONVERSATION HERE.

THE FUNDS THAT WE ARE HERE TODAY TO DISCUSS HAVE A PRIMARY PURPOSE.

MOST OF THESE FUNDS SUPPORT THE COMMITMENTS WE'VE MADE TO OUR CURRENT AND FUTURE CITY OF BOSTON RETIREES.

SOME SUPPORT THE MISSION AND OBLIGATION OF THE CITY'S TRUST FUNDS, WHICH INCLUDE ANNUAL SUPPORT FOR OUR HEALTH CLINICS AND PUBLIC ART PROJECTS VIA THE WHITE FUND AND THE BROWN FUND TO NAME A FEW EXAMPLES OUT OF THE THOUSANDS OF TRUSTS.

SOME SUPPORT THE ESSENTIAL DAY-TO-DAY OPERATIONS FOR THE CITY OF BOSTON, PAYROLL FROM FIRST RESPONDERS TO LUNCH MONITORS, PAYMENTS TO VENDORS TO PLOW OUR SNOW AND PICK UP OUR GARBAGE, AND GRANTS TO LOCAL NON-PROFITS AND COMMUNITY ORGANIZATIONS.

THESE THREE AREAS SPAN THE WHOLE OF OUR RESPONSIBILITIES, AND THESE FUNDS ALLOW US TO MAKE GOOD ON OUR COMMITMENTS TO TAKES PAIRS, RESIDENTS AND EMPLOYEES. THESE FUNDS ALSO REPRESENT AN OPPORTUNITY FOR THE CITY.

THE CRITICAL PRIMARY FUNCTION OF THESE FUNDS SHOULD BE ACHIEVED, AND THE EXISTENCE ALLOWS US TO LEVERAGE THEM AND UTILIZE THEM TO SUPPORT THE CORE VALUES TO OUR CITY, THE MAYOR AND THIS COUNCIL.

I WOULD LIKE TO FOCUS MY REMARKS ON WHAT THE CITY HAS DONE WITHIN THE LIMITS OF STATE LAW AND GUIDED BY OUR RESPONSIBILITIES TO LEVERAGE AVAILABLE FUNDS TO FURTHER OUR VALUES.

BEFORE THAT IT'S IMPORTANT TO BE CLEAR THAT THE CITY OF BOSTON DOES NOT DIRECTLY OWN ANY FOSSIL FUEL COMPANIES, PRIVATE PRISON, OR GUN MANUFACTURERS, AND THE BOSTON RETIREMENT BOARD DOES NOT DIRECTLY OWN ANY PRIVATE PRISONS OR GUN MANUFACTURERS.

BOTH THE CITY OF BOSTON AND THE RETIREMENT BOARD EXERCISE ENVIRONMENTAL, SOCIAL, AND GOVERNANCE OR ESG SCREENS VIA INVESTMENT MANAGERS WHEN CONSIDERING INVESTMENTS, AND WE HAVE IMPLEMENTED INITIATIVES TO ENABLE US TO MAKE SUSTAINABLE, ACTIVIST INVESTMENTS WHILE MAINTAINING STRONG FINANCIAL PRACTICE MANagements.

I WILL LET OTHERS TALK MORE IN DETAIL, BUT WE JOINED THE SERIES INVESTOR NETWORK, A SUSTAINABILITY NON-PROFIT THAT WORKS WITH INSTITUTIONAL INVESTORS TO PROMOTE SOCIALLY RESPONSIBLE CORPORATE ACTION.

WE HAVE SIGNED ON THE PARTICIPATE IN C40 NETWORK'S INVEST AND DIVEST FORUM.

WE'RE MAKING PROACTIVE INVESTMENTS IN LOCAL COMMUNITY BANKS AND COMPANIES AS THE COUNCILOR ELUDED TO AND ALSO COMPANIES WITH STRONG ENVIRONMENTAL, SOCIAL, AND GOVERNANCE PRACTICES.

WE ARE COMMITTED TO EXPLORING FURTHER STRATEGIES WHILE BEING INTENTIONAL ABOUT OUR INVESTMENT DECISIONS AND THEIR IMPACTSES.

WE'RE COMMITTED TO MAKING PROACTIVE INVESTMENTS IN PROGRAMS AND POLICIES THAT HAVE A NEXUS WITH MANY OF THE ISSUES HIGHLIGHTED AT TODAY'S HEARING.

THESE INVESTMENTS ARE WITHIN THE FRAMEWORK OF OUR LONG-TERM PLAN AND HAVE BEEN ADDRESSED -- HAVE

BEEN OUT FRONT IN ADDRESSING
FUTURE NEEDS AND CHALLENGES OF
OUR CITY.

YOU ARE ALL FAMILIAR WITH THE
CLIMATE-READY BOSTON INITIATIVE,
AND OUR SEPTEMBER 2018
COMMITMENT TO PLEDGE AT LEAST
10% OF ALL NEW CAPITAL SPENDING
TO CLIMATE RESILIENCY PROJECTS
AS WELL AS CONSIDERATION OF HOW
THE CITY MAY BE CLIMATE NEUTRAL.
THE MAYOR'S 2019 2020
LEGISLATIVE AGENDA CONTAINED
SEVERAL BILLS ON ADDRESSING GUN
SAFETY.

WE HAVE CREATED THE OFFICE OF
RETURNING CITIZENS IN 2017,
WHICH WORKS TO SUPPORT NEARLY
3,000 INDIVIDUALS WHO RETURN TO
BOSTON AFTER BEING RELEASED FROM
INCARCERATION.

AND IN 2014, THE MAYOR LAUNCHED
OPERATION EXIT, WHICH ALSO
FOCUSES ON YOUNG PEOPLE
RETURNING FROM INCARCERATION TO
GIVE THEM A SECOND CHANCE AT
IMPROVING THEIR LIVES.!

COUNCIL FOR YOUR PARTNERSHIP AND
LEADERSHIP IN THE CONVERSATION
AND ABOUT HOW THE CITY CONSIDERS
OUR VALUES WHILE INVESTING THE
RESOURCES ENTRUSTED TO US.

LY TURN IT OVER THE TIM SMITH
FIRST, WHO WILL PROVIDE
ADDITIONAL TESTIMONY
SPECIFICALLY ON THE BOSTON
RETIREMENT SYSTEM AND DREW SMITH
TO TALK ABOUT THE CITY'S
TREASURY FUNDS.

>> THANK YOU.

GOOD AFTERNOON.

MY NAME IS TIMOTHY SMITH.

I HAVE THE GREAT PRIVILEGE OF
BEING THE EXECUTIVE OFFICER OF
THE BOSTON RETIREMENT SYSTEM.

I'M JOINED TODAY BY MIKE
MANNING, OUR INVESTMENT
CONSULTANT FROM NEPC, AS WELL AS
WILFORD FROM NEPC, JOHN KELLY IS
A SYSTEMS INVESTMENT ANALYST,
AND ELLEN McCARTHY IS THE
SYSTEMS COMPTROLLER.

THE BOSTON RETIREMENT SYSTEM IS
A MULTIEMPLOYER DEFINED BENEFIT

PLAN THAT SERVES EMPLOYEES OF THE CITY OF BOSTON, BOSTON HOUSING AUTHORITY, BOSTON PLANNING AND DEVELOPMENT AGENCY, BOSTON WATER AND SEWER COMMISSION, BOSTON PUBLIC HEALTH COMMISSION, AS WELL AS SOME SUFFOLK COUNTY SHERIFF'S DEPARTMENTS, RETIREES AND BENEFICIARIES.

AS OF JANUARY 1, 2018, OUR LAST VALUATION, OUR SYSTEM CONSISTED OF 14,448 RETIREES AND BENEFICIARIES.

20,995 ACTIVE MEMBERS IN 10,623 INACTIVE MEMBERS.

THOSE ARE PEOPLE THAT STILL HAVE MONEY IN THE SYSTEM BUT MAY NOT WORK FOR BOSTON ANYMORE.

THAT TOTALS 46,066 PEOPLE WHO ARE CONSIDERED MEMBERS OR RETIREES OF OUR SYSTEM.

THESE FIGURES INCLUDE TEACHERS WHO ARE ACTUALLY THE LIABILITY OF THE COMMONWEALTH, BUT NONETHELESS REMAIN MEMBERS OF THE BOSTON RETIREMENT SYSTEM AFTER THEY ARE TRANSFERRED IN 2010.

THE AVERAGE MONTHLY RETIREMENT BENEFIT, EXCLUDING BOSTON SCHOOLTEACHERS, WAS \$2,952.

THE AVERAGE AGE OF RETIREES AND BENEFICIARIES WAS 73.8 YEARS.

DURING CALENDAR YEAR 2018, WE ISSUED RETIREMENT BENEFITS IN THE AMOUNT OF 613,483,260 DOLLARS.

THAT'S OVER \$613 MILLION.

THIS IS AN AVERAGE OF OVER \$51 MILLION PER MONTH.

TO DEMONSTRATE THE CONSTANT PRESSURE ON THE RETIREMENT SYSTEM, OUR YEARLY PENSION PAYROLL HAS RAISEN FROM OVER \$515 MILLION JUST IN 2013 UP TO LAST YEAR'S OVER \$613 MILLION.

DATING BACK TO 2013, WE AVERAGE ED 681 NEW RETIREES AND SURVIVOR BENEFICIARIES EACH YEAR.

FOR OVER 15 YEARS NEPC HAS BEEN THE SYSTEMS INVESTMENT CONSULTANT, EMPLOYEE OWNED, NEPC

IS ONE OF THE INDUSTRY'S LARGEST
INDEPENDENT FULL SERVICE
INVESTMENT CONSULTING FIRMS IN
THE UNITED STATES.

IT HAS OVER 40 PUBLIC-FUND
CLIENTS AND NEPC'S COLLECTIVE
CLIENT BASE HAS OUTPERFORMED THE
INVESTOR FORCE ICC MEDIAN IN 27
OF 32 YEARS SINCE ITS FOUNDING
IN 1986.

OUR LEAD CONTACT IN EPC IS
MANRESAING.

MR. MANNING IS THE MANAGING
PARTNER AT NEPC.

HE STARTED HIS INVESTING CAREER
IN 1993 AFTER ATTAINING HIS MBA
AT THE UNIVERSITY OF CHICAGO.

HE ALSO RECEIVED HIS BA FROM THE
UNIVERSITY OF NOTRE DAME.

MR. MANNING IS A MEMBER OF THE
BOSTON SECURITY ANALYSTS SOCIETY
IN CFA INSTITUTE.

HE IS A CFA CHARTER HOLDER, AND
HE ALSO HOLDS A CHARTERED
ALTERNATIVE INVESTMENT ANALYST
DES NAY IN 2005.

OBVIOUSLY THERE ARE FOUR OTHER
DEDICATED TEAM MEMBERS ASSISTING
THE SYSTEM FROM NEPC IN OVER 50
PEOPLE FROM NEPC'S RESEARCH TEAM
THAT WE LEVERAGE IN MAKING
INVESTMENT DECISIONS.

AS OF JANUARY 1, 2018, THE
MARKET VALUE OF A SYSTEM
INVESTMENT PORTFOLIO WAS OVER \$5
BILLION.

THIS FIGURE DOES NOT INCLUDE
\$1.7 BILLION, WHICH IS
ATTRIBUTABLE TO THE BOSTON
SCHOOLTEACHERS THAT IS BEING
INVESTED BY THE PENSION RESERVES
INVESTMENT MANAGEABLE BOARD,
COMMONLY KNOWN AS PRIM.

AS OF JANUARY 1, 2018, OUR
FUNDED PERCENTAGE ON MARKET
VALUE BASIS WAS 77.43%.

OUR FUNDED RATIO WAS AMONG THE
TOP ONE-FIFTH OF OUR PEERS IN
MASSACHUSETTS.

WE ARE TARGETING A FULLY FUNDED
DATE OF 2025, WHICH IS EARLIER
THAN MOST OTHER SYSTEMS IN THE
COMMONWEALTH.

OUR INVESTMENT RETURN HISTORY

BETWEEN 1985 AND 2017 IS 9.06%.

THE PORTFOLIO'S ASSUMED RATE OF RETURN IS CURRENTLY 7.5%.

THE ASSUMED RATE OF RETURN IS TARGET RETURN FOR OUR INVESTMENTS.

INVESTMENT RETURN RATES BECOME MORE VOLATILE AS WE APPROACH FULLY FUNDING, WHICH IS THE CASE HERE.

WHEN NOT MEETING THE RETURN ASSUMPTION, THERE ARE FEWER YEARS TO SPREAD THE LOSS, WHICH COULD CREATE SIGNIFICANTLY HIGHER PAYMENTS FROM THE CITY IN ORDER TO MAKE UP THOSE LOSSES AND POSSIBLY AVERSELY IMPACTING THE CITY'S BOND RATING.

INVESTMENT DECISIONS FOR THE PORTFOLIO ARE MADE BY A FIVE-MEMBER BOARD.

THE BOARD MEMBERS ARE OBLIGATED TO DISCHARGE THEIR DUTIES SOLELY IN THE INTERESTS OF MEMBERS AND BENEFICIARIES AND FOR THE EXCLUSIVE PURPOSE OF PROVIDING BENEFITS AND DEFRAYING REASONABLE EXPENSES OF ADMINISTERING THE SYSTEM.

IT IS WORTHY OF NOTE, AS EMMA STATED, THE SYSTEM DOES NOT DIRECTLY HOLD ANY TRADITIONAL GUN MANUFACTURERS OR PRIVATE PRISONS.

THE SYSTEM RECOGNIZES THE DANGERS OF CLIMATE CHANGE AND HAS INVESTED MILLIONS OF DOLLARS INTO FUNDS THAT MAKE RENEWABLE ENERGY INVESTMENTS.

ONE OF OUR INVESTMENT MANAGERS, ARC LIGHT, IS ONE OF THE LARGEST RENEWABLE INVESTORS IN THE WORLD.

THEY INVEST OVER \$3.1 BILLION OF CAPITAL IN RENEWABLE PROJECTS SINCE ITS INCEPTION, INCLUDING DEVELOPING THE LARGEST WIND PROJECT EVER BUILT IN THE UNITED STATES.

AS UNLIMITED PARTNER, WE HAVE INVESTED IN PROJECTS AND COMPANIES SUCH AS LEEWARD, RENEWABLE ENERGY LLC, WITH A PORTFOLIO OF 18 WIND PROJECTS IN

WESTERN, CENTRAL, MID ATLANTIC
AND SOUTHERN UNITED STATES.
AS WELL AS THE GREAT ARE RIVER
ROW WITH A PORTFOLIO OF 13 HIDE
RO ELECTRICAL PLANTS IN NEW
ENGLAND.

THE SYSTEM REMAINS COMMITTED TO
RENEWABLE ENERGY AND INVESTMENTS
AND WILL BE CONDUCTING A SEARCH
TO MAKE ANOTHER INVESTMENT IN
THAT SPACE LATER THIS YEAR.

ESG IS PART OF THE SYSTEMS
MANAGER SELECTION PROCESS.
ESG IS INCORPORATED WITHIN OUR
ININVESTMENT KURTIAN NEPC'S
BROADER DUE DILIGENCE PROCESS AS
THEY EVALUATE NOT ONLY
INVESTMENT FIRMS BUT ALSO THEIR
INVESTMENT STRATEGIES.

SPECIFIC TO THE SYSTEM, NEPC
ALSO RATES ALL CANDIDATES ON
OVERALL SCALE OF 1-4 BASED ON
SUITABILITY, WHICH ALSO INCORP
RATES ESG.

THUS FAR, THROWING A LOT OF
FIGURES AT YOU.

HOWEVER, I DON'T SEE THEM AS
NUMBERS.

I SEE THEM AS PEOPLE.

TO ME THEY ARE THE 40-YEAR CITY
HALL EMPLOYEE WHO IS NATURALLY
ANXIOUS ABOUT RETIRING AND
LIVING ON A FIXED INCOME.

THE EMPLOYEE INVOLVED IN A CAR
ACCIDENT WHILE WORKING, INJURING
HERSELF SO BADLY SHE CANNOT
RETURN TO WORK.

THE EMPLOYEES DYING OF KANSAS
THEIR WE VISIT IN THE HOSPITAL
AND WHEN YOU SHOW WHAT THE
BENEFIT WILL BE TO THEIR
BENEFICIARIES, YOU CAN SEE THE
RELIEF ON THEIR FACE.

AND THE WIDOW WHOSE HUSBAND
WON'T BE RETURNING FROM HOME
BECAUSE HE WAS KILLED IN THE
LINE OF DUTY.

THESE ARE NOT ANECDOTES.

THEY'RE ACTUALLY CASES THAT
EVOLVED DURING MY TIME AT THE
RETIREMENT BOARD.

WITHOUT OVERSTATING THE REALITY,
THE SYSTEM IS THE SINGLE MOST
IMPORTANT AGENCY IN CITY HALL AS

TO THE WELFARE AND WELL-BEING OF
CITY EMPLOYEES AND THEIR
BENEFICIARIES.

WE PROVIDE BENEFITS THAT ALLOW
OUR MEMBERS AND BENEFICIARIES
DIGNITY IN THEIR RETIREMENT
YEARS AND FOR MANY A FINANCIAL
LIFELINE.

WITH THAT I WOULD INTRODUCE DREW
SMITH FROM THE TREASURY
DEPARTMENT.

>> THANKS VERY MUCH.

AND THANKS VERY MUCH FOR HAVING
ME, COUNCILORS.

I'M JOINED TODAY BY MAUREEN
GARCIAO, WHO IS OUR DIRECTOR OF
ACCOUNTS RECEIVABLE, AND THE
CITY'S SECOND ASSISTANT
COLLECTOR TREASURER.

AS I SAID, I AM DREW SMITH.

I SERVE AS HEAD OF TREASURY FOR
THE CITY.

AS IT RELATES TO THE ISSUES
BEFORE US, THE TREASURY
DEPARTMENT GENERALLY OPERATES IN
TWO CAPACITIES.

IN THE FIRST CAPACITY THE
DEPARTMENT MANAGES THE STANDARD
FUNCTIONS THAT ANY GOVERNMENTAL
TREASURY WOULD.

WE ACCEPT REVENUES, WHICH ARE
OUR OPERATIONAL FUNDS.

WE HOLD THOSE FUNDS SAFE UNTIL
THEY'RE EXPENDED, AND MAKE
PAYMENTS TO THE CITY'S EMPLOYEES
AND VENDORS WITH THEM.

ON AN ANNUAL BUDGET OF MORE THAN
\$3 BILLION, IT WILL COME AS NO
SURPRISE THAT THESE SUMS CAN
BECOME SUBSTANTIAL.

IN FACT, THE CITY MAINTAINS AN
AVERAGE BALANCE OF AROUND \$1.5
BILLION IN THESE ACCOUNTS RIGHT
NOW.

WHILE WE MANAGE THE DAILY FLOW
OF FUNDS INTO AND OUT OF THESE
ACCOUNTS, WE INVEST THE MONIES
TO GENERATE A POSITIVE BUT AS
NEAR RISKLESS AS POSSIBLE RETURN
AS WE CAN UNTIL THE FUNDS ARE
NEEDED TO PAY BILLS.

WHILE TREASURY DOES MAINTAIN A
CERTAIN AMOUNT OF DISCRETION IN
HOW THESE FUNDS ARE INVESTED,

BECAUSE OF THERE ESSENTIALALTY
TO THE CONTINUED OPERATION OF
GOVERNMENT, WE OPERATE WITHIN
FAIRLY STRICT SET OF CONSTRAINTS
DETERMINED BY THE COMMONWEALTH.
FORTUNATELY THE CITY IS GIVEN
ADDITIONAL FLEXIBILITY ABOVE AND
BEYOND WHAT OTHER CITIES AND
TOWNS ARE GIVEN, AND WE ARE
ALLOWED THE OPPORTUNITY TO
INVEST IN SECURITIES, THE SAME
SECURITIES THAT THE COMMONWEALTH
IS ABLE TO INVEST IN FOR
GENERALLY THE SAME PURPOSE.
CHIEF HANDY AND I HAVE BEEN AT
THE CITY FOR ABOUT THE SAME
LENGTH OF TIME.

IT'S ONLY BEEN ABOUT A YEAR AND
A FEW MONTHS.

INTERESTINGLY, ONE OF FIRST
CONVERSATIONS THAT WE HAD, AND
IT'S ONE THAT HAS CONTINUED,
UNDERSEING THE MAYOR'S
COMMITMENT TO SEE ANY LEVER WE
HAVE TO ADDRESS OUR COMMUNITY.
THAT CONVERSATION WAS ABOUT
DETERMINING A WAY TO USE THE
CITY'S CONSIDERABLE ASSETS TO
CHEERVEG NUMBER ONE, ITS PRIMARY
GOAL TO SAFETY, I WILL QUIDDITY
AND CONCERN, WHILE LEVERAGING
THOSE ASSETS TO PROMOTE A
BROADER GOOD IN THE CITY AND
BEYOND.

CONTINUING WITH THE POINT, THE
CHIEF HANDY TOUCHED ON EARLIER,
WE ARE PLEASED TO ANNOUNCE THAT
AS A RESULT OF THAT FIRST
CONVERSATION AND ALL THE ONES
SINCE, THE CITY HAS COMPLETED A
FULL REWRITE OF ITS OPERATING
FUNDS INVESTMENT POLICY TO
PROVIDE FOR TWO NEW INITIATIVES
WITHIN THE PORTFOLIO.

WHILE WORKING WITHIN THE
CONSTRAINTS OF THE COMMONWEALTH,
THE ADOPTION OF THIS NEW POLICY,
THE CITY IS COMMITTING AT LEAST
\$100 MILLION FOR DEPOSIT AND
LOCAL COMMUNITY BANKS AND
FINANCIAL INSTITUTIONS.

IT IS OUR HOPE THAT BY HELPING
TO GROW THE ASSETS OF THE BANKS
RIGHT HERE IN OUR BACKYARD, THAT

THEY ARE REDEPLOYED INTO SMALL BUSINESS AND HOME LENDING RIGHT HERE IN BOSTON.

SECONDLY, THE CITY IS CREATING AN INITIATIVE WITHIN ITS CASH INVESTMENT PORTFOLIO. IT'S COMMITTING UP TO \$150 MILLION TO BE INVESTED IN ULTRA SHORT TERM HIGHLY RATED SECURITIES OF COMPANIES THAT MAINTAIN HIGHEST CREDIT RATINGS. WHILE THIS PROGRAM WILL STILL TAKE SOME TIME TO RAMP UP, THIS IS AN IMPORTANT AND MAJOR FIRST STEP IN USING OUR RESOURCES TO NOT ONLY MAKE RESPONSIBLE INVESTMENTS FOR OUR TAXPAYERS, BUT TO WORK TOWARD A COMMON GOOD.

THE FULL POLICY CAN BE FOUND ON THE TREASURY'S WEBSITE AT BOSTON.GOV.

SO I SAID THERE WERE TWO CAPACITIES THAT THE TREASURY WORKED IN.

THE SECOND IS PARTICULARLY UNIQUE, AND IT IS ONE OF THE BEST PARTS OF MY JOB, AND THIS IS MANAGEMENT OF THE CITY'S TRUST FUND.

OVER THE CENTURIES AND IT'S ALWAYS INTERESTING, BECAUSE IN BOSTON YOU GET TO SAY "CENTURY," FRIENDS HAVE BEEN BEQUEATHED BY A NUMBER OF OUR CITY'S RESIDENTS UPON THEIR PASSING.

THE MOST FREQUENT PROVISION OF THIS TRUST IS THE ORIGINAL PRINCIPLE WILL BE HELD FOREVER WITH THE INCOME GENERATED TO BE USED FOR THE BENEFIT OF BOSTON RESIDENTS.

THESE PURPOSES ARE GENERALLY NUANCED BY THE SPECIFIC INTERESTS THAT THOSE PASSING ALONG THE MONEY HAD.

THE EDWARD BROWN FUND IS AN EXAMPLE, AND A MAJOR FUNDER OF PUBLIC ART PROVIDING APPROXIMATELY \$800,000 ANNUALLY FOR PROJECTS SUCH AS THE MEMORIAL HONORING BOSTON'S OWN KIP TIERNAN, A FIGHTER FOR SOCIAL JUSTICE.

IT IS ALSO FUNDING THE BOSTON MARATHON MEMORIAL, WHICH IS EXPECTED TO BE COMPLETED LATER THIS YEAR.

THE GEORGE ROBERT WHITE FUND OWNS AND LEASES PROPERTY TO NON-PROFIT CLINICS FOR \$1 YEAR, SO THEY CAN MORE AFFORDABLY PROVIDE SERVICES TO OUR RESIDENTS.

THEY ALSO SUPPORT TWO COMMUNITY SWIMMING POOL, A CHILDREN'S ZOO, AND A DAYCARE CENTER.

THE GEORGE PARTMAN FUND ALONE CONTRIBUTES \$1 MILLION ANNUALLY TO THE SUPPORT, MAINTENANCE, AND UPKEEP OF THE CITY'S PARK SYSTEM, AND EVERY QUARTER THE TREASURY SPENDS HOURS REVIEWING REQUESTS FROM SMALL COMMUNITY GROUPS ASKING ASSISTANCE AND PROVIDING FUNDING FOR EVERYTHING FROM SENDING MANY OF OUR BOSTON'S CHILDREN WITH SPECIAL NEEDS TO SUMMER CAMPS TO CAREER TRAINING PROGRAMS FOR DISADVANTAGED POPULATIONS TO COMMUNITY FESTIVALS, TO BLACK HISTORY MONTH EVENTS.

THE LARGEST OF OUR TRUSTS ARE OPOST-E.EMPLOYMENT TRUSTS. THE INVESTMENT AND CAREFUL MANAGEMENT WILL WORK TO REDUCE PRESSURE ON THE CITY'S BUDGET AND FREE UP RESOURCES FOR ADDITIONAL CITY SERVICES.

OUR OBLIGATION THE MAKE THE BEST INVESTMENT DECISIONS WE CAN FOR THESE TRUST, NOT ONLY FROM THE PERSPECTIVE OF GROWING RETURN, BUT ALSO FROM A PERSPECTIVE OF PRESERVING PRINCIPLE, SEEMS NOT JUST FROM BIDDING LEGAL AND FIDUCIARY OBLIGATIONS WE MAINTAIN, BUT FROM OUR UNDERSTANDING OF THE IMPORTANT ROLE THESE TRUSTS PLAY IN THE CIVIC RIFE OF THE CITY, EVEN IF THE SOURCES OF THE FUNDS ARE NOT FREQUENTLY KNOWN.

IN AN EFFORT TO MAXIMIZE THE RETURNS OF THESE TRUSTS WHILE DO WHAT WE CAN TO LIMIT THE LIST OF LOSS, TREASURY PLACES A FOCUS ON

DIVERSIFICATION OF THESE INVESTMENTS ACROSS MULTIPLE DISCIPLINE, SECTORS, AND FUNDS. AS OUR ASSETS HAVE GROWN, WE HAVE ADDED NEW FUND STRATEGIES WITHIN THE PORTFOLIOS IN AN EFFORT TO FURTHER DIVERSIFY OUR HOLDINGS AND SAFEGUARD AGAINST DEPLETION OF THE PRINCIPLE INCH A FEW CASES WE ARE ABLE TO DO THIS THROUGH SEPARATELY MANAGED ACCOUNTS.

THESE ARE ACCOUNTS IN WHICH WE EMPLOY A PORTFOLIO MANAGER TO MANAGE THE ASSETS WHILE THE CITY TECHNICALLY MAINTAINS OWNERSHIP AND EXPOSURE TO THE UNDERLYING HOLDINGS.

IN THESE INSTANCE, THE CITY HAS ADDITIONAL FLEXIBILITY TO SINGLE OUT SECURITIES FOR PURCHASE OR EXCLUSION.

IN THE MAJORITY OF CASES, THE CITY OWNS ITS ASSETS IN MUTUAL FUNDS.

WE DO NOT HAVE THE ABILITY TO DICTATE WHICH HOLDINGS SHOULD STAND AND WHICH SHOULD BE KEPT OUT.

WHILE IT WOULD BE THE CITY'S PREFERENCE TO MAINTAIN HOLDINGS EXCLUSIVELY IN SEPARATELY MANAGED ACCOUNTS IN WHICH WE MAIN FULL DISCRETION, THESE ACCOUNTS ARE GENERALLY MORE COSTLY AND REQUIRE HIGHER MINIMUM INVESTMENTS.

CONSIDERING THE SMALLER SIZE OF THE CITY'S PORTFOLIO, WE'RE BEST ABLE TO MITIGATE RISK THROUGH THE USE OF INSTITUTIONAL FUNDS.

WITH RESPECT TO THE SELECTION OF NEW FUND MANAGERS OVER THE PAST YEAR, TREASURY HAS WORKED TO PUT IN PLACE AN ENHANCED DILIGENCE PROCESS.

IN ADDITION TO THE ESG SCORING MATRIX, OUR OWN PENSION MANAGERS, ALSO NEPC, PUT IN PLACE THE TREASURY IS NOW CONDUCTING IN-PERSON DILIGENCE VISITS WITH THESE MANAGERS WHERE WE HAVE ALSO INCORPORATED AN ESG SCREEN INTO OUR QUESTIONS TO

DETERMINE FACE-TO-FACE SPECIFICALLY HOW THESE PORTFOLIO MANAGERS VIEW INVESTING. WITH RESPECT TO OUR TRUST INVESTMENT HOLDINGS AND ALSO AS A RESULT OF THE CONVERSATIONS THAT WE HAVE BEEN HAVING WITHIN THE ANF CABINET FOR SOME TIME, TREASURY IS PLEASED TO ANNOUNCE THAT THIS WEEK THE CITY HAS TAKE AN HUGE STEP FORWARD AND THE CONCEPT OF INVESTORS AND IS INTEGRATED THE CONCEPT OF ACTIVIST INVESTOR INTO OUR MISSION.

NOT ONLY WILL THE CITY BE A CONCERN RAT OWNER LOOKING FOR A POSITIVE RETURN, BUT WE WILL BECOME AN ACTIVIST INVESTOR AND WILL USE THE PLATFORM PROVIDED BY A SEAR CHRIS, ARE WHICH IS A BOSTON-BASED NON-POST-TO DO IT. THROUGH THE SERIES INVESTOR NETWORK, THE CITY WILL WORK ALONGSIDE 165 OTHER INSTITUTIONAL INVESTORS TO DIRECTLY ENGAGE WITH COMPANIES IN PROMOTING STRONG ESG PRACTICES IN ALL AREAS OF THEIR BUSINESS.

I LOOK AROUND, AND I THINK A LOT OF THE FOLKS HERE TODAY WOULD AGREE THAT SOMETIMES STAYING IN THE GAME AND MAKING NOISE IS THE ONLY WAY TO FORCE CHANGE. AND WE COULDN'T AGREE MORE. THAT'S EXACTLY WHAT WE PLAN ON DOING.

AN ABSOLUTELY INVESTOR ACTIVISM HAS ITS LIMITATION, BUT RIGHT NOW IT IS THE ONLY APPROACH WE'RE SEEING HAS IMMEDIATE IMPACT TO THE SITUATION.

AS I HOPE YOU WILL SEE, TREASURY IN EVERY SINGLE LINE OF BUSINESS IS COMMITTED TO NOT ONLY APPROPRIATELY CARRYING OUT ITS CORE MISSION OF SAFEGUARDING ASSETS AND LIMITING RISKS, BUT ALSO TO LEVERAGING SIGNIFICANT RESOURCES TO BENEFIT OUR AND PROMOTE A MORE SUSTAINABLE WORLD.

WITH THAT I BELIEVE THE PANEL IS

ABLE TO TAKE QUESTIONS.

>> GREAT.

THANK YOU VERY MUCH.

I'LL DEFER MY INITIAL
QUESTIONING TO ONE OF THE
SPONSORS.

COUNCILOR EDWARDS.

>> THANK YOU SO MUCH FOR
INFORMING US.

I THINK IT'S REALLY IMPORTANT TO
HAVE THE RUBRIC AND
UNDERSTANDING OF THE POTS OF
MONEY AND HOW WE INVEST.
I KNOW YOU INITIALLY TOUCHED ON
WHAT WE COAND DON'T OWN
SPECIFICALLY AND OUTRIGHT, BUT
WE ARE INVESTED INDIRECTLY OR
DIRECTLY IN FOSSIL FUELS,
CORRECT?

>> CORRECT.

>> BOSTON RETIREMENT
SYSTEM HAS SOME DIRECT
INVESTMENTS IN FOSSIL FUELS IN
TREASURY AND BRS.

THE EXPERTS HERE CAN CORRECT ME.
BOTH HOLD COMINGLED FUNDS, WHICH
MAY HAVE SOME EXPOSURE TO FOSSIL
FUELS IN OTHER INDUSTRY.

>> AT SOME POINT, MAYBE NOT
TODAY, BUT LATER ON COULD WE GET
AN INFORMED UNDERSTANDING OF HOW
MUCH WE HAVE INVESTED IN FOSSIL
FUELS.

>> YES.

>> ALSO IN PRIVATE PRISONS?

>> WE DO INDIRECTLY HAVE SOME
INVESTMENTS IN PRIVATE PRISONS,
IS THAT CORRECT?

>> WE CAN ABSOLUTELY GET YOU
THAT DATA, COUNCILOR.

THE INVESTMENTS THAT ARE MANAGED
THROUGH COMINGLED FUNDS, IT'S
SLIGHTLY HARDER TO GET CLARITY
AROUND EXACTLY WHAT'S HELD AT
ANY GIVEN POINT.

OBVIOUSLY WE DON'T HAVE
OWNERSHIP STAKE IN THOSE.
THOSE ARE HELD BY SOMEONE ELSE.
THEY MAKE DECISIONS ABOUT WHAT
IS IN THE PORTFOLIO AND WHAT IS
NOT.

WE CAN GET YOU THE DATA WE HAVE.
WE HAVE A VERY SMALL EXPOSURE IN
BRS OUT OF THE \$5 BILLION OF

ASSET, THERE'S ABOUT --

>> BRS?

>> BOSTON RETIREMENT SYSTEM.

STORY.

PERHAPS ABOUT \$100,000 RELATED TO FOR-PROFIT PRISONS AND ACTUALLY THERE IS A VERY SMALL EXPOSURE WITHIN THE LIBRARY'S RESOURCES THAT ARE MANAGED IN TRUST OF THOSE \$8,000.

WE'RE LOOKING TO MANAGE THOSE OUT, BUT BECAUSE THEY'RE PART OF A COMINGLED FUNDS, IT'S HARDER TO HAVE THE FLEXIBILITY TO DO THAT.

>> YOU HAD MENTIONED WE DON'T HAVE DIRECT OWNERSHIP, BUT WE DO HAVE INDIRECT AND SOME COMINGLED INVESTMENTS, SO FAR \$100,000 AND \$8,000 IN THE LIBRARY FUND AND PRIVATELY OWNED PRISONS, AND WE'RE GOING TO GET THE NUMBER ON FOSSIL FUELS.

I'M SURE IT'S PRETTY BIG.

I KNOW LOOKING AT SOME OF THE MANAGED ACCOUNT INFORMATION I HAVE, WE HAVE A LOT OF INVESTMENT IN STUDENTS LOANS, TO MY SURPRISE.

I SAY THAT ONLY BECAUSE I FINALLY BROKE THE 90s IN WHAT I OWE ON MY STUDENT DEBT. ALSO MY RETIREMENT IS INVESTED IN THEM.

I FEEL LIKE I'M PAYING MYSELF ULTIMATELY, MANY I RETIREMENT. SO I'LL PUT THAT OUT THERE.

I'M NOT BITTER.

ANYWAY.

I'M NOT BITTER.

I'M MOVING ON SOME WHAT I THINK IS GOOD ABOUT THIS HEARING AND THE FORTHRIGHTNESS IS REALLY HELPING US TO UNDERSTAND THE STMIC PRESSURES THAT YOU ARE DEALING WORK BUT ALSO THE SYSTEMATIC OPPORTUNITIES WE HAVE.

THAT'S WHY IT'S SO IMPORTANT TO TALK ABOUT HOW THE INVESTMENT IS NOT JUST A PULL IN OR PULL OUT. IT'S A REAL MORAL STATEMENT ABOUT THE SYSTEM WE WANT TO MAINTAIN AND SUSTAIN.

SO TALKING ABOUT THOSE RULES AND
REGULATION, IF YOU CAN HELP US
GO A LITTLE DEEPER, TALKING
SPECIFICALLY TO THE PENSION
FOLKS AND THEN YOU CAN
DISTINGUISH YOURSELF ON THE CITY
SIDE, WHAT IS IN YOUR BASIC
UNDERSTANDING THE FIDUCIARY DUTY
OF YOUR JOB AND THOSE THAT
MAINTAIN OUR PENSION.

AND WHERE CAN WE FIND THAT?
>> I HAVE A COPY OF THE BOARD
MEMBERS' DUTIES RIGHT HERE IF
YOU'D LIKE A COPY.

>> THANK YOU.

>> IT'S QUITE LONG, BUT TO BOIL
IT DOWN, IT'S MAXIMIZE THE
RETURNS FOR THE SOLE BENEFIT OF
THE EXCLUSIVE BENEFIT OF THE
MEMBERS AND BENEFICIARIES.

>> THE RATE OF RETURN IS AT --
>> 7.

5.

>> SO TO MEET THAT 7.5% ON AN
ANNUAL BASIS AND TO FULLY FUND,
RIGHT, OUR RETIREMENT?
WE'RE AHEAD OF SCHEDULE, THANK
GOODNESS TO, DO THAT.

>> THE ONLY THING I WOULD ADD TO
THAT IS 7.5 IS FOR THE ENTIRE
PORTFOLIO.

THERE ARE SOME SPACES WHERE WE
PROBABLY HAVE A HIGHER
EXPECTATION AND SOME WE HAVE A
LOWER EXPECTATION.

MR. MANNING CAN PROBABLY SPEAK
WETTER TO THAT.

>> I WOULD ALSO CLARIFY THAT AS
MUCH AS YOU'D LIKE TO GET IT ON
AN ANNUAL BASIS.

IT'S REALLY MEASURED OVER A
LONG-TERM HORIZON, UNDERSTANDING
YOU'RE NOT GOING TO GET 7.5
EVERY YEAR.

>> EVERY SINGLE YEAR.

SO IN THOSE -- THAT SEEMS LIKE A
LARGE, I WOULD SAY IT'S A PRETTY
DECENT AMOUNT OF SPACE TO WORK
WITH.

IS THERE ROOM FOR A SPECIFIC SRI
OR STANDARD TO BE SET FOR
INVESTMENT?

>> COULD I HAVE MORE CLARITY ON
THE QUESTION?

>> WHAT MECHANISMS CAN WE PUT IN WITH REGARD TO SOCIALLY RESPONSIBLE INVESTMENTS THAT WE CAN PUT DIRECTLY IN THE PENSION?

>> THE PENSION IS GOVERNED BY THE REGULATIONS IN CHAPTER 32. SO ANY CONSTRAINTS OR SPECIFIC INSTRUCTION WOULD HAVE TO COME THROUGH PERAK, OTHERWISE IT'S DESIGNED TO BE SOLELY FOR THE BENEFICIARIES OF THE PENSION PLAN.

I MEAN, THERE IS --

>> THE BOARD THEN... SORRY. JUST TO BE CLEAR, THE BOARD COULD NOT COME UP WITH INVESTMENT STANDARDS? THE FIVE BOARD MEMBERS YOU TALKED ABOUT?

>> WELL, WE HAVE AN INVESTMENT POLICY.

BUT AS MR. MANNING SAID, EVERYTHING IS APPROVED BY PERAC AT THE END OF THE DAY.

RECURRENTLY, THERE ARE THREE PROHIBITIONS IN CHAPTER 32, WHICH IS ESSENTIALLY OUR GENERAL LAWS.

THAT WOULD BE GUNS AND MUNITIONS IN SOUTH AFRICA, GURNS AND MUNITIONS IN NORTHERN IRELAND, AND TOBACCO.

SO LET'S SAY WE WANTED TO DIE FESS VEST FROM FOSSIL FUELS?

I WOULD SUBMIT WE SHOULD PROBABLY GO TO THE STATE HOUSE AND HAVE THAT REFLECTED IN AN AMENDMENT TO CHAPTER 32.

>> THAT'S FOR THE PENSION?

>> RIGHT.

>> BUT FOR THE CITY, COULD YOU ADDRESS THE FIDUCIARY DUTY, WHAT RESTRAINTS YOU HAVE AND THE ROOM FOR THE SRI?

>> SURE.

LET ME TALK ABOUT THE TRUST INVESTMENTS WHERE WE HOLD TRADITIONAL FIXED INCOME AND EQUITY INVESTMENTS.

SO CONSTRAINTS, THE CONSTRAINTS APPLICABLE TO THE BRS, THE BOSTON RETIREMENT SYSTEM, ARE GENERALLY SET IN STATUTE, AND BECAUSE OF THAT, THEY ARE ALSO

APPLICABLE TO US.
SO THOSE SAME CONSTRAINTS ARE
SOMETHING THAT THE TRUST FACED.
IT'S OUR FIDUCIARY OBLIGATION
BEYOND THAT.
IT IS -- THE CONCEPT OF A
FIDUCIARY OBLIGATION IS TOUGHER
TO NAIL DOWN AND GENERALLY
SOMETHING THAT'S KIND OF DEFINED
BY THE COURTS THROUGH CASE LAW.
GENERALLY THAT MEANS YOU'RE
TRYING TO MAXIMIZE YOUR
INVESTMENT RETURN WHILE LIMITING
RISK WITHIN WHATEVER YOUR
INVESTMENT TARGET IS.
OUR INVESTMENT TARGET FOR THE
BIGGEST TRUST IS THE 6.75%
TRUST.
SO THAT'S ON THE TRUST SIDE OF
THINGS.
IT'S A LITTLE BIT DIFFERENT ON
THE CASH SIDE OF THINGS.
SO THAT IS VERY, VERY STRICTLY
DETERMINED THROUGH STATUTE.
THERE IS A LISTING OF
INVESTMENTS THAT WE CAN HOLD.
AND WE CAN'T HOLD ANYTHING ELSE.
AND IF YOU WANT TO TAKE A LOOK
AT THE CASH INVESTMENT POLICY,
WE ACTUALLY HAVE EVERY SINGLE
ONE OF LISTED OUT.
THAT GIVES EVERYBODY A GOOD
LIST.
THERE'S ABOUT EIGHT TO TEN OF
THEM.
NO RED THE MAIN CONSTRAINTS WE
HAVE THERE.
ANY BANK DEPOSITS WE NEED TO
HAVE COLLATERAL INSURED AND
THINGS LIKE THAT IN ADDITION TO
THE SECURITIES WE HAVE LISTED.
>> OKAY.
THAT'S IT FOR THIS ROUND.
THANK YOU.
>> COUNCILOR WOLF?
>> THANK YOU VERY MUCH.
SO JUST GIVEN THAT WE HAVE HAD
SEVERAL MEETINGS WITH YOU ALL
AND APPRECIATE THE TIME YOU TOOK
THE LAST GO AROUND TO TALK ABOUT
FOSSIL FUEL DIVESTMENT, AS WELL.
HAS THERE BEEN ANY RESEARCH OR
CONSIDERATION BETWEEN THEN AND
NOW IN TERMS OF THE SORT OF

FINANCIAL ATTRACTIVENESS OF FOSSIL FUEL DIE INVESTMENT OR SORT OF MORE RESPONSIBLE SUSTAINABILITY, MORE SUSTAINABLE AND MORALLY RESPONSIBLE INVESTMENT?

>> MR. MAN CANNING SPEAK TO, THAT BUT I WOULD ADD THAT TWO RETIREMENT BOARDS HAVE TRIED TO DIVEST FROM FOSSIL FUELSFUL.

>> MANY MASSACHUSETTS YOU MEAN?

>> YES NEW AND BOTH WERE DENIED ON PERAC ON THE BASIS OF FIDUCIARY DUTIES?

>> WHICH ONES WERE THAT?

>> SOMERVILLE AND CAMBRIDGE. I CAN SHARE THESE WITH YOU AS WELL.

>> I'LL TOUCH ON WHAT WE CALL ESG INVESTMENT OR GUIDELINES, AND THAT HAS BECOME A MUCH BIGGER PART OF THE INVESTMENT PROCESS I THINK FOR INSTITUTIONAL AND PRIVATE INVESTORS IN GENERAL.

NEPC WAS ONE OF THE ORIGINAL CONSULTANT SIGNATORIES ON WHAT WAS THE U.N. PRI GUIDELINE.

NOW PRI IS PART OF THAT.

WE COMMIT TO MAKING ESG PART OF OUR INVESTMENT PROCESS.

SO WE'RE NOT PICKING INDIVIDUAL SECURITY, BUT WE'RE EVALUATING THE MANAGERS.

ONE OF THE THINGS WE DO IS WORK WITH THE MANAGERS TO UNDERSTAND HOW IMPORTANT ESG OR ESG FACTORS ARE WITHIN THE DIFFERENT STRATEGIES THAT THEY INVEST.

AND SO THAT IS PART OF OUR DUE DILIGENCE PROCESS.

AND THAT'S CERTAINLY INCREASED A LOT OVER THE LAST FOUR OR FIVE YEARS TO THE POINT WHERE WE NOW RATE ALL NEW STRATEGIES ON A 1-4 SCALE.

OBVIOUSLY THE ONES THAT ARE ACTIVELY INCORPORATING ESG ARE MORE HIGHLY RATED.

THE ONES THAT ARE IGNORING IT OR NOT PAYING ATTENTION TO IT AT ALL ARE LOWELL RATED.

SO THAT'S CERTAINLY PART OF IT.

>> WHEN YOU SAY THAT -- SO

SOMETHING INTERNAL ABOUT YOUR INTERNAL STRATEGY CHANGED OVER THE LAST FEW YEARS, ESPECIALLY, THAT WAS JUST BASED ON VOTES OF THE BOARD TO ADOPT DIFFERENT POLICIES OR -- WHERE DID THAT DECISION CHANGE HAPPEN?

>> SO THAT DECISION FOR NEPC TO CHANGE OR THE ADAPT OUR INVESTMENT PROCESS HAPPENED WITHIN OUR FIRM SWIMMILY, OBVIOUSLY RESPONDING TO CLIENT INTERESTS AND DEMANDS TO MAKE THAT A BIGGER PART OF -- A MORE DISTINCT PART OF IT.

>> WHAT DO YOU MEAN BY CLIENT DEMAND, BY CLIENT I GUESS?

>> SO WE WORK WITH 300 CLIENTS. THERE ARE A LOT THAT ARE INTERESTED IN MAKING SURE THAT THE ESG FACTORS ARE A BIG PART OF THE INVESTMENT PROCESS. AND WHILE IT HAD ALWAYS BEEN THERE IN TERMS OF ASKING MANAGERS, YOU KNOW, WE'RE ASKING THE MANAGERS, ARE YOU ASKING THE COMPANIES ABOUT HOW THEY'RE MANAGING THEMSELVES.

WE MADE IT A MORE INTENTIONAL AND DISCREET PART OF OUR INVESTMENT PROCESS TO BE ABLE TO COMMUNICATE THWACK OUT TO CLIENT, BECAUSE IT'S TAKEN ON GREATER INTERESTS.

>> SO IT SOUNDS LIKE THERE IS SOME SPACE BETWEEN CHANGING STATE LAW AND, YOU KNOW, SORT OF STATUS QUO.

I'M JUST TRYING TO FIGURE OUT WHAT THE INTERPLAY IS BETWEEN CLIEPGHTS REQUESTING OR KIND OF WHERE THAT -- THE CHANGE THE LEVEL OF WEIGHT THAT ESG GETS. WHAT KIND OF SPARKS THAT GO-TO-GO UP?

>> NOT SURE I FULLY UNDERSTAND THE QUESTION.

>> SO YOU SAID THAT OVER THE LAST FEW YEARS THERE HAVE BEEN CHANGES TO RESPOND MORE TO SOCIALLY RESPONSIBLE INVESTING OR ESG STANDARDS ANYWAY.

>> YES.

>> DO YOU ANTICIPATE THAT TO

CONTINUE, AND DOES ANY ACTION FROM THE CITY AND THE RETIREMENT BOARD ACCELERATE OR CHANGE YOUR TIME LINES FOR MOVING THAT UP OR DOWN?

>> SO I THINK IN OUR ACTION WAS IN RESPONSE TO THE GENERAL CLIENT DEMAND.

THERE ARE SOME CLIENTS FRANKLY GENERALLY NOT ONES GOVERNED BY PENSION LAW OR THE SAME TYPE OF PENSION LAW THAT YOU HAVE HERE IN MASSACHUSETTS THAT CAN DICTATE MORE STRONGLY PARTICULAR ESG GUIDELINES.

SO, FOR EXAMPLE, A FAMILY OFFICE OR A PARTICULAR ENDOWMENT THAT HAS OR FOUNDATION THAT HAS A SPECIFIC MISSION.

OFTENTIMES THEY WILL HAVE VERY EXPLICIT GUIDELINES OF WHICH THEY'RE GOVERNED BY.

GENERALLY THE PENSION PLANS DON'T HAVE THAT SAME FLEXIBILITY.

>> GOT IT.

I'M GETTING SOME NOTES FROM FOLKS IN THE ROOM WHO ARE EXPERTS AND WANT TO CHIME IN, TOO, SO I HOPE AT SOME POINT WE CAN MAYBE TAKE A LITTLE BIT OF PUBLIC TESTIMONY, BECAUSE I THINK FOLKS HAVE RELEVANT THINGS TO CONTRIBUTE.

SO MY LAST QUESTION WILL BE: WHAT WOULD THE TIME LINE BE? SO SAY STATE LAW CHANGED OR SAY THE CITY DECIDED TO ALL OF A SUDDEN ISSUE A WE'RE DIVESTING FROM THESE TYPES OF INDUSTRIES, WE'RE ALREADY IN CRACKS ANDEN INVESTMENTS FOR CERTAIN TIME FRAMES.

WHEN IS THE SOONEST THAT SOMETHING COULD -- HOW MANY YEARS OR MONTHS?

>> SPEAKING FOR US, WE HAVE A LOT OF CONTRACTS.

A LOT OF THAT WOULD DEPEND ON, THAT BUT IF THE LAW CHANGES, WE WILL FOLLOW THE LAW.

WE HAVE NO DISCRETION, SO WE'LL TAKE THE STEPS NECESSARY PRESUMABLY EVEN TAKING A LOSS TO

COMPLY WITH THE LAW.
SO WE -- TO BE TOTALLY FRANK, I
WAS HERE IN 2014, AND WE HAD
THIS CONVERSATION AT THAT POINT.
I THINK THAT'S PROBABLY THE BEST
WAY TO GO WITH THE LEGISLATURE.
YOU HAVE THE AMENDMENT REFLECT
THIS TYPE OF DIE -- DIVESTMENT
THAT YOU WANT R WANT.
LIKE I SAID, WE'D BE BOUND.
>> FROM THE TRUST PERSPECTIVE,
WE'RE GENERALLY THE SAME.
IT'S A QUESTION OF THERE'S A
QUESTION OF HOW LONG IT TAKES.
HOW LONG IT COULD TAKE.
YOU KNOW, WE HAVE A NUMBER OF
DIFFERENT FUNDS PROBABLY ABOUT
20, AN WE'RE ADDING MORE ALL THE
TIME.
SO THERE IS A PROCESS INVOLVED
IN REDEEMING THOSE SHARES.
THERE IS A PROCESS IN FINDING
REPLACEMENT MANAGERS, AND
SOMETIMES THAT CAN TAKE A BIT OF
TIME.
SOMETIMES IT IS NOT A QUICK
PROCESS, BECAUSE WE WANT TO MAKE
SURE WE GET THE RIGHT INVESTMENT
SOME WE WOULD HAVE TO SOMEHOW
PAIR UP THE STRATEGY WITH
SOMETHING THAT MOST CLOSELY
COMPLEMENTS IT BUT KIND OF ON
THE SCREEN SIDE, SO IT COULD
CONCEIVABLY TAKE A WHILE.
I THINK THAT'S ONE OF THE
REASONS THAT FOR THE PENSION
FUNDS THAT ARE TALKING ABOUT
DIVESTING, LIKE NEW YORK CITY,
SOMETIMES THEY PUT IT A NUMBER
OF YEARS OUT BECAUSE IT'S
SOMETHING THAT NOBODY'S REALLY
FIGURED OUT YET HOW TO DO, AND
IT'S SOMETHING THAT, YOU KNOW,
YOU WOULD HAVE TO LEARN AS YOU
GO HOW YOU'RE ABLE TO
EFFECTIVELY IMPLEMENT IT WITHOUT
REALLY DAMAGING THE PORTFOLIO.
>> THANK YOU.
>> THANK YOU.
I WANT THE APOLOGIZE TO MY
COLLEAGUES WHO ARRIVED WAY
EARLIER.
COUNCIL PRESIDENT CAMPBELL WAS
HERE, AND I KNOW COUNCILOR

GEORGE WILL BE JOINING US.
BEFORE I RECOGNIZE NEXT, THE
OPED TRUST WAS ONLY STARTED IN
2009?

SO THAT'S A NEW TRUST.

>> THAT'S 2009, YEP.

>> WHAT'S THE BALANCE RIGHT NOW
AS FAR AS WHAT WE HAVE IN THERE
AND WHAT THE LIABILITY IS JUST
PROVIDE SOME BASELINE...

>> WELL, LIABILITY IS A BIGGER
QUESTION.

BECAUSE WE CALCULATE --

>> OH, \$2 BILLION PLUS IF MY
MEMORY SERVES.

>> AS FAR AS BALANCE IN THERE
NOW, WE HAVE ABOUT \$550 MILLION
IN THE OPEC TRUST AND WE ADD
MONEY IN THAT EVERY YEAR.

IT'S DIFFERENT FROM PENSION,
BECAUSE PENSION WE PUT MUST BE
IN AND WE ALSO PULL MONEY OUT.
ON THE OPED SIDE OF THINGS WE'RE
NOT PULLING ANYTHING OUT YET.

>> I WAS JUST GOING TO ADD, THE
RETURNS ARE NOT PART OF THE
STATUARY RESPONSIBILITY THAT WE
HAVE.

THOSE ARE PART OF THE SCHEDULES
THAT WE'VE ASSUMED, PARTICULARLY
FOR PENSIONS.

SO 7.5% ALLOWS US TO REACH FULL
FUNDING OF THE PENSION IN 2025,
ASSUMING WE CAN HIT THOSE
RETURNS.

FOR OPED, OUR RETURN IS
ESTIMATED TO BE ABOUT 6.75%.

THOSE ARE I THINK APPROPRIATE
AGGRESSIVE, BUT CERTAINLY AS
OTHERS HAVE ECOLLUDED TO, THERE
IS QUITE A BIT OF UPS AND DOWNS
ON THOSE RETURNS.

TWO YEARS AGO WHEN WE SNAPPED
THE LINE ON OUR LAST VALUATION,
WE HAD RETURNS OF IN EXCESS OF
17%, WHICH HELPED US REALLY FEEL
CONFIDENT ABOUT THAT 2025 TIME
LINE.

LAST YEAR'S RETURNS WERE
NEGATIVE 5.6% AGAINST AN
ASSUMPTION OF 7.75%.

SO THOSE ARE SOMETHING WE WATCH
VERY CAREFULLY.

IT HAS A HUGE IMPACT ON OUR

ABILITY TO FUND THE PENSION SCHEDULE, AND AS KIM ELUDED TO, WE'RE GETTING TO FULLY FUNDING OUR PENSION, BUT IT MEANS THOSE SWINGS AND RETURNS HAVE A GREATER IMPACT ONER ABILITY TO HIT THOSE TIMELINES AND WILL DIRECTLY IMPACT WHAT WE HAVE TO INVEST AS PART OF THAT.

SO I WANTED TO CLARIFY THAT WHILE THEY'RE NOT STATUTORILY REQUIRED, THERE IS A GREAT DEAL OF WEIGHT PUT ON THEM.

>> Julie: RIGHT.

AND WITH THE RETIREMENT. YOU KNOW, WE HAVE,LY A LIABILITY THERE SCHEDULED TO BE PAID OFF IN 2025.

I BELIEVE PAYING OVER 200 MILLION, AND BY 2025 IT SHOOTS UP TO 400 OR SO.

AGAIN, DON'T QUOTE ME.

>> IT BALLOONS UP.

I HAVE THE APPROPRIATIONINGS IF YOU WANT A COPY OF IT.

>> I HAVE IT HERE.

SO F.Y. 19, \$242 MILLION.

IN F.Y. 24, WHICH WILL BE THE HIGH-WATER MARK, \$370 MILLION.

SO THE SCHEDULE WILL BE.85% INCREASE IN THE APPROPRIATION EVERY YEAR UNTIL FULL FUNDING.

ONCE WE ACHIEVE FULL FUNDING, THE PLAN IS TO REDIRECT THOSE RESOURCES TO ADDRESS THE MASSIVE OPED LIABILITY.

>> I WANT TO REMIND FOLKS THAT WE WEREN'T DOING THIS FOR A LONG TIME, SO OUR GENERATION, ALL OUR TAXPAYERS, ALL OF US HERE WHO CARE ABOUT THE CITY, ACTUALLY JUST STARTED TO ADDRESS THIS IN THE LAST DECADE.

ESPECIALLY OPED.

WE WEREN'T PUTTING MONEY AWAY AT ALL.

THAT'S A SEVERE DISADVANTAGE FOR OUR RETIREES AND PUTS THEM IN JEOPARDY I WOULD SAY.

I'LL RECOGNIZE COUNCILOR

O'MALLEY AT THIS POINT.

>> THANK YOU, MR. CHAIRMAN.

GOOD AFTERNOON AGAIN, LADIES AND GENTLEMEN.

THANK YOU.

I KNOW HOW COMMITTED YOU ARE TO BEING SOUND FISCAL STEWARDS AND THE GREAT WORK YOU DO.

I DO HAVE SOME QUESTIONS ABOUT THE MAYOR'S ANNOUNCEMENT TODAY, WHICH I CELEBRATE.

I THINK IT'S A WONDERFUL STEP.

REALLY HAVING BETTER DIVESTMENT FROM THE PENSION FUND.

I UNDERSTAND THERE ARE SOME CHANG, BUT I THINK IT'S A GREAT WAY TO MAKE IT BETTER.

SO THE PENSION LIABILITIES FUNDED ABOUT 77% CURRENTLY, AND WE'RE ON TRACK TO GET TO 100% BY 2025.

WILL THAT FREE UP, YOU MENTIONED THAT IT'S MORE OF A VOLATILE RETURN I GUESS WHEN IT'S FULLY FUNDED.

EXPLAIN THAT.

>> SO IF I COULD SHOW YOU THE THING THAT I'M LOOKING AT HERE, IT'S A LOVELY CHART THAT SHOWS IN 2025 WE STILL HAVE SOME COMMITMENTS THAT WE NEED TO MAKE.

THE SORT OF PAYGO AS WE GO. THERE WILL BE SOME PORTION OF THE LIABILITY ON 2025.

BASED ON THE CURRENT PENSION SCHEDULE, WE WILL GO FROM \$370 MILLION IN 2024 TO \$230 MILLION IN 2025 FOR PENSION ALONE.

AND THEN THERE'S THE QUESTION ABOUT OPED.

>> THEN WHAT WOULD IT BE IN 2026?

>> I DON'T HAVE THAT IN FRONT OF ME.

I CAN GET IT FOR YOU.

>> PRESUMABLY IT WOULD GO DOWN?

>> YES, I THINK IT WOULD GO DOWN.

>> DOES THAT ALLOW FOR ANY FREEDOM AS IT RELATES THE CHAPTER 32 AND THE RESTRICTIONS OF THE STATE WHEN YOU HAVE FALLLY FUNDED PENSION?

>> NO, BECAUSE I WOULD SAY, AND TIM MIGHT HAVE THIS PERCENTAGE ON HIM, MOST OF THE FUNDS THAT ARE IN OUR PENSION, THAT ARE

INVESTED AS PART OF OUR PENSION SYSTEM, ARE ACTUALLY EMPLOYEE CONTRIBUTIONS.

SO THIS IS THE CITY'S PORTION TO GET US TO FULL FUNDING, BUT I THINK IT'S SAFE TO SAY A MAJORITY OF THE FUNDS ARE EMPLOYEE CONTRIBUTED FUNDS.

>> SO I HAVE IT RIGHT, YOU SAID THAT NONE OF OUR MONEY IS CURRENTLY INVESTED IN FIRE OR WEAPONS MANUFACTURERS OR INTERMINGLED.

>> NONE OF OUR DIRECTLY MANAGED FUNDS ARE CURRENTLY IN GUN MANUFACTURERS.

>> A SMALL PERCENTAGE IS IN FOR-PROFIT PRISONS.

YOU SAID \$100,000?

>> NOT DIRECTLY MANAGED.

>> THAT'S THE INDIRECTLY MANAGED?

>> THAT'S COMARTIN LUTHER KING LDZ.

>> SO COMINGLED FUNDS, ANY MONEY INVOLVED WITH GUN MANUFACTURERS.

>> I THINK A VERY, VERY SMALL AMOUNT.

DREW, DO YOU HAVE THAT NUMBER.

>> SURE.

ON THE CITY SIDE WE HAVE A PORT FELL OWE OF \$70 MILLION.

742,000 IS DIRECTLY EXPOSED TO GUN MANUFACTURERS THAT. ACCOUNTS FOR .10% OF THE PORTFOLIO.

>> .10%.

>> YES.

>> I ASSUME IT'S \$100,000 AND THE \$8,000 LIBRARY, THAT'S PROBABLY VERY SMALL.

>> .0015.

>> SO EVEN SMALLER.

WHAT'S THE FOSSIL FUEL COMINGLED FUND PERCENTAGE.

>> SO MINGLED FOR FOSSIL FUELS WOULD BE THREE AND A YEAR% RAJ, SO THAT IS \$23 MILLION.

>> Julie: .5.

>> YOU SAID THAT.

THAT'S WHY I DON'T HAVE YOUR JOB.

I GET PERCENTAGES WRONG.

BUT STILL, THAT'S SIGNIFICANT

AMOUNTED COMPARED TO THE OTHER TWO.

AND THAT'S I THINK AT THE CRUX OF WHAT WE WANT TO GET TO TODAY. I MISSPOKE IN MY OPENING STATEMENT WHEN I SAID \$6 TRILLION HAS BEEN DIVESTED FROM FOSSIL FUELS.

THE NUMBER OAS OF DECEMBER 8, 2018, WAS \$8 TRILLION.

IT HAD GONE UP AN ADDITIONAL \$2 TRILLION IN AN ADDITIONAL TWO OR THREE-MONTH PERIOD.

THAT SHOWS SIGNIFICANT LEVERAGE.

THE RETURN ON THAT INVESTMENT HAS BEEN REMARKABLE.

WE HAVE MONEY INVOLVED.

I THINK YOU TALKED ABOUT SOME OF THE WIND AND SOLAR COMPANIES.

TIM, WHAT'S THE PERCENTAGE OF OUR PORTFOLIO IN RENEWABLES CURRENTLY.

DO WE HAVE THAT NUMBER?

>> I DON'T HAVE IT HANDY, BUT WE CAN GET THAT FOR YOU.

>> IS IT MORE OR LESS THAN 3.25%.

>> LESS.

>> LESS.

OKAY.

SO I GUESS RECOGNIZING THE CONSTRAINTS OF CHAPTER 32 IN THE STATE LEGISLATURE, I THINK AT AN ABSOLUTE OPINION MUM, AN ABSOLUTE OPINION MUM, WE SHOULD BE LOOKING TO MAKE SURE WE HAVE SIGNIFICANTLY MORE MONEY INNEED MANY REMIEWBL ENERGY SOURCES THAN FOSSIL FUELS.

I THIS I THAT'S SOMETHING WE CAN DO TO STAY LOYAL THE OUR FIDUCIARY DUTY WHILE AT THE SAME TIMEENING -- TIME INVESTING IN VALUES OF BOSTON.

I WANT TO GET TO MY COLLEAGUES. BUT I WOULD, A, LIKE TO GET THAT PERCENTAGE, BECAUSE WE HAVE A GOOD PERCENTAGE BREAKDOWN.

WHAT IS OUR RENEWABLE PERCENTAGE, PARTICULARLY COMPARED THE FOSSIL FUELS, AND HOW DO WE CHANGE THAT SO IT'S SIGNIFICANTLY MORE.

>> WE ARE DOING A SEARCH FOR

RENEWABLES THIS YEAR, SO WE'RE
VERY EXCITED TO SEE WHAT
HAPPENS.

>> YEAH.

OKAY.

WELL, THANK YOU.

>> WE'LL LET YOU KNOW.

>> YOU MOST CERTAINLY WILL.

THANK YOU, MR. CHAIRMAN.

>> THANK YOU, COUNCILOR BAKER.

>> THANK YOU, MR. CHAIRMAN.

CAN SOMEONE TELL ME WITH THE
ACRONYM OH HESG MEANS.

-- ESG.

>> IT STANDS FOR ENVIRONMENTAL
SOCIAL AND GOVERNANCE ISSUES.

>> OKAY.

THANK YOU.

TIM, YOU HAD TALKED ABOUT WHERE
SOUTH AFRICA AND GUN
MANUFACTURING SPECIFICALLY NAMED
THAT WE'RE NOT ABLE TO INVEST.
IN WHERE WAS THAT NAMED DWEB?

>> SOUTH AFRICA, NORTHERN
IRELAND AS WELL AS TOBACCO
COMPANIES.

>> AND NAMED IN 32?

>> CHAPTER 32.

>> WE HAD TO GO --

>> MANY YEARS AGO, IT PREDATED
MY TIME AT THE BOARD.

A LOCAL ORDINANCE?

>> I DON'T KNOW IF IT BECAUSE
HOME RULE PETITION OR NOT.

I CAN DIG AROUND AND FIND OUT
FOR YOU.

I DON'T KNOW OFF THE TOP OF MY
HEAD.

IT PREDATED ME.

DO YOU KNOW?

>> OKAY.

SO EMMA, IN 2025, ARE WE GOING
TO HAVE AN EXTRA \$40 MILLION TO
DO SOMETHING WITH?

>> I SHOULDN'T HAVE LED WITH
THOSE NUMBERS.

OUR EXPECTATION AND CERTAINLY
SOMETHING THAT WE WILL NEED THE
WRESTLE WITH IN 2025 IS THE
OTHER POST-EMPLOYMENT BENEFITS,
HEALTHCARE FOR RETIREES
LIABILITY.

THAT LIABILITY IS \$2 BILLION.

WE'RE MAKING \$40 MILLION DOWN

PAYMENTS ON THAT LIABILITY.
THAT DOES NOT FUND WHAT THE
ACTUARIES TELL US WE SHOULD BE
FUNDING EVERY YEAR ON THAT
LIABILITY.

SO THE EXPECTATION IS ONCE WE
FREE UP RESOURCES AS PENSION IS
FULLY FUNDED THAT WE CAN
DEDICATE A MORE SUBSTANTIAL
PORTION OF THOSE RESOURCES.

>> OKAY.

SO A LOT OF THAT \$40 MILLION
WILL GO TO FUNDING THE
RETIREMENT.

>> YEP, YEP, THE NEXT LIABILITY.

>> YEAH.

IT'S A GOOD MOVE, BECAUSE I'M A
RETIREE.

SO I DON'T WANT TO NOT BE ABLE
TO WORK AND NOT HAVE ANYTHING
COMING IN.

TIM, YOU HAD A LOT OF PAPERWORK
OVER THERE THAT YOU SAID, IF YOU
WANT A COPY OF THIS, YOU WANT A
COPY OF.

THIS WHATEVER IT IS YOU HAVE
THAT YOU THINK IS PERTINENT, CAN
YOU PUT TOGETHER IN A PACKAGE?

>> NOT RIGHT NOW.

WE DON'T NEED TO DO IT NOW.

BUT IF YOU CAN GET THAT OVER TO
ME, WHATEVER YOU HAVE.

I THINK I'M GOOD.

>> MR. CHAIR,
THANK YOU.

>> THANK YOU.

COUNCILOR CAMPBELL.

>> THANK YOU TO COUNCILORS
EDWARDS, WU, AND O'MALLEY FOR
YOUR LEADERSHIP AND YOUR HARD
WORK.

AND FOR YOUR DEDICATION.

I FULLY SUPPORT THE HEARING
ORDER AND WHAT WAS SAID IN THE
HEARING ORDER, BUT SOME OF THE
STATEMENTS OF MY COLLEAGUES
STRICTLY COUNCILOR EDWARDS ON,
YOU KNOW, OUR VALUES, SAY ONE
THING AND OUR MONEY SHOULD
FOLLOW OUR VALUES.

SO I APPRECIATE YOUR LEADERSHIP.
AND COUNCILOR O'MALLEY, ANSWER
COUNCILOR WU, THANK YOU FOR YOUR
LEADERSHIP.

I HAVE BEEN DOING A LOT OF LISTENING.
THANK YOU.
LEARNING A LOT.
QUITE A BIT.
AND YOU NOW, I DON'T LIKE THE WASTE TIME.
SO I JUST HAVE -- I GUESS FOLLOWING UP ON COUNCILOR O'MALLEY'S POINT, WHICH IS WHAT WOULD KEEP US FROM DOING WHAT HE WAS TALKING ABOUT, WHICH WAS SORT OF GOING MORE INTO RENEWABLE AND LEAVING FOSSIL FUELS BEHIND?
I THINK WE'RE DOING SOME OF THAT, BUT WHAT KEEPS US FROM GOING A LITTLE BIT FURTHER?
>> THE RETIREMENT SYSTEM.
WE ARE, AS WE SAID EARLIER, WE ARE DOING A SEARCH FOR RENEWABLES SOME WE'RE ADDING THAT TO THE PORTFOLIO.
BUT AS FAR AS THE INVESTMENT, WE'RE BOUND BY CHAPTER 32 AND WE'VE ALREADY WEIGHED IN TWICE SAYING THAT YOU CANNOT DO THAT.
>> SO FOR YOU IT'S DO SOMETHING WITH CHAPTER 32 AND --
>> AT THE STATE HOUSE.
>> SO THAT WAS SORT OF SOME OF MY QUESTIONS AROUND THE PROCESS OF HOW THOSE CHAPTER 232 -- HOW THOSE CHAPTER 32 CHANGES WERE MADE.
I WANT TO GIVE CREDIT TO COUNCILOR YANCEY, MY PREDECESSOR FROM DISTRICT FOUR, WHO WAS A LEADER WITH RESPECT TO THIS ISSUE LONG BEFORE MANY FRANKLY AND SPECIFICALLY WITH RESPECT TO WHAT'S HAPPENING IN SOUTH AFRICA AT THE TIME.
I WASN'T HEAR THEN.
I WASN'T FOLLOWING.
I'M JUST CURIOUS, HOW DID THAT HAPPEN?
HOW DID THOSE CHANGES WITH RESPECT TO THAT STATE LAW ACTUALLY HAPPEN?
WAS IT A HOME RULE PETITION?
WAS IT PROCESS?
WHAT WAS IT.
>> IT PREDATED ME, COUNCILOR, I

HONESTLY CAN'T SAY.

I'M SORRY.

>> ANYONE ELSE?

NO.

>> I DON'T KNOW.

I PROBABLY SHOULDN'T SAY, BUT I SUSPECT THAT BECAUSE IT WAS AN OUTRIGHT CHANGE TO STATE LAW THAT PROHICTSED INVESTMENT IN THOSE AREAS THAT IT WAS JUST WORKED IT WAY THROUGH THE LEGISLATIVE PROCESS RATHER THAN HOME RULE.

BUT WE CAN LOOK INTO IT.

>> ADVOCATES IN THE.

ARE.

I IMAGINE IT WAS THE HOME RULE PETITION.

SO THROUGH SO QUICKLY GOING BACK TO THE SPONSORS, HOW DEAD WE GET THAT DONE THEN.

IT'S LIKE HOW DO WE USE THAT PROCESS TO GET SOMETHING DONE NOW.

>> THAT'S A QUESTION.

I DON'T NO.

>> COUNCILOR EDWARDS, COUNCELY O'MALLEY, I'M JUST CURIOUS.

>> THROUGH THE CHAIR.

>> THROUGH THE CHAIR, THANK YOU.

I IMAGINE EVEN THE ADVOCATES IN PUBLIC TESTIMONY MIGHT HAVE ANSWERS TO THAT, TOO.

>> WE'RE GOING TO HAVE A FEW.

>> OKAY.

I ONLY ASK BECAUSE I HAVE TO RUB TO A MEETING OUTSIDE, BUT I THINK AGAIN, I DON'T LIKE WASTING TIME.

THIS IS SOMETHING WE SHOULD BE DOING.

AND SO I'M PROUD TO WORK WITH COLLEAGUES WHO ALSO WANT TO GET THINGS DONE.

IF THERE IS SOMETHING TO BE LEARNED SPECIFICALLY FROM THE STRATEGY OF THE PAST, YOU KNOW, HOW DO WE DO IT NOW TO BE ABLE TO MAKE A DIFFERENCE IN STATE LAW.

OBVIOUSLY OTHER MUNICIPALITIES ARE LOOKING AT THIS, TOO.

BUT I WOULD LOVE TO LEARN AND UNDERSTAND MORE ON THE PROCESS

PIECE.

AND THINK ABOUT HOW WE CAN
CONTINUE TO LEAD ON THE COUNCIL
SIDE WITH RESPECTED TO THIS IN
GETTING CHAPTER 32 CHANGED IN
OTHER WAYS.

SO I JUST WANT TO LEAVE WITH
THAT.

I WANT TO TAKE TOO MUCH TIME.
I WANT TO BE ABLE TO HEAR FROM
FOLKS IN THE AUDIENCE, AND I CAN
REVIEW THE RECORDING LATER WITH
RESPECT TO THE PUBLIC TESTIMONY
PIECE.

SO THANK YOU FOR YOUR TESTIMONY,
THANK YOU AGAIN TO MY COLLEAGUES
FOR YOUR LEADERSHIP ON THIS.

THANK YOU TO THE FOLKS.

ONE THING I WILL ADD
SPECIFICALLY ON THE PRISON
PIECE, BECAUSE I CARE SO DEEPLY
ABOUT CRIMINAL JUSTICE REFORM
AND ONE KNOWS WHY, I -- THERE'S
A LOT ALSO HAPPENING AROUND THE
COUNTRY AT THE LOCAL LEVEL IN
NEW YORK WITH RESPECT TO THESE
OTHER COMPANIES THAT ARE PREYING
ON FOLKS BEHIND THE WALLS,
WHETHER IT'S THE TELEPHONE
COMPANIES, THE COMMISSARY
COMPANIES, AND THE EXORBITANT
RATES THESE INDIVIDUALS HAVE THE
PAY SHOULD BE UNACCEPTABLE TO
ANYBODY.

WE DON'T PAY ATTENTION BECAUSE
THESE PEOPLE ARE HIDDEN.

THEY'RE NOT PROXIMATE TO US IN
ANY WAY.

BUT THERE ARE ADVOCATES WHO HAVE
BEEN DOING THE WORK IN NEW YORK
AN OTHER PLACES TO SAY, WHAT
ELSE COULD WE BE DOING, NOT JUST
DIE -- DIVEST.

, BUT GOING AFTER OTHER
COMPANIES THAT ARE PREYING ON
FOLKS.

AND I WANTED TO PRIDE PEP TYLER
WHO IS DOING SOME WORK.

AN WE'RE DISCUSSING HOW THE
EXPAND THE CONVERSATION TO OTHER
SPACES TO HAVE AN IMPACT WITH
RESPECT TO COMPANIES PREYING ON
INDIVIDUALS WHO ULTIMATELY WOULD
COME BACK TO THE CITY OF BOSTON

AND BE RESIDENCE IN OUR CITY BUT
THEY'RE BEING PAYED ON AS WE SIT
HERE.

SO JUST WANTED TO ACKNOWLEDGE
THAT AND THANK THE ADVOCATES
AGAIN, PARTICULARLY THOSE FOLKS
WHO HAVE BEEN DOING THEIR WORK
IN OTHER STATES AND BRINGING
WHAT'S BEEN WORKING THERE TO US
TO SEE WHAT WE CAN DO.

THANK YOU AGAIN, COUNCILOR.

>> COUNCILOR GEORGE?

>> I THANK YOU FOR YOUR
EXPERTISE AND INTEREST.

I LOOK FORWARD TO FOLLOWING YOUR
LEAD TO SOME DEGREE AND
CONTINUING TO LEARN MYSELF.

I APOLOGIZE FOR MY LATENESS.

I AM NOT GOING TO ASK ANY
QUESTIONS, BECAUSE THEY MAY HAVE
BEEN ASKED.

I LOOK FORWARD TO JUST
CONTINUING TO LEARN, BUT REALLY
HOPE THAT WE ARE LOOKING TO
LEVERAGE OUR INVESTMENTS, OUR
STRENGTHS FREELY IN CHANGING
OUTCOMES ON THE OTHER END,
BECAUSE WE CAN THIS THAT AN WE
SHOULD BE DOING THAT.

ALSO, INTERESTED IN THE
RELATIONSHIP BETWEEN THE STATE
LAW OR CODE THAT WE CAN IMPACT
OR INFLUENCE CHANGE TO THAT, AS
WELL.

SO ILY NOT TAKE ANY OTHER TIME,
BUT I APPRECIATE THE OPPORTUNITY
AND CERTAINLY THE OPPORTUNITY TO
LEARN.

>> GREAT.

THANK YOU, COUNCILOR.

I'M GOING TO CALL UP JUST THREE
MEMBERS AT THIS TIME TO TESTIFY
PUBLICLY.

THREE MINUTES.

BOB MASSIE, DICK CLAP, MAIN THAT
BARACA.

TIM, WHILE THEY'RE MAKING THEIR
WAY UP DO, YOU HAVE A KIND OF A
TEN-YEAR HISTORICAL SNAPSHOT
OFFING A DPAITED RETURNS.

>> YES, I CAN GET THAT TO YOU.

>> ESPECIALLY DURING THE
RECESSION YEARS.

JUST CURIOUS.

OVER THERE.

GO AROUND.

NO, THE OTHER WAY.

THE OTHER WAY.

>> THANK YOU VERY MUCH,

MR. CHAIRMAN AND COUNCILORS.

MY NAME IS BOB MASSIE.

I'M HONORED TO COMMENT ON THE

QUESTION OF THE CITY OF BOSTON,

PURSUING A SOCIALLY AWARE

INVESTMENT POLICY.

I'M GOING TO WHIP THROUGH IT.

FIRST, I PUT 30 YEARS INTO THIS,

MY DOCTORATE AT HARVARD BUSINESS

SCHOOL WAS ON THIS QUESTION OF

SOCIALLY RESPONSIBLE INVESTMENT

AND FIDUCIARY DUTY.

MY BOOK ON THE TOPIC OF THE

SOUTH AFRICAN DIVESTMENT,

ANSWERS YOUR QUESTION,

COUNCILOR, AND I CAN SPEAK TO

THAT IN A MOLT, AND I HAVE BEEN

THE HEAD OF FOUR ORGANIZATIONS

THAT DEAL WITH THIS.

I USED TO BE THE PRESIDENT OF

SERIES.

I WANT THE THANK YOU FOR

PARTICIPATING IN SERIES.

I WAS THE FOUNDER OF THE

INVESTOR AMENDMENT ON CLIMATE

RISK.

I WAS THE FOUNDER OF THE GLOBAL

REPORTING INITIATIVE AND OF THE

NEW ECONOMY COALITION.

SO AFTER WRITING ABOUT THIS FOR

A LONG TIME, I JUST WANT TO

SUMMARIZE THAT IN MY JUDGMENT IN

CERTAIN CASES DIVESTMENT CAN BE

SMART, LEGAL, EFFECTIVE, AND IN

MANY CASES URGENT.

SO AGAIN, I WILL JUST WHIP

THROUGH THIS.

BUT THE PROBLEM WITH WALL

STREET, AN I KNOW MANY SMART

PEOPLE APPLY THEMSELVES TO

ANALYZING OUR ECONOMY, BUT THAT

OFTEN IS SUBJECT TO GROUP THINK

AND A FAILURE TO LOOK FORWARD.

WE HAVE HAD TWO MASSIVE BUBBLES

IN THE LAST 20 YEARS.

THE TECH BUBBLE FOLLOWED BY THE

HOUSING BUBBLE.

THE TWO OF THOSE DESTROYED \$11

TRILLION OF VALUE IN THE UNITED

STATES AND MANY PEOPLE BELIEVE WE ARE NOW IN A CARBON BUBBLE. BY THE WAY, I KNOW WE'RE TALKING ABOUT OTHER ISSUES, BUT I'M FOCUSING ON FOSSIL FUEL DIE INVESTMENT.

LEGALLY I WOULD LOVE TO TALK MORE WITH YOU GENTLEMAN AND OTHERS ABOUT FIDUCIARY DUTY.

I WAS A MEMBER OF THE \$240 MILLION SOMERVILLE RETIREMENT BOARD.

WE MADE THE JUDGMENT THAT OUR FIDUCIARY DUTY REQUIRED US TO RESTRICT OUR INVESTMENTS BECAUSE THE FOSSIL FUEL INDUSTRY IS A BROKEN AND DYING BUSINESS MODEL. PEABODY COAL WAS \$1,000 A SHARE. IT WENT TO \$2 A SHARE AND BANKRUPT.

ALL THE WAY DOWN PEOPLE SAID IT WAS GOING TO COME BACK.

I WOULD LIKE TO SIMPLY SAY THAT TRUSTEES EXERCISING THEIR FIDUCIARY JUDGMENT CAN DECIDE TO EXCLUDE COMPANIES THAT THEY BELIEVE ARE IN AN INDUSTRY THAT WILL FAIL.

I CAN'T GO INTO THE QUESTION OF EFFECTIVENESS, BUT I COADDRESS THAT IN MY 800-PAGE BOOK.

SO IF YOU'D LIKE ME TO ENTER INTO THAT VIA TESTIMONY, I WOULD BE HAPPY TO DO THAT.

I WANT TO CONCLUDE BY SAYING THAT WE IN THE BABY BOOMER GENERATION, WHATEVER OUR ACHIEVE.

, WILL BE REMEMBERED HUNDREDS OF YEARS FOR NOW FOR TWO THINGS: ONE IS FAILING TO ADDRESS CLIMATE CHANGE.

WALL STREET IS ONLY NOW WAKING UP.

AND THE OTHER IS THE FAILURE TO ADDRESS WEALTH INEQUALITY.

WE COULD ADDRESS BOTH OF THOSE IN THE GREEN NEW DEAL AND IN THE ACTIONS THAT YOU'RE CONSIDERING TAKING.

AND I STRONGLY RECOMMEND THAT YOU INSTITUTE SUCH POLICIES.

THANK YOU VERY MUCH.

[APPLAUSE]

>> I'M SORRY.

WERE YOU GOING TO ANSWER THE QUESTION ON THE APARTHEID?

>> YES.

SO AS QUICKLY AS I CAN.ATH

>> I WOULD LIKE THE SHARE A PERSONAL STORY WITH YOU.

MY NAME IS AMANDA.

I WAS BORN IN BOSTON TO TWO IMMIGRANT FAMILIES.

MY MOM'S PARENTS WERE FISHERMEN FROM SICILY WHO MOVED HERE TO THE NORTH END AND MY DAD PROVED HERE FROM BETHLEHEM AND PALESTINE AND WORKED AS A SURGEON CARING FOR CHILDREN IN BOSTON.

I'M A MEMBER OF THE NETWORK CALLED THE PALESTINIAN COMMUNITY IN BOSTON.

I'M HERE TODAY TO SHARE WHY IT IS IMPERATIVE THAT ANY SOCIALLY RESPONSIBLE INVESTMENT CRITERIA AND POLICY PASS MUST INCLUDE CRITERIA AROUND HUMAN RIGHTS.

HARMS TO BE COMMITTED AGAINST PAL SPINNANS AND MANY MORE COMMUNITIES TO WHOM WE ARE LINKED AS BOSTON RESIDENTS.

THE GOOD NEWS IS WE HAVE THE AGENCY TO DIVEST OURSELVES FROM NR TRY VIOLATIONS BY ADOPTING A CRITERIA.

THE EXISTING INVESTMENT IN HUMAN RIGHTS SCREENS THAT WE COULD EASILY ADOPT THAT IS NO MORE

WORK FOR US, THE BETTER NEWS IS WE KNOW THE STRATEGY IS PROVEN TO BE EFFECTIVE IN CHANGING CONDITIONS ON THE GROUND FOR PEOPLE EXPERIENCING OPPRESSION.

FOR EXAMPLE, FOLLOWING DIFFICULT INVESTMENT CAMPAIGN IT IS BRITISH SECURITY CAMPAIGN JRS PULLED OUT OF ISRAEL AND ALL OVER THE WORLD AND THE FRENCH COMPANY HAS STOPPED OPERATING RACIALLY SEGREGATED BUSES IN ISRAEL.

WE AS A COMMUNITY IN BOSTON HAVE THE POWER AND THE RESPONSIBILITY TO IMPACT GLOBAL HUMAN RIGHTS BY ALIGNING OUR INVESTMENTS WITH OUR VALUES.

THANK YOU.

>> THANK YOU.

[APPLAUSE]

>> PLEASE, PLEASE, PLEASE.

COULD YOU -- WHAT WERE THOSE JUDGMENTS THAT YOU SPOKE ABOUT EARLIER ABOUT 0 SOMERVILLE AND CAMBRIDGE?

WHAT WAS THAT RELATED TO?

>> WELL, I THINK MR. MATTHEW MAY BE ABLE TO SPEAK BETTER BUT I HAVE THE LETTERS RIGHT -- MY READ IS THEY WERE TRYING TO DIVEST FROM FOSSIL FUELS AND --

>> PUT MY GLASSES BACK ON.

>> AND THE ACT RELIED ON SECTION 23, SUBTHREE, WHICH IS THE FIDUCIARY DUTY AS MR. MASSEY SAID.

I THINK THE KEY LANGUAGE IN THIS LETTER IS IN THE ABSENCE OF A STATUTORY RESTRICTION, PERTAINING TO INVESTMENT IN FOSSIL FUELS, MR. CAMBRIDGE, THE CRB MUST HAVE ASSETS 1 FOR THE EXCLUSIVE PURPOSE OF PROVIDING BENEFITS TO BENEFITS AND THE BENEFICIARIES AND 2 AS A PRUDENT EXPERT WOULD INVESTING FUNDS AS SET FORTH IN 84 CMR 1.01, CONSTRAINING INVESTMENT OPTIONS AS A SIGNIFICANT IMPACT AND ON POTENTIAL INVESTMENT RETURNS, ANY DIRECT LOSS OR LOSS DUE TO MISSED OPPORTUNITY IN THESE INVESTMENTS RAISE THE POSSIBILITY OF PERSONAL LIABILITY TO CRB MEMBERS.

>> I AM GOING -- ANOTHER ROUND. COUNSEL EDWARDS.

>> THANK YOU.

>> IT WAS -- I WAS JUST TRYING TO READ IT ALONG WITH YOU. SECTION -- SO IT IS CHAPTER 32, SECTION 23?

>> SUBTHREE.

>> SUB3.

OKAY.

>> AND AGAIN I WILL MAKE ALL OF THAT AVAILABLE.

>> THAT'S GREAT.

I THINK IT IS REALLY IMPORTANT AGAIN FOR US TO SEE THE FRAMEWORK OF WHICH WE ARE GOING

TO WORK WITH AND HOPEFULLY THE
SAME WORK ALSO THAT WE WILL
REFORM.

BUT I WANTED TO JUST MAKE SURE
WE ARE GOING BACK AND JUST FILL
IN SOME GAPS THAT WE TALKED
ABOUT.

AND AGAIN THANK YOU FOR THE
NUMBERS AND TO BE TOTALLY
TRANSPARENT.

WHEN YOU SAY THIS IS TO
COMMISSIONER, NO, CHIEF, I GOT
YOUR TITLE -- WHICH DO YOU WANT
TO BE TODAY?

COMMISSIONER?

>> OKAY.

SO WHEN YOU SAY THAT WE ARE
WORKING ON GETTING OUR MONEY AT
LEAST THE LIBRARY FUND OUT OF
THE PRIVATE PRISON AND I THINK
MAYBE EVEN \$100,000 WHEN YOU SAY
WE ARE WORKING ON THAT, SO WHAT
DOES THAT MEAN?

WALK ME THROUGH THE STEPS OF
BEING ABLE TO PULL OUT. SO WE
DON'T MANAGE THE LIBRARY, SORRY,
WE INVEST THE LIBRARY FUNDS BUT
DON'T MANAGE THEIR INVESTMENT
DECISIONS THAT WILL REQUIRE
ACTION BY THE --

>> BOARD.

>> TRUSTEES OF THE LIBRARY.

SO THOSE ARE SORT OF SITTING
WITH -- THROUGH, THOSE
RESOURCES, BUT THAT IS REALLY
SORT OF -- IT IS ON PATH IN
TERMS OF TOO, ON TERMS OF THE
LIBRARY THEY ARE CARRY EXITS AND
TAKES A VOTE OF THE TRUSTEES.

I THINK THE THRUST OF YOUR
QUESTION COMES OVER TO THE VERY
GOOD ONE IS HOW DO WE MAKE THAT
CHANGE, AND I THINK PART OF THE
ISSUE FOR THE CITY OF BOSTON
PARTICULARLY IS SOME OF THESE
SMALLER INVESTMENTS IS HAVING AN
ALTERNATIVE VEHICLE THAT WE CAN
USE THAT WE ARE CERTAIN DOESN'T
HAVE EXPOSURE TO SOME OF THESE
THINGS AND THAT'S WHERE WE HAVE
SOME --

>> THE PATH TO US IS NOT
COMPLETELY CLEAR ON THAT.
WHERE THAT OPPORTUNITY EXISTS

BUT SOMETHING WE ARE ACTIVELY WORKING ON.

>> DO YOU HAVE ANYTHING TO ADD TO THAT?

>> NO.

SO WHO IS GOING TO TELL US HOW THEY ARE WORKING US OUT AND GIVE US A DEADLINE FOR -- I KNOW IT IS A SMALL AMOUNT OF MONEY, STILL -- SO HOW DO WE -- WHO IS GOING TO GIVE US A DEADLINE? WHO WOULD WE HOLD ACCOUNTABLE FOR NOT MEETING THE DEADLINE?

>> SURE.

HOW DO WE --

>> YOU KNOW, AND I AM UNDERSTANDING IT IS CONVOLUTED AND COMPLICATED.

IF YOU CAN'T WALK US THROUGH IT RIGHT NOW I RESPECT THAT, BUT, YOU KNOW, GO AHEAD.

>> I WILL ABSOLUTELY TAKE THE ACCOUNTABILITY TO COME BACK TO THE COUNCIL AND UPDATE YOU ON WHAT IT IS WE FIND OUT AND WHAT STEPS ARE AVAILABLE TO US.

I THINK THERE IS -- I THINK THERE IS A QUESTION FOR THE TRUSTEES JUST IN TERMS OF HOW THEY MOVE FORWARD BUT ON THE OTHER ISSUESLY CERTAINLY REPORT BACK AND LET YOU KNOW WHAT IT IS WE FOUND AND WHAT A TIMELINE MIGHT BE AND WHAT POTENTIAL OPPORTUNITIES OR PIT TAWLS THERE MIGHT BE AROUND THAT.

>> AND I APPRECIATE THAT.

I THINK IT IS -- I KNOW THERE IS A DIFFERENCE BETWEEN TRYING TO MOVE \$23 MILLION AND 8,000.

>> YES.

>> BUT THERE ARE LESSONS TO BE LEARNED.

>> SURE.

>> INASMUCH AS THIS IS \$8,000 WE CAN LEARN IT RELATIVELY QUICKLY I THINK AND GET THIS MONEY OUT, 100, I AM NOT FORGETN'T FOR GETTING ABOUT THE OTHER 100,000.

I WANT TO BE CLEAR THE RETIREMENT SYSTEM --

>> -- THE PENSION.

>> EXACTLY.

>> SO I THINK THAT AS AN

INDIVIDUAL INVESTMENT, I AM NOT SURE WHAT YOUR PROCESS IS FOR THAT, BUT THE -- THE BRS IS CONTROLLED BY A BOARD AND FOR THE BOARD ON SORT OF A HIGH LEVEL DECISIONS IS WHAT GOVERNS THAT.

>> TO THAT POINT -- THAT INVESTMENT -- IS THIS WORKING? THAT VEFLT INVESTMENT IS HELD IN INDIRECT, INDIRECT -- OR IN A FUND SO THAT IS NOT A SECURITY WE CAN DIRECT THE MANNER --

>> IT IS ONE OF MANY --

>> EVEN IF WE WANTED TO.

WE ARE A HOLD ORE OF A FUND AND THEN THE MANAGER MAKES DECISIONS ABOUT WHAT HE OR SHE PUTS IN THE FUND.

>> SO THAT SPEAKS THEN TO, YOU KNOW, THIS -- ACQUIRE CERTAIN FUNDS AND WORK WITH INVESTORS. THAT CONVERSATION RIGHT THERE, BECAUSE IT SEEMS LIKE WE RELINQUISH SO MUCH CONTROL BECAUSE THERE ARE SO MANY MUTUAL FUNDS, MUTUAL FUNDS UPON MUTUAL FUNDS IT IS HARD TO KNOW, AND, YOU KNOW, THE BRANCH AND THE ROOTS KEEP GOING BEYOND WHAT WE KNOW, SO IT IS IMPORTANT, I SHOULD SAY THE BRANCH GOES FAR THAT WE GET TO THE ROOT OF HOW WE WILL BEGIN THESE RELATION RELATIONSHIPS WITH SOME OF THE FUNDERS AND AT THAT POINT, WHAT ARE THE CONVERSATIONS?

AND I THINK MY COLLEAGUE COUNCILOR WU IS TRYING TO GET TO THAT POINT WHEN WE ARE TALKING TO THEM AND TRYING TO GRAB THEM, ARE WE STILL GETTING NEW INVESTORS IN FUNDS OR SIMPLY -- ARE WE HOLDING ON TO WHAT WE HAVE?

AND WHEN WE DO GO TO ACQUIRE NEW ONES, ARE WE SAYING ANYTHING IN TERMS OF STANDARDS, WHAT WE WANT OR ONE OTHER THING WE CAN DO, BEYOND 32, REPORT WHAT YOU HAVE TO US, AND THEN WE WILL MAKE AN INFORMED DECISION IF IT IS WORTH IT TO US TO GO TO YOU.

>> IS THAT CLEAR?

>> YES.

OKAY.

>> SO -- SO THERE ARE A LOT OF QUESTIONS IN THERE.

THE FIRST IS WE DO CONTINUE TO HOLD SOME EXISTINGxD FUNDS, WHERE WE ARE ALWAYS LOOKING AT NEW INVESTMENTS AS I MENTIONED EARLIER, ESG IS PART OF THE DUE DILIGENCE PROCESS THAT WE DO, BUT IT IS NOT THE SOLE PART. THERE ARE SOME MANAGERS THAT DELIVER A GREAT INVESTMENT RETURN THAT FRANKLY AREN'T AS FOCUSED ON ESG AS OTHER ONES ARE SO I DO THINK THAT IS PART OF IT AND THAT IS SOMETHING THAT WE HAVE COMMITTED TO COMMUNICATE TO THE BOARD WITH THE ESG, WHAT THE ESG RATING IS FOR DIFFERENT MANAGERS TO HELP INFORM THAT DISCUSSION WHEN THEY COME IN.

>> OKAY.

SO FOR NEW ONES, YOU ARE USING THE ESG STANDARDS OR TELLING THE BOARD AT LEAST THAT THE ESG, WHAT THE ESG STANDARDS ARE AND MAKING THAT DECISION?

>> YES.

>> IS THERE ANY WAY, I WOULD ASK THAT YOU ALSO SET A STANDARD OR QUESTION OR SOMETHING TO GIVE TO THE BOARD TO GIVE TO THOSE MANAGERS ABOUT WHERE THOSE FUNDS ARE, I WOULD LIKE FOR THEM TO OUT RIGHT SAY WE ARE INVESTED IN PRISONS AND FOSSIL FUELS TO A CERTAIN AMOUNT.

I DON'T THINK IT SHOULD BE YOUR JOB TO CHASE DOWN EVERY SINGLE BRANCH AND, YOU KNOW, GRAB AHOLD TO FIND OUT WHERE THIS MONEY IS. I THINK IF THEY WANT OUR INVESTMENT, THEN THEY SHOULD COMFORT AND BE TOTALLY TRANSPARENT FROM DAY ONE.

>> AND.

>> CAN YOU DO THAT?

>> I THINK YOU CAN DO IT WITH SOME OF THE INVESTMENTS.

THERE ARE SOME WHICH ARE NOT PREPSCRIBED, SO, FOR EXAMPLE, YOU MAKE AN INVESTMENT IN, AND INVEST IN COMPANIES OR REAL

ESTATE OR WHATEVER, THEY DON'T KNOW WHAT THEIR PORTFOLIO LOOKS LIKE UNTIL THEY GO OUT AND BUY THOSE.

SO.

>> OKAY.

>> SO -- BUT YOU IF CAN GET A HISTORICAL LOOK AND SAY HOW HAVE YOU DONE THIS IN THE PAST?

I THINK THAT IS WHERE THE ESG ASPECT COMES IN.

>> OKAY.

JUST A COUPLE OF OTHER FOLLOW-UP QUESTIONS TO THE CITY SIDE ON SOME OF THE FLEXIBILITY THAT WE HAVE.

I AM JUST GOING TO ASK OUT RIGHT.

CAN WE INVEST IN COOPERATIVE INVESTMENT OR COMMUNITY OWNED COOPERATIVES?

>> SO, WE HAVE BEEN HAVING A LOT OF CONVERSATIONS ABOUT HOW WE CAN LEVERAGE THE CITY ASSETS AND ONE OF THE -- ONE OF THE QUESTIONS WE HAVE BEEN ASKING IS, OKAY, WELL WHAT DOES THAT LOOK LIKE AND HOW CAN WE CONCEIVABLY DO IT?

>> WE HAVE THE QUESTION OF ATTORNEYS, OF OUR ATTORNEYS AS FAR AS, WELL, IF WE WANTED TO TAKE A PORTION OF OUR FUNDS AND INVEST IN SOME TYPE OF DISADVANTAGED BUSINESS LENDING OR SOME KIND OF PROGRAM LIKE THAT, REGARDLESS OF WHAT IT IS, WHAT WOULD THE PROCESS FOR THAT BE?

IT IS A CONVERSATION THAT WE CONTINUE TO HAVE.

THERE IS NOT AN EASY ANSWER.

I CAN'T EASILY SAY YES WE CAN DEFINITELY DO IT BECAUSE WE HAVE TO MAKE SURE WE STAY WITHIN THE BOUNDS OF WHAT IS UNDER THE COMMONWEALTH STATUTE AND LAW AND OUR FIDUCIARY OBLIGATION BUT THE REASON IS, MOST OF THESE TRUSTS YOU ARE INVESTING IN ACTUAL SECURITIES, RIGHT?

YOU ARE INVESTING IN INVESTMENTS.

AND A LOT OF THESE COOPERATIVES

AND THINGS LIKE THAT, THEY ARE NOT NECESSARILY STRUCTURED AS SECURITIES.

THEY ARE, THEY ARE AGREEMENTS AND THINGS LIKE THAT SO IT WOULD TAKE A LITTLE BIT OF WOK.

>> SO THE QUESTION WE ARE ASKING, BUT ON THE CASH SIDE -- NOW -- YOU CAN'T DO IT --

>> SO JUST TO LET YOU KNOW ABOUT SOME OF THE -- I KNOW WE DISCUSSED WHILE IT MAY BE DIFFICULT FOR THE CITIES SPECIFICALLY TO INVEST IN THEM THERE ARE THIRD PARTY WHO COOPERATIVELY OWN INVESTORS THAT MAY BE WORTH INFUSING SOME FUNDS INTO, BERKELEY IS LOOKING AT DOING THAT AND ALSO WOULD LIKE TO BRING UP THE FUND OF NEW ENGLAND -- THESE ARE ALL COMMUNITY KIND OF OWNED, DEDICATED FUNDERS OF COOPERATIVES, SO I JUST WANT TO MAKE SURE THE CITY IS AWARE OF THAT WITH THE \$150 MILLION THAT WE ARE NOW INVESTING AS AN ACTIVIST, I GUESS, THE CITY, THE ACTIVIST INVESTOR --

>> THOSE ARE TWO DIFFERENT THINGS.

>> I WOULD THINK SO.

[LAUGHTER.]

>> THAT REFERS TO THE SERIES --

>> YES.

ALL UNDER THE SAME UMBRELLA. SO THAT 150 MILLION IS OUT OF THE CASH PORTFOLIO AND I THINK

--

>> OUR OPERATING FUNDS, RIGHT?

>> OPERATING FUNDS --

>> OPERATING FUNDS.

>> THE LIQUIDITY IS SORT OF CORE TO WHAT WE NEED TO PRESERVE AS PART OF THAT AND SO I THINK SOMETHING THAT NEEDS SOME LONGER TERM PAYOFF THAN WHAT IS THE GENERAL HORIZON ON THOSE INVESTMENTS?

>> LESS THAN 397 DAYS.

IT IS REALLY -- WHAT WE NEED FOR THOSE IS DALEY QUID AT THIS, I NEED TO BE ABLE TO --

>> JUST TO BE ABLE TO A CALL AND

PULL THE MONEY OUT TO MAKE A
PAYROLL OR --

>> RIGHT. THERE IS A CERTAIN
LEVEL OF FLEXIBILITY BUT IN THAT
AGREED YOU HAVE OR YOU WON'T BE
INVESTED IN PRIVATE PRISONS
AND BE PRISON AND FOSSIL FUEL
FREE, RIGHT?

>> YES.

>> YES.

>> OKAY.

SO -- AND THOSE STANDARDS ARE
WRITTEN DOWN SOMEWHERE?

>> SO -- OR JUST DOING THE ESG?

>> THE 150 IS TARGETED TO ESG.
150 MILLION IS TARGETED TO ESF,
AN ADDITIONAL \$100 MILLION
TARGETED TO COMMUNITY BANKS.

>> OKAY.

THERE IS A BALANCE OF OTHER
FUNDS WE JUST KEEP LITERAL CASH
IN OUR BANK ACCOUNT, SO THAT WE
CAN DO THINGS THAT -- PAYROLL
RUNS, WHEN WE PAY VEND TORS OR
WHATEVER, THOSE ARE NOT
INVESTORS OR BUYING STOCKS AND
BONDS FOR PRISONS OR WHATEVER
ELSE IT MAY BE.

>> THE LAST ONE AND I JUST WANT
TO MAKE SURE, WE ARE -- ARE
AWARE OF THE TOOL THAT WAS
ESTABLISHED BY OUR PREDECESSOR,
MY PREDECESSOR, COUNCILOR
ARROYO, THIS WAS LITERALLY THE
ORDINANCE PUT IN TO CREATE A
MUNICIPAL -- IT IS THE MUNICIPAL
INVESTMENT -- MUNICIPAL
COMMUNITY BANKING COMMISSION.
WE CREATED THIS COMMISSION IS MY
POINT AND I THINK THEY HAVE
CERTAIN GUIDELINES ALREADY IN
COMMUNITY BANKING AND INVESTMENT
AND LOOKING AT WAY IN WHICH THE
CITY SHOULD BE MOVING THE MONEY
WE SOMEWHERE THIS AS AN OR NANCE
V YOU, HAVE YOU LOOKED AT THAT
ORDINANCE?

>> HAVE.

>> I HAVE NOT LOOKED.

>> HAVE YOU LOOKED AT THE
COMMISSION'S CHARGE.

>> I HAVE NOT LOOKED AT IT.

>> I WOULD ASK YOU TO GET
FAMILIAR WITH IT AND AGAIN I AM

NOT SEEING THAT AS A NEGATIVE, I AM SAYING THIS IS SOMETHING ALREADY ESTABLISHED AS A WAY, SINCE WE ARE TALKING ABOUT COMMUNITY BANKING AND IN IS LITERALLY THE MUNICIPAL DEPOSITORIES CONTRACT FOR BANKING SERVICES, ORDINANCE, THAT ESTABLISHES IT, I THINK IT WOULD BE WONDERFUL PARTNERSHIP TO SEE HOW WE CAN UPDATE THIS ORDINANCE, UPDATE THE COMMISSION'S CHARGE AND REALLY MAKE THAT A PART OF THE CONVERSATION AS WELL.

>> I HOPE YOU WOULD COMMIT TO THAT.

>> WE WILL LOOK INTO IT, THANK YOU.

>> THANK YOU.

>> THANK YOU, COUNCILOR WU.

>> COUNCILOR FLYNN?

>>

>> THANK YOU FOR COORDINATING THIS MEETING, ESPECIALLY COUNCILOR WU, EDWARDS AND O'MALLEY.

AND FOR YOUR COMMITMENT TO MAKING SURE THAT THE CITY OF BOSTON DOES INVEST IN THE PROPER RESOURCES AND MAKING SURE THAT WE ALSO HAVE SOUND FISCAL POLICY AND FISCAL MANAGEMENT AS WELL, AND TO THE PANELISTS THAT ARE HERE TODAY, I ALSO WANT TO THANK YOU FOR MAKING SURE THAT YOU ARE WATCHING CAREFULLY AND KEEPING FISCAL HEALTH ON TRACK. THAT'S VERY IMPORTANT FOR OUR CITY WORKERS THAT CLEAN THE STREETS AND TEACH OUR CHILDREN, THEY FIX OUR SEWERS, COACH OUR GARB PROVIDE CARE FOR THE DISABLED, SO I WANT TO SAY THANK YOU TO YOU, TIM, AND ALL THAT THE CITY OF BOSTON RETIREMENT BOARD DOES FOR SO MANY RETIREES AND THEY REALLY DEPEND ON THE CITY OF BOSTON RETIREMENT BOARD TO PROVIDE STRONG FISCAL OVERSIGHT AND I AM GLAD THAT WE HAVE STRONG LEADERSHIP WITH YOU IN YOUR TEAM, AND YOUR TEAM AS WELL.

DREW, I KNOW YOU TALKED ABOUT
COMMUNITY BANKING.

CAN YOU FIVE US A BIT OF A
LITTLE MORE INPUT ON AS IT
RELATES TO INVESTING IN
COMMUNITY BANKING?

DO WE KNOW OF SOME 0, IF SOME OF
THAT MONEY IS GOING BACK INTO
BUILDING POUREDDABLE HOUSING FOR
LOW-INCOME FAMILIES OR OFFER
PEOPLE IN NEED?

>> SO BECAUSE WE ARE MAKING A
DEPOSIT AS OPPOSED TO KIND OF
MANDATING EXACT LIBERTY HOW THEY
HAVE TO USE IT IT WOULD BE
DIFFICULT FOR ME TO SAY WITH ANY
CERTAINTY WHAT -- I WOULD
ASSUMED THE ENHANCED LEVEL OF
LENDING IS GOING TO SUPPORT SO I
REALLY WOULDN'T BE ABLE TO IS
SAY, TO THE TO THE THEORY YOU
ARE INCREASING IT SHOULD SPUR
LENDING FROM THE BANK, BUT
BEYOND THAT I AM JUST NOT ABLE
TO TO BE CERTAIN.

>> THANK YOU.

I THINK THAT IS AN APPROPRIATE
THING THAT YOU ARE DOING IS
INVESTING IN COMMUNITY BANKING,
MAKING SURE THAT MONEY GOES BAND
INTO THE MADE FOR HOPEFULLY FOR
AFFORDABLE HOUSING, GIVING
PEOPLE THE OPPORTUNITY FOR THE
AMERICAN DREAM TO OWN A HOME.
I THINK IT IS CRITICAL,
ESPECIALLY IN SOME OF THE
NEIGHBORHOODS THAT REALLY NEED
IT, SO THANK YOU FOR -- FOR YOUR
WORK ON THAT ISSUE.

>> THANK YOU.

>>

>> JUST FOR THE RECORD, IT IS
THE ORDINANCE, I THINK IT IS THE
6-8, CALLED MUNICIPAL DEPOSITORY
AND CONTRACTS FOR BANKING
SERVICES AND THE COMMISSION, I
JUST WANT TO MAKE SURE I GOT THE
NAME RIGHT, GIVE CREDIT WHERE
CREDIT IS DUE TO COUNCILOR
ARROYO THE COMMUNITY BANKING AND
REINVESTMENT COMMISSION THAT WAS
ESTABLISHED ALREADY IN ORDINANCE
AND MAYBE TALK A LITTLE BIT
ABOUT HOW TO REACT AND GET THEM

INVOLVED --

>> I CAN GET THAT SET UP.

>> AND AGAIN I THINK JUST FOR THE AUDIENCE'S EDUCATION SAKE THIS IS -- SO WE DID HAVE CONVERSATION WITH THEM BEFORE WITH OUR PANELISTS BEFORE. THIS IS COLLABORATIVE EFFORT, ONE IN WHICH I THANK THEM FOR COMING FORTHWITH ALL OF THE REPUBLICANS AND THIS IS THE BEGINNING OF THE CONVERSATION, WE CAN MOVE FROM HERE TO WORKING SESSIONS WHERE WE ARE TALKING ABOUT, EITHER THIS COMMISSION OR WE ARE TALKING ABOUT WHAT DIFFICULT INVESTMENT LOOKS LIKE AND ALSO TALKING WHAT INVESTMENT LOOKS LIKE, ALL OF THAT LIKELY WILL NOT HAPPEN TODAY, BECAUSE IT IS SUCH A BIG CONVERSATION, BUT -- AND THERE ARE SO MANY TOOLS IN THE TOOLBOX WE CAN HOPEFULLY CREATE TOGETHER TO MAKE SURE WE ARE INVESTING IN A SOCIALLY RESPONSIBLE WAY BUT I DID WANT TO THANK THE PANELISTS FOR THAT AND I THANK YOU IN ADVANCE FOR YOUR COMMITMENT TO ALL OF THOSE CONVERSATIONS AS WELL.

THANK YOU.

>> THANK YOU.

THANK YOU.

>> AND, TIM, JUST BEFORE I LET YOU BUYS GO, YOU SAID YOU HAD A HISTORICAL RETURN LIKE FOR THE PAST TEN YEARS, THE AGGREGATE.

>> YES.

>> CAN YOU LIKE GOING BACK TO '09?

I HAVE IT ALL, I JUST DON'T HAVE IT COMMITTED COMMITTED TO MEMORY.

>> I CAN GO BACK 35 YEARS, 9.06 PERCENT BUT I DEFINITELY HAVE THAT DATA IN MY OFFICE.

>> I AM CURIOUS, YOU KNOW, --

>> FOR --

>> A BIG DROP.

>> GREAT.

THANK YOU VERY MUCH FOR YOUR TESTIMONY.

>> THANK YOU.

>> I AM GOING TO CALL SOME FOLKS FROM THE PUBLIC TO TESTIFY AT THIS TIME BEFORE WE BRING UP THE NEXT PANEL, WHICH IS THE DIFFICULT INVESTMENT DIVEST. PANEL, .. I GUESS YOU KNOW WHO YOU ARE.

SO MEMBERS OF THE PUBLIC, WILLIAM ROOM AND I APOLOGIZE IF I MISPRONOUNCE YOUR NAME, MI -- MING?

>> AMBER JAMES, ASHLEY JAMES, AND PEARL BABERGA.

>> YOU GOT THE NAME RIGHT. THANK YOU.

>> WELL, GOOD AFTERNOON, CHAIR CIOMMO.

MEMBERS OF THE COUNCIL, THANK YOU FOR THE OPPORTUNITY TO TESTIFY IN THIS IMPORTANT TOPIC AND THANK YOU TO COUNCILORS EDWARDS, BUT AND O'MALLEY FOR SPONSORING THIS HEARING.

MY NAME IS WILLIAM ROOM.

I AM A RESIDENT OF BOSTON, A SOCIAL WORK NEVER THE CITY AND MEMBER A, A MEMBER OF MASSACHUSETTS AGAINST HEWLETT PACKARD IS WHICH IS CALLING UPON THE MUNICIPAL PATS TO MOVE OUR MONEY AWAY FROM COMPANIES WHO ARE COMPLICIT IN THE ISRAELI'S GOVERNMENT VIOLATE OF PALESTINIAN HUMAN RIGHTS AND HUMAN AND CIVIL RIGHTS OF IMMIGRANTS.

AND OF PEOPLE WHO ARE SERVING OR HAVE SERVED TIME IN STATE, FEDERAL OR PRIVATE PRISONS.

I AM HERE TODAY BECAUSE I WANT TO ADVISE -- URGE SUPPORT AFTER THE, AND URGE THE CITY COUNCIL TO REINVEST ALL OF ITS APPROXIMATELY \$6.5 BILLION OF CASH INVESTMENTS OR PENSION FUNDS OR AT LEAST THOSE THAT CAN BE MOVED REASONABLY, TO REINVEST THOSE FUNDS IN COMPANIES WHO DO NOT PROFIT OFF OF THE VIOLATION OF HUMAN AND CIVIL RIGHTS AND TOWARD ENTITIES AND I AM SURE YOU WILL HEAR FROM THEM TODAY THAT PROMOTE RACIAL JUSTICE, HOUSING JUSTICE, A LIVEABLE

ENVIRONMENT AND ENVIRONMENTAL
SUSTAINABILITY.

SO TWO EXAMPLES.

THE CITY OF BOSTON I BELIEVE HAS
A DEEP ETHICAL OBLIGATION TO
MOVE ALL DIRECT AND INDIRECT
INVESTMENTS OUT OF THE COMPANY
-- THIS IS A SECURITY COMPANY
THAT PROFITS FROM THE DETENTION
AND DEPORTATION OF UNACCOMPANIED
IMMIGRANT CHILDREN DOMESTICALLY.

I ALSO BELIEVE THAT THE CITY OF
BOSTON HAS AN ETHICAL OBLIGATION
TO END ALL DIRECT AND INDIRECT
INVESTMENTS AND THE WEAPONS
MANUFACTURING COMPANIES,
NORTHROP GRUMMAN AND I BELIEVE
SHE SAID THE CITY IS NOT
IMPLICATED THE GUN MANUFACTURERS
BUT I BELIEVE THE CITY HAS
INVESTMENTS IN MILITARY WEAPONS
MANUFACTURERS, INCLUDING
NORTHROP GRUMMAN AND OTHERS,
THEY SELL WEAPONS AND MILITARY
VEHICLES TO THE ISRAELI
GOVERNMENT, DISPLACEMENT OF
PALESTINIANS FROM THEIR HOMES
AND INDUSTRIAL LANCE IN THE
OCCUPIED WEST BANK AND EAST
JERUSALEM, THROUGH THE EXPANSION
AND CREATION OF SETTLEMENTS OPEN
ONLY TO JEWISH ISRAELIS ON
PALESTINIAN LAND A PRACTICE THAT
IS CATEGORICALLY AND
UNEQUIVOCALLY ILLEGAL UNDER
SWCIAL LAW.

SO JUST TO CLOSEUP I BELIEVE WE
THE CITY HAVE AN ABILITY AND
ALSO A RESPONSIBILITY TO DO OUR
PART IN BUILDING TOWARDS THE
MORE JUST AND LIVEABLE FUTURE WE
ALL NEED AND DESERVE AND THAT
STARTS WITH WHERE WE PUT OUR
ASSETS SO I APPLAUD YOU FOR
TAKING THIS EFFORT AND IN
FOLLOWING THE BRILLIANT EXAMPLE
OF OTHER CITIES ACROSS THE U.S.
WHO WENT AFTER ONE ANOTHER IN
SUCCESS ARE MOVING MONEY AWAY
FROM PRISONS, FROM DEPORTATIONS,
FROM FOSSIL FUELS AND THE
VIOLATION OF PALESTINIAN CIVIL
AND HUMAN RIGHTS.
SO LET'S DO THE SAME.

THANK YOU FOR YOUR TIME.

>> THANK YOU.

SCATTERED APPLAUSE.

>> PLEASE, FOLKS.

>> I CALL SOME OF AMBER, ASHLEY,
JAMES,.

THANK YOU.

MY NAME AMBER ASHABLY JAMES, I
AM A STUDENT AT HARVARD LAW
SCHOOL AND BUSINESS SCHOOL AND
ORGANIZER FOR THE HARVARD PRISON
DI INVESTMENT COMPANY, I WANT TO
TALK ABOUT MY CLIENT MR. BROWN,
MR. BROWN .. GREW UP IN ROXBURY
A FEW MILES FROM HERE, HE IS A
MIDDLE-AGED BLACK MAN WITH A BIG
PERSONALITY AND A SHARP WIT, HE
IS THE FATHER OF TWO.

LAST WEDNESDAY VISITED MR. BROWN
AT SUFFICIENT POKE COUNTY HOUSE
OF CORRECTIONS WHERE HE IS
CURRENTLY BEING HELD.

IT WAS HIS DAUGHTER'S NINTH
BIRTHDAY.

HE OBVIOUSLY WASN'T ABLE TO
CELEBRATE WITH HER IN PERSON,
THE JAIL IS NO PLACE FOR A
LITTLE GIRL, ESPECIALLY ON HER
BIRTHDAY SO HE CALLED HER LIKE
ANY LOVING FATHER WOULD.

BUT INCARCERATED PEOPLE CAN BE
CHARGED AS MUCH AS \$25 FOR 15
MINUTES, 15 MINUTE PHONE CALLS
SO MY CLIENT, MR. BROWN, THAT'S
A MONTH'S LABOR, INCARCERATED
PEOPLE IN MASSACHUSETTS CAN EARN
\$1 PER DAY FOR THEIR LABOR IN
THE FACILITIES WHERE THEY ARE
BEING HELD.

I AM HERE TODAY ON BEHALF OF
MR. BROWN, THE 2.3 MILLION
OTHERS HELD IN PRISONS AND JAILS
IN THIS COUNTRY AND MORE UNDER
STATE SURVEILLANCE ON STATE
PROBATION OR PAROLE.

MR. BROWN'S STORY CAPTURES JUST
A FEW OF THE MANY, MANY PROBLEMS
THAT HE AND MILLIONS MORE LIKE
HIM WHO ARE INCARCERATED FACE
AND THE ROOT OF ALL OF THESE
PROBLEMS IS MONEY.

PRIVATE COMPANIES OPERATING IN
THE CRIMINAL JUSTICE SYSTEM MAKE
MONEY, OFFER POOR INCARCERATED

PEOPLE AND THEIR APPEALS.

THESE COMPANIES ARE FINANCED BY INSTITUTIONAL INVESTORS LIKE HARVARD, AND ITS ENDOWMENT, AND CITIES LIKE BOSTON AND ITS PENSION AND RETIREMENT FUND.

THESE INVESTORS EARN INTEREST ON INVESTMENTS AND COMPANIES THAT PREY ON POOR INCARCERATED PEOPLE AND THEIR FAMILIES TURLG SOME OF THEIR MOST VULNERABLE MOMENTS. THIS IS BIGGER THAN JUST PRIVATE PRISONS.

THE ENTIRE PRISON INDUSTRIAL COMPLEX IS A 400 BILLION-DOLLAR PER YEAR INDUSTRY, WHAT JUST ONE EXAMPLE IS THE \$2 BILLION BAIL BOND INDUSTRY THAT TURNS A PROFIT BY CHARGING POOR PEOPLE SKY HIGH INTEREST RATES AND HIDDEN FEES ON BAIL LOANS, HARVARD AND INSTITUTIONAL INVESTORS LIKE THE CITY OF BOSTON FINANCE THIS EXTORTION THROUGH DIRECT AND INDIRECT INVESTMENTS IN FUNDS THAT HOLD MILLIONS OF SHARES IN THE LEADING BAIL BONDS COMPANIES. ANOTHER EXAMPLE IS THE PRISON TELECOM INDUSTRY, THE MULTIBILLION DOLLARS DOLLARS INDUSTRY THAT EXTRACTS MONEY FROM CLIENTS LIKE MINE, MR. BROWN, AND MILLIONS OF OTHERS WHO JUST WANT TO HAVE SOME HUMAN CONNECTION WITH THEIR LOVED ONE.

THESE COMPANIES ARE OWNED BY PIVOT EQUITY FUNDS, PRIVATE EQUITY FUNDS WHICH ARE FINANCED BY PENSION FUNDS LIKE THE CITY OF BOSTON.

INVESTORS GIVE THESE PREDATORY COMPANIES THE MONEY THEY NEED TO OPERATE.

THE SOLUTION IS TO TAKE THAT MONEY AWAY AND THAT IS ALL WE ARE ASKING THE CITY OF BOSTON TO DO.

DIVEST AND REINVEST WE ARE ASKING THE CITY OF BOSTON TO LIVE UP TO ITS VALUES, DIVEST FROM ALL OF ITS INVESTMENTS BOTH DIRECT AND INDIRECT AND ALL OF

ITS EXPOSURE TO THE PRISON
INDUSTRIAL COMPLEX AND REINVEST
THAT MONEY IN INDUSTRIES AND
COMPANIES THAT HELP COMMUNITIES
LIKE OUR OWN THRIVE.

THERE IS MORE DIE QUHOT MY
BETWEEN SOCIALLY AND FISCALLY
RESPONSIBLE INVESTING.

THAT IS A FALLACY.

THESE ARE NOT MUTUALLY EXCLUSIVE
BUT MUTUALLY REINFORCING GOATS.

WE CAN RUN THIS GRANT CITY, WE
CAN TAKE CARE OF BOSTON'S
EMPLOYEES, WE CAN TAKE CARE OF
BOSTON'S RETIREES WITHOUT
PROFITING FROM THE EXTORTION OF
POOR INCARCERATED PEOPLE.

FOR MY CLIENT, MR. BROWN, AND
MILLIONS MORE LIKE HIM, WE HAVE
AN OBLIGATION TO DO SO.

THANK YOU.

>> THANK YOU.

[APPLAUSE]

>>

>> I DID CALL MING POSSIBLY.
AND PEARL WAS THE LAST ONE.

>> GOOD AFTERNOON.

MY NAME IS PEARL AND I AM THE
NATIONAL ORGANIZER WITH FREEDOM
CITIES.

WE ARE A COALITION OF
ORGANIZATIONS ACROSS THE COUNTRY
AND WE ARE COMMITTED TO
REDESIGNING SAFETY AND ENDING
CRIMINALLATION.

THE WAY THAT WE DO THIS IS BY
DIFFICULT INVESTING FROM,
DIVESTING FROM POLICE AND
PRISONS AND REINVESTING IN
COMMUNITY WELLNESS, THIS LOOKS
LIKE HOUSING, THIS LOOKS LIKE
HEALTHCARE, JOBS AND MENTAL
HEALTH.

AND SINCE 2012, OUR MEMBERS AND
PART HE IN OTHER WORDS HAVE
DIVESTED \$4.3 BILLION FROM THE
PRISON INDUSTRY.

OUR MEMBERS UNDERSTAND THAT ALL
OF OUR STRUGGLES ARE
INTERCONNECTED.

THAT WE CANNOT BE A TRUE FREEDOM
CITY IF WE ARE NAMING OUR
CONCERN FOR ONLY ONE
DEMOGRAPHIC.

WE KNOW THAT IMMIGRANT RIGHTS
ARE CONNECTED TO RACIAL JUSTICE,
WORKER RIGHTS AND LGBTQ RIGHTS
BECAUSE MY LIBERATION IS TIED TO
YOURS.

THAT IS WHY WITNESSING
ORGANIZERS AND ACTIVISTS FROM
ACROSS THE MOVEMENT ECOSYSTEM IN
BOSTON IS SO HEARTENING FOR ME
TODAY, AND THIS ZAMOT TOE FOR
THE WHOLE COUNTRY, A MODEL THAT
SHOWS THAT REINVESTMENT IN OUR
COMMUNITIES BEGINS WITH
REINVESTMENT IN EACH OTHER.

WE ARE A NETWORK THAT
UNDERSTANDS THAT CRIMINALIZATION
CAN END IF WE PAY ATTENTION TO
WHAT WE WANT TO GROW, RATHER
THAN PROFITING OFF OF CAGING
BLACK AND BROWN PEOPLE IN THE
U.S. AND ABROAD.

I AM HERE TO SHOW SOLIDARITY
WITH COMMUNITY MEMBERS IN BOSTON
AND TO BRING THE WELL WISHES OF
FOLKS FROM ACROSS THE COUNTRY
WHO KNOW THAT INTERSECTION
NATURAL DIFFICULT INVESTMENT AND
REREST IS A CUTTING EDGE
STRATEGY AND THE WAY FORWARD.
DI-INVESTMENT.

>> I WANT TO CALL INTO THE ROOM
THE POWERFUL AND PRECEDENT ..
WORK OF FREEDOM MEMBER, FREEDOM
TO THRIVE, WHICH INITIALLY
STARTED A COALITION TO DIVEST
FROM THE PRISON INDUSTRY IN
PORTLAND IN 2013.

BUT SIMILAR TO WHAT WE ARE
SEEING HERE TODAY, HAPPENING IN
BOSTON, THE PORTLAND ORGANIZERS
KNEW THAT THE ONLY WAY TO MOVE
FORWARD WAS TOGETHER.

THERE BEING 25 DIVERSE GROUPS
FOLLOWING THE LEAD OF THE MOST
DIRECTLY IMPACTED.

LINKING PRISON DI INVESTMENT TO
THE ISRAELI OCCUPATION AND
FOSSIL FUEL DIFFICULT
INVESTMENT.

THEY DID THIS WORK IN THE MONTHS
LEADING UP TO AND DURING THE
ELECTION OF 45.

TO BE A SANCTUARY CITY, TO BE A
FREEDOM SITUATE, THE LOCAL

GOVERNMENT NEEDED TO WALK THEIR
TALK AND PROACTIVELY TAKE CARE
OF ALL MARGINALIZED PEOPLE.
AND PORTLAND COMMUNITY MEMBERS
HELD THEM TO ACCOUNT JUST AS
BOSTON COMMUNITY MEMBERS ARE
DOING TODAY.

IN APRIL OF 2017, I JUST WANT TO
REMIND FOLKS THAT PORTLAND CITY
COUNCIL VOTED TO PERMANENTLY END
ALL INVESTMENTS NOT ONLY IN
PRISONS OR THE MILL TAR STATION
OF COUNTRIES ABROAD OR FOSSIL
FUELS BUT IN ALL CORPORATE
SECURITIES SETTING A PRECEDENT
FOR THE REST OF THE COUNTRY BY
DOING SO .. FOR THE FIRST TIME.
PORTLAND PUSHED A SOCIALLY
RESPONSIBLE INVESTMENTS POLICY
WITH A HUMAN RIGHTS CRITERIA.
BOSTON CAN ALSO BECOME A FREEDOM
CITY TAKING ACTION TO INVEST IN
ALL MESSAGES OF THE COMMUNITY BY
DOING SO TOO.

THANK YOU SO MUCH.

>> THANK YOU.

[APPLAUSE]

>> I WILL CALL UP THE DI
INVESTMENT PANEL AT THIS TIME.
THANK YOU.

>>

SHANNON AL WITH A
CAN I.

ALAJI -- AND ABOUM ASANABI.

>> AND I JUST WANT TO APOLOGIZE.
I HAVE LEAVE AND I AM GOING TO
HAND THE GAVEL OVER TO MY ABLE
FRIEND FROM EAST BOSTON.

THANK YOU.

THANK YOU ALL VERY MUCH.

>> THANK YOU.

>> GOOD AFTERNOON.

>> SO WE ARE GOING TO -- I DON'T
KNOW IF YOU HAVE A PLANNED
PRESENTATION OR YOU HAVE AN
ORDER WHICH YOU ARE GOING TO
SPEAK OR HOW WOULD YOU LIKE TO
GO?

>> OKAY.

GO AHEAD.

>> THANK YOU.

GOOD, MY NAME IS -- I AM
DIRECTOR OF THE CORRECTIONS
ACCOUNTABILITY PROJECT.

WE ARE WE ARE A NONPROFIT
CRIMINAL JUSTICE ADVOCACY
ORGANIZATION COMMITTED TO
DISMANHATTAN LING THE PRISON
INDUSTRIAL COMPLEX AND ENDING
THE EXPLOITATION OF THOSE IT
TOUCHES.

I WANT TO THANK CHAIRMAN CIOMMO
AND OTHER MEMBERS OF THE
COMMITTEE AND WE IN THE MEANS
COMMITTEE, EVEN THOUGH THEY ARE
NOT HERE FOR THE OPPORTUNITY TO
SPEAK TO YOU TODAY ABOUT HOW
BOSTON INVESTS ITS FUNDS.

AND TO STRONGLY URGE DISCLOSURE,
DIVESTMENT FROM SOCIAL HARM AND
SOCIALLY IRRESPONSIBLE
INVESTMENT AND ALSO LIKE TO
THANK COUNSELOR EDWARDS WAS AND
O'MALLEY FOR THEIR LEADERSHIP ON
THIS ISSUE AND IN LISTENING TO
THIS CRITICAL CONVERSATION.

LAST SEPTEMBER, WE PARTNERED
WITH DOZENS OF LOCAL AND
NATIONAL ADVOCACY ORGANIZATIONS,
FAITH-BASED COMMUNITIES,
UNIVERSITY GROUPS AND INVESTMENT
FIRMS TO LAUNCH A COORDINATED
PRISON DIVESTMENT CAMPAIGN IN
GREATER BALLING CALLING FROM THE
DIVESTMENT OF SEVEN MORALLY
CORRUPT COMPANIES THAT OPERATE
WITHIN THE PRISON INDUSTRIAL
COMPLEX.

IN MY WRITTEN TESTIMONY I HAVE
INCLUDED ADDITIONAL INFORMATION
ON EACH OF THESE COMPANIES, IT
LOOKS LIKE THIS, THAT BEGINS TO
TOUCH ON THE EXPLOITATIVE
PRACTICES OF THESE OPINIONS.

FIVE MONTHS AFTER THE LAUNCH OF
THE BOSTON PRISON DIVESTMENT
CAMPAIGN, WE ARE SO PROUD TO BE
HERE NOT JUST WITH GROUPS THAT
JOINED OUR ORIGINAL CALL FOR
PRISON DIVESTMENT BUT WITH AN
INTERSECTIONAL BOSTON VALUES
WITH ITS INVESTMENTS.

YOU WILL HEAR FROM LEADERS ON
THROW PANELS, DIVESTMENT,
REINVESTMENT AND SOCIALLY
RESPONSIBLE INVESTING.

YOU WILL HEAR FROM ORGANIZATIONS
LIKE BETTER FUTURE PROJECT WHICH

ADVOCATES FOR CLIMATE JUSTICE
AND FOSSIL FUEL DIFFICULT
INVESTMENT AND FROM THE CREATING
THE COMMUNITY FOR REINVESTMENT
AND A WHOLE HOST OF
REPRESENTATIVES FROM FIRMS WHO
DEMONSTRATE THE VIABILITY OF
SOCIALLY RESPONSIBLE INVESTING
EVERY DAY.

NOW, I WOULD LIKE TO DIVE INTO
THE CASE FOR DIVESTMENT,
SPECIFICALLY PRISON DIVESTMENT
AND SKIP OVER A FEW THINGS THAT
HAVE BEEN MENTIONED BECAUSE OF
TIME.

SO, YOU KNOW, FOLKS HAVE BEEN
TALKING OF THE SOUTH AFRICA
DIVESTMENT AND I WILL SAY THE
BOSTON DIE, DIVESTED BECAUSE
THERE WAS NO DEPENDENT ON
INJUSTICE AND TODAY'S CALL FOR
DIVESTMENT RESTS ON THAT SAME
REASON N TO THE IT GAINED
CRIMINAL MOMENTUM PUSHING
INSTITUTIONS TO DIVEST OVER
4.3 FROM THE PROFIT PRISON
INDUSTRY IN LESS THAN A DECADE.
IN 2013, DIVESTMENT BEGAN ON
UNIVERSITIES LIKE COLUMBIA
OF, AND UNIVERSITY OF CALIFORNIA
AND HAMPSHIRE COLLEGE SINCE THEN
SOME OF THE LARGEST TEACHER
PENSIONS HAVE ALSO DIVESTED FROM
THE PRISON INDUSTRY, RANGE AGO,
FINANCIAL RISKS AND ETHICAL
CONCERNS, INCLUDING THE CHICAGO
TEACHER FUND AND THE STATE
RETIREMENT SYSTEM.

THE AMERICAN FEDERATION OF
TEACHERS, THE SECOND LARGEST
UNIT IN THE COUNTRY RELEASED TWO
REPORTS IN JUST THE LAST SIX
MONTHS URGING INVESTORS TO
DIVEST FROM BEYOND THE PRIVATE
CORRECTIONAL SERVICES IN 2017
CITIES AND STATES ALSO BEGAN TO
DIVEST.

MANY OF THEM BOSTON NEIGHBORS
RIGHT HERE IN THE NORTHEAST.
NEW YORK WAS THE FIRST TO
ANNOUNCE DIVESTMENT PLAN AND
PHILADELPHIA FOLLOWED SUIT WITH
ITS RETIREMENT, WHEN ITS
RETIREMENT BOARD VOTED TO DIVEST

THE CITY ES PENSION, LAST YEAR
THE NEW YORK STATE JOINED THE
GROWING LIST .. AS YOU HEARD
FROM PEARL ON THE WEST COAST,
PORTLAND ORE BAN TOOK IT TO THE
NEXT LEVEL AND VOTED TO DIVEST
FROM ALL CORPORATIONS, A
LANDMARK DIVISION THAT
HIGHLIGHTED THE POWER OF THE
TYPE OF INTERSECTIONAL
ORGANIZING WE SEE HERE TODAY.

>> THIS BRIEF HISTORY OF PRISON
DIVESTMENT OVER THE LAST DECADE
BEGS THE QUESTION WHERE IS
BOSTON?

>> WE KNOW THAT BOSTON'S VALUES
DO NOT ALIGN WITH THE ACTIVE
ROLE THESE INVESTMENTS PLAY IN
PERPETUATING MASS INCARCERATION,
MASSACHUSETTS HAS HISTORICALLY
MADE A NUMBER OF INTENTIONAL
DECISIONS THAT DEMONSTRATE
EFFORTS TO STEER CLEAR OF THE
PRISON INDUSTRIAL CHECKS.

FOR EXAMPLE, THERE IS NO BAIL
BONDS INDUSTRY IN THE STATE NOR
HAS THERE EVER BEEN A SINGLE
PRIVATE PRISON YET BOSTON
CONTINUES TO INVEST IN THESE
PRISONS HERE AND ELSEWHERE AND
PROFIT FROM IT.

PERHAPS ONE OF THE MOST CRITICAL
RECENT REPRESENTATIONS OF
BOSTON'S VALUES CAME WHEN BOSTON
DECLARED ITSELF A SANCTUARY
CITY.

IN DOING SO, BOSTON MADE A BOLD
AND PUBLIC STATEMENT THAT THE
CITY IS AN UNCONDITIONAL SAFE
HAVEN FOR IMMIGRANTS.
AND RIGHTLY SO.

WITH MORE THAN 27 PERCENT OF ITS
RESIDENTS BORN ABROAD.

YET WE KNOW THAT COMPANIES THAT
PROFIT FROM OUR CRIMINAL LEGAL
SYSTEM EMPLOY THE SAME
EXPLOITATIVE TACTICS IN CROSSING
OFF COMMUNITIES DEVASTATED BY
IMMIGRATION DETENTION.

HOW CAN WE MAINTAIN THAT BOSTON
IS WELCOMING TO IMMIGRANTS WHILE
FUNDING THE COMPANIES THAT PUT
THEIR APPEALS IN CAGES?

IT IS AS IF TO SAY IT IS FINE

FOR THOSE OPINIONS TO KIDNAP,
LOCK UP AND COMMODITY GUY OUR,
COMMODITY GUYS COMMODITIZE ..
>> IT ALSO CONNECTS ISSUES OF
RACIAL AND ECONOMIC INEQUALITY,
TRANSC PHOBIA, OCCUPATION AND ..
TRANSPHOBIA .. MANY OF WHICH OUR
PARTNERSHIP SPEAK TO NEXT.
THOSE WHO PRACTICE IN THE PRISON
INDUSTRIAL COMPLEX HAVE
VULNERABLE COMMUNITIES FOR THEIR
EXPLOITATION.
WE ARE WALKING TOGETHER IN
LOCKSTEP WITH OUR ALLIES HERE AS
PROGRESSIVE MOVEMENT BECAUSE WE
CAN ONLY WIN TOGETHER.
IN DIVESTING AND SETTING PROPER
GUIDELINES BOSTON MAKES A
STATEMENT NOT JUST ABOUT ONE
ISSUE BUT MORE BROADLY ABOUT HOW
IT SHOULD BE USING AND INVESTING
CITY FUNDS.
IT IS UP TO THE CITY COUNCIL TO
BE GO, BE SURE BOSTON BE I FEEL
CAREFUL WHERE IT PUTS ITS MONEY.
LIKE MASS DETENTION OF FAMILIES.
SO WE ARE EXCITED TO WORK WITH
THE CITY COUNCIL TO LIGHT UP
THAT BOX AGAIN, AS A NATIONAL
BEACON OF PROGRESSIVE VALUES.
I WANT TO MAKE ONE QUICK
CORRECTION FROM THE FOLKS WHO
ARE NO LONGER SITTING HERE.
BOSTON IS DIRECTLY INVESTED IN A
SEPARATELY MANAGED ACCOUNT,
SPECIFICALLY, THROUGH TWO
SPECIFIC INVESTMENTS HAVING
LOOKED AT THE BOSTON RETIREMENT
SYSTEM'S ACTUAL INVESTMENTS
THERE ARE TWO INVESTMENTS THAT
HAVE EXPOSURE, WHICH IS THE
INVESTMENTS IN THE I SHARED
RUSSELL 2,000 AND I SHARE
RUSSELL 2,000 VALUE ETF.
BOTH OF THOSE DIRECT EXTREMITIES
HAVE EXPOSURE TO PRIVATE
PRISONS.
>> CAN YOU JUST REPEAT THOSE?
>> SURE.
I SHARES RUSSELL 2,000 ETF AND
THE I SHARES 2,000, "SHARE
RUSSELL 2,000 VALUE ETF.
THOSEABLE -- BOTH OF THOSE WHICH
ARE ESSENTIALLY COMMON STOCK ARE

ALSO HAVE UNDERLYING EXPOSURE TO THOSE -- AND GEO GROUP AND IT IS CONCERNING, I THINK AT LEAST FOR ME, THAT IT WOULD SORT OF MENTION SEVERAL TIMES THEY DON'T EVEN KNOW WHAT THEY ARE STRESSED IN BECAUSE OF THE COMMINGLED ASSETS.

SO JUST TO MAKE SURE I AM CLEAR, THAT I KNOW WHAT YOU ARE SAYING, UNLIKE IT BEING -- ARE YOU SAYING THIS IS A MUTUAL FUND IN ONE ASPECT OF IT.

>> ETF --

>> LET ME MAKE SURE I AM CLEAR IN MY QUESTION.

THAT WE OWN A SPECIFIC AMOUNT OF STOCK IN THIS COMPANY DIRECTLY? IS THAT WHAT YOU ARE SAYING?

>> SO IT IS THROUGH AN ETF, AND ETF IS ESSENTIALLY -- IT IS AN EXCHANGE FUND, SO IT IS LIKE A MUTUAL FUND THAT ACTUALLY HAS ITS OWN TICKER.

AND THEREFORE IT HAS UNDERLYING -- SO IF YOU WERE TO GO TO I SHARES, RUSSELL -- YOU COULD GO BUY SAY COUNCILOR EDWARDS YOU COULD BUY AN ETF STOCK, RIGHT?

>> UH-HUH.

>> AND SOME OF THE FUNDS THAT ARE A BUILT BIT MORE COMPLICATED SO IT IS A DIRECT INVESTMENT THAT THEY COULD SELL TOMORROW AND LIKE THAT STOCK AND IT IS WITHIN -- BECAUSE WE HAVE SEEN THE DOCUMENT, WE KNOW THAT THERE ARE THREE TABS AND A SEPARATELY MANAGED AND COMMINGLED AND IT IS IN THEIR SEPARATELY MANAGED ACCOUNTS.

>> THANK YOU.

>> GOOD AFTERNOON.

AND THANK YOU FOR ALLOWING KNOW SPEAK TODAY.

MY NAME IS JOHN PER WE ARE ROW AND A STUDENT AT ROXBURY COMMUNITY COLLEGE HERE REPRESENTING COLLEGE BOUND DORCHESTER.

I GREW UP IN DORCHESTER AND HAVE LIVED IN BOSTON MY -- NEAR -- THE BOSTON AREA NEARLY MY WHOLE LIFE.

I AM HERE TODAY TO SPEAK ABOUT THE WAYS THAT THE PRISON INDUSTRIAL COMPLEX HAS AFFECTED ME AND HOW THE COMPANIES THAT HAVE INVESTED AND STRIPPED RESOURCES FROM ME AND MY AMENDMENT.

I HAVE BEEN INCARCERATED IN AND OUT OF FEDERAL AND STATE FACILITIES FOR A TOTAL OF 13 YEARS.

I HAVE BEEN CAGED IN NUMEROUS FACILITIES ACROSS MULTIPLE STATES SO UNFORTUNATELY I KNOW FROM A VERY PERSONAL PLACE.

I KNOW PRISON FROM A VERY PERSONAL PLACE.

IF YOU WANT THE WITH YOUR DIAGNOSIS MY AT THIS INTACT IT CAN BE QUITE EXPENSIVE WHEN YOU WALK INTO JAIL AND PRISON YOU START WITH A SMALL BAG WITH SOAP, TOOTHPASTE AND A TOOTHBRUSH YOU CHANGE INTO A UNIFORM BUT IF YOU ARE IN A COUNTY JAIL YOU DON'T EVEN GET ANY UNDERWEAR OR A NEW PAIR OF SOCKS, ANYTHING ELSE YOU NEED YOU MUST BUY WHILE MAKING PENNIES AT BEST IF YOU HAVE NO FRIENDS OR OPINION TO, FRIENDS OF FAMILY TO DEPEND ON --

>> THE DIFFERENCE BETWEEN SERVING YOUR SENTENCE LIKE HUMANITY AND A CAGED ANIMAL DEPENDS ON YOUR FINANCIAL SITUATION.

CORRECTIONAL SERVICE COMPANIES LIKE SECURE -- RIS AND TRINITY SERVICES CONTRACT WITH PRISONS TO PROVIDE THINGS LIKE PHONE CALLS AND COMMISSARY.

THEY SPECIALIZE IN EXPLOITING PEOPLE WITHIN THE CRIMINAL SYSTEM BY CHARGING EXORBITANTLY HIGH RATES AND FEES FOR BASIC NECESSITIES THINGS WE TAKE FOR GRANTED, SOAP, DEODORANT AND A PHONE CALLED CALL TO A LOVED ONE.

IT IS NOT US ON THE INSIDE THAT GET EXPLOITED BUT THE FAMILIES AS WELL.

ONE OF THE FIRST THINGS YOU WANT

TO DO IS GET INSIDE IS CALL A
LIFELINE BUT TO CALL SOMEONE YOU
WILL NEED MONEY ON YOUR ACCOUNT.
THERE ARE MOMENTS WHEN I ONLY
HAD ENOUGH MONEY TO CALL -- TO
CALL TO ASK SOMEONE FOR MONEY,
THIS CREATES STRAINS IN YOUR
RELATIONSHIPS.

PRISON DOESN'T, IS NOT FOR
ANYONE WITH ANXIETY ISSUES.
I WENT FOR MONTHS WITHOUT MONEY
FOR THE COMMISSARY AND PHONE
CALLS YOU FEEL ISOLATED AND
OUTCAST FROM THE REST OF
HUMANITY AS IF YOU ARE AN ANIMAL
AND ACCUSTOMED OF TAKEN
ADVANTAGED OF AND COMMODIFIED
AND A SEE VIOLENCE AS ONLY
OPTION, YOU ARE NOT LIVING BUT
JUST SURE VOIFERL, COMPANIES
THAT PROFIT OFF OF PRISONERS
INFLAME THEIR EMOTION WITH THEIR
EXPLOITATIVE BUSINESS DEALINGS
AND PRACTICES I HAVE SEEN PLENTY
OF VIOLENT OUTBREAKS, MEN FORCED
TO RESIST TO PETTY SQUABBLES
OVER RAMEN NOODLES OR KOFF 0
FEE, THIS IS FUELED BY THE RIGID
DICHOTOMY BETWEEN CAPITALISM AND
JUSTICE.

IT IS NO SURPRISE THE PRISONS
DEVOLVE INTO CHAOS AND CAN'T
BLAME THE VOICE WE WANT TO LABEL
CRIMINALS, THE BLAME LAYS HERE
WITH THOSE WHO MAKE THE DECISION
TO LET THOSE COMPANIES IN, IN
THEIR EXPLOITATION OF US AND
EXPLOIT AND PROFIT FROM THEIR
EX-PLOITION AT THAT,
EXPLOITATION.

I ASK YOU TO VIEW ME AS A PERSON
AND NOT DEFINE ME BY MY CRIME.

[APPLAUSE]

>>

>> GOOD AFTERNOON.

MY NAME ANNA AND A MEMBER OF
MASSACHUSETTS PEACE ACTION, A
LOCAL CHAPTER OF THE NATION'S
LARGEST GRASS ROOTS PEACE AND
DISARMAMENT ORGANIZATION.

IN THIS TESTIMONY, I HOPE TO
HIGHLIGHT THE CITY'S ADMIRABLE
COMMITMENTS TO UPHOLDING HUMAN
RIGHTS AND SHED LIGHT ON ITS

CURRENT INVESTMENTS AND COMPANIES PROFITING FROM THE VIOLATION OF SUCH RIGHTS. AND IN MY WRITTEN TESTIMONY I FURTHER EXPAND ON THE CITY'S OBLIGATION TO DIVEST FROM COMPANIES ENGAGED IN THE DEVELOPMENT OF NUCLEAR WEAPONS AND THOSE ENABLING THE HUMAN RIGHTS VIOLATIONS PERPETRATED BY SAUDI ARABIA AND ISRAEL. IN 2014 AND 2015 THE BOSTON CITY COUNCIL RECOGNIZED THE DEVASTATION THAT NUCLEAR WEAPONS CAUSED AND CALLED ON PRESIDENT OBAMA AND CONGRESS TO QUOTE CANCEL COSTLY NEW NUCLEAR AND OTHER WEAPONS SYSTEMS WHICH DO NOT MAKE A US SAFER AND TO ALLOCATE THE SAVINGS FOR PROGRAMS AND THE PEOPLE OF BOSTON AND OTHER CITIES URGENTLY NEED.

IN 2012, RESIDENTS ACROSS MASSACHUSETTS AFFIRMED SUCH PRIORITIES BY OVERWHELMINGLY VOTING IN PA FAVOR OF THE BUDGET FOR ALL WHICH CALLED FOR THE REDIRECTION OF MILITARY SPENDING TO DOMESTIC NEEDS AND JOB CREATION.

1,000, 157,000 OF OVER 200,000 BOSTONIANS WHO VOTED INDICATED THEY WERE IN FAVOR OF SUCH DEMANDS.

INVESTMENTS IN NUCLEAR WEAPONS CREATE A PERVERSE FINANCIAL IN7 IF THE FOR THE WORLD TO EDGE CLOSER AND CLOSE TORE THE BRINK OF NUCLEAR WARFARE.

TO REALIGN ITSELF WITH THE COUNCIL'S PAST STATEMENTS AND THE PRIORITIES OF THE RESIDENTS THEY REPRESENT.

BOSTON MUST DIFFICULT INVEST FROM ANY COMPANY IN THE BUSINESS OF DESTRUCTION, DIVEST.

>> .. SIMLY WITH WEAPON MANUFACTURERS DOING BUSINESS WITH THE SAUDI ARABIAN GOVERNMENT FUEL A NUMBER OF HUMAN RIGHTS VIOLATION. WHICH VIOLATES THE DECLARATION AS A HUMAN RIGHTS CITY.

SINCE 2015, SAUDI ARABIA HAS LED A COALITION COMPRISED OF THE UNITED ARAB EMIRATES AND OTHER GOVERNMENTS IN WAGE AGO BRUTAL WAR ON YEMEN, THE COALITION'S CONTINUED BOMBING OF INNOCENT CIVILIANS AND CRITICAL INFRASTRUCTURE CREATED CONDITIONS THAT HAVE LEFT 18 MILLION YEMENIS AT RISK OF FAMINE.

MILITARY CONTRACTORS SELLING THESE WEAPONS TO SAUDI ARABIA ARE COMPLICIT IN THIS WAR, PROFITING OFF OF THE ATROCITIES, ATROCITIES BEING COMMITTED AS A HUMAN RIGHT CITY IT IS IMPERATIVE BOSTON REVOKE ITS INVESTMENTS IN MILITARY CONTRACTORS AND ENABLING THIS MASSACRE.

>> IT IS ALSO WORTH NOTING THAT MOMENTUM FOR SUCH DIFFICULT, DIVESTMENT IS ALREADY UNDERWAY, IN JANUARY OF 2019, THE MASSACHUSETTS HOUSE OF REPRESENTATIVES .. INTRODUCED A BILL RELATED TO THE STATE PENSIONS DIVESTMENT FROM COMPANIES SELLING TO SAUDI ARABIA.

AND FINALLY, I MUST ALSO SPEAK TO THE UNCOMFORTABLE PACKET THAT BOSTON IS INVESTED IN CORPORATIONS FACILITATING THE DEVELOPMENT OF ISRAELI SETTLEMENTS WHICH ARE ILLEGAL UNDER INTERNATIONAL LAW AND BIFF RISE TO AN ARRAY OF HUMAN RIGHTS VIOLATIONS ON PALESTINIANS.

IN 2018, THE UN HUMAN RIGHTS OFFICE REPORTED ON ITS DEVELOP DOCUMENT OF A DATABASE OF COMPANIES ENGAGED IN ACTIVITIES LINKED TO THESE SETTLEMENTS, THE REPORT STATES THAT BUSINESS ENTERPRISES THAT DIRECTLY AND INDIRECTLY ENABLED FACILITATED AND PROFITED FROM THE CONSTRUCTION AND GROWTH OF THESE SETTLEMENTS.

AS A DIRECT RESULT OF SUCH ENGAGEMENT, PALESTINIANS SUFFER FROM RESTRICTION FROM FREEDOM OF

RELIGION, MOVEMENT AND
EDUCATION, THEIR RIGHTS TO LAND
AND WATER, ACCESS TO LIVELIHOODS
AND THEIR RIGHT TO AN ADEQUATE
STANDARD OF LIVING, THEIR RIGHT
TO FAMILY LIFE, AND MANY OTHER
FUNDAMENTAL HUMAN RIGHTS.

IT IS CLEAR THAT THE ACTIVES
THESE CORPORATIONS ARE ENGAGED
IN FUNDAMENTALLY OPPOSE BOSTON'S
PLEDGES TO SUPPORT HUMANITY
REGARDLESS OF ITS LOCATION AND
ITS CONVENIENCE.

TO PRESERVE BOSTON'S VALUES AND
UPHOLD ITS COMMITMENT TO HUMAN
RIGHTS, THE CITY MUST DIVEST
FROM COMPANIES PROFITING OFF
TOOLS OF DESTRUCTION AS WELL AS
THOSE CONTRIBUTING TO HUMAN
RIGHTS VIOLATION INFORMATION
YEMEN, SAUDI ARABIA, ISRAEL AND
OCCUPIED PALESTINIAN
TERRITORIES.

THANK YOU.

GOOD AFTERNOON.

THANK YOU FOR THE OPPORTUNITY TO
TESTIFY TODAY.

YOU'RE WELCOME.

>> JUST KEEP TALKING.

THANK YOU.

FOR HAVING THIS IMPORTANT
HEARING AND FOR YOUR STAMINA IN
STILL BEING HERE AT THIS POINT,
COUNCILOR EDWARDS AND O'MALLEY.

>> I AM THE EXECUTIVE DIRECTOR
OF A NONPROFIT CALLED LISTEN
JUSTICE LEAGUE WE ARE A BOSTON
BASED ORGANIZATION ADVOCATING
FOR HUMAN AND CIVIL RIGHTS THAT
ARE THREATENED UNDER NATIONAL
SECURITY PRETEXT.

AND WHILE WE WERE FOUNDED BY
MUSLIM WOMEN WE WORK WITH FOLKS
OF ALL BACKGROUNDS, VARIOUS
TARGETED COMMUNITIES AND WE
BELIEVE THAT WHILE MUSLIMS ARE A
FRONTLINE COMMUNITY IN TARGETING
UNDER THE DOMESTIC WAR ON
TERROR, WITH, WE ARE CERTAINLY
NOT THE ONLY ONES AND WE ARE IN
MANY WAYS SORT OF A TEST
COMMUNITY FOR EXPANSION OF
CERTAIN RIGHTS ABUSES.

WE WANT TO ECHO ALL OF THE CALLS

FOR SOCIALLY RESPONSIBLE
DIVESTMENT AND REINVESTMENT WE
HEARD TODAY AND MY TESTIMONY
BRIEFLY --

>> AND THAT IS DIVESTMENT FROM
ABUSIVE SURVEILLANCE
TECHNOLOGIES.

SO GOVERNMENT REGULATION OF
SURVEILLANCE TECHNOLOGIES, LIKE
FACIAL RECOGNITION SOFTWARE AND
CERTAINLY OTHERS IS FAR BEHIND
THE DEPLOYMENT OF THESE
TECHNOLOGIES, WHICH HAVE ALREADY
BEEN SOLD TO AND ARE IN THE
HANDS OF MANY LAW ENFORCEMENT
DEPARTMENTS.

AND WE BELIEVE THAT BOSTON'S
PUBLIC FUNDS ARE ONE PRESSURE
POINT THAT CAN AND SHOULD BE
USED TO TRY TO PUSH BACK AGAINST
THE ABUSES OF THESE
TECHNOLOGIES, THAT THEY CAN
PERPETRATE.

TO HIGHLIGHT A FEW OF THE LIKELY
HARMS THAT CAN BE EXACERBATED
BY EXCESSIVE SURVEILLANCE
TECHNOLOGY, EROSION OF DUE
PROCESS IN THE CRIMINAL JUSTICE
SYSTEM, ESPECIALLY IN A RACIAL
LIZED MANNER, .. FACIAL
RECOGNITION TECHNOLOGY AND IN
PARTICULAR HAS BEEN SHOWN TO
PERPETUATE HUMAN RACIAL BIASES
AND TO OPERATE AGAINST BLACK
FOLKS AND PEOPLE OF COLOR IN
PARTICULAR, EXPANDED ABILITY BY
LAW ENFORCEMENT OFFICERS WHO
HAVE ALREADY IN MANY CASES BEEN
SHOWN TO ABUSE THE DATABASES
AVAILABLE TO THEM TO STALK,
INTIMIDATE OR OTHERWISE VIOLATE
THE PRIVACY OF CIVILIANS, AND
YOU WILL SEE IN OUR TESTIMONY A
CITATION TO A REPORT BY THE
ELECTRONIC FRONTIER FOUNDATION
AND I WANT TO HIGHLIGHT THAT
SURVEILLANCE IS NOT ONLY A
RACIAL JUSTICE ISSUE, IT IS
AGENDAER JUSTICE ISSUE AS MUCH
AS A SURVEILLANCE BY LAW
ENFORCEMENT THAT IS OUTSIDE OF
THE BOUNDS OF -- AND TARGETS
WOMEN FOR STALKING AND OTHER
HARM, INCREASED PERSECUTION BY

STATE AGENCIES OF DISSIDENTS AND MINORITY COMMUNITIES, AND INCLUDED AMONG THEM, OF COURSE, WHISTLE BLOWERS WHO COULD BE TRACKED WITH FACIAL RECOGNITION SOFTWARE WHEN THEY ARE VISITING OPPRESSED, A PRESS, FOR EXAMPLE, OR ATTORNEYS, EXPANSION OF ICE SURVEILLANCE CAPABILITIES WHICH SHOULD CHILL RECOURSE BY IMGRANTS TO BASIC SERVICES LIKE HEALTHCARE SERVICES BECAUSE THEY KNOW THAT THEIR REMOVES ARE BEING TRACKED, ENDANGERMENT OF IMMIGRANTS INCLUDING ASYLUM SEEKERS, SHOULD THESE TECHNOLOGIES BE HACKED BY FOREIGN GOVERNMENTS, FOR EXAMPLE, AND CHILLING OF FIRST AMENDMENT PROTECTED ACTIVITY, THINGS AS SIMPLE AS ATTENDING HOUSES OF WORSHIP OR A POLITICAL PROTEST OR UNION ORGANIZING MEETINGS, STUDIES SHOW PEOPLE ARE MORE LIKELY TO HAVE STRICTER ACTIVITIES WITH WHEN THIS HE FEEL THEY ARE BEING WATCHED AND PERHAPS THAT IS ONE AIM OF THIS EXPENSIVE SURVEILLANCE, IS NOT SO MUCH TO PROTECT SAFETY BUT TO ENFORCE CONFORMITY AND MANAGE DISSENT.

BUT LIST US BY NO, THE LIST IS NO BY NO MEANS EXHAUSTIVE BUT WE WANT TO HIGHLIGHT THE URGENCY OF THIS MATTER THAT TECHNOLOGIES ARE BEING THERE ARE FOLKS WITHIN THE TECH SECTOR, TECH WORKERS WHO HAVE COURAGEOUSLY SPOKEN OUT AND URGED THEIR EMPLOYERS NOT TO SELL TO LAW ENFORCEMENT, FOR EXAMPLE, THEY NEED TO BE BACKED UP BY MUNICIPALITIES ACROSS THE COUNTRY AND WE HOPE BOSTON WILL BE ONE OF THEM.

THANK YOU.

>>

>> HI, EVERYBODY MY NAME IS ELIJAH AND A JUNIOR AT BOSTON UNIVERSITY.

I AM HERE REPRESENTING -- DIVESTMENT ORGANIZER, DIVEST AND FORMER FELLOW PROJECT UNDER 350 MASS.

AS -- I HAVE BEEN GIVEN THE
OPPORTUNITY TO ORGANIZE AROUND
PEOPLE WHO ARE -- LIVELIHOOD.
IT MEANS ACTIVELY PERMANENT IN
THE CONTINUED DESTRUCTION OF
PEOPLE EVERYWHERE -- DC LASTIER
-- AND REALLY EXPERIENCED --
SORRY.

EXPERIENCED IT.
MORE THAN 1,000 YOUTH NATION
BOYD TRAVELED TO CONGRESS ABOUT
LIVES THAT HAVE BEEN LOST IN
COMMUNITIES THAT HAVE FALLEN
BECAUSE OF CLIMATE CHANGE AND
ENVIRONMENTAL INJUSTICE.

WE MAY BE -- OUR GENERATION AND
THE NEXT.

WE ARE A MILLION STRONG ALL OVER
THE WORLD, INTERSECTIONAL
PROBLEMS FROM IMMIGRATION TO
STARVATION AND I KNOW WHAT IT
SITS HERE TRYING TO UNDERSTAND
HOW A SIMPLE DECISION TO INVEST
IN OUR FUTURES IS SUCH A
CONTENTIOUS DEBATE.

WE ARE AT A POINT WHERE THE
CLIMATE ISSUE CANNOT NO LONG PER
ADDRESSED BY NO ACTION.

THE CITY OF BOSTON BODES FOR THE
PROGRESSIVE GREEN POLICIES,
BACKDROPPED AGAINST THE FAILURES
OF U.S. DELAY IN ADOPTING MORE
SUSTAINABLE PRACTICES.

THIS IS SHOWN BY THE CLIMATE
ACTION PLAN IN RECENT CARBON
PLEA BOSTON INITIATIVE, YET HELP
ME UNDERSTAND THE LOGIC THAT
BOSTON WILL SOON NO LONGER --
CARBON INTO THE ATMOSPHERE BUT
STILL PROFIT FROM 0 CARBON --
FROM FOSSIL FUEL EXTRACTION AND
-- THIS ELSEWHERE.

WE CAN'T PICK AND CHOOSE HOW WE
WILL SAVE THE WORLD TODAY JUST
BY OUR DESTRUCTION.

AS PEOPLE UNITED WE MUST
ENUMERATE OUR VALUES AND LIVE BY
THEM EVERY TIME.

DIVEST FROM FOSSIL FUELS AND
OTHER HARMFUL INDUSTRIES.

THIS IS OUR COMMUNITY AND WE
WOULDN'T ASK IT IF WE DIDN'T
BELIEVE IT OURSELVES THERE IS A
LEGITIMATE NEED TO UPHOLD THE

INTEGRITY OF THE ECONOMY
ENVIRONMENT.
EMPLOYMENT CHANGE IS BECOMING
INCREASABLY DIRE INTERSECTIONAL
CHANNEL AS IMPACTING LOCAL
COMMUNITIES AND MORE OFTEN THAN
NOT MARGINALIZED ETHNIC
MINORITIES ARE THOSE AFFECTED.
DIGRESS ECONOMIC GROWTH, AND
SUFFICIENT HOUSING AND RACIAL
INEQUALITIES.

THESE ARE THE REASONS I AM HERE
TODAY AND I HOPE BY DIVESTING
THIS WILL BUILD EFFORTS ON
VALUES AND SOCIALLY
RESPONSIBILITY AND CONSCIENTIOUS
PROFIT-MAKING.

THANK YOU.

>> THANK YOU CITY COUNCILOR AND
EVERYONE FOR LISTENING TO ME.

MY NAME --.

I AM A SENIOR AT NEW MISSION
HIGH SCHOOL AND I AM
REPRESENTING THE BOSTON ADVISORY
COUNCIL YOUTH ON BOARD PANNED
THE GREEN COALITION I WAS BORN
IN BOSTON AND LOVE THE CITY I AM
FROM.

I LOVE THE FACT IT IS COMMUTER
FRIENDLY, THE PEOPLE ARE NICE
AND HAVE A SENSE OF COMMUNITY
AND HAVE PRIDE IN WHERE THEY
CAME FROM.

IT IS A CITY THAT I FEEL LIKE
YOU CAN NEVER GET TIRED OF,
BECAUSE EVEN THOUGH YOU THINK
YOU KNOW EVERYTHING, SOMETHING
NEW POPS UP.

BOSTON IS BROGUE AND CHANGING
AND IS A PLACE I LOVE.

BUT IF WE WANT TO CONTINUE TO
HAVE BOSTON, HAVE THE BOSTON
THAT WE LOVE WE MUST DIFFICULT
VEST OUR MONEY FROM FOSSIL FUEL
CORPORATIONS.

ONCE, ONE TIME I WAS DRIVING IN
THE CAR WITH MY COUSIN AND
BEHIND A BUS.

IT WAS EXPELLING SO MUCH SMOKE
THAT I THOUGHT IT WAS ON FIRE.
UNTIL MY COUSIN REASSURED ME
THAT THE BUS PROBABLY HAD JUST
BEEN TURNED ON AND NEEDED TO RUN
FOR A WHILE.

I WAS SHOCKED AND WONDERED IF THIS IS HOW EVERY BUS IS. AND WE HAVE NEARLY 1,000 BUSES RUNNING AROUND THE CITY. WHAT DAMAGE COULD -- WHAT DAMAGE COULD THIS BE DOING TO ME, MY COMMUNITY AND MY FAMILY? IN SEPTEMBER OF 2018 I JOINED THE VISA ENVIRONMENTAL JUSTICE SUBCOMMITTEE. I NEVER THOUGHT THAT I WOULD -- I WOULD BE INVOLVED IN ENVIRONMENTAL JUSTICE BUT AFTER SEEING THE IMPACT, FOLLOW LUCIAN AND CLIMATE CHANGE HAD, AND HOW IT DOES NOT JUST AFFECT THE ENVIRONMENT, BUT THERE ARE BIGGER THINGS IN PLAY, SUCH AS INSTITUTIONALIZED RACISM I JUST KNEW I HAD TO BE INVOLVED, ESPECIALLY AFTER YOUTH, BECAUSE A LOT OF OLDER PEOPLE ARE NEGLECTING THIS ISSUE BECAUSE THEY FEEL LIKE IT WON'T IMPACT THEM, BUT IT WILL IMPACT ME AND I HAVE TO MAKE A CHANGE. I RECENTLY LEARNED THAT A LOT OF THESE DISEASES STUMPS ASTHMA CAN COME THERE LIVING IN A BAD ENVIRONMENT. IT HAS -- IT HAD ME THINKING BACK TO WHEN I WAS BORN AND HEARING STORIES OF HOW -- HOW WHEN ME AND MY TWIN BROTHER WERE BORN I GOT TO GO HOME FIRST BUT MY BROTHER HAD TO STAY THE HOSPITAL BECAUSE HE HAD BAD ASTHMA BUT THANKFULLY NOW HE IS OKAY AND BARELY HAD ANY PROBLEMS WITH HIS ASTHMA, IT MAKES ME THINK WHAT CHANGED? AND I STRONGLY BELIEVE IT WAS OUR ENVIRONMENT. WHEN WE WERE IN MY MOM'S STOMACH AND WHEN WE WERE BORN, WE WERE LIVING IN ROXBURY, ACCORDING TO THE HEALTH REPORT, CHILDREN IN ROXBURY HAVE HIGH RATES OF ASTHMA THAN 0 MOST NEIGHBORS IN BOSTON IT IS ONE OF THE MOST HEAVILY POLLUTED AREAS IN BOSTON. THEN WE MOVED TO -- WE MOVED AND HE GOT BETTER AND HE REALLY, HE

HARDLY HAS ANY RESPIRATORY ISSUES AND SINCE STARTING MY WORK IN ENVIRONMENTAL JUSTICE I HEARD SO MANY STORIES LIKE MINE BY DISEASES CAUSED BY A POLLUTING ENVIRONMENT.

THE WAY TO PUT A STOP 0 TO THIS DESTRUCTION AND NOT TAKING ADVANTAGE OF THE OPPORTUNITIES ARE LUDICROUS.

YOU ARE GIVING MONEY TO COMPANIES THAT ARE RUINING OUR FUTURE, MY FUTURE AND SLOWLY KILLING US ALL, IT IS A SAME THAT NOWADAYS YOU HAVE TO TO DIG DEEP TO FIGURE OUT WHAT IS A GOOD NEIGHBORHOOD, WHEN WANTING TO FIND A HOME AND START A FAMILY.

BACK IN THE DAY PEOPLE USED TO LOOK AT DIFFERENT NEIGHBORHOODS HAD GOOD SCHOOLS AND WAS SAFE IN TERMS OF LIKE VIOLENCE, BUT NOW WHEN YOU THINK OF SAFETY, YOU HAVE TO THINK IS THE VIRMT WHERE I LIVE OR SEND MY CHILD TO SCHOOL TOXIC OR HAZARDOUS?

AND IT REALLY BREAKS MY HEART, BECAUSE THOSE WITH MONEY WILL ALWAYS BE OKAY, BECAUSE THEY HAVE MONEY TO GET THE RESOURCES TO SAVE THEMSELVES BUT IT IS THE MINORITIES THAT WILL SUFFER BECAUSE THEY DON'T HAVE ACCESS TO THE LATEST TECHNOLOGY, RESOURCES AND THINGS LIKE THAT.

IT IS TIME FOR THE CITY OF BOSTON TO STEP UP AND FIGHT FOR OUR PEOPLE, BECAUSE THE CHANGE THAT WE WANT TO SEW -- BECOME THE CHANGE WE WANT TO SEE INSTEAD OF TALKING ABOUT IT.

THIS IS MY FUTURE AND WE WANT DIVEST FROM FOSSIL FUEL CORPORATIONS BECAUSE I DON'T WANT TO STUFF AND I DON'T WANT TO SEE MY CITY FLOOD DUE TO MELTING ICE CAPS, I DON'T WANT TO COME BACK AND SEE MY HOME GONE WHEN THERE ARE THINGS WE CAN DO NOW, THINGS LIKE THIS WE CAN CHANGE.

WE MUST DIVEST FROM THESE COMPANY PLAYING US AS FOOLS.

THEY USE OUR INVESTMENTS TO USE AS MOMENTUM.

WE CAN PUT IT TOWARD SOMETHING THAT IS MORE BENEFICIAL TO THE VOIRMT.

SO CITY COUNCILORS AND ALL LISTENING TODAY I WANT TO SAY THIS IS A BIG OPPORTUNITY FOR BOSTON TO STEP UP AND LEAD A MOVEMENT THAT IS GOING TO GO WITH OR WITHOUT US, BUT SEIZING THIS MOMENT WOULD BE CRITICAL AND WE NEED TO TAKE IT SERIOUS. THE FUTURE MAY BE IN YOUR HANDS, BUT IT IS OUR LIVES.

PLEASE DON'T THROW IT AWAY.

THANK YOU FOR YOUR TIME.

>> AND THANK YOU FOR YOUR TESTIMONY.

>> . THANK YOU ALL SO MUCH FOR YOUR TESTIMONY, I JUST WANTED TO FOLLOW UP ON THE "SHARES COMMENTS.

SO I HAVE A LIST OF SOME OF THE .. MANAGED ACCOUNTS WE WILL FOLLOW UP TO SEE, BUT LISTED UNDER THE SEPARATELY MANAGED ACCOUNT IS I SHARES RUSSELL ETF WITH A VALUE OF ABOUT 9,800 AND \$65.

AND I SHARES RUSSELL 2,000 VALUE ETF WHICH IS AGAIN, WHICH IS AT A VALUE OF \$11,290.

BOTH ARE PART OF, LISTED AS PART OF COMMINGLED FUNDS AND A LARGER GROUP --

>> IN A SEPARATELY MANAGED ACCOUNT BUT THEY ARE LISTED AS COMMINGLED FUNDS, AND THE FIRST ONE I MENTIONED IS \$1.5 MILLION AND THE SECOND ONE IS AT \$1.4 MILLION.

AGAIN, SO I THINK 9,000 OF THE 1.5 AND --

>> REGARDLESS OF \$1 TOO MANY, AND THE INVESTMENT YOU SAID WERE IN PRIVATE PRISONS SPECIFICALLY OR IN --

>> NO, THEY ARE SPECIFICALLY IN PRIVATE PRISONS SO LIKE GEO GROUP AND KORS VICK .. ARE THE TWO LARGEST PRISON COMPANIES.

>> THANK YOU.

>> AND ALSO FORGOT TO MENTION WE

DO KNOW THERE IS AN INVESTMENT
IN RAYTHEON AND I BELIEVE SMITH
& WESSON AS PART OF MUTUAL FUNDS
AS WELL SO WE ARE DOING OUR DUE
DILIGENCE TO FIND OUT AS MUCH AS
TO BELIEVE.

I THINK, I THANK YOU ALL.

>> WE WEREN'T ABLE TO TAKE A
LOOK AT THOSE THAT ARE MANAGED
UNDER -- LIKE NOT THE SEPARATELY
MANAGED BECAUSE YOU JUST FRANKLY
CAN'T SEE ANYTHING AND I WOULD
ARGUE WHAT WAS CITED IS WAY
UNDERVALUED AS TO WHAT THEY ARE
ACTUALLY, I WILL EXPOSED TO.
AND I TALKED -- THEY DON'T FEEL
CONFIDENT IN SAYING WHAT THEY
ARE EXPOSED TO.

>> THEY DON'T.

>> WELL, THANK YOU SO MUCH.
THANK YOU.

>> THANK YOU.

>> WE ARE GOING TO GO AHEAD AND
CALL UP OUR SECOND -- ACTUALLY I
THINK MAYBE THREE PEOPLE WHO ARE
LISTED, LITERALLY THREE PEOPLE
LEFT WHO WANTED TO PUBLICLY
TESTIFY.

I AM GOING TO CALL UP THE SECOND
PANEL TO COME UP, BUT WHILE THE
SECOND PANEL IS GETTING
SITUATED, I HAVE RANDY MAIL OR
RANDY MAL.

I HAVE BRIDGET DE LA TORRE.

>> KAY CRAWFORD.

AND THE SECOND PANEL INCLUDES
AARON TANA A CA, ALEX PATALI,
LUIS SOME BRA KNOW, EVANS AND
MCCARTY.

>> IF THERE ARE FOLKS PUBLICLY
SIGNED UP TO GO TO THE
MICROPHONE.

AND I HAVE RANDY S RAN DIFFICULT
HERE?

>> IS RANDY HERE?

SHE HAD TO LEAVE, 0ABLE.

ESTABLISHMENT, ARE YOU BRIDGET?
OKAY.

SO YOU ARE GOING TO GO TO THE
MICROPHONE ACTUALLY OVER THERE.

>> HI, MY NAME IS BRIDGET AND A
STUDENT AT BOSTON UNIVERSITY
WORKING ON THE DIVESTMENT FROM
FOSSIL FUEL CAMPAIGN.

I JUST WANTED TO SAY THAT AS THE CITY -- THIS WILL BE THE FIRST CARBON FREE CITY IN THE CITY OF MASSACHUSETTS AND MOST ENERGY EFFICIENT STATE IN THE NATION AND ALSO ACCOUNT FOR THE CARBON EMISSIONS PRODUCED BY THE CITY'S PENSION FUNDS, INVESTMENTS IN THE FOSSIL FUEL INDUSTRY. IT IS THEREFORE DECEITFUL TO DISREGARD THE FOLLOW LUCIAN THAT CITY DOLLARS WILL PRODUCE TO KEEP FOSSIL FUEL COMPANIES IN BUSINESS. ESPECIALLY SINCE THE CITY AIMS TO PHASEOUT ALL CARBON EMISSIONS TO EFFICIENTLY OFFSET ALL OF THE FOSSIL FUEL EMISSIONS TO THE CITY OF BOSTON. BOWE THE CITY'S INFRASTRUCTURE NEED NOT CAPITALIZE OFF OF THE FOSSIL FUEL INDUSTRY BECAUSE THERE SHOULDN'T BE A DECISION BETWEEN MAKING A PROFIT AND THE HEALTH OF OUR COMMUNITIES, CLIMATE JUSTICE IS NEEDED. THE FIRST STEPS TOWARD JUSTICE IS FOR COMMUNITY AWARENESS OF OUR ENVIRONMENTAL ISSUES, WHICH GOVERN -- WHEN PROPOSING THE FUNDING OF CLIMATE ADAPTATION PROGRAMS ACROSS THE STATE THAT IS TO BUILD ON THE STICKS HUNDRED MILLION DOLLARS ALREADY INVESTED TO MITIGATE CLIMATE CHANGE IMPACTS AND INCREASE THE RESILIENCY OF LOCAL COMMUNITIES. GOVERNOR -- ACKNOWLEDGES THE URGENCY OF ENVIRONMENTAL EMISSIONS. YET CITY FUND DON'T MAKE FINANCIAL GAINS ON POLLUTING FOSSIL FUEL INDUSTRY. BEHIND ALL OF THE RESOURCES, THE ADMINISTRATION HAS SET FOR CLIMATE SOLUTIONS, DIVESTING THE CITY PENSION FUNDS FOR FOSSIL FUELS HAS NOT BEEN CONSIDERED A VIABLE APPROACH TO FIGHT CLIMATE CHANGE. THIS IS A NECESSARY ELEMENT OF A TRULY POLICY. IN IS SOCIAL INJUSTICE FOR LUCRATIVE RETURN ON INVESTMENT AND ULTIMATELY CAUSING HARD HARM

TO OUR HEALTH AND CONTRIBUTING
TO GLOBAL WARMING, BY FUNDING
THE FOSSIL FUEL INDUSTRIES.
THE CITY CAN NO LONGER ALLOW
FOSSIL FUEL COMPANIES TO
DECIMATE THE HEALTH OF OUR
COMMUNITY AND MONOPOLIZE THE WAY
COMMUNITY USES FOSSIL FUEL
RESOURCES.

BOSTON COMMITTED TO CONTINUE
PROTECTING OUR ENVIRONMENT BY
REDUCING GREENHOUSE GAS
EMISSIONS AND FROM THE PENSION
FUND INVESTMENTS IN WILL POST
CHALLENGES ALTHOUGH WITH RESPECT
TO FIDUCIARY RESPONSIBILITIES
AND OBJECTIVES, THERE ARE
NUMEROUS WELL PERFORMING
ENVIRONMENTAL SOCIAL AND
GOVERNANCE AND SOCIALLY
RESPONSIBLE INDICES FOCUSING ON
ENVIRONMENTAL IMPACTS ON
COMMUNITIES.