

Sustainable Banking and Investment Task Force Meeting Minutes

December 13, 2021

The task force (TF) meeting was held at 7 p.m. by audio/video connection. The meeting was open to the public and several members of the public were listening in. Present were: Michael Ashford, David Bend, Amber Cameron, Jessica Clarke (deputy city manager), William Girardo, Paul Gunter, Lesley Hunter, Rachel Fredman Lyngaas, Christine Pendzich, and Victor Thuronyi.

1. Outcome of Elections

Victor Thuronyi was elected as Chair of the Task Force (TF). Michael Ashford was elected as Vice Chair. Rachel Fredman Lyngaas was elected as Secretary and confirmed hereafter that she would record meeting minutes.

2. Continued Orientation

Jessica Clarke highlighted that the TF has a Google Drive to keep resources. She referenced a folder of city documents as well as descriptions of leadership roles had been uploaded to the Google Drive. Resource documents sent by members of the TF have also been uploaded to the Google Drive. Jessica added that there will be an orientation workshop, but dates have not been set yet. Jessica will let TF members know when it is scheduled.

3. History of Council Discussions on Sustainable Banking / Investments

Jessica provided a PowerPoint presentation to the TF to brief them on previous City Council discussions on the topic of sustainable banking and investments or work already completed.

She noted that the purpose of TF is twofold: 1) Define steps to implement sustainable banking and investments; and 2) review and update policies, including Takoma Park's Nuclear-Free Ordinance.

This mission aligns with the March 2019 Climate Emergency Declaration, which directed city staff to identify the most aggressive local actions to move toward net zero by 2025. Sec. 4 of the 2020 Climate Emergency Response Framework refers to "phasing out financial funds... in support of fossil fuels."

Ch. 14 City Code further stipulates that Takoma Park is a Nuclear-Free Zone. Nuclear weapons are prohibited in city limits. There is a provision of this code that refers to the investment of city funds, and further references a "responsible investment policy."

City Council Priorities 2021-22 include a third priority is to have a government that is fiscally sustainable and adopts "sustainable banking and investment policies."

There were also two previous City Council discussions on sustainable banking and investments:

1. In February 2017, the Nuclear Free Committee gave a presentation to the City Council on SunTrust Bank, which at the time provided banking services to the City of Takoma Park. The Committee noted that SunTrust Bank was listed in the Don't Bank on the Bomb listing prepared by the International Campaign to Abolish Nuclear Weapons. The Nuclear Free Takoma Park Committee recommended that the Council change its banking from SunTrust to Sandy Spring Bank. There was a working session of the Council in which the Nuclear Free Committee and city staff presented existing banking services and potential impacts. Jessica said she will drop related documents in the TF's Google Drive.
2. In May 2018, the Council expressed interest in learning more about Socially Responsible Investing (SRI). Millennium Consultants provided a presentation on SRI, social impact investing, and environmental, social and governance (ESG) investing.

Jessica continued the presentation, providing an overview of Takoma Park's 2021 financial portfolio. This includes an annual operating budget of \$35 million, its banking services with SunTrust (post-BB&T merger is called "Truist"), the \$18.3 million Police Pension Fund, in addition to \$3.6 million invested through Maryland Local Government Investment Pool and Community CDs.

Paul Gunter, representative of the Nuclear Free Committee provided more context on the February 2017 City Council meeting. He noted that SunTrust has been subsumed by Truist. Truist Bank is currently listed in Don't Bank on the Bomb 2021 list, published by International Campaign to Abolish Nuclear Weapons. Since 2019, investment in nuclear weapons was reduced by \$63 billion. Further, the UN adopted the Treaty on the Prohibition of Nuclear Weapons that has outlawed nuclear weapons. There is momentum to divest. City of New York's Council on Dec. 9, 2021, told the Comptroller that the City needed to divest from nuclear weapons. New York also joined the International Campaign to Abolish Nuclear Weapons in support of the treaty. Paul Gunter added that the movement against nuclear weapons is growing and is timely. The Nuclear Free Committee is working to make sure the two existential threats to this planet are addressed and divested: 1) the manufacturing and use of nuclear weapons; and 2) addressing climate change in the most effective, least cost and quickest manner of carbon reduction.

4. AOB

Christine Pendzich mentioned that the TF should take note that the City did not take up the Nuclear-Free Committee's recommendation to change its banking services.

William Girardo asked if there is a distinction between nuclear weapons and nuclear technology for anything else. Paul Gunter responded that he would like to convey the connection between nuclear weapons and nuclear power. There is an inextricable link between the two. To be consistent with nuclear-free zone, he recommended the need to look at the connections

between transfer of civilian technology and proliferation. Rachel Fredman Lyngaas referenced the City Council resolution establishing the Task Force, noting that it is within the purview of the Task Force to review the language of the Nuclear Free Ordinance and associated policies. Jessica confirmed this point.

Christine Pendzich recommended that at the next meeting the TF plan its objectives, scope, and work. She also recommended that the TF invite a speaker about social equity in investing. She added that she would invite such a speaker. Two TF members supported this idea, and no objection was voiced.

Jessica added that the City's Sustainability Manager would be available to join a TF meeting on Jan. 10, 2022. Victor asked for the name of the City Finance Director (Susan Chung), adding that the TF should invite her to a meeting. Victor proposed that between now and the next meeting on December 27, the Chair and Vice Chair should draft a Statement of Objectives and Goals. He added that it would be important to have everyone agree and ratify that Statement in the December 27 meeting or the subsequent one if not everyone is present on the 27th.

Paul Gunter noted that one hour is too short for TF meetings and indicated that this was an area of concern. If there are topics and areas of focus, he suggested the TF extend beyond one hour. Victor indicated he was open to this idea for subsequent meetings, though it may not be necessary on the December 27 meeting. Michael Ashford indicated that groups can be tasked to work on different items, which might be good solution to insufficient meeting time.

Amber Cameron recommended that the TF have a goal of when to apportion tasks and have scope finalized in the next meeting with a majority of members present.

Victor Thuronyi called for a motion to adjourn the TF meeting, which was supported by other members.