AGENDA ITEM SUMMARY

BOARD MEETING DATE: February 23, 2022

AGENDA ITEM TITLE: A Resolution Approving the Revision of the Pitkin County Investment Policy

STAFF RESPONSIBLE: Ann Driggers, Treasurer

ISSUE STATEMENT: The County recently received information from their investment advisors, Chandler Asset Management (CAM), regarding environmental, social and governance investing (ESG) and socially responsible investing (SRI) considerations. As a result, the BOCC directed staff to review and update the County’s Investment Policy to include ESG/SRI considerations. The revised policy is presented today for the BOCC’s approval.

BACKGROUND: At the November investment update to the BOCC, CAM presented information about investing as it relates to the County’s adopted climate action plan. Specifically, the presentation included details on Socially Responsible Investing (SRI) and Environmental, Social, Governance Investing (ESG); sample ESG considerations; methods for implementing SRI and ESG strategies and; how the County’s investment policy would be impacted.

The purpose of the investment policy is to specify various policies and procedures that will foster a prudent and systematic investment program designed to achieve the County’s objectives of safety, liquidity and return on investment through a diversified investment portfolio. This policy also serves to organize and formalize Pitkin County’s investment-related activities, while complying with all applicable statutes governing the investment of public funds.

At the BOCC work session on February 1, 2022, the BOCC reviewed specific language to be added to the County’s Investment Policy. The revised policy is presented today for review and approval, and includes the following addition:

XIII.  Environmental, Social, Governance and Socially Responsible Investing (ESG/SRI)

In the event all general objectives mandated by state law are met and created equal, investments in corporate securities and depository institutions will be evaluated for social and environmental concerns. Investments are encouraged in entities that support equality of rights regardless of sex, race, age, disability, religion, or sexual orientation, as well as those entities that practice environmentally sound and fair labor practices. Investments are prohibited in entities that receive a significant portion of their revenues from the manufacture of tobacco products, exploration and extraction of fossil fuels, firearms, or weapons not used in our national defense.
LINK TO STRATEGIC PLAN: Pitkin County’s Strategic Plan discusses responsible and accountable stewardship of County assets in the Core Focus Area of Prosperous Economy. A revised investment policy will also meet the County’s Climate Action goals.

KEY DISCUSSION ITEMS: Discussion took place during the February 1, 2022 work session.

BUDGETARY IMPACT: Investment earnings for the county exceeded $1.8m in 2020. The revised investment policy is not expected to affect the investment earnings of the County.

RECOMMENDED BOCC ACTION: Adopt the Resolution of the Board of County Commissioners of Pitkin County, Colorado, approving the revision of the Pitkin County Investment Policy.

ATTACHMENTS:

- Resolution of the Board of County Commissioners of Pitkin County, Colorado, approving the revision of the Pitkin County Investment Policy.