

City of Gainesville

City Hall
200 East University Avenue
Gainesville, Florida 32601



Meeting Agenda - Final

May 25, 2022

1:00 PM

City Hall Auditorium

Finance Committee

Commissioner Harvey Ward (Chair)
Commissioner Reina Saco (Vice-Chair)
Commissioner Adrian Hayes-Santos (Member)

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CALL TO ORDER**ROLL CALL****ADOPTION OF THE AGENDA****APPROVAL OF MINUTES**

[211118.](#) **Approval of Minutes from the April 13, 2022 Finance Committee Meeting (B)**

RECOMMENDATION *The Finance Committee approve the April 13, 2022 minutes.*

[211118_April 13, 2022 Minutes_20220511.pdf](#)

DISCUSSION OF PENDING REFERRALS

[211259.](#) **Gainesville Regional Utilities Internally Prepared Budget to Actual Comparison for the Period Ended March 31, 2022 (B)**

Explanation: The following item is presented for review:

Budget to Actual Comparison for the Period Ended March 31, 2022, internally prepared.

Fiscal Note: None at this time.

RECOMMENDATION *The Finance Committee review and recommend the City Commission accept Gainesville Regional Utilities Internally Prepared Budget to Actual Comparison for the Period Ended March 31, 2022.*

[211259_Budget to Actual Comparison for the Period Ended March 31 2022_202](#)

[211260.](#) **Gainesville Regional Utilities FY22 Capital Budget vs. Actual as of March 31, 2022 (B)**

Explanation: An update of GRU's FY22 Capital Budget vs. Actual as of March 31, 2022 is presented for the Finance Committee's review.

Fiscal Note: None at this time.

RECOMMENDATION *The Finance Committee receive a presentation on the GRU Capital Budget vs. Actual as of March 31,*

2022.

[211260_March 31 2022 Capital Budget vs Actual Presentation_20220525](#)

[211261.](#) **Gainesville Regional Utilities Moody's Environmental, Social and Governance Report as of May 18, 2022 (B)**

Explanation: An update of the GRU Moody's Environmental, Social and Governance Report as of May 18, 2022 is presented for the Finance Committee's review.

Fiscal Note: None at this time.

RECOMMENDATION *The Finance Committee receive a presentation on the GRU Moody's Environmental, Social and Governance Report as of May 18, 2022.*

[211261_Moodys ESG Report Presentation_20220525](#)

[211258.](#) **Environmental/Social/Governance Investing & Socially Responsible Investing Analysis (B)**

This Agenda Item involves an analysis of Environmental, Social and Governance & Socially Responsible Investing Analysis with respect to the City's Operating Fund Investments, General Employees' Retirement Plan, and Retiree Health Insurance Trust Fund as requested by the City Commission Finance Committee

Explanation: At their February 9, 2022 meeting, the City Finance Committee asked staff to prepare an analysis of Environmental/Social/Governance (ESG) investing and Socially Responsible Investing (SRI) investing for City investments. The attached ESG & SRI Investment Analysis presentation has been prepared to review ESG & SRI investing, summarize related issues, and analyze the potential impacts that ESG & SRI investing could have on the City's Operating Funds, General Employees' Retirement Plan, and Retiree Health Insurance Trust Fund.

Fiscal Note: The fiscal impact of adopting ESG or SRI investment policies is difficult to predict, and will likely vary over time. Staff was directed to ESG factor considerations to replace the Retiree Health Insurance Trust Fund's legacy U.S. Equity investment managers with higher ESG rated investment managers in July, 2020. The Fund's investment returns have been negatively impacted from July 1, 2020 through December 31, 2021 by -6.20%, or \$2.05 million. A similar impact on the General Employees' Retirement Plan investment returns would cost that Plan \$28 million. Because investment returns are the major revenue source for the City's Pension Plans, reductions in annualized investment returns could create significant increases in the City's required employer contributions to the

Plans. Annual employer pension plan contributions are calculated through the Plan's actuarial valuation process, and included in the City's Annual Budgets.

RECOMMENDATION

Recommended Motion: The Finance Committee: 1) review the Environmental, Social and Governance & Socially Responsible Investing Analysis, and take any action deemed appropriate.

[211258 2022 ESG - SRI Investment Analysis 20220525](#)

[211258 City Attorney Memo to CCOM re Pension Fiduciary Duty 20220525](#)

PUBLIC COMMENT

MEMBER COMMENT

NEXT MEETING DATE - August 31, 2022

ADJOURNMENT