

Resolution of the Ann Arbor Energy Commission to City Council to Urge City of Ann Arbor Employees' Retirement System to Divest from the Top 200 Publicly-Traded Fossil Fuel Companies

WHEREAS, The climate crisis is a serious threat to current and future generations here in Ann Arbor and around the world;

WHEREAS, The City of Ann Arbor has a goal of “eliminating net greenhouse gas emissions and other destabilizing climate impacts”;

WHEREAS, The City of Ann Arbor's Climate Action Plan has a goal of reducing greenhouse gas emissions by 25% by 2025 and 90% by 2050;

WHEREAS, For the purposes of this resolution, a “fossil fuel company” shall be defined as any of the two hundred publicly-traded companies with the largest coal, oil, and gas reserves as measured by the gigatons of carbon dioxide that would be emitted if those reserves were extracted and burned, as listed in the Carbon Tracker Initiative's “Unburnable Carbon” report;

WHEREAS, In its “Unburnable Carbon” report, the Carbon Tracker Initiative found that fossil fuel companies possess proven fossil fuel reserves that would release approximately 2,795 gigatons of CO₂ if they are burned, which is five times the amount that can be released without exceeding 2°C of warming;

WHEREAS, The City of Ann Arbor has a stated and moral responsibility to protect the lives and livelihoods of its inhabitants from the threat of climate change;

WHEREAS, The City of Ann Arbor believes that its investments should support a future where all citizens can live healthy lives without the negative impacts of a warming environment and the health impacts from particulate pollution produced by the continued burning of fossil fuel;

WHEREAS, Approximately 12 municipalities have already committed to divesting their assets from major fossil fuel companies;

WHEREAS, Financial analysis shows that divestment from major fossil fuel companies is possible with little or no risk to return on investments and with potential to reduce financial liability;

WHEREAS, Continued support for the fossil fuel industry undermines the quality of life for the City of Ann Arbor retirees and runs counter to the requirement of the City of Ann Arbor Employees' Retirement System's duty of “providing benefits to members”;

THEREFORE, BE IT RESOLVED, That the Energy Commission of the City of Ann Arbor urges the City Council of Ann Arbor to urge the City of Ann Arbor Employees' Retirement System to immediately cease any new investments in fossil fuel companies or in commingled assets that include holdings in fossil fuel companies; and, be it

FURTHER RESOLVED, That, for any City of Ann Arbor Employees' Retirement System

investments in commingled funds that are found to include fossil fuel companies, the City Council urges the Retirement Board to contact the fund managers and request that the fossil fuel companies be removed from the funds; and, be it

FURTHER RESOLVED, That the Ann Arbor City Council urge the City of Ann Arbor Employees' Retirement Board to ensure that none of its directly held or commingled assets include holdings in fossil fuel public equities and corporate bonds within 5 years as determined by the Carbon Tracker list; and, be it

FURTHER RESOLVED, That the Ann Arbor City Council urge the City of Ann Arbor Employees' Retirement Board to prepare a report and options for investing the pension fund in a way that further maximizes the positive impact of the fund by seeking out investments in opportunities to limit the effects of burning fossil fuels or help to mitigate its effects including, but not limited to, clean technology & renewable energy, sustainable companies or projects, and sustainable communities. We particularly urge that policies be put in place that support local projects and local jobs; and, request that timeline for implementing the findings of said report in a manner consistent with the City of Ann Arbor Employees' Retirement Board fiduciary duty.

LET IT BE FURTHER RESOLVED, That the Ann Arbor City Council urge the City of Ann Arbor Employees' Retirement Board to release annual updates, available to the public, detailing progress made towards full divestment.