

**RESOLUTION- REQUESTING THE NEW YORK STATE COMPTROLLER TO REVIEW  
ARES MANAGEMENT'S PORTFOLIO COMPANIES THROUGH THE LENS OF  
GOVERNOR CUOMO'S REFORMING THE ENERGY VISION (REV) PLAN**

**WHEREAS**, the New York State and Local Retirement System (NYSLRS), a pension trust fund for the State managed assets valued at \$184.5 billion as of March 2015 on behalf of more than one million participants; and

**WHEREAS**, the New York State Comptroller is the administrative head of the Retirement System and "as fiduciary, the Comptroller acts in the best interests of the System's members and retirees"; and

**WHEREAS**, NYSLRS contracts with various third-party investment firms including publicly traded, global asset manager, Ares Management headquartered in Los Angeles, CA; and

**WHEREAS**, as of March 31, 2015, NYSLRS entrusted Ares with nearly \$800 million to invest across various investment strategies on behalf of the pension fund's participants; and

**WHEREAS**, for fiscal year ended March 31, 2015, NYSLRS paid Ares nearly \$9 million in management fees; and

**WHEREAS**, on January 1, 2015, Ares announced its acquisition of energy infrastructure asset manager Energy Investors Funds (EIF); and

**WHEREAS**, Ares declared "The EIF transaction provides Ares an entry into the large and growing energy infrastructure industry" and "EIF represents exactly what we look for... in an investment strategy that is attractive for our collective fund investors and a deep expertise that we believe will benefit and further diversify Ares' existing strategies"; and

**WHEREAS**, EIF has invested in the Pilgrim Pipelines, a proposed project to build a set of 180-mile pipelines from Albany, NY to Linden, NJ to transport crude oil and refined petroleum products; and

**WHEREAS**, the Pilgrim Pipelines proposal poses risks to public health and safety, local economies, and the environment; and

**WHEREAS**, under Governor Cuomo's Reforming the Energy Vision (REV) plan, New York is working towards reducing greenhouse gas emissions from the energy sector by 80% - from 1990 levels - by 2050 and sourcing 50% of all of New York's electricity generation from renewables by 2030; and

**WHEREAS**, the Pilgrim Pipelines and continued emphasis on fossil fuel dependence contradicts New York State's short-term and long-term clean-energy goals.

**WHEREAS**, this would be a direct potential conflict of interest due to needed approvals from an organization that is part of the NYSLRS.

**NOW THEREFORE BE IT RESOLVED** that the Town Board of the Town of Rosendale requests the New York State Comptroller to take a broader look reviewing Ares Management portfolio companies - including those not directly held in the NYSLRS - through the lens of Governor Cuomo's Reforming the Energy Vision (REV) plan; and

**BE IT FURTHER RESOLVED** since the Comptroller's office has led the effort to improve transparency with regards to corporate political spending, the Town Board of the Town of Rosendale encourages the Comptroller's office to continue its admirable work and exercise its fiduciary responsibility when reviewing third-party investment managers' portfolio holdings and the nature of underlying businesses; and

**BE IT FURTHER RESOLVED** that the Town Board of the Town of Rosendale directs the Town Clerk to send copies of this resolution to the offices of the New York State Comptroller, the Ulster County Comptroller and the Governor of New York.

Motion made at a workshop meeting of the Town Board of the Town of Rosendale, June 1, 2016, by Councilwoman Metzger and seconded by Councilwoman Lipari.

VOTING MEMBERS:

Councilman Hughes	<u>Yes</u>
Councilwoman Metzger	<u>Yes</u>
Councilman Pryslopski	<u>Absent</u>
Councilwoman Lipari	<u>Yes</u>
Supervisor Walsh	<u>Yes</u>