

April 24, 2023

The meeting of the Board of Finance was called to order at 3:06 p.m.

Present: Simone Johnson (*in lieu of Mayor*)
Bill Henry, Comptroller and Member
Arnold Williams, Member
Robert Shelton, Member
Frederick Meier, Member (*via conference call*)
Jennell Rogers, Chief, Bureau of Treasury Management and Clerk to the Board of Finance

Absent: Honorable Brandon M. Scott, Mayor and President

Also Present: Evelyn Alston, Treasury Management
Michael Moiseyev, Director of Finance
Robert Cenname, Deputy Director of Finance
Joann Levin, Law Dept. (*via conference call*)
Doug Krinsky, JP Morgan
Stephon Janis, The Reel News
Toya Graham, The Reel News

MINUTES

Ms. Johnson requested the Board to review the minutes from the meeting of April 12, 2023. The minutes were approved on the motion of Mr. Williams, seconded by Mr. Meier.

SECURITY TRANSACTIONS

Ms. Rogers briefed the Board on the investment activity for this period noting that total securities purchased since the last Board of Finance meeting were \$310,000,000 and redemptions totaled \$330,000,000.

Security transactions since the meeting on April 12, 2023 were approved on the motion of Mr. Meier, seconded by Comptroller Henry. (Appendix I)

MARK TO MARKET VALUATION OF SWAP PORTFOLIO

Ms. Rogers presented the Mark to Market Valuation Report as of March 31, 2023 with a notional amount of \$126,755,000. The fair market value of the swap portfolio increased slightly from (\$12,470,795) to (\$13,270,590). The ten-year Treasury rate decreased from 3.92% to 3.48%. As of the date of this report, there was no collateral posted.

The Board accepted the report. (Appendix II)

APPROVAL OF A RESOLUTION TO ESTABLISH AN EMERGENCY FUND BANK ACCOUNT FOR THE BALTIMORE POLICE DEPARTMENT

Ms. Rogers requested the Board to consider and approve the enclosed resolution authorizing the opening of a Baltimore Police Department Emergency Fund checking account with M&T Bank, and establish signatories for the account.

The Baltimore Police Department maintains a checking account with Wells Fargo Bank to distribute payments for emergency expenses. In August 2022, the City launched Workday and integrated the banking processes within the cloud-based software. BPD would like to utilize the improved workflow and align the agency's business process in Workday. We have integration with M&T to download daily banking information, which has automated the bank reconciliation process. BPD will be able to settle payments and print checks, shifting from a manual driven to an automated process. As a result, BPD can easily track and centralize the accounting operations within Workday.

BPD shall fund the account with monies from the Wells Fargo closure and replenish as needed. The resolution authorizes the BPD to open a checking account with M&T Bank in the name of the Baltimore Police Department- Emergency Fund. The authorized signatories shall be the Director of Fiscal, the Chief of Accounting, and the Purchasing Manager. The Department also shall be responsible for identifying a qualified non-signatory to reconcile the account monthly. The Bureau of Treasury Management shall notify the Department of Audits on opening this account.

Mr. Williams asked if checks will be multi-signature. Ms. Rogers confirmed that they will be. Mr. Williams asked how outstanding checks, written against the closed account, would be handled. Ms. Rogers responded that the account to be closed would remain open for six months with a residual balance to cover outstanding checks. Comptroller Henry asked why BPD has a separate bank account rather than working within the City's centralized system. Ms. Rogers responded that BPD has more immediate needs and must be able to access funds quickly; therefore, our process does not work for them. She added that two other agencies (Law Department and Mayor's Office of Children and Family Success) have independent bank accounts as well. Comptroller Henry asked how much autonomy BPD has and what restrains them from spending more funds than they are authorized to spend. Ms. Rogers answered that Finance can see submitted requests in Workday, but only after monies have been spent. Comptroller Henry expressed hesitation with moving forward with these resolutions. He requested that someone from BPD attend the next meeting to respond to the Board's questions and justify this request.

The resolution authorizing the opening of a BPD Emergency Fund bank account was deferred until the next meeting on the motion of Comptroller Henry, seconded by Mr. Williams.

APPROVAL OF A RESOLUTION TO ESTABLISH A SPECIAL OPERATION BANK ACCOUNT FOR THE BALTIMORE POLICE DEPARTMENT

Ms. Rogers requested the Board to consider and approve the enclosed resolution authorizing the opening of a Baltimore Police Department Special Operation checking account with M&T Bank, and establish signatories for the account.

The Baltimore Police Department maintains a checking account with Wells Fargo Bank to distribute payments for sensitive police operations. In August 2022, the City launched Workday and integrated the banking processes within the cloud-based software. BPD would like to utilize the improved workflow and align the agency's business process in Workday. We have integration with M&T to download daily banking information, which has automated the bank reconciliation process. BPD will be able to settle payments and print checks, shifting from a manual driven to an automated process. As a result, BPD can easily track and centralize the accounting operations within Workday.

BPD shall fund the account with monies from the Wells Fargo closure and replenish as needed. The resolution authorizes the BPD to open a checking account with M&T Bank in the name of the Baltimore Police Department - Special Operation Fund. The authorized signatories

shall be the Director of Fiscal, the Chief of Accounting, and the Purchasing Manager. The Department also shall be responsible for identifying a qualified non-signatory to reconcile the account monthly. The Bureau of Treasury Management shall notify the Department of Audits on opening this account.

The resolution authorizing the opening of a BPD Special Operation bank account was deferred until the next meeting on the motion of Comptroller Henry, seconded by Mr. Williams.

APPROVAL OF A RESOLUTION REQUIRING AN ANNUAL TAX INCREMENT FINANCING (TIF) STATUS REPORT

Ms. Rogers requested the Board to consider and approve the enclosed resolution requiring a Tax Increment Financing status report be submitted to the Board of Finance annually.

The resolution requires the Department of Finance submits a status report annually in the month of November, commencing in 2023. The reporting period shall be the previous fiscal year ending June 30th of the year of the report. The memorandum will support the City’s ongoing goals of transparency, communication, and public interest based project investment in the City. The request of the information will strictly coincide with the established Tax Increment Financing and Project Submission Requirements website, submitted to the Board of Estimates, and filed with the Department of Legislative Reference.

Comptroller Henry stated that he presented a draft resolution to Ms. Rogers for her input prior to the meeting. The resolution being presented to the Board today is a result of their collaboration. Board members discussed the item in detail. Mr. Shelton suggested that section 2k should be revised to “special taxes due **and paid...**” Mr. Meier added that this is important because the special taxes indicate whether a project is moving away from its original intent and specifications. Mr. Williams asked about item 4; how long will memorandums be posted on the BOF website? Comptroller Henry responded that items will be posted indefinitely. He added that it is his vision that memos will be posted in the form of an excel spreadsheet in which updates would be made on a year-to-year basis with information to be accessible in perpetuity.

The resolution to require an annual Tax Increment Financing status report was approved, with amendments, at the motion of Comptroller Henry, seconded by Mr. Shelton.

OTHER BUSINESS

There was no other business. The meeting was adjourned at 3:36 pm.

Jennell Rogers
Clerk to the Board of Finance