

June 25, 2018

The meeting of the Board of Finance was called to order at 3:00 p.m.

Present: Honorable Catherine E. Pugh, Mayor and President
Joan M. Pratt, Comptroller and Member
Dana Moulden, Member (*via teleconference*)
Stephen Kraus, (Deputy Director of Finance and Clerk to the Board of Finance)

Absent: Larry Silverstein, Vice President
Frederick Meier, Member

Also Present: Jennell Rogers, Chief, Bureau of Treasury Management
Benedict Richardson, Treasury Management
Sherrell Haynie, Treasury Management
Sandra Bennett, Treasury Management
Evelyn Alston, Treasury Management
Joann Levin, Law Department
Steward Beckham, Comptroller's Office
Sam Johnson, Office of Council Services

MINUTES

Mayor Pugh requested the Board to review the minutes from the special meeting of June 18, 2018. The minutes were approved on the motion of Comptroller Pratt, seconded by Ms. Moulden.

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 \$151 million and redemptions totaled \$182.6 million.

Security transactions since the meeting of June 18, 2018 were approved on the motion of Comptroller Pratt, seconded by Ms. Moulden. (Appendix I)

MARK TO MARKET VALUATION OF SWAP PORTFOLIO

Ms. Rogers presented the Mark to Market Valuation Report as of May 31, 2018 with a notional amount of \$176,590,000. The fair market value of the swap portfolio decreased from (\$30,863,097) to (\$30,812,931). The ten year Treasury rate decreased from 2.95% to 2.83%. As of the date of this report there is no collateral posting.

The Board accepted the report. (Appendix II)

MAYOR AND CITY COUNCIL OF BALTIMORE PARKING REFUNDING REVENUE BONDS, SERIES 2018 (TAXABLE)

Ms. Rogers requested the Board to consider and approve a resolution authorizing the issuance, sale, and delivery of Mayor and City Council of Baltimore parking refunding revenue bonds, series 2018 (taxable). The resolution includes the following items:

1. Authorize the issuance, sale, and delivery of Parking Refunding Bonds, Series 2018 at an amount not to exceed \$35,000,000, at a rate not to exceed 4.33%.
2. Authorize and approve the execution of the 3rd Supplemental Trust Indenture.
3. Authorize and approve the distribution of the Preliminary Official Statement and the final Official Statement for the Series 2018 Bonds.
4. Authorize the Chief of the Bureau of Treasury Management to offer these Bonds by negotiated sale.
5. Approve the Depository Trust Company to act as securities depository for the Bonds.
6. Appoint Manufacturers and Traders Trust Company to act as Trustee, Registrar, Escrow, and Paying Agent for the Bonds.
7. Authorize the Chief of the Bureau of Treasury Management to negotiate terms of and execute a Bond Purchase Agreement with regard to the Bonds.

The proceeds of the bonds will be used to fund the following: (1) current refunding of all of the outstanding Series 2005 bonds; (2) advance refunding of all or a portion of the outstanding Series 2010 bonds; and (3) paying costs of issuance. The refunding is expected to generate a net present value savings of \$4.1 million or 1 4.3% of the refunded bonds. On the average, the City should save on debt service approximately \$500,000 annually over an eighteen-year term.

The resolution was approved on the motion of Comptroller Pratt, seconded by Ms. Moulden. (Appendix III)

OTHER BUSINESS

There was no other business; the meeting was adjourned at 3:08 pm.



Stephen M. Kraus
Clerk to the Board of Finance