

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  
Larry Silverstein, Vice President  
Dana Moulden, Member  
Frederick Meier, Member (via teleconference)  
Stephen Kraus, (Deputy Director of Finance and Clerk to the Board of Finance)

Also Present: Jennell Rogers, Chief, Bureau of Treasury Management  
Benedict Richardson, Treasury Management  
Sandra Bennett, Treasury Management  
Evelyn Alston, Treasury Management  
Steward Beckham, Comptroller's Office  
Samuel Johnson, Office of Council Services  
Doug Krinsky, J. P. Morgan

## **MINUTES**

Mayor Pugh requested the Board to review the minutes from the meeting of June 25, 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 \$986 million and redemptions totaled \$735 million.

Security transactions since the meeting of June 25, 2018 were approved on the motion of Ms. Moulden, seconded by Comptroller Pratt. (Appendix I)

## **MARK TO MARKET VALUATION OF SWAP PORTFOLIO**

Ms. Rogers presented the Mark to Market Valuation Report as of July 31, 2018 with a notional amount of \$174,990,000. The fair market value of the swap portfolio decreased from (\$30,812,931) to (\$28,960,706). The ten year Treasury rate increased from 2.83% to 2.96%. As of the date of this report there is no collateral posting.

The Board accepted the report. (Appendix II)

## **APPROVAL OF ADVERTISEMENT OF THE 2018 LOAN AUTHORIZATION**

Ms. Rogers requested the Board to approve the Loan Ordinances to be advertised in the Afro-American and Baltimore Sun newspapers and submitted to the legal voters of Baltimore City for their approval or disapproval on the November 6, 2018 ballot. The newspaper advertisement shall not be more than twenty days before or less than ten days prior to the date of election. In a previous action of this Board on March 26, 2018, the enclosed loan ordinances were approved as part of the CIP providing for \$80 million of general obligation bonds in

FY2020, and \$80 million in FY2021. As required by the State Constitution, the enclosed ordinances were approved by a resolution of the City delegation to the General Assembly, the Board of Estimates, and the City Council. Following the approval by the legal voters of the City, the authorization shall be incorporated into the City's capital budget through the Annual Ordinance of Estimates. Below is a summary list of the bond questions (a detailed description of each is enclosed):

1. Question A – Affordable Housing - \$10,000,000
2. Question B – School Loan - \$38,000,000
3. Question C – Community and Economic Development - \$47,000,000
4. Question D – Recreation and Parks and Public Facilities - \$65,000,000

The Charter Amendments are being provided for informational purposes only and will appear in the Afro-American and Baltimore Sun newspapers for five (5) consecutive weeks, on dates which shall not be less than ten (10) days prior to November 6, 2018.

Ms. Rogers advised the Board that another Charter Amendment was approved after the preparation of the Board packets. It will be identified on the election ballot as Question I and relates to the Equity Assistance Fund – establishing a continuing, non-lapsing Equity Assistance Fund to be used exclusively to assist efforts that reduce inequity based on race, gender, or economic status in Baltimore.

Comptroller Pratt requested clarity regarding Question G. She asked if the Comptroller is a part of the authority to make recommendations regarding both hiring and removal of the Director of Legislative Reference or is the authority strictly for making recommendations regarding hiring only. She further asked if the Comptroller is a voting member of the Board. Mr. Kraus will check with the Law Department, then follow-up with the Comptroller. (Appendix III)

## **OTHER BUSINESS**

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

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Stephen M. Kraus  
Clerk to the Board of Finance