

November 23, 2020

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

Present: Honorable Bernard “Jack” C. Young, Mayor and President
Joan M. Pratt, Comptroller and Member
Frederick Meier, Member

Also Present: Henry Raymond, Director of Finance
Jennell Rogers, Chief, Bureau of Treasury Management
Benedict Richardson, Deputy Chief, Bureau of Treasury Management
Evelyn Alston, Treasury Management
Carolyn Mozell, Mayor’s Office
Councilman Bill Henry, District 4
Joann Levin, Law Department

MINUTES

Mayor Young requested the Board to review the minutes from the meeting of October 26, 2020. The minutes were approved on the motion of Mr. Meier, seconded by Mayor Young.

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 \$185,000,000 and redemptions totaled \$295,000,000.

Security transactions since the meeting on October 26, 2020 were approved on the motion of Mr. Meier, seconded by Mayor Young. (Appendix I)

MARK TO MARKET VALUATION OF SWAP PORTFOLIO

Ms. Rogers presented the Mark to Market Valuation Report as of October 31, 2020 with a notional amount of \$143,755,000. The fair market value of the swap portfolio decreased slightly from (\$27,571,255) to (\$26,899,167). The ten-year Treasury rate increased from 0.69% to 0.88%. Ms. Rogers noted that the 2003C GO bonds have matured so there are no longer a derivative on that particular bond deal. As of the date of this report no collateral was posted.

The Board accepted the report. (Appendix II)

MARYLAND WATER QUALITY FINANCING ADMINISTRATION WASTEWATER PROJECT BONDS, SERIES 2021

Ms. Rogers requested the Board to consider and approve the enclosed resolution that includes the following:

1. Authorize the issuance and delivery of no more than \$81,070,000 of Project Revenue Bonds (Wastewater Projects) Series 2021A, at a rate not to exceed 1.50%.
2. Authorize the issuance and delivery of no more than \$1,500,000 of Project Revenue Bonds, (Wastewater Projects) Series 2021B, as a principal forgiveness loan.

3. Authorize the issuance and delivery of no more than \$19,094,000 of Project Revenue Bonds (Wastewater Projects) Series 2021C, at a rate not to exceed 1.50%.
4. Authorize the issuance and delivery of no more than \$1,500,000 of Project Revenue Bonds (Wastewater Projects) Series 2021D, as a principal forgiveness loan.
5. Authorize the issuance and delivery of no more than \$3,528,000 of Project Revenue Bonds (Wastewater Projects) Series 2021E, at a rate not to exceed 1.50%.
6. Authorize the issuance and delivery of no more than \$1,751,861 of Project Revenue Bonds (Wastewater Projects) Series 2021F, as a principal forgiveness loan.
7. Approve the Wastewater Projects 34th Supplemental Bond Resolution between the Mayor and City Council of Baltimore and M&T Bank as trustee substantially in the form enclosed.
8. Issue the Bonds through a private placement to the Maryland Water Quality Financing Administration.
9. Appoint M&T Bank as Trustee, Registrar, and Paying Agent for the Bonds.

The 2021 Series bonds will be funded through the State of Maryland Water Quality Revolving Loan Fund. This fund is administered through the Maryland Water Quality Financing Administration (MWQFA), a division within the Maryland Department of the Environment, for the expressed purpose of providing low interest water quality loans to Maryland jurisdictions.

The City routinely takes full advantage of the State Revolving Fund. As a disadvantaged community, the City is offered rates of interest well below market and are currently set at 25% of the Bond Buyer 11 GO Index or approximately 0.70%.

The bonds shall be amortizing loans not to exceed 1.50% with an administrative fee of approximately 0.47%. Once executed these loans shall be considered as subordinate lien debt issued under the 2002 amended and restated Wastewater Bond resolution approved by this Board on April 15, 2002. At the October 26, 2020 meeting, the Board approved Whiteford, Taylor & Preston to serve as bond counsel for this transaction. Closing will occur in January 2021.

The request to approve the resolution authorizing the issuance, sale, and delivery of Wastewater Subordinate Project Revenue Bonds, Series 2021 through the Maryland Water Quality Financing Administration Water Quality Revolving Loan was approved on the motion of Mr. Meier, seconded by Mayor Young.

MARYLAND WATER QUALITY FINANCING ADMINISTRATION, WATER PROJECT BONDS, SERIES 2021

Ms. Rogers requested the Board to consider and approve the enclosed resolution that includes the following:

1. Authorize the issuance and delivery of no more \$60,357,000 of Project Revenue Bonds (Water Projects) Series 2021A, at a rate not to exceed 1.50%.
2. Authorize the issuance and delivery of no more than \$3,000,000 of Project Revenue Bonds, (Water Projects) Series 2021B, as a principal forgiveness loan.
3. Approve the Water Projects 21st Supplemental Bond Resolution between the Mayor and City Council of Baltimore and M&T Bank as trustee substantially in the form enclosed.
4. Issue the Bonds through a private placement to the Maryland Water Quality Financing Administration.

5. Appoint M&T Bank as Trustee, Registrar, and Paying Agent for the Bonds.

The bonds shall be amortizing loans not to exceed 1.50% with an administrative fee of approximately 0.47%. Once executed these loans shall be considered as subordinate lien debt issued under the 2002 amended and restated Water Bond resolution approved by this Board on April 15, 2002. At the October 26, 2020 meeting, the Board approved Whiteford, Taylor & Preston to serve as bond counsel for this transaction. Closing will occur in January 2021.

The request to approve the resolution authorizing the issuance, sale, and delivery of Water Project Revenue Bonds, Series 2021 through the Maryland Water Quality Financing Administration Water Quality Revolving Loan was approved on the motion of Comptroller Pratt, seconded by Mr. Meier.

MARYLAND WATER QUALITY FINANCING ADMINISTRATION **STORMWATER PROJECT BONDS, SERIES 2021**

Ms. Rogers requested the Board to consider and approve the enclosed resolution that includes the following:

1. Authorize the issuance and delivery of no more \$9,547,000 of Project Revenue Bonds (Stormwater Projects) Series 2021A, at a rate not to exceed 1.50%.
2. Approve the Stormwater Projects 3rd Supplemental Bond Resolution between the Mayor and City Council of Baltimore and M&T Bank as trustee substantially in the form enclosed.
3. Issue the Bonds through a private placement to the Maryland Water Quality Financing Administration.
4. Appoint M&T Bank as Trustee, Registrar, and Paying Agent for the Bonds.

The bonds shall be amortizing loans not to exceed 1.50% with an administrative fee of approximately 0.47%. Once executed these loans shall be considered as subordinate lien debt issued under the 2002 amended and restated Water Bond resolution approved by this Board on April 15, 2002. At the October 26, 2020 meeting, the Board approved Whiteford, Taylor & Preston to serve as bond counsel for this transaction. Closing will occur in January 2021.

The request to approve the resolution authorizing the issuance, sale, and delivery of Stormwater Project Revenue Bonds, Series 2021 through the Maryland Water Quality Financing Administration Water Quality Revolving Loan was approved on the motion of Mr. Meier, seconded by Comptroller Pratt.

OTHER BUSINESS

Director Raymond requested the Board to approve the appointment of Jennell Rogers as Clerk to the Board of Finance. The appointment of Jennell Rogers as Clerk to the Board of Finance was approved on the motion of Comptroller Pratt, seconded by Mr. Meier.

The meeting was adjourned at 3:13 pm.

Jennell Rogers
Clerk to the Board of Finance