

March 25, 2024

The meeting of the Board of Finance was called to order at 3:03 p.m.

Present: Michael Moiseyev, Director, Department of Finance (*in lieu of Mayor*)
Arnold Williams, Vice President and Member
Bill Henry, Comptroller and Member
Frederick Meier, Member
Robert Shelton, Member
Jennell Rogers, Chief, Bureau of Treasury Management and Clerk to the Board of Finance

Absent: Honorable Brandon M. Scott, Mayor and President

Also Present: Micheal Sullivan, Treasury Management (*via Webex*)
Evelyn Alston, Treasury Management
Joann Levin, Law Dept.
Sara Paraniham, Planning
John Lloyd, Planning
Dexter Lockamy, City Council
Randy Willison, MOCC (*via Webex*)
Doug Krinsky (*via Webex*)

MINUTES

Mr. Williams requested the Board to review the minutes from the meeting of February 26, 2024. The minutes were approved on the motion of Mr. Shelton, 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 \$337,000,000 and redemptions totaled \$332,428,201.56. Comptroller Henry noted a typographical error regarding the date.

Security transactions since the meeting on February 26, 2024 were approved, with correction, on the motion of Comptroller Henry, seconded by Mr. Meier. (Appendix I)

MARK TO MARKET VALUATION OF SWAP PORTFOLIO

Ms. Rogers presented the Mark to Market Valuation Report as of February 29, 2024 with a notional amount of \$126,755,000. The fair market value of the swap portfolio decreased slightly from (\$9,927,860) to (\$9,204,335). The ten-year Treasury rate increased from 3.99% to 4.25%. As of the date of this report, there was no collateral posted.

The Board accepted the report. (Appendix II)

APPROVAL OF THE FY2025-2030 CAPITAL IMPROVEMENT PLAN

Ms. Rogers requested the Board to consider and approve the enclosed FY2025 Capital Budget totaling \$661,849,907 (including \$80,000,000 in General Obligation Bonds) and the six-year Capital Improvement Program (“CIP”) for FY2025-2030 totaling \$3,718,825,043.

By City Charter, the Planning Commission shall submit a recommended six-year CIP to the Board of Estimates (BOE). The BOE requires this Board and the Department of Finance to review and comment on the CIP. The first year of the recommended CIP becomes the basis for the capital budget in the Ordinance of Estimates, to be considered by the City Council. Following this Board's consideration, the Clerk to the Board shall submit a letter of recommendation on behalf of the Board of Finance to the BOE.

Treasury engaged PRAG to complete a mandatory review of the City's Debt Policy, and the analysis concluded that the City could issue the amount noted in the CIP through FY2029. At the December 2023 meeting, the Board approved increasing the annual budgeted general obligation bond amount from \$80M to \$125M. As the issuance amount increases, Treasury Management will test the debt management ratios annually to ensure we comply with the recommended benchmarks.

Ms. Rogers introduced Sara Paranilam, Planning, who reviewed the budget for the CIP in detail and responded to questions from Board members.

The FY2025 Capital Budget and the six-year Capital Improvement Program for FY2025-2030 were approved on the motion of Director Moiseyev, seconded by Comptroller Henry. (Appendix III)

OTHER BUSINESS

Ms. Rogers informed Board members of a recent Mayoral announcement to launch a \$3 billion comprehensive plan to address the City's vacant property problem. This Vacant Houses Initiative will use tax increment financing bonds as one of the funding sources. Ms. Rogers advised Board members that a conceptual package would typically be brought to the Board for approval, and a legislative package would be presented at the next meeting. She stated that the coordinating team may not have the conceptual package completed by the April meeting and requested that- because this item is on a very aggressive schedule- Board members agree to consolidate the approval of the conceptual and legislative packages at May's Board of Finance meeting so that this item can be introduced to the City Council in June. Comptroller Henry suggested that Treasury Management could bring the conceptual package before the Board in May and then present the legislative package to a separate meeting in early June. Board members agreed to hold June's Board of Finance meeting earlier to meet the proposed City Council submission date.

The meeting was adjourned at 4:03pm.

Jennell Rogers
Clerk to the Board of Finance