

June 23, 2025

The meeting of the Board of Finance was called to order at 3:04 p.m.

**Present:** Arnold Williams, Vice President and Member  
Michael Mocksten, Director of Finance (*in lieu of Mayor Scott*)  
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 C. Scott, Mayor and President

**Also Present:** Evelyn Alston, Treasury Management  
Joann Levin, Law Dept.  
Dexter Lockamy, Council President's Ofc.  
Aaron Degraffenreidt, Council President's Ofc.  
Paul Shelton, MSH  
Kimberly Min, Whiteford (Bond Counsel)  
Douglas Krinsky, J.P. Morgan  
Michael Wells, MOCC (*via Webex*)  
Randy Willison, MOCC (*via Webex*)

### **MINUTES**

Mr. Williams requested the Board review the minutes from the meeting of April 28, 2025. The minutes were approved on the motion of Mr. Shelton, seconded by Director Mocksten.

### **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 \$320,000,000 and redemptions totaled \$63,731,398.66.

Security transactions since the meeting April 28, 2025 were approved on the motion of Mr. Meier, seconded by Director Mocksten. (Appendix I)

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

Ms. Rogers presented the Mark to Market Valuation Report as of May 31, 2025 with a notional amount of \$119,455,000. The fair market value of the swap portfolio increased from (\$8,198,009) to (\$9,292,809). The ten-year Treasury rate increased from 4.23% to 4.41%. Ms. Rogers noted that as July 1, 2025 the smaller UBS SWAP will be fully matured, leaving only two SWAPS remaining in the portfolio. As of the date of this report, there was no collateral posted.

The Board accepted the report. (Appendix II)

### **PROJECT REVENUE BONDS (WASTEWATER PROJECTS), SERIES 2025C**

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 \$185,000,000 of Project Revenue Bonds (Wastewater Projects) Series 2025C, at a rate not to exceed 5.50%.
2. Approve the Wastewater Projects 38<sup>th</sup> 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 United States Environmental Protection Agency (EPA).
4. Appoint M&T Bank as Trustee, Registrar, and Paying Agent for the Bonds.

The 2025 Series bonds will be financed through the United States Environmental Protection Agency (EPA) Revolving Loan Fund which is managed through the Water Infrastructure Finance and Innovation Act (WIFIA) Program, a division of the EPA that offers low-interest loans for water, wastewater, and stormwater infrastructure projects to eligible borrowers.

Since 2018, the City has been utilizing the WIFIA program as a funding source for its water, wastewater, and stormwater capital improvement projects. This request marks the third borrowing to support wastewater capital projects, and the City is currently in the final phase of negotiating the loan terms. The EPA allows the City to execute a “dry closing” set for July 2025. A “dry closing” is necessary because the loan must be rated by two Nationally Recognized Rating Agencies before the disbursement of funds; however, we anticipate being able to secure the interest rate at the time of the “dry closing”. All parties have agreed that the City will obtain these ratings during the next public offering for water and wastewater bonds.

The bonds will be structured as amortizing loans with an interest rate not to exceed 5.5%, accompanied by an annual administrative fee of approximately \$12,000 to \$15,000. Once finalized, these loans will be classified as senior lien debt issued under the 2002 amended and restated Wastewater Bond resolution, which was approved by this Board on April 15, 2002.

The resolution authorizing the issuance, sale, and delivery of Project Revenue Bonds, Series 2025C through the Environmental Protection Agency WIFIA Program was approved on the motion of Mr. Meier, seconded by Director Mocksten.

### **CONSOLIDATED PUBLIC IMPROVEMENT BONDS, SERIES 2025**

Ms. Rogers requested the Board to consider and approve the enclosed resolution associated with the sale and issuance of the Mayor and City Council of Baltimore Consolidated Public Improvement Bonds, Series 2025. The resolution includes the following:

1. Authorize the issuance, sale and delivery of Consolidated Public Improvement Bonds Series 2025A (tax-exempt) and Series 2025B (taxable) in an amount not to exceed \$105,000,000. The true interest rate on the Bonds shall not exceed the following:
  - (a) Series 2025A (tax-exempt) – 5.17%
  - (b) Series 2025B (taxable) – 6.43%
2. Authorize and approve the distribution of the Preliminary Official Statement, the final Official Statement, and Notice of Sale for the Series 2025 Bonds substantially in the form enclosed.
3. Authorize the Chief of the Bureau of Treasury Management to offer these Bonds by competitive sale.
4. Appoint Wilmington Trust as initial bond registrar, paying agent and authenticating agent for the Bonds.
5. Approve the Depository Trust Company to act as securities depository for the bonds.

The proceeds of the bonds shall be used to provide funding for various capital improvement projects appropriated in the City’s capital budget and may pay the costs of issuance of the Series

2025 Bonds. The bonds will be valid and legally binding general obligations of the City for which its full faith and credit are pledged. The Series 2025 Bonds are expected to price on or about July 23<sup>rd</sup> and close on August 8<sup>th</sup>. Principal is due on October 15<sup>th</sup>, commencing October 15, 2026.

The resolution authorizing an issuance of Consolidated Public Improvement Bonds, Series 2025 was approved on the motion of Mr. Meier, seconded by Director Mocksten.

**OTHER BUSINESS**

There was no other business. The meeting was adjourned at 3:31 pm.

  
Jennell Rogers  
Clerk to the Board of Finance