June 15, 2026

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

Present:	Michael Mocksten, Director of Finance *(in lieu of Mayor Scott)* Bill Henry, Comptroller and Member Arnold Williams, Vice President Frederick Meier, Member Jennell Rogers, Chief, Bureau of Treasury Management and Clerk to the Board of Finance
Absent:	Honorable Brandon M. Scott, Mayor and President Robert Shelton, Member
Also Present:	Kalief Cole, Treasury Management Evelyn Alston, Treasury Management Kimberly Min, bond counsel Aaron Degrafferendt, Council President's Ofc. Randy Willison, MOCC *(via Webex)* Aaron Moore, DPW *(via Webex)* Garret Halbach, DPW *(via Webex)* Trina Smith, PFM *(via Webex)* FOX 45 *(via Webex)*

MINUTES

Mr. Williams requested the Board to review the minutes from the meeting of March 23, 2026. The minutes were approved on the motion of Director Mocksten, seconded by Comptroller Henry.

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 $385,000,000, and redemptions totaled $778,000,000. Mr. Meier asked about the $400M variance between the total securities purchased and the total redeemed. Ms. Rogers responded that the variance reflected funds used to support the City's daily operations and Opioid settlement fund investment.

Security transactions since the meeting March 23, 2026 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, 2026, with a notional amount of $115,255,000. The fair market value of the swap portfolio decreased slightly from ($7,273,720) to ($6,660,272), while the ten-year Treasury rate increased from 3.97% to 4.45%. No collateral was posted as of the report date. Mr. Williams asked if Treasury is comfortable accelerating the swap liquidation. Ms. Rogers stated that Parking currently lacks the cash resources to unwind the swap. For the water bonds, Treasury will continue to evaluate refunding opportunities that could generate sufficient savings to liquidate a swap.

The Board accepted the report. (Appendix II)

WATER PROJECTS BOND ANTICIPATION NOTES, SERIES 2026A

Ms. Rogers requested the Board to consider and approve the enclosed resolution authorizing issuance of the Mayor and City Council of Baltimore Subordinate Revenue Bond Anticipation Notes, (Water Projects) Series 2026A, (tax-exempt). The resolution includes the following items:

1. Authorize the issuance of Subordinate Revenue Bond Anticipation Notes, Series 2026 (tax-exempt) in an amount not to exceed $275,000,000.
2. Authorize the Chief, Bureau of Treasury Management to offer these Notes by negotiated sale to Wells Fargo, N.A.
3. Approve the Water Projects 25th Supplemental Bond Resolution between the Mayor and City Council of Baltimore and M&T Bank as trustee substantially in the form enclosed.
4. Appoint M&T Bank as Trustee, Registrar, and Paying Agent for the Bonds.

The Bureau of Treasury Management, together with Public Financial Management (PFM), a financial advisor, issued RFPs to five firms: Bank of America, Loop Capital, JPMorgan, Siebert, and Wells Fargo. Three firms responded. Based on these proposals, the City and PFM recommend awarding the contract to Wells Fargo for offering the lowest indicative rate.

The notes will have a one-year term, maturing on June 30, 2027, with possible extension upon 90 days' written notice. This is a variable-rate debt with an initial rate of 3.14%, priced at 80% of SOFR plus 27 bps. Interest is payable monthly in arrears, starting July 1, 2026.

Series 2026 Notes are similar to a traditional public offering. They are payable solely from the pledged amounts of the City's Water Utility. Specifically, repayment is funded by Operating Revenues and pledged funds held by the Trustee.

Ms. Rogers explained that when Treasury issues a water bond, Treasury is pledging the City's water revenues. Director Mocksten noted that this borrowing will convert previously expended cash into available working capital, strengthening liquidity. Mr. Meier asked if Wells Fargo would participate in refunding the note after they purchase it. Ms. Min, bond counsel, responded that Wells Fargo has not indicated that they will participate, and the team does not believe that they will because of the nature of the short-term obligation.

The resolution authorizing issuance of the Mayor and City Council of Baltimore Subordinate Revenue Bond Anticipation Notes, (Water Projects) Series 2026A, (tax-exempt) was approved on the motion of Mr. Meier, seconded by Director Mocksten.

WATER PROJECTS REVENUE BOND, SERIES 2026A

Ms. Rogers requested the Board to consider and approve the enclosed resolution authorizing issuance of the Mayor and City Council of Baltimore Subordinate Revenue Bond, (Water Projects) Series 2026A. The resolution includes the following items:

1. Authorize the issuance, sale and delivery of Water Project Revenue Bonds Series 2026A in an amount not to exceed $275,000,000 and at a true interest cost not to exceed 5.00%.
2. Authorize the Bonds to pay the $275,000,000 Subordinate Revenue Bond Anticipation Note, Series 2026A.

3. Authorize and approve the execution of the Water Projects 26th Supplemental Bond Resolution.
4. Authorize and approve the distribution of the Preliminary Official Statement and the final Official Statement for the Bonds.
5. Authorize the Chief of the Bureau of Treasury Management to offer these Bonds by negotiated sale.
6. Approve the Depository Trust Company to act as securities depository for the bonds.
7. Appoint Manufacturers and Traders Trust Company to act as Trustee, Registrar, Escrow and Paying Agent for the Bonds.
8. Authorize the Chief of the Bureau of Treasury Management and Director of Finance to negotiate terms of and execute a Bond Purchase Agreement.

This resolution is delivered with the Bond Anticipation Note resolution. It confirms the City's intent to issue revenue bonds to pay the Note. The Board of Finance will consider the issuance at a future meeting set by the Chief of Treasury Management and the Director of Finance.

The resolution authorizing issuance of the Mayor and City Council of Baltimore Subordinate Revenue Bond, (Water Projects) Series 2026A, 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 p.m.

Jennell Rogers
Clerk to the Board of Finance