



FINANCE AND ADMINISTRATIVE SERVICES DEPARTMENT

115 S. Andrews Avenue, Room 513 • Fort Lauderdale, Florida 33301 • 954-357-7130 • FAX 954-357-7134 • Email: finance@broward.org

MEMORANDUM

DATE: January 9th, 2026
TO: Stephen Farmer
Deputy Chief Financial Officer
FROM: Ludmilla Courteau, Finance Manager
Finance and Administrative Services Department
RE: Portfolio and Economic Summary – December 31, 2025

A handwritten signature in black ink, appearing to be "L. Courteau", is written over a faint red line.

Digitally signed by
Ludmilla Courteau
Date: 2026.01.13
14:00:10 -05'00'

As of December 31, 2025, the Broward County Investment Portfolio had a par value of \$7.4 billion and a Yield to Maturity of 3.83%, an increase of 11 basis points since December 2024, outperforming the Merrill Lynch benchmark by 29 basis points. During the calendar year, the Bank of America Merrill Lynch 1-3 Year U.S. Treasury & Agency Index dropped 71 basis points, from 4.25% to 3.54%. The yield on the County's Portfolio has increased 196 basis points over the last three years as maturing assets were invested at higher yields.

The Core Consumer Price Index (CPI) December showed inflation at 2.7%, the lowest since July of this year. The sectors experiencing the highest price increases include housing, energy, used cars and medical care. The number of employed rose by 232,000 for December, following an increase of 104,000 combined in October and November. The Initial Jobless Claims for December was 199,000 representing a drop compared to the previous month, partially attributable to seasonal hiring of the holiday season. The US Unemployment Rate was 4.4%, a decrease from the previous month's 4.6% figure.

US Treasury yields have fallen along all maturities and the short-end of the yield curve remains inverted. The biggest drop is evidenced in maturities up to three years. Whereas the three-month rate is down 16%, and the one-year bill is lower by 15.33%, the ten-year yield is down 8.73% for 2025. Equity markets, fueled by AI developments, powered through tariff turbulence and closed the year with double-digit growth for the third consecutive year. The Dow Jones Industrial was up 14.9%, the S&P 500 up 17.9% and the Nasdaq, up 21.1%.

The Federal Open Markets Committee (FOMC) cut rates three times in 2025 for a total of 75 basis points, lowering the target Fed Funds Rate to 3.50% - 3.75%. These cuts aimed to bolster the labor market and encourage economic growth. According to Chairman Powell, Fed officials "will carefully evaluate the incoming data" adding that the Fed is "well positioned to wait to see how the economy evolves." Three Fed officials dissented from the move, the most divergence seen in the last six years. Officials split between those who support reducing rates to activate the economy and those who prefer to keep rates unchanged because inflation remains above the 2% target rate. Unless inflation shows clear signs of coming under control or unemployment worsens, those divisions will likely remain. The latest labor and CPI data however, bring expectations for a January rate cut close to zero.

Please see the attached pages showcasing portfolio detail and key economic data as of the end of the period.



Portfolio Management - Broward County
Portfolio Management
Portfolio Summary
December 31, 2025

BROWARD COUNTY
 115 S. ANDREWS AVE A430
 FT LAUDERDALE, FL 33301

Investments	Par Value	Market Value	Book Value	Portfolio % of	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Money Market Accounts	1,123,023,107.43	1,123,023,107.43	1,123,023,107.43	15.27	1	1	3.672	3.723
Bank Account	10,000,000.00	10,000,000.00	10,000,000.00	0.14	1	1	2.268	2.300
Commercial Paper Discount	100,000,000.00	98,355,850.00	98,338,208.33	1.34	179	156	3.910	3.964
Federal Agency Coupon Securities	439,000,000.00	442,195,906.92	438,852,327.52	5.97	1,511	589	3.792	3.844
Federal Agency Coupon - Callable	1,096,875,000.00	1,094,038,035.21	1,096,875,000.00	14.91	1,606	729	3.172	3.217
Treasury Coupon Securities	4,311,312,000.00	4,271,204,549.80	4,244,945,685.71	57.72	1,060	651	3.970	4.025
Treasury Bills	121,400,000.00	118,421,436.06	118,317,194.69	1.61	313	263	3.601	3.651
World Bank Coupon Securities	200,000,000.00	200,169,644.25	199,566,590.08	2.71	1,730	949	3.646	3.697
Israel Bonds	25,000,000.00	24,867,005.20	25,000,000.00	0.34	1,677	1,467	4.893	4.961
Investments	7,426,610,107.43	7,382,275,534.87	7,354,918,113.76	100.00%	1,002	557	3.780	3.833

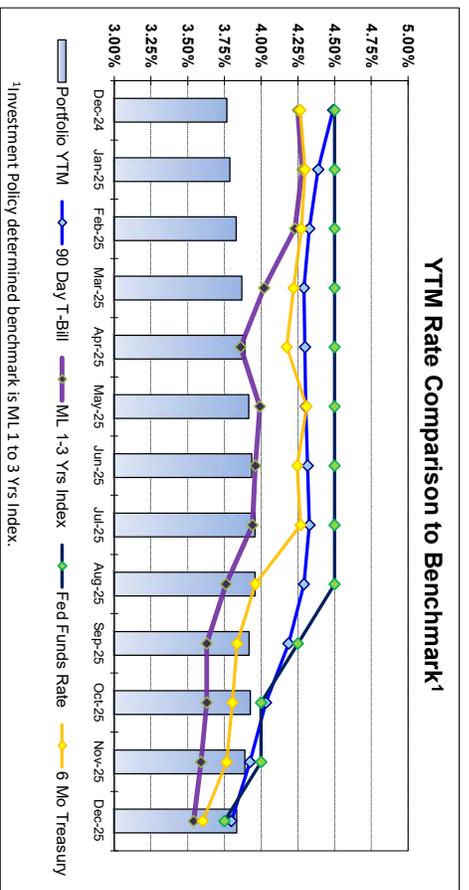
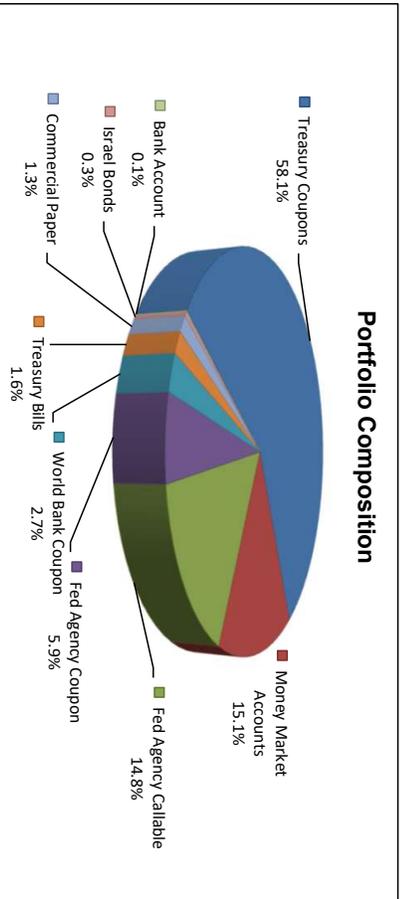
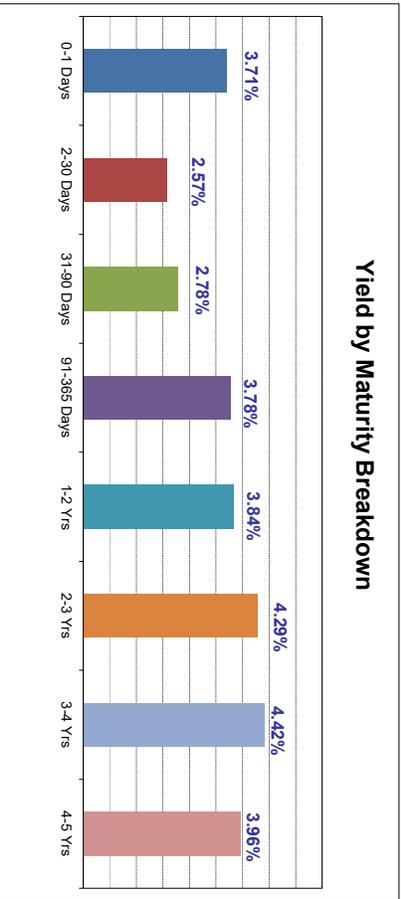
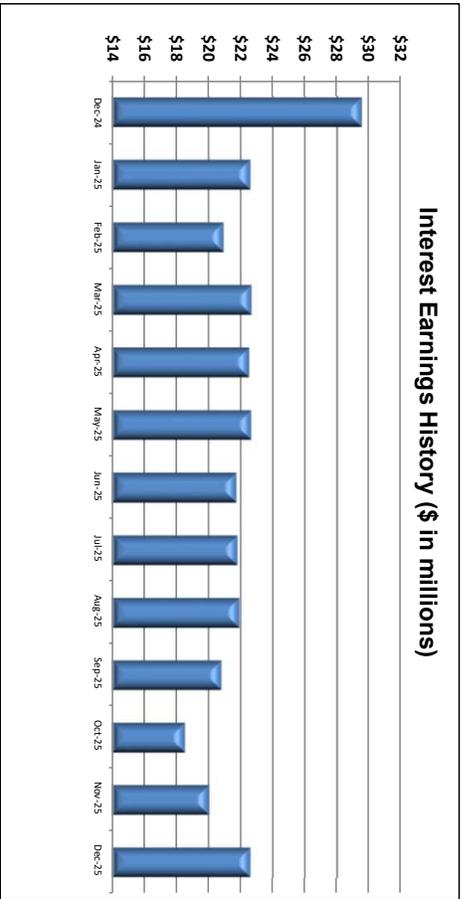
Cash and Accrued Interest								
Accrued Interest at Purchase		2,777,498.52	2,777,498.52					
Subtotal		2,777,498.52	2,777,498.52					
Total Cash and Investments	7,426,610,107.43	7,385,053,033.39	7,357,695,612.28		1,002	557	3.780	3.833

Total Earnings	December 31 Month Ending	Fiscal Year To Date
Current Year	22,615,475.88	62,712,435.35
Average Daily Balance	6,946,034,362.41	6,416,574,893.37
Effective Rate of Return	3.83%	3.88%

Diversification by Investment per Investment Policy:
 US Treasuries/Agencies - 100% Maximum
 Commercial Paper - 25% Maximum
 World Bank Securities - 15% Maximum

Stephen Farmer, Deputy Chief Financial Officer

QUARTERLY PORTFOLIO ANALYSIS - December 31, 2025



Key Economic Data

	Dec-25	Dec-24	% Change
Fed Funds Rate	3.75%	4.50%	-16.7%
Rolling 90 Day T-Bill-AVG	3.80%	4.50%	-15.6%
Prime Rate	6.75%	7.50%	-10.0%
DJIA	48,063	42,544	13.0%
Crude Oil	57.42	71.72	-19.9%
Gold (\$/oz)	4,319	2,625	64.5%
10 Year Treasury Note	4.17%	4.57%	-8.8%
Total Portfolio Yield	3.83%	3.77%	1.8%
ML 1-3 Yr Yield	3.54%	4.25%	-16.7%

