



FINANCE AND ADMINISTRATIVE SERVICES DEPARTMENT

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MEMORANDUM

DATE: August 6, 2025

TO: Stephen Farmer
Deputy Chief Financial Officer

FROM: Evan Zacharia, Investment Finance Coordinator
Finance and Administrative Services Department

A handwritten signature in blue ink, appearing to read "Evan Zacharia".

Digitally signed by Evan
Zacharia
Date: 2025.08.06
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SUBJECT: Motion to Adopt Resolution Pertaining to the Broward County Investment Policy

The Broward County Investment Policy ("Investment Policy") codified in Chapter 22 of the Broward County Administrative Code was last amended by the Broward County Board of County Commissioners on June 13, 2017.

Due to changes in industry practices and suggestions from the County Auditor's Audit of Investment Program ("County Auditor's Report"), improvements are required for the Investment Policy. The following is a list of items being proposed for approval to the Board of County Commissioners:

- Purpose and Scope
 - (Section 22.80.c) – Reference to the Broward County Board of County Commissioners was added as the "Board". "Annual Comprehensive Financial Report (ACFR)" replaced "Comprehensive Annual Financial Report" to reflect the new title of the annual report. Additional edits were made to specify that the Investment Policy does not apply to certain investments such as bond proceeds or debt reserve funds.
 - (Section 22.80.e) – A passage regarding the County's role as custodian of funds was added under this section.
- Investment Objectives (Section 22.81.d) – The passage regarding the County "acting responsibly" was moved from this section and included in 22.80.e.
- Performance Measurement (Section 22.82) – This revision clarifies the target return of the County's portfolio be "measured against" the Merrill Lynch 1-3 year Treasury Index. The 90-day Treasury Bill was added as additional metric per the recommendations in the County Auditor's Report.
- Eligible Securities (Section 22.84)
 - (Section 22.84.a) – "Treasury Securities – State and Local Government Series (SLGS)" has been included as an eligible security.
 - (Section 22.84.c) – The full name for "Fannie Mae" was corrected. The acronym for "Farmer Mac" was corrected.
 - (Section 22.84.e) – The requirement under subsection 6 was removed as it is already expressed in Section 22.90 of the Investment Policy.

Broward County Board of County Commissioners

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- (Section 22.84.f) – The term identifying personnel authorized to invest was changed to ‘staff’ to be generic.
 - (Section 22.84.j) – Punctuations were revised.
 - (Section 22.84.k) – Reference to any specific agency was removed to include all nationally recognized rating services.
 - (Section 22.84.m) - Punctuations were revised.
 - (Section 22.84.p) – The title was updated. The section was also revised to identify which investments are prohibited by the County.
- Security Lending (Section 22.85.d) – Reference to any specific agency was removed to include all nationally recognized rating services.
- Diversification (Section 22.87.c) – The flow of eligible instruments was reorganized to present the diversification percentages from largest to smallest.
- Qualified Institution (Section 22.88) – The section was revised to clarify the maximum number of broker-dealers allowed in the County catalog. Modification was made to review the broker-dealer list every 2 years.
 - (Section 22.88.b) – The metric to determine qualified institutions was revised to reflect the latest classification by the Federal Reserve Board.
- Safekeeping and Collateralization (Section 22.89) – Punctuation changes were made.
- Internal Controls (Section 22.92) – The section was revised to include Florida Statute Section 11.45 to maintain up-to-date requirements per the recommendation from the County Auditor’s Report.
- Reporting (Section 22.93) – The requirement for the quarterly reporting of investment positions was updated. Minor punctuation adjustments were made.
- Education Requirements (Section 22.94) – The timing deadline for continuing education requirements was changed to end of fiscal year per the recommendation from the County Auditor’s Report.
- Glossary (Section 22.95.1.r) – Reference to any specific agency was removed to include all nationally recognized rating services.