



Investment Report September 30, 2025

Rafiu O. Ighile
Director of Finance
Department of Finance
3430 Court House Drive
Ellicott City, MD 21043

Department of Finance

Investment Report As of September 30, 2025

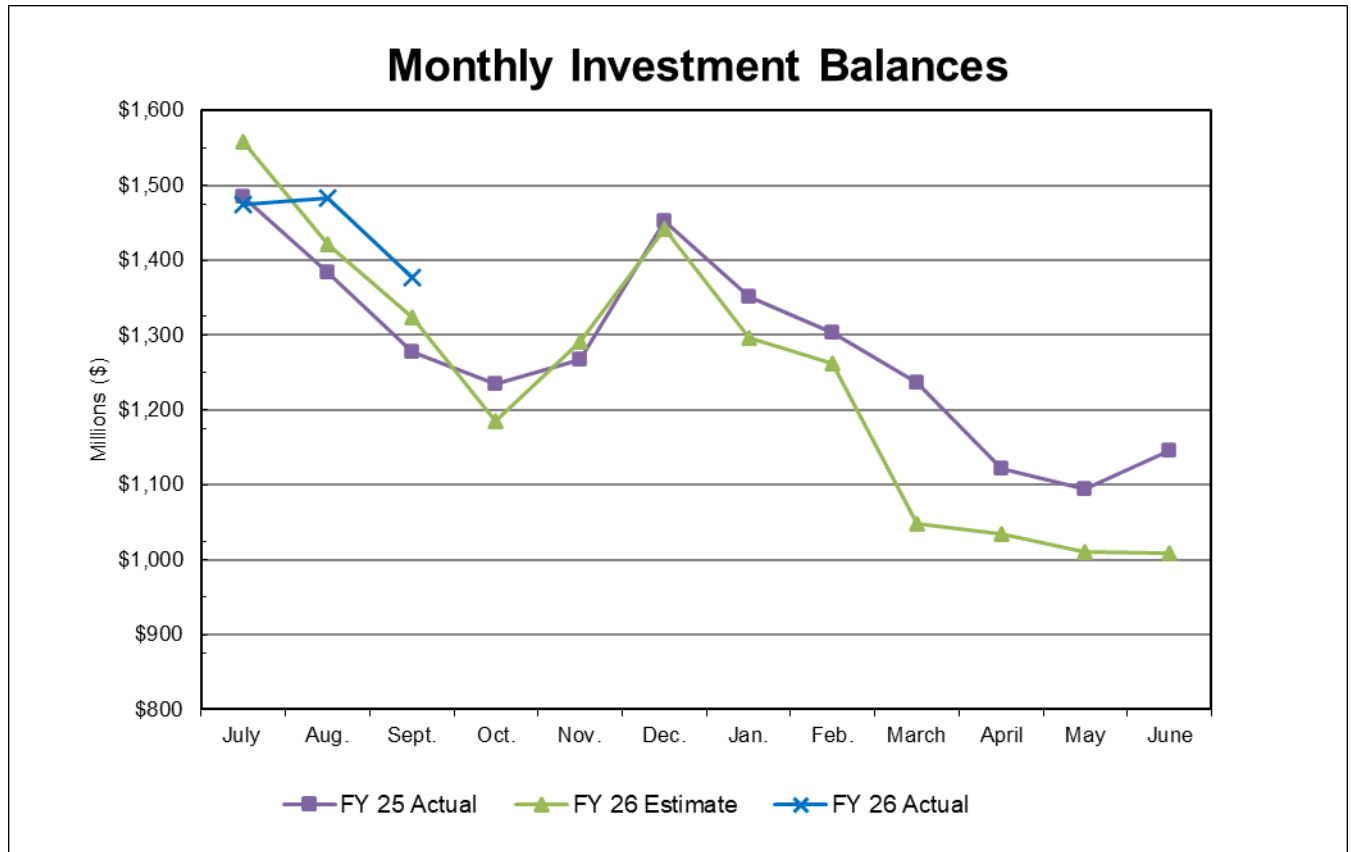
Investment Policy:

Howard County, Maryland invests public funds in a manner that will conform to all State of Maryland and County statutes governing the investment of public funds while meeting its daily cash flow demands and providing a return that most closely matches the three-month Treasury bill yield.

Summary of Portfolio Composition:

	<u>CURRENT MONTH</u>	<u>PRIOR MONTH</u>
General Fund	\$958,837,500	\$1,059,226,944
All Other Funds	<u>\$417,490,693</u>	<u>\$424,144,469</u>
Total Portfolio	\$1,376,328,193	\$1,483,371,413

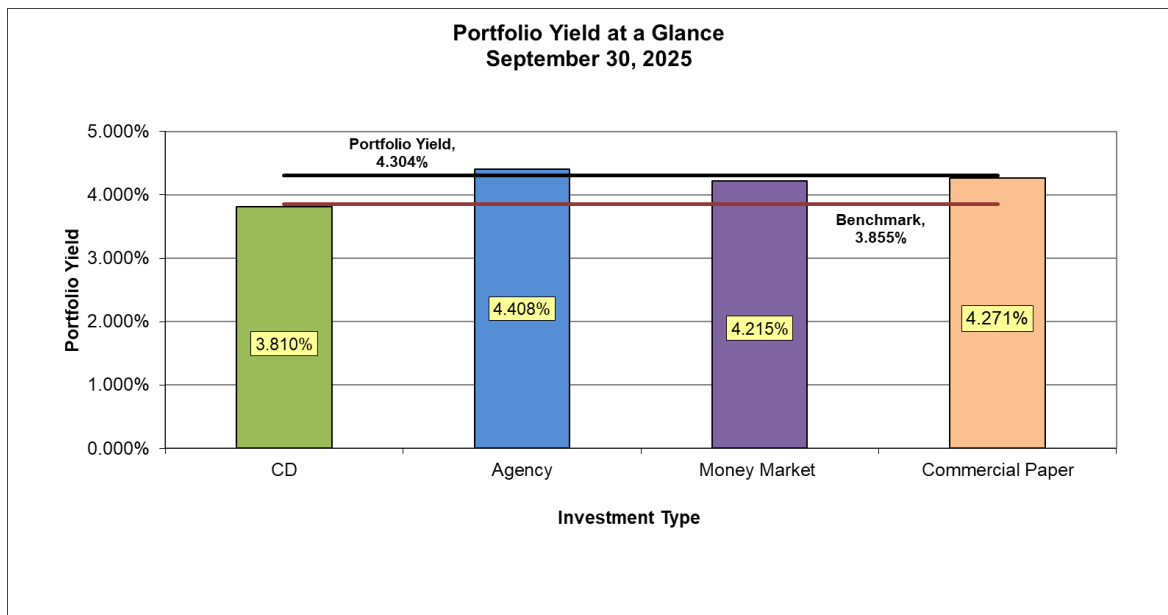
The total portfolio balance decreased by \$107 million from the previous month. This decrease represents the normal trend as minimal property tax revenues are received. The County did not break any investments this month and never has. The investment allocations as shown on page 4 were consistent with the County Investment Policy.



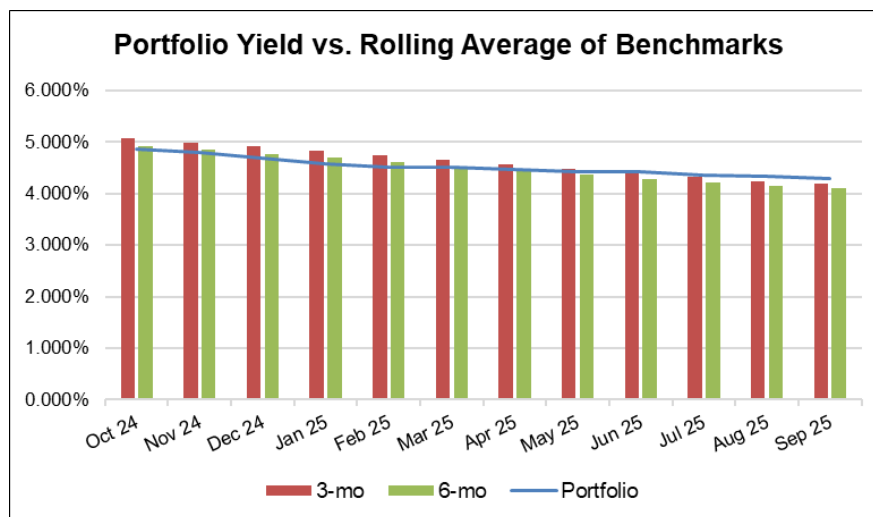
Analysis:

	<u>CURRENT MONTH</u>	<u>PRIOR MONTH</u>	<u>WEIGHTED AVERAGE FOR 3 MONTHS ENDING September 30, 2025</u>
Portfolio yield	4.304%	4.347%	4.339%
Three Month Benchmark yield	3.855%	4.010%	4.026%
Trailing 12-mo Three Month Benchmark yield	3.725%	4.243%	-

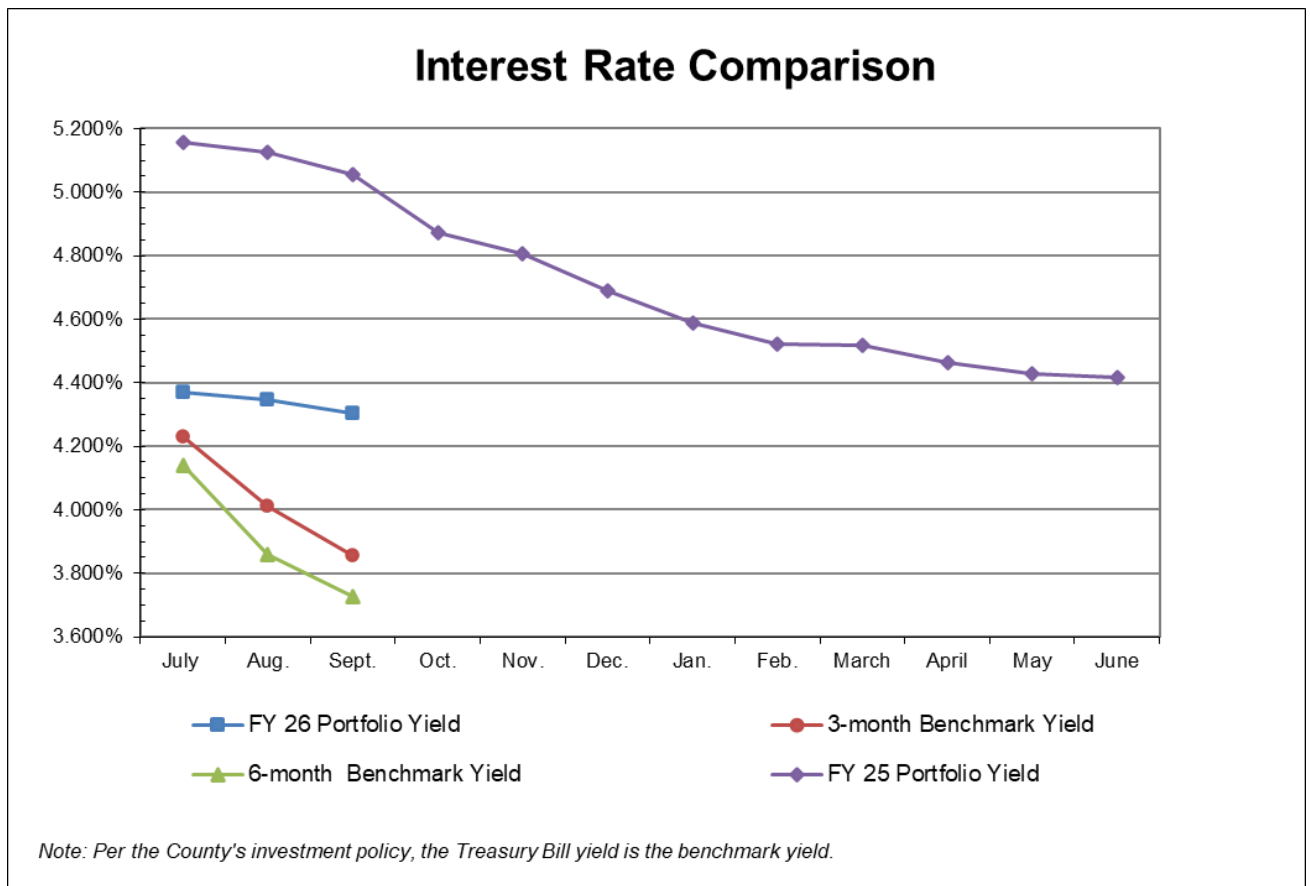
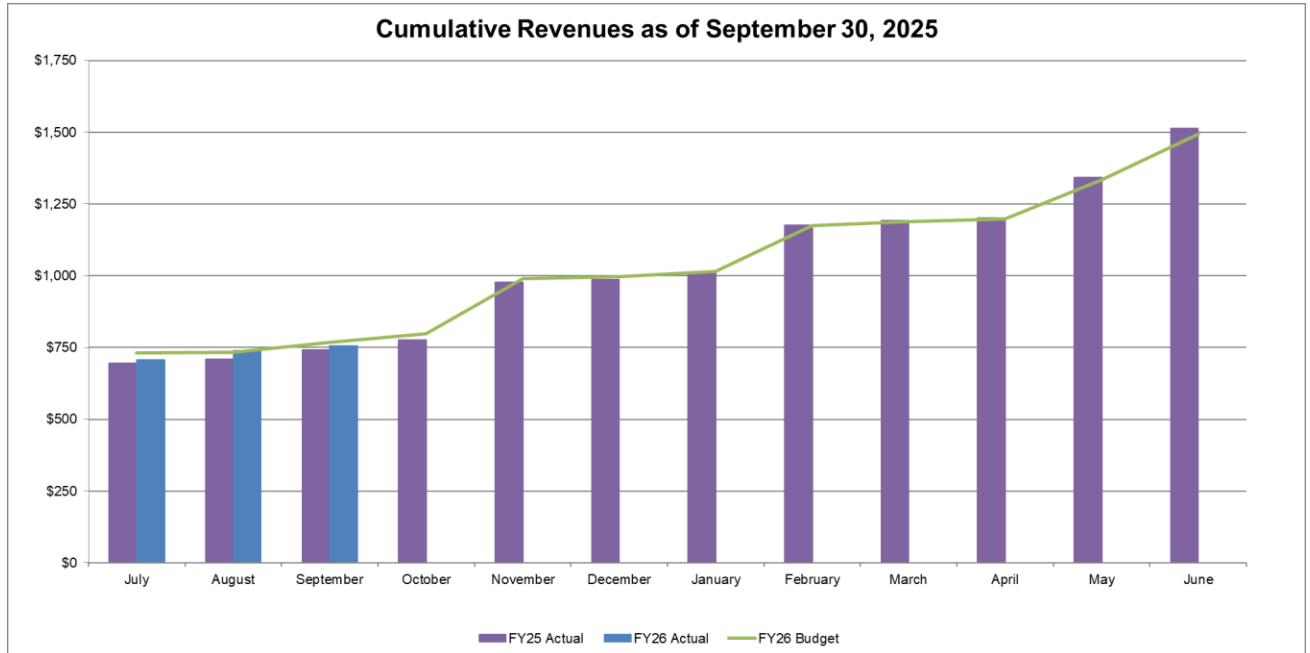
As of September 30, 2025, the average weighted maturity of the portfolio was 471 days.



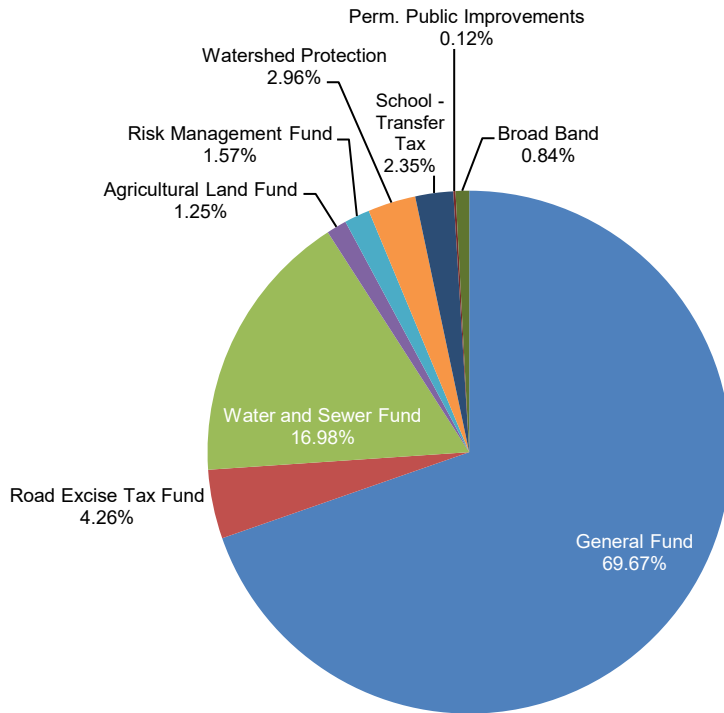
Below is the portfolio yield compared to the trailing 12-month three and six month benchmark yields. This key performance indicator measures the County's performance relative to the fixed income markets.



Current Market and Year-Over-Year Comparison:



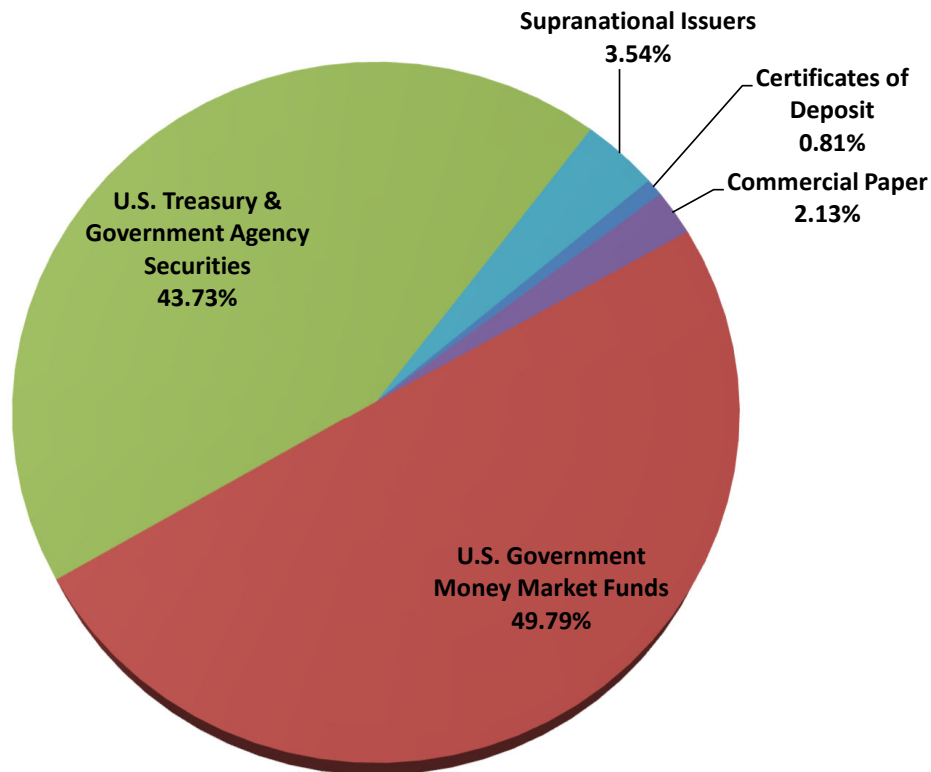
**Investment by Fund
As of September 30, 2025**



	Investment Allocation As of 9/30/2025	FY 25 Interest Income* Actual	FY 26 Interest Income Budget	FY 26 Interest Income* As of 9/30/2025
General Fund	\$ 958,837,500	\$ 40,102,560	\$ 22,500,000	\$ 9,558,776
Road Excise Tax Fund	58,683,274	2,432,091	26,242	603,898
Water and Sewer Fund	233,694,103	8,417,564	4,200,000	2,126,276
Agricultural Land Fund	17,252,029	944,591	7,953	213,630
Risk Management Fund	21,566,958	1,019,946	260,000	235,709
Watershed Protection	40,671,884	1,614,092	650,000	423,210
School - Transfer Tax	32,348,776	1,540,793	3,591	347,232
Perm. Public Improvements	1,698,624	74,977	795	18,371
Broad Band	11,575,046	433,099	-	116,619
	<u>\$ 1,376,328,193</u>	<u>\$ 56,579,713</u>	<u>\$ 27,648,581</u>	<u>\$ 13,643,720</u>

* Reported on a cash basis.

Investment by Type as of September 30, 2025



See diversification schedule below

Diversification Levels for Authorized Investments

	Authorized Percentage	Actual Percentage ⁽²⁾	Actual Amount
U.S. Treasury & Government Agency Securities	90%	43.73%	601,832,954
Repurchase Agreements	90%	0.00%	-
U.S. Government Money Market Funds	60%	49.79%	685,336,742
Municipal Securities & Municipal Mutual Funds	40%	0.00%	-
Supranational Issuers	40%	3.54%	48,790,400
Commercial Paper	10%	2.13%	29,264,913
Certificates of Deposit	5%	0.81%	11,103,184
		<u>100.00%</u>	<u>1,376,328,193</u>

Diversification Levels for Authorized Brokers

	Actual Percentage	(1) & (2)	Actual Amount
Cantor Fitzgerald	6.43%		88,457,600
Fulton Bank ⁽³⁾	0.02%		312,762
FHN Financial	5.38%		74,096,583
Harbor Bank ⁽³⁾	0.01%		103,854
Multi-Bank Securities Inc	6.14%		84,477,800
Ramirez	5.45%		75,000,000
Raymond James Financial	7.27%		100,000,000
Piper Sandler & Co.	4.00%		55,055,859
Sandy Spring Bank ⁽³⁾	0.78%		10,686,567
Stifel, Nicolaus & Co.	6.74%		92,800,425
UBS Financial Services	3.63%		50,000,000
Goldman Sachs	9.42%		129,608,983
MD Local Government Investment Pool	39.48%		543,394,035
Wells Fargo	5.26%		72,333,725
	<u>100.00%</u>		<u>1,376,328,193</u>

(1) Actual percentages cannot exceed 40% for any one broker or financial institution at the time of purchase.

(2) Due to rounding, percentages may not total 100%.

(3) Certificates of Deposit

Investment Schedule

Type	Book Value	Yield	Purchase Date	Term in Days	Maturity Date
Certificates of Deposit:					
Harbor Bank	103,854	0.750%	07/07/25	365	07/07/26
Sandy Spring	5,521,467	4.000%	08/08/25	212	03/08/26
Sandy Spring	5,165,100	3.750%	04/22/25	214	11/22/25
Fulton Bank	50,261	2.470%	12/05/24	365	12/05/25
Fulton Bank	262,502	2.470%	04/12/25	365	04/12/26
Total Certificates of Deposit	11,103,184	3.810%			
Commercial Paper:					
HQLA Funding LLC	9,401,580	4.486%	07/11/25	84	10/03/25
Brigantine Funding Co	9,950,311	4.181%	09/24/25	43	11/06/25
Aquitaine Funding Co	9,913,022	4.156%	09/24/25	76	12/09/25
Total Commercial Paper	29,264,913	4.271%			
U.S. Government Money Market Funds:					
Goldman Sachs	129,608,983	4.100%	Various	-	On Demand
MD Local Govt Investment Pool	543,394,035	4.244%	Various	-	On Demand
Wells Fargo	12,333,725	4.159%	Various	-	On Demand
Total Money Markets	685,336,742	4.215%			

Investment Schedule (Cont.)

Security Type	Purchase Price	Yield	Purchase Date	Call Date	Interest Date	Maturity Date
U.S. Treasury & Government Agency Securities:						
International Development Finance Corporation	10,000,000	4.551%	10/23/24		10/23/25	10/23/25
U.S. Treasury Note	9,797,500	4.291%	11/06/24		11/15/25	11/15/25
Federal National Mortgage Association	14,503,350	4.308%	12/23/24		11/18/25	11/18/25
Federal Home Loan Bank	9,673,200	4.249%	02/20/25		12/05/25	12/05/25
Federal Agricultural Mortgage Corporation	10,000,000	4.220%	01/08/25		12/08/25	01/08/26
U.S. Treasury Bill	10,055,859	3.986%	04/04/25		10/28/25	02/28/26
Federal Farm Credit Bureau	9,978,270	4.616%	03/25/24		03/13/26	03/13/26
Federal Agricultural Mortgage Corporation	9,931,100	5.022%	04/22/24		10/08/25	04/08/26
Federal National Mortgage Association	9,834,000	3.871%	05/02/25		10/24/25	04/24/26
Federal Home Loan Bank	10,000,000	4.270%	04/17/25	10/17/25	10/17/25	06/17/26
U.S. Treasury Bill	10,050,000	4.075%	07/22/25		01/22/26	06/30/26
Federal Agricultural Mortgage Corporation	10,000,000	4.250%	09/09/24	10/04/25	03/09/26	09/09/26
Federal Home Loan Bank	10,000,000	4.375%	10/04/24	10/01/25	10/01/25	10/01/26
Federal Farm Credit Bureau	9,994,000	4.322%	10/18/24	10/15/25	10/15/25	10/15/26
Federal Home Loan Bank	10,000,000	4.360%	05/30/25	11/25/25	11/25/25	11/25/26
Federal Home Loan Bank	10,000,000	4.400%	01/13/25	01/13/26	01/13/26	01/15/27
Federal Home Loan Bank	10,000,000	4.280%	07/15/25	01/15/26	01/15/26	03/15/27
Federal Home Loan Mortgage Corporation	10,000,000	4.295%	05/02/25	10/22/25	10/22/25	04/22/27
Federal Home Loan Bank	10,000,000	4.250%	08/14/25	11/14/25	02/14/26	06/14/27
Federal Agricultural Mortgage Corporation	9,991,000	4.328%	07/29/25	01/08/26	01/08/26	07/08/27
Federal Home Loan Bank	10,000,000	4.180%	08/25/25	02/25/26	02/25/26	10/21/27
Federal Home Loan Mortgage Corporation	8,499,575	4.376%	08/21/25	10/30/25	01/30/26	12/30/27
Federal Farm Credit Bureau	9,969,400	4.361%	02/14/25		01/28/26	01/28/28
Federal Home Loan Bank	10,000,000	4.250%	07/22/25	04/26/26	01/22/26	03/22/28
Federal Home Loan Mortgage Corporation	10,000,000	4.250%	04/25/25	04/24/26	10/24/25	04/24/28
Federal Agricultural Mortgage Corporation	10,000,000	4.450%	08/11/25	02/11/26	02/11/26	08/11/28
Federal Home Loan Mortgage Corporation	10,000,000	4.500%	08/14/25	11/14/25	02/14/26	08/14/28
Federal Home Loan Bank	10,000,000	4.400%	08/29/25	11/17/25	02/17/26	08/17/28
Federal National Mortgage Association	5,000,000	4.150%	09/15/25	12/15/25	03/15/26	09/15/28
Federal Farm Credit Bureau	10,000,000	3.830%	09/15/25	09/15/26	03/15/26	09/15/28
Federal Farm Credit Bureau	10,000,000	4.570%	08/05/25	11/05/25	02/05/26	02/05/29
Federal National Mortgage Association	10,000,000	4.850%	02/21/25	11/21/25	11/21/25	02/21/29
Federal Home Loan Mortgage Corporation	10,000,000	4.652%	05/23/25	02/23/26	02/23/26	02/23/29
Federal Home Loan Mortgage Corporation	10,000,000	4.552%	07/30/25	12/23/25	10/23/25	04/23/29
Federal Home Loan Mortgage Corporation	10,000,000	4.560%	05/22/25	05/22/26	11/22/25	05/22/29
Federal Farm Credit Bureau	10,000,000	4.730%	06/04/25	12/04/25	12/04/25	06/04/29
Federal Home Loan Mortgage Corporation	10,000,000	4.600%	12/04/24	06/04/26	12/04/25	06/04/29
Federal Home Loan Bank	10,000,000	4.470%	07/16/25	04/16/26	01/16/26	07/16/29
Federal National Mortgage Association	10,000,000	4.350%	07/17/25	07/17/26	01/17/26	07/17/29
Federal National Mortgage Association	10,000,000	4.210%	09/04/25	06/04/26	03/04/26	09/04/29
Federal Agricultural Mortgage Corporation	15,000,000	4.800%	12/18/24	12/18/25	12/18/25	12/18/29
Federal Home Loan Bank	10,053,200	4.370%	05/15/25	12/27/27	12/27/25	12/27/29
Federal Home Loan Bank	10,000,000	5.001%	01/23/25	01/09/26	01/09/26	01/09/30
Federal Home Loan Bank	10,000,000	5.000%	01/29/25	01/16/26	01/16/26	01/16/30
Federal Agricultural Mortgage Corporation	4,500,000	5.000%	01/28/25	01/28/26	01/28/26	01/28/30
Federal Agricultural Mortgage Corporation	10,000,000	4.750%	03/12/25	03/12/26	03/12/26	03/12/30
Federal Agricultural Mortgage Corporation	5,000,000	4.500%	03/12/25	03/12/27	03/12/26	03/12/30
Federal Home Loan Mortgage Corporation	10,000,000	4.650%	03/21/25	03/20/26	03/20/26	03/20/30
Federal National Mortgage Association	10,000,000	4.800%	04/21/25	10/10/25	10/10/25	04/10/30
Federal Farm Credit Bureau	10,000,000	4.370%	04/17/25	04/16/27	10/16/25	04/16/30
Federal Agricultural Mortgage Corporation	10,000,000	4.020%	05/08/25	05/08/28	11/08/25	05/08/30

Investment Schedule (Cont.)						
Security Type	Purchase Price	Yield	Purchase Date	Call Date	Interest Date	Maturity Date
U.S. Treasury & Government Agency Securities:						
Federal National Mortgage Association	10,000,000	4.550%	05/13/25	05/13/26	11/13/25	05/13/30
Federal Agricultural Mortgage Corporation	15,000,000	4.300%	05/13/25	05/13/27	11/13/25	05/13/30
Federal Farm Credit Bureau	10,000,000	4.550%	05/20/25	11/20/26	11/20/25	05/20/30
Federal Agricultural Mortgage Corporation	10,002,500	4.424%	06/04/25	05/28/27	11/28/25	05/28/30
Federal Farm Credit Bureau	15,000,000	4.650%	06/26/25	06/24/26	12/24/25	06/24/30
Federal Agricultural Mortgage Corporation	10,000,000	4.270%	07/01/25	07/01/27	01/01/26	07/01/30
Federal Home Loan Bank	10,000,000	4.100%	08/05/25	08/05/27	02/05/26	08/05/30
Federal National Mortgage Association	10,000,000	4.300%	09/04/25	06/04/26	03/04/26	09/04/30
Federal Agricultural Mortgage Corporation	10,000,000	4.240%	09/04/25	09/04/26	03/04/26	09/04/30
	601,832,954					
Supranationals:						
African Dev Bank	9,438,300	4.360%	11/14/24		07/22/26	07/22/26
African Dev Bank	9,581,200	4.277%	12/13/24		03/23/26	03/23/26
IADB	10,034,200	4.247%	12/13/24		05/15/26	05/15/26
International Bank for Reconstruction and Development	9,736,700	3.728%	08/21/25		11/22/25	11/22/27
International Bank for Reconstruction and Development	10,000,000	4.625%	07/18/25	10/18/25	01/18/26	07/18/28
Total U.S. Treasury, Govt Agency Securities & Supranationals	650,623,354	4.408%				
Total Investment Balance (Page 6 - 8)	1,376,328,193	4.304%				
Portfolio Yield	4.304%					
Benchmarks:						
Three-month Treasury Yield	3.855%					
Six-month Treasury Yield	3.725%					
Money Market Funds Yield	4.215%					

The above report has been approved by:


Rafiu O. Ighile
Director of Finance

10/28/25
Date

Notes to Investment Schedule

1. Certificates of Deposit and Repurchase Agreements

The County can only purchase Certificates of Deposit (CD's) from banks located in the State of Maryland. The banks currently holding CD's for the County are: Fulton Bank and Harbor Bank. The County currently maintains repurchase agreements with Cantor Fitzgerald and UBS Financial Services, Inc.

All certificates of deposit and repurchase agreements are collateralized at 102% of their cost plus accrued interest or FDIC insured. The collateral is held at Principal.

2. Social Investing

The County invests in instruments offered by community and minority financial institutions. These financial institutions may not meet all of the criteria listed in the County's Investment Policy as authorized dealers and institutions. These institutions are: Fulton Bank, Harbor Bank and Sandy Spring Bank. The County maintains a Certificate of Deposit with Fulton Bank for the Verizon Pole Agreement Surety Bond Requirements for the Department of Technology & Communication Services.

3. Agricultural Land Preservation Program

The County finances the acquisition of development rights to a parcel of agricultural property by entering into an installment-purchase agreement with the property owner. US Treasury Strips, purchased as part of the County's Agricultural Land Preservation program, will be used to match balloon payments to the property owner. The table below shows the detail information regarding the investment in Stripped Coupon U.S. Treasury Securities.

Maturity Date	Par Value ¹ Balloon Payment	Original ² Cost	Book Value ³ 6/30/2025
2/15/2026	24,000	560,900	3,787,994
8/15/2026	5,245,000	175,073	1,196,837
2/15/2028	2,158,000	478,644	1,875,271
Total	\$ 7,427,000	\$1,214,618	\$6,860,102
¹ Purchase price plus accrued interest at maturity			
² Purchase price			
³ Purchase price plus accrued interest as of 6/30/25			

4. Securities with a Final Maturity Greater Than One Year from the Date of the Report

Security	Purchase Price	Market Value	Maturity Date
Federal Home Loan Bank	10,000,000	9,998,200	10/01/26
Federal Farm Credit Bank	9,994,000	9,993,500	10/15/26
Federal Home Loan Bank	10,000,000	9,993,600	11/25/26
Federal Home Loan Bank	10,000,000	9,994,400	01/13/27
Federal Home Loan Bank	10,000,000	10,001,500	03/15/27
Federal Home Loan Mortgage Corp	10,000,000	9,998,300	04/22/27
Federal Home Loan Bank	10,000,000	9,989,600	06/14/27
Federal Agricultural Mortgage Corp	9,991,000	10,004,200	07/08/27
Federal Home Loan Bank	10,000,000	9,983,500	10/21/27
Intl Bank for Recon & Dev	9,736,700	9,760,700	11/22/27
Federal Home Loan Mortgage Corp	8,499,575	8,490,055	12/30/27
Federal Farm Credit Bank	9,969,400	10,123,700	01/28/28
Federal Home Loan Bank	10,000,000	10,018,700	03/22/28
Federal Home Loan Mortgage Corp	10,000,000	10,009,600	04/24/28
Intl Bank for Recon & Dev	10,000,000	10,000,500	07/18/28
Federal Agricultural Mortgage Corp	10,000,000	9,999,300	08/11/28
Federal Home Loan Mortgage Corp	10,000,000	10,000,400	08/14/28
Federal Home Loan Bank	10,000,000	9,976,200	08/17/28
Federal Farm Credit Bank	10,000,000	10,001,900	09/15/28
Federal National Mortgage Assn	5,000,000	4,997,650	09/15/28
Federal Farm Credit Bank	10,000,000	10,002,500	02/05/29
Federal National Mortgage Assn	10,000,000	9,996,900	02/21/29
Federal Home Loan Mortgage Corp	10,000,000	9,997,700	02/23/29
Federal Home Loan Mortgage Corp	10,000,000	10,011,200	04/23/29
Federal Home Loan Mortgage Corp	10,000,000	9,994,500	05/22/29
Federal Home Loan Mortgage Corp	10,000,000	10,020,200	06/04/29
Federal Home Loan Bank	10,000,000	10,021,400	07/16/29
Federal National Mortgage Assn	10,000,000	10,040,600	07/17/29
Federal National Mortgage Assn	10,000,000	9,960,300	09/04/29
Federal Agricultural Mortgage Corp	15,000,000	14,975,850	12/18/29
Federal Home Loan Bank	10,053,200	10,131,200	12/27/29
Federal Home Loan Bank	10,000,000	10,026,000	01/09/30
Federal Home Loan Bank	10,000,000	10,006,500	01/16/30
Federal Agricultural Mortgage Corp	4,500,000	4,504,905	01/28/30
Federal Agricultural Mortgage Corp	10,000,000	9,986,500	03/12/30
Federal Agricultural Mortgage Corp	5,000,000	5,024,450	03/12/30
Federal Home Loan Mortgage Corp	10,000,000	9,989,300	03/20/30
Federal National Mortgage Assn	10,000,000	10,000,600	04/10/30
Federal Farm Credit Bank	10,000,000	10,082,700	04/16/30
Federal Agricultural Mortgage Corp	10,000,000	10,074,300	05/08/30
Federal National Mortgage Assn	10,000,000	9,929,800	05/13/30
Federal National Mortgage Assn	15,000,000	15,079,500	05/13/30
Federal Farm Credit Bank	10,000,000	10,032,600	05/20/30
Federal Agricultural Mortgage Corp	10,002,500	10,089,900	05/28/30
Federal Farm Credit Bank	15,000,000	15,036,000	06/24/30
Federal Agricultural Mortgage Corp	10,000,000	10,049,600	07/01/30
Federal Home Loan Bank	10,000,000	10,034,500	08/05/30
Federal National Mortgage Assn	10,000,000	9,948,500	09/04/30
Federal Agricultural Mortgage Corp	10,000,000	9,963,600	09/04/30

Types of Investment Instruments

Bankers Acceptances (BA's): Financial transactions involving the import or export of goods. A bank agrees to lend money to an importer to finance the purchase of goods. The bank then sells this agreement to an investor (the County) who receives compensation in the form of interest.

Characteristics:

1. Very safe: There has never been a BA failure in their history
2. Can only purchase BA's from banks rated A1 or P1
3. Three guarantees back this investment:
 - a. Obligation to pay by the importer
 - b. Guarantee from the accepting bank
 - c. The goods themselves
4. Maturities less than 180 days
5. Generally higher yielding than Repos

Restrictions: The County currently does not purchase Japanese BA's.

Certificates of Deposits: A time deposit with a specific maturity evidenced by a certificate. All deposits held in minority or community banks.

Money Market Funds: Current holdings include the Maryland Local Government Investment Pool (MLGIP) and Goldman Sachs. MLGIP is designed to provide all local government units of the State an investment vehicle for the short-term investment of funds. The County's cash in these money market funds is obtainable on demand.

Repurchase Agreement (Repo): An investment contract involving the temporary transfer of ownership of U.S. Government securities between a broker and an investor (the County). A broker agrees to sell U.S. Treasury or Government Agency Securities to the County and agrees to repurchase them at a fixed price on a fixed date. The County receives the original purchase price and compensation in the form of interest on the maturity date.

Characteristics:

1. Very safe: only collateralized U.S. Government securities
2. Very flexible: maturities from one day to one year
3. Higher yields than purchasing securities outright

U.S. Treasury and Government Agency Securities: Considered the safest investments in the world. The U.S. Government and its agency issue these securities to finance their operations. Maturities range from three months to 30 years, however, the County, per our investment policy, is limited to five-year maturities.

Characteristics:

1. Very safe
2. Very liquid: can be sold very easily

Main Agency issuers:

1. Federal Farm Credit Bank (FFCB)
2. Federal National Mortgage Association (FNMA)
3. Federal Home Loan Bank (FHLB)
4. Federal Home Loan Mortgage Corporation (FHLMC)
5. Federal Agricultural Mortgage Corporation (FAMC)

Commercial Paper: Per the County's investment policy, must have minimum rating of A1, P1 or F1 from the credit rating agencies.

Supranational Issuer: An international development institution that provides financing, advisory services, or other financial services to the institution's member countries to achieve the overall goal of improving living standards through sustainable economic growth; and is rated in the highest credit rating category by a nationally recognized statistical rating organization.

Characteristics:

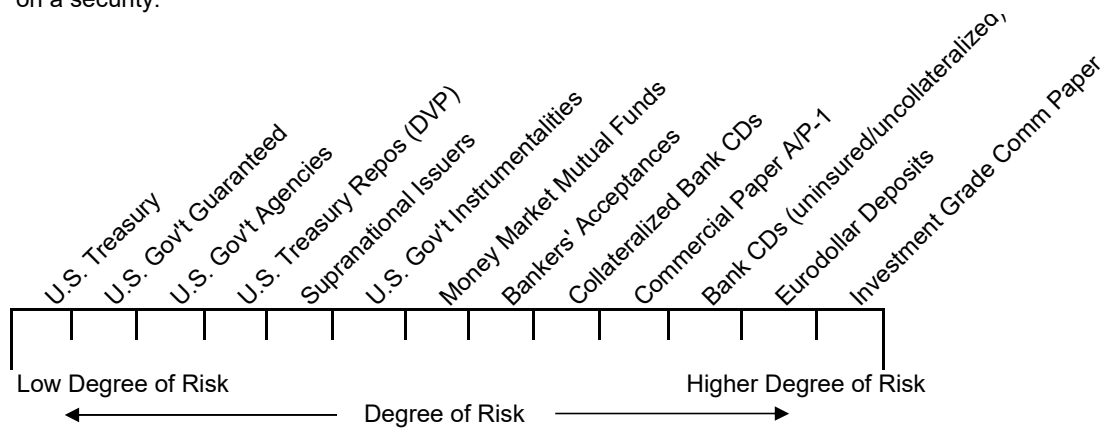
1. Very safe
2. Can only purchase Supranational Issuers from primary dealers

Main Agency issuers:

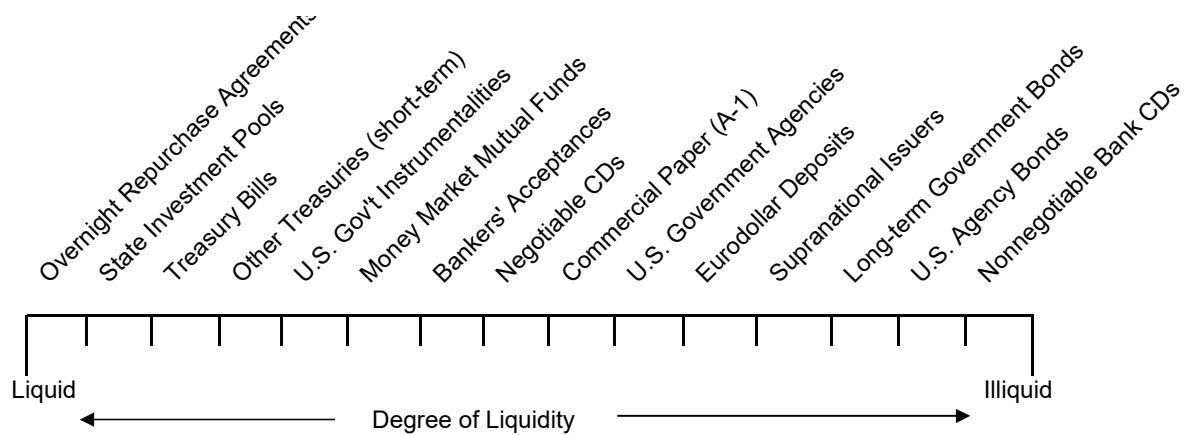
1. The World Bank (IBRD)
2. The International Finance Corporation (IFC)
3. The Inter-American Development Bank (IADB)
4. The African Development Bank (AfDB)
5. The Asian Development Bank (ADB)

Key Investing Terms

Credit Risk: The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.



Liquidity: An asset that can be converted easily and quickly into cash.



Distribution:

County Executive
 County Council
 County Auditor
 Chief Administrative Officer
 Office of Public Information
 Budget Director