



# San Mateo County

## Investment Portfolio Compliance Report



**July 31, 2018**

**PFM Asset Management LLC**

50 California Street, Suite 2300

San Francisco, CA 94111

415-982-5544

[www.pfm.com](http://www.pfm.com)

Compliance Requirements Overview<sup>1</sup>

Sector	Fund Limitation	Per Issuer	Maturity	Credit Limits	In Compliance
U.S. Treasury	100%	100%	7 years	Full Faith & Credit	Yes
Government Agency/GSE	100%	40%	7 years	AA or A-1 by two	Yes
<i>Callable Agencies</i>	25%	25%	7 years	AA or A-1 by two	Yes
U.S. Instrumentalities	30%	30%	5 Years	AA by two	Yes
Commercial Paper	40%	5% Aggregate	270 days	A-1 by two and A by one	Yes
Negotiable CDs	30%	5% Aggregate	5 years	A-1 by two and A by one	Yes
BAs - Domestic	15%	5% Aggregate	180 days	A-1 by two and A by one	Yes - None in Portfolio
BAs - Foreign	15%	5% Aggregate	180 days	A-1 by two and A by one	Yes - None in Portfolio
Collateralized CDs	15%	5% Aggregate	1 year	Insured/Collateralized	Yes - None in Portfolio
Asset Backed Securities	20%	5% Aggregate	5 years	AAA by two	Yes - None in Portfolio
Corporate Securities	30%	5% Aggregate	5 years	A by two	Yes
Repurchase Agreements	100%	50%	92 days	A-1 by two	Yes
LAIF	\$65 million	\$65 million	N/A	None	Yes
CA Municipal Obligations	30%	5% Aggregate	5 years	AA by two	Yes - None in Portfolio
Mutual Funds	10%	5% Aggregate	N/A	A-1 or P-1	Yes - None in Portfolio

## Comments

- The portfolio complies with the California Government Code and the County of San Mateo's Investment Policy as of the date of the report.

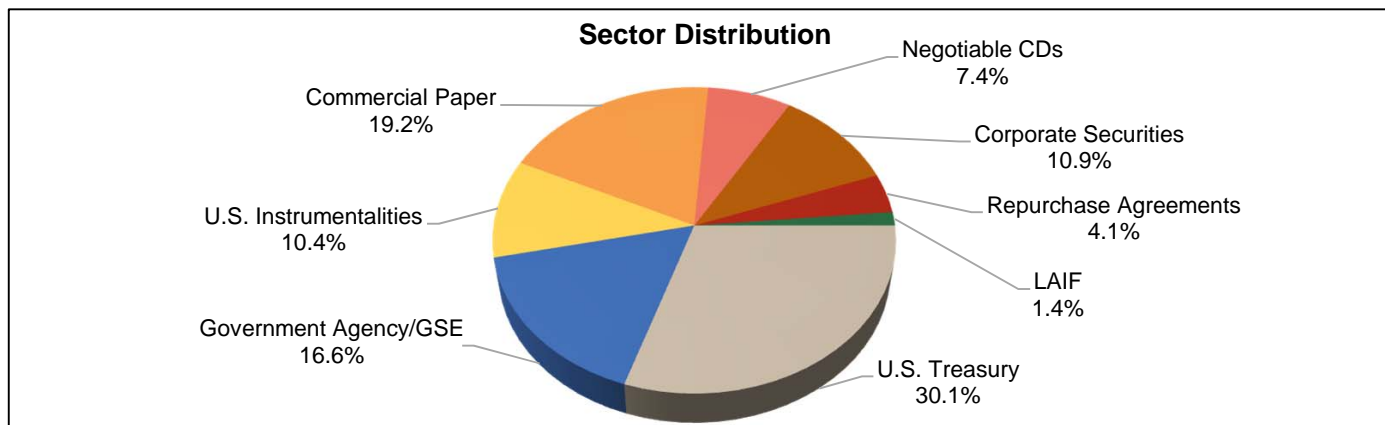
1. See San Mateo County Investment Policy Statement Calendar Year 2018 for a complete description of Policy requirements.

## County Comments

- County Comments: None.

**Sector Allocations**

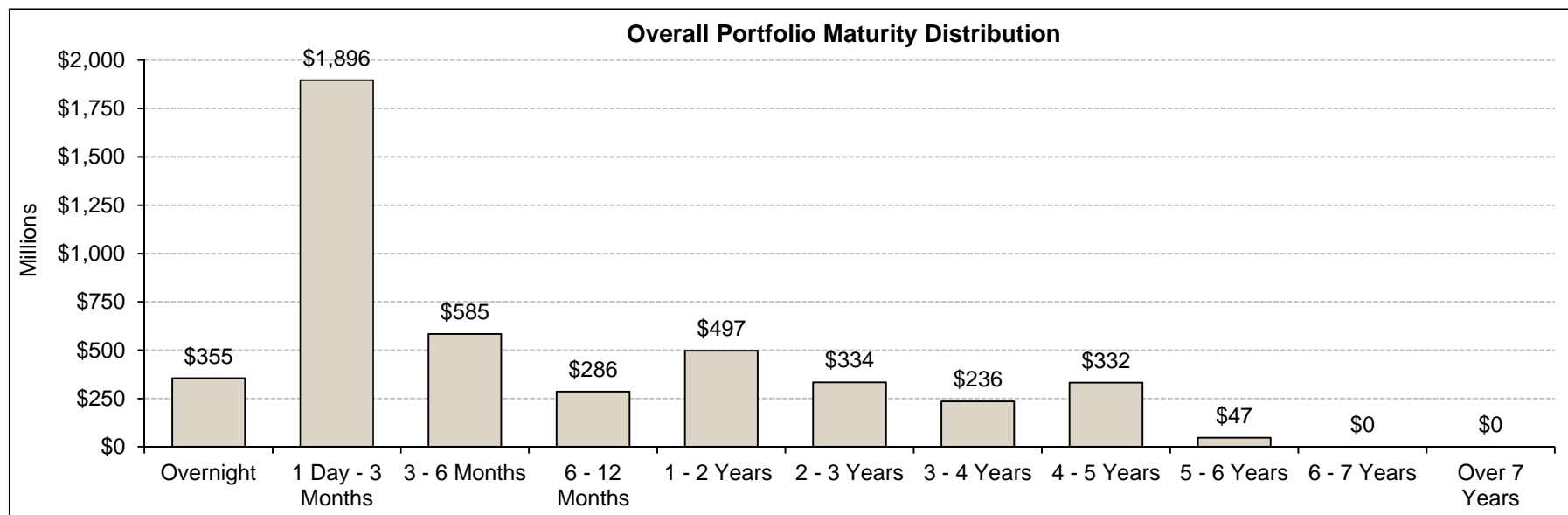
Sector	Market Value <sup>1</sup>	Sector Limit	Current Allocation <sup>2</sup>	In Compliance
U.S. Treasury	1,375,655,463	100%	30.1%	Yes
Government Agency/GSE	756,573,551	100%	16.6%	Yes
<i>Callable Agencies</i>	61,788,505	25%	1.4%	Yes
U.S. Instrumentalities	474,314,474	30%	10.4%	Yes
Commercial Paper	874,737,774	40%	19.2%	Yes
Negotiable CDs	336,458,743	30%	7.4%	Yes
BAs - Domestic	-	15%		Yes - None in Portfolio
BAs - Foreign	-	15%		Yes - None in Portfolio
Collateralized CDs	-	15%		Yes - None in Portfolio
Asset Backed Securities	-	20%		Yes - None in Portfolio
Corporate Securities	497,373,756	30%	10.9%	Yes
Repurchase Agreements	187,500,000	100%	4.1%	Yes
LAIF <sup>3</sup>	65,043,868	\$65 million	1.4%	Yes
CA Municipal Obligations	-	30%		Yes - None in Portfolio
Mutual Funds	-	10%		Yes - None in Portfolio
<b>Totals</b>	<b>4,567,657,629</b>		<b>100.0%</b>	



1. Market values listed in this report are market values including accrued interest as of period end as reported by the County.
2. May not add to 100% due to rounding. Callable Agencies are included in the Government Agency/GSE total.
3. The LAIF amount was over \$65 million at period end due to accrued interest. As the initial investment was within the \$65 million limit, the holding is in compliance with both LAIF's and the County's Policy requirements.

**Maturity Limits**

Sector	Market Value	Maturity Limit	Current Maximum	In Compliance
U.S. Treasury	1,375,655,463	7 years	5.3 years	Yes
Government Agency/GSE	756,573,551	7 years	3 years	Yes
U.S. Instrumentalities	474,314,474	5 years	5 years	Yes
Commercial Paper	874,737,774	270 days	265 days	Yes
Negotiable CDs	336,458,743	5 years	1.80 years	Yes
BAs - Domestic	-	180 days		Yes - None in Portfolio
BAs - Foreign	-	180 days		Yes - None in Portfolio
Collateralized CDs	-	1 year		Yes - None in Portfolio
Asset Backed Securities	-	5 years		Yes - None in Portfolio
Corporate Securities	497,373,756	5 years	5 years	Yes
Repurchase Agreements	187,500,000	92 days	1 day	Yes
LAIF	65,043,868	N/A	1 day	Yes
CA Municipal Obligations	-	5 years		Yes - None in Portfolio
Mutual Funds	-	N/A		Yes - None in Portfolio
<b>Overall Portfolio WAM</b>	<b>4,567,657,629</b>	<b>3 years</b>	<b>1.03 years</b>	<b>Yes</b>



## Issuer Compliance

<b>Issuer</b>	<b>Total</b>	<b>Current Issuer Allocation<sup>1</sup></b>	<b>Issuer Limit</b>	<b>Compliant?</b>
U.S. Treasury	1,375,655,463	30.1%	100%	Yes
FHLB	440,360,174	9.6%	40%	Yes
FNMA	167,611,793	3.7%	40%	Yes
FHLMC	123,542,312	2.7%	40%	Yes
FFCB	25,059,271	0.5%	40%	Yes
IBRD	265,173,987	5.8%	30%	Yes
IADB	194,230,022	4.3%	30%	Yes
International Finance Corporation	14,910,465	0.3%	30%	Yes
LAIF <sup>2</sup>	65,043,868	1.4%	100%	Yes
Repurchase Agreement	187,500,000	4.1%	100%	Yes
Toronto-Dominion Bank	150,491,916	3.3%	5%	Yes
Toyota Motor Credit	141,005,029	3.1%	5%	Yes
Wells Fargo	140,448,600	3.1%	5%	Yes
Natixis NY	129,656,960	2.8%	5%	Yes
Canada Imperial Bank	114,862,785	2.5%	5%	Yes
Swedbank	114,705,956	2.5%	5%	Yes
Microsoft	109,396,390	2.4%	5%	Yes
State Street Bank	100,338,889	2.2%	5%	Yes
Exxon Mobil Corp.	93,875,934	2.1%	5%	Yes
Royal Bank of Canada	84,267,193	1.8%	5%	Yes
Bank of New York Mellon Corp	79,853,562	1.7%	5%	Yes
General Electric	74,825,975	1.6%	5%	Yes
Bank of Montreal Chicago	59,285,492	1.3%	5%	Yes
Rabobank	55,671,459	1.2%	5%	Yes
Bank of Nova Scotia	45,425,770	1.0%	5%	Yes
US Bank	42,301,685	0.9%	5%	Yes
United Parcel Service	35,230,569	0.8%	5%	Yes
Berkshire Hathaway	25,102,795	0.5%	5%	Yes
International Business Machines	20,077,736	0.4%	5%	Yes

Colgate-Palmolive Co.	19,919,153	0.4%	5%	Yes
3M	14,901,756	0.3%	5%	Yes
Svenska Handelsbanken AB	10,070,962	0.2%	5%	Yes
Chevron	10,020,072	0.2%	5%	Yes
Pepsi Co.	9,966,749	0.2%	5%	Yes
Procter & Gamble	9,918,779	0.2%	5%	Yes
Bank of Tokyo-Mitsubishi UFJ	6,991,012	0.2%	5%	Yes
Apple Inc.	5,036,745	0.1%	5%	Yes
Walt Disney Company	4,920,349	0.1%	5%	Yes
	<b>4,567,657,629</b>	<b>100%</b>		

1. May not add to 100% due to rounding.

2. The LAIF amount was over \$65 million at period end due to accrued interest. As the initial investment was within the \$65 million limit, the holding is in compliance with both LAIF's and the County's Policy requirements.

**Notes**

- The purpose of this report is to verify the accuracy of the County's portfolio holdings information and verify the portfolio's compliance with the California Government Code and County's Investment Policy as of the date of the report.
- The report was prepared using the month-end portfolio holdings and market value information provided by the Treasurer's office.
- Percentages listed in this report were calculated using market values, including accrued interest, as of month-end.
- Using the CUSIPs provided by the County, issuer information and credit ratings were verified on Bloomberg for compliance purposes.
- The issuer credit rating is used when a specific issue is not rated by a credit rating agency.
- LAIF and repurchase agreements are assumed to have 1 day liquidity even if the next calendar day isn't a business day.
- This report is for the purposes indicated above and it is not intended to provide specific investment advice or recommendations.