



# San Mateo County

## Investment Portfolio Compliance Report



**April 30, 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.

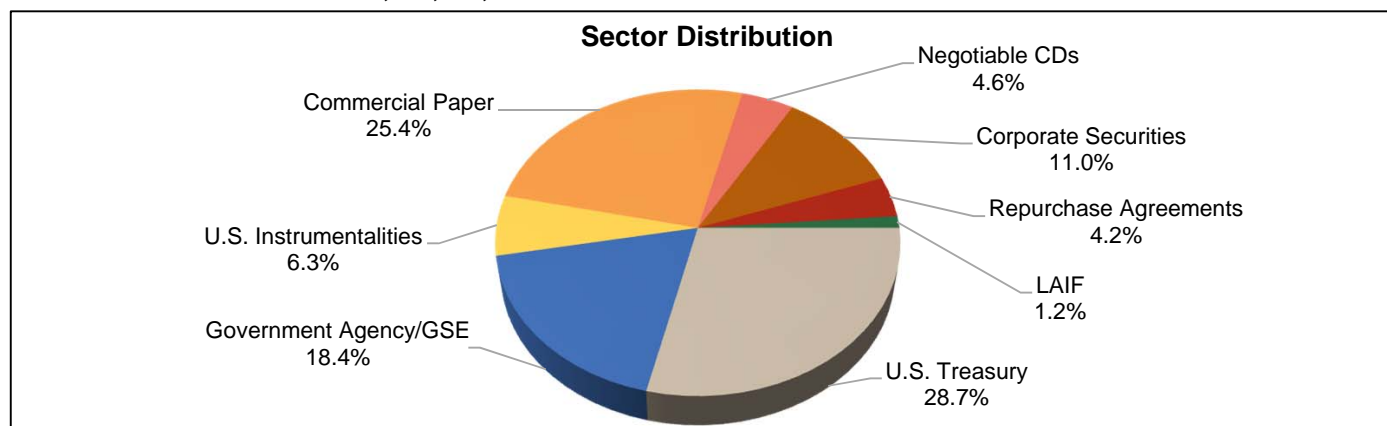
1. See San Mateo County Investment Policy Statement Calendar Year 2018 for a complete description of Policy requirements.

## County Comments

- County Comments: None.

**Sector Allocations**

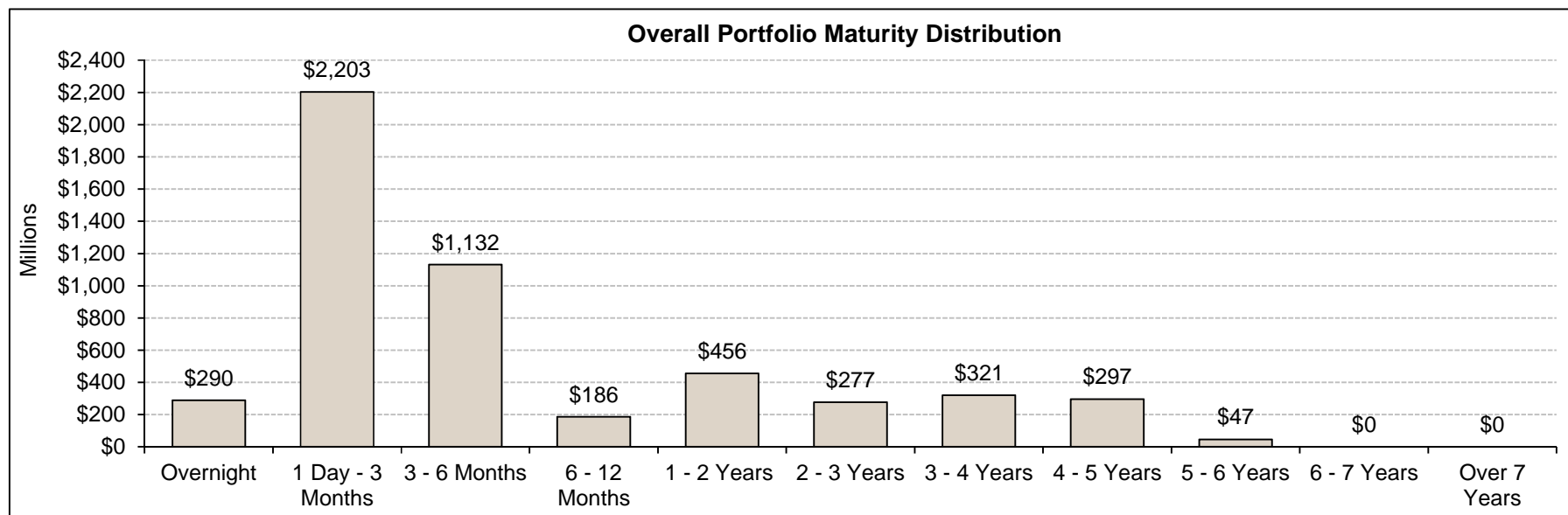
Sector	Market Value <sup>1</sup>	Sector Limit	Current Allocation <sup>2</sup>	In Compliance
U.S. Treasury	1,495,670,143	100%	28.7%	Yes
Government Agency/GSE	957,836,993	100%	18.4%	Yes
<i>Callable Agencies</i>	141,776,860	25%	2.7%	Yes
U.S. Instrumentalities	330,739,348	30%	6.3%	Yes
Commercial Paper	1,324,249,240	40%	25.4%	Yes
Negotiable CDs	240,856,724	30%	4.6%	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	574,620,368	30%	11.0%	Yes
Repurchase Agreements	219,500,000	100%	4.2%	Yes
LAIF <sup>3</sup>	65,041,126	\$65 million	1.2%	Yes
CA Municipal Obligations	-	30%		Yes - None in Portfolio
Mutual Funds	-	10%		Yes - None in Portfolio
<b>Totals</b>	<b>5,208,513,941</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	1,495,670,143	7 years	5.5 years	Yes
Government Agency/GSE	957,836,993	7 years	3.3 years	Yes
U.S. Instrumentalities	330,739,348	5 years	3.7 years	Yes
Commercial Paper	1,324,249,240	270 days	137 days	Yes
Negotiable CDs	240,856,724	5 years	0.50 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	574,620,368	5 years	4 years	Yes
Repurchase Agreements	219,500,000	92 days	1 day	Yes
LAIF	65,041,126	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>5,208,513,941</b>	<b>3 years</b>	<b>0.94 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	1,495,670,143	28.7%	100%	Yes
FHLB	544,013,661	10.4%	40%	Yes
FHLMC	196,539,058	3.8%	40%	Yes
FNMA	190,419,627	3.7%	40%	Yes
FFCB	26,864,647	0.5%	40%	Yes
IBRD	237,830,664	4.6%	30%	Yes
IADB	92,908,684	1.8%	30%	Yes
LAIF <sup>2</sup>	65,041,126	1.2%	1.2%	Yes
Repurchase Agreement	219,500,000	4.2%	50%	Yes
Wells Fargo	160,635,079	3.1%	5%	Yes
Natixis NY	156,774,305	3.0%	5%	Yes
Swedbank	155,723,192	3.0%	5%	Yes
Exxon Mobil Corp.	154,638,232	3.0%	5%	Yes
Canada Imperial Bank	144,694,119	2.8%	5%	Yes
Bank of New York Mellon	143,641,963	2.8%	5%	Yes
Toronto-Dominion Bank	139,906,707	2.7%	5%	Yes
Royal Bank of Canada	139,573,630	2.7%	5%	Yes
Rabobank	130,804,678	2.5%	5%	Yes
Bank of Tokyo-Mitsubishi UFJ	126,541,781	2.4%	5%	Yes
General Electric	119,436,870	2.3%	5%	Yes
Toyota Motor Credit	112,686,650	2.2%	5%	Yes
Bank of Montreal Chicago	109,482,997	2.1%	5%	Yes
Apple Inc.	50,238,681	1.0%	5%	Yes
Berkshire Hathaway	48,207,000	0.9%	5%	Yes
US Bank	42,174,142	0.8%	5%	Yes
Microsoft	34,814,025	0.7%	5%	Yes
United Parcel Service	34,621,223	0.7%	5%	Yes
Chevron	20,105,304	0.4%	5%	Yes
International Business Machines	20,080,376	0.4%	5%	Yes

Bank of Nova Scotia	20,076,468	0.4%	5%	Yes
3M	14,909,576	0.3%	5%	Yes
Svenska Handelsbanken AB	10,072,292	0.2%	5%	Yes
Merck & Co.	10,046,250	0.2%	5%	Yes
Cisco Systems	10,036,528	0.2%	5%	Yes
Pepsi Co.	9,986,439	0.2%	5%	Yes
Procter & Gamble	9,890,123	0.2%	5%	Yes
Microsoft	5,024,861	0.1%	5%	Yes
Walt Disney Company	4,902,840	0.1%	5%	Yes
	<b>5,208,513,941</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.