



San Mateo County

Investment Portfolio Compliance Report



January 31, 2019

PFM Asset Management LLC

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Compliance Requirements Overview¹

| 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 |
| Mutual Funds | 10% | 5% Aggregate | N/A | A-1 or P-1 | Yes - None in Portfolio |

Comments

- Securities held in the County's portfolio are in compliance with CA Government Code and the County's investment policy dated January 8, 2019.

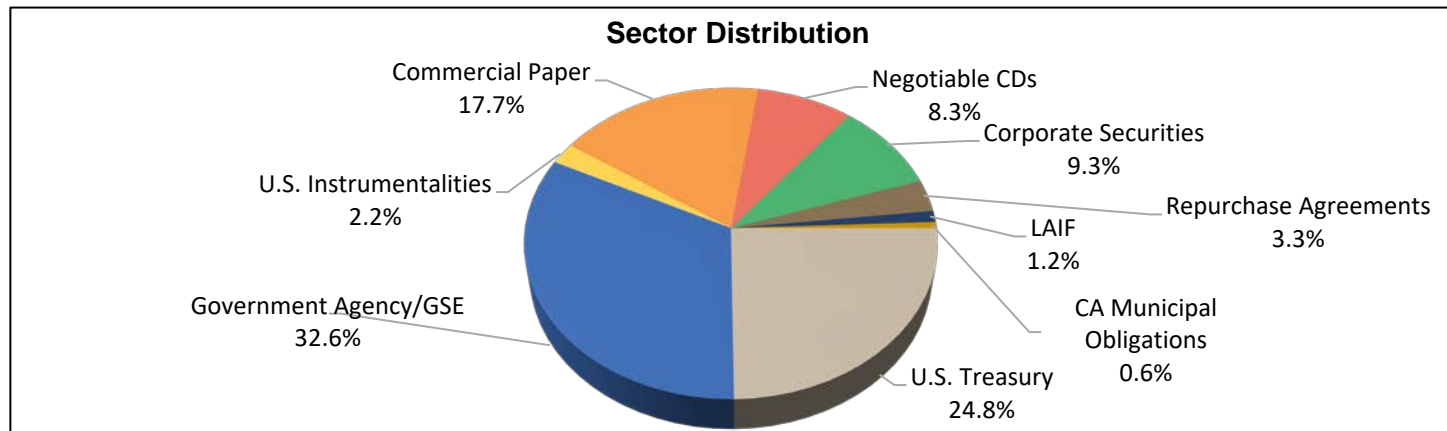
1. See San Mateo County Investment Policy Statement Calendar Year 2019 for a complete description of Policy requirements.

County Comments

- County Comments: None.

Sector Allocations

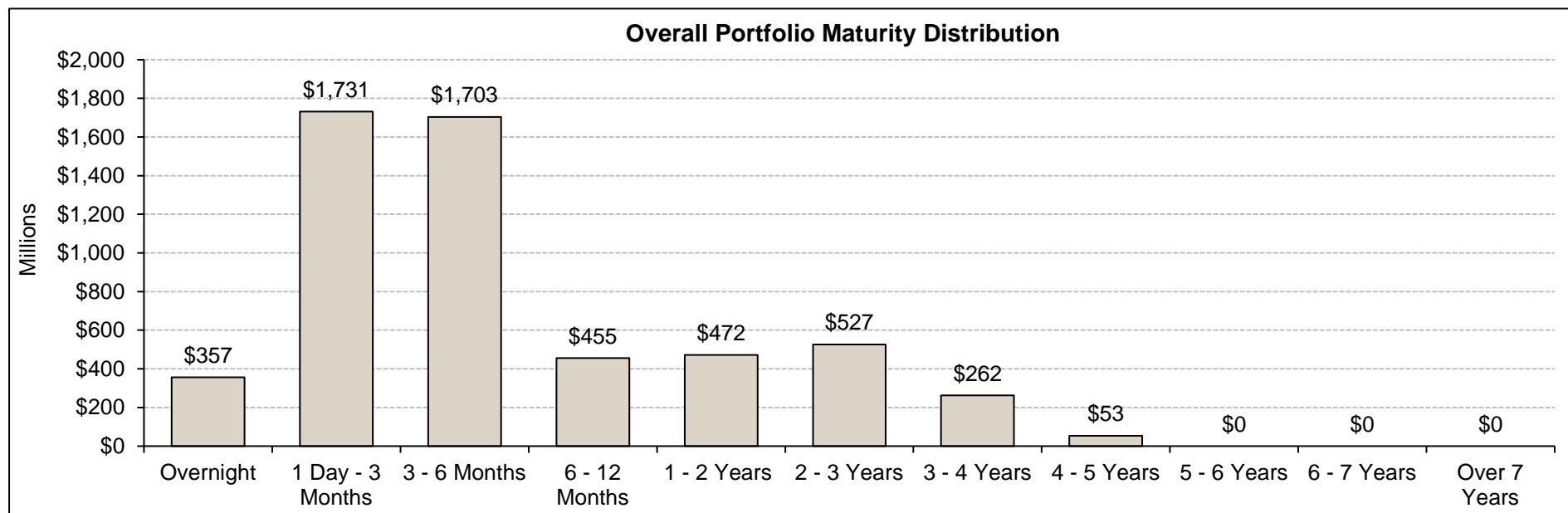
| Sector | Market Value ¹ | Sector Limit | Current Allocation ² | In Compliance |
|--------------------------|---------------------------|--------------|---------------------------------|-------------------------|
| U.S. Treasury | 1,378,504,017 | 100% | 24.8% | Yes |
| Government Agency/GSE | 1,812,270,534 | 100% | 32.6% | Yes |
| <i>Callable Agencies</i> | 127,532,203 | 25% | 2.3% | Yes |
| U.S. Instrumentalities | 123,034,318 | 30% | 2.2% | Yes |
| Commercial Paper | 986,366,492 | 40% | 17.7% | Yes |
| Negotiable CDs | 461,581,355 | 30% | 8.3% | 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 | 515,350,080 | 30% | 9.3% | Yes |
| Repurchase Agreements | 183,750,000 | 100% | 3.3% | Yes |
| LAIF ³ | 65,069,333 | \$65 million | 1.2% | Yes |
| CA Municipal Obligations | 35,238,967 | 30% | 0.6% | Yes |
| Mutual Funds | - | 10% | | Yes - None in Portfolio |
| Totals | 5,561,165,096 | | 100.0% | |



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 | 1,378,504,017 | 7 years | 4.7 years | Yes |
| Government Agency/GSE | 1,812,270,534 | 7 years | 4.7 years | Yes |
| U.S. Instrumentalities | 123,034,318 | 5 years | 3 years | Yes |
| Commercial Paper | 986,366,492 | 270 days | 159 days | Yes |
| Negotiable CDs | 461,581,355 | 5 years | 1.5 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 | 515,350,080 | 5 years | 3.3 years | Yes |
| Repurchase Agreements | 183,750,000 | 92 days | 1 day | Yes |
| LAIF | 65,069,333 | N/A | 1 day | Yes |
| CA Municipal Obligations | 35,238,967 | 5 years | 0.5 years | Yes |
| Mutual Funds | - | N/A | | Yes - None in Portfolio |
| Overall Portfolio WAM | 5,561,165,096 | 3 years | 0.79 years | Yes |



Issuer Compliance

| Issuer | Total | Current Issuer Allocation¹ | Issuer Limit | Compliant? |
|---------------------------------|---------------|--|---------------------|-------------------|
| U.S. Treasury | 1,378,504,017 | 24.8% | 100% | Yes |
| FHLB | 1,271,663,148 | 22.9% | 40% | Yes |
| FHLMC | 255,303,890 | 4.6% | 40% | Yes |
| FFCB | 158,621,269 | 2.9% | 40% | Yes |
| FNMA | 126,682,227 | 2.3% | 40% | Yes |
| IBRD | 88,041,222 | 1.6% | 30% | Yes |
| IADB | 34,993,096 | 0.6% | 30% | Yes |
| LAIF ² | 65,069,333 | 1.2% | 100% | Yes |
| Repurchase Agreement | 183,750,000 | 3.3% | 100% | Yes |
| State of California | 35,238,967 | 0.6% | 5% | Yes |
| Swedbank | 164,738,069 | 3.0% | 5% | Yes |
| MUFG Union Bank | 155,955,907 | 2.8% | 5% | Yes |
| Natixis NY | 148,801,225 | 2.7% | 5% | Yes |
| Royal Bank of Canada | 144,336,010 | 2.6% | 5% | Yes |
| JP Morgan Securities | 139,650,780 | 2.5% | 5% | Yes |
| Wells Fargo | 137,171,099 | 2.5% | 5% | Yes |
| Toyota Motor Credit | 134,241,498 | 2.4% | 5% | Yes |
| Toronto-Dominion Bank | 127,470,921 | 2.3% | 5% | Yes |
| Bank of Montreal Chicago | 121,809,389 | 2.2% | 5% | Yes |
| Bank of Nova Scotia | 118,176,183 | 2.1% | 5% | Yes |
| US Bank | 97,686,311 | 1.8% | 5% | Yes |
| Rabobank | 94,457,275 | 1.7% | 5% | Yes |
| Canada Imperial Bank | 74,971,905 | 1.3% | 5% | Yes |
| Nordea Bank | 50,041,347 | 0.9% | 5% | Yes |
| Exxon Mobil Corp. | 48,027,418 | 0.9% | 5% | Yes |
| United Parcel Service | 34,834,947 | 0.6% | 5% | Yes |
| Westpac Bank | 25,104,861 | 0.5% | 5% | Yes |
| Procter & Gamble | 20,550,095 | 0.4% | 5% | Yes |
| International Business Machines | 20,083,928 | 0.4% | 5% | Yes |
| Colgate-Palmolive Co. | 20,028,042 | 0.4% | 5% | Yes |

| | | | | |
|------------------------------|----------------------|-------------|----|-----|
| 3M | 14,967,951 | 0.3% | 5% | Yes |
| Bank of Tokyo-Mitsubishi UFJ | 14,849,190 | 0.3% | 5% | Yes |
| Chevron | 10,158,028 | 0.2% | 5% | Yes |
| Svenska Handelsbanken AB | 10,061,985 | 0.2% | 5% | Yes |
| Berkshire Hathaway | 10,026,387 | 0.2% | 5% | Yes |
| Pepsi Co. | 10,016,239 | 0.2% | 5% | Yes |
| Bank of New York Mellon Corp | 5,091,498 | 0.1% | 5% | Yes |
| Apple Inc. | 5,026,025 | 0.1% | 5% | Yes |
| Walt Disney Company | 4,963,414 | 0.1% | 5% | Yes |
| | 5,561,165,096 | 100% | | |

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.