



San Mateo County

Investment Portfolio Compliance Report



June 30, 2017

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	No
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 was temporarily out of compliance as of June 30, 2017 due to a U.S. Instrumentality security that exceeded the Policy's five-year maturity limit by 15 days. The County sold the security to bring the portfolio back into full compliance with the County's Investment Policy.
- The U.S. Instrumentality security was sold at no loss to the County.

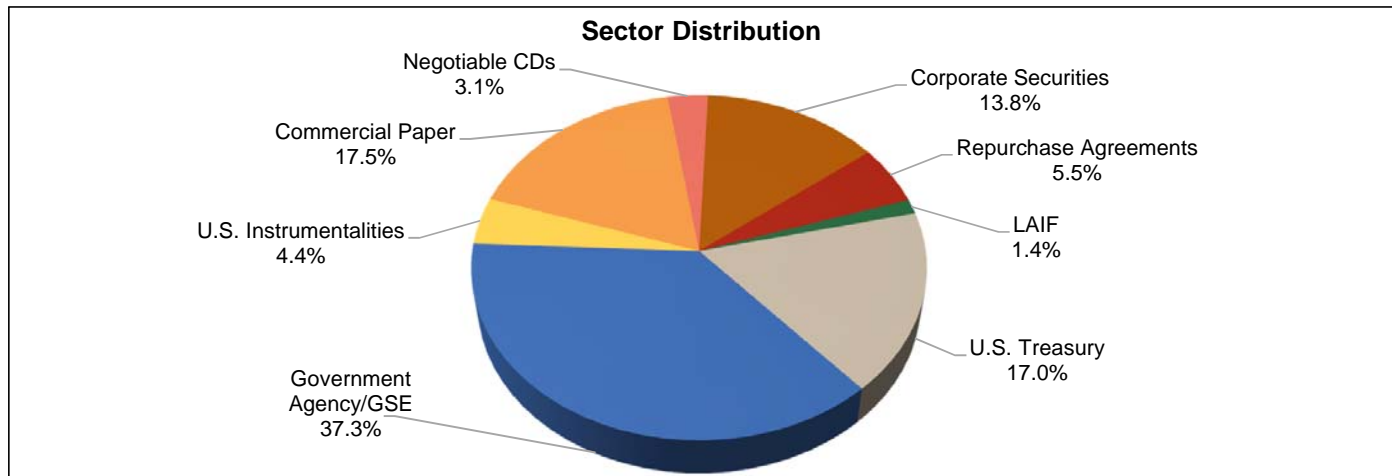
1. See San Mateo County Investment Policy Statement Calendar Year 2017 for a complete description of Policy requirements.

County Comments

- County Comments:

Sector Allocations

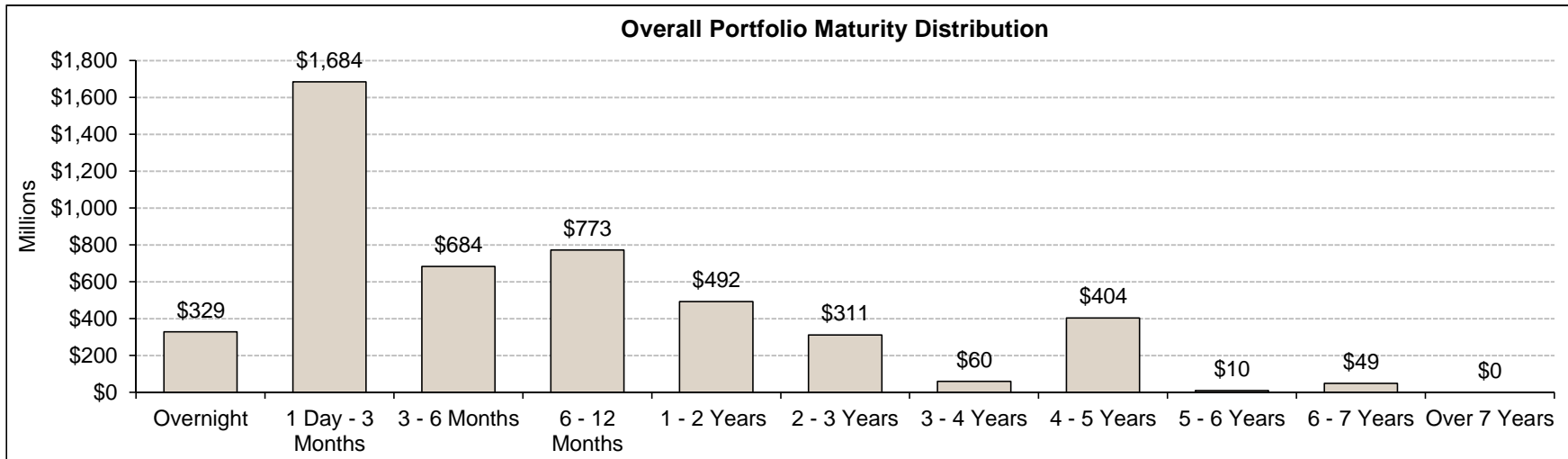
Sector	Market Value ¹	Sector Limit	Current Allocation ²	In Compliance
U.S. Treasury	816,676,921	100%	17.0%	Yes
Government Agency/GSE	1,787,398,222	100%	37.3%	Yes
<i>Callable Agencies</i>	218,860,684	25%	4.6%	Yes
U.S. Instrumentalities	209,856,074	30%	4.4%	Yes
Commercial Paper	838,951,633	40%	17.5%	Yes
Negotiable CDs	150,412,667	30%	3.1%	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	664,201,771	30%	13.8%	Yes
Repurchase Agreements	263,500,000	100%	5.5%	Yes
LAIF	65,138,594	\$65 million	1.4%	Yes
CA Municipal Obligations	-	30%		Yes - None in Portfolio
Mutual Funds	-	10%		Yes - None in Portfolio
Totals	4,796,135,881		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 County is in compliance with both LAIF and County Policy requirements.

Maturity Limits

Sector	Market Value	Maturity Limit	Current Maximum	In Compliance
U.S. Treasury	816,676,921	7 years	6.3 years	Yes
Government Agency/GSE	1,787,398,222	7 years	4.1 years	Yes
U.S. Instrumentalities	209,856,074	5 years	5 years	No
Commercial Paper	838,951,633	270 days	245 days	Yes
Negotiable CDs	150,412,667	5 years	0.7 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	664,201,771	5 years	4.9 years	Yes
Repurchase Agreements	263,500,000	92 days	1 day	Yes
LAIF	65,138,594	N/A	1 day	Yes
CA Municipal Obligations	-	5 years		Yes - None in Portfolio
Mutual Funds	-	N/A		Yes - None in Portfolio
Overall Portfolio WAM	4,796,135,881	3 years	1.02 years	Yes



Note: As of June 30, 107, a U.S. Instrumentality security in the portfolio exceeded the Policy's five-year maturity limit by 15 days. The County sold the security to bring the portfolio back into full compliance with the County's Policy.

Issuer Compliance

Issuer	Total	Current Issuer Allocation¹	Issuer Limit	Compliant?
U.S. Treasury	816,676,921	17.0%	100%	Yes
FHLB	916,307,162	19.1%	40%	Yes
FHLMC	474,897,106	9.9%	40%	Yes
FNMA	326,291,309	6.8%	40%	Yes
FFCB	59,888,732	1.2%	40%	Yes
FAMCA	10,013,913	0.2%	40%	Yes
IBRD	179,843,590	3.7%	30%	Yes
International Finance Corporation	19,991,466	0.4%	30%	Yes
IADB	10,021,018	0.2%	30%	Yes
LAIF	65,138,594	1.4%	1.4%	Yes
Repurchase Agreement	263,500,000	5.5%	50%	Yes
Natixis NY	149,736,780	3.1%	5%	Yes
Wells Fargo	140,468,981	2.9%	5%	Yes
Toyota Motor Credit	139,947,556	2.9%	5%	Yes
Swedbank	129,696,564	2.7%	5%	Yes
Canada Imperial Holding	117,437,917	2.4%	5%	Yes
Bank of Tokyo-Mitsubishi UFJ	114,688,726	2.4%	5%	Yes
Toronto-Dominion Bank	110,384,362	2.3%	5%	Yes
General Electric Capital Treasury	94,834,409	2.0%	5%	Yes
Chevron	85,263,265	1.8%	5%	Yes
Bank of Montreal	81,395,823	1.7%	5%	Yes
Exxon Mobil Corp.	60,151,018	1.3%	5%	Yes
US Bank	59,604,853	1.2%	5%	Yes
Bank of New York Mellon	55,019,399	1.1%	5%	Yes
Apple Inc.	50,105,875	1.0%	5%	Yes
Berkshire Hathaway	48,156,695	1.0%	5%	Yes
Royal Bank of Canada	40,239,920	0.8%	5%	Yes

Oracle	25,077,985	0.5%	5%	Yes
Rabobank	24,952,313	0.5%	5%	Yes
Bank of New York Mellon Corp	24,941,180	0.5%	5%	Yes
International Business Machines	15,045,390	0.3%	5%	Yes
3M	15,033,436	0.3%	5%	Yes
Svenska Handelsbanken AB	10,054,847	0.2%	5%	Yes
Merck & Co.	10,044,380	0.2%	5%	Yes
Cisco Systems	10,035,262	0.2%	5%	Yes
Pepsi Co.	10,021,612	0.2%	5%	Yes
United Parcel Service	5,046,025	0.1%	5%	Yes
Eli Lilly & Co.	5,015,540	0.1%	5%	Yes
PNC Bank	5,013,001	0.1%	5%	Yes
Home Depot	5,006,601	0.1%	5%	Yes
Microsoft	4,993,364	0.1%	5%	Yes
Walt Disney Company	4,946,112	0.1%	5%	Yes
Bank of Nova Scotia	1,206,882	0.0%	5%	Yes
	4,796,135,881	100%		

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

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.
- This report is for the purposes indicated above and it is not intended to provide specific investment advice or recommendations.