



# San Mateo County

## Investment Portfolio Compliance Report



**December 31, 2014**

**PFM Asset Management LLC**

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## Compliance Requirements Overview

Sector	Fund Limitation	Per Issuer	Maturity	Credit Limits	In Compliance
U.S. Treasury	100%	100%	7 years	Full Faith & Credit	<b>Yes</b>
Government Agency/GSE	100%	40%	7 years	AA or A-1 by two	<b>Yes</b>
<i>Callable Agencies</i>	25%	25%	7 years	AA or A-1 by two	<b>Yes</b>
Commercial Paper	40%	5% Aggregate	270 days	A-1 by two and A by one	<b>Yes</b>
Negotiable CDs	30%	5% Aggregate	5 years	A-1 by two and A by one	<b>Yes</b>
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	<b>Yes</b>
Repurchase Agreements	100%	50%	92 days	A-1 by two	<b>Yes</b>
LAIF	\$50 million	\$50 million	N/A	None	<b>Yes</b>
Registered Warrants	100%	100%	5 years	None	Yes - None in Portfolio
Mutual Funds	10%	5% Aggregate	N/A	A-1 or p-1	Yes - None in Portfolio

## Comments

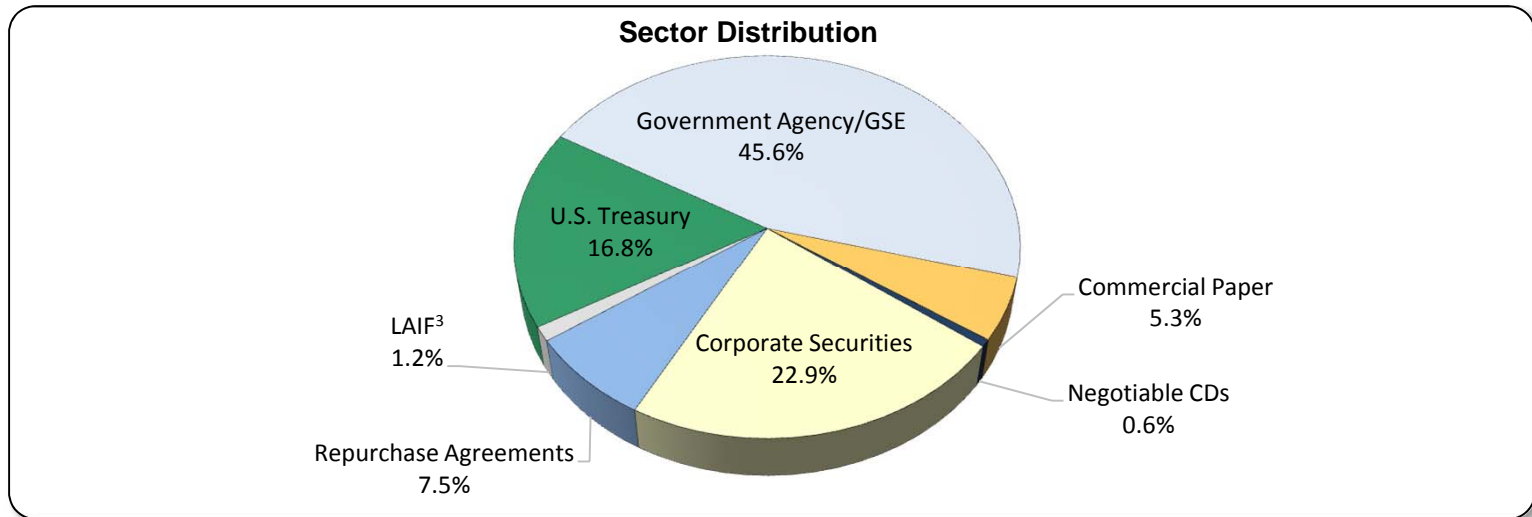
- The portfolio complies with the California Government Code and the County of San Mateo's Investment Policy as of the date of the report.

**County Comments**

➤ County comments: None

**Sector Allocations**

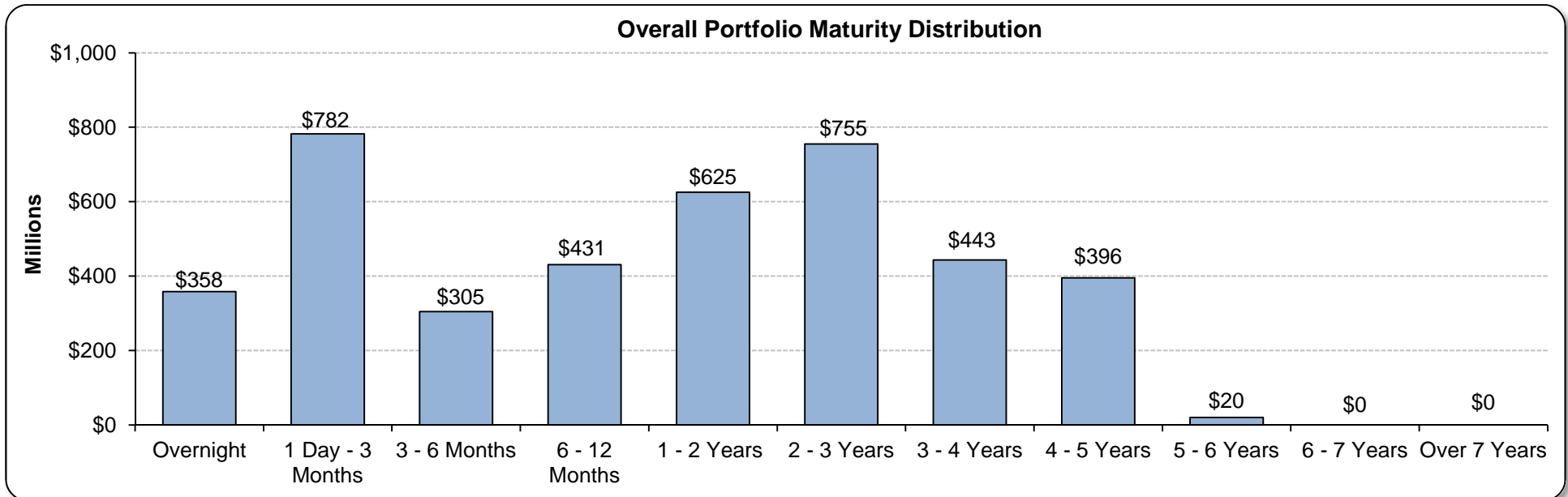
<b>Sector</b>	<b>Market Value<sup>1</sup></b>	<b>Sector Limit</b>	<b>Current Allocation<sup>2</sup></b>	<b>In Compliance</b>
U.S. Treasury	691,890,255	100%	16.8%	<b>Yes</b>
Government Agency/GSE	1,878,224,640	100%	45.6%	<b>Yes</b>
<i>Callable Agencies</i>	473,809,425	25%	11.5%	<b>Yes</b>
Commercial Paper	219,275,008	40%	5.3%	<b>Yes</b>
Negotiable CDs	25,004,313	30%	0.6%	<b>Yes</b>
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	942,657,032	30%	22.9%	<b>Yes</b>
Repurchase Agreements	308,000,000	100%	7.5%	<b>Yes</b>
LAIF <sup>3</sup>	50,025,667	\$50 million	1.2%	<b>Yes</b>
Registered Warrants	-	100%		Yes - None in Portfolio
Mutual Funds	-	10%		Yes - None in Portfolio
<b>Totals</b>	<b>4,115,076,915</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. LAIF was temporarily over \$50 million due to accrued interest. This was in compliance with the LAIF requirements.

**Maturity Limits**

Sector	Market Value	Maturity Limit	Current Maximum	In Compliance
U.S. Treasury	691,890,255	7 years	4.9 years	Yes
Government Agency/GSE	1,878,224,640	7 years	5.1 years	Yes
Commercial Paper	219,275,008	270 days	91 days	Yes
Negotiable CDs	25,004,313	5 years	0.4 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	942,657,032	5 years	4.8 years	Yes
Repurchase Agreements	308,000,000	92 days	1 day	Yes
LAIF	50,025,667	N/A	1 day	Yes
Registered Warrants	-	5 years		Yes - None in Portfolio
Mutual Funds	-	N/A		Yes - None in Portfolio
<b>Overall Portfolio WAM</b>	<b>4,115,076,915</b>	<b>3 years</b>	<b>1.67 years</b>	<b>Yes</b>



## Issuer Compliance

<u>Issuer</u>	<u>Total</u>	<u>Current Issuer Allocation<sup>1</sup></u>	<u>Issuer Limit</u>	<u>Compliant?</u>
U.S. Treasury	691,890,255	16.8%	100%	Yes
FHLB	927,722,482	22.5%	40%	Yes
FHLMC	477,958,554	11.6%	40%	Yes
FNMA	421,491,140	10.2%	40%	Yes
FFCB	51,052,464	1.2%	40%	Yes
Repurchase Agreement	308,000,000	7.5%	50%	Yes
LAIF <sup>2</sup>	50,025,667	1.2%	1.2%	Yes
Toyota Motor Credit	129,435,477	3.1%	5%	Yes
Wells Fargo	103,024,930	2.5%	5%	Yes
Union Bank	99,991,219	2.4%	5%	Yes
Apple Inc.	84,782,819	2.1%	5%	Yes
Bank of Nova Scotia	70,103,257	1.7%	5%	Yes
Toronto-Dominion Bank	67,057,508	1.6%	5%	Yes
International Business Machines	66,210,962	1.6%	5%	Yes
Exxon Mobil Corp.	60,128,161	1.5%	5%	Yes
General Electric Capital	53,605,504	1.3%	5%	Yes
Bank of Montreal	49,105,210	1.2%	5%	Yes
Berkshire Hathaway	48,434,338	1.2%	5%	Yes
Chevron	45,094,345	1.1%	5%	Yes
Bank of New York Mellon	35,188,253	0.9%	5%	Yes
Walt Disney Company	29,926,469	0.7%	5%	Yes
Coca-Cola	26,042,595	0.6%	5%	Yes
Oracle	25,000,227	0.6%	5%	Yes
Royal Bank of Canada	24,963,986	0.6%	5%	Yes
3M	24,719,806	0.6%	5%	Yes
Microsoft	22,173,497	0.5%	5%	Yes
Wal-Mart Stores	17,126,197	0.4%	5%	Yes
Procter & Gamble	15,987,326	0.4%	5%	Yes
Rabobank	15,151,175	0.4%	5%	Yes
Westpac Bank	15,099,446	0.4%	5%	Yes
Costco Corp.	11,023,082	0.3%	5%	Yes
Merck & Co.	10,023,932	0.2%	5%	Yes
US Bank	10,004,768	0.2%	5%	Yes
Google	7,167,819	0.2%	5%	Yes
JPMorgan Chase	5,761,346	0.1%	5%	Yes
United Technologies Corp.	5,011,812	0.1%	5%	Yes
PNC Bank	4,986,226	0.1%	5%	Yes
Johnson & Johnson	4,604,662	0.1%	5%	Yes
	<b>4,115,076,915</b>	<b>100%</b>		

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

2. LAIF was temporarily over \$50 million at due to accrued interest. This was in compliance with the LAIF 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.
- This report is for the purposes indicated above and it is not intended to provide specific investment advice or recommendations.