



San Mateo County

Investment Portfolio Compliance Report



November 30, 2016

PFM Asset Management LLC

50 California Street, Suite 2300

San Francisco, CA 94111

415-982-5544

www.pfm.com

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 | <i>AA or A-1 by two</i> | 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.

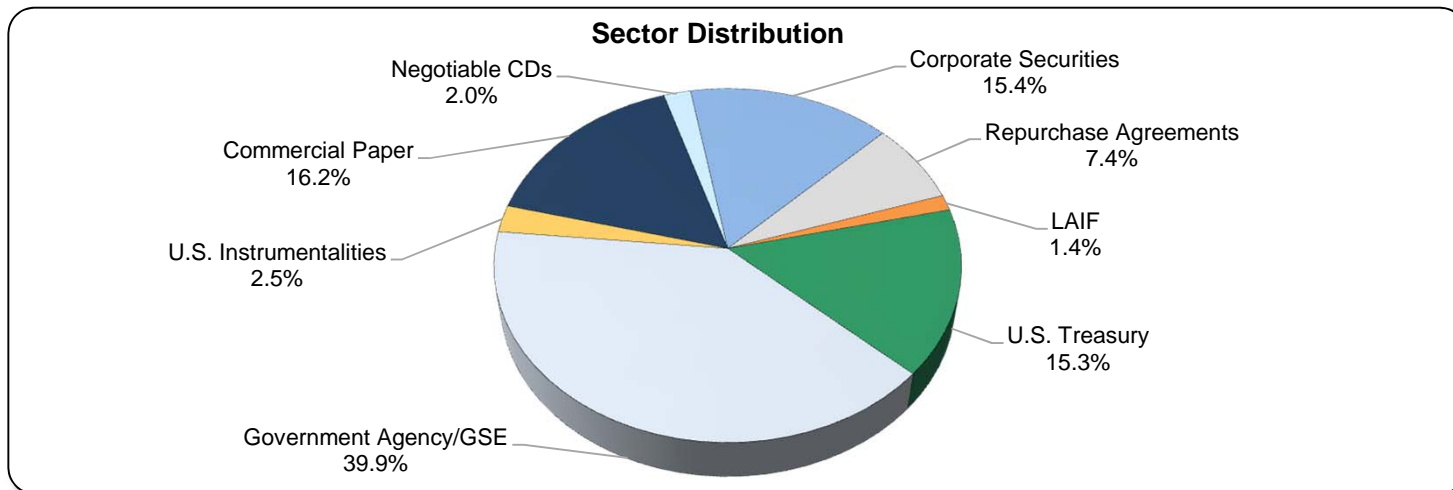
1. See San Mateo County Investment Policy Statement Calendar Year 2016 for a complete description of Policy requirements.

County Comments

- County comments: None

Sector Allocations

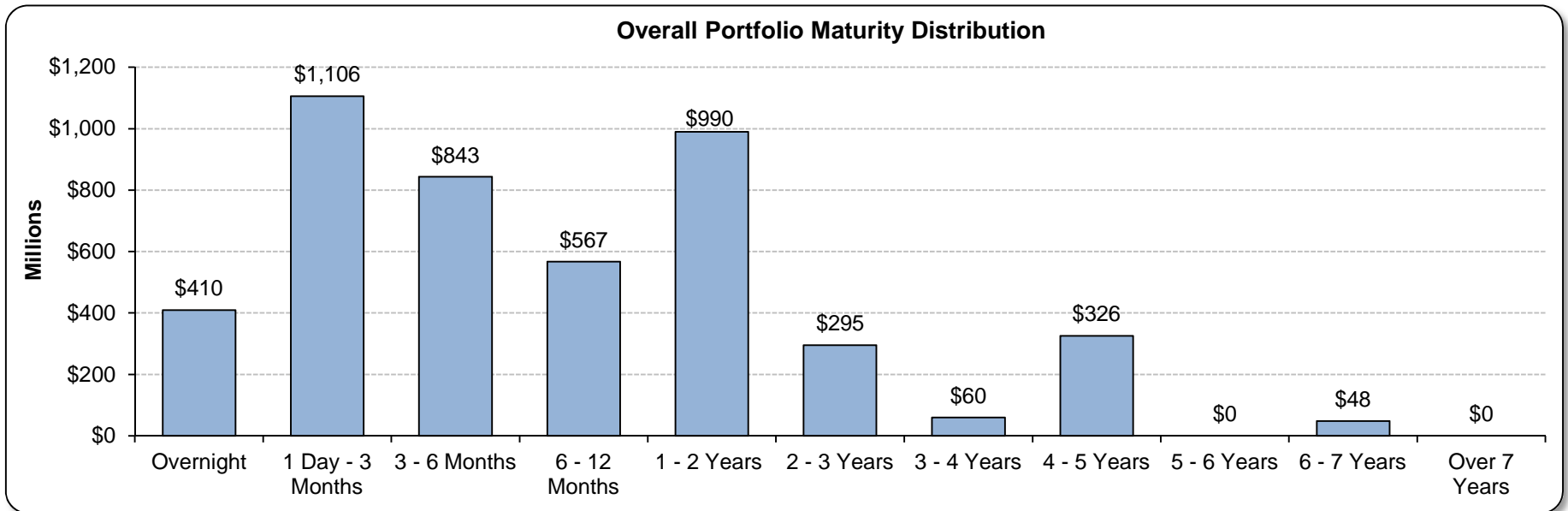
| Sector | Market Value ¹ | Sector Limit | Current Allocation ² | In Compliance |
|--------------------------|---------------------------|--------------|---------------------------------|-------------------------|
| U.S. Treasury | 708,604,702 | 100% | 15.3% | Yes |
| Government Agency/GSE | 1,852,601,386 | 100% | 39.9% | Yes |
| <i>Callable Agencies</i> | 320,882,154 | 25% | 6.9% | Yes |
| U.S. Instrumentalities | 113,986,251 | 30% | 2.5% | Yes |
| Commercial Paper | 750,181,670 | 40% | 16.2% | Yes |
| Negotiable CDs | 95,148,310 | 30% | 2.0% | 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 | 716,470,916 | 30% | 15.4% | Yes |
| Repurchase Agreements | 342,500,000 | 100% | 7.4% | Yes |
| LAIF | 65,056,478 | \$65 million | 1.4% | Yes |
| CA Municipal Obligations | - | 30% | | Yes - None in Portfolio |
| Mutual Funds | - | 10% | | Yes - None in Portfolio |
| Totals | 4,644,549,712 | | 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 | 708,604,702 | 7 years | 6.9 years | Yes |
| Government Agency/GSE | 1,852,601,386 | 7 years | 4.7 years | Yes |
| U.S. Instrumentalities | 113,986,251 | 5 years | 4.5 years | Yes |
| Commercial Paper | 750,181,670 | 270 days | 222 days | Yes |
| Negotiable CDs | 95,148,310 | 5 years | 0.6 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 | 716,470,916 | 5 years | 4.4 years | Yes |
| Repurchase Agreements | 342,500,000 | 92 days | 1 day | Yes |
| LAIF | 65,056,478 | 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 | 4,644,549,712 | 3 years | 1.13 years | Yes |



Issuer Compliance

| Issuer | Total | Current Issuer Allocation ¹ | Issuer Limit | Compliant? |
|------------------------------------|----------------------|--|--------------|------------|
| U.S. Treasury | 708,604,702 | 15.3% | 100% | Yes |
| FHLB | 873,737,948 | 18.8% | 40% | Yes |
| FHLMC | 381,070,365 | 8.2% | 40% | Yes |
| FNMA | 358,716,951 | 7.7% | 40% | Yes |
| FAMC | 194,739,019 | 4.2% | 40% | Yes |
| FFCB | 44,337,103 | 1.0% | 40% | Yes |
| IBRD | 89,012,641 | 1.9% | 30% | Yes |
| International Finance Corporation | 24,973,610 | 0.5% | 30% | Yes |
| LAIF | 65,056,478 | 1.4% | 1.4% | Yes |
| Repurchase Agreement | 342,500,000 | 7.4% | 50% | Yes |
| Exxon Mobil Corp. | 177,058,987 | 3.8% | 5% | Yes |
| Bank of Tokyo-Mitsubishi UFJ | 144,539,245 | 3.1% | 5% | Yes |
| Swedbank | 134,747,541 | 2.9% | 5% | Yes |
| Natixis NY | 131,719,487 | 2.8% | 5% | Yes |
| Wells Fargo | 125,375,066 | 2.7% | 5% | Yes |
| Toyota Motor Credit | 114,833,701 | 2.5% | 5% | Yes |
| Chevron | 75,242,424 | 1.6% | 5% | Yes |
| Toronto-Dominion Bank | 69,947,385 | 1.5% | 5% | Yes |
| Bank of Montreal | 61,143,726 | 1.3% | 5% | Yes |
| Rabobank | 49,841,613 | 1.1% | 5% | Yes |
| Canadian Imperial Bank of Commerce | 49,757,333 | 1.1% | 5% | Yes |
| Apple Inc. | 45,037,536 | 1.0% | 5% | Yes |
| Berkshire Hathaway | 42,987,181 | 0.9% | 5% | Yes |
| Bank of Nova Scotia | 35,112,190 | 0.8% | 5% | Yes |
| US Bank | 34,345,910 | 0.7% | 5% | Yes |
| General Electric Capital | 30,055,834 | 0.6% | 5% | Yes |
| Oracle | 25,071,531 | 0.5% | 5% | Yes |
| JPMorgan Chase | 25,039,801 | 0.5% | 5% | Yes |
| Royal Bank of Canada | 25,036,741 | 0.5% | 5% | Yes |
| Landesbank Baden-Württemberg | 24,974,500 | 0.5% | 5% | Yes |
| BNP Paribas NY Branch | 24,957,813 | 0.5% | 5% | Yes |
| 3M | 24,807,524 | 0.5% | 5% | Yes |
| Walt Disney Company | 19,915,791 | 0.4% | 5% | Yes |
| International Business Machines | 15,025,122 | 0.3% | 5% | Yes |
| Cisco Systems | 10,049,985 | 0.2% | 5% | Yes |
| Merck & Co. | 10,035,079 | 0.2% | 5% | Yes |
| Svenska Handelsbanken AB | 10,034,727 | 0.2% | 5% | Yes |
| Bank of New York Mellon | 5,075,057 | 0.1% | 5% | Yes |
| Home Depot | 5,027,276 | 0.1% | 5% | Yes |
| Eli Lilly & Co. | 5,006,671 | 0.1% | 5% | Yes |
| PNC Bank | 5,005,922 | 0.1% | 5% | Yes |
| Microsoft | 4,992,198 | 0.1% | 5% | Yes |
| | 4,644,549,712 | 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.