



# San Mateo County

## Investment Portfolio Compliance Report



**July 31, 2012**

**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	Yes - None in Portfolio
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%	100%	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	AAA or \$500 million in assets	Yes - None in Portfolio

## Comments

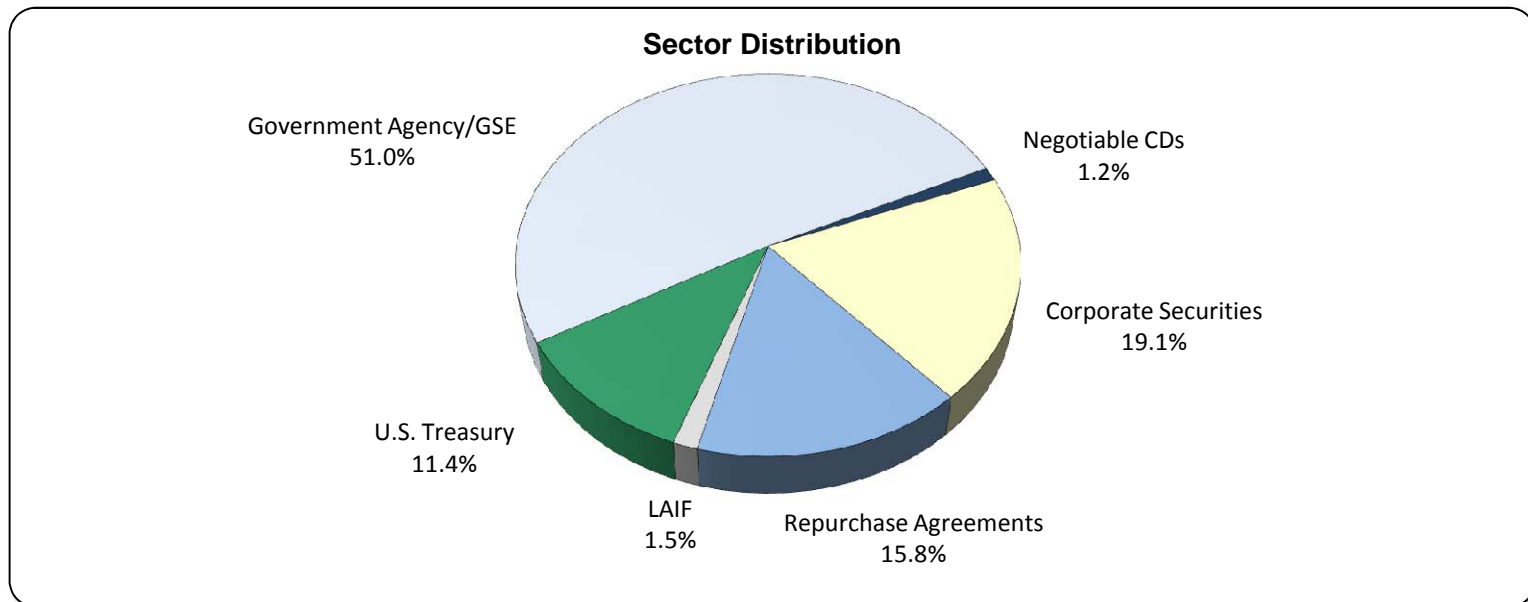
- The portfolio complies with the California Government Code and the County of San Mateo's Investment Policy as of the date of the report.

**County Comments**

➤ County comments:

**Sector Allocations**

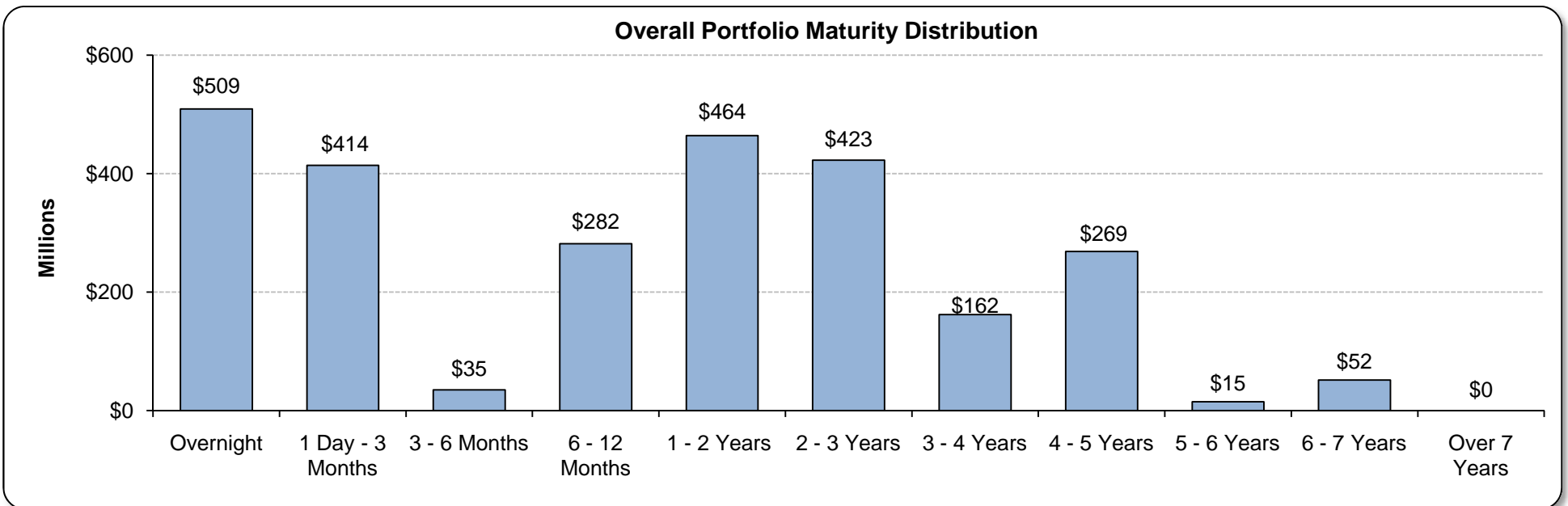
Sector	Market Value <sup>1</sup>	Sector Limit	Current Allocation	In Compliance
U.S. Treasury	298,415,210	100%	11.4%	Yes
Government Agency/GSE	1,339,463,852	100%	51.0%	Yes
<i>Callable Agencies</i>	486,666,802	25%	18.5%	Yes
Commercial Paper	-	40%		Yes - None in Portfolio
Negotiable CDs	30,432,210	30%	1.2%	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	502,517,136	30%	19.1%	Yes
Repurchase Agreements	416,000,000	100%	15.8%	Yes
LAIF	38,134,875	\$50 million	1.5%	Yes
Registered Warrants	-	100%		Yes - None in Portfolio
Mutual Funds	-	10%		Yes - None in Portfolio
<b>Totals</b>	<b>2,624,963,282</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.

**Maturity Limits**

<b>Sector</b>	<b>Market Value</b>	<b>Maturity Limit</b>	<b>Current Maximum</b>	<b>In Compliance</b>
U.S. Treasury	298,415,210	7 years	6.2 years	<b>Yes</b>
Government Agency/GSE	1,339,463,852	7 years	5.1 years	<b>Yes</b>
Commercial Paper	-	270 days		Yes - None in Portfolio
Negotiable CDs	30,432,210	5 years	0.6 years	<b>Yes</b>
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	502,517,136	5 years	4.8 years	<b>Yes</b>
Repurchase Agreements	416,000,000	92 days	1 day	<b>Yes</b>
LAIF	38,134,875	N/A	1 day	<b>Yes</b>
Registered Warrants	-	5 years		Yes - None in Portfolio
Mutual Funds	-	N/A		Yes - None in Portfolio
<b>Overall Portfolio WAM</b>	<b>2,624,963,282</b>	<b>3 years</b>	<b>1.59 years</b>	<b>Yes</b>



## Issuer Compliance

<u>Issuer</u>	<u>Total</u>	<u>Current Issuer Allocation</u>	<u>Issuer Limit</u>	<u>Compliant?</u>
U.S. Treasury	298,415,210	11.4%	100%	Yes
FNMA	427,907,362	16.3%	40%	Yes
FHLB	487,739,090	18.6%	40%	Yes
FHLMC	352,740,840	13.4%	40%	Yes
FFCB	71,076,559	2.7%	40%	Yes
LAIF	38,134,875	1.5%	2%	Yes
Repurchase Agreement	416,000,000	15.8%	100%	Yes
Toronto-Dominion Bank	62,835,918	2.4%	5%	Yes
Berkshire Hathaway	62,079,543	2.4%	5%	Yes
General Electric Capital	56,291,531	2.1%	5%	Yes
Procter & Gamble	55,349,594	2.1%	5%	Yes
International Business Machines	20,774,589	0.8%	5%	Yes
Microsoft	36,484,202	1.4%	5%	Yes
Royal Bank of Canada	31,652,157	1.2%	5%	Yes
Walt Disney Company	30,501,838	1.2%	5%	Yes
Wal-Mart Stores	25,300,233	1.0%	5%	Yes
Toyota Motor Credit	20,900,766	0.8%	5%	Yes
Wells Fargo	20,112,681	0.8%	5%	Yes
Cisco Systems	4,016,586	0.2%	5%	Yes
Google	20,219,020	0.8%	5%	Yes
Pepsi Co.	17,612,893	0.7%	5%	Yes
Chevron	12,091,916	0.5%	5%	Yes
Abbott Laboratories	10,710,829	0.4%	5%	Yes
Johnson & Johnson	10,627,840	0.4%	5%	Yes
AT&T	10,190,843	0.4%	5%	Yes
Deutsche Bank	10,008,410	0.4%	5%	Yes
United Technologies Corp.	10,122,303	0.4%	5%	Yes
Anheuser-Busch InBev	5,065,652	0.2%	5%	Yes
	<b>2,624,963,282</b>	<b>100%</b>		

**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.