



# San Mateo County

## Investment Portfolio Compliance Report



**October 31, 2012**

**PFM Asset Management LLC**

50 California Street, Suite 2300

San Francisco, CA 94111

415-982-5544

[www.pfm.com](http://www.pfm.com)

## 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%	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

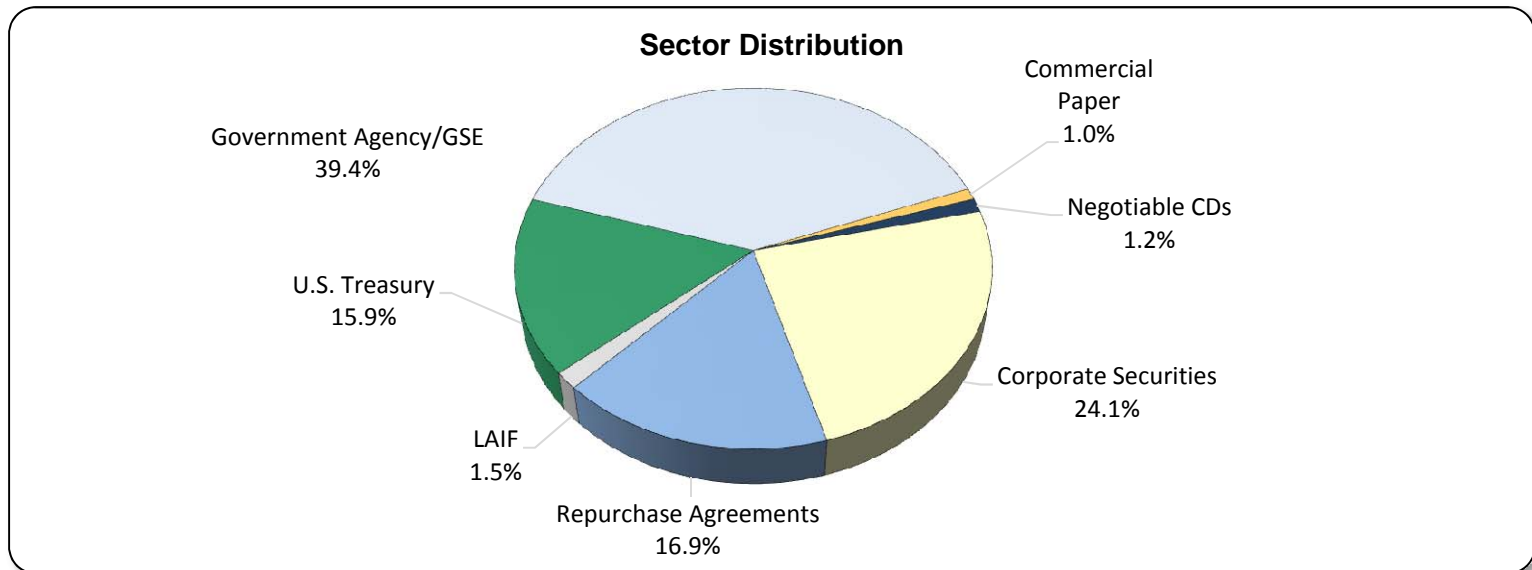
- The portfolio complies with the California Government Code and the County of San Mateo's Investment Policy as of the date of the report.

**County Comments**

➤ County comments:

**Sector Allocations**

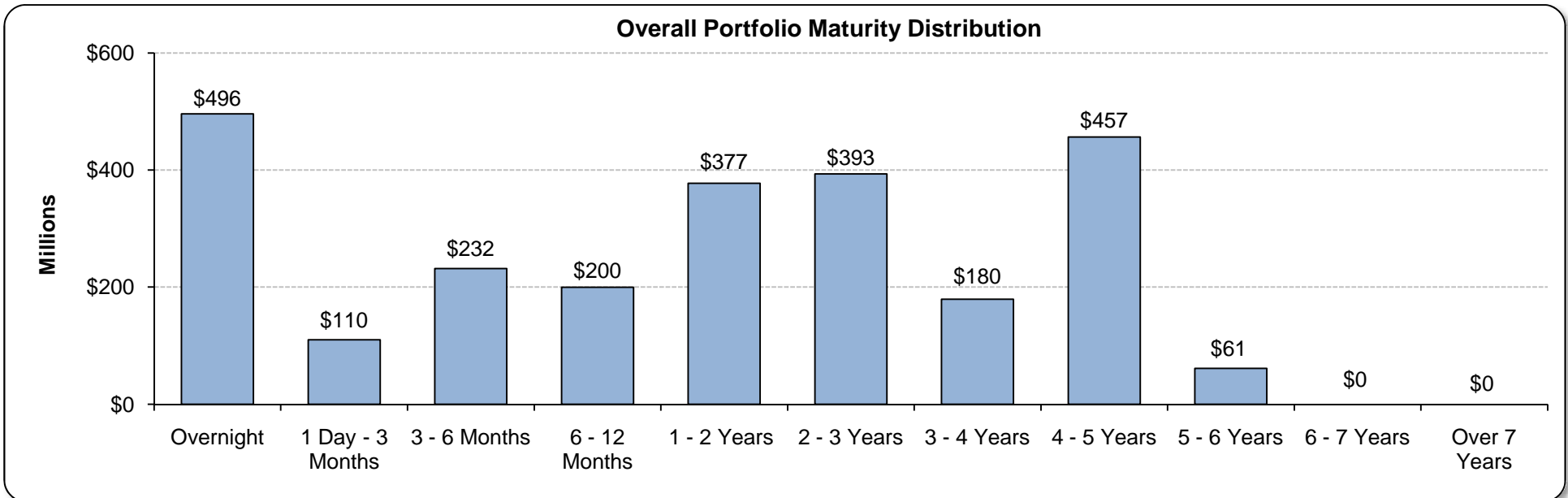
Sector	Market Value <sup>1</sup>	Sector Limit	Current Allocation	In Compliance
U.S. Treasury	397,614,861	100%	15.9%	<b>Yes</b>
Government Agency/GSE	988,318,311	100%	39.4%	<b>Yes</b>
<i>Callable Agencies</i>	467,475,451	25%	18.7%	Yes
Commercial Paper	24,994,500	40%	1.0%	<b>Yes</b>
Negotiable CDs	30,228,910	30%	1.2%	<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	603,476,147	30%	24.1%	<b>Yes</b>
Repurchase Agreements	423,000,000	100%	16.9%	<b>Yes</b>
LAIF	38,158,629	\$50 million	1.5%	<b>Yes</b>
Registered Warrants	-	100%		Yes - None in Portfolio
Mutual Funds	-	10%		Yes - None in Portfolio
<b>Totals</b>	<b>2,505,791,358</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**

Sector	Market Value	Maturity Limit	Current Maximum	In Compliance
U.S. Treasury	397,614,861	7 years	5.9 years	Yes
Government Agency/GSE	988,318,311	7 years	5.1 years	Yes
Commercial Paper	24,994,500	270 days	44 days	Yes
Negotiable CDs	30,228,910	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	603,476,147	5 years	4.9 years	Yes
Repurchase Agreements	423,000,000	92 days	1 day	Yes
LAIF	38,158,629	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>2,505,791,358</b>	<b>3 years</b>	<b>1.95 years</b>	<b>Yes</b>



## Issuer Compliance

Issuer	Total	Current Issuer Allocation	Issuer Limit	Compliant?
U.S. Treasury	397,614,861	15.9%	100%	Yes
FNMA	374,537,997	14.9%	40%	Yes
FHLMC	328,060,027	13.1%	40%	Yes
FHLB	259,601,785	10.4%	40%	Yes
FFCB	26,118,502	1.0%	40%	Yes
Repurchase Agreement	423,000,000	16.9%	100%	Yes
LAIF	38,158,629	1.5%	2%	Yes
Royal Bank of Canada	70,484,546	2.8%	5%	Yes
General Electric Capital	66,230,293	2.6%	5%	Yes
Toronto-Dominion Bank	62,838,181	2.5%	5%	Yes
Berkshire Hathaway	61,932,980	2.5%	5%	Yes
Procter & Gamble	47,697,577	1.9%	5%	Yes
International Business Machines	36,490,038	1.5%	5%	Yes
Deutsche Bank	35,013,510	1.4%	5%	Yes
Microsoft	31,440,304	1.3%	5%	Yes
Toyota Motor Credit	30,815,509	1.2%	5%	Yes
Pepsi Co.	25,410,858	1.0%	5%	Yes
Walt Disney Company	25,354,096	1.0%	5%	Yes
Wal-Mart Stores	20,850,436	0.8%	5%	Yes
Wells Fargo	20,429,980	0.8%	5%	Yes
National Australian Bank	20,406,067	0.8%	5%	Yes
Cisco Systems	20,096,402	0.8%	5%	Yes
Google	17,607,421	0.7%	5%	Yes
Bank of Nova Scotia	14,998,190	0.6%	5%	Yes
Abbott Laboratories	10,679,900	0.4%	5%	Yes
Chevron	10,533,919	0.4%	5%	Yes
Johnson & Johnson	10,187,033	0.4%	5%	Yes
AT&T	10,111,508	0.4%	5%	Yes
United Technologies Corp.	5,069,667	0.2%	5%	Yes
Anheuser-Busch InBev	4,021,142	0.2%	5%	Yes
	<b>2,505,791,358</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.

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