





**Investment Advisory Committee Meeting  
October 18, 2018**

**Attendees:**

Kent Grealish	Drew Corbett	<i>PFM attendees:</i>
Margaret Taylor	Lisa Wesley	Izac Chyou
Jeff Adams	Karley Hamilton	Monique Spyke
Michael Carney		

**Election of new Committee Chair**

Margaret volunteered to chair the committee for the next year. Nomination was seconded by Jeff Adams. Unanimous vote for Margaret Taylor for the calendar year 2019.

	<b>Term begins</b>	<b>1st Term ends</b>	<b>2nd term ends</b>	<b>3rd term ends</b>	<b>Chair</b>
Kent Grealish				10/31/2019	201x-2018
Jeff Adams	1/18/2018	12/31/2020	12/31/2023	12/31/2026	
Margaret Taylor	11/9/2017	12/31/2020	12/31/2023	12/31/2026	2019
Michael Carney	7/19/2018	6/30/2021	6/30/2024	6/30/2027	

**New Member Recruitment**

New member overview. Must be a resident of San Mateo. Discussion opened to discuss possible candidates. The interest in having a CPA on the committee was expressed. Committee members will talk with peers and colleagues for possible interested individuals.

**CAMP Policy Update**

It was approved to include new language in the Investment Policy to allow participation in the CAMP pool. The suggested limit of 20% was approved. Staff will come back to the committee in January to request an increase in the limit, if needed, when there is better information regarding the WWTP bond issuance and Property Taxes have been received.

**Investment Policy update:**

- a. increase corporate notes to go from 20% to 30%
- b. Mortgage backed to 20% - strike Gennie Mae
- c. 10% to World Bank
- d. Commercial paper 15%
- e. CAMP 20%

**Confirm next meeting date(s)**

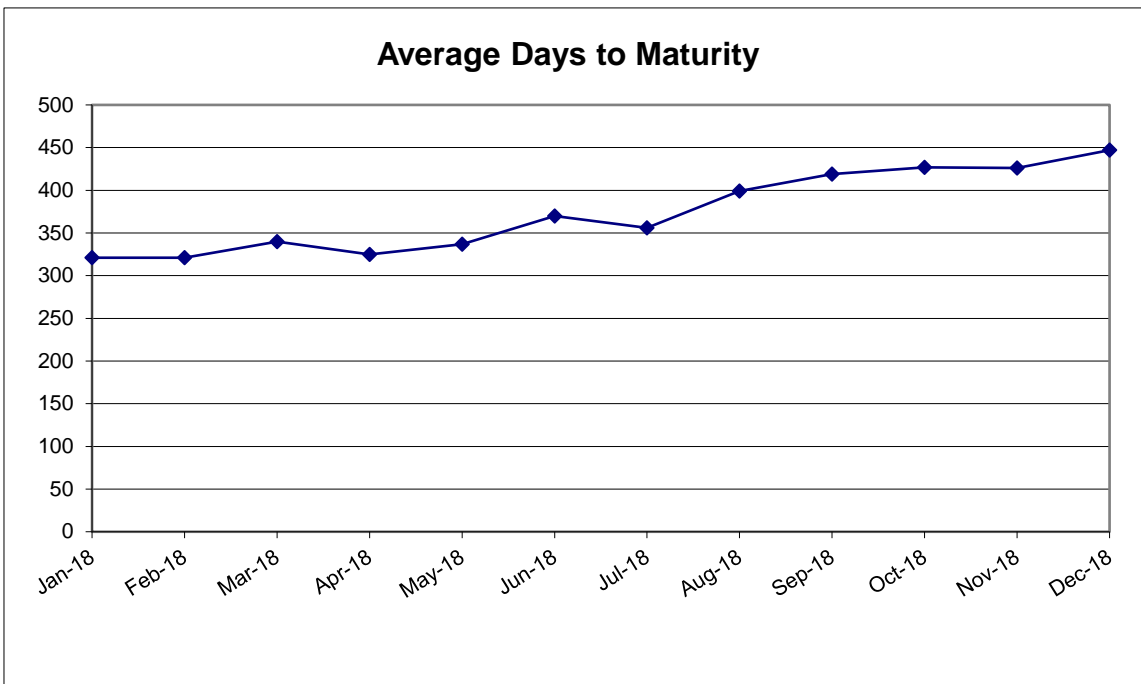
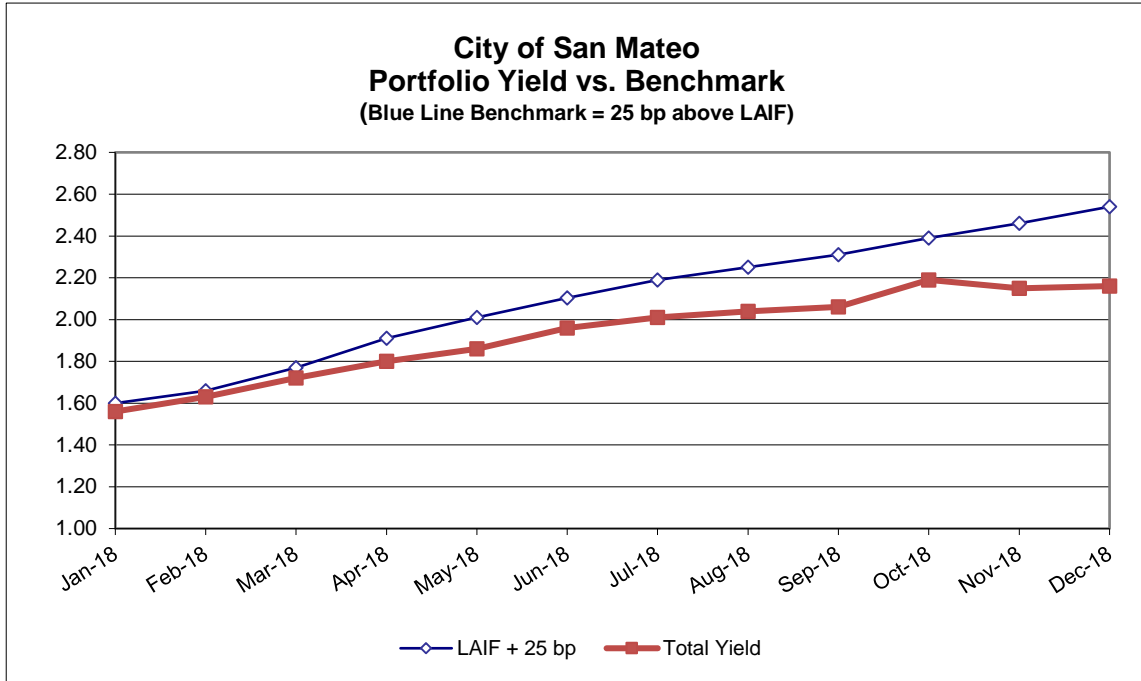
January 17, 2019

**Adjournment:**

Kent extended Congratulations to Drew on his appointment to City Manager. Kent moved to adjourn the meeting in honor of Hal Fick for his decades of service to the committee. Second by Jeff Adams.

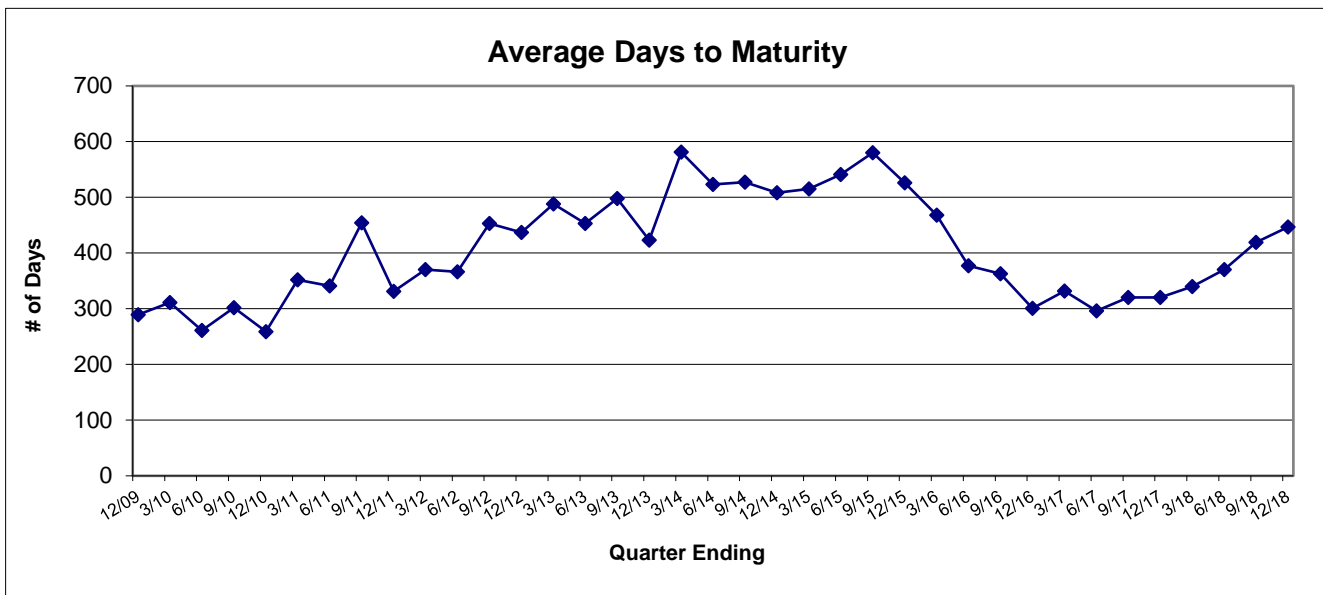
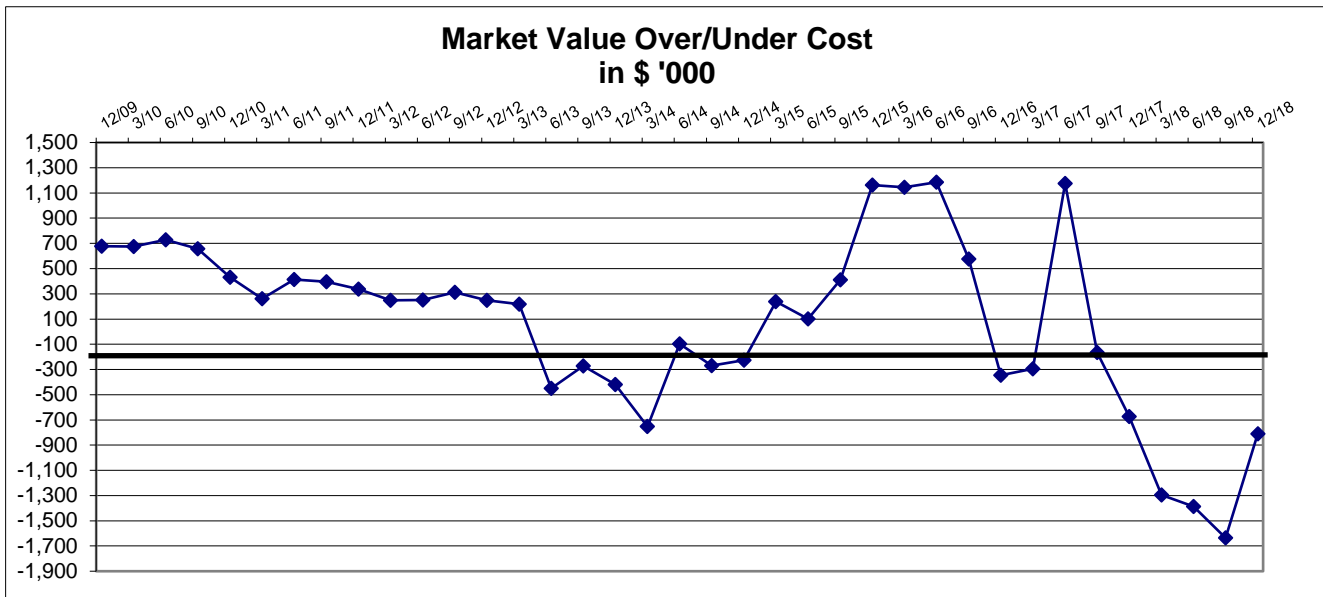
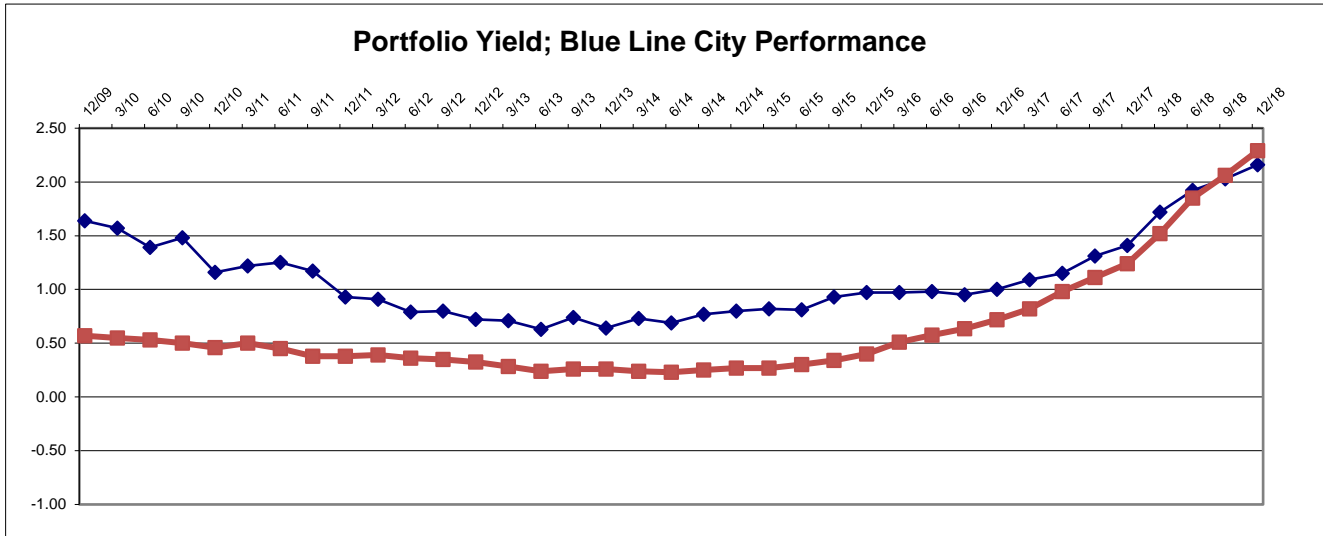


# City of San Mateo Current Year - 12 Month Trend



# City of San Mateo Historical Trend by Quarter

1/17/2019





**Portfolio Compliance Report**  
October 31, 2018

**Investment Summary - Aggregate Portfolio**

Security Type	Original Cost	Market Value <sup>1</sup>	Amortized Cost <sup>2</sup>	% of Portfolio	% Permitted by Policy	In Compliance	Average Maturity <sup>3</sup>	Average Yield <sup>5</sup>
Money Market Funds	\$85,783	\$85,783	\$85,783	<1%	20%	✓	1	2.08%
Investment Pools	\$79,622,531	\$79,622,531	\$79,622,531	39%	30-65% <sup>4</sup>	✓	1	2.34%
<b>Total Liquidity</b>	<b>\$79,708,314</b>	<b>\$79,708,314</b>	<b>\$79,708,314</b>	<b>39%</b>			<b>1</b>	<b>2.34%</b>
Certificates of Deposit	\$12,479,272	\$12,421,411	\$12,479,581	6%	30%	✓	463	2.56%
U.S. Treasury Notes	\$31,067,178	\$30,567,836	\$31,175,140	15%	100%	✓	948	1.92%
Federal Agency Securities	\$73,702,319	\$72,992,396	\$73,790,271	36%	70%	✓	607	2.12%
Medium-Term Corporate Notes	\$10,016,635	\$9,705,158	\$9,953,097	5%	20%	✓	835	2.17%
<b>Total Securities</b>	<b>\$127,265,404</b>	<b>\$125,686,800</b>	<b>\$127,398,088</b>	<b>61%</b>			<b>694</b>	<b>2.12%</b>
<b>Total Portfolio</b>	<b>\$206,973,718</b>	<b>\$205,395,114</b>	<b>\$207,106,402</b>	<b>100%</b>			<b>427</b>	<b>2.19%</b>
<i>Internal</i>	<i>\$155,265,945</i>	<i>\$154,771,981</i>	<i>\$155,405,492</i>	<i>75%</i>			<i>265</i>	<i>2.22%</i>
<i>External</i>	<i>\$51,707,772</i>	<i>\$50,623,132</i>	<i>\$51,700,910</i>	<i>25%</i>			<i>915</i>	<i>2.11%</i>

1. Market values provided by The Bank of New York Mellon Trust Company.

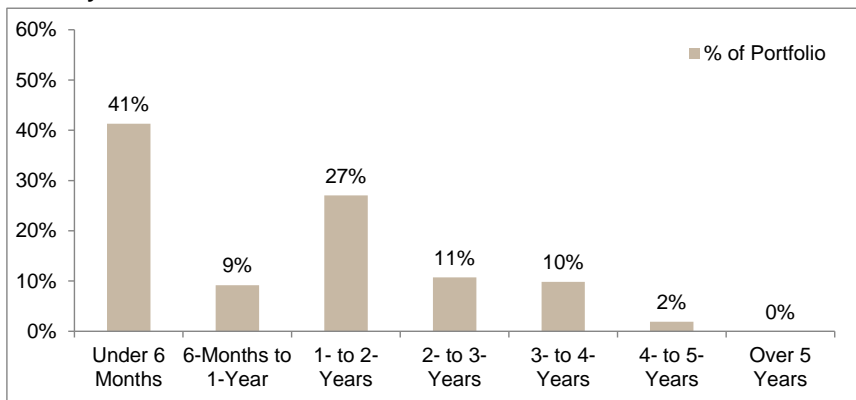
2. Amortized cost is the original cost of the principal of the security adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report.

3. Averages shown are weighted averages calculated based on original cost. Average maturity is shown as days.

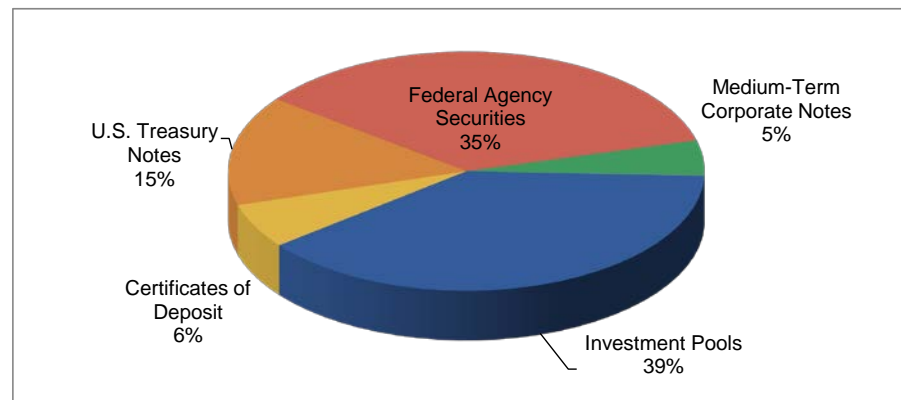
4. The City is currently allowed to invest in two investments pools—the San Mateo County Pool and the Local Agency Investment Fund. The City may invest up to \$65 million or 65% of its portfolio in LAIF and 30% of its portfolio in the San Mateo County Pool.

5. The San Mateo County pool yield is an estimated October 2018 net earnings rate as of October 31, 2018

**Maturity Distribution<sup>6</sup>**



**Sector Distribution**



6. The portfolio is compliant with its liquidity standard. To ensure sufficient liquidity at least 25% of the market value of the portfolio is invested in liquid securities or deposits with a remaining maturity of six months or less. Percentages may not add up to 100% due to rounding.



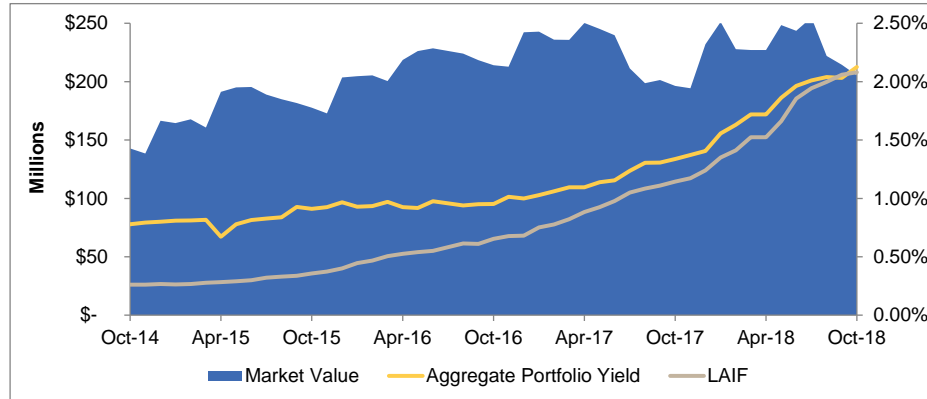
**City of San Mateo  
Portfolio Compliance Report  
October 31, 2018**

**Compliance**

- |  | Yes                                 | No                       |
|--|-------------------------------------|--------------------------|
| Liquidity  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Permitted types of investments   | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Limits within investment categories  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Limits within single agency/institution  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Limits relating to maturity  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| The investment report herein shown along with ongoing income provides sufficient liquidity to meet estimated expenditures for next 12 months |                                     |                          |
|  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

**Portfolio Yield vs. LAIF**

**Historical Portfolio Data**



*Drew Corbett*

Drew Corbett  
Finance Director

29-Nov-18

Date





**City of San Mateo**  
**Portfolio Compliance Report**  
 October 31, 2018

**Issuer Detail - Aggregate Portfolio**

Issuer	Original Cost	Market Value <sup>1</sup>	Amortized Cost <sup>2</sup>	% of Portfolio	% Permitted by Policy	In Compliance	Average Maturity <sup>3</sup>	Average Yield <sup>4</sup>
<b>Money Market Funds</b>	<b>85,783</b>	<b>85,783</b>	<b>85,783</b>	<b>&lt;1%</b>			<b>1</b>	<b>2.16%</b>
Dreyfus	85,783	85,783	85,783	<1%	10%	✓	1	2.16%
<b>Investment Pools</b>	<b>79,622,531</b>	<b>79,622,531</b>	<b>79,622,531</b>	<b>39%</b>			<b>1</b>	<b>2.34%</b>
San Mateo County Pool	44,695,990	44,695,990	44,695,990	22%	30%	✓	1	2.14%
Local Agency Investment Fund	34,926,541	34,926,541	34,926,541	17%	65%	✓	1	2.50%
<b>Certificates of Deposit</b>	<b>12,479,272</b>	<b>12,421,411</b>	<b>12,479,581</b>	<b>6%</b>			<b>463</b>	<b>2.56%</b>
Bank of Montreal	900,000	900,000	900,000	<1%	5%	✓	642	2.86%
Bank of Nova Scotia	1,029,662	1,029,513	1,029,727	<1%	5%	✓	525	2.94%
Bank of Tokyo Mitsubishi	515,000	510,798	515,000	<1%	5%	✓	329	2.07%
Canadian Imperial Bank of Commer	520,000	516,866	520,000	<1%	5%	✓	527	2.78%
Credit Agricole	515,000	513,557	515,000	<1%	5%	✓	527	2.85%
Credit Suisse NY	515,000	511,989	515,000	<1%	5%	✓	464	2.67%
East West Bank	3,000,000	3,000,000	3,000,000	1.5%	5%	✓	420	1.83%
First National Bank	1,000,000	1,000,000	1,000,000	<1%	5%	✓	75	0.70%
Nordea Bank	775,000	771,353	775,000	<1%	5%	✓	477	2.72%
Skandinaviska Enskilda NY	999,610	991,781	999,853	<1%	5%	✓	275	1.85%
Swedbank	1,035,000	1,018,380	1,035,000	<1%	5%	✓	747	2.30%
UBS AG of Stamford	775,000	773,123	775,000	<1%	5%	✓	488	2.93%
Westpac Banking NY	900,000	884,051	900,000	<1%	5%	✓	642	2.05%
<b>U.S. Treasury Notes</b>	<b>31,067,178</b>	<b>30,567,836</b>	<b>31,175,140</b>	<b>15%</b>			<b>948</b>	<b>1.92%</b>
U.S. Treasury	31,067,178	30,567,836	31,175,140	15%	100%	✓	899	1.92%
<b>Federal Agency Securities</b>	<b>73,702,319</b>	<b>72,992,396</b>	<b>73,790,271</b>	<b>36%</b>			<b>607</b>	<b>2.12%</b>
FFCB	23,946,410	23,841,280	23,978,686	12%	40%	✓	555	2.23%
FHLB	25,877,981	25,679,418	25,900,405	13%	40%	✓	547	1.95%
FHLMC	14,048,492	13,898,296	14,079,891	7%	40%	✓	670	1.92%
FNMA	9,829,436	9,573,402	9,831,288	5%	40%	✓	801	1.93%
<b>Medium-Term Corporate Notes</b>	<b>10,016,635</b>	<b>9,705,158</b>	<b>9,953,097</b>	<b>5%</b>			<b>835</b>	<b>2.17%</b>
American Express Company	584,392	577,301	584,724	<1%	5%	✓	489	2.24%
American Honda Finance	764,741	737,113	766,930	<1%	5%	✓	1044	1.84%
Bank of America	513,820	500,341	512,756	<1%	5%	✓	901	2.40%
Branch Banking & Trust	412,093	404,197	412,506	<1%	5%	✓	975	2.55%
Citigroup	513,483	498,352	512,693	<1%	5%	✓	1134	2.72%
General Electric	984,798	924,120	949,639	<1%	5%	✓	551	1.83%
Goldman Sachs	504,109	478,409	492,860	<1%	5%	✓	1000	2.53%



**City of San Mateo  
Portfolio Compliance Report  
October 31, 2018**

**Issuer Detail - Aggregate Portfolio**

Issuer	Original Cost	Market Value <sup>1</sup>	Amortized Cost <sup>2</sup>	% of Portfolio	% Permitted by Policy	In Compliance	Average Maturity <sup>3</sup>	Average Yield <sup>4</sup>
IBM Corp	751,575	726,158	751,046	<1%	5%	✓	1184	2.45%
John Deere	134,918	132,779	134,954	<1%	5%	✓	600	1.97%
JP Morgan Chase & Co	498,470	493,125	498,658	<1%	5%	✓	1423	3.32%
Paccar Financial	144,987	141,530	144,991	<1%	5%	✓	744	2.05%
PepsiCo	324,935	315,302	324,954	<1%	5%	✓	897	2.01%
Procter & Gamble	219,663	215,512	219,775	<1%	5%	✓	723	1.95%
State Street Corporation	1,017,129	984,652	1,008,630	<1%	5%	✓	657	1.77%
Toyota	679,687	669,684	679,845	<1%	5%	✓	534	1.97%
Wal-Mart	998,550	975,430	999,008	<1%	5%	✓	776	1.95%
Wells Fargo	969,285	931,152	959,128	<1%	5%	✓	768	2.08%
<b>Grand Total</b>	<b>206,973,718</b>	<b>205,395,114</b>	<b>207,106,402</b>	<b>100%</b>			<b>427</b>	<b>2.19%</b>

1. Market values provided by The Bank of New York Mellon Trust Company.

2. Amortized cost is the original cost of the principal of the security adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report.

3. Averages shown are weighted averages calculated based on original cost. Average maturity is shown as days.

4. The San Mateo County pool yield is an estimated October 2018 gross earnings rate as of October 31, 2018

## October Transaction Detail

### Transaction Type/Date

#### BUY

Trade Date	Settle Date	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total
10/02/18	10/04/18	US TREASURY NOTES, DTD 2/1/2016, 1.75%, 1/31/2023	912828P38	420,000.00	399,951.56	1,298.23	401,249.79
				<b>420,000.00</b>	<b>399,951.56</b>	<b>1,298.23</b>	<b>401,249.79</b>

#### MATURITIES

Trade Date	Settle Date	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total
	10/01/18	FEDERAL HOME LOAN BANK	3130A9AE1	2,000,000.00	2,000,000.00		2,000,000.00 *
	10/02/18	FEDERAL HOME LOAN BANK	313385H90	2,000,000.00	2,000,000.00		2,000,000.00 *
	10/12/18	FEDERAL HOME LOAN MORTGAGE CORP	3137EAED7	2,000,000.00	2,000,000.00		2,000,000.00 *
	10/31/18	U.S. TREASURY	912828WD8	2,000,000.00	2,000,000.00		2,000,000.00 *
				<b>8,000,000.00</b>	<b>8,000,000.00</b>	<b>-</b>	<b>8,000,000.00</b>

#### SELL

Trade Date	Settle Date	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total
10/02/18	10/03/18	BANK OF MONTREAL CHICAGO CD, DTD 2/9/17, 1.88%, 2/7/19	06427KRC3	350,000.00	349,165.62	1,023.56	350,189.18
10/04/18	10/04/18	US TREASURY NOTES, DTD 2/2/18, 1.25%, 1/31/20	912828H52	75,000.00	73,520.51	165.59	73,686.10
				<b>425,000.00</b>	<b>422,686.13</b>	<b>1,189.15</b>	<b>423,875.28</b>
<b>Total Security Transactions</b>				<b>(8,005,000.00)</b>	<b>(8,022,734.57)</b>	<b>109.08</b>	<b>(8,022,625.49)</b>

\* City of San Mateo



**City of San Mateo**  
**Bond Proceeds/Bond Reserve Portfolio**  
**October-18**

<b>Account Name</b>	<b>Type*</b>	<b>Issuer</b>	<b>Origination Date</b>	<b>Expiration or Maturity Date</b>	<b>Book Value</b>	<b>Stated Rate/Yield</b>
South Bayfront Levee Flood Control Bond 2011A	C	LAIF	02/15/11	open	82,380	0.00%
Sewer Revenue Bond 2011	C	LAIF	05/12/11	open	-	0.00%
Sewer Revenue Bond 2014	C	Goldman Sachs Cash	06/11/14	open	1,907,462	0.00%
<b>Subtotal Construction &amp; Other</b>					<b>\$ 1,989,842</b>	<b>0.00%</b>
Sewer Revenue Bond 2011	R	Dreyfus	07/18/13	open	1,111,258	0.92%
South Bayfront Levee Flood Control Bond 2011A	R	Dreyfus	01/19/16	open	572,304	0.00%
<b>Subtotal Debt Reserve</b>					<b>\$ 1,683,562</b>	<b>0.61%</b>
<b>Total and Average</b>					<b>\$ 3,673,404</b>	<b>0.28%</b>

\* C=Construction, R=Debt Reserve



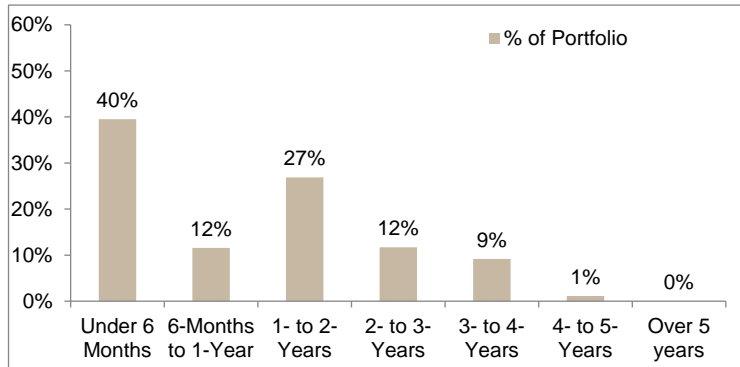
**Portfolio Compliance Report**  
November 30, 2018

**Investment Summary - Aggregate Portfolio**

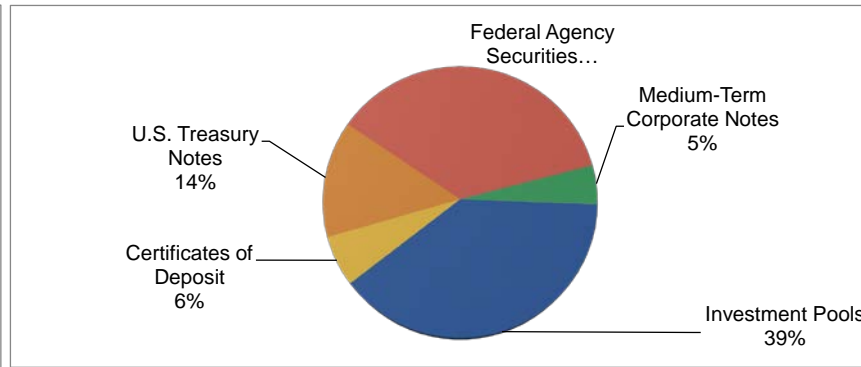
Security Type	Original Cost	Market Value <sup>1</sup>	Amortized Cost <sup>2</sup>	% of Portfolio	% Permitted by Policy	In Compliance	Average Maturity <sup>3</sup>	Average Yield <sup>5</sup>
Money Market Funds	\$89,383	\$89,383	\$89,383	<1%	20%	✓	1	2.09%
Investment Pools	\$77,498,958	\$77,498,958	\$77,498,958	39%	30-65% <sup>4</sup>	✓	1	2.18%
<b>Total Liquidity</b>	<b>\$77,588,342</b>	<b>\$77,588,342</b>	<b>\$77,588,342</b>	<b>39%</b>			<b>1</b>	<b>2.18%</b>
Certificates of Deposit	\$12,479,272	\$12,427,149	\$12,479,610	6%	30%	✓	419	2.34%
U.S. Treasury Notes	\$29,631,223	\$29,242,367	\$29,753,732	14%	100%	✓	970	2.12%
Federal Agency Securities	\$77,143,728	\$76,537,508	\$77,220,518	37%	70%	✓	619	2.09%
Medium-Term Corporate Notes	\$10,016,635	\$9,673,213	\$9,948,503	5%	20%	✓	805	2.17%
<b>Total Securities</b>	<b>\$129,270,858</b>	<b>\$127,880,237</b>	<b>\$129,402,364</b>	<b>61%</b>			<b>697</b>	<b>2.13%</b>
<b>Total Portfolio</b>	<b>\$206,859,200</b>	<b>\$205,468,579</b>	<b>\$206,990,705</b>	<b>100%</b>			<b>426</b>	<b>2.15%</b>
<i>Internal</i>	\$155,163,945	\$154,748,566	\$155,294,880	75%			278	2.16%
<i>External</i>	\$51,695,255	\$50,720,013	\$51,695,826	25%			890	2.11%
<b>Bonded Debt Portfolio</b>	<b>\$3,679,949</b>	<b>\$3,679,949</b>	<b>\$3,679,949</b>					<b>0.28%</b>

- Market values provided by The Bank of New York Mellon Trust Company.
- Amortized cost is the original cost of the principal of the security adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report.
- Averages shown are weighted averages calculated based on original cost. Average maturity is shown as days.
- The City is currently allowed to invest in two investents pools-the San Mateo County Pool and the Local Agency Investment Fund. The City may invest up to \$65 million or 65% of its portfolio in LAIF and 30% of its portfolio in the San Mateo County Pool.
- The San Mateo County pool yield is an estimated November 2018 net earnings rate as of November 30, 2018

**Maturity Distribution<sup>6</sup>**



**Sector Distribution**



6. The portfolio is compliant with its liquidity standard. To ensure sufficient liquidity at least 25% of the market value of the portfolio is invested in liquid securities or deposits with a remaining maturity of six months or less. Percentages may not add up to 100% due to rounding.



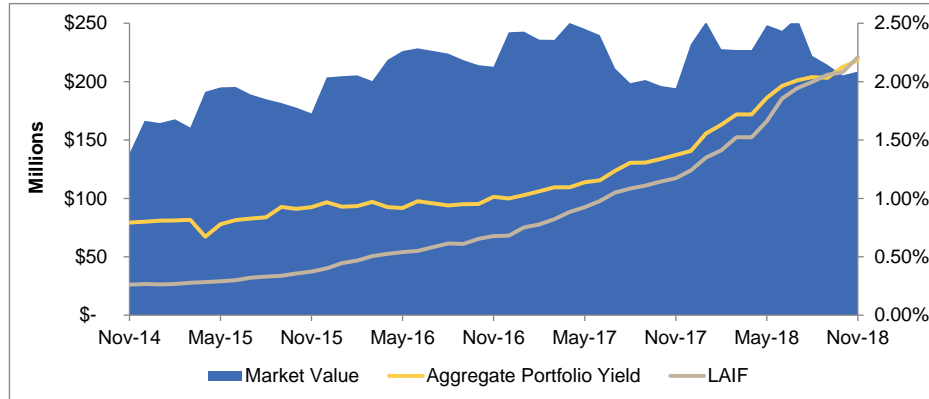
**City of San Mateo  
Portfolio Compliance Report  
November 30, 2018**

**Compliance**

- |  | Yes                                 | No                       |
|--|-------------------------------------|--------------------------|
| Liquidity  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Permitted types of investments   | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Limits within investment categories  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Limits within single agency/institution  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Limits relating to maturity  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| The investment report herein shown along with ongoing income provides sufficient liquidity to meet estimated expenditures for next 12 months |                                     |                          |
|  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

**Portfolio Yield vs. LAIF**

**Historical Portfolio Data**



*Drew Corbett*

Drew Corbett  
Finance Director

18-Dec-18

Date



**City of San Mateo**  
**Portfolio Compliance Report**  
 November 30, 2018

**Issuer Detail - Aggregate Portfolio**

Issuer	Original Cost	Market Value <sup>1</sup>	Amortized Cost <sup>2</sup>	% of Portfolio	% Permitted by Policy	In Compliance	Average Maturity <sup>3</sup>	Average Yield <sup>4</sup>
<b>Money Market Funds</b>	<b>89,383</b>	<b>89,383</b>	<b>89,383</b>	<b>&lt;1%</b>			<b>1</b>	<b>2.09%</b>
Dreyfus	89,383	89,383	89,383	<1%	10%	✓	1	2.09%
<b>Investment Pools</b>	<b>77,498,958</b>	<b>77,498,958</b>	<b>77,498,958</b>	<b>39%</b>			<b>1</b>	<b>2.18%</b>
San Mateo County Pool	44,072,417	44,072,417	44,072,417	22%	30%	✓	1	2.16%
Local Agency Investment Fund	33,426,541	33,426,541	33,426,541	17%	65%	✓	1	2.21%
<b>Certificates of Deposit</b>	<b>12,479,272</b>	<b>12,427,149</b>	<b>12,479,610</b>	<b>6%</b>			<b>433</b>	<b>2.42%</b>
Bank of Montreal	900,000	900,000	900,000	<1%	5%	✓	612	3.23%
Bank of Nova Scotia	1,029,662	1,029,944	1,029,741	<1%	5%	✓	495	3.10%
Bank of Tokyo Mitsubishi	515,000	511,196	515,000	<1%	5%	✓	299	2.07%
Canadian Imperial Bank of Commer	520,000	517,073	520,000	<1%	5%	✓	497	2.78%
Credit Agricole	515,000	513,670	515,000	<1%	5%	✓	497	2.85%
Credit Suisse NY	515,000	512,039	515,000	<1%	5%	✓	434	2.67%
East West Bank	3,000,000	3,000,000	3,000,000	1.4%	5%	✓	390	2.53%
First National Bank	1,000,000	1,000,000	1,000,000	<1%	5%	✓	45	0.70%
Nordea Bank	775,000	771,424	775,000	<1%	5%	✓	447	2.72%
Skandinaviska Enskilda NY	999,610	992,581	999,869	<1%	5%	✓	245	1.85%
Swedbank	1,035,000	1,020,584	1,035,000	<1%	5%	✓	717	2.30%
UBS AG of Stamford	775,000	773,170	775,000	<1%	5%	✓	458	2.93%
Westpac Banking NY	900,000	885,468	900,000	<1%	5%	✓	612	2.05%
<b>U.S. Treasury Notes</b>	<b>29,631,223</b>	<b>29,242,367</b>	<b>29,753,732</b>	<b>14%</b>			<b>970</b>	<b>2.12%</b>
U.S. Treasury	29,631,223	29,242,367	29,753,732	14%	100%	✓	970	2.12%
<b>Federal Agency Securities</b>	<b>77,143,728</b>	<b>76,537,508</b>	<b>77,220,518</b>	<b>37%</b>			<b>619</b>	<b>2.09%</b>
FFCB	23,946,410	23,861,900	23,981,737	11%	40%	✓	525	2.36%
FHLB	29,904,633	29,718,764	29,905,227	14%	40%	✓	631	2.10%
FHLMC	14,048,492	13,929,129	14,083,334	7%	40%	✓	640	2.04%
FNMA	9,244,193	9,027,716	9,250,221	4%	40%	✓	794	1.68%
<b>Medium-Term Corporate Notes</b>	<b>10,016,635</b>	<b>9,673,213</b>	<b>9,948,503</b>	<b>5%</b>			<b>805</b>	<b>2.17%</b>
American Express Company	584,392	576,670	584,741	<1%	5%	✓	459	2.24%
American Honda Finance	764,741	735,519	767,018	<1%	5%	✓	1014	1.84%
Bank of America	513,820	499,346	512,665	<1%	5%	✓	871	2.40%
Branch Banking & Trust	412,093	403,847	412,565	<1%	5%	✓	945	2.56%
Citigroup	513,483	495,837	512,622	<1%	5%	✓	1104	2.72%
General Electric	984,798	908,568	946,924	<1%	5%	✓	521	1.83%
Goldman Sachs	504,109	474,734	491,894	<1%	5%	✓	970	2.53%



**City of San Mateo**  
**Portfolio Compliance Report**  
 November 30, 2018

**Issuer Detail - Aggregate Portfolio**

Issuer	Original Cost	Market Value <sup>1</sup>	Amortized Cost <sup>2</sup>	% of Portfolio	% Permitted by Policy	In Compliance	Average Maturity <sup>3</sup>	Average Yield <sup>4</sup>
IBM Corp	751,575	723,038	751,020	<1%	5%	✓	1154	2.45%
John Deere	134,918	132,434	134,957	<1%	5%	✓	570	1.97%
JP Morgan Chase & Co	498,470	491,640	498,685	<1%	5%	✓	1393	3.32%
Paccar Financial	144,987	141,688	144,991	<1%	5%	✓	714	2.05%
PepsiCo	324,935	316,579	324,955	<1%	5%	✓	867	2.01%
Procter & Gamble	219,663	215,351	219,785	<1%	5%	✓	693	1.95%
State Street Corporation	1,017,129	980,921	1,008,007	<1%	5%	✓	627	1.77%
Toyota	679,687	670,256	679,854	<1%	5%	✓	504	1.97%
Wal-Mart	998,550	977,020	999,046	<1%	5%	✓	746	1.95%
Wells Fargo	969,285	929,765	958,774	<1%	5%	✓	738	2.08%
<b>Grand Total</b>	<b>206,859,200</b>	<b>205,468,579</b>	<b>206,990,705</b>	<b>100%</b>			<b>426</b>	<b>2.15%</b>

1. Market values provided by The Bank of New York Mellon Trust Company.

2. Amortized cost is the original cost of the principal of the security adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report.

3. Averages shown are weighted averages calculated based on original cost. Average maturity is shown as days.

4. The San Mateo County pool yield is an estimated November 2018 gross earnings rate as of November 30, 2018



## November Transaction Detail

### Transaction Type/Date

#### BUY

Trade Date	Settle Date	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total
11/9/18	11/13/18	US TREASURY NOTES, DTD 2/2/2015, 1.25%, 1/31/2020	912828P38	580,000.00	569,125.00	2,068.61	571,193.61
11/09/18	11/27/18	FEDERAL HOME LOAN BANK, DTD 11/27/18, 3.00%, 11/27/20	3130AFD38	3,000,000.00	3,000,000.00		3,000,000.00 *
11/09/18	11/23/18	FEDERAL HOME LOAN BANK, DTD 11/23/18, 3.25%, 11/23/21	3130AFDH7	3,000,000.00	3,000,000.00		3,000,000.00 *
							- *
							- *
							- *
							- *
				<b>6,580,000.00</b>	<b>6,569,125.00</b>	<b>2,068.61</b>	<b>6,571,193.61</b>

#### MATURITIES

Trade Date	Settle Date	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total
	11/09/18	FEDERAL HOME LOAN BANK	313385N77	2,000,000.00	2,000,000.00		2,000,000.00
	11/30/18	US TREASURY	912828A34	2,000,000.00	2,000,000.00		2,000,000.00
							-
							-
				<b>4,000,000.00</b>	<b>4,000,000.00</b>	<b>-</b>	<b>4,000,000.00</b>

#### SELL

Trade Date	Settle Date	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total
11/09/18	11/13/18	FEDERAL NATIONAL MORTGAGE ASSN., DTD 1/12/2015, 1.625%, 1/21/2020	3135G0A78	580,000.00	571,861.97	2,932.22	574,794.19
							0.00
				<b>580,000.00</b>	<b>571,861.97</b>	<b>2,932.22</b>	<b>574,794.19</b>
<b>Total Security Transactions</b>				<b>2,000,000.00</b>	<b>1,997,263.03</b>	<b>(863.61)</b>	<b>1,996,399.42</b>

\* City of San Mateo



**City of San Mateo**  
**Bond Proceeds/Bond Reserve Portfolio**  
 November-18

<b>Account Name</b>	<b>Type*</b>	<b>Issuer</b>	<b>Origination Date</b>	<b>Expiration or Maturity Date</b>	<b>Book Value</b>	<b>Stated Rate/Yield</b>
South Bayfront Levee Flood Control Bond 2011A	C	LAIF	02/15/11	open	82,825	0.00%
Sewer Revenue Bond 2011	C	LAIF	05/12/11	open	-	0.00%
Sewer Revenue Bond 2014	C	Goldman Sachs Cash	06/11/14	open	1,910,703	0.00%
<b>Subtotal Construction &amp; Other</b>					<b>\$ 1,993,528</b>	<b>0.00%</b>
Sewer Revenue Bond 2011	R	Dreyfus	07/18/13	open	1,113,238	0.92%
South Bayfront Levee Flood Control Bond 2011A	R	Dreyfus	01/19/16	open	573,184	0.00%
<b>Subtotal Debt Reserve</b>					<b>\$ 1,686,421</b>	<b>0.61%</b>
<b>Total and Average</b>					<b>\$ 3,679,949</b>	<b>0.28%</b>

\* C=Construction, R=Debt Reserve



**Portfolio Compliance Report**  
December 31, 2018

**Investment Summary - Aggregate Portfolio**

Security Type	Original Cost	Market Value <sup>1</sup>	Amortized Cost <sup>2</sup>	% of Portfolio	% Permitted by Policy	In Compliance	Average Maturity <sup>3</sup>	Average Yield <sup>5</sup>
Money Market Funds	\$33,670	\$33,670	\$33,670	<1%	20%	✓	1	2.09%
Investment Pools	\$120,131,879	\$120,131,879	\$120,131,879	35%	30-65% <sup>4</sup>	✓	1	2.18%
<b>Total Liquidity</b>	<b>\$120,165,548</b>	<b>\$120,165,548</b>	<b>\$120,165,548</b>	<b>35%</b>			<b>1</b>	<b>2.18%</b>
Certificates of Deposit	\$12,339,272	\$12,307,034	\$12,339,641	6%	30%	✓	406	2.41%
U.S. Treasury Notes	\$28,315,504	\$28,222,306	\$28,447,968	14%	100%	✓	965	2.16%
Federal Agency Securities	\$78,619,987	\$78,352,161	\$78,701,235	40%	70%	✓	617	2.12%
Medium-Term Corporate Notes	\$10,016,635	\$9,739,858	\$9,943,903	5%	20%	✓	774	2.17%
<b>Total Securities</b>	<b>\$129,291,397</b>	<b>\$128,621,359</b>	<b>\$129,432,748</b>	<b>65%</b>			<b>685</b>	<b>2.16%</b>
<b>Total Portfolio</b>	<b>\$249,456,946</b>	<b>\$248,786,908</b>	<b>\$249,598,296</b>	<b>100%</b>			<b>447</b>	<b>2.16%</b>
<i>Internal</i>	\$197,796,865	\$197,641,032	\$197,932,989	79%			286	2.16%
<i>External</i>	\$51,660,081	\$51,145,876	\$51,665,307	21%			905	2.11%

1. Market values provided by The Bank of New York Mellon Trust Company.

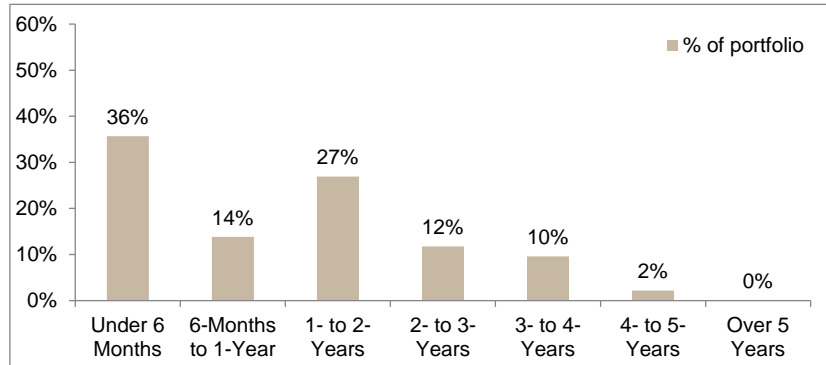
2. Amortized cost is the original cost of the principal of the security adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report.

3. Averages shown are weighted averages calculated based on original cost. Average maturity is shown as days.

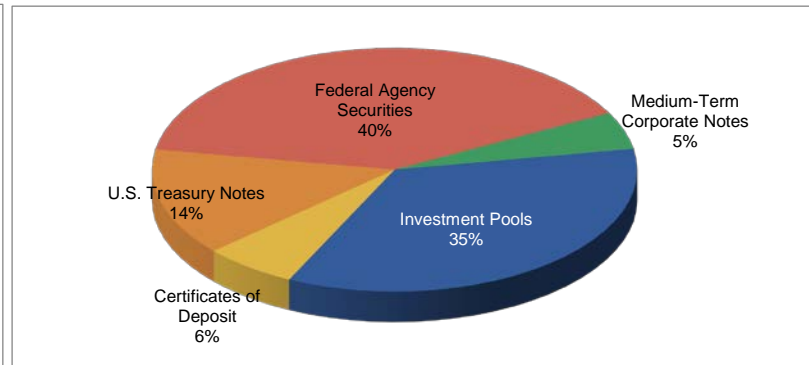
4. The City is currently allowed to invest in two investents pools—the San Mateo County Pool and the Local Agency Investment Fund. The City may invest up to \$65 million or 65% of its portfolio in LAIF and 30% of its portfolio in the San Mateo County Pool.

5. The San Mateo County pool yield is an estimated December 2018 net earnings rate as of December 31, 2018

**Maturity Distribution<sup>6</sup>**



**Sector Distribution**



6. The portfolio is compliant with its liquidity standard. To ensure sufficient liquidity at least 25% of the market value of the portfolio is invested in liquid securities or deposits with a remaining maturity of six months or less. Percentages may not add up to 100% due to rounding.



**City of San Mateo  
Portfolio Compliance Report  
December 31, 2018**

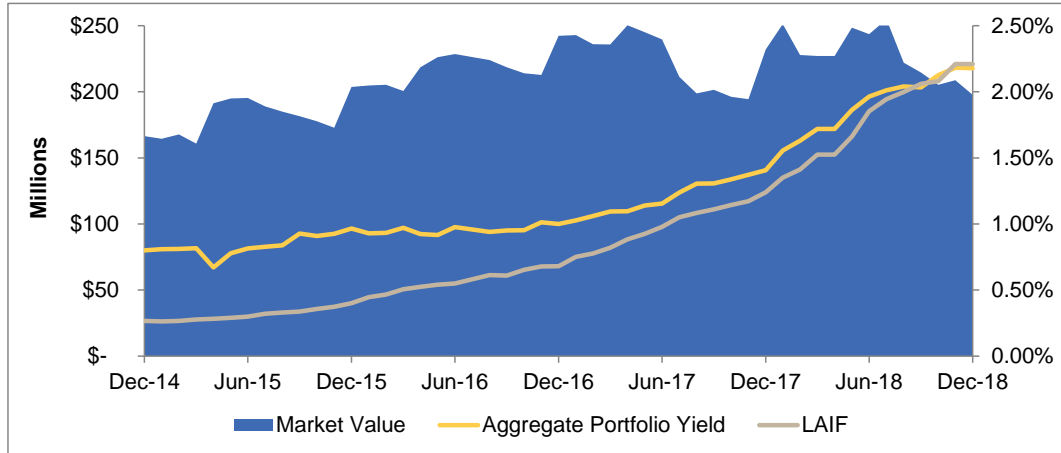
**Compliance**

- |   | Yes                                 | No                                  |
|---|-------------------------------------|-------------------------------------|
| Liquidity                               | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Permitted types of investments          | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Limits within investment categories     | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Limits within single agency/institution | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Limits relating to maturity             | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |

The investment report herein shown along with ongoing income provides sufficient liquidity to meet estimated expenditures for next 12 months

**Portfolio Yield vs. LAIF**

**Historical Portfolio Data**



*[Signature]*  
 Richard Lee  
 Finance Director

16-Jan-19  
 Date



**City of San Mateo**  
**Portfolio Compliance Report**  
 December 31, 2018

**Issuer Detail - Aggregate Portfolio**

Issuer	Original Cost	Market Value <sup>1</sup>	Amortized Cost <sup>2</sup>	% of Portfolio	% Permitted by Policy	In Compliance	Average Maturity <sup>3</sup>	Average Yield <sup>4</sup>
<b>Money Market Funds</b>	<b>33,670</b>	<b>33,670</b>	<b>33,670</b>	<b>&lt;1%</b>			<b>1</b>	<b>2.09%</b>
Dreyfus	33,670	33,670	33,670	<1%	10%	✓	1	2.09%
<b>Investment Pools</b>	<b>120,131,879</b>	<b>120,131,879</b>	<b>120,131,879</b>	<b>35%</b>			<b>1</b>	<b>2.18%</b>
San Mateo County Pool	95,205,338	95,205,338	95,205,338	38%	30%		1	2.16%
Local Agency Investment Fund	24,926,541	24,926,541	24,926,541	13%	65%	✓	1	2.21%
<b>Certificates of Deposit</b>	<b>12,339,272</b>	<b>12,307,034</b>	<b>12,339,641</b>	<b>6%</b>			<b>406</b>	<b>2.52%</b>
Bank of Nova Scotia	889,662	892,700	889,755	<1%	5%	✓	522	2.94%
Bank of Tokyo Mitsubishi	515,000	511,738	515,000	<1%	5%	✓	268	2.07%
Canadian Imperial Bank of Commer	520,000	518,273	520,000	<1%	5%	✓	466	2.78%
Credit Agricole	515,000	514,764	515,000	<1%	5%	✓	466	2.85%
Credit Suisse NY	515,000	512,886	515,000	<1%	5%	✓	403	2.67%
Bank of Montreal	900,000	900,000	900,000	<1%	5%	✓	581	2.67%
East West Bank	3,000,000	3,000,000	3,000,000	1.5%	5%	✓	359	2.53%
First National Bank	1,000,000	1,000,000	1,000,000	<1%	5%	✓	14	2.60%
Nordea Bank	775,000	772,720	775,000	<1%	5%	✓	416	2.72%
Skandinaviska Enskilda NY	999,610	993,731	999,886	<1%	5%	✓	214	1.85%
Swedbank	1,035,000	1,026,376	1,035,000	<1%	5%	✓	686	2.30%
UBS AG of Stamford	775,000	774,532	775,000	<1%	5%	✓	427	2.93%
Westpac Banking NY	900,000	889,314	900,000	<1%	5%	✓	581	2.05%
<b>U.S. Treasury Notes</b>	<b>28,315,504</b>	<b>28,222,306</b>	<b>28,447,968</b>	<b>14%</b>			<b>965</b>	<b>1.92%</b>
U.S. Treasury	28,315,504	28,222,306	28,447,968	14%	100%	✓	965	1.92%
<b>Federal Agency Securities</b>	<b>78,619,987</b>	<b>78,352,161</b>	<b>78,701,235</b>	<b>40%</b>			<b>617</b>	<b>2.11%</b>
FFCB	23,946,410	23,950,410	23,983,287	12%	40%	✓	494	2.36%
FHLB	29,484,730	29,400,090	29,486,222	15%	40%	✓	604	2.10%
FHLMC	14,048,492	13,984,759	14,085,095	7%	40%	✓	609	2.04%
FNMA	11,140,355	11,016,902	11,146,631	6%	40%	✓	925	1.68%
<b>Medium-Term Corporate Notes</b>	<b>10,016,635</b>	<b>9,739,858</b>	<b>9,943,903</b>	<b>5%</b>			<b>774</b>	<b>2.17%</b>
American Express Company	584,392	578,711	584,758	<1%	5%	✓	428	2.24%
American Honda Finance	764,741	740,247	767,105	<1%	5%	✓	983	1.84%
Bank of America	513,820	503,064	512,575	<1%	5%	✓	840	2.40%
Branch Banking & Trust	412,093	406,883	412,624	<1%	5%	✓	914	2.56%
Citigroup	513,483	501,753	512,550	<1%	5%	✓	1073	2.72%
General Electric	984,798	915,426	944,206	<1%	5%	✓	490	1.83%
Goldman Sachs	504,109	477,521	490,929	<1%	5%	✓	939	2.53%
IBM Corp	751,575	730,215	750,995	<1%	5%	✓	1123	2.45%



**City of San Mateo**  
**Portfolio Compliance Report**  
 December 31, 2018

**Issuer Detail - Aggregate Portfolio**

Issuer	Original Cost	Market Value <sup>1</sup>	Amortized Cost <sup>2</sup>	% of Portfolio	% Permitted by Policy	In Compliance	Average Maturity <sup>3</sup>	Average Yield <sup>4</sup>
John Deere	134,918	132,894	134,959	<1%	5%	✓	539	1.97%
JP Morgan Chase & Co	498,470	496,030	498,712	<1%	5%	✓	1362	3.32%
Paccar Financial	144,987	142,660	144,992	<1%	5%	✓	683	2.05%
PepsiCo	324,935	318,526	324,957	<1%	5%	✓	836	2.01%
Procter & Gamble	219,663	216,806	219,794	<1%	5%	✓	662	1.95%
State Street Corporation	1,017,129	986,642	1,007,385	<1%	5%	✓	596	1.77%
Toyota	679,687	671,554	679,863	<1%	5%	✓	473	1.97%
Wal-Mart	998,550	984,310	999,084	<1%	5%	✓	715	1.95%
Wells Fargo	969,285	936,615	958,418	<1%	5%	✓	707	2.08%
<b>Grand Total</b>	<b>249,456,946</b>	<b>248,786,908</b>	<b>249,598,296</b>	<b>100%</b>			<b>447</b>	<b>2.16%</b>

1. Market values provided by The Bank of New York Mellon Trust Company.

2. Amortized cost is the original cost of the principal of the security adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report.

3. Averages shown are weighted averages calculated based on original cost. Average maturity is shown as days.

4. The San Mateo County pool yield is an estimated December 2018 gross earnings rate as of December 31, 2018

## December Transaction Detail

### Transaction Type/Date

#### BUY

Trade Date	Settle Date	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total
12/03/18	12/06/18	FANNIE MAE NOTES, DTD 9/14/2017, 2.875%, 9/12/2023	3135G0U43	1,900,000.00	1,896,162.00	12,442.36	1,908,604.36
				<b>7,900,000.00</b>	<b>7,896,162.00</b>	<b>12,442.36</b>	<b>7,908,604.36</b>

#### SELL

Trade Date	Settle Date	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total
12/03/18	12/06/18	US TREASURY NOTES, DTD 2/2/2015, 1.250%, 1/31/2020	912824H52	1,315,000.00	1,292,295.70	5,717.39	1,298,013.09
12/03/18	12/06/18	FEDERAL HOME LOAN BANK NOTES, DTD 11/17/2016, 1.375%, 11/15/2019	3130AA3R7	420,000.00	414,565.20	336.88	414,902.08
12/04/18	12/06/18	BANK OF NOVA SCOTIA HOUSTON CD, DTD 4/6/2017, 1.910%, 04/5/2019	06417GUE6	140,000.00	139,514.91	460.52	139,975.43
				<b>1,875,000.00</b>	<b>1,846,375.81</b>	<b>6,514.79</b>	<b>1,852,890.60</b>
<b>Total Security Transactions</b>				<b>6,025,000.00</b>	<b>6,049,786.19</b>	<b>5,927.57</b>	<b>6,055,713.76</b>

\* City of San Mateo



**City of San Mateo**  
**Bond Proceeds/Bond Reserve Portfolio**  
 December-18

Account Name	Type*	Issuer	Origination Date	Expiration or Maturity Date	Book Value	Stated Rate/Yield
South Bayfront Levee Flood Control Bond 2011A	C	LAIF	02/15/11	open	82,827	0.00%
Sewer Revenue Bond 2011	C	LAIF	05/12/11	open	-	0.00%
Sewer Revenue Bond 2014	C	Goldman Sachs Cash	06/11/14	open	1,913,946	0.00%
<b>Subtotal Construction &amp; Other</b>					<b>\$ 1,996,773</b>	<b>0.00%</b>
Sewer Revenue Bond 2011	R	Dreyfus	07/18/13	open	1,115,117	0.92%
South Bayfront Levee Flood Control Bond 2011A	R	Dreyfus	01/19/16	open	574,061	0.00%
<b>Subtotal Debt Reserve</b>					<b>\$ 1,689,178</b>	<b>0.61%</b>
<b>Total and Average</b>					<b>\$ 3,685,951</b>	<b>0.28%</b>

\* C=Construction, R=Debt Reserve