

Date: October 23, 2015

Who: Hal Fick Drew Corbett
Tom Vocker Jun Nguyen
Kent Grealish Matt Bronson
Brian Berberet Kathleen VonAchen
Scott Lee

What: **INVESTMENT ADVISORY COMMITTEE**

When: October 29, 2015 (Thursday)
3:30 to 5:00 p.m.

Where: City of San Mateo - Room A
330 West 20th Avenue
San Mateo, CA 94403

AGENDA

1. Approve Minutes- April 23, 2015
2. Public Financial Management (PFM) Presentation
 - a. Market Update and Portfolio Update
 - b. New Format - Monthly Investment Report
 - c. Investment Policy Update
3. Portfolio Review
 - ❖ Yield Trend
 - ❖ Strategy
 - ❖ Market Value
4. Review Quarterly Report- April through September 2015
5. Committee City Website: <http://www.cityofsanmateo.org/index.aspx?nid=3024>
6. Confirm next meeting date
7. For more detailed information regarding LAIF and San Mateo County Pool investments, please refer to:
 - LAIF: <http://www.treasurer.ca.gov/pmia-laif/laif.asp>
 - SM County Pool: <http://www.sanmateocountytreasurer.org/investmentReports.html>

2015-2016 Investment Advisory Committee Meetings			Quarterly Investment Report	City Council Meetings Agenda
January 28, 2016	3:30 p.m.	Room A	Oct/Nov/Dec	N/A
April 28, 2016	3:30 p.m.	Room A	Jan/Feb/March	N/A
July 28, 2016	3:30 p.m.	Room A	Apr/May/June	N/A
July 28, 2016	3:30 p.m.	Room A	Apr/May/June	N/A

Investment Advisory Committee - Minutes

April 23, 2015

Present: Kent Grealish, Hal Fick, Scott Lee, Dave Culver, Kathleen VonAchen, Grace Castaneda

Absent: Larry Patterson, Brian Berberet, Tom Vocker

1. Minutes

The Committee approved the minutes of the January 22, 2015 meeting.

2. Portfolio Review

- The 12 month portfolio trend was reviewed. The portfolio yield increased to 0.82% at March 31, 2015 compared to 0.80% on December 31, 2014. The portfolio was above the benchmark by 30 basis points during the quarter. This performance is expected to stay above the benchmark due to the portfolio's diversification from LAIF enhancing overall yield. The portfolio's market value exceeded amortized costs by \$238,000 due to the improved market value on the City's holdings of US Treasuries, US instrumentalities and corporate bonds. Consistent with prior periods, US instrumentalities constituted 46% of the portfolio as of March 31, 2015, along with US Treasuries at 9.6% and high-grade corporate bonds at 2.8% of the total.
- Average days to maturity increased from 508 days on December 31, 2014 to 515 days on March 31, 2015. The total size of the portfolio dropped by \$6.2 million as funds in LAIF and CDs were drawn down to meet the City's and sewer system's operating needs. The combined LAIF/County Pool and money market funds remained at 37% of the total portfolio in March 31, 2015.
- The City is closely monitoring future Fed action. Fed Funds rate is near zero. In its March announcement, the Federal Reserve said it would definitely not act on rates in April and might wait until late in the year to raise interest rates.
- The City is keeping current with the direction of interest rates.
- City staff is always conscientious about the liquidity aspect of the portfolio.

3. Review Quarterly Reports

- Three months' of portfolio reports were reviewed and approved. The portfolio remained in compliance, with no exceptions, to the City's investment policy.
- The City continues to diversify the portfolio by investing in securities between 2 and 4 years, with a minimum target of 30 basis points above the LAIF rate to capture additional spread. The investment policy's earning benchmark is 25 basis points above the LAIF rate. The LAIF yield remained the same during the quarter at 0.27%.
- During this past quarter, one FNMA U.S. instrumentality was called and two CDs from the East West Bank matured, totaling \$3.6 million. In addition, one CD from First National Bank was renewed for a 2-year term with a coupon rate of 0.65%. No additional securities were purchased in order to provide liquidity to meet City operating needs during this quarter when no property tax revenues are distributed by the County.
- As is consistent with the City's investment strategy, funds in the LAIF/County Pool were also drawn down by \$2.6 million during the quarter to meet the City's liquidity needs. Market values exceeded amortized costs by \$94,500 for US Treasuries, \$133,300 for US Instrumentalities, and \$9,600 for corporate bonds. The City remains cautious of the interest rate environment and the impact on market valuation, and remains focused on the overall economy.
- The City's bond proceeds and debt reserve funds portfolio holdings remained consistent over the quarter, ending at \$21.6 million. In July 2014 the City refinanced its 2003 Sewer Revenue Bonds and this bond issue included an additional \$18 million in new money to finance construction improvements. The first drawdown on the \$18 million in bond proceeds to reimburse the Sewer Fund for incurred capital project expenses through January 2015 took place on April 13th in the amount of \$7.15 million. Additional drawdowns are scheduled to take place monthly with the amounts matching the expenditure outlays for sewer capital projects funded by the 2014 Sewer Revenue Bonds.

4. Next Meeting Date

The next Committee meeting date was confirmed for August 6, 2015.

After five-year tenure, Finance Director David Culver announced his retirement from the City effective June 16, 2015.

An update was provided by Kathleen VonAchen regarding the implementation of the PFM investment advisory contract. She reported that two meetings have been held with the firm representatives to discuss logistics and maturity structures and that a new custodial safekeeping account has been opened for PFM at Bank of New York. In the coming month staff will be working with PFM to modernize the City's investment reports. Historic cash data and inflow/outflow citywide data was provided by the City for PFM to start their cash flow analysis review. The City's current investment policy was provided to PFM and the firm will be performing their review in order to make some recommendations. In addition, it was reported that the City chose to fold the former Cutwater portfolio into the "City's" portfolio and will be providing \$32.5 million in cash to begin the PFM portfolio along with approximately \$4.5 million of corporate bond securities the City holds in its portfolio. PFM expressed their staff had more access to information and were better suited to track in the market these corporate bond securities.

Chairman Kent Grealish encouraged the Committee members to attend the City's Committee Appreciation Event on May 15th.

Public Financial Management (PFM) Presentation - Cover Sheet

- a. Market Update and Portfolio Update (to be provided at meeting)
- b. New Format - Monthly Investment Report (attached)
- c. Investment Policy Update (to be provided at meeting)



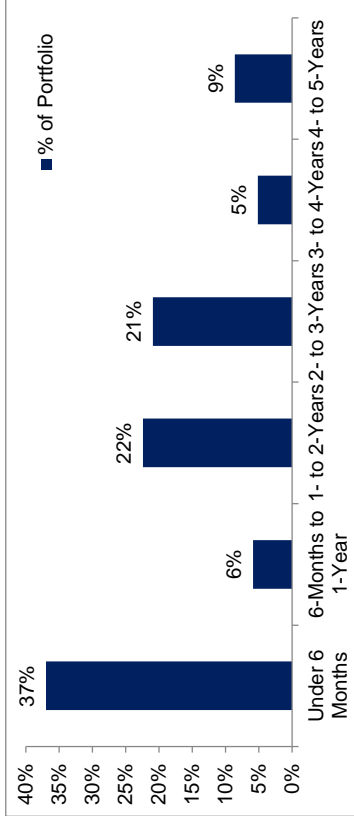
City of San Mateo
Portfolio Compliance Report
June 30, 2015

Investment Summary - Aggregate Portfolio

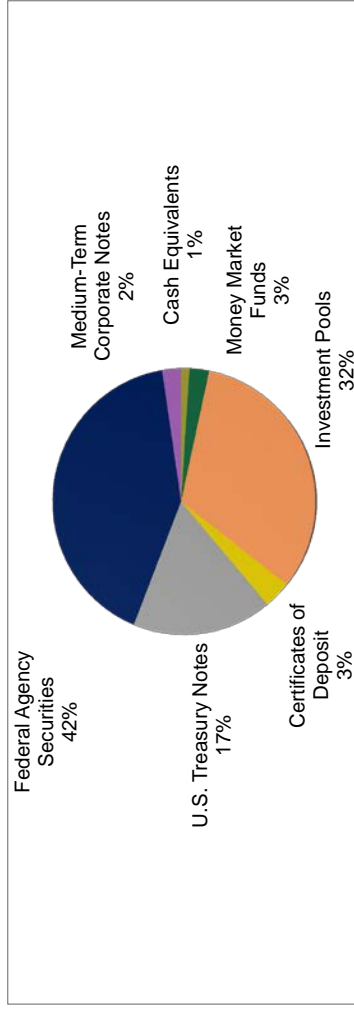
Security Type	Original Cost	Market Value ¹	Amortized Cost ²	% of Portfolio	% Permitted by Policy	In Compliance	Average Maturity ³	Average Yield ³
Cash Equivalents	\$2,000,000	\$2,000,000	\$2,000,000	1%	100%	✓	1	0.35%
Money Market Funds	\$4,693,949	\$4,693,949	\$4,693,949	2%	20%	✓	1	0.00%
Investment Pools	\$62,571,619	\$62,571,619	\$62,571,619	32%	30-65% ⁴	✓	1	0.65%
Total Liquidity	\$69,265,567	\$69,265,567	\$69,265,567	35%			1	0.59%
Certificates of Deposit	\$6,490,000	\$6,489,996	\$6,490,000	3%	30%	✓	325	0.63%
U.S. Treasury Notes	\$33,456,572	\$33,486,638	\$33,433,155	17%	100%	✓	988	1.03%
Federal Agency Securities	\$81,666,369	\$81,609,160	\$81,563,772	42%	70%	✓	843	0.93%
Medium-Term Corporate Notes	\$4,599,845	\$4,536,460	\$4,533,260	2%	10%	✓	350	0.75%
Total Securities	\$126,212,785	\$126,122,253	\$126,020,187	65%			837	0.93%
Total Portfolio	\$195,478,353	\$195,387,821	\$195,285,754	100%			541	0.81%
<i>Internal</i>	<i>\$158,406,655</i>	<i>\$158,465,804</i>	<i>\$158,291,312</i>	<i>81%</i>			<i>482</i>	<i>0.83%</i>
<i>External</i>	<i>\$37,071,697</i>	<i>\$36,922,017</i>	<i>\$36,994,443</i>	<i>19%</i>			<i>793</i>	<i>0.76%</i>
Bonded Debt Portfolio	\$13,148,314	\$13,148,314	\$13,148,314					0.73%

- 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 investment pools—the San Mateo County Pool and the Local Agency Investment Fund. The City may invest up to \$50 million or 65% of its portfolio in LAF and 30% of its portfolio in the San Mateo County Pool.

Maturity Distribution⁵



Sector Distribution



5. 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.

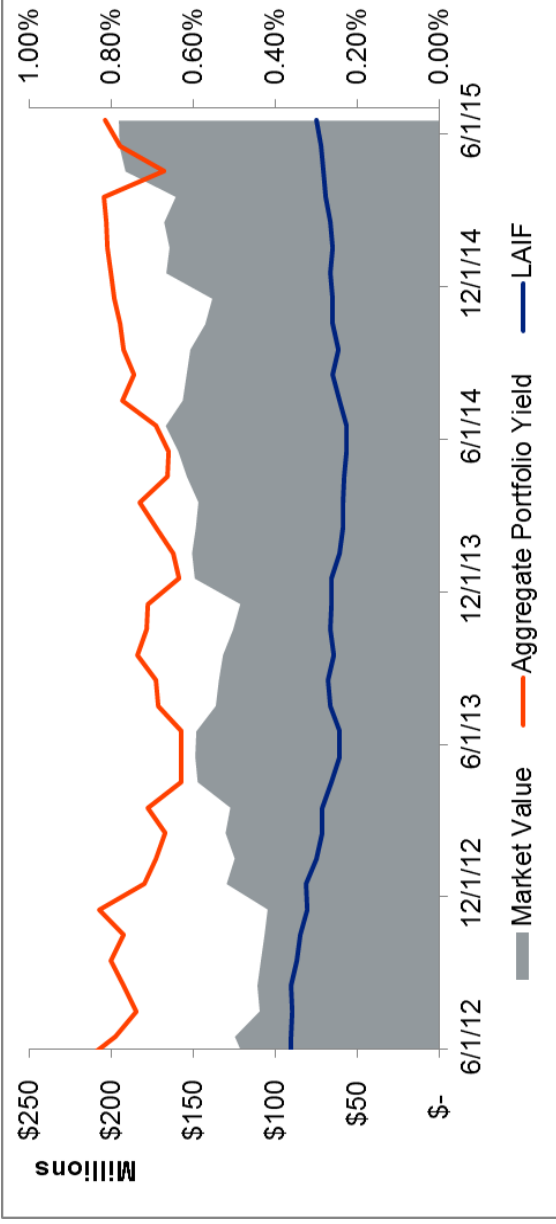


**City of San Mateo
Portfolio Compliance Report
June 30, 2015**

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"/> |
| <p>The investment report herein shown along with ongoing income provides sufficient liquidity to meet estimated expenditures for next 12 months</p> | | |
| | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Portfolio Yield vs. LAIF



Historical Portfolio Data

Source: State Treasurer's website.

Kathleen VonAchen

**Kathleen VonAchen
Interim Finance Director**

6/30/2015

Date



City of San Mateo
Portfolio Compliance Report
 June 30, 2015

Issuer Detail - Aggregate Portfolio

Issuer	Original Cost	Market Value	Amortized Cost	% of Portfolio	% Permitted by Policy	In Compliance	Average Maturity ¹	Average Yield ¹
Cash Equivalents	2,000,000	2,000,000	2,000,000	1%			1	0.35%
East West Bank	2,000,000	2,000,000	2,000,000	1%	100%	✓	1	0.35%
Money Market Funds	4,693,949	4,693,949	4,693,949	2%			1	0.00%
Dreyfus	4,693,949	4,693,949	4,693,949	2%	5%	✓	1	0.00%
Investment Pools	62,571,619	62,571,619	62,571,619	32%			1	0.65%
San Mateo County Pool	56,355,142	56,355,142	56,355,142	29%	30%	✓	1	0.69%
Local Agency Investment Fund	6,216,477	6,216,477	6,216,477	3%	65%	✓	1	0.30%
Certificates of Deposit	6,490,000	6,489,996	6,490,000	3%			325	0.63%
U.S. Treasury Notes	33,456,572	33,486,638	33,433,155	17%			988	1.03%
U.S. Treasury	33,456,572	33,486,638	33,433,155	17%	100%	✓	988	1.03%
Federal Agency Securities	81,666,369	81,609,160	81,563,772	42%			843	0.93%
FHLB	29,070,728	29,096,764	29,045,154	15%	35%	✓	940	1.05%
FNMA	23,673,446	23,576,641	23,613,872	12%	35%	✓	904	0.92%
FFCB	15,018,960	15,009,450	15,007,983	8%	35%	✓	601	0.71%
FHLMC	13,903,235	13,926,305	13,896,763	7%	35%	✓	796	0.92%
Medium-Term Corporate Notes	4,599,845	4,536,460	4,533,260	2%			350	0.75%
General Electric Capital Corp	2,033,760	2,014,980	2,013,715	1%	2%	✓	378	0.83%
IBM Corp	1,031,870	1,014,640	1,013,099	1%	2%	✓	388	0.71%
Toyota	1,001,010	1,000,650	1,000,348	1%	2%	✓	322	0.76%
Microsoft	533,205	506,190	506,098	0%	2%	✓	223	0.47%
Grand Total	195,478,353	195,387,821	195,285,754	100%			541	0.81%

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.



City of San Mateo

Bond Proceeds/Bond Reserve Portfolio

June 30, 2015

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	80,231	0.30%
Sewer Revenue Bond 2011	C	LAIF	05/12/11	open	11,632	0.30%
Sewer Revenue Bond 2014	C	Various ^(a)	06/11/14	various ^(d)	9,532,327	0.18%
Subtotal Construction & Other					\$ 9,624,189	0.18%
Landfill Closure Bond 2003	R	AIG GIC MF	05/21/04	07/27/34	532,503	4.80%
Merged Area Tax Allocation Bonds Res 2005A	R	FNMA ^(b)	12/04/12	10/26/17	1,314,922	0.875%
Sewer Revenue Bond 2011	R	FNMA ^(c)	07/18/13	09/28/16	1,087,861	1.25%
South Bayfront Levee Flood Control Bond 2011A	R	FHLMC ^(d)	02/15/11	01/19/16	588,839	4.75%
Subtotal Debt Reserve					\$ 3,524,125	2.23%
Total and Average					\$ 13,148,314	0.73%

* C=Construction, R=Debt Reserve

^(b) Coupon 0.875%, purchased @ 100.628

^(c) Coupon 1.25% purchased @101.575

^(d) Coupon 4.75%, purchased @ 110.198

^(a) Investments consist of:

Issuer	Stated Rate	Maturity Date
FHLMC	0.38%	12/21/2015
Goldman Sachs Cash	0.00%	open

**City of San Mateo
Portfolio Compliance Report
June 30, 2015**

Holdings Detail - Aggregate Portfolio

CUSIP	Issuer	Coupon	Maturity Date	Par	Yield	Original Cost	Market Value ¹	Amortized Cost ²	# of Days to Maturity
Cash Equivalents									
	East West Bank	0.350%	7/1/2015	2,000,000	0.35%	2,000,000	2,000,000	2,000,000	1 Under 6 Months
Money Market Funds									
X9USDDTP3	Dreyfus	0.000%	7/1/2015	4,693,949	0.00%	4,693,949	4,693,949	4,693,949	1 Under 6 Months
Investment Pools									
	Local Agency Investment Fund	0.299%	7/1/2015	6,216,477	0.30%	6,216,477	6,216,477	6,216,477	1 Under 6 Months
	San Mateo County Pool	0.690%	7/1/2015	56,355,142	0.69%	56,355,142	56,355,142	56,355,142	1 Under 6 Months
Certificates of Deposit									
	East West Bank	0.495%	7/27/2015	2,000,000	0.50%	2,000,000	2,000,000	2,000,000	27 Under 6 Months
59013JAH2	Merrick Bank	0.600%	6/20/2016	250,000	0.60%	250,000	249,968	250,000	356 6-Months to 1-Year
87165HAX8	Synchrony Bank	0.650%	6/20/2016	250,000	0.65%	250,000	250,091	250,000	356 6-Months to 1-Year
29266NZY6	Enerbank USA	0.550%	6/20/2016	250,000	0.55%	250,000	249,844	250,000	356 6-Months to 1-Year
05580AAJ3	BMW Bank North America	0.550%	6/20/2016	250,000	0.55%	250,000	249,844	250,000	356 6-Months to 1-Year
32111L BX9	First National Bank	0.500%	6/24/2016	250,000	0.50%	250,000	249,718	250,000	360 6-Months to 1-Year
254671 X54	Discover Bank	0.700%	6/27/2016	250,000	0.70%	250,000	250,219	250,000	363 6-Months to 1-Year
38147JK68	Goldman Sachs Bank	0.650%	6/27/2016	250,000	0.65%	250,000	250,093	250,000	363 6-Months to 1-Year
02006LFH1	Ally Bank	0.700%	6/27/2016	250,000	0.70%	250,000	250,219	250,000	363 6-Months to 1-Year
	East West Bank	0.895%	10/23/2016	1,000,000	0.90%	1,000,000	1,000,000	1,000,000	481 1- to 2-Years
	Bank of China	0.600%	10/26/2016	240,000	0.60%	240,000	240,000	240,000	484 1- to 2-Years
	First National Bank	0.700%	1/12/2017	1,000,000	0.70%	1,000,000	1,000,000	1,000,000	562 1- to 2-Years
	Boston Bank	0.600%	5/30/2017	250,000	0.60%	250,000	250,000	250,000	700 1- to 2-Years
U.S. Treasury Notes									
912828PE4	U.S. Treasury	1.250%	10/31/2015	1,000,000	0.71%	1,022,344	1,004,000	1,001,800	123 Under 6 Months
912828QR4	U.S. Treasury	1.500%	6/30/2016	1,000,000	0.50%	1,020,156	1,011,562	1,009,942	366 1- to 2-Years
912828QX1	U.S. Treasury	1.500%	7/31/2016	1,000,000	0.92%	1,028,125	1,012,200	1,006,148	397 1- to 2-Years
912828WF3	U.S. Treasury	0.625%	1/15/2016	1,000,000	0.70%	998,125	1,002,578	998,927	504 1- to 2-Years
912828SC5	U.S. Treasury	0.875%	1/31/2017	2,000,000	0.79%	2,004,375	2,011,200	2,002,653	581 1- to 2-Years
912828SJ0	U.S. Treasury	0.875%	2/28/2017	1,500,000	0.72%	1,506,484	1,508,087	1,504,136	609 1- to 2-Years
912828SM3	U.S. Treasury	1.000%	3/31/2017	1,000,000	0.88%	1,003,281	1,006,810	1,002,065	640 1- to 2-Years
912828TB6	U.S. Treasury	0.750%	6/30/2017	1,000,000	0.86%	996,380	1,001,953	997,831	731 2- to 3-Years
912828TM2	U.S. Treasury	0.625%	8/31/2017	1,000,000	0.97%	987,969	998,281	992,638	793 2- to 3-Years
912828TW0	U.S. Treasury	0.750%	10/31/2017	3,000,000	0.84%	2,990,019	2,997,423	2,993,458	854 2- to 3-Years
912828JA6	U.S. Treasury	0.625%	11/30/2017	1,000,000	1.04%	984,688	995,703	990,091	884 2- to 3-Years
912828UE8	U.S. Treasury	0.750%	12/31/2017	1,000,000	1.25%	981,590	997,891	987,802	915 2- to 3-Years
912828UR9	U.S. Treasury	0.750%	2/28/2018	1,000,000	1.19%	982,656	996,016	988,563	974 2- to 3-Years
912828UU2	U.S. Treasury	0.750%	3/31/2018	3,000,000	1.01%	2,971,472	2,984,700	2,979,206	1,005 2- to 3-Years
912828VK3	U.S. Treasury	1.375%	6/30/2018	2,000,000	0.92%	2,028,516	2,021,718	2,026,933	1,096 3- to 4-Years
912828RE2	U.S. Treasury	1.500%	8/31/2018	2,000,000	1.06%	2,028,672	2,026,094	2,027,581	1,158 3- to 4-Years
912828WD8	U.S. Treasury	1.250%	10/31/2018	2,000,000	1.15%	2,006,640	2,006,876	2,006,465	1,219 3- to 4-Years
912828A34	U.S. Treasury	1.250%	11/30/2018	2,000,000	1.18%	2,005,080	2,005,000	2,004,949	1,249 3- to 4-Years
912828TR1	U.S. Treasury	1.000%	9/30/2019	1,000,000	1.42%	982,344	981,328	982,711	1,553 4- to 5-Years
912828TV2	U.S. Treasury	1.250%	10/31/2019	1,000,000	1.43%	992,188	990,500	992,347	1,584 4- to 5-Years
912828UB4	U.S. Treasury	1.000%	11/30/2019	2,000,000	1.46%	1,960,000	1,956,250	1,960,801	1,614 4- to 5-Years
912828UQ1	U.S. Treasury	1.250%	2/29/2020	2,000,000	1.52%	1,975,469	1,970,468	1,976,105	1,705 4- to 5-Years

**City of San Mateo
Portfolio Compliance Report
June 30, 2015**

Holdings Detail - Aggregate Portfolio

CUSIP	Issuer	Coupon	Maturity Date	Par	Yield	Original Cost	Market Value ¹	Amortized Cost ²	# of Days to Maturity
Federal Agency Securities				81,345,000	0.93%	81,666,369	81,609,160	81,563,772	843
3134G4VH8	FHLMC	0.400%	3/15/2016	1,000,000	0.43%	999,550	1,000,690	999,816	259
3133EAJ03	FFCB	1.050%	3/28/2016	1,000,000	0.44%	1,010,860	1,005,620	1,004,559	272
3133EDEC2	FFCB	0.550%	4/28/2016	1,000,000	0.50%	1,001,110	1,001,560	1,000,410	303
3133EDDP4	FFCB	0.520%	6/17/2016	4,000,000	0.47%	4,004,440	4,008,080	4,001,827	353
3133834R9	FHLB	0.375%	6/24/2016	1,000,000	0.50%	997,490	999,930	998,772	360
31359MS61	FNMA	5.375%	7/15/2016	1,000,000	0.42%	1,116,280	1,051,130	1,051,336	381
3135G0XC2	FNMA	0.500%	8/22/2016	1,000,000	0.50%	1,000,000	998,590	1,000,000	419
3135G0YE7	FNMA	0.625%	8/26/2016	2,000,000	0.48%	2,007,280	2,004,820	2,003,880	423
3134G5GE9	FHLMC	0.570%	8/26/2016	1,000,000	0.54%	1,000,500	1,000,650	1,000,289	423
3133ECZX5	FFCB	0.970%	9/19/2016	1,000,000	0.97%	1,000,000	1,006,130	1,000,000	447
3133EDE57	FFCB	0.690%	9/23/2016	1,000,000	0.51%	1,004,600	1,001,860	1,002,207	451
3130A2T97	FHLB	0.500%	9/28/2016	2,500,000	0.45%	2,501,850	2,500,600	2,501,678	456
3133EA3Q9	FFCB	1.250%	9/28/2016	1,000,000	0.54%	1,017,840	1,009,640	1,008,785	456
3135G0CM3	FNMA	0.600%	10/11/2016	1,000,000	0.60%	1,000,000	999,490	1,000,000	469
3130A3J70	FHLB	0.625%	11/23/2016	2,000,000	0.51%	2,003,640	2,001,220	2,003,231	512
3136G07E5	FNMA	0.625%	11/28/2016	1,000,000	0.63%	1,000,000	1,000,890	1,000,000	517
313371PV2	FHLB	1.625%	12/9/2016	3,000,000	0.58%	3,060,540	3,047,310	3,045,017	528
3137EADT3	FHLMC	0.875%	2/22/2017	1,000,000	0.78%	1,002,980	1,004,550	1,001,625	603
3137EADC0	FHLMC	1.000%	3/8/2017	1,500,000	0.60%	1,510,740	1,509,450	1,509,988	617
313378MN8	FHLB	1.000%	3/10/2017	2,000,000	0.81%	2,011,820	2,009,800	2,006,521	619
3135G0VM2	FNMA	0.750%	3/14/2017	500,000	0.69%	501,200	501,065	500,523	623
3134G4XM5	FHLMC	0.780%	3/28/2017	1,000,000	0.78%	1,000,000	1,001,520	1,000,000	637
3137EADF3	FHLMC	1.250%	5/12/2017	1,000,000	0.77%	1,022,400	1,011,180	1,008,780	682
3130A5EPO	FHLB	0.625%	5/30/2017	1,590,000	0.67%	1,588,680	1,586,756	1,588,762	700
31359MEL3	FNMA	0.000%	6/1/2017	1,000,000	0.89%	963,290	984,820	983,255	702
313379FW4	FHLB	1.000%	6/9/2017	1,000,000	0.85%	1,003,660	1,004,470	1,002,875	710
3130A3RT3	FHLB	1.000%	6/29/2017	1,000,000	1.00%	1,000,000	1,001,450	1,000,000	730
3137EADH9	FHLMC	1.000%	6/29/2017	1,500,000	0.87%	1,507,555	1,508,235	1,504,013	730
3134G3E55	FHLMC	1.000%	8/28/2017	1,000,000	1.00%	1,000,000	1,000,440	1,000,000	790
3135G0MZ3	FNMA	0.875%	8/28/2017	2,000,000	0.72%	2,007,300	2,004,740	2,006,742	790
3135G0PP2	FNMA	1.000%	9/20/2017	2,965,000	0.97%	2,969,866	2,973,006	2,967,336	813
3136G0J28	FNMA	1.250%	9/27/2017	1,000,000	1.11%	1,005,130	1,011,370	1,003,180	820
3134G6MH5	FHLMC	0.750%	10/30/2017	1,000,000	0.75%	1,000,000	1,000,500	1,000,000	853
3133EC2M5	FFCB	0.940%	11/13/2017	1,000,000	0.94%	1,000,000	998,530	1,000,000	867
3133EC2Y9	FFCB	0.850%	11/20/2017	1,000,000	0.87%	999,000	997,460	999,519	874
3134G3W63	FHLMC	1.030%	11/28/2017	1,000,000	1.53%	979,000	999,200	988,474	882
3135G0RT2	FNMA	0.875%	12/20/2017	1,000,000	1.10%	991,500	999,120	994,456	904
3136G14R7	FNMA	0.870%	12/26/2017	1,000,000	0.87%	1,000,000	991,430	1,000,000	910
3133ECB45	FFCB	0.900%	12/26/2017	1,000,000	0.90%	1,000,000	998,640	1,000,000	910
3130A3RY2	FHLB	1.150%	12/29/2017	3,000,000	1.15%	3,000,000	3,013,140	3,000,000	913
3130A3MJ0	FHLB	1.100%	12/29/2017	1,000,000	1.10%	1,000,000	1,003,540	1,000,000	913
3137EADN6	FHLMC	0.750%	1/12/2018	500,000	1.01%	493,790	497,510	496,812	927
3133ECCZ5	FFCB	0.900%	1/16/2018	1,000,000	0.92%	999,000	998,630	999,490	931

**City of San Mateo
Portfolio Compliance Report
June 30, 2015**

Holdings Detail - Aggregate Portfolio

CUSIP	Issuer	Coupon	Maturity Date	Par	Yield	Original Cost	Market Value ¹	Amortized Cost ²	# of Days to Maturity
3134G33Y4	FHLMC	0.950%	1/22/2018	1,000,000	0.96%	999,500	998,460	999,743	937 2- to 3-Years
3135G0T G8	FNMA	0.875%	2/8/2018	2,000,000	0.98%	1,989,480	1,995,080	1,994,461	954 2- to 3-Years
313378A43	FHLB	1.375%	3/9/2018	1,400,000	1.17%	1,412,568	1,412,698	1,407,810	983 2- to 3-Years
31333ECMF8	FFCB	0.980%	4/24/2018	1,000,000	0.98%	999,950	996,890	999,972	1,029 2- to 3-Years
31333ECQ56	FFCB	1.080%	5/22/2018	1,000,000	1.08%	1,000,000	996,560	1,000,000	1,057 2- to 3-Years
313383AV3	FHLB	1.000%	6/12/2018	1,000,000	1.00%	1,000,000	994,200	1,000,000	1,078 2- to 3-Years
3130A3RZ9	FHLB	1.400%	6/29/2018	2,000,000	1.40%	2,000,000	2,006,580	2,000,000	1,095 2- to 3-Years
3130A3NL4	FHLB	1.350%	6/29/2018	1,000,000	1.35%	1,000,000	1,002,190	1,000,000	1,095 2- to 3-Years
3135G0ZA4	FNMA	1.875%	2/19/2019	2,000,000	1.18%	2,051,520	2,037,700	2,049,173	1,330 3- to 4-Years
3135G0ZG1	FNMA	1.750%	9/12/2019	2,000,000	1.34%	2,034,680	2,016,020	2,033,313	1,535 4- to 5-Years
3135G0A78	FNMA	1.625%	1/21/2020	2,000,000	1.43%	2,018,080	1,997,220	2,017,433	1,666 4- to 5-Years
313383HU8	FHLB	1.750%	6/12/2020	3,500,000	1.85%	3,483,480	3,498,880	3,483,489	1,809 4- to 5-Years
3134G6T78	FHLMC	1.800%	6/18/2020	1,390,000	1.84%	1,387,220	1,393,920	1,387,222	1,815 4- to 5-Years
3130A5NNS	FHLB	2.000%	6/30/2020	2,000,000	1.93%	2,007,000	2,014,000	2,007,000	1,827 4- to 5-Years
Medium-Term Corporate Notes				4,500,000	0.75%	4,599,845	4,536,460	4,533,260	350 6-Months to 1-Year
5949T8AK0	Microsoft	2.500%	2/8/2016	500,000	0.47%	533,205	506,190	506,098	223 6-Months to 1-Year
89236TAL9	Toyota	0.800%	5/17/2016	1,000,000	0.76%	1,001,010	1,000,650	1,000,348	322 6-Months to 1-Year
36962G6Z2	General Electric Capital Corp	1.500%	7/12/2016	2,000,000	0.83%	2,033,760	2,014,980	2,013,715	378 1- to 2-Years
459200GX3	IBM Corp	1.950%	7/22/2016	1,000,000	0.71%	1,031,870	1,014,640	1,013,099	388 1- to 2-Years
Total Portfolio				195,100,567	0.81%	195,478,553	195,387,821	195,285,754	541 1- to 2-Years

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

2. Amortized cost is the original cost 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.

Transactions Detail - Aggregate Portfolio

Transaction Date	CUSIP	Issuer	Coupon	Maturity Date	Par	Original Cost
Purchases						
6/29/2015	313383HU8	FHLB	1.750%	6/12/2020	2,000,000	1,990,560
6/29/2015	313383HU8	FHLB	1.750%	6/12/2020	1,500,000	1,492,920
6/29/2015	3134G6T78	FHLMC	1.800%	6/18/2020	1,390,000	1,387,220
6/30/2015	3130A5NN5	FHLB	2.000%	6/30/2020	2,000,000	2,007,000
Maturities						
6/12/2015	3133XVNB1	FHLB	2.875%	6/12/2015	1,000,000	1,067,870
6/24/2015	3136G2BG1	FNMA	1.500%	9/24/2018	1,000,000	1,000,000
6/26/2015	3134G4A99	FHLMC	1.300%	6/26/2018	1,000,000	995,000
6/30/2015	3130A2CW4	FHLB	0.750%	12/30/2016	2,000,000	1,997,520
Total					11,890,000	11,938,090

Holdings Detail - City Managed Investments

CUSIP	Issuer	Coupon	Maturity Date	Par	Yield	Original Cost	Market Value ¹	Amortized Cost ²	# of Days to Maturity
Cash Equivalents									
	East West Bank	0.350%	7/1/2015	2,000,000	0.35%	2,000,000	2,000,000	2,000,000	1 Under 6 Months
Investment Pools									
	Local Agency Investment Fund	0.299%	7/1/2015	6,216,477	0.30%	6,216,477	6,216,477	6,216,477	1 Under 6 Months
	San Mateo County Pool	0.690%	7/1/2015	56,355,142	0.69%	56,355,142	56,355,142	56,355,142	1 Under 6 Months
Certificates of Deposit									
	East West Bank	0.495%	7/27/2015	2,000,000	0.50%	2,000,000	2,000,000	2,000,000	27 Under 6 Months
59013JAH2	Merrick Bank	0.600%	6/20/2016	250,000	0.60%	250,000	249,968	250,000	356 6-Months to 1-Year
87165HAX8	Synchrony Bank	0.650%	6/20/2016	250,000	0.65%	250,000	250,091	250,000	356 6-Months to 1-Year
29266NZY6	Enerbank USA	0.550%	6/20/2016	250,000	0.55%	250,000	249,844	250,000	356 6-Months to 1-Year
05580AAJ3	BMW Bank North America	0.550%	6/20/2016	250,000	0.55%	250,000	249,844	250,000	356 6-Months to 1-Year
32111LBX9	First National Bank	0.500%	6/24/2016	250,000	0.50%	250,000	249,718	250,000	360 6-Months to 1-Year
254671X54	Discover Bank	0.700%	6/27/2016	250,000	0.70%	250,000	250,219	250,000	363 6-Months to 1-Year
38147JK68	Goldman Sachs Bank	0.650%	6/27/2016	250,000	0.65%	250,000	250,093	250,000	363 6-Months to 1-Year
02006LFH1	Ally Bank	0.700%	6/27/2016	250,000	0.70%	250,000	250,219	250,000	363 6-Months to 1-Year
	East West Bank	0.895%	10/23/2016	1,000,000	0.90%	1,000,000	1,000,000	1,000,000	481 1- to 2-Years
	Bank of China	0.600%	10/26/2016	240,000	0.60%	240,000	240,000	240,000	484 1- to 2-Years
	First National Bank	0.700%	1/12/2017	1,000,000	0.70%	1,000,000	1,000,000	1,000,000	562 1- to 2-Years
	Boston Bank	0.600%	5/30/2017	250,000	0.60%	250,000	250,000	250,000	700 1- to 2-Years
U.S. Treasury Notes									
912828PE4	U.S. Treasury	1.250%	10/31/2015	1,000,000	0.71%	1,022,344	1,004,000	1,001,800	123 Under 6 Months
912828QR4	U.S. Treasury	1.500%	6/30/2016	1,000,000	0.50%	1,020,156	1,011,562	1,009,942	366 1- to 2-Years
912828QX1	U.S. Treasury	1.500%	7/31/2016	1,000,000	0.92%	1,028,125	1,012,200	1,006,148	397 1- to 2-Years
912828WF3	U.S. Treasury	0.625%	11/15/2016	1,000,000	0.70%	998,125	1,002,578	998,927	504 1- to 2-Years
912828SC5	U.S. Treasury	0.875%	1/31/2017	2,000,000	0.79%	2,004,375	2,011,200	2,002,653	581 1- to 2-Years
912828SJ0	U.S. Treasury	0.875%	2/28/2017	1,500,000	0.72%	1,506,484	1,508,087	1,504,136	609 1- to 2-Years
912828SM3	U.S. Treasury	1.000%	3/31/2017	1,000,000	0.88%	1,003,281	1,006,810	1,002,065	640 1- to 2-Years
912828TB6	U.S. Treasury	0.750%	6/30/2017	1,000,000	0.86%	996,380	1,001,953	997,831	731 2- to 3-Years
912828TM2	U.S. Treasury	0.625%	8/31/2017	1,000,000	0.97%	987,969	998,281	992,638	793 2- to 3-Years
912828TW0	U.S. Treasury	0.750%	10/31/2017	1,000,000	1.01%	990,644	999,141	994,050	854 2- to 3-Years
912828UA6	U.S. Treasury	0.625%	11/30/2017	1,000,000	1.04%	984,688	995,703	990,091	884 2- to 3-Years
912828UE8	U.S. Treasury	0.750%	12/31/2017	1,000,000	1.25%	981,590	997,891	987,802	915 2- to 3-Years
912828UR9	U.S. Treasury	0.750%	2/28/2018	1,000,000	1.19%	982,656	986,016	988,563	974 2- to 3-Years
912828UU2	U.S. Treasury	0.750%	3/31/2018	1,000,000	1.35%	976,550	994,900	983,979	1,005 2- to 3-Years
912828WD8	U.S. Treasury	1.250%	10/31/2018	2,000,000	1.15%	2,006,640	2,006,876	2,006,465	1,219 3- to 4-Years
912828A34	U.S. Treasury	1.250%	11/30/2018	2,000,000	1.18%	2,005,080	2,005,000	2,004,949	1,249 3- to 4-Years

Holdings Detail - City Managed Investments

CUSIP	Issuer	Coupon	Maturity Date	Par	Yield	Original Cost	Market Value ¹	Amortized Cost ²	# of Days to Maturity
912828TR1	U.S. Treasury	1.000%	9/30/2019	1,000,000	1.42%	982,344	981,328	982,711	1,553 4- to 5-Years
912828TV2	U.S. Treasury	1.250%	10/31/2019	1,000,000	1.43%	992,188	990,500	992,347	1,584 4- to 5-Years
912828UB4	U.S. Treasury	1.000%	11/30/2019	2,000,000	1.46%	1,960,000	1,956,250	1,960,801	1,614 4- to 5-Years
	Federal Agency Securities			63,755,000	0.96%	63,915,419	63,923,913.30	63,821,792	825 2- to 3-Years
3134G4VH8	FHLMC	0.400%	3/15/2016	1,000,000	0.43%	999,550	1,000,690	999,816	259 6-Months to 1-Year
3133EAJU3	FFCB	1.050%	3/28/2016	1,000,000	0.44%	1,010,860	1,005,620	1,004,559	272 6-Months to 1-Year
3133EDEC2	FFCB	0.550%	4/28/2016	1,000,000	0.50%	1,001,110	1,001,560	1,000,410	303 6-Months to 1-Year
3133EDDP4	FFCB	0.520%	6/17/2016	4,000,000	0.47%	4,004,440	4,008,080	4,001,827	353 6-Months to 1-Year
3133834R9	FHLB	0.375%	6/24/2016	1,000,000	0.50%	997,490	999,930	998,772	360 6-Months to 1-Year
31359MS61	FNMA	5.375%	7/15/2016	1,000,000	0.42%	1,116,280	1,051,130	1,051,336	381 1- to 2-Years
3135G0XC2	FNMA	0.500%	8/22/2016	1,000,000	0.50%	1,000,000	998,590	1,000,000	419 1- to 2-Years
3134G5GE9	FHLMC	0.570%	8/26/2016	1,000,000	0.54%	1,000,500	1,000,650	1,000,289	423 1- to 2-Years
3135G0YE7	FNMA	0.625%	8/26/2016	2,000,000	0.48%	2,007,280	2,004,820	2,003,880	423 1- to 2-Years
3133ECZX5	FFCB	0.970%	9/19/2016	1,000,000	0.97%	1,000,000	1,006,130	1,000,000	447 1- to 2-Years
3133EDE57	FFCB	0.690%	9/23/2016	1,000,000	0.51%	1,004,600	1,001,860	1,002,207	451 1- to 2-Years
3135G0CM3	FNMA	1.250%	9/28/2016	1,000,000	0.54%	1,017,840	1,009,640	1,008,785	456 1- to 2-Years
3133EA3Q9	FFCB	0.600%	10/11/2016	1,000,000	0.60%	1,000,000	999,490	1,000,000	469 1- to 2-Years
3136G07E5	FNMA	0.625%	11/28/2016	1,000,000	0.63%	1,000,000	1,000,890	1,000,000	517 1- to 2-Years
313371PV2	FHLB	1.625%	12/9/2016	1,000,000	0.69%	1,026,080	1,015,770	1,013,356	528 1- to 2-Years
3137EADT3	FHLMC	0.875%	2/22/2017	1,000,000	0.78%	1,002,980	1,004,550	1,001,625	603 1- to 2-Years
313378MN8	FHLB	1.000%	3/10/2017	2,000,000	0.81%	2,011,820	2,009,800	2,006,521	619 1- to 2-Years
3135G0VM2	FNMA	0.750%	3/14/2017	500,000	0.69%	501,200	501,065	500,523	623 1- to 2-Years
3134C4XM5	FHLMC	0.780%	3/28/2017	1,000,000	0.78%	1,000,000	1,001,520	1,000,000	637 1- to 2-Years
3137EADF3	FHLMC	1.250%	5/12/2017	1,000,000	0.77%	1,022,400	1,011,180	1,008,780	682 1- to 2-Years
31359MEL3	FNMA	0.000%	6/1/2017	1,000,000	0.89%	963,290	984,820	983,255	702 1- to 2-Years
313379FW4	FHLB	1.000%	6/9/2017	1,000,000	0.85%	1,003,660	1,004,470	1,002,875	710 1- to 2-Years
3130A3RT3	FHLB	1.000%	6/29/2017	1,000,000	1.00%	1,000,000	1,001,450	1,000,000	730 1- to 2-Years
3137EADH9	FHLMC	1.000%	6/29/2017	1,500,000	0.87%	1,507,555	1,508,235	1,504,013	730 1- to 2-Years
3134G3E55	FHLMC	1.000%	8/28/2017	1,000,000	1.00%	1,000,000	1,000,440	1,000,000	790 2- to 3-Years
3135G0PP2	FNMA	1.000%	9/20/2017	2,965,000	0.97%	2,969,866	2,973,006	2,967,336	813 2- to 3-Years
3136G0J28	FNMA	1.250%	9/27/2017	1,000,000	1.11%	1,005,130	1,011,370	1,003,180	820 2- to 3-Years
3134G5MH5	FHLMC	0.750%	10/30/2017	1,000,000	0.75%	1,000,000	1,000,500	1,000,000	853 2- to 3-Years
3133EC2M5	FFCB	0.940%	11/13/2017	1,000,000	0.94%	1,000,000	998,530	1,000,000	867 2- to 3-Years
3133EC2Y9	FFCB	0.850%	11/20/2017	1,000,000	0.87%	999,000	997,460	999,519	874 2- to 3-Years
3134G3W63	FHLMC	1.030%	11/28/2017	1,000,000	1.53%	979,000	999,200	988,474	882 2- to 3-Years
3135G0RT2	FNMA	0.875%	12/20/2017	1,000,000	1.10%	991,500	999,120	994,456	904 2- to 3-Years

Holdings Detail - City Managed Investments

CUSIP	Issuer	Coupon	Maturity Date	Par	Yield	Original Cost	Market Value ¹	Amortized Cost ²	# of Days to Maturity
3133ECB45	FFCB	0.900%	12/26/2017	1,000,000	0.90%	1,000,000	998,640	1,000,000	910 2- to 3-Years
3136G14R7	FNMA	0.870%	12/26/2017	1,000,000	0.87%	1,000,000	991,430	1,000,000	910 2- to 3-Years
3130A3MJ0	FHLB	1.100%	12/29/2017	1,000,000	1.10%	1,000,000	1,003,540	1,000,000	913 2- to 3-Years
3130A3RY2	FHLB	1.150%	12/29/2017	3,000,000	1.15%	3,000,000	3,013,140	3,000,000	913 2- to 3-Years
3137EADN6	FHLMC	0.750%	1/12/2018	500,000	1.01%	493,790	497,510	496,812	927 2- to 3-Years
3133ECCZ5	FFCB	0.900%	1/16/2018	1,000,000	0.92%	999,000	998,630	999,490	931 2- to 3-Years
3134G33Y4	FHLMC	0.950%	1/22/2018	1,000,000	0.96%	999,500	998,460	999,743	937 2- to 3-Years
3135G0TG8	FNMA	0.875%	2/8/2018	2,000,000	0.98%	1,989,480	1,995,080	1,994,461	954 2- to 3-Years
313378A43	FHLB	1.375%	3/9/2018	1,400,000	1.17%	1,412,568	1,412,698	1,407,810	983 2- to 3-Years
3133ECMF8	FFCB	0.980%	4/24/2018	1,000,000	0.98%	999,950	996,890	999,972	1,029 2- to 3-Years
3133ECQ56	FFCB	1.080%	5/22/2018	1,000,000	1.08%	1,000,000	996,560	1,000,000	1,057 2- to 3-Years
313383AV3	FHLB	1.000%	6/12/2018	1,000,000	1.00%	1,000,000	994,200	1,000,000	1,078 2- to 3-Years
3130A3RZ9	FHLB	1.400%	6/29/2018	2,000,000	1.40%	2,000,000	2,006,580	2,000,000	1,095 2- to 3-Years
3130A3NL4	FHLB	1.350%	6/29/2018	1,000,000	1.35%	1,000,000	1,002,190	1,000,000	1,095 2- to 3-Years
313383HU8	FHLB	1.750%	6/12/2020	3,500,000	1.85%	3,483,480	3,498,880	3,483,489	1,809 4- to 5-Years
3134G6T78	FHLMC	1.800%	6/18/2020	1,390,000	1.84%	1,387,220	1,393,920	1,387,222	1,815 4- to 5-Years
3130A5NN5	FHLB	2.000%	6/30/2020	2,000,000	1.93%	2,007,000	2,014,000	2,007,000	1,827 4- to 5-Years
Total				158,316,619	0.83%	158,406,655	158,465,804	158,291,311	482 1- to 2-Years

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.

Holdings Detail - Advisor Managed Investments

CUSIP	Issuer	Coupon	Maturity Date	Par	Yield	Original Cost	Market Value ¹	Amortized Cost ²	# of Days to Maturity
Money Market Funds									
X9USDTP3	Dreyfus	0.000%	7/1/2015	4,693,949	0.00%	4,693,949	4,693,949	4,693,949	1 Under 6 Months
U.S. Treasury Notes									
912828TW0	U.S. Treasury	0.750%	10/31/2017	2,000,000	0.76%	1,999,375	1,998,282	1,999,407	854 2- to 3-Years
912828JU2	U.S. Treasury	0.750%	3/31/2018	2,000,000	0.84%	1,994,922	1,989,800	1,995,228	1,005 2- to 3-Years
912828VK3	U.S. Treasury	1.375%	6/30/2018	2,000,000	0.92%	2,028,516	2,021,718	2,026,933	1,096 3- to 4-Years
912828RE2	U.S. Treasury	1.500%	8/31/2018	2,000,000	1.06%	2,028,672	2,026,094	2,027,581	1,158 3- to 4-Years
912828UQ1	U.S. Treasury	1.250%	2/29/2020	2,000,000	1.52%	1,975,469	1,970,468	1,976,105	1,705 4- to 5-Years
Federal Agency Securities									
3130A2T97	FHLB	0.500%	9/28/2016	2,500,000	0.45%	2,501,850	2,500,600	2,501,678	456 1- to 2-Years
3130A3J70	FHLB	0.625%	11/23/2016	2,000,000	0.51%	2,003,640	2,001,220	2,003,231	512 1- to 2-Years
313371PV2	FHLB	1.625%	12/9/2016	2,000,000	0.52%	2,034,460	2,031,540	2,031,661	528 1- to 2-Years
3137EADC0	FHLMC	1.000%	3/8/2017	1,500,000	0.60%	1,510,740	1,509,450	1,509,988	617 1- to 2-Years
3130A5EP0	FHLB	0.625%	5/30/2017	1,590,000	0.67%	1,588,680	1,586,756	1,588,762	700 1- to 2-Years
3135G0MZ3	FNMA	0.875%	8/28/2017	2,000,000	0.72%	2,007,300	2,004,740	2,006,742	790 2- to 3-Years
3135G0ZA4	FNMA	1.875%	2/19/2019	2,000,000	1.18%	2,051,520	2,037,700	2,049,173	1,330 3- to 4-Years
3135G0ZG1	FNMA	1.750%	9/12/2019	2,000,000	1.34%	2,034,680	2,016,020	2,033,313	1,535 4- to 5-Years
3135G0A78	FNMA	1.625%	1/21/2020	2,000,000	1.43%	2,018,080	1,997,220	2,017,433	1,666 4- to 5-Years
Medium-Term Corporate Notes									
594918AK0	Microsoft	2.500%	2/8/2016	500,000	0.47%	533,205	506,190	506,098	350 6-Months to 1-Year
89236TAL9	Toyota	0.800%	5/17/2016	1,000,000	0.76%	1,001,010	1,000,650	1,000,348	223 6-Months to 1-Year
36962G6Z2	General Electric Capital Corp	1.500%	7/12/2016	2,000,000	0.83%	2,033,760	2,014,980	2,013,715	322 6-Months to 1-Year
459200GX3	IBM Corp	1.950%	7/22/2016	1,000,000	0.71%	1,031,870	1,014,640	1,013,099	378 1- to 2-Years
Grand Total				36,783,949	0.76%	37,071,697	36,922,017	36,994,443	793 2- to 3-Years

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