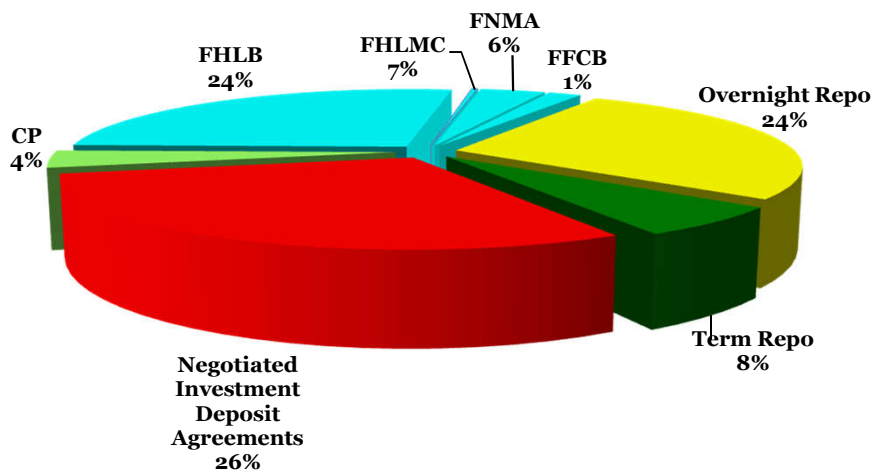


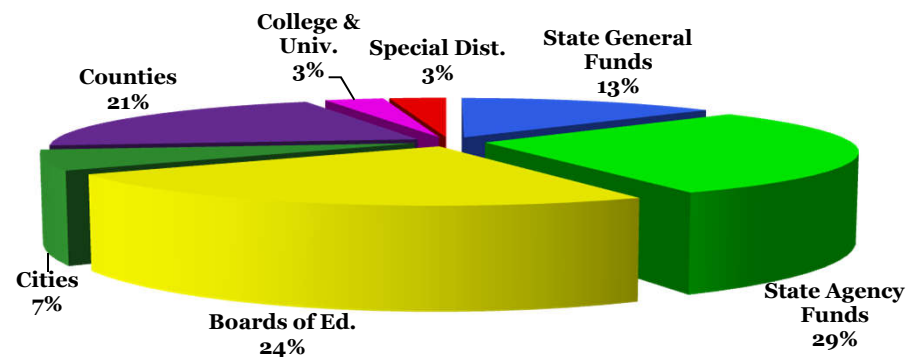
Georgia Fund 1 (GF1)

- O.C.C.G § 36-83-1 to 36-83-8 authorizes Georgia local governments and other authorized entities to invest funds in Georgia Fund 1 (“GF1”). GF1 is managed in trust by the Office of the State Treasurer.
- Eligible participants must complete a resolution authorizing investment to participate in the pool. The resolution and other documents can be found on our website at www.ost.georgia.gov
- GF1 is managed to maintain a constant net asset value (NAV) of \$1.00.
- Yield calculated on an actual/365 day basis net of 3.3 basis points (bp) administrative fee.
- GF1 is rated AA+ by Standard & Poor’s.
- For the month of April 2016, GF1 participants earned .37% (37 bp)*.
- As of April 30, 2016, GF1 assets were \$13.3 billion. The weighted average maturity (WAM) was 51 days.

Portfolio Composition

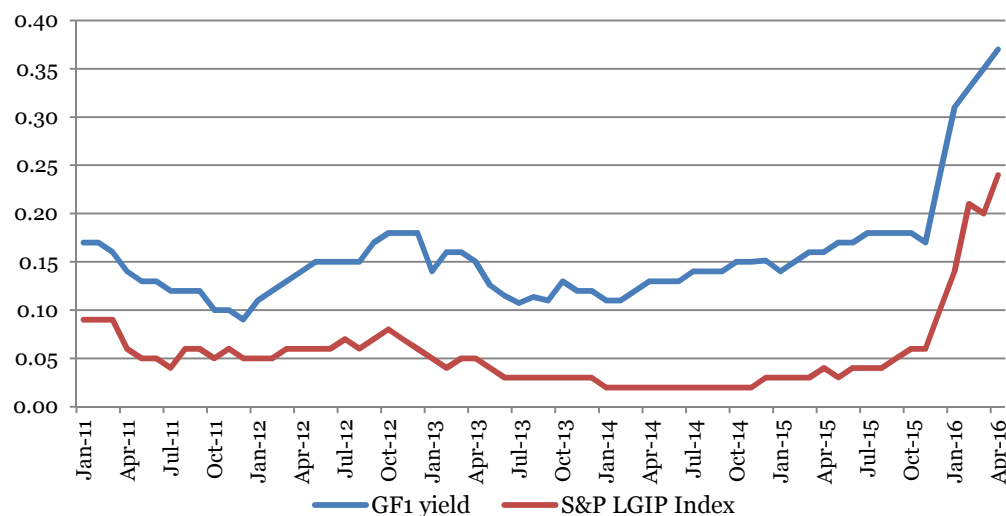


Account Holder Distribution



*Georgia Fund 1 yield is on an annualized basis.

Monthly Yield



Portfolio Strategy:

The primary objectives in managing GF1 are preservation of principal, liquidity, investment income and diversification. GF1 is managed to maintain a \$1.00 value and a weighted average maturity of 90 days or less, with the maximum maturity of any investment limited to 397 days. The GF1 weighted average maturity (WAM) was 51 days as of April 30, 2016. The annualized net rate paid to participants was 37 basis points in April.

The focus continues to be on the Fed. In the statement released after the April 27th meeting, the Fed indicated that labor market conditions had improved further even as growth in economic activity appears to have slowed. To no surprise, the FOMC decided to maintain the target range for the federal funds rate at 1/4 to 1/2 percent. Fed Funds futures continue to push the odds of a rate hike to the end of this year, with the odds of a December hike now at 55%.

Good news is that in the month of April approximately \$2.8 billion of the Georgia Fund 1 holdings matured at an average yield of 31 basis points. The maturities were replaced with \$2.3 billion of securities yielding 46 basis points on average. These higher yielding securities pushed the overall rate paid out to participants to 37 basis points. Slowly but surely rates are rising!

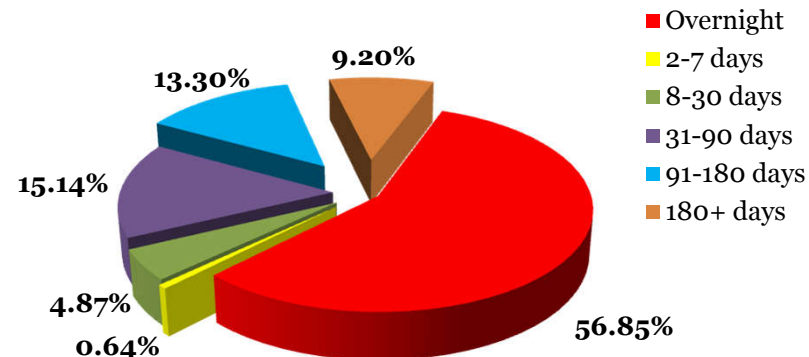
In The News:

The Governmental Accounting Standards Board (GASB) issued guidance addressing how certain state and local government external investment pools and participants in external investment pools may measure and report their investments. GASB Statement No. 79, "Certain External Investment Pools and Pool Participants" permits qualifying external investment pools to measure pool investments at amortized cost for financial reporting purposes. Statement 79 replaces the reference in existing GASB literature to Rule 2a7 with criteria that are similar in many respects to those in Rule 2a7. The Statement also establishes additional note disclosure requirements for qualifying pools and for governments that participate in those pools. These required disclosures include information about limitations or restrictions on participant withdrawals.

The full text of GASB Statement 79 is available at www.gasb.org

Source: Governmental Accounting Standards Board

Maturity Distribution



Georgia Fund 1 deposits are not guaranteed or insured by any bank, the FDIC, the Federal Reserve Board, the State of Georgia or any other agency.