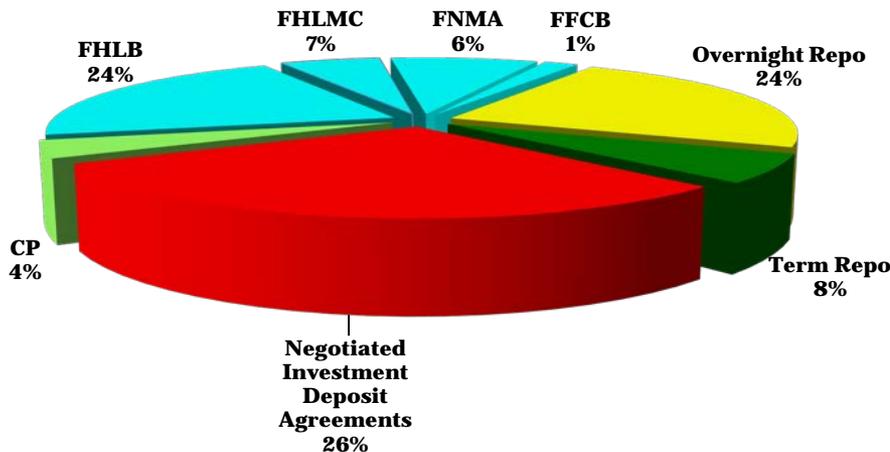


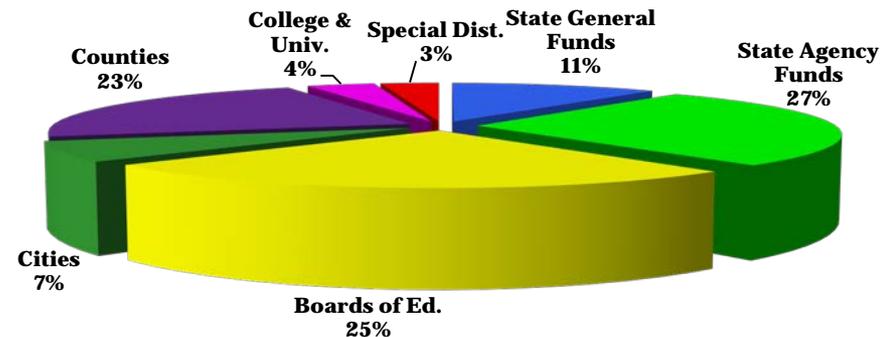
# Georgia Fund 1 (GF1)

- 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](http://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 Af by Standard & Poor’s.
- For the month of March 2016, GF1 participants earned .35% (35 bp)\*.
- As of March 31, 2016, GF1 assets were \$13.1 billion. The weighted average maturity (WAM) was 31 days.

## Portfolio Composition

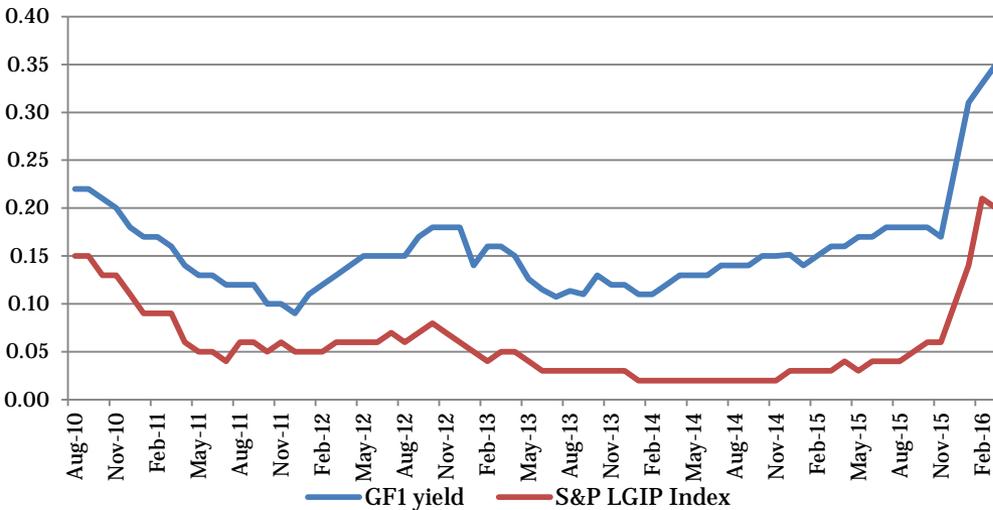


## Account Holder Distribution



\*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 31 days as of March 31, 2016. The annualized net rate paid to participants was 35 bp in February.

The Fed met on March 16<sup>th</sup> and as suspected, decided to maintain the federal funds rate in a target range of .25% to .50% (interpreted business as usual). Two weeks later, Janet Yellen spoke at the Economic Club of New York, saying that global economic and financial uncertainty justified a slower path of U.S. interest-rate increases. Interpret this remark as no rate increase at the late April meeting. The Fed Funds futures market read Yellen's comments to mean not only is a rate increase not happening in April, but that it probably won't happen for the rest of the year. Fed Funds futures are now projecting only a 50% chance of an increase at the December meeting.

This means more of the same for Georgia Fund 1 customers – a nice healthy yield with next day availability of funds!

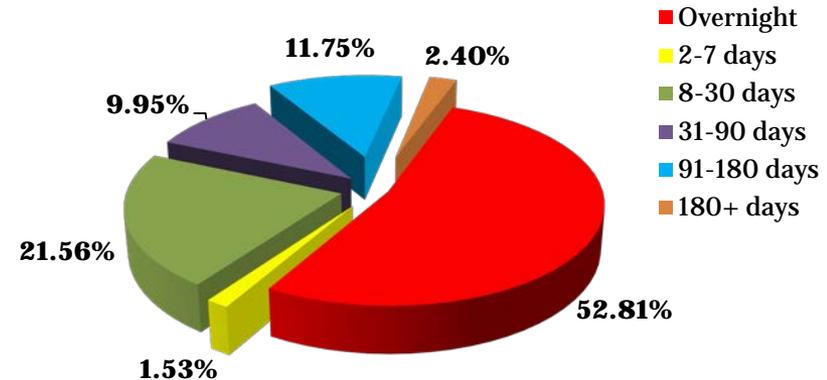
## In The News:

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](http://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.**