



GOVERNMENT PORTFOLIO ADVISORS

Monthly Report

Account

4/30/2016

City of Franklin - Core Investment Fund

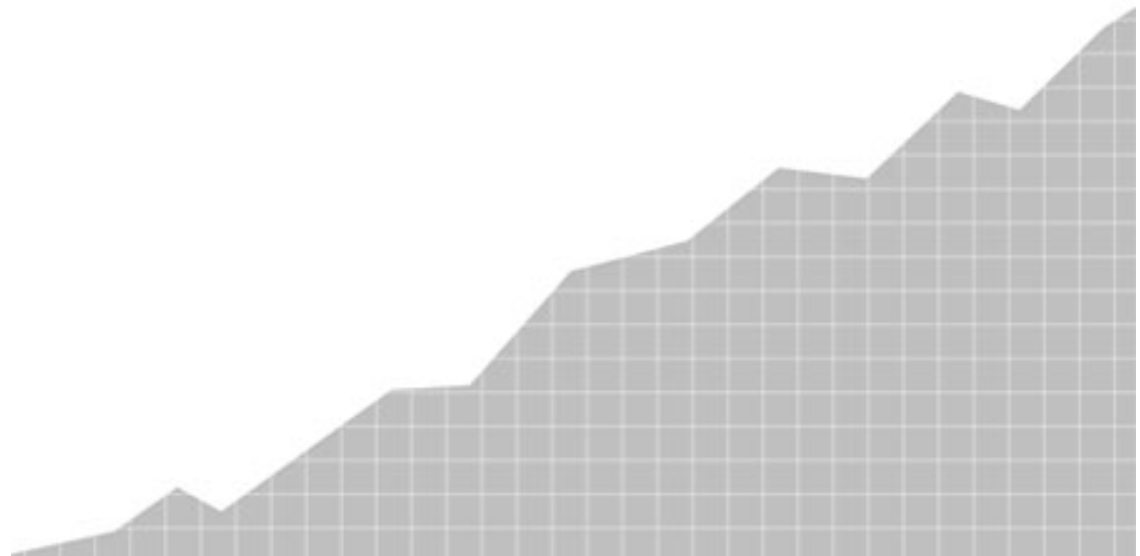




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MONTH END COMMENTARY – APRIL 2016

Bond yields rose in April while most other major asset classes posted gains last month. The Dow Jones had a .50% return while the S&P Index returned .40%. Commodities, including oil, finished April with strong returns. Strong economic numbers added to market speculation that the Fed may still be on track to raise rates given the good news in the economy.

FOMC: As expected, the Fed retained the current Fed Funds target rate of .25 to .50 by a 9-1 vote. The Fed sighted the slowdown in economic activity as the primary reason for holding off a rate hike, although there has been an improvement in the labor market. Inflation remains low due to falling oil prices, however, oil prices have begun to increase. The meeting didn't provide strong clues about a rate hike at the June meeting but left the doors open if the economy improves. The next FOMC meeting is June 14-15. Highlights from the meeting:

- Conditions in the labor market continued to improve since the last FOMC meeting, but economic activity growth slowed.
- Household spending growth moderated even as households' real income rose at a solid rate.
- The housing sector improved further since the start of the year, but business fixed investment and net exports have been soft.
- Inflation continues to run below the committee's 2% goal. That partly reflects earlier declines in energy prices and falling prices of non-energy imports.

The Fed emphasized future moves will depend on data. There will be a significant amount of data before the meeting in June including two employment reports, two personal income reports and several inflation readings. The financial markets viewed the Fed's action as dovish, or at the very least, passive. Nothing in the Fed's statement suggested the FOMC is in a hurry for an interest rate hike.

Non-farm Payrolls/Unemployment: Total nonfarm payroll employment increased by 215,000 and the unemployment rate was little changed at 5%. Employment increased in retail trade, construction, and health care. Job losses continued in manufacturing and mining.

Crude Oil: Prices reached the highest level in about five months before retreating. Some economists are speculating a price recovery to \$60.00 per barrel by the end of 2017. This is good news for stocks, but also carries risks for bond investors. Oil ended the month at \$45.92 after rallying from a twelve year low in February.

Retail Sales: The .3% decline in retail sales was slightly weaker than consensus expectations and was mainly due to a 2.1% decline in auto sales.

GDP: GDP increased at an annual rate of .5% in the 1st quarter of 2016 according to the "advance" estimate. This was less than the 0.7% consensus and the slowest in two years. Consumption slowed to less than 2% for the first time since last year's first quarter. Business spending fell outright, exports fell and if not for government spending, GDP would have grown just .3%. In the 4th quarter, real GDP increased 1.4%.

Treasury Yield Curve Total Returns over the last 12 months:*

3month bill	.15
1 year note	.52
2 year note	.73
3 year note	1.44
5 year note	2.67

*Source: Bloomberg

TREASURY BENCHMARK TOTAL RETURNS IN MONTH

Benchmark	Period Return	Duration
BAML 0-3 Year Treasury	.04%	1.35
BAML 0-5 Year Treasury	.00%	2.15
BAML 1-3 Year Treasury	.04%	1.80
BAML 1-5 Year Treasury	-.01%	2.59

Changes in the Treasury Market (absolute yield levels):*

	04/30/15	03/31/16	04/30/16	Change in April	Change from Prior Year
3 month bill	.00	.20	.21	+.01	+.21
6 month bill	.04	.38	.38	unch	+.34
2 year note	.57	.72	.78	+.06	+.21
3 year note	.90	.85	.94	+.09	+.04
5 year note	1.43	1.21	1.30	+.09	-.13
10 year	2.03	1.77	1.83	+.06	-.20

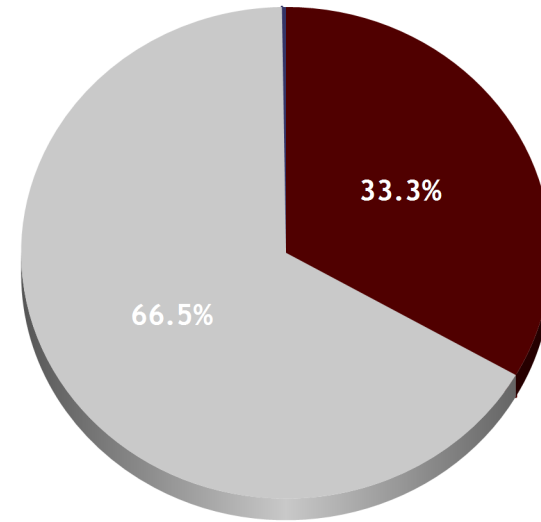
*Source: Bloomberg



Weighted Averages

Book Yield	0.93
Maturity	1.70
Coupon	0.94
Moody	Aaa
S&P	AA+

Fixed Income Allocation



Fixed Income Totals

Par Value	30,075,325
Market Value	30,184,219.79
Amortized Book Value	30,074,685.80
Unrealized Gain/Loss	109,533.99
Estimated Annual Cash Flow	281,257.53

Security Type	Market Value	% Assets
US Agency (USD)	10,046,900.00	33.3
US Treasury (USD)	20,061,995.00	66.5
Bank Deposit (USD)	75,324.79	0.2
Fixed Income Total	30,184,219.79	100.0

Portfolio Summary

April 30, 2016

Portfolio Name	Par Amount	Total Original Cost	Total Adjusted Cost	Market Value	Unrealized Gain/Loss	Yield At Cost	Mod Dur	Eff Dur	Bench Dur	Benchmark
City of Franklin - Core Investment Fund	30,075,325	30,077,272.77	30,074,685.80	30,184,219.79	109,533.99	0.93	1.67	1.66	1.35	BofA Merrill 0-3 Treasury
TOTAL PORTFOLIO	30,075,325	30,077,272.77	30,074,685.80	30,184,219.79	109,533.99	0.93	1.67	1.66	1.35	



Cost Basis Summary

	Month End Ending 4/30/2016
Beginning Amortized Cost	30,038,460.61
Investment Purchases	0.00
Investment Maturities/Sells/Calls	0.00
Amortization	(29.16)
Change in Cash Equivalents	36,254.35
Realized Gains / Losses	0.00
Ending Amortized Costs	30,074,685.80

Accrual Earnings Summary

	Month End Ending 4/30/2016
Amortization/Accretion	(29.16)
Interest Earned	22,925.56
Realized Gain (Loss)	0.00
Total Income	22,896.40
Average Portfolio Balance	30,199,488.54
Earnings Yield	0.92%

Market Value Summary

	As of 4/30/2016
Ending Market Value	30,184,219.79
Unrealized Gain/Loss	109,533.99

Interest Earnings Summary

	Month End Ending 4/30/2016
Beginning Accrued Interest	61,831.33
Coupons Paid	37,504.35
Purchased Accrued Interest	0.00
Sold Accrued Interest	0.00
Ending Accrued Interest	47,252.53
Interest Earned	22,925.56

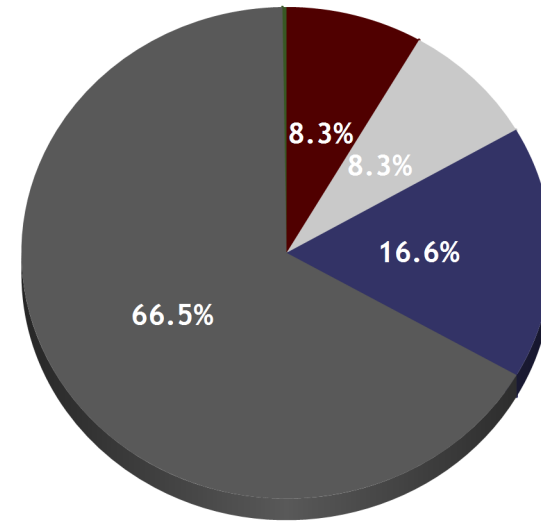


Total Return For Period

Since 3/31/2016

Beginning Principal Value	30,160,140.44
Beginning Accrued Interest	61,831.33
Net Contributions/Withdrawals	-1,250.00
Market Value Change	-12,175.00
Interest Earnings	22,925.56
Ending Principal Value	30,184,219.79
Accrued Interest	47,252.53
Total Return	10,750.56
Advisory Fees for Period	-2,083.33
Net Total Return	8,667.23

Portfolio Allocation as of 4/30/2016



Issuer	Market Value	% Assets	Yield
FEDERAL NATL MTG ASSN	2,513,827.50	8.3	1.0
FEDERAL HOME LOAN BANKS	2,511,315.00	8.3	1.0
FEDERAL HOME LN MTG CORP	5,021,757.50	16.6	1.2
UNITED STATES TREAS NTS	20,061,995.00	66.5	0.9
FIFTH THIRD BK CINCINNATI STN	75,324.79	0.2	0.0
Total	30,184,219.79	100.0	0.9



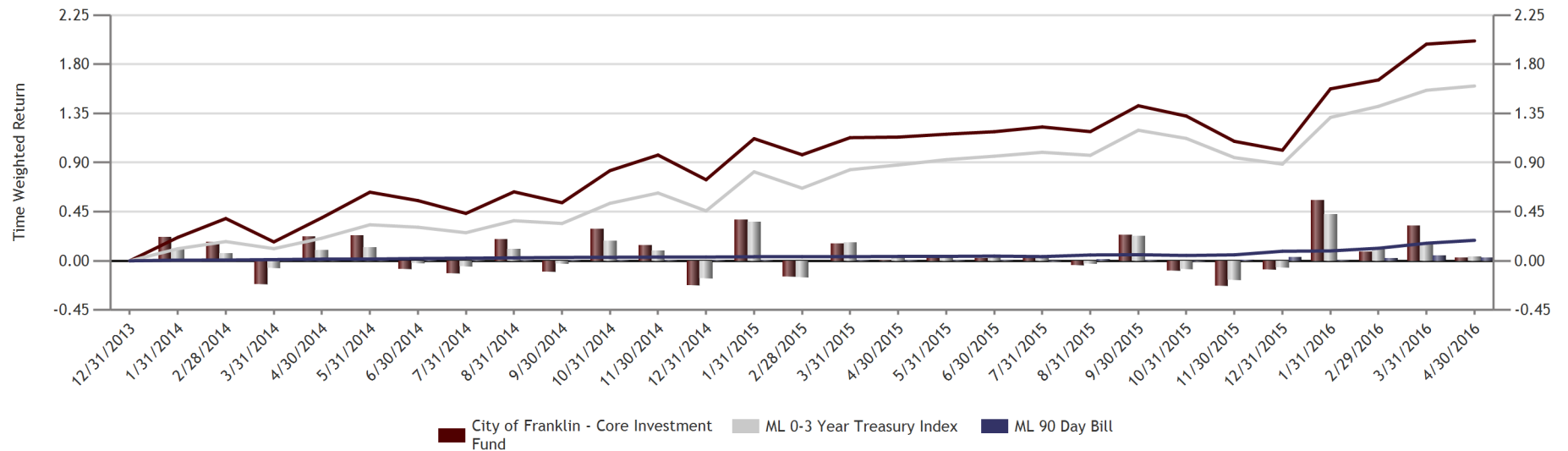
Performance History

Portfolio	Month To Date	Quarter To Date	Fiscal Year To Date	Latest 1 Year	Inception To Date
Account	0.03	0.03	0.99	0.87	2.01

Index

ML 0-3 Year Treasury Index	0.04	0.04	0.71	0.72	1.60
ML 90 Day Bill	0.03	0.03	0.10	0.15	0.19

Time Weighted Return Inception (12/31/2013) to Date

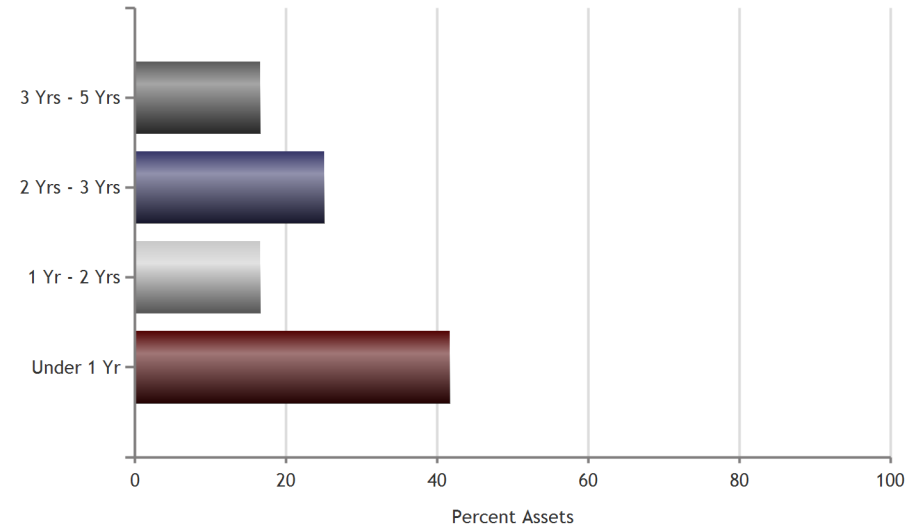




Distribution by Maturity

Maturity	Number	Market Value	% FI Holdings	Average Curr. Yld	Average Coupon	Average Duration
Under 1 Yr	6	12,586,049.79	41.7	0.6	0.646%	0.6
1 Yr - 2 Yrs	2	5,020,622.50	16.6	1.1	1.063%	1.6
2 Yrs - 3 Yrs	3	7,573,397.50	25.1	1.2	1.251%	2.5
3 Yrs - 5 Yrs	2	5,004,150.00	16.6	1.1	1.063%	3.3

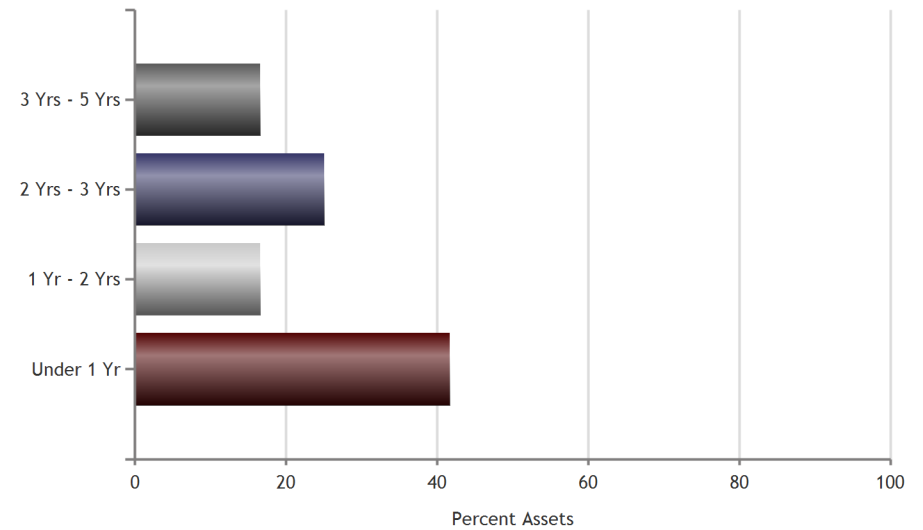
Distribution by Maturity



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Distribution by Duration

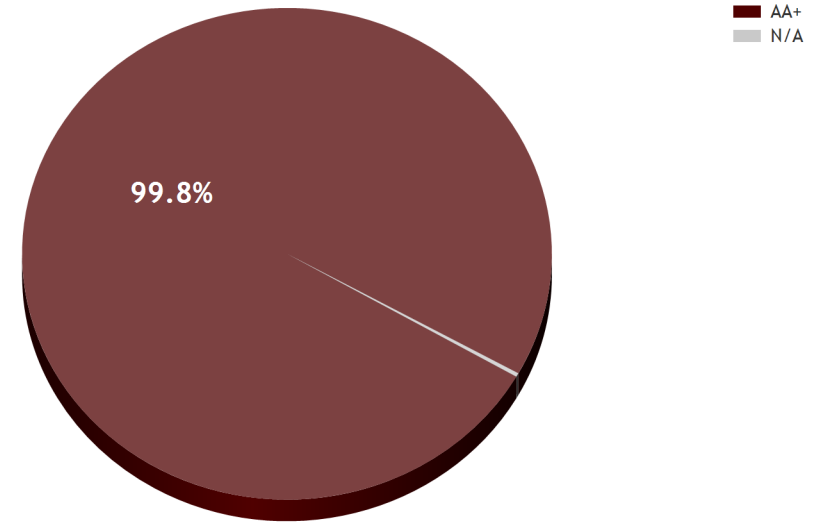




Distribution by S&P Rating

S&P Rating	Number	Market Value	% FI Holdings	Average YTM	Average Coupon	Average Duration
AA+	12	30,108,895.00	99.8	0.9	0.939%	2.8
N/A	1	75,324.79	0.2	0.0	0.010%	0.2

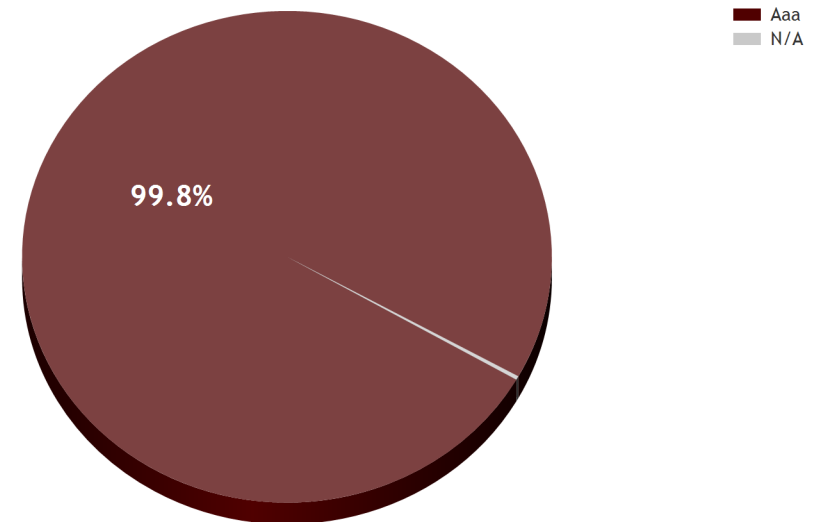
Distribution by S&P Rating



Distribution by Moody Rating

Moody Rating	Number	Market Value	% FI Holdings	Average YTM	Average Coupon	Average Duration
Aaa	12	30,108,895.00	99.8	0.9	0.939%	2.8
N/A	1	75,324.79	0.2	0.0	0.010%	0.2

Distribution by Moody Rating

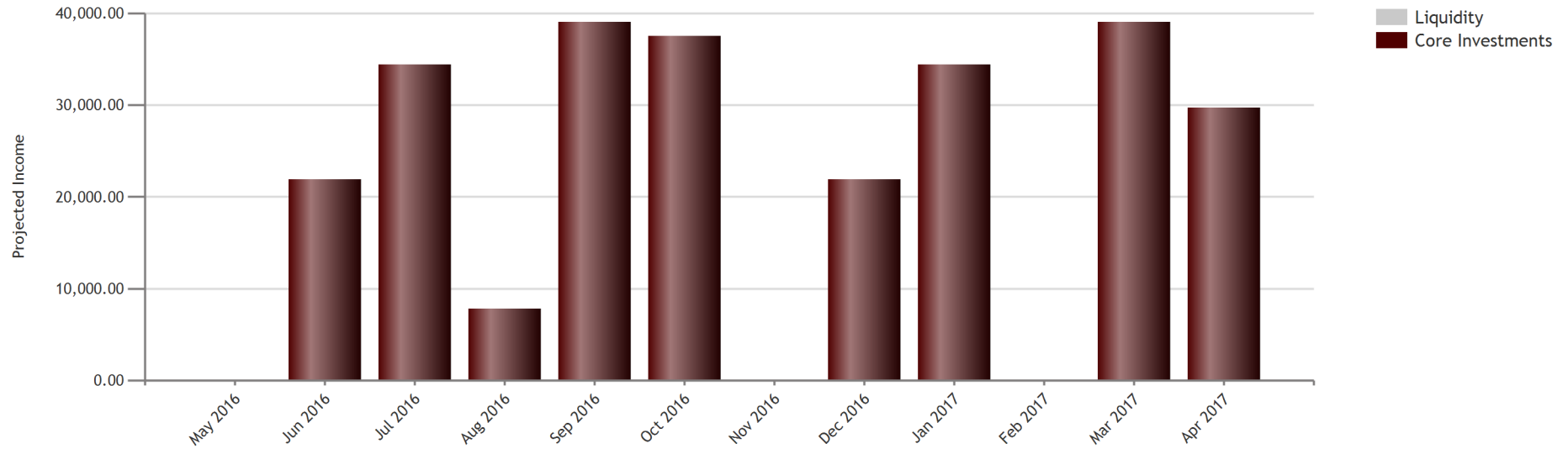




Coupon Cash Flow Projection

City of Franklin - Core Investment Fund

5/1/2016 - 4/30/2017



	May 2016	Jun 2016	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016	Dec 2016	Jan 2017	Feb 2017	Mar 2017	Apr 2017
Core Investments	0.00	21,875.00	34,375.00	7,812.50	39,062.50	37,500.00	0.00	21,875.00	34,375.00	0.00	39,062.50	29,687.50
US Agency (USD)	0.00	0.00	12,500.00	0.00	14,062.50	29,687.50	0.00	0.00	12,500.00	0.00	14,062.50	29,687.50
US Treasury (USD)	0.00	21,875.00	21,875.00	7,812.50	25,000.00	7,812.50	0.00	21,875.00	21,875.00	0.00	25,000.00	0.00
Liquidity	0.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bank Deposit (USD)	0.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.63	21,875.00	34,375.00	7,812.50	39,062.50	37,500.00	0.00	21,875.00	34,375.00	0.00	39,062.50	29,687.50
Grand Total	265,625.63											



Interest

Trade Date	Settle Date	Symbol	Security	Amount
4/1/2016	4/1/2016	0000FIFTH3	FIFTH THIRD BANK MMF 0.010% Due 05-29-16	4
4/2/2016	4/2/2016	3137EADM8	FEDERAL HOME LN MTG CORP 1.250% Due 10-02-19	15,625
4/15/2016	4/15/2016	912828WA4	UNITED STATES TREAS NTS 0.625% Due 10-15-16	7,813
4/19/2016	4/19/2016	3135G0E58	FEDERAL NATL MTG ASSN 1.125% Due 10-19-18	14,063
4/29/2016	4/29/2016	0000FIFTH3	FIFTH THIRD BANK MMF 0.010% Due 05-29-16	0
Total Interest				37,504

Expenses

Trade Date	Settle Date	Symbol	Security	Amount
4/20/2016	4/20/2016	fees	exusfees	1,250
4/30/2016	4/30/2016	manfee	Management Fee	2,083
Total Expenses				3,333

Contributions

Trade Date	Settle Date	Quantity	Symbol	Security	Unit Price	Amount
4/29/2016	4/29/2016	36,254	0000FIFTH3	FIFTH THIRD BANK MMF 0.010% Due 05-29-16	100.00	36,254
Total Contributions						36,254

Portfolio Holdings

City of Franklin - Core Investment Fund

April 30, 2016

Cusip	Quantity	Security	Call Date	Trade Date	Amor Price	Book Yield	Market Price	Market Yield	Market Value	Accrued Interest	Total Value	Unrealized Gain/Loss	Pct. Assets	Dur Mat	Eff Dur
US Treasury															
912828VR8	2,500,000	UNITED STATES TREAS NTS 0.625% Due 08-15-16		03-27-14	100.00	0.62	100.0813	0.35	2,502,032.50	3,219.44	2,505,251.94	2,020.61	8.3	0.29	0.28
912828WA4	2,500,000	UNITED STATES TREAS NTS 0.625% Due 10-15-16		03-27-14	99.96	0.70	100.0977	0.41	2,502,442.50	640.37	2,503,082.87	3,318.46	8.3	0.46	0.45
912828A59	2,500,000	UNITED STATES TREAS NTS 0.625% Due 12-15-16		12-18-13	99.99	0.64	100.0625	0.52	2,501,562.50	5,848.70	2,507,411.20	1,745.87	8.3	0.62	0.62
912828SC5	2,500,000	UNITED STATES TREAS NTS 0.875% Due 01-31-17		03-27-14	100.02	0.84	100.2422	0.55	2,506,055.00	5,408.65	2,511,463.65	5,487.12	8.3	0.75	0.74
912828J92	2,500,000	UNITED STATES TREAS NTS 0.500% Due 03-31-17		07-24-15	99.91	0.60	99.9453	0.56	2,498,632.50	1,024.59	2,499,657.09	980.55	8.3	0.91	0.91
912828XF2	2,500,000	UNITED STATES TREAS NTS 1.125% Due 06-15-18		08-18-15	100.22	1.02	100.6758	0.80	2,516,895.00	10,527.66	2,527,422.66	11,380.40	8.3	2.09	2.08
912828SN1	2,500,000	UNITED STATES TREAS NTS 1.500% Due 03-31-19		11-16-15	100.58	1.30	101.7070	0.91	2,542,675.00	3,073.77	2,545,748.77	28,187.29	8.4	2.85	2.85
912828TH3	2,500,000	UNITED STATES TREAS NTS 0.875% Due 07-31-19		03-10-16	98.97	1.20	99.6680	0.98	2,491,700.00	5,408.65	2,497,108.65	17,510.30	8.3	3.19	3.19
	20,000,000					0.87		0.64	20,061,995.00	35,151.84	20,097,146.84	70,630.60	66.5	1.40	1.39
US Agency Bullet															
3137EADJ5	2,500,000	FEDERAL HOME LN MTG CORP 1.000% Due 07-28-17		12-18-13	100.02	0.99	100.3723	0.70	2,509,307.50	6,388.89	2,515,696.39	8,926.09	8.3	1.23	1.22
3130A5PE3	2,500,000	FEDERAL HOME LOAN BANKS 1.125% Due 03-29-18		07-24-15	100.20	1.02	100.4526	0.89	2,511,315.00	2,421.87	2,513,736.87	6,303.27	8.3	1.89	1.88
3135G0E58	2,500,000	FEDERAL NATL MTG ASSN 1.125% Due 10-19-18		10-06-15	100.37	0.97	100.5531	0.90	2,513,827.50	859.37	2,514,686.87	4,464.00	8.3	2.43	2.43
3137EADM8	2,500,000	FEDERAL HOME LN MTG CORP 1.250% Due 10-02-19		03-10-16	99.73	1.33	100.4980	1.10	2,512,450.00	2,430.56	2,514,880.56	19,210.03	8.3	3.34	3.34
	10,000,000					1.08		0.90	10,046,900.00	12,100.69	10,059,000.69	38,903.39	33.3	2.22	2.22

Portfolio Holdings

City of Franklin - Core Investment Fund

April 30, 2016

Cusip	Quantity	Security	Call Date	Trade Date	Amor Price	Book Yield	Market Price	Market Yield	Market Value	Accrued Interest	Total Value	Unrealized Gain/Loss	Pct. Assets	Dur Mat	Eff Dur
Money Market Fund															
0000FIFTH	75,325	FIFTH THIRD BANK MMF 0.010% Due 05-29-16		03-31-16	100.00	0.01	100.0000	0.01	75,324.79	0.00	75,324.79	0.00	0.2	0.08	0.01
TOTAL	30,075,325					0.93		0.72	30,184,219.79	47,252.53	30,231,472.32	109,533.99	100.0	1.67	1.66



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GPA relies on the information provided by the clients when reporting pool balances, bank balances and other assets that are not held at the clients custodial bank.

Account Control:

GPA does not have the authority to withdraw funds from or deposit funds to the custodian. Our clients retain responsibility for their deposit funds to the custodian. Our clients retain responsibility for their internal accounting policies, implementing and enforcing internal controls and generating ledger entries or otherwise recording transactions.

Market Value:

Generally, market prices in GPA's reports are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data or Bloomberg. Where prices are not available from generally recognized sources the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although GPA believes the prices to be reliable, the values of the securities do not always represent the prices at which the securities could have been bought or sold.

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The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premiums with respect to short term securities (those with less than one year to maturity at time of issuance) is amortized on a straightline basis. Such discount or premium with respect to longer term securities is amortized using a straight-line basis.

Financial Situation:

In order to better serve you, GPA should be promptly notified of any material change in your investment objective or financial situation.

Callable Securities:

Securities subject to redemption prior to maturity may be redeemed in whole or in part before maturity, which could affect the yield represented. Certain call dates may not show up on the report if the call date has passed and it is continuously callable.

Duration:

The duration listed on the reports is duration to maturity and duration to call. Effective duration is calculated on Bloomberg and imported into these reports and reflects the OAS duration which incorporates the probability of the bond being called. Effective duration is what GPA compares to the benchmark to reflect current market risk.

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The benchmark duration is the historical weighted average of the benchmark duration over monthly periods. GPA is reporting this number as a static amount period over period.

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Information provided for ratings is based upon a good faith inquiry of selected sources, but its accuracy and completeness cannot be guaranteed.

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Oftentimes, coupon payments and maturities will occur on a weekend or holiday. GPA will track these payments on an accrual basis, while the custodian bank may track on a cash basis. The accrual basis allocates the earnings in the period earned.