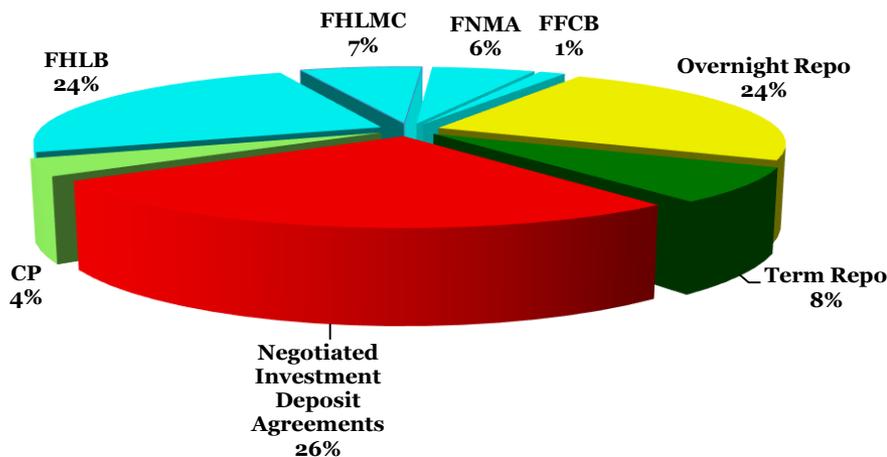


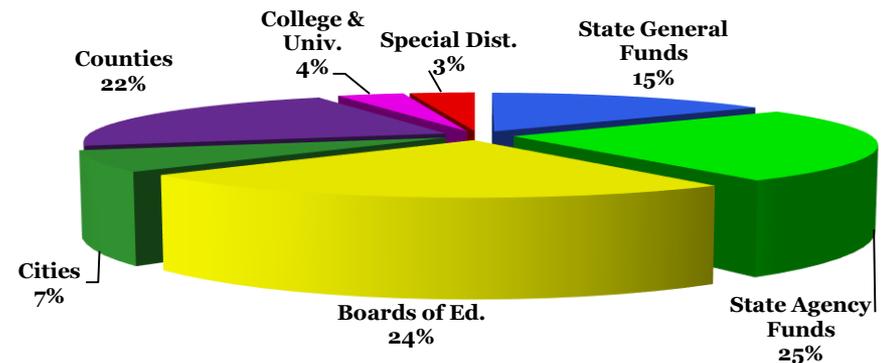
Georgia Fund 1 (GF1)

- 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 Af by Standard & Poor’s.
- For the month of January 2016, GF1 participants earned .31% (31 bp)*.
- As of January 2016, GF1 assets were \$13.6 billion. The weighted average maturity (WAM) was 30 days.

Portfolio Composition

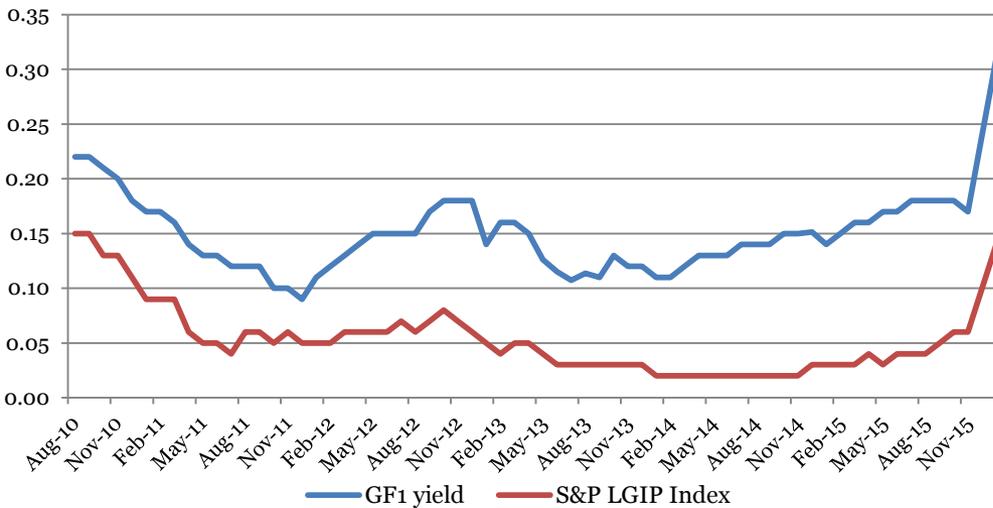


Account Holder Distribution



*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 30 days as of January 31, 2016. Repo rates averaged 32 bp for the month of January – up 11 bp from the month of December. The annualized net rate paid to participants was 31 bp in January.

As expected the Fed kicked off 2016 by maintaining the target range for the federal funds rate at 0.25% to 0.50%. The Fed said that it was worried about weak global growth and wobbly financial markets, but it made it clear that it still expected to raise rates gradually. Equity markets fell sharply in January, erasing wealth and weighing on confidence, while the dollar continues to gain strength, limiting demand for American exports. The big question mark for the Fed is the impact of global weakness on the domestic economy.

2016 is going to be a fun year between Fed watching, the election, declining gas prices and the world economy. Hold on for a potential wild ride!

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

