

# **ODESSA COLLEGE**

## **QUARTERLY INVESTMENT REPORT SEPTEMBER 1 – NOVEMBER 30, 2009**

### **AS REQUIRED BY THE TEXAS PUBLIC FUNDS INVESTMENT ACT**

- I. Investment Position by Pooled Fund Group**
- II. Book Value and Market Value by Type of Asset**
- III. Diversity by Type and Maturity**
- IV. Investment Earnings by Type of Asset**
- V. Statements of Compliance of Investment Portfolio**

**ODESSA COLLEGE**

I.

**INVESTMENT POSITION BY POOLED FUND GROUP  
 QUARTER ENDING NOVEMBER 30, 2009**

	<b>Beginning Market Value <u>Sep 1, 2009</u></b>	<b>Investment Additions (Deductions)</b>	<b>Market Value Appreciation</b>	<b>Ending Market Value <u>Nov 30, 2009</u></b>
<b><u>INVESTMENT POOL A:</u></b>				
Current Unrestricted Funds	\$20,966,493	(\$7,209,834)	\$23,509	\$13,780,168
Current Restricted Funds	68,450	19,370	150	87,970
Endowment Fund	773,550	44,157	1,397	819,104
Agency Funds Held for Others	119,352	(6,202)	193	113,343
	<u>21,927,845</u>	<u>(7,152,510)</u>	<u>25,250</u>	<u>14,800,585</u>
 <b><u>INVESTMENT POOL B (DEBT SERVICE):</u></b>				
Bond Interest & Sinking Fund	2,040,509	(2,001,895)	-	38,614
Bond Debt Service Reserve	2,492,448	1,881	-	2,494,329
	<u>4,532,957</u>	<u>(2,000,014)</u>	<u>-</u>	<u>2,532,943</u>
 <b>ALL FUNDS</b>				
	<u>\$26,460,802</u>	<u>(\$9,152,524)</u>	<u>\$25,250</u>	<u>\$17,333,528</u>

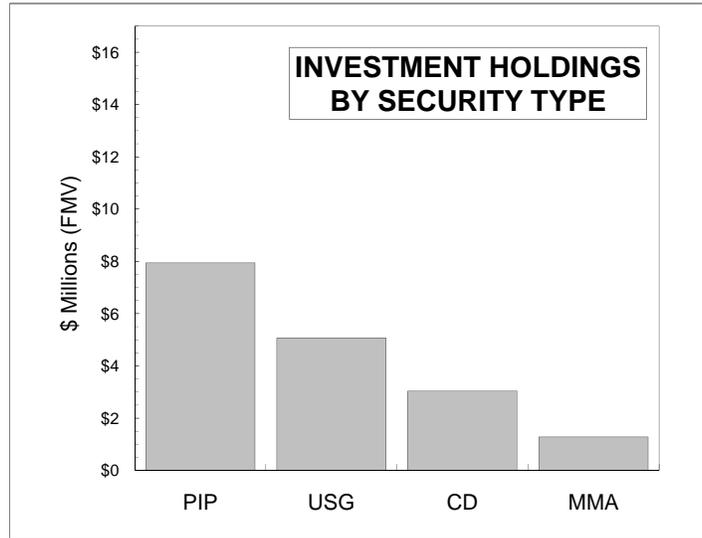
**BOOK VALUE AND MARKET VALUE OF INVESTMENTS BY TYPE OF ASSET  
QUARTER ENDING NOVEMBER 30, 2009**

	P.F.I.A. Authorization	August 31, 2009		November 30, 2009		Maturity
		Book Value	Market Value	Book Value	Market Value	
<b>Public Funds Investment</b>						
<b>    <u>Pools</u></b>						
	Sec. 2256.016					
TexPool General - Operating		190,869	190,869	191,141	191,141	Daily Liquidity
TexPool Prime - Operating		6,660,205	6,660,205	3,254,105	3,254,105	Daily Liquidity
TexPool General - Interest & Sinking		-	-	-	-	Daily Liquidity
Texpool Prime - Interest & Sinking		4,532,957	4,532,957	2,532,943	2,532,943	Daily Liquidity
Lone Star Liquidity Plus Fund		42,262	42,262	42,282	42,282	Daily Liquidity
Lone Star Liquidity Corporate Fund		832,900	832,900	833,525	833,525	Daily Liquidity
Logic - Liquid Asset Fund		1,086,789	1,086,789	1,087,652	1,087,652	Daily Liquidity
		<u>13,345,982</u>	<u>13,345,982</u>	<u>7,941,648</u>	<u>7,941,648</u>	
<b>Money Market Funds</b>						
	Sec. 2256.014					
Goldman Sachs (American State Bank)		838,459	838,459	76,237	76,237	Daily Liquidity
ASB Business Savings		1,202,071	1,202,071	1,205,858	1,205,858	Daily Liquidity
		<u>2,040,530</u>	<u>2,040,530</u>	<u>1,282,095</u>	<u>1,282,095</u>	
<b>U.S. Govt Agencies</b>						
	Sec. 2256.009					
<b>    Pooled Operating Funds:</b>	<b>Yield to Maturity:</b>					
FHLB StepUp 09/30/2014	2.50%	-	-	1,000,000	1,001,562	1740 days
FNMA 09/15/14	3.00%	-	-	2,000,000	2,026,250	1725 days
FHLB 03/15/2013	2.37%	-	-	1,000,000	1,000,937	1185 days
FHLB 02/15/2011	4.00%	1,000,000	1,045,880	1,000,000	1,042,380	435 days
FNMA StepUp 06/23/2014	2.90%	2,000,000	2,000,220	-	-	0 days
FHLMC 04/30/2012	1.50%	1,000,000	1,001,310	-	-	0 days
FHLMC 04/30/2012	1.25%	2,000,000	2,002,620	-	-	0 days
FHLB StepUp 06/09/2011	0.75%	2,000,000	2,000,080	-	-	0 days
		<u>8,000,000</u>	<u>8,050,110</u>	<u>5,000,000</u>	<u>5,071,129</u>	
<b>Certificates of Deposit</b>						
American State Bank		2,016,823	2,016,823	2,026,897	2,026,897	318 days
American State Bank		1,007,357	1,007,357	1,011,759	1,011,759	135 days
		<u>3,024,180</u>	<u>3,024,180</u>	<u>3,038,656</u>	<u>3,038,656</u>	
		<u>\$26,410,692</u>	<u>\$26,460,802</u>	<u>\$17,262,399</u>	<u>\$17,333,528</u>	

**DIVERSITY REPORT  
 QUARTER ENDING NOVEMBER 30, 2009**

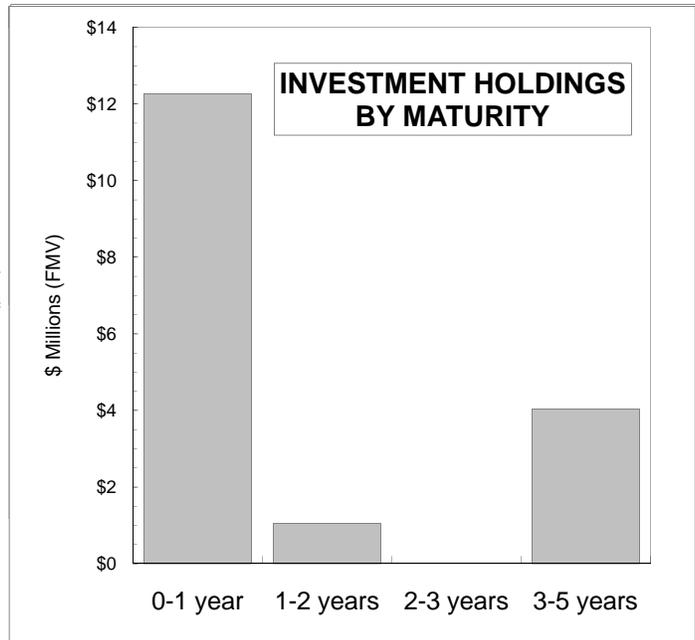
**DIVERSITY BY SECURITY TYPE:**

PIP	Public Investment Pools	7,941,648
USG	U.S. Govt Agencies	5,071,129
CD	Certificates of Deposit	3,038,656
MMA	Money Market Funds	1,282,095
		<b>\$17,333,528</b>



**DIVERSITY BY MATURITY**

0-1 year	12,262,399	71%
1-2 years	1,042,380	6%
2-3 years	0	0%
3-5 years	4,028,749	23%
	<b>\$17,333,528</b>	<b>100%</b>



**INVESTMENT EARNINGS BY TYPE OF ASSET  
QUARTER ENDING NOVEMBER 30, 2009**

	<u>Quarter Ending 11/30/09</u>	<u>Quarterly Yield</u>	<u>Year-to-Date 11/30/09</u>	<u>Annual Yield</u>
<b>INTEREST INCOME:</b>				
<b>Public Funds Investment Pools:</b>				
TexPool - General	272	0.25%	272	0.25%
TexPool - Prime	6,041	0.31%	6,041	0.31%
LoneStar Government Overnight	19	0.18%	19	0.18%
LoneStar Corporate Overnight Plus Fun	625	0.30%	625	0.30%
Logic	863	0.32%	863	0.32%
	<u>7,821</u>		<u>7,821</u>	
<b>Money Market Funds</b>	3,556	0.59%	3,556	0.59%
<b>U.S. Government Agencies</b>	41,626	2.48%	41,626	2.48%
<b>Certificates of Deposit</b>	14,475	1.75%	14,475	1.75%
<b>Commercial Paper</b>	0	0.00%	0	0.00%
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Interest Earnings</b>	<u><b>\$67,478</b></u>	<u><b>1.19%</b></u>	<u><b>\$67,478</b></u>	<u><b>1.19%</b></u>
 <b><u>Benchmark Yield:</u></b>				
	3-Month Treasury Bill	0.34%		0.34%
	Actual above Benchmark	+ 85	+	85
		Basis Points		Basis Points
 Annual Interest Budget (All Funds)			<u>\$907,360</u>	
Percent of Budget Earned Year to Date			<u><b>7.4%</b></u>	

**GAINS (LOSSES) ON SALE OF INVESTMENTS:**

Changes in Market Value - Unrealized Gains (Losses)		
Since Beginning of Year	<u>\$25,250</u>	<u>\$25,250</u>
Realized Gains (Losses) On Investments Sold or		
Matured Since Beginning of Year	<u>(\$4,230)</u>	<u>(\$4,230)</u>

**STATEMENTS OF COMPLIANCE OF INVESTMENT PORTFOLIO  
QUARTER ENDING NOVEMBER 30, 2009****Statement 1: Compliance with investment strategies of the District.**

As evidenced by the market valuations and maturities described in this report, the investments of the District for the quarter ending November 30, 2009 comply with the investment objectives and strategies as expressed in the Odessa Junior College District Investment Policy. The investment objectives, in order of priority, are:

- a. Preservation and Safety of Principal
- b. Liquidity
- c. Maturity
- d. Portfolio Diversification
- e. Yield
- f. Investment Suitability

**Statement 2: Investment Strategies for the next quarter:**

**Current, Loan, Endowment, and Agency Funds:** These funds are pooled together and invested to assure adequate liquidity for cash flows. To accomplish this, the District will continue to invest in public funds investment pools, daily liquidity money market funds, short- to medium-term government agencies, high-quality dual-rated commercial paper, and/or certificates of deposit.

**Unexpended Bond Proceeds:** At the end of this quarter, there were no unspent bond funds.

**Bond Debt Service Interest & Sinking Funds:** Interest and sinking funds are set aside on a monthly basis and invested in a separate TexPool account until the semi-annual debt service payments are made in June and December.

**Bond Debt Service Reserves:** The 2009 Bond debt service reserve is invested in a separate TexPool debt service account.

**Renewal/Replacement Funds:** These funds are invested in a variety of instruments including public funds investment pools, daily liquidity money market funds, short- to medium-term government agencies, high-quality dual-rated commercial paper, and/or certificates of deposit. The average maturity of these funds is longer than the Operating Funds as only a portion of the fund balance is budgeted for expenditure in the current year.

**Statement 3: Compliance with requirements relating to business organizations seeking to sell investments.**

All business organizations that have sold investments to Odessa College during the quarter ended November 30, 2009, have executed a written instrument stating that the qualified representative of the organization has:

- 1) received and thoroughly reviewed the Investment Policy of the Odessa Junior College District, and
- 2) implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the District and the organization.

**Statement 4: Compliance with requirements of the Public Funds Investment Act.**

To the best of my knowledge, the investment portfolio of the District at November 30, 2009 and the investment transactions entered into during the quarter then ended are in compliance with the Texas Public Funds Investment Act.



Virginia Chisum, CPA, M.Ed.  
Vice President for Business Affairs



Kristi Gibbs  
Director of Accounting