

ODESSA COLLEGE

**QUARTERLY INVESTMENT REPORT
MARCH 1 – MAY 31, 2011**

**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 MAY 31, 2011**

	Beginning Market Value Feb 28, 2011	Investment Additions (Deductions)	Market Value Appreciation	Ending Market Value May 31, 2011
<u>INVESTMENT POOL A:</u>				
Current Unrestricted Funds	25,596,888	(4,892,435)	52,840	20,757,293
Current Restricted Funds	412,861	(37,280)	959	376,540
Endowment Fund	817,675	(1,194)	2,084	818,565
Agency Funds Held for Others	123,352	(23,106)	256	100,502
	<u>26,950,776</u>	<u>(4,954,014)</u>	<u>56,138</u>	<u>22,052,900</u>
<u>INVESTMENT POOL B (DEBT SERVICE):</u>				
Bond Interest & Sinking Fund	669,827	297,451	-	967,278
Bond Debt Service Reserve	669,827	1,330,173	5,479	2,005,479
Tax Bond Int & Sinking Fund	-	784,969	-	784,969
	<u>1,339,654</u>	<u>2,412,593</u>	<u>5,479</u>	<u>3,757,726</u>
<u>INVESTMENT POOL C (UNEXPENDED BOND):</u>				
Unexpended Bond Funds	-	68,450,899	-	68,450,899
	<u>-</u>	<u>68,450,899</u>	<u>-</u>	<u>68,450,899</u>
ALL FUNDS	<u>\$ 28,290,430</u>	<u>65,909,478</u>	<u>61,617</u>	<u>\$ 94,261,525</u>

ODESSA COLLEGE

II.

BOOK VALUE AND MARKET VALUE OF INVESTMENTS BY TYPE OF ASSET
 QUARTER ENDING MAY 31, 2011

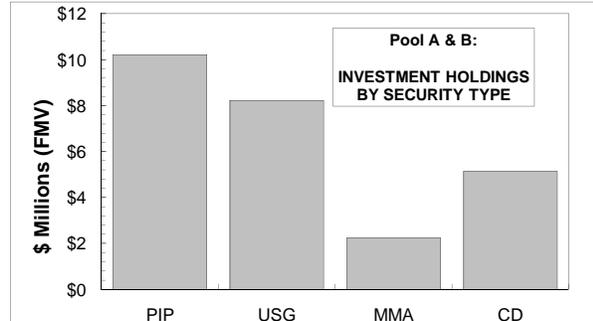
	P.F.I.A. Authorization	February 28, 2011		May 31, 2011		Maturity
		Book Value	Market Value	Book Value	Market Value	
Public Funds Investment						
 Pools						
	Sec. 2256.016					
TexPool General - Operating		545,652	545,652	327,126	327,126	Daily Liquidity
TexPool Prime - Operating		11,720,628	11,720,628	6,965,729	6,965,729	Daily Liquidity
Texpool Prime - Interest & Sinking		669,827	669,827	967,278	967,278	Daily Liquidity
Texpool Prime - Bond Construction				68,450,899	68,450,899	Daily Liquidity
Texpool Prime - Tax Bond I & S				784,969	784,969	Daily Liquidity
Lone Star Government Overnight Fund		42,376	42,376	42,389	42,389	Daily Liquidity
Lone Star Corporate Overnight Fund		34,861	34,861	34,881	34,881	Daily Liquidity
Logic - Liquid Asset Fund		1,090,744	1,090,744	1,091,280	1,091,280	Daily Liquidity
		<u>14,104,088</u>	<u>14,104,088</u>	<u>78,664,551</u>	<u>78,664,551</u>	
Money Market Funds						
	Sec. 2256.014					
ASB Business Savings		2,241,500	2,241,500	2,244,681	2,244,681	Daily Liquidity
		<u>2,241,500</u>	<u>2,241,500</u>	<u>2,244,681</u>	<u>2,244,681</u>	
U.S. Govt Agencies						
	Sec. 2256.009					
<u>Pooled Operating Funds:</u>	<u>Yield to Maturity:</u>					
FHLB 03/13/15	2.75%	1,000,000	1,028,725	1,000,000	1,053,660	1363 days
FNMA 11/20/14	2.63%	1,000,000	1,032,579	1,000,000	1,050,714	1250 days
FNMA 12/11/13	2.88%	1,000,000	1,045,477	1,000,000	1,052,516	911 days
FHLB 12/14/2012	1.75%	2,000,000	2,035,988	2,000,000	2,040,352	554 days
FFCB 12/07/12	1.88%	1,000,000	1,020,987	1,000,000	1,022,652	547 days
<u>Debt Service Reserve Fund:</u>						
FFCB 05/16/16	2.25%	-	-	500,000	499,759	1786 days
FNMA 05/18/15	1.75%			500,000	502,668	1428 days
FHLMC 05/23/14	1.25%			1,000,000	1,003,052	1073 days
		<u>6,000,000</u>	<u>6,163,756</u>	<u>8,000,000</u>	<u>8,225,373</u>	
Certificates of Deposit						
American State Bank		2,071,593	2,071,593	2,078,127	2,078,127	411 days
American State Bank		1,034,058	1,034,058	1,037,498	1,037,498	45 days
Western National Bank		2,005,608	2,005,608	2,011,295	2,011,295	586 days
		<u>5,111,259</u>	<u>5,111,259</u>	<u>5,126,920</u>	<u>5,126,920</u>	
Commercial Paper						
	Sec. 2256.013					
		-	-	-	-	
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
		<u>27,456,847</u>	<u>27,620,603</u>	<u>94,036,152</u>	<u>94,261,525</u>	

**DIVERSITY REPORT
AS OF MAY 31, 2011**

DIVERSITY BY SECURITY TYPE

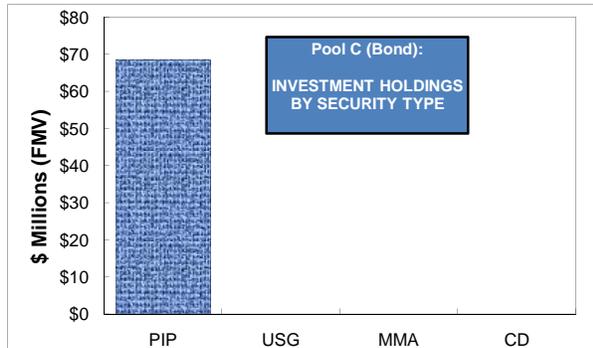
Pools A & B (Operating & Debt Service):

PIP	Public Investment Pools	10,213,652	40%
USG	U.S. Govt Agencies	8,225,373	32%
MMA	Money Market Funds	2,244,681	9%
CD	Certificates of Deposit	5,126,920	20%
		<u>\$25,810,626</u>	<u>100%</u>



Pool C (Unexpended Bond Funds):

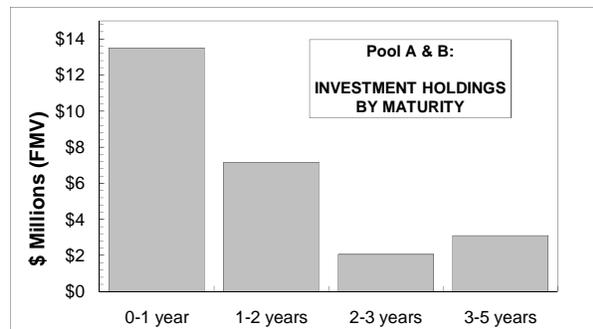
PIP	Public Investment Pools	68,450,899	100%
USG	U.S. Govt Agencies	0	0%
MMA	Money Market Funds	0	0%
CD	Certificates of Deposit	0	0%
		<u>\$68,450,899</u>	<u>100%</u>



DIVERSITY BY MATURITY

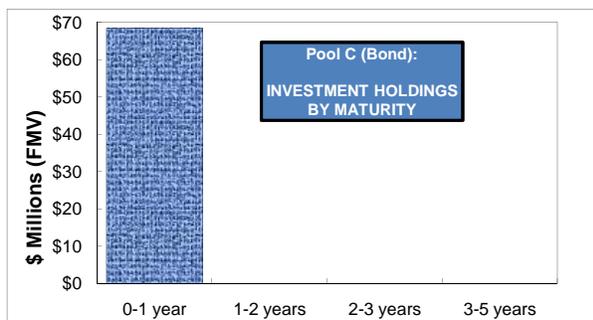
Pools A & B (Operating & Debt Service):

0-1 year	13,495,831	52%	
1-2 years	7,152,426	28%	
2-3 years	2,055,568	8%	
3-5 years	3,106,801	12%	
		<u>\$25,810,626</u>	<u>100%</u>



Pool C (Unexpended Bond Funds):

0-1 year	68,450,899	100%	
1-2 years	0	0%	
2-3 years	0	0%	
3-5 years	0	0%	
		<u>\$68,450,899</u>	<u>100%</u>



**INVESTMENT EARNINGS BY TYPE OF ASSET
 QUARTER ENDING MAY 31, 2011**

	<u>Quarter Ending 05/31/11</u>	<u>Quarterly Yield</u>	<u>Year-to-Date Sep 2010 - May 2011</u>	<u>Annual Yield</u>
<u>INTEREST INCOME:</u>				
Public Funds Investment Pools				
TexPool	124	0.12%	321	0.16%
TexPool - Prime	15,877	0.16%	23,429	0.18%
LoneStar Government Overnight Fund	14	0.13%	52	0.16%
LoneStar Corporate Overnight Plus Fund	20	0.23%	64	0.26%
Logic	536	0.19%	1,776	0.22%
	<u>16,571</u>		<u>25,642</u>	
Money Market Funds	4,460	0.75%	9,068	0.80%
U.S. Government Agencies	35,125	2.25%	123,807	2.44%
Certificates of Deposit	15,672	0.92%	48,116	0.92%
Commercial Paper	<u>0</u>	0.00%	<u>0</u>	0.00%
Total Interest Earnings	<u><u>\$71,828</u></u>	<u><u>0.51%</u></u>	<u><u>\$206,634</u></u>	<u><u>0.81%</u></u>

Benchmark Yield:

52-Week Treasury Bill	0.21%		0.24%
Actual above Benchmark (BPS)	+ 30		+ 57
	Basis Points		Basis Points

Annual Budgeted Interest Earnings (All Funds)	\$700,315
Percent of Budget Earned To Date	<u>29.5%</u>

GAINS (LOSSES) ON SALE OF INVESTMENTS:

Unrealized Gains (Losses) - Changes in Market Value Since Beginning of Year	<u>\$61,617</u>	<u>(\$6,047)</u>
Realized Gains (Losses) On Investments Sold or Matured Since Beginning of Year	<u>\$0</u>	<u>\$ (19,320)</u>

**STATEMENTS OF COMPLIANCE OF INVESTMENT PORTFOLIO
QUARTER ENDING MAY 31, 2011****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 May 31, 2011 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, all of the newly issued General Obligation Bond proceeds were invested in Texpool. During the next quarter, the construction spending schedule will be determined and the funds invested to match projected liquidity and spending needs. No funds will be invested in instruments with maturities exceeding the expected construction schedule.

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 May 31, 2011, 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 May 31, 2011 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
Controller