

ODESSA COLLEGE

QUARTERLY INVESTMENT REPORT For the Quarter Ended August 31, 2013

AS REQUIRED BY THE TEXAS PUBLIC FUNDS INVESTMENT ACT

- I. Investment Position by Pooled Fund Group**
- II. Quarter End Results by Investment Category**
- III. Diversity by Type and Maturity**
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- V. Statements of Compliance**

ODESSA COLLEGE

I.

**INVESTMENT POSITION BY POOLED FUND GROUP
QUARTER ENDING AUGUST 31, 2013**

	Beginning Market Value <u>June 1, 2013</u>	Investment Additions (Deductions)	Market Value Appreciation	Ending Market Value <u>Aug 31, 2013</u>
<u>INVESTMENT POOL A:</u>				
Current Unrestricted Funds	25,401,958	(3,361,279)	(49,748)	21,990,931
Current Restricted Funds	457,044	(169,391)	(649)	287,004
Endowment Fund	850,010	4,790	(1,929)	852,871
Agency Funds Held for Others	146,631	(915)	(329)	145,387
	<u>26,855,643</u>	<u>(3,526,794)</u>	<u>(52,656)</u>	<u>23,276,193</u>
<u>INVESTMENT POOL B (REVENUE BOND):</u>				
Rev. Bond Int & Sinking Fund 2009	1,028,344	1,463,404	-	2,491,748
Rev. Bond Debt Service Reserve 2009	2,486,296	(809,411)	(19,697)	1,657,188
Rev. Bond Int & Sinking Fund 2012	-	161,135	-	161,135
Tax Bond Int & Sinking Fund	2,477,388	(2,338,167)	-	139,221
	<u>5,992,028</u>	<u>(1,523,039)</u>	<u>(19,697)</u>	<u>4,449,292</u>
<u>INVESTMENT POOL C (TAX BOND):</u>				
Unexpended Bond Funds	49,531,158	(9,027,368)	(24,624)	40,479,166
	<u>49,531,158</u>	<u>(9,027,368)</u>	<u>(24,624)</u>	<u>40,479,166</u>
ALL FUNDS	<u>82,378,829</u>	<u>(14,077,201)</u>	<u>(96,977)</u>	<u>68,204,651</u>

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II.

END OF QUARTER VALUES BY INVESTMENT CATEGORY

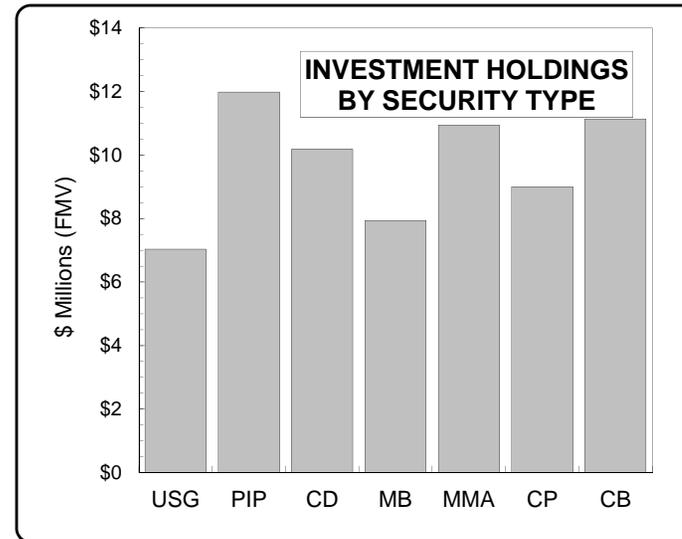
<u>Asset Type</u>	<u>May 31, 2013</u>		<u>August 31, 2013</u>		<u>Estimated</u>
	<u>Book Value</u>	<u>Market Value</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Avg. Yield</u>
Public Funds Pools	15,431,972	15,431,971	11,978,788	11,978,788	0.15%
Money Market & Interest Checking	16,523,652	16,523,652	10,938,833	10,938,833	0.24%
Commercial Paper	8,973,612	8,995,850	8,973,612	8,999,160	0.40%
Certificates of Deposit	10,482,000	10,676,762	9,983,000	10,180,558	0.70%
Government Agency Securities	12,167,468	11,897,029	7,114,926	7,036,677	1.32%
Municipal Bonds	7,834,836	7,630,803	7,218,302	7,934,402	0.52%
Corporate Bonds	11,514,214	11,222,762	11,514,214	11,136,233	0.49%
Totals	82,927,754	82,378,829	67,721,675	68,204,651	0.50%

Annualized Performance		
Weighted Average Maturity (W.A.M.)	178 days	
Total Portfolio Annualized Yield (Estimated)	0.50%	
Benchmark Yield - 1 year Treasury Note	0.14%	
	<u>This Quarter</u>	<u>Fiscal Year</u>
<u>Interest Income</u>		
Operating Funds (Pool A)	\$ 76,563	\$ 316,761
Debt Service Funds (Pool B)	3,993	16,572
Construction Funds (Pool C)	50,409	255,190
	<u>\$ 130,965</u>	<u>\$ 588,523</u>
<u>Gains/(Losses) on Sales & Maturities</u>		
Operating Funds (Pool A)	\$ -	\$ (13,111)
Debt Service Funds (Pool B)	-	(2,766)
Construction Funds (Pool C)	-	-
	<u>\$ -</u>	<u>\$ (15,877)</u>
<u>Unrealized Changes in Market Value</u>		
Operating Funds (Pool A)	\$ (52,656)	\$ (171,083)
Debt Service Funds (Pool B)	(19,697)	(28,359)
Construction Funds (Pool C)	(24,624)	(31,789)
	<u>\$ (96,977)</u>	<u>\$ (231,231)</u>

**DIVERSITY REPORT
QUARTER ENDING AUGUST 31, 2013**

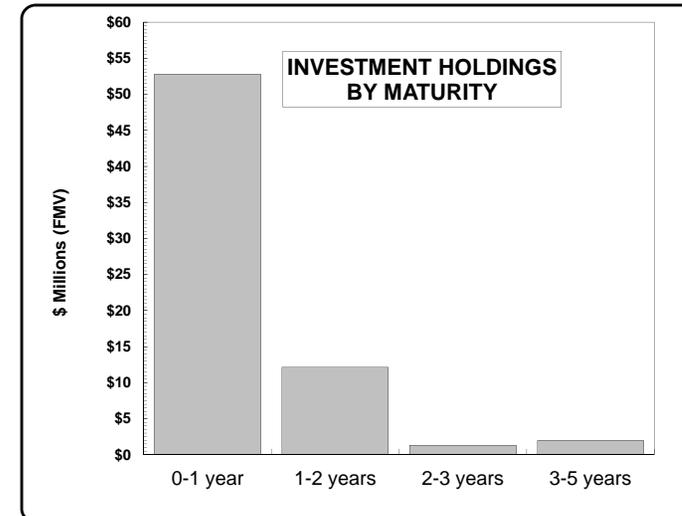
DIVERSITY BY SECURITY TYPE:

USG	U.S. Govt Agencies	7,036,677	10.3%
PIP	Public Investment Pools	11,978,788	17.6%
CD	Certificates of Deposit	10,180,558	14.9%
MB	Municipal Bonds	7,934,402	11.6%
MMA	Money Market Funds	10,938,833	16.0%
CP	Commercial Paper	8,999,160	13.2%
CB	Corporate Bonds	11,136,233	16.3%
		\$68,204,651	100%



DIVERSITY BY MATURITY

0-1 year	52,756,850	77%
1-2 years	12,136,989	18%
2-3 years	1,334,413	2%
3-5 years	1,976,399	3%
		\$68,204,651
		100%



**INVESTMENT HOLDINGS REPORT
QUARTER ENDING FEBRUARY AUGUST 31, 2013**

Fund / Purpose	Description	Maturity Date	Yield/ YTM	Par Value	Price	Ending Book (Cost)	Ending Market Value
Public Funds Investment Pools							
Pooled Operating	TexPool General	9/1/2013	0.160%	16,829	100.00	16,829	16,829
Pooled Operating	TexPool Prime	9/1/2013	0.140%	223,441	100.00	223,441	223,441
Pooled Operating	Lone Star Government Overnight	9/1/2013	0.120%	42,494	100.00	42,494	42,494
Pooled Operating	Lone Star Corporate Overnight Plus	9/1/2013	0.190%	35,084	100.00	35,084	35,084
Pooled Operating	LOGIC - Liquid Asset Fund	9/1/2013	0.150%	2,797,194	100.00	2,797,194	2,797,194
Debt Service	TexPool Prime 2009 I & S	9/1/2013	0.080%	1,657,188	100.00	1,657,188	1,657,188
Debt Service	TexPool Prime 2009	9/1/2013	0.140%	780,108	100.00	780,108	780,108
Debt Service	TexPool Prime 2012	9/1/2013	0.080%	161,126	100.00	161,126	161,126
Debt Service	TexPool Prime Tax Bond	9/1/2013	0.090%	139,221	100.00	139,221	139,221
Bond Construction	TexPool Prime	9/1/2013	0.130%	129,659	100.00	129,659	129,659
Bond Construction	Lone Star Corporate Overnight Plus	9/1/2013	0.180%	5,288,475	100.00	5,288,475	5,288,475
Bond Construction	LOGIC - Liquid Asset Fund	9/1/2013	0.160%	707,969	100.00	707,969	707,969
TOTAL - PUBLIC FUNDS INVESTMENT POOLS				11,978,788		11,978,788	11,978,788
Money Market & Interest Checking							
Pooled Operating	Compass Interest Bearing Depository	9/1/2013	0.346%	5,664,863	100.00	5,664,863	5,664,863
Pooled Operating	Compass MMA	9/1/2013	0.188%	55,167	100.00	55,167	55,167
Pooled Operating	ASB Business Elite Savings	9/1/2013	0.250%	2,264,555	100.00	2,264,555	2,264,555
Bond Construction	Compass Interest Bearing Depository	9/1/2013	0.346%	17,151	100.00	17,151	17,151
Bond Construction	American State Financial Mgt MMA	9/1/2013	0.040%	2,937,097	100.00	2,937,097	2,937,097
TOTAL - MONEY MARKET FUNDS				10,938,833		10,938,833	10,938,833
Commercial Paper							
Bond Construction	Abbey Nat'l N America (01/07/13)	10/1/2013	0.472%	4,000,000	99.65	3,986,057	3,999,627
Bond Construction	ING Funding LLC (01/03/13)	9/20/2013	0.351%	5,000,000	99.75	4,987,556	4,999,533
TOTAL - COMMERCIAL PAPER				9,000,000		8,973,612	8,999,160
Certificates of Deposit							
Pooled Operating	Prosperity Bank	10/14/2013	0.600%	2,000,000	100.00	2,000,000	2,116,810
Pooled Operating	Prosperity Bank	4/14/2014	0.850%	1,000,000	100.00	1,000,000	1,059,012
Pooled Operating	Prosperity Bank	10/10/2014	0.600%	2,000,000	100.00	2,000,000	2,010,010
Pooled Operating	Compass Bank	2/1/2015	0.300%	5,000	100.00	5,000	5,000
Debt Service	Doral Bank	12/8/2014	0.850%	240,000	100.00	240,000	240,000
Bond Construction	Compass Bank	9/22/2013	0.850%	250,000	100.00	250,000	250,000
Bond Construction	Western National Bank	3/22/2014	0.500%	250,000	100.00	250,000	252,632
Bond Construction	Cit Bank	9/27/2013	1.000%	250,000	100.00	250,000	250,075
Bond Construction	Discover Bank DE	9/30/2013	1.000%	250,000	100.00	250,000	250,085
Bond Construction	Goldman Sachs Bank	9/30/2013	0.950%	250,000	100.00	250,000	250,077
Bond Construction	Ally Bank UT	9/30/2013	1.000%	250,000	100.00	250,000	250,085
Bond Construction	BMW Bank UT	10/15/2013	1.050%	250,000	100.00	250,000	250,150
Bond Construction	Sterling Savings	9/9/2013	0.500%	249,000	100.00	249,000	249,009
Bond Construction	Huntington Nat'l Bank	1/27/2014	0.800%	249,000	100.00	249,000	249,275
Bond Construction	Independence Bank of KY	6/27/2014	0.600%	249,000	100.00	249,000	250,139
Bond Construction	Georgia B&T	6/27/2014	0.700%	249,000	100.00	249,000	250,130
Bond Construction	Barclays Bank DE	12/8/2014	1.150%	249,000	100.00	249,000	251,200
Bond Construction	Legacy Bank	12/16/2014	0.650%	249,000	100.00	249,000	248,654
Bond Construction	Cardinal Bank	1/13/2015	0.750%	249,000	100.00	249,000	251,347
Bond Construction	Orrstown Band	9/22/2014	0.500%	249,000	100.00	249,000	250,166
Bond Construction	Valley National Bank	7/28/2014	0.600%	249,000	100.00	249,000	249,677

Fund / Purpose	Description	Maturity Date	Yield/YTM	Par Value	Price	Ending Book (Cost)	Ending Market Value
Bond Construction	Apple Bk	1/9/2015	0.450%	249,000	100.00	249,000	249,026
Bond Construction	Safra Natl Bank	1/15/2015	0.500%	249,000	100.00	249,000	248,982
Bond Construction	Town North Bank	2/26/2015	0.500%	249,000	100.00	249,000	249,017
TOTAL - CERTIFICATES OF DEPOSIT				9,983,000		9,983,000	10,180,558

U.S. Govt Agencies

Pooled Operating	Federal Home Ln Mtg Corp 2.75%	3/13/2015	2.622%	1,000,000	100.59	1,005,900	1,036,568
Pooled Operating	Federal Natl Mtg Assn 2.625%	11/20/2014	2.465%	1,000,000	100.70	1,007,000	1,029,173
Pooled Operating	Federal Natl Mtg Assn 2.875%	12/11/2013	1.964%	1,000,000	103.25	1,032,500	1,007,688
Debt Service	Federal Natl Mtg Assn Step Up .70	12/13/2017	0.700%	1,500,000	100.00	1,500,000	1,471,643
Bond Construction	Federal Home Loan Banks Debenture 4.8750%	11/27/2013	0.402%	60,000	109.53	65,717	60,673
Bond Construction	Federal Home Loan Mortgage Corporation Debenture 4.8750%	11/15/2013	0.353%	770,000	109.49	843,075	777,477
Bond Construction	Federal National Mortgage Association Stripped Issues OID	10/8/2013	0.633%	21,000	98.74	20,736	20,986
Bond Construction	Federal National Mortgage Association Note 1.1250%	10/8/2013	0.365%	760,000	101.52	771,530	760,775
Bond Construction	Federal National Mortgage Association Note 1.1250%	10/8/2013	0.354%	240,000	101.54	243,689	240,245
Bond Construction	Financing Corp Cpn Fico Strips Stripped Issues OID	11/2/2013	0.639%	33,000	98.69	32,566	32,969
Bond Construction	Financing Corp Cpn Fico Strips Stripped Issues OID	11/11/2013	0.661%	41,000	98.63	40,436	40,955
Bond Construction	Financing Corp Cpn Fico Strips Stripped Issues OID	11/11/2013	0.611%	77,000	98.73	76,021	76,916
Bond Construction	Financing Corp Cpn Fico Strips Stripped Issues OID	11/11/2013	0.562%	119,000	98.83	117,607	118,870
Bond Construction	Financing Corp Cpn Fico Strips Stripped Issues OID	11/11/2013	0.452%	44,000	99.06	43,585	43,952
Bond Construction	Financing Corp Cpn Fico Strips Stripped Issues OID	11/30/2013	0.504%	37,000	98.92	36,602	36,948
Bond Construction	Financing Corp Cpn Fico Strips Stripped Issues OID	10/6/2013	0.483%	80,000	99.04	79,231	79,958
Bond Construction	Financing Corp Cpn Fico Strips Stripped Issues OID	10/6/2013	0.552%	30,000	98.90	29,671	29,984
Bond Construction	Financing Corp Cpn Fico Strips Stripped Issues OID	10/5/2013	0.475%	38,000	99.06	37,642	37,980
Bond Construction	Financing-Fed Bk Enty Cpn Strp Stripped Issues OID	10/6/2013	0.552%	28,000	98.90	27,693	27,985
Bond Construction	Financing-Fed Bk Enty Cpn Strp Stripped Issues OID	10/6/2013	0.557%	38,000	98.89	37,579	37,980
Bond Construction	Financing-Fed Bk Enty Cpn Strp Stripped Issues OID	10/6/2013	0.650%	41,000	98.71	40,472	40,978
Bond Construction	Financing-Fed Bk Enty Cpn Strp Stripped Issues OID	11/2/2013	0.609%	26,000	98.75	25,674	25,974
TOTAL - GOVERNMENT AGENCIES				6,983,000		7,114,925	7,036,677

Municipal Bonds

Pooled Operating	Dahlonega Development	7/1/2016	1.212%	200,000	112.80	225,600	221,496
Pooled Operating	Municipal Power Agency	9/1/2016	0.951%	525,000	96.91	508,778	504,756
Bond Construction	Clark Cnty NV Sch Dist Ref-Ser B Prim/Secndry Ed	6/15/2014	0.560%	665,000	109.74	729,771	688,887
Bond Construction	Illinois St Fin Auth Rev Trinity Hlth-Serl Hospitals	12/1/2013	0.450%	1,700,000	104.17	1,770,890	1,711,033
Bond Construction	Brazos Cnty TX Ref	9/1/2013	0.400%	310,000	106.29	329,499	310,000
Bond Construction	Kansas City Missouri Indl Dev	4/1/2014	0.454%	470,000	107.54	505,438	482,150
Bond Construction	Madison Cnty IL Cmnty	12/1/2013	0.396%	265,000	104.17	276,051	267,473
Bond Construction	New Jersey Sports & Exposition	3/1/2014	0.408%	675,000	110.36	744,930	694,771
Bond Construction	FOREST PK ILLINOIS LTD REF CTFS REV SER 2011 GEN PURP IMPT	11/1/2014	0.497%	285,000	103.18	294,063	289,289
Bond Construction	TAMPA FLA SOLID WASTE SYS REV SERIES 2010 SANITATION	10/1/2014	0.503%	320,000	107.11	342,752	330,803
Bond Construction	LAREDO TEX INTL TOLL BRDG REV BNDS SERIES 2005 B FSA INS	3/1/2014	0.400%	165,000	112.17	185,081	179,355
Bond Construction	Cobleshill-Richmondville NR Central S/D Ref Prim/Secndry Ed	1/15/2014	0.450%	750,000	103.79	778,440	758,160
Bond Construction	Kentucky St TPK Auth EconomicDev Rd Rev Series 2010A	7/1/2014	0.460%	500,000	105.40	527,010	515,135
Bond Construction	Minneapolis-Saint Paul MN Metarpts Commission	1/1/2015	0.606%	610,000	101.07	616,535	607,932
Bond Construction	ARPT Re Airports						
Bond Construction	Fort Worth Tex Ind School Dist	2/15/2015	0.500%	350,000	107.12	374,920	373,162

Fund / Purpose	Description	Maturity Date	Yield/ YTM	Par Value	Price	Ending Book (Cost)	Ending Market Value
TOTAL - MUNICIPAL BONDS				7,790,000		7,218,302	7,934,402
Corporate Bonds							
Pooled Operating	General Elec Capital Corp	11/14/2014	0.035%	2,000,000	106.90	2,138,010	2,073,138
Pooled Operating	General Elec Capital Corp	9/15/2015	0.059%	1,000,000	117.00	1,170,003	1,112,917
Bond Construction	General Elec Capital Corp SRNT	9/16/2013	0.558%	3,000,000	102.00	3,060,143	3,001,479
Bond Construction	CME Group Inc	2/15/2014	0.500%	500,000	109.93	549,647	511,243
Bond Construction	Westpac Banking SRNT	2/27/2015	1.500%	200,000	107.68	215,364	210,020
Bond Construction	General Elec Capital Corp SRNT	5/13/2014	0.756%	1,000,000	110.47	1,104,700	1,037,981
Bond Construction	General Elec Capital Corp SRNT	11/14/2014	1.011%	1,000,000	106.90	1,069,000	1,036,569
Bond Construction	General Elec Capital Corp SRNT	1/7/2014	0.512%	1,000,000	102.54	1,025,350	1,005,953
Bond Construction	De Kalb Cnty GA Wtr	10/1/2014	0.650%	600,000	107.58	645,480	621,174
Bond Construction	Genzyme Corp Smt	6/15/2015	0.600%	500,000	107.30	536,519	525,759
TOTAL - CORPORATE BONDS				10,800,000		11,514,214	11,136,233
Grand Total				67,473,621		68,713,129	68,204,651

**STATEMENTS OF COMPLIANCE OF INVESTMENT PORTFOLIO
QUARTER ENDING August 31, 2013****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 August 31, 2013 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, the unexpended 2011 General Obligation Bond proceeds were invested in Texas public funds investment pools, certificates of deposit, commercial paper, short-to medium-term government agencies, municipal bonds, and corporate bonds. The funds are 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 separately in medium-term government agencies, certificates of deposit, and 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 August 31, 2013, 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 August 31, 2013 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