

# **ODESSA COLLEGE**

## **QUARTERLY INVESTMENT REPORT DECEMBER 1 – FEBRUARY 28, 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 FEBRUARY 28, 2011

	<b>Beginning Market Value <u>Dec 1, 2010</u></b>	<b>Investment Additions (Deductions)</b>	<b>Market Value Appreciation</b>	<b>Ending Market Value <u>Feb 28, 2011</u></b>
<b><u>INVESTMENT POOL A:</u></b>				
Current Unrestricted Funds	16,795,601	8,860,952	(59,665)	25,596,888
Current Restricted Funds	87,970	325,853	(962)	412,861
Endowment Fund	819,104	477	(1,906)	817,675
Agency Funds Held for Others	113,343	10,297	(288)	123,352
	<u>17,816,018</u>	<u>9,197,579</u>	<u>(62,821)</u>	<u>26,950,776</u>

### **INVESTMENT POOL B (DEBT SERVICE):**

Bond Interest & Sinking Fund	41,635	628,192	-	669,827
Bond Debt Service Reserve	-	-	-	-
	<u>41,635</u>	<u>628,192</u>	<u>-</u>	<u>669,827</u>

<b>ALL FUNDS</b>	<u>\$17,857,653</u>	<u>\$9,825,771</u>	<u>(\$62,821)</u>	<u>\$27,620,603</u>
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Feb 28, 2010 \$27,405,951
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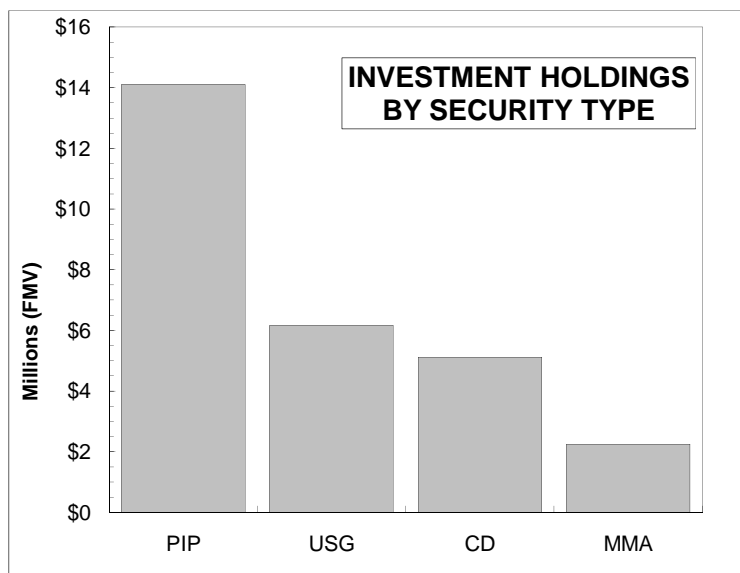
**BOOK VALUE AND MARKET VALUE OF INVESTMENTS BY TYPE OF ASSET**  
**QUARTER ENDING FEBRUARY 28, 2011**

	P.F.I.A.	November 30, 2010		February 28, 2011		
	Authorization	Book Value	Market Value	Book Value	Market Value	Maturity
<b><u>Public Funds Investment</u></b>						
<b><u>Pools</u></b>	Sec. 2256.016					
TexPool - Operating		145,566	145,566	545,652	545,652	Daily Liquidity
TexPool Prime - Operating		2,945,559	2,945,559	11,720,628	11,720,628	Daily Liquidity
TexPool - Interest & Sinking		-	-	-	-	Daily Liquidity
Texpool Prime - Interest & Sinking		41,635	41,635	669,827	669,827	Daily Liquidity
Lone Star Government Overnight Fund		42,360	42,360	42,376	42,376	Daily Liquidity
Lone Star Corporate Overnight Fund		34,840	34,840	34,861	34,861	Daily Liquidity
Logic - Liquid Asset Fund		1,090,178	1,090,178	1,090,744	1,090,744	Daily Liquidity
		<u>4,300,138</u>	<u>4,300,138</u>	<u>14,104,088</u>	<u>14,104,088</u>	
<b><u>Money Market Funds</u></b>						
	Sec. 2256.014					
Goldman Sachs (American State Bank)		-	-	-	-	Daily Liquidity
ASB Business Savings		1,218,990	1,218,990	2,241,500	2,241,500	Daily Liquidity
		<u>1,218,990</u>	<u>1,218,990</u>	<u>2,241,500</u>	<u>2,241,500</u>	
<b><u>U.S. Govt Agencies</u></b>						
	Sec. 2256.009					
<u>Pooled Operating Funds:</u>	<u>Yield to Maturity:</u>					
FHLB 03/13/15	2.75%	1,000,000	1,056,298	1,000,000	1,028,725	1453 days
FNMA 11/20/14	2.63%	1,000,000	1,052,680	1,000,000	1,032,579	1340 days
FNMA 12/11/13	2.88%	1,000,000	1,058,844	1,000,000	1,045,477	1001 days
FHLB 12/14/2012	1.75%	2,000,000	2,043,184	2,000,000	2,035,988	644 days
FFCB 12/07/12	1.88%	1,000,000	1,025,190	1,000,000	1,020,987	637 days
FHLB 02/15/2011	4.00%	1,000,000	1,007,500	-	-	days
		<u>7,000,000</u>	<u>7,243,696</u>	<u>6,000,000</u>	<u>6,163,756</u>	
<b><u>Certificates of Deposit</u></b>						
American State Bank		2,065,222	2,065,222	2,071,593	2,071,593	411 days
American State Bank		1,029,607	1,029,607	1,034,058	1,034,058	45 days
Western National Bank		2,000,000	2,000,000	2,005,608	2,005,608	586 days
		<u>5,094,829</u>	<u>5,094,829</u>	<u>5,111,259</u>	<u>5,111,259</u>	
		<u>\$17,613,957</u>	<u>\$17,857,653</u>	<u>\$27,456,847</u>	<u>\$27,620,603</u>	

**DIVERSITY REPORT  
QUARTER ENDING FEBRUARY 28, 2011**

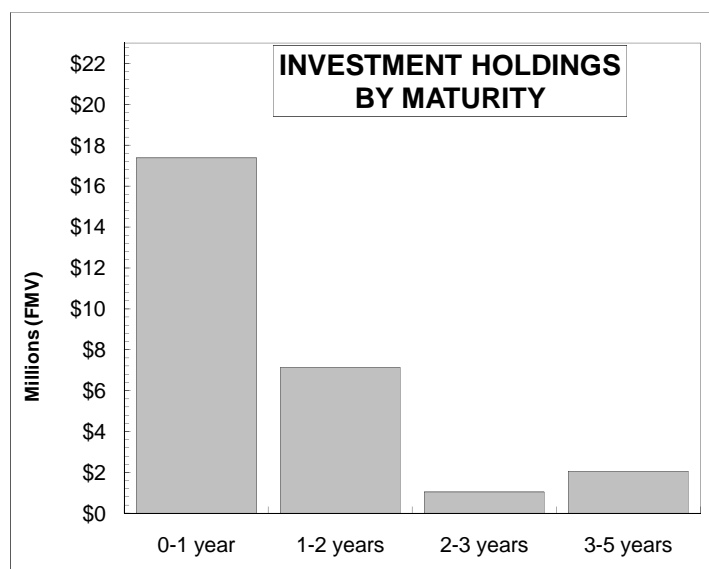
**DIVERSITY BY SECURITY TYPE:**

PIP	Public Investment Pools	14,104,088	51%
USG	U.S. Govt Agencies	6,163,756	22%
CD	Certificates of Deposit	5,111,259	19%
MMA	Money Market Funds	2,241,500	8%
		<u>\$27,620,603</u>	<u>100%</u>



**DIVERSITY BY MATURITY**

0-1 year	17,379,646	63%
1-2 years	7,134,176	26%
2-3 years	1,045,477	4%
3-5 years	2,061,304	7%
	<u>\$27,620,603</u>	<u>100%</u>



# INVESTMENT EARNINGS BY TYPE OF ASSET QUARTER ENDING FEBRUARY 28, 2011

	Quarter Ending 02/28/11	Quarterly Yield	Year-to-Date 02/28/11	Annual Yield
<b><u>INTEREST INCOME:</u></b>				
<b>Public Funds Investment Pools:</b>				
TexPool	86	0.16%	197	0.19%
TexPool - Prime	3,262	0.19%	7,552	0.22%
LoneStar Government Overnight Fund	17	0.15%	38	0.18%
LoneStar Corporate Overnight Plus Fund	20	0.24%	44	0.27%
Logic	566	0.21%	1,240	0.23%
	<u>3,951</u>		<u>9,071</u>	
<b>Money Market &amp; Savings</b>	2,309	0.78%	4,608	0.84%
<b>U.S. Government Agencies</b>	42,286	2.48%	88,682	2.51%
<b>Certificates of Deposit</b>	16,889	1.89%	32,444	1.89%
<b>Total Interest Earnings</b>	<u><b>\$65,435</b></u>	<u><b>1.32%</b></u>	<u><b>\$134,806</b></u>	<u><b>1.37%</b></u>
<b><u>Benchmark Yield:</u></b>				
3-Month Treasury Bill		0.27%		0.25%
Actual below Benchmark (BPS)	+	105	+	112
		Basis Points		Basis Points
Annual Budgeted Investment Earnings (All Funds)			\$700,315	
Percent of Budget Earned To Date			<b>19.2%</b>	

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

Unrealized Gains (Losses) - Changes in Market Value		
Since Beginning of Year	<u>(\$62,821)</u>	<u>(\$67,664)</u>
Realized Gains (Losses) On Investments Sold or		
Matured Since Beginning of Year	<u>(\$17,120)</u>	<u>(\$19,320)</u>

**STATEMENTS OF COMPLIANCE OF INVESTMENT PORTFOLIO  
QUARTER ENDING FEBRUARY 28, 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 February 28, 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, 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 February 28, 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 February 28, 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