

ODESSA COLLEGE

QUARTERLY INVESTMENT REPORT
For the Quarter Ended
February 28, 2014

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**
- IV. Investment Holdings Report**
- V. Statements of Compliance**

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I.

INVESTMENT POSITION BY POOLED FUND GROUP QUARTER ENDING FEBRUARY 28, 2014

	<u>Beginning Market Value Dec 1, 2013</u>	<u>Investment Additions (Deductions)</u>	<u>Market Value Appreciation</u>	<u>Ending Market Value Feb 28, 2014</u>
<u>INVESTMENT POOL A:</u>				
Current Unrestricted Funds	\$17,988,455	11,285,574	(39,545)	29,234,484
Current Restricted Funds	431,538	(18,643)	(558)	412,337
Endowment Fund	842,629	3,647	(1,143)	845,133
Agency Funds Held for Others	154,985	30,443	(250)	185,178
	<u>19,417,607</u>	<u>11,301,021</u>	<u>(41,496)</u>	<u>30,677,132</u>
<u>INVESTMENT POOL B (DEBT SERVICE):</u>				
Rev. Bond Interest & Sinking Fund 2009	46,512	628,884	-	675,396
Rev. Bond Debt Service Reserve	2,514,546	3	978	2,515,527
Rev. Bond Int & Sinking Fund 2012	263,354	(7,139)	-	256,215
Tax Bond Int & Sinking Fund	139,248	311,646	-	450,894
	<u>2,963,660</u>	<u>933,394</u>	<u>978</u>	<u>3,898,032</u>
<u>INVESTMENT POOL C (TAX BOND):</u>				
Unexpended Bond Funds	31,139,038	(9,706,089)	(98,859)	21,334,090
	<u>31,139,038</u>	<u>(9,706,089)</u>	<u>(98,859)</u>	<u>21,334,090</u>
ALL FUNDS	<u><u>53,520,305</u></u>	<u><u>2,528,326</u></u>	<u><u>(139,377)</u></u>	<u><u>55,909,254</u></u>

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II.

END OF QUARTER VALUES BY INVESTMENT CATEGORY

<u>Asset Type</u>	<u>November 30, 2013</u>		<u>February 28, 2014</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	10,849,703	10,849,703	11,576,372	11,576,372	0.12%
Money Market & Interest Checking	13,520,483	13,520,483	19,868,113	19,868,113	0.26%
Certificates of Deposit	8,217,000	8,301,807	8,217,000	8,305,963	0.76%
Government Agency Securities	4,582,002	4,588,330	3,512,900	3,539,612	1.76%
Municipal Bonds	8,489,813	8,177,996	6,352,136	6,108,250	1.11%
Corporate Bonds	8,454,072	8,081,986	6,879,075	6,510,944	0.45%
Totals	54,113,073	53,520,305	56,405,597	55,909,254	0.51%

Annualized Performance			
Weighted Average Maturity (W.A.M.)	199 days		
Total Portfolio Annualized Yield (Estimated)	0.51%		
Benchmark Yield - 1 year Treasury Note	0.16%		
	<u>This Quarter</u>	<u>Fiscal Year</u>	
<u>Interest Income</u>			
Operating Funds (Pool A)	\$ 70,278	\$	145,116
Debt Service Funds (Pool B)	7,158		11,879
Construction Funds (Pool C)	104,980		271,882
	<u>\$ 182,416</u>	<u>\$</u>	<u>428,877</u>
<u>Gains/(Losses) on Sales & Maturities</u>			
Operating Funds (Pool A)	\$ (7,688)	\$	(7,688)
Debt Service Funds (Pool B)	-		-
Construction Funds (Pool C)	-		-
	<u>\$ (7,688)</u>	<u>\$</u>	<u>(7,688)</u>
<u>Unrealized Changes in Market Value</u>			
Operating Funds (Pool A)	\$ (41,496)	\$	(80,084)
Debt Service Funds (Pool B)	978		23,709
Construction Funds (Pool C)	(98,859)		(203,471)
	<u>\$ (139,377)</u>	<u>\$</u>	<u>(259,846)</u>

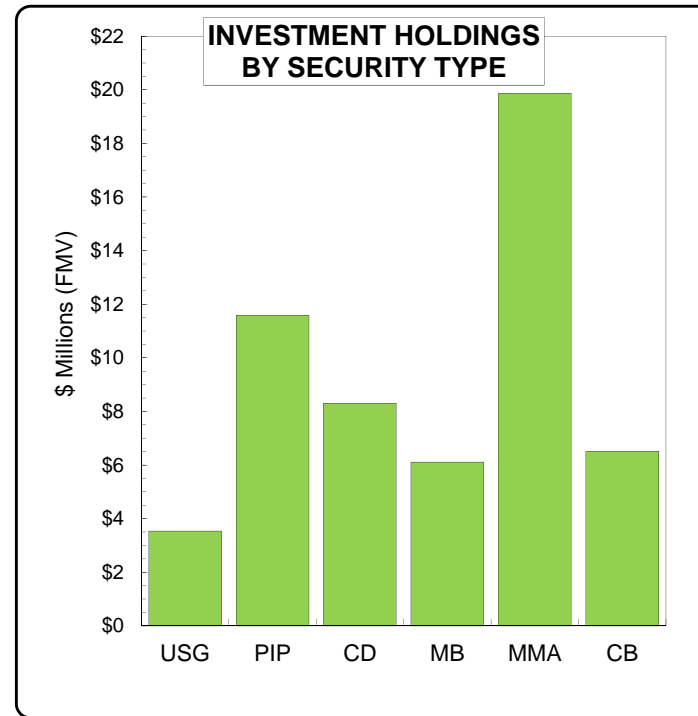
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III.

DIVERSITY REPORT QUARTER ENDING FEBRUARY 28, 2014

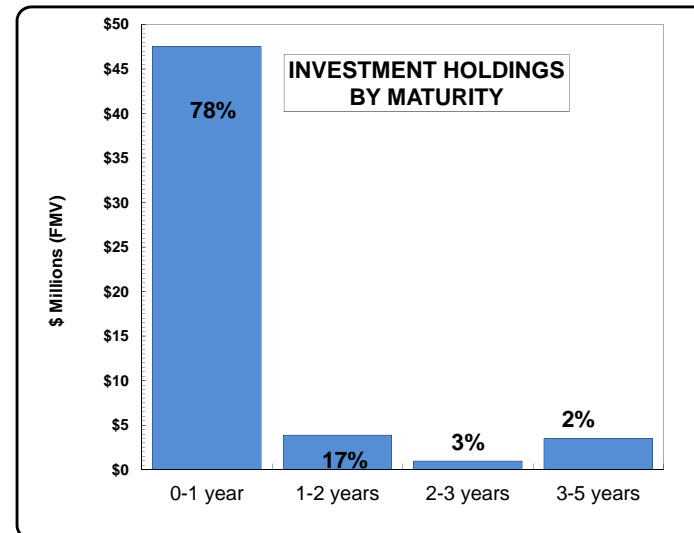
DIVERSITY BY SECURITY TYPE:

USG	U.S. Govt Agencies	3,539,612	6.3%
PIP	Public Investment Pools	11,576,372	20.7%
CD	Certificates of Deposit	8,305,963	14.9%
MB	Municipal Bonds	6,108,250	10.9%
MMA	Money Market Funds	19,868,113	35.5%
CB	Corporate Bonds	6,510,944	11.6%
		<u>\$55,909,254</u>	<u>100%</u>



DIVERSITY BY MATURITY

0-1 year	47,530,753	85%
1-2 years	3,894,157	7%
2-3 years	980,157	2%
3-5 years	3,504,187	6%
	<u>\$55,909,254</u>	<u>100%</u>



INVESTMENT HOLDINGS REPORT

QUARTER ENDING FEBRUARY 28, 2014

Fund/ Purpose	Description	Maturity Date	Yield/ YTM	Par Value	Price	Ending Book (Cost)	Ending Market Value
Public Funds Investment Pools							
Pooled Operating	TexPool General	3/1/2014	0.040%	66,834	100.00	66,834	66,834
Pooled Operating	TexPool Prime	3/1/2014	0.070%	329,894	100.00	329,894	329,894
Pooled Operating	Lone Star Government Overnight	3/1/2014	0.050%	42,504	100.00	42,504	42,504
Pooled Operating	Lone Star Corporate Overnight Plus	3/1/2014	0.150%	35,109	100.00	35,109	35,109
Pooled Operating	LOGIC - Liquid Asset Fund	3/1/2014	0.100%	2,798,603	100.00	2,798,603	2,798,603
Debt Service	TexPool Prime 2009 I & S	3/1/2014	0.080%	675,396	100.00	675,396	675,396
Debt Service	TexPool Prime 2009	3/1/2014	0.080%	20,178	100.00	20,178	20,178
Debt Service	TexPool Prime 2012	3/1/2014	0.080%	256,215	100.00	256,215	256,215
Debt Service	TexPool Prime Tax Bond	3/1/2014	0.070%	450,894	100.00	450,894	450,894
Bond Construction	TexPool Prime	3/1/2014	0.070%	49,676	100.00	49,676	49,676
Bond Construction	Lone Star Corporate Overnight Plus	3/1/2014	0.150%	5,292,358	100.00	5,292,358	5,292,358
Bond Construction	LOGIC - Liquid Asset Fund	3/1/2014	0.100%	1,558,711	100.00	1,558,711	1,558,711
TOTAL - PUBLIC FUNDS INVESTMENT POOLS				11,576,372		11,576,372	11,576,372
Money Market & Interest Checking							
Pooled Operating	Compass Interest Bearing Depositor	3/1/2014	0.260%	13,578,575	100.00	13,578,575	13,578,575
Pooled Operating	Compass MMA	3/1/2014	0.080%	55,167	100.00	55,167	55,167
Pooled Operating	ASB Business Elite Savings	3/1/2014	0.250%	2,267,387	100.00	2,267,387	2,267,387
Bond Construction	Compass Interest Bearing Depositor	3/1/2014	0.260%	3,966,984	100.00	3,966,984	3,966,984
TOTAL - MONEY MARKET FUNDS				19,868,113		19,868,113	19,868,113
Certificates of Deposit							
Pooled Operating	Prosperity Bank	10/15/2015	0.500%	500,000	100.00	500,000	500,843
Pooled Operating	Prosperity Bank	4/15/2015	0.400%	249,000	100.00	249,000	249,336
Pooled Operating	Prosperity Bank	4/14/2014	0.850%	1,000,000	100.00	1,000,000	1,063,558
Pooled Operating	Prosperity Bank	10/10/2014	0.600%	2,000,000	100.00	2,000,000	2,016,097
Pooled Operating	Compass Bank	2/1/2015	0.300%	5,000	100.00	5,000	5,000
Pooled Operating	Ally Bank	10/19/2018	0.750%	249,000	100.00	249,000	249,000
Pooled Operating	Cathay Bank	6/30/2016	0.700%	249,000	100.00	249,000	249,000

Fund/ Purpose	Description	Maturity Date	Yield/ YTM	Par Value	Price	Ending Book (Cost)	Ending Market Value
Debt Service	Doral Bank	12/8/2014	0.850%	240,000	100.00	240,000	240,000
Debt Service	Discover Bank	10/9/2018	2.050%	245,000	100.00	245,000	245,000
Debt Service	BMW BK North	10/11/2018	2.050%	245,000	100.00	245,000	245,000
Debt Service	Goldman Sachs Bk New York	10/11/2018	1.100%	245,000	100.00	245,000	245,000
Bond Construction	Compass Bank	9/1/2015	1.090%	250,000	100.00	250,000	250,000
Bond Construction	Western National Bank	3/22/2014	0.500%	250,000	100.00	250,000	253,256
Bond Construction	Independence Bank of KY	6/27/2014	0.600%	249,000	100.00	249,000	249,116
Bond Construction	Georgia B&T	6/27/2014	0.700%	249,000	100.00	249,000	249,613
Bond Construction	Barclays Bank DE	12/8/2014	1.150%	249,000	100.00	249,000	250,703
Bond Construction	Legacy Bank	12/16/2014	0.650%	249,000	100.00	249,000	249,161
Bond Construction	Cardinal Bank	1/13/2015	0.750%	249,000	100.00	249,000	249,320
Bond Construction	Orrstown Band	9/22/2014	0.500%	249,000	100.00	249,000	249,000
Bond Construction	Valley National Bank	7/28/2014	0.600%	249,000	100.00	249,000	249,495
Bond Construction	Apple Bk	1/9/2015	0.450%	249,000	100.00	249,000	249,391
Bond Construction	Safra Natl Bank	1/15/2015	0.500%	249,000	100.00	249,000	249,360
Bond Construction	Town North Bank	2/26/2015	0.500%	249,000	100.00	249,000	249,714
TOTAL - CERTIFICATES OF DEPOSIT				8,217,000		8,217,000	8,305,963

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	1,026,297
Pooled Operating	Federal Natl Mtg Assn 2.625%	11/20/2014	2.465%	1,000,000	100.70	1,007,000	1,017,963
Debt Service	Federal Natl Mtg Assn Step Up .70	12/13/2017	0.700%	1,500,000	100.00	1,500,000	1,495,352
TOTAL - GOVERNMENT AGENCIES				3,500,000		3,512,900	3,539,612

Municipal Bonds

Pooled Operating	Dahlonega Development	7/1/2016	1.212%	200,000	112.80	225,600	219,156
Pooled Operating	Municipal Power Agency	9/1/2016	0.951%	525,000	96.91	508,778	512,001
Pooled Operating	Ector County Texas	9/18/2015	4.000%	250,000	106.42	266,041	258,700
Pooled Operating	Midland Hospital	5/15/2017	5.000%	300,000	114.51	343,515	340,371
Pooled Operating	Houston Texas	3/1/2018	1.803%	675,000	101.88	687,704	684,464
Bond Construction	Clark Cnty NV Sch Dist Ref-Ser B Prim/Secndry Ed	6/15/2014	0.560%	665,000	109.74	729,771	674,064
Bond Construction	Kansas City Missouri Indl Dev	4/1/2014	0.454%	470,000	107.54	505,438	471,499
Bond Construction	New Jersey Sports & Exposition	3/1/2014	0.408%	675,000	110.36	744,930	675,000

Fund/ Purpose	Description	Maturity Date	Yield/ YTM	Par Value	Price	Ending Book (Cost)	Ending Market Value
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	287,605
Bond Construction	TAMPA FLA SOLID WASTE SYS REV SERIES 2010 SANITATION	10/1/2014	0.503%	320,000	107.11	342,752	326,560
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	176,883
Bond Construction	Kentucky St TPK Auth EconomicDev Rd Rev Series 2010A	7/1/2014	0.460%	500,000	105.40	527,010	506,230
Bond Construction	Minneapolis-Saint Paul MN Metarpts Commission ARPT Re Airports	1/1/2015	0.606%	610,000	101.07	616,535	609,701
Bond Construction	Fort Worth Tex Ind School Dist	2/15/2015	0.500%	350,000	107.12	374,920	366,016
TOTAL - MUNICIPAL BONDS				5,990,000		6,352,136	6,108,250

Corporate Bonds

Pooled Operating	General Elec Capital Corp	11/14/2014	0.035%	2,000,000	106.90	2,138,010	2,047,129
Pooled Operating	General Elec Capital Corp	9/15/2015	0.059%	1,000,000	117.00	1,170,003	1,089,142
Bond Construction	Westpac Banking SRNT	2/27/2015	1.500%	200,000	107.68	215,364	207,588
Bond Construction	General Elec Capital Corp SRNT	5/13/2014	0.756%	1,000,000	110.47	1,104,700	1,010,577
Bond Construction	General Elec Capital Corp SRNT	11/14/2014	1.011%	1,000,000	106.90	1,069,000	1,023,565
Bond Construction	De Kalb Cnty GA Wtr	10/1/2014	0.650%	600,000	107.58	645,480	613,104
Bond Construction	Genzyme Corp Srnt	6/15/2015	0.600%	500,000	107.30	536,519	519,839
TOTAL - CORPORATE BONDS				6,300,000		6,879,075	6,510,944
Grand Total				55,451,485		56,405,597	55,909,254

**STATEMENTS OF COMPLIANCE OF INVESTMENT PORTFOLIO
QUARTER ENDING FEBRUARY 28, 2014****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, 2014 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 February 28, 2014, 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, 2014 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