



ODESSA COLLEGE

**QUARTERLY INVESTMENT REPORT
For the Quarter Ended
August 31, 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 AUGUST 31, 2014**

	<u>Beginning Market Value June 1, 2014</u>	<u>Investment Additions (Deductions)</u>	<u>Market Value Appreciation</u>	<u>Ending Market Value Aug 31, 2014</u>
<u>INVESTMENT POOL A:</u>				
Current Unrestricted Funds	27,860,131	(3,034,340)	(61,782)	24,764,009
Current Restricted Funds	402,277	(247,125)	(386)	154,766
Endowment Fund	849,187	6,260	(2,129)	853,318
Agency Funds Held for Others	160,985	(4,606)	(389)	155,990
	<u>29,272,580</u>	<u>(3,279,811)</u>	<u>(64,686)</u>	<u>25,928,083</u>
<u>INVESTMENT POOL B (REVENUE BOND):</u>				
Rev. Bond Int & Sinking Fund 2009	1,059,243	629,049	-	1,688,292
Rev. Bond Debt Service Reserve 2009	2,514,520	(19,997)	1,376	2,495,899
Rev. Bond Int & Sinking Fund 2012	358,441	(197,140)	-	161,301
Tax Bond Int & Sinking Fund	450,966	(448,725)	-	2,241
	<u>4,383,170</u>	<u>(36,813)</u>	<u>1,376</u>	<u>4,347,733</u>
<u>INVESTMENT POOL C (TAX BOND):</u>				
Unexpended Bond Funds	15,790,457	(1,786,042)	(34,487)	13,969,928
	<u>15,790,457</u>	<u>(1,786,042)</u>	<u>(34,487)</u>	<u>13,969,928</u>
 ALL FUNDS	 <u>49,446,207</u>	 <u>(5,102,666)</u>	 <u>(97,797)</u>	 <u>44,245,744</u>

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II.

END OF QUARTER VALUES BY INVESTMENT CATEGORY

<u>Asset Type</u>	<u>May 31, 2014</u>		<u>August 31, 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	11,455,778	11,455,778	11,407,279	11,407,279	0.11%
Money Market & Interest Checking	15,560,412	15,560,412	12,501,165	12,501,165	0.25%
Certificates of Deposit	6,967,000	6,991,948	6,717,000	6,744,676	0.82%
Government Agency Securities	4,512,900	4,527,779	3,512,900	3,515,047	1.76%
Municipal Bonds	5,661,768	5,452,126	4,714,987	4,675,674	0.86%
Corporate Bonds	5,774,375	5,458,164	5,774,375	5,401,903	1.05%
Totals	49,932,234	49,446,207	44,627,707	44,245,744	0.58%

Annualized Performance			
Weighted Average Maturity (W.A.M.)	203 days		
Total Portfolio Annualized Yield (Estimated)	0.58%		
Benchmark Yield - 1 year Treasury Note	0.11%		
	<u>This Quarter</u>	<u>Fiscal Year</u>	
<u>Interest Income</u>			
Operating Funds (Pool A)	\$ 83,580	\$	310,341
Debt Service Funds (Pool B)	7,259		26,194
Construction Funds (Pool C)	22,641		362,874
	<u>\$ 113,480</u>	<u>\$</u>	<u>699,409</u>
<u>Gains/(Losses) on Sales & Maturities</u>			
Operating Funds (Pool A)	\$ -	\$	(7,266)
Debt Service Funds (Pool B)	318		698
Construction Funds (Pool C)	-		-
	<u>\$ 318</u>	<u>\$</u>	<u>(6,568)</u>
<u>Unrealized Changes in Market Value</u>			
Operating Funds (Pool A)	\$ (65,112)	\$	(178,585)
Debt Service Funds (Pool B)	1,376		24,075
Construction Funds (Pool C)	(8,100)		(263,386)
	<u>\$ (71,836)</u>	<u>\$</u>	<u>(417,896)</u>

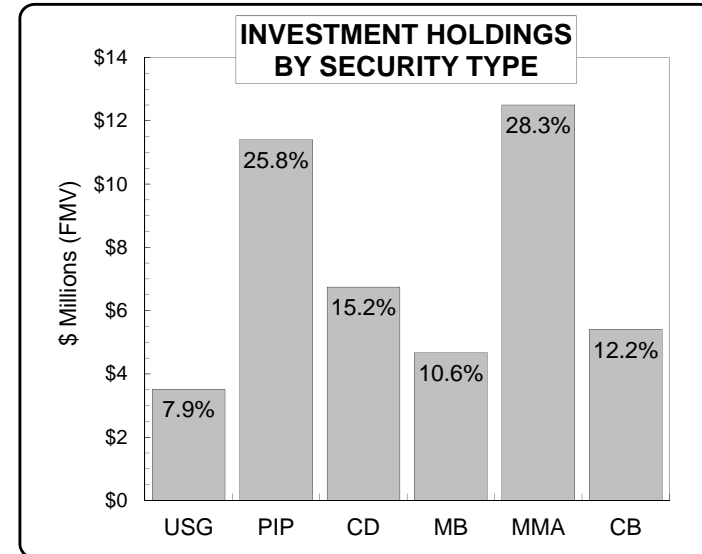
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III.

DIVERSITY REPORT QUARTER ENDING AUGUST 31, 2014

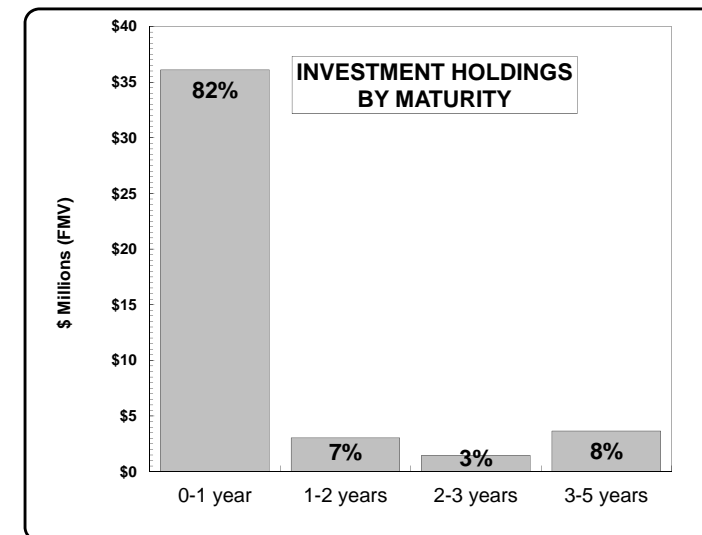
DIVERSITY BY SECURITY TYPE:

USG	U.S. Govt Agencies	3,515,047	7.9%
PIP	Public Investment Pools	11,407,279	25.8%
CD	Certificates of Deposit	6,744,676	15.2%
MB	Municipal Bonds	4,675,674	10.6%
MMA	Money Market Funds	12,501,165	28.3%
CB	Corporate Bonds	5,401,903	12.2%
		<u>\$44,245,744</u>	<u>100.0%</u>



DIVERSITY BY MATURITY

0-1 year	36,104,518	82%
1-2 years	3,031,941	7%
2-3 years	1,448,390	3%
3-5 years	3,660,895	8%
	<u>\$44,245,744</u>	<u>100%</u>



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IV.

INVESTMENT HOLDINGS REPORT
QUARTER ENDING AUGUST 31, 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	9/1/2014	0.040%	61,841	100.00	61,841	61,841
Pooled Operating	TexPool Prime	9/1/2014	0.070%	235,722	100.00	235,722	235,722
Pooled Operating	Lone Star Government Overnight	9/1/2014	0.050%	42,514	100.00	42,514	42,514
Pooled Operating	Lone Star Corporate Overnight Plus	9/1/2014	0.130%	35,134	100.00	35,134	35,134
Pooled Operating	LOGIC - Liquid Asset Fund	9/1/2014	0.100%	2,799,942	100.00	2,799,942	2,799,942
Debt Service	TexPool General	9/1/2014	0.040%	5,000	100.00	5,000	5,000
Debt Service	TexPool Prime 2009 I & S	9/1/2014	0.070%	1,688,292	100.00	1,688,292	1,688,292
Debt Service	TexPool Prime 2009	9/1/2014	0.070%	20,184	100.00	20,184	20,184
Debt Service	TexPool Prime 2012	9/1/2014	0.070%	161,301	100.00	161,301	161,301
Debt Service	TexPool Prime Tax Bond	9/1/2014	0.060%	2,241	100.00	2,241	2,241
Bond Construction	TexPool Prime	9/1/2014	0.070%	49,691	100.00	49,691	49,691
Bond Construction	Lone Star Corporate Overnight Plus	9/1/2014	0.130%	5,296,128	100.00	5,296,128	5,296,128
Bond Construction	LOGIC - Liquid Asset Fund	9/1/2014	0.100%	1,009,289	100.00	1,009,289	1,009,289
TOTAL - PUBLIC FUNDS INVESTMENT POOLS				11,407,279		11,407,279	11,407,279
Money Market Funds							
Pooled Operating	Compass Interest Bearing Depository	9/1/2014	0.254%	8,630,758	100.00	8,630,758	8,630,758
Pooled Operating	Compass MMA	9/1/2014	0.188%	55,167	100.00	55,167	55,167
Pooled Operating	ASB Business Elite Savings	9/1/2014	0.250%	2,270,222	100.00	2,270,222	2,270,222
Bond Construction	Compass Interest Bearing Depository	9/1/2014	0.254%	1,545,018	100.00	1,545,018	1,545,018
TOTAL - MONEY MARKET FUNDS				12,501,165		12,501,165	12,501,165
Certificates of Deposit							
Pooled Operating	Prosperity Bank	10/15/2015	0.500%	500,000	100.00	500,000	502,086
Pooled Operating	Prosperity Bank	4/15/2015	0.400%	249,000	100.00	249,000	249,831
Pooled Operating	Prosperity Bank	10/10/2014	0.600%	2,000,000	100.00	2,000,000	2,022,103
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
Pooled Operating	Community One	6/18/2019	1.700%	248,000	100.00	248,000	248,000
Pooled Operating	Midland St Bank	12/18/2017	1.100%	249,000	100.00	249,000	249,000
Debt Service	Doral Bank	12/8/2014	0.850%	240,000	100.00	240,000	240,000
Debt Service	Discover Bank	8/27/2019	2.100%	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	3/12/2019	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	Barclays Bank DE	12/8/2014	1.150%	249,000	100.00	249,000	249,654
Bond Construction	Legacy Bank	12/16/2014	0.650%	249,000	100.00	249,000	249,141
Bond Construction	Cardinal Bank	1/13/2015	0.750%	249,000	100.00	249,000	249,258
Bond Construction	Orrstown Bank	9/22/2014	0.500%	249,000	100.00	249,000	249,006
Bond Construction	Apple Bk	1/9/2015	0.450%	249,000	100.00	249,000	249,279
Bond Construction	Safra Natl Bank	1/15/2015	0.500%	249,000	100.00	249,000	249,280
Bond Construction	Town North Bank	2/26/2015	0.500%	249,000	100.00	249,000	250,038
TOTAL - CERTIFICATES OF DEPOSIT				6,717,000		6,717,000	6,744,676
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	1,013,898
Pooled Operating	Federal Natl Mtg Assn 2.625%	11/20/2014	2.465%	1,000,000	100.70	1,007,000	1,005,434
Debt Service	Federal Natl Mtg Assn Step Up .70	12/13/2017	0.700%	1,500,000	100.00	1,500,000	1,495,715
TOTAL - GOVERNMENT AGENCIES				3,500,000		3,512,900	3,515,047

Fund / Purpose	Description	Maturity Date	Yield/ YTM	Par Value	Price	Ending Book (Cost)	Ending Market Value
Municipal Bonds							
Pooled Operating	Dahlonega Development	7/1/2016	1.212%	200,000	112.80	225,600	215,262
Pooled Operating	Municipal Power Agency	9/1/2016	0.951%	525,000	96.91	508,778	519,908
Pooled Operating	Ector County Texas	9/18/2015	0.654%	250,000	106.42	266,041	256,130
Pooled Operating	Midland Hospital	5/15/2017	0.820%	300,000	114.51	343,515	333,723
Pooled Operating	Houston Texas	3/1/2018	1.320%	675,000	101.88	687,704	684,180
Pooled Operating	University of Texas	8/15/2017	1.155%	560,000	100.00	560,000	594,759
Pooled Operating	Univ of NC Asheville	6/10/2016	1.001%	310,000	100.00	310,000	322,416
Bond Construction	FOREST PK ILLINOIS LTD REF CTFS REV SER	11/1/2014	0.497%	285,000	103.18	294,063	285,670
	2011 GEN PURP IMPT						
Bond Construction	TAMPA FLA SOLID WASTE SYS REV SERIES 2010	10/1/2014	0.503%	320,000	107.11	342,752	320,934
	SANITATION						
Bond Construction	LAREDO TEX INTL TOLL BRDG REV BNDS SERIES	10/1/2015	0.400%	165,000	112.17	185,081	173,187
	2005 B FSA INS						
Bond Construction	Minneapolis-Saint Paul MN Metarpts Commission	1/1/2015	0.606%	610,000	101.07	616,535	611,854
	ARPT Re Airports						
Bond Construction	Fort Worth Tex Ind School Dist	2/15/2015	0.500%	350,000	107.12	374,920	357,651
TOTAL - MUNICIPAL BONDS				4,550,000		4,714,987	4,675,674
Corporate Bonds							
Pooled Operating	General Elec Capital Corp	11/14/2014	1.011%	2,000,000	106.90	2,138,010	2,013,193
Pooled Operating	General Elec Capital Corp	9/15/2015	1.502%	1,000,000	117.00	1,170,003	1,063,860
Bond Construction	Westpac Banking SRNT	2/27/2015	1.500%	200,000	107.68	215,364	203,705
Bond Construction	General Elec Capital Corp SRNT	11/14/2014	1.011%	1,000,000	106.90	1,069,000	1,006,597
Bond Construction	De Kalb Cnty GA Wtr	10/1/2014	0.650%	600,000	107.58	645,480	601,872
Bond Construction	Genzyme Corp Smt	6/15/2015	0.600%	500,000	107.30	536,519	512,676
TOTAL - CORPORATE BONDS				5,300,000		5,774,375	5,401,903
Grand Total				43,975,444		44,627,707	44,245,744

**STATEMENTS OF COMPLIANCE OF INVESTMENT PORTFOLIO
QUARTER ENDING August 31, 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 August 31, 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.

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, 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 August 31, 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