



ODESSA COLLEGE

**QUARTERLY INVESTMENT REPORT
For the Quarter Ended
November 30, 2016**

**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

	<u>Beginning Market Value Sep 1, 2016</u>	<u>Investment Additions (Deductions)</u>	<u>Market Value Appreciation</u>	<u>Ending Market Value Nov 30, 2016</u>
<u>INVESTMENT POOL A (Operating)</u>				
Current Unrestricted Funds	\$17,678,345	(2,026,569)	(\$83,841)	\$15,567,935
Current Restricted Funds	14,644	239,555	(1,362)	252,837
Endowment Fund	854,603	(77,035)	(4,165)	773,403
Agency Funds Held for Others	141,079	6,887	(793)	147,173
	<u>18,688,671</u>	<u>(1,857,163)</u>	<u>(90,160)</u>	<u>16,741,348</u>
<u>INVESTMENT POOL B (DEBT SERVICE):</u>				
Rev. Bond Interest & Sinking Fund 2009	1,761,173	(1,704,115)	-	57,058
Rev. Bond Debt Service Reserve 2009	2,534,138	210,110	(17,010)	2,727,238
Rev. Bond Int & Sinking Fund 2012	162,311	102,165	-	264,476
Tax Bond Int & Sinking Fund	529	186,288	-	186,817
	<u>4,458,151</u>	<u>(1,205,552)</u>	<u>(17,010)</u>	<u>3,235,589</u>
<u>INVESTMENT POOL C (BOND CONSTRUCTION):</u>				
Unexpended Bond Funds	155,121	(128,998)	0	26,123
	<u>155,121</u>	<u>(128,998)</u>	<u>-</u>	<u>26,123</u>
ALL FUNDS	<u>23,301,943</u>	<u>(3,191,713)</u>	<u>(107,170)</u>	<u>20,003,060</u>

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II.

QUARTER END VALUES BY INVESTMENT CATEGORY

<u>Asset Type</u>	<u>August 31, 2016</u>		<u>November 30, 2016</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	5,188,767	5,188,767	3,178,565	3,178,565	0.58%
Money Market & Interest Checking	3,055,547	3,055,547	3,464,704	3,464,704	0.52%
Certificates of Deposit	3,307,000	3,307,000	3,307,000	3,307,000	1.73%
Commercial Paper	497,438	497,438	0	0	0.00%
Municipal Bonds	11,316,079	11,253,191	10,222,860	10,052,791	1.67%
Totals	23,364,830	23,301,943	20,173,129	20,003,060	1.31%

Annualized Performance		
Weighted Average Maturity (W.A.M.)	551 days	
Total Portfolio Annualized Yield (Estimated)	1.31%	
Benchmark Yield - 1 year Treasury Note	0.66%	
	<u>This Quarter</u>	<u>Fiscal Year</u>
<u>Interest Income</u>		
Operating Funds (Pool A)	\$ 82,830	\$ 82,830
Debt Service Funds (Pool B)	18,577	18,577
Construction Funds (Pool C)	73	73
	<u>\$ 101,480</u>	<u>\$ 101,480</u>
<u>Gains/(Losses) on Sales & Maturities</u>		
Operating Funds (Pool A)	\$ (669)	\$ (669)
Debt Service Funds (Pool B)	-	-
Construction Funds (Pool C)	-	-
	<u>\$ (669)</u>	<u>\$ (669)</u>
<u>Unrealized Changes in Market Value</u>		
Operating Funds (Pool A)	\$ (90,160)	\$ (90,160)
Debt Service Funds (Pool B)	(17,010)	(17,010)
Construction Funds (Pool C)	-	-
	<u>\$ (107,170)</u>	<u>\$ (107,170)</u>

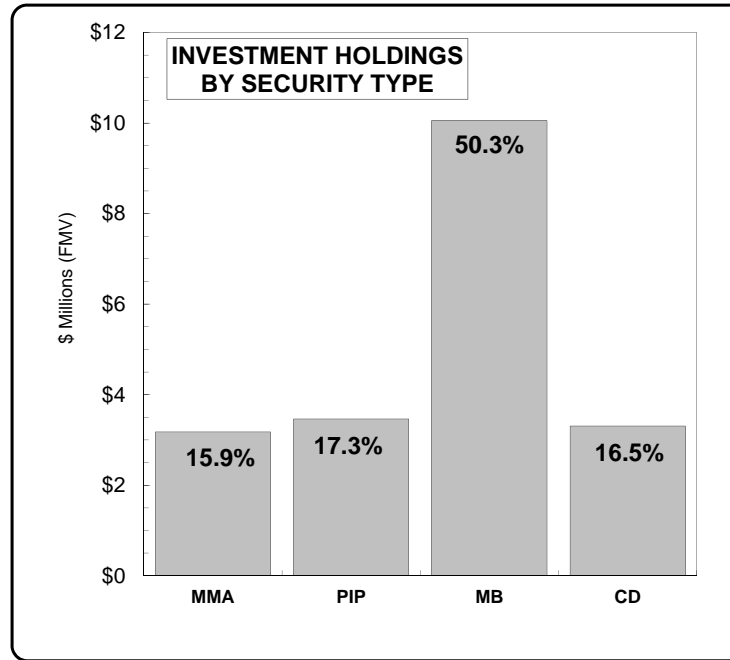
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III.

**DIVERSITY REPORT
QUARTER ENDING NOVEMBER 30, 2016**

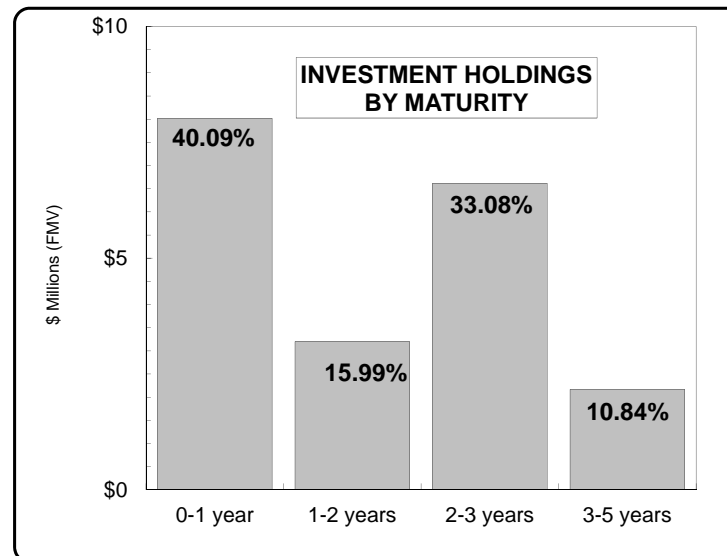
DIVERSITY BY SECURITY TYPE:

MMA	Money Market Funds	3,178,565	15.9%
PIP	Public Investment Pools	3,464,704	17.3%
MB	Municipal Bonds	10,052,791	50.3%
CD	Certificates of Deposit	3,307,000	16.5%
		<u>\$20,003,060</u>	<u>100.0%</u>



DIVERSITY BY MATURITY

0-1 year	8,019,574	40.09%
1-2 years	3,199,366	15.99%
2-3 years	6,616,302	33.08%
3-5 years	2,167,818	10.84%
		<u>\$20,003,060</u>
		<u>100.0%</u>



INVESTMENT HOLDINGS REPORT
QUARTER ENDING NOVEMBER 30, 2016

Fund / Purpose	Description	Maturity Date	Yield/YTM	Par Value	Price	Ending Book (Cost)	Ending Market Value
Public Funds Investment Pools							
Pooled Operating	TexPool General	12/1/2016	0.050%	35,070	100.00	35,070	35,070
Pooled Operating	TexPool Prime	12/1/2016	0.060%	5,691	100.00	5,691	5,691
Pooled Operating	Lone Star Government Overnight	12/1/2016	0.400%	42,694	100.00	42,694	42,694
Pooled Operating	Lone Star Corporate Overnight Plus	12/1/2016	0.710%	1,018,277	100.00	1,018,276	1,018,276
Pooled Operating	LOGIC - Liquid Asset Fund	12/1/2016	0.790%	1,323,199	100.00	1,323,199	1,323,199
Debt Service	TexPool General	12/1/2016	0.050%	5,000	100.00	5,000	5,000
Debt Service	TexPool Prime 2009 I & S	12/1/2016	0.060%	57,058	100.00	57,058	57,058
Debt Service	TexPool Prime 2009	12/1/2016	0.060%	230,414	100.00	230,414	230,414
Debt Service	TexPool Prime 2012	12/1/2016	0.060%	264,476	100.00	264,476	264,476
Debt Service	TexPool Prime Tax Bond	12/1/2016	0.060%	186,817	100.00	186,817	186,817
Bond Construction	LOGIC - Liquid Asset Fund	12/1/2016	0.790%	9,870	100.00	9,870	9,870
TOTAL - PUBLIC FUNDS INVESTMENT POOLS				3,178,566		3,178,565	3,178,565
Money Market & Interest Checking							
Pooled Operating	Compass Interest Bearing Depository	12/1/2016	0.531%	3,291,283	100.00	3,291,283	3,291,283
Pooled Operating	Compass MMA	12/1/2016	0.531%	55,506	100.00	55,506	55,506
Pooled Operating	Prosperity Business Elite Savings	12/1/2016	0.300%	101,300	100.00	101,299	101,299
Debt Service	Compass Interest Bearing Depository	12/1/2016	0.531%	363	100.00	363	363
Bond Construction	Compass Interest Bearing Construction Acco	12/1/2016	0.531%	16,253	100.00	16,253	16,253
TOTAL - MONEY MARKET FUNDS				3,464,705		3,464,704	3,464,704
Certificates of Deposit							
Pooled Operating	HSBC BK USA NA Step	11/17/2020	1.600%	248,000	100.00	248,000	248,000
Pooled Operating	Compass Bank	2/9/2017	0.150%	5,000	100.00	5,000	5,000
Pooled Operating	Ally Bank	9/24/2018	1.700%	247,000	100.00	247,000	247,000
Pooled Operating	Community One Bank	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
Pooled Operating	Capital One Bank USA	11/13/2017	1.350%	248,000	100.00	248,000	248,000
Pooled Operating	CIT Bank	11/13/2019	2.100%	247,000	100.00	247,000	247,000
Pooled Operating	BMW Bank of North America	5/22/2020	1.950%	247,000	100.00	247,000	247,000
Pooled Operating	Woori American Bank	8/18/2017	1.000%	249,000	100.00	249,000	249,000
Pooled Operating	Capital One NA-MTN/Bullet	7/15/2019	1.950%	247,000	100.00	247,000	247,000
Debt Service	Barclays Bank	12/17/2019	2.050%	247,000	100.00	247,000	247,000
Debt Service	Discover Bank	8/27/2019	2.100%	245,000	100.00	245,000	245,000
Debt Service	Customers Bank	9/10/2019	2.100%	245,000	100.00	245,000	245,000

Fund / Purpose	Description	Maturity Date	Yield/ YTM	Par Value	Price	Ending Book (Cost)	Ending Market Value
Debt Service	Goldman Sachs Bk New York	3/12/2019	1.950%	245,000	100.00	245,000	245,000
Debt Service	Signature Bank of Arkansas	9/27/2019	1.600%	90,000	100.00	90,000	90,000
TOTAL - CERTIFICATES OF DEPOSIT				3,307,000		3,307,000	3,307,000
Municipal Bonds							
Pooled Operating	Midland Cnty TX Hospital Dist	5/15/2017	0.820%	300,000	114.51	343,515	305,496
Pooled Operating	Houston TX TXBL-REF	3/1/2018	1.320%	675,000	101.88	687,704	680,285
Pooled Operating	University of Texas	8/15/2017	1.155%	560,000	100.00	560,000	568,809
Pooled Operating	Midland CO Hosp Dist BAB TXBL	5/15/2019	1.880%	300,000	115.14	345,426	323,187
Pooled Operating	Irving ISD-Ref-TXBL	2/15/2018	1.240%	100,000	105.45	105,447	102,317
Pooled Operating	California St.	10/1/2019	2.001%	300,000	119.09	357,279	335,187
Pooled Operating	Beaumont TX Ser B	9/1/2018	1.245%	655,000	101.36	663,875	661,274
Pooled Operating	Florida St Hurricane-Ser A	7/1/2018	1.245%	1,000,000	101.86	1,018,600	1,009,070
Pooled Operating	Texas St-TXBL-Ref B	10/1/2019	1.500%	500,000	102.05	510,230	507,800
Pooled Operating	Port of Corpus Christi	12/11/2017	1.243%	250,000	100.00	250,000	250,420
Pooled Operating	Port of Corpus Christi	12/11/2018	1.854%	250,000	100.00	250,000	251,338
Pooled Operating	CA St Earthquake Auth	7/1/2019	1.998%	500,000	103.15	515,730	508,740
Pooled Operating	Odessa TX Ref	3/1/2019	1.301%	250,000	109.67	274,185	263,933
Pooled Operating	District of Columbia TXBL BABS	6/1/2020	2.267%	500,000	113.94	569,700	551,890
Pooled Operating	District of Columbia TXBL BABS	6/1/2020	2.267%	355,000	114.00	404,700	391,842
Pooled Operating	OH St-TXB-C-Consrv Prj	3/1/2020	2.000%	200,000	111.00	221,996	217,168
Pooled Operating	GTR Orlando Arpt-D-RF	10/1/2020	1.800%	250,000	109.17	272,915	264,918
Pooled Operating	Houston TX Arpt Sys Rev TXBL	1/1/2019	1.550%	500,000	102.36	511,805	505,575
Pooled Operating	Lehigh Co Auth-C-TXBL	12/1/2018	1.600%	225,000	105.17	236,639	230,092
Pooled Operating	State of Illinois Rev-Rev Bond	6/15/2019	1.401%	700,000	102.65	718,578	703,626
Debt Service	Fresno Co-A-REF-TXBL	8/15/2019	2.400%	1,400,000	100.32	1,404,536	1,419,824
TOTAL - MUNICIPAL BONDS				9,770,000		10,222,860	10,052,791
Grand Total				19,720,271		20,173,129	20,003,060

**STATEMENTS OF COMPLIANCE OF INVESTMENT PORTFOLIO
QUARTER ENDING November 30, 2016**

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 November 30, 2016 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, money market funds, and municipal 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 November 30, 2016, 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 November 30, 2016 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