

**ODESSA COLLEGE**

**QUARTERLY INVESTMENT REPORT  
DEC. 1, 2005 – FEB. 28, 2006**

**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, 2006**

	<b>Beginning Market Value <u>Dec 1, 2005</u></b>	<b>Investment Additions (Deductions)</b>	<b>Market Value Appreciation</b>	<b>Ending Market Value <u>Feb 28, 2006</u></b>
<b><u>INVESTMENT POOL A:</u></b>				
Current Unrestricted Funds	17,011,605	8,191,769	7,264	25,210,638
Current Restricted Funds	309,035	59,083	106	368,224
Endowment Fund	674,719	1,751	195	676,665
Agency Funds Held for Others	32,403	7,899	12	40,314
	<u>18,027,762</u>	<u>8,260,502</u>	<u>7,577</u>	<u>26,295,841</u>
<b><u>INVESTMENT POOL B (DEBT SERVICE):</u></b>				
Bond Interest & Sinking Fund	176,291	692,052	-	868,343
Bond Debt Service Reserve	2,696,409	10,350	(954)	2,705,805
	<u>2,872,700</u>	<u>702,402</u>	<u>(954)</u>	<u>3,574,148</u>
<b>ALL FUNDS</b>	<u>\$20,900,462</u>	<u>\$8,962,904</u>	<u>\$6,623</u>	<u>\$29,869,989</u>

Feb 28, 2005 \$29,375,506
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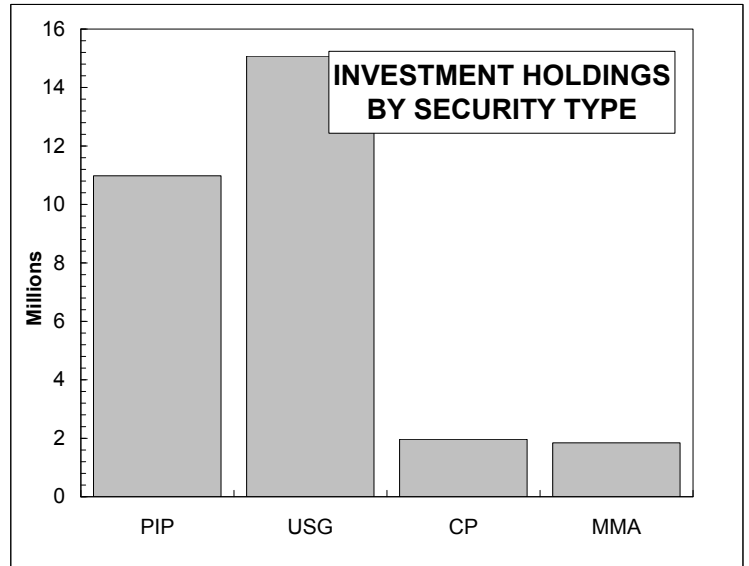
**BOOK VALUE AND MARKET VALUE OF INVESTMENTS BY TYPE OF ASSET  
QUARTER ENDING FEBRUARY 28, 2006**

	P.F.I.A. Authorization	November 30, 2005		February 28, 2006		Maturity
		Book Value	Market Value	Book Value	Market Value	
<b><u>Public Funds Investment</u></b>						
<b><u>    Pools</u></b>						
	Sec. 2256.016					
TexPool - Operating		351,261	351,261	125,954	125,954	Daily Liquidity
TexPool Prime - Operating		2,142,989	2,142,989	6,738,967	6,738,967	Daily Liquidity
TexPool - Interest & Sinking		193,960	193,960	2,386,012	2,386,012	Daily Liquidity
Texpool Prime - Interest & Sinking		-	-	-	-	Daily Liquidity
Lone Star Liquidity Plus Fund		37,122	37,122	37,508	37,508	Daily Liquidity
Lone Star Liquidity Corporate Fund		728,839	728,839	736,432	736,432	Daily Liquidity
Logic - Liquid Asset Fund		946,612	946,612	956,641	956,641	Daily Liquidity
		<u>4,400,783</u>	<u>4,400,783</u>	<u>10,981,514</u>	<u>10,981,514</u>	
<b><u>Money Market Funds</u></b>						
	Sec. 2256.014					
Goldman Sachs MMA		918,367	918,367	778,092	778,092	Daily Liquidity
ASB Business Savings		1,057,698	1,057,698	1,067,156	1,067,156	Daily Liquidity
		<u>1,976,065</u>	<u>1,976,065</u>	<u>1,845,248</u>	<u>1,845,248</u>	
<b><u>U.S. Govt Agencies</u></b>						
	Sec. 2256.009					
<u>Pooled Operating Funds:</u>	<u>Yield to Maturity:</u>					
FHLB 01/30/2006		1,500,000	1,494,708	-	-	- years
FHLB StepUp 02/20/2008	3.125%	2,500,000	2,458,716	2,500,000	2,461,485	1.97 years
FHLB 10/19/2007	5.03%	-	-	1,050,961	1,050,729	1.64 years
FHLB 08/13/2007	3.15%	3,000,000	2,923,776	3,000,000	2,925,768	1.45 years
FHLB 05/25/2007	4.95%	-	-	985,198	985,489	1.24 years
FHLB StepUp 10/30/2006	4.00%	2,000,000	1,996,600	2,000,000	1,990,274	0.67 years
FHLB StepUp 08/25/2006	4.25%	1,000,000	997,278	1,000,000	997,545	0.49 years
FHLB 08/04/2006	3.00%	2,000,000	1,979,472	2,000,000	1,984,032	0.43 years
FHLMC 06/02/2006	3.00%	1,500,000	1,489,034	1,500,000	1,493,298	0.26 years
<u>Debt Service Reserve Fund:</u>						
FHLB 07/30/2007	3.150%	300,000	292,565	300,000	292,761	1.40 years
FHLB 05/19/2006	2.375%	900,000	891,465	900,000	895,375	0.22 years
		<u>14,700,000</u>	<u>14,523,614</u>	<u>15,236,159</u>	<u>15,076,756</u>	
<b><u>Commercial Paper</u></b>						
	Sec. 2256.013					
Dealers Cap 06/22/06	4.76%	-	-	983,230	985,180	112 days
Dealers Cap 07/21/06	4.81%	-	-	979,328	981,291	141 days
		<u>-</u>	<u>-</u>	<u>1,962,558</u>	<u>1,966,471</u>	
		<u>21,076,848</u>	<u>20,900,462</u>	<u>30,025,479</u>	<u>29,869,989</u>	

**DIVERSITY REPORT  
 QUARTER ENDING FEBRUARY 28, 2006**

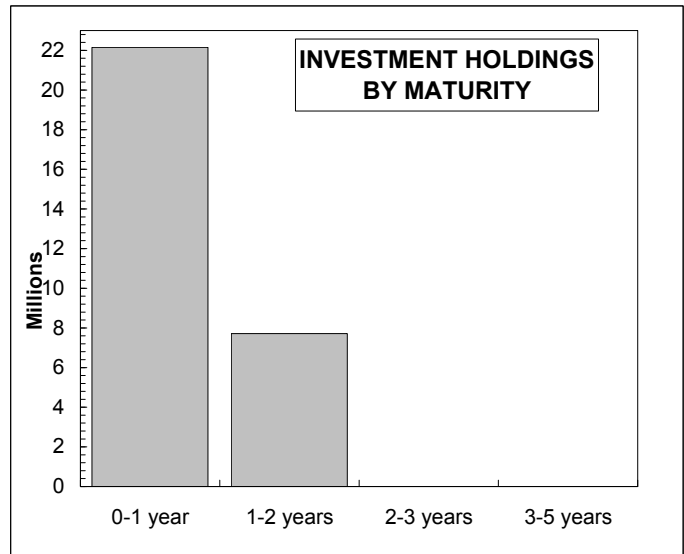
**DIVERSITY BY SECURITY TYPE:**

PIP	Public Investment Pools	10,981,514	37%
USG	U.S. Govt Agencies	15,076,756	50%
CP	Commercial Paper	1,966,471	7%
MMA	Money Market Funds	1,845,248	6%
		<u>\$29,869,989</u>	<u>100%</u>



**DIVERSITY BY MATURITY**

0-1 year	22,153,757	74%	
1-2 years	7,716,232	26%	
2-3 years	0	0%	
3-5 years	0	0%	
		<u>\$29,869,989</u>	<u>100%</u>



**INVESTMENT EARNINGS BY TYPE OF ASSET  
 QUARTER ENDING FEBRUARY 28, 2006**

	<u>Quarter Ending 02/28/06</u>	<u>Quarterly Yield</u>	<u>Year-to-Date 02/28/06</u>	<u>Annual Yield</u>
<b><u>INTEREST INCOME:</u></b>				
<b>Public Funds Investment Pools:</b>				
TexPool	13,477	4.31%	35,907	3.96%
TexPool - Prime	49,244	4.39%	67,035	4.24%
LoneStar Liquidity Plus	386	4.21%	719	3.94%
LoneStar Liquidity Corporate	7,593	4.22%	14,205	3.96%
Logic	10,029	4.29%	19,789	3.99%
	<u>80,729</u>		<u>137,655</u>	
<b>Money Market &amp; Savings</b>	19,442	3.60%	34,396	3.41%
<b>U.S. Government Agencies</b>	114,290	3.47%	234,453	3.31%
<b>Commercial Paper</b>	<u>3,913</u>	4.785%	<u>16,109</u>	3.89%
<b>Total Interest Earnings</b>	<u><b>\$218,373</b></u>	<u><b>3.78%</b></u>	<u><b>\$422,613</b></u>	<u><b>3.56%</b></u>

**Benchmark Yield:**

3-Month Treasury Bill 3.77%  
 Actual below Benchmark (BPS) -21 BPS

Annual Budgeted Investment Earnings (All Funds) \$730,000  
 Percent of Budget Earned To Date **57.9%**

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

Unrealized Gains (Losses) - Changes in Market Value		
Since Beginning of Year	<u>\$6,623</u>	<u>(\$26,994)</u>
Realized Gains (Losses) On Investments Sold or		
Matured Since Beginning of Year	<u>\$10,350</u>	<u>\$10,350</u>

**STATEMENTS OF COMPLIANCE OF INVESTMENT PORTFOLIO  
QUARTER ENDING FEBRUARY 28, 2006****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, 2006 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 February 28th, there were no remaining unspent 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 1998 Bond debt service reserve is invested in a 3-3/4 year government agency bonds issued by the Federal Home Loan Bank (FHLB) with stated yield of 3.375%, payable semi-annually and 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 one-tenth 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, 2006, 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, 2006, and the investment transactions entered into during the quarter then ended are in compliance with the Texas Public Funds Investment Act.

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Vice President for Business Affairs

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Kristi Gibbs  
Director of Accounting