



## **ODESSA COLLEGE**

### **QUARTERLY INVESTMENT REPORT For the Quarter Ended August 31, 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**

**ODESSA COLLEGE**

I.

**INVESTMENT POSITION BY POOLED FUND GROUP  
QUARTER ENDING AUGUST 31, 2016**

	<b>Beginning Market Value June 1, 2016</b>	<b>Investment Additions (Deductions)</b>	<b>Market Value Appreciation</b>	<b>Ending Market Value Aug 31, 2016</b>
<b><u>INVESTMENT POOL A:</u></b>				
Current Unrestricted Funds	24,147,891	(6,475,644)	6,098	17,678,345
Current Restricted Funds	94,608	(79,969)	5	14,644
Endowment Fund	854,880	(572)	295	854,603
Agency Funds Held for Others	125,291	15,739	49	141,079
	<u>25,222,670</u>	<u>(6,540,445)</u>	<u>6,446</u>	<u>18,688,671</u>
<b><u>INVESTMENT POOL B (DEBT SERVICE):</u></b>				
Rev. Bond Int & Sinking Fund 2009	1,128,398	632,775	-	1,761,173
Rev. Bond Debt Service Reserve 2009	2,522,040	30	12,068	2,534,138
Rev. Bond Int & Sinking Fund 2012	331,173	(168,862)	-	162,311
Tax Bond Int & Sinking Fund	2,973,703	(2,973,174)	-	529
	<u>6,955,314</u>	<u>(2,509,231)</u>	<u>12,068</u>	<u>4,458,151</u>
<b><u>INVESTMENT POOL C (BOND CONSTRUCTION):</u></b>				
Unexpended Bond Funds	171,417	(16,296)	0	155,121
	<u>171,417</u>	<u>(16,296)</u>	<u>-</u>	<u>155,121</u>
<b>ALL FUNDS</b>	<u>32,349,401</u>	<u>(9,065,972)</u>	<u>18,514</u>	<u>23,301,943</u>

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**II.**

**END OF QUARTER VALUES BY INVESTMENT CATEGORY**

<u>Asset Type</u>	<u>May 31, 2016</u>		<u>August 31, 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	13,587,094	13,587,094	5,188,767	5,188,767	0.57%
Money Market & Interest Checking	2,957,143	2,957,143	3,055,547	3,055,547	0.48%
Certificates of Deposit	3,556,000	3,556,000	3,307,000	3,307,000	1.73%
Commercial Paper	497,438	497,438	497,438	497,438	0.75%
Municipal Bonds	11,851,679	11,751,726	11,316,079	11,253,191	1.62%
<b>Totals</b>	<b>32,449,353</b>	<b>32,349,401</b>	<b>23,364,830</b>	<b>23,301,943</b>	<b>1.23%</b>

<b>Annualized Performance</b>		
Weighted Average Maturity (W.A.M.)	542 days	
Total Portfolio Annualized Yield (Estimated)	1.23%	
Benchmark Yield - 1 year Treasury Note	0.54%	
	<b><u>This Quarter</u></b>	<b><u>Fiscal Year</u></b>
<u>Interest Income</u>		
Operating Funds (Pool A)	\$ 88,623	\$ 367,645
Debt Service Funds (Pool B)	20,041	66,011
Construction Funds (Pool C)	115	6,461
	<u>\$ 108,779</u>	<u>\$ 440,117</u>
<u>Gains/(Losses) on Sales &amp; Maturities</u>		
Operating Funds (Pool A)	\$ (7,050)	\$ (7,034)
Debt Service Funds (Pool B)	-	786
Construction Funds (Pool C)	-	-
	<u>\$ (7,050)</u>	<u>\$ (6,248)</u>
<u>Unrealized Changes in Market Value</u>		
Operating Funds (Pool A)	\$ 6,446	\$ (53,701)
Debt Service Funds (Pool B)	12,068	32,298
Construction Funds (Pool C)	-	(637)
	<u>\$ 18,514</u>	<u>\$ (22,040)</u>

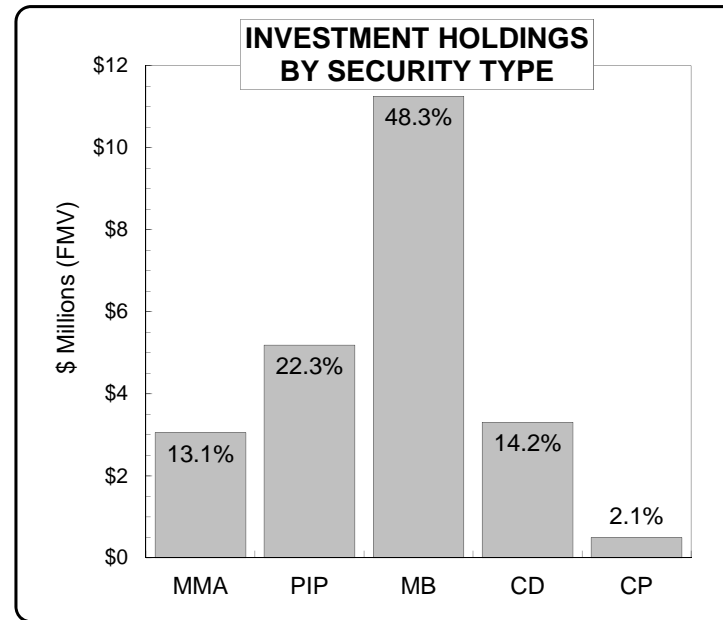
**ODESSA COLLEGE**

**III.**

**DIVERSITY REPORT  
QUARTER ENDING AUGUST 31, 2016**

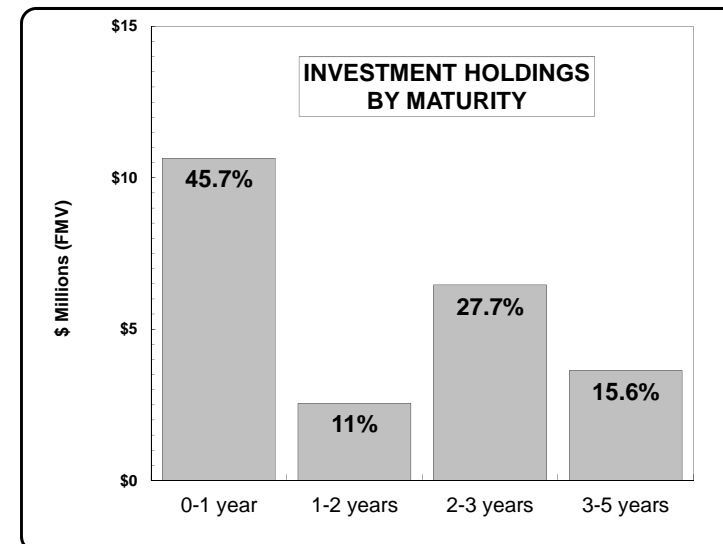
**DIVERSITY BY SECURITY TYPE:**

MMA	Money Market Funds	3,055,547	13.1%
PIP	Public Investment Pools	5,188,767	22.3%
MB	Municipal Bonds	11,253,191	48.3%
CD	Certificates of Deposit	3,307,000	14.2%
CP	Commercial Paper	497,438	2.1%
		<u>\$23,301,943</u>	<u>100.0%</u>



**DIVERSITY BY MATURITY**

0-1 year	10,647,719	45.7%
1-2 years	2,553,513	11.0%
2-3 years	6,465,202	27.7%
3-5 years	3,635,509	15.6%
		<u>\$23,301,943</u>
		<u>100%</u>



**INVESTMENT HOLDINGS REPORT  
QUARTER ENDING AUGUST 31, 2016**

Fund / Purpose	Description	Maturity Date	Yield/YTM	Par Value	Price	Ending Book (Cost)	Ending Market Value
<b>Public Funds Investment Pools</b>							
Pooled Operating	TexPool General	9/1/2016	0.370%	34,721	100.00	34,721	34,721
Pooled Operating	TexPool Prime	9/1/2016	0.570%	215,806	100.00	215,806	215,806
Pooled Operating	Lone Star Government Overnight	9/1/2016	0.370%	42,651	100.00	42,651	42,651
Pooled Operating	Lone Star Corporate Overnight Plus	9/1/2016	0.580%	1,615,829	100.00	1,615,828	1,615,828
Pooled Operating	LOGIC - Liquid Asset Fund	9/1/2016	0.580%	1,320,593	100.00	1,320,593	1,320,593
Debt Service	TexPool General	9/1/2016	0.370%	5,000	100.00	5,000	5,000
Debt Service	TexPool Prime 2009 I & S	9/1/2016	0.570%	1,761,173	100.00	1,761,173	1,761,173
Debt Service	TexPool Prime 2009	9/1/2016	0.570%	20,304	100.00	20,304	20,304
Debt Service	TexPool Prime 2012	9/1/2016	0.570%	162,311	100.00	162,311	162,311
Debt Service	TexPool Prime Tax Bond	9/1/2016	0.570%	529	100.00	529	529
Bond Construction	TexPool Prime	9/1/2016	0.550%	-	100.00	-	0
Bond Construction	Lone Star Corporate Overnight Plus	9/1/2016	0.580%	-	100.00	-	0
Bond Construction	LOGIC - Liquid Asset Fund	9/1/2016	0.560%	9,851	100.00	9,851	9,851
<b>TOTAL - PUBLIC FUNDS INVESTMENT POOLS</b>				<b>5,188,768</b>		<b>5,188,767</b>	<b>5,188,767</b>
<b>Money Market &amp; Interest Checking</b>							
Pooled Operating	Compass Interest Bearing Depository	9/1/2016	0.483%	2,712,580	100.00	2,712,580	2,712,580
Pooled Operating	Compass MMA	9/1/2016	0.483%	55,436	100.00	55,436	55,436
Pooled Operating	Prosperity Business Elite Savings	9/1/2016	0.300%	101,224	100.00	101,223	101,223
Debt Service	Compass Interest Bearing Depository	9/1/2016	0.483%	41,038	100.00	41,038	41,038
Bond Construction	Compass Interest Bearing Construction Account	9/1/2016	0.483%	145,270	100.00	145,270	145,270
<b>TOTAL - MONEY MARKET FUNDS</b>				<b>3,055,548</b>		<b>3,055,547</b>	<b>3,055,547</b>
<b>Certificates of Deposit</b>							
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
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
<b>TOTAL - CERTIFICATES OF DEPOSIT</b>				<b>3,307,000</b>		<b>3,307,000</b>	<b>3,307,000</b>
<b>Commercial Paper</b>							
Pooled Operating	Malayan Banking BHD/NY	10/27/2016	0.754%	500,000	99.49	497,438	497,438
<b>TOTAL - COMMERCIAL PAPER</b>				<b>500,000</b>		<b>497,438</b>	<b>497,438</b>

Fund / Purpose	Description	Maturity Date	Yield/YTM	Par Value	Price	Ending Book (Cost)	Ending Market Value
<b>Municipal Bonds</b>							
Pooled Operating	Municipal Power Agency	9/1/2016	0.951%	155,000	99.67	154,489	155,000
Pooled Operating	Municipal Power Agency	9/1/2016	0.951%	370,000	99.09	366,633	370,000
Pooled Operating	Midland Cnty TX Hospital Dist	5/15/2017	0.820%	300,000	114.51	343,515	309,264
Pooled Operating	Houston TX TXBL-REF	3/1/2018	1.320%	675,000	101.88	687,704	687,785
Pooled Operating	University of Texas	8/15/2017	1.155%	560,000	100.00	560,000	572,617
Pooled Operating	Midland CO Hosp Dist BAB TXBL	5/15/2019	1.880%	300,000	115.14	345,426	328,065
Pooled Operating	Irving ISD-Ref-TXBL	2/15/2018	1.240%	100,000	105.45	105,447	103,008
Pooled Operating	California St.	10/1/2019	2.001%	300,000	119.09	357,279	341,738
Pooled Operating	Florida St Govt Utilities	10/1/2016	1.345%	245,000	101.13	247,761	245,086
Pooled Operating	Beaumont TX Ser B	9/1/2018	1.245%	975,000	101.36	988,211	984,584
Pooled Operating	Florida St Hurricane-Ser A	7/1/2018	1.245%	1,000,000	101.86	1,018,600	1,014,670
Pooled Operating	Texas St-TXBL-Ref B	10/1/2019	1.500%	500,000	102.05	510,230	509,225
Pooled Operating	Port of Corpus Christi	12/11/2017	1.243%	250,000	100.00	250,000	251,050
Pooled Operating	Port of Corpus Christi	12/11/2018	1.854%	250,000	100.00	250,000	252,875
Pooled Operating	CA St Earthquake Auth	7/1/2019	1.998%	500,000	103.15	515,730	511,180
Pooled Operating	Odessa TX Ref	3/1/2019	1.301%	250,000	109.67	274,185	269,848
Pooled Operating	District of Columbia TXBL BABS	6/1/2020	2.267%	500,000	113.94	569,700	565,460
Pooled Operating	District of Columbia TXBL BABS	6/1/2020	2.267%	355,000	114.00	404,700	401,476
Pooled Operating	OH St-TXB-C-Consrv Prj	3/1/2020	2.000%	200,000	111.00	221,996	221,760
Pooled Operating	GTR Orlando Arpt-D-RF	10/1/2020	1.800%	250,000	109.17	272,915	271,850
Pooled Operating	Houston TX Arpt Sys Rev TXBL	1/1/2019	1.550%	500,000	102.36	511,805	507,305
Pooled Operating	Lehigh Co Auth-C-TXBL	12/1/2018	1.600%	225,000	105.17	236,639	231,899
Pooled Operating	State of Illinois Rev-Rev Bond	6/15/2019	1.401%	700,000	102.65	718,578	710,612
Debt Service	Fresno Co-A-REF-TXBL	8/15/2019	2.400%	1,400,000	100.32	1,404,536	1,436,834
<b>TOTAL - MUNICIPAL BONDS</b>				<b>10,860,000</b>		<b>11,316,079</b>	<b>11,253,191</b>
<b>Grand Total</b>				<b>22,911,316</b>		<b>23,364,830</b>	<b>23,301,943</b>

**STATEMENTS OF COMPLIANCE OF INVESTMENT PORTFOLIO  
QUARTER ENDING August 31, 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 August 31, 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 August 31, 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 August 31, 2016 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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Virginia Chisum, CPA, M.Ed.  
Vice President for Business Affairs

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Kristi Gibbs  
Controller