

ODESSA COLLEGE

**QUARTERLY INVESTMENT REPORT
JUNE 1 – AUGUST 31, 2005**

**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 AUGUST 31, 2005**

	Beginning Market Value <u>June 1, 2005</u>	Investment Additions (Deductions)	Market Value Appreciation	Ending Market Value <u>Aug 31, 2005</u>
<u>INVESTMENT POOL A:</u>				
Current Unrestricted Funds	22,337,935	(2,493,052)	(22,780)	19,822,103
Current Restricted Funds	402,932	(79,321)	(371)	323,240
Endowment Fund	680,898	3,056	(785)	683,169
Agency Funds Held for Others	65,954	(2,303)	(73)	63,578
	<u>23,487,719</u>	<u>(2,571,619)</u>	<u>(24,010)</u>	<u>20,892,090</u>
 <u>INVESTMENT POOL B (DEBT SERVICE):</u>				
Bond Interest & Sinking Fund	792,995	690,110	0	1,483,105
Bond Debt Service Reserve	2,672,411	0	2,420	2,674,831
	<u>3,465,406</u>	<u>690,110</u>	<u>2,420</u>	<u>4,157,936</u>
 ALL FUNDS	 <u>26,953,125</u>	 <u>(1,881,509)</u>	 <u>(21,590)</u>	 <u>25,050,026</u>

08/31/04 \$26,983,886

**BOOK VALUE AND MARKET VALUE OF INVESTMENTS BY TYPE OF ASSET
 QUARTER ENDING AUGUST 31, 2005**

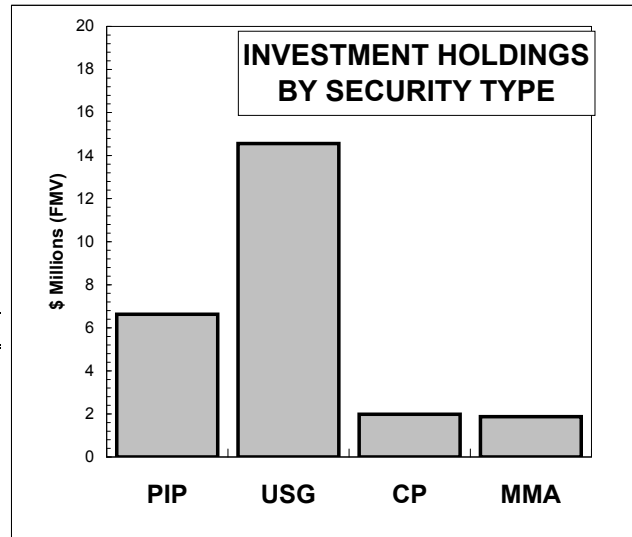
	P.F.I.A. Authorization	May 31, 2005		August 31, 2005		Maturity
		Book Value	Market Value	Book Value	Market Value	
Public Funds Investment						
 <u>Pools</u>						
	Sec. 2256.016					
TexPool - Operating		140,636	140,636	1,423,593	1,423,593	Daily Liquidity
TexPool Prime - Operating		2,014,672	2,014,672	1,278,400	1,278,400	Daily Liquidity
TexPool - Interest & Sinking		792,995	792,995	1,483,105	1,483,105	Daily Liquidity
Texpool Prime - Interest & Sinking		0	0	0	0	Daily Liquidity
Lone Star Liquidity Plus Fund		36,504	36,504	36,789	36,789	Daily Liquidity
Lone Star Liquidity Corporate Fund		2,707,639	2,707,639	722,227	722,227	Daily Liquidity
Logic - Liquid Asset Fund		1,673,076	1,673,076	1,686,851	1,686,851	Daily Liquidity
		<u>7,365,522</u>	<u>7,365,522</u>	<u>6,630,965</u>	<u>6,630,965</u>	
Money Market Funds						
	Sec. 2256.014					
Goldman Sachs (American State Bank)		1,467,254	1,467,254	822,738	822,738	Daily Liquidity
ASB Business Savings		0	0	1,051,288	1,051,288	Daily Liquidity
		<u>1,467,254</u>	<u>1,467,254</u>	<u>1,874,026</u>	<u>1,874,026</u>	
U.S. Govt Agencies						
	Sec. 2256.009					
Pooled Operating Funds		12,999,325	12,906,410	11,999,325	11,882,400	1.75 years
Debt Service Reserve Fund		2,688,027	2,672,411	2,688,027	2,674,831	0.93 years
		<u>15,687,352</u>	<u>15,578,821</u>	<u>14,687,352</u>	<u>14,557,231</u>	
Certificates of Deposit						
American State Bank		1,046,910	1,046,910	0	0	0.00 days
		<u>1,046,910</u>	<u>1,046,910</u>	<u>0</u>	<u>0</u>	
Commercial Paper						
	Sec. 2256.013					
DNA Finance		1,494,618	1,494,618	0	0	0 days
Autobahn Funding		0	0	995,748	995,748	43 days
Duff & Phelps Util		0	0	992,056	992,056	78 days
		<u>1,494,618</u>	<u>1,494,618</u>	<u>1,987,804</u>	<u>1,987,804</u>	
		<u>\$27,061,656</u>	<u>\$26,953,125</u>	<u>\$25,180,147</u>	<u>\$25,050,026</u>	

ODESSA COLLEGE

**DIVERSITY REPORT
 QUARTER ENDING AUGUST 31, 2005**

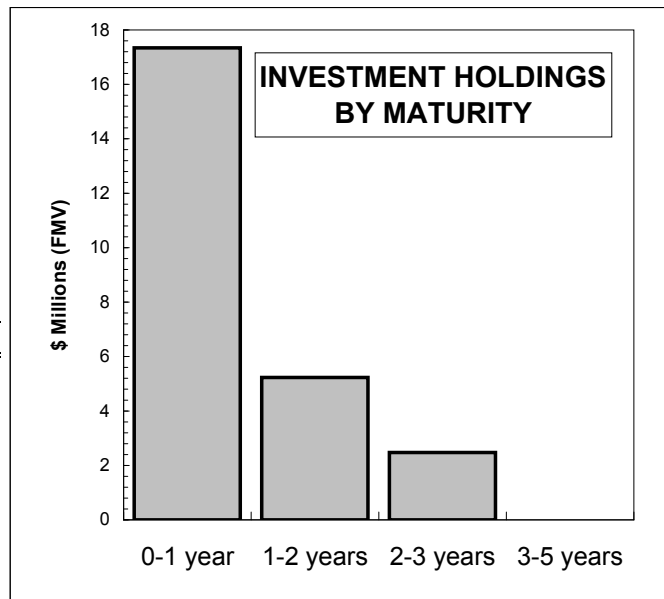
DIVERSITY BY SECURITY TYPE:

PIP	Public Investment Pools	6,630,965	26%
USG	U.S. Govt Agencies	14,557,231	58%
CP	Commercial Paper	1,987,804	8%
MMA	Money Market Funds	1,874,026	7%
		<u>\$25,050,026</u>	<u>100%</u>



DIVERSITY BY MATURITY

0-1 year	17,342,655	69%	
1-2 years	5,231,370	21%	
2-3 years	2,476,000	10%	
3-5 years	0	0%	
		<u>\$25,050,025</u>	<u>100%</u>



**INVESTMENT EARNINGS BY TYPE OF ASSET
 QUARTER ENDING AUGUST 31, 2005**

	<u>Quarter Ending Aug 2005</u>	<u>Quarterly Yield</u>	<u>Year-to-Date Sep 2004 - Aug 2005</u>	<u>Annual Yield</u>
<u>INTEREST INCOME:</u>				
Public Funds Investment Pools				
TexPool	19,798	3.20%	41,639	2.69%
TexPool - Prime	16,996	3.20%	77,568	2.48%
LoneStar Liquidity Plus	286	3.10%	861	2.37%
LoneStar Liquidity Corporate	14,587	3.02%	57,621	2.30%
Logic	13,775	3.26%	42,246	2.62%
	<u>65,442</u>		<u>219,935</u>	
Money Market Funds/Savings	9,473	2.63%	20,600	1.91%
U.S. Government Agencies	99,534	2.79%	386,967	2.74%
Certificates of Deposit	4,379	2.50%	27,410	1.82%
Commercial Paper	<u>12,441</u>	<u>3.37%</u>	<u>25,521</u>	<u>2.65%</u>
Total Interest Earnings	<u>\$191,269</u>	<u>2.93%</u>	<u>\$680,433</u>	<u>2.57%</u>
<u>Benchmark Yield:</u>				
3-Month Treasury Bill		2.80%		2.34%
Annual Budgeted Interest Earnings (All Funds)			\$617,750	
Percent of Budget Earned To Date			110.1%	

GAINS (LOSSES) ON SALE OF INVESTMENTS:

Unrealized Gains (Changes in Market Value Since Beginning of Year)	<u>\$ (21,590)</u>	<u>(\$162,260)</u>
Realized Gains (On Investments Sold or Matured Since Beginning of Year)	<u>\$0</u>	<u>\$0</u>

**STATEMENTS OF COMPLIANCE OF INVESTMENT PORTFOLIO
QUARTER ENDING AUGUST 31, 2005****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, 2005 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 August 31st, 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 2-1/4 year and 3-3/4 year government agency bonds issued by the Federal Home Loan Bank (FHLB) with stated yields between 2.18% and 3.15%, payable semi-annually.

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 August 31, 2005, 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, 2005, 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