

BRACKETT INDEPENDENT SCHOOL DISTRICT  
November 12, 2007

Earned interest report at the close of business on September 30, 2007.

Total amount of cash on hand locally in the general fund - \$ 170,302.26

Total amount of investments - \$ 4,426,852.40

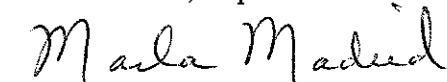
Interest earned during the 1st quarter of the 2007/2008 school year

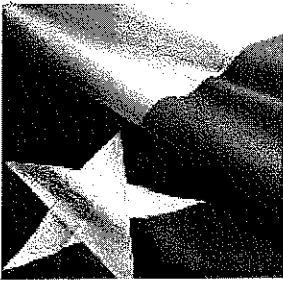
Del Rio Bank & Trust	\$ 3,146.26	Average Rate 4.25%
Lone Star Investment		
Liquidity Plus	\$ 38,698.79	Average Rate 5.08%
TexPool	\$ 11,107.07	Average Rate 5.2187%
Total Interest Earned-1st Quarter	\$ 52,952.12	
Total Interest Earned -- Year to Date	\$ 52,952.12	

Certified Correct:



Paula Renken, Superintendent

  
Marla Madrid, Business Manager

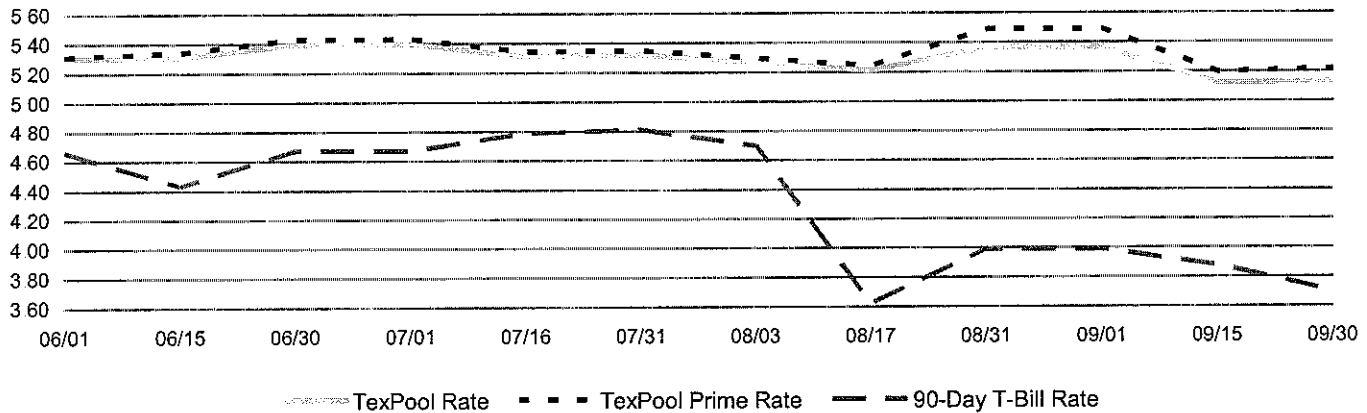


# TEXPOOL

THE TEXAS INVESTMENT SERVICE FOR PUBLIC FUNDS

TexPool Participant Services  
 c/o Lehman Brothers  
 600 Travis St., Suite 7200  
 Houston, TX 77002

## TEXPOOL & TEXPOOL PRIME VS. 90-DAY TREASURY BILL



**TexPool Advisory Board Members**

R.C. Allen	Jose Elizondo, Jr.	LaVonne Mason	Clay McPhail
Pati Buchenau	Ron Leverett	John McGrane	Vivian Wood

**Additional information regarding TexPool is available upon request:**  
 www.texpool.com • 1-866-839-7665 (1-888-TEX-POOL) • Fax: 866-839-3291

# Fund Performance Update

September 2007

Comments by Standish Mellon,  
 Investment Manager

The Treasury yield curve became steeper in September as the front-end rallied and longer maturing bonds traded slightly lower. The spreads between the two- and 30-year bonds widened from 69 to 85 basis points. The equity markets finished the month of September higher as the Dow, NASDAQ and S&P 500 indexes gained 4.1, 4.0 and 3.6 percent, respectively. The corporate bond market continued to feel the effects of the problems from subprime mortgage losses that began in August. The payroll data for August, which was announced in early September, reported a net loss of jobs for the first time in four years. The final revision of second quarter GDP was slightly lower than the previous estimate at 3.8 percent. It was the fastest pace in more than a year, but was recorded before losses in subprime mortgages caused a major credit crunch. At the September FOMC meeting, the Fed lowered the target overnight rate by a somewhat surprising 50 basis points. The reduction lowered the target overnight rate to 4.75 percent. The target rate had been held constant at 5.25 percent since June 2006. The discount rate, which was lowered by 50 basis points in August, was also lowered by 50 basis points to 5.25 percent. The next FOMC meeting is scheduled for October 31.

### Total Participants

Schools and Colleges	703
Other Governmental	150
<b>Total</b>	<b>853</b>

Lone Star Investment Pool is distributed by First Public.

## Liquidity Plus Fund

### Return Information

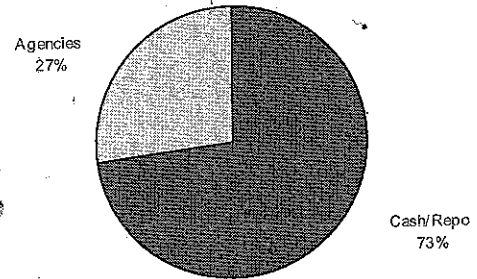
September 30, 2007

Average Monthly Return (a)	4.98%
SEC 7-Day Fund Yield (a)	4.90%
Weighted Average Maturity One (b)	34 Days
Weighted Average Maturity Two (b)	49 Days
Portfolio Maturing beyond One Year	0%
Net Asset Value	\$0.50
Annualized Expense Ratio	0.18%
Standard & Poor's Rating	AAA-/S1+

### Inventory Position

	Book Value	Market Value
Cash/Repo	2,031,867,523	2,031,867,523
Treasuries	-	-
Agencies	759,667,832	760,463,765
Money Market Funds	-	-
<b>Total Assets</b>	<b>2,791,535,355</b>	<b>2,792,331,288</b>

### Investment Distribution



(b) The Weighted Average Maturity One calculation uses the industry standard definition of state maturity for floating rate instruments, the number of days until the next reset date. The Weighted Average Maturity Two calculation uses the final maturity of any floating rate instruments, as opined in Texas Attorney General Opinion No. JC0359.