

Brevard County, Florida

Annual Investment Performance Review
Fiscal Year Ended September 30, 2007



Investment Advisors

Steven Alexander, CTP, CGFO, Managing Director
John F. Grady, III, Senior Managing Consultant
Gregg Manjerovic, CFA, Portfolio Manager
Rebecca Dole, Consultant

PFM Asset Management LLC

300 S. Orange Avenue, Suite 1170	One Keystone Plaza, Suite 300
Orlando, FL 32801	North Front & Market Streets
(407) 648-2208	Harrisburg, PA 17101-2044
(407) 648-1323 fax	717-232-2723
	717-233-6073 fax

Table of Contents

Tab I.

Section A	Market Review
Section B	Annual Performance
Section C	Short Term & Bond Portfolio Performance
Section D	Long Term Portfolio Summary and Performance
Section E	Asset Allocation Chart

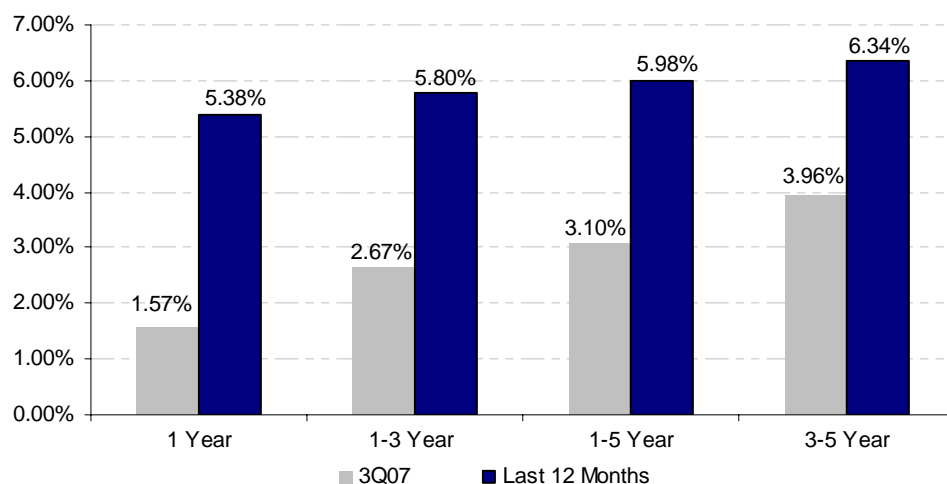
Tab II. September 30, 2007 PFM Month-End Statement

This material is based on information obtained from sources generally believed to be reliable and available to the public, however PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or recommendation. The information contained in this report is not an offer to purchase or sell any securities.

MARKET REVIEW

A liquidity and credit crisis seized the financial markets in the third quarter, raising the specter of an economic slow-down and leading fixed income investments to their best quarterly returns in five years. For example, benchmarks representing 1-3 year U.S. Treasury portfolios returned 2.67% (11.02% annualized), while longer-duration benchmarks representing 3-5 year U.S. Treasury portfolios returned 3.96% (an annualized rate of 16.65%). The strong returns for the quarter raised trailing 12 month returns to the range of roughly 6.00% far above money market rates that hovered near 5.25% over the year.

Merrill Lynch U.S. Treasury Indices
Quarterly & Last 12 Months Returns as of September 30, 2007



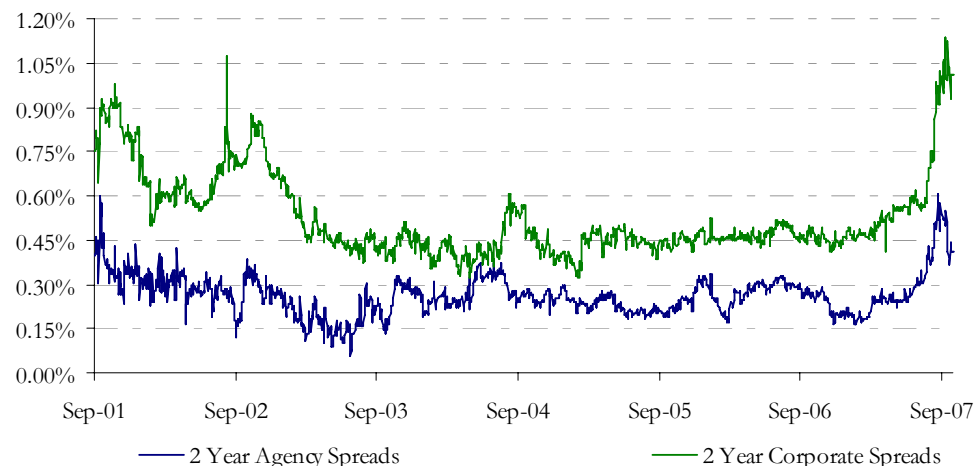
Source: Bloomberg

Falling yields produced principal gains for longer-duration portfolios which supplemented income. For example, the total return of the 1-3 year U.S. Treasury benchmark of 2.67% included 1.085% of income and 1.585% of unrealized principal.

The crisis resulted in a “flight to quality”; boosting demand for U.S. Treasury securities and pushing sector spreads wider. Federal Agency and high quality Corporate bond spreads (spreads are the difference between yields on comparable maturity securities) rose to their widest levels since 2002. As the following chart shows, by quarter-end two-year Agencies out-yielded

U.S. Treasuries by approximately 45 basis points (0.45%), while two-year high quality Corporates out-yielded U.S. Treasuries by approximately 120 basis points, with the spreads of both sharply wider than on June 30th.

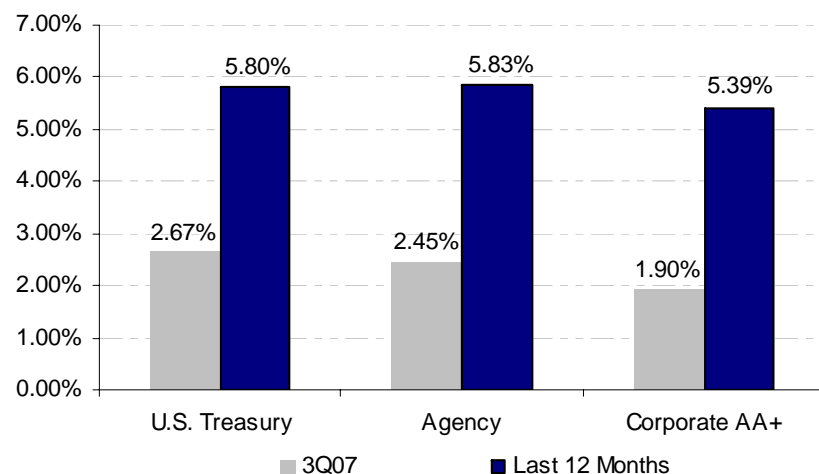
Spread Between 2-Year U.S. Treasury vs. 2-Year Agency & Corporates
September 2001 – September 2007



Source: Bloomberg

On a duration-adjusted basis, total returns of Agency and Corporate benchmarks lagged those of U.S. Treasuries. As the chart on the following page shows, the U.S. Treasury 1-3 year benchmark quarterly return of 2.67% exceeded the duration-adjusted quarterly return of 2.45% for Agencies and 1.90% for high quality Corporates by 22 and 77 basis points, respectively. Agencies and U.S. Treasuries also out-performed high quality Corporate bonds for the prior four quarters, as a result of widening credit spreads.

Merrill Lynch 1-3 Year Indices Duration Adjusted Quarterly & Last 12 Months Total Returns as of September 30, 2007



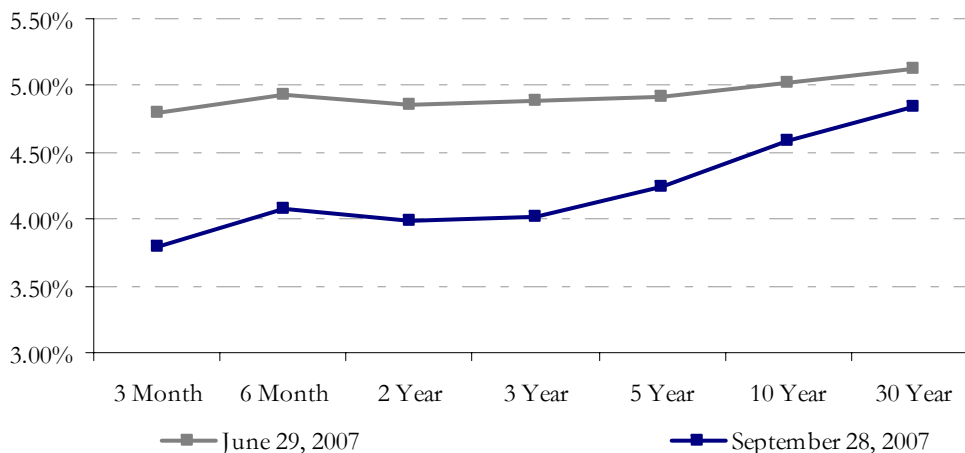
Source: Bloomberg

Note: Durations for the 1-3 year Agency and Corporate AA+ Indices were normalized to the 1-3 year U.S. Treasury Index duration, thus calculating the percent total return for each unit of duration.

The relative under-performance of Agencies and Corporates during the third quarter is likely to be reversed in coming quarters as these securities produce higher income and return principal from their current levels.

As the following chart shows, the sharp decline in U.S. Treasury rates—up to 1.00% in short-term maturities—was dampened in longer-maturity U.S. Treasuries which tend to reflect the longer-term outlook for inflation rather than short-term financial and business cycle factors.

U.S. Treasury Yield Curve



Source: Bloomberg

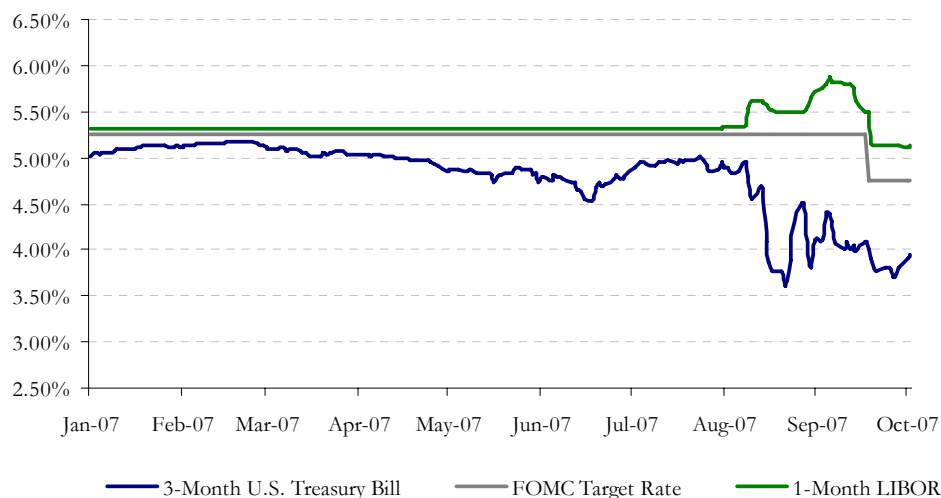
The underlying cause of the credit and liquidity crisis is the continued weakness in the housing sector, although it is not so much the slowing of the housing sector—now in its second year—as that weaknesses in the mortgage finance sector have overflowed into the general markets. In other words, the housing problem has become a banking and finance problem. A generation ago mortgages were the province of community banks, which tended to originate and hold long term fixed rate instruments in their local communities. Securitization and high tech financial engineering brought tremendous change to mortgage financing so that today the majority of mortgages are rolled up into securities and sold to third party institutional investors, who use financial leverage to boost their returns. Rising defaults on mortgages, and stagnant or declining housing prices in some parts of the country, threatened the value of mortgage-backed securities and the panic that ensued caused the market seizure.

The most visible signs of the freeze-up were in the short-term markets where Asset Backed Commercial Paper (ABCP) represented more than \$1.2 trillion of issuance, about 54% of the total market. ABCP is a short-term obligation of a special purpose corporate entity whose sole business is to buy and hold receivables including auto and homeowner loans and mortgages. In recent years interest rates for ABCP had tracked those for conventional commercial paper—backed by the full credit of large corporations. But ABCP payments are supported only by the value of the securities in the ABCP issuer portfolio, and when the market for these seized up their values became uncertain.

ABCP rates sky-rocketed—in some cases up to 1.00% over benchmark short-term borrowing rates—and some ABCP issuers were frozen out of the market, unable to roll-over their existing financing (issue more debt to cover current borrowing costs). They turned to the large banks for back-up financing, causing inter-bank borrowing rates to jump as well.

The spread between the Federal Funds rate and one-month LIBOR (London Interbank Offered Rate), typically 12-15 basis points, widened to as much as 74 basis points. (See chart below.) Meanwhile rates on short-term U.S. Treasury Bills plummeted as investors sought their safety and liquidity. Since LIBOR is a reference rate for many loans, as it rose the costs of many variable rate obligations followed.

Comparison of Federal Funds Target Rate vs. 1-Month LIBOR & 3-Month U.S. Treasury Bill



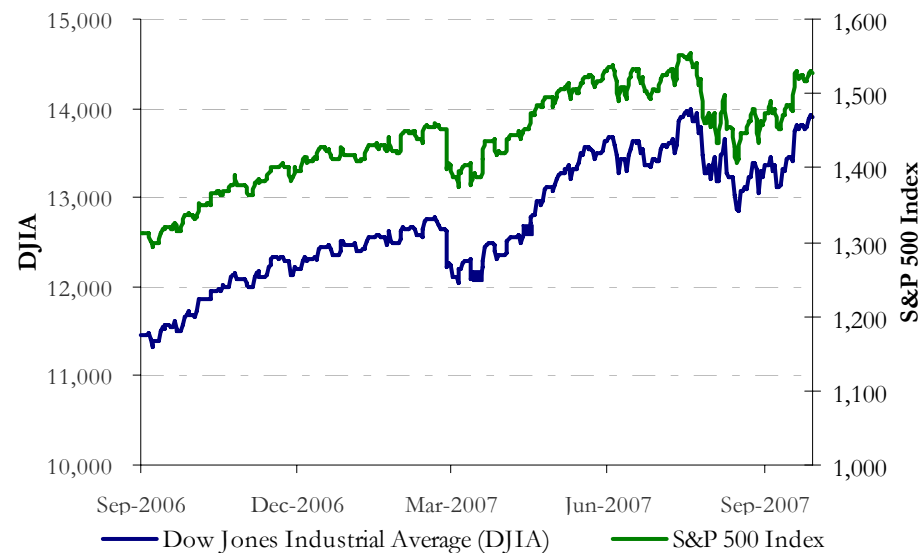
Source: Bloomberg

To restore market confidence and order, the Federal Reserve and foreign central banks injected hundreds of billions of dollars into the markets beginning in mid-August. Among other efforts, the Federal Reserve cut the discount rate (the rate charged to banks when they borrow directly from the Federal Reserve) by a total of 1.00% and eased its requirements for collateral from banks that borrow at the discount window. As the credit markets continued to sputter and the August employment report was released on September 7th, initially showing contraction in employment, the

Federal Open Market Committee ("FOMC") voted on September 18th to reduce the Federal Funds target rate by 50 basis points to 4.75%. The FOMC again reduced the discount rate by 50 basis points from 5.75% to 5.25%. These moves were the first decrease in both the Federal Funds target and discount rates since June 2003.

The accompanying statement by the FOMC noted that "tightening of credit conditions has potential to intensify the housing correction and to restrain economic growth more generally." It then went on to say that the action taken was "intended to help forestall some of the adverse effects on the broader economy that might otherwise arise from the disruptions in financial markets and to promote moderate growth over time." The Fed's change in focus—from worry over inflation in the early summer to concern about market stability and an economic slow-down—changed market sentiment as well. Interest rates on corporate bonds gapped closer to those on benchmark U.S. Treasuries and stocks rebounded dramatically from their big sell-off in mid-August.

Dow Jones Industrial Average vs. S&P 500 Index



Source: Bloomberg

Although the Fed's actions had the desired effect of calming many markets, it caused further deterioration in the U.S. Dollar, which has implications for global trade and investments. After September 18th the dollar weakened to \$1.40 against the Euro for the first time since inception of the European currency in 1999. The Canadian dollar traded equal with the U.S. dollar for the first time since 1976. The dollar's weakness made U.S. assets less attractive to investors and gold prices reached 27-year highs.

Economy

Despite the financial market crisis, the economy appears, for the time, to be performing reasonably well. Third quarter growth is estimated to be in the range of 3-4% as measured by Gross Domestic Product ("GDP"). A weaker dollar has boosted exports, helping agriculture and manufacturing, and consumer spending remains solid. Retail sales grew by an average of 0.50% each month during the quarter, and stands 5% above levels of a year ago.

While the labor market has cooled somewhat, the initial report of a decline in jobs in August was later revised to a modest gain, and the average monthly job gain in the third quarter is now estimated to be roughly 97,000. Hourly earnings also continued to grow, with the average worker salary now up 4.1% over the levels of a year ago.

While food, energy and other commodity prices rose smartly, core inflation—the level of price increases excluding these somewhat volatile categories—remains modest. For example, as of September 30th, the Personal Consumption Expenditure Deflator stood 1.8% over year-ago levels and the Core Consumer Price Index ("CPI") was up 2.1% vs. 12 months earlier. This has given the Federal Reserve room to cut short term rates to stabilize the financial markets, although some economists worry that the higher overall inflation rate—the broader overall CPI rate is up 2.8% on a year over year basis—could pull up core rates as well.

Portfolio Strategy and Outlook

We intend to maintain portfolio durations near those of benchmarks during the 4th quarter. Keeping portfolio durations close to benchmarks will help to immunize portfolios from most of the interest rate risk in uncertain economic environments. With spreads to Federal Agencies and Corporates at historically wide levels, we will continue to emphasize allocations to non-U.S. Treasury sectors, where permitted, to capture value. While these sectors have under-performed U.S. Treasuries in the past quarter, their spreads are likely to lead to significant out-performance in coming months.

Short Term and Long Term Portfolios Annual Review Fact Sheet

Ending Balance as of September 30, 2007

Short Term Portfolio Market Value ¹	\$ 429,014,075.84
Long Term Portfolio Market Value	188,778,272.71
Total All Assets	<u>\$ 617,792,348.55</u>

Interest Earnings

	<u>Last 12 Months</u>
Total Portfolio Interest Earnings for Fiscal Year 2006/2007	\$33,623,694.00

Additional Annual Returns in Dollars²

	<u>Last 12 Months</u>
Total Return	
Long Term Portfolio	\$10,655,299.65
Merrill Lynch 1-3 Year Treasury Index	11,026,001.42
Additional Returns over Benchmark	<u>(\$370,701.77)</u>

Summary

1. The Portfolio's average duration of 1.58 years for the Fiscal Year Ended September 30, 2007 is 94.7% of the Benchmark's average duration for the year.
2. The Portfolio's average duration of 1.50 years for the Fiscal Year Ended September 30, 2007 is 90.99% of the Benchmark's average duration since inception.
3. As of September 30, 2007, the County's Portfolio is in compliance with the Investment Policy.
4. The County's Assets are comprised of Florida SBA (51.83%), Federal Agency Securities (30.17%), Mortgage-Backed Securities (3.28%), Corporate Notes (4.29%), U.S. Treasuries (5.31%), and SunTrust Public Now Account (4.50%).

Notes:

1. The Short Term Portfolio is managed by the County.
2. Based on the Average Annual Balance. Long Term Portfolio Average Balance of: \$190,103,472.78.
3. Based on the Quarter-End Averages for the Fiscal Year.

Long Term Portfolio Performance

	<u>Last 12 Months</u>
Total Return	
Long Term Portfolio	5.61%
Merrill Lynch 1-3 Year Treasury Index	5.80%
Performance over the Benchmark	<u>-0.20%</u>
Yield on Cost	
Long Term Portfolio	4.87%
Florida SBA	5.43%
Performance over the Benchmark	<u>-0.56%</u>

Average Annual Duration³

	<u>Last 12 Months</u>
Long Term Portfolio	1.58 Years
Merrill Lynch 1-3 Year Treasury Index	1.67 Years

Short Term Portfolio Performance

	<u>Last 12 Months</u>
Yield on Cost	
Short Term Portfolio	5.36%
Florida SBA	5.43%
Performance over the Benchmark	<u>-0.07%</u>

Weighted Average Maturity

	<u>Last 12 Months</u>
Short Term Portfolio	141 Days
Florida SBA	34 Days

Total Portfolio Balances and Interest Earnings

Balances Fund Name	Book Value as of September 30, 2007	Book Value as of September 30, 2006	Percent Change From FY 2006 - 2007
General Fund	\$50,010,231.00	\$50,212,046.00	-0.40%
Special Revenue	228,212,855.00	183,352,456.00	24.47%
Debt Service	12,053,719.00	12,335,411.00	-2.28%
Capital Projects	173,643,013.00	105,121,267.00	65.18%
Enterprise	103,656,161.00	101,643,138.00	1.98%
Internal Service	44,813,772.00	36,800,270.00	21.78%
Total	\$612,389,751.00	\$489,464,588.00	25.11%

Interest Earnings Fund Name	Interest Earned Fiscal Year 2007	Interest Earned Fiscal Year 2006	Percent Change From FY 2006 - 2007
General Fund	\$4,095,330.00	\$2,512,485.00	63.00%
Special Revenue	12,303,489.00	8,477,681.00	45.13%
Debt Service	1,145,403.00	877,916.00	30.47%
Capital Projects	7,838,618.00	4,710,398.00	66.41%
Enterprise	6,158,476.00	4,395,774.00	40.10%
Internal Service	2,082,378.00	1,390,878.00	49.72%
Total	\$33,623,694.00	\$22,365,132.00	50.34%

County Total Portfolio	Book Value as of September 30, 2007	Market Value as of September 30, 2007
Short Term and Bond Portfolio ^{1,2}	\$428,829,048.83	\$429,014,075.84
Long Term Portfolio	187,913,689.67	188,778,272.71
Total	\$616,742,738.50	\$617,792,348.55

Notes:

1. Includes the GIC Balance of \$60,768,632.47.
2. The variance of \$4,352,987.50 (for book value and market value) is the amount of checks that issued and cash had been reduced but the checks have not cleared the bank so the amount is invested in the SBA at September 30, 2007.

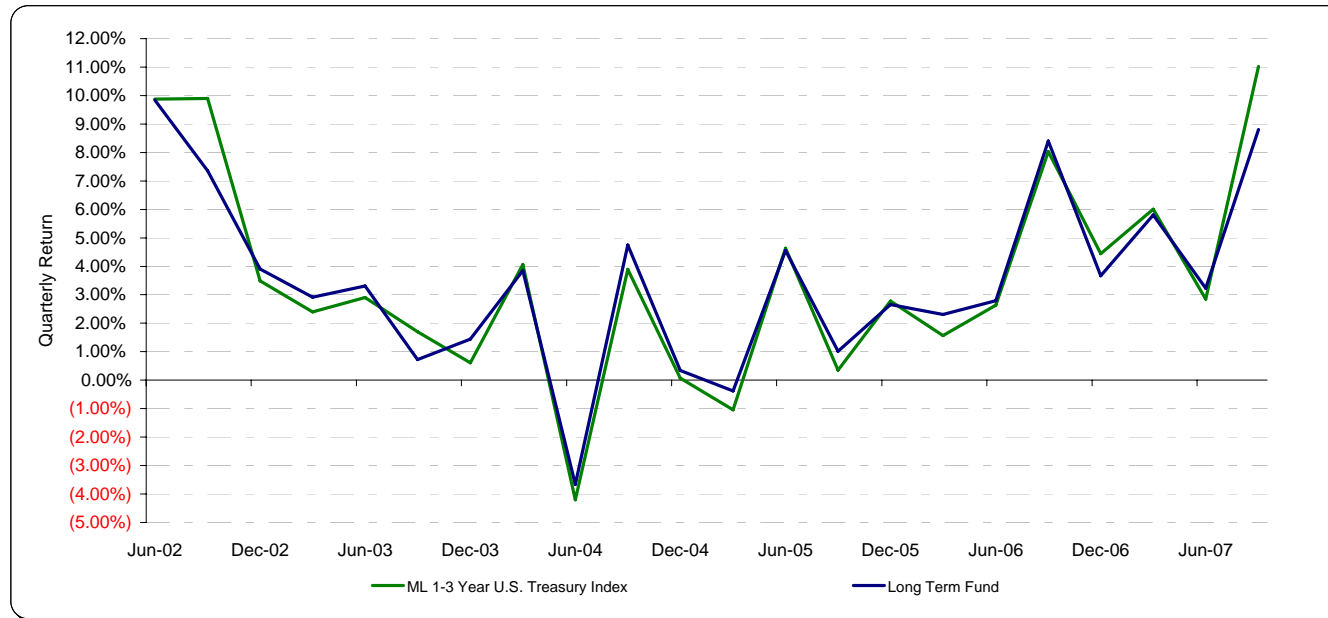
Long Term Fund Portfolio Yields - Since Inception History Versus Benchmarks¹

<u>Account Name</u>	<u>Total Return Since Inception on March 31, 2002</u>	<u>Total Return Last 12 Months</u>	<u>Account Name</u>	<u>Total Return Since Inception on March 31, 2002</u>	<u>Total Return Last 12 Months</u>
Long Term Fund	3.53%	5.61%	Long Term Fund	3.53%	5.61%
ML 1-3 Year U.S. Treasury Index	3.44%	5.80%	State Board of Administration (SBA)²	3.02%	5.43%
Benefit Yield over Benchmark	0.09%	-0.20%	Benefit Yield over SBA	0.51%	0.18%

Since Inception Earnings Over the Benchmark

\$755,080.32

Since Inception Earnings Over the SBA

\$4,240,066.39

Notes:

1. Annualized Quarterly Returns Since Inception.
2. SBA - Florida State Board of Administration is an overnight liquidity investment pool for local governments.

Short Term and Bond Portfolio Yields

Yields^{1,2}		
<u>Security Type</u>	<u>Yield on Cost as of September 30, 2007</u>	<u>Yield on Cost as of September 30, 2006</u>
Florida State Board of Administration	5.77%	5.39%
SunTrust Public Now Account	5.13%	5.54%
Certificate of Deposit BB&T	N/A	N/A
U.S. Treasury Note	N/A	N/A
Federal Farm Credit Bureau	N/A	N/A
Federal Home Loan Bank	4.84%	4.70%
Federal Home Loan Mortgage Corp.	4.99%	5.26%
Federal National Mortgage Association	4.61%	5.41%
Guaranteed Investment Contract	4.70%	5.15%
Total Average Yield²	5.47%	5.34%

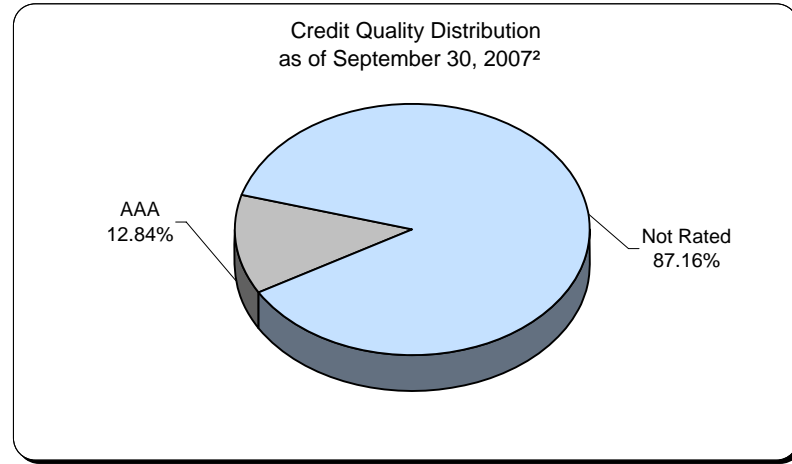
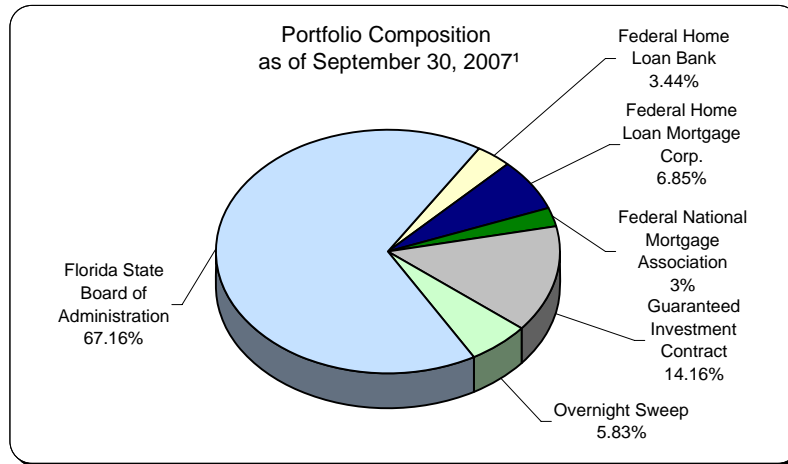
<u>Benchmarks</u>	<u>September 30, 2007</u>	<u>September 30, 2006</u>
Florida SBA Yield	5.43%	4.73%

Notes:

1. Yields are presented as "yield on cost" pursuant to the County's Investment Policy Performance Section for short-term securities and compared to the benchmark which is the SBA.
2. Yield on cost is a dollar weighted yield.

Short Term and Bond Portfolio Composition (Market Value)

<u>Security Type¹</u>	<u>Balance as of September 30, 2007</u>	<u>Percent of Portfolio</u>	<u>Balance as of September 30, 2006</u>	<u>Percent of Portfolio</u>
Florida State Board of Administration	\$288,145,172.37	67.16%	\$185,011,835.04	61.79%
Federal Farm Credit Bureau	0.00	0.00%	0.00	0.00%
Federal Home Loan Bank	14,772,516.00	3.44%	18,949,040.00	6.33%
Federal Home Loan Mortgage Corp.	29,399,915.00	6.85%	49,377,803.54	16.49%
Federal National Mortgage Association	10,927,840.00	2.55%	19,890,700.00	6.64%
Guaranteed Investment Contract	60,768,632.47	14.16%	1,194,500.00	0.40%
U.S. Treasury Note	0.00	0.00%	0.00	0.00%
Certificate of Deposit BB&T	0.00	0.00%	0.00	0.00%
SunTrust Public Now Account	25,000,000.00	5.83%	25,000,000.00	8.35%
Totals	\$429,014,075.84	100.00%	\$299,423,878.58	100.00%



Notes:

- Investment balances are market values as of September 30, 2007.
- Credit rating of securities held in portfolio, exclusive of money market fund/SBA.

Short Term and Bond Portfolio Holdings and Yields¹ as of September 30, 2007

Security Description	Coupon	CUSIP	Purchase Date	Maturity Date	Par Value	Book Amount	Market Value	Yield on Cost ²
State Board of Administration				10/01/07	\$288,145,172.37	\$288,145,172.37	\$288,145,172.37	5.77%
SunTrust Public Now Account				10/01/07	25,000,000.00	25,000,000.00	25,000,000.00	5.13%
Federal Home Loan Bank		313384UU1	09/27/07	03/26/08	10,000,000.00	9,778,275.00	9,784,366.00	4.57%
Federal Home Loan Bank	5.35%	3133XJV39	02/07/07	02/07/08	5,000,000.00	5,000,000.00	4,988,150.00	5.35%
Federal Home Loan Mortgage Corporation	4.50%	3133XDDZ1	12/15/06	10/17/07	10,000,000.00	9,942,800.00	9,996,900.00	5.20%
Federal Home Loan Mortgage Corporation	3.64%	3128X1VL8	09/26/07	08/12/08	9,500,000.00	9,422,068.37	9,418,015.00	4.57%
Federal Home Loan Mortgage Corporation	3.25%	3128X3H55	12/15/06	11/02/07	10,000,000.00	9,835,185.40	9,985,000.00	5.18%
Federal National Mortgage Association	3.88%	31359ME41	09/26/07	07/15/08	11,000,000.00	10,936,915.22	10,927,840.00	4.61%
Total					\$368,645,172.37	\$368,060,416.36	\$368,245,443.37	5.59%

Guaranteed Investment Contracts for Bond Proceeds

Guaranteed Investment Contract				02/01/10	\$59,553,619.76	\$60,768,632.47	\$60,768,632.47	4.70%
Total					\$59,553,619.76	\$60,768,632.47	\$60,768,632.47	4.70%

Total Holdings¹

Grand Total					\$428,198,792.13	\$428,829,048.83	\$429,014,075.84	5.47%
--------------------	--	--	--	--	-------------------------	-------------------------	-------------------------	--------------

Notes:

1. Yields are presented as "Yield on Cost" pursuant to the County's Investment Policy Performance Section for short-term securities and compared to the benchmark which is the SBA
2. Yield on Cost is a dollar weighted yield

Long Term Fund Portfolio Summary¹

Total Portfolio Value ²	September 30, 2007	September 30, 2006
Market Value	\$188,778,272.71	\$190,263,601.36
Amortized Cost	\$187,913,689.67	\$190,695,118.69

PORTFOLIO STRATEGY

- The overall economy began slowing in the last quarter of 2006 and early 2007 with a slight rebound in mid-2007, with recent economic indicators suggesting continued slowing through early 2008. There has been considerable uncertainty in the market place in recent months, as a result of concern for inflation, slower job growth and the intensity and duration of the housing market correction. As expected, the housing sector has significantly impacted the consumer, the catalyst to the booming economy in recent years.
- The impact of the adjustable rate mortgage resets were exacerbated by the sub-prime mortgage market, triggering the fears of investors resulting in the credit crisis during August. Investors, unwilling to lend due to uncertainty, fled to U.S. Treasuries causing rates to plummet as much as 150 basis points in the short end of the yield curve by August 20th.
- The FOMC responded to market turmoil three fold: 1) provided more than \$74 billion of liquidity to the market, and during the September 18th FOMC meeting 2) lowered the discount rate from 6.25% to 5.25%, 3) and after 15 months of maintaining a Federal Funds rate of 5.25%, and more than four years since the last cut in the Fed Funds target rate, the FOMC lowered the target rate by an unexpected 50 basis points to 4.75%.
- The performance of the portfolio was impacted by the Credit Crisis during the third quarter of 2007 which resulted in investors' significant increase in demand for U.S. Treasury securities. As a result, the Treasury sector outperformed Agency and Corporate Note sectors for the third quarter. The difference in the performance can partly be attributed to the U.S. Treasury portfolio allocation of 16% and the benchmark allocation of 100% as of September 30th. PFM's diversification discipline has resulted in the portfolio outperforming the benchmark by 9 basis points since inception.
- PFM's active management resulted in the portfolio outperforming the SBA by 18 basis points for the last 12 months with a AAA rated investment portfolio.

PORTFOLIO STRATEGY

- GDP grew 3.8% annually during the second quarter, but is expected to slowdown in the third and fourth quarters with a projected annual rate of 2.50% for 2007. If the current economic slowdown continues, the Federal Funds target rate may decline to 4.25% within the next 6 months, as indicated by Federal Funds futures contracts which have another 50 basis point cut priced into the spring of 2008.
- Forward yield curves suggest further declines in interest rates through 2008, but are expected to revert to positive sloping as short term rates fall further than longer term rates. PFM will look to extend duration as rates rebound from the significant declines in August, to lock in yields in the two to three year area of the curve.
- Historically U.S. Treasuries have underperformed Agency and Corporate Note sectors, and PFM's investment strategy has a longer term investment horizon focus. PFM's diversified asset allocation approach provides an investment portfolio structure that seeks to optimize earnings in various market environments over longer investment horizons.

Two Year U.S. Treasury Yield
September 2006 through September 2007



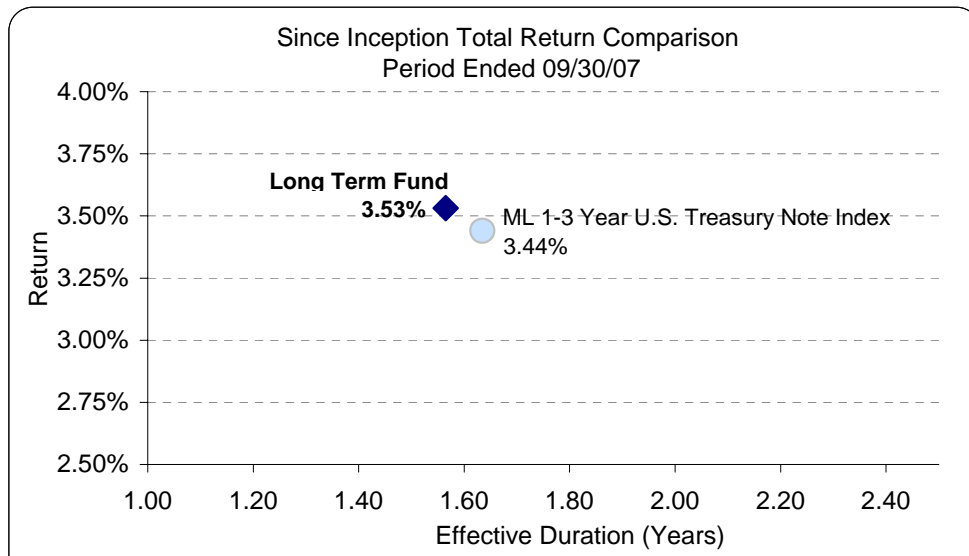
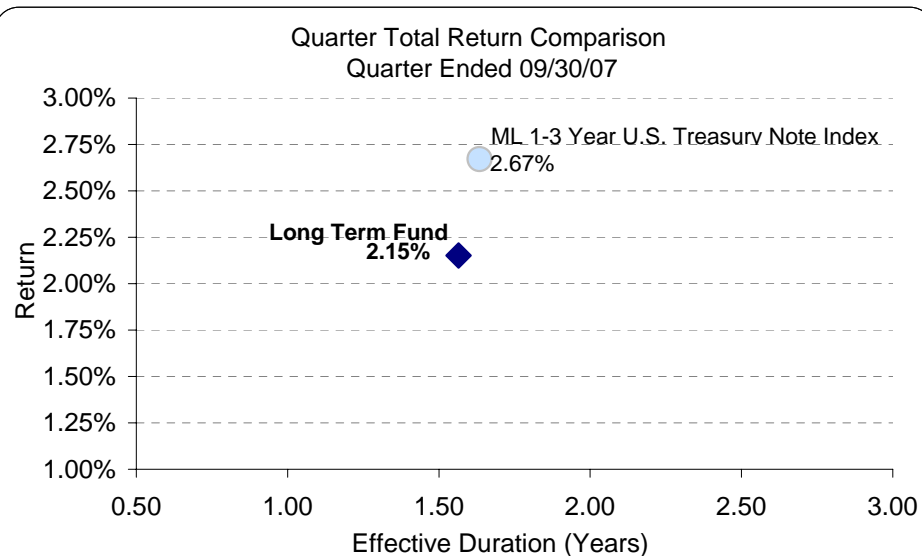
Notes:

- In order to comply with GASB accrual accounting reporting requirements; forward settling trades are included in the monthly balances.
- End of quarter trade-date market values of portfolio holdings, including accrued interest.

Long Term Fund Portfolio Performance

Total Return ^{1,2,3,4,5,6}	Quarterly Return September 30, 2007	Annualized Quarter	Last 12 Months	Last 24 Months	Since Inception 3/31/2002
Long Term Fund	2.15%	8.81%	5.61%	4.81%	3.53%
Merrill Lynch 1-3 Year U.S. Treasury Note Index	2.67%	11.02%	5.80%	4.76%	3.44%

Effective Duration (Years) ⁴	September 30, 2007	September 30, 2006	Yields	September 30, 2007	September 30, 2006
Long Term Fund	1.56	1.61	Yield at Market	4.67%	4.97%
ML 1-3 Year U.S. Treasury Note Index	1.64	1.67	Yield at Cost	4.90%	4.83%
Portfolio Duration % of Benchmark Duration	96%	96%			

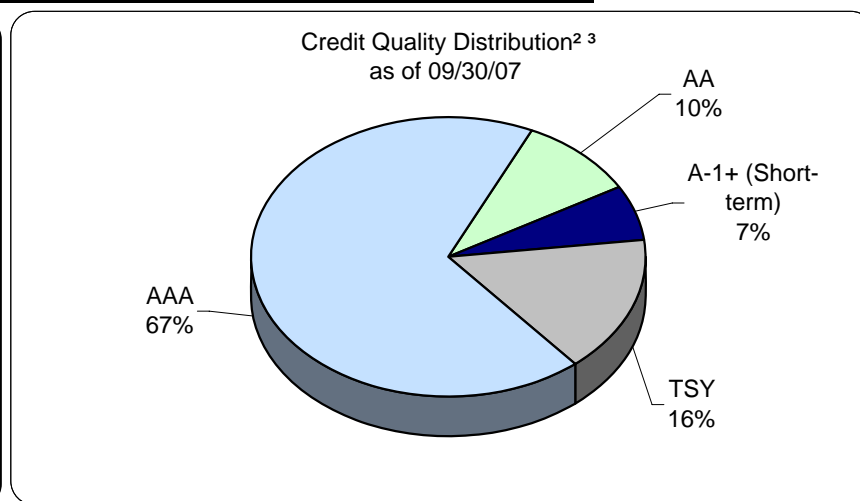
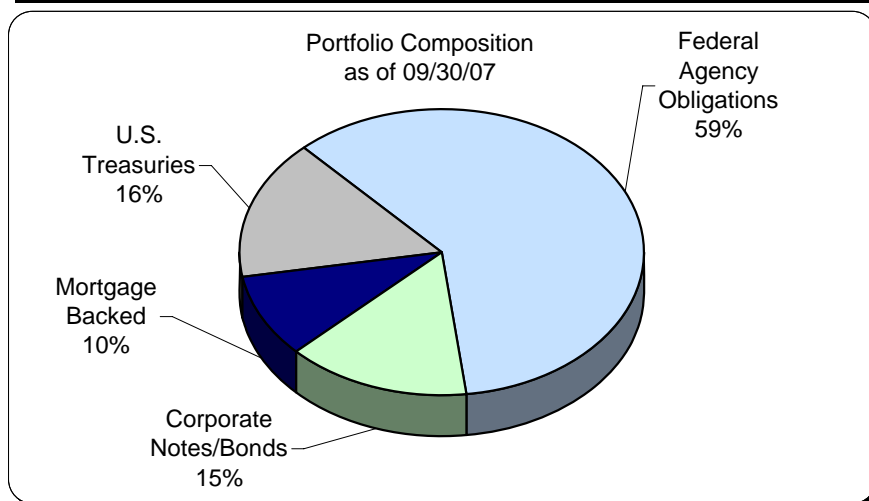


Notes:

1. Performance on trade date basis, gross (i.e., before fees), is in accordance with The CFA Institute's Global Investment Performance Standards (GIPS).
2. Merrill Lynch Indices provided by Bloomberg Financial Markets.
3. Quarterly returns are presented on an unannualized basis.
4. Excludes money market fund/cash in performance and duration computations.
5. Returns presented for periods of 12 months or longer are presented on an annual basis.
6. Past performance is not indicative of future results.

Long Term Fund Portfolio Composition and Credit Quality Characteristics

<u>Security Type¹</u>	<u>September 30, 2007</u>	<u>% of Portfolio</u>	<u>September 30, 2006</u>	<u>% of Portfolio</u>
U.S. Treasuries	\$29,709,723.98	15.7%	\$74,446,521.40	39.1%
Federal Agencies	113,594,218.18	60.2%	85,113,076.25	44.7%
Commercial Paper	0.00	0.0%	0.00	0.0%
Certificates of Deposit	0.00	0.0%	0.00	0.0%
Bankers Acceptances	0.00	0.0%	0.00	0.0%
Repurchase Agreements	0.00	0.0%	0.00	0.0%
Municipal Obligations	0.00	0.0%	0.00	0.0%
Corporate Notes/Bonds	27,384,799.48	14.5%	8,690,735.48	4.6%
Mortgage Backed	18,089,531.07	9.6%	22,013,268.23	11.6%
Money Market Fund/Cash	0.00	0.0%	0.00	0.0%
Totals	\$188,778,272.71	100.0%	\$190,263,601.36	100.0%

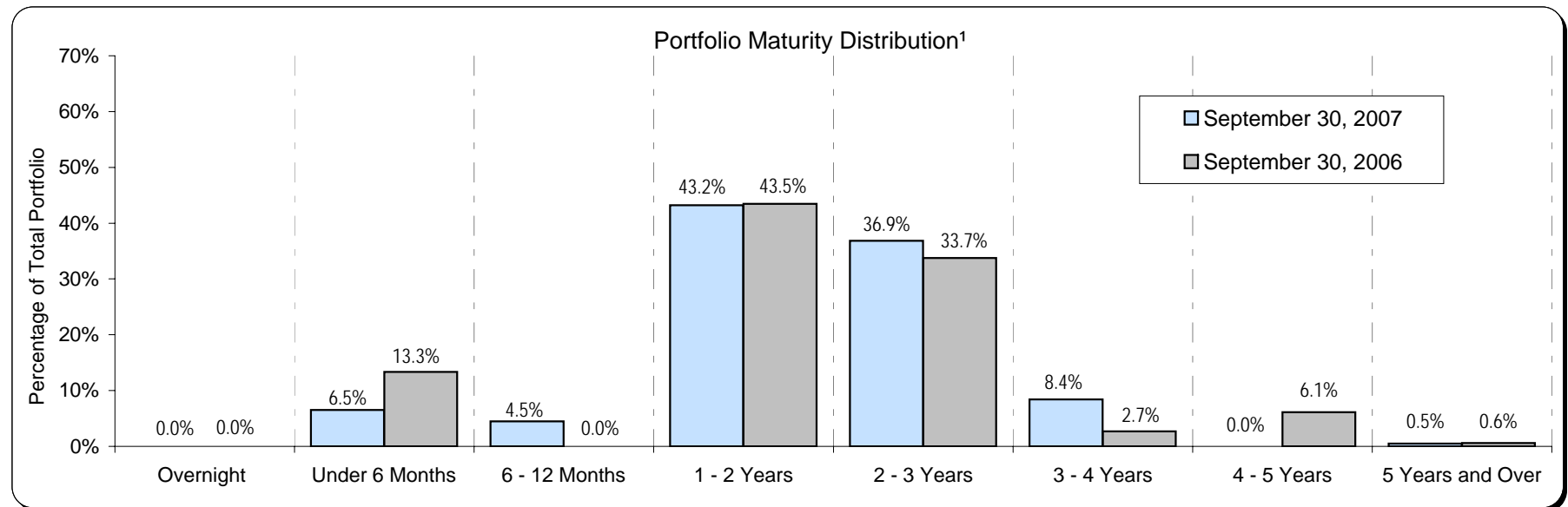


Notes:

1. End of quarter trade-date market values of portfolio holdings, including accrued interest.
2. Credit rating of securities held in portfolio, exclusive of money market fund/LGIP.
3. A rating of "TSY" indicates the security is an obligation of, or explicitly guaranteed by the U. S. Government.

Long Term Fund Portfolio Maturity Distribution

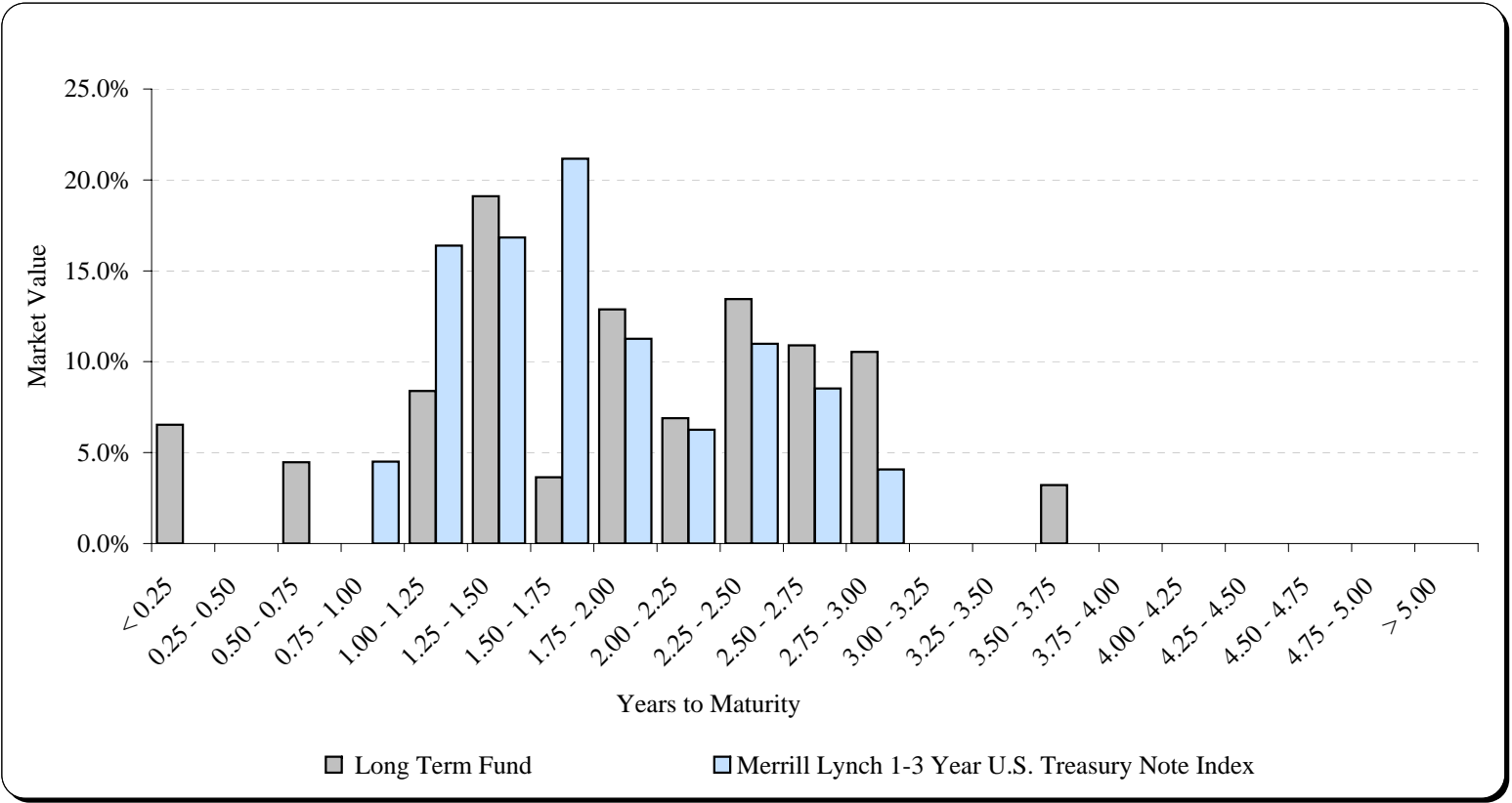
<u>Maturity Distribution¹</u>	<u>September 30, 2007</u>	<u>September 30, 2006</u>
Overnight (Money Market Fund)	\$0.00	\$0.00
Under 6 Months	12,331,996.13	25,366,621.29
6 - 12 Months	8,439,134.27	0.00
1 - 2 Years	81,611,366.87	82,730,540.48
2 - 3 Years	69,590,609.23	64,195,328.56
3 - 4 Years	15,852,539.42	5,127,984.75
4 - 5 Years	0.00	11,691,615.28
5 Years and Over	952,626.79	1,151,511.00
Totals	\$188,778,272.71	\$190,263,601.36



Notes:

1. Callable securities in portfolio are included in the maturity distribution analysis to their stated maturity date, although they may be called prior to maturity.

Long Term Fund Maturity Distribution versus the Benchmark¹



Notes:

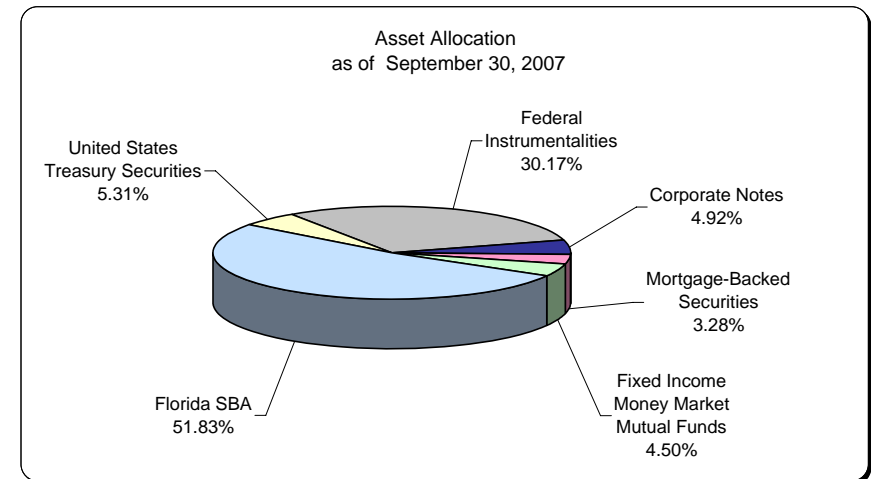
1. Due to the nature of the security, Mortgage-Backed Securities are represented based on their average life maturity rather than their final maturity.

Brevard County - All Assets

Asset Allocation as of September 30, 2007

Security Type ¹	September 30, 2007	Notes	Permitted by Policy
Florida SBA	51.83%		100%
United States Treasury Securities	5.31%		100%
United States Government Agency Securities	0.00%		50%
Federal Instrumentalities	30.17%	2	100%
Certificates of Deposit	0.00%		10%
Repurchase Agreements	0.00%		20%
Commercial Paper	0.00%		25%
Corporate Notes	4.92%		15%
Mortgage-Backed Securities	3.28%	2	25%
Bankers' Acceptances	0.00%		25%
State and/or Local Government Debt (GO)	0.00%		25%
State and/or Local Government Debt (Revenue)	0.00%		10%
Fixed Income Money Market Mutual Funds	4.50%		20%
Intergovernmental Investment Pool	0.00%		25%

Individual Issuer Breakdown	September 30, 2007	Notes	Permitted by Policy
Government National Mortgage Association (GNMA)	0.00%		10%
US Export-Import Bank (Ex-Im)	0.00%		10%
Farmers Home Administration (FMHA)	0.00%		10%
Federal Financing Bank	0.00%		10%
Federal Housing Administration (FHA)	0.00%		10%
General Services Administration	0.00%		10%
New Communities Act Debentures	0.00%		10%
US Public Housing Notes & Bonds	0.00%		10%
US Dept. of Housing and Urban Development	0.00%		10%
Federal Farm Credit Bank (FFCB)	4.00%		25%
Federal Home Loan Bank (FHLB)	10.23%		25%
Federal National Mortgage Association (FNMA)	8.88%		25%
Federal Home Loan Mortgage Corporation (FHLMC)	10.34%		25%
Student Loan Marketing Association (SLMA)	0.00%		0%



Individual Issuer Breakdown	September 30, 2007	Notes	Permitted by Policy
CD - BB & T	0.00%		10%
CD - Bank B	0.00%		10%
Fully collateralized Repo - A	0.00%		10%
Fully collateralized Repo - B	0.00%		10%
CP A	0.00%		5%
CP B	0.00%		5%
Citigroup	0.69%		5%
Bank of America	0.88%		5%
Wal-Mart	1.69%		5%
General Electric	1.66%		5%
BA Bank A	0.00%		5%
BA Bank B	0.00%		5%
Municipal Notes/Bonds	0.00%		5%
SunTrust Public Now Account	4.50%		10%
Money Market Fund B	0.00%		10%

Notes:

- End of quarter trade-date market values of portfolio holdings, including accrued interest.
- The combined total of Federal Instrumentalities and Mortgage Backed Securities can not be more than 100%. The combined total as of September 30, 2007 is 33.45%.

Investment Portfolio Information For
BREVARD COUNTY LONG TERM

Portfolio #
10748500

Section / Report Title

- A. Account Summary
- B. Detail of Securities Held
- C. Fair Market Values & Analytics
- D. Security Transactions & Interest
- E. Cash Transactions Report
- F. Realized Gains & Losses
- G. Cash Balance Report

For The Month Ending
September 30, 2007

BREVARD COUNTY
MARK PETERSON, FINANCIAL ACCTG SUPVSR
FINANCE DEPARTMENT
PO BOX 1496
TITUSVILLE FL 32781-1496

PFM Asset Management LLC

Account Summary: *10748500 BREVARD COUNTY LONG TERM*

(Excluding Cash)

MONTH ENDED: September 30, 2007

SECURITY TYPE	PAR VALUE	AMORTIZED COST	MARKET VALUE	MARKET % OF PORTFOLIO	YTM AT COST	YTM AT MARKET	DURATION TO WORST
CORPORATE NOTE	26,689,000.00	26,927,174.47	26,978,325.52	14.428	5.084	4.992	1.613
FED AGY BOND/NOTE	98,732,000.00	99,553,601.90	100,333,606.92	53.659	5.057	4.632	1.641
FED AGY DN	12,373,000.00	12,333,475.19	12,331,996.13	6.595	4.617	4.604	0.070
FED AGY MBS	18,199,203.36	18,168,345.75	18,019,683.56	9.637	4.486	5.479	1.509
US TSY BOND/NOTE	29,255,000.00	29,137,958.40	29,321,526.62	15.681	4.580	4.032	1.468
TOTAL SECURITIES	185,248,203.36	186,120,555.71	186,985,138.75	100.000	4.902 %	4.669 %	1.493
TOTAL INVESTMENTS	185,248,203.36	186,120,555.71	186,985,138.75	100.000 %			
ACCRUED INTEREST		1,793,133.96	1,793,133.96				
TOTAL PORTFOLIO	\$185,248,203.36	\$187,913,689.67	\$188,778,272.71				

Disclosure Statement: PFM's monthly statement is intended to detail our investment advisory activity. The custodian bank maintains the control of assets and executes (i.e. settles) all investment transactions. The custodian statement is the official record of security and cash holdings and transactions. Only the client has the authority to withdraw funds from or deposit funds to the custodian and to direct the movement of securities. Clients retain responsibility for their internal accounting policies, implementing and enforcing internal controls and generating ledger entries or otherwise recording transactions. PFM recognizes that our clients may use these reports to facilitate record keeping, therefore the custodian bank statement and the PFM statement should be reconciled and differences resolved. PFM's market prices are derived from closing bid prices as of the last business day of the month as supplied by F.T. Interactive Data, Bloomberg or Telerate. Prices that fall between data points are interpolated. Non-negotiable FDIC insured bank certificates of deposit are priced at par. Please promptly report any inaccuracies or discrepancies on your account statement in writing to your client manager or to customer service. To protect your rights, if you report orally you should confirm in writing. A-1

PFM Asset Management LLC

Detail of Securities Held: 10748500 BREVARD COUNTY LONG TERM

(Excluding Cash)

MONTH ENDED: September 30, 2007

SECURITY TYPE				MATURITY	S&P	TRADE	SETTLE	ORIGINAL	YTM	ACCRUED	AMORTIZED	MARKET
CUSIP	DESCRIPTION	PAR	COUPON	DATE	RATING	DATE	DATE	COST	AT COST	INTEREST	COST	VALUE
CORPORATE NOTE												
046003JT7	ASSOCIATES CORP N.A. GLOBAL SR N	3,689,000	6.250	11/01/08	AA	11/17/05	11/22/05	3,822,320.46	4.914	96,067.71	3,740,342.51	3,731,482.52
060505BH6	BANK OF AMERICA CORP GLOBAL N	5,000,000	3.375	02/17/09	AA	03/03/06	03/08/06	4,758,500.00	5.165	20,625.00	4,882,525.40	4,889,210.00
931142BE2	WAL-MART STORES GLOBAL NOTES	9,000,000	6.875	08/10/09	AA	03/23/07	03/28/07	9,377,820.00	4.969	87,656.25	9,300,723.75	9,303,219.00
36962GZ31	GENERAL ELECTRIC CAPITAL CORP	9,000,000	5.250	10/27/09	AAA	05/23/07	05/29/07	9,003,780.00	5.229	202,125.00	9,003,582.81	9,054,414.00
		26,689,000						26,962,420.46	5.084	406,473.96	26,927,174.47	26,978,325.52
FED AGY BOND/NOTE												
3133XDT76	FHLB TAP NOTES	3,500,000	4.750	12/12/08	AAA	01/27/06	01/30/06	3,498,201.00	4.764	50,336.81	3,499,302.80	3,508,750.00
31331SNF6	FFCB GLOBAL DESIGNATED BONDS	9,500,000	3.750	01/15/09	AAA	07/05/06	07/06/06	9,112,286.00	5.503	75,208.33	9,295,771.47	9,410,937.50
31359MEK5	FNMA GLOBAL BENCHMARK NOTES	2,225,000	5.250	01/15/09	AAA	01/03/06	01/06/06	2,258,477.35	4.710	24,660.42	2,239,840.66	2,245,164.06
31359ME74	FNMA GLOBAL NOTES (CALLABLE)	6,235,000	5.000	01/23/09	AAA	10/02/06	10/10/06	6,222,405.30	5.091	58,886.11	6,227,889.67	6,273,968.75
31331ST78	FFCB BONDS	3,500,000	4.250	01/26/09	AAA	01/27/06	01/30/06	3,449,456.50	4.774	26,857.64	3,476,838.79	3,489,062.50
3133XFEQ5	FHLB TAP ISSUE	9,400,000	5.250	03/13/09	AAA	04/06/07	04/10/07	9,443,616.00	4.992	24,675.00	9,433,517.39	9,502,812.50
31398AGH9	FNMA NOTES (CALLABLE)	3,862,000	5.500	08/20/09	AAA	08/23/07	08/24/07	3,861,768.28	5.503	24,191.14	3,861,784.77	3,868,034.38
3134A3M78	FHLMC GLOBAL REFERENCE NOTES	4,745,000	6.625	09/15/09	AAA	08/31/06	09/06/06	4,959,094.40	4.999	13,971.39	4,887,056.71	4,940,731.25
31359MEY5	FNMA GLOBAL BENCHMARK NOTES	4,745,000	6.625	09/15/09	AAA	08/31/06	09/06/06	4,958,686.33	5.002	13,971.39	4,886,788.19	4,940,731.25
31331XRP9	FFCB BONDS	9,425,000	4.800	03/08/10	AAA	05/30/07	06/01/07	9,347,997.75	5.117	28,903.33	9,357,353.57	9,504,523.44
3133XJUS5	FHLB TAP NOTES	3,065,000	5.000	03/12/10	AAA	05/09/07	05/14/07	3,070,140.01	4.930	8,088.19	3,069,889.29	3,105,228.13
3128X5X60	FHLMC NOTES (CALLABLE)	3,352,000	5.500	03/29/10	AAA	08/22/07	08/24/07	3,350,324.00	5.518	1,024.22	3,350,575.74	3,356,951.28
3133XFLE4	FHLB TAP ISSUE	1,705,000	5.250	06/11/10	AAA	08/21/07	08/24/07	1,729,115.52	4.702	27,351.04	1,728,319.01	1,739,632.81
3133XFLE4	FHLB TAP ISSUE	2,160,000	5.250	06/11/10	AAA	08/30/07	09/05/07	2,191,112.64	4.686	34,650.00	2,190,386.90	2,203,875.00
3133XL5W9	FHLB NOTES (CALLABLE)	6,200,000	5.600	06/11/10	AAA	07/23/07	07/24/07	6,194,916.00	5.629	106,088.89	6,195,409.52	6,207,515.12
31359MFS7	FNMA GLOBAL BENCHMARK NOTES	9,420,000	7.125	06/15/10	AAA	09/27/07	09/28/07	10,056,000.72	4.453	197,623.75	10,054,186.15	10,058,793.75
3133XLEX7	FHLB NOTES (CALLABLE)	3,345,000	5.625	07/02/10	AAA	08/21/07	08/24/07	3,346,940.10	5.600	46,516.41	3,346,379.28	3,350,051.40
31359MYN7	FNMA GLOBAL BENCHMARK NOTES	1,897,000	4.250	08/15/10	AAA	08/17/07	08/20/07	1,869,377.78	4.779	10,301.76	1,870,372.63	1,887,515.00
31359MYN7	FNMA GLOBAL BENCHMARK NOTES	1,136,000	4.250	08/15/10	AAA	08/20/07	08/21/07	1,120,032.38	4.761	6,169.11	1,120,594.44	1,130,320.00
31359MYN7	FNMA GLOBAL BENCHMARK NOTES	1,900,000	4.250	08/15/10	AAA	08/21/07	08/24/07	1,876,578.70	4.698	10,318.06	1,877,345.69	1,890,500.00
3128X4GV7	FHLMC GLOBAL NOTES (CALLABLE)	1,765,000	4.875	08/16/10	AAA	08/21/07	08/24/07	1,772,165.90	4.727	10,755.47	1,771,936.66	1,786,008.80
31359MJH7	FNMA GLOBAL BENCHMARK NOTES	5,650,000	6.000	05/15/11	AAA	05/30/07	06/01/07	5,825,460.75	5.122	128,066.67	5,812,062.57	5,932,500.00
		98,732,000						99,514,153.41	5.057	928,615.13	99,553,601.90	100,333,606.92
FED AGY DN												
313384NL9	FHLB DISC NOTE	12,373,000		10/26/07	A-1+	09/28/07	09/28/07	12,328,732.16	4.617	0.00	12,333,475.19	12,331,996.13
		12,373,000						12,328,732.16	4.617	0.00	12,333,475.19	12,331,996.13
FED AGY MBS												
31282U4K0	FHLMC MBS 5YR POOL #M90826	1,903,048	4.000	07/01/08	AAA	07/28/03	07/30/03	1,939,622.06	3.151	6,343.49	1,907,407.95	1,880,049.45
31282U4Q7	FHLMC MBS 5YR POOL #M90831	1,199,095	4.000	08/01/08	AAA	08/19/03	08/22/03	1,206,964.12	3.728	3,996.98	1,199,196.50	1,183,840.24
31282R2K9	FHLMC GOLD POOL #M80778	1,480,156	4.500	10/01/09	AAA	10/28/02	10/31/02	1,502,127.05	3.987	5,550.58	1,485,536.26	1,463,191.38

PFM Asset Management LLC

Detail of Securities Held: 10748500 BREVARD COUNTY LONG TERM

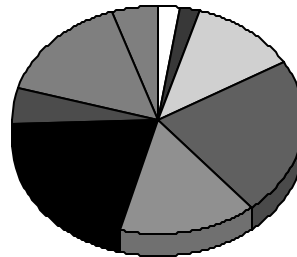
(Excluding Cash)

MONTH ENDED: September 30, 2007

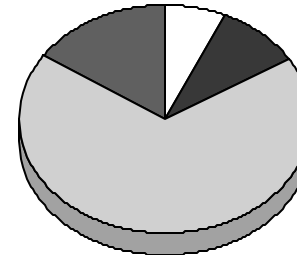
SECURITY TYPE		PAR	Coupon	Maturity Date	S&P Rating	Trade Date	Settle Date	Original Cost	YTM AT Cost	Accrued Interest	Amortized Cost	Market Value
CUSIP	Description											
31282R4A9	FHLMC MBS 7 YR BALLOON POOL #	2,857,715	4.000	05/01/10	AAA	05/15/03	05/22/03	2,911,743.38	3.398	9,525.72	2,876,527.86	2,792,433.69
31282SA51	FHLMC MBS 7YR BALLOON POOL #	9,801,077	5.000	08/01/11	AAA	03/09/06	03/22/06	9,715,317.88	5.263	40,837.82	9,732,664.21	9,751,134.93
3128GXWC6	FHLMC MBS POOL #E93343	958,112	4.500	01/01/13	AAA	12/16/02	12/23/02	975,627.94	4.074	3,592.92	967,012.97	949,033.87
		18,199,203						18,251,402.43	4.486	69,847.51	18,168,345.75	18,019,683.56
US TSY BOND/NOTE												
912828FG0	US TREASURY NOTES	5,255,000	4.875	05/31/08	TSY	06/01/06	06/05/06	5,238,988.67	5.038	86,093.70	5,249,496.96	5,278,810.41
912828FV7	US TREASURY NOTES	5,240,000	4.875	10/31/08	TSY	11/10/06	11/13/06	5,253,304.69	4.737	106,900.27	5,247,527.73	5,285,850.00
912828EL0	US TREASURY NOTES	3,000,000	4.375	11/15/08	TSY	11/30/05	12/05/05	2,996,601.56	4.416	49,575.41	2,998,682.01	3,011,718.00
912828FE5	US TREASURY NOTES	5,255,000	4.875	05/15/09	TSY	06/01/06	06/05/06	5,232,009.38	5.036	96,764.11	5,242,011.69	5,330,130.74
912828FP0	US TREASURY NOTES	1,085,000	4.875	08/15/09	TSY	08/31/06	09/06/06	1,089,662.11	4.716	6,755.45	1,088,061.52	1,102,461.99
912828DL1	US TREASURY NOTES	9,420,000	3.500	02/15/10	TSY	09/27/07	09/28/07	9,311,817.19	4.009	42,108.42	9,312,178.49	9,312,555.48
		29,255,000						29,122,383.60	4.580	388,197.36	29,137,958.40	29,321,526.62
TOTAL SECURITIES		\$185,248,203						\$186,179,092.06	4.902 %	\$1,793,133.96	\$186,120,555.71	\$186,985,138.75

Issuers by Market Value

BANK OF AMERICA CORP	\$4,889,210	2.6%
CITIGROUP INC	\$3,731,483	2.0%
FFCB	\$22,404,523	12.0%
FHLC	\$41,949,861	22.4%
FHLMC	\$28,103,375	15.0%
FNMA	\$38,227,527	20.4%
GENERAL ELECTRIC CO	\$9,054,414	4.8%
UNITED STATES TREASURY	\$29,321,527	15.7%
WAL-MART STORES INC	\$9,303,219	5.0%
Total:	\$186,985,139	100.0%



Ratings by Market Value



A-1+	\$12,331,996	6.6%
AA	\$17,923,912	9.6%
AAA	\$127,407,704	68.1%
TSY	\$29,321,527	15.7%
Total:	\$186,985,139	100.0%

PFM Asset Management LLC

Fair Market Values & Analytics:

10748500

BREVARD COUNTY LONG TERM

(Excluding Cash)

MONTH ENDED: September 30, 2007

SECURITY TYPE				MATURITY	FIRST CALL	MARKET	MARKET	UNREAL G/(L)	UNREAL G/(L)	DURATION	YTM
CUSIP	DESCRIPTION	PAR	COUPON	DATE	DATE	PRICE	VALUE	ON AMORT COST	ON COST	TO WORST	AT MKT
CORPORATE NOTE											
046003JT7	ASSOCIATES CORP N.A. GLOBAL SR N	3,689,000	6.250	11/01/08		101.152	3,731,482.52	(8,859.99)	(90,837.94)	1.015	5.141
060505BH6	BANK OF AMERICA CORP GLOBAL N	5,000,000	3.375	02/17/09		97.784	4,889,210.00	6,684.60	130,710.00	1.322	5.054
931142BE2	WAL-MART STORES GLOBAL NOTES	9,000,000	6.875	08/10/09		103.369	9,303,219.00	2,495.25	(74,601.00)	1.723	4.953
36962GZ31	GENERAL ELECTRIC CAPITAL CORP	9,000,000	5.250	10/27/09		100.605	9,054,414.00	50,831.19	50,634.00	1.904	4.938
FED AGY BOND/NOTE											
3133XDT76	FHLB TAP NOTES	3,500,000	4.750	12/12/08		100.250	3,508,750.00	9,447.20	10,549.00	1.140	4.528
31331SNF6	FFCB GLOBAL DESIGNATED BONDS	9,500,000	3.750	01/15/09		99.063	9,410,937.50	115,166.03	298,651.50	1.236	4.501
31359MEK5	FNMA GLOBAL BENCHMARK NOTES	2,225,000	5.250	01/15/09		100.906	2,245,164.06	5,323.40	(13,313.29)	1.226	4.514
31359ME74	FNMA GLOBAL NOTES (CALLABLE)	6,235,000	5.000	01/23/09	01/23/07	100.625	6,273,968.75	46,079.08	51,563.45	1.250	4.500
31331ST78	FFCB BONDS	3,500,000	4.250	01/26/09		99.688	3,489,062.50	12,223.71	39,606.00	1.263	4.492
3133XFEQ5	FHLB TAP ISSUE	9,400,000	5.250	03/13/09		101.094	9,502,812.50	69,295.11	59,196.50	1.384	4.462
31398AGH9	FNMA NOTES (CALLABLE)	3,862,000	5.500	08/20/09	11/20/07	100.156	3,868,034.38	6,249.61	6,266.10	0.138	5.408
3134A3M78	FHLMC GLOBAL REFERENCE NOTES	4,745,000	6.625	09/15/09		104.125	4,940,731.25	53,674.54	(18,363.15)	1.826	4.402
31359MEY5	FNMA GLOBAL BENCHMARK NOTES	4,745,000	6.625	09/15/09		104.125	4,940,731.25	53,943.06	(17,955.08)	1.826	4.402
31331XRP9	FFCB BONDS	9,425,000	4.800	03/08/10		100.844	9,504,523.44	147,169.87	156,525.69	2.275	4.430
3133XJUS5	FHLB TAP NOTES	3,065,000	5.000	03/12/10		101.313	3,105,228.13	35,338.84	35,088.12	2.281	4.428
3128X5X60	FHLMC NOTES (CALLABLE)	3,352,000	5.500	03/29/10	06/29/07	100.148	3,356,951.28	6,375.54	6,627.28	0.244	5.436
3133XFLE4	FHLB TAP ISSUE	1,705,000	5.250	06/11/10		102.031	1,739,632.81	11,313.80	10,517.29	2.460	4.440
3133XFLE4	FHLB TAP ISSUE	2,160,000	5.250	06/11/10		102.031	2,203,875.00	13,488.10	12,762.36	2.460	4.440
3133XL5W9	FHLB NOTES (CALLABLE)	6,200,000	5.600	06/11/10	09/11/07	100.121	6,207,515.12	12,105.60	12,599.12	0.195	5.547
31359MFS7	FNMA GLOBAL BENCHMARK NOTES	9,420,000	7.125	06/15/10		106.781	10,058,793.75	4,607.60	2,793.03	2.418	4.436
3133XLEX7	FHLB NOTES (CALLABLE)	3,345,000	5.625	07/02/10	01/02/08	100.151	3,350,051.40	3,672.12	3,111.30	0.252	5.561
31359MYN7	FNMA GLOBAL BENCHMARK NOTES	1,897,000	4.250	08/15/10		99.500	1,887,515.00	17,142.37	18,137.22	2.664	4.436
31359MYN7	FNMA GLOBAL BENCHMARK NOTES	1,136,000	4.250	08/15/10		99.500	1,130,320.00	9,725.56	10,287.62	2.664	4.436
31359MYN7	FNMA GLOBAL BENCHMARK NOTES	1,900,000	4.250	08/15/10		99.500	1,890,500.00	13,154.31	13,921.30	2.664	4.436
3128X4GV7	FHLMC GLOBAL NOTES (CALLABLE)	1,765,000	4.875	08/16/10		101.190	1,786,008.80	14,072.14	13,842.90	2.648	4.428
31359MJH7	FNMA GLOBAL BENCHMARK NOTES	5,650,000	6.000	05/15/11		105.000	5,932,500.00	120,437.43	107,039.25	3.181	4.488
FED AGY DN											
313384NL9	FHLB DISC NOTE	12,373,000		10/26/07		99.669	12,331,996.13	(1,479.06)	3,263.97	0.070	4.604
FED AGY MBS											

PFM Asset Management LLC

Fair Market Values & Analytics:

10748500

BREVARD COUNTY LONG TERM

(Excluding Cash)

MONTH ENDED: September 30, 2007

SECURITY TYPE				MATURITY	FIRST CALL	MARKET	MARKET	UNREAL G/(L)	UNREAL G/(L)	DURATION	YTM
CUSIP	DESCRIPTION	PAR	COUPON	DATE	DATE	PRICE	VALUE	ON AMORT COST	ON COST	TO WORST	AT MKT
31282U4K0	FHLMC MBS 5YR POOL #M90826	1,903,048	4.000	07/01/08		98.791	1,880,049.45	(27,358.50)	(59,572.61)	0.411	6.566
31282U4Q7	FHLMC MBS 5YR POOL #M90831	1,199,095	4.000	08/01/08		98.728	1,183,840.24	(15,356.26)	(23,123.88)	0.451	6.476
31282R2K9	FHLMC GOLD POOL #M80778	1,480,156	4.500	10/01/09		98.854	1,463,191.38	(22,344.88)	(38,935.67)	1.009	5.463
31282R4A9	FHLMC MBS 7 YR BALLOON POOL #	2,857,715	4.000	05/01/10		97.716	2,792,433.69	(84,094.17)	(119,309.69)	1.294	5.653
31282SA51	FHLMC MBS 7YR BALLOON POOL #	9,801,077	5.000	08/01/11		99.490	9,751,134.93	18,470.72	35,817.05	1.884	5.167
3128GXWC6	FHLMC MBS POOL #E93343	958,112	4.500	01/01/13		99.052	949,033.87	(17,979.10)	(26,594.07)	2.543	4.804
US TSY BOND/NOTE											
912828FG0	US TREASURY NOTES	5,255,000	4.875	05/31/08		100.453	5,278,810.41	29,313.45	39,821.74	0.641	4.170
912828FV7	US TREASURY NOTES	5,240,000	4.875	10/31/08		100.875	5,285,850.00	38,322.27	32,545.31	1.028	4.039
912828EL0	US TREASURY NOTES	3,000,000	4.375	11/15/08		100.391	3,011,718.00	13,035.99	15,116.44	1.072	4.013
912828FE5	US TREASURY NOTES	5,255,000	4.875	05/15/09		101.430	5,330,130.74	88,119.05	98,121.36	1.525	3.955
912828FP0	US TREASURY NOTES	1,085,000	4.875	08/15/09		101.609	1,102,461.99	14,400.47	12,799.88	1.770	3.973
912828DL1	US TREASURY NOTES	9,420,000	3.500	02/15/10		98.859	9,312,555.48	376.99	738.29	2.245	4.007
SUBTOTALS							\$186,985,138.75	\$864,583.04	\$806,046.69	1.493	4.669 %
ACCRUED INTEREST ON INVESTMENT							1,793,133.96				
TOTAL MARKET VALUE OF INVESTMENTS							\$188,778,272.71				

PFM Asset Management LLC

Security Transactions & Interest:

10748500

BREVARD COUNTY LONG TERM

(Excluding Cash)

MONTH ENDED: September 30, 2007

TRADE	SETTLE	TRAN TYPE	SECURITY DESCRIPTION	CUSIP	S&P RATING	PAR	COUPON	MATURITY DATE	PRINCIPAL AMOUNT	ACCRUED INTEREST	TOTAL
09/01/07	09/15/07	INTEREST	FHLMC GOLD POOL #M80778	31282R2K9	AAA	1,518,223	4.500	10/01/09	0.00	5,693.34	5,693.34
09/01/07	09/15/07	INTEREST	FHLMC MBS 7 YR BALLOON POOL #M8	31282R4A9	AAA	2,899,420	4.000	05/01/10	0.00	9,664.73	9,664.73
09/01/07	09/15/07	INTEREST	FHLMC MBS 7YR BALLOON POOL #M8	31282SA51	AAA	9,942,025	5.000	08/01/11	0.00	41,425.10	41,425.10
09/01/07	09/15/07	INTEREST	FHLMC MBS 5YR POOL #M90826	31282U4K0	AAA	1,947,330	4.000	07/01/08	0.00	6,491.10	6,491.10
09/01/07	09/15/07	INTEREST	FHLMC MBS 5YR POOL #M90831	31282U4Q7	AAA	1,229,648	4.000	08/01/08	0.00	4,098.83	4,098.83
09/01/07	09/15/07	INTEREST	FHLMC MBS POOL #E93343	3128GXWC6	AAA	976,150	4.500	01/01/13	0.00	3,660.56	3,660.56
09/08/07	09/08/07	INTEREST	FFCB BONDS	31331XRP9	AAA	9,425,000	4.800	03/08/10	0.00	226,200.00	226,200.00
09/12/07	09/12/07	INTEREST	FHLB TAP NOTES	3133XJUS5	AAA	3,065,000	5.000	03/12/10	0.00	92,375.69	92,375.69
09/13/07	09/13/07	INTEREST	FHLB TAP ISSUE	3133XFEQ5	AAA	9,400,000	5.250	03/13/09	0.00	246,750.00	246,750.00
09/15/07	09/15/07	INTEREST	FHLMC GLOBAL REFERENCE NOTES	3134A3M78	AAA	4,745,000	6.625	09/15/09	0.00	157,178.13	157,178.13
09/15/07	09/15/07	INTEREST	FHLMC GLOBAL REFERENCE NOTES	3134A4UD4	AAA	11,627,000	3.625	09/15/08	0.00	210,739.38	210,739.38
09/15/07	09/15/07	INTEREST	FNMA GLOBAL BENCHMARK NOTES	31359MEY5	AAA	4,745,000	6.625	09/15/09	0.00	157,178.13	157,178.13
09/15/07	09/15/07	INTEREST	FNMA NOTES (CALLABLE)	31359MTF0	AAA	3,500,000	3.750	09/15/08	0.00	65,625.00	65,625.00
09/29/07	09/29/07	INTEREST	FHLMC NOTES (CALLABLE)	3128X5X60	AAA	3,352,000	5.500	03/29/10	0.00	92,180.00	92,180.00
						68,371,796			0.00	1,319,259.99	1,319,259.99
08/30/07	09/05/07	BUY	FHLB TAP ISSUE	3133XFLE4	AAA	2,160,000	5.250	06/11/10	(2,191,112.64)	(26,460.00)	(2,217,572.64)
09/05/07	09/05/07	BUY	FHLB DISC NOTE	313384LQ0	A-1+	413,000	0.000	09/12/07	(412,604.90)	0.00	(412,604.90)
09/11/07	09/12/07	BUY	FFCB DISC NOTE	313312LY4	A-1+	4,280,000	0.000	09/20/07	(4,275,529.80)	0.00	(4,275,529.80)
09/19/07	09/20/07	BUY	FFCB DISC NOTE	313312MG2	A-1+	4,284,000	0.000	09/28/07	(4,279,668.40)	0.00	(4,279,668.40)
09/27/07	09/28/07	BUY	FNMA GLOBAL BENCHMARK NOTES	31359MFS7	AAA	9,420,000	7.125	06/15/10	(10,056,000.72)	(192,030.63)	(10,248,031.35)
09/27/07	09/28/07	BUY	US TREASURY NOTES	912828DL1	TSY	9,420,000	3.500	02/15/10	(9,311,817.19)	(39,420.65)	(9,351,237.84)
09/28/07	09/28/07	BUY	FHLB DISC NOTE	313384NL9	A-1+	12,373,000	0.000	10/26/07	(12,328,732.16)	0.00	(12,328,732.16)
						42,350,000			(42,855,465.81)	(257,911.28)	(43,113,377.09)
09/05/07	09/05/07	MATURITY	FNMA DISC NOTE	313588LH6	A-1+	2,631,000	0.000	09/05/07	2,631,000.00	0.00	2,631,000.00
09/12/07	09/12/07	MATURITY	FHLB DISC NOTE	313384LQ0	A-1+	413,000	0.000	09/12/07	413,000.00	0.00	413,000.00
09/12/07	09/12/07	MATURITY	FNMA DISC NOTE	313588LQ6	A-1+	3,771,000	0.000	09/12/07	3,771,000.00	0.00	3,771,000.00
09/20/07	09/20/07	MATURITY	FFCB DISC NOTE	313312LY4	A-1+	4,280,000	0.000	09/20/07	4,280,000.00	0.00	4,280,000.00
09/28/07	09/28/07	MATURITY	FFCB DISC NOTE	313312MG2	A-1+	4,284,000	0.000	09/28/07	4,284,000.00	0.00	4,284,000.00
						15,379,000			15,379,000.00	0.00	15,379,000.00
09/01/07	09/15/07	MBS PMT	FHLMC GOLD POOL #M80778	31282R2K9	AAA	38,067	4.500	10/01/09	38,067.07	0.00	38,067.07
09/01/07	09/15/07	MBS PMT	FHLMC MBS 7 YR BALLOON POOL #M8	31282R4A9	AAA	41,706	4.000	05/01/10	41,705.72	0.00	41,705.72
09/01/07	09/15/07	MBS PMT	FHLMC MBS 7YR BALLOON POOL #M8	31282SA51	AAA	140,947	5.000	08/01/11	140,947.28	0.00	140,947.28
09/01/07	09/15/07	MBS PMT	FHLMC MBS 5YR POOL #M90826	31282U4K0	AAA	44,282	4.000	07/01/08	44,282.07	0.00	44,282.07
09/01/07	09/15/07	MBS PMT	FHLMC MBS 5YR POOL #M90831	31282U4Q7	AAA	30,553	4.000	08/01/08	30,553.08	0.00	30,553.08
09/01/07	09/15/07	MBS PMT	FHLMC MBS POOL #E93343	3128GXWC6	AAA	18,037	4.500	01/01/13	18,037.49	0.00	18,037.49

PFM Asset Management LLC

Security Transactions & Interest:

10748500

BREVARD COUNTY LONG TERM

(Excluding Cash)

MONTH ENDED: September 30, 2007

TRADE	SETTLE	TRAN TYPE	SECURITY DESCRIPTION	CUSIP	S&P RATING	PAR	COUPON	MATURITY DATE	PRINCIPAL AMOUNT	ACCRUED INTEREST	TOTAL
						313,593			313,592.71	0.00	313,592.71
09/27/07	09/28/07	SELL	FHLB TAP NOTES	3133MVZA4	AAA	3,040,000	3.375	02/15/08	3,024,131.20	12,255.00	3,036,386.20
09/27/07	09/28/07	SELL	FHLMC GLOBAL REFERENCE NOTES	3134A4UD4	AAA	11,627,000	3.625	09/15/08	11,518,159.65	15,220.07	11,533,379.72
09/27/07	09/28/07	SELL	FNMA NOTES (CALLABLE)	31359MTF0	AAA	3,500,000	3.750	09/15/08	3,471,930.00	4,739.58	3,476,669.58
09/27/07	09/28/07	SELL	US TREASURY NOTES	912828BM1	TSY	3,540,000	3.125	10/15/08	3,507,089.06	50,174.18	3,557,263.24
09/27/07	09/28/07	SELL	US TREASURY NOTES	912828EZ9	TSY	5,890,000	4.625	03/31/08	5,905,875.39	134,717.66	6,040,593.05
						27,597,000			27,427,185.30	217,106.49	27,644,291.79
TOTAL SECURITY TRANSACTIONS											<u><u>1,542,767.40</u></u>

PFM Asset Management LLC

Cash Transactions Report: *10748500* *BREVARD COUNTY LONG TERM*

MONTH ENDED: September 30, 2007

CASH DATE	TRANSACTION CODE	TRANSACTION DESCRIPTION	TOTAL AMOUNT
09/28/07	CC	CONTRIB	12,328,732.16
			12,328,732.16
09/05/07	CW	WITHDRAW	(822.46)
09/08/07	CW	WITHDRAW	(226,200.00)
09/12/07	CW	WITHDRAW	(845.89)
09/13/07	CW	WITHDRAW	(246,750.00)
09/15/07	CW	WITHDRAW	(975,347.01)
09/20/07	CW	WITHDRAW	(331.60)
09/28/07	CW	WITHDRAW	(12,329,022.60)
09/29/07	CW	WITHDRAW	(92,180.00)
			(13,871,499.56)
NET CASH CONTRIBUTIONS/(WITHDRAWS)			<u><u>(\$1,542,767.40)</u></u>

PFM Asset Management LLC

Realized Gains and Losses: *10748500* *BREVARD COUNTY LONG TERM*

(Excluding Cash)

MONTH ENDED: September 30, 2007

TRADE DATE	SETTLE DATE	TRAN TYPE	SALE METHOD	SECURITY DESCRIPTION	CUSIP	PAR VALUE	COUPON	PRINCIPAL PROCEEDS	REALIZED G/(L) COST	REALIZED G/(L) AMORT CST
09/01/07	09/15/07	MBS PMT		FHLMC GOLD POOL #M80778	31282R2K9	38,067	4.500	38,067.07	(565.06)	0.00
09/01/07	09/15/07	MBS PMT		FHLMC MBS POOL #E93343	3128GXWC6	18,037	4.500	18,037.49	(329.75)	0.00
09/01/07	09/15/07	MBS PMT		FHLMC MBS 5YR POOL #M90831	31282U407	30,553	4.000	30,553.08	(200.51)	0.00
09/01/07	09/15/07	MBS PMT		FHLMC MBS 5YR POOL #M90826	31282U4K0	44,282	4.000	44,282.07	(851.05)	0.00
09/01/07	09/15/07	MBS PMT		FHLMC MBS 7 YR BALLOON POOL #M80817	31282R4A9	41,706	4.000	41,705.72	(788.50)	0.00
09/01/07	09/15/07	MBS PMT		FHLMC MBS 7YR BALLOON POOL #M80928	31282SA51	140,947	5.000	140,947.28	1,233.29	0.00
09/05/07	09/05/07	MATURITY		FNMA DISC NOTE	313588LH6	2,631,000	0.000	2,631,000.00	5,042.75	0.00
09/12/07	09/12/07	MATURITY		FNMA DISC NOTE	313588LQ6	3,771,000	0.000	3,771,000.00	11,323.47	0.00
09/12/07	09/12/07	MATURITY		FHLB DISC NOTE	313384LQ0	413,000	0.000	413,000.00	395.10	0.00
09/20/07	09/20/07	MATURITY		FFCB DISC NOTE	313312LY4	4,280,000	0.000	4,280,000.00	4,470.20	0.00
09/27/07	09/28/07	SELL	FIFO	FHLB TAP NOTES	3133MVZA4	3,040,000	3.375	3,024,131.20	33,467.36	(8,819.56)
09/27/07	09/28/07	SELL	FIFO	FNMA NOTES (CALLABLE)	31359MTF0	3,500,000	3.750	3,471,930.00	62,657.00	4,680.55
09/27/07	09/28/07	SELL	FIFO	US TREASURY NOTES	912828BM1	3,540,000	3.125	3,507,089.06	93,201.56	13,691.81
09/27/07	09/28/07	SELL	FIFO	FHLMC GLOBAL REFERENCE NOTES	3134A4UD4	11,627,000	3.625	11,518,159.65	114,758.49	33,247.87
09/27/07	09/28/07	SELL	FIFO	US TREASURY NOTES	912828EZ9	5,890,000	4.625	5,905,875.39	34,511.72	24,615.44
09/28/07	09/28/07	MATURITY		FFCB DISC NOTE	313312MG2	4,284,000	0.000	4,284,000.00	4,331.60	0.00
TOTAL GAINS AND LOSSES									<u>\$362,657.67</u>	<u>\$67,416.11</u>

PFM Asset Management LLC

Cash Balance Report:

10748500

BREVARD COUNTY LONG TERM

MONTH ENDED: September 30, 2007

CASH BALANCE: \$0.00

Earnings Calculation Templates

Current Month-End Book Value	+		Add Coupon Interest Received	+	
Current Month-End Accrued Interest	+		Less Purchased Interest Related to Coupons	-	
Less Purchases	-		Add/Subtract Gains or Losses on Cost For The Mth	+/-	
Less Purchased Interest	-				
			Total Cost Basis Earnings For The Month		
Add Disposals (Sales, Maturities, Paydowns, Sinks, etc.)	+				
Add Coupon Interest Received	+				
Less Previous Month-End Book Value	-				
Less Previous Month-End Accrued Interest	-				
Total Accrual Basis Earnings For The Month					

Economic Calendar

10/05/2007 - Change in Nonfarm Payrolls	10/17/2007 - Housing Starts
10/05/2007 - Unemployment Rate	10/17/2007 - Building Permits
10/12/2007 - Advance Retail Sales	10/24/2007 - Existing Home Sales
10/12/2007 - Producer Price Index	10/25/2007 - Durable Goods
10/15/2007 - Empire Manufacturing	10/25/2007 - New Home Sales
10/17/2007 - Consumer Price Index	10/31/2007 - FOMC Rate Decision

Market Commentary

During September the FOMC cut the overnight lending rate for the first time since June of 2003. Recognizing difficulties in the credit markets and the potential for slower economic growth in future quarters, the Fed reduced the Fed Funds rate 50 basis points to 4.75%. The Fed and many economists are concerned that tightening credit standards and continued weakness in the housing market will erode future economic growth. Both existing and new home sales plummeted to new lows during September, reinforcing those views. Treasury yields fell throughout the month in volatile trading as investors tried to lock in yields. Stock investors applauded the Fed move pushing equity indexes closer to their highs of the year. Some are now concerned that as the Fed cuts rates, inflation could reappear. This is of particular concern to holders of longer term bonds. Some of these investors have sold their holdings causing the yield curve to normalize, longer maturities yielding more than shorter maturities. The market expects that the Fed will cut rates further but any action will be dependent on future economic releases.