

M E M O

TO: Board of Directors

FROM: District Manager

SUBJECT: INVESTMENT REPORT PERIOD ENDING MAY 31, 2005

DATE: June 9, 2005

RECOMMENDATION:

It is recommended that the Board of Directors review and file this report.

BACKGROUND:

At the December 2, 2004 Board of Directors Meeting your Board adopted Resolution No. 16 (04-05) which established an Investment Policy for the San Lorenzo Valley Water District. The Investment Policy and California Government Code, Section 53646, states that the Board of Directors shall receive investment reports at least quarterly.

Attached are account statements for the period ending May 31, 2005 from the District's Local Agency Investment Fund (LAIF) Account (See Attachment 1) and Morgan Stanley Investment Account (See Attachment 2).

It is recommended that the Board of Directors review and file this report.

James A. Mueller
District Manager

JAM/kas
Attachment

OFFICE OF THE TREASURER

SACRAMENTO

ATTACHED



Local Agency Investment Fund
 PO Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

May, 2005 Statement

SAN LORENZO VALLEY WATER DISTRICT

Attn: DISTRICT MANAGER
 13060 HIGHWAY 9
 BOULDER CREEK

CA 95006

Account Number : 90-44-001

Transactions

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
05-06-2005	05-05-2005	RW	1025354	KAREN ALVAREZ	- 60,000.00

Account Summary

Total Deposit :	0.00	Beginning Balance :	1,798,800.07
Total Withdrawal :	- 60,000.00	Ending Balance :	1,738,800.07

KAREN ALVAREZ

JUN - 8 2005

SAN LORENZO VALLEY
 WATER DISTRICT

State of California
Pooled Money Investment Account
Market Valuation
03/31/05

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch. Amortized Cost		
United States Treasury:				
Bills	\$ 2,203,088,694.11	\$ 2,211,390,444.26	\$ 2,211,140,000.00	NA
Notes	\$ 6,232,240,615.61	\$ 6,229,654,725.87	\$ 6,187,467,000.00	\$ 44,761,535.50
Federal Agency:				
SBA	\$ 660,027,070.25	\$ 659,945,911.39	\$ 652,551,454.50	\$ 2,864,357.20
MBS	\$ 592,461,885.13	\$ 592,461,885.13	\$ 571,107,824.90	\$ 2,627,362.37
Bonds	\$ 6,911,237,708.39	\$ 6,910,252,465.32	\$ 6,830,718,723.80	\$ 51,809,355.86
Floater	\$ -	\$ -	\$ -	\$ -
Discount Notes	\$ 6,584,826,492.44	\$ 6,621,891,812.56	\$ 6,620,334,500.00	NA
FHLMC PC	\$ 2,327,584.04	\$ 2,327,584.04	\$ 2,472,581.48	\$ 37,484.54
GNMA	\$ 333,959.25	\$ 333,959.25	\$ 373,198.49	\$ 3,301.47
Bankers Acceptances	\$ -	\$ -	\$ -	NA
Bank Notes	\$ 450,000,000.00	\$ 450,000,000.00	\$ 449,673,403.50	\$ 1,322,916.67
CDs	\$ 9,028,053,820.04	\$ 9,028,036,020.04	\$ 9,023,128,642.68	\$ 30,070,575.30
Commercial Paper	\$ 4,449,131,405.53	\$ 4,465,383,202.76	\$ 4,463,867,172.22	NA
Corporate:				
Floater	\$ 184,583,131.94	\$ 184,583,131.94	\$ 183,877,232.55	\$ 2,269,824.85
Bonds	\$ 1,363,016,355.76	\$ 1,362,969,956.59	\$ 1,340,983,912.75	\$ 16,989,088.44
Repurchase Agreements	\$ -	\$ -	\$ -	NA
Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
Time Deposits	\$ 6,746,495,000.00	\$ 6,746,495,000.00	\$ 6,746,495,000.00	NA
AB 55 & GF Loans	\$ 5,908,620,340.55	\$ 5,908,620,340.55	\$ 5,908,620,340.55	NA
TOTAL	\$ 51,316,444,063.04	\$ 51,374,346,439.70	\$ 51,192,810,987.42	\$ 152,755,802.20

Fair Value Including Accrued Interest \$ 51,345,566,789.62

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost **(.996466418)**.
As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$19,929,328.37 or \$20,000,000.00 x .996466418.

Phil Angelides, State Treasurer
 Inside the State Treasurer's Office



Pooled Money Investment Account
 Summary of Investment Data

	Average Daily Portfolio	Effective Yield	Average Life (Month End in Days)
November 2004	\$51,761,375	2.003	191
November 2003	\$53,495,662	1.572	202
Change	-\$1,734,287	+0.431	-11
December 2004	\$51,766,737	2.134	210
December 2003	\$52,505,990	1.545	189
Change	-\$739,253	+0.589	+21
January 2005	\$54,363,641	2.264	202
January 2004	\$53,485,127	1.528	179
Change	+\$878,514	+0.736	+23
February 2005	\$54,497,333	2.368	219
February 2004	\$53,973,554	1.440	168
Change	+\$523,779	+0.928	+51
March 2005	\$49,765,179	2.542	217
March 2004	\$52,164,802	1.474	159
Change	-\$2,399,623	+1.068	+58
April 2005	\$54,857,398	2.724	183
April 2004	\$53,669,110	1.445	145
Change	+\$1,188,288	+1.279	+38
May 2005	\$61,691,707	2.856	170
May 2004	\$64,255,880	1.426	155
Change	-\$2,564,173	+1.43	+15

**PHIL ANGELIDES
TREASURER
STATE OF CALIFORNIA**

**INVESTMENT DIVISION SELECTED INVESTMENT DATA
ANALYSIS OF THE POOLED MONEY INVESTMENT ACCOUNT PORTFOLIO
(000 OMITTED)**

March 31, 2005

<u>TYPE OF SECURITY</u>	AMOUNT	PERCENT	PERCENTAGE CHANGE FROM PRIOR MONTH
Government			
Bills	\$ 2,203,089	4.29	-0.06
Bonds	0	0	
Notes	6,232,241	12.15	+0.34
Strips	0	0	0
Total Governments	\$ 8,435,330	16.44	+0.28
Federal Agency Coupons	\$ 7,571,265	14.75	+0.69
Certificate of Deposits	9,028,055	17.59	+2.37
Bank Notes	450,000	0.88	-0.75
Bankers' Acceptances	0	0	0
Repurchases	0	0	0
Federal Agency Discount Notes	6,584,826	12.83	-1.25
Time Deposits	6,746,495	13.15	+0.08
GNMAs	334	0	0
Commerical Paper	4,449,131	8.67	-2.80
FHLMC/REMICS	594,789	1.16	-0.04
Corporate Bonds	1,547,599	3.01	-0.09
AB55	5,720,749	11.15	+0.55
GF Loans	187,871	0.37	+0.37
Reversed Repurchases	0	0	<0.59>
Total (All Types)	\$ 51,316,444	100.00	

Average Life of Portfolio as of March 31, 2005 is 217 Days

Phil Angelides, State Treasurer
 Inside the State Treasurer's Office



Local Agency Investment Fund (LAIF)

PMIA Performance Report

LAIF Performance Report

Date	Daily Yield	Quarter to Date Yield	Average Maturity (in days)
5/25/2005	2.89	2.78	170
5/26/2005	2.90	2.78	174
5/27/2005	2.90	2.79	174
5/28/2005	2.90	2.79	174
5/29/2005	2.90	2.79	174
5/30/2005	2.90	2.79	174
5/31/2005	2.93	2.79	170
6/1/2005	2.94	2.80	175
6/2/2005	2.94	2.80	174
6/3/2005	2.94	2.80	174
6/4/2005	2.94	2.80	174
6/5/2005	2.94	2.81	174
6/6/2005	2.94	2.81	172
6/7/2005	2.94	2.81	173

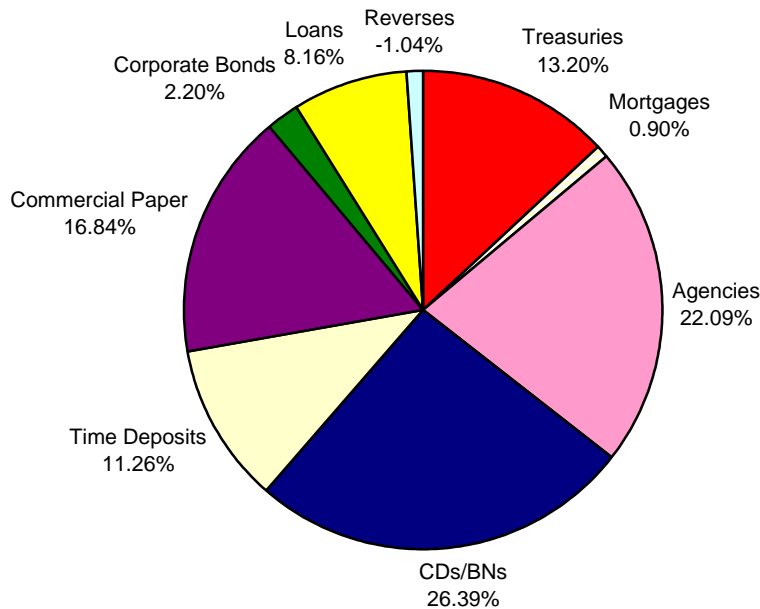
Quarter Ending 3/31/05

Apportionment Rate: 2.38%
 Earnings Ratio: .00006516177802079
 Fair Value Factor: .996466418

PMIA Average Monthly Effective Yields

May 2005 2.856%
 April 2005 2.724%
 March 2005 2.542%

**Pooled Money Investment Account
 Portfolio Composition
 \$62.2 Billion
 5/31/05**



Your Financial Advisor
JAMES M BARGETTO
SENIOR VICE PRESIDENT
MORGAN STANLEY
716 OCEAN STREET
SANTA CRUZ, CA 95060
(831) 457-4314

Account Number
136 022962 014

#BWNJGWM
00041869 2 AT 0.547 02 TR 302 -000
SAN LORENZO VALLEY WATER DIST
INVESTMENT BROKERAGE ACCT
ATTENTION: JAMES A MUELLER
13060 HIGHWAY 9
BOULDER CREEK CA. 95006-9119

Householding Anniv. Date:
03/08/2003
Access your account at:
www.morganstanley.com/online

JUN - 8 2005
SAN LORENZO VALLEY
WATER DISTRICT

ASSET DETAILS

Your Investments				Current Price	Value	Est Yrly Income	Current Yield
95000	ACACIA FED SVG CD	3100	05SP12	99.903	94,907.85	2,945.00	3.10%
95000	HUNTINGTON NATL	2850	05DE12	99.606	94,625.70	2,707.50	2.86%
95000	ALLSTATE BANK CD	2100	06MH27	98.659	93,726.05	1,995.00	2.12%
95000	BSB BANK & TR CD	2650	06AU29	98.331	93,414.45	2,517.50	2.69%
95000	MIDFIRST BANK CD	3250	06SP05	99.024	94,072.80	3,087.50	3.28%
90000	FIRST BANK CA CD	4250	08AP28	99.357	89,421.30	3,825.00	4.27%
95000	DISCOVER BANK CD	3500	08DE03	96.635	91,803.25	3,325.00	3.62%
95000	WEBSTER BANK CD	3300	09MH03	95.647	90,864.65	3,135.00	3.45%
95000	1ST SIGNATURE CD	3300	09MH03	95.647	90,864.65	3,135.00	3.45%
95000	LEHMAN BROS CD	3500	09MH03	96.329	91,512.55	3,325.00	3.63%
95000	PROVIDIAN NATL CD	4000	09SP15	103.031	97,879.45	3,800.00	3.88%
95000	COLE TAYLOR FID	41250	*09NV24	99.104	94,148.80	3,918.75	4.16%
95000	SOVEREIGN BK CD	4000	*09DE09	99.831	94,839.45	3,800.00	4.00%
95000	TOWER BANK CD	4150	10FB23	97.787	92,897.65	3,942.50	4.24%
95000	NEW SOUTH FSB CD	3500	*10MY12	97.695	92,810.25	3,325.00	3.58%
95000	CAROLINA FIRST CD	3500	*10MY26	97.827	92,935.65	3,325.00	3.57%
95000	M&I BANK FSB FID	3500	*10JL10	98.178	93,269.10	3,325.00	3.56%
250000	FHLB	4375	05NV15	100.438	251,095.00	10,937.50	4.35%
1200000	FNMA	4375	060C15	100.906	1,210,872.00	52,500.00	4.33%
850000	US TSY NOTE	3500	06NV15	99.980	849,830.00	29,750.00	3.50%
750000	US TSY NOTE	2250	07FB15	97.859	733,942.50	16,875.00	2.29%
850000	US TSY NOTE	3250	07AU15	99.273	843,820.50	27,625.00	3.27%
100000	CAPITAL JUMBO CD	4550	07SP04	99.992	99,992.00	4,550.00	4.55%
700000	US TSY NOTE	3000	07NV15	98.598	690,186.00	21,000.00	3.04%
925000	FNMA	5750	08FB15	104.719	968,650.75	53,187.50	5.49%
1300000	FHLMC MTN	3000	08MH24	97.737	1,270,581.00	39,000.00	3.06%
850000	US TSY NOTE	4750	08NV15	103.457	879,384.50	40,375.00	4.59%
350000	US TSY NOTE	3000	09FB15	97.578	341,523.00	10,500.00	3.07%
850000	US TSY NOTE	2625	09MH15	96.258	818,193.00	22,312.50	2.72%

SAN LORENZO VALLEY WATER DIST
INVESTMENT BROKERAGE ACCT

Account Number
136 022962 014

Your Investments			Current Price	Value	Est Yrly Income	Current Yield
450000	FNMA	3270 *09JN16	97.250	437,625.00	14,715.00	3.36%
500000	FNMA	3500 *09SP04	96.938	484,690.00	17,500.00	3.61%
500000	FNMA	2900 *09OC14	98.344	491,720.00	14,500.00	2.94%
525000	FNMA	3500 *09DE17	99.406	521,881.50	18,375.00	3.52%
150000	FNMA	3000 *10AU26	98.844	148,266.00	4,500.00	3.03%
170000	FNMA	3750 *12MH16	98.844	168,034.80	6,375.00	3.79%
Total Value of Priced Investments				\$12,794,281.15	\$460,011.25	3.59%

Custodial Holdings		Symbol	Current Price	Date	Value	Custodian	Dividend Cap Gains Option	Fund Plan Number
86405.40	U.S. GOV'T MONEY MARKET TR	SGMT	1.00	05/31/05	86,405.40	MSDWT	Reinv/ N/A	519953650
Total Custodial Holdings					\$86,405.40			

Asset Summary		Value	Est Yrly Income
Cash		0.00	
Total Account Valuation		\$12,880,686.55	\$460,011.25

DAILY ACTIVITY DETAILS

Date	Activity	Quantity	Description	Price	Amount	Cash Balance
			CLOSING BALANCE AS OF 4/30			.00
5/02	Taxable Interest		CAPITAL JUMBO CD 4550 07SP04		+373.97	+373.97
5/04	Taxable Interest		FNMA 3500 *09SP04		+1,458.34	+1,832.31
5/05	Bought	1832.31	U.S. GOV'T MONEY MARKET TR	1.00	-1,832.31	.00
5/12	Taxable Interest		NEW SOUTH FSB CD 3500 *10MY12		+1,648.84	+1,648.84
5/13	Bought	1648.84	U.S. GOV'T MONEY MARKET TR	1.00	-1,648.84	.00

SAN LORENZO VALLEY WATER DIST
INVESTMENT BROKERAGE ACCT

Account Number
136 022962 014

DAILY ACTIVITY DETAILS

Date	Activity	Quantity	Description	Price	Amount	Cash Balance
5/15	Taxable Interest		FHLB		+5,468.75	+5,468.75
	Taxable Interest		US TSY NOTE 4375 05NV15		+20,187.50	+25,656.25
	Taxable Interest		US TSY NOTE 4750 08NV15		+14,875.00	+40,531.25
	Taxable Interest		US TSY NOTE 3500 06NV15		+10,500.00	+51,031.25
5/17	Bought	51031.25	US TSY NOTE 3000 07NV15		+10,500.00	+51,031.25
5/23	Taxable Interest		U.S. GOV'T MONEY MARKET TR	1.00	-51,031.25	.00
5/24	Taxable Interest		TOWER BANK CD 4150 10FB23		+324.04	+324.04
5/25	Bought	2208.42	COLE TAYLOR FID 41250*09NV24		+1,884.38	+2,208.42
5/26	Taxable Interest		U.S. GOV'T MONEY MARKET TR	1.00	-2,208.42	.00
5/27	Bought	1648.84	CAROLINA FIRST CD 3500 *10MY26		+1,648.84	+1,648.84
5/31	Dividend		U.S. GOV'T MONEY MARKET TR	1.00	-1,648.84	.00
	Direct Purchase	108.080	U.S. GOV'T MONEY MARKET TR		+108.08	.00
			REINVESTMENT	1.00	-108.08	.00
CLOSING BALANCE AS OF 5/31						.00

Morgan Stanley Fund Summary	YTD Dividends	YTD Cap Gains	YTD Taxes	Features
U.S. GOV'T MONEY MARKET TR	520.07	0.00	0.00	Reinvest Dividends
Totals	\$520.07	\$0.00	\$0.00	

SAN LORENZO VALLEY WATER DIST
INVESTMENT BROKERAGE ACCT

Account Number
136 022962 014

<u>Income Summary</u>	<i>This Month</i>	<i>Year-to-Date</i>		<i>This Month</i>	<i>Year-to-Date</i>
Dividends	108.08	520.07	Interest	58,369.66	203,835.81
Accrued Bond Interest	.00	1,040.84	Margin Interest	.00	.00

<u>Tax Information</u>	<i>This Month</i>	<i>Year-to-Date</i>
U.S. Treasury Coupon Interest	45,562.50	84,218.75

Margin Loan Rates

<i>Loan Amount</i>	<i>Rate</i>	
\$0 - 9,999	9.875%	EFFECTIVE DATE: May 4, 2005
\$10,000 - 24,999	9.750%	PREVIOUS CHANGE: March 23, 2005
\$25,000 - 49,999	8.750%	
\$50,000 - 99,999	8.625%	
\$100,000 - 499,999	7.375%	
\$500,000 - 999,999	7.125%	
\$1,000,000 - 4,999,999.	6.500%	
\$5,000,000 - 9,999,999.	6.000%	
\$10,000,000 & over.....	5.750%	

Your Financial Advisor
JAMES M BARGETTO
SENIOR VICE PRESIDENT
MORGAN STANLEY
716 OCEAN STREET
SANTA CRUZ, CA 95060
(831) 457-4314

Account Number
136 022962 014

|||||
SAN LORENZO VALLEY WATER DIST
INVESTMENT BROKERAGE ACCT
ATTENTION: JAMES A MUELLER
13060 HIGHWAY 9
BOULDER CREEK CA 95006-9119

Householding Anniv. Date:
03/08/2003
Access your account at:
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GAIN AND LOSS SUMMARY

The Estimated Gain and Loss information is provided for informational purposes only and may not be relied upon in making any tax, accounting or regulatory filing or report. We recommend that you contact your tax advisor to determine the appropriate information to be used in the preparation of your tax return. This Estimated Gain and Loss Summary is not a substitute 1099 form (or any other appropriate tax form) and should not be filed with your taxes. The figures should be independently verified. Estimated Gain and Loss information does not take into account a taxpayer's particular circumstances such as the existence of hedging transactions, constructive sales or marked-to-market pricing adjustments on certain options held at year-end.

Please note that although Morgan Stanley DW Inc. makes every effort to adjust the cost basis for such securities' capital changes, it does not adjust the cost basis for all events, including amortization of non-municipal bond premiums; exercise of unlisted stock options; securities deemed to have been sold and simultaneously repurchased; receipt of cash in lieu of fractional shares; or the net effect of wash sales and/or short sales against the box.

For securities not purchased through Morgan Stanley DW Inc., for example, securities purchased elsewhere and later transferred to it, any data included in the Estimated Gain and Loss information has been provided either by you or another financial institution. Whether provided by you, another financial institution or Morgan Stanley DW Inc., it is your responsibility to ensure the accuracy of all of the Estimated Gain and Loss information. Please contact your Financial Advisor with any questions or to correct any information.

For Managed Futures and alternative investments, there are likely to be restrictions on redemptions, please see applicable offering document.

With respect to estimated gains and losses for listed equity options, Morgan Stanley has taken into account option premiums paid or received and, in respect to multiple purchases and/or sales, calculated cost using an average unit price for all like positions. Morgan Stanley has made calculations using what appear to be off-setting positions; no assurance can be given that these positions are intended to off-set each other or that they are not intended to off-set other securities positions, in which case the analysis may be different. Morgan Stanley has obtained pricing information from independent sources it believes to be reliable. No assurance can be given that the values given are accurate. Values are subject to change and are as of a given point in time only. Past performance does not guarantee future returns.

This summary is not part of your account statement. It is for information purposes only and should not be used for tax preparation.

SAN LORENZO VALLEY WATER DIST
INVESTMENT BROKERAGE ACCT

Account Number
136 022962 014
Additional
Information

<u>Unrealized Gain/(Loss)</u>	<u>Quantity</u>	<u>Date Acquired</u>	<u>Unit Cost</u>	<u>Adjusted Total Cost</u>	<u>Market Value</u>	<u>Unrealized Gain/(Loss)</u>	<u>Additional Information</u>
Government Securities							
Treasury Securities							
US TSY NOTE	3 1/2	11-15-06	850,000	07-05-02 98.0087	840,425.50	849,830.00	9,404.50 Long Term
US TSY NOTE	2 1/4	2-15-07	750,000	02-26-04 100.4176	753,132.25	733,942.50	(19,189.75) Long Term
US TSY NOTE	3 1/4	8-15-07	850,000	08-28-02 100.2787	852,369.50	843,820.50	(8,549.00) Long Term
US TSY NOTE	3.000	11-15-07	700,000	12-05-03 100.5764	704,035.20	690,186.00	(13,849.20) Long Term
US TSY NOTE	4 3/4	11-15-08	850,000	07-05-02 101.5477	863,156.17	879,384.50	16,228.33 Long Term
US TSY NOTE	3.000	2-15-09	350,000	02-27-04 100.5379	351,882.90	341,523.00	(10,359.90) Long Term
US TSY NOTE	2 5/8	3-15-09	850,000	03-26-04 100.0000	850,005.00	818,193.00	(31,812.00) Long Term
Federal Agencies							
FHLB	4 3/8	11-15-05	250,000	08-28-02 104.0015	260,395.00	251,095.00	(9,300.00) Long Term
FNMA	4 3/8	10-15-06	1,200,000	07-05-02 100.0080	1,209,605.00	1,210,872.00	1,267.00 Long Term
FNMA	5 3/4	2-15-08	925,000	07-05-02 106.0076	987,615.94	968,650.75	(18,965.19) Long Term
FHLMC MTN	3.000	3-24-08	1,300,000	04-04-03 99.0050	1,293,505.00	1,270,581.00	(22,924.00) Long Term
FNMA	3.270	6-16-09	450,000	03-12-04 99.8750	449,442.50	437,625.00	(11,817.50) Long Term
FNMA	3 1/2	9-04-09	500,000	02-25-04 100.0000	500,000.00	484,690.00	(15,310.00) Long Term
FNMA	2.900	10-14-09	500,000	01-25-05 99.0000	495,005.00	491,720.00	(3,285.00) Short Term
FNMA	3 1/2	12-17-09	525,000	12-08-03 99.7000	523,425.00	521,881.50	(1,543.50) Long Term
FNMA	3.000	8-26-10	150,000	08-16-04 100.0000	150,000.00	148,266.00	(1,734.00) Short Term
FNMA	3 3/4	3-16-12	170,000	09-08-04 100.0000	170,000.00	168,034.80	(1,965.20) Short Term
Certificates of Deposit							
ACACIA FED SVG CD	3.100	9-12-05	95,000	08-29-02 100.0000	95,000.00	94,907.85	(92.15) Long Term

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SAN LORENZO VALLEY WATER DIST
INVESTMENT BROKERAGE ACCT

Account Number
136 022962 014

<u>Unrealized Gain/(Loss)</u>	<u>Quantity</u>	<u>Date Acquired</u>	<u>Unit Cost</u>	<u>Adjusted Total Cost</u>	<u>Market Value</u>	<u>Unrealized Gain/(Loss)</u>	<u>Additional Information</u>	
HUNTINGTON NATL	2.850	12-12-05	95,000	12-06-02	100.0000	95,000.00	94,625.70 (374.30) Long Term	
ALLSTATE BANK CD	2.100	3-27-06	95,000	03-20-03	100.0000	95,000.00	93,726.05 (1,273.95) Long Term	
BSB BANK & TR CD	2.650	8-29-06	95,000	08-26-03	100.0000	95,000.00	93,414.45 (1,585.55) Long Term	
MIDFIRST BANK CD	3 1/4	9-05-06	95,000	08-28-02	100.0000	95,000.00	94,072.80 (927.20) Long Term	
CAPITAL JUMBO CD	4.550	9-04-07	100,000	08-28-02	100.0000	100,000.00	99,992.00 (8.00) Long Term	
FIRST BANK CA CD	4 1/4	4-28-08	90,000	04-15-05	100.0000	90,000.00	89,421.30 (578.70) Short Term	
DISCOVER BANK CD	3 1/2	12-03-08	95,000	11-26-03	100.0000	95,000.00	91,803.25 (3,196.75) Long Term	
WEBSTER BANK CD	3.300	3-03-09	95,000	02-25-04	100.0000	95,000.00	90,864.65 (4,135.35) Long Term	
1ST SIGNATURE CD	3.300	3-03-09	95,000	02-25-04	100.0000	95,000.00	90,864.65 (4,135.35) Long Term	
LEHMAN BROS CD	3 1/2	3-03-09	95,000	02-25-04	100.0000	95,000.00	91,512.55 (3,487.45) Long Term	
PROVIDIAN NATL CD	4.000	9-15-09	95,000	09-08-04	100.0000	95,000.00	97,879.45 2,879.45 Short Term	
COLE TAYLOR FID	4 1/8	11-24-09	95,000	05-10-04	100.0000	95,000.00	94,148.80 (851.20) Long Term	
SOVEREIGN BK CD	4.000	12-09-09	95,000	05-18-04	100.0000	95,000.00	94,839.45 (160.55) Long Term	
TOWER BANK CD	4.150	2-23-10	95,000	02-15-05	100.0000	95,000.00	92,897.65 (2,102.35) Short Term	
NEW SOUTH FSB CD	3 1/2	5-12-10	95,000	10-27-04	100.0000	95,000.00	92,810.25 (2,189.75) Short Term	
CAROLINA FIRST CD	3 1/2	5-26-10	95,000	11-17-04	100.0000	95,000.00	92,935.65 (2,064.35) Short Term	
M&I BANK FSB FID	3 1/2	7-10-10	95,000	01-06-05	100.0000	95,005.00	93,269.10 (1,735.90) Short Term	
Totals for positions with cost data available						\$12,964,004.96	\$12,794,281.15	(\$169,723.81)
Total Market Value for all positions							\$12,794,281.15	

The "Total Cost" and "Unit Cost" for Fixed Income Unit Trusts, Mortgage-Backed Securities, and Zero Coupon Bonds has been adjusted to reflect any partial return of principal or capital that may have been paid to you, or accreted interest earned, since your purchase date. In the event that the accumulated total return of principal or capital is greater than the provided original cost, the adjusted cost will be "0.00".

This summary is not part of your account statement. It is for information purposes only and should not be used for tax preparation.

SAN LORENZO VALLEY WATER DIST
INVESTMENT BROKERAGE ACCT

Account Number
136 022962 014

<u>Realized Gain/(Loss)</u>	<u>Quantity</u>	<u>Date Acquired</u>	<u>Date Sold</u>	<u>Adjusted Total Cost</u>	<u>Proceeds</u>	<u>Realized Gain/(Loss)</u>	<u>Additional Information</u>	
Short Term								
FNMA	5.000	12-30-10	500,000	06-14-04	01-28-05	500,000.00	500,000.00	
Sub Total Short Term						\$500,000.00	\$500,000.00	\$0.00
Long Term								
E-TRADE BANK CD	3.100	9-06-05	95,000	08-29-02	01-06-05	95,000.00	94,995.00	(5.00) Long Term
Sub Total Long Term						\$95,000.00	\$94,995.00	(\$5.00)
Totals for closing transactions with cost data available						\$595,000.00	\$594,995.00	(\$5.00)
Total Proceeds						\$594,995.00		

<u>Summary</u>	<u>Short Term</u>	<u>Long Term</u>	<u>Total</u>
Unrealized gain.....	\$2,879.45	\$26,899.83	\$29,779.28
Unrealized (loss).....	(\$15,655.25)	(\$183,847.84)	(\$199,503.09)
Realized gain YTD.....	\$0.00	\$0.00	\$0.00
Realized (loss) YTD.....	\$0.00	(\$5.00)	(\$5.00)