

**SAN LORENZO VALLEY WATER DISTRICT  
CASH FLOW  
July 2005**

| Description                   | Connection<br>Fees | Customer<br>Deposits | Water Reserve<br>Surcharge | Equipment<br>Reserve Fund | Water<br>Fund    | Bear Creek<br>General OPS | Bear Creek<br>Bond Reserve | Bear Creek<br>Equip. Reserve | District<br>Funds | Waterman<br>Gap   | N.B.C.<br>Fund | C.O.P.<br>Fund | TOTAL<br>FUNDS    |
|-------------------------------|--------------------|----------------------|----------------------------|---------------------------|------------------|---------------------------|----------------------------|------------------------------|-------------------|-------------------|----------------|----------------|-------------------|
| <b>CASH ON HAND 06/30/05</b>  | <b>126,599</b>     | <b>309,127</b>       | <b>911,022</b>             | <b>175,224</b>            | <b>529,842</b>   | <b>(168,411)</b>          | <b>2,777</b>               | <b>3,352</b>                 | <b>1,889,532</b>  | <b>11,500,917</b> | <b>391,206</b> | <b>546,897</b> | <b>14,328,552</b> |
| Revenue                       | 11,466             | 1,575                | 0                          | 0                         | 264,640          | 0                         | 0                          | 0                            | 277,681           | 0                 | 0              | 0              | 277,681           |
| Co. of Santa Cruz Tax Revenue | 0                  | 0                    | 0                          | 0                         | 0                | 0                         | 0                          | 0                            | 0                 | 0                 | 0              | 0              | 0                 |
| LAIF Qtrly Interest           | 0                  | 0                    | 43                         | 618                       | (89)             | 0                         | 0                          | 0                            | 572               | 8,950             | 2,625          | 0              | 12,147            |
| <b>TOTAL CASH MONTH</b>       | <b>11,466</b>      | <b>1,575</b>         | <b>43</b>                  | <b>618</b>                | <b>264,551</b>   | <b>0</b>                  | <b>0</b>                   | <b>0</b>                     | <b>278,253</b>    | <b>8,950</b>      | <b>2,625</b>   | <b>0</b>       | <b>289,828</b>    |
| Disbursements                 | 0                  | 0                    | 0                          | 0                         | (52,664)         | (28,157)                  | 0                          | 0                            | (80,821)          | (130,000)         | 0              | (7,956)        | (218,777)         |
| Payroll                       | 0                  | 0                    | 0                          | 0                         | (147,587)        | (1,035)                   | 0                          | 0                            | (148,622)         | 0                 | 0              | (956)          | (149,578)         |
| <b>TOTAL DISBURSEMENTS</b>    | <b>0</b>           | <b>0</b>             | <b>0</b>                   | <b>0</b>                  | <b>(200,251)</b> | <b>(29,192)</b>           | <b>0</b>                   | <b>0</b>                     | <b>(229,443)</b>  | <b>(130,000)</b>  | <b>0</b>       | <b>(8,912)</b> | <b>(368,355)</b>  |
| <b>CASH ON HAND 07/31/05</b>  | <b>138,065</b>     | <b>310,702</b>       | <b>911,065</b>             | <b>175,842</b>            | <b>594,142</b>   | <b>(197,603)</b>          | <b>2,777</b>               | <b>3,352</b>                 | <b>1,938,342</b>  | <b>11,379,867</b> | <b>393,831</b> | <b>537,985</b> | <b>14,250,025</b> |

**BANK RECONCILIATION**  
**MONTH ENDING July 31, 2005**

|                            |                 |
|----------------------------|-----------------|
| <b>LIBERTY BANK</b>        |                 |
| Checking Account 02-000187 | G/L 01-1110     |
| <b>06/30/05 BALANCE</b>    | <b>1,021.68</b> |
| <b>Deposit - Transfers</b> |                 |
| From Liberty Bank Savings  | 241,100.00      |
| <b>Disbursements</b>       |                 |
| Payroll                    | (149,578.30)    |
| Bank Charges               | 0.00            |
| <b>Transfers -</b>         |                 |
| To Wells Fargo Bank        | (92,000.00)     |
| <b>07/31/05 BALANCE</b>    | <b>543.38</b>   |

|                               |                     |
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| <b>LIBERTY BANK</b>           |                     |
| Savings Account 02-113128     | G/L 01-1201         |
| <b>06/30/05 BALANCE</b>       | <b>54,226.34</b>    |
| <b>Deposits</b>               |                     |
| Water Revenue                 | 262,300.68          |
| Tax Revenue                   | 0.00                |
| Connection Deposit            | 11,466.00           |
| Other (Deposits & Misc)       | 3,914.26            |
| Bear Creek Sewer Revenue      | 0.00                |
| Quarterly Interest(less fees) | 0.00                |
|                               | <b>277,680.94</b>   |
| <b>Disbursements</b>          |                     |
| <b>Transfers-</b>             |                     |
| To Liberty Bank Checking      | (241,100.00)        |
| Returned Checks               | 0.00                |
|                               | <b>(241,100.00)</b> |
| <b>07/31/05 BALANCE</b>       | <b>90,807.28</b>    |

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| <b>WELLS FARGO BANK</b>           |                     |
| Checking Account 8672481358       | G/L 01-1111         |
| <b>06/30/05 BALANCE</b>           | <b>7,956.39</b>     |
| <b>Deposits -</b>                 |                     |
| Transfer From Liberty Checking    | 92,000.00           |
| Tax Revenue                       | 0.00                |
| Transfer from LAIF (Waterman Gap) | 130,000.00          |
| Transfer from LAIF (District)     | 0.00                |
|                                   | <b>222,000.00</b>   |
| <b>Disbursements -</b>            |                     |
| Checks                            | (220,679.25)        |
| Transfers to LAIF(District)       | 0.00                |
| Voids/Staledates                  | 1,906.00            |
| Bank Charges                      | (3.47)              |
|                                   | <b>(218,776.72)</b> |
| <b>07/31/05 BALANCE</b>           | <b>11,179.67</b>    |

|                            |                   |
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| <b>TOTAL BANK ACCOUNTS</b> |                   |
| <b>07/31/05 BALANCE</b>    | <b>102,530.33</b> |

|                                      |  |
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| <b>LOCAL AGENCY INVESTMENT FUND</b>  |  |
| Account 90-44-001                    | G/L 01-1150, 1171, 1172<br>and 02-1171 |
| <b>06/30/05 BALANCE</b>              | <b>116,775.14</b>                      |
| Deposits -                           |  |
| Transfer from Wells Fargo            |  |
| Interest from LAIF                   | 572.36                                 |
| Transfer from LAIF COP               |  |
| Transfer from LAIF NBC               |  |
| Transfer from LAIF Waterman Gap      |  |
| Disbursements                        |  |
| Transfer to LAIF COP                 |  |
| Transfer to LAIF Waterman Gap        |  |
| Transfer to LAIF (NBC) - Tax Revenue |  |
| Transfer to Wells Fargo              |  |
| <b>07/31/05 BALANCE</b>              | <b>117,347.50</b>                      |

|                                       |                   |
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| <b>LOCAL AGENCY INVESTMENT FUND</b>   |                   |
| <b>North Boulder Creek Assessment</b> | G/L 01-1151&1160  |
| <b>06/30/05 BALANCE</b>               | <b>391,206.10</b> |
| Deposit -                             |                   |
| Interest from LAIF                    | 2,624.99          |
| S.C. Co. Taxes                        |                   |
| Disbursements                         |                   |
| Transfer to LAIF-District             |                   |
| <b>07/31/05 BALANCE</b>               | <b>393,831.09</b> |

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| <b>LOCAL AGENCY INVESTMENT FUND</b>            |              |
| <b>1998 Certificate of Participation Issue</b> | G/L 01-1158  |
| <b>06/30/05 BALANCE</b>                        | <b>21.31</b> |
| Deposit -                                      |              |
| Interest from LAIF                             | 0.15         |
| Transfer from LAIF (District)                  |              |
| Disbursements                                  |              |
| Transfer to LAIF-District                      |              |
| <b>07/31/05 BALANCE</b>                        | <b>21.46</b> |

|   |                     |
|---|---------------------|
| <b>LOCAL AGENCY INVESTMENT FUND</b>               |                     |
| <b>Waterman Gap</b>                               | G/L 01-1170         |
| <b>06/30/05 BALANCE</b>                           | <b>1,070,797.52</b> |
| Deposit -   |                     |
| Interest from LAIF                                | 8,949.87            |
| Transfer from LAIF - District                     |                     |
| Transfer from Wells Fargo                         |                     |
| Disbursements                                     |                     |
| Transfer to Wells Fargo (for A/P)                 | (130,000.00)        |
| Transfer to LAIF-District (for Equipment reserve) |                     |
| <b>07/31/05 BALANCE</b>                           | <b>949,747.39</b>   |

|                         |                     |
|-------------------------|---------------------|
| <b>TOTAL LAIF</b>       |                     |
| <b>07/31/05 BALANCE</b> | <b>1,460,947.44</b> |

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| <b>MORGAN STANLEY - DEAN WITTER (District)</b> | G/L 01-1180         |
| <b>Account 136-022962</b>                      |                     |
| <b>06/30/05 BALANCE</b>                        | <b>1,646,753.87</b> |
| Deposit -                                      |                     |
| Transfer from Wells Fargo                      |                     |
| Interest/Dividend Pymnt FYE 6/30/04            |                     |
| Transfer from M.S. COP                         | 8,911.95            |
| Disbursements                                  |                     |
|  |                     |
| <b>07/31/05 BALANCE</b>                        | <b>1,655,665.82</b> |

|                                     |                  |
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| <b>MORGAN STANLEY - DEAN WITTER</b> | G/L 01-1181      |
| <b>Equipment Reserve Fund</b>       |                  |
| <b>06/30/05 BALANCE</b>             | <b>62,799.06</b> |
| Deposit -                           |                  |
| Transfer from Wells Fargo           |                  |
| Interest/Dividend Pymnt FYE 6/30/04 |                  |
|                                     |                  |
| Disbursements                       |                  |
|                                     |                  |
| <b>07/31/05 BALANCE</b>             | <b>62,799.06</b> |

|                                     |                      |
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| <b>MORGAN STANLEY - DEAN WITTER</b> | G/L 01-1182          |
| <b>Waterman Gap</b>                 |                      |
| <b>06/30/05 BALANCE</b>             | <b>10,430,119.60</b> |
| Deposit -                           |                      |
| Transfer from Wells Fargo           |                      |
| Interest/Dividend Pymnt FYE 6/30/04 |                      |
|                                     |                      |
| Disbursements                       |                      |
|                                     |                      |
| <b>07/31/05 BALANCE</b>             | <b>10,430,119.60</b> |

|                                     |                   |
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| <b>MORGAN STANLEY - DEAN WITTER</b> | G/L 01-1183       |
| <b>COP Fund</b>                     |                   |
| <b>06/30/05 BALANCE</b>             | <b>546,874.76</b> |
| Deposit -                           |                   |
| Transfer from Wells Fargo           |                   |
| Interest/Dividend Pymnt FYE 6/30/04 |                   |
|                                     |                   |
| Disbursements                       |                   |
| Transfer to M.S. District           | (8,911.95)        |
|                                     |                   |
| <b>07/31/05 BALANCE</b>             | <b>537,962.81</b> |

|                               |                      |
|-------------------------------|----------------------|
| <b>TOTAL MORGAN - STANLEY</b> |                      |
| <b>07/31/05 BALANCE</b>       | <b>12,686,547.29</b> |

|                        |                      |
|------------------------|----------------------|
| <b>TOTAL ALL FUNDS</b> | <b>14,250,025.06</b> |
|------------------------|----------------------|

**INCOME & EXPENSES**  
**PERIOD ENDING JULY 2005**

| REVENUE - WATER FUND        | REVENUE        | BUDGET           | YTD %       |
|-----------------------------|----------------|------------------|-------------|
| Water Service Fees          | 293,224        | 3,050,000        | 9.61        |
| Surcharge Interest          | 0              | 30,000           | 0.00        |
| Assessment Bonds            | 0              | 110,000          | 0.00        |
| Property Taxes              | 0              | 98,200           | 0.00        |
| Connection Fees             | 3,420          | 708,000          | 0.48        |
| Charges & Penalties         | 1,800          | 36,000           | 5.00        |
| Investment Interest Earned  | 0              | 5,000            | 0.00        |
| COP Issue Interest          | 0              | 15,000           | 0.00        |
| Waterman Gap Acct. Interest | 0              | 460,000          | 0.00        |
| Account Establish Charge    | 800            | 0                | #DIV/0!     |
| Miscellaneous               | 1,740          | 26,700           | 6.52        |
| Sale of Surplus Property    | 0              | 1,000            | 0.00        |
| Transfer from Waterman Gap  | 0              | 0                | #DIV/0!     |
| Transfer COP Funds          | 8,912          | 175,000          | 5.09        |
| Manana Woods Agreement      | 0              | 680,000          | 0.00        |
| <b>TOTAL REVENUE</b>        | <b>309,896</b> | <b>5,394,900</b> | <b>5.74</b> |
|                             |                |                  |             |
| EXPENSE - WATER FUND        | EXPENSE        | BUDGET           | YTD %       |
| Salary & Benefits           | 155,466        | 2,032,900        | 7.65        |
| Contract & Professional Sv. | 16,441         | 159,225          | 10.33       |
| Materials & Supplies        | 11,870         | 94,000           | 12.63       |
| Building Maintenance        | 1,704          | 17,500           | 9.74        |
| Utilities                   | 22,963         | 314,400          | 7.30        |
| Insurance                   | 48,762         | 48,800           | 99.92       |
| Vehicle & Equipment Maint.  | 7,567          | 56,000           | 13.51       |
| Travel, Meals & Conferences | 38             | 13,250           | 0.29        |
| Auto Allowance              | 350            | 4,200            | 8.33        |
| Office Supplies             | 4,461          | 54,150           | 8.24        |
| Rentals, Permits & Leases   | 174            | 12,500           | 1.39        |
| Debt Service                | 642            | 651,900          | 0.10        |
| Capital Expense             | 5,783          | 912,800          | 0.63        |
| COP Issue Projects          | 1,754          | 55,000           | 3.19        |
| Collection Fees & Charges   | 14             | 4,500            | 0.31        |
| Miscellaneous               | 0              | 3,000            | 0.00        |
| Water Conservation Program  | 1,200          | 20,000           | 6.00        |
| Road Maintenance            | 0              | 3,000            | 0.00        |
| Equipment Replacement       | 0              | 29,400           | 0.00        |
| Education Program           | 0              | 17,500           | 0.00        |
| Laeco Fees                  | 0              | 5,100            | 0.00        |
| <b>TOTAL EXPENSE</b>        | <b>279,189</b> | <b>4,509,125</b> | <b>6.19</b> |
|                             |                |                  |             |
| <b>NET INCOME (LOSS)</b>    | <b>30,707</b>  | <b>885,775</b>   | <b>3.47</b> |

| REVENUE - SEWER FUND        | REVENUE        | BUDGET         | YTD %         |
|-----------------------------|----------------|----------------|---------------|
| Wastewater                  | 0              | 45,400         | 0.00          |
| Property Assessments        | 0              | 0              | #DIV/0!       |
| Misc. Revenue               | 0              | 0              | #DIV/0!       |
| Transfer Water Fund Loan    | 0              | 0              | #DIV/0!       |
| Charges for Treatment Plant | 0              | 20,400         | 0.00          |
| <b>TOTAL REVENUE</b>        | <b>0</b>       | <b>65,800</b>  | <b>0.00</b>   |
|                             |                |                |               |
| EXPENSE - SEWER FUND        | EXPENSE        | BUDGET         | YTD %         |
| Salaries & Benefits         | 595            | 14,720         | 4.04          |
| Contract & Professional Sv  | 740            | 11,000         | 6.73          |
| Materials & Supplies        | 0              | 2,500          | 0.00          |
| Building Maintenance        | 0              | 1,000          | 0.00          |
| Utilities                   | 726            | 7,500          | 9.68          |
| Insurance                   | 0              | 0              | #DIV/0!       |
| Vehicle Maintenance         | 0              | 500            | 0.00          |
| Office Supplies             | 0              | 300            | 0.00          |
| Rentals Leases & Permits    | 0              | 4,000          | 0.00          |
| Debt Service                | 0              | 20,400         | 0.00          |
| Equipment Replacement       | 0              | 600            | 0.00          |
| Administrative Overhead     | 0              | 4,500          | 0.00          |
| Capital Expense             | 0              | 0              | #DIV/0!       |
| <b>TOTAL EXPENSE</b>        | <b>2,061</b>   | <b>67,020</b>  | <b>3.08</b>   |
|                             |                |                |               |
| <b>NET INCOME (LOSS)</b>    | <b>(2,061)</b> | <b>(1,220)</b> | <b>168.93</b> |