

M E M O

TO: Board of Directors

FROM: Finance Manager

SUBJECT: INVESTMENT REPORT PERIOD ENDING NOVEMBER 30, 2006

DATE: December 19, 2006

RECOMMENDATION:

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

BACKGROUND:

At the December 15, 2004 Board of Directors Meeting your Board adopted Resolution No. 17 (05-06) 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 November 30, 2006 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.

Karen Alvarez
Finance Manager

KA
Attachment

OFFICE OF THE TREASURER

SACRAMENTO

Local Agency Investment Fund
PO Box 942809
Sacramento, CA 94209-0001
(916) 653-3001
www.treasurer.ca.gov/pmia-laif



November, 2006 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
11-03-2006	11-03-2006	RW	1097759	KAREN ALVAREZ	- 60,000.00

Account Summary

Total Deposit :	0.00	Beginning Balance :	525,353.44
Total Withdrawal :	- 60,000.00	Ending Balance :	465,353.44

RECEIVED**DEC 14 2006****SAN LORENZO VALLEY
WATER DISTRICT**

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)
April 2006	\$54,555,166	4.305	162
April 2005	\$54,857,398	2.724	183
Change	-\$302,232	+1.58	-21
May 2006	\$62,884,541	4.563	151
May 2005	\$61,691,707	2.856	170
Change	+\$1,192,834	+1.707	-19
June 2006	\$63,221,434	4.700	152
June 2005	\$62,955,506	2.967	165
Change	+\$265,928	+1.733	-13
July 2006	\$59,553,163	4.849	164
July 2005	\$55,782,241	3.083	183
Change	+\$3,770,922	+1.766	-19
August 2006	\$57,570,790	4.946	161
August 2005	\$52,830,344	3.179	183
Change	+\$4,740,446	+1.767	-22
September 2006	\$57,084,758	5.023	160
September 2005	\$51,811,038	3.324	169
Change	+\$5,273,720	+1.699	-9
October 2006	\$55,749,223	5.098	190
October 2005	\$50,410,419	3.458	177
Change	+\$5,338,804	+1.64	+13
November 2006	\$54,224,796	5.125	185
November 2005	\$52,999,227	3.636	204
Change	+\$1,225,569	+1.489	-19

State of California
Pooled Money Investment Account
Market Valuation
11/30/2006

Carrying Cost Plus			
Description	Accrued Interest Purch.	Fair Value	Accrued Interest
United States Treasury:			
Bills	\$ 2,651,477,641.74	\$ 2,670,733,000.00	NA
Notes	\$ -	\$ -	\$ -
Federal Agency:			
SBA	\$ 673,507,098.62	\$ 667,765,145.56	\$ 6,270,769.64
MBS	\$ 983,842,372.77	\$ 969,692,310.50	\$ 4,537,568.88
Bonds	\$ 9,010,397,244.08	\$ 8,995,599,725.39	\$ 157,026,123.77
Floater	\$ -	\$ -	\$ -
Discount Notes	\$ 2,911,100,105.50	\$ 2,941,950,000.00	NA
FHLMC PC	\$ 833,537.36	\$ 861,462.73	\$ 13,485.53
GNMA	\$ 227,703.78	\$ 252,888.86	\$ 2,265.02
Bankers Acceptances	\$ -	\$ -	NA
Bank Notes	\$ 700,000,000.00	\$ 700,006,549.00	\$ 12,134,972.21
CDs	\$ 10,688,274,879.18	\$ 10,684,285,622.10	\$ 132,532,336.86
Commercial Paper	\$ 8,920,455,607.85	\$ 8,979,550,526.39	NA
Corporate:			
Floater	\$ 200,064,842.53	\$ 200,121,900.00	\$ 2,275,988.86
Bonds	\$ 427,761,751.65	\$ 425,603,486.67	\$ 5,257,221.80
Repurchase Agreements		\$ -	NA
Reverse Repurchase	\$ -	\$ -	\$ -
Time Deposits	\$ 8,393,495,000.00	\$ 8,393,495,000.00	NA
AB 55 & GF Loans	\$ 9,941,205,906.70	\$ 9,941,205,906.70	NA
TOTAL	\$ 55,502,643,691.76	\$ 55,571,123,523.90	\$ 320,050,732.57

Fair Value Including Accrued Interest	\$	55,891,174,256.47
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Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

Phil Angelides, State Treasurer
Inside the State Treasurer's Office
 Local Agency Investment Fund (LAIF)



PMIA Performance Report

Date	Daily Yield	Quarter to Date Yield	Average Maturity (in days)
11/30/2006	5.14	5.11	185
12/1/2006	5.12	5.11	194
12/2/2006	5.12	5.11	194
12/3/2006	5.12	5.11	194
12/4/2006	5.12	5.11	193
12/5/2006	5.12	5.11	194
12/6/2006	5.12	5.11	190
12/7/2006	5.12	5.11	190
12/8/2006	5.12	5.11	191
12/9/2006	5.12	5.11	191
12/10/2006	5.12	5.11	191
12/11/2006	5.12	5.11	192
12/12/2006	5.12	5.11	191
12/13/2006	5.12	5.11	190

LAIF Performance Report

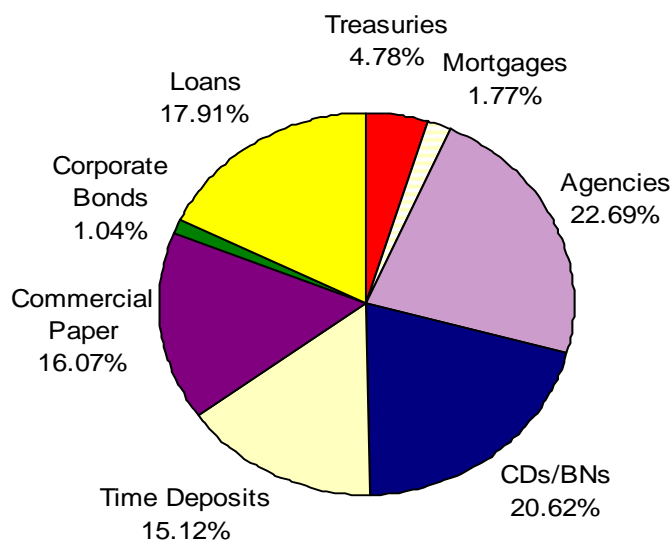
Quarter ending 9/30/06

Apportionment Rate: 4.93%
 Earnings Ratio: .00013498449593566
 Fair Value Factor: .999335402

PMIA Average Monthly Effective Yields

November 2006 5.125%
 October 2006 5.098%
 September 2006 5.023%

Pooled Money Investment Account
Portfolio Composition
\$55.5 Billion
11/30/06



POOLED MONEY INVESTMENT ACCOUNT

SUMMARY OF INVESTMENT DATA

A COMPARISON OF OCTOBER 2006 WITH OCTOBER 2005 (DOLLARS IN THOUSANDS)

	OCTOBER 2006	OCTOBER 2005	CHANGE
Average Daily Portfolio	\$ 55,749,223	\$ 50,410,419	\$ +5,338,804
Accrued Earnings	\$ 241,381	\$ 148,061	\$ +93,320
Effective Yield	5.098	3.458	+1.64
Average Life-Month End (In Days)	190	177	+13
Total Security Transactions			
Amount	\$ 26,374,591	\$ 26,231,481	\$ +143,110
Number	561	546	+15
Total Time Deposit Transactions			
Amount	\$ 5,502,190	\$ 4,264,190	\$ +1,238,000
Number	214	155	+59
Average Workday Investment Activity	\$ 1,517,942	\$ 1,524,783	\$ -6,841
Prescribed Demand Account Balances			
For Services	\$ 251,154	\$ 311,591	\$ -60,437
For Uncollected Funds	\$ 154,828	\$ 148,521	\$ +6,307

**PHIL ANGELIDES
TREASURER
STATE OF CALIFORNIA**

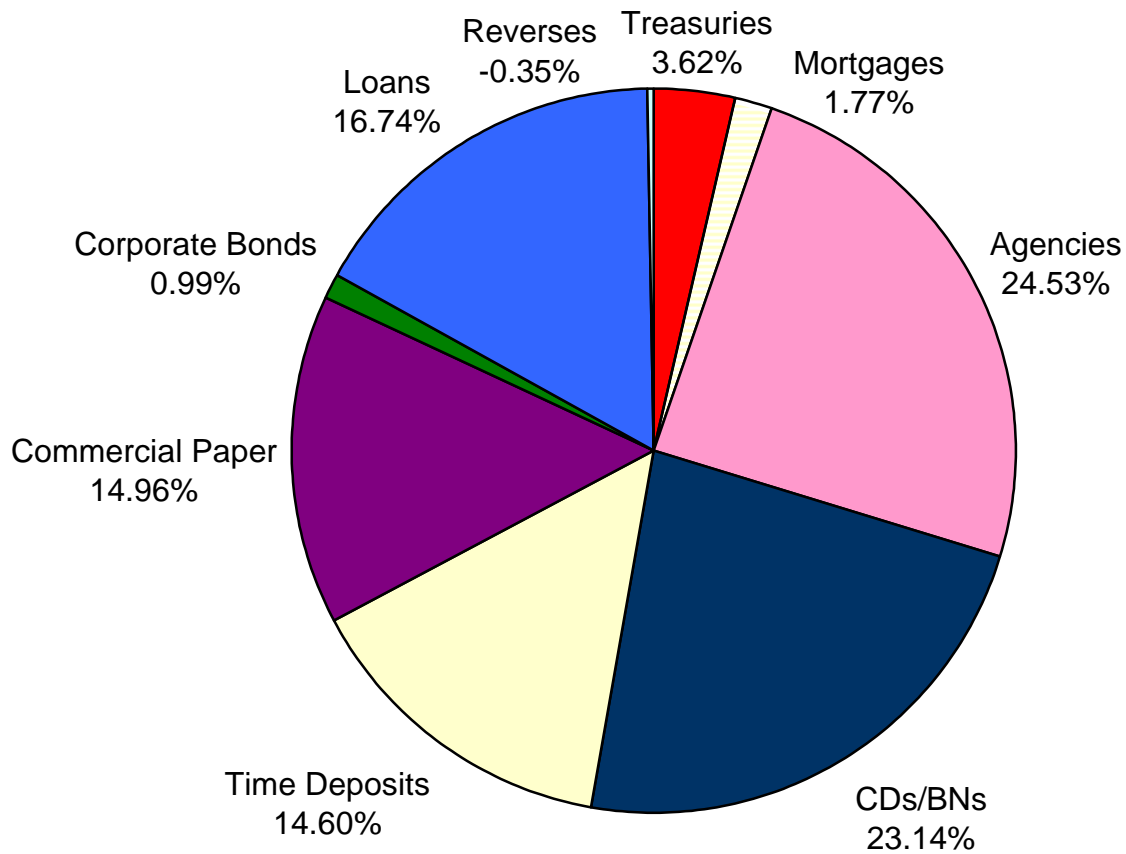
**INVESTMENT DIVISION SELECTED INVESTMENT DATA
ANALYSIS OF THE POOLED MONEY INVESTMENT ACCOUNT PORTFOLIO
(000 OMITTED)**

October 31, 2006			
<u>TYPE OF SECURITY</u>	<u>AMOUNT</u>	<u>PERCENT OF PORTFOLIO</u>	<u>DIFFERENCE IN PERCENT OF PORTFOLIO FROM PRIOR MONTH</u>
Government			
Bills	\$ 1,860,990	3.27	-0.60
Bonds	0	0.00	0.00
Notes	199,955	0.35	-0.16
Strips	0	0.00	0.00
Total Government	\$ 2,060,945	3.62	-0.76
Federal Agency Coupons	\$ 9,646,777	16.96	+0.96
Certificates of Deposit	11,903,277	20.94	+0.67
Bank Notes	1,250,028	2.20	+0.06
Bankers' Acceptances	0	0.00	0.00
Repurchases	0	0.00	0.00
Federal Agency Discount Notes	4,307,370	7.57	-5.37
Time Deposits	8,303,495	14.60	+0.79
GNMAs	230	0.00	0.00
Commercial Paper	8,508,930	14.96	-0.24
FHLMC/Remics	1,006,192	1.77	+0.68
Corporate Bonds	560,870	0.99	+0.03
AB 55 Loans	8,420,192	14.81	+0.92
GF Loans	1,097,300	1.93	+1.93
Reversed Repurchases	-198,520	-0.35	-0.33
Total (All Types)	\$ 56,867,086	100.00	

INVESTMENT ACTIVITY

	OCTOBER 2006		SEPTEMBER 2006	
	<u>NUMBER</u>	<u>AMOUNT</u>	<u>NUMBER</u>	<u>AMOUNT</u>
Pooled Money	561	\$ 26,374,591	507	\$ 24,108,292
Other	12	130,312	14	94,503
Time Deposits	214	5,502,190	162	2,735,500
Totals	787	\$ 32,007,093	683	\$ 26,938,295
 PMIA Monthly Average Effective Yield	 5.098		 5.023	
 Year to Date Yield Last Day of Month	 4.976		 4.937	

Pooled Money Investment Account
Portfolio Composition
\$56.9 Billion
10/31/06



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

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

#BWNJGWM

00040034 02 AT 0.576 02 TR 226 -000

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

RECEIVED

Current Yield
DEC 11 2006

ASSET DETAILS

Your Investments

Current Price	Value	Est Yrly Income	Current Yield
85000	84,623.45	4,292.50	5.07%
90000	88,622.10	3,825.00	4.31%
95000	91,716.80	3,325.00	3.62%
95000	95,295.45	5,225.00	5.48%
95000	90,925.45	3,135.00	3.44%
95000	90,925.45	3,135.00	3.44%
95000	91,322.55	3,325.00	3.64%
95000	94,095.60	4,655.00	4.94%
95000	95,126.35	5,130.00	5.39%
95000	83,449.60	3,910.00	4.68%
95000	95,465.50	3,800.00	3.98%
95000	93,420.15	4,037.50	4.32%
95000	94,199.15	4,275.00	4.53%
95000	91,774.75	3,942.50	4.29%
95000	92,796.00	3,800.00	4.09%
95000	93,011.65	3,800.00	4.08%
95000	93,233.95	3,562.50	3.82%
95000	87,541.20	4,050.00	4.62%
95000	92,089.20	4,180.00	4.53%
95000	78,829.60	3,920.00	4.97%
95000	92,881.50	4,465.00	4.80%
95000	82,304.65	3,825.00	4.64%
95000	96,732.80	5,462.50	5.64%
95000	94,409.10	4,892.50	5.18%
95000	94,992.40	5,035.00	5.30%
95000	94,650.40	5,225.00	5.52%
95000	84,088.80	4,292.50	5.10%
95000	95,076.00	5,700.00	5.99%
750000	745,575.00	16,875.00	2.26%

SAN LORENZO VALLEY
WATER DISTRICT

STATEMENT OF YOUR ACCOUNT FOR MONTH ENDING NOVEMBER 30, 2006

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SAN LORENZO VALLEY WATER DIST
INVESTMENT BROKERAGE ACCT

Account Number
136 022962 014

Your Investments		Current Price	Value	Est Yrly Income	Current Yield
100000	CAPITAL JUMBO CD	99.449	99,449.00	4,550.00	4.57%
700000	US TSY NOTE	98.254	687,778.00	21,000.00	3.05%
925000	FNMA	100.958	933,676.50	53,187.50	5.69%
1300000	FHLMC MTN	97.627	1,269,151.00	39,000.00	3.07%
850000	US TSY NOTE	100.270	852,295.00	40,375.00	4.73%
350000	US TSY NOTE	96.746	338,611.00	10,500.00	3.10%
850000	US TSY NOTE	95.898	815,133.00	22,312.50	2.73%
1200000	FHLMC	99.969	1,199,628.00	66,000.00	5.50%
500000	US TSY NOTE	100.777	503,885.00	24,375.00	4.83%
450000	FNMA	96.438	433,971.00	14,715.00	3.39%
500000	FNMA	96.688	483,440.00	17,500.00	3.61%
500000	FNMA	99.125	495,625.00	14,500.00	2.92%
525000	FNMA	98.438	516,799.50	21,000.00	4.06%
100000	FFCB	99.188	99,188.00	4,950.00	4.99%
150000	FNMA	98.938	148,407.00	6,750.00	4.54%
250000	FNMA	99.375	248,437.50	11,875.00	4.77%
500000	US TSY NOTE	101.730	508,650.00	24,375.00	4.79%
70000	FHLMC MTN	99.635	69,744.50	3,675.00	5.26%
170000	FNMA	98.406	167,290.20	6,375.00	3.81%
Total Value of Priced Investments			\$13,170,333.80	\$542,112.50	4.11%

Custodial Holdings		Symbol	Current Price	Date	Value	Custodian	Dividend Cap Gains Option	Fund Plan Number
Bank Deposit Program #								
DISCOVER BANK					\$54,913.35			
Total Bank Deposits					\$54,913.35			
Total Custodial Holdings					\$54,913.35			

Bank Deposits are at Morgan Stanley Bank and Discover Bank (Members FDIC), affiliates of Morgan Stanley DW Inc.
Bank deposits are eligible for FDIC insurance up to applicable limits. Not SIPC insured.

SAN LORENZO VALLEY WATER DIST
INVESTMENT BROKERAGE ACCTAccount Number
136 022962 014Asset Summary

Value	Est Yrly Income
-------	--------------------

Cash

13,883.71

Total Account Valuation

\$13,239,130.86

\$542,112.50

DAILY ACTIVITY DETAILS

Date	Activity	Quantity	Description	Price	Amount	Balance
11/02	Taxable Interest		CLOSING BALANCE AS OF 10/31			.00
11/04	Taxable Interest		CAPITAL JUMBO CD 4550 07SP04		+386.44	+386.44
11/06	Auto Investment		FNMA 3500 *09SP04		+1,458.34	+1,844.78
11/07	Auto Investment		BANK DEPOSIT PROGRAM		-386.44	+1,458.34
11/12	Taxable Interest		BANK DEPOSIT PROGRAM		-1,458.34	.00
11/14	Taxable Interest		NEW SOUTH FSB CD 40000*10MY12		+1,676.16	+1,676.16
11/15	Auto Investment		FRONTIER BANK FID 4500 *10SP14		+343.97	+2,020.13
11/15	Taxable Interest		BANK DEPOSIT PROGRAM		-1,676.16	+343.97
11/15	Taxable Interest		FHLMC MTN 5250 *11DE15		+306.25	+650.22
11/16	Taxable Interest		US TSY NOTE 4750 08NV15		+20,187.50	+20,837.72
11/16	Auto Investment		US TSY NOTE 3000 07NV15		+10,500.00	+31,337.72
11/16	Taxable Interest		US TSY NOTE 4875 09MY15		+12,187.50	+43,525.22
11/16	Taxable Interest		BANKWEST INC CD 5500 *09FB17		+443.77	+43,968.99
11/20	Auto Investment		BANK DEPOSIT PROGRAM		-43,525.22	+443.77
11/20	Taxable Interest		BANK DEPOSIT PROGRAM		-443.77	.00
11/23	Taxable Interest		TOWER BANK CD 4150 10FB23		+334.84	+334.84
11/24	Taxable Interest		COLE TAYLOR FID 42500*09NV24		+2,035.34	+2,370.18
11/26	Taxable Interest		CAROLINA FIRST CD 40000*10MY26		+1,676.16	+4,046.34
11/27	Auto Investment		BANK DEPOSIT PROGRAM		-2,370.18	+1,676.16
11/28	Taxable Interest		GEAUGA SVGS BK CD 4700 *11JA28		+379.22	+2,055.38
11/29	Auto Investment		BANK DEPOSIT PROGRAM		-1,676.16	+379.22
11/29	Taxable Interest		BANK DEPOSIT PROGRAM		-97.27	+281.95
11/29	Auto Investment		DISCOVER BANK		+97.27	+379.22
11/30	Taxable Interest		(Period 10/31-11/29)			+379.22
11/30	Taxable Interest		US TSY NOTE 4875 11MY31		+12,187.50	+12,566.72
11/30	Taxable Interest		BANKWEST PIERR CD 5500 *11AU30		+1,316.99	+13,883.71
			CLOSING BALANCE AS OF 11/30			+13,883.71

Additional information concerning these transactions is available upon request.

STATEMENT OF YOUR ACCOUNT FOR MONTH ENDING NOVEMBER 30, 2006

PAGE 4 OF 12

SAN LORENZO VALLEY WATER DIST
INVESTMENT BROKERAGE ACCT

Account Number
136 022962 014

Morgan Stanley Fund Summary

	YTD Dividends	YTD Cap Gains	YTD Taxes	Features
U.S. GOV'T MONEY MARKET TR	5,152.36	0.00	0.00	Reinvest Dividends
Totals	\$5,152.36	\$0.00	\$0.00	

Yields on Bank Deposits and Money Market Funds

U.S. GOV'T MONEY MARKET TR

Following is the Fund's 30-day average annualized yield during the past month: November 4.62%

BANK DEPOSIT PROGRAM

A Bank Deposit Program APY of 4.59% was in effect for your deposits at the statement ending date. This APY may be different than the APY in effect during the statement period. For current Bank Deposit Program or Money Market Fund yields, go to <http://www.morganstanleyindividual.com/AccountOptions/ActiveAssets/InvestmentFeatures/BSARateReaderTier.asp>

Income Summary

	This Month	Year-to-Date	This Month	Year-to-Date
Dividends/Bank Deposit Interest	97.27	5,420.06	Interest	65,419.98
Accrued Bond Interest	.00	21,443.91	Margin Interest	459,451.99
				.00

Tax Information

	This Month	Year-to-Date
U.S. Treasury Coupon Interest	55,062.50	164,125.00

Margin Loan Rates

Loan Amount	Rate	EFFECTIVE DATE:	June 30, 2006
\$0 - 9,999	12.125%	PREVIOUS CHANGE:	May 11, 2006
\$10,000 - 24,999	12.000%		
\$25,000 - 49,999	11.000%		
\$50,000 - 99,999	10.875%		
\$100,000 - 499,999	9.625%		
\$500,000 - 999,999	9.375%		
\$1,000,000 - 4,999,999	8.750%		
\$5,000,000 - 9,999,999	8.250%		
\$10,000,000 & over	8.000%		

SAN LORENZO VALLEY WATER DIST
INVESTMENT BROKERAGE ACCT

Account Number
136 022962 014

Messages

Questions regarding your account may be directed to either your Financial Advisor or the Branch Manager for the branch office where you maintain your account. If you require further assistance, your inquiries may also be directed to Customer Service at (800) 869-3326 or you may contact the Law Division at (914) 225-5870 with any account-related concerns.

The Tax Increase Prevention and Reconciliation Act of 2005 (TIPRA) eliminated the exception from Form 1099 tax reporting for tax-exempt interest, including exempt interest dividends from mutual funds. Now, tax-exempt interest earned after December 31, 2005, is reportable in the same manner as taxable interest. While now reportable, the interest remains tax-exempt.

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:
www.morganstanley.com/online

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.

STATEMENT OF YOUR ACCOUNT
FOR MONTH ENDING NOVEMBER 30, 2006

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SAN LORENZO VALLEY WATER DIST
INVESTMENT BROKERAGE ACCTAccount Number
136 022962 014Unrealized Gain/(Loss)**Government Securities******Treasury Securities**

			Quantity	Date Acquired	Unit Cost Original / Adjusted*	Total Cost Original / Adjusted*	Market Value	Unrealized Gain/(Loss)	Additional Information
US TSY NOTE	2 1/4	2-15-07	750,000	02-26-04	100.71647 100.05114	755,378.58 750,383.57	745,575.00	(4,808.57)	Long Term
US TSY NOTE	3.000	11-15-07	700,000	12-05-03	100.90600 100.22911	706,347.00 701,603.82	687,778.00	(13,825.82)	Long Term
US TSY NOTE	4 3/4	11-15-08	850,000	07-05-02	102.00687 100.90398	872,844.50 857,683.87	852,295.00	(5,388.87)	Long Term
US TSY NOTE	3.000	2-15-09	350,000	02-27-04	100.70600 100.32691	352,476.00 351,144.21	338,611.00	(12,533.21)	Long Term
US TSY NOTE	2 5/8	3-15-09	850,000	03-26-04	100.00000 100.00000	850,005.00 850,005.00	815,133.00	(34,872.00)	Long Term
US TSY NOTE	4 7/8	5-15-09	500,000	07-24-06	100.24505 100.21599	501,225.25 501,079.98	503,885.00	2,805.02	Short Term
US TSY NOTE	4 7/8	5-31-11	500,000	07-24-06	100.18805 100.17576	500,940.25 500,878.80	508,650.00	7,771.20	Short Term

Federal Agencies

FNMA	5 3/4	2-15-08	925,000	07-05-02	106.00768 106.00768	987,615.94 987,615.94	933,676.50	(53,939.44)	Long Term
FHLMC MTN	3.000	3-24-08	1,300,000	04-04-03	99.00500 99.00500	1,293,505.00 1,293,505.00	1,269,151.00	(24,354.00)	Long Term
FHLB	5 1/2	4-24-09	1,200,000	06-28-06	100.00044 100.00044	1,200,005.25 1,200,005.25	1,199,628.00	(377.25)	Short Term

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**The "Market Value" and "Unrealized Gain/(Loss)" figures shown for Fixed Income securities are representative values, which may not reflect the value that could actually be obtained in the market. See "Pricing of Securities" at the end of this statement.

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FOR MONTH ENDING NOVEMBER 30, 2006

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SAN LORENZO VALLEY WATER DIST
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136 022962 014

Unrealized Gain/(Loss)		Quantity	Date Acquired	Unit Cost Original / Adjusted*	Total Cost Original / Adjusted*	Market Value	Unrealized Gain/(Loss)	Additional Information
FNMA	3.270	6-16-09 450,000	03-12-04	99.87500 99.87500	449,442.50 449,442.50	433,971.00	(15,471.50)	Long Term
FNMA	3 1/2	9-04-09 500,000	02-25-04	100.00000 100.00000	500,000.00 500,000.00	483,440.00	(16,560.00)	Long Term
FNMA	2.900	10-14-09 500,000	01-25-05	99.00000 99.00000	495,005.00 495,005.00	495,625.00	620.00	Long Term
FNMA	4.000	12-17-09 525,000	12-08-03	99.70000 99.70000	523,425.00 523,425.00	516,799.50	(6,625.50)	Long Term
FPCB	4.950	2-01-10 100,000	11-28-05	99.88025 99.88025	99,880.25 99,880.25	99,188.00	(692.25)	Long Term
FNMA	4 1/2	8-26-10 150,000	08-16-04	100.00000 100.00000	150,000.00 150,000.00	148,407.00	(1,593.00)	Long Term
FNMA	4 3/4	12-02-10 250,000	11-07-05	100.00000 100.00000	250,000.00 250,000.00	248,437.50	(1,562.50)	Long Term
FHLMC MTN	5 1/4	12-15-11 70,000	09-11-06	100.00750 100.00750	70,005.25 70,005.25	69,744.50	(260.75)	Short Term
FNMA	3 3/4	3-16-12 170,000	09-08-04	100.00000 100.00000	170,000.00 170,000.00	167,290.20	(2,709.80)	Long Term

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SAN LORENZO VALLEY WATER DIST
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<u>Unrealized Gain/(Loss)</u>		<u>Quantity</u>	<u>Date Acquired</u>	<u>Unit Cost</u>		<u>Market Value</u>	<u>Unrealized Gain/(Loss)</u>	<u>Additional Information</u>
				<u>Original /</u>	<u>Adjusted*</u>			

Certificates of Deposit**

CAPITAL JUMBO CD	4.550	9-04-07	100,000	08-28-02	100.00000 100.00000	100,000.00 100,000.00		Long Term
IRWIN UNION BK CD	5.050	3-24-08	85,000	03-16-06	100.00000 100.00000	85,000.00 85,000.00	(551.00) (376.55)	Short Term
FIRST BANK CA CD	4 1/4	4-28-08	90,000	04-15-05	100.00000 100.00000	90,000.00 90,000.00	(1,377.90)	Long Term
DISCOVER BANK CD	3 1/2	12-03-08	95,000	11-26-03	100.00000 100.00000	95,000.00 95,000.00	(3,283.20)	Long Term
BANKWEST INC CD	5 1/2	2-17-09	95,000	07-26-06	100.00000 100.00000	95,000.00 95,000.00	295.45	Short Term
CIT BANK CD	4.900	3-06-09	95,000	02-22-06	100.00000 100.00000	95,000.00 95,000.00	(904.40)	Short Term
WEBSTER BANK CD	3.300	3-03-09	95,000	02-25-04	100.00000 100.00000	95,000.00 95,000.00	(4,074.55)	Long Term
1ST SIGNATURE CD	3.300	3-03-09	95,000	02-25-04	100.00000 100.00000	95,000.00 95,000.00	(4,074.55)	Long Term
LEHMAN BROS CD	3 1/2	3-03-09	95,000	02-25-04	100.00000 100.00000	95,000.00 95,000.00	(3,677.45)	Long Term
AMERICAN WEST CD	5.400	6-29-09	95,000	06-19-06	100.00000 100.00000	95,000.00 95,000.00	126.35	Short Term
NEVADA SEC BK CD	4.600	8-24-09	85,000	08-16-05	100.00000 100.00000	85,000.00 85,000.00	(1,550.40)	Long Term

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SAN LORENZO VALLEY WATER DIST
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	<u>Unrealized Gain/(Loss)</u>		Quantity	Date Acquired	<u>Unit Cost</u>		Total Cost Original / Adjusted*	Market Value	Unrealized Gain/(Loss)	Additional Information
					Original / Adjusted*	Adjusted*				
PROVIDIAN NATL CD	4.000	9-15-09	95,000	09-08-04	100.00000 100.00000	95,000.00 95,000.00	95,465.50	465.50		Long Term
COLE TAYLOR FID	4 1/4	11-24-09	95,000	05-10-04	100.00000 100.00000	95,000.00 95,000.00	93,420.15	(1,579.85)		Long Term
SOVEREIGN BK CD	4 1/2	12-09-09	95,000	05-18-04	100.00000 100.00000	95,000.00 95,000.00	94,199.15	(800.85)		Long Term
TOWER BANK CD	4.150	2-23-10	95,000	02-15-05	100.00000 100.00000	95,000.00 95,000.00	91,774.75	(3,225.25)		Long Term
NEW SOUTH FSB CD	4.000	5-12-10	95,000	10-27-04	100.00000 100.00000	95,000.00 95,000.00	92,796.00	(2,204.00)		Long Term
CAROLINA FIRST CD	3 1/2	5-26-10	95,000	11-17-04	100.00000 100.00000	95,000.00 95,000.00	93,011.65	(1,988.35)		Long Term
M&I BANK FSB FID	3 3/4	7-10-10	95,000	01-06-05	100.00000 100.00000	95,005.00 95,005.00	93,233.95	(1,771.05)		Long Term
WASHINGTON MUT CD	4.400	9-21-10	95,000	09-08-05	100.00000 100.00000	95,000.00 95,000.00	92,089.20	(2,910.80)		Long Term
FRONTIER BANK FID	4 1/2	9-14-10	90,000	11-01-05	98.66302 98.66302	88,796.72 88,796.72	87,541.20	(1,255.52)		Long Term
GEAUGA SVGS BK CD	4.700	1-28-11	95,000	08-05-05	100.00553 100.00553	95,005.25 95,005.25	92,881.50	(2,123.75)		Long Term
NATL REP BANK CD	4.900	1-13-11	80,000	01-05-06	100.00000 100.00000	80,000.00 80,000.00	78,829.60	(1,170.40)		Short Term
NOVA SVGS BK CD	4 1/2	6-08-11	85,000	05-27-05	100.00000 100.00000	85,000.00 85,000.00	82,304.65	(2,695.35)		Long Term
CITIZENS NB CD	5 3/4	7-28-11	95,000	07-26-06	100.00553 100.00553	95,005.25 95,005.25	96,732.80	1,727.55		Short Term

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SAN LORENZO VALLEY WATER DIST
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Unrealized Gain/(Loss)		Quantity	Date Acquired	Unit Cost Original / Adjusted*	Total Cost Original / Adjusted*	Market Value	Unrealized Gain/(Loss)	Additional Information
LASALLE BANK CD	5.150	8-09-11	95,000	07-31-06	100.00000 100.00000	94,409.10	(590.90)	Short Term
FIRESIDE BANK	5.300	8-09-11	95,000	08-01-06	100.00000 100.00000	94,992.40	(7.60)	Short Term
BANKWEST PIERR CD	5 1/2	8-30-11	95,000	08-30-06	99.98471 99.98471	94,650.40	(335.07)	Short Term
GUNNISON BANK CD	5.050	10-31-11	85,000	10-25-06	100.00000 100.00000	84,088.80	(911.20)	Short Term
COUNTRYWIDE BK CD	6.000	8-23-13	95,000	07-31-06	100.00000 100.00000	95,076.00	76.00	Short Term
Totals for positions with cost data available					\$13,395,461.13	\$13,170,333.80	(\$225,127.33)	
Total Market Value for all positions						\$13,170,333.80		

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".

Realized Gain/(Loss)		Quantity	Date Acquired	Date Sold	Total Cost Original / Adjusted*	Proceeds	Realized Gain/(Loss)	Additional Information
Long Term								
ALLSTATE BANK CD	2.100	3-27-06	45,000	03-20-03	01-05-06	44,735.55	(264.45)	Long Term
BSB BANK & TR CD	2.650	8-29-06	35,000	08-26-03	02-22-06	34,577.55	(422.45)	Long Term
BSB BANK & TR CD	2.650	8-29-06	60,000	08-26-03	03-16-06	59,309.55	(690.45)	Long Term
FNMA	4 3/8	10-15-06	1200,000	07-05-02	06-28-06	1,195,494.75	(14,110.25)	Long Term
MIDFIRST BANK CD	3 1/4	9-05-06	20,000	08-28-02	06-29-06	19,920.55	(79.45)	Long Term
MIDFIRST BANK CD	3 1/4	9-05-06	75,000	08-28-02	09-05-06	75,000.00		Long Term
US TSY NOTE	3 1/2	11-15-06	850,000	07-05-02	06-01-06	843,534.75	3,109.25	Long Term

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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>Total Cost Original / Adjusted*</u>	<u>Proceeds</u>	<u>Realized Gain/(Loss)</u>	<u>Additional Information</u>
US TSY NOTE	3 1/4	8-15-07	850,000	08-28-02	06-01-06	855,113.50 851,312.59	831,379.75	(19,932.84)
Sub Total Long Term						\$3,136,343.09	\$3,103,952.45	(\$32,390.64)
Totals for closing transactions with cost data available						\$3,136,343.09	\$3,103,952.45	(\$32,390.64)
Total Proceeds							\$3,103,952.45	

Summary

	<u>Short Term</u>	<u>Long Term</u>	<u>Total</u>
Unrealized gain.....	\$12,801.57	\$1,085.50	\$13,887.07
Unrealized (loss).....	(\$4,934.12)	(\$234,080.28)	(\$239,014.40)
Realized gain YTD.....	\$0.00	\$3,109.25	\$3,109.25
Realized (loss) YTD.....	\$0.00	(\$35,499.89)	(\$35,499.89)

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Morgan Stanley

Account Valuation This figure represents the approximate value of your account on a settlement date basis and is computed by adding (1) the market value of all priced positions and (2) market values provided by pricing services and correspondent custodians for other positions, and by adding any credit or subtracting any debit to your closing cash, or money market fund and/or bank deposit balance. Please note, this valuation may be adjusted for the net change in priced asset values for securities held or for the net change in money market balances during the statement period. Your closing cash, money market fund and/or bank deposit balance represents the cash, money market funds and/or bank deposits and reflects the net month end available balance.

Availability of Free Credit Balances and Financial Statements Under the customer protection rules of the SEC [17 CFR §240.15c3-2 & -3], Morgan Stanley DW Inc. may use free credit balances in your account which are payable to you on demand, in the ordinary course of its business. We send summary Morgan Stanley DW Inc. financial statements to you semiannually; copies are also available on request, by mail.

Certain Assets Not Held At Morgan Stanley DW Inc. You may purchase certain assets through Morgan Stanley DW Inc. that may be held at a financial institution other than Morgan Stanley DW Inc. Assets not held at Morgan Stanley DW Inc. may not be covered by SIPC protection.

We may include information about these assets on your Morgan Stanley DW Inc. statement, solely as a service to you and are not responsible for information (including valuation) derived from you or another external source. Generally, any financial institution that holds securities is responsible for providing taxable year-end reporting (1099s) and separate periodic statements, which may vary from our information due to different tax reporting periods. In the case of Morgan Stanley, Van Kampen and external networked mutual funds, Morgan Stanley DW Inc. performs all year-end tax reporting (1099s). Under certain circumstances, such as IRA accounts, Morgan Stanley DW Inc. performs all tax reporting.

Client's Investment Objectives and Financial Situation It is essential to advise your Financial Advisor immediately if there is a material change in your investment objectives or financial situation.

Dividend/Interest (Month/YTD) These figures represent dividends and/or interest on securities received by Morgan Stanley DW Inc. and credited to your account during the calendar year. As required by law, Morgan Stanley DW Inc. reports to the Internal Revenue Service dividend distributions and taxable bond interest credited to your account. The totals reported are indicated as the year-to-date (YTD) figures on the last statement for the calendar year. In the case of Real Estate Investment Trusts (REITs), Master Limited Partnerships, Regulated Investment Companies and Unit Investment Trusts, some sponsors may reclassify the distribution to a different tax type for year-end reporting (1099).

Errors and Inquiries If you do not understand an entry on your statement or suspect an error was made, it is essential that you immediately contact the manager of the office servicing your account. Oral communications regarding any inaccuracy or discrepancy in this statement should be re-confirmed in writing to further protect your rights, including rights under the Securities Investor Protection Act (SIPA). We will consider your statement to be correct unless we receive a written inquiry from you about the suspected error within 10 calendar days from the day on which you received your statement. It is your responsibility to review your statement promptly and to seek immediate clarification about entries that you do not understand.

Estimated Annual Income and Yields Estimated annual income and yields are calculated by annualizing the most recent distribution and do not reflect historic experience or projected future results. Since the rates are subject to change at any time, they should not be solely relied upon for making investment or trading decisions. You should consult with your Financial Advisor to obtain accurate, current information so you can make an informed decision.

Listed Options Information with respect to commissions and other charges related to the execution of options transactions has been included in confirmations of such transactions previously furnished to you and such information will be made available to you promptly at your request.

Margin Interest Charges

Morgan Stanley calculates interest charges on margin loans as follows:
(1) Multiply the applicable margin interest rate by the daily close of business net settled debit balance.

(2) Divide by 360 (days).

Margin interest accrues daily throughout the month and is added to your debit balance at month-end. The month-end interest charge is the sum of the daily accrued interest calculations for the month. Morgan Stanley adds the accrued interest to your debit balance and starts a new calculation each time the applicable interest rate changes and at the close of every statement month.

Margin Privileges

if you have margin privileges, you may borrow money from Morgan Stanley DW Inc. in exchange for pledging assets in your account as collateral for any outstanding margin loan. The amount you may borrow is based on the value of the eligible securities in your margin account, which are identified by an asterisk(*) on your statement.

Pricing of Securities

The prices of securities displayed on your statement are derived from various sources and in some cases may be higher or lower than the price that you would actually receive in the market. Although we attempt to use reliable sources of information, we can offer no assurance as to its accuracy.

For securities listed on an exchange or trading continually in an active marketplace, the price reflects the market quotations at the close of your statement period. The prices of securities not actively traded may not be available. These are indicated by N/A (not available).

For bonds trading less frequently, we rely on outside pricing services or a computerized pricing model, which cannot always give us actual market values. Similarly, some annuity values provided by outside sponsors are estimates.

The amounts on this statement for limited partnerships are typically obtained from a third party or from the general partners unless Morgan Stanley DW Inc. has obtained other information such as an independent appraisal. Since many partnership valuations are provided only annually, they do not always represent current values.

Furthermore, limited partnerships and non-traded REITs are illiquid and have no public markets, so the amounts showing on this statement may not equal the amounts you would receive if you sold your investment.

The value of mutual fund shares is determined by multiplying the net asset value (NAV) by the number of shares or units held, as reported to Morgan Stanley DW Inc. by the correspondent custodian. If we cannot obtain a price or estimate, N/A appears.

Speak to your Financial Advisor to obtain current information concerning the prices on your statements.

Security Measures

Your Morgan Stanley DW Inc. statement features several embedded security elements to safeguard its authenticity. One is a unique security mark—a blue rectangle with the letters MS printed in heat-sensitive blue ink on the front side of every page. When exposed to warmth, the blue rectangle will disappear, and then reappear.

SIPC Protection

Securities and cash held in Morgan Stanley DW Inc. accounts are protected up to their full net equity value by a combination of coverage provided by the Securities Investor Protection Corporation (SIPC), a non-profit organization created by an Act of Congress, and additional protection purchased from a private insurer by Morgan Stanley (the Excess Coverage). Excess Coverage provides additional protection up to the full net equity value of each account including unlimited coverage for uninvested cash. SIPC protects up to \$500,000 of each client's securities, of which up to \$100,000 may be uninvested cash. SIPC and Excess Coverage apply only to securities and cash in the exclusive possession and control of Morgan Stanley DW Inc. and do not protect against losses due to market fluctuations. Detailed information is available upon request.

Taxes

Under Federal Income Tax law, Morgan Stanley is required to report the gross proceeds of sales transactions (including entering into short sales) to you on Form 1099-B by January 31 of the year following the calendar year of the transaction. The information reported on your Form 1099-B for the calendar year should be exclusively relied upon for the purpose of filing your tax return for the year. Under U.S. Internal Revenue Service regulations, if you have not provided us with certification of either U.S. or foreign status on an appropriate Form W-9 or W-8, your account may be subject to either 28% backup withholding or 30% nonresident alien withholding, as applicable, on payments made to your account.

Transaction Dates

All transaction dates on this statement are the transactions' settlement dates. In the case of unsettled trades, we list the trade date instead of the settlement date with a notation that the trade is unsettled. Upon written request, Morgan Stanley will furnish the date and time of a transaction and the name of the other party to a transaction.

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