

M E M O

TO: Board of Directors

FROM: District Manager

DATE: June 9, 2006

SUBJECT: REVIEW OF INVESTMENT PORTFOLIO

RECOMMENDATION:

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

BACKGROUND:

The District's Investment Consultant, Mr. Jim Bargetto from Morgan Stanley, will be present at the June 15, 2006 Board of Directors meeting to review and update the Board of Directors regarding the District's Morgan Stanley Investment Portfolio. Mr. Bargetto will make an oral presentation to your Board regarding this matter.

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

James Mueller
District Manager

JAM/bsb