

Mrs. Dorothy Gallagher

Mr. Chris Karamanos

Others present: Mr. Monte Miller, Valley Bank

Mr. Lee Scholey, First National Bank of Nevada

The meeting was called to order by Vice Chairman Mc Bride at

3:47 P.M.

1. Investment Recommendation from Valley Bank

Mr. Monte Miller recommended sale of the following stocks in order to increase the cash position of the portfolio for temporary investments (Treasury Bills or money market instruments):

| | | Approx. | Approx. | Approx. |
|-------|-----------------|---------|-----------|-------------|
| Shrs. | Description | Price | Value | Gain/(Loss) |
| 2600 | Schering Plough | 34 3/4 | \$ 90,350 | (\$ 7,613) |
| 700 | Honeywell | 100 1/2 | 70,350 | 15,766 |
| 1400 | Philip Morris | 47 | 65,800 | 12,606 |
| | | | \$226,500 | \$20,759 |

Gain/(Loss) 125,573

Philip Morris Units 5,500

Approximate Price 47

Approximate Value 258,500

Anticipated Income 11,000

Market Yield 4.25

Gain/(Loss) 65,142

Pacific Gas & Elec. Units 50M

PV 12 3/4% due 2-1-13 Approximate Price 88

Approximate Value 44,000

Anticipated Income 6,375

Market Yield 14.48

Gain/(Loss) (2,125)

Texas Instruments Units 50M

PV 12.70% due 2-1-05 Approximate Price 93

Approximate Value 46,500

Anticipated Income 6,350

Market Yield 13.65

Gain/(Loss) (2,187)

Total Approximate Value \$976,100

Anticipated Income 39,357

Market Yield 4.03

Gain/(Loss) \$270,157

Anticipated income from the Treasury Bills is 14 1/2%.

Mr