PG&E CORP
Form S-8 POS
August 05, 2004

As filed with the Securities and Exchange Commission on August 5, 2004

Registration No. 333-27015-99

==

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

POST-EFFECTIVE AMENDMENT NO. 2 ON FORM S-8 TO
FORM S-4
REGISTRATION STATEMENT
Under
THE SECURITIES ACT OF 1933
PG&E CORPORATION
(Exact name of registrant as specified in its charter)

California	94-3234914
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

One Market, Spear Street Tower, Suite 2400
San Francisco, California 94105
(Address of principal executive offices) (zip code)

VALERO ENERGY CORPORATION STOCK OPTION PLAN NO. 4
VALERO ENERGY CORPORATION STOCK OPTION PLAN NO. 5
VALERO ENERGY CORPORATION EXECUTIVE STOCK INCENTIVE PLAN
(Full title of the plan)

Bruce R. Worthington, Esq.
Senior Vice President and General Counsel
PG&E Corporation
One Market Spear Tower, Suite 2400, San Francisco, California 94105
(Name and address of agent for service)

Telephone number, including area code, of agent for service: (415) 267-7000

DEREGISTRATION OF SHARES

This Post-Effective Amendment No. 2 on form S-8 to PG&E Corporation's Registration Statement on Form S-4 (No. 333-27015), effective August 1, 1997, as previously amended by Post-Effective Amendment No. 1 on Form S-8 (the "Post-Effective Amendment") relating to shares of common stock, no par value, of PG&E Corporation issuable upon exercise of options assumed by PG&E Corporation under the Valero Energy Corporation Stock Option Plan No. 4, Valero Energy Corporation Stock Option Plan No. 5, and Valero Energy Corporation Executive Stock Incentive Plan, as amended, (collectively, the "Valero Plans"), is being filed to deregister all securities previously registered on such Post-Effective Amendment on Form S-8 that remain unsold. All remaining options to purchase PG&E Corporation common stock under the Valero Plans have expired.

SIGNATURES

THE REGISTRANT

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing this Post-Effective Amendment No. 2 on Form S-8 and has duly caused this Post-Effective Amendment to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of San Francisco, State of California on the 5th of August, 2004.

PG&E CORPORATION
(Registrant)

By: BRUCE R. WORTHINGTON
Bruce R. Worthington
Senior Vice President and General Counsel

colspan="11" align="left" valign="top" style="font-family: Arial, Helvetica">
Insured-Private Education 0.4%
$ 1,000 California Educational Facilities Authority, (Pepperdine University), (FGIC), (NPFG), 5.00%, 9/1/33 $ 999,960 **$ 999,960** Insured-Public Education 12.3% $ 8,250 California State University, (AGM), (BHAC), 5.00%, 11/1/39(1) $ 8,448,000 1,000 California State University, (AMBAC), 5.125%, 11/1/26 1,020,320 3,095 University of California, (AGM), 4.50%, 5/1/26(1) 3,093,081 6,690 University of California, (AGM), 4.50%, 5/15/28(1) 6,499,804 10,750 University of California, (BHAC), (FGIC), 4.75%, 5/15/37(1) 10,644,220 2,115 University of California, General Revenues, (BHAC), (FGIC), 4.75%, 5/15/37 2,094,188 **$ 31,799,613** Insured-Sewer Revenue 3.7% $ 9,450 Livermore-Amador Valley, Water Management Agency, (AMBAC), 5.00%, 8/1/31(3) $ 9,454,158 **$ 9,454,158** Insured-Special Assessment Revenue 6.7% $ 7,765 Ceres, Redevelopment Agency Tax, (AMBAC), 4.00%, 11/1/36 $ 5,515,247 855 Murrieta Redevelopment Agency Tax, (NPFG), 5.00%, 8/1/32 769,893 7,000 Pomona, Public Financing Authority, (NPFG), 5.00%, 2/1/33 6,344,870 4,110 Santa Cruz County, Redevelopment Agency Tax, (NPFG), 5.00%, 9/1/35 3,650,543 1,010 Tustin Unified School District, (AGM), 5.00%, 9/1/38 980,144 **$ 17,260,697** Insured-Special Tax Revenue 15.0% $ 1,000 Hesperia Public Financing Authority, (Redevelopment and Housing Projects), (XLCA), 5.00%, 9/1/31 $ 860,860 10,355 Hesperia Public Financing Authority, (Redevelopment and Housing Projects), (XLCA), 5.00%, 9/1/37 8,457,757 2,400 North City, School Facility Financing Authority, (AMBAC), 0.00%, 9/1/26 855,936 59,440 Puerto Rico Sales Tax Financing Corp., (AMBAC), 0.00%, 8/1/54 3,543,218 8,900 Puerto Rico Sales Tax Financing Corp., (NPFG), 0.00%, 8/1/44 1,084,465 25,860 Puerto Rico Sales Tax Financing Corp., (NPFG), 0.00%, 8/1/45 2,928,128 16,350 Puerto Rico Sales Tax Financing Corp., (NPFG), 0.00%, 8/1/46 1,713,317

See notes to financial statements

13

Eaton Vance California Municipal Bond Fund as of March 31, 2010

PORTFOLIO OF INVESTMENTS (Unaudited) CONT D

Principal Amount (000 s omitted)		Security		Value
		Insured-Special Tax Revenue (continued)		
$	835	Sacramento Area Flood Control Agency, (BHAC), 5.50%, 10/1/28	$	922,600
	335	Sacramento Area Flood Control Agency, (BHAC), 5.625%, 10/1/37		365,080
	7,000	San Francisco Bay Area Rapid Transportation District, Sales Tax Revenue, (AGM), 4.25%, 7/1/36		6,234,900
	3,595	San Francisco Bay Area Rapid Transportation District, Sales Tax Revenue, (AMBAC), 5.00%, 7/1/31		3,657,517
	1,850	San Francisco Bay Area Rapid Transportation District, Sales Tax Revenue, (AMBAC), 5.125%, 7/1/36		1,881,394
	8,425	San Jose Redevelopment Agency, (Merged Area Redevelopment Project), (XLCA), 4.25%, 8/1/36		6,279,068
			$	**38,784,240**
		Insured-Transportation 0.3%		
$	3,445	San Joaquin Hills, Transportation Corridor Agency, (NPFG), 0.00%, 1/15/30	$	694,340
			$	**694,340**

Insured-Water Revenue 29.1%

$	8,000	California Department of Water Resources Center, (Valley Project), (BHAC), (FGIC), 5.00%, 12/1/29[(1)]	$	8,174,640
	7,065	Calleguas Las Virgines Public Financing Authority, (Municipal Water District), (BHAC), (FGIC), 4.75%, 7/1/37		7,087,255
	5,500	Contra Costa, Water District, (AGM), 4.50%, 10/1/31[(1)]		5,308,820
	345	East Bay Municipal Utility District, Water System Revenue, (AGM), (FGIC), 5.00%, 6/1/32		362,019
	5,615	East Bay Municipal Utility District, Water System Revenue, (FGIC), (NPFG), 5.00%, 6/1/32		5,891,988
	7,750	Los Angeles Department of Water and Power, (BHAC), (FGIC), 5.00%, 7/1/43[(1)]		7,797,740
	14,750	Los Angeles Department of Water and Power, (BHAC), (NPFG), 5.125%, 7/1/41[(1)]		14,834,222
	10,000	Metropolitan Water District Water and Sewer Systems, (BHAC), (FGIC), 5.00%, 10/1/36[(1)]		10,194,300
	1,570	Riverside, Water Revenue, (AGM), 5.00%, 10/1/38		1,602,687
	6,930	San Luis Obispo County, (Nacimiento Water Project), (NPFG), 4.50%, 9/1/40		6,192,579
	8,415	Santa Clara Valley Water District, (AGM), 3.75%, 6/1/28		7,705,615
			$	**75,151,865**

Private Education 0.5%

$	1,375	California Educational Facilities Authority, (Loyola Marymount University), 5.00%, 10/1/30	$	1,375,000
			$	**1,375,000**

Transportation 3.0%

$	7,500	Los Angeles Department of Airports, (Los Angeles International Airport), 5.00%, 5/15/35(4)	$ 7,654,950
			$ 7,654,950

Total Tax-Exempt Investments 175.4% (identified cost $470,895,931)		**$ 452,224,084**

Short-Term Investments 1.8%

Principal Amount (000 s omitted)		Description	Value
$	4,658	State Street Bank and Trust Euro Time Deposit, 0.01%, 4/1/10	$ 4,657,695

Total Short-Term Investments 1.8% (identified cost $4,657,695)	$ 4,657,695
Total Investments 177.2% (identified cost $475,553,626)	**$ 456,881,779**
Other Assets, Less Liabilities (77.2)%	**$ (198,997,135)**
Net Assets 100.0%	**$ 257,884,644**

The percentage shown for each investment category in the Portfolio of Investments is based on net assets.

AGC - Assured Guaranty Corp.

AGM - Assured Guaranty Municipal Corp.

AMBAC - AMBAC Financial Group, Inc.

BHAC - Berkshire Hathaway Assurance Corp.

FGIC - Financial Guaranty Insurance Company

NPFG - National Public Finance Guaranty Corp.

XLCA - XL Capital Assurance, Inc.

The Fund invests primarily in debt securities issued by California municipalities. The ability of the issuers of the debt securities to meet their obligations may be affected by economic developments in a specific industry or municipality. In order to reduce the risk associated with such economic developments, at March 31, 2010, 90.5% of total investments are backed by bond insurance of various financial institutions and financial guaranty assurance agencies. The aggregate percentage insured by an individual financial institution ranged from 3.4% to 33.8% of total investments.

(1) Security represents the underlying municipal bond of an inverse floater (see Note 1H).

(2) Security (or a portion thereof) has been pledged to cover margin requirements on open financial futures contracts.

(3) Security (or a portion thereof) has been segregated to cover payable for when-issued securities.

(4) When-issued security.

See notes to financial statements

Eaton Vance New York Municipal Bond Fund as of March 31, 2010

PORTFOLIO OF INVESTMENTS (Unaudited)

Tax-Exempt Investments 163.2%

Principal Amount (000 s omitted)		**Security**		**Value**
General Obligations 0.9%				
$	1,750	New York, 5.25%, 1/15/33[1]	$	1,793,050
			$	**1,793,050**
Hospital 0.3%				
$	640	New York Dormitory Authority, (Lenox Hill Hospital), 5.50%, 7/1/30	$	589,350
			$	**589,350**
Industrial Development Revenue 2.2%				
$	3,040	Liberty Development Corp., (Goldman Sachs Group, Inc.), 5.25%, 10/1/35	$	3,078,547
	1,440	Liberty Development Corp., (Goldman Sachs Group, Inc.), 5.50%, 10/1/37		1,511,511
			$	**4,590,058**

Insured-Electric Utilities 7.8%

$	5,000	Long Island Power Authority, Electric System Revenue, (BHAC), 5.75%, 4/1/33	$ 5,615,700
	3,685	Long Island Power Authority, Electric System Revenue, (NPFG), 4.25%, 5/1/33	3,394,217
	7,210	New York Power Authority, (BHAC), (NPFG), 4.50%, 11/15/47(1)	7,172,075
			$ 16,181,992

Insured-Escrowed / Prerefunded 1.8%

$	8,615	New York Dormitory Authority, (Memorial Sloan-Kettering Cancer Center), (NPFG), Escrowed to Maturity, 0.00%, 7/1/30	$ 3,654,483
			$ 3,654,483

Insured-General Obligations 13.3%

$	2,290	Brentwood Union Free School District, (AGC), 4.75%, 11/15/23	$ 2,499,169
	2,390	Brentwood Union Free School District, (AGC), 5.00%, 11/15/24	2,662,651
	200	East Northport Fire District, (AGC), 4.50%, 11/1/20	222,518
	200	East Northport Fire District, (AGC), 4.50%, 11/1/21	221,146
	200	East Northport Fire District, (AGC), 4.50%, 11/1/22	219,454
	200	East Northport Fire District, (AGC), 4.50%, 11/1/23	218,198
	245	Eastchester Union Free School District, (AGM), 3.50%, 6/15/20	247,803
	255	Eastchester Union Free School District, (AGM), 3.75%, 6/15/21	260,253
	175	Eastchester Union Free School District, (AGM), 4.00%, 6/15/23	179,065
	185	Freeport, (AGC), 5.00%, 10/15/20	209,722
	195	Freeport, (AGC), 5.00%, 10/15/21	220,295
	830	Freeport Union Free School District, (AGC), 4.00%, 4/1/23	853,074
	870		892,785

		Freeport Union Free School District, (AGC), 4.00%, 4/1/24	
	1,395	Hauppauge Union Free School District, (AGC), 4.00%, 7/15/24	1,408,866
	1,110	Hoosic Valley Central School District, (AGC), 4.00%, 6/15/23	1,124,985
	820	Longwood Central School District, Suffolk County, (AGC), 4.15%, 6/1/23	837,983
	860	Longwood Central School District, Suffolk County, (AGC), 4.25%, 6/1/24	879,144
	480	New Rochelle City School District, (AGC), 3.75%, 11/15/19	492,878
	715	New Rochelle City School District, (AGC), 4.00%, 11/15/20	741,956
	2,250	New York, (AGM), 5.00%, 4/1/22	2,399,625
	1,750	New York Dormitory Authority, (School Districts Financing Program), (NPFG), 5.00%, 10/1/30	1,767,185
	1,000	Oneida County, (AGC), 3.875%, 4/15/20	1,014,220
	455	Oneida County, (AGC), 4.00%, 4/15/21	460,838
	1,000	Oneida County, (AGC), 4.00%, 4/15/22	1,006,900
	1,065	Syracuse, (AGC), 5.00%, 6/15/19	1,183,897
	785	Wantagh Union Free School District, (AGC), 4.50%, 11/15/19	859,520
	825	Wantagh Union Free School District, (AGC), 4.50%, 11/15/20	891,965
	905	Wantagh Union Free School District, (AGC), 4.75%, 11/15/22	980,269
	950	Wantagh Union Free School District, (AGC), 4.75%, 11/15/23	1,021,107
	1,590	William Floyd Union Free School District, (AGC), 4.00%, 12/15/24	1,613,627
			$ 27,591,098

Insured-Hospital		13.1%	
$	7,250	New York Dormitory Authority, (Health Quest Systems), (AGC), 5.125%, 7/1/37[1]	$ 7,405,657
	4,355	New York Dormitory Authority, (Hudson Valley Hospital Center), (AGM), (BHAC), 5.00%, 8/15/36	4,545,662
	4,805	New York Dormitory Authority, (Maimonides Medical Center), (NPFG), 5.00%, 8/1/33	4,856,846
	10,000	New York Dormitory Authority, (Presbyterian Hospital), (AGM), (BHAC),	10,306,100

(FHA), 5.25%, 2/15/31(1)

$ 27,114,265

See notes to financial statements

Eaton Vance New York Municipal Bond Fund as of March 31, 2010

PORTFOLIO OF INVESTMENTS (Unaudited) CONT D

Principal Amount (000 s omitted)		**Security**	**Value**	
Insured-Housing 1.2%				
$	2,350	New York Housing Development Corp., (FGIC), (NPFG), 5.00%, 7/1/25	$	2,439,840
			$	**2,439,840**
Insured-Lease Revenue / Certificates of Participation 5.5%				
$	8,120	Hudson Yards Infrastructure Corp., (NPFG), 4.50%, 2/15/47	$	7,039,228
	4,050	New York City Transitional Finance Authority, (BHAC), 5.50%, 7/15/38(2)		4,432,887
			$	**11,472,115**
Insured-Other Revenue 12.4%				
$	3,985	New York City Cultural Resource Trust, (American Museum of Natural History), (NPFG), 5.00%, 7/1/44(3)	$	4,059,480
	4,250	New York City Cultural Resource Trust, (Museum of Modern Art), (AMBAC), (BHAC), 5.125%, 7/1/31(1)		4,332,365
	7,560	New York City Industrial Development Agency, (Yankee Stadium), (NPFG), 4.75%, 3/1/46		6,838,020
	10,000	New York City Transitional Finance Authority, (AGM), (FGIC),		10,360,100

		5.00%, 7/15/31[1]	
			$ 25,589,965

Insured-Private Education 38.7%

$	4,000	Madison County Industrial Development Agency, (Colgate University), (NPFG), 5.00%, 7/1/39	$ 4,079,400
	16,500	New York City Industrial Development Agency, (New York University), (AMBAC), (BHAC), 5.00%, 7/1/41[1]	16,621,935
	8,785	New York Dormitory Authority, (Brooklyn Law School), (XLCA), 5.125%, 7/1/30	8,795,981
	40	New York Dormitory Authority, (Fordham University), (AGC), (BHAC), 5.00%, 7/1/38	41,755
	10,750	New York Dormitory Authority, (Fordham University), (AGC), (BHAC), 5.00%, 7/1/38[1]	11,221,710
	3,500	New York Dormitory Authority, (New York University), (AMBAC), 5.00%, 7/1/41	3,520,790
	4,250	New York Dormitory Authority, (New York University), (AMBAC), (BHAC), 5.00%, 7/1/31[1]	4,286,593
	1,555	New York Dormitory Authority, (Pratt Institute), (AGC), 5.00%, 7/1/34	1,601,323
	3,665	New York Dormitory Authority, (Pratt Institute), (AGC), 5.125%, 7/1/39	3,799,982
	8,515	New York Dormitory Authority, (Rochester Institute of Technology), (AMBAC), 5.25%, 7/1/32	8,660,521
	3,750	New York Dormitory Authority, (St. John s University), (NPFG), 5.25%, 7/1/37	3,826,688
	8,500	New York Dormitory Authority, (State University), (BHAC), 5.00%, 7/1/38	8,872,980
	5,555	Oneida County Industrial Development Agency, (Hamilton College), (NPFG), 0.00%, 7/1/34	1,591,008
	8,455	Oneida County Industrial Development Agency, (Hamilton College), (NPFG), 0.00%, 7/1/36	2,142,835
	4,000	Oneida County Industrial Development Agency, (Hamilton College), (NPFG), 0.00%, 7/1/37	949,440

			$ 80,012,941

Insured-Public Education 1.3%

$ 925	New York Dormitory Authority, (City University), (AMBAC), 5.50%, 7/1/35	$	911,264
1,750	New York Dormitory Authority, (Educational Housing Services CUNY Student Housing), (AMBAC), 5.25%, 7/1/23		1,774,080
		$	**2,685,344**

Insured-Solid Waste 1.7%

$ 1,490	Ulster County, Resource Recovery Agency, Solid Waste System, (AMBAC), 0.00%, 3/1/21	$	961,512
1,090	Ulster County, Resource Recovery Agency, Solid Waste System, (AMBAC), 0.00%, 3/1/23		625,758
3,635	Ulster County, Resource Recovery Agency, Solid Waste System, (AMBAC), 0.00%, 3/1/25		1,866,173
		$	**3,453,443**

Insured-Special Tax Revenue 19.6%

$ 14,560	Metropolitan Transportation Authority, (AGM), 5.00%, 11/15/32(1)	$	14,755,394
3,490	New York Convention Center Development Corp., Hotel Occupancy Tax, (AMBAC), 4.75%, 11/15/45		3,284,683
2,710	New York Convention Center Development Corp., Hotel Occupancy Tax, (AMBAC), 5.00%, 11/15/44		2,661,681
2,415			2,498,366

	New York State Housing Finance Agency, (AGM), 5.00%, 3/15/37[3]	
3,000	Puerto Rico Infrastructure Financing Authority, (AMBAC), 0.00%, 7/1/36	478,350
4,000	Puerto Rico Infrastructure Financing Authority, (FGIC), 0.00%, 7/1/32	877,760
56,755	Puerto Rico Sales Tax Financing Corp., (NPFG), 0.00%, 8/1/44	6,915,597
18,180	Puerto Rico Sales Tax Financing Corp., (NPFG), 0.00%, 8/1/45	2,058,521
11,605	Puerto Rico Sales Tax Financing Corp., (NPFG), 0.00%, 8/1/46	1,216,088
1,310	Sales Tax Asset Receivables Corp., (AMBAC), 5.00%, 10/15/29	1,373,509

See notes to financial statements

16

Eaton Vance New York Municipal Bond Fund as of March 31, 2010

PORTFOLIO OF INVESTMENTS (Unaudited) CONT D

Principal Amount (000 s omitted)	**Security**	**Value**
	Insured-Special Tax Revenue (continued)	
$ 4,185	Sales Tax Asset Receivables Corp., (AMBAC), 5.00%, 10/15/32	$ 4,336,832
		$ 40,456,781
	Insured-Transportation 22.5%	
$ 22,500	Metropolitan Transportation Authority, (AGM), 5.00%, 11/15/30(1)	$ 22,718,700
2,175	New York Thruway Authority, (AMBAC), 5.50%, 4/1/20	2,522,456
5,600	Port Authority of New York and New Jersey, (AGM), 5.00%, 8/15/24(1)	6,057,464
11,000	Port Authority of New York and New Jersey, (AGM), 5.00%, 8/15/33(1)	11,467,390
3,625	Triborough Bridge and Tunnel Authority, (NPFG), 5.00%, 11/15/32(3)	3,685,320
		$ 46,451,330
	Insured-Water and Sewer 10.4%	
$ 300	Nassau County Sewer and Storm Water Finance Authority, (BHAC), 5.125%, 11/1/23	$ 331,950
3,835	Nassau County Sewer and Storm Water Finance Authority, (BHAC),	4,244,118

		5.375%, 11/1/28		
	6,500	New York City Municipal Water Finance Authority, (Water and Sewer System), (AMBAC), (BHAC), 5.00%, 6/15/38[(1)]		6,614,985
	10,000	New York City Municipal Water Finance Authority, (Water and Sewer System), (BHAC), (NPFG), 5.125%, 6/15/34[(1)]		10,430,200
			$	**21,621,253**

Insured-Water Revenue 0.7%

$	1,475	Suffolk County Water Authority, (NPFG), 4.50%, 6/1/25	$	1,506,698
			$	**1,506,698**

Lease Revenue / Certificates of Participation 6.5%

$	4,000	Metropolitan Transportation Authority, Lease Contract, 5.125%, 1/1/29	$	4,066,360
	9,270	New York Dormitory Authority, (North General Hospital), 5.00%, 2/15/25		9,425,550
			$	**13,491,910**

Other Revenue 0.6%

$	4,900	Brooklyn Arena Local Development Corp., (Barclays Center), 0.00%, 7/15/31	$	1,297,520
			$	**1,297,520**

Private Education 1.8%

$	1,630	Madison County Industrial Development Agency, (Colgate University), 5.00%, 7/1/33	$ 1,657,726
	2,040	New York Dormitory Authority, (Rockefeller University), 5.00%, 7/1/40	2,156,688
			$ 3,814,414

Transportation 0.9%

$	1,565	Nassau County Bridge Authority, 5.00%, 10/1/35(4)	$ 1,585,423
	300	Nassau County Bridge Authority, 5.00%, 10/1/40(4)	299,551
			$ 1,884,974

Total Tax-Exempt Investments 163.2% (identified cost $335,558,773)	**$ 337,692,824**

Short-Term Investments 3.4%

Principal Amount (000 s omitted)		**Description**	**Value**
$	7,100	State Street Bank and Trust Euro Time Deposit, 0.01%, 4/1/10	$ 7,099,915

Total Short-Term Investments 3.4% (identified cost $7,099,915)	**$ 7,099,915**

Total Investments 166.6% (identified cost $342,658,688)	$	**344,792,739**
Other Assets, Less Liabilities (66.6)%	$	**(137,882,747)**
Net Assets 100.0%	$	**206,909,992**

The percentage shown for each investment category in the Portfolio of Investments is based on net assets.

AGC - Assured Guaranty Corp.

AGM - Assured Guaranty Municipal Corp.

AMBAC - AMBAC Financial Group, Inc.

BHAC - Berkshire Hathaway Assurance Corp.

FGIC - Financial Guaranty Insurance Company

FHA - Federal Housing Administration

NPFG - National Public Finance Guaranty Corp.

XLCA - XL Capital Assurance, Inc.

The Fund invests primarily in debt securities issued by New York municipalities. The ability of the issuers of the debt securities to meet their obligations may be affected by economic developments in a specific industry or municipality. In order to reduce the risk associated with such economic developments, at March 31, 2010, 90.0% of total investments are backed by bond insurance of

See notes to financial statements

Eaton Vance New York Municipal Bond Fund as of March 31, 2010

PORTFOLIO OF INVESTMENTS (Unaudited) CONT D

various financial institutions and financial guaranty assurance agencies. The aggregate percentage insured by an individual financial institution ranged from 2.6% to 28.7% of total investments.

(1) Security represents the underlying municipal bond of an inverse floater (see Note 1H).

(2) Security (or a portion thereof) has been pledged to cover margin requirements on open financial futures contracts.

(3) Security (or a portion thereof) has been segregated to cover payable for when-issued securities.

(4) When-issued security.

See notes to financial statements

Eaton Vance Municipal Bond Funds as of March 31, 2010

FINANCIAL STATEMENTS (Unaudited)

Statements of Assets and Liabilities

As of March 31, 2010	**Municipal Fund**	**California Fund**	**New York Fund**
Assets			
Investments			
Identified cost	$ 1,489,510,468	$ 475,553,626	$ 342,658,688
Unrealized appreciation (depreciation)	(46,997,389)	(18,671,847)	2,134,051
Investments, at value	**$ 1,442,513,079**	**$ 456,881,779**	**$ 344,792,739**
Interest receivable	$ 17,611,413	$ 5,474,955	$ 4,234,766
Receivable for investments sold	3,464,704		150,033
Deferred debt issuance costs	1,849,215	522,149	304,617
Total assets	**$ 1,465,438,411**	**$ 462,878,883**	**$ 349,482,155**
Liabilities			
Payable for floating rate notes issued	$ 616,300,000	$ 196,510,000	$ 139,875,000
Payable for when-issued securities	7,704,461	7,612,575	1,868,337
Payable for variation margin on open financial futures contracts		114,375	78,281
Payable for open swap contracts	716,487	46,513	269,380
Due to custodian	1,046,236		
Payable to affiliates:			
Investment adviser fee	705,763	219,683	168,387
Interest expense and fees payable	1,169,471	397,125	241,996
Accrued expenses	188,964	93,968	70,782
Total liabilities	**$ 627,831,382**	**$ 204,994,239**	**$ 142,572,163**

Net Assets	**$ 837,607,029**	**$ 257,884,644**	**$ 206,909,992**
Sources of Net Assets			
Common shares, $0.01 par value, unlimited number of shares authorized	$ 679,099	$ 217,003	$ 158,114
Additional paid-in capital	955,349,683	306,077,980	222,853,976
Accumulated net realized loss	(79,390,514)	(32,459,411)	(19,297,480)
Accumulated undistributed net investment income	8,682,637	2,631,038	1,237,358
Net unrealized appreciation (depreciation)	(47,713,876)	(18,581,966)	1,958,024
Net Assets	**$ 837,607,029**	**$ 257,884,644**	**$ 206,909,992**
Common Shares Outstanding			
	67,909,917	**21,700,267**	**15,811,399**
Net Asset Value			
Net assets ¸ common shares issued and outstanding	**$ 12.33**	**$ 11.88**	**$ 13.09**

See notes to financial statements

Eaton Vance Municipal Bond Funds as of March 31, 2010

FINANCIAL STATEMENTS (Unaudited) CONT D

Statements of Operations

For the Six Months Ended March 31, 2010	**Municipal Fund**	**California Fund**	**New York Fund**
Investment Income			
Interest	$ 37,166,286	$ 11,528,897	$ 8,280,090
Total investment income	**$ 37,166,286**	**$ 11,528,897**	**$ 8,280,090**
Expenses			
Investment adviser fee	$ 4,695,941	$ 1,473,279	$ 1,124,375
Trustees fees and expenses	24,095	7,750	5,994
Custodian fee	143,999	90,505	72,158
Transfer and dividend disbursing agent fees	11,483	5,792	6,262
Legal and accounting services	62,700	43,389	31,857
Printing and postage	86,941	33,922	33,262
Interest expense and fees	2,196,658	694,204	551,181
Miscellaneous	25,108	21,099	2,794
Total expenses	**$ 7,246,925**	**$ 2,369,940**	**$ 1,827,883**
Deduct			
Reduction of custodian fee	$ 1,178	$ 255	$ 782
Allocation of expenses to affiliate	577,962	181,383	138,411
Total expense reductions	**$ 579,140**	**$ 181,638**	**$ 139,193**

Net expenses	**$ 6,667,785**	**$ 2,188,302**	**$ 1,688,690**
Net investment income	**$ 30,498,501**	**$ 9,340,595**	**$ 6,591,400**
Realized and Unrealized Gain (Loss)			
Net realized gain (loss)			
Investment transactions	$ (1,769,553)	$ (3,317,634)	$ (1,387,865)
Extinguishment of debt	(35,176)		
Financial futures contracts		139,553	102,037
Swap contracts	1,438,165	472,189	342,143
Net realized loss	**$ (366,564)**	**$ (2,705,892)**	**$ (943,685)**
Change in unrealized appreciation (depreciation)			
Investments	$ (58,813,530)	$ (21,159,619)	$ (9,361,829)
Financial futures contracts		619,531	420,109
Swap contracts	2,525,753	42,937	1,013,052
Net change in unrealized appreciation (depreciation)	**$ (56,287,777)**	**$ (20,497,151)**	**$ (7,928,668)**
Net realized and unrealized loss	**$ (56,654,341)**	**$ (23,203,043)**	**$ (8,872,353)**
Net decrease in net assets from operations	**$ (26,155,840)**	**$ (13,862,448)**	**$ (2,280,953)**

See notes to financial statements

Eaton Vance Municipal Bond Funds as of March 31, 2010

FINANCIAL STATEMENTS (Unaudited) CONT D

Statements of Changes in Net Assets

For the Six Months Ended March 31, 2010

Increase (Decrease) in Net Assets	**Municipal Fund**	**California Fund**	**New York Fund**
From operations			
Net investment income	$ 30,498,501	$ 9,340,595	$ 6,591,400
Net realized loss from investment transactions, extinguishment of debt, financial futures contracts and swap contracts	(366,564)	(2,705,892)	(943,685)
Net change in unrealized appreciation (depreciation) from investments, financial futures contracts and swap contracts	(56,287,777)	(20,497,151)	(7,928,668)
Net decrease in net assets from operations	**$ (26,155,840)**	**$ (13,862,448)**	**$ (2,280,953)**
Distributions to common shareholders			
From net investment income	$ (30,635,170)	$ (9,137,515)	$ (6,410,419)
Total distributions to common shareholders	**$ (30,635,170)**	**$ (9,137,515)**	**$ (6,410,419)**
Capital share transactions			
Reinvestment of distributions to common shareholders	$ 1,006,905	$ 142,016	$ 297,866
Net increase in net assets from capital share transactions	**$ 1,006,905**	**$ 142,016**	**$ 297,866**
Net decrease in net assets	**$ (55,784,105)**	**$ (22,857,947)**	**$ (8,393,506)**

Net Assets			
At beginning of period	$ 893,391,134	$ 280,742,591	$ 215,303,498
At end of period	**$ 837,607,029**	**$ 257,884,644**	**$ 206,909,992**
Accumulated undistributed net investment income included in net assets			
At end of period	**$ 8,682,637**	**$ 2,631,038**	**$ 1,237,358**

See notes to financial statements

Eaton Vance Municipal Bond Funds as of March 31, 2010

FINANCIAL STATEMENTS CONT D

Statements of Changes in Net Assets

For the Year Ended September 30, 2009

Increase (Decrease) in Net Assets	**Municipal Fund**	**California Fund**	**New York Fund**
From operations			
Net investment income	$ 56,812,789	$ 17,921,015	$ 12,462,062
Net realized loss from investment transactions, financial futures contracts and swap contracts	(58,106,471)	(21,430,474)	(13,060,623)
Net change in unrealized appreciation (depreciation) from investments, financial futures contracts and swap contracts	207,373,156	55,652,776	43,455,539
Net increase in net assets from operations	**$ 206,079,474**	**$ 52,143,317**	**$ 42,856,978**
Distributions to common shareholders			
From net investment income	$ (54,304,179)	$ (16,634,117)	$ (11,572,247)
Total distributions to common shareholders	**$ (54,304,179)**	**$ (16,634,117)**	**$ (11,572,247)**
Capital share transactions			
Reinvestment of distributions to common shareholders	$ 1,585,555	$ 222,414	$ 375,543
Issued in connection with tax-free reorganization (see Note 10)	20,638,318		
Net increase in net assets from capital share transactions	**$ 22,223,873**	**$ 222,414**	**$ 375,543**
Net increase in net assets	**$ 173,999,168**	**$ 35,731,614**	**$ 31,660,274**

Net Assets			
At beginning of year	$ 719,391,966	$ 245,010,977	$ 183,643,224
At end of year	**$ 893,391,134**	**$ 280,742,591**	**$ 215,303,498**
Accumulated undistributed net investment income included in net assets			
At end of year	**$ 8,819,306**	**$ 2,427,958**	**$ 1,056,377**

See notes to financial statements

Eaton Vance Municipal Bond Funds as of March 31, 2010

FINANCIAL STATEMENTS (Unaudited) CONT D

Statements of Cash Flows

For the Six Months Ended March 31, 2010 Cash Flows From Operating Activities	**Municipal Fund**	**California Fund**	**New York Fund**
Net decrease in net assets from operations	$ (26,155,840)	$ (13,862,448)	$ (2,280,953)
Adjustments to reconcile net decrease in net assets from operations to net cash provided by operating activities:			
Investments purchased	(61,470,862)	(15,852,910)	(8,287,080)
Investments sold	59,371,710	13,977,372	13,405,922
Decrease (increase) in short-term investments, net	1,549,694	(4,657,695)	(7,099,915)
Net accretion/amortization of premium (discount)	(5,996,005)	(1,901,720)	(665,387)
Amortization of deferred debt issuance costs	128,655	72,540	70,693
Decrease (increase) in interest receivable	63,544	(58,325)	211,067
Increase in receivable for investments sold	(3,318,982)		(150,033)
Decrease in receivable for variation margin on open financial futures contracts		61,000	41,750
Increase in payable for when-issued securities	7,704,461	7,612,575	1,868,337
Increase in payable for variation margin on open financial futures contracts		114,375	78,281
Decrease in payable for open swap contracts	(2,525,753)	(42,937)	(1,013,052)
Increase (decrease) in payable to affiliate for investment adviser fee	(57,429)	3,675	5,728
Decrease in interest expense and fees payable	(423,982)	(157,578)	(122,794)
Decrease in accrued expenses	(90,441)	(38,751)	(55,558)
Net realized loss on extinguishment of debt	35,176		
Net change in unrealized (appreciation) depreciation from investments	58,813,530	21,159,619	9,361,829
Net realized loss from investments	1,769,553	3,317,634	1,387,865
Net cash provided by operating activities	**$ 29,397,029**	**$ 9,746,426**	**$ 6,756,700**

Cash Flows From Financing Activities

Distributions paid to common shareholders, net of reinvestments	$	(29,628,265)	$	(8,995,499)	$	(6,112,553)
Proceeds from secured borrowings		8,910,000				
Repayment of secured borrowings		(9,725,000)				
Increase (decrease) in due to custodian		1,046,236		(750,927)		(644,147)
Net cash used in financing activities	**$**	**(29,397,029)**	**$**	**(9,746,426)**	**$**	**(6,756,700)**
Cash at beginning of period	**$**		**$**		**$**	
Cash at end of period	**$**		**$**		**$**	

Supplemental disclosure of cash flow information:

Noncash financing activities not included herein consist of:						
Reinvestment of dividends and distributions	$	1,006,905	$	142,016	$	297,866
Cash paid for interest and fees	$	2,491,985	$	779,242	$	603,282

See notes to financial statements

Eaton Vance Municipal Bond Funds as of March 31, 2010

FINANCIAL STATEMENTS CONT D

Financial Highlights

	Municipal Fund					
	Six Months Ended March 31, 2010 (Unaudited)	**Year Ended September 30,**				
		2009	**2008**	**2007**	**2006**	**2005**
Net asset value Beginning of period (Common shares)	$ 13.170	$ 11.080	$ 15.100	$ 15.910	$ 15.320	$ 14.750
Income (Loss) From Operations						
Net investment income[1]	$ 0.449	$ 0.846	$ 0.959	$ 1.050	$ 1.060	$ 1.059
Net realized and unrealized gain (loss)	(0.838)	2.051	(3.797)	(0.419)	0.696	0.611
Distributions to preferred shareholders						
From net investment income			(0.171)	(0.225)	(0.270)	(0.174)
From net realized gain			(0.051)	(0.113)	(0.014)	
Total income (loss) from operations	**$ (0.389)**	**$ 2.897**	**$ (3.060)**	**$ 0.293**	**$ 1.472**	**$ 1.496**

Less Distributions to Common Shareholders						
From net investment income	$ (0.451)	$ (0.807)	$ (0.773)	$ (0.771)	$ (0.813)	$ (0.926)
From net realized gain			(0.187)	(0.332)	(0.069)	
Total distributions to common shareholders	**$ (0.451)**	**$ (0.807)**	**$ (0.960)**	**$ (1.103)**	**$ (0.882)**	**$ (0.926)**
Net asset value End of period (Common shares)	**$ 12.330**	**$ 13.170**	**$ 11.080**	**$ 15.100**	**$ 15.910**	**$ 15.320**
Market value End of period (Common shares)	**$ 12.930**	**$ 13.160**	**$ 11.140**	**$ 15.310**	**$ 15.220**	**$ 15.050**
Total Investment Return on Net Asset Value(2)	**(2.87)%**(3)	**28.15%**	**(21.24)%**	**1.87%**	**10.21%**	**10.70%**
Total Investment Return on Market Value(2)	**1.93%**(3)	**27.36%**	**(21.90)%**	**7.97%**	**7.32%**	**14.98%**
Ratios/Supplemental Data						
Net assets applicable to common shares, end of period (000 s omitted)	$ 837,607	$ 893,391	$ 719,392	$ 977,406	$ 1,028,359	$ 989,850
Ratios (as a percentage of average daily net assets applicable to common shares):(4)						
Expenses excluding interest	1.08%(5)	1.04%	0.89%	0.79%	0.79%	0.78%

and fees						
Interest and fee expense[6]	0.53%[5]	1.33%	0.59%			
Total expenses before custodian fee reduction	1.61%[5]	2.37%	1.48%	0.79%	0.79%	0.78%
Expenses after custodian fee reduction excluding interest and fees	1.08%[5]	1.04%	0.86%	0.78%	0.78%	0.77%
Net investment income	7.35%[5]	7.94%	6.94%	6.76%	6.91%	6.97%
Portfolio Turnover	4%[3]	19%	54%	39%	56%	51%

(1) Computed using average common shares outstanding.

(2) Returns are historical and are calculated by determining the percentage change in net asset value or market value with all distributions reinvested.

(3) Not annualized.

(4) Ratios do not reflect the effect of dividend payments to preferred shareholders.

(5) Annualized.

(6) Interest and fee expense relates to the liability for floating rate notes issued in conjunction with inverse floater securities transactions (see Note 1H).

See notes to financial statements

24

Eaton Vance Municipal Bond Funds as of March 31, 2010

FINANCIAL STATEMENTS CONT D

Financial Highlights

	California Fund					
	Six Months Ended March 31, 2010 (Unaudited)	**Year Ended September 30,**				
		2009	**2008**	**2007**	**2006**	**2005**
Net asset value Beginning of period (Common shares)	$ 12.940	$ 11.310	$ 15.000	$ 15.280	$ 14.690	$ 14.250
Income (Loss) From Operations						
Net investment income[1]	$ 0.431	$ 0.827	$ 0.930	$ 1.024	$ 1.015	$ 1.011
Net realized and unrealized gain (loss)	(1.070)	1.570	(3.418)	(0.269)	0.598	0.444
Distributions to preferred shareholders						
From net investment income			(0.153)	(0.296)	(0.259)	(0.162)
From net realized gain			(0.094)			
Total income (loss) from operations	**$ (0.639)**	**$ 2.397**	**$ (2.735)**	**$ 0.459**	**$ 1.354**	**$ 1.293**

Less Distributions to Common Shareholders						
From net investment income	$ (0.421)	$ (0.767)	$ (0.724)	$ (0.739)	$ (0.764)	$ (0.853)
From net realized gain			(0.231)			
Total distributions to common shareholders	**$ (0.421)**	**$ (0.767)**	**$ (0.955)**	**$ (0.739)**	**$ (0.764)**	**$ (0.853)**
Net asset value End of period (Common shares)	**$ 11.880**	**$ 12.940**	**$ 11.310**	**$ 15.000**	**$ 15.280**	**$ 14.690**
Market value End of period (Common shares)	**$ 12.140**	**$ 12.970**	**$ 11.090**	**$ 14.720**	**$ 14.840**	**$ 13.920**
Total Investment Return on Net Asset Value[2]	**(4.85)%**[3]	**22.99%**	**(19.08)%**	**3.10%**	**9.85%**	**9.58%**
Total Investment Return on Market Value[2]	**(2.99)%**[3]	**25.72%**	**(19.15)%**	**4.18%**	**12.58%**	**7.77%**
Ratios/Supplemental Data						
Net assets applicable to common shares, end of period (000 s omitted)	$ 257,885	$ 280,743	$ 245,011	$ 324,508	$ 330,464	$ 317,785

Ratios (as a percentage of average daily net assets applicable to common shares):[4]

Expenses excluding interest and fees	1.15%[5]	1.06%	0.95%	0.81%	0.85%	0.84%
Interest and fee expense[6]	0.54%[5]	1.28%	0.51%			
Total expenses before custodian fee reduction	1.69%[5]	2.34%	1.46%	0.81%	0.85%	0.84%
Expenses after custodian fee reduction excluding interest and fees	1.15%[5]	1.04%	0.92%	0.81%	0.84%	0.83%
Net investment income	7.22%[5]	7.64%	6.74%	6.73%	6.85%	6.93%
Portfolio Turnover	3%[3]	8%	39%	27%	24%	16%

(1) Computed using average common shares outstanding.

(2) Returns are historical and are calculated by determining the percentage change in net asset value or market value with all distributions reinvested.

(3) Not annualized.

(4) Ratios do not reflect the effect of dividend payments to preferred shareholders.

(5) Annualized.

(6) Interest and fee expense relates to the liability for floating rate notes issued in conjunction with inverse floater securities transactions (see Note 1H).

See notes to financial statements

Eaton Vance Municipal Bond Funds as of March 31, 2010

FINANCIAL STATEMENTS CONT D

Financial Highlights

	New York Fund					
	Six Months Ended March 31, 2010 (Unaudited)	**Year Ended September 30,**				
		2009	**2008**	**2007**	**2006**	**2005**
Net asset value Beginning of period (Common shares)	$ 13.640	$ 11.650	$ 14.800	$ 15.140	$ 14.730	$ 14.390
Income (Loss) From Operations						
Net investment income(1)	$ 0.417	$ 0.790	$ 0.923	$ 1.012	$ 1.010	$ 1.002
Net realized and unrealized gain (loss)	(0.561)	1.934	(3.152)	(0.335)	0.424	0.349
Distributions to preferred shareholders						
From net investment income			(0.215)	(0.302)	(0.268)	(0.167)
Total income (loss) from operations	**$ (0.144)**	**$ 2.724**	**$ (2.444)**	**$ 0.375**	**$ 1.166**	**$ 1.184**

Less Distributions to Common Shareholders						
From net investment income	$ (0.406)	$ (0.734)	$ (0.706)	$ (0.715)	$ (0.756)	$ (0.844)
Total distributions to common shareholders	**$ (0.406)**	**$ (0.734)**	**$ (0.706)**	**$ (0.715)**	**$ (0.756)**	**$ (0.844)**
Net asset value End of period (Common shares)	**$ 13.090**	**$ 13.640**	**$ 11.650**	**$ 14.800**	**$ 15.140**	**$ 14.730**
Market value End of period (Common shares)	**$ 13.670**	**$ 14.120**	**$ 10.980**	**$ 14.500**	**$ 14.650**	**$ 13.680**
Total Investment Return on Net Asset Value[2]	**(1.01)%**[3]	**24.78%**	**(17.07)%**	**2.59%**	**8.41%**	**8.77%**
Total Investment Return on Market Value[2]	**(0.14)%**[3]	**37.06%**	**(20.22)%**	**3.87%**	**12.95%**	**4.88%**
Ratios/Supplemental Data						
Net assets applicable to common shares, end of period (000 s omitted)	$ 206,910	$ 215,303	$ 183,643	$ 232,624	$ 237,664	$ 231,161
Ratios (as a percentage of average daily net assets applicable to common shares):[4]						
Expenses excluding interest and fees	1.11%[5]	1.04%	0.99%	0.86%	0.88%	0.87%
	0.53%[5]	1.34%	0.55%			

Interest and fee expense[6]						
Total expenses before custodian fee reduction	1.64%[5]	2.38%	1.54%	0.86%	0.88%	0.87%
Expenses after custodian fee reduction excluding interest and fees	1.11%[5]	1.03%	0.95%	0.85%	0.88%	0.86%
Net investment income	6.39%[5]	6.83%	6.63%	6.72%	6.86%	6.81%
Portfolio Turnover	2%[3]	21%	48%	28%	14%	23%

(1) Computed using average common shares outstanding.

(2) Returns are historical and are calculated by determining the percentage change in net asset value or market value with all distributions reinvested.

(3) Not annualized.

(4) Ratios do not reflect the effect of dividend payments to preferred shareholders.

(5) Annualized.

(6) Interest and fee expense relates to the liability for floating rate notes issued in conjunction with inverse floater securities transactions (see Note 1H).

See notes to financial statements

Eaton Vance Municipal Bond Funds as of March 31, 2010

NOTES TO FINANCIAL STATEMENTS (Unaudited)

1 Significant Accounting Policies

Eaton Vance Municipal Bond Fund (formerly, Eaton Vance Insured Municipal Bond Fund) (Municipal Fund), Eaton Vance California Municipal Bond Fund (formerly, Eaton Vance Insured California Municipal Bond Fund) (California Fund) and Eaton Vance New York Municipal Bond Fund (formerly, Eaton Vance Insured New York Municipal Bond Fund) (New York Fund), (each individually referred to as the Fund, and collectively, the Funds), are Massachusetts business trusts registered under the Investment Company Act of 1940, as amended (the 1940 Act), as non-diversified, closed-end management investment companies. Each Fund seeks to provide current income exempt from regular federal income tax, including alternative minimum tax, and, in state specific funds, taxes in its specified state.

The following is a summary of significant accounting policies of the Funds. The policies are in conformity with accounting principles generally accepted in the United States of America.

A Investment Valuation Debt obligations (including short-term obligations with a remaining maturity of more than sixty days) are generally valued on the basis of valuations furnished by third party pricing services, as derived from such services pricing models. Inputs to the models may include, but are not limited to, reported trades, executable bid and asked prices, broker/dealer quotations, prices or yields of securities with similar characteristics, benchmark curves or information pertaining to the issuer, as well as industry and economic events. The pricing services may use a matrix approach, which considers information regarding securities with similar characteristics to determine the valuation for a security. Short-term obligations, maturing in sixty days or less, are generally valued at amortized cost, which approximates market value. Financial futures contracts are valued at the closing settlement price established by the board of trade or exchange on which they are traded. Interest rate swaps are normally valued using valuations provided by a third party pricing service. Such pricing service valuations are based on the present value of fixed and projected floating rate cash flows over the term of the swap contract. Future cash flows are discounted to their present value using swap curves provided by electronic data services or by broker/dealers. Investments for which valuations or market quotations are not readily available or are deemed unreliable are valued at fair value using methods determined in good faith by or at the direction of the Trustees of a Fund in a manner that most fairly reflects the security s value, or the amount that the Fund might reasonably expect to receive for the security upon its current sale in the ordinary course. Each such determination is based on a consideration of all relevant factors, which are likely to vary from one pricing context to another. These factors may include, but are not limited to, the type of security, the existence of any contractual

restrictions on the security s disposition, the price and extent of public trading in similar securities of the issuer or of comparable entities, quotations or relevant information obtained from broker-dealers or other market participants, information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities), an analysis of the entity s financial condition, and an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold.

B Investment Transactions and Related Income Investment transactions for financial statement purposes are accounted for on a trade date basis. Realized gains and losses on investments sold are determined on the basis of identified cost. Interest income is recorded on the basis of interest accrued, adjusted for amortization of premium or accretion of discount.

C Federal Taxes Each Fund s policy is to comply with the provisions of the Internal Revenue Code applicable to regulated investment companies and to distribute to shareholders each year substantially all of its taxable, if any, and tax-exempt net investment income, and all or substantially all of its net realized capital gains. Accordingly, no provision for federal income or excise tax is necessary. Each Fund intends to satisfy conditions which will enable it to designate distributions from the interest income generated by its investments in municipal obligations, which are exempt from regular federal income tax when received by each Fund, as exempt-interest dividends.

At September 30, 2009, the following Funds, for federal income tax purposes, had capital loss carryforwards which will reduce the respective Fund s taxable income arising from future net realized gains on investment transactions, if any, to the extent permitted by the Internal Revenue Code, and thus will reduce the amount of distributions to shareholders, which would otherwise be necessary to relieve the Funds of any liability for federal income or excise tax. The amounts and expiration dates of the capital loss carryforwards are as follows:

Fund		**Amount**	**Expiration Date**
Municipal	$	314,751	September 30, 2012
		31,250	September 30, 2015
		6,857,645	September 30, 2016
		18,034,628	September 30, 2017
California	$	533,889	September 30, 2016
		4,562,453	September 30, 2017
New York	$	125,998	September 30, 2013
		7,946,914	September 30, 2017

Included in the amounts above for Municipal Fund is a capital loss carryforward of $5,338,110 as a result of the

27

Eaton Vance Municipal Bond Funds as of March 31, 2010

NOTES TO FINANCIAL STATEMENTS (Unaudited) CONT D

reorganization (see Note 10). Utilization of this capital loss carryforward may be limited in accordance with certain income tax regulations.

Additionally, at September 30, 2009, the Municipal Fund, California Fund and New York Fund had net capital losses of $58,149,538, $23,586,702 and $9,821,149, respectively, attributable to security transactions incurred after October 31, 2008. These net capital losses are treated as arising on the first day of the Funds taxable year ending September 30, 2010.

As of March 31, 2010, the Funds had no uncertain tax positions that would require financial statement recognition, de-recognition, or disclosure. Each of the Funds federal tax returns filed in the 3-year period ended September 30, 2009 remains subject to examination by the Internal Revenue Service.

D Expense Reduction State Street Bank and Trust Company (SSBT) serves as custodian of the Funds. Pursuant to the respective custodian agreements, SSBT receives a fee reduced by credits, which are determined based on the average daily cash balance each Fund maintains with SSBT. All credit balances, if any, used to reduce each Fund s custodian fees are reported as a reduction of expenses in the Statements of Operations.

E Legal Fees Legal fees and other related expenses incurred as part of negotiations of the terms and requirement of capital infusions, or that are expected to result in the restructuring of, or a plan of reorganization for, an investment are recorded as realized losses. Ongoing expenditures to protect or enhance an investment are treated as operating expenses.

F Use of Estimates The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the reporting period. Actual results could differ from those estimates.

G Indemnifications Under each Fund s organizational documents, its officers and Trustees may be indemnified against certain liabilities and expenses arising out of the performance of their duties to each Fund. Under Massachusetts law, if certain conditions prevail, shareholders of a Massachusetts business trust, (such as a Fund) could be deemed to have personal liability for the obligations of the Fund. However, each Fund s Declaration of Trust contains an express disclaimer of liability on the part of Fund shareholders and the By-laws provide that the Fund shall assume the defense on behalf of any Fund

shareholders. Moreover, the By-laws also provide for indemnification out of Fund property of any shareholder held personally liable solely by reason of being or having been a shareholder for all loss or expense arising from such liability. Additionally, in the normal course of business, each Fund enters into agreements with service providers that may contain indemnification clauses. Each Fund s maximum exposure under these arrangements is unknown as this would involve future claims that may be made against each Fund that have not yet occurred.

H Floating Rate Notes Issued in Conjunction with Securities Held The Funds may invest in inverse floating rate securities, also referred to as residual interest bonds, whereby a Fund may sell a fixed rate bond to a broker for cash. At the same time, the Fund buys a residual interest in the assets and cash flows of a Special-Purpose Vehicle (the

SPV), (which is generally organized as a trust), set up by the broker, often referred to as an inverse floating rate obligation (Inverse Floater). The broker deposits a fixed rate bond into the SPV with the same CUSIP number as the fixed rate bond sold to the broker by the Fund, and which may have been, but is not required to be, the fixed rate bond purchased from the Fund (the Fixed Rate Bond). The SPV also issues floating rate notes (Floating Rate Notes) which are sold to third-parties. The Inverse Floater held by a Fund gives the Fund the right (1) to cause the holders of the Floating Rate Notes to tender their notes at par, and (2) to have the broker transfer the Fixed Rate Bond held by the SPV to the Fund, thereby terminating the SPV. Should the Fund exercise such right, it would pay the broker the par amount due on the Floating Rate Notes and exchange the Inverse Floater for the underlying Fixed Rate Bond. Pursuant to generally accepted accounting principles for transfers and servicing of financial assets and extinguishment of liabilities, the Funds account for the transaction described above as a secured borrowing by including the Fixed Rate Bond in their Portfolio of Investments and the Floating Rate Notes as a liability under the caption Payable for floating rate notes issued in their Statement of Assets and Liabilities. The Floating Rate Notes have interest rates that generally reset weekly and their holders have the option to tender their notes to the broker for redemption at par at each reset date. Interest expense related to the Funds liability with respect to Floating Rate Notes is recorded as incurred. The SPV may be terminated by the Fund, as noted above, or by the broker upon the occurrence of certain termination events as defined in the trust agreement, such as a downgrade in the credit quality of the underlying bond, bankruptcy of or payment failure by the issuer of the underlying bond, the inability to remarket Floating Rate Notes that have been tendered due to insufficient buyers in the market, or the failure by the SPV to obtain renewal of the liquidity agreement under which liquidity support is provided for the Floating Rate Notes up to one year. Structuring fees

Eaton Vance Municipal Bond Funds as of March 31, 2010

NOTES TO FINANCIAL STATEMENTS (Unaudited) CONT D

paid to the liquidity provider upon the creation of an SPV have been recorded as debt issuance costs and are being amortized as interest expense to the expected maturity of the related trust. Unamortized structuring fees related to a terminated SPV are recorded as a realized loss on extinguishment of debt. At March 31, 2010, the amounts of the Funds Floating Rate Notes and related interest rates and collateral were as follows:

Fund	**Floating Rate Notes Outstanding**	**Interest Rate or Range of Interest Rates (%)**	**Collateral for Floating Rate Notes Outstanding**
Municipal	$ 616,300,000	0.29 0.33	$ 640,265,327
California	196,510,000	0.27 0.33	201,255,235
New York	139,875,000	0.30 0.31	145,543,718

For the six months ended March 31, 2010, the Funds average Floating Rate Notes outstanding and the average interest rate (annualized) including fees and amortization of deferred debt issuance costs were as follows:

Fund	**Average Floating Rate Notes Outstanding**	**Average Interest Rate**
Municipal	$ 617,061,538	0.71%
California	196,510,000	0.71
New York	139,875,000	0.79

The Funds may enter into shortfall and forbearance agreements with the broker by which a Fund agrees to reimburse the broker, in certain circumstances, for the difference between the liquidation value of the Fixed Rate Bond held by the SPV and the liquidation value of the Floating Rate Notes, as well as any shortfalls in interest cash flows. The Funds exposure under shortfall and forbearance agreements that were entered into as of March 31, 2010 was approximately $5,276,000 and $1,493,000 for the Municipal Fund and California Fund, respectively, and none for the New York Fund.

The Funds may also purchase Inverse Floaters from brokers in a secondary market transaction without first owning the underlying fixed rate bond. Such transactions are not required to be treated as secured borrowings. Shortfall agreements, if any, related to Inverse Floaters purchased in a secondary market transaction are disclosed in the Portfolio of Investments. The Funds investment policies and restrictions expressly permit investments in Inverse Floaters. Inverse floating rate securities typically offer the potential for yields exceeding the yields available on fixed rate bonds with comparable credit quality and maturity. These securities tend to underperform the market for fixed rate bonds in a rising long-term interest rate environment, but tend to outperform the market for fixed rate bonds when long-term interest rates decline.

The value and income of inverse floating rate securities are generally more volatile than that of a fixed rate bond. The Funds investment policies do not allow the Funds to borrow money except as permitted by the 1940 Act. Management believes that the Funds restrictions on borrowing money and issuing senior securities (other than as specifically permitted) do not apply to Floating Rate Notes issued by the SPV and included as a liability in the Funds Statement of Assets and Liabilities. As secured indebtedness issued by an SPV, Floating Rate Notes are distinct from the borrowings and senior securities to which the Funds restrictions apply. Inverse Floaters held by the Funds are securities exempt from registration under Rule 144A of the Securities Act of 1933.

I Financial Futures Contracts The Funds may enter into financial futures contracts. The Funds investment in financial futures contracts is designed for hedging against changes in interest rates or as a substitute for the purchase of securities. Upon entering into a financial futures contract, a Fund is required to deposit with the broker, either in cash or securities, an amount equal to a certain percentage of the purchase price (initial margin). Subsequent payments, known as variation margin, are made or received by the Fund each business day, depending on the daily fluctuations in the value of the underlying security, and are recorded as unrealized gains or losses by the Fund. Gains (losses) are realized upon the expiration or closing of the financial futures contracts. Should market conditions change unexpectedly, the Fund may not achieve the anticipated benefits of the financial futures contracts and may realize a loss. Futures contracts have minimal counterparty risk as they are exchange traded and the clearinghouse for the exchange is substituted as the counterparty, guaranteeing counterparty performance.

J Interest Rate Swaps The Funds may enter into interest rate swap agreements to enhance return, to hedge against fluctuations in securities prices or interest rates, or as substitution for the purchase or sale of securities. Pursuant to these agreements, a Fund makes periodic payments at a fixed interest rate and, in exchange, receives payments based on the interest rate of a benchmark industry index. During the term of the outstanding swap agreement, changes in the underlying value of the swap are recorded as unrealized gains or losses. The value of the swap is determined by changes in the relationship between two rates of interest. A Fund is exposed to credit loss in the event of non-performance by the swap counterparty. Risk may also arise from movements in interest rates.

K When-Issued Securities and Delayed Delivery Transactions The Funds may purchase or sell securities on a delayed delivery or when-issued basis. Payment and delivery may take place after the customary settlement

Eaton Vance Municipal Bond Funds as of March 31, 2010

NOTES TO FINANCIAL STATEMENTS (Unaudited) CONT D

period for that security. At the time the transaction is negotiated, the price of the security that will be delivered is fixed. The Funds maintain security positions for these commitments such that sufficient liquid assets will be available to make payments upon settlement. Securities purchased on a delayed delivery or when-issued basis are marked-to-market daily and begin earning interest on settlement date. Losses may arise due to changes in the market value of the underlying securities or if the counterparty does not perform under the contract.

L Statement of Cash Flows The cash amount shown in the Statement of Cash Flows of a Fund is the amount included in the Fund s Statement of Assets and Liabilities and represents the cash on hand at its custodian and does not include any short-term investments.

M Interim Financial Statements The interim financial statements relating to March 31, 2010 and for the six months then ended have not been audited by an independent registered public accounting firm, but in the opinion of the Funds management, reflect all adjustments, consisting only of normal recurring adjustments, necessary for the fair presentation of the financial statements.

2 Distributions to Shareholders

Each Fund intends to make monthly distributions of net investment income to common shareholders. In addition, at least annually, each Fund intends to distribute all or substantially all of its net realized capital gains, (reduced by available capital loss carryforwards from prior years, if any). Distributions are recorded on the ex-dividend date.

The Funds distinguish between distributions on a tax basis and a financial reporting basis. Accounting principles generally accepted in the United States of America require that only distributions in excess of tax basis earnings and profits be reported in the financial statements as a return of capital. Permanent differences between book and tax accounting relating to distributions are reclassified to paid-in capital. For tax purposes, distributions from short-term capital gains are considered to be from ordinary income.

3 Investment Adviser Fee and Other Transactions with Affiliates

The investment adviser fee is earned by Eaton Vance Management (EVM) as compensation for investment advisory services rendered to each Fund. The fee is computed at an annual rate of 0.65% of each Fund s average weekly gross assets and is payable monthly. Average weekly gross assets include the principal amount of any indebtedness for money borrowed, including debt securities issued by a Fund. Pursuant to a fee reduction agreement with EVM, average weekly gross assets are calculated by adding to net assets the amount payable by

the Fund to floating rate note holders, such adjustment being limited to the value of the Auction Preferred Shares (APS) outstanding prior to any APS redemptions by the Fund. EVM also serves as the administrator of each Fund, but receives no compensation.

In addition, EVM has contractually agreed to reimburse the Funds for fees and other expenses at an annual rate of 0.32% of average weekly gross assets of each Fund during the first five full years of its operations, 0.24% of a Fund s average weekly gross assets in year six, 0.16% in year seven and 0.08% in year eight. The Funds concluded their first seven full years of operations on August 30, 2009. For the six months ended March 31, 2010, the investment adviser fee and expenses contractually reduced by EVM were as follows:

Fund	Investment Adviser Fee	Expenses Reduced by EVM
Municipal	$ 4,695,941	$ 577,962
California	1,473,279	181,383
New York	1,124,375	138,411

Except for Trustees of the Funds who are not members of EVM s organization, officers and Trustees receive remuneration for their services to the Funds out of the investment adviser fee. Trustees of the Funds who are not affiliated with the investment adviser may elect to defer receipt of all or a percentage of their annual fees in accordance with the terms of the Trustees Deferred Compensation Plan. For the six months ended March 31, 2010, no significant amounts have been deferred. Certain officers and Trustees of the Funds are officers of EVM.

4 Purchases and Sales of Investments

Purchases and sales of investments, other than short-term obligations, for the six months ended March 31, 2010 were as follows:

Fund	Purchases	Sales
Municipal	$ 61,470,862	$ 59,371,710
California	15,852,910	13,977,372
New York	8,287,080	13,405,922

5 Common Shares of Beneficial Interest

Common share transactions for the six months ended March 31, 2010 and the year ended September 30, 2009 were as follows:

Six Months Ended March 31, 2010 (Unaudited)

	Municipal Fund	California Fund	New York Fund
Issued pursuant to the Funds dividend reinvestment plan	81,328	11,695	22,688

30

Eaton Vance Municipal Bond Funds as of March 31, 2010

NOTES TO FINANCIAL STATEMENTS (Unaudited) CONT D

Year Ended September 30, 2009

	Municipal Fund	**California Fund**	**New York Fund**
Issued pursuant to the Funds dividend reinvestment plan	146,821	20,054	31,333
Issued in connection with the acquisition of Eaton Vance Insured Florida Plus Municipal Bond Fund (see Note 10)	2,748,089		
Net increase	**2,894,910**	**20,054**	**31,333**

6 Federal Income Tax Basis of Investments

The cost and unrealized appreciation (depreciation) of investments of each Fund at March 31, 2010, as determined on a federal income tax basis, were as follows:

Municipal Fund	
Aggregate cost	**$ 869,396,677**
Gross unrealized appreciation	$ 40,608,367
Gross unrealized depreciation	(83,791,965)
Net unrealized depreciation	**$ (43,183,598)**

California Fund

Aggregate cost	**$**	**280,618,730**
Gross unrealized appreciation	$	6,675,762
Gross unrealized depreciation		(26,922,713)
Net unrealized depreciation	**$**	**(20,246,951)**

New York Fund

Aggregate cost	**$**	**203,839,355**
Gross unrealized appreciation	$	9,941,516
Gross unrealized depreciation		(8,863,132)
Net unrealized appreciation	**$**	**1,078,384**

7 Overdraft Advances

Pursuant to the respective custodian agreements, SSBT may, in its discretion, advance funds to the Funds to make properly authorized payments. When such payments result in an overdraft, the Funds are obligated to repay SSBT at the current rate of interest charged by SSBT for secured loans (currently, a rate above the Federal Funds rate). This obligation is payable on demand to SSBT. SSBT has a lien on a Fund s assets to the extent of any overdraft. At March 31, 2010, the Municipal Fund had payments due to SSBT pursuant to the foregoing arrangement of $1,046,236.

8 Financial Instruments

The Funds may trade in financial instruments with off-balance sheet risk in the normal course of their investing activities. These financial instruments may include financial futures contracts and interest rate swaps and may involve, to a varying degree, elements of risk in excess of the amounts recognized for financial statement purposes. The notional or contractual amounts of these instruments represent the investment a Fund has in particular classes of financial instruments and do not necessarily represent the amounts potentially subject to risk. The measurement of the risks associated with these instruments is meaningful only when all related and offsetting transactions are considered.

A summary of obligations under these financial instruments at March 31, 2010 is as follows:

Futures Contracts

Fund	Expiration Date	Contracts	Position	Aggregate Cost	Value	Net Unrealized Appreciation
California	6/10	244 U.S. 30-Year Treasury Bond	Short	$ (28,470,894)	$ (28,334,500)	$ 136,394
New York	6/10	167 U.S. 30-Year Treasury Bond	Short	$ (19,486,228)	$ (19,392,875)	$ 93,353

Interest Rate Swaps
Municipal Fund

Counterparty	Notional Amount	Annual Fixed Rate Paid By Fund	Floating Rate Paid To Fund	Effective Date/ Termination Date	Net Unrealized Depreciation
JPMorgan Chase Co.	$ 19,525,000	4.609%	3-month USD-LIBOR-BBA	June 15, 2010/ June 15, 2040	$ (141,348)
Merrill Lynch Capital Services, Inc.	30,000,000	4.665	3-month USD-LIBOR-BBA	May 24, 2010/ May 24, 2040	(575,139)
					$ (716,487)

California Fund

Counterparty	Notional Amount	Annual Fixed Rate Paid By Fund	Floating Rate Paid To Fund	Effective Date/ Termination Date	Net Unrealized Depreciation
JPMorgan Chase Co.	$ 6,425,000	4.609%	3-month USD-LIBOR-BBA	June 15, 2010/ June 15, 2040	$ (46,513)

$ (46,513)

Eaton Vance Municipal Bond Funds as of March 31, 2010

NOTES TO FINANCIAL STATEMENTS (Unaudited) CONT D

New York Fund

Counterparty	**Notional Amount**	**Annual Fixed Rate Paid By Fund**	**Floating Rate Paid To Fund**	**Effective Date/ Termination Date**	**Net Unrealized Depreciation**
JPMorgan Chase Co.	$ 4,637,500	4.609%	3-month USD-LIBOR-BBA	June 15, 2010/ June 15, 2040	$ (33,573)
Merrill Lynch Capital Services, Inc.	12,300,000	4.665	3-month USD-LIBOR-BBA	May 24, 2010/ May 24, 2040	(235,807)
					$ (269,380)

The effective date represents the date on which a Fund and the counterparty to the interest rate swap contract begin interest payment accruals.

At March 31, 2010, the Funds had sufficient cash and/or securities to cover commitments under these contracts.

Each Fund is subject to interest rate risk in the normal course of pursuing its investment objectives. Because the Funds hold fixed rate bonds, the value of these bonds may decrease if interest rates rise. To hedge against this risk, each Fund may enter into interest rate swap contracts. The Funds may also purchase and sell U.S. Treasury futures contracts to hedge against changes in interest rates.

The Funds enter into interest rate swap contracts that may contain provisions whereby the counterparty may terminate the contract under certain conditions, including but not limited to a decline in a Fund s net assets below a certain level over a certain period of time, which would trigger a payment by the Fund for those swaps in a liability position. At March 31, 2010, the fair value of interest rate swaps with credit-related contingent features in a net liability position was equal to the fair value of the liability derivative related to interest rate swaps included in the table below for each respective Fund. The value of securities pledged as collateral, if any, for open interest rate swap contracts at March 31, 2010 is disclosed in a note to each Fund s Portfolio of Investments.

The non-exchange traded derivatives in which a Fund invests, including swap contracts, are subject to the risk that the counterparty to the contract fails to perform its obligations under the contract. At March 31, 2010, the maximum amount of loss the Funds would incur due to counterparty risk was equal to the fair value of the asset derivative related to interest rate swaps included in the table below for each respective Fund. Counterparties may be required to pledge collateral in the form of cash, U.S. Government securities or highly-rated bonds for the benefit of a Fund if the net amount due from the counterparty with respect to a derivative contract exceeds a certain threshold. The amount of collateral posted by the counterparties with respect to such contracts would also reduce the amount of any loss incurred.

The fair value of derivative instruments (not considered to be hedging instruments for accounting disclosure purposes) and whose primary underlying risk exposure is interest rate risk at March 31, 2010 was as follows:

	Fair Value	
	Asset Derivative	**Liability Derivative**
Municipal Fund		
Interest Rate Swaps	$	$ (716,487)[1]
Total	**$**	**$ (716,487)**
California Fund		
Futures Contracts	$ 136,394[2]	$
Interest Rate Swaps		(46,513)[1]
Total	**$ 136,394**	**$ (46,513)**
New York Fund		
Futures Contracts	$ 93,353[2]	$
Interest Rate Swaps		(269,380)[1]
Total	**$ 93,353**	**$ (269,380)**

(1) Statement of Assets and Liabilities location: Payable for open swap contracts; Net unrealized appreciation (depreciation).

(2) Amount represents cumulative unrealized appreciation on futures contracts in the Futures Contracts table above. Only the current day s variation margin on open futures contracts is reported within the Statement of Assets and Liabilities as Receivable or Payable for variation margin, as applicable.

The effect of derivative instruments (not considered to be hedging instruments for accounting disclosure purposes) on the Statement of Operations and whose primary underlying risk exposure is interest rate risk for the six months ended March 31, 2010 was as follows:

Change in Unrealized

Fund	Realized Gain (Loss) on Derivatives Recognized in Income(1)	Appreciation (Depreciation) on Derivatives Recognized in Income(2)
Municipal	$ 1,438,165	$ 2,525,753
California	611,742	662,468
New York	444,180	1,433,161

(1) Statement of Operations location: Net realized gain (loss) Financial futures contracts and swap contracts.

(2) Statement of Operations location: Change in unrealized appreciation (depreciation) Financial futures contracts and swap contracts.

Eaton Vance Municipal Bond Funds as of March 31, 2010

NOTES TO FINANCIAL STATEMENTS (Unaudited) CONT D

The average notional amounts of futures contracts and interest rate swaps outstanding during the six months ended March 31, 2010, which are indicative of the volume of these derivative types, were approximately as follows:

	Average Notional Amount	
Fund	Futures Contracts	Interest Rate Swaps
Municipal	$	$ 49,525,000
California	24,400,000	6,425,000
New York	16,700,000	16,937,000

9 Fair Value Measurements

Under generally accepted accounting principles for fair value measurements, a three-tier hierarchy to prioritize the assumptions, referred to as inputs, is used in valuation techniques to measure fair value. The three-tier hierarchy of inputs is summarized in the three broad levels listed below.

Level 1 quoted prices in active markets for identical investments

Level 2 other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including a fund s own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

At March 31, 2010, the inputs used in valuing the Funds investments, which are carried at value, were as follows:

Municipal Fund	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs

Asset Description	(Level 1)	(Level 2)	(Level 3)	Total
Tax-Exempt Investments	$	$ 1,442,513,079	$	$ 1,442,513,079
Total Investments	**$**	**$ 1,442,513,079**	**$**	**$ 1,442,513,079**
Liability Description				
Interest Rate Swaps	$	$ (716,487)	$	$ (716,487)
Total	**$**	**$ (716,487)**	**$**	**$ (716,487)**

California Fund

	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs	
Asset Description	**(Level 1)**	**(Level 2)**	**(Level 3)**	**Total**
Tax-Exempt Investments	$	$ 452,224,084	$	$ 452,224,084
Short-Term Investments		4,657,695		4,657,695
Total Investments	**$**	**$ 456,881,779**	**$**	**$ 456,881,779**
Futures Contracts	$ 136,394	$	$	$ 136,394
Total	**$ 136,394**	**$ 456,881,779**	**$**	**$ 457,018,173**
Liability Description				
Interest Rate Swaps	$	$ (46,513)	$	$ (46,513)

Total	**$**	**$ (46,513)**	**$**	**$ (46,513)**

New York Fund

Asset Description	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total**
Tax-Exempt Investments	$	$ 337,692,824	$	$ 337,692,824
Short-Term Investments		7,099,915		7,099,915
Total Investments	**$**	**$ 344,792,739**	**$**	**$ 344,792,739**
Futures Contracts	$ 93,353	$	$	$ 93,353
Total	**$ 93,353**	**$ 344,792,739**	**$**	**$ 344,886,092**
Liability Description				
Interest Rate Swaps	$	$ (269,380)	$	$ (269,380)
Total	**$**	**$ (269,380)**	**$**	**$ (269,380)**

The Funds held no investments or other financial instruments as of September 30, 2009 whose fair value was determined using Level 3 inputs.

10 Reorganization

As of the close of business on December 15, 2008, the Municipal Fund acquired the net assets of Eaton Vance Insured Florida Plus Municipal Bond Fund (Insured Florida Plus Fund) pursuant to a plan of reorganization approved by the shareholders of the Insured Florida Plus Fund. The acquisition was accomplished by a tax-free exchange of 2,748,089 common shares of the Municipal Fund for the 2,575,502 common shares of Insured Florida

Eaton Vance Municipal Bond Funds as of March 31, 2010

NOTES TO FINANCIAL STATEMENTS (Unaudited) CONT D

Plus Fund outstanding on December 15, 2008. The aggregate net assets of the Municipal Fund immediately before the acquisition were $487,655,526. The net assets of Insured Florida Plus Fund at that date of $20,638,318, including $5,317,808 of accumulated net realized losses and $10,469,624 of unrealized depreciation, were combined with those of the Municipal Fund, resulting in combined net assets of $508,293,844.

11 Name Change

Effective February 1, 2010, the names of the Eaton Vance Municipal Bond Fund, Eaton Vance California Municipal Bond Fund and Eaton Vance New York Municipal Bond Fund were changed from Eaton Vance Insured Municipal Bond Fund, Eaton Vance Insured California Municipal Bond Fund and Eaton Vance Insured New York Municipal Bond Fund, respectively. The name changes resulted from a modification to each Fund s 80 percent policy to eliminate the requirement to invest primarily in insured municipal obligations, which was approved by the Funds shareholders.

Eaton Vance Municipal Bond Funds

NOTICE TO SHAREHOLDERS (Unaudited)

At a joint Special Meeting of Shareholders held on January 29, 2010, shareholders of the Funds approved a modification to each Fund s 80 percent policy to eliminate the requirement to invest primarily in insured municipal obligations. Effective February 1, 2010, the Funds are required, under normal market conditions, to invest at least 80 percent of net assets in municipal obligations rated A or better by Moody s, S&P or Fitch and each Fund eliminated Insured from its name. For purposes of the Funds 80 percent requirement, the rating of insured obligations will be deemed to be the higher of the claims-paying rating of the insurer and the rating of the underlying issue.

Eaton Vance Municipal Bond Funds

SPECIAL MEETING OF SHAREHOLDERS (Unaudited)

The Funds held a joint Special Meeting of Shareholders on January 29, 2010. The following action was taken by the shareholders of each Fund:

Item 1: To approve a modification to each Fund s investment policy to eliminate the requirement that the Fund invest at least 80 percent of its net assets in municipal obligations that are insured as to the payment of principal and interest.

	Number of Shares		
	For	**Against**	**Abstain**
Municipal Bond Fund:	31,738,505	4,312,780	1,154,158
California Municipal Bond Fund:	9,973,776	1,356,957	429,242
New York Municipal Bond Fund:	6,452,042	1,151,475	334,001

Results are rounded to the nearest whole number.

Eaton Vance Municipal Bond Funds

BOARD OF TRUSTEES ANNUAL APPROVAL OF THE INVESTMENT ADVISORY AGREEMENTS

Overview of the Contract Review Process

The Investment Company Act of 1940, as amended (the 1940 Act), provides, in substance, that each investment advisory agreement between a fund and its investment adviser will continue in effect from year to year only if its continuance is approved at least annually by the fund s board of trustees, including by a vote of a majority of the trustees who are not interested persons of the fund (Independent Trustees), cast in person at a meeting called for the purpose of considering such approval.

At a meeting of the Boards of Trustees (each a Board) of the Eaton Vance group of mutual funds (the Eaton Vance Funds) held on April 27, 2009, the Board, including a majority of the Independent Trustees, voted to approve continuation of existing advisory and sub-advisory agreements for the Eaton Vance Funds for an additional one-year period. In voting its approval, the Board relied upon the affirmative recommendation of the Contract Review Committee of the Board (formerly the Special Committee), which is a committee comprised exclusively of Independent Trustees. Prior to making its recommendation, the Contract Review Committee reviewed information furnished for a series of meetings of the Contract Review Committee held in February, March and April 2009. Such information included, among other things, the following:

Information about Fees, Performance and Expenses

- An independent report comparing the advisory and related fees paid by each fund with fees paid by comparable funds;
- An independent report comparing each fund s total expense ratio and its components to comparable funds;
- An independent report comparing the investment performance of each fund to the investment performance of comparable funds over various time periods;
- Data regarding investment performance in comparison to relevant peer groups of funds and appropriate indices;
- Comparative information concerning fees charged by each adviser for managing other mutual funds and institutional accounts using investment strategies and techniques similar to those used in managing the fund;
- Profitability analyses for each adviser with respect to each fund;

Information about Portfolio Management

- Descriptions of the investment management services provided to each fund, including the investment strategies and processes employed, and any changes in portfolio management processes and personnel;
- Information concerning the allocation of brokerage and the benefits received by each adviser as a result of brokerage allocation, including information concerning the acquisition of research through soft dollar benefits received in connection with the funds brokerage, and the implementation of a soft dollar reimbursement program established with respect to the funds;
- Data relating to portfolio turnover rates of each fund;
- The procedures and processes used to determine the fair value of fund assets and actions taken to monitor and test the effectiveness of such procedures and processes;

Information about each Adviser

- Reports detailing the financial results and condition of each adviser;

- Descriptions of the qualifications, education and experience of the individual investment professionals whose responsibilities include portfolio management and investment research for the funds, and information relating to their compensation and responsibilities with respect to managing other mutual funds and investment accounts;
- Copies of the Codes of Ethics of each adviser and its affiliates, together with information relating to compliance with and the administration of such codes;
- Copies of or descriptions of each adviser s proxy voting policies and procedures;
- Information concerning the resources devoted to compliance efforts undertaken by each adviser and its affiliates on behalf of the funds (including descriptions of various compliance programs) and their record of compliance with investment policies and restrictions, including policies with respect to market-timing, late trading and selective portfolio disclosure, and with policies on personal securities transactions;
- Descriptions of the business continuity and disaster recovery plans of each adviser and its affiliates;

Other Relevant Information

- Information concerning the nature, cost and character of the administrative and other non-investment management services provided by Eaton Vance Management and its affiliates;
- Information concerning management of the relationship with the custodian, subcustodians and fund accountants by each adviser or the funds administrator; and
- The terms of each advisory agreement.

Eaton Vance Municipal Bond Funds

BOARD OF TRUSTEES ANNUAL APPROVAL OF THE INVESTMENT ADVISORY AGREEMENTS CONT D

In addition to the information identified above, the Contract Review Committee considered information provided from time to time by each adviser throughout the year at meetings of the Board and its committees. Over the course of the twelve-month period ended April 30, 2009, the Board met eighteen times and the Contract Review Committee, the Audit Committee, the Governance Committee, the Portfolio Management Committee and the Compliance Reports and Regulatory Matters Committee, each of which is a Committee comprised solely of Independent Trustees, met seven, five, six, six and six times, respectively. At such meetings, the Trustees received, among other things, presentations by the portfolio managers and other investment professionals of each adviser relating to the investment performance of each fund and the investment strategies used in pursuing the fund s investment objective.

For funds that invest through one or more underlying portfolios, the Board considered similar information about the portfolio(s) when considering the approval of advisory agreements. In addition, in cases where the fund s investment adviser has engaged a sub-adviser, the Board considered similar information about the sub-adviser when considering the approval of any sub-advisory agreement.

The Contract Review Committee was assisted throughout the contract review process by Goodwin Procter LLP, legal counsel for the Independent Trustees. The members of the Contract Review Committee relied upon the advice of such counsel and their own business judgment in determining the material factors to be considered in evaluating each advisory and sub-advisory agreement and the weight to be given to each such factor. The conclusions reached with respect to each advisory and sub-advisory agreement were based on a comprehensive evaluation of all the information provided and not any single factor. Moreover, each member of the Contract Review Committee may have placed varying emphasis on particular factors in reaching conclusions with respect to each advisory and sub-advisory agreement.

Results of the Process

Based on its consideration of the foregoing, and such other information as it deemed relevant, including the factors and conclusions described below, the Contract Review Committee concluded that the continuance of the investment advisory agreements of the following funds:

Eaton Vance Insured Municipal Bond Fund
Eaton Vance Insured California Municipal Bond Fund
Eaton Vance Insured New York Municipal Bond Fund

(the Funds), each with Eaton Vance Management (the Adviser), including their fee structures, is in the interests of shareholders and, therefore, the Contract Review Committee recommended to the Board approval of each agreement. The Board accepted the recommendation of the Contract Review Committee as well as the factors considered and conclusions reached by the Contract Review Committee with respect to each agreement. Accordingly, the Board, including a majority of the Independent Trustees, voted to approve continuation of the investment advisory agreement for each Fund.

Nature, Extent and Quality of Services

In considering whether to approve the investment advisory agreements of the Funds, the Board evaluated the nature, extent and quality of services provided to the Funds by the Adviser.

The Board considered the Adviser s management capabilities and investment process with respect to the types of investments held by each Fund, including the education, experience and number of its investment professionals and other personnel who provide portfolio management, investment research, and similar services to the Funds, and recent changes in the identity of such personnel with respect to certain Funds. In particular, the Board evaluated, where relevant, the abilities and experience of such investment personnel in analyzing factors such as credit risk, tax efficiency, and special considerations relevant to investing in municipal bonds. The Board considered the Adviser s large municipal bond team, which includes portfolio managers and credit specialists who provide services to the Funds. The Board also took into account the resources dedicated to portfolio management and other services, including the compensation paid to recruit and retain investment personnel, and the time and attention devoted to each Fund by senior management.

The Board also reviewed the compliance programs of the Adviser and relevant affiliates thereof. Among other matters, the Board considered compliance and reporting matters relating to personal trading by investment personnel, selective disclosure of portfolio holdings, late trading, frequent trading, portfolio valuation, business continuity and the allocation of investment opportunities. The Board also evaluated the responses of the Adviser and its affiliates to requests from regulatory authorities such as the Securities and Exchange Commission and the Financial Industry Regulatory Authority.

Eaton Vance Municipal Bond Funds

BOARD OF TRUSTEES ANNUAL APPROVAL OF THE INVESTMENT ADVISORY AGREEMENTS CONT D

The Board considered shareholder and other administrative services provided or managed by Eaton Vance Management and its affiliates, including transfer agency and accounting services. The Board evaluated the benefits to shareholders of investing in a fund that is a part of a large family of funds.

The Board considered the Adviser s recommendations for Board action and other steps taken in response to the unprecedented dislocations experienced in the capital markets over recent periods, including sustained periods of high volatility, credit disruption and government intervention. In particular, the Board considered the Adviser s efforts and expertise with respect to each of the following matters as they relate to the Funds and/or other funds within the Eaton Vance family of funds: (i) negotiating and maintaining the availability of bank loan facilities and other sources of credit used for investment purposes or to satisfy liquidity needs; (ii) establishing the fair value of securities and other instruments held in investment portfolios during periods of market volatility and issuer-specific disruptions; and (iii) the ongoing monitoring of investment management processes and risk controls. In addition, the Board considered the Adviser s actions with respect to the Auction Preferred Shares (APS) issued by the Funds, including the Adviser s efforts to seek alternative forms of debt and other leverage that may over time reduce financing costs associated with APS and enable the Funds to restore liquidity for APS holders.

After consideration of the foregoing factors, among others, the Board concluded that the nature, extent and quality of services provided by the Adviser, taken as a whole, are appropriate and consistent with the terms of the respective investment advisory agreements.

Fund Performance

The Board compared each Fund s investment performance to a relevant universe of similarly managed funds identified by an independent data provider and appropriate benchmark indices. The Board reviewed comparative performance data for the one-, three-, and five-year periods ended September 30, 2008 for each Fund in operation over such periods. The Board considered the impact of extraordinary market conditions during 2008 on each Fund s performance relative to its peer universe in light of, among other things, the Adviser s strategy of generating current income through investments in higher quality (including insured) municipal bonds with longer maturities. On the basis of the foregoing and other relevant information, the Board concluded that, under the circumstances, the performance of each Fund was satisfactory.

Management Fees and Expenses

The Board reviewed contractual investment advisory fee rates, including any administrative fee rates, payable by each Fund (referred to collectively as management fees). As part of its review, the Board considered each Fund s management fee and total expense ratio for the year ended September 30, 2008, as compared to a group of similarly managed funds selected by an independent data provider.

After reviewing the foregoing information, and in light of the nature, extent and quality of the services provided by the Adviser, the Board concluded with respect to each Fund that the management fees charged to the Fund for advisory and related services and the total expense ratio of the Fund are reasonable.

Profitability

The Board reviewed the level of profits realized by the Adviser and relevant affiliates thereof in providing investment advisory and administrative services to each Fund and to all Eaton Vance Funds as a group. The Board considered the level of profits realized with and without regard to revenue sharing or other payments by the Adviser and its affiliates to third parties in respect of distribution services. The Board also considered other direct or indirect benefits received by the Adviser in connection with its relationship with the Funds.

The Board concluded that, in light of the foregoing factors and the nature, extent and quality of the services rendered, the profits realized by the Adviser and its affiliates are reasonable.

Economies of Scale

In reviewing management fees and profitability, the Board also considered the extent to which the Adviser and its affiliates, on the one hand, and each Fund, on the other hand, can expect to realize benefits from economies of scale as the assets of the Fund increase. The Board acknowledged the difficulty in accurately measuring the benefits resulting from the economies of scale with respect to the management of any specific fund or group of funds. The Board also considered the fact that none of the Funds is continuously offered and concluded that, in light of the level of the Adviser s profits with respect to each Fund, the implementation of breakpoints in the advisory fee schedule is not appropriate at this time. Based upon the foregoing, the Board concluded that the benefits from economies of scale are currently being shared equitably by the Adviser and its affiliates and each Fund.

Eaton Vance Municipal Bond Funds

OFFICERS AND TRUSTEES

Officers

Cynthia J. Clemson
President of EVM and ENX;
Vice President of EIM

Thomas M. Metzold
President of EIM;
Vice President of EVM

Craig R. Brandon
Vice President of EVM and ENX

Barbara E. Campbell
Treasurer

Maureen A. Gemma
Secretary and Chief Legal Officer

Paul M. O Neil
Chief Compliance Officer

Trustees

Ralph F. Verni
Chairman

Benjamin C. Esty

Thomas E. Faust Jr.

Allen R. Freedman

William H. Park

Ronald A. Pearlman

Helen Frame Peters

Heidi L. Steiger

Lynn A. Stout

Number of Employees

Each Fund is organized as a Massachusetts business trust and is registered under the Investment Company Act of 1940, as amended, as a non-diversified, closed-end management investment company and has no employees.

Number of Shareholders

As of March 31, 2010, our records indicate that there are 656, 131 and 129 registered shareholders for Municipal Bond Fund, California Municipal Bond Fund and New York Municipal Bond Fund, respectively, and approximately 28,211, 6,607 and 6,290 shareholders owning the Fund shares in street name, such as through brokers, banks and financial intermediaries for Municipal Bond Fund, California Municipal Bond Fund and New York Municipal Bond Fund, respectively.

If you are a street name shareholder and wish to receive Fund reports directly, which contain important information about a Fund, please write or call:

Eaton Vance Distributors, Inc.
Two International Place
Boston, MA 02110
1-800-262-1122

NYSE Amex symbols

Municipal Bond Fund	EIM
California Municipal Bond Fund	EVM
New York Municipal Bond Fund	ENX

Investment Adviser and Administrator of
Eaton Vance Municipal Bond Funds
Eaton Vance Management
Two International Place
Boston, MA 02110

Custodian
State Street Bank and Trust Company
200 Clarendon Street
Boston, MA 02116

Transfer Agent
American Stock Transfer & Trust Company
59 Maiden Lane
Plaza Level
New York, NY 10038

Eaton Vance Municipal Bond Funds
Two International Place
Boston, MA 02110

1453-5/10 **CE-IMBSRC**

Item 2. Code of Ethics

The registrant has adopted a code of ethics applicable to its Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer. The registrant undertakes to provide a copy of such code of ethics to any person upon request, without charge, by calling 1-800-262-1122.

Item 3. Audit Committee Financial Expert

The registrant s Board has designated William H. Park, an independent trustee, as its audit committee financial expert. Mr. Park is a certified public accountant who is the Vice Chairman of Commercial Industrial Finance Corp (specialty finance company). Previously, he served as President and Chief Executive Officer of Prizm Capital Management, LLC (investment management firm), as Executive Vice President and Chief Financial Officer of United Asset Management Corporation (an institutional investment management firm) and as a Senior Manager at Price Waterhouse (now PricewaterhouseCoopers) (an independent registered public accounting firm).

Item 4. Principal Accountant Fees and Services

Not required in this filing.

Item 5. Audit Committee of Listed registrants

Not required in this filing.

Item 6. Schedule of Investments

Please see schedule of investments contained in the Report to Stockholders included under Item 1 of this Form N-CSR.

Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies

The Board of Trustees of the Trust has adopted a proxy voting policy and procedure (the Fund Policy), pursuant to which the Trustees have delegated proxy voting responsibility to the Fund s investment adviser and adopted the investment adviser s proxy voting policies and procedures (the Policies) which are described below. The Trustees will review the Fund s proxy voting records from time to time and will annually consider approving the Policies for the upcoming year. In the event that a conflict of interest arises between the Fund s shareholders and the investment adviser, the administrator, or any of their affiliates or any affiliate of the Fund, the investment adviser will generally refrain from voting the proxies related to the companies giving rise to such conflict until it consults with the Board s Special Committee except as contemplated under the Fund Policy. The Board s Special Committee will instruct the investment adviser on the appropriate course of action.

The Policies are designed to promote accountability of a company s management to its shareholders and to align the interests of management with those shareholders. An independent proxy voting service (Agent), currently Institutional Shareholder Services, Inc., has been retained to assist in the voting of proxies through the provision of vote analysis, implementation and recordkeeping and disclosure services. The investment adviser will generally vote proxies through the Agent. The Agent is required to vote all proxies and/or refer then back to the investment adviser pursuant to the Policies. It is generally the policy of the investment adviser to vote in accordance with the recommendation of the Agent. The Agent shall refer to the investment adviser proxies relating to mergers and restructurings, and the disposition of assets, termination, liquidation and mergers contained in mutual fund proxies. The investment adviser will normally vote against anti-takeover measures and other proposals designed to limit the ability of shareholders to act on possible transactions, except in the case of closed-end management investment companies. The investment adviser generally supports management on social and environmental proposals. The investment adviser may abstain from voting from time to time where it determines that the costs associated with voting a proxy outweighs the benefits derived from exercising the right to vote or the economic effect on shareholders interests or the value of the portfolio holding is indeterminable or insignificant.

In addition, the investment adviser will monitor situations that may result in a conflict of interest between the Fund s shareholders and the investment adviser, the administrator, or any of their affiliates or any affiliate of the Fund by maintaining a list of significant existing and prospective corporate clients. The investment adviser s personnel responsible for reviewing and voting proxies on behalf of the Fund will report any proxy received or expected to be received from a company included on that list to the personal of the investment adviser identified in the Policies. If such personnel expects to instruct the Agent to vote such proxies in a manner inconsistent with the guidelines of the Policies or the recommendation of the Agent, the personnel will consult with members of senior management of the investment adviser to determine if a material conflict of interests exists. If it is determined that a material conflict does exist, the investment adviser will seek instruction on how to vote from the Special Committee.

Information on how the Fund voted proxies relating to portfolio securities during the most recent 12 month period ended June 30 is available (1) without charge, upon request, by calling 1-800-262-1122, and (2) on the Securities and Exchange Commission s website at http://www.sec.gov.

Item 8. Portfolio Managers of Closed-End Management Investment Companies

Effective February 19, 2010, William H. Ahern Jr. is the portfolio manager of the Fund. Mr. Ahern has been an Eaton Vance portfolio manager since 1993 and is a Vice President of Eaton Vance Management (EVM) and Boston Management and Research. This information is provided as of the date of filing of this report.

The following table shows, as of the Fund s most recent fiscal year end, the number of accounts the portfolio manager managed in each of the listed categories and the total assets (in millions of dollars) in the accounts managed within each category. The table also shows the number of accounts with respect to which the advisory fee is based on the performance of the account, if any, and the total assets in those accounts.

	Number of All Accounts	Total Assets of All Accounts	Number of Accounts Paying a Performance Fee	Total Assets of Accounts Paying a Performance Fee
William H. Ahern				
Registered Investment Companies	14	$ 1,872.1	0	$ 0
Other Pooled Investment Vehicles	0	$ 0	0	$ 0
Other Accounts	0	$ 0	0	$ 0

The following table shows the dollar range of Fund shares beneficially owned by the portfolio manager as of the Fund s most recent fiscal year end.

	Dollar Range of Equity Securities Owned in the Fund
William H. Ahern, Jr.	None

Potential for Conflicts of Interest. It is possible that conflicts of interest may arise in connection with a portfolio manager s management of the Fund s investments on the one hand and the investments of other accounts for which the portfolio manager is responsible on the other. For example, a portfolio manager may have conflicts of interest in allocating management time, resources and investment opportunities among the Fund and other accounts he or she advises. In addition, due to differences in the investment strategies or restrictions between the Fund and the other accounts, a portfolio manager may take action with respect to another account that differs from the action taken with respect to the Fund. In some cases, another account managed by a portfolio manager may compensate the investment adviser based on the performance of the securities held by that account. The existence of such a performance based fee may create additional conflicts of interest for the portfolio manager in the allocation of management time, resources and investment opportunities. Whenever conflicts of interest arise, the portfolio manager will endeavor to exercise his or her discretion in a manner that he or she believes is equitable to all interested persons. The investment adviser has adopted several policies and procedures designed to address these potential conflicts including a code of ethics and policies which govern the investment adviser s trading practices, including among other things the aggregation and allocation of trades among clients, brokerage allocation, cross trades and best execution.

Compensation Structure for EVM. Compensation of EVM s portfolio managers and other investment professionals has three primary components: (1) a base salary, (2) an annual cash bonus, and (3) annual stock-based compensation consisting of options to purchase shares of EVC s nonvoting common stock and restricted shares of EVC s nonvoting common stock. EVM s investment professionals also receive certain retirement, insurance and other benefits that are broadly available to EVM s employees. Compensation of EVM s investment professionals is reviewed primarily on an annual basis. Cash bonuses, stock-based compensation awards, and adjustments in base salary are typically paid or put into effect at or shortly after the October 31st fiscal year end of EVC.

Method to Determine Compensation. EVM compensates its portfolio managers based primarily on the scale and complexity of their portfolio responsibilities and the total return performance of managed funds and accounts versus the benchmark(s) stated in the prospectus, as well as an appropriate peer group (as described below). In addition to rankings within peer groups of funds on the basis of absolute performance, consideration may also be given to relative risk-adjusted performance. Risk-adjusted performance measures include, but are not limited to, the Sharpe ratio. Performance is normally based on periods ending on the September 30th preceding fiscal year end. Fund performance is normally evaluated primarily versus peer groups of funds as determined by Lipper Inc. and/or Morningstar, Inc. When a fund s peer group as determined by Lipper or Morningstar is deemed by EVM s management not to provide a fair comparison, performance may instead be evaluated primarily against a custom peer group. In evaluating the performance of a fund and its manager, primary emphasis is normally placed on three-year performance, with secondary consideration of performance over longer and shorter periods. For funds that are tax-managed or otherwise have an objective of after-tax returns, performance is measured net of taxes. For other funds, performance is evaluated on a pre-tax basis. For funds with an investment objective other than total return (such as current income), consideration will also be given to the fund s success in achieving its objective. For managers responsible for multiple funds and accounts, investment performance is evaluated on an aggregate basis, based on averages or weighted averages among managed funds and accounts. Funds and accounts that have performance-based advisory fees are not accorded disproportionate weightings in measuring aggregate portfolio manager performance.

The compensation of portfolio managers with other job responsibilities (such as heading an investment group or providing analytical support to other portfolios) will include consideration of the scope of such responsibilities and the managers performance in meeting them.

EVM seeks to compensate portfolio managers commensurate with their responsibilities and performance, and competitive with other firms within the investment management industry. EVM participates in investment-industry compensation surveys and utilizes survey data as a factor in determining salary, bonus and stock-based compensation levels for portfolio managers and other investment professionals. Salaries, bonuses and stock-based compensation are also influenced by the operating performance of EVM and its parent company. The overall annual cash bonus pool is based on a substantially fixed percentage of pre-bonus operating income. While the salaries of EVM s portfolio managers are comparatively fixed, cash bonuses and stock-based compensation may fluctuate significantly from year to year, based on changes in manager performance and other factors as described herein. For a high performing portfolio manager, cash bonuses and stock-based compensation may represent a substantial portion of total compensation.

Item 9. Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers.

No such purchases this period.

Item 10. Submission of Matters to a Vote of Security Holders.

No Material Changes.

Item 11. Controls and Procedures

(a) It is the conclusion of the registrant s principal executive officer and principal financial officer that the effectiveness of the registrant s current disclosure controls and procedures (such disclosure controls and procedures having been evaluated within 90 days of the date of this filing) provide reasonable assurance that the information required to be disclosed by the registrant has been recorded, processed, summarized and reported within the time period specified in the Commission s rules and forms and that the information required to be disclosed by the registrant has been accumulated and communicated to the registrant s principal executive officer and principal financial officer in order to allow timely decisions regarding required disclosure.

(b) There have been no changes in the registrant s internal controls over financial reporting during the second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant s internal control over financial reporting.

Item 12. Exhibits

(a)(1)	Registrant s Code of Ethics Not applicable (please see Item 2).
(a)(2)(i)	Treasurer s Section 302 certification.
(a)(2)(ii)	President s Section 302 certification.
(b)	Combined Section 906 certification.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Eaton Vance Municipal Bond Fund

By: /s/ Thomas M. Metzold

Thomas M. Metzold
President

Date: May 7, 2010

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Barbara E. Campbell

Barbara E. Campbell
Treasurer

Date: May 7, 2010

By: /s/ Thomas M. Metzold

Thomas M. Metzold
President

Date: May 7, 2010