

CLARK COUNTY
FINANCE COMMITTEE

SECOND QUARTER, 2006



JULY 31, 2006

CLARK COUNTY
FINANCE COMMITTEE
INDEX

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SECTION I – APRIL 24, 2006 MINUTES

**REGULAR MEETING MINUTES
CLARK COUNTY FINANCE COMMITTEE MEETING
April 24, 2006
1:30 p.m.
PSC Conference Room 678A**

Members in Attendance: **Doug Lasher, Chair
Greg Kimsey, Secretary
Marc Boldt, Clark County Commissioner Chair**

Others in Attendance: **Cathy Huber Nickerson, John Payne, Jack Rasmusson,
Lori Pearce, Treasurer's Office**

Recording: **Kathleen Smithline**

The meeting was called to order by Doug Lasher, Chair, at 1:40 p.m. with a quorum present.

APPROVAL OF MINUTES

MOTION was made by Marc Boldt, seconded by Greg Kimsey, and unanimously carried to approve the Minutes of January 24, 2006.

APPROVAL OF COUNTY FINANCE REPORT

Jack Rasmusson presented an overview of the first-quarter, 2006, County Finance Report, which included investment strategies, economic and market conditions, and a review of the portfolio as of March 31, 2006. He stated the County's investment objectives, which are safety of principal, liquidity, and return on investment. Economic statistics were provided through Bloomberg.

- The GDP increased an average of 3.2% annualized per quarter over the last four quarters while it averaged 3.23% annualized per quarter over the last ten years.
- The Consumer Price Index (CPI) averaged 2% throughout the quarter. Excluding food and energy prices from the PPI, it has averaged 3.1% over the last quarter.
- The Consumer Confidence Index (CCI) averaged 100.60 per quarter over the last four quarters while it averaged 101.58 per quarter over the last six years.
- The monthly unemployment rate averaged 4.93% per quarter over the last four quarters compared to 5.21% per quarter over the past six years. Economists expect the unemployment rate to continue to hold at 4.7% for 2006.
- Monthly Initial Jobless Claims averaged 321,170 per quarter over the past year and averaged 368,000 per quarter over the last six years. Monthly Continuing Jobless Claims averaged 2,606,000 per quarter over the last year and averaged 2,984,500 per quarter over the last six years.
- Oil prices remain high. The last four quarters averaged \$61/barrel per quarter and \$37/barrel per quarter over the past six years. He noted that the price of oil closed today at \$75/barrel.
- The average pool balances are down 5.74% for the first quarter over last year's first quarter due to bond participants using their invested bond proceeds to complete their construction projects.
- The County Pool interest rate averaged 2.92% per quarter over the past year compared to 3.43% per quarter over the past six years.

The market is expecting the Fed to continue to raise rates 25 basis points at the next meeting on May 10. This will bring Fed Fund rates to 5%; however, the market is reflecting only a 50% chance of another 25 basis-point increase on June 29.

Investment Strategy

- Continue to evaluate short-term investments and place investments in them when their return is higher than the projected Fed Fund rate.
- Continue to maintain a maturity level of 6.5 to 8 months in the portfolio while continuing to look for value in the one-year sector.
- Continue to maintain a ladder structure.
- Continually monitor the market and be ready to adjust the portfolio should market trends signal a downturn in interest rates.

MOTION was made by Greg Kimsey, seconded by Marc Boldt, and unanimously carried to approve the County Finance Report for First-Quarter, 2006.

PFM REPORT

Jack Rasmusson presented an overview of the County’s investments for first-quarter, 2006.

- The economy continued to expand at 3% for 2006 with the Federal Reserve continuing to focus on containing inflation.
- The average maturity of the County’s pool portfolio was 6.7 months, which was in line with the target of 6.5 to 8 months.
- The portfolio remains highly liquid and within the recommended ranges.
- The asset allocation of the portfolio continued to be well diversified. The County added a new asset classification of one variable rate federal agency during the quarter.
- The County maintained a low exposure to credit risk and market risk.
- PFM predicts interest rates to rise to 5%.

Investment Strategy Recommendations

- Limit new purchases to securities with maturities of less than one year.
- Maintain the average maturity of the portfolio within 6.5 to 8 months.
- Invest cash receipts in short-term money-market securities.

OUTSTANDING DEBT REPORT

Lori Pearce presented the County Debt Status Report as of March 31, 2006. At the end of the first quarter, the total outstanding debt of Clark County and the junior taxing districts totaled approximately \$867 million compared to \$866 million on March 31, 2005. The report reflects new issues for first quarter, 2006 and upcoming debt issues for the first-quarter, 2006; new issue during second-quarter, 2006; line of credit history; registered warrants history; Clark County Road line of credit, and a listing of outstanding debt as of March 31, 2006.

The meeting was adjourned at 2 p.m.

Submitted by: _____
Greg Kimsey, Secretary

Prepared by: _____
Kathleen Smithline, Administrative Assistant

SECTION II - EXECUTIVE SUMMARY

This report provides a review of the activities occurring during the second quarter, 2006, in compliance with our Investment Policy and Standards adopted November 2002.

During the second quarter of 2006, the average maturity of the portfolio remained at approximately 7.1 months which was slightly longer than the maturity at first quarter of 2006. The asset sector distribution of the portfolio changed during the second quarter, with approximately 59.47% of the portfolio invested in Federal Agencies, 30.34% invested in money markets, 8.76% invested in Certificates of Deposits, .88% invested in State and Local Government Securities and .55% invested in Municipal Bonds. This is compared with the first quarter of 2006's asset allocation of 60.09% of the portfolio invested in Federal Agencies, 24.24% invested in money markets, 14.13% invested in Certificates of Deposits, .95% invested in State and Local Government Securities and .59% invested in Municipal Bonds. At the end of June 2006, the total book value of the portfolio was approximately \$457.1 million.

Residual balances for the first half of 2006 averaged \$62 million per month which was \$8 million more than the monthly average during the first six months of 2005. Interest earnings distributed to the County's General Fund during the first half of 2006 were \$1,323,022 compared to \$711,730 for the same period of 2005. The increase is a result of higher interest rates in 2006. The average interest rate of the Clark County Investment Pool for the first half of 2006 was 4.059% compared to 2.36% in the same period of 2005. Interest earnings for 2006 were higher than the interest projections by approximately \$469 thousand.

County Pool balances averaged \$416 million in the first half of 2006, compared to an average of \$459 million during the same period of 2005. Interest earnings distributed to the County Pool participants for the first half of 2006 were \$8.5 million compared to \$5.6 million for the same period in 2005. Clark County funds made up 45.74% of the County Pool. Other major Pool participants include the Evergreen School District at 18.35%, Vancouver School District at 9.33% and all other districts at 26.58%.

The annualized quarterly total return for the County Pool came in at 4.53% compared to the custom Treasury total return index of 3.90%. On a book value return basis, the County Pool rate yielded 4.5%, compared to the custom Treasury Index's book value return of 5.24%. The net asset value of the County Pool ended the quarter at .99999. An unrealized loss of \$25,269 was distributed to the Clark County Pool participants for the fair market value adjustment at the end of June. This is in accordance with our investment policy, fair market value adjustments are made four times per year. The next adjustment will occur at the end of August 2006.

With the inflow of funds from tax receipts, the investment strategy for the second quarter was to continue to maintain a high level of liquidity in the Columbia River Bank, Key Bank and US Bank money market accounts as they generally offer yields higher than overnight deposits. Further, commercial paper and certificates of deposit allocations were selected when they out performed Federal Agencies. The goal of the portfolio for this quarter was to continue to position the portfolio for a time when short term interest rates may stop rising. This resulted in increasing the average maturity of the portfolio a little bit, while staying within PFM's recommend range of 6.5 to 8 months.

SECTION III - 2006 YEAR-TO-DATE

INVESTMENT ACTIVITY:

During 2006, County residual principle balances averaged \$8 million more than in 2005 on an average monthly basis. Actual average County residual balances on a monthly basis during 2006 have exceeded projections by approximately \$15 million for the quarter as denoted in the chart below.

Date	2005 Residual Balance	2006 Residual Balance	2006 Projected Residual Balance
January	31,441,518	37,172,482	22,000,000
February	28,958,387	33,898,473	28,000,000
March	29,345,855	33,516,954	30,000,000
April	52,246,810	56,492,091	44,000,000
May	115,797,577	137,020,119	104,000,000
June	66,314,929	74,374,931	53,000,000
Average	54,017,513	62,079,175	46,833,333

Since June 2004, the Fed has raised interest rates seventeen times by 25 basis points each time. This action brought the Fed funds rate from a 45-year low of 1.00% to 5.25% by the end of June. Actual interest earnings increased to \$1,323,022 in 2006 from \$711,730 during the same period of 2005 due to higher interest rates in 2006. As shown below, total interest earnings for the year are approximately \$469,000 more than the adjusted projected interest earnings for 2006.

Date	2005 Interest Earnings	2006 Interest Earnings	2006 Projected Interest Earnings*
January	48,411	122,180	66,874
February	43,243	103,400	77,311
March	57,878	110,237	92,225
April	96,691	190,160	132,000
May	293,460	518,096	324,191
June	172,047	278,948	160,767
Total	711,730	1,323,022	853,668

* Projected interest earnings for budget year 2005/2006 were increased by \$850,000 in the budget supplement of December of 2005 to reflect market changes.

Shown below, County Pool principle balances averaged nearly \$416 million in the second quarter of 2006, compared to nearly \$459 million during same period of 2005, approximately 9.3% lower.

Date	2005 Pool Average Balance	2006 Pool Average Balance
January	412,745,365	407,102,676
February	403,670,700	382,941,849
March	409,191,900	368,991,583
April	423,845,571	387,059,971
May	568,784,439	512,470,329
June	534,484,719	437,071,313
Average	458,787,116	415,939,620

The table below reflects County Pool earnings of approximately \$8.5 million for the first half of 2006, compared to \$5.6 million during the same period of 2005, resulting in increased earnings of approximately 52%. This is due to the raising interest rate environment that started in June of 2004 and has continued through the second quarter of 2006.

Date	2005 Pool Interest Earnings	2006 Pool Interest Earnings
January	635,325	1,334,998
February	581,897	1,128,046
March	806,636	1,216,416
April	783,697	1,298,123
May	1,434,642	1,935,565
June	1,386,852	1,637,008
Total	5,629,049	8,550,156

SECTION IV - QUARTERLY ACTIVITY

Figure One shows the major participants in the Clark County Investment Pool for the second quarter of 2006. As of June 30, 2006, County funds made up 45.74% of the pool, Evergreen School District – 18.35%, Vancouver School District – 9.33%, and all other districts - 26.58%.

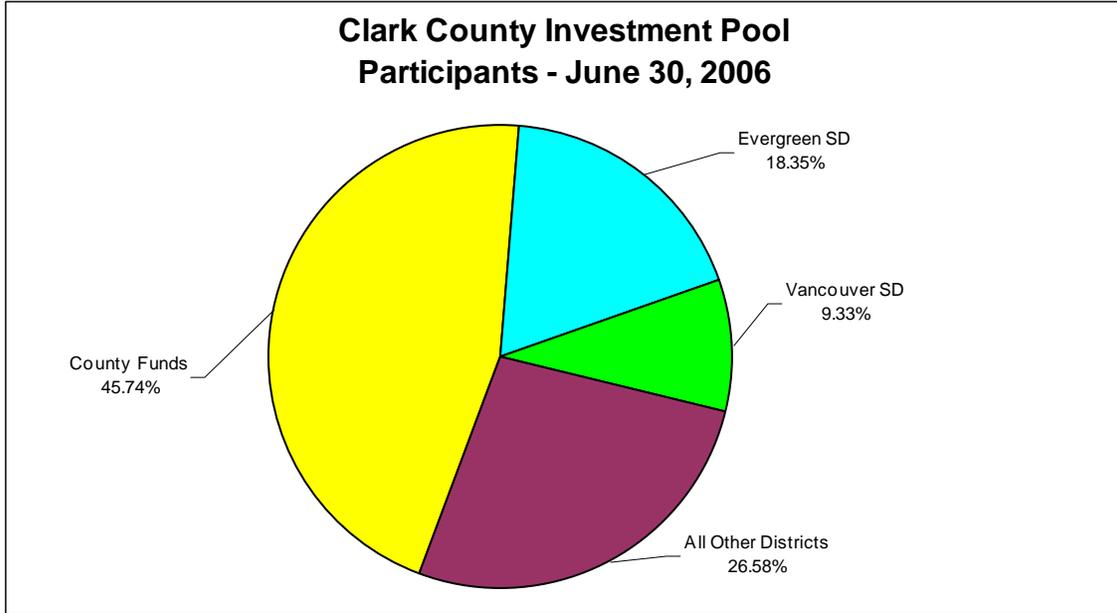


Figure 1

Figure Two illustrates month-end General Fund cash balances beginning with January 2005 through June 2006. For the first half of 2006, cash balances in the General Fund increased over the same period in 2005 by a monthly average of approximately \$3 million.

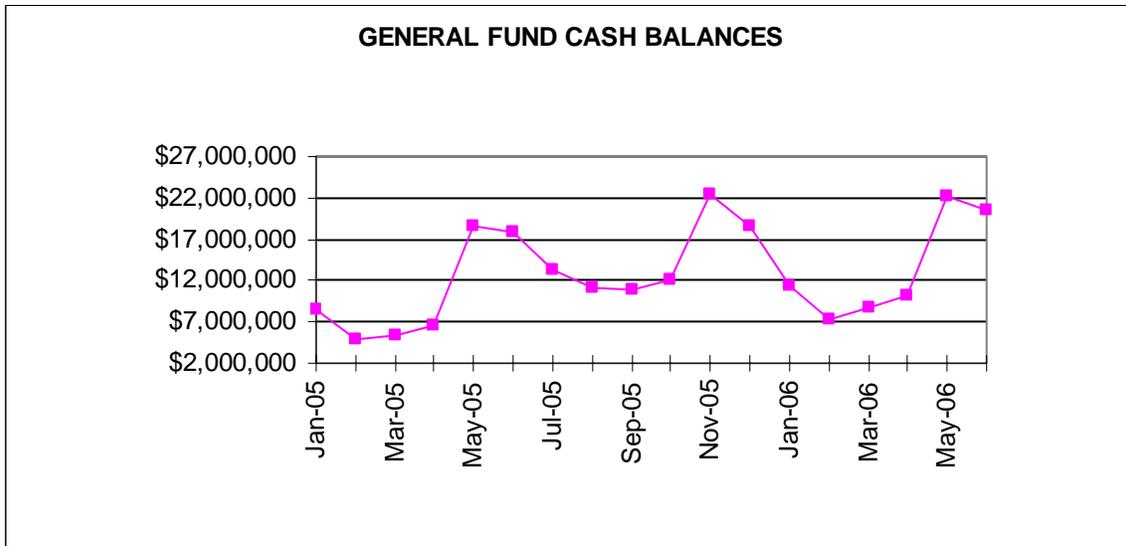


Figure 2

Figure Three reflects the average principle balances being maintained within the Pool in 2006 compared to 2005. For 2006, the average monthly principle balance decreased during the same period of 2005 by an average of \$21.4 million.

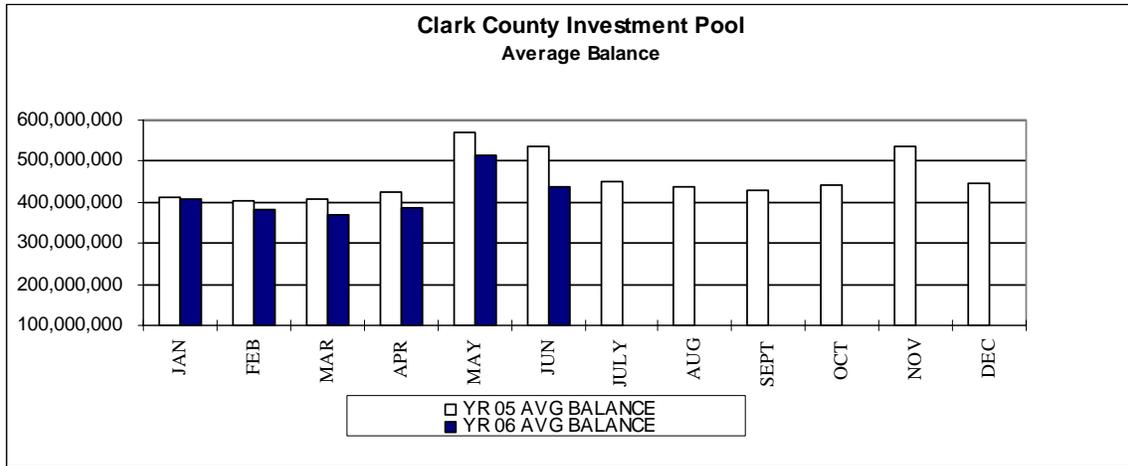


Figure 3

Figure Four reflects the actual monthly residual principle balances managed by the County for 2005 and the first half of 2006. For the first two quarters of 2006, residual balances averaged \$8 million per month more than the same period in 2005.

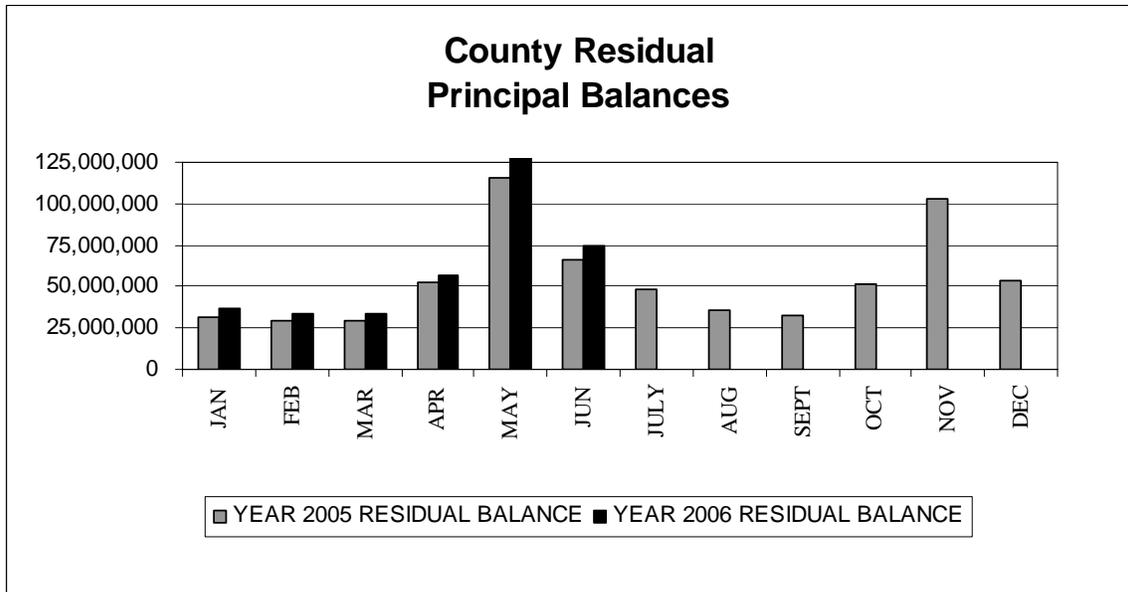


Figure 4

Figure Five shows interest earnings distributed each month to the County's General fund from 2005 through the second quarter of 2006. During the first half of 2006, interest earnings averaged \$101,880 more per month than during the same period in 2005. This is due to an increase in interest rates from 2005 to 2006. On an average monthly basis, \$220,504 was allocated to the General fund during first half of 2006. For the same period of 2005, an average of \$118,621 was distributed to the General fund per month.

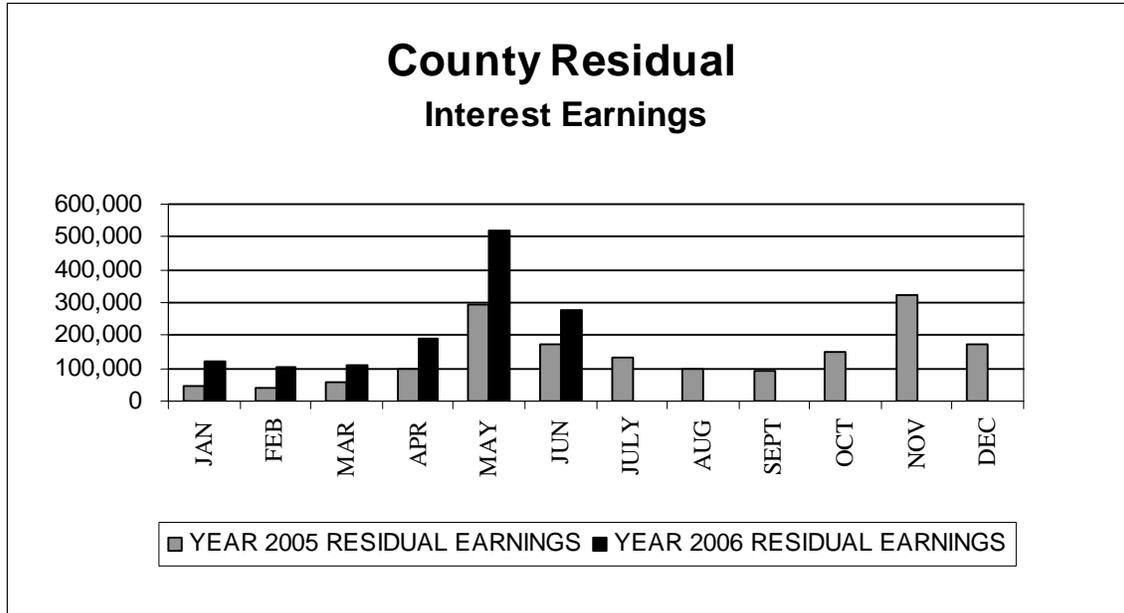


Figure 5

Figure Six shows the County Pool interest rates for 2005 and through the second quarter of 2006. The book value of the County Pool's gross interest rate at June 30, 2006 was 4.50% compared to 3.11% at June 30, 2005.

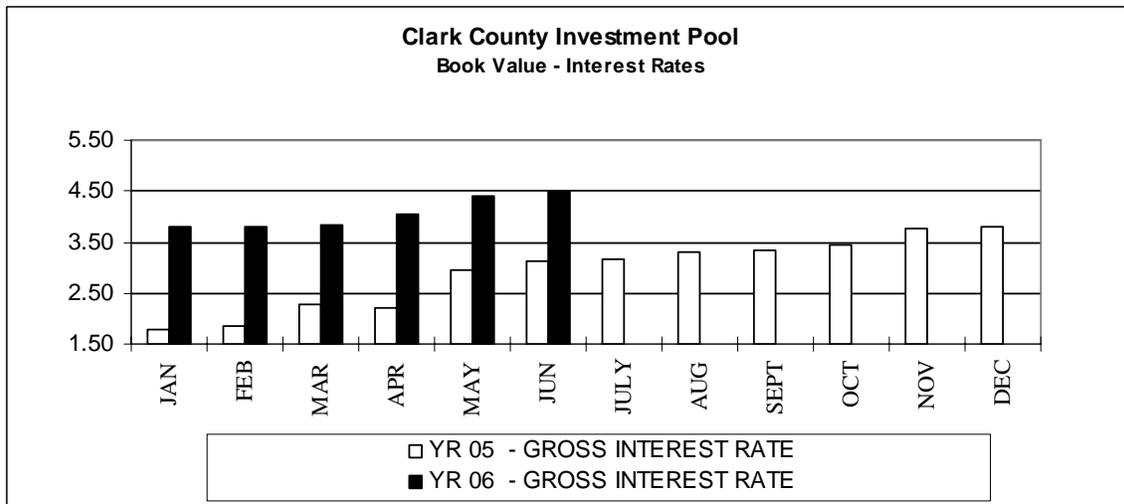


Figure 6

Figures 7 (a) and (b) compare performance on a book value return basis. The County Pool's interest rate is expressed as the net interest rate (the gross rate less the investment fee). The book value return of a portfolio measures the yield based on the yield of the securities at the time the securities are purchased. These performance benchmarks consist of a composite Treasury Index with an average maturity of nine months and the Washington State Local Government Investment Pool (LGIP) with an average maturity of approximately 35 days. The Clark County Investment Pool has an average maturity of approximately 7.1 months. The Treasury Index and the LGIP closely track current interest rates. At the end the first half of 2006, the County Pool's net rate, on a book value return basis was 4.5%, the Treasury Index was 5.24%, and the State Pool's net rate was 5.02%.

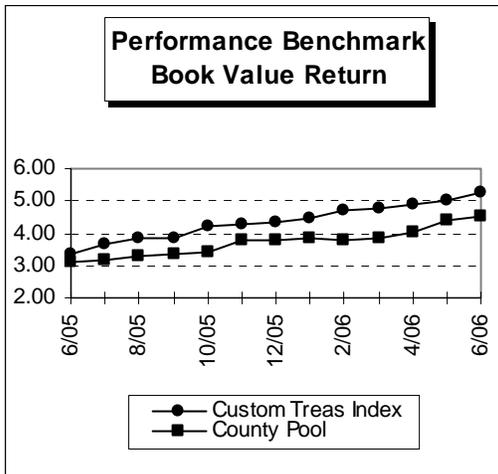


Figure 7(a)

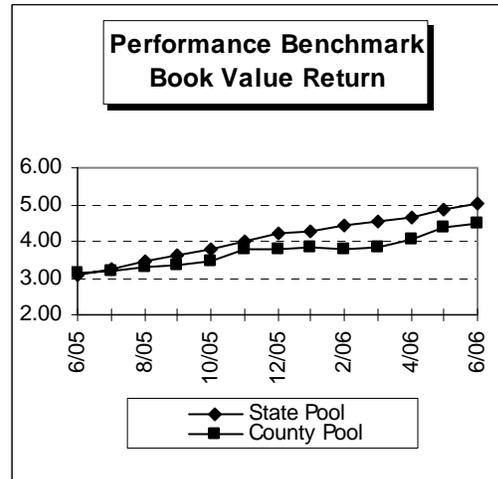


Figure 7(b)

Figure Eight compares performance on a total return basis. Total return measures the market value increase or decrease in the value of the portfolio over a given period of time and the interest earnings associated with the securities. The customized total return index consists of two Merrill Lynch U.S. Treasury Securities maturing from six months to one year. The annualized return for the second quarter of 2006 for the County Pool was 4.53% and the Treasury Index was 3.90%.

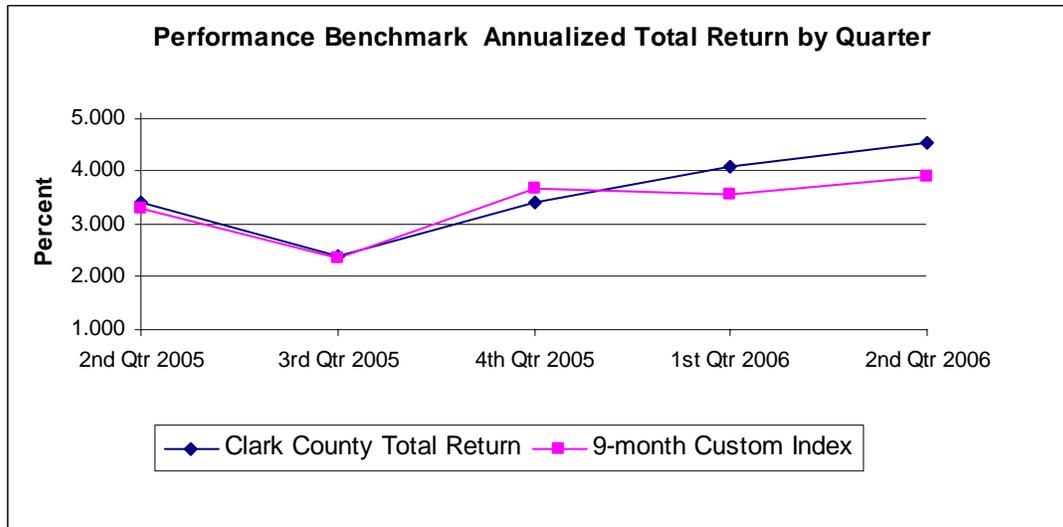


Figure 8

Figure Nine shows the market value of the Pool portfolio based on net asset value (NAV). As of June 30, 2006 the NAV was .99999. GASB Statement 31 requires that External Investment Pools report all investments at fair market value, if the average maturity of the Pool exceeds 90 days. On June 30, 2006, the Treasurer's Office posted approximately \$25,629 in unrealized losses to the County Pool. The next adjustment for fair market value will occur on August 31, 2006.

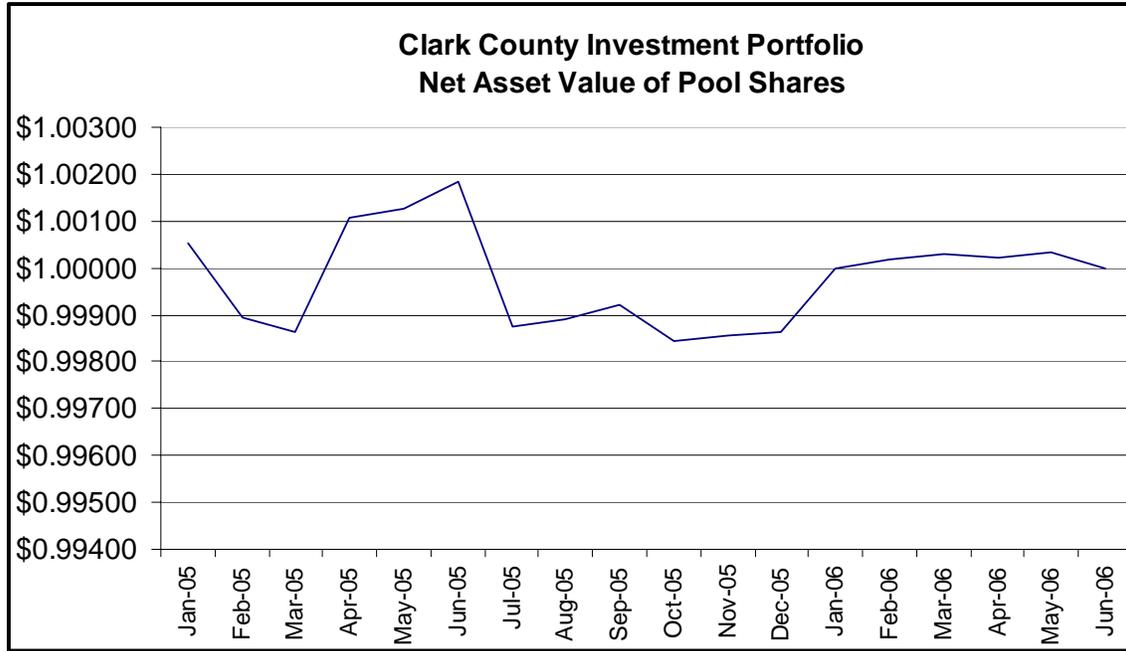


Figure 9

Figure Ten is a breakdown by year reflecting the total unrealized gains/ (losses) since 1998. Also depicted in figure ten are the increases in county pool earnings due to being invested in longer term securities than the State Pool. As of June 30, 2006 the County Portfolio has posted approximately \$78 thousand in aggregate unrealized gains on a fair market value basis. The County Pool earned approximately \$14.2 million more than if it had just been invested in the State Pool. Annual unrealized gains/ (losses) are the direct result of fluctuating interest rates and longer term maturities.

Year	Unrealized gain/(loss)	Earning Difference County Verses State Pool
1998	566,583	411,930
1999	(2,563,593)	(56,579)
2000	4,038,403	(1,521,015)
2001	2,072,065	4,130,844
2002	295,807	6,867,654
2003	(4,010,663)	5,059,680
2004	(1,270,742)	1,584,645
2005	(831,197)	(1,067,774)
2006	78,168	(1,148,780)
Cumulative	\$(1,625,169)	\$14,260,605

Figure 10

Figure Eleven shows revised projected County Pool interest rates for 2006 compared with actual interest rates.

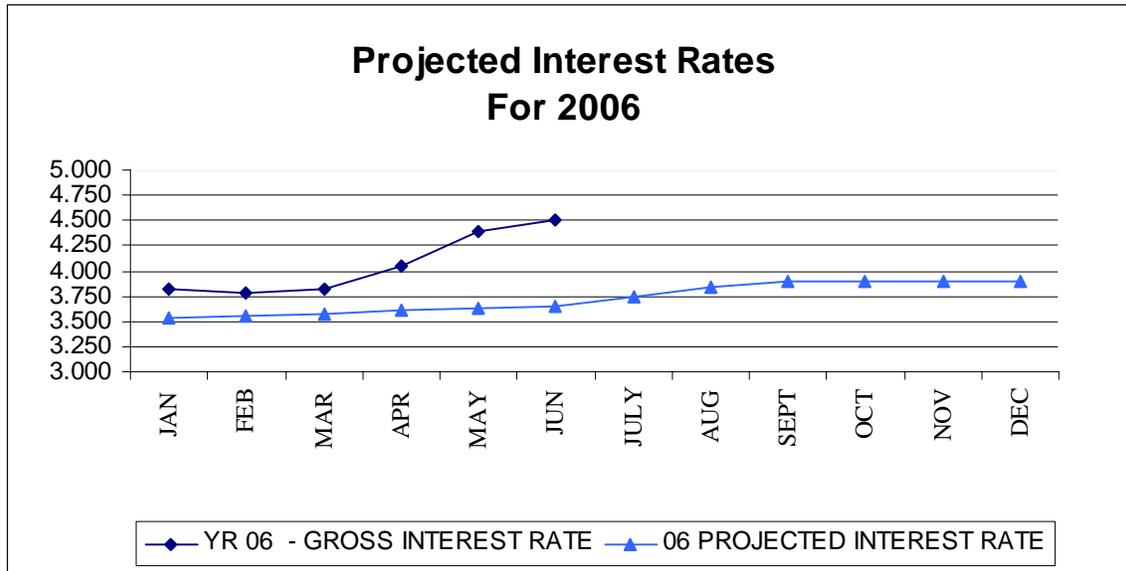


Figure 11

SECTION V - INVESTMENT STRATEGY

The following table shows the percentage distribution of the Clark County Pool maturity periods. As the table indicates, during 2005 emphasis was placed on purchasing securities in the one year maturity sector to target an average maturity of 6.5 – 8 months. In 2006, the emphasis is to continue to purchase securities in the one year maturity sector and maintain the average maturity of 6.5 to 8 months.

Period	0 - 1 year	1 – 2 years	2 - 5 years
1st quarter, 2005	65%	35%	0%
2 nd quarter, 2005	73%	23%	4%
3 rd quarter, 2005	71%	26%	3%
4 th quarter, 2005	75%	23%	2%
1 st quarter, 2006	83%	15%	2%
2 nd quarter, 2006	77%	22%	1%

During the second quarter of 2006, we maintained a weighted average maturity of 6.5 to 8 months. We continued to monitor our investment strategy and remain proactive as economic conditions fluctuate.

The first quarter 2006 report issued by Public Financial Management, Inc. (PFM) recommended the following sector distributions to maintain the Clark County Investment Pool at a 6.5 to 8.0 month average maturity.

Investment Sector	Recommended Average Maturity	Current Average Maturity	Recommended % of Portfolio	Current % of Portfolio
US Treasury Notes	6 months – 2.00 years	N/A	0% - 20%	0%
Federal Agency Notes/Disc. Notes	6 months – 2.00 years	.94 years	40% - 75%	60%
Municipal Obligations	0 months – 2.00 years	.86 years	0% - 5%	1%
Commercial Paper, Certificates of Deposit, Domestic Banker's Acceptances	0 – 6 months	4.5 months	0% - 40%	9%
State Pool, Bank Deposits	1 day	1 day	10% - 40%	30%
Aggregate Avg. Maturity	6.5 - 8 months	7.1 months		

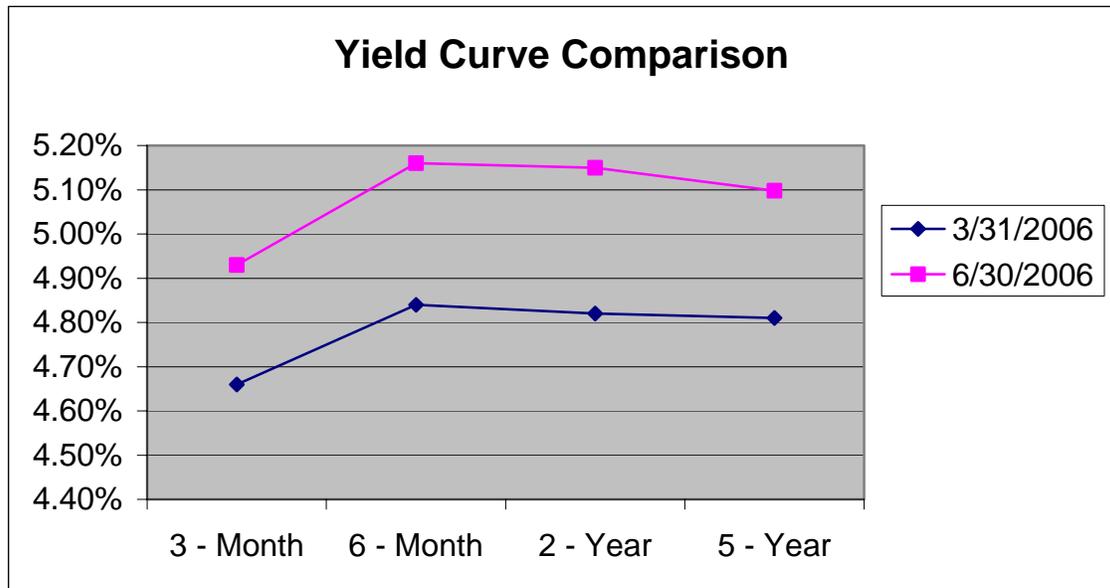
During the second quarter of 2006, the percentage of Bank and State Pool Deposits increased by 6% with a similar decrease in Certificates of Deposit, while municipal obligations and federal agency investments held steady.

SECTION VI - ECONOMIC/MARKET CONDITIONS

The US economy added 325,000 jobs during the second quarter of 2006, 45% less than the 590,000 jobs added in the first quarter. The unemployment rate of 4.6% is almost a five year low. Oil prices were at \$75.78 per barrel at the end of the quarter, which continues to climb from the end of the first quarter price of \$66.63 per barrel. Oil prices are expected to continue to increase through 2006 which causes experts to anticipate a slow down in consumer spending. The Consumer Confidence Index decreased slightly during the second quarter ending at 105.7. This is down from 107.2 in March 2006, which represented the largest level since May 2002. The Manufacturing Index for the second quarter of 2006 registered at 53.8 percent, which is lower than the last twelve months average of 55.9. Any reading above 50 points on the Manufacturing Index shows that the manufacturing industry is continuing to grow. For the 37th consecutive month, this index has been over 50 points. If the index is in excess of 42 for a period of time, it generally indicates that the overall economy is growing.

The economic data for second quarter shows that the economy overall has slowed compared to the robust start of the year. This was caused by a slow down in consumer spending and higher borrowing costs decreasing housing demands. Economists still expect that the economy will grow at a 2.9 percent growth by the end of the year. The combination of slower than expected economic growth and persistence in high energy costs may make companies more cautious about adding more workers in coming months as they look to hold down costs and maintain profit growth.

On June 30, 2006 the 3-month T-bill yielded 4.93% compared to 4.66% on March 31, 2006. The yield curve continues to move up and is inverting slightly.



SECTION VII - PORTFOLIO

Exhibit One shows the make up of the entire portfolio at the end of the second quarter of 2006. This exhibit is used to monitor compliance with the Investment Policy as far as the diversification of securities held and the percentage each sector makes up of the total portfolio. All percentages are consistent with the current policy.

Exhibit Two shows the complete portfolio listings as of the end of the second quarter of 2006. This report shows the book value, the par value, and the market value of the portfolio as of June 30, 2006.

Exhibit Three shows the liquidity of the entire portfolio. All percentages are consistent with the current policy.

Exhibit Four reflects the percentage of securities purchased from each issuer relative to the entire portfolio. On June 30, 2006, the average maturity was approximately 7.1 months. All the percentages are consistent with the current policy and PFM recommendations.

Exhibit Five shows all investment purchases and maturities from April 1, 2006 through June 30, 2006.

Exhibit Six shows the make up of the Clark County Investment Pool at the end of the second quarter of 2006. This exhibit is used to monitor compliance with the Investment Policy as far as the diversification of securities held and related percentage of the total portfolio for each type of security. On June 30, 2006, the average term of the Pool was approximately 7.1 months. All percentages are consistent with the current policy.

Exhibit Seven shows the portfolio listings of the Clark County Investment Pool at the end of the second quarter. This report contains the book value, the par value, and the market value as of June 30, 2006.

Exhibit Eight shows the liquidity of the Clark County Investment Pool. All percentages are consistent with the current policy.

Exhibit Nine reflects the percentage of securities purchased from each issuer for the Clark County Investment Pool. All percentages are consistent with the current policy.

Exhibit Ten is a comparison of the Clark County Investment Pool to the Washington State Pool.

Exhibit 1

**CLARK COUNTY INVESTMENT POOL PORTFOLIO
DISTRIBUTION OF INVESTMENTS BY TYPE
June 30, 2006**

Investments	Book Value	Percent of Portfolio	Average Days to Maturity	Yield to Maturity	
				360 Equivalent	365 Equivalent
Certificates of Deposit	40,000,000.00	8.76%	134	5.037	5.107
Federal Agencies - Discount	4,829,158.33	1.06%	188	5.182	5.254
Federal Agencies - Variable	10,000,000.00	2.19%	229	5.046	5.116
Federal Agencies - Semi-annual	256,881,966.41	56.23%	339	4.337	4.397
Municipal Bonds	2,505,083.50	0.55%	312	4.000	4.056
Passbook/Money Market Accts	138,599,272.68	30.34%	1	5.117	5.188
Treasury Securities - SLGS	4,023,000.00	0.88%	134	3.156	3.200
Total	456,838,480.92	100.00%	213	4.646	4.711
Accrued Interest at Purchase	293,165.74				
Total Cash and Investments	<u>457,131,646.66</u>				

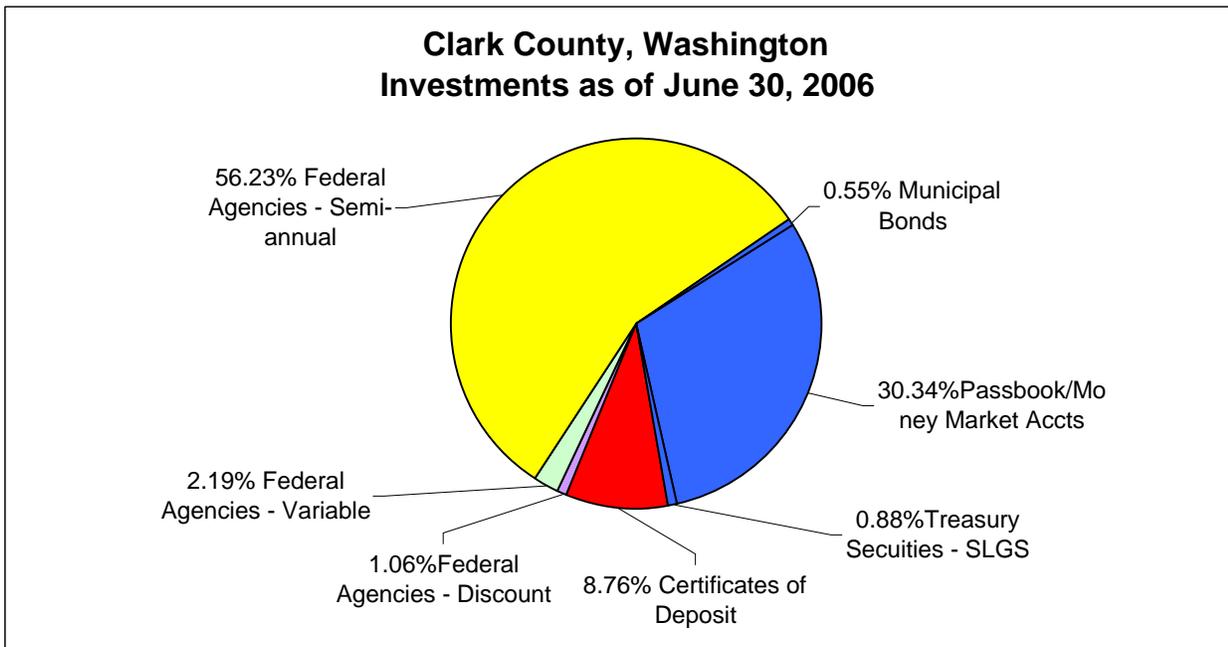


EXHIBIT 2
CLARK COUNTY, WASHINGTON
CLARK COUNTY INVESTMENT POOL PORTFOLIO
June 30, 2006

Investment Number	Purchase Date	Cusip Number	Book Value	Par Value	Market Price	Market Value	Cash Gain/(Loss) on Security	Coupon Rate	Yield to Maturity 360	Yield to Maturity 365	Maturity Date	Days to Maturity
Certificates of Deposit												
89983115	11/29/2005	49992274258	10,000,000.00	10,000,000.00	100.00	10,000,000.00	0.00	4.85	4.784	4.850	11/29/06	151
89983128	1/26/2006	93-10681829	10,000,000.00	10,000,000.00	100.00	10,000,000.00	0.00	4.76	4.760	4.826	12/01/06	153
89983139	5/12/2006	49992274537	10,000,000.00	10,000,000.00	100.00	10,000,000.00	0.00	5.3	5.227	5.300	12/1/2006	153
89983145	6/21/2006		10,000,000.00	10,000,000.00	100.00	10,000,000.00	0.00	5.3	5.375	5.450	9/19/2006	80
Subtotal & Averages			40,000,000.00	40,000,000.00		40,000,000.00	0.00		5.04	5.107		134
Federal Agencies - Discount Notes												
89983136	05/01/06	313312AE0	4,829,158.33	5,000,000.00	97.222	4,829,158.33	0.00	4.94	4.94	5.254	01/05/07	188
Subtotal & Averages			4,829,158.33	5,000,000.00		4,829,158.33	0.00		5.18	5.254		188
Federal Agencies - Semi Annual Coupon												
89983099	09/15/05	31331SU35	9,681,570.00	9,700,000.00	99.162	9,618,700.42	(62,869.58)	4.100	4.182	4.240	02/01/07	215
61323084	6/28/2005	3133X14N4	2,599,905.00	2,625,000.00	99.493	2,611,704.11	11,799.11	2.875	3.634	3.685	09/15/06	76
61323085	6/28/2005	3133X8NZ1	2,125,821.30	2,155,000.00	99.203	2,137,816.03	11,994.73	2.625	3.648	3.699	10/16/06	107
61323087	6/28/2005	3133XBVC	1,884,547.60	1,885,000.00	99.284	1,871,500.01	(13,047.59)	3.750	3.713	3.764	11/30/06	152
61323089	6/28/2005	3133X4C66	3,097,831.40	3,155,000.00	98.221	3,098,879.49	1,048.09	2.625	3.726	3.778	02/16/07	230
89983077	06/02/05	3133XBVU6	10,009,375.00	10,000,000.00	98.051	9,805,060.00	(204,315.00)	4.450	4.356	4.416	06/02/08	702
89983102	09/29/05	3133MKED5	4,823,750.82	4,795,000.00	99.766	4,783,778.74	(39,972.08)	4.875	4.261	4.320	11/15/06	137
89983103	09/29/05	3133X2B46	4,914,345.00	5,000,000.00	99.008	4,950,389.00	36,044.00	2.750	4.261	4.320	11/15/06	137
89983104	09/29/05	3133X9R69	9,716,522.75	9,845,000.00	99.142	9,760,488.55	43,965.80	3.125	4.261	4.320	11/15/06	137
89983134	04/24/06	3133XDMZ4	4,568,030.00	4,600,000.00	99.110	4,559,054.94	(8,975.06)	4.500	5.097	5.168	05/21/07	324
89983137	05/09/06	3133XEJH1	9,922,400.00	10,000,000.00	99.056	9,905,627.00	(16,773.00)	4.625	5.196	5.268	08/08/07	403
89983141	05/15/06	3133XCN25	9,904,200.00	10,000,000.00	98.936	9,893,602.00	(10,598.00)	4.250	5.192	5.264	05/08/07	311
61323086	6/28/2005	3128X4AK7	1,860,534.75	1,861,000.00	99.365	1,849,174.83	(11,359.92)	3.750	3.708	3.760	11/15/06	137
61323088	6/28/2005	3134A1KC3	3,544,874.00	3,400,000.00	100.541	3,418,387.20	(126,486.80)	6.700	3.735	3.787	01/05/07	188
89983021	11/05/04	3128X2AH8	9,998,500.00	10,000,000.00	99.082	9,908,226.00	(90,274.00)	3.000	2.966	3.007	11/17/06	139
89983068	05/16/05	3128X4AR2	4,998,750.00	5,000,000.00	99.068	4,953,410.00	(45,340.00)	4.010	3.972	4.027	02/16/07	230
89983107	10/13/05	3128X3XZ	9,793,300.00	10,000,000.00	98.165	9,816,549.00	23,249.00	3.000	4.418	4.479	03/28/07	270
89983110	10/24/05	3128X45L6	9,999,500.00	10,000,000.00	98.986	9,898,566.00	(100,934.00)	4.750	4.688	4.753	10/24/07	480
89983116	12/02/05	3128X45L6	9,974,700.00	10,000,000.00	98.986	9,898,566.00	(76,134.00)	4.750	4.821	4.888	10/24/07	480
89983125	01/18/06	3128X4XW	4,999,500.00	5,000,000.00	99.214	4,960,683.00	(38,817.00)	5.000	4.937	5.005	01/18/08	566
89983126	01/18/06	3128X4XW	4,999,750.00	5,000,000.00	99.214	4,960,683.00	(39,067.00)	5.000	4.934	5.003	01/18/08	566
89983143	05/30/06	3128X46L0	4,995,000.00	5,000,000.00	99.490	4,974,514.50	(20,485.50)	5.375	5.354	5.428	05/15/08	684
89983144	06/12/06	3128X4BD2	9,822,000.00	10,000,000.00	97.930	9,792,960.00	(29,040.00)	4.350	5.239	5.312	06/02/08	702
89983146	06/26/06	3128XZ5DN5	4,988,700.00	5,000,000.00	99.725	4,986,248.50	(2,451.50)	5.500	5.521	5.598	12/26/08	909
61323083	6/28/2005	3136F47B4	2,694,798.72	2,724,000.00	99.674	2,715,125.75	20,327.03	2.750	3.669	3.720	08/17/06	47
61323090	6/28/2005	3136F46R0	5,672,210.85	5,745,000.00	98.380	5,651,924.11	(20,286.74)	3.000	3.740	3.792	02/26/07	240
61323091	6/28/2005	3136A4CA4	500,049.22	475,000.00	100.991	479,709.15	(20,340.07)	6.900	3.778	3.830	04/02/07	275
89983003	9/22/2004	3136F6CF40	10,000,000.00	10,000,000.00	99.472	9,947,156.00	(52,844.00)	3.000	2.959	3.000	09/22/06	83
89983005	10/12/2004	3136F6EP0	10,000,000.00	10,000,000.00	99.338	9,933,815.00	(66,185.00)	3.010	2.969	3.010	10/12/06	103
89983014	10/26/2004	3136F4F458	10,007,000.00	10,000,000.00	98.826	9,882,564.00	(124,436.00)	3.125	3.048	3.090	12/29/06	181
89983022	11/8/2004	3136FAF58	9,987,000.00	10,000,000.00	98.826	9,882,564.00	(104,436.00)	3.125	3.143	3.187	12/29/06	181
89983049	01/05/05	31359MXX7	9,984,000.00	10,000,000.00	99.037	9,903,718.00	(80,282.00)	3.375	3.413	3.460	12/15/06	167
89983127	11/12/2006	31359ZM36	9,999,000.00	10,000,000.00	99.153	9,915,258.00	(83,742.00)	5.000	4.934	5.003	12/13/07	530
89983135	04/25/06	31359MYW7	4,948,500.00	5,000,000.00	98.768	4,938,414.00	(10,086.00)	4.375	5.121	5.193	08/17/07	412
89983138	05/11/06	31359MB44	9,866,000.00	10,000,000.00	98.603	9,860,258.00	(5,742.00)	3.875	5.181	5.253	05/15/07	318
89983140	05/15/06	31359MM83	10,000,000.00	10,000,000.00	99.719	9,971,858.00	(28,142.00)	5.440	5.352	5.426	11/01/07	488
89983142	04/25/06	31359MN90	10,000,000.00	10,000,000.00	99.643	9,964,293.00	(35,707.00)	5.500	5.425	5.500	11/23/07	510
Subtotal & Averages			256,881,966.41	257,965,000.00		255,461,225.34	(1,420,741.07)		4.337	4.397		339

EXHIBIT 2
CLARK COUNTY, WASHINGTON
CLARK COUNTY INVESTMENT POOL PORTFOLIO
June 30, 2006

Investment Number		Purchase Date	Cusip Number	Book Value	Par Value	Market Price 6/30/2006	Market Value	Cash Gain/(Loss) on Security	Coupon Rate	Yield to Maturity 360	Yield to Maturity 365	Maturity Date	Days to Maturity
Federal Agencies Variable Rate													
89983129	Federal Home Loan Bank	02/15/06	3133XEQW	10,000,000.00	10,000,000.00	100.000	10,000,000.00	0.00	5.226	5.046	5.116	02/15/07	229
Subtotal & Averages				10,000,000.00	10,000,000.00		10,000,000.00	0.00		5.046	5.116		229
Treasury Securities - SLGS													
61033123	State and Local Gov't Series	1/5/2006	2006-00271	230,000.00	230,000.00	100.000	230,000.00	0.00	3.200	3.156	3.200	11/15/06	137
61093119	State and Local Gov't Series	1/5/2006	2006-00275	344,000.00	344,000.00	100.000	344,000.00	0.00	3.200	3.156	3.2	11/15/06	137
61183120	State and Local Gov't Series	1/5/2006	2006-00274	74,000.00	74,000.00	100.000	74,000.00	0.00	3.200	3.156	3.2	11/15/06	137
61243118	State and Local Gov't Series	1/5/2006	2006-00276	278,000.00	278,000.00	100.000	278,000.00	0.00	3.200	3.156	3.2	11/15/06	137
61273121	State and Local Gov't Series	1/5/2006	2006-00273	425,000.00	425,000.00	100.000	425,000.00	0.00	3.200	3.156	3.2	11/15/06	137
61303122	State and Local Gov't Series	1/5/2006	2006-00272	433,000.00	433,000.00	100.000	433,000.00	0.00	3.200	3.156	3.2	11/15/06	137
6133124	State and Local Gov't Series	1/5/2006	2006-00270	2,239,000.00	2,239,000.00	100.000	2,239,000.00	0.00	3.200	3.156	3.2	11/15/06	137
Subtotal & Averages				4,023,000.00	4,023,000.00		4,023,000.00	0.00		3.16	3.200		137
Municipal Bonds													
89983097	Washington State GO	9/7/2005	93974AJR6	2,015,840.00	2,000,000.00	98.892	1,977,845.20	(37,994.80)	4.500	3.985	4.040	07/01/07	365
89983098	Washington State Econ Dev	9/14/2005	939758AW8	489,243.50	500,000.00	99.171	495,852.75	6,609.25	2.000	4.063	4.119	10/1/2006	92
Subtotal & Averages				2,505,083.50	2,500,000.00		2,473,697.95	(31,385.55)		4.00	4.056		312
Passbook/Money Market Accounts													
89980003	Key Bank - Savings Account			46,648,449.84	46,648,449.84	100.000	46,648,449.84	0.00	5.050	4.981	5.050		1
89980002	U.S. Bank - Municipal Investment Account			23,934,905.14	23,934,905.14	100.000	23,934,905.14	0.00	5.000	4.932	5.000		1
89980001	WA State Local Government Invest. Pool			36,658,639.77	36,658,639.77	100.000	36,658,639.77	0.00	4.880	4.774	4.840		1
89980005	Columbia River Bank			5,055,306.76	5,055,306.76	100.000	5,055,306.76	0.00	5.050	4.981	5.050		1
61320004	Key Bank - Savings Account			26,301,971.17	26,301,971.17	100.000	26,301,971.17	0.00	5.300	5.227	5.300		1
Subtotal & Averages				138,599,272.68	138,599,272.68		138,599,272.68	0.00			5.188		1
Grand Total				456,838,480.92	458,087,272.68		455,386,354.30	(1,452,126.62)			4.711		213

*Days to maturity adjusted per investment policy

EXHIBIT 3

**CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
AGING OF MATURING INVESTMENTS
June 30, 2006**

<u>Days to Maturity</u>	<u>Book Value</u>	<u>% Maturing</u>	<u>Cumulative % Maturing</u>
1	\$138,599,272.68	30.34%	30.34%
2 - 90	25,294,703.72	5.54%	35.88%
91 - 180	89,820,265.72	19.66%	55.54%
181 - 270	71,611,694.58	15.68%	71.21%
271 - 360	24,838,279.22	5.44%	76.65%
361 - 450	16,886,740.00	3.70%	80.35%
451 - 540	49,973,200.00	10.94%	91.28%
541 - 630	9,999,250.00	2.19%	93.47%
631 - 720	24,826,375.00	5.43%	98.91%
720 - 900	4,988,700.00	1.09%	100.00%
TOTALS	\$456,838,480.92	100.00%	

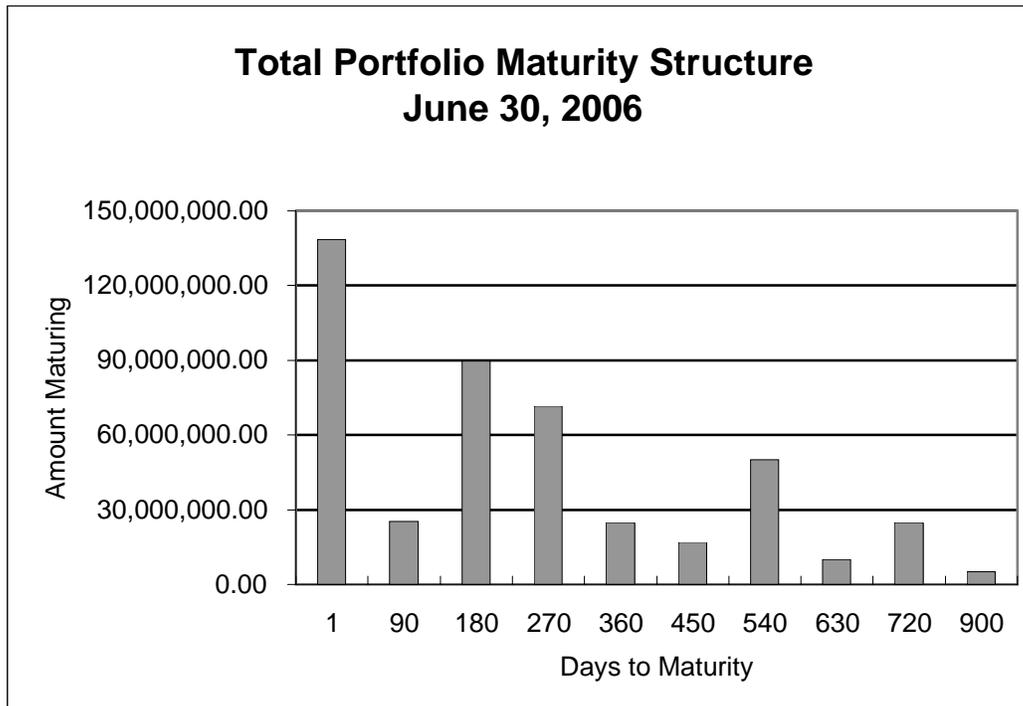


Exhibit 4

**CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
SUMMARY OF INVESTMENTS BY ISSUER
June 30, 2006**

Issuer	Number of Investments	Book Value	% of Portfolio	Avg YTM (365)	Days to Maturity
Columbia River Bank	1	5,055,306.76	1.11%	5.050	1
State and Local Gov't Series	7	4,023,000.00	0.88%	3.200	137
Federal Farm Credit Bank	2	14,510,728.33	3.18%	4.577	206
Federal Home Loan Bank	12	73,566,728.87	16.10%	4.671	299
Federal Home Loan Mtg Corp.	12	79,975,108.75	17.51%	4.602	453
Federal National Mtg Association	13	103,658,558.79	22.69%	4.126	282
Key Bank	2	72,950,421.01	15.97%	5.140	1
Sterling Savings Bank	3	30,000,000.00	6.57%	5.200	128
US Bank - Municipal Investor Account	1	23,934,905.14	5.24%	5.000	1
Washington Mutual Bank	1	10,000,000.00	2.19%	4.826	153
Washington State Municipal Bonds	2	2,505,083.50	0.55%	4.055	104
Washington State Pool	1	36,658,639.77	8.02%	4.840	1
TOTALS and AVERAGES	57	\$ 456,838,480.92	100.00%	4.711	213

EXHIBIT 5

**CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
INVESTMENT ACTIVITY BY TYPE
As of June 30, 2006**

NUMBER	ISSUER	STATED RATE	DATE	PURCHASES	MATURITIES	BALANCE
CERTIFICATES OF DEPOSIT				BEGINNING BALANCE:		60,000,000.00
89983117	Washington Mutual	4.450	04/07/06		10,000,000.00	
89983131	Bank of Clark County	4.800	04/12/06		5,000,000.00	
89983133	Bank of Clark County	4.980	04/14/06	5,000,000.00		
89983114	US National Bank	4.430	05/01/06		10,000,000.00	
89983139	Sterling Savings	5.300	05/12/06	10,000,000.00		
89983100	Washington Mutual	4.020	06/01/06		10,000,000.00	
89983133	Bank of Clark County	4.980	06/13/06		5,000,000.00	
89983145	Sterling Savings	5.450	06/21/06	10,000,000.00		
89983132	Cowlitz Bank	4.981	06/29/06		5,000,000.00	
SUBTOTALS and ENDING BALANCE - APRIL				5,000,000.00	15,000,000.00	50,000,000.00
SUBTOTALS and ENDING BALANCE - MAY				10,000,000.00	10,000,000.00	50,000,000.00
SUBTOTALS and ENDING BALANCE - JUNE				10,000,000.00	20,000,000.00	40,000,000.00
FEDERAL AGENCIES - DISCOUNT				BEGINNING BALANCE:		0.00
89983136	Federal Farm Credit Bank	4.940	05/01/06	4,829,158.33		
SUBTOTALS and ENDING BALANCE - APRIL				0.00	0.00	0.00
SUBTOTALS and ENDING BALANCE - MAY				4,829,158.33	0.00	4,829,158.33
SUBTOTALS and ENDING BALANCE - JUNE				0.00	0.00	4,829,158.33
FEDERAL AGENCIES - SEMI ANNUAL COUPON				BEGINNING BALANCE:		245,245,263.51
61323079	Federal Home Loan Mortgage Corporatic	2.000	04/12/06		4,026,715.20	
89982975	Federal Home Loan Mortgage Corporatic	2.375	04/15/06		10,073,900.00	
89983134	Federal Home Loan Bank	4.500	04/24/06	4,568,030.00		
89983135	Federal National Mortgage Association	4.375	04/25/06	4,948,500.00		
89983067	Federal Home Loan Mortgage Corporatic	4.010	04/25/06		5,000,000.00	
89983137	Federal Home Loan Bank	4.625	05/09/06	9,922,400.00		
89983138	Federal National Mortgage Association	3.875	05/11/06	9,866,000.00		
61323080	Federal National Mortgage Association	2.500	05/12/06		3,795,729.60	
89983140	Federal National Mortgage Association	5.440	05/15/06	10,000,000.00		
89983141	Federal Home Loan Bank	4.250	05/15/06	9,904,200.00		
89983034	Federal Home Loan Bank	2.875	05/22/06		9,975,300.00	
89983142	Federal National Mortgage Association	5.500	05/23/06	10,000,000.00		
89983066	Federal Home Loan Bank	4.000	05/30/06		4,999,500.00	
89983143	Federal Home Loan Mortgage Corporatic	5.375	05/30/06	4,995,000.00		
61323092	Federal National Mortgage Association	3.020	06/01/06		3,510,498.90	
89983013	Federal Home Loan Mortgage Corporatic	3.000	06/02/06		7,999,375.00	
89983144	Federal Home Loan Mortgage Corporatic	4.350	06/12/06	9,822,000.00		
89983065	Federal Home Loan Bank	4.000	06/22/06		4,999,250.00	
89983146	Federal Home Loan Mortgage Corporatic	5.500	06/26/06	4,988,700.00		
61323082	Federal National Mortgage Association	3.150	06/30/06		2,998,598.40	
89983036	Federal National Mortgage Association	3.150	06/30/06		9,999,260.00	
SUBTOTALS and ENDING BALANCE - APRIL				9,516,530.00	19,100,615.20	235,661,178.31
SUBTOTALS and ENDING BALANCE - MAY				54,687,600.00	18,770,529.60	271,578,248.71
SUBTOTALS and ENDING BALANCE - JUNE				14,810,700.00	29,506,982.30	256,881,966.41
FEDERAL AGENCIES - VARIABLE RATE				BEGINNING BALANCE:		10,000,000.00
89983129	Federal Home Loan Bank	4.700	02/15/06	10,000,000.00		
SUBTOTALS and ENDING BALANCE - APRIL				0.00	0.00	10,000,000.00
SUBTOTALS and ENDING BALANCE - MAY				0.00	0.00	10,000,000.00
SUBTOTALS and ENDING BALANCE - JUNE				0.00	0.00	10,000,000.00
MUNICIPAL BONDS				BEGINNING BALANCE:		2,505,083.50
SUBTOTALS and ENDING BALANCE - APRIL				0.00	0.00	2,505,083.50
SUBTOTALS and ENDING BALANCE - MAY				0.00	0.00	2,505,083.50
SUBTOTALS and ENDING BALANCE - JUNE				0.00	0.00	2,505,083.50
TREASURY SECURITIES - SLGS				BEGINNING BALANCE:		4,023,000.00
SUBTOTALS and ENDING BALANCE - APRIL				0.00	0.00	4,023,000.00
SUBTOTALS and ENDING BALANCE - MAY				0.00	0.00	4,023,000.00
SUBTOTALS and ENDING BALANCE - JUNE				0.00	0.00	4,023,000.00

EXHIBIT 5

CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
INVESTMENT ACTIVITY BY TYPE
As of June 30, 2006

NUMBER	ISSUER	STATED RATE	DATE	PURCHASES	MATURITIES	BALANCE
CLARK COUNTY			BEGINNING BALANCE:			1,555.43
APRIL	Registered Warrant Invest Acct	5.81%		0.00	1,555.43	0.00
MAY	Registered Warrant Invest Acct	6.00%		0.00	0.00	0.00
JUNE	Registered Warrant Invest Acct	6.19%		0.00	0.00	0.00
COLUMBIA RIVER BANK			BEGINNING BALANCE:			0.00
APRIL	Money Market Savings Accounts	4.800		5,011,835.62	0.00	5,011,835.62
MAY	Money Market Savings Accounts	5.050		22,533.09	0.00	5,034,368.71
JUNE	Money Market Savings Accounts	5.300		20,938.05	0.00	5,055,306.76
KEY BANK			BEGINNING BALANCE:			65,949,206.69
APRIL	Money Market Savings Accounts	4.800		24,445,731.18	1,573,848.32	88,821,089.55
MAY	Money Market Savings Accounts	5.050		105,472,144.74	52,094,679.09	142,198,555.20
JUNE	Money Market Savings Accounts	5.300		7,119,424.29	76,367,558.48	72,950,421.01
US BANK			BEGINNING BALANCE:			5,584,963.32
APRIL	Municipal Investor Account	4.800		20,053,100.74	0.00	25,638,064.06
MAY	Municipal Investor Account	5.050		38,198,523.77	40,000,000.00	23,836,587.83
JUNE	Municipal Investor Account	5.300		98,317.31	0.00	23,934,905.14
STATE POOL			BEGINNING BALANCE:			31,435,520.02
APRIL	Washington State Pool	4.657		121,661,980.50	58,000,000.00	95,097,500.52
MAY	Washington State Pool	4.850		70,537,416.75	128,075,000.00	37,559,917.27
JUNE	Washington State Pool	4.986		51,948,722.49	52,849,999.99	36,658,639.77
			BEGINNING BALANCE:	PURCHASES	MATURITIES	ENDING BALANCE:
APRIL	TOTALS		424,744,592.47	185,689,178.04	93,676,018.95	516,757,751.56
MAY	TOTALS		516,757,751.56	283,747,376.68	248,940,208.69	551,564,919.55
JUNE	TOTALS		551,564,919.55	83,998,102.14	178,724,540.77	456,838,480.92

Exhibit 6

**CLARK COUNTY INVESTMENT POOL PORTFOLIO
DISTRIBUTION OF INVESTMENTS BY TYPE
June 30, 2006**

Investments	Book Value	Percent of Portfolio	Average Days to Maturity	Yield to Maturity	
				360 Equivalent	365 Equivalent
Certificates of Deposit	40,000,000.00	9.94%	134	5.037	5.107
Federal Agencies - Discount	4,829,158.33	1.20%	188	5.182	5.254
Federal Agencies - Variable	10,000,000.00	2.48%	229	5.046	5.116
Federal Agencies - Semi-annual	232,901,393.57	57.86%	357	4.401	4.463
Municipal Bonds	2,505,083.50	0.62%	311	4.000	4.056
Passbook/Money Market Accts	112,297,301.51	27.90%	1	5.091	5.161
Total	402,532,936.91	100.00%	230	4.680	4.745
Accrued Interest at Purchase	224,456.25				
Total Cash and Investments	<u>402,757,393.16</u>				

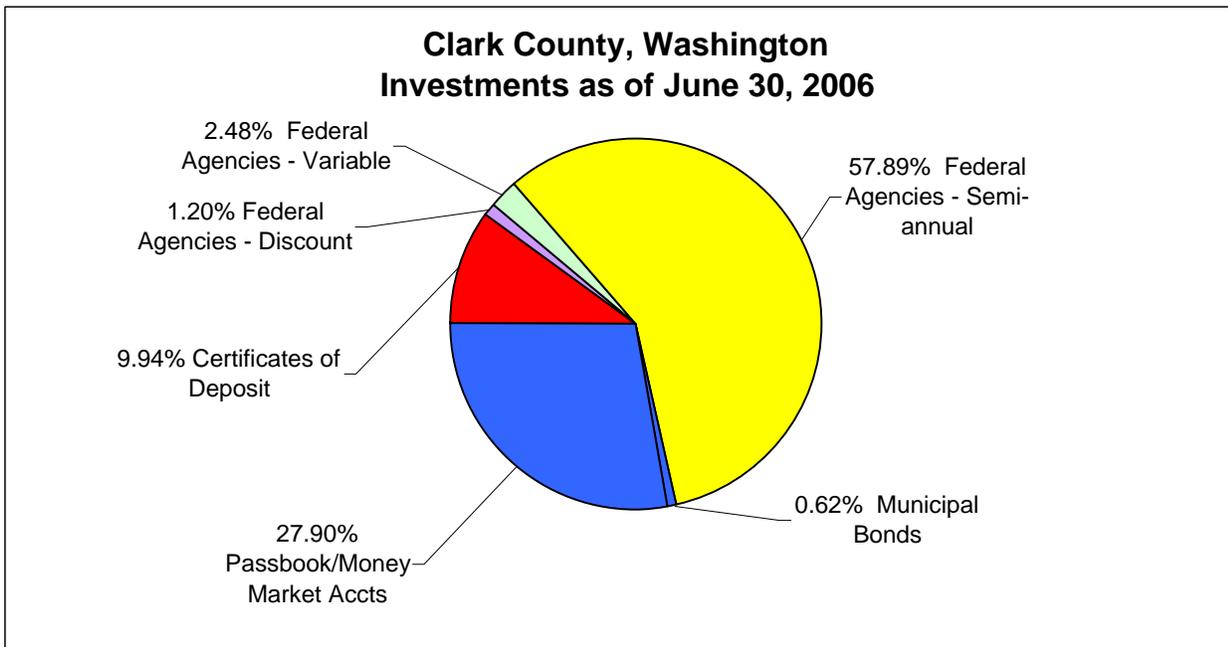


EXHIBIT 7
CLARK COUNTY, WASHINGTON
CLARK COUNTY INVESTMENT POOL PORTFOLIO
June 30, 2006

Investment Number	Purchase Date	Cusip Number	Book Value	Par Value	Market Price	Market Value	Cash Gain/(Loss) on Security	Coupon Rate	Yield to Maturity		Maturity Date	Days to Maturity	
									360	365			
													6/30/2006
Certificates of Deposit													
89983115	Sterling Savings Bank	11/29/2005	49992274258	10,000,000.00	10,000,000.00	100.00	10,000,000.00	0.00	4.85	4.784	4.850	11/29/06	151
89983128	Washington Mutual Bank	1/26/2006	93-10681829	10,000,000.00	10,000,000.00	100.00	10,000,000.00	0.00	4.76	4.760	4.826	12/01/06	153
89983139	Sterling Savings Bank	5/12/2006	49992274537	10,000,000.00	10,000,000.00	100.00	10,000,000.00	0.00	5.3	5.227	5.300	12/1/2006	153
89983145	Sterling Savings Bank	6/21/2006		10,000,000.00	10,000,000.00	100.00	10,000,000.00	0.00	5.3	5.375	5.450	9/19/2006	80
Subtotal & Averages				40,000,000.00	40,000,000.00		40,000,000.00	0.00		5.04	5.107		134
Federal Agencies - Discount Notes													
89983136	Federal Farm Credit	05/01/06	313312AE0	4,829,158.33	5,000,000.00	97.222	4,829,158.33	0.00	4.94	4.94	5.254	01/05/07	188
Subtotal & Averages				4,829,158.33	5,000,000.00		4,829,158.33	0.00		5.18	5.254		188
Federal Agencies - Semi Annual Coupon													
89983099	Federal Farm Credit	09/15/05	31331SU35	9,681,570.00	9,700,000.00	99.162	9,618,700.42	(62,869.58)	4.100	4.182	4.240	02/01/07	215
89983077	Federal Home Loan Bank	06/02/05	3133XBUU6	10,009,375.00	10,000,000.00	98.051	9,805,060.00	(204,315.00)	4.450	4.356	4.416	06/02/08	702
89983102	Federal Home Loan Bank	09/29/05	3133MKED5	4,823,750.82	4,795,000.00	99.766	4,783,778.74	(39,972.08)	4.875	4.261	4.320	11/15/06	137
89983103	Federal Home Loan Bank	09/29/05	3133X2B46	4,914,345.00	5,000,000.00	99.008	4,950,389.00	36,044.00	2.750	4.261	4.320	11/15/06	137
89983104	Federal Home Loan Bank	09/29/05	3133X9R69	9,716,522.75	9,845,000.00	99.142	9,760,488.55	43,965.80	3.125	4.261	4.320	11/15/06	137
89983134	Federal Home Loan Bank	04/24/06	3133XDMZ4	4,568,030.00	4,600,000.00	99.110	4,559,054.94	(8,975.06)	4.500	5.097	5.168	05/21/07	324
89983137	Federal Home Loan Bank	05/09/06	3133XEJH1	9,922,400.00	10,000,000.00	99.056	9,905,627.00	(16,773.00)	4.625	5.196	5.268	08/08/07	403
89983141	Federal Home Loan Bank	05/15/06	3133XCN25	9,904,200.00	10,000,000.00	98.936	9,893,602.00	(10,598.00)	4.250	5.192	5.264	05/08/07	311
89983021	Federal Home Loan Mtg. Corp.	11/05/04	3128X2AH8	9,998,500.00	10,000,000.00	99.082	9,908,226.00	(90,274.00)	3.000	2.966	3.007	11/17/06	139
89983068	Federal Home Loan Mtg. Corp.	05/16/05	3128X4AR2	4,998,750.00	5,000,000.00	99.068	4,953,410.00	(45,340.00)	4.010	3.972	4.027	02/16/07	230
89983107	Federal Home Loan Mtg. Corp.	10/13/05	3128X3XZ	9,793,300.00	10,000,000.00	98.165	9,816,549.00	23,249.00	3.000	4.418	4.479	03/28/07	270
89983110	Federal Home Loan Mtg. Corp.	10/24/05	3128X45L6	9,999,500.00	10,000,000.00	98.986	9,898,566.00	(100,934.00)	4.750	4.688	4.753	10/24/07	480
89983116	Federal Home Loan Mtg. Corp.	12/02/05	3128X45L6	9,974,700.00	10,000,000.00	98.986	9,898,566.00	(76,134.00)	4.750	4.821	4.888	10/24/07	480
89983125	Federal Home Loan Mtg. Corp.	01/18/06	3128X4XW	4,999,500.00	5,000,000.00	99.214	4,960,683.00	(38,817.00)	5.000	4.937	5.005	01/18/08	566
89983126	Federal Home Loan Mtg. Corp.	01/18/06	3128X4XW	4,999,750.00	5,000,000.00	99.214	4,960,683.00	(39,067.00)	5.000	4.934	5.003	01/18/08	566
89983143	Federal Home Loan Mtg. Corp.	05/30/06	3128X46L0	4,995,000.00	5,000,000.00	99.490	4,974,514.50	(20,485.50)	5.375	5.354	5.428	05/15/08	684
89983144	Federal Home Loan Mtg. Corp.	06/12/06	3128X4BD2	9,822,000.00	10,000,000.00	97.930	9,792,960.00	(29,040.00)	4.350	5.239	5.312	06/02/08	702
89983146	Federal Home Loan Mtg. Corp.	06/26/06	3128XZ5DN5	4,988,700.00	5,000,000.00	99.725	4,986,248.50	(2,451.50)	5.500	5.521	5.598	12/26/08	909
89983003	Federal Nat'l Mtg Assoc.	9/22/2004	3136F6CF40	10,000,000.00	10,000,000.00	99.472	9,947,156.00	(52,844.00)	3.000	2.959	3.000	09/22/06	83
89983005	Federal Nat'l Mtg Assoc.	10/12/2004	3136F6EP0	10,000,000.00	10,000,000.00	99.338	9,933,815.00	(66,185.00)	3.010	2.969	3.010	10/12/06	103
89983014	Federal Nat'l Mtg Assoc.	10/26/2004	3136F4F458	10,007,000.00	10,000,000.00	98.826	9,882,564.00	(124,436.00)	3.125	3.048	3.090	12/29/06	181
89983022	Federal Nat'l Mtg Assoc.	11/8/2004	3136FAF58	9,987,000.00	10,000,000.00	98.826	9,882,564.00	(104,436.00)	3.125	3.143	3.187	12/29/06	181
89983049	Federal Nat'l Mtg Assoc.	01/05/05	31359MXX7	9,984,000.00	10,000,000.00	99.037	9,903,718.00	(80,282.00)	3.375	3.413	3.460	12/15/06	167
89983127	Federal Nat'l Mtg Assoc.	1/12/2006	31359MZN6	9,999,000.00	10,000,000.00	99.153	9,915,258.00	(83,742.00)	5.000	4.934	5.003	12/13/07	530
89983135	Federal Nat'l Mtg Assoc.	04/25/06	31359MYW7	4,948,500.00	5,000,000.00	98.768	4,938,414.00	(10,086.00)	4.375	5.121	5.193	08/17/07	412
89983138	Federal Nat'l Mtg Assoc.	05/11/06	31359MB44	9,866,000.00	10,000,000.00	98.603	9,860,258.00	(5,742.00)	3.875	5.181	5.253	05/15/07	318
89983140	Federal Nat'l Mtg Assoc.	05/15/06	31359MM83	10,000,000.00	10,000,000.00	99.719	9,971,858.00	(28,142.00)	5.440	5.352	5.426	11/01/07	488
89983142	Federal Nat'l Mtg Assoc.	04/25/06	31359MN90	10,000,000.00	10,000,000.00	99.643	9,964,293.00	(35,707.00)	5.500	5.425	5.500	11/23/07	510
Subtotal & Averages				232,901,393.57	233,940,000.00		231,627,004.65	(1,274,388.92)		4.402	4.463		357
Federal Agencies Variable Rate													
89983129	Federal Home Loan Bank	02/15/06	3133XEQW	10,000,000.00	10,000,000.00	100.000	10,000,000.00	0.00	5.226	5.046	5.116	02/15/07	229
Subtotal & Averages				10,000,000.00	10,000,000.00		10,000,000.00	0.00		5.046	5.116		229
Municipal Bonds													
89983097	Washington State GO	9/7/2005	93974AJR6	2,015,840.00	2,000,000.00	98.892	1,977,845.20	(37,994.80)	4.500	3.985	4.040	07/01/07	365
89983098	Washington State Econ Dev	9/14/2005	939758AW8	489,243.50	500,000.00	99.171	495,852.75	6,609.25	2.000	4.063	4.119	10/1/2006	92
Subtotal & Averages				2,505,083.50	2,500,000.00		2,473,697.95	(31,385.55)		4.00	4.056		312

EXHIBIT 7
CLARK COUNTY, WASHINGTON
CLARK COUNTY INVESTMENT POOL PORTFOLIO
June 30, 2006

Investment Number	Purchase Date	Cusip Number	Book Value	Par Value	Market Price	Market Value	Cash	Coupon Rate	Yield to Maturity		Maturity Date	Days to Maturity
					6/30/2006		Gain/(Loss) on Security		360	365		
Passbook/Money Market Accounts												
89980003		Key Bank - Savings Account	46,648,449.84	46,648,449.84	100.000	46,648,449.84	0.00	5.050	4.981	5.050		1
89980002		U.S. Bank - Municipal Investment Account	23,934,905.14	23,934,905.14	100.000	23,934,905.14	0.00	5.000	4.932	5.000		1
89980001		WA State Local Government Invest. Pool	36,658,639.77	36,658,639.77	100.000	36,658,639.77	0.00	4.880	4.774	4.840		1
89980005		Columbia River Bank	5,055,306.76	5,055,306.76	100.000	5,055,306.76	0.00	5.050	4.981	5.050		1
Subtotal & Averages			112,297,301.51	112,297,301.51		112,297,301.51	0.00			5.161		1
Grand Total			<u>402,532,936.91</u>	<u>403,737,301.51</u>		<u>401,227,162.44</u>	<u>(1,305,774.47)</u>			<u>4.745</u>		<u>230</u>

*Days to maturity adjusted per investment policy

EXHIBIT 8

**CLARK COUNTY INVESTMENT POOL
AGING OF MATURING INVESTMENTS
June 30, 2006**

<u>Days to Maturity</u>	<u>Book Value</u>	<u>% Maturing</u>	<u>Cumulative % Maturing</u>
1	\$112,297,301.51	27.90%	27.90%
2 - 90	20,000,000.00	4.97%	32.87%
91 - 180	79,926,362.07	19.86%	52.72%
181 - 270	59,296,778.33	14.73%	67.45%
271 - 360	24,338,230.00	6.05%	73.50%
361 - 450	16,886,740.00	4.20%	77.69%
451 - 540	49,973,200.00	12.41%	90.11%
541 - 630	9,999,250.00	2.48%	92.59%
631 - 720	24,826,375.00	6.17%	98.76%
720 - 900	4,988,700.00	1.24%	100.00%
TOTALS	\$402,532,936.91	100.00%	

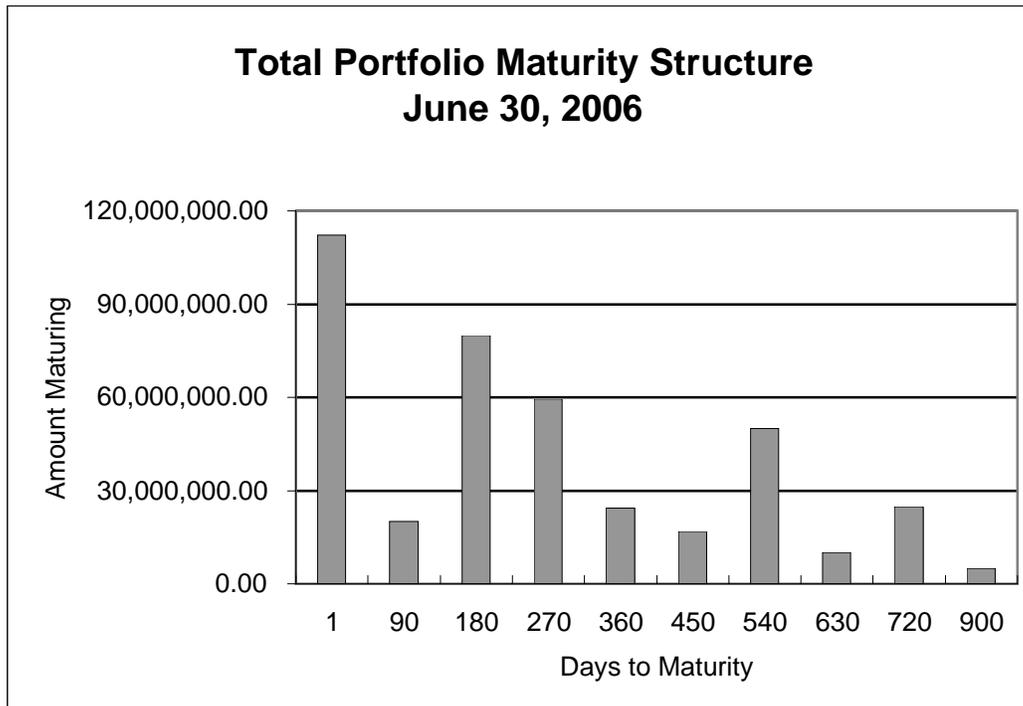


Exhibit 9

**CLARK COUNTY INVESTMENT PORTFOLIO
SUMMARY OF INVESTMENTS BY ISSUER
June 30, 2006**

Issuer	Number of Investments	Book Value	% of Portfolio	Avg YTM (365)	Days to Maturity
Columbia River Bank	1	5,055,306.76	1.26%	5.300	1
Federal Farm Credit Bank	2	14,510,728.33	3.60%	4.578	206
Federal Home Loan Bank	8	63,858,623.57	15.86%	4.816	322
Federal Home Loan Mtg Corp.	10	94,791,500.00	23.55%	4.160	291
Federal National Mtg Association	10	74,569,700.00	18.53%	4.661	473
Key Bank	1	46,648,449.84	11.59%	5.300	1
Sterling Savings Bank	3	30,000,000.00	7.45%	5.200	128
US Bank - Municipal Investor Account	1	23,934,905.14	5.95%	5.130	1
Washington Mutual Bank	1	10,000,000.00	2.48%	4.826	153
Washington State Municipal Bonds	2	2,505,083.50	0.62%	4.056	312
Washington State Pool	1	36,658,639.77	9.11%	4.986	1
TOTALS and AVERAGES	40	\$ 402,532,936.91	100.00%	4.745	230

Exhibit 10 County Pool vs. State Pool 1/96 - 6/06

Overall, \$19 million increased interest income realized from Pooling from January 1989 to June 2006.

