

CLARK COUNTY
FINANCE COMMITTEE

FOURTH QUARTER 2007



February 12, 2008

CLARK COUNTY
FINANCE COMMITTEE
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Section I – Executive Summary

This report provides a review of the activities occurring during the fourth quarter, 2007, in compliance with Clark County Investment Policy adopted July 2006.

As of December 31, 2007, the average maturity of the total investment portfolio increased to approximately 8 months which is longer than the average maturity at the end of the third quarter of 2007. The asset sector distribution for the total investment portfolio changed slightly during the fourth quarter with approximately 51.3% of the portfolio invested in Federal Agencies, 17.7% invested in money market instruments, 16.2% invested in the Washington State LGIP, 4.3% invested in Certificates of Deposits, and 10.5% invested in commercial paper. This is compared with the third quarter of 2007's asset allocation of which 48.8% of the portfolio invested in Federal Agencies, 37.6% invested in money markets, 7.2% invested in Certificates of Deposits, 6.1% invested in commercial paper, and .3% invested in State and Local Government Securities. The total book value of the portfolio was approximately \$470 million on December 31, 2007.

Residual balances through the fourth quarter of 2007 averaged \$65.4 million per month which was almost \$5 million more than the monthly average during 2006. Interest earnings distributed to the County's General Fund through the fourth quarter of 2007 totaled \$3,322,238 compared to \$2,771,381 for 2006. The increase is a result of higher average residual balances in 2007. The average interest rate of the Clark County Investment Pool for the fourth quarter of 2007 was 4.797% compared to 4.838% in the fourth quarter of 2006. Interest earnings for all of 2007 were higher than the interest projections by approximately \$737 thousand.

County Pool balances averaged almost \$409 million through the fourth quarter of 2007, compared to an average of nearly the same \$409 million through the fourth quarter of 2006. Interest earnings distributed to the County Pool participants for the fourth quarter of 2007 were \$5.4 million compared to \$5.3 million in the fourth quarter 2006. Clark County funds made up 46.8% of the County Pool. Other major Pool participants include the Evergreen School District at 13.5%, Vancouver School District at 9.1% and all other districts at 30.6%.

The annualized quarterly total return for the County Pool came in at 5.34% compared to the custom Treasury total return index of 5.88%. On a book value return basis, the County Pool rate yielded 4.67%, compared to the Standard and Poor's LGIP Index's book value return of 3.44%. The net asset value of the County Pool at the end of the quarter was 1.002567 with an unrealized fair value gain of \$1,553,200.46 on December 31, 2007.

The investment strategy for the fourth quarter was to continue to maintain a reasonable level of liquidity in the Washington State LGIP since it offered a higher yield than other securities. Longer duration securities were invested in in anticipation of the interest rates dropping. Further, the strategy was to capture value above current and future interest rate projections while still meeting the liquidity needs of the pool participants.

Section II – 2007

Through the fourth quarter of 2007, County residual principal balances averaged almost \$5 million more than the fourth quarter of 2006 on an average monthly basis. Actual average County residual balances on a monthly basis through the fourth quarter of 2007 have exceeded projections by approximately \$4.8 million for the year as denoted in the chart below.

| Date | 2006 Residual Balance | 2007 Residual Balance | 2007 Projected Residual Balance |
|-----------------|-----------------------|-----------------------|---------------------------------|
| January | 37,172,482 | 42,805,902 | 37,132,754 |
| February | 33,898,473 | 36,398,992 | 37,490,667 |
| March | 33,516,954 | 37,459,812 | 33,481,923 |
| April | 56,492,091 | 76,077,319 | 58,311,948 |
| May | 137,020,119 | 140,244,393 | 136,866,768 |
| June | 74,374,931 | 81,821,848 | 76,765,278 |
| July | 49,311,781 | 56,927,365 | 49,252,634 |
| August | 33,303,408 | 45,101,943 | 33,262,013 |
| September | 32,448,658 | 44,598,749 | 33,486,822 |
| October | 57,058,097 | 56,195,886 | 56,981,270 |
| November | 117,132,223 | 107,339,406 | 120,881,613 |
| December | 65,214,194 | 60,363,858 | 53,678,812 |
| | | | |
| Monthly Average | 60,578,618 | 65,444,623 | 60,632,708 |

Beginning in June 2004, the Fed 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 a level of 5.25% by the end of June 2006. Until September 18, 2007, the Fed held interest rates steady at 5.25%. Since then, the Fed has lowered the Fed Funds Rate by 25 basis points each month ending at 4.25% on December 11.

Actual interest earnings increased to a total of \$3,322,238 through the fourth quarter of 2007 from \$2,771,381 during the same period in 2006. As shown on the next page, the total residual yearly interest earnings were approximately \$737 thousand more than they were projected to be through the fourth quarter 2007.

| Date | 2006 Residual Interest Earnings | 2007 Residual Interest Earnings | 2007 Projected Interest Earnings |
|-----------|---------------------------------|---------------------------------|----------------------------------|
| January | 122,180 | 185,864 | 149,645 |
| February | 103,400 | 149,284 | 137,924 |
| March | 110,237 | 152,023 | 137,527 |
| April | 190,160 | 326,425 | 224,501 |
| May | 518,096 | 609,805 | 526,823 |
| June | 278,948 | 346,372 | 276,355 |
| July | 194,199 | 254,201 | 176,858 |
| August | 133,401 | 198,331 | 115,142 |
| September | 127,554 | 189,771 | 107,995 |
| October | 221,335 | 238,369 | 182,530 |
| November | 493,841 | 429,296 | 374,733 |
| December | 278,030 | 242,499 | 175,649 |
| | | | |
| Total | 2,771,381 | 3,322,238 | 2,585,682 |

County Pool principal balances shown below, averaged slightly less through 2007, compared to 2006.

| Date | 2006 Pool Average Balance | 2007 Pool Average Balance |
|-----------------|---------------------------|---------------------------|
| January | 407,102,676 | 358,967,445 |
| February | 382,941,849 | 347,997,1129 |
| March | 368,991,583 | 352,677,413 |
| April | 387,059,971 | 394,280,465 |
| May | 512,470,329 | 510,626,748 |
| June | 437,071,313 | 436,885,614 |
| July | 386,039,295 | 398,158,515 |
| August | 374,864,710 | 390,791,879 |
| September | 370,266,837 | 386,337,921 |
| October | 395,816,370 | 397,535,527 |
| November | 494,045,709 | 514,999,882 |
| December | 393,914,827 | 412,839,269 |
| | | |
| Monthly Average | 409,215,456 | 408,508,151 |

The table on the next page reflects County Pool earnings of \$5.4 million for the fourth quarter of 2007, compared to \$5.3 million during the fourth quarter of 2006, resulting in increased earnings of approximately 2%. Since the end of second quarter of 2006 interest rates remained unchanged until September when the Fed started dropping the Fed Funds Rate by 25 basis points ending at 4.25% in December 2007.

| Date | 2006 Pool Interest Earnings | 2007 Pool Interest Earnings |
|------------------------------|-----------------------------|-----------------------------|
| January | 1,334,998 | 1,557,831 |
| February | 1,128,046 | 1,424,443 |
| March | 1,216,416 | 1,429,609 |
| 1 st Qtr Subtotal | 3,679,460 | 4,411,883 |
| April | 1,298,123 | 1,691,524 |
| May | 1,935,565 | 2,218,694 |
| June | 1,637,008 | 1,845,998 |
| 2 nd Qtr Subtotal | 4,870,696 | 5,756,216 |
| July | 1,518,440 | 1,778,490 |
| August | 1,491,176 | 1,716,045 |
| September | 1,458,155 | 1,628,576 |
| 3 rd Qtr Subtotal | 4,467,771 | 5,123,111 |
| October | 1,533,976 | 1,691,598 |
| November | 2,079,883 | 2,056,340 |
| December | 1,672,909 | 1,649,010 |
| 4 th Qtr Subtotal | 5,286,768 | 5,396,948 |
| | | |
| Year-to-Date | 18,304,695 | 20,688,159 |

Section III – Quarterly Activity

Figure One shows the major participants in the Clark County Investment Pool for the four quarter of 2007. As of December 31, 2007, County funds made up 46.8% of the pool, Evergreen School District – 13.5%, Vancouver School District – 9.1%, and all other districts –30.6%.

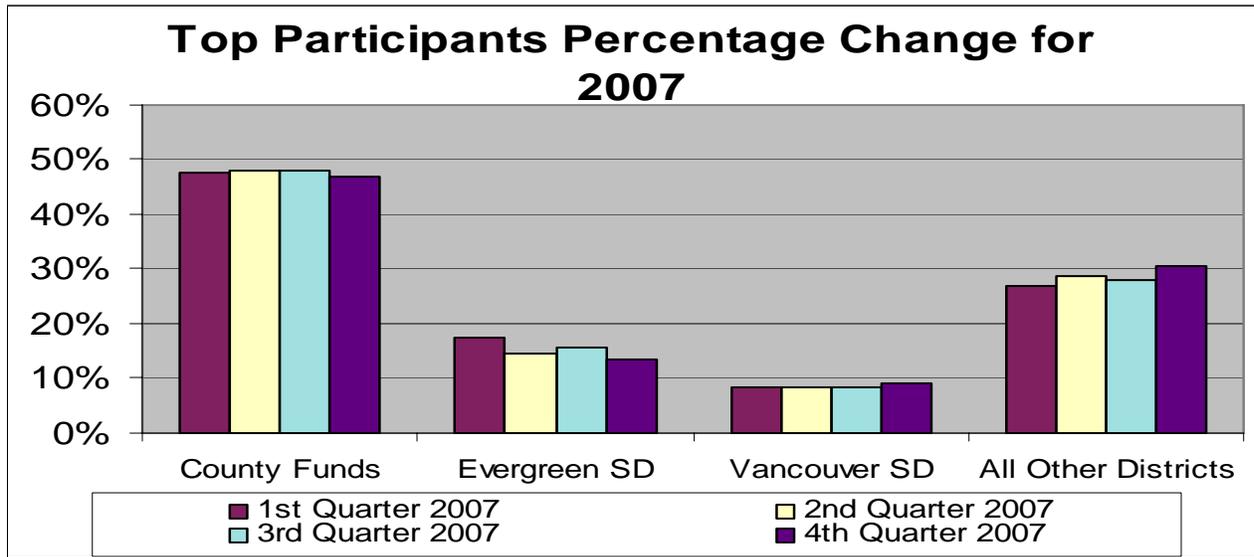


Figure 1

Figure Two illustrates month-end General Fund cash balances beginning with January 2006 through December 2007. For the fourth quarter of 2007, cash balances in the General Fund increased over the same period in 2006 by a monthly average of \$113 thousand.

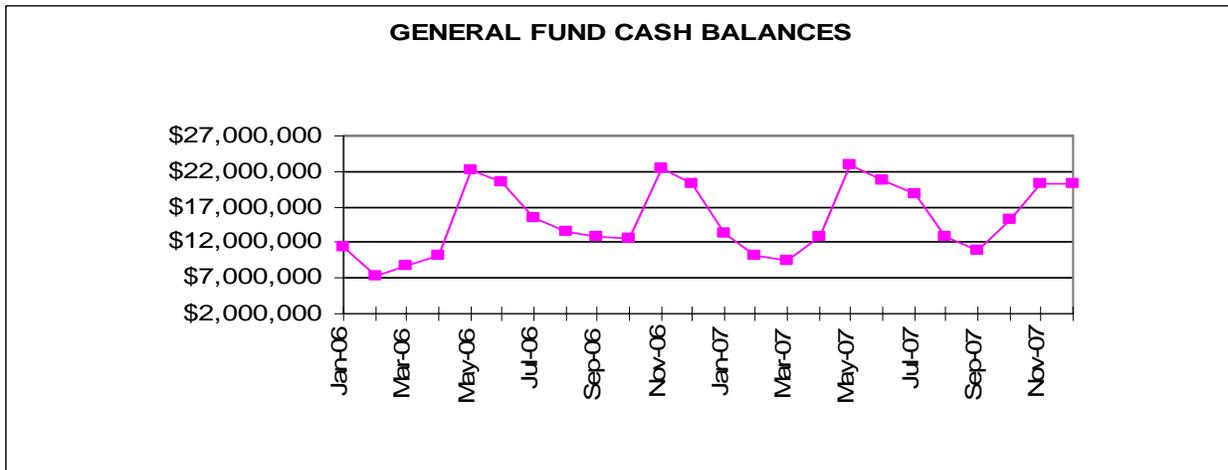


Figure 2

Figure Three reflects the average principal balances being maintained within the Pool in 2007 compared to 2006. Through the fourth quarter 2007, the average monthly principal balance decreased from the same period of 2006 by an average of \$707 thousand.

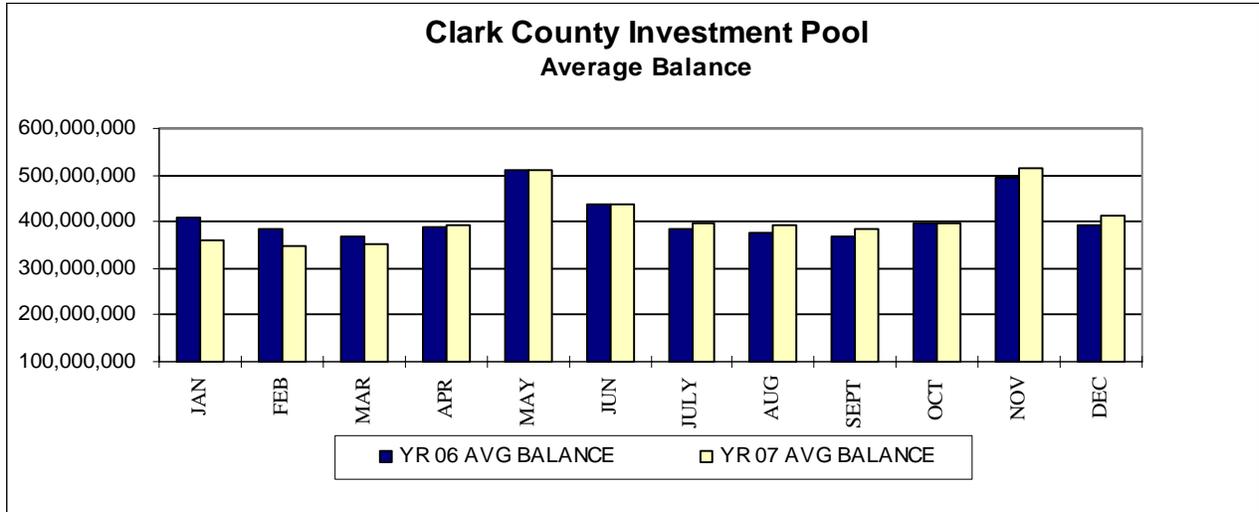


Figure 3

Figure Four reflects the actual monthly residual principal balances managed by the County for 2006 and 2007. For the fourth quarter of 2007, residual balances averaged \$5 million per month less than the same period in 2006.

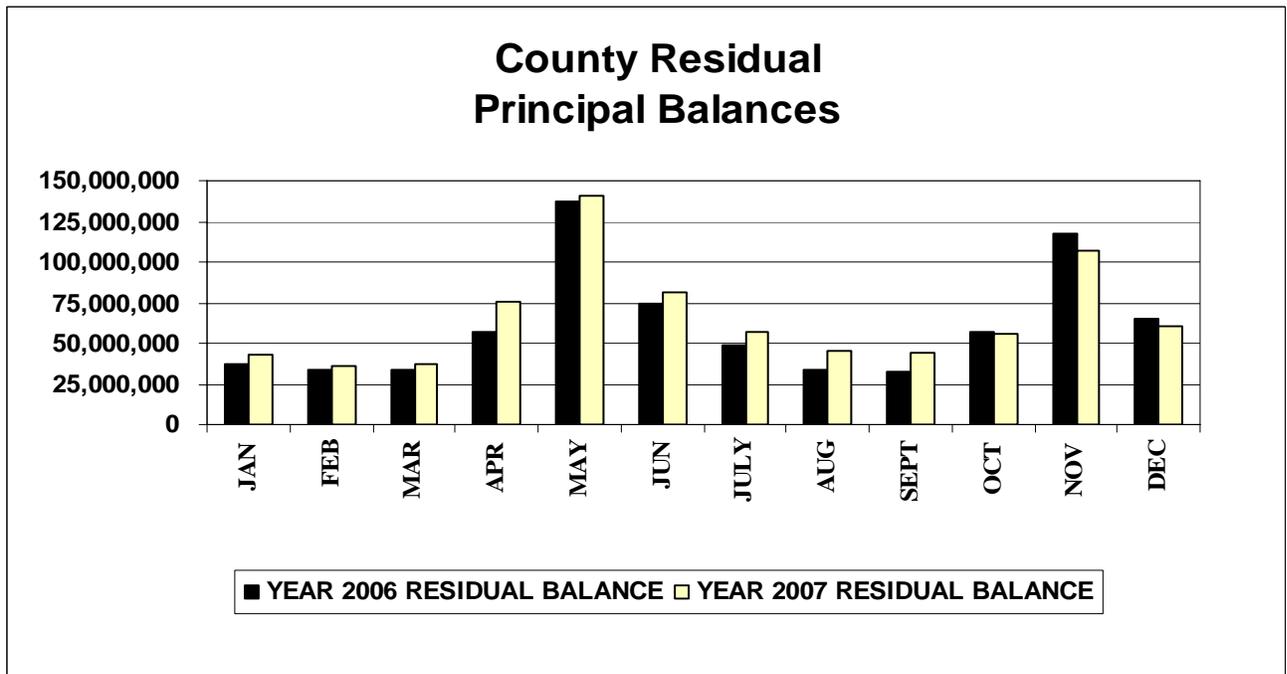


Figure 4

Figure Five shows interest earnings distributed each month to the County’s General fund from 2006 through 2007. During the fourth quarter of 2007, interest earnings averaged \$28 thousand less per month than during the same period in 2006. This is due to a decrease in residual principal balances. On an average monthly basis, \$303,388 was allocated to the General fund during the fourth quarter of 2007. For the fourth quarter of 2006, an average of \$331,069 was distributed to the General fund per month.

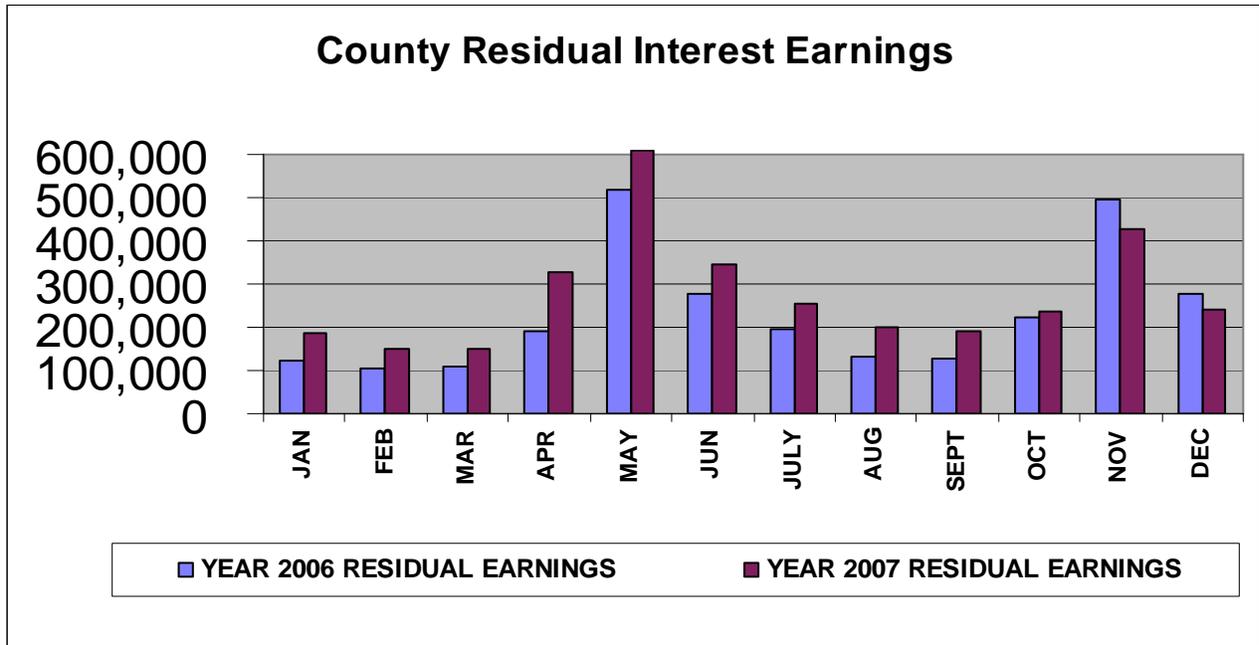


Figure 5

Figure Six shows the County Pool interest rates for 2006 and through the fourth quarter of 2007. The County Pool’s gross interest rate, based on book value of the portfolio, at December 31, 2007 was 4.67% compared to 4.95% at December 31, 2006.

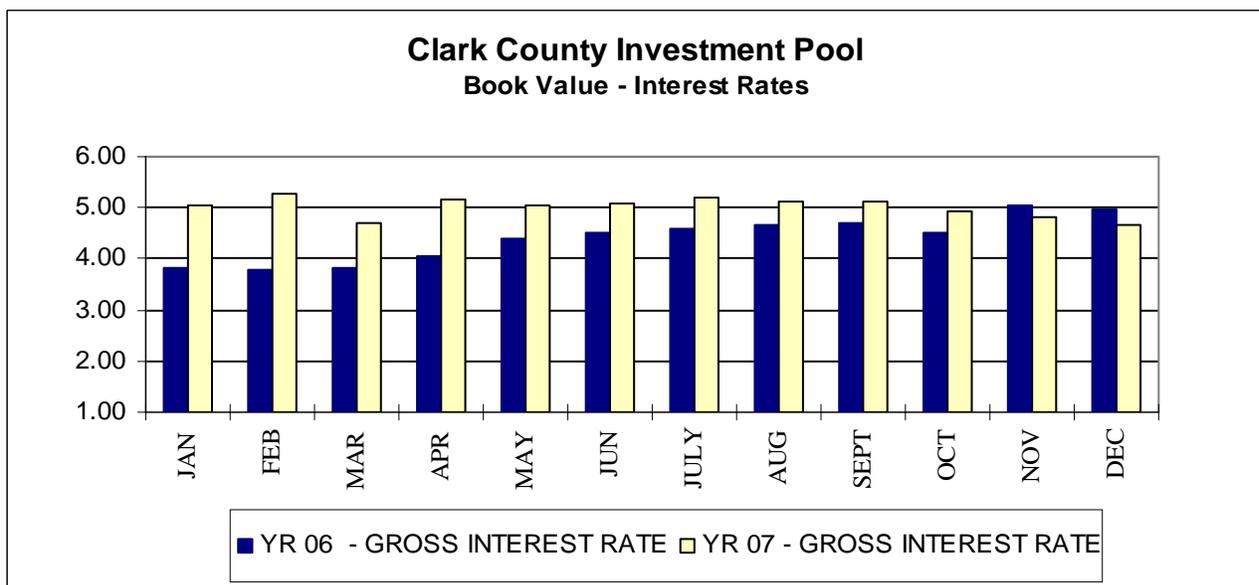


Figure 6

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. The performance benchmarks consist of the Washington State Local Government Investment Pool (LGIP) with an average maturity of approximately 50 days, Standard and Poor's LGIP Index with an average maturity of less than one month, and the Clark County Investment Pool with an average maturity of 9.5 months. The Standard and Poor's LGIP Index and the LGIP closely track current interest rates. At the end of the fourth quarter 2007, the County Pool's net rate, on a book value return basis was 4.67%, the S&P LGIP Index was 3.44%, and the State Pool's net rate was 4.6%.

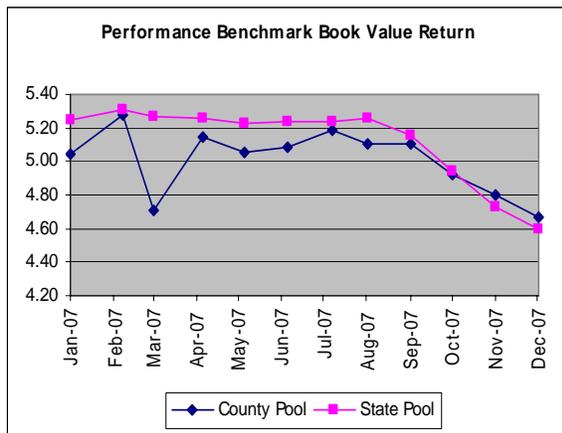


Figure 7(a)

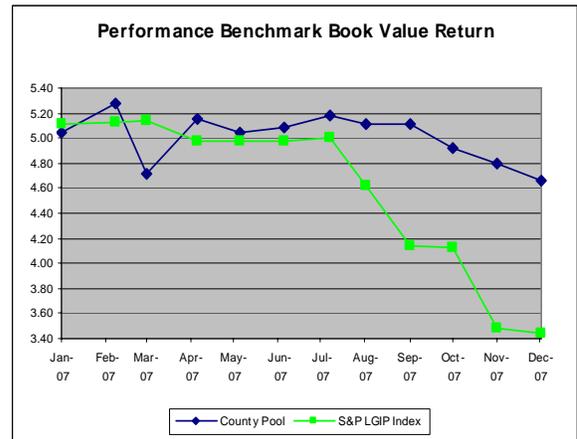


Figure 7(b)

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 Indexes maturing from six months to one year. The annualized return for the fourth quarter of 2007 for the County Pool was 5.34% and the Treasury Index was 5.88%.

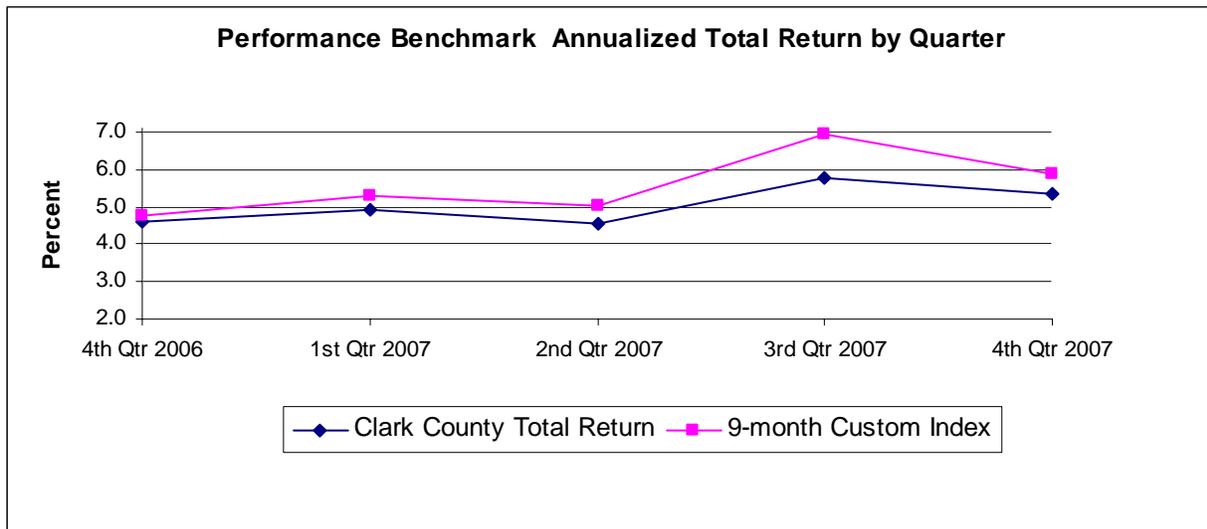


Figure 8

Figure Nine shows the market value of the Pool portfolio based on net asset value (N.A.V.) per share. As of December 31, 2007 the N.A.V. per share was 1.002567. 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.

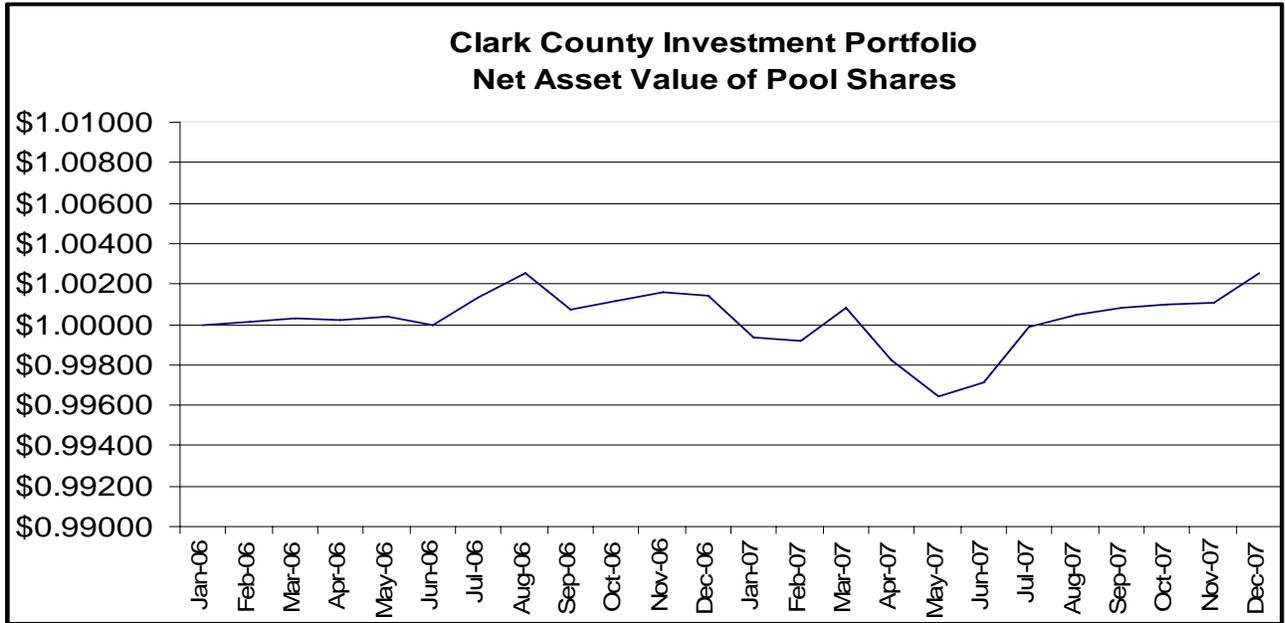


Figure 9

Figure Ten shows revised projected County Pool interest rates for 2007 compared with actual gross interest rates.

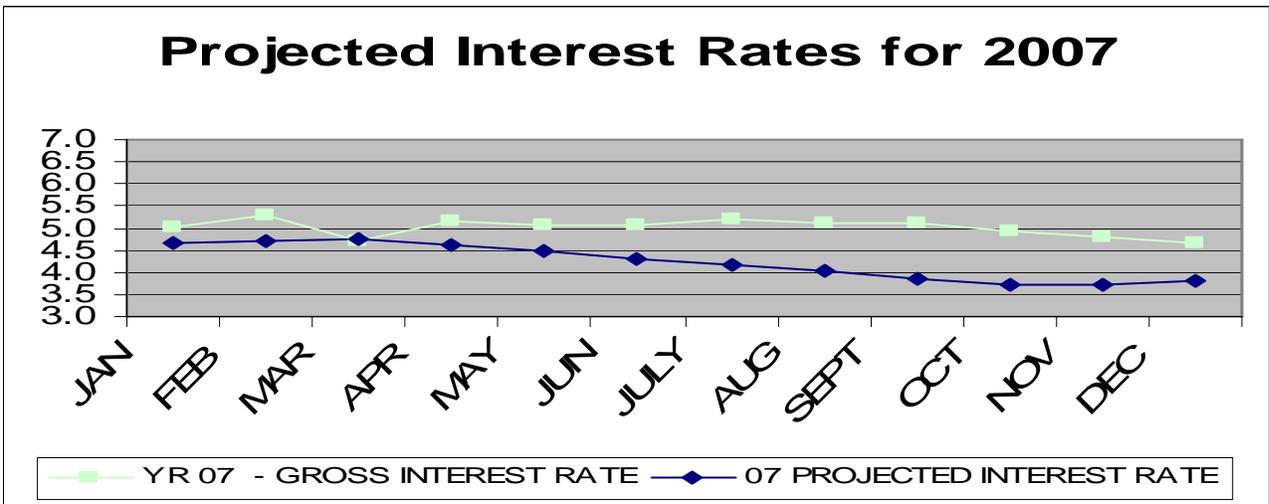


Figure 10

Section IV – Investment Strategy

The following table shows the percentage distribution of the Clark County Pool maturity periods. As the table indicates, during 2006 emphasis was placed on purchasing securities in the one year maturity sector to target an average maturity of 7 – 8.5 months. In 2007, the emphasis was to continue to purchase securities in the one year maturity sector until the fourth quarter. The emphasis shifted to purchasing securities in the 2 – 5 year sector in anticipation of lower interest rates.

| Period | 0 - 1 year | 1 – 2 years | 2 - 5 years |
|-------------------------------|-------------------|--------------------|--------------------|
| 1 st quarter, 2006 | 83% | 15% | 2% |
| 2 nd quarter, 2006 | 77% | 22% | 1% |
| 3 rd quarter, 2006 | 72% | 27% | 1% |
| 4 th quarter, 2006 | 77% | 21% | 2% |
| 1 st quarter, 2007 | 77% | 21% | 2% |
| 2 nd quarter, 2007 | 65% | 33% | 2% |
| 3 rd quarter, 2007 | 70% | 25% | 5% |
| 4 th quarter, 2007 | 76% | 9% | 15% |

During the fourth quarter of 2007, our target range for weighted average maturity was 8 to 9½ months. We continue to monitor our investment strategy and remain proactive as economic conditions fluctuate.

Public Financial Management, Inc (PFM) is our Investment Advisor whom provides various investing support. The third quarter 2007 report issued by PFM recommended the following sector distributions to maintain the Clark County Investment Pool at an 8 to 9½ 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 | 1.24 years | 40% - 75% | 60% |
| Municipal Obligations | 0 months – 2.00 years | 0 months | 0% - 5% | 0% |
| Commercial Paper, Certificates of Deposit, Domestic Banker's Acceptances | 0 – 9 months | 2.1 months | 0% - 40% | 18% |
| State Pool, Bank Deposits | 1 day | 1 day | 10% - 40% | 22% |
| Aggregate Avg. Maturity | 8 – 9.5 months | 9.5 months | | |

Section V – Economic / Market Conditions

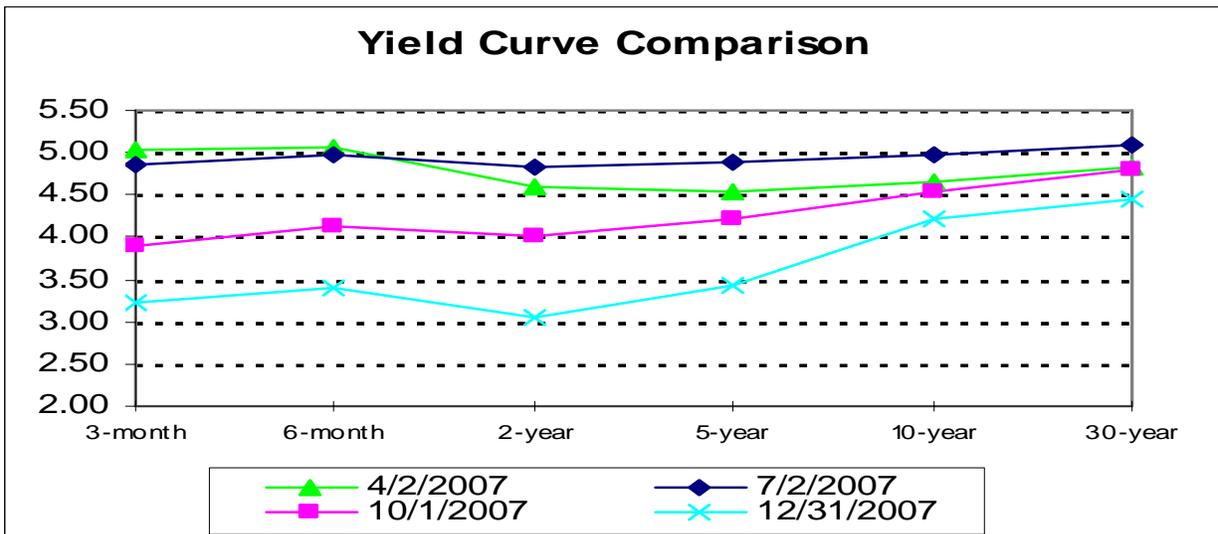
Fourth quarter 2007 turned out to be an extremely fickle quarter. The dilapidated housing market has started to show signs of contaminating other areas of the economy. Banks and lenders around the world wrote off billions of US dollars of subprime debt. Unemployment is on the rise as construction and manufacturing sectors saw declines.

GDP peaked at 4.9% for the third quarter; 0.6% GDP was the growth rate for the fourth quarter. As long as foreign demand continues to sustain our growth, we still may be able to avoid a recession. Sales of new homes have fallen so much that it created new records in the history books. New Home Sales have fallen the most in twelve years by 26%. Sales of Existing Homes did not do much better. We saw the first decline in prices since the Great Depression. Existing Home Sales has dropped 2.2% to an annual rate of 4.89 million homes.

Jobs are becoming less plentiful. The Unemployment rate has risen to 5%. Jobless claims have increase to 375 thousand with labor costs rising. The Manufacturing index fell the most in five years to 48.4 for December. Fifty is the dividing line between contraction and expansion.

Responding to the risk of slower economic growth, the Federal Reserve dropped the 4.75% Fed Funds rate by 50 basis points to end the year at 4.25%. On January 22, the Fed surprised everyone by dropping the rate in an Inter-meeting move by 75 basis points.

On December 31, 2007, the 3-month T-bill yielded 3.237% compared to 3.899% on October 1, 2007. The yield curve is starting to look a little more normal.



Section VI – Portfolio

Exhibit One shows the make up of the entire portfolio at the end of the fourth quarter of 2007. 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 fourth quarter of 2007. This report shows the book value, the par value, and the market value of the portfolio as of December 31, 2007.

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 December 31, 2007, the average maturity was approximately 8 months. All the percentages are consistent with the current policy and PFM recommendations.

Exhibit Five shows all investment purchases and maturities from October 1, 2007 through December 31, 2007.

Exhibit Six shows the make up of the Clark County Investment Pool at the end of the fourth quarter of 2007. 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 December 31, 2007, the average maturity of the Pool was approximately 9.5 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 fourth quarter. This report contains the book value, the par value, and the market value as of December 31, 2007.

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.

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

Exhibit 1

**CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
DISTRIBUTION OF INVESTMENTS BY TYPE
December 31, 2007**

| Investments | Book Value | Percent of Portfolio | Average Days to Maturity | Yield to Maturity | |
|-----------------------------------|---------------------------------|----------------------|--------------------------|-------------------|----------------|
| | | | | 360 Equivalent | 365 Equivalent |
| Certificates of Deposit | \$ 20,000,000.00 | 4.254% | 86 | 4.925 | 4.993 |
| Commercial Paper - Discount | 49,343,945.82 | 10.496% | 55 | 4.850 | 4.917 |
| Federal Agencies - Semi-annual | 241,412,046.58 | 51.353% | 450 | 4.743 | 4.809 |
| Washington State LGIP | 75,986,478.66 | 16.164% | 1 | 4.561 | 4.624 |
| Passbook/Money Market Accts | 83,363,742.64 | 17.733% | 1 | 4.598 | 4.662 |
| Total | 470,106,213.70 | 100.00% | 241 | 4.701 | 4.766 |
| Accrued Interest at Purchase | 321,816.18 | | | | |
| Total Cash and Investments | <u>\$ 470,428,029.88</u> | | | | |

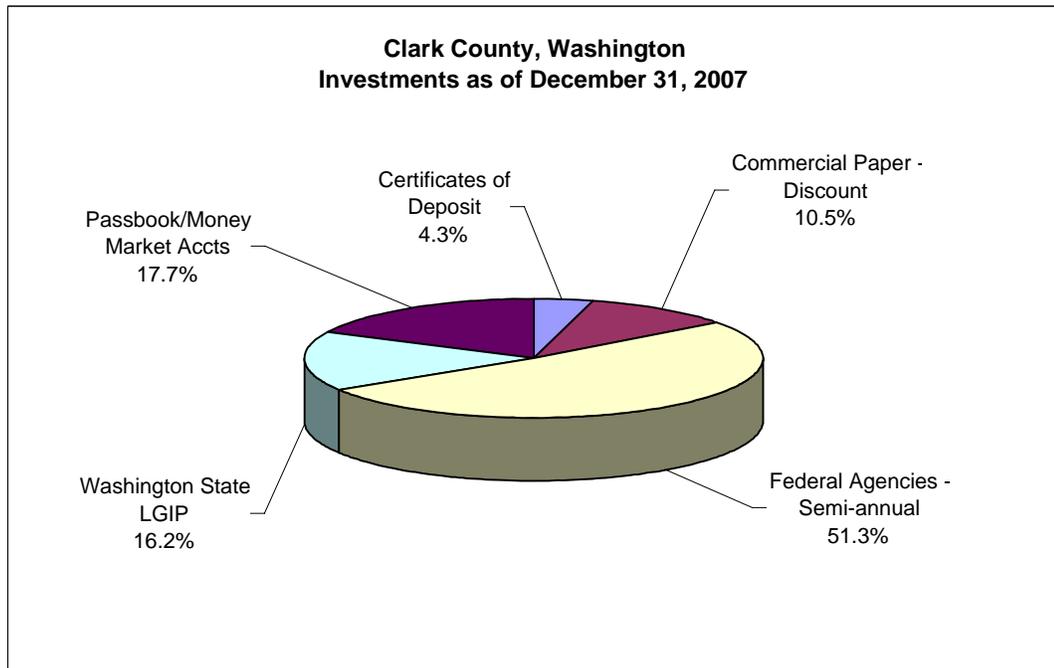


Exhibit 2
Clark County, Washington
Investment Portfolio
December 31, 2007

| Investment Number | Purchase Date | Cusip Number | Book Value | Amortized Disc(Prem) | Amortized Book Value | Par Value | Market Price 12/31/07 | Market Value | Cash Gain/(Loss) on Security | Amortized Gain/(Loss) on Security | Percent Gain/(Loss) on Security | Coupon Rate | Yield to Maturity 360 MM | Yield to Maturity 365 BE | Maturity Date | Days to Maturity |
|--|---------------|------------------------------|---------------|----------------------|----------------------|---------------|--------------------------|---------------|---------------------------------|--------------------------------------|------------------------------------|-------------|--------------------------------|--------------------------------|---------------|------------------|
| CD's | | 4.25% | | | | | | | | | | | | | | |
| 89983224 | 12/12/2007 | Sterling Savings Bank | 10,000,000.00 | | 10,000,000.00 | 10,000,000.00 | | 10,000,000.00 | | | | 4.850 | 4.850 | 4.917 | 03/19/08 | 78 |
| 89983225 | 12/11/2007 | Washington Mutual Savings | 10,000,000.00 | | 10,000,000.00 | 10,000,000.00 | | 10,000,000.00 | | | | 5.000 | 5.000 | 5.069 | 04/04/08 | 94 |
| Subtotal & Averages | | | 20,000,000.00 | | 20,000,000.00 | 20,000,000.00 | | 20,000,000.00 | | | | 4.925 | 4.993 | | | 86 |
| Commercial Paper | | 10.50% | | | | | | | | | | | | | | |
| 899832222 | 11/21/07 | Barclays | 9,898,750.00 | 0.00 | | 10,000,000.00 | 99.568 | 9,956,833.33 | 58,083.33 | 58,083.33 | #DIV/0! | 4.860 | 4.793 | 4.978 | 02/04/08 | 34 |
| 89983225 | 12/17/07 | Citi Group | 9,844,044.44 | 0.00 | | 10,000,000.00 | 98.790 | 9,879,016.67 | 34,972.23 | 34,972.23 | #DIV/0! | 4.840 | 4.774 | 4.985 | 04/11/08 | 101 |
| 89983213 | 10/26/07 | JP Morgan | 9,847,944.44 | 0.00 | | 10,000,000.00 | 98.346 | 9,934,633.33 | 86,688.89 | 86,688.89 | #DIV/0! | 4.600 | 4.537 | 4.736 | 02/22/08 | 52 |
| 89983220 | 11/21/07 | Societe Generale | 9,874,708.33 | 0.00 | | 10,000,000.00 | 99.373 | 9,937,283.33 | 62,575.00 | 62,575.00 | #DIV/0! | 4.850 | 4.784 | 4.980 | 02/22/08 | 52 |
| 89983214 | 10/26/07 | UBS Financial | 4,940,470.83 | 0.00 | | 5,000,000.00 | 99.706 | 4,985,312.50 | 44,841.67 | 44,841.67 | #DIV/0! | 4.710 | 4.645 | 4.833 | 01/25/08 | 24 |
| 89983221 | 11/21/07 | UBS Financial | 4,938,027.78 | 0.00 | | 5,000,000.00 | 99.385 | 4,969,233.34 | 31,205.55 | 31,205.55 | #DIV/0! | 4.850 | 4.784 | 4.979 | 02/21/08 | 51 |
| Subtotal & Averages | | | 49,343,945.82 | 0.00 | 0.00 | 50,000,000.00 | | 49,662,312.50 | 318,366.68 | 318,366.68 | | 4.850 | 4.917 | | | 55 |
| Federal Agencies - Semi-Annual Coupon | | 51.35% | | | | | | | | | | | | | | |
| 89983179 | 03/30/07 | Federal Farm Credit Bank | 5,007,850.00 | (3,074.21) | 5,004,775.79 | 5,000,000.00 | 101.217 | 5,060,846.00 | 52,996.00 | 56,070.21 | 1.120% | 5.000 | 4.844 | 4.911 | 03/02/09 | 426 |
| 67323200 | 06/26/07 | Federal Farm Credit Bank | 1,079,169.52 | 10,167.91 | 1,089,337.43 | 1,100,000.00 | 99.563 | 1,095,187.50 | 16,017.98 | 5,850.07 | 0.537% | 3.375 | 5.173 | 5.245 | 07/15/08 | 196 |
| 89983211 | 10/25/07 | Federal Farm Credit Bank | 8,807,251.98 | (13,876.28) | 8,793,375.70 | 8,601,000.00 | 103.868 | 8,933,727.96 | 126,475.98 | 140,352.26 | 1.596% | 5.250 | 4.246 | 4.305 | 07/16/10 | 927 |
| 89983226 | 12/27/07 | Federal Farm Credit Bank | 10,008,900.00 | (99.72) | 10,008,800.28 | 10,000,000.00 | 100.093 | 10,009,344.00 | 444.00 | 543.72 | 0.005% | 4.100 | 3.952 | 4.007 | 12/24/08 | 358 |
| 89983150 | 08/01/06 | Federal Home Loan Bank | 9,966,000.00 | 25,803.57 | 9,991,803.57 | 10,000,000.00 | 100.270 | 10,027,000.00 | 61,000.00 | 35,196.43 | 0.352% | 5.125 | 5.236 | 5.309 | 06/13/08 | 164 |
| 89983154 | 09/25/06 | Federal Home Loan Bank | 9,975,680.00 | 22,268.92 | 9,997,948.92 | 10,000,000.00 | 100.044 | 10,004,364.00 | 28,684.00 | 6,415.08 | 0.064% | 5.010 | 5.119 | 5.190 | 02/13/08 | 43 |
| 89983174 | 12/22/06 | Federal Home Loan Bank | 4,988,250.00 | 10,013.28 | 4,998,263.28 | 5,000,000.00 | 100.045 | 5,002,254.00 | 14,004.00 | 3,990.72 | 0.080% | 4.875 | 5.003 | 5.072 | 03/05/08 | 64 |
| 89983178 | 03/30/07 | Federal Home Loan Bank | 9,928,900.00 | 37,197.10 | 9,966,097.10 | 10,000,000.00 | 100.181 | 10,018,136.00 | 89,236.00 | 52,038.90 | 0.522% | 4.500 | 4.947 | 5.016 | 09/08/08 | 251 |
| 89983181 | 04/16/07 | Federal Home Loan Bank | 9,951,650.00 | 20,686.66 | 9,972,336.66 | 10,000,000.00 | 100.662 | 10,066,193.00 | 114,543.00 | 93,856.34 | 0.941% | 4.750 | 4.685 | 4.750 | 12/12/08 | 346 |
| 89983184 | 05/02/07 | Federal Home Loan Bank | 10,009,600.00 | (3,630.38) | 10,005,969.62 | 10,000,000.00 | 101.106 | 10,110,562.00 | 100,962.00 | 104,592.38 | 1.045% | 5.000 | 4.869 | 4.937 | 02/04/09 | 400 |
| 89983188 | 05/23/07 | Federal Home Loan Bank | 9,983,500.00 | 6,434.70 | 9,989,934.70 | 10,000,000.00 | 100.912 | 10,091,200.00 | 107,700.00 | 101,265.30 | 1.014% | 5.000 | 5.039 | 5.109 | 12/12/08 | 346 |
| 67323197 | 06/26/07 | Federal Home Loan Bank | 1,094,370.90 | (1,454.35) | 1,092,916.55 | 1,090,000.00 | 101.495 | 1,106,300.08 | 11,929.18 | 13,383.53 | 1.225% | 5.475 | 5.128 | 5.199 | 01/12/09 | 377 |
| 67323198 | 06/26/07 | Federal Home Loan Bank | 349,765.50 | 201.78 | 349,967.28 | 350,000.00 | 100.038 | 350,132.44 | 366.94 | 165.16 | 0.047% | 5.250 | 5.258 | 5.331 | 02/01/08 | 31 |
| 67323201 | 06/26/07 | Federal Home Loan Bank | 1,239,870.35 | 5,930.33 | 1,245,800.68 | 1,250,000.00 | 99.932 | 1,249,150.63 | 9,280.27 | 3,349.95 | 0.269% | 4.300 | 5.179 | 5.251 | 05/12/08 | 132 |
| 89983212 | 10/25/07 | Federal Home Loan Bank | 10,790,400.00 | (56,764.31) | 10,733,635.69 | 10,000,000.00 | 108.970 | 10,897,000.00 | 106,600.00 | 163,364.31 | 1.522% | 7.625 | 4.261 | 4.320 | 05/14/10 | 864 |
| 89983216 | 11/19/07 | Federal Home Loan Bank | 10,000,000.00 | 0.00 | 10,000,000.00 | 10,000,000.00 | 100.306 | 10,030,561.00 | 30,561.00 | 30,561.00 | 0.306% | 4.750 | 4.685 | 4.750 | 11/19/10 | 1053 |
| 89983218 | 11/14/07 | Federal Home Loan Bank | 10,015,625.00 | (2,086.29) | 10,013,538.71 | 10,000,000.00 | 100.323 | 10,032,259.00 | 16,634.00 | 18,720.29 | 0.187% | 4.500 | 4.275 | 4.334 | 11/06/09 | 675 |
| 89983219 | 11/21/07 | Federal Home Loan Bank | 10,018,140.00 | (2,026.82) | 10,016,113.18 | 10,000,000.00 | 100.463 | 10,046,338.00 | 28,198.00 | 30,224.82 | 0.302% | 4.625 | 4.375 | 4.436 | 11/19/10 | 1053 |
| 89983125 | 01/18/06 | Federal Home Loan Mtg. Corp. | 4,999,500.00 | 500.00 | 5,000,000.00 | 5,000,000.00 | 100.016 | 5,000,800.50 | 1,300.50 | 800.50 | 0.016% | 5.000 | 4.936 | 5.005 | 01/18/08 | 17 |
| 89983126 | 01/18/06 | Federal Home Loan Mtg. Corp. | 4,999,750.00 | 250.00 | 5,000,000.00 | 5,000,000.00 | 100.016 | 5,000,800.50 | 1,050.50 | 800.50 | 0.016% | 5.000 | 4.934 | 5.003 | 01/18/08 | 17 |
| 89983144 | 06/12/06 | Federal Home Loan Mtg. Corp. | 9,822,000.00 | 140,143.66 | 9,962,143.66 | 10,000,000.00 | 99.952 | 9,995,190.00 | 173,190.00 | 33,046.34 | 0.332% | 4.350 | 5.239 | 5.312 | 06/02/08 | 153 |
| 89983155 | 09/28/06 | Federal Home Loan Mtg. Corp. | 4,946,500.00 | 42,002.60 | 4,988,502.60 | 5,000,000.00 | 99.929 | 4,996,462.50 | 49,962.50 | 7,959.90 | 0.160% | 4.300 | 4.932 | 5.000 | 05/05/08 | 125 |
| 89983175 | 01/18/07 | Federal Home Loan Mtg. Corp. | 9,939,400.00 | 33,045.79 | 9,972,445.79 | 10,000,000.00 | 100.464 | 10,046,447.00 | 107,047.00 | 74,001.21 | 0.742% | 4.750 | 5.042 | 5.112 | 10/17/08 | 290 |

**Investment Portfolio
December 31, 2007**

| Investment Number | Purchase Date | Cusip Number | Book Value | Amortized Disc/(Prem) | Amortized Book Value | Par Value | Market Price 12/31/07 | Market Value | Cash Gain/(Loss) on Security | Amortized Gain/(Loss) on Security | Percent Gain/(Loss) on Security | Coupon Rate | Yield to Maturity | | Maturity Date | Days to Maturity | |
|---------------------------------------|------------------------------|--------------|------------|-----------------------|----------------------|-----------------------|-----------------------|----------------|------------------------------|-----------------------------------|---------------------------------|-------------|-------------------|--------------|---------------|------------------|------|
| | | | | | | | | | | | | | 360 MM | 365 BE | | | |
| 67323195 | Federal Home Loan Mtg. Corp. | 06/26/07 | 3128X4ST9 | 1,195,380.00 | 1,755.03 | 1,197,135.03 | 1,200,000.00 | 100.600 | 1,207,200.00 | 11,820.00 | 10,064.97 | 0.841% | 4.900 | 5.122 | 5.193 | 11/03/08 | 307 |
| 67323202 | Federal Home Loan Mtg. Corp. | 06/26/07 | 3128X0Q28 | 642,070.00 | 5,730.66 | 647,800.66 | 650,000.00 | 99.788 | 648,621.94 | 6,551.93 | 821.27 | 0.127% | 3.500 | 5.190 | 5.262 | 03/12/08 | 71 |
| 89983209 | Federal Home Loan Mtg. Corp. | 09/27/07 | 3128X4ST9 | 10,035,700.00 | (8,474.24) | 10,027,225.76 | 10,000,000.00 | 100.600 | 10,060,000.00 | 24,300.00 | 32,774.24 | 0.327% | 4.900 | 4.497 | 4.559 | 11/03/08 | 307 |
| 89983215 | Federal Home Loan Mtg. Corp. | 11/02/07 | 3128X6LT1 | 10,062,480.00 | (12,246.91) | 10,050,233.09 | 10,000,000.00 | 100.510 | 10,051,000.00 | (11,480.00) | 766.91 | 0.008% | 5.250 | 4.412 | 4.473 | 09/03/10 | 976 |
| 89983163 | Federal Nat'l Mtg Assoc. | 11/16/06 | 31359MYM99 | 9,744,307.28 | 52,881.15 | 9,797,188.43 | 9,825,000.00 | 100.118 | 9,836,565.01 | 92,257.73 | 39,376.58 | 0.402% | 4.500 | 4.933 | 5.001 | 08/04/08 | 216 |
| 89983167 | Federal Nat'l Mtg Assoc. | 12/12/06 | 31359MTQ6 | 9,817,000.00 | 99,794.24 | 9,916,794.24 | 10,000,000.00 | 99.824 | 9,982,424.00 | 165,424.00 | 65,629.76 | 0.662% | 5.000 | 4.811 | 4.878 | 11/17/08 | 321 |
| 89983176 | Federal Nat'l Mtg Assoc. | 03/12/07 | 31359MF32 | 9,998,100.00 | 1,113.79 | 9,999,213.79 | 10,000,000.00 | 100.379 | 10,037,855.00 | 39,755.00 | 38,641.21 | 0.386% | 5.000 | 4.941 | 5.010 | 07/25/08 | 206 |
| 67323196 | Federal Nat'l Mtg Assoc. | 06/26/07 | 3136F5JM4 | 984,910.00 | 4,452.39 | 989,362.39 | 1,000,000.00 | 100.727 | 1,007,270.00 | 22,360.00 | 17,907.61 | 1.810% | 4.000 | 5.124 | 5.195 | 03/23/09 | 447 |
| 67323199 | Federal Nat'l Mtg Assoc. | 06/26/07 | 31359MTF0 | 1,081,126.05 | 7,953.71 | 1,089,079.76 | 1,100,000.00 | 99.640 | 1,096,040.00 | 14,913.95 | 6,960.24 | 0.639% | 3.750 | 5.144 | 5.215 | 09/15/08 | 258 |
| 89893210 | Federal Nat'l Mtg Assoc. | 10/12/07 | 3136F5D93 | 9,877,400.00 | 19,685.77 | 9,897,085.77 | 10,000,000.00 | 99.791 | 9,979,085.00 | 101,685.00 | 81,999.23 | 0.829% | 3.740 | 4.609 | 4.673 | 02/24/09 | 420 |
| 89983217 | Federal Nat'l Mtg Assoc. | 11/09/07 | 31398AHN5 | 10,051,500.00 | (7,970.24) | 10,043,529.76 | 10,000,000.00 | 100.649 | 10,064,863.00 | 13,363.00 | 21,333.24 | 0.212% | 5.000 | 4.366 | 4.427 | 10/15/10 | 1018 |
| Subtotal & Averages | | | | 241,412,046.58 | 436,309.29 | 241,848,355.87 | 241,166,000.00 | | 243,141,180.05 | 1,729,133.47 | 1,292,824.18 | | 4.731 | 4.797 | | 450 | |
| Passbook/Money Market Accounts | | | 33.90% | | | | | | | | | | | | | | |
| 61293180 | Morgan Stanley | 43% | | 69,266,405.38 | 0.00 | 69,266,405.38 | 69,266,405.38 | | 69,266,405.38 | | | | 4.725 | 4.660 | 4.725 | 1 | |
| 67320004 | Key Bank SD 119 | 1% | | 1,575,042.74 | 0.00 | 1,575,042.74 | 1,575,042.74 | | 1,575,042.74 | | | | 4.300 | 4.290 | 4.350 | 1 | |
| 89980003 | Key Bank- Saving Account | 3% | | 12,522,294.52 | 0.00 | 12,522,294.52 | 12,522,294.52 | | 12,522,294.52 | | | | 4.300 | 4.290 | 4.350 | 1 | |
| 10130001 | WA State LGIP | 0% | | 1,443,556.45 | 0.00 | 1,443,556.45 | 1,443,556.45 | | 1,443,556.45 | | | | 4.561 | 4.561 | 4.624 | 1 | |
| 61080001 | WA State LGIP | 0% | | 438,502.40 | 0.00 | 438,502.40 | 438,502.40 | | 438,502.40 | | | | 4.561 | 4.561 | 4.624 | 1 | |
| 61230001 | WA State LGIP | 0% | | 891,771.75 | 0.00 | 891,771.75 | 891,771.75 | | 891,771.75 | | | | 4.561 | 4.561 | 4.624 | 1 | |
| 61290001 | WA State LGIP | 0% | | 625,608.82 | 0.00 | 625,608.82 | 625,608.82 | | 625,608.82 | | | | 4.561 | 4.561 | 4.624 | 1 | |
| 89980001 | WA State LGIP | 15% | | 72,587,039.24 | 0.00 | 72,587,039.24 | 72,587,039.24 | | 72,587,039.24 | | | | 4.561 | 4.561 | 4.624 | 1 | |
| Subtotal & Averages | | | | 159,350,221.30 | 0.00 | 159,350,221.30 | 159,350,221.30 | | 159,350,221.30 | | | | 4.580 | 4.644 | | 1 | |
| Grand Total | | | | <u>470,106,213.70</u> | <u>436,309.29</u> | <u>421,198,577.17</u> | <u>470,516,221.30</u> | | <u>472,153,713.85</u> | <u>2,047,500.15</u> | <u>1,611,190.86</u> | | <u>4.701</u> | <u>4.766</u> | | <u>241</u> | |
| | | | | | | | | | | | | | | | | 8.03 months | |

EXHIBIT 3

**CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
AGING OF MATURING INVESTMENTS
December 31, 2007**

| <u>Days to Maturity</u> | <u>Book Value</u> | <u>% Maturing</u> | <u>Cumulative % Maturing</u> |
|-------------------------|-------------------------|-------------------|----------------------------------|
| 1 | \$159,350,221.30 | 33.90% | 33.90% |
| 2 - 90 | 75,454,916.88 | 16.05% | 49.95% |
| 91 - 180 | 45,818,414.79 | 9.75% | 59.69% |
| 181 - 270 | 31,831,602.85 | 6.77% | 66.46% |
| 271 - 360 | 60,931,530.00 | 12.96% | 79.43% |
| 361 - 450 | 26,974,130.90 | 5.74% | 85.16% |
| 631 - 720 | 10,015,625.00 | 2.13% | 87.29% |
| 720- 1200 | 59,729,771.98 | 12.71% | 100.00% |
| TOTALS | \$470,106,213.70 | 100.00% | |

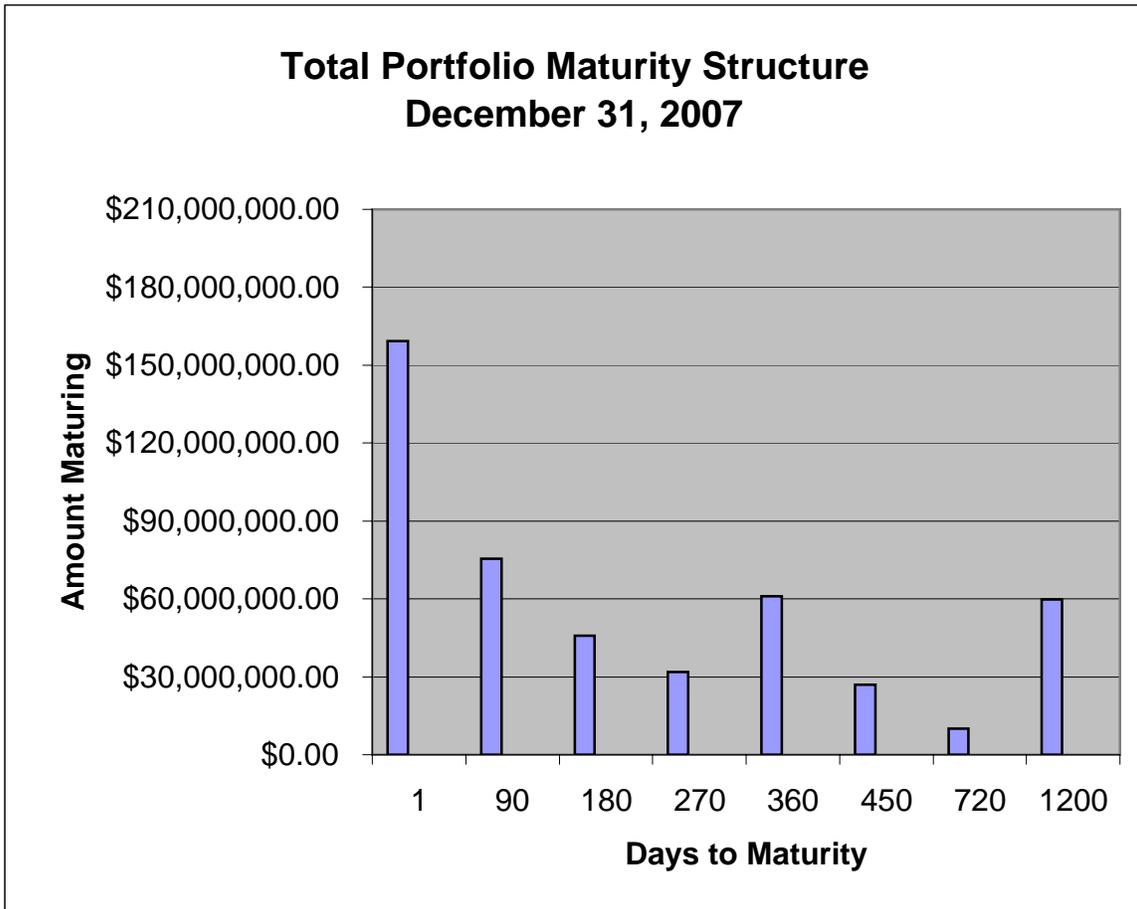


Exhibit 4

**CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
SUMMARY OF INVESTMENTS BY ISSUER
December 31, 2007**

| Issuer | Number of Investments | Book Value | % of Portfolio | Avg YTM (365) | Days to Maturity |
|----------------------------------|-----------------------|--------------------------|----------------|---------------|------------------|
| Barclays | 1 | \$ 9,898,750.00 | 2.11% | 4.567 | 34 |
| CitiGroup | 1 | \$ 9,844,044.44 | 2.09% | 4.548 | 101 |
| Federal Farm Credit Bank | 4 | 24,903,171.50 | 5.30% | 4.348 | 566 |
| Federal Home Loan Bank | 14 | 108,311,751.75 | 23.04% | 4.833 | 494 |
| Federal Home Loan Mtg Corp. | 9 | 56,642,780.00 | 12.05% | 4.910 | 326 |
| Federal National Mtg Association | 7 | 51,554,343.33 | 10.97% | 4.813 | 435 |
| JP Morgan | 1 | 9,847,944.44 | 2.09% | 4.736 | 52 |
| Key Bank | 2 | 14,097,337.26 | 3.00% | 4.413 | 1 |
| Morgan Stanley | 1 | 69,266,405.38 | 14.73% | 4.725 | 1 |
| Societe Generale | 1 | 9,874,708.33 | 2.10% | 4.980 | 52 |
| Sterling Savings | 1 | 10,000,000.00 | 2.13% | 4.917 | 78 |
| UBS Financial | 2 | 9,878,498.61 | 2.10% | 4.906 | 37 |
| Washington State LGIP | 5 | 75,986,478.66 | 16.16% | 4.417 | 1 |
| Washington Mutual Savings | 1 | 10,000,000.00 | 2.13% | 5.069 | 94 |
| TOTALS and AVERAGES | 50 | \$ 470,106,213.70 | 100.00% | 4.766 | 241 |

EXHIBIT 5

CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
INVESTMENT ACTIVITY BY TYPE
As of December 31, 2007

| NUMBER | ISSUER | STATED RATE | DATE | PURCHASES | MATURITIES | BALANCE |
|--|----------------------------------|-------------|----------|---------------------------|---------------|-----------------------|
| CERTIFICATES OF DEPOSIT | | | | BEGINNING BALANCE: | | 35,000,000.00 |
| 89983224 | Sterling Savings | 4.850 | 12/12/07 | 10,000,000.00 | | |
| 89983223 | Washington Mutual Savings | 5.000 | 12/11/07 | 10,000,000.00 | | |
| 89983166 | Sterling Savings | 5.450 | 11/09/07 | | 10,000,000.00 | |
| 89983158 | Sterling Savings | 5.300 | 12/03/07 | | 10,000,000.00 | |
| 89983153 | Umpqua Bank | 5.510 | 12/03/07 | | 5,000,000.00 | |
| 89983157 | US Bank | 5.000 | 12/13/07 | | 10,000,000.00 | |
| SUBTOTALS and ENDING BALANCE - OCTOBER | | | | 0.00 | 0.00 | 35,000,000.00 |
| SUBTOTALS and ENDING BALANCE - NOVEMBER | | | | 0.00 | 10,000,000.00 | 25,000,000.00 |
| SUBTOTALS and ENDING BALANCE - DECEMBER | | | | 20,000,000.00 | 25,000,000.00 | 20,000,000.00 |
| COMMERCIAL PAPER - DISCOUNT | | | | BEGINNING BALANCE: | | 29,680,858.34 |
| 89983205 | Societe Generale | 5.410 | 11/13/07 | | 9,867,755.56 | |
| 89983206 | Barclays | 5.580 | 11/13/07 | | 9,905,450.00 | |
| 89983207 | UBS Financial Services | 5.450 | 11/13/07 | | 9,907,652.78 | |
| 89983222 | Barclays | 4.860 | 11/21/07 | 9,898,750.00 | | |
| 89983225 | CitiGroup | 4.985 | 12/17/07 | 9,844,044.44 | | |
| 89983213 | JP Morgan | 4.600 | 10/26/07 | 9,847,944.44 | | |
| 89983220 | Societe Generale | 4.850 | 11/21/07 | 9,874,708.33 | | |
| 89983214 | UBS Financial Services | 4.710 | 10/26/07 | 4,940,470.83 | | |
| 89983221 | UBS Financial Services | 4.850 | 11/21/07 | 4,938,027.78 | | |
| SUBTOTALS and ENDING BALANCE - OCTOBER | | | | 14,788,415.27 | 0.00 | 44,469,273.61 |
| SUBTOTALS and ENDING BALANCE - NOVEMBER | | | | 24,711,486.11 | 29,680,858.34 | 39,499,901.38 |
| SUBTOTALS and ENDING BALANCE - DECEMBER | | | | 9,844,044.44 | 0.00 | 49,343,945.82 |
| FEDERAL AGENCIES - DISCOUNT | | | | BEGINNING BALANCE: | | 4,672,865.00 |
| 89983168 | Federal National Mtg Association | 0.000 | 12/14/07 | | 4,672,865.00 | |
| SUBTOTALS and ENDING BALANCE - OCTOBER | | | | 0.00 | 0.00 | 4,672,865.00 |
| SUBTOTALS and ENDING BALANCE - NOVEMBER | | | | 0.00 | 0.00 | 4,672,865.00 |
| SUBTOTALS and ENDING BALANCE - DECEMBER | | | | 0.00 | 4,672,865.00 | 0.00 |
| FEDERAL AGENCIES - SEMI ANNUAL COUPON | | | | BEGINNING BALANCE: | | 231,752,529.60 |
| 89983210 | Federal National Mtg Association | 3.740 | 10/12/07 | 9,877,400.00 | | |
| 89983110 | Federal Home Loan Mtg Corp | 4.750 | 10/24/07 | | 9,999,500.00 | |
| 89983116 | Federal Home Loan Mtg Corp | 4.750 | 10/24/07 | | 9,974,700.00 | |
| 89983211 | Federal Farm Credit Bank | 5.250 | 10/25/07 | 8,807,251.98 | | |
| 89983212 | Federal Home Loan Bank | 7.625 | 10/25/07 | 10,790,400.00 | | |
| 89983215 | Federal Home Loan Mtg Corp | 5.250 | 11/02/07 | 10,062,480.00 | | |
| 89983208 | Federal National Mtg Association | 5.200 | 11/08/07 | | 10,000,000.00 | |
| 89983217 | Federal National Mtg Association | 5.000 | 11/09/07 | 10,051,500.00 | | |
| 89983203 | Federal Home Loan Mtg Corp | 5.500 | 11/13/07 | | 10,000,000.00 | |
| 89983218 | Federal Home Loan Bank | 4.500 | 11/14/07 | 10,015,625.00 | | |
| 89983186 | Federal Home Loan Mtg Corp | 5.300 | 11/14/07 | | 9,996,980.00 | |
| 89983216 | Federal Home Loan Bank | 4.750 | 11/19/07 | 10,000,000.00 | | |
| 89983204 | Federal Home Loan Bank | 5.750 | 11/20/07 | | 10,001,000.00 | |
| 89983219 | Federal Home Loan Bank | 4.625 | 11/21/07 | 10,018,140.00 | | |
| 89983185 | Federal Home Loan Bank | 5.450 | 11/21/07 | | 10,001,000.00 | |
| 89983127 | Federal National Mtg Association | 5.000 | 12/13/07 | | 9,999,000.00 | |
| 89983226 | Federal Farm Credit Bank | 4.100 | 12/27/07 | 10,008,900.00 | | |
| SUBTOTALS and ENDING BALANCE - OCTOBER | | | | 29,475,051.98 | 19,974,200.00 | 241,253,381.58 |
| SUBTOTALS and ENDING BALANCE - NOVEMBER | | | | 50,147,745.00 | 49,998,980.00 | 241,402,146.58 |
| SUBTOTALS and ENDING BALANCE - DECEMBER | | | | 10,008,900.00 | 9,999,000.00 | 241,412,046.58 |
| MUNICIPAL BONDS | | | | BEGINNING BALANCE: | | 0.00 |
| SUBTOTALS and ENDING BALANCE - OCTOBER | | | | 0.00 | 0.00 | 0.00 |
| SUBTOTALS and ENDING BALANCE - NOVEMBER | | | | 0.00 | 0.00 | 0.00 |
| SUBTOTALS and ENDING BALANCE - DECEMBER | | | | 0.00 | 0.00 | 0.00 |

EXHIBIT 5

CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
INVESTMENT ACTIVITY BY TYPE
As of December 31, 2007

| NUMBER | ISSUER | STATED RATE | DATE | PURCHASES | MATURITIES | BALANCE | |
|--|--------------------------------|----------------|----------|---------------------------|-----------------------|-----------------------|------------------------|
| TREASURY SECURITIES - SLGS | | | | BEGINNING BALANCE: | | 1,328,967.00 | |
| 61093171 | State & Local Govt Series | 3.820 | 11/28/07 | | 390,928.00 | | |
| 61183169 | State & Local Govt Series | 3.820 | 11/28/07 | | 86,336.000 | | |
| 61243170 | State & Local Govt Series | 3.820 | 11/28/07 | | 66,347.000 | | |
| 61273172 | State & Local Govt Series | 3.820 | 11/28/07 | | 359,367.000 | | |
| 61333173 | State & Local Govt Series | 3.820 | 11/28/07 | | 425,989.000 | | |
| SUBTOTALS and ENDING BALANCE - OCTOBER | | | | 0.00 | 0.00 | 1,328,967.00 | |
| SUBTOTALS and ENDING BALANCE - NOVEMBER | | | | 0.00 | 0.00 | 1,328,967.00 | |
| SUBTOTALS and ENDING BALANCE - DECEMBER | | | | 0.00 | 1,328,967.00 | 0.00 | |
| CLARK COUNTY | | | | BEGINNING BALANCE: | | 41,578.28 | |
| OCTOBER | Registered Warrant Invest Acct | 6.19% | | 62,665.69 | 41,002.85 | 63,241.12 | |
| NOVEMBER | Registered Warrant Invest Acct | 6.19% | | 41.33 | 62,707.02 | 575.43 | |
| DECEMBER | Registered Warrant Invest Acct | 5.81% | | 1,029,588.45 | 1,030,163.88 | 0.00 | |
| KEY BANK | | | | BEGINNING BALANCE: | | 30,162,291.96 | |
| OCTOBER | Money Market Savings Accounts | 4.550 | | 123,850.60 | 16,288,519.55 | 13,997,623.01 | |
| NOVEMBER | Money Market Savings Accounts | 4.550 | | 108,685.50 | 61,416.66 | 14,044,891.85 | |
| DECEMBER | Money Market Savings Accounts | 4.300 | | 52,445.41 | 0.00 | 14,097,337.26 | |
| Morgan Stanley - Repurchase Agreement | | | | BEGINNING BALANCE: | | 68,398,981.08 | |
| OCTOBER | Municipal Investor Account | 4.725 | | 1,556,782.09 | 102,082.09 | 69,853,681.08 | |
| NOVEMBER | Municipal Investor Account | 4.725 | | | 181,795.63 | 69,671,885.45 | |
| #REF! | Municipal Investor Account | 4.725 | | | 405,480.07 | 69,266,405.38 | |
| US BANK | | | | BEGINNING BALANCE: | | 1,997,961.07 | |
| OCTOBER | Municipal Investor Account | 5.250 | | 5,140.04 | 751,898.15 | 1,251,202.96 | |
| NOVEMBER | Municipal Investor Account | 5.250 | | 2,507.85 | 499,163.20 | 754,547.61 | |
| DECEMBER | Municipal Investor Account | 5.250 | | | 754,547.61 | 0.00 | |
| STATE POOL | | | | BEGINNING BALANCE: | | 81,663,256.70 | |
| OCTOBER | Washington State Pool | 5.240 | | 131,797,251.01 | 48,253,280.17 | 165,207,227.54 | |
| NOVEMBER | Washington State Pool | 5.230 | | 107,957,101.63 | 89,100,284.92 | 184,064,044.25 | |
| DECEMBER | Washington State Pool | 5.230 | | 29,349,520.41 | 137,427,086.00 | 75,986,478.66 | |
| | | | | BEGINNING BALANCE: | PURCHASES | MATURITIES | ENDING BALANCE: |
| OCTOBER | TOTALS | | | 484,699,289.03 | 177,809,156.68 | 85,410,982.81 | 577,097,462.90 |
| NOVEMBER | TOTALS | | | 577,097,462.90 | 182,927,567.42 | 179,585,205.77 | 580,439,824.55 |
| DECEMBER | TOTALS | | | 580,439,824.55 | 70,284,498.71 | 180,618,109.56 | 470,106,213.70 |

Exhibit 6

**CLARK COUNTY INVESTMENT PORTFOLIO POOL
DISTRIBUTION OF INVESTMENTS BY TYPE
December 31, 2007**

| Investments | Book Value | Percent of Portfolio | Average Days to Maturity | Yield to Maturity | |
|-----------------------------------|---------------------------------|----------------------|--------------------------|-------------------|----------------|
| | | | | 360 Equivalent | 365 Equivalent |
| Certificates of Deposit | \$ 20,000,000.00 | 5.152% | 86 | 4.925 | 4.993 |
| Commercial Paper - Discount | 49,343,945.82 | 12.711% | 55 | 4.850 | 4.917 |
| Federal Agencies - Semi-annual | 233,745,384.26 | 60.213% | 456 | 4.717 | 4.783 |
| Washington State LGIP | 72,587,039.24 | 18.698% | 1 | 4.561 | 4.624 |
| Passbook/Money Market Accts/LGIP | 12,522,294.52 | 3.226% | 1 | 4.290 | 4.350 |
| Total | 388,198,663.84 | 100.00% | 286 | 4.702 | 4.767 |
| Accrued Interest at Purchase | 408,568.13 | | | | |
| Total Cash and Investments | <u>\$ 388,607,231.97</u> | | | | |

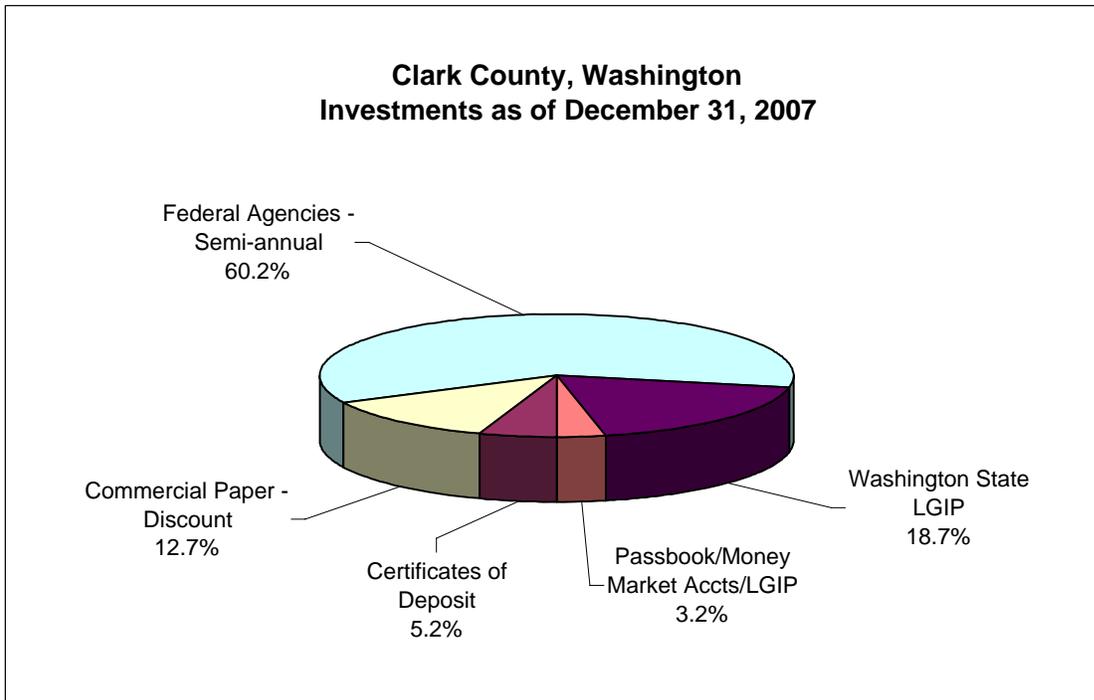


Exhibit 7
Clark County, Washington
Investment Portfolio Pool
December 31, 2007

| Investment Number | Purchase Date | Cusip Number | Book Value | Amortized Disc(Prem) | Amortized Book Value | Par Value | Market Price 12/31/07 | Market Value | Cash Gain/(Loss) on Security | Amortized Gain/(Loss) on Security | Percent Gain/(Loss) on Security | Coupon Rate | Yield to Maturity 360 MM | Yield to Maturity 365 BE | Maturity Date | Days to Maturity |
|--|---------------|--------------------------|----------------|----------------------|----------------------|----------------|-----------------------|----------------|------------------------------|-----------------------------------|---------------------------------|-------------|--------------------------|--------------------------|---------------|------------------|
| CD's | | | | | | | | | | | | | | | | |
| | 5.15% | | | | | | | | | | | | | | | |
| 89983224 | 12/12/2007 | | 10,000,000.00 | | 10,000,000.00 | 10,000,000.00 | | 10,000,000.00 | | | | 4.850 | 4.850 | 4.917 | 03/19/08 | 78 |
| 89983225 | 12/11/2007 | | 10,000,000.00 | | 10,000,000.00 | 10,000,000.00 | | 10,000,000.00 | | | | 5.000 | 5.000 | 5.069 | 04/04/08 | 94 |
| Subtotal & Averages | | | 20,000,000.00 | | 20,000,000.00 | 20,000,000.00 | | 20,000,000.00 | | | | | 4.925 | 4.993 | | 86 |
| Commercial Paper | | | | | | | | | | | | | | | | |
| | 12.71% | | | | | | | | | | | | | | | |
| 899832222 | 11/21/07 | 06737HB40 | 9,898,750.00 | 0.00 | | 10,000,000.00 | 99.568 | 9,956,833.33 | 58,083.33 | 58,083.33 | #DIV/0! | 4.860 | 4.793 | 4.978 | 02/04/08 | 34 |
| 89983225 | 12/17/07 | 17307RDB7 | 9,844,044.44 | 0.00 | | 10,000,000.00 | 98.790 | 9,879,016.67 | 34,972.23 | 34,972.23 | #DIV/0! | 4.840 | 4.774 | 4.985 | 04/11/08 | 101 |
| 89983213 | 10/26/07 | 4662JOBN1 | 9,847,944.44 | 0.00 | | 10,000,000.00 | 98.346 | 9,934,633.33 | 86,688.89 | 86,688.89 | #DIV/0! | 4.600 | 4.537 | 4.736 | 02/22/08 | 52 |
| 89983220 | 11/21/07 | 83365RBN4 | 9,874,708.33 | 0.00 | | 10,000,000.00 | 99.373 | 9,937,283.33 | 62,575.00 | 62,575.00 | #DIV/0! | 4.850 | 4.784 | 4.980 | 02/22/08 | 52 |
| 89983214 | 10/26/07 | 90262CAR8 | 4,940,470.83 | 0.00 | | 5,000,000.00 | 98.706 | 4,985,312.50 | 44,841.67 | 44,841.67 | #DIV/0! | 4.710 | 4.645 | 4.833 | 01/25/08 | 24 |
| 89983221 | 11/21/07 | 90262CBM8 | 4,938,027.78 | 0.00 | | 5,000,000.00 | 99.385 | 4,969,233.34 | 31,205.55 | 31,205.55 | #DIV/0! | 4.850 | 4.784 | 4.979 | 02/21/08 | 51 |
| Subtotal & Averages | | | 49,343,945.82 | 0.00 | 0.00 | 50,000,000.00 | | 49,662,312.50 | 318,366.68 | 318,366.68 | | | 4.850 | 4.917 | | 55 |
| Federal Agencies - Semi-Annual Coupon | | | | | | | | | | | | | | | | |
| | 60.21% | | | | | | | | | | | | | | | |
| 89983179 | 03/30/07 | 31331XRJ3 | 5,007,850.00 | (3,074.21) | 5,004,775.79 | 5,000,000.00 | 101.217 | 5,060,846.00 | 52,996.00 | 56,070.21 | 1.120% | 5.000 | 4.844 | 4.911 | 03/02/09 | 426 |
| 89983211 | 10/25/07 | 31331XL42 | 8,807,251.98 | (13,876.28) | 8,793,375.70 | 8,601,000.00 | 103.868 | 8,933,727.96 | 126,475.98 | 140,352.26 | 1.596% | 5.250 | 4.246 | 4.305 | 07/16/10 | 927 |
| 89983226 | 12/27/07 | 31331YKA7 | 10,008,900.00 | (99.72) | 10,008,800.28 | 10,000,000.00 | 100.093 | 10,009,344.00 | 444.00 | 543.72 | 0.005% | 4.100 | 3.952 | 4.007 | 12/24/08 | 358 |
| 89983150 | 08/01/06 | 3133XFJX5 | 9,966,000.00 | 25,803.57 | 9,991,803.57 | 10,000,000.00 | 100.270 | 10,027,000.00 | 61,000.00 | 35,196.43 | 0.352% | 5.125 | 5.236 | 5.309 | 06/13/08 | 164 |
| 89983154 | 09/25/06 | 3133XEQ69 | 9,975,680.00 | 22,268.92 | 9,997,948.92 | 10,000,000.00 | 100.044 | 10,004,364.00 | 28,684.00 | 6,415.08 | 0.064% | 5.010 | 5.119 | 5.190 | 02/13/08 | 43 |
| 89983174 | 12/22/06 | 3133XEQ88 | 4,988,250.00 | 10,013.28 | 4,998,263.28 | 5,000,000.00 | 100.045 | 5,002,254.00 | 14,004.00 | 3,990.72 | 0.080% | 4.875 | 5.003 | 5.072 | 03/05/08 | 64 |
| 89983178 | 03/30/07 | 3133XCX40 | 9,928,900.00 | 37,197.10 | 9,966,097.10 | 10,000,000.00 | 100.181 | 10,018,136.00 | 89,236.00 | 52,038.90 | 0.522% | 4.500 | 4.947 | 5.016 | 09/08/08 | 251 |
| 89983181 | 04/16/07 | 3133XDT76 | 9,951,650.00 | 20,686.66 | 9,972,336.66 | 10,000,000.00 | 100.662 | 10,066,193.00 | 114,543.00 | 93,856.34 | 0.941% | 4.750 | 4.685 | 4.750 | 12/12/08 | 346 |
| 89983184 | 05/02/07 | 3133XJQP6 | 10,009,600.00 | (3,630.38) | 10,005,969.62 | 10,000,000.00 | 101.106 | 10,110,562.00 | 100,962.00 | 104,592.38 | 1.045% | 5.000 | 4.869 | 4.937 | 02/04/09 | 400 |
| 89983188 | 05/23/07 | 3133XHTU6 | 9,983,500.00 | 6,434.70 | 9,989,934.70 | 10,000,000.00 | 100.912 | 10,091,200.00 | 107,700.00 | 101,265.30 | 1.014% | 5.000 | 5.039 | 5.109 | 12/12/08 | 346 |
| 89983212 | 10/25/07 | 3133MBJA6 | 10,790,400.00 | (56,764.31) | 10,733,635.69 | 10,000,000.00 | 108.970 | 10,897,000.00 | 106,600.00 | 163,364.31 | 1.522% | 7.625 | 4.261 | 4.320 | 05/14/10 | 864 |
| 89983216 | 11/19/07 | 3133XMWC1 | 10,000,000.00 | 0.00 | 10,000,000.00 | 10,000,000.00 | 100.306 | 10,030,561.00 | 30,561.00 | 30,561.00 | 0.306% | 4.750 | 4.685 | 4.750 | 11/19/10 | 1053 |
| 89983218 | 11/14/07 | 3133XVMQ1 | 10,015,625.00 | (2,086.29) | 10,013,538.71 | 10,000,000.00 | 100.323 | 10,032,259.00 | 16,634.00 | 18,720.29 | 0.187% | 4.500 | 4.275 | 4.334 | 11/06/09 | 675 |
| 89983219 | 11/21/07 | 3133XMXQ9 | 10,018,140.00 | (2,026.82) | 10,016,113.18 | 10,000,000.00 | 100.463 | 10,046,338.00 | 28,198.00 | 30,224.82 | 0.302% | 4.625 | 4.375 | 4.436 | 11/19/10 | 1053 |
| 89983125 | 01/18/06 | 3128X4XW | 4,999,500.00 | 500.00 | 5,000,000.00 | 5,000,000.00 | 100.016 | 5,000,800.50 | 1,300.50 | 800.50 | 0.016% | 5.000 | 4.936 | 5.005 | 01/18/08 | 17 |
| 89983126 | 01/18/06 | 3128X4XW | 4,999,750.00 | 250.00 | 5,000,000.00 | 5,000,000.00 | 100.016 | 5,000,800.50 | 1,050.50 | 800.50 | 0.016% | 5.000 | 4.934 | 5.003 | 01/18/08 | 17 |
| 89983144 | 06/12/06 | 3128X4BD02 | 9,822,000.00 | 140,143.66 | 9,962,143.66 | 10,000,000.00 | 99.952 | 9,995,190.00 | 173,190.00 | 33,046.34 | 0.332% | 4.350 | 5.239 | 5.312 | 06/02/08 | 153 |
| 89983155 | 09/28/06 | 3128X4ASO | 4,946,500.00 | 42,002.60 | 4,988,502.60 | 5,000,000.00 | 99.929 | 4,996,462.50 | 49,962.50 | 7,959.90 | 0.160% | 4.300 | 4.932 | 5.000 | 05/05/08 | 125 |
| 89983175 | 01/18/07 | 3128X4RC7 | 9,939,400.00 | 33,045.79 | 9,972,445.79 | 10,000,000.00 | 100.464 | 10,046,447.00 | 107,047.00 | 74,001.21 | 0.742% | 4.750 | 5.042 | 5.112 | 10/17/08 | 290 |
| 89983209 | 09/27/07 | 3128X4ST9 | 10,035,700.00 | (8,474.24) | 10,027,225.76 | 10,000,000.00 | 100.600 | 10,060,000.00 | 24,300.00 | 32,774.24 | 0.327% | 4.900 | 4.497 | 4.559 | 11/03/08 | 307 |
| 89983215 | 11/02/07 | 3128X6LT1 | 10,062,480.00 | (12,246.91) | 10,050,233.09 | 10,000,000.00 | 100.510 | 10,051,000.00 | (11,480.00) | 766.91 | 0.008% | 5.250 | 4.412 | 4.473 | 09/03/10 | 976 |
| 89983163 | 11/16/06 | 31359MYM99 | 9,744,307.28 | 52,881.15 | 9,797,188.43 | 9,825,000.00 | 100.118 | 9,836,565.01 | 92,257.73 | 39,376.58 | 0.402% | 4.500 | 4.933 | 5.001 | 08/04/08 | 216 |
| 89983167 | 12/12/06 | 31359MTQ6 | 9,817,000.00 | 99,794.24 | 9,916,794.24 | 10,000,000.00 | 99.824 | 9,982,424.00 | 165,424.00 | 65,629.76 | 0.662% | 5.000 | 4.811 | 4.878 | 11/17/08 | 321 |
| 89983176 | 03/12/07 | 31359MF32 | 9,998,100.00 | 1,113.79 | 9,999,213.79 | 10,000,000.00 | 100.379 | 10,037,855.00 | 39,755.00 | 38,641.21 | 0.386% | 5.000 | 4.941 | 5.010 | 07/25/08 | 206 |
| 89983210 | 10/12/07 | 3136F5D93 | 9,877,400.00 | 19,685.77 | 9,897,085.77 | 10,000,000.00 | 99.791 | 9,979,085.00 | 101,685.00 | 81,999.23 | 0.829% | 3.740 | 4.609 | 4.673 | 02/24/09 | 420 |
| 89983217 | 11/09/07 | 31398AHN5 | 10,051,500.00 | (7,970.24) | 10,043,529.76 | 10,000,000.00 | 100.649 | 10,064,863.00 | 13,363.00 | 21,333.24 | 0.212% | 5.000 | 4.366 | 4.427 | 10/15/10 | 1018 |
| Subtotal & Averages | | | 233,745,384.26 | 401,571.83 | 234,146,956.09 | 233,426,000.00 | | 235,381,277.47 | 1,635,893.21 | 1,234,321.38 | | | 4.717 | 4.783 | | 456 |
| Passbook/Money Market Accounts | | | | | | | | | | | | | | | | |
| | 21.92% | | | | | | | | | | | | | | | |
| 89980003 | 3% | Key Bank- Saving Account | 12,522,294.52 | 0.00 | 12,522,294.52 | 12,522,294.52 | | 12,522,294.52 | | | | 4.300 | 4.290 | 4.350 | | 1 |
| 89980001 | 19% | WA State LGIP | 72,587,039.24 | 0.00 | 72,587,039.24 | 72,587,039.24 | | 72,587,039.24 | | | | 4.561 | 4.561 | 4.624 | | 1 |
| Subtotal & Averages | | | 85,109,333.76 | 0.00 | 85,109,333.76 | 85,109,333.76 | | 85,109,333.76 | | | | | 4.521 | 4.584 | | 1 |
| Grand Total | | | | | | | | | | | | | | | | |
| | | | 388,198,663.84 | 401,571.83 | 339,256,289.85 | 388,535,333.76 | | 390,152,923.73 | 1,954,259.89 | 1,552,688.06 | | | 4.702 | 4.767 | | 286 |

9.53 months

EXHIBIT 8

**CLARK COUNTY INVESTMENT PORTFOLIO POOL
AGING OF MATURING INVESTMENTS
December 31, 2007**

| <u>Days to Maturity</u> | <u>Book Value</u> | <u>% Maturing</u> | <u>Cumulative % Maturing</u> |
|-------------------------|-------------------------|-------------------|----------------------------------|
| 1 | \$85,109,333.76 | 21.92% | 21.92% |
| 2 - 90 | 74,463,081.38 | 19.18% | 41.11% |
| 91 - 180 | 44,578,544.44 | 11.48% | 52.59% |
| 181 - 270 | 29,671,307.28 | 7.64% | 60.23% |
| 271 - 360 | 59,736,150.00 | 15.39% | 75.62% |
| 361 - 450 | 24,894,850.00 | 6.41% | 82.03% |
| 631 - 720 | 10,015,625.00 | 2.58% | 84.61% |
| 720- 1200 | 59,729,771.98 | 15.39% | 100.00% |
| TOTALS | \$388,198,663.84 | 100.00% | |

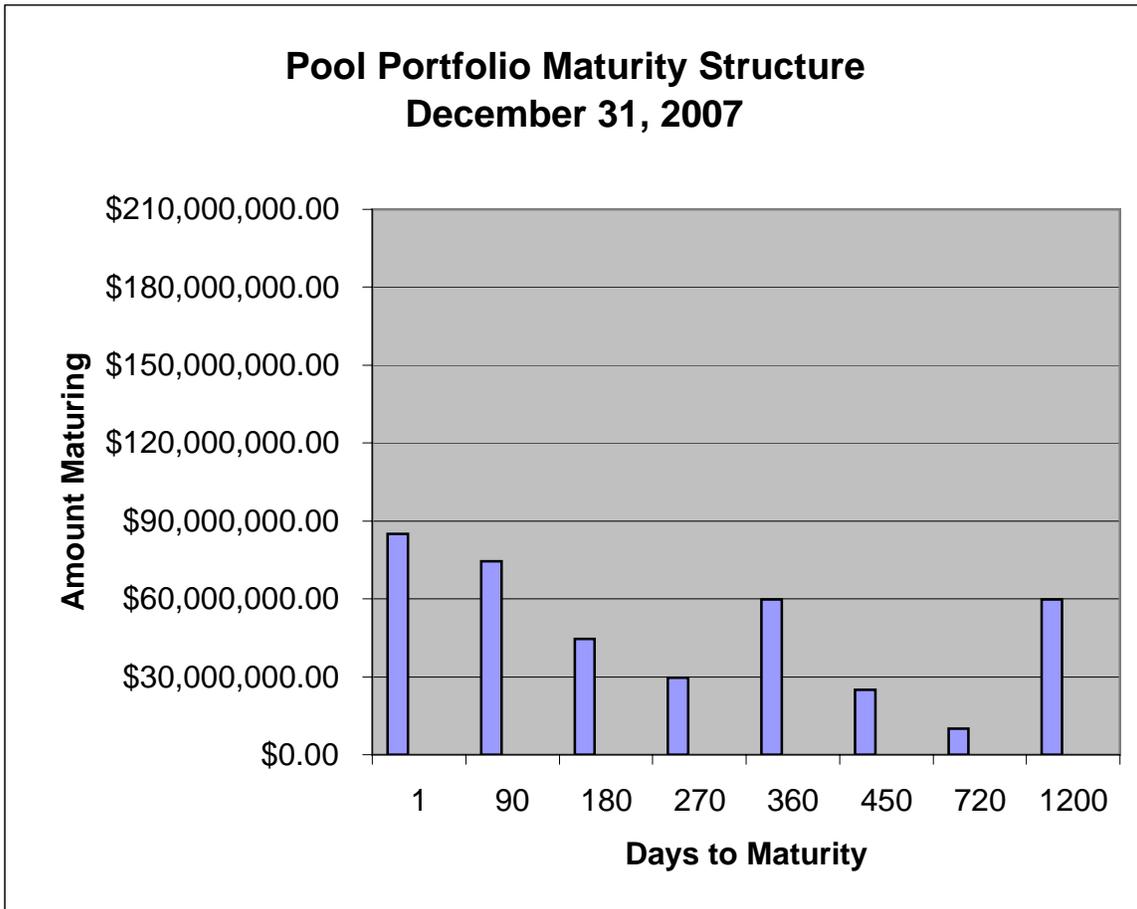


Exhibit 9

**CLARK COUNTY INVESTMENT PORTFOLIO POOL
SUMMARY OF INVESTMENTS BY ISSUER
December 31, 2007**

| Issuer | Number of Investments | Book Value | % of Portfolio | Avg YTM (365) | Days to Maturity |
|----------------------------------|-----------------------|--------------------------|----------------|---------------|------------------|
| Barclays | 1 | \$ 9,898,750.00 | 2.55% | 4.978 | 34 |
| CitiGroup | 1 | \$ 9,844,044.44 | 2.54% | 4.985 | 101 |
| Federal Farm Credit Bank | 3 | 23,824,001.98 | 6.14% | 4.307 | 583 |
| Federal Home Loan Bank | 11 | 105,627,745.00 | 27.21% | 4.823 | 501 |
| Federal Home Loan Mtg Corp. | 7 | 54,805,330.00 | 14.12% | 4.899 | 330 |
| Federal National Mtg Association | 5 | 49,488,307.28 | 12.75% | 4.796 | 438 |
| JP Morgan | 1 | 9,847,944.44 | 2.54% | 4.736 | 52 |
| Key Bank | 1 | 12,522,294.52 | 3.23% | 4.350 | 1 |
| Societe Generale | 1 | 9,874,708.33 | 2.54% | 4.980 | 52 |
| Sterling Savings | 1 | 10,000,000.00 | 2.58% | 4.917 | 78 |
| UBS Financial | 2 | 9,878,498.61 | 2.54% | 4.906 | 37 |
| Washington State LGIP | 1 | 72,587,039.24 | 18.70% | 4.624 | 1 |
| Washington Mutual Savings | 1 | 10,000,000.00 | 2.58% | 5.069 | 94 |
| TOTALS and AVERAGES | 36 | \$ 388,198,663.84 | 100.00% | 4.767 | 286 |

Exhibit 10
County Pool vs. State Pool
1/99 - 12/07

An equivalent amount of funds invested in the County Pool earned \$17 million more than would have been earned by the Washington State LGIP.

