

Financial Report of Revenues and Expenses

2nd Quarter 2006



proud past, promising future

CLARK COUNTY
WASHINGTON

1200 Franklin Street • P.O. Box 5000 • Vancouver, Washington 98666-5000
(360) 397-2241 • FAX (360) 397-6007

COUNTY LEADING INDICATORS

There are many indicators of the County's economic health and general direction. This section includes a few of the indicators that are relevant to current issues and concerns within the County.

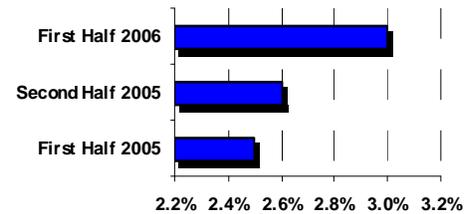
The Local Inflation Rate indicates that the rate of increase is accelerating. This indicator is consistent with the national trend.

The Local Unemployment Rate indicates the County has experienced significant improvement in the past few years. The rate appears to be stabilizing at approximately five percent.

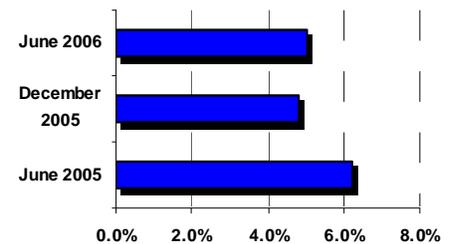
Jail Bed Days are of a particular concern due to the finite space to house inmates. It is also a reflection of the County's growth in population, the number of officers in service, the ability of the Courts to process offenders, as well as criminal activity. The continued growth in Bed Days is an indicator of the impact of all these factors on our criminal justice system.

Increasing Retail Sales are a product of increased construction activity, the expansion of retail options, and the purchasing power of the general population. Retail Sales have continued to grow at a healthy rate for more than two years. The construction component of retail sales is heavily dependent on growth and can significantly impact overall retail sales. Construction as a percent of retail sales continues at a high level.

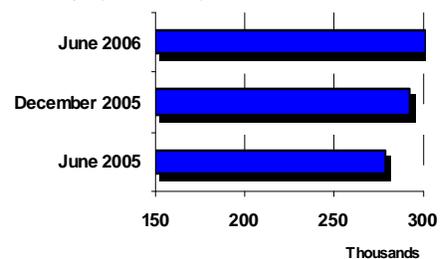
Local Inflation Rate



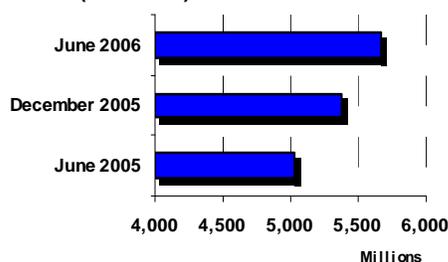
Local Unemployment Rate



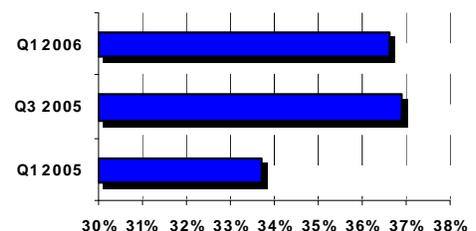
Jail Bed Days (12 Months)



Retail Sales (12 Months)



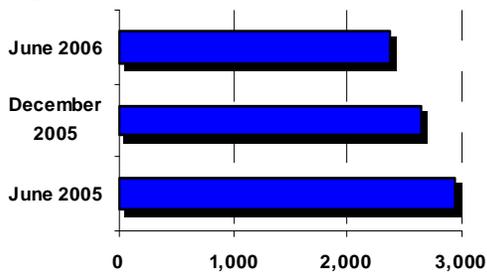
Construction As A Percent of Retail Sales



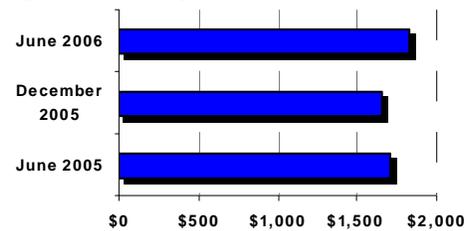
COUNTY LEADING INDICATORS

Building Permits are an indicator of the construction activity in the County. The County has experienced unprecedented growth in the past few years and the decline in building permits is an indicator that construction activity is slowing. (See page 34) The average value of building permits reflects the value of construction projects.

Building Permits (12 Months)

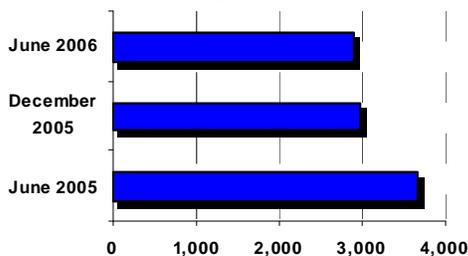


Average Value Building Permits

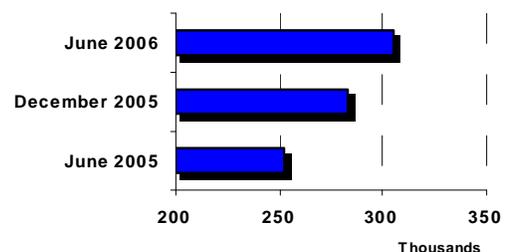


The sale of new homes is also an indicator of construction activity in the County. Over the past year, new home sales have declined. This indicator, in conjunction with the slowdown in building permits indicates that construction within the county is slowing. As a result, construction related sales tax, impact fees, and REET will be affected. The slowdown will be somewhat offset by the significant increase in Home sales prices.

Home Sales (Quarter Ending)



Median New Home Sales Price

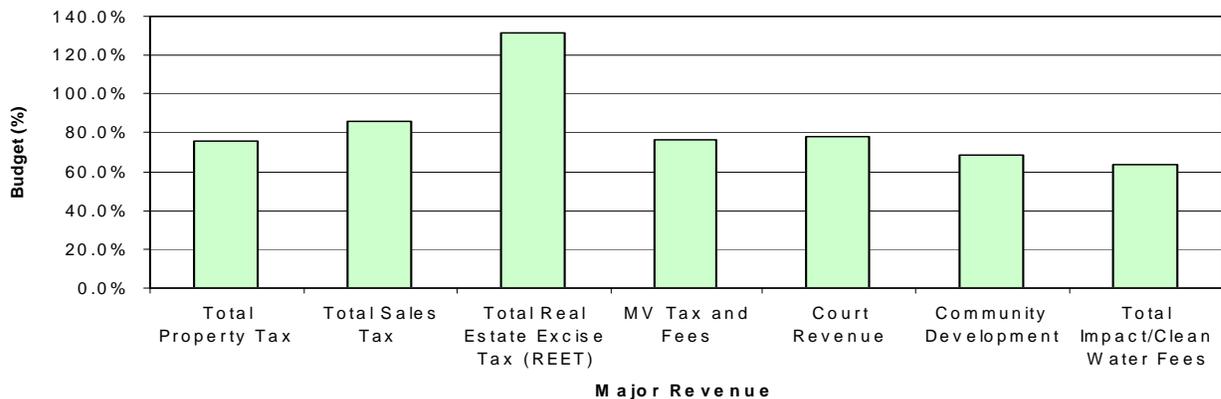


COUNTY REVENUE OVERVIEW

The County collected \$485.4M or 64.3 percent of the 05-06 budgeted revenues through June, 2006. The \$485.4M excludes interfund transfers, Vancouver Optional Sales Tax, and fiduciary funds. Taxes collected of \$192.3M represent 81.2 percent of budgeted tax revenues. The percent of taxes collected is high due to a greater than expected increase in sales tax and REET as illustrated below.

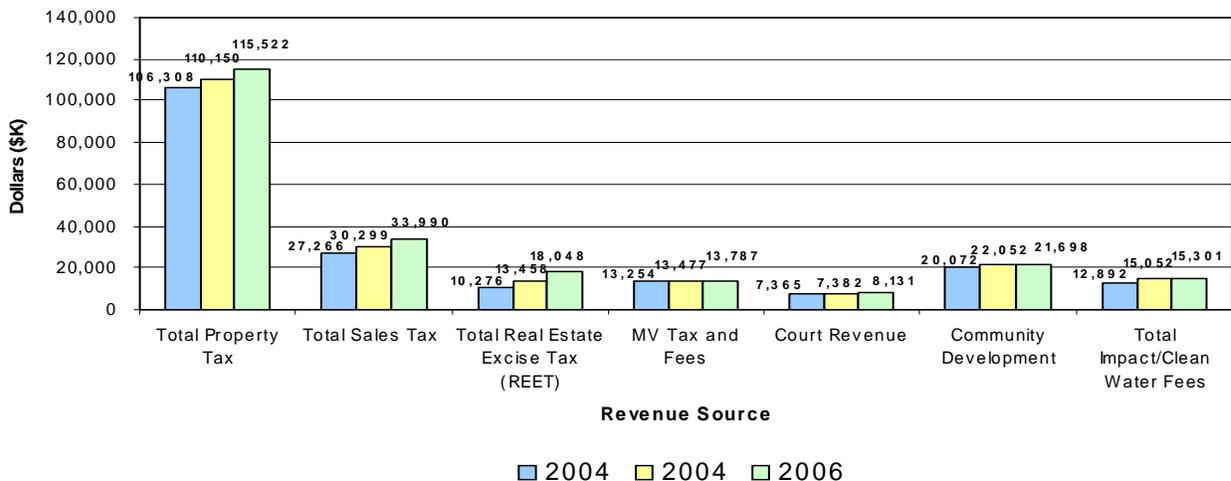
The following chart presents major sources of revenue collected through the 2006 second quarter, or 75 percent of the budget period, as a percent of budget. It should be noted that some revenue sources are not earned equally throughout the budget period. Comparing the percent of budget collected based on a point in the budget period should take into consideration the revenue's individual collection cycle.

MAJOR REVENUE COLLECTED BTD AS A PERCENT OF BUDGET



Another way to assess trends is to compare revenue types over time. The following chart shows a general increase in revenue collection from major revenue sources, for six consecutive quarters through the second quarters of each of the past three years.

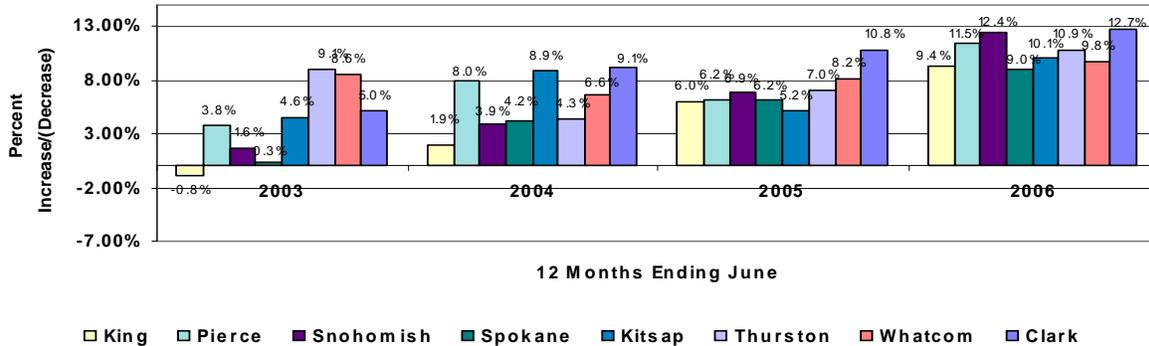
SECOND QUARTER BTd MAJOR REVENUE COMPARISON



SALES TAX REVENUE

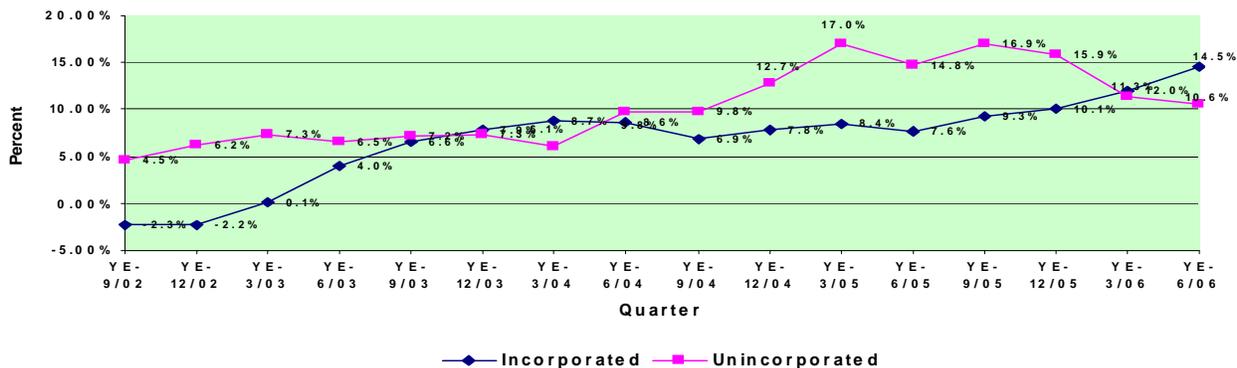
In the past twelve months, all major counties have experienced a retail sales growth rate of 9 percent or greater. Clark County's retail sales growth continues to outpace the largest counties in the state, however, Clark County's lead has narrowed significantly. For the year ending June 30, 2006, the County's growth rate was 12.7 percent.

**Washington Counties Retail Sales Growth
(Year over Year)**



Unincorporated Clark County received approximately \$12.7M (basic 0.5 percent) in retail sales tax revenue for the 12 months ending June 30, 2006. This represents 44.9 percent of the retail sales tax received in the entire county. In the past three years, retail sales in unincorporated Clark County have grown at a faster rate than in the incorporated areas. However, in the past year this trend has reversed. Retail sales tax increased 14.5 percent in incorporated areas, while unincorporated sales tax increased 10.6 percent. The County receives approximately \$3.6M from the County's portion of sales tax in incorporated areas.

**Clark County
12 Months Ending Retail Sales Growth**

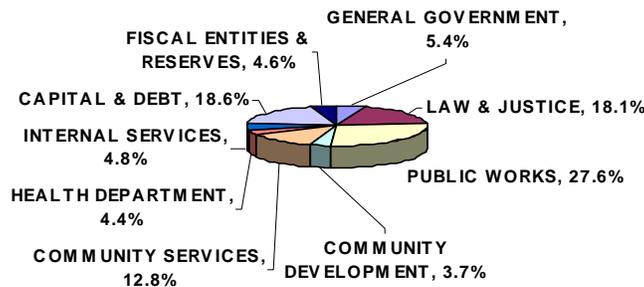


In the past ten years, construction spending in unincorporated Clark County ranges from 30-35 percent of percent of retail sales. In 2005, construction spending was 36.5 percent . In the past five years, the non-construction retail sales base has expanded significantly with the addition of "big box" stores. Comparing 2005 construction sales to the 2001 retail base, construction would be approximately 46 percent of retail sales. Construction retail sales tax contributed approximately \$7.3M to the County in 2005.

COUNTY EXPENSE OVERVIEW

Budgeted expenses by category for the 05-06 biennium closely resemble the actual expenses by category for the 03-04 biennium. Approximately 72 percent of expense is budgeted for direct program services. This is about the same as the 03-04 actual direct program services rate of 75 percent. Direct program service expenditures include: public works 27.6 percent, law and justice 18.1 percent, community services 12.8 percent, general government 5.4 percent, the Clark County Health Department 4.4 percent, and Community Development 3.7 percent. The remaining 28 percent of expenditures is spent on capital and debt services, fiscal entities and reserves, and internal services.

**Clark County Expense Distribution
2005-2006 Budget**



Total Clark County expenses through 2006 second quarter are approximately 61.5 percent of budget, lower than the benchmark of 75 percent of the biennium. Public Works spending is only 55.5 percent, however, major projects are planned for 2006. The Health Department is also behind on spending, primarily due to department vacancies. (See p.15 on County Employment.) Law and Justice expense is on budget at 75 percent .

CLARK COUNTY EXPENSE DISTRIBUTION

(Dollars in thousands)

	2Q06	2Q05	05-06 Budget	06/05	YTD/Budget
GENERAL GOVERNMENT	\$ 9,404	\$ 8,391	\$ 45,054	112.1%	64.8%
LAW & JUSTICE	39,380	36,399	150,818	108.2%	75.0%
PUBLIC WORKS	40,267	33,163	230,377	121.4%	55.5%
COMMUNITY DEVELOPMENT	7,480	6,777	30,971	110.4%	69.0%
COMMUNITY SERVICES	18,158	19,540	106,577	92.9%	54.4%
HEALTH DEPARTMENT	7,973	7,202	37,080	110.7%	54.4%
INTERNAL SERVICES	9,115	8,578	39,888	106.3%	68.0%
CAPITAL & DEBT	7,429	41,703	154,771	17.8%	56.3%
FISCAL ENTITIES & RESERVES	6,506	5,610	38,760	116.0%	62.6%
TOTAL	\$145,711	\$167,364	\$834,295	87.1%	61.5%

GENERAL FUND

The General Fund undesignated balance of \$13.4M at the end of the 2006 second quarter is up slightly from the \$12.4M balance at the end of 2005. This increase is typical for the general fund since the majority of the fund's major revenue, property taxes, is collected in the second and fourth quarters of the year.

The second quarter fund balance has improved from the previous three years when the balance was \$13.1M in 2005, \$10.8M in 2004, and \$9.0M in 2003. The 2006 second quarter fund balance includes \$1.3M budgeted for one-time only expenditures from revenue received from the Washington State Department of Corrections in 2005.

FUND 0001-GENERAL FUND CONDENSED HISTORY

	ACTUAL							
	2002 \$ M	2003 \$ M	Change 03/02	2004 \$ M	Change 04/03	2005 \$ M	Change 05/04	2006 \$ M
Total Revenue	99.0	105.6	6.6%	107.6	2.0%	120.4	11.9%	60.2
Total Expenses	101.3	105.2	3.8%	108.6	3.2%	116.9	7.7%	59.2
Surplus/(Deficit)	(2.3)	0.4		(1.0)		3.5		1.0
One-time In	2.0	2.0		4.4		-		-
One-time Out	-	-		(3.8)		(1.6)		-
Net Gain/(Loss)	(0.3)	2.4		(0.4)		1.9		1.0
Undesignated Fund Balance	8.5	10.9		10.5		12.4		13.4

General fund revenue collected through the 2006 second quarter of \$180.6M is 76 percent of the current budget. Revenue is above the 75 percent benchmark for the biennium due to higher than budgeted taxes. Property tax and sales tax collections are both in excess of budget for the year. Other significant sources of general fund revenue, Motor Vehicle Fees and Recording Fees, currently exceed the benchmark.

General fund expense through the second quarter of 2006 is 72.1 percent of the current budget, a little below 75 percent of budget benchmark. This is due to higher than usual vacancy savings.

GENERAL FUND

FUND 0001-GENERAL FUND ACTUAL VS. BUDGET						
	ACTUAL		BUDGET		ACTUAL VS. BUDGET	
	05-06	Adopted	Current	2005/06	2005/06	
	\$ M	\$ M	\$ M	Adopted	Current	
Total Revenue	180.6	231.2	237.7	78.1%	76.0%	
Total Expenses	176.1	233.6	244.3	75.4%	72.1%	
Surplus/(Deficit)	4.5	(2.4)	(6.5)			
One-time In	0.0	-	-			
One-time Out	(1.6)	-	-			
Net Gain/(Loss)	2.9	(2.4)	(6.5)			
Fund Balance END of period	13.4	-	-			

Each biennial budget sets aside an amount to deal with contingencies. Contingencies are generally items that are known, not part of the baseline budget, and the amount may be estimated. For example, contingency items include labor settlements, earned leave buybacks and payoffs, and merit increases. At the end of the 2006 second quarter there is approximately \$1.2M is available to offset contingency items.

GENERAL FUND DEPARTMENT 308 CONTINGENCY								
Account	Description	Detail Balance	05-06 Adopted Budget	Jun-05 Budget	Dec-05 Re-Adopt	Mar-06 JE	May-06 JE	Current Budget
0001.000.308.508200.110BTD	Salaries		(2,000,000)					(2,000,000)
0001.000.308.508200.211BTD	FERS/LEOFF		2,746,126		(1,549,598) (1)			1,196,528
0001.000.308.508200.414BTD	Medical/Dental		393,070		650,000 (2)	(650,000)		393,070
0001.000.308.508200.419BTD	Prof Services		25,000					25,000
	Settlements/Merit/Misc	3,900,000		(821,198) (4)	850,000 (3)	(476,133)	(2,893,389) (5)	559,280
	Leave Payoffs/Buybacks	1,000,000						1,000,000
0001.000.308.508200.997BTD	Yr. End Entries		4,900,000					
Available Balance			6,064,196	(821,198)	(49,598)	(1,126,133)	(2,893,389)	1,173,878

- (1) Required funding for Public Employee Retirement System
- (2) Support for inmate medical services (\$450k) and off-site medical services (\$200k). Transfer to Sheriff Custody
- (3) Sheriff Guild settlements and ongoing pay/overtime.
- (4) Merit increases for 2005
- (5) Distribution of 2005 Merit Increases and settlements.

DEPARTMENT OF COMMUNITY DEVELOPMENT

The Department of Community Development 2006 fund balance at the end of the second quarter is \$2.7M. The balance compares to the 2005 ending balance of \$3.5M and the 2005 second quarter balance of \$2.8M. Fund balance growth has slowed from the previous years and currently appears to be stabilizing.

Planning and development fees are reviewed and recalculated each year to better reflect the cost of performing the respective service. As a result of the 2005 recalculation, 2006 fees were reduced by approximately 4.7 percent.

FUND 1011-COMMUNITY DEVELOPMENT CONDENSED HISTORY

	ACTUAL							
	2002 \$ M	2003 \$ M	Change 03/02	2004 \$ M	Change 04/03	2005 \$ M	Change 05/04	2006 \$ M
Total Revenue	11.6	13.6	17.2%	16.0	17.9%	15.4	-3.7%	6.7
Total Expenses	12.4	12.7	1.9%	13.3	4.9%	13.9	4.5%	7.5
Surplus/(Deficit)	(0.9)	0.9		2.7		1.5		(0.8)
One-time In	-	-		-		-		-
One-time Out	-	-		-		-		-
Net Gain/(Loss)	(0.9)	0.9		2.7		1.5		(0.8)
Fund Balance END of period	(1.6)	(0.7)		2.0		3.5		2.7

Most Community Development activities are subsidized to some extent by the general fund to reflect the “community benefit” of that activity. The costs of specific activities that do not provide a direct service to the consumer, such as long range planning, are wholly supported by the General Fund.

Expenses through 2006 second quarter are 67.0 percent of the current budget. Personnel Services are 69.1 percent of budget and Supplies and Services are 63.5 percent of budget. The lower than budgeted salaries expense is due to lower than expected employee benefits. The lower supplies expense is due to a delay in the software project to interface Tidemark to a document imaging software and a delay in the leasing (expense) for the new Battle Ground office.

FUND1011-COMMUNITY DEVELOPMENT ACTUAL VS. BUDGET

	ACTUAL		BUDGET		ACTUAL VS. BUDGET	
	05-06 \$ M	Adopted \$ M	Current \$ M		2005/06 Adopted	2005/06 Current
Total Revenue	22.1	30.8	31.6		71.6%	69.8%
Total Expenses	21.4	30.9	31.9		69.2%	67.0%
Surplus/(Deficit)	0.7	(0.1)	(0.3)			
One-time In	0.0	-	-			
One-time Out	0.0	-	-			
Net Gain/(Loss)	0.7	(0.1)	(0.3)			
Fund Balance END of period	2.7	-	-			

ROADS FUND (DEPARTMENT OF PUBLIC WORKS)

The Road Fund fund balance at the end of the 2006 second quarter is \$10M. This compares to a balance of \$8.5M for the second quarter of 2005 as well as \$8.5M at the 2005 year end. The increase is due to the seasonal nature of road work and the timing of property tax collections and grant reimbursements. Although the fund balance is currently positive, the balance is drawn down during the summer construction months and has needed to borrow intermittently to remain liquid. In addition to short term borrowings, borrowings from the Public Works Trust fund are listed as "One-time In" in the chart below.

Biennium-to-date revenue collected through the 2006 second quarter is \$75.7M. This compares to revenue of \$77.7M collected in the six quarter period ending June 30, 2005. Revenue collected of 68.2 percent of budget is below the benchmark percentage of 75 percent, primarily due to the timing of matching grant revenue for planned projects.

FUND 1012-ROAD FUND CONDENSED HISTORY

	ACTUAL							
	2002 \$ M	2003 \$ M	Change 03/02	2004 \$ M	Change 04/03	2005 \$ M	Change 05/04	2006 \$ M
Total Revenue	48.4	53.4	10.2%	56.0	5.0%	53.7	-4.1%	22.0
Total Expenses	54.7	60.7	10.9%	55.9	-7.9%	49.4	-11.6%	20.5
Surplus/(Deficit)	(6.3)	(7.3)		0.1		4.3		1.4
One-time In	3.6	5.3		1.2		-		-
One-time Out	-	-		(1.7)		-		-
Net Gain/(Loss)	(2.7)	(2.0)		(0.4)		4.3		1.4
Fund Balance END of period	5.0	3.0		4.3		8.5		10.0

Expenses through the 2006 second quarter are \$70M or 63 percent of the current 05-06 budget. If major transportation projects progress as planned during 2006, expenses should approach budget, however, it is possible that these projects will be delayed pushing the expenses into the 07-08 budget cycle.

FUND 1012-ROAD FUND ACTUAL VS. BUDGET

	ACTUAL		BUDGET	ACTUAL VS. BUDGET	
	05-06 \$ M	Adopted \$ M	Current \$ M	2005/06 Adopted	2005/06 Current
Total Revenue	75.7	97.7	111.0	77.5%	68.2%
Total Expenses	70.0	97.2	111.0	72.0%	63.0%
Surplus/(Deficit)	5.7	0.5	(0.0)		
One-time In	0.0				
One-time Out	0.0	-	-		
Net Gain/(Loss)	5.7	0.5	(0.0)		
Fund Balance END of period	10.0	-	-		

HEALTH DEPARTMENT

The Health Department became a county department at the beginning of the 03-04 biennium. The addition of the Health Department added approximately 128 FTE's and a biennial revenue budget of \$35M to the county. The 2006 second quarter ending fund balance of \$3.3M is the same as the 2005 year-end.

Health Department revenue through the 2006 second quarter is \$26M which is 72.7 percent of the current budget. This compares favorably to the benchmark of 75 percent.

FUND 1025-HEALTH DEPARTMENT CONDENSED HISTORY

	ACTUAL							
	2002 \$ M	2003 \$ M	Change 03/02	2004 \$ M	Change 04/03	2005 \$ M	Change 05/04	2006 \$ M
Total Revenue	13.1	17.0	29.5%	20.0	17.2%	18.0	-9.8%	8.0
Total Expenses	13.0	16.7	28.1%	18.1	8.2%	16.9	-6.6%	8.0
Surplus/(Deficit)	0.1	0.3		1.9		1.1		0.0
Net Transfers	(2.2)	1.8		(1.8)		-		-
Net Gain/(Loss)	(2.1)	2.1		0.1		1.1		0.0
Fund Balance END of period	(0.0)	2.1		2.2		3.3		3.3

The Health Department's expenses through the 2006 second quarter of \$24.8M, are 68.5 percent of the current budget. The lower than budgeted expense is attributed to a change in the allocation methodology for county-wide indirects. Previously, indirects were charged to department 700 Administration, then allocated out to the other departments, creating two transfers. Now indirects are allocated directly to departments.

FUND1025-HEALTH DEPARTMENT ACTUAL VS. BUDGET

	ACTUAL			BUDGET		ACTUAL VS. BUDGET	
	05-06 \$ M	Adopted \$ M	Current \$ M	Adopted \$ M	Current \$ M	2005/06 Adopted	2005/06 Current
Total Revenue	26.0	35.3	35.7			73.6%	72.7%
Total Expenses	24.8	36.4	36.3			68.3%	68.5%
Surplus/(Deficit)	1.1	(1.1)	(0.6)				
Net Transfers	0.0	-	-				
Net Gain/(Loss)	1.1	(1.1)	(0.6)				
Fund Balance END of period	3.3	-	-				

CLARK COUNTY FAIR

In preparation for the opening of the Exhibit Hall in 2004, the Fair Fund received a \$1.25M transfer from the general fund to clear the deficit fund balance created by prior years' operations. Approximately \$.25M of the transfer was to provide additional working capital for future fair operations. In addition, \$.4M was set aside to provide working capital for the new Exhibition Hall.

Fair Fund revenue through the 2006 second quarter was \$3.9M or 62.3 percent of the biennial budget. The Exhibition Hall contributed approximately \$.25M in revenue. Accordingly, revenues increased from the \$3.5M earned in the prior year 18 month period ending June 30, 2005.

FUND 1003-CLARK COUNTY FAIR CONDENSED HISTORY

	ACTUAL							
	2002 \$ K	2003 \$ K	Change 03/02	2004 \$ K	Change 04/03	2005 \$ K	Change 05/04	2006 \$ K
Total Revenue	2,460.3	2,940.3	19.5%	2,745.3	-6.6%	2,927.7	6.6%	965.1
Total Expenses	2,639.5	2,942.5	11.5%	2,840.1	-3.5%	3,053.8	7.5%	958.8
Surplus/(Deficit)	(179.2)	(2.2)		(94.8)		(126.1)		6.3
Net Transfers	-	-		1,250.0		-		-
Net Gain/(Loss)	(179.2)	(2.2)		1,155.2		(126.1)		6.3
Fund Balance END of period	(765.5)	(767.7)		387.5		261.5		267.8

The 2006 Fair Fund expense of \$4M represents 63.1 percent of the current biennial budget. Through 2005 year-end, 47.9 percent of the current budget had been spent.

FUND 1003-CLARK COUNTY FAIR ACTUAL VS. BUDGET

	ACTUAL	BUDGET		ACTUAL VS. BUDGET	
	05-06 \$ K	Adopted \$ K	Current \$ K	2005/06 Adopted	2005/06 Current
Total Revenue	3,892.8	5,546.0	6,246.0	70.2%	62.3%
Total Expenses	4,012.6	5,552.0	6,359.9	72.3%	63.1%
Surplus/(Deficit)	(119.8)	(6.0)	(113.9)		
Net Transfers	0.0	-	-		
Net Gain/(Loss)	(119.8)	(6.0)	(113.9)		
Fund Balance END of period	267.8	-	-		

CENTRAL SUPPORT SERVICES (FACILITIES)

The Central Support Services (Facilities) fund balance improved significantly from 2003 as a result of approximately \$3.8M in transfers; \$2.5M from the General Fund and \$1.3M from other funds including \$966K from the Road Fund in 2004. The 2004 transfers were made to offset the cumulative effect of under-billing for services provided in the past three years.

In 2005, transfers from the general fund, excluding the 2004 one-time transfers increased \$1.2M and transfers from the Capital Building Fund 3051 increased \$670K. The fund deficit declined from a negative \$3.4M at the end of 2004 to a negative \$626.4K at the end of the second quarter 2006.

FUND 5093-CENTRAL SERVICES CONDENSED HISTORY

	ACTUAL							
	2002 \$K	2003 \$K	Change 03/02	2004 \$K	Change 04/03	2005 \$K	Change 05/04	2006 \$K
Total Revenue	3,734.2	4,737.3	26.9%	4,782.2	0.9%	6,357.7	32.9%	3,398.9
Total Expenses	4,673.2	6,565.7	40.5%	6,341.3	-3.4%	6,627.2	4.5%	3,358.5
Surplus/(Deficit)	(939.0)	(1,828.4)		(1,559.0)		(269.5)		40.4
Net Transfers	-	(141.8)		3,800.0		670.0		-
Net Gain/(Loss)	(939.0)	(1,970.2)		2,241.0		400.5		40.4
Fund Balance END of year	(1,338.1)	(3,308.3)		(1,067.3)		(666.8)		(626.4)

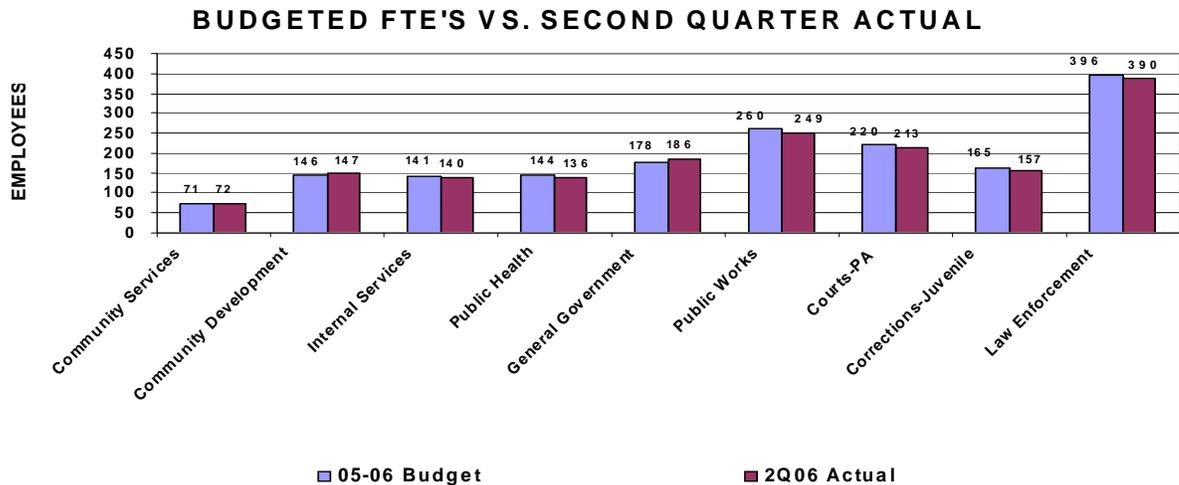
Expenses through the 2006 second quarter were approximately 63.4 percent of the biennial budget, well below the benchmark percentage of 75 percent. Revenues exceeded expenses by \$40K further reducing the fund balance deficit.

FUND 5093-CENTRAL SERVICES ACTUAL VS. BUDGET

	ACTUAL			BUDGET		ACTUAL VS. BUDGET	
	05-06	Adopted	Current	2005/06	2005/06	2005/06	2005/06
	\$K	\$ K	\$ K	Adopted	Current	Adopted	Current
Total Revenue	9,756.6	13,580.7	15,329.5	71.8%	63.6%		
Total Expenses	9,985.7	14,530.8	14,890.2	68.7%	67.1%		
Surplus/(Deficit)	(229.1)	(950.1)	439.3				
Net Transfers	670.0	-	-				
Net Gain/(Loss)	440.9	(950.1)	439.3				
Fund Balance END of year	(626.4)	-	-				

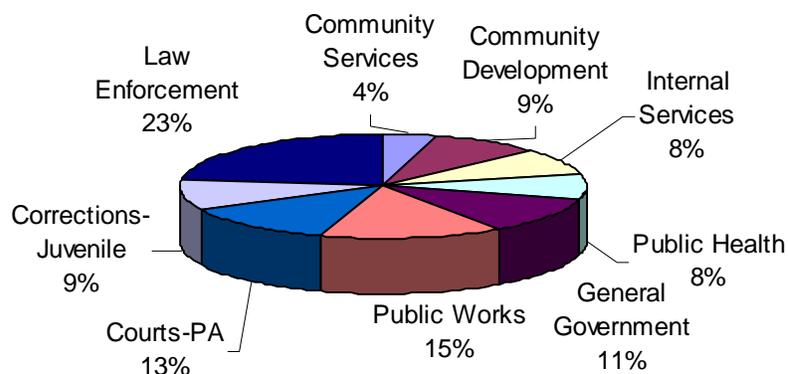
COUNTY EMPLOYMENT

The adopted 05-06 budget approves 1,720 FTE's. County employment has increased 25 FTE since the end of 2005. The increase includes a number of project employees typically employed during the summer months and five project employees in the Treasurers office hired to help implement the Point of Sales system. Law and Justice has the largest number of vacant positions with 20 followed by Public Works with 11 and Public Health with 7.



The distribution of employees by function at the end of the 2006 second quarter is essentially the same as the end of 2005. Law and Justice, including the County Sheriff' Department, Corrections, the County Clerk's office, Superior Court, the Prosecuting Attorney, and the District Court, represent 45 percent of the county's work force. The next largest department is Public Works with 15 percent of the county's employees. The remaining groups are General Government (Assessor, Auditor, Treasurer, Commissioners) with 11 percent, Community Development (Planning, Permitting, Inspections) with 9 percent, Internal Services (Budget, Human Resources, Central Services, Purchasing, Facilities) with 8 percent, Health Department with 8 percent, and Community Services with 4 percent.

2006 EMPLOYEES BY FUNCTION



CAPITAL PROJECTS/OTHER

Legacy Health Systems began operation of a new 220-bed hospital in Salmon Creek. The \$220M facility included spending about \$4M for road improvements, including construction of NE 23rd Ave. from 134th St. to 139th St., a bridge over Whipple Creek tributary, the widening of the northbound off-ramp at I-5 and NE 134th St., a center left turn lane at NE 139th St. between 20th and 29th avenues, and frontage improvements on the south side of NE 139th St. between 20th and 29th avenues. These improvements are now complete.

The Community Health Center located on Veterans Affairs property opened. It houses the Health Department, the Department of Community Services, several nonprofit organizations, and some Veteran's Affairs programs. A nonprofit governmental bond has been issued, whereby a significant portion of the debt service would be paid via rent from these social service programs. Other funding, including sale of the current location to the Clark College Foundation and specific grants (\$3M Triage Center) will reduce the amount of debt required. The total cost of the project is approximately \$40M. General Obligation bonds valued at approximately \$5.7M were issued in July 2005 to complete the funding for the Health Department building construction.

The unemployment rate in Clark County for June 2006 was unchanged from the end of 2005 at 5.0 percent. The rate is down significantly from 6.2 percent in June 2005.

The Vancouver City Council voted an additional .2 percent optional sales tax to take effect in January 2006. As a result, beginning March 2006, the Vancouver .3 percent optional sales tax previously collected by the County to offset SB6211 costs will now be collected by the City. The County will invoice monthly for SB6211 services.

In September, C-Tran was successful in passing a .2 percent sales tax that took effect October 1 in the Vancouver Urban Growth Boundary and within all other incorporated city limits. The sales tax will replace state matching revenues lost in 2000 and is intended to preserve existing service levels, as well as restore some routes cut since 2000. Service will be limited to the Vancouver UGA and other incorporated areas.