



Clark County Finance Committee

Second Quarter 2011

CLARK COUNTY TREASURER'S OFFICE

2011

Produced by: Larry Frueh – Investment/Debt Manager

CLARK COUNTY FINANCE COMMITTEE

SECOND QUARTER 2011

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SECTION I – EXECUTIVE SUMMARY

This report provides a review of the activities occurring during the second quarter, 2011, in accordance with Clark County Investment Policy adopted January 2011.

As of Jun 30, 2011, the average maturity of the total investment portfolio increased to 8.0 months from March's 7.4 months. The asset sector distribution for the total investment portfolio in the second quarter was as follows:

	Jun 30, 2011	Mar 31, 2011	Percent Change
WA State LGIP	53.7%	52.8%	0.9%
Federal Agencies	30.4%	30.5%	-0.1%
US Treasuries	8.8%	8.7%	0.1%
Certificate of Deposit	2.9%	3.3%	-0.4%
Money Market	3.7%	4.1%	-0.4%
State & Local Govt.	0.5%	0.6%	-0.1%

Residual average monthly balances year to date averaged \$28.8 million per month which was \$17.5 million more than the same period in 2010. Interest earnings distributed to the County's General Fund year to date are \$71.3 thousand compared to \$128.3 thousand through this time in 2010. The decrease is a result of low levels continuing in interest rates. The most recent investment earnings estimates (calculated on June 23, 2011) approximates earnings of \$339.6 thousand in the 2011-2012 biennial budget. Actual residual earnings from January 2011 through June 2011 are \$71,280, or 21% of the biennial budget.

The average interest rate of the Clark County Investment Pool for the second quarter of 2011 was 0.426% compared to .934% for the same period in 2010. During the second quarter interest earnings of \$565.4 thousand was earned on the portfolio of which County Funds received a total of \$230.7 thousand. The Investment Pool participation and summary is as follows:

	Jun 30, 2011	Mar 31, 2011	Percent Change
Clark County	37.56%	35.20%	2.36%
Evergreen School District	10.39%	12.30%	-1.91%
Camas School District	9.02%	9.50%	-0.48%
City of Vancouver	8.54%	9.50%	-0.96%
Vancouver School District	8.13%	8.10%	0.03%
All other	26.36%	25.40%	0.96%
Average Quarterly Balance	\$537.1 million	\$460.5 million	16.63%
Quarterly Interest Earnings	\$565.4 thousand	\$771.2 thousand	-26.69%

The annualized total return for the County Pool was 0.547% year to date for June 2011 compared to the custom treasury Benchmark total return index of 0.787%. On a book value return basis, County Pool yielded 0.33%, compared to the Standard and Poor's LGIP Index's book value return of 0.19%. The net asset value of the County Pool at the end of the second quarter was \$1.000797 with an unrealized fair market value gain of \$483,668 on June 30, 2011.

The investment strategy for the quarter was to decrease the balance in the state pool by adding callable and treasury securities to capture yield higher than the state pool, maintain average maturity between 6 to 9 months, and maintain high credit quality in portfolio. In the upcoming quarter, we will concentrate on adding more bullet securities and treasuries to our portfolio to reduce call risk from callable securities.

SECTION II – 2010 YEAR-TO-DATE

Through the second quarter 2011, the monthly County residual principal balances averaged \$2.9 million more than the same period in 2010.

Date	2010 Residual Balance	2011 Residual Balance
January	\$18,302,013	\$22,338,448
February	14,028,283	17,078,236
March	15,314,231	18,372,235
April	26,429,245	27,618,917
May	50,912,445	52,657,408
June	30,024,305	34,493,366
July	23,899,372	
August	25,034,102	
September	15,635,938	
October	27,071,889	
November	48,375,638	
December	33,265,169	
Monthly Average	\$27,357,719	\$28,759,768

Actual residual interest earnings totaled \$38,707 for the second quarter down from \$81,590 in the second quarter 2010. As shown below, interest earnings were \$27,711 less than they were projected to be for the second quarter of 2011.

Date	2010 Residual Interest Earnings	2011 Residual Interest Earnings	2011 Budgeted Interest Earnings ¹
January	\$18,124	\$15,122	22,139
February	14,541	8,383	22,139
March	14,003	9,067	22,139
April	23,456	12,922	22,140
May	36,466	15,159	22,139
June	21,668	10,626	22,139
July	19,593		22,139
August	15,428		22,140
September	9,538		22,139
October	14,423		22,139
November	23,418		22,139
December	18,614		22,140
Total	\$229,271	\$71,280	\$265,671

¹ As of 06/14/2010 the 2011-2012 Biennium Interest Rate Projections totaled \$531,342 of which \$265,671 are the earnings estimated for 2011.

County Pool principal balances shown below averaged \$31.0 million more in the second quarter 2011 compared to second quarter 2010.

Date	2010 Pool Average Balance	2011 Pool Average Balance
January	\$446,666,758	\$476,346,918
February	433,695,710	458,822,333
March	425,057,199	446,283,085
April	445,980,917	469,823,623
May	563,046,982	605,479,796
June	509,196,924	535,930,042
July	483,574,046	
August	477,372,041	
September	469,947,482	
October	494,458,066	
November	601,202,198	
December	495,031,565	
Monthly Average	\$487,102,491	\$498,780,966

The table below reflects County Pool earnings of \$565.4 thousand for second quarter 2011, compared to \$1.2 million for the same period in 2010, resulting in decreased earnings of 52.0%.

Date	2010 Pool Interest Earnings	2011 Pool Interest Earnings
January	\$456,804	\$333,159
February	419,524	210,286
March	401,490	227,731
April	395,635	220,206
May	415,416	179,950
June	367,462	165,239
July	409,433	
August	304,098	
September	286,984	
October	272,984	
November	289,828	
December	286,295	
Year-to-Date	\$4,305,433	\$1,336,571

SECTION III – QUARTERLY ACTIVITY

Figure One shows the major participants in the Clark County Investment Pool.

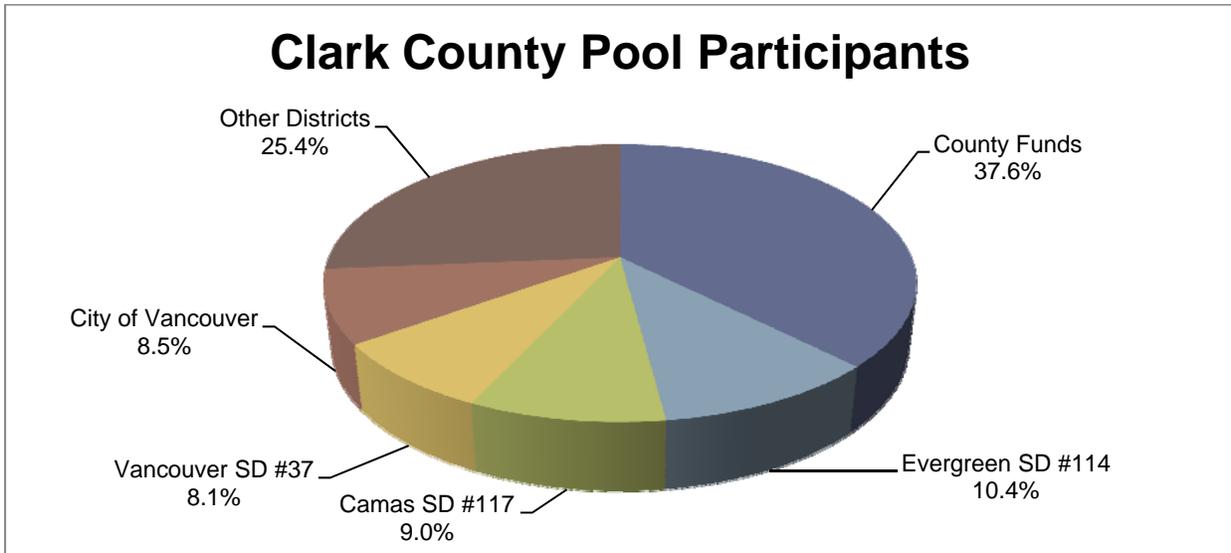


FIGURE ONE

Figure Two illustrates month end General Fund cash balances beginning with January 2009 through June 2011. For June 2011, the cash balance in the County's General Fund was \$9.5 million higher than June of 2010 and \$16.2 million higher than June of 2009.

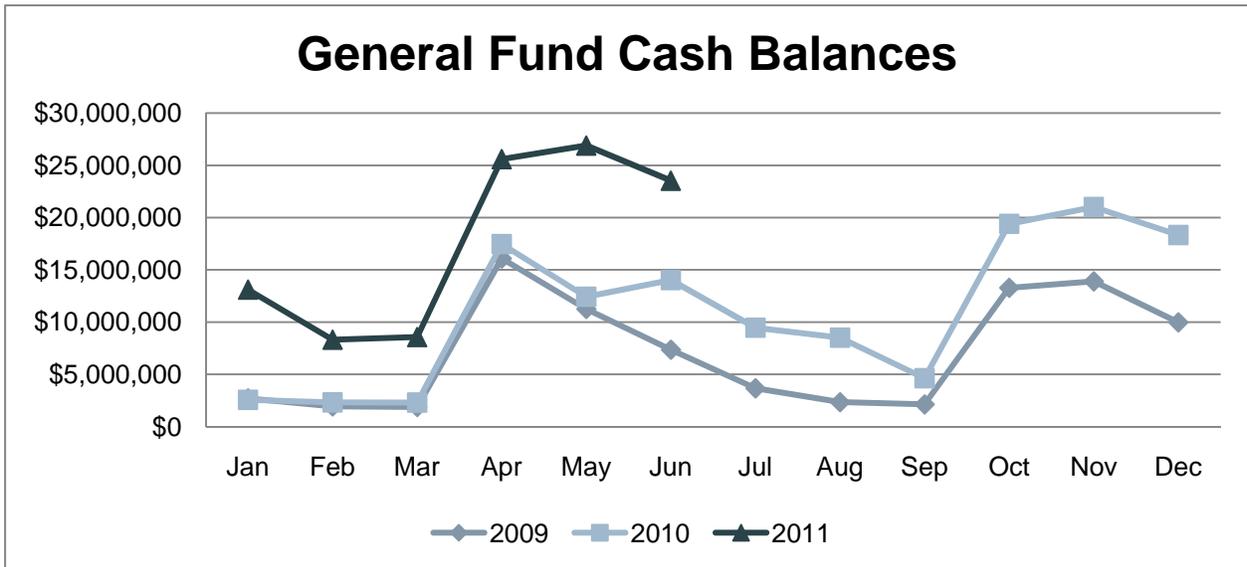


FIGURE TWO

Figure Three reflects the average principal balances being maintained within the Pool in 2011 compared to the two prior years. For June of 2011, the average monthly principal balance was \$26.7 million higher than the same month in 2010 and \$61.6 million higher than the same month in 2009.

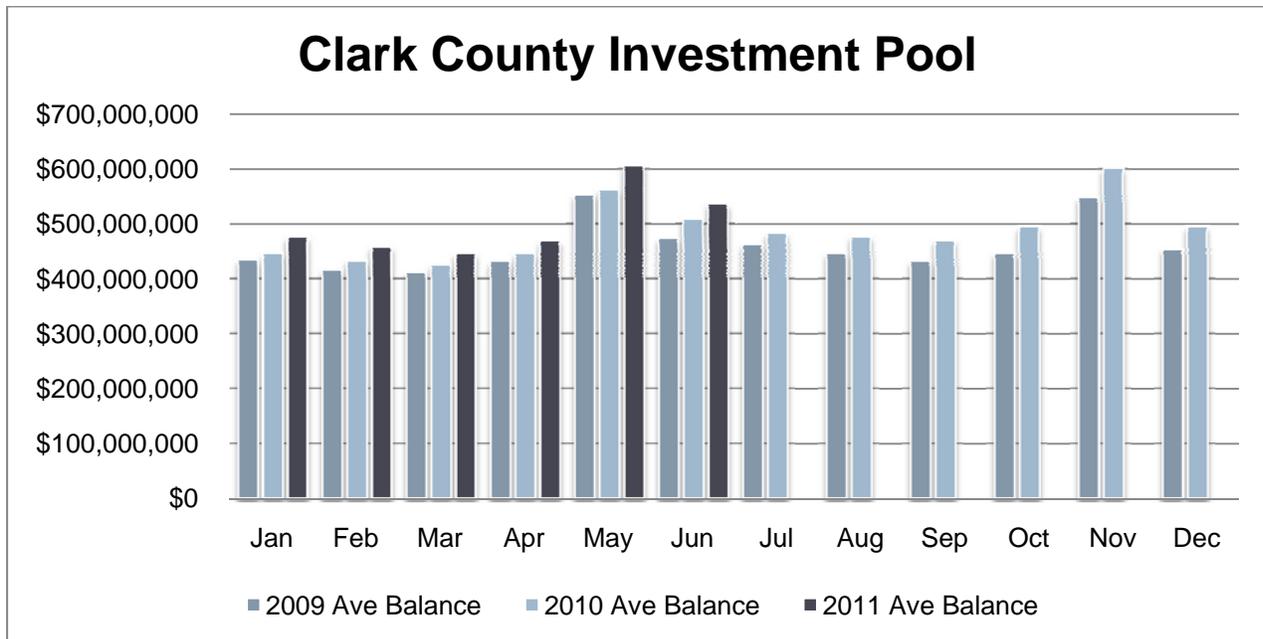


FIGURE THREE

As of June 31, 2011, 53.7% of the portfolio was invested in the Washington State LGIP. **Figure Four** shows the WA State LGIP's credit quality by issuer; whereas **Figure Five** shows the maturity structure of the WA State LGIP.

Investment Type (in Millions)	Credit Quality	Avg Balance Jun-11		Avg Balance CY 2011	
Agency Callables	AAA	-	0.01%	25.41	0.28%
Repurchase Agreements	AAA	1,038.35	10.83%	1,618.78	17.99%
Reverse Repo Agreements		(146.66)	-1.53%	(30.38)	-0.34%
Treasury Securities	AAA	2,043.89	21.32%	1,520.20	16.89%
Agency Coupons	AAA	93.33	0.97%	193.20	2.15%
IB Bank Deposit	PDPC	393.95	4.11%	695.72	7.73%
NOW Account	PDPC/FDIC	115.40	11.12%	106.03	1.18%
Agency Floating Rate Notes	AAA	1,065.56	11.12%	1,193.97	13.27%
Agency Variable Rate Notes	AAA	640.59	6.68%	511.77	5.69%
Discounts Notes	AAA	4,228.20	44.11%	3,051.88	33.91%
Certificates of Deposit	PDPC	113.27	1.18%	113.51	1.26%
Commercial Paper		-	0%	-	0%
Total Avg Daily Balance		9,585.89	100%	9,000.08	100%
Avg Days to Maturity		57 days			

FIGURE FOUR

Days To Maturity	\$ Maturing (Par Value) (in millions)	% Maturing	Cumulative % Maturing
1	559.60	6.0%	6.0%
2-30	1,855.59	19.8	25.7
31-60	800.00	8.5	34.3
61-90	1,969.90	21.0	55.2
91-120	961.73	10.2	65.5
121-180	1,125.00	12.0	77.5
181-270	250.00	27	80.1
271-395	0.00	0.0	80.1
Floating Rate Notes	1,080.00	12.6	92.7
Variable Rate Notes	684.00	7.3	100.0
PORTFOLIO TOTAL	9,385.82		

FIGURE FIVE

Figure Six reflects the actual average monthly residual principal balances managed by the County for 2010 and 2011. For the second quarter 2011, residual balances averaged \$2.5 million per month more than the same period 2010.

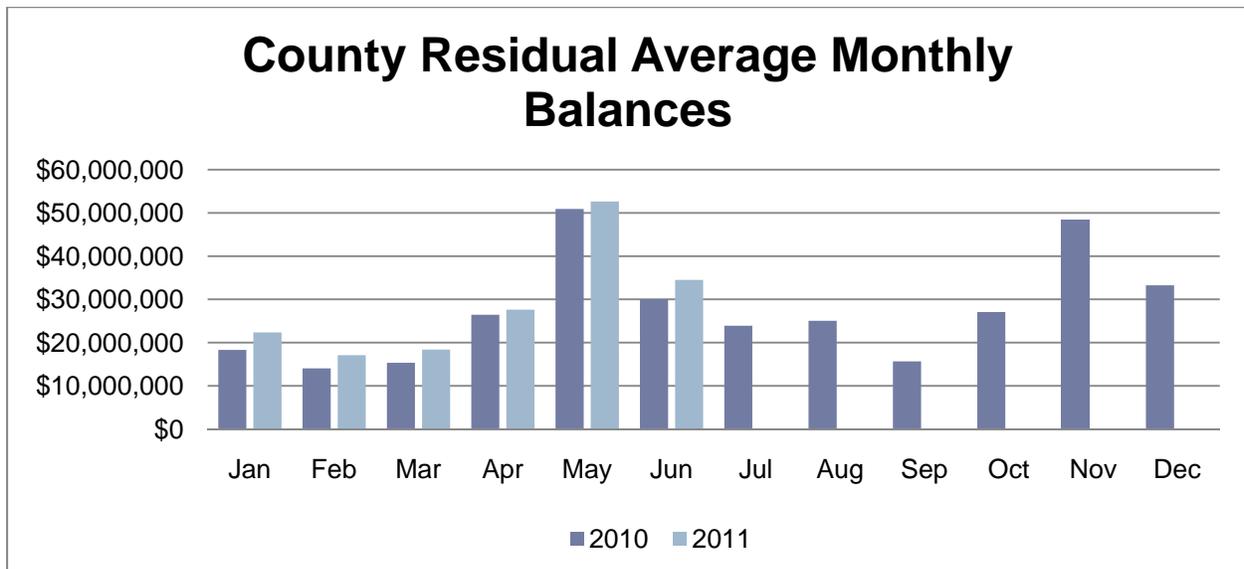


FIGURE SIX

Figure Seven shows interest earnings distributed each month to the County's General Fund from 2010 through 2011. During the second quarter of 2011, interest earnings totaled \$42.9 thousand less than during the second quarter in 2010. This is due to a decrease in interest rates. On an average monthly basis, \$12.9 thousand was distributed to the General Fund per month during the quarter.



FIGURE SEVEN

Figure Eight depicts the County Pool's interest rates for 2009 through the second quarter of 2011. The County Pool's gross interest rate, based on the book value of the portfolio, for June 2011 was 0.37% compared to .87% for June 2010 and 1.5% for June 2009.

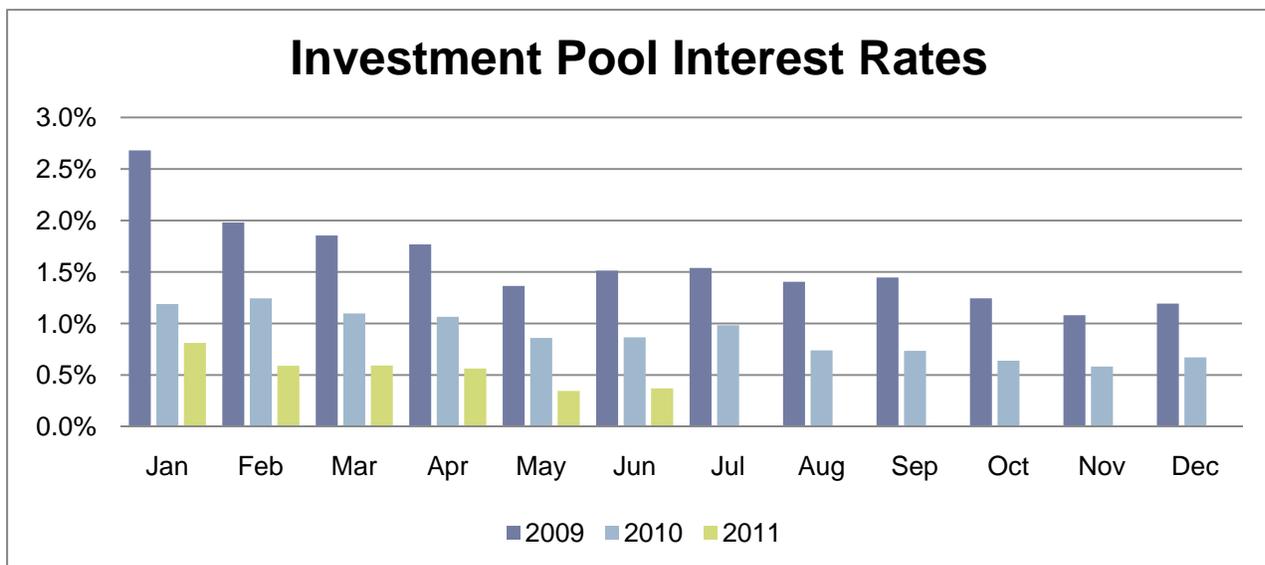


FIGURE EIGHT

Figure Nine compares 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 return on a portfolio compared to the book value at the time of the original security purchases. The performance benchmarks consist of the Washington State Local Government Investment Pool (LGIP) with an average maturity of approximately 57 days for June, Standard and Poor's LGIP Index with an average maturity of less than 30 days, and the Clark County Investment Pool with an average maturity of 239 days. The Standard and Poor's LGIP Index and the Washington State LGIP closely track current interest rates. At the end of the second quarter 2011, the County Pool's rate on a book value basis was 0.42%, the S&P LGIP Gross Index was 0.23%, and the Washington State LGIP's gross rate was 0.19%.

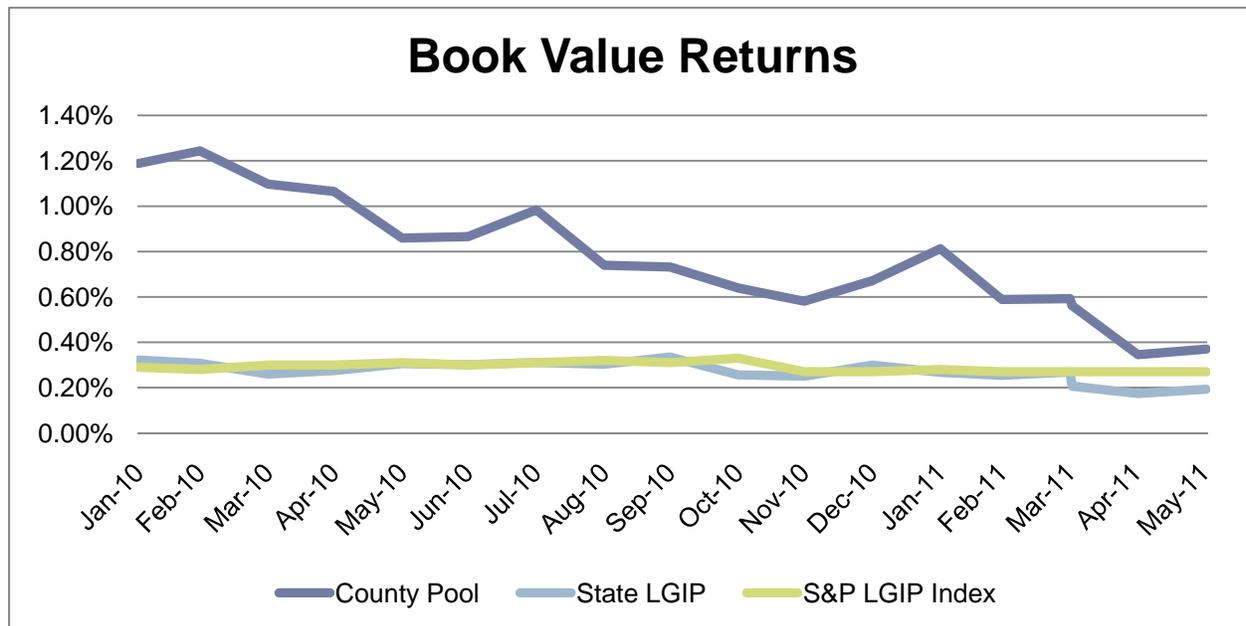


FIGURE NINE

Figure Ten compares performance on a total return basis. Total return measures the market value increase or decrease in the value of the portfolio plus interest earnings on securities, over a given period of time. The customized total return index consists of 75% Merrill Lynch 0-1 Year U.S. Treasury Index and 25% 1-3 Year Merrill Lynch U.S. Agencies Index with a modified duration of 0.82 years as of June 30, 2011. The annualized total return for June of 2011 for the County Pool was 0.25% and the Custom Benchmark Index was 0.39%. The Benchmark held a longer duration and is often able to obtain higher yields than the County Pool.

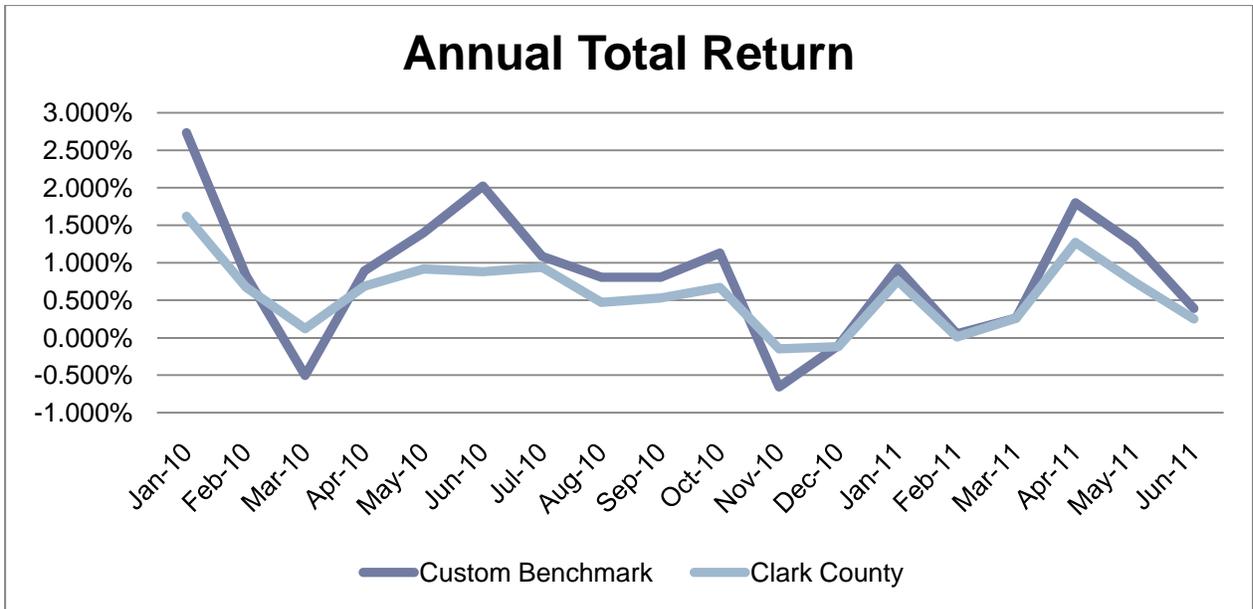


FIGURE TEN

Figure Eleven shows the market value of the Pool portfolio based on net asset value (N.A.V.) per share. N.A.V. is the market value of the portfolio's securities, less liabilities, divided by the total number of shares outstanding. As of June 2011, the N.A.V. per share was \$1.000797. GASB Statement 31 requires that External Investment Pools like the County Pool report all investments at fair market value if the average maturity of the Pool exceeds 90 days. The fair market value plus accrued interest of the Pool was \$506,957,098.81 on June 30, 2011.

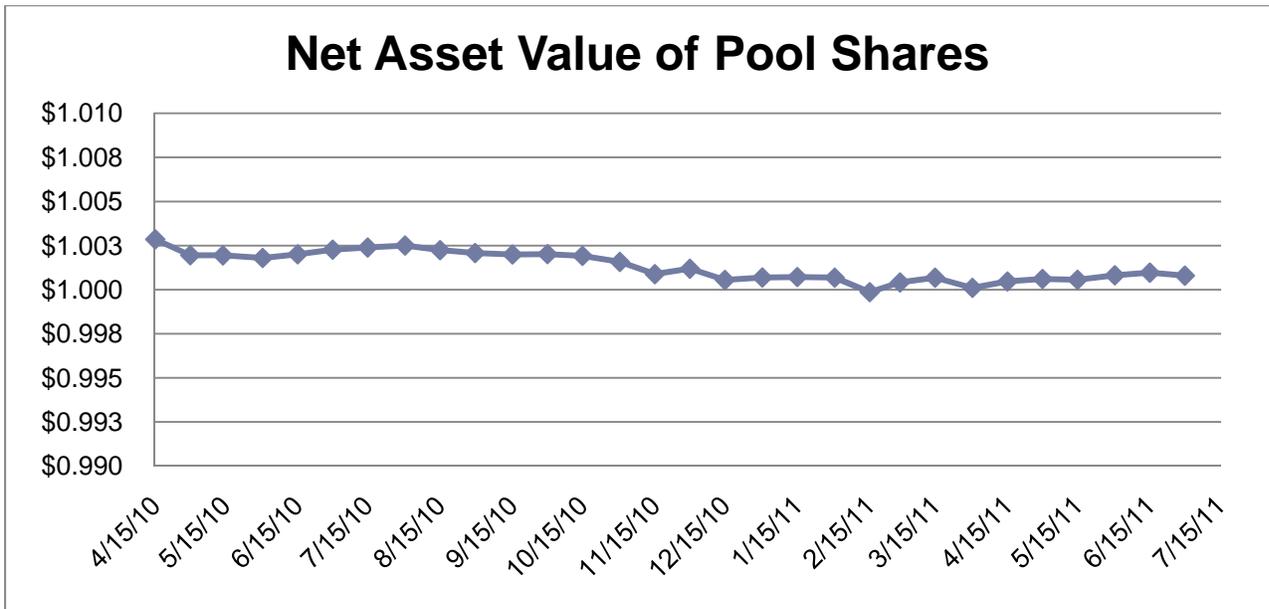


FIGURE ELEVEN

Net Asset Values:

Date	Value	Date	Value
04/15/2010	\$1.002858	11/30/2010	\$1.001192
04/30/2010	\$1.001954	12/15/2010	\$1.000552
05/14/2010	\$1.001948	12/31/2010	\$1.000693
05/31/2010	\$1.001801	01/15/2011	\$1.000719
06/15/2010	\$1.002010	01/31/2011	\$1.000685
06/30/2010	\$1.002271	02/15/2011	\$0.999862
07/15/2010	\$1.002392	02/28/2011	\$1.000416
07/31/2010	\$1.002506	03/15/2011	\$1.000682
08/15/2010	\$1.002245	03/31/2011	\$1.000107
08/30/2010	\$1.002082	04/15/2011	\$1.000468
09/15/2010	\$1.001997	04/30/2011	\$1.000611
09/30/2010	\$1.002016	05/14/2011	\$1.000565
10/15/2010	\$1.001917	05/31/2011	\$1.000817
10/31/2010	\$1.001578	06/15/2011	\$1.000968
11/15/2010	\$1.000884	06/30/2011	\$1.000797

Figure Twelve shows projected County Pool interest rates (updated 6.29.2011 for the biennium.) for the last year compared with actual gross interest rates.

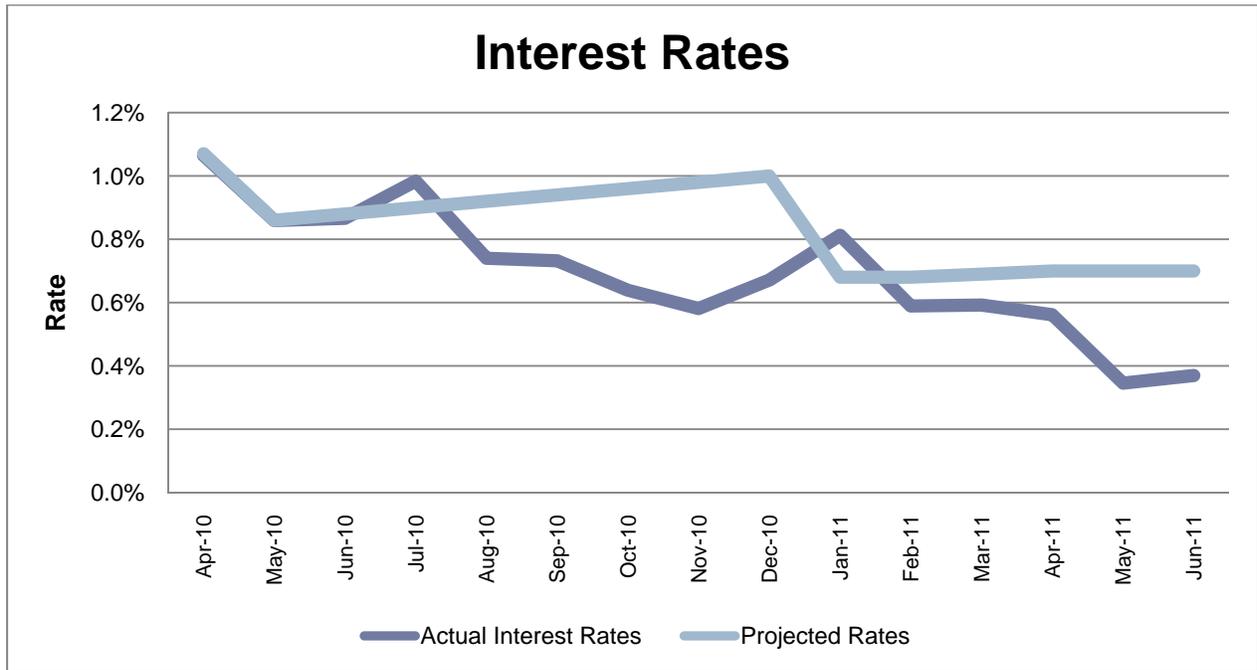


FIGURE TWELVE

SECTION IV – INVESTMENT STRATEGY

The following table shows the percentage distribution of the Clark County Pool maturity periods. In the beginning of 2008, the emphasis was to purchase securities in the 2 – 5 year sector, which have been maturing out the portfolio. As we approach the bottom of lower interest rates, we began purchasing securities in the 1 – 2 year maturity sector so we will be ready when there is a rise in interest rates. The economy has been showing very sluggish signs of recovery from the recession that officially ended in 2009. We continue to purchase securities in the 2 year maturity sector to keep our average maturity around 6 to 9 months.

Period	0 – 1 Year	1 – 2 Years	2 – 5 Years
1 st quarter, 2008	77%	4%	19%
2 nd quarter, 2008	68%	15%	17%
3 rd quarter, 2008	72%	21%	7%
4 th quarter, 2008	67%	18%	15%
1 st quarter, 2009	63%	20%	17%
2 nd quarter, 2009	80%	10%	10%
3 rd quarter, 2009	86%	7%	7%
4 th quarter, 2009	72%	26%	2%
1 st quarter, 2010	69%	24%	7%
2 nd quarter, 2010	76%	16%	8%
3 rd quarter, 2010	74%	15%	11%
4 th quarter, 2010	71%	18%	11%
1 st quarter, 2011	67%	24%	9%
2 nd quarter, 2011	64%	30%	6%

During the second quarter of 2011, our target range for duration was between .5 and .75 years. We continue to maintain high credit quality in portfolio while we constantly monitor our investment strategy. We remain proactive as economic conditions fluctuate.

Davidson Fixed Income Management provides a third party review of the Treasurer's Investment Portfolio and provides investment advice.

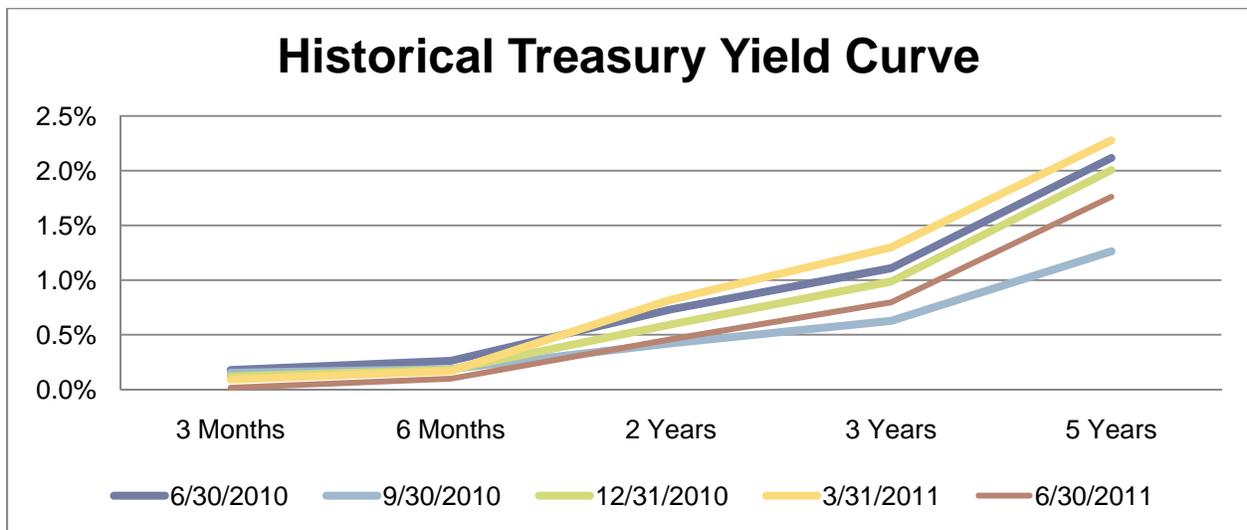
SECTION V – ECONOMIC/MARKET CONDITIONS

The national unemployment rate rose to 9.1%. Net job growth is stagnant as an increase in the labor force matched the increase in employment. Also, it appears that government employment is finally stabilizing. On balance, this employment report will increase pressure on the Administration and the Fed to “do something” about the poor state of the labor markets. Not only are employers not hiring, they are not expanding hours. The average workweek for all workers in August edged down to 34.2 hours from 34.3 in July. Interestingly, household employment rebounded 331,000 after a 38,000 dip in July and a 445,000 drop in June. However, the labor force expanded 366,000 in August, following declines of 193,000 in July and 272,000 in June.

The Fed has stated that it will hold the fed funds rate near zero until the middle of 2013. At least this gives us some direction as to what we can expect for interest rates the next two years – more of the same. This direction allows us little flexibility in structuring the Pool to enhance yield without sacrificing our primary directives of principal Integrity and liquidity.

New home sales fell 0.7% in the month of July to 298K level. The declining demand for houses, along with the rising level of foreclosed homes, drove home prices down 0.6% in second quarter. The housing market continues to decline as a record number of foreclosures are expected in 2011.

Below you will find a chart of U.S. Treasury yields from 6/30/2010 to 6/30/2011. As you can see, yields on the front end of the curve (less than one year) have continued to decline but yields on two years and greater have also fallen (less 9/30/2010).



Sources: Bloomberg, FTN Financial

SECTION VI - PORTFOLIO

ENTIRE PORTFOLIO:

Exhibit One shows the makeup of the entire portfolio at the end of the quarter. 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 portfolio. All percentages are consistent with the current Investment Policy.

Exhibit Two shows the entire portfolio listing as of the end of the quarter. This report shows the book value, the par value, and the market value of the portfolio.

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

Exhibit Four reflects the percentage of securities purchased from each issuer relative to the entire portfolio. All the percentages are consistent with the current Investment Policy.

Exhibit Five shows all investment purchases and maturities.

INVESTMENT POOL:

Exhibit Six show the makeup of the Clark County Investment Pool at the end of the quarter. This exhibit is used to monitor compliance with the Investment Policy as far as the diversification of the securities held and related percentage of the total portfolio for each type of security. All percentages are consistent with the current Investment Policy.

Exhibit Seven shows the portfolio listings of the Clark county Investment Pool at the end of the quarter. This report contains the book value, the par value, and the market value.

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

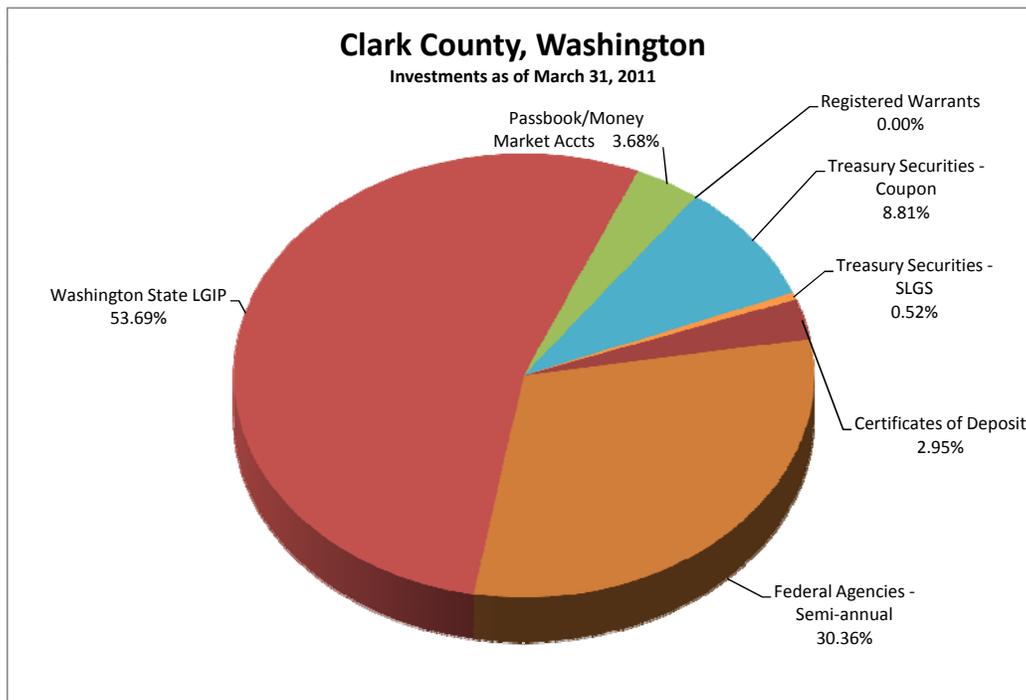
Exhibit Nine reflects the percentage of securities purchased from each issuer for the Clark County Investment Pool. All percentages are consistent with the current Investment Policy.

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
June 30, 2011**

Investments	Book Value	Percent of Portfolio	Average Days to Maturity	Yield to Maturity
Bankers Acceptances	\$ -	-		
Certificates of Deposit	\$ 15,050,000	2.95%	120	1.25%
Commercial Paper - Discount	\$ -	-		
Federal Agencies - Annual	\$ -	-		
Federal Agencies - Discount	\$ -	-		
Federal Agencies - Semi-annual	\$ 154,984,570	30.36%	605	1.19%
Municipal Bonds	\$ -	-		
Washington State LGIP	\$ 274,101,166	53.69%	1	0.23%
Passbook/Money Market Accts	\$ 18,773,612	3.68%	1	0.26%
Registered Warrants	\$ -	-	1	2.44%
Treasury Securities - Coupon	\$ 44,962,695	8.81%	565	0.71%
Treasury Securities - SLGS	\$ 2,645,000	0.52%	137	0.03%
Total	\$ 510,517,043	100.00%	238	0.60%
Accrued Interest at Purchase	\$ 7,677			
Total Cash and Investments	\$ 510,524,720			



**Clark County, Washington
Investment Portfolio
June 30, 2011**

Investment Number		Purchase Date	Cusip Number	Book Value	Amortized Disc/(Prem)	Amortized Book Value	Par Value	Market Price 06/30/11	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 Call or Maturity	Days to Maturity	
INSIDE POOL INVESTMENTS																			
CD's		2.94%																	
89983296	Umpqua Bank	10/30/2009		10,000,000.00		10,000,000.00	10,000,000.00		10,000,000.00				1.650	1.627	1.650	10/31/11	122	122	
89983350	Umpqua Bank	4/25/2011		5,000,000.00		5,000,000.00	5,000,000.00		5,000,000.00				0.500	0.493	0.500	10/24/11	115	115	
Subtotal & Averages				15,000,000.00		15,000,000.00	15,000,000.00		15,000,000.00				1.249	1.267		120	120	4.0	
US Treasuries		8.81%																	
89983344	US Treasury	02/04/11	912828PR	9,985,937.50	2,843.45	9,988,780.95	10,000,000.00	100.383	10,038,281.00	52,343.50	49,500.05	0.496%	0.625	0.687	0.696	01/31/13	580	580	
89983345	US Treasury	02/08/11	912828PR	9,968,750.00	6,180.84	9,974,930.84	10,000,000.00	100.383	10,038,281.00	69,531.00	63,350.16	0.635%	0.625	0.774	0.785	01/31/13	580	580	
89983348	US Treasury	03/31/11	912828QL7	4,994,921.88	639.11	4,995,560.99	5,000,000.00	100.602	5,030,078.00	35,156.12	34,517.01	0.691%	0.750	0.790	0.801	03/31/13	639	639	
89983349	US Treasury	04/07/11	912828QL7	4,993,750.00	733.77	4,994,483.77	5,000,000.00	100.602	5,030,078.00	36,328.00	35,594.23	0.713%	0.750	0.803	0.814	03/31/13	639	639	
89983355	US Treasury	05/25/11	912828PV6	5,010,351.56	(2,026.50)	5,008,325.06	5,000,000.00	100.219	5,010,937.50	585.94	2,612.44	0.052%	0.500	0.358	0.363	11/30/12	518	518	
89983358	US Treasury	06/03/11	912828PD6	10,008,984.38	(2,764.42)	10,006,219.96	10,000,000.00	100.059	10,005,859.00	(3,125.38)	(360.96)	-0.004%	0.375	0.307	0.311	10/31/12	488	488	
Subtotal & Averages				44,962,695.32	5,606.25	44,968,301.57	45,000,000.00		45,153,514.50	190,819.18	185,212.93		0.609	0.618		566	566		
Federal Agencies - Semi-Annual Coupon		30.36%																	
CALLABLE		21.54%																	
89983323	Federal Home Loan Mtg. Corp.	07/14/10	3134G1LJ1	5,000,000.00	0.00	5,000,000.00	5,000,000.00	100.056	5,002,800.00	2,800.00	2,800.00	0.056%	1.125	1.110	1.125	01/14/13	13	563	
89983327	Federal Nat'l Mtg Assoc.	09/21/10	31398A3U4	10,000,000.00	0.00	10,000,000.00	10,000,000.00	100.000	10,000,000.00	0.00	0.00	0.000%	0.700	0.690	0.700	09/21/12	82	448	
89983334	Federal Nat'l Mtg Assoc.	11/01/10	31398A5B4	10,000,000.00	0.00	10,000,000.00	10,000,000.00	100.063	10,006,300.00	6,300.00	6,300.00	0.063%	0.550	0.542	0.550	11/01/12	123	489	
89983332	Federal Home Loan Mtg. Corp.	11/15/10	3134G1XN9	10,000,000.00	0.00	10,000,000.00	10,000,000.00	100.130	10,013,000.00	13,000.00	13,000.00	0.130%	1.000	0.986	1.000	11/15/13	45	868	
89983347	Federal Home Loan Mtg. Corp.	03/04/11	3134G1XG6	5,000,000.00	0.00	5,000,000.00	5,000,000.00	100.068	5,003,400.00	3,400.00	3,400.00	0.068%	1.000	0.986	1.000	02/25/13	55	605	
89983351	Federal Home Loan Bank	04/29/11	313371MR4	9,987,000.00	1,084.79	9,988,084.79	10,000,000.00	100.031	10,003,100.00	16,100.00	15,015.21	0.150%	0.700	0.753	0.764	05/22/13	52	691	
89983352	Federal Nat'l Mtg Assoc.	05/19/11	31398A6L1	10,000,000.00	0.00	10,000,000.00	10,000,000.00	99.750	9,975,000.00	(25,000.00)	(25,000.00)	-0.250%	1.000	0.985	0.999	11/29/13	151	882	
89983353	Federal Home Loan Mtg. Corp.	05/24/11	3134G1ZC1	9,995,000.00	2,078.65	9,997,078.65	10,000,000.00	99.910	9,991,000.00	(4,000.00)	(6,078.65)	-0.061%	0.625	0.641	0.650	05/23/13	53	692	
89983359	Federal Home Loan Bank	06/13/11	31331KNE6	9,995,000.00	1,000.00	9,996,000.00	10,000,000.00	100.000	10,000,000.00	5,000.00	4,000.00	0.040%	0.480	0.502	0.509	03/13/13	74	621	
89983357	Federal Home Loan Mtg. Corp.	06/28/13	3134G2LA8	5,000,000.00	0.00	5,000,000.00	5,000,000.00	100.507	5,025,350.00	25,350.00	25,350.00	0.507%	0.700	0.690	0.700	06/28/13	89	728	
89983360	Federal Home Loan Mtg. Corp.	06/23/11	3134G2KY7	9,998,500.00	66.67	9,998,566.67	10,000,000.00	100.038	10,003,800.00	5,300.00	5,233.33	0.052%	0.750	0.746	0.757	09/23/13	175	815	
89983361	Federal Home Loan Bank	06/28/11	313374A83	9,999,800.00	18.18	9,999,818.18	10,000,000.00	100.000	10,000,000.00	200.00	181.82	0.002%	0.650	0.642	0.651	06/28/13	180	728	
89983362	Federal Home Loan Bank	06/28/11	313374FE5	5,000,000.00	0.00	5,000,000.00	5,000,000.00	99.995	4,999,750.00	(250.00)	(250.00)	-0.005%	0.500	0.493	0.500	12/28/12	27	546	
Subtotal & Averages - Federal Agencies				109,975,300.00	4,248.29	109,979,548.29	110,000,000.00		110,023,500.00	48,200.00	43,951.71		0.739	0.749		66	678		
BULLETS		8.82%																	
89983313	Federal Home Loan Bank	05/25/10	3133XYLD5	9,999,270.00	535.33	9,999,805.33	10,000,000.00	100.290	10,029,000.00	29,730.00	29,194.67	0.292%	0.785	0.779	0.790	11/25/11	147	147	
89983315	Federal Home Loan Bank	05/27/10	3133XWKU2	10,049,200.00	(26,518.19)	10,022,681.81	10,000,000.00	101.030	10,103,000.00	53,800.00	80,318.19	0.801%	1.375	1.114	1.129	06/08/12	343	343	
89983346	Federal Home Loan Mtg. Corp.	03/07/11	3137EACS6	9,967,500.00	5,000.00	9,972,500.00	10,000,000.00	100.489	10,048,900.00	81,400.00	76,400.00	0.766%	0.750	0.897	0.910	03/28/13	636	636	
89983354	Federal Nat'l Mtg Assoc.	05/24/11	31398A6F4	9,993,300.00	431.88	9,993,731.88	10,000,000.00	99.944	9,994,400.00	1,100.00	668.12	0.007%	0.375	0.411	0.417	12/28/12	546	546	
89983356	Federal Farm Credit Bank	06/03/11	31331KMM9	5,000,000.00	0.00	5,000,000.00	5,000,000.00	100.000	5,000,000.00	0.00	0.00	0.000%	0.350	0.345	0.350	12/03/12	521	521	
Subtotal & Averages - Federal Agencies				45,009,270.00	(20,550.98)	44,988,719.02	45,000,000.00		45,175,300.00	166,030.00	186,580.98		0.750	0.761		429	429		
Subtotal & Averages - Federal Agencies				154,984,570.00	(16,302.69)	154,968,267.31	155,000,000.00		155,198,800.00	214,230.00	230,532.69		0.742	0.753		156	606	5.2	20.2
Passbook/Money Market Accounts		57.02%																	
89980001	Washington State LGIP			272,333,296.52	0.00	272,333,296.52	272,333,296.52		272,333,296.52				0.139	0.137	0.139		1	1	
89983283	First Independent			3,257,376.01	0.00	3,257,376.01	3,257,376.01		3,257,376.01				0.250	0.247	0.250		1	1	
89983309	First Independent			3,500,000.00	0.00	3,500,000.00	3,500,000.00		3,500,000.00				0.000	0.000	0.000		1	1	
89980010	Umpqua Bank			12,016,235.86	0.00	12,016,235.86	12,016,235.86		12,016,235.86				0.260	0.256	0.260		1	1	
Subtotal & Averages				291,106,908.39	0.00	291,106,908.39	291,106,908.39		291,106,908.39				0.142	0.144		1.0	1		
Grand Total (Inside Investments only)				506,054,173.71	(10,696.44)	506,043,477.27	506,106,908.39		506,459,222.89	214,230.00	230,532.69		0.396	0.402		Days: 102	240	Months: 3.4	8.0
OUTSIDE POOL INVESTMENTS																			
Outside Investments - General Fund (the Columbian)		0.01%																	
00013321	Umpqua Bank	6/30/2010		50,000.00		50,000.00	50,000.00		50,000.00				0.650	0.641	0.650	06/30/11	0	0	
Subtotal & Averages				50,000.00	0.00	50,000.00	50,000.00		50,000.00	0.00	0.00		0.64	0.65		0	0		
Outside Investments - Camp Bonneville		0.35%																	
10130001	Washington State LGIP	12/07/07		1,767,869.26	0.00	1,767,869.26	1,767,869.26		1,767,869.26				0.139	0.139	0.141		1	1	
Subtotal & Averages				1,767,869.26	0.00	1,767,869.26	1,767,869.26		1,767,869.26	0.00	0.00		0.14	0.14		1	1		
U.S. Treasury Securities - SLGS		0.52%																	
61093341	US Treasury	01/06/11		473,000.00	0.00	473,000.00	473,000.00		473,000.00				0.030	0.030	0.030		138	138	
61123340	US Treasury	01/06/11		180,000.00	0.00	180,000.00	180,000.00		180,000.00				0.030	0.030	0.030		138	138	
61243342	US Treasury	01/13/11		362,000.00	0.00	362,000.00	362,000.00		362,000.00				0.030	0.030	0.030		138	138	
61273343	US Treasury	01/26/11		1,630,000.00	0.00	1,630,000.00	1,630,000.00		1,630,000.00				0.030	0.030	0.030		138	138	
Subtotal & Averages				2,645,000.00	0.00	2,645,000.00	2,645,000.00		2,645,000.00	0.00	0.00		0.008	0.008		138.0	138	4	

EXHIBIT 3

**CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
AGING OF MATURING INVESTMENTS
June 30, 2011**

Days to Maturity	Book Value	% Maturing	Cumulative % Maturing
1	\$292,874,778	57.37%	57.37%
2 - 90	\$0	0.00%	57.37%
91 - 180	\$27,644,270	5.41%	62.78%
181 - 270	\$0	0.00%	62.78%
271 - 360	\$10,049,200	1.97%	64.75%
361 - 450	\$10,050,000	1.97%	66.72%
451 - 540	\$30,019,336	5.88%	72.60%
541 - 630	\$64,937,987	12.72%	85.32%
631 - 720	\$29,943,172	5.87%	91.19%
721 - 900	\$44,998,300	8.81%	100.00%
901 - 1300	\$0	0.00%	100.00%
TOTALS	\$510,517,043	100.00%	

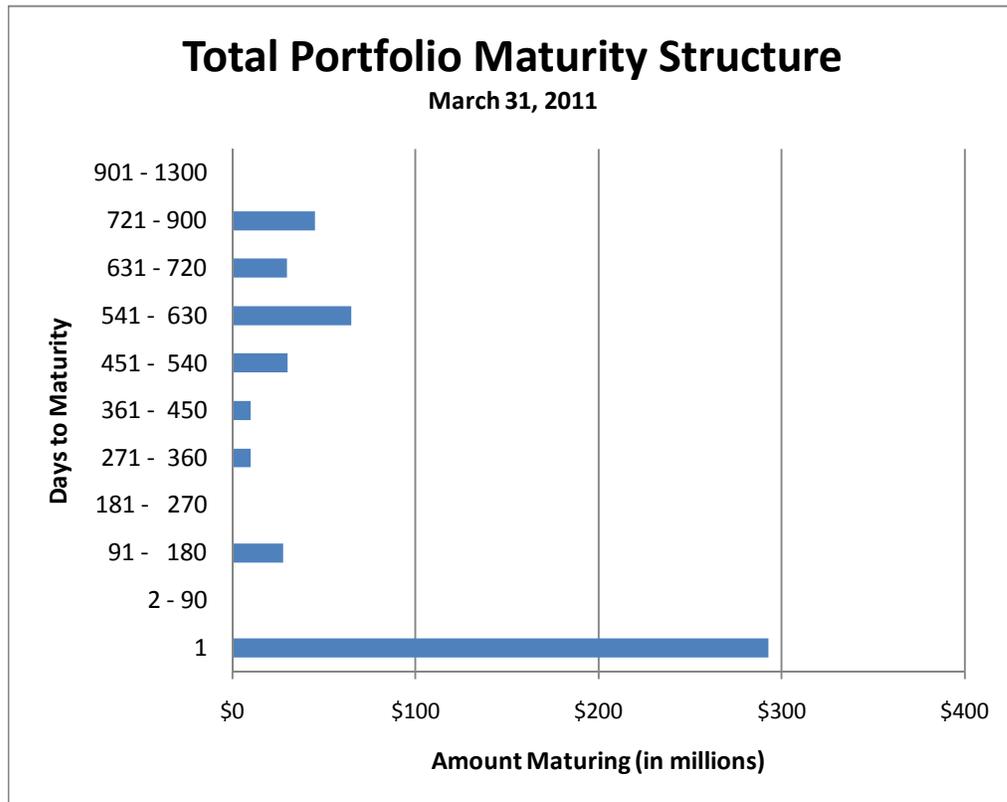


Exhibit 4

**CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
SUMMARY OF INVESTMENTS BY ISSUER
June 30, 2011**

Issuer	Number of Investments	Book Value	% of Portfolio	Yield to Maturity	Days to Maturity
Federal Farm Credit Bank	2	14,995,000	2.94%	0.46%	587
Federal Home Loan Bank	5	45,035,270	8.82%	0.80%	484
Federal Home Loan Mtg Corp.	7	54,961,000	10.77%	0.86%	719
Federal National Mtg Association	4	39,993,300	7.83%	0.62%	591
First Independent Bank	2	6,757,376	1.32%	0.12%	1
US Treasury	6	44,962,695	8.81%	0.62%	565
Umpqua Bank	4	27,066,236	5.30%	0.82%	67
Washington State LGIP	2	274,101,166	53.69%	0.16%	1
State and Local Government Series	4	2,645,000	0.52%	0.11%	137
Registered Warrants	1	-	0.00%	2.44%	1
TOTALS and AVERAGES	37	510,517,043	100.00%	0.41%	238

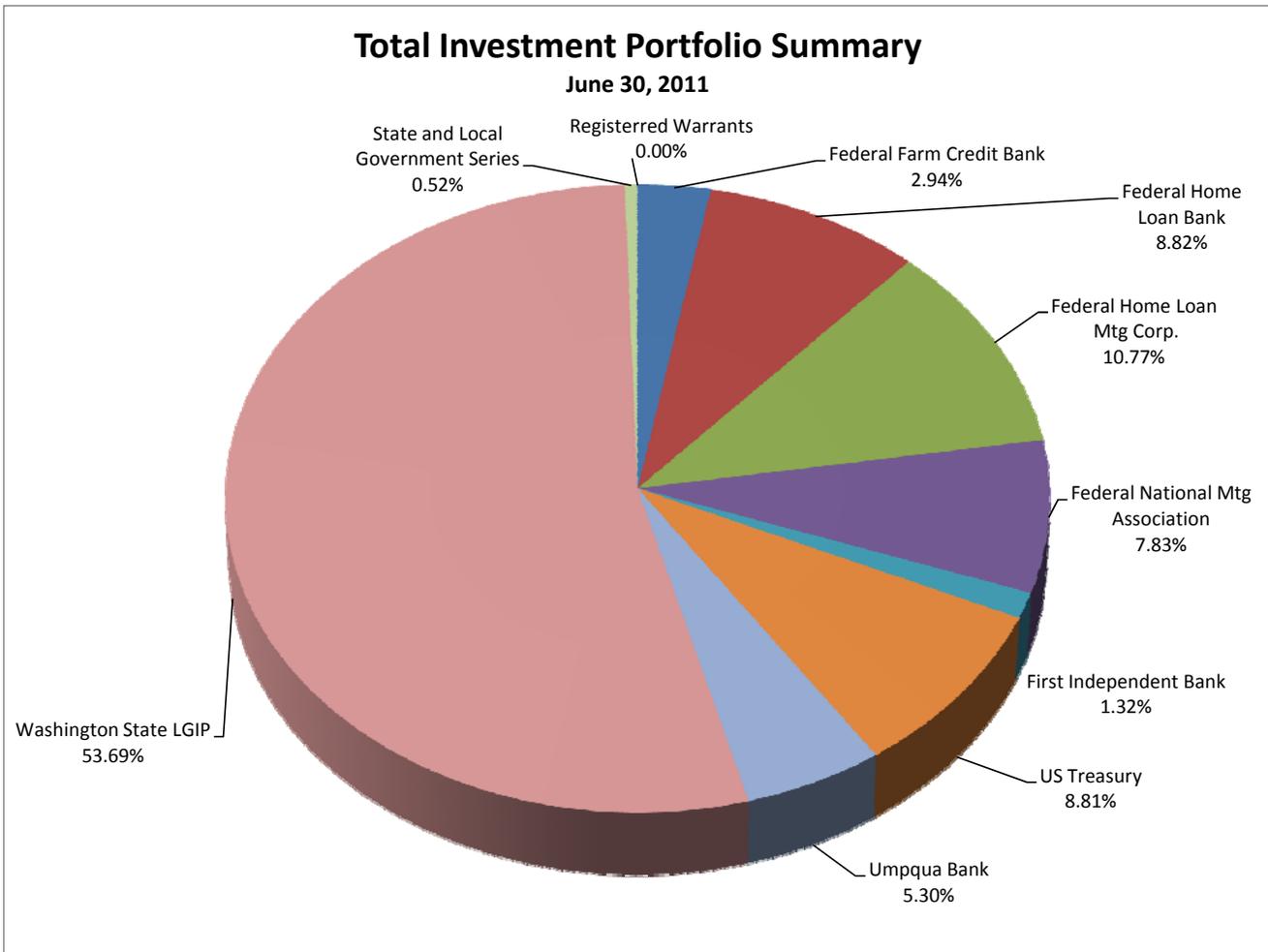


EXHIBIT 5

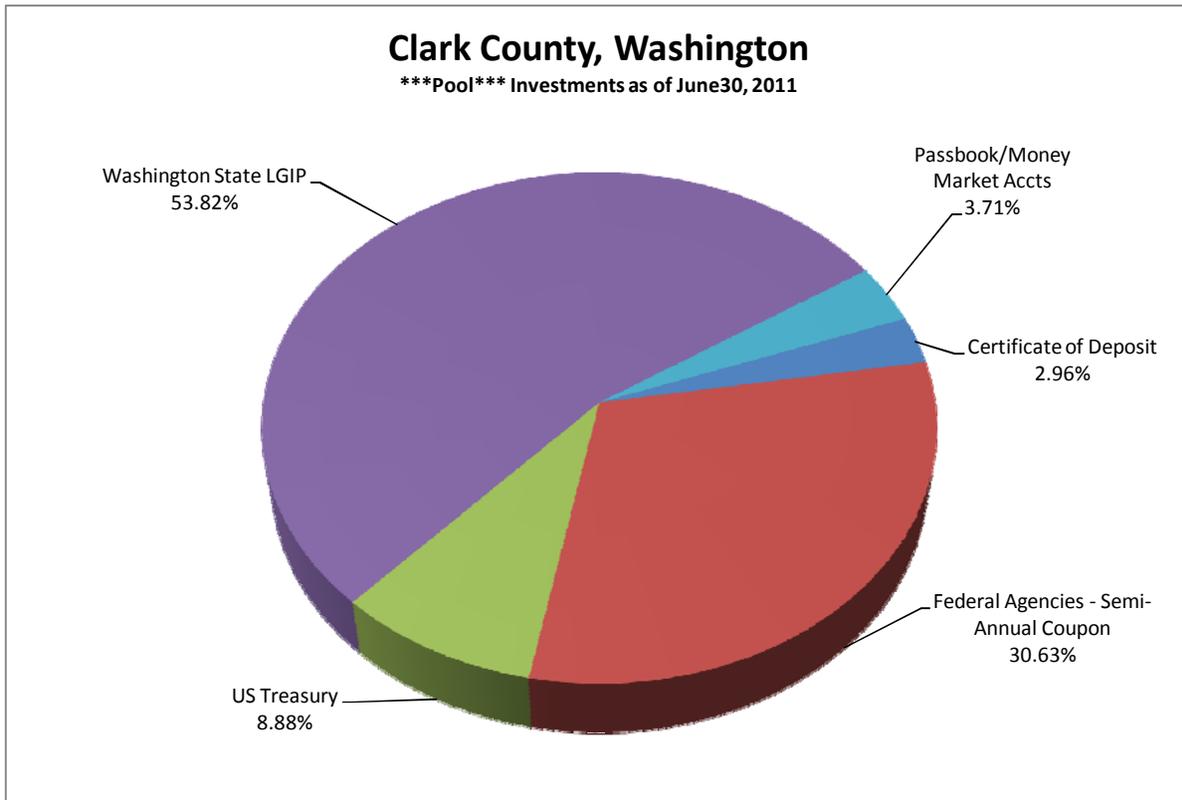
**CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
INVESTMENT ACTIVITY BY TYPE
June 30, 2011**

NUMBER	ISSUER	STATED RATE	DATE	PURCHASES	MATURITIES	BALANCE		
FEDERAL AGENCIES - SEMI ANNUAL COUPON				BEGINNING BALANCE:		140,517,420.00		
89983259	Federal Farm Credit Bank	2.625			4,947,350.00			
89983329	Federal Home Loan Bank	0.625			9,999,300.00			
89983336	Federal Home Loan Bank	0.500			4,998,750.00			
89983328	Federal National Mtg Assoc	0.700			10,000,000.00			
89983324	Federal Home Loan Mtg Corp	1.300			10,000,000.00			
89983351	Federal Home Loan Bank	0.700	04/29/11	9,987,000.00				
89983258	Federal Home Loan Bank	2.625			4,922,650.00			
89983335	Federal Home Loan Bank	0.450			10,000,000.00			
89983260	Federal National Mtg Assoc	6.000			10,633,400.00			
89983325	Federal Home Loan Mtg Corp	1.150			5,000,000.00			
89983352	Federal National Mtg Assoc	1.000	05/19/11	10,000,000.00				
89983354	Federal National Mtg Assoc	0.375	05/24/11	9,993,300.00				
89983353	Federal Home Loan Mtg Corp	0.625	05/24/11	9,995,000.00				
89983356	Federal Farm Credit Bank	0.350	06/03/11	5,000,000.00				
89983359	Federal Farm Credit Bank	0.480	06/13/11	9,995,000.00				
89983361	Federal Home Loan Bank	0.650	06/28/11	9,999,800.00				
89983362	Federal Home Loan Bank	0.500	06/28/11	5,000,000.00				
89983357	Federal Home Loan Mtg Corp	0.700	06/28/11	5,000,000.00				
89983360	Federal Home Loan Mtg Corp	0.750	06/23/11	9,998,500.00				
SUBTOTALS and ENDING BALANCE - April				9,987,000.00	39,945,400.00	110,559,020.00		
SUBTOTALS and ENDING BALANCE - May				29,988,300.00	30,556,050.00	109,991,270.00		
SUBTOTALS and ENDING BALANCE - June				44,993,300.00	0.00	154,984,570.00		
TREASURY SECURITIES - COUPON				BEGINNING BALANCE:		39,910,937.51		
89983338	US Treasury Note	0.500			9,976,562.50			
89983339	US Treasury Note	0.500			4,984,765.63			
89983349	US Treasury Note	0.750	04/07/11	4,993,750.00				
89983355	US Treasury Note	0.750	05/25/11	5,010,351.56				
89983358	US Treasury Note	0.375	06/03/11	10,008,984.38				
SUBTOTALS and ENDING BALANCE - April				4,993,750.00	14,961,328.13	29,943,359.38		
SUBTOTALS and ENDING BALANCE - May				5,010,351.56	0.00	34,953,710.94		
SUBTOTALS and ENDING BALANCE - June				10,008,984.38	0.00	44,962,695.32		
TREASURY SECURITIES - SLGS				BEGINNING BALANCE:		2,645,000.00		
SUBTOTALS and ENDING BALANCE - April				0.00	0.00	2,645,000.00		
SUBTOTALS and ENDING BALANCE - May				0.00	0.00	2,645,000.00		
SUBTOTALS and ENDING BALANCE - June				0.00	0.00	2,645,000.00		
CLARK COUNTY				BEGINNING BALANCE:		165,475.58		
April	Registered Warrant Invest Acct	2.44%		19,460.72	165,475.58	19,460.72		
May	Registered Warrant Invest Acct	2.44%		0.00	19,460.72	0.00		
June	Registered Warrant Invest Acct	2.44%		0.00	0.00	0.00		
First Independent Bank				BEGINNING BALANCE:		6,755,346.58		
April	Public Checking Account	0.250		668.91	0.00	6,756,015.49		
May	Public Checking Account	0.250		691.34	0.00	6,756,706.83		
June	Public Checking Account	0.250		669.18	0.00	6,757,376.01		
Umpqua Bank				BEGINNING BALANCE:		12,008,150.75		
April	Public Checking Account	0.300		2,862.22	0.00	12,011,012.97		
May	Public Checking Account	0.260		2,685.20	0.00	12,013,698.17		
June	Public Checking Account	0.260		2,537.69	0.00	12,016,235.86		
STATE POOL				BEGINNING BALANCE:		243,167,245.64		
April	Washington State Pool	0.172		194,538,473.55	17,000,000.00	420,705,719.19		
May	Washington State Pool	0.139		65,574,395.03	93,022,439.47	393,257,674.75		
June	Washington State Pool	0.158		3,043,491.03	122,200,000.00	274,101,165.78		
April				TOTALS	460,219,576.06	209,542,215.40	72,072,203.71	597,689,587.75
May				TOTALS	597,689,587.75	100,576,423.13	123,597,950.19	574,668,060.69
June				TOTALS	574,668,060.69	58,048,982.28	122,200,000.00	510,517,042.97

Exhibit 6

CLARK COUNTY *Pool*** INVESTMENT PORTFOLIO
DISTRIBUTION OF INVESTMENTS BY TYPE
June 30, 2011**

Investments	Book Value	Percent of Portfolio	Average Days to Maturity	Yield to Maturity
Certificate of Deposit	\$ 15,000,000	2.96%	120	1.25%
Federal Agencies - Semi-Annual Coupon	\$ 154,984,570	30.63%	605	3.08%
US Treasury	\$ 44,962,695	8.88%	565	0.71%
Washington State LGIP	\$ 272,333,297	53.82%	1	0.23%
Passbook/Money Market Accts	\$ 18,773,612	3.71%	1	0.26%
Total	\$ 506,054,174	100.00%	240	1.18%
Total Cash and Investments	<u>\$ 506,054,174</u>			



**Clark County, Washington
Investment Portfolio
June 30, 2011**

Investment Number	Purchase Date	Cusip Number	Book Value	Amortized Disc/(Prem)	Amortized Book Value	Par Value	Market Price 06/30/11	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 Call or Maturity	Days to Maturity
INSIDE POOL INVESTMENTS																	
CD's 2.96%																	
89983296	Umpqua Bank	10/30/2009	10,000,000.00		10,000,000.00	10,000,000.00		10,000,000.00				1.650	1.627	1.650	10/31/11	122	122
89983350	Umpqua Bank	4/25/2011	5,000,000.00		5,000,000.00	5,000,000.00		5,000,000.00				0.500	0.493	0.500	10/24/11	115	115
Subtotal & Averages			15,000,000.00		15,000,000.00	15,000,000.00		15,000,000.00				1.249	1.267			120	120
US Treasuries 8.88%																	
89983344	US Treasury	02/04/11	9,985,937.50	2,843.45	9,988,780.95	10,000,000.00	100.383	10,038,281.00	52,343.50	49,500.05	0.496%	0.625	0.687	0.696	01/31/13	580	580
89983345	US Treasury	02/08/11	9,968,750.00	6,180.84	9,974,930.84	10,000,000.00	100.383	10,038,281.00	69,531.00	63,350.16	0.635%	0.625	0.774	0.785	01/31/13	580	580
89983348	US Treasury	03/31/11	4,994,921.88	639.11	4,995,560.99	5,000,000.00	100.602	5,030,078.00	35,156.12	34,517.01	0.691%	0.750	0.790	0.801	03/31/13	639	639
89983349	US Treasury	04/07/11	4,993,750.00	733.77	4,994,483.77	5,000,000.00	100.602	5,030,078.00	36,328.00	35,594.23	0.713%	0.750	0.803	0.814	03/31/13	639	639
89983355	US Treasury	05/25/11	5,010,351.56	(2,026.50)	5,008,325.06	5,000,000.00	100.219	5,010,937.50	585.94	2,612.44	0.052%	0.500	0.358	0.363	11/30/12	518	518
89983358	US Treasury	06/03/11	10,008,984.38	(2,764.42)	10,006,219.96	10,000,000.00	100.059	10,005,859.00	(3,125.38)	(360.96)	-0.004%	0.375	0.307	0.311	10/31/12	488	488
Subtotal & Averages			44,962,695.32	5,606.25	44,968,301.57	45,000,000.00		45,153,514.50	190,819.18	185,212.93		0.609	0.618			566	566
Federal Agencies - Semi-Annual Coupon 30.63%																	
CALLABLE 21.73%																	
89983323	Federal Home Loan Mtg. Corp.	07/14/10	5,000,000.00	0.00	5,000,000.00	5,000,000.00	100.056	5,002,800.00	2,800.00	2,800.00	0.056%	1.125	1.110	1.125	01/14/13	13	563
89983327	Federal Nat'l Mtg Assoc.	09/21/10	10,000,000.00	0.00	10,000,000.00	10,000,000.00	100.000	10,000,000.00	0.00	0.00	0.000%	0.700	0.690	0.700	09/21/12	82	448
89983334	Federal Nat'l Mtg Assoc.	11/01/10	10,000,000.00	0.00	10,000,000.00	10,000,000.00	100.063	10,006,300.00	6,300.00	6,300.00	0.063%	0.550	0.542	0.550	11/01/12	123	489
89983332	Federal Home Loan Mtg. Corp.	11/15/10	10,000,000.00	0.00	10,000,000.00	10,000,000.00	100.130	10,013,000.00	13,000.00	13,000.00	0.130%	1.000	0.986	1.000	11/15/13	45	868
89983347	Federal Home Loan Mtg. Corp.	03/04/11	5,000,000.00	0.00	5,000,000.00	5,000,000.00	100.068	5,003,400.00	3,400.00	3,400.00	0.068%	1.000	0.986	1.000	02/25/13	55	605
89983351	Federal Home Loan Bank	04/29/11	9,987,000.00	1,084.79	9,988,084.79	10,000,000.00	100.031	10,003,100.00	16,100.00	15,015.21	0.150%	0.700	0.753	0.764	05/22/13	52	691
89983352	Federal Nat'l Mtg Assoc.	05/19/11	10,000,000.00	0.00	10,000,000.00	10,000,000.00	99.750	9,975,000.00	(25,000.00)	(25,000.00)	-0.250%	1.000	0.985	0.999	11/29/13	151	882
89983353	Federal Home Loan Mtg. Corp.	05/24/11	9,995,000.00	2,078.65	9,997,078.65	10,000,000.00	99.910	9,991,000.00	(4,000.00)	(6,078.65)	-0.061%	0.625	0.641	0.650	05/23/13	53	692
89983359	Federal Home Loan Bank	06/13/11	9,995,000.00	1,000.00	9,996,000.00	10,000,000.00	100.000	10,000,000.00	5,000.00	4,000.00	0.040%	0.480	0.502	0.509	03/13/13	74	621
89983357	Federal Home Loan Mtg. Corp.	06/28/13	5,000,000.00	0.00	5,000,000.00	5,000,000.00	100.507	5,025,350.00	25,350.00	25,350.00	0.507%	0.700	0.690	0.700	06/28/13	89	728
89983360	Federal Home Loan Mtg. Corp.	06/23/11	9,998,500.00	66.67	9,998,566.67	10,000,000.00	100.038	10,003,800.00	5,300.00	5,233.33	0.052%	0.750	0.746	0.757	09/23/13	175	815
89983361	Federal Home Loan Bank	06/28/11	9,999,800.00	18.18	9,999,818.18	10,000,000.00	100.000	10,000,000.00	200.00	181.82	0.002%	0.650	0.642	0.651	06/28/13	180	728
89983362	Federal Home Loan Bank	06/28/11	5,000,000.00	0.00	5,000,000.00	5,000,000.00	99.995	4,999,750.00	(250.00)	(250.00)	-0.005%	0.500	0.493	0.500	12/28/12	27	546
			109,975,300.00	4,248.29	109,979,548.29	110,000,000.00		110,023,500.00	48,200.00	43,951.71		0.739	0.749		66	678	
BULLETS 8.89%																	
89983313	Federal Home Loan Bank	05/25/10	9,999,270.00	535.33	9,999,805.33	10,000,000.00	100.290	10,029,000.00	29,730.00	29,194.67	0.292%	0.785	0.779	0.790	11/25/11	147	147
89983315	Federal Home Loan Bank	05/27/10	10,049,200.00	(26,518.19)	10,022,681.81	10,000,000.00	101.030	10,103,000.00	53,800.00	80,318.19	0.801%	1.375	1.114	1.129	06/08/12	343	343
89983346	Federal Home Loan Mtg. Corp.	03/07/11	9,967,500.00	5,000.00	9,972,500.00	10,000,000.00	100.489	10,048,900.00	81,400.00	76,400.00	0.766%	0.750	0.897	0.910	03/28/13	636	636
89983354	Federal Nat'l Mtg Assoc.	05/24/11	9,993,300.00	431.88	9,993,731.88	10,000,000.00	99.944	9,994,400.00	1,100.00	668.12	0.007%	0.375	0.411	0.417	12/28/12	546	546
89983356	Federal Farm Credit Bank	06/03/11	5,000,000.00	0.00	5,000,000.00	5,000,000.00	100.000	5,000,000.00	0.00	0.00	0.000%	0.350	0.345	0.350	12/03/12	521	521
			45,009,270.00	(20,550.98)	44,988,719.02	45,000,000.00		45,175,300.00	166,030.00	186,580.98		0.750	0.761		429	429	
Subtotal & Averages - Federal Agencies			154,984,570.00	(16,302.69)	154,968,267.31	155,000,000.00		155,198,800.00	214,230.00	230,532.69		0.742	0.753			156	606
Passbook/Money Market Accounts 57.52%																	
89980001	Washington State LGIP	53.82%	272,333,296.52	0.00	272,333,296.52	272,333,296.52		272,333,296.52				0.139	0.137	0.139		1	1
89983283	First Independent	0.64%	3,257,376.01	0.00	3,257,376.01	3,257,376.01		3,257,376.01				0.250	0.247	0.250		1	1
89983309	First Independent	0.69%	3,500,000.00	0.00	3,500,000.00	3,500,000.00		3,500,000.00				0.000	0.000	0.000		1	1
89980010	Umpqua Bank	2.37%	12,016,235.86	0.00	12,016,235.86	12,016,235.86		12,016,235.86				0.260	0.256	0.260		1	1
Subtotal & Averages			291,106,908.39	0.00	291,106,908.39	291,106,908.39		291,106,908.39				0.142	0.144			1.0	1
Grand Total (Inside Investments only)			506,054,173.71	(10,696.44)	506,043,477.27	506,106,908.39		506,459,222.89	214,230.00	230,532.69		0.400	0.405		Days: 102	Months: 3.4	240

EXHIBIT 8

CLARK COUNTY *POOL*** INVESTMENT PORTFOLIO
AGING OF MATURING INVESTMENTS
June 30, 2011**

Days to Maturity	Book Value	% Maturing	Cumulative % Maturing
1	\$291,106,908	57.52%	57.52%
2 - 90	\$0	0.00%	57.52%
91 - 180	\$24,999,270	4.94%	62.46%
181 - 270	\$0	0.00%	62.46%
271 - 360	\$10,049,200	1.99%	64.45%
361 - 450	\$10,000,000	1.98%	66.43%
451 - 540	\$30,019,336	5.93%	72.36%
541 - 630	\$64,937,988	12.83%	85.19%
631 - 720	\$29,943,172	5.92%	91.11%
721 - 900	\$44,998,300	8.89%	100.00%
901 - 1300	\$0	0.00%	100.00%
TOTALS	\$506,054,174	100.00%	

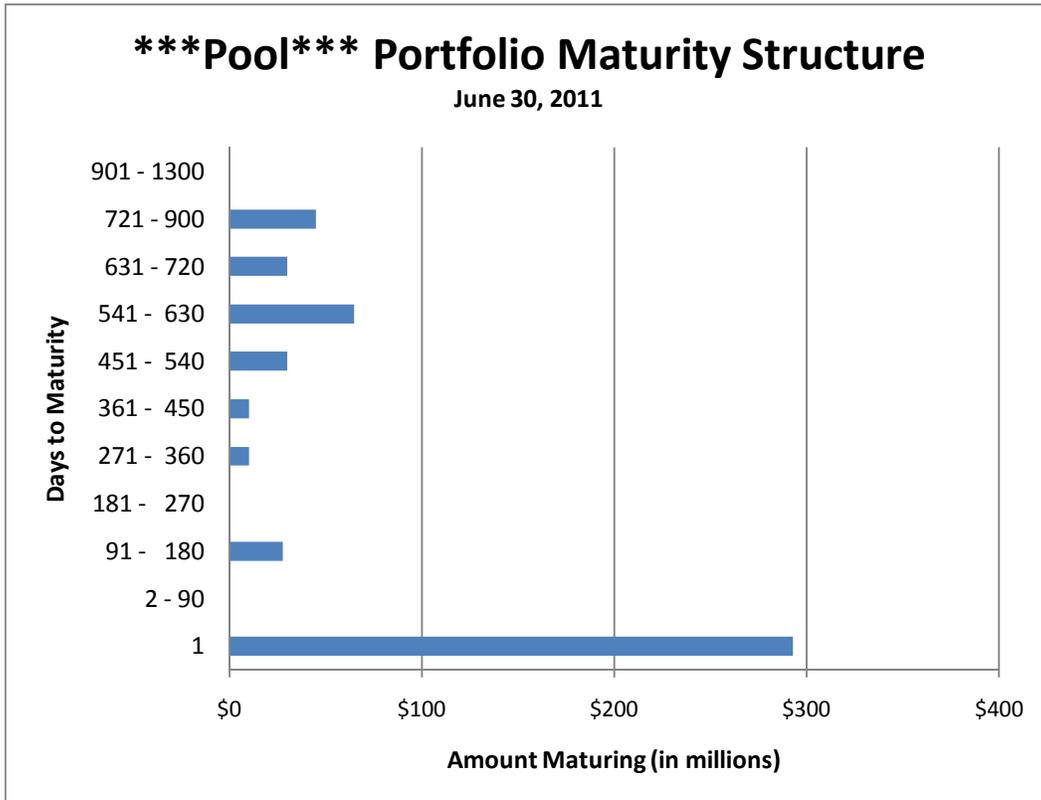


Exhibit 9

CLARK COUNTY *POOL*** INVESTMENT PORTFOLIO
SUMMARY OF INVESTMENTS BY ISSUER
June 30, 2011**

Issuer	Number of Investments	Book Value	% of Portfolio	Average Yield to Maturity	Days to Maturity
Federal Farm Credit Bank	2	14,995,000	2.96%	0.46%	587
Federal Home Loan Bank	5	45,035,270	8.90%	0.80%	484
Federal Home Loan Mtg Corp.	7	54,961,000	10.86%	0.86%	719
Federal National Mtg Association	4	39,993,300	7.90%	0.62%	591
US Treasury	6	44,962,695	8.88%	0.62%	565
First Independent Bank	2	6,757,376	1.34%	0.12%	1
Umpqua Bank	3	27,016,236	5.34%	0.82%	66
Washington State LGIP	1	272,333,297	53.82%	0.16%	1
TOTALS and AVERAGES	30	506,054,174	100.00%	0.41%	240

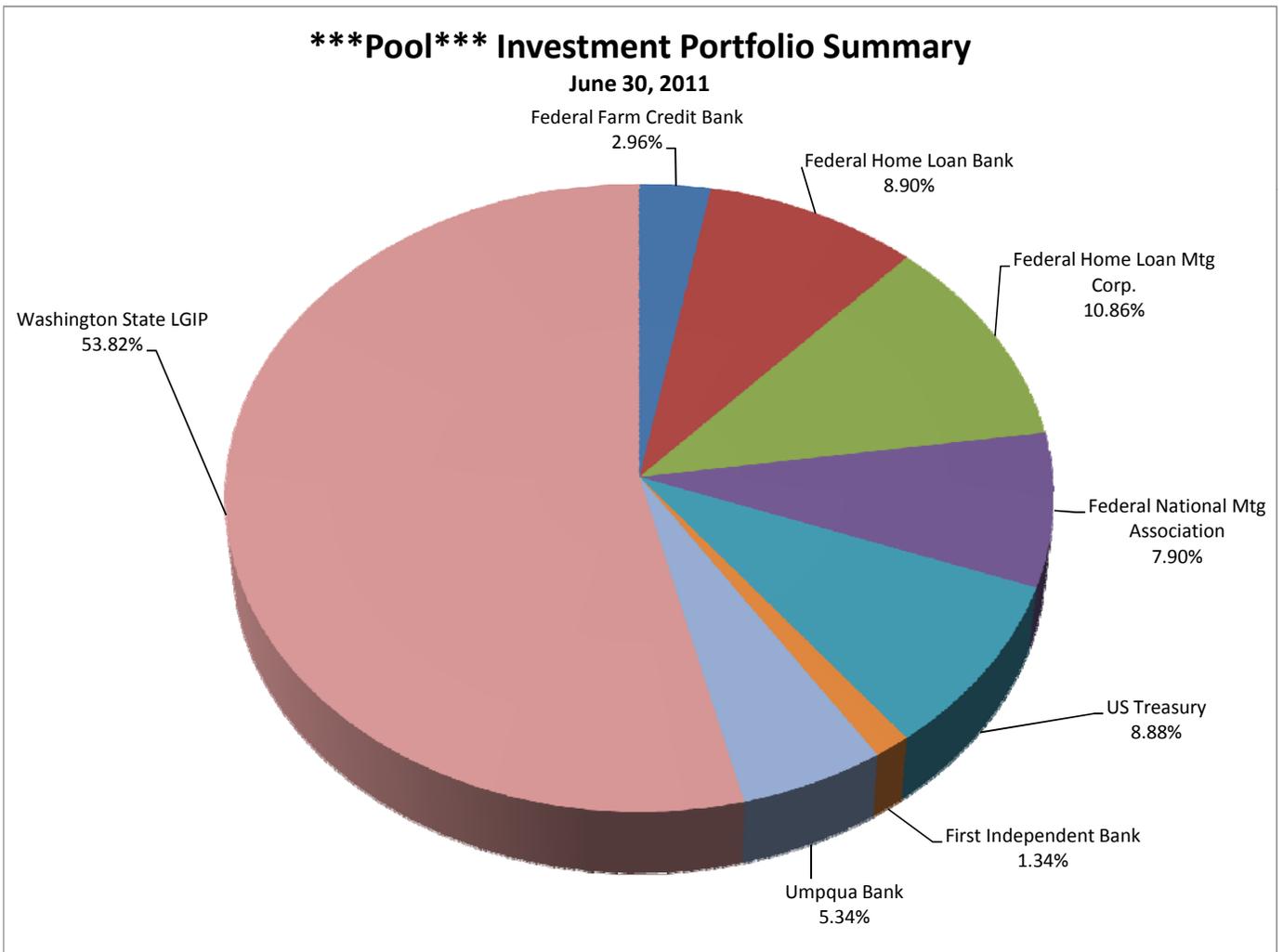


Exhibit 10 County Pool vs. State Pool January 2006 - June 2011

