

CLARK COUNTY
FINANCE COMMITTEE

FOURTH QUARTER, 2006



February 23, 2007

CLARK COUNTY
FINANCE COMMITTEE

INDEX

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SECTION I – October 23, 2006 MINUTES

**REGULAR MEETING MINUTES
CLARK COUNTY FINANCE COMMITTEE MEETING
October 23, 2006
1:30 p.m.
PSC Conference Room 678A**

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

Others in Attendance: John Payne, Jack Rasmusson, Cathy Huber Nickerson,
Pat Bourcier, Treasurer's Office

Recording: Kathleen Smithline

The meeting was called to order by Doug Lasher, Chair, at 1:35 p.m.. with a quorum present.

APPROVAL OF MINUTES

MOTION was made by Mark Boldt, seconded by Greg Kimsey, and unanimously carried to approve the Minutes of July 31, 2006.

APPROVAL OF COUNTY FINANCE REPORT

Jack Rasmusson presented an overview of the third-quarter, 2006, County Finance Report, which included investment strategies, economic and market conditions, and a review of the portfolio as of September 30, 2006. He stated the County's investment objectives, which are safety of principal, liquidity, and return on investment. Economic statistics were provided through Bloomberg.

- Monthly oil prices averaged \$67/barrel per quarter during the past four quarters while averaging \$40/barrel per quarter over the past six years.
- The GDP is expected to be below average over the next year due to higher borrowing costs resulting in a slowdown in housing construction.
- Inflation concerns remain high as the economy slows.
- Consumers remain confident about the economy as gas prices have declined.
- The unemployment rate continues to be low. If the labor market tightens, it will lead to wage acceleration above productivity growth with the possibility of leading to more inflation.
- The housing market continues to slow as inventory of unsold houses builds, and demand slows due to higher interest rates.
- Average pool balances are down 10.8% for the first three quarters of the year over the same time period last year due to bond proceeds used as construction projects are completed.
- The average investment maturities of the pool shortened to 7.3 months with the longest being 26.5 months.
- Clark County pool interest rate has averaged 4.13% per quarter over the past four quarters compared to 3.31% per quarter over the past six years. Investing in the County pool versus the state is still beneficial in the long term over the last 16 years due to the County pool having a longer average maturity.

Investment Strategy

- Continue to evaluate short-term investments and place investments in them when their return is higher than the projected Fed Fund rate.

- Lengthen the portfolio to an average maturity level of 7 to 8.5 months in the coming quarter.
- Increase allocation in callable securities.

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

PFM REPORT

Jack Rasmusson presented the Public Financial Management’s overview of the County’s investments for third-quarter, 2006.

Third-Quarter Market Conditions

- Interest rates for securities with a maturity date of two years or greater fell approximately 50 basis points during the quarter.
- The housing market continued to slow with larger-than-expected declines in housing starts, building permits, and existing homes sales.
- Inflation remained higher than the Federal Reserve’s long-term comfort range of 1% to 2%.

County Investment Portfolio

- Continues to be well diversified with the federal agency increasing from 61.7% to 68.5%.
- Maturity distribution stayed with PFM’s recommendation of 6.5 to 8 months but shorten from 7.5 to 7.2 months.
- Continues to maintain a diversified portfolio with high credit quality.
- Liquidity of the portfolio continues to be within PFM’s recommended range.
- Continues to be conservatively structured.

Investment Strategy Recommendations

- Extend excess liquid balance to 6 to 12 months.
- Increase exposure to callable securities.
- Extend average maturity of the pool portfolio to 7 to 8.5 months from 6.5 to 8 months.

OUTSTANDING DEBT REPORT

Jack Rasmusson presented the County Debt Status Report as of September 30, 2006. At the end of the third-quarter, the total outstanding debt of Clark County and the junior taxing districts totaled approximately \$862 million compared to \$863 million on June 30, 2006. The report reflects new issues for third-quarter, 2006; line of credit history; registered warrants history; Clark County Road line of credit, and a listing of outstanding debt as of September 30, 2006.

OTHER

- The Investment Advisory Committee indicated that they would like to continue with PFM’s contract. The County Finance Committee agreed. Barbara Fava will be here for the fourth quarter meeting in January.

MOTION was made by Greg Kimsey, seconded by Marc Boldt, and unanimously carried to adjourn the meeting.

Submitted by: _____
Greg Kimsey, Secretary

Prepared by: _____
Kathleen Smithline, Administrative Assistant

SECTION II - EXECUTIVE SUMMARY

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

During the fourth quarter of 2006, the average maturity of the portfolio remained at approximately 7.1 months which was slightly higher than the maturity at the end of the third quarter of 2006. The asset sector distribution of the portfolio changed during the fourth quarter, with approximately 53.81% of the portfolio invested in Federal Agencies, 30.71% invested in money markets, 14.67% invested in Certificates of Deposits, .32% invested in State and Local Government Securities and .49% invested in Municipal Bonds. This is compared with the third quarter of 2006's asset allocation of with 65.44% of the portfolio invested in Federal Agencies, 22.36% invested in money markets, 10.66% invested in Certificates of Deposits, .95% invested in State and Local Government Securities and .59% invested in Municipal Bonds. At the end of December 2006, the total book value of the portfolio was approximately \$409 million.

Residual balances for 2006 averaged nearly \$61 million per month which was \$6 million more than the monthly average during 2005. Interest earnings distributed to the County's General Fund during 2006 were \$2,771,381 compared to \$1,688,981 for 2005. The increase is a result of higher average balances and interest rates in 2006. The average interest rate of the Clark County Investment Pool 2006 was 4.40% compared to 2.92% in 2005. Interest earnings for 2006 were higher than the interest projections by approximately \$939 thousand.

County Pool balances averaged \$409 million in 2006, compared to an average of \$458 million during 2005. Interest earnings distributed to the County Pool participants for 2006 were \$18 million compared to \$14 million in 2005. Clark County funds made up 46.92% of the County Pool. Other major Pool participants include the Evergreen School District at 17.48%, Vancouver School District at 8.81% and all other districts at 26.79%.

The annualized quarterly total return for the County Pool came in at 4.60% compared to the custom Treasury total return index of 4.74%. On a book value return basis, the County Pool rate yielded 4.95%, compared to the custom Treasury Index's book value return of 5.04%. The net asset value of the County Pool ended the quarter at 1.001453. An unrealized gain of \$543,229 was distributed to the Clark County Pool participants for the fair market value adjustment at the end of December. This is in accordance with our investment policy, fair market value adjustments are made four times per year.

The investment strategy for the fourth quarter changed as market anticipation for indications that the Federal Reserve Board may start lowering interest rates heightened. The investment strategy also shifted from maintaining a high level of liquidity to extending the portfolio's weighted average maturity, due to projections that interest rates would decrease over the next year. Investments in Certificates of Deposit were selected when they out performed Federal Agencies. Further, the strategy was to capture value above current and future interest rate projections while still meeting the liquidity needs of the pool participants. This resulted in increasing the allocation to Certificates of Deposit.

SECTION III - 2006 YEAR-TO-DATE

During 2006, County residual principle balances averaged \$6 million more than 2005 on an average monthly basis. Actual average County residual balances on a monthly basis during 2006 have exceeded projections by approximately \$12 million for the year to date as denoted in the chart below.

Date	2005 Residual Balance	2006 Residual Balance	2006 Projected Residual Balance
January	31,441,518	37,172,482	22,000,000
February	28,958,387	33,898,473	28,000,000
March	29,345,855	33,516,954	30,000,000
April	52,246,810	56,492,091	44,000,000
May	115,797,577	137,020,119	104,000,000
June	66,314,929	74,374,931	53,000,000
July	48,659,829	49,311,781	42,000,000
August	35,531,995	33,303,408	39,000,000
September	32,458,751	32,448,658	29,000,000
October	51,447,682	57,058,097	43,000,000
November	103,305,762	117,132,223	99,000,000
December	53,741,571	65,214,194	46,000,000
Average	54,104,222	60,578,618	48,250,000

Since June 2004, the Fed has raised interest rates seventeen times by 25 basis points each time. This action brought the Fed funds rate from a 45-year low of 1.00% to 5.25% by the end of June 2006. Since then, the Fed has held interest rates steady at 5.25% during the third and fourth quarters. Actual interest earnings increased to \$2,771,381 in 2006 from \$1,688,981 during the same period in 2005 due to higher interest rates in 2006. As shown below, total interest earnings for the year are approximately \$939,000 more than the adjusted projected interest earnings for 2006.

Date	2005 Interest Earnings	2006 Interest Earnings	2006 Projected Interest Earnings*
January	48,411	122,180	66,874
February	43,243	103,400	77,311
March	57,878	110,237	92,225
April	96,691	190,160	132,000
May	293,460	518,096	324,191
June	172,047	278,948	160,767
July	133,261	194,199	135,265
August	100,869	133,401	128,960
September	90,019	127,554	94,250
October	152,252	221,335	144,408
November	324,948	493,841	321,750
December	175,901	278,030	154,483
Total	1,688,981	2,771,381	1,832,844

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

County Pool principle balances shown below, averaged around \$409 million for 2006, compared to nearly \$457 million for 2005, approximately 10.6% lower.

Date	2005 Pool Average Balance	2006 Pool Average Balance
January	412,745,365	407,102,676
February	403,670,700	382,941,849
March	409,191,900	368,991,583
April	423,845,571	387,059,971
May	568,784,439	512,470,329
June	534,484,719	437,071,313
July	450,544,350	386,039,295
August	437,450,935	374,864,710
September	429,307,008	370,266,837
October	443,248,270	395,816,370
November	534,621,558	494,045,709
December	445,299,666	393,914,827
Average	457,766,207	409,215,456

The table below reflects County Pool earnings of \$18.3 million for 2006, compared to \$13.7 million during 2005, resulting in increased earnings of approximately 33%. This is due to the raising interest rate environment that started in June of 2004 and has continued through the second quarter of 2006. Since the end of second quarter of 2006 interest rates have remained basically unchanged.

Date	2005 Pool Interest Earnings	2006 Pool Interest Earnings
January	635,325	1,334,998
February	581,897	1,128,046
March	806,636	1,216,416
April	783,697	1,298,123
May	1,434,642	1,935,565
June	1,386,852	1,637,008
July	1,234,714	1,518,440
August	1,241,301	1,491,176
September	1,190,921	1,458,155
October	1,310,417	1,533,976
November	1,680,052	2,079,883
December	1,454,950	1,672,909
Total	13,741,403	18,304,695

SECTION IV - QUARTERLY ACTIVITY

Figure One shows the major participants in the Clark County Investment Pool for the fourth quarter of 2006. As of December 31, 2006, County funds made up 46.92% of the pool, Evergreen School District – 17.48%, Vancouver School District – 8.81%, and all other districts – 26.79%.

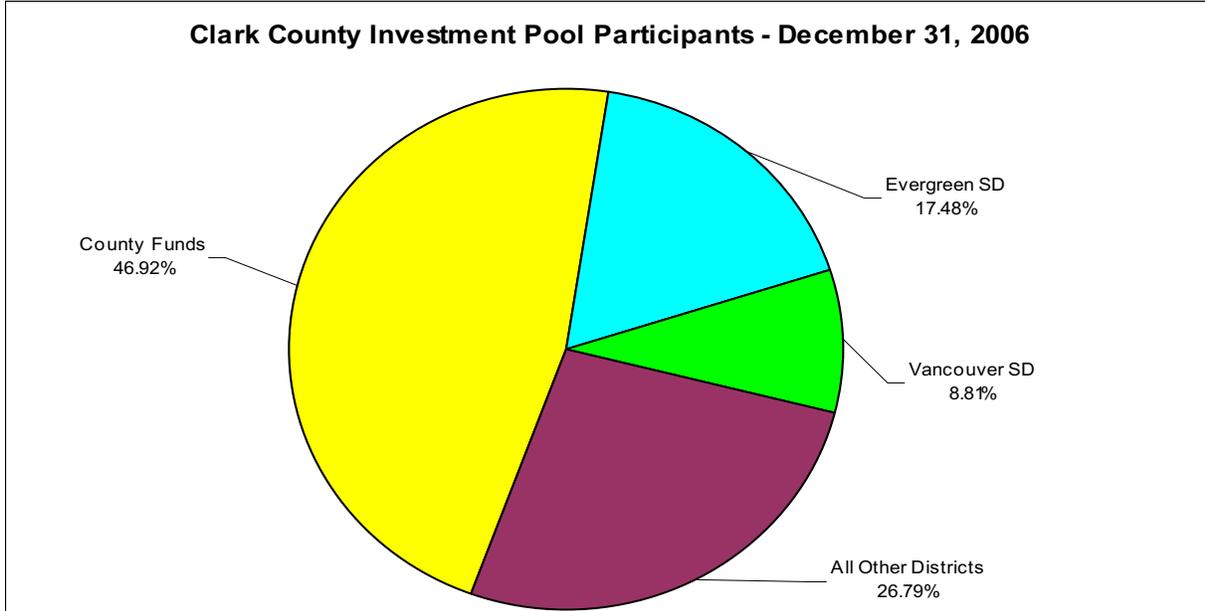


Figure 1

Figure Two illustrates month-end General Fund cash balances beginning with January 2005 through December 2006. For 2006, cash balances in the General Fund increased over 2005 by a monthly average of approximately \$2.2 million.

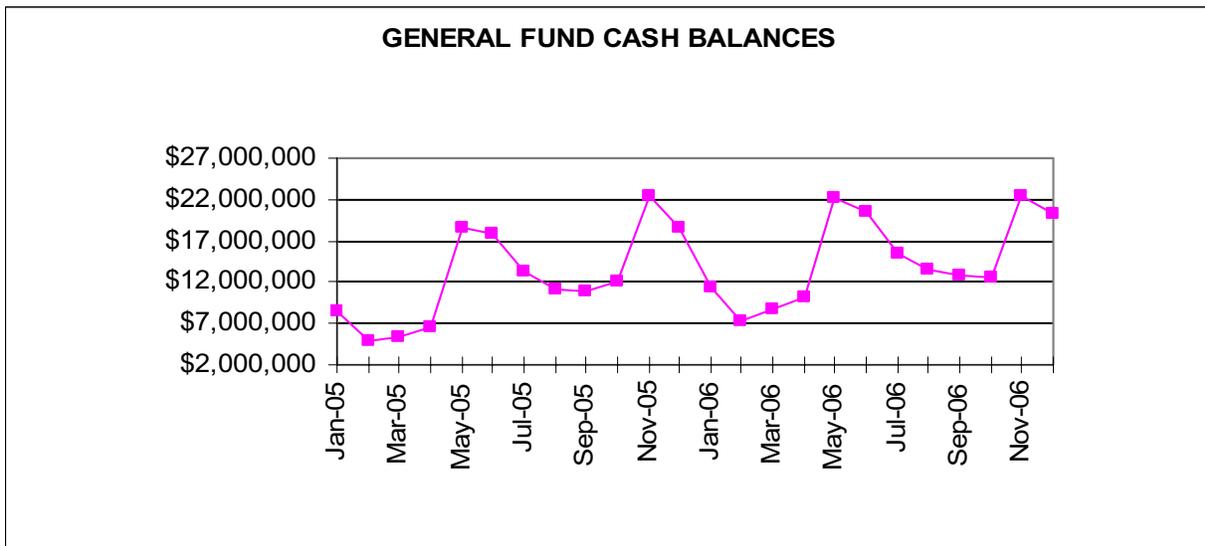


Figure 2

Figure Three reflects the average principle balances being maintained within the Pool in 2006 compared to 2005. For 2006, the average monthly principle balance decreased during the same period of 2005 by an average of \$48.6 million.

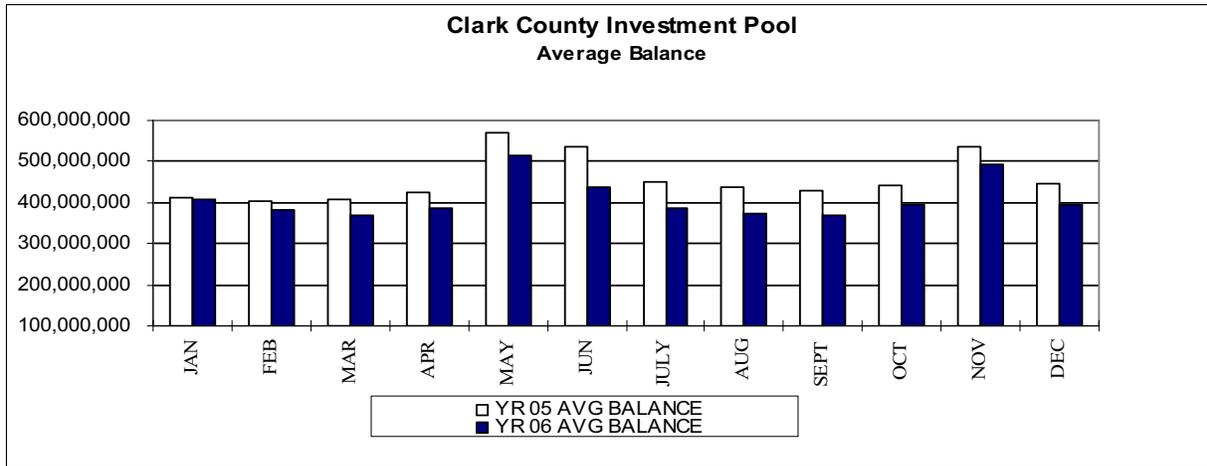


Figure 3

Figure Four reflects the actual monthly residual principle balances managed by the County for 2005 and 2006. For 2006, residual balances averaged \$6 million per month more than the same period in 2005.

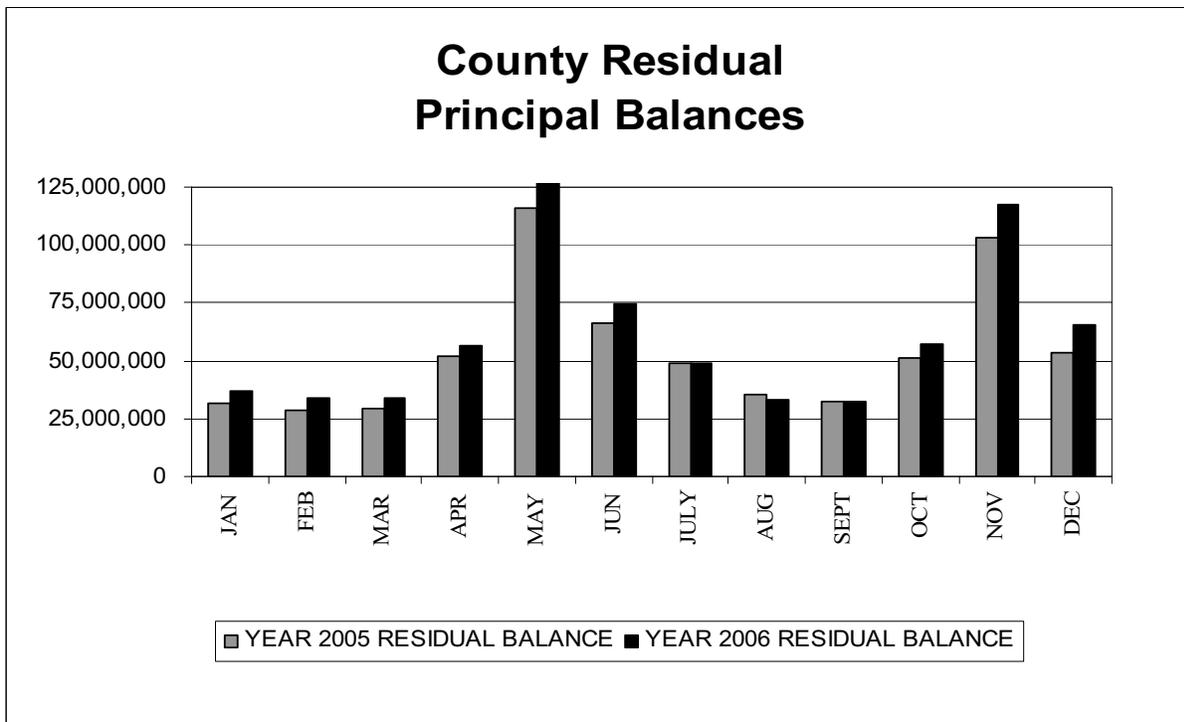


Figure 4

Figure Five shows interest earnings distributed each month to the County’s General fund from 2005 through 2006. During 2006, interest earnings averaged \$90 thousand more per month than during 2005. This is due to an increase in interest rates from 2005 to 2006. On an average monthly basis, \$230,948 was allocated to the General fund during 2006. For 2005, an average of \$140,748 was distributed to the General fund per month.

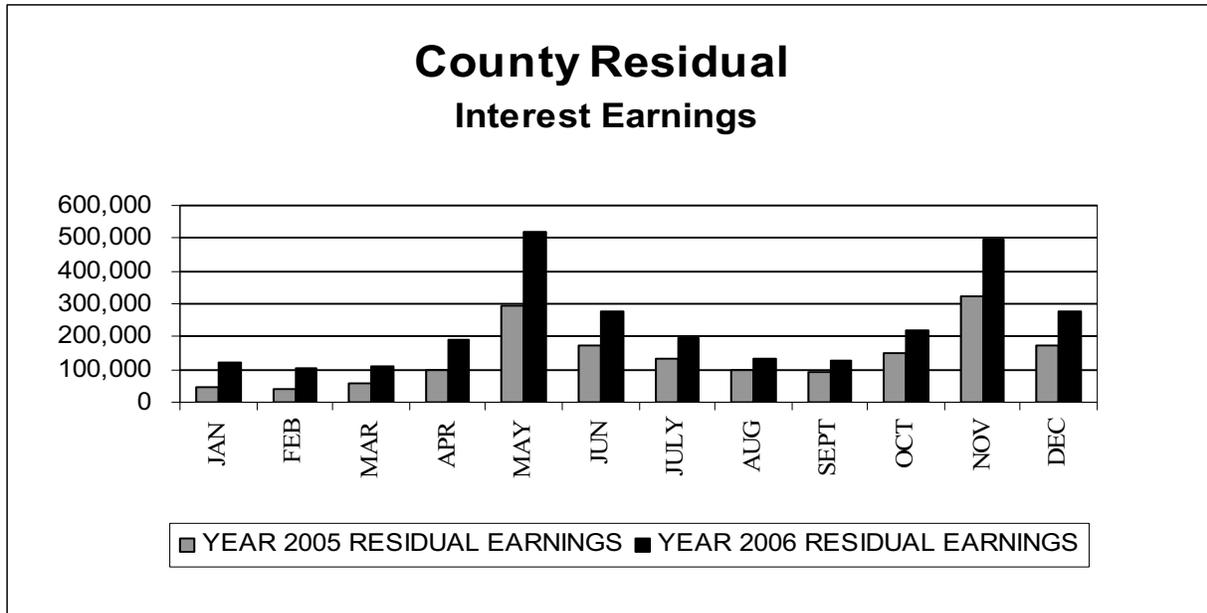


Figure 5

Figure Six shows the County Pool interest rates for 2005 and through 2006. The book value of the County Pool’s gross interest rate at December 31, 2006 was 4.95% compared to 3.8% at December 31, 2005.

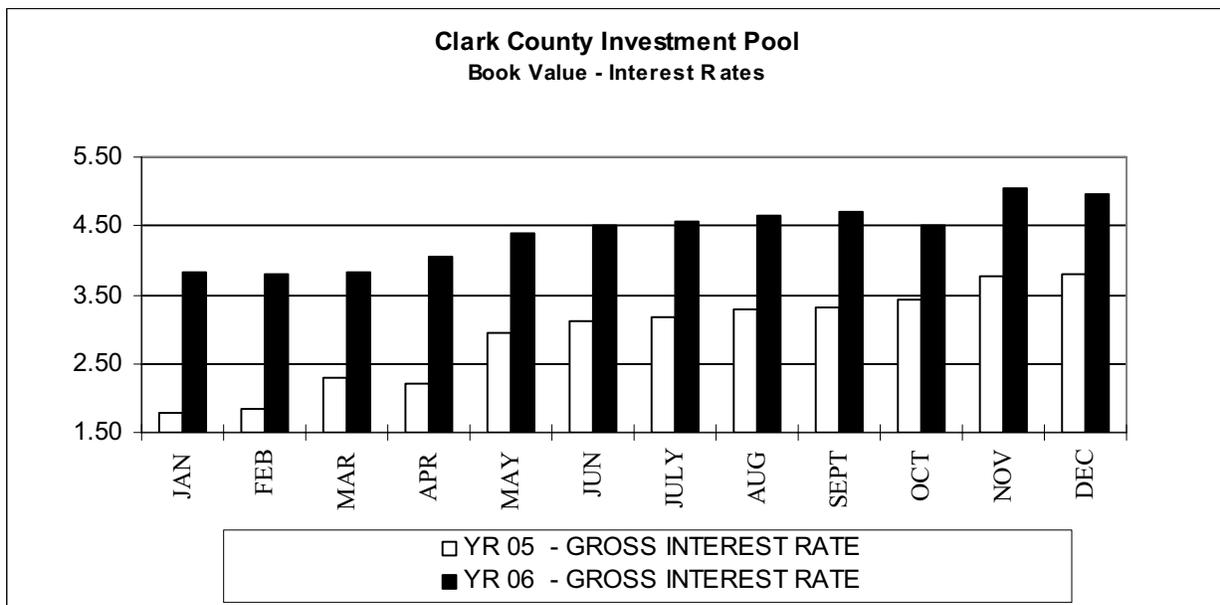


Figure 6

Figures 7 (a) and (b) compare performance on a book value return basis. The County Pool's interest rate is expressed as the net interest rate (the gross rate less the investment fee). The book value return of a portfolio measures the yield based on the yield of the securities at the time the securities are purchased. These performance benchmarks consist of a composite Treasury Index with an average maturity of nine months and the Washington State Local Government Investment Pool (LGIP) with an average maturity of approximately 36 days. The Clark County Investment Pool has an average maturity of approximately 7.7 months. The Treasury Index and the LGIP closely track current interest rates. At the end 2006, the County Pool's net rate, on a book value return basis was 4.95%, the Treasury Index was 5.04%, and the State Pool's net rate was 5.25%.

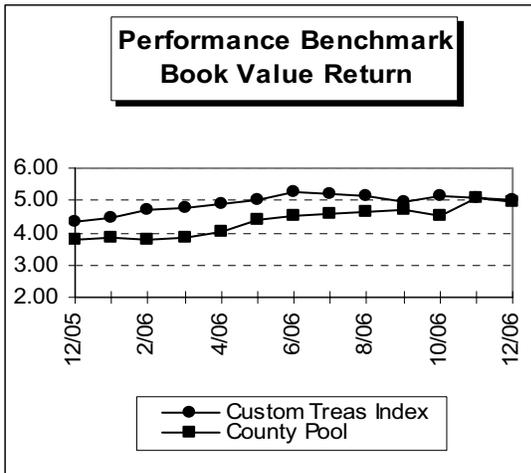


Figure 7(a)

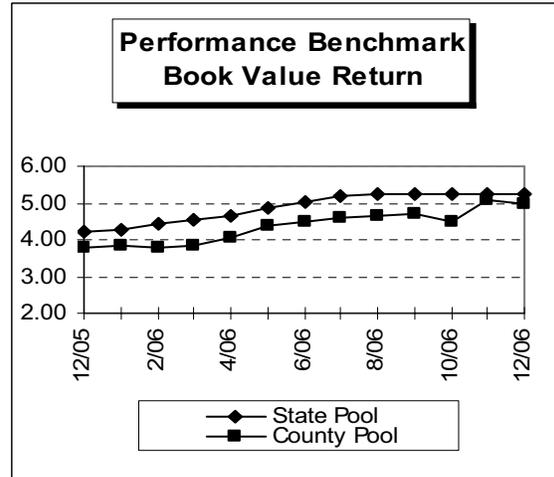


Figure 7(b)

Figure Eight compares performance on a total return basis. Total return measures the market value increase or decrease in the value of the portfolio over a given period of time and the interest earnings associated with the securities. The customized total return index consists of two Merrill Lynch U.S. Treasury Securities maturing from six months to one year. The annualized return for the fourth quarter of 2006 for the County Pool was 4.60% and the Treasury Index was 4.742%.

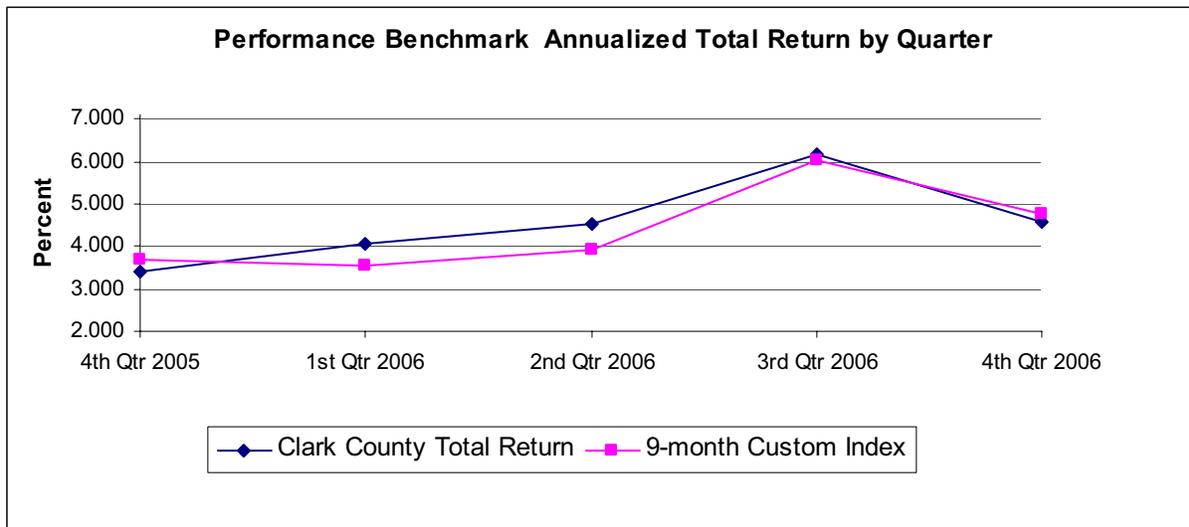


Figure 8

Figure Nine shows the market value of the Pool portfolio based on net asset value (NAV). As of December 31, 2006 the NAV was 1.001453. GASB Statement 31 requires that External Investment Pools report all investments at fair market value, if the average maturity of the Pool exceeds 90 days. On December 31, 2006, the Treasurer's Office posted approximately \$543,229 in unrealized gains to the County Pool.

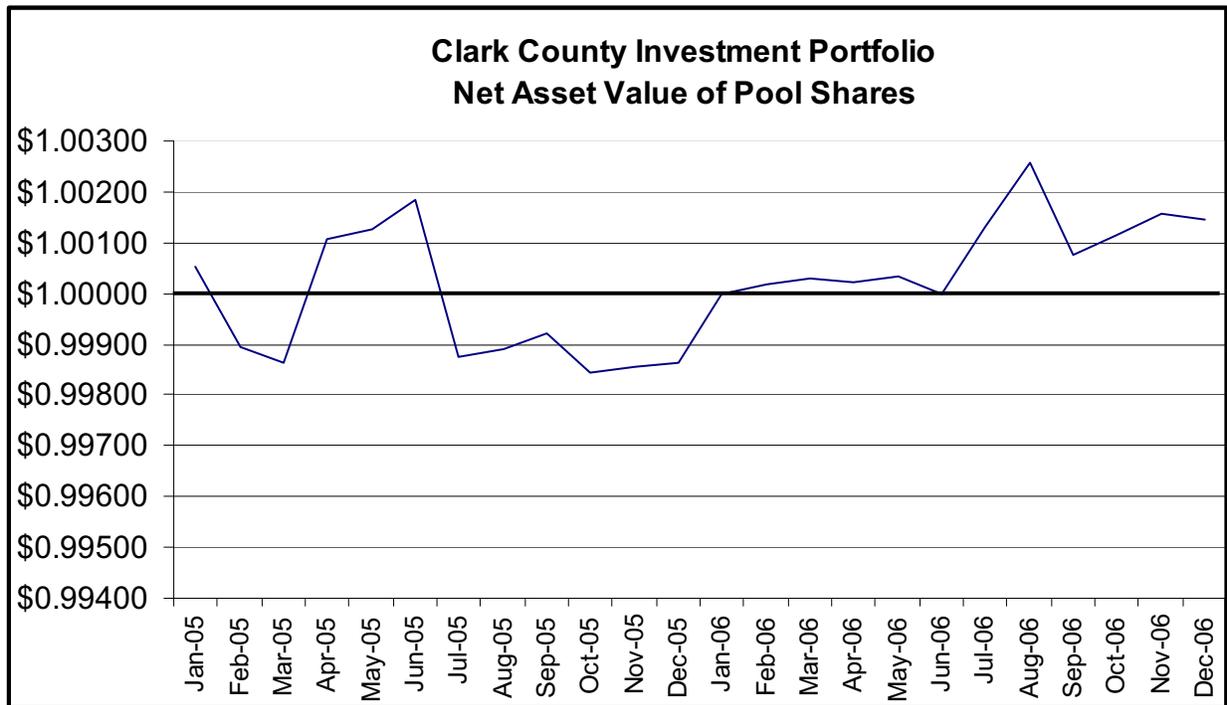


Figure 9

Figure Ten is a breakdown by year reflecting the total unrealized gains/ (losses) since 1998. Also depicted in figure ten are the increases in county pool earnings due to being invested in longer term securities than the State Pool. As of December 31, 2006 the County Portfolio has posted almost \$1.6 million in aggregate unrealized gains on a fair market value basis. The County Pool earned approximately \$13.3 million more than if it had just been invested in the State Pool. Annual unrealized gains/ (losses) are the direct result of fluctuating interest rates and longer term maturities.

Year	Unrealized gain/(loss)	Earning Difference County Verses State Pool
1998	566,583	411,930
1999	(2,563,593)	(56,579)
2000	4,038,403	(1,521,015)
2001	2,072,065	4,130,844
2002	295,807	6,867,654
2003	(4,010,663)	5,059,680
2004	(1,270,742)	1,584,645
2005	(831,197)	(1,067,774)
2006	1,573,022	(2,068,831)
Cumulative	\$(130,315)	\$13,340,636

Figure 10

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

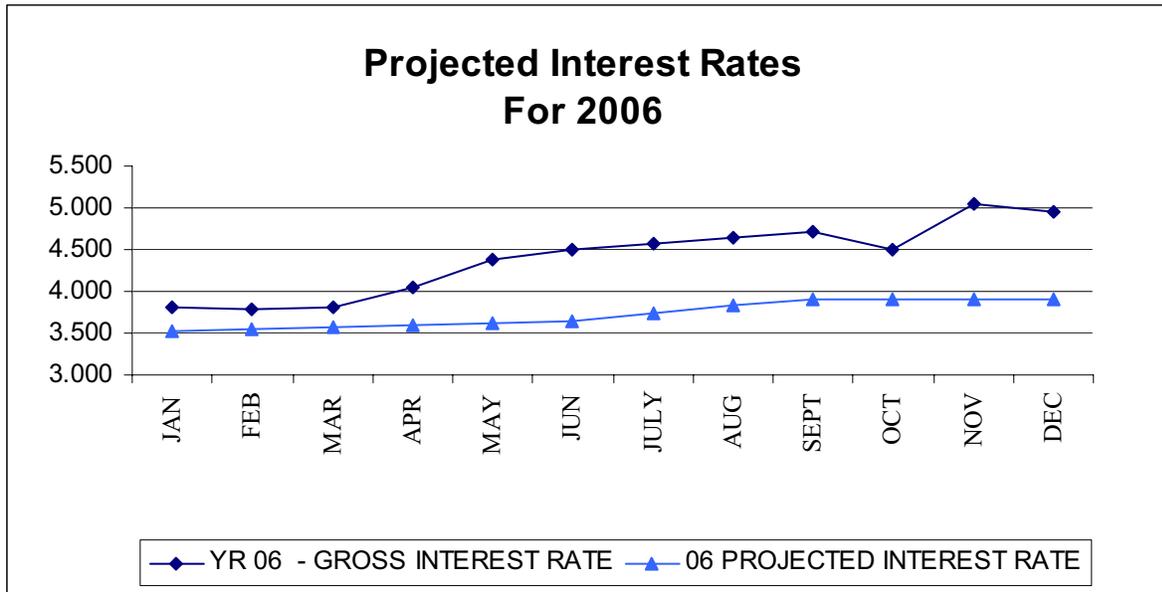


Figure 11

SECTION V - INVESTMENT STRATEGY

The following table shows the percentage distribution of the Clark County Pool maturity periods. As the table indicates, during 2005 emphasis was placed on purchasing securities in the one year maturity sector to target an average maturity of 6.5 – 8 months. In 2006, the emphasis is to continue to purchase securities in the one year maturity sector and maintain the average maturity of 7 to 8.5 months.

Period	0 - 1 year	1 – 2 years	2 - 5 years
1st quarter, 2005	65%	35%	0%
2 nd quarter, 2005	73%	23%	4%
3 rd quarter, 2005	71%	26%	3%
4 th quarter, 2005	75%	23%	2%
1 st quarter, 2006	83%	15%	2%
2 nd quarter, 2006	77%	22%	1%
3 rd quarter, 2006	72%	27%	1%
4 th quarter, 2006	77%	21%	2%

During the fourth quarter of 2006, our weighted average maturity was 7 to 8.5 months. We continued to monitor our investment strategy and remain proactive as economic conditions fluctuate.

The third quarter 2006 report issued by Public Financial Management, Inc. (PFM) recommended the following sector distributions to maintain the Clark County Investment Pool at a 7.0 to 8.5 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	1.6 years	40% - 75%	55.6%
Municipal Obligations	0 months – 2.00 years	6 months	0% - 5%	.5%
Commercial Paper, Certificates of Deposit, Domestic Banker's Acceptances	0 – 6 months	9 months	0% - 40%	16.1%
State Pool, Bank Deposits	1 day	1 day	10% - 40%	27.8%
Aggregate Avg. Maturity	7 – 8.5 months	7.73 months		

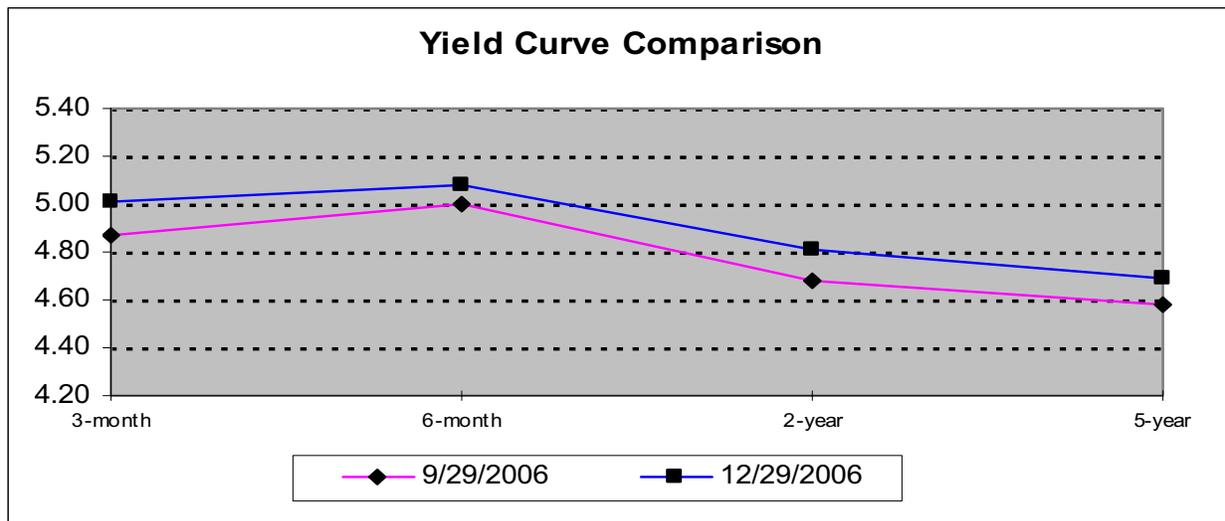
During the fourth quarter of 2006, the percentage of Bank and State Pool Deposits increased by 8.7% and their was a 4.2% increase in Certificates of Deposit while federal agency investments decreased 12.7% and municipal obligations decreased 12%.

SECTION VI - ECONOMIC/MARKET CONDITIONS

The US economy added 391,000 jobs during the fourth quarter of 2006, 8% more than the 362,000 jobs added in the third quarter. The unemployment rate of 4.5% is a five year low. Oil prices were at \$61.05 per barrel at the end of the quarter, which is slightly lower than the 3rd quarter price of \$62.91 per barrel. Oil prices are expected to lower slightly due to excess supply. The Consumer Confidence Index increased during the fourth quarter ending at 109. This is up from 104.5 in September 2006. The Manufacturing Index for the fourth quarter of 2006 registered at 51.4 percent, which is lower than the last twelve months average of 54. Any reading above 50 points on the Manufacturing Index shows that the manufacturing industry is continuing to grow. November was the first time since April 2003 this index dropped below 50 points to 49.5.

The economic data for fourth quarter shows that the economy overall continues to grow, but at a slower pace compared to the robust start of the year. This was caused by a slow down in consumer spending and higher borrowing costs decreasing housing demands.

On December 31, 2006 the 3-month T-bill yielded 5.01% compared to 4.87% on September 30, 2006. The yield curve followed the same pattern as the prior quarter.



SECTION VII - PORTFOLIO

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

Exhibit Two shows the complete portfolio listings as of the end of the fourth quarter of 2006. This report shows the book value, the par value, and the market value of the portfolio as of December 31, 2006.

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

Exhibit Four reflects the percentage of securities purchased from each issuer relative to the entire portfolio. On December 31, 2006, the average maturity was approximately 7.13 months. All the percentages are consistent with the current policy and PFM recommendations.

Exhibit Five shows all investment purchases and maturities from October 1, 2006 through December 31, 2006.

Exhibit Six shows the make up of the Clark County Investment Pool at the end of the fourth quarter of 2006. This exhibit is used to monitor compliance with the Investment Policy as far as the diversification of securities held and related percentage of the total portfolio for each type of security. On December 31, 2006, the average maturity of the Pool was approximately 7.7 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, 2006.

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

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

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

Exhibit 1

**CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
DISTRIBUTION OF INVESTMENTS BY TYPE
December 31, 2006**

Investments	Book Value	Percent of Portfolio	Average Days to Maturity	Yield to Maturity	
				360 Equivalent	365 Equivalent
Certificates of Deposit	60,000,000.00	14.67%	272	5.297	5.371
Federal Agencies - Discount	19,314,345.55	4.72%	170	5.151	5.223
Federal Agencies - Variable	10,000,000.00	2.45%	45	5.044	5.114
Federal Agencies - Semi-annual	190,744,927.75	46.64%	350	4.846	4.913
Municipal Bonds	2,015,840.00	0.49%	181	3.985	4.040
Passbook/Money Market Accts	125,593,787.21	30.71%	1	5.281	5.354
Treasury Securities - SLGS	1,328,967.00	0.32%	318	3.768	3.820
Total	408,997,867.51	100.00%	214	5.057	5.127
Accrued Interest at Purchase	396,772.22				
Total Cash and Investments	<u>409,394,639.73</u>				

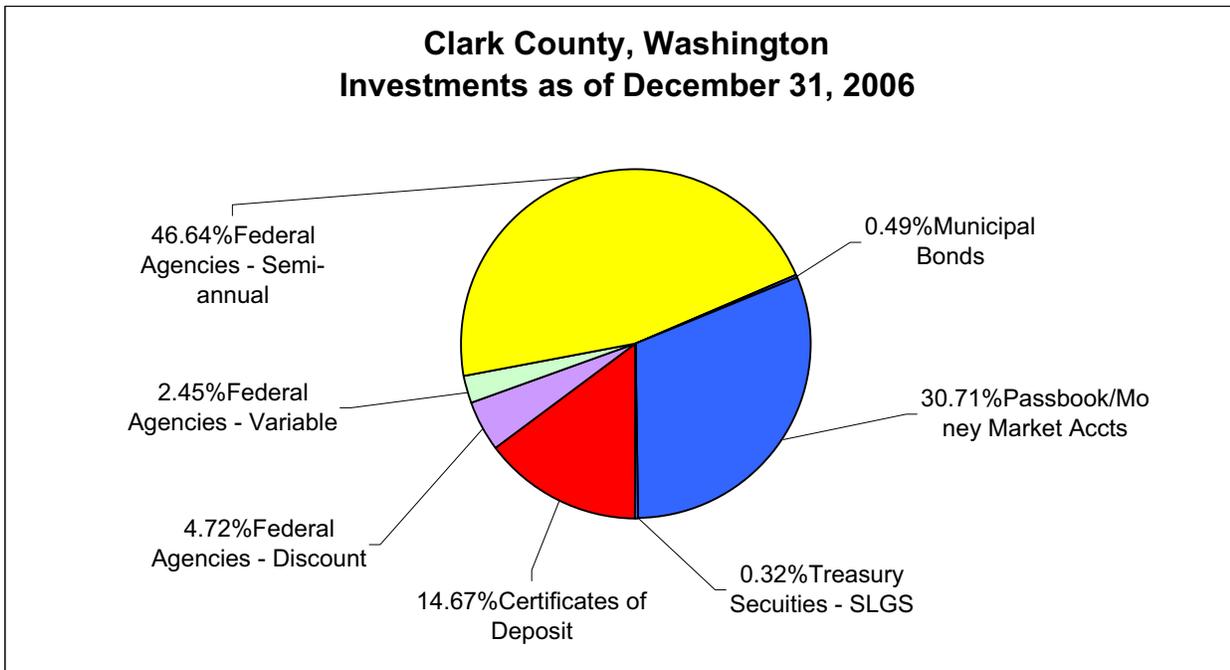


EXHIBIT 2
CLARK COUNTY, WASHINGTON
CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
December 31, 2006

Investment Number	Purchase Date	Cusip Number	Book Value	Par Value	Market Price 12/31/2006	Market Value	Cash Gain/(Loss) on Security	Coupon Rate	Yield to Maturity		Maturity Date	Days to Maturity
									360	365		
Certificates of Deposit												
89983152	8/29/2006		5,000,000.00	5,000,000.00	100.00	5,000,000.00	0.00	5.700	5.622	5.700	06/01/07	151
89983156	10/5/2006		10,000,000.00	10,000,000.00	100.00	10,000,000.00	0.00	5.350	5.277	5.350	06/01/07	151
89983158	10/5/2006		10,000,000.00	10,000,000.00	100.00	10,000,000.00	0.00	5.300	5.227	5.300	12/03/07	336
89983165	12/5/2006		10,000,000.00	10,000,000.00	100.00	10,000,000.00	0.00	5.450	5.375	5.450	09/10/07	252
89983166	12/5/2006		10,000,000.00	10,000,000.00	100.00	10,000,000.00	0.00	5.450	5.375	5.450	11/09/07	312
89983153	9/22/2006		5,000,000.00	5,000,000.00	100.00	5,000,000.00	0.00	5.510	5.435	5.510	12/03/07	336
89983157	10/5/2006		10,000,000.00	10,000,000.00	100.00	10,000,000.00	0.00	5.000	5.070	5.070	12/03/07	336
Subtotal & Averages			60,000,000.00	60,000,000.00		60,000,000.00	0.00		5.297	5.371		272
Federal Agencies - Discount Notes												
89983136	05/01/06	313312AE0	4,829,158.33	5,000,000.00	99.901	4,995,050.00	165,891.67	4.94	5.182	5.254	01/05/07	4
89983164	12/04/06	313588EK7	9,812,322.22	10,000,000.00	98.458	9,845,800.00	33,477.78	5.08	5.177	5.249	04/16/07	105
89983168	12/15/06	3136F3QM1	4,672,865.00	5,000,000.00	93.506	4,675,300.00	2,435.00	4.768	5.067	5.137	04/22/08	477
Subtotal & Averages			19,314,345.55	20,000,000.00		19,516,150.00	201,804.45		5.151	5.223		170
Federal Agencies - Semi Annual Coupon												
89983099	09/15/05	31331SU35	9,681,570.00	9,700,000.00	99.894	9,689,718.00	8,148.00	4.100	4.182	4.240	02/01/07	31
61323089	6/28/2005	3133X4C66	3,097,831.40	3,155,000.00	99.660	3,144,273.00	46,441.60	2.625	3.726	3.778	02/16/07	46
89983077	06/02/05	3133XBVU6	10,009,375.00	10,000,000.00	99.002	9,900,200.00	(109,175.00)	4.450	4.356	4.416	06/02/08	518
89983134	04/24/06	3133XDMZ4	4,568,030.00	4,600,000.00	99.730	4,587,580.00	19,550.00	4.500	5.097	5.168	05/21/07	140
89983137	05/09/06	3133XEJH1	9,922,400.00	10,000,000.00	99.619	9,961,900.00	39,500.00	4.625	5.196	5.268	08/09/07	219
89983141	05/15/06	3133XCXN25	9,904,200.00	10,000,000.00	99.610	9,961,000.00	56,800.00	4.250	5.192	5.264	05/08/07	127
89983150	08/01/06	3113XFJX5	9,966,000.00	10,000,000.00	100.010	10,001,000.00	35,000.00	5.125	5.236	5.309	06/13/08	529
89983154	09/25/06	3133XEQ69	9,975,680.00	10,000,000.00	99.736	9,973,600.00	(2,080.00)	5.010	5.119	5.190	02/13/08	408
89983174	12/22/06	3133XEQB8	4,988,250.00	5,000,000.00	99.660	4,983,600.00	(5,250.00)	4.875	5.003	5.072	03/05/08	429
61323090	6/28/2005	3136F46R0	5,672,210.85	5,745,000.00	99.659	5,725,409.55	53,198.70	3.000	3.740	3.792	02/26/07	56
61323091	6/28/2005	3136ACA4	500,049.22	475,000.00	100.414	476,966.50	(23,082.72)	6.960	3.778	3.830	04/02/07	91
89983127	1/12/2006	31359MZN6	9,999,000.00	10,000,000.00	99.700	9,970,000.00	(29,000.00)	5.000	4.934	5.003	12/13/07	346
89983135	04/25/06	31359MYW7	4,948,500.00	5,000,000.00	99.453	4,972,650.00	24,150.00	4.375	5.121	5.193	08/17/07	228
89983138	05/11/06	31359MB44	9,866,000.00	10,000,000.00	99.470	9,847,000.00	(19,000.00)	3.875	5.181	5.253	05/15/07	134
89983161	11/09/06	31359MH97	4,996,650.00	5,000,000.00	99.680	4,984,000.00	(12,650.00)	5.301	5.375	5.448	02/27/09	788
89983162	11/13/06	31359MW33	5,007,750.00	5,000,000.00	100.054	5,002,700.00	(5,050.00)	5.301	5.301	5.375	08/24/09	966
89983163	11/16/06	31359MYM99	9,744,307.28	9,825,000.00	99.083	9,734,904.75	(9,402.53)	4.933	4.933	5.001	08/04/08	581
89983167	12/12/06	31359MTQ6	9,817,000.00	10,000,000.00	97.880	9,788,000.00	(29,000.00)	4.811	4.811	4.878	11/17/08	686
89983088	06/28/05	3134A1KC3	3,544,874.00	3,400,000.00	100.013	3,400,442.00	(144,432.00)	6.700	3.735	3.787	01/05/07	4
89983107	10/13/05	3128X3XZ1	9,793,300.00	10,000,000.00	99.443	9,844,300.00	151,000.00	3.000	4.418	4.479	03/28/07	86
89983110	10/24/05	3128X4SL6	9,999,500.00	10,000,000.00	99.640	9,964,000.00	(35,500.00)	4.750	4.688	4.753	10/24/07	296
89983116	12/02/05	3128X4SL6	9,974,700.00	10,000,000.00	99.640	9,964,000.00	(10,700.00)	4.750	4.822	4.889	10/24/07	296
89983125	01/18/06	3128X4XW	4,999,500.00	5,000,000.00	99.837	4,991,850.00	(7,650.00)	5.000	4.936	5.005	01/18/08	382
89983126	01/18/06	3128X4XW	4,999,750.00	5,000,000.00	99.837	4,991,850.00	(7,900.00)	5.000	4.934	5.003	01/18/08	382
89983144	06/18/06	3128X4BD02	9,822,000.00	10,000,000.00	98.979	9,897,900.00	75,900.00	4.350	5.239	5.312	06/02/08	518
89983155	09/28/06	3128X4AS0	4,946,500.00	5,000,000.00	98.750	4,937,500.00	(9,000.00)	4.300	4.932	5.000	05/05/08	490
Subtotal & Averages			190,744,927.75	191,900,000.00		190,895,743.80	150,816.05		4.846	4.913		350
Federal Agencies Variable Rate												
89983129	02/15/06	3133XEQW	10,000,000.00	10,000,000.00	100.004	10,000,400.00	400.00	5.085	5.044	5.114	02/15/07	45
Subtotal & Averages			10,000,000.00	10,000,000.00		10,000,400.00	400.00		5.044	5.114		45

EXHIBIT 2
CLARK COUNTY, WASHINGTON
CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
December 31, 2006

Investment Number	Purchase Date	Cusip Number	Book Value	Par Value	Market Price 12/31/2006	Market Value	Cash Gain/(Loss) on Security	Coupon Rate	Yield to Maturity		Maturity Date	Days to Maturity
									360	365		
Treasury Securities - SLGS												
61183169	12/27/2006		86,336.00	86,336.00	100.000	86,336.00	0.00	3.820	3.768	3.820	11/15/07	318
61243170	12/27/2006		66,347.00	66,347.00	100.000	66,347.00	0.00	3.820	3.768	3.820	11/15/07	318
61093171	12/27/2006		390,928.00	390,928.00	100.000	390,928.00	0.00	3.820	3.768	3.820	11/15/07	318
61273172	12/27/2006		359,367.00	359,367.00	100.000	359,367.00	0.00	3.820	3.768	3.820	11/15/07	318
61333173	12/27/2006		425,989.00	425,989.00	100.000	425,989.00	0.00	3.820	3.768	3.820	11/15/07	318
Subtotal & Averages			1,328,967.00	1,328,967.00		1,328,967.00	0.00		3.77	3.820		318
Municipal Bonds												
89983097	9/7/2005	93974AJR6	2,015,840.00	2,000,000.00	99.577	1,991,540.00	(24,300.00)	4.500	3.985	4.040	07/01/07	181
Subtotal & Averages			2,015,840.00	2,000,000.00		1,991,540.00	(24,300.00)		4.00	4.056		181
Passbook/Money Market Accounts												
89980003			64,325,842.31	64,325,842.31	100.000	64,325,842.31	0.00	5.300	5.300	5.374		1
89980001			34,122,086.37	34,122,086.37	100.000	34,122,086.37	0.00	5.240	5.240	5.313		1
89980005			5,190,711.93	5,190,711.93	100.000	5,190,711.93	0.00	5.300	5.300	5.374		1
61320004			18,470,147.53	18,470,147.53	100.000	18,470,147.53	0.00	5.300	5.300	5.374		1
1013-0002			3,484,999.07	3,484,999.07	100.000	3,484,999.07	0.00	5.200	5.200	5.272		1
Subtotal & Averages			125,593,787.21	125,593,787.21		125,593,787.21	0.00		5.281	5.354		1
Grand Total			408,997,867.51	410,822,754.21		409,326,588.01	328,720.50			5.127		214

*Days to maturity adjusted per investment policy

EXHIBIT 3

**CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
AGING OF MATURING INVESTMENTS
December 31, 2006**

Days to Maturity	Book Value	% Maturing	Cumulative % Maturing
1	\$125,593,787.21	30.71%	30.71%
2 - 90	46,618,944.58	11.40%	42.11%
91 - 180	49,650,601.44	12.14%	54.25%
181 - 270	26,886,740.00	6.57%	60.82%
271 - 360	66,302,167.00	16.21%	77.03%
361 - 450	24,963,180.00	6.10%	83.13%
451 - 540	39,416,740.00	9.64%	92.77%
541 - 630	9,744,307.28	2.38%	95.15%
631 - 720	9,817,000.00	2.40%	97.55%
720- 1000	10,004,400.00	2.45%	100.00%
TOTALS	\$408,997,867.51	100.00%	

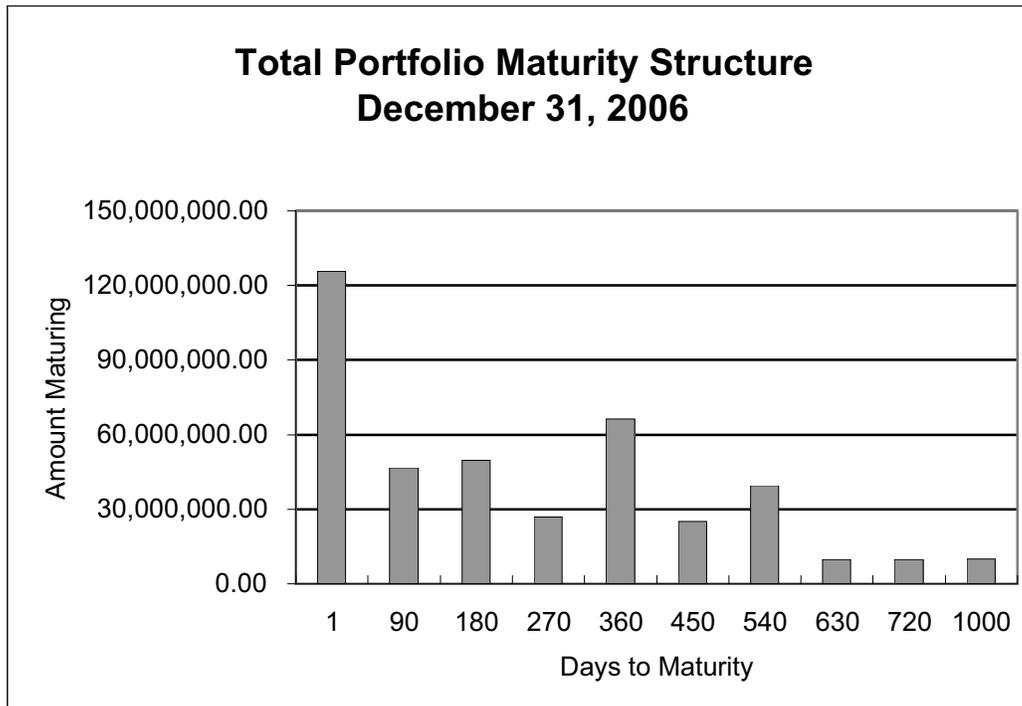


Exhibit 4

**CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
SUMMARY OF INVESTMENTS BY ISSUER
December 31, 2006**

Issuer	Number of Investments	Book Value	% of Portfolio	Avg YTM (365)	Days to Maturity
Bank of Clark County	1	5,000,000.00	1.22%	5.700	151
Columbia River Bank	1	5,190,711.93	1.27%	5.374	1
State and Local Gov't Series	5	1,328,967.00	0.32%	3.820	318
Federal Farm Credit Bank	2	14,510,728.33	3.55%	4.577	22
Federal Home Loan Bank	9	72,431,766.40	17.71%	5.040	294
Federal Home Loan Mtg Corp.	8	58,080,124.00	14.20%	4.830	312
Federal National Mtg Association	11	75,036,654.57	18.35%	5.022	409
Key Bank	2	82,795,989.84	20.24%	5.374	1
Sterling Savings Bank	4	40,000,000.00	9.78%	5.388	263
Umpqua Bank	1	5,000,000.00	1.22%	5.510	336
US Bank - Municipal Investor Account	1	3,484,999.07	0.85%	5.272	1
US Bank	1	10,000,000.00	2.45%	5.070	336
Washington State Municipal Bonds	1	2,015,840.00	0.49%	4.040	181
Washington State Pool	1	34,122,086.37	8.34%	5.313	1
TOTALS and AVERAGES	48	\$ 408,997,867.51	100.00%	5.127	214

EXHIBIT 5

CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
INVESTMENT ACTIVITY BY TYPE
As of December 31, 2006

NUMBER	ISSUER	STATED RATE	DATE	PURCHASES	MATURITIES	BALANCE
CERTIFICATES OF DEPOSIT				BEGINNING BALANCE:		45,000,000.00
89983156	Sterling Savings Bank	5.350	10/05/06	10,000,000.00		
89983158	Sterling Savings Bank	5.300	10/05/06	10,000,000.00		
89983157	US Bank	5.000	10/05/06	10,000,000.00		
89983151	Cowlitz Bank	5.570	10/16/06		5,000,000.00	
89983115	Sterling Savings Bank	4.850	11/29/06		10,000,000.00	
89983139	Sterling Savings Bank	5.300	12/01/06		10,000,000.00	
89983128	Washington Mutual	4.760	12/01/06		10,000,000.00	
89983165	Sterling Savings Bank	5.450	12/05/06	10,000,000.00		
89983166	Sterling Savings Bank	5.450	12/05/06	10,000,000.00		
SUBTOTALS and ENDING BALANCE - OCTOBER				30,000,000.00	5,000,000.00	70,000,000.00
SUBTOTALS and ENDING BALANCE - NOVEMBER				0.00	10,000,000.00	60,000,000.00
SUBTOTALS and ENDING BALANCE - DECEMBER				20,000,000.00	20,000,000.00	60,000,000.00
FEDERAL AGENCIES - DISCOUNT				BEGINNING BALANCE:		4,829,158.33
89983164	Federal Nat'l Mtg Assoc.	5.080	12/04/06	9,812,322.22		
89983168	Federal Nat'l Mtg Assoc.	4.768	12/15/06	4,672,865.00		
SUBTOTALS and ENDING BALANCE - OCTOBER				0.00	0.00	4,829,158.33
SUBTOTALS and ENDING BALANCE - NOVEMBER				0.00	0.00	4,829,158.33
SUBTOTALS and ENDING BALANCE - DECEMBER				14,485,187.22	0.00	19,314,345.55
FEDERAL AGENCIES - SEMI ANNUAL COUPON				BEGINNING BALANCE:		261,478,792.69
89983014	Federal Nat'l Mtg Assoc.	3.125	10/04/06		10,007,000.00	
89983021	Federal Home Loan Mtg. Corp.	3.000	10/05/06		9,998,500.00	
89983022	Federal Nat'l Mtg Assoc.	3.125	10/05/06		9,987,000.00	
89983005	Federal Nat'l Mtg Assoc.	3.010	10/12/06		10,000,000.00	
61323085	Federal Home Loan Bank	2.625	10/16/06		2,125,821.30	
89983159	Federal Home Loan Mtg. Corp.	5.05	10/30/06	4,994,600.00		
89983160	Federal Home Loan Mtg. Corp.	5.050	10/30/06	4,994,600.00		
89983140	Federal Nat'l Mtg Assoc.	5.440	11/01/06		10,000,000.00	
89983163	Federal Nat'l Mtg Assoc.	4.500	11/16/06	9,744,307.28		
89983161	Federal Nat'l Mtg Assoc.	5.280	11/09/06	4,996,650.00		
89983142	Federal Nat'l Mtg Assoc.	5.500	11/12/06		10,000,000.00	
89983162	Federal Nat'l Mtg Assoc.	5.550	11/13/06	5,007,750.00		
89983102	Federal Home Loan Bank	4.875	11/15/06		4,823,750.82	
89983103	Federal Home Loan Bank	2.750	11/15/06		4,914,345.00	
89983104	Federal Home Loan Bank	3.125	11/15/06		9,716,522.75	
61323086	Federal Home Loan Mtg. Corp.	3.750	11/15/06		1,860,534.75	
89983143	Federal Home Loan Mtg. Corp.	5.375	11/15/06		4,995,000.00	
61323087	Federal Home Loan Bank	3.750	11/30/06		1,884,547.60	
89983149	Federal Home Loan Mtg. Corp.	5.500	12/05/06		4,990,800.00	
89983159	Federal Home Loan Mtg. Corp.	5.050	12/08/06		4,994,600.00	
89983160	Federal Home Loan Mtg. Corp.	5.050	12/08/06		4,994,600.00	
89983167	Federal Nat'l Mtg Assoc.	3.875	12/12/06	9,817,000.00		
89983049	Federal Nat'l Mtg Assoc.	3.375	12/15/06		9,984,000.00	
89983174	Federal Home Loan Bank	5.070	12/22/06	4,988,250.00		
SUBTOTALS and ENDING BALANCE - OCTOBER				9,989,200.00	42,118,321.30	229,349,671.39
SUBTOTALS and ENDING BALANCE - NOVEMBER				19,748,707.28	48,194,700.92	200,903,677.75
SUBTOTALS and ENDING BALANCE - DECEMBER				14,805,250.00	24,964,000.00	190,744,927.75
FEDERAL AGENCIES - VARIABLE RATE				BEGINNING BALANCE:		10,000,000.00
SUBTOTALS and ENDING BALANCE - OCTOBER				0.00	0.00	10,000,000.00
SUBTOTALS and ENDING BALANCE - NOVEMBER				0.00	0.00	10,000,000.00
SUBTOTALS and ENDING BALANCE - DECEMBER				0.00	0.00	10,000,000.00
FEDERAL AGENCIES - VARIABLE RATE				BEGINNING BALANCE:		0.00
MUNICIPAL BONDS				BEGINNING BALANCE:		2,505,083.50
89983098	Washington State Economic Dev	2.000	10/01/06		489,243.50	
SUBTOTALS and ENDING BALANCE - OCTOBER				0.00	489,243.50	2,015,840.00
SUBTOTALS and ENDING BALANCE - NOVEMBER				0.00	0.00	2,015,840.00
SUBTOTALS and ENDING BALANCE - DECEMBER				0.00	0.00	2,015,840.00

EXHIBIT 5

CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
INVESTMENT ACTIVITY BY TYPE
As of December 31, 2006

NUMBER	ISSUER	STATED RATE	DATE	PURCHASES	MATURITIES	BALANCE	
TREASURY SECURITIES - SLGS						BEGINNING BALANCE:	4,023,000.00
61033123	State & Local Govt. Series	3.200	11/27/06		230,000.00		
61093119	State & Local Govt. Series	3.200	11/27/06		344,000.00		
61183120	State & Local Govt. Series	3.200	11/27/06		74,000.00		
61243118	State & Local Govt. Series	3.200	11/27/06		278,000.00		
61273121	State & Local Govt. Series	3.200	11/27/06		425,000.00		
61303122	State & Local Govt. Series	3.200	11/27/06		433,000.00		
61333124	State & Local Govt. Series	3.200	11/27/06		2,239,000.00		
61093171	State & Local Govt. Series	3.820	12/27/06	390,928.00			
61183169	State & Local Govt. Series	3.820	12/27/06	86,336.00			
61243170	State & Local Govt. Series	3.820	12/27/06	66,347.00			
61273172	State & Local Govt. Series	3.820	12/27/06	359,367.00			
61333173	State & Local Govt. Series	3.820	12/27/06	425,989.00			
SUBTOTALS and ENDING BALANCE - OCTOBER				0.00	0.00	4,023,000.00	
SUBTOTALS and ENDING BALANCE - NOVEMBER				0.00	4,023,000.00	0.00	
SUBTOTALS and ENDING BALANCE - DECEMBER				1,328,967.00	0.00	1,328,967.00	
CLARK COUNTY						BEGINNING BALANCE:	198,838.11
OCTOBER	Registered Warrant Invest Acct	6.19%		73,143.69	198,838.11	73,143.69	
NOVEMBER	Registered Warrant Invest Acct	6.19%		502.84	73,143.69	502.84	
DECEMBER	Registered Warrant Invest Acct	6.19%		1,962,886.80	1,963,389.64	0.00	
COLUMBIA RIVER BANK						BEGINNING BALANCE:	5,122,579.50
OCTOBER	Money Market Savings Accounts	5.300		23,856.10	0.00	5,146,435.60	
NOVEMBER	Money Market Savings Accounts	5.300		22,465.99	0.00	5,168,901.59	
DECEMBER	Money Market Savings Accounts	5.300		21,810.34	0.00	5,190,711.93	
KEY BANK						BEGINNING BALANCE:	49,319,528.57
OCTOBER	Money Market Savings Accounts	5.300		53,621,894.11	1,904,837.09	101,036,585.59	
NOVEMBER	Money Market Savings Accounts	5.300		24,497,618.21	30,790,553.68	94,743,650.12	
DECEMBER	Money Market Savings Accounts	5.300		387,052.75	12,334,713.03	82,795,989.84	
US BANK						BEGINNING BALANCE:	7,062,652.97
OCTOBER	Municipal Investor Account	5.250		17,605,785.81	20,898,981.77	3,769,457.01	
NOVEMBER	Municipal Investor Account	5.250		15,562.88	315,524.39	3,469,495.50	
DECEMBER	Municipal Investor Account	5.250		15,503.57	0.00	3,484,999.07	
STATE POOL						BEGINNING BALANCE:	32,700,571.34
OCTOBER	Washington State Pool	5.230		87,248,424.98	44,800,000.00	75,148,996.32	
NOVEMBER	Washington State Pool	5.220		119,453,507.32	63,400,000.00	131,202,503.64	
DECEMBER	Washington State Pool	5.210		33,219,582.73	130,300,000.00	34,122,086.37	
BEGINNING BALANCE:				PURCHASES	MATURITIES	ENDING BALANCE:	
OCTOBER	TOTALS			422,240,205.01	198,562,304.69	505,392,287.93	
NOVEMBER	TOTALS			505,392,287.93	163,738,364.52	512,333,729.77	
DECEMBER	TOTALS			512,333,729.77	86,226,240.41	408,997,867.51	

Exhibit 6

**CLARK COUNTY INVESTMENT POOL PORTFOLIO
DISTRIBUTION OF INVESTMENTS BY TYPE
December 31, 2006**

Investments	Book Value	Percent of Portfolio	Average Days to Maturity	Yield to Maturity	
				360 Equivalent	365 Equivalent
Certificates of Deposit	60,000,000.00	16.09%	272	5.297	5.371
Federal Agencies - Discount	19,314,345.55	5.18%	170	5.152	5.223
Federal Agencies - Variable	10,000,000.00	2.68%	45	5.044	5.114
Federal Agencies - Semi-annual	177,929,962.28	47.72%	372	4.924	4.992
Municipal Bonds	2,015,840.00	0.54%	181	3.985	4.040
Passbook/Money Market Accts	103,638,640.61	27.79%	1	5.281	5.354
Total	372,898,788.44	100.00%	232	5.093	5.164
Accrued Interest at Purchase	396,772.22				
Total Cash and Investments	<u>373,295,560.66</u>				

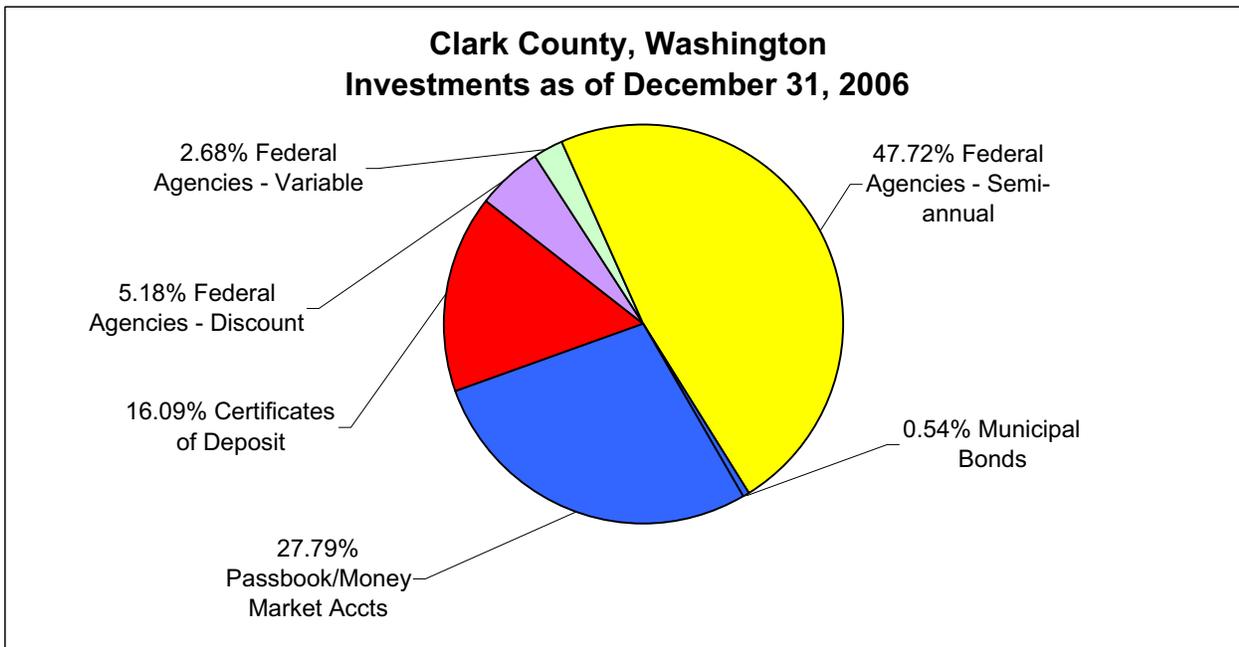


EXHIBIT 7
CLARK COUNTY, WASHINGTON
CLARK COUNTY TOTAL INVESTMENT POOL
December 31, 2006

Investment Number	Issuer	Purchase Date	Cusip Number	Book Value	Par Value	Market Price	Market Value	Cash Gain/(Loss) on Security	Coupon Rate	Yield to Maturity 360	Yield to Maturity 365	Maturity Date	Days to Maturity
Certificates of Deposit													
89983152	Bank of Clark County	8/29/2006		5,000,000.00	5,000,000.00	100.00	5,000,000.00	0.00	5.700	5.622	5.700	06/01/07	151
89983156	Sterling Savings Bank	10/5/2006		10,000,000.00	10,000,000.00	100.00	10,000,000.00	0.00	5.350	5.277	5.350	06/01/07	151
89983158	Sterling Savings Bank	10/5/2006		10,000,000.00	10,000,000.00	100.00	10,000,000.00	0.00	5.300	5.227	5.300	12/03/07	336
89983165	Sterling Savings Bank	12/5/2006		10,000,000.00	10,000,000.00	100.00	10,000,000.00	0.00	5.450	5.375	5.450	09/10/07	252
89983166	Sterling Savings Bank	12/5/2006		10,000,000.00	10,000,000.00	100.00	10,000,000.00	0.00	5.450	5.375	5.450	11/09/07	312
89983153	Umpqua Bank	9/22/2006		5,000,000.00	5,000,000.00	100.00	5,000,000.00	0.00	5.510	5.435	5.510	12/03/07	336
89983157	US Bank	10/5/2006		10,000,000.00	10,000,000.00	100.00	10,000,000.00	0.00	5.000	5.001	5.070	12/03/07	336
Subtotal & Averages				60,000,000.00	60,000,000.00		60,000,000.00	0.00		5.297	5.371		272
Federal Agencies - Discount Notes													
89983136	Federal Farm Credit	05/01/06	313312AE0	4,829,158.33	5,000,000.00	99.901	4,995,050.00	165,891.67	4.94	5.182	5.254	01/05/07	4
89983164	Federal Natl Mtg Assoc.	12/04/06	31388BEK7	9,812,322.22	10,000,000.00	98.458	9,845,800.00	33,477.78	5.08	5.177	5.249	04/16/07	105
89983168	Federal Natl Mtg Assoc.	12/15/06	3136F3QM1	4,672,865.00	5,000,000.00	93.506	4,675,300.00	2,435.00	4.768	5.067	5.137	04/22/08	477
Subtotal & Averages				19,314,345.55	20,000,000.00		19,516,150.00	201,804.45		5.152	5.223		170
Federal Agencies - Semi Annual Coupon													
89983099	Federal Farm Credit	09/15/05	31331SU35	9,681,570.00	9,700,000.00	99.894	9,689,718.00	8,148.00	4.100	4.182	4.240	02/01/07	31
89983077	Federal Home Loan Bank	06/02/05	3133XBVU6	10,009,375.00	10,000,000.00	99.002	9,900,200.00	(109,175.00)	4.450	4.356	4.416	06/02/08	518
89983134	Federal Home Loan Bank	04/24/06	3133XDMZ4	4,568,030.00	4,600,000.00	99.730	4,587,580.00	19,550.00	4.500	5.097	5.168	05/21/07	140
89983137	Federal Home Loan Bank	05/09/06	3133XEJH1	9,922,400.00	10,000,000.00	99.619	9,961,900.00	39,500.00	4.625	5.196	5.268	08/08/07	219
89983141	Federal Home Loan Bank	05/15/06	3133XCNC25	9,904,200.00	10,000,000.00	99.610	9,961,000.00	56,800.00	4.250	5.192	5.264	05/08/07	127
89983150	Federal Home Loan Bank	08/01/06	3113XFJX5	9,966,000.00	10,000,000.00	100.010	10,001,000.00	35,000.00	5.125	5.236	5.309	06/13/08	529
89983154	Federal Home Loan Bank	09/25/06	3133XEQ69	9,975,680.00	10,000,000.00	99.736	9,973,600.00	(2,080.00)	5.010	5.119	5.190	02/13/08	408
89983174	Federal Home Loan Bank	12/22/06	3133XEQ88	4,988,250.00	5,000,000.00	99.660	4,983,000.00	(5,250.00)	4.875	5.003	5.072	03/05/08	429
89983127	Federal Natl Mtg Assoc.	1/12/2006	31359MZN6	9,999,000.00	10,000,000.00	99.700	9,970,000.00	(29,000.00)	5.000	4.934	5.003	12/13/07	346
89983135	Federal Natl Mtg Assoc.	04/25/06	31359MYW7	4,948,500.00	5,000,000.00	99.453	4,972,650.00	24,150.00	4.375	5.121	5.193	08/17/07	228
89983138	Federal Natl Mtg Assoc.	05/11/06	31359MB44	9,866,000.00	10,000,000.00	99.470	9,947,000.00	81,000.00	3.875	5.181	5.253	05/15/07	134
89983161	Federal Natl Mtg Assoc.	11/09/06	31359MH97	4,966,650.00	5,000,000.00	99.680	4,984,000.00	(12,650.00)	5.301	5.301	5.375	02/27/09	788
89983162	Federal Natl Mtg Assoc.	11/13/06	31359MW33	5,007,750.00	5,000,000.00	100.054	5,002,700.00	(5,050.00)	5.301	5.301	5.375	08/24/09	966
89983163	Federal Natl Mtg Assoc.	11/16/06	31359MYM89	9,744,307.28	9,825,000.00	99.083	9,734,904.75	(9,402.53)	4.933	4.933	5.001	08/04/08	581
89983167	Federal Natl Mtg Assoc.	12/12/06	31359MTQ6	9,817,000.00	10,000,000.00	97.880	9,788,000.00	(29,000.00)	4.811	4.811	4.878	11/17/08	686
89983107	Federal Home Loan Mtg. Corp.	10/13/05	3128X3XZ1	9,793,300.00	10,000,000.00	99.443	9,944,300.00	151,000.00	3.000	4.418	4.479	03/28/07	86
89983110	Federal Home Loan Mtg. Corp.	10/24/05	3128X4SL6	9,999,500.00	10,000,000.00	99.640	9,964,000.00	(35,500.00)	4.750	4.688	4.753	10/24/07	296
89983116	Federal Home Loan Mtg. Corp.	12/02/05	3128X4SL6	9,974,700.00	10,000,000.00	99.640	9,964,000.00	(10,700.00)	4.750	4.822	4.889	10/24/07	296
89983125	Federal Home Loan Mtg. Corp.	01/18/06	3128X4XW	4,999,500.00	5,000,000.00	99.837	4,991,850.00	(7,650.00)	5.000	4.936	5.005	01/18/08	382
89983126	Federal Home Loan Mtg. Corp.	01/18/06	3128X4XW	4,999,750.00	5,000,000.00	99.837	4,991,850.00	(7,900.00)	5.000	4.934	5.003	01/18/08	382
89983144	Federal Home Loan Mtg. Corp.	06/12/06	3128X4BD02	9,822,000.00	10,000,000.00	98.979	9,897,900.00	75,900.00	4.350	5.239	5.312	06/02/08	518
89983155	Federal Home Loan Mtg. Corp.	09/28/06	3128X4AS0	4,946,500.00	5,000,000.00	98.750	4,937,500.00	(9,000.00)	4.300	4.932	5.000	05/05/08	490
Subtotal & Averages				177,929,962.28	179,125,000.00		178,148,652.75	218,690.47		4.924	4.992		372
Federal Agencies Variable Rate													
89983129	Federal Home Loan Bank	02/15/06	3133XEQW	10,000,000.00	10,000,000.00	100.004	10,000,400.00	400.00	5.085	5.044	5.114	02/15/07	45
Subtotal & Averages				10,000,000.00	10,000,000.00		10,000,400.00	400.00		5.044	5.114		45
Municipal Bonds													
89983097	Washington State GO	9/7/2005	93974AJR6	2,015,840.00	2,000,000.00	99.577	1,991,540.00	(24,300.00)	4.500	3.985	4.040	07/01/07	181
Subtotal & Averages				2,015,840.00	2,000,000.00		1,991,540.00	(24,300.00)		3.98	4.040		181

EXHIBIT 7
CLARK COUNTY, WASHINGTON
CLARK COUNTY TOTAL INVESTMENT POOL
December 31, 2006

Investment Number	Issuer	Purchase Date	Cusip Number	Book Value	Par Value	Market Price	Market Value	Cash Gain/(Loss) on Security	Coupon Rate	Yield to Maturity 360	Yield to Maturity 365	Maturity Date	Days to Maturity
Passbook/Money Market Accounts													
89980003	Key Bank - Savings Account			64,325,842.31	64,325,842.31	100.000	64,325,842.31	0.00	5.300	5.300	5.374		1
89980001	WA State Local Government Invest. Pool			34,122,086.37	34,122,086.37	100.000	34,122,086.37	0.00	5.240	5.240	5.313		1
89980005	Columbia River Bank			5,190,711.93	5,190,711.93	100.000	5,190,711.93	0.00	5.300	5.300	5.374		1
Subtotal & Averages				103,638,640.61	103,638,640.61		103,638,640.61	0.00		5.280	5.354		1
Grand Total				372,898,788.44	374,763,640.61		373,295,383.36	396,594.92			5.164		232

*Days to maturity adjusted per investment policy

EXHIBIT 8

**CLARK COUNTY INVESTMENT POOL
AGING OF MATURING INVESTMENTS
December 31, 2006**

Days to Maturity	Book Value	% Maturing	Cumulative % Maturing
1	\$103,638,640.61	27.79%	27.79%
2 - 90	34,304,028.33	9.20%	36.99%
91 - 180	49,150,552.22	13.18%	50.17%
181 - 270	26,886,740.00	7.21%	57.38%
271 - 360	64,973,200.00	17.42%	74.81%
361 - 450	24,963,180.00	6.69%	81.50%
451 - 540	39,416,740.00	10.57%	92.07%
541 - 630	9,744,307.28	2.61%	94.68%
631 - 720	9,817,000.00	2.63%	97.32%
720- 1000	10,004,400.00	2.68%	100.00%
TOTALS	\$372,898,788.44	100.00%	

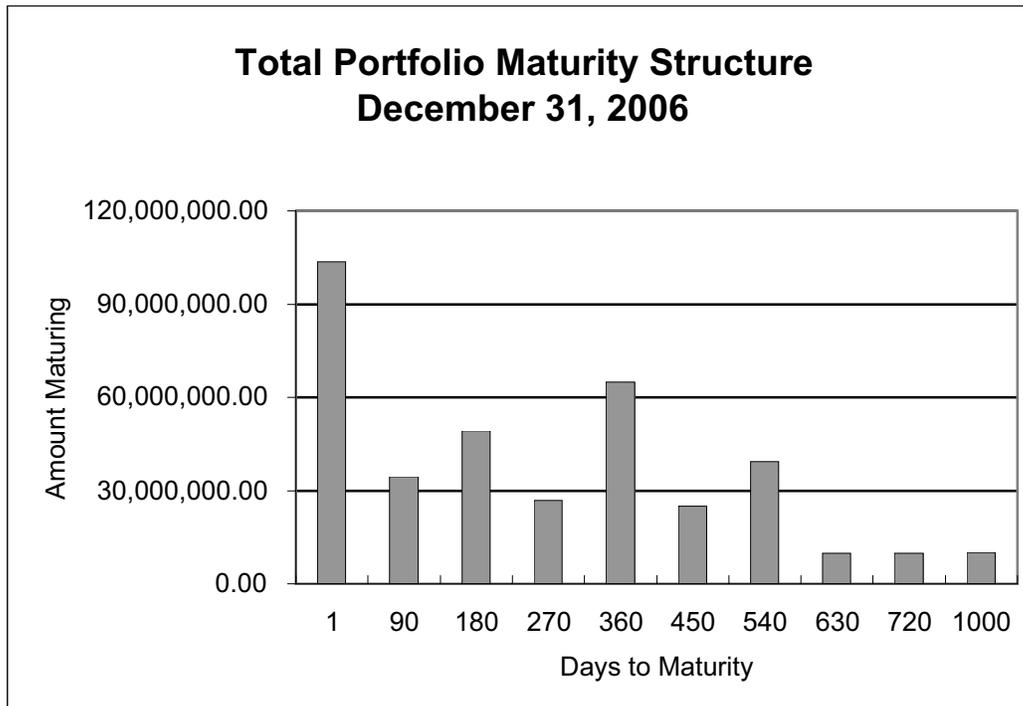


Exhibit 9

**CLARK COUNTY INVESTMENT POOL
SUMMARY OF INVESTMENTS BY ISSUER
December 31, 2006**

Issuer	Number of Investments	Book Value	% of Portfolio	Avg YTM (365)	Days to Maturity
Bank of Clark County	1	5,000,000.00	1.34%	5.700	151
Columbia River Bank	1	5,190,711.93	1.39%	5.374	1
Federal Farm Credit Bank	2	14,510,728.33	3.89%	4.577	5
Federal Home Loan Bank	8	69,333,935.00	18.59%	5.096	306
Federal Home Loan Mtg Corp.	7	54,535,250.00	14.62%	4.898	332
Federal National Mtg Association	9	68,864,394.50	18.47%	5.132	441
Key Bank	1	64,325,842.31	17.25%	5.374	1
Sterling Savings Bank	4	40,000,000.00	10.73%	5.388	263
Umpqua Bank	1	5,000,000.00	1.34%	5.510	336
US Bank	1	10,000,000.00	2.68%	5.070	336
Washington State Municipal Bonds	1	2,015,840.00	0.54%	4.040	181
Washington State Pool	1	34,122,086.37	9.15%	5.313	1
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TOTALS and AVERAGES	37	\$ 372,898,788.44	100.00%	5.164	232

Exhibit 10 County Pool vs. State Pool 1/99 - 12/06

