



Clark County Finance Committee

First Quarter 2010

CLARK COUNTY TREASURER'S OFFICE

2010

Authored by: Michelle M. Gable

CLARK COUNTY FINANCE COMMITTEE

FIRST QUARTER 2010

CONTENTS

SECTION I - EXECUTIVE SUMMARY 2

SECTION II - 2010 YEAR-TO-DATE 3

SECTION III - QUARTERLY ACTIVITY 4

SECTION IV - INVESTMENT STRATEGY 11

SECTION V - ECONOMIC/MARKET CONDITIONS 12

SECTION VI - PORTFOLIO..... 13

SECTION I - EXECUTIVE SUMMARY

This report provides a review of the activities occurring during the first quarter, 2010, in compliance with Clark County Investment Policy adopted January 2008.

As of March 31, 2010, the average maturity of the total investment portfolio increased to 7.7 months from December's 7.2 months. The asset sector distribution for the total investment portfolio changed slightly during the first quarter with approximately 43.0% of the portfolio invested in Federal Agencies, 48.7% invested in the Washington State LGIP, 1.4% invested in money market instruments, 0.3% invested in State and Local Government Series, and 6.6% invested in Certificates of Deposits. The total book value of the portfolio was almost \$458 million on March 31, 2010. This is compared with the fourth quarter's 2009 book value of almost \$480 million. Last quarter's asset allocation contains 43.6% of the portfolio invested in Federal Agencies, 46.1% invested in the Washington State LGIP, 0.8% invested in money market instruments, 0.3% invested in State and Local Government Series, 8.6% invested in Certificates of Deposits, and 0.6% invested in Bankers Acceptances.

Residual balances through the first quarter of 2010 averaged almost \$26 million per month which was \$14 million less than the monthly average during 2009. Interest earnings distributed to the County's General Fund through the first quarter of 2010 totaled \$46 thousand compared to \$178 thousand for the first quarter of 2009. The decrease is a result of lower interest rates in 2009 and lower average residual balances. Residual interest earnings for 2010 were less than the interest estimated in October of 2008 by \$665 thousand for the first quarter of 2010.

County Pool balances averaged \$435 million through the first quarter of 2010 compared to an average of \$420 million through the first quarter of 2009. The average interest rate of the Clark County Investment Pool for the first quarter of 2010 was 1.176% compared to 2.172% in the first quarter of 2009. Interest earnings distributed to the County Pool participants for the first quarter of 2010 was \$1.2 million compared to \$2.3 million in the first quarter of 2009. Clark County funds made up 33.8% of the County Pool. Other major Pool participants include the Evergreen School District at 9.4%, Camas School District at 9.3%, City of Vancouver at 8.8%, Vancouver School District at 8.1%, and all the other districts at 30.6%.

The annualized total return for the County Pool came in at 0.12% for March 2010 compared to the custom treasury Benchmark total return index of -0.49%. On a book value return basis, County Pool yielded 1.10%, compared to the Standard and Poor's LGIP Index's book value return of 0.32%. The net asset value of the County Pool at the end of the quarter was \$1.00311 with an unrealized fair value gain of \$1,371,631 on March 31, 2010.

The investment strategy for the first quarter was to continue to maintain slightly higher liquidity balances than the benchmark, maintain duration between 0.4 and 0.6 years, maintain high credit quality in portfolio, and work to add yield in callable securities and treasury securities.

SECTION II – 2010 YEAR-TO-DATE

Through the first quarter of 2010, County residual principal balances averaged \$14 million less than this same time period for 2009 on a month basis. Actual average County residual balances on a monthly basis through the first quarter of 2010 have fallen short of projections by \$921 thousand through the first quarter as denoted in the chart below.

Date	2009 Residual Balance	2010 Residual Balance	2010 Projected Residual Balance ¹
January	\$37,515,018	\$23,938,151	\$27,021,714
February	44,303,995	26,233,312	26,081,358
March	37,597,993	26,576,891	26,409,983
Monthly Average	\$39,805,669	\$25,582,785	\$26,504,352

Actual interest earnings totaled \$46,668 through the first quarter 2010 down from \$178,865 during the same period in 2009. As shown below, interest earnings was \$665,088 less than they were projected to be through the first quarter 2010.

Date	2009 Residual Interest Earnings	2010 Residual Interest Earnings	2010 Budgeted Interest Earnings ²
January	\$80,749	\$18,124	\$237,252
February	48,666	14,541	237,252
March	49,451	14,003	237,252
Total	\$178,866	\$46,668	\$711,756

County Pool principal balances shown below averaged slightly more through 2010 compared to 2009.

Date	2009 Pool Average Balance	2010 Pool Average Balance
January	\$434,125,081	\$446,666,758
February	415,843,454	433,695,710
March	411,190,769	425,057,199
Monthly Average	\$420,386,435	\$435,139,889

The table below reflects County Pool earnings of \$1.2 million through the first quarter of 2010, compared to \$2.3 million through the first quarter of 2009, resulting in decreased earnings of approximately 44.5%.

¹ As of 10/10/2008 for 2009-2010 Biennium Interest Rate Projections

² As of 10/10/2008 for 2009-2010 Biennium Interest Rate Projections with \$75,000 credit adjustment

Date	2009 Pool Interest Earnings	2010 Pool Interest Earnings
January	\$1,001,013	\$456,804
February	641,115	419,524
March	657,299	401,490
Year-to-Date	\$2,299,426	\$1,277,818

SECTION III – QUARTERLY ACTIVITY

Figure One shows the major participants in the Clark County Investment Pool for the first quarter of 2010. As of March 31, 2010, County funds made up 33.8% of the Pool, Evergreen School District – 9.4%, Camas School District – 9.3%, City of Vancouver – 8.8%, Vancouver School District – 8.1%, Ft Vancouver Regional Library – 6.4%, and all the other districts – 24.3%.

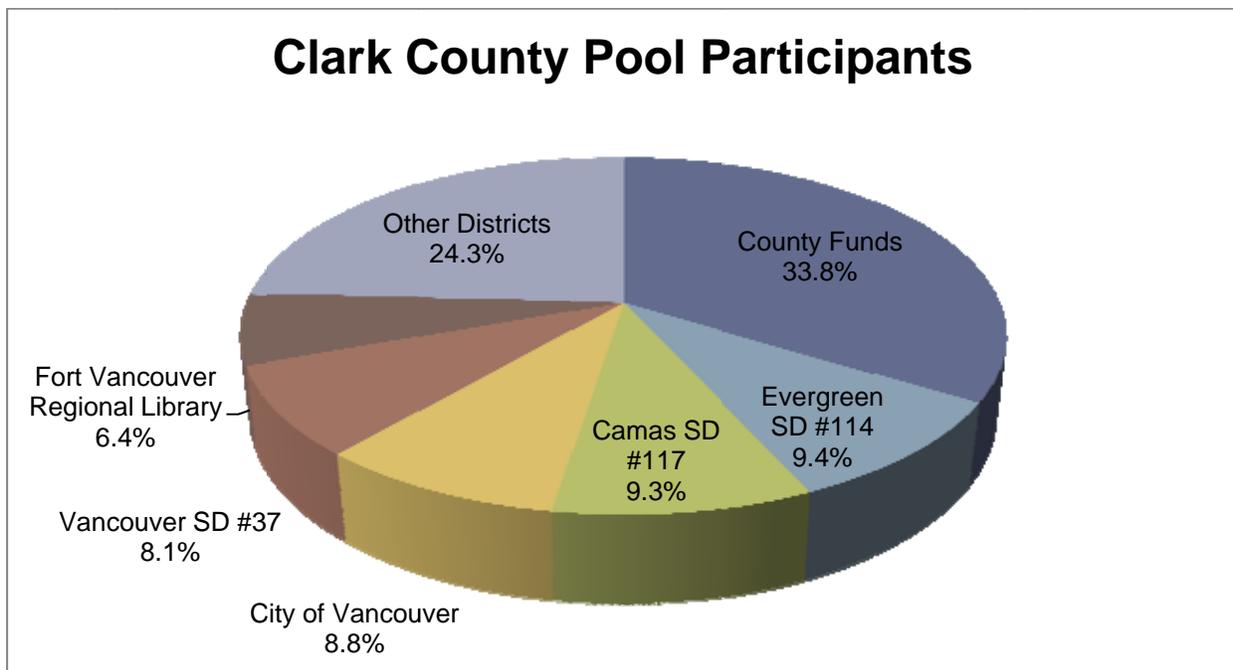


FIGURE ONE

Figure Two illustrates month end General Fund cash balances beginning with January 2007 through March 2010. For the first quarter of 2010, cash balances in the General Fund increased over the same period in 2009 by a monthly average of \$222 thousand.



General Fund Cash Balances

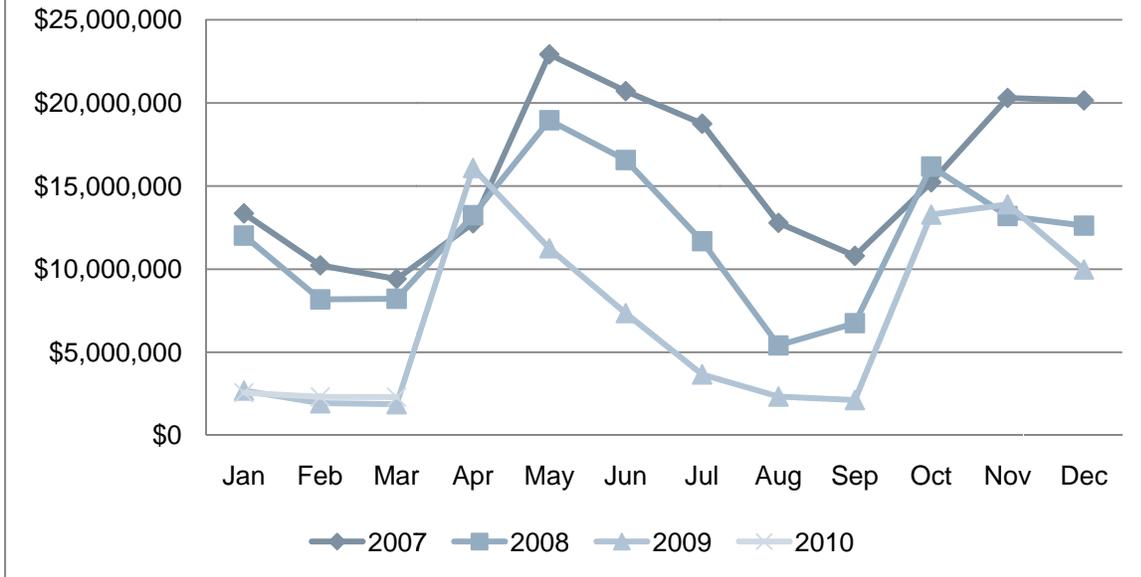


FIGURE TWO

Figure Three reflects the average principal balances being maintained within the Pool in 2010 compared to 2009. Through the first quarter 2010, the average monthly principal balance decreased from the same period of 2009 by an average of \$15 million.

Clark County Investment Pool

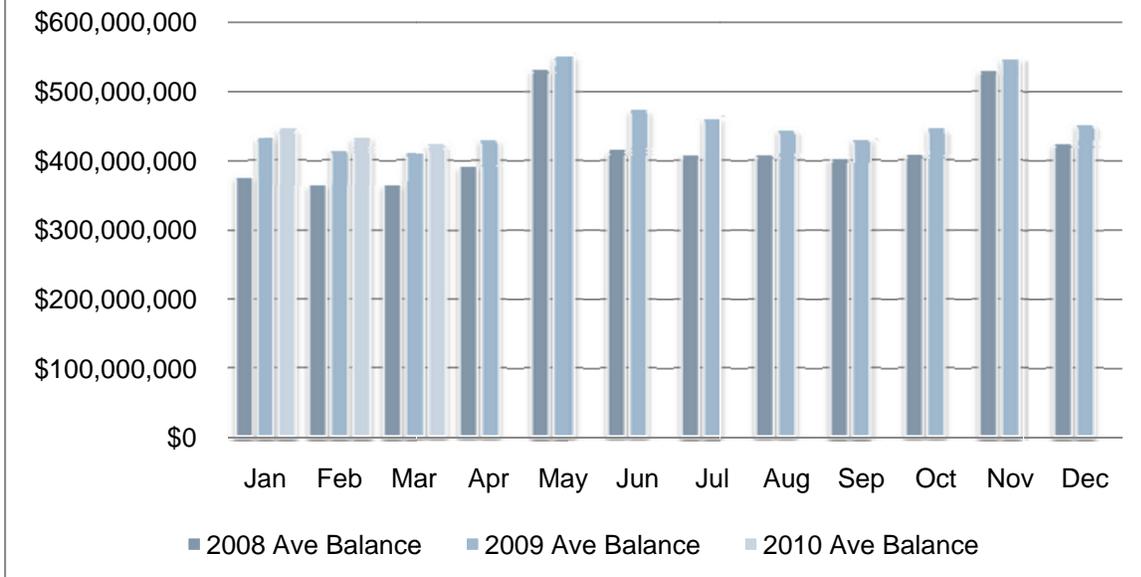


FIGURE THREE



Figure Four reflects the actual monthly residual principal balances managed by the County for 2009 and 2010. Through the first quarter of 2010, residual balances averaged \$14 thousand per month less than the same period in 2009.

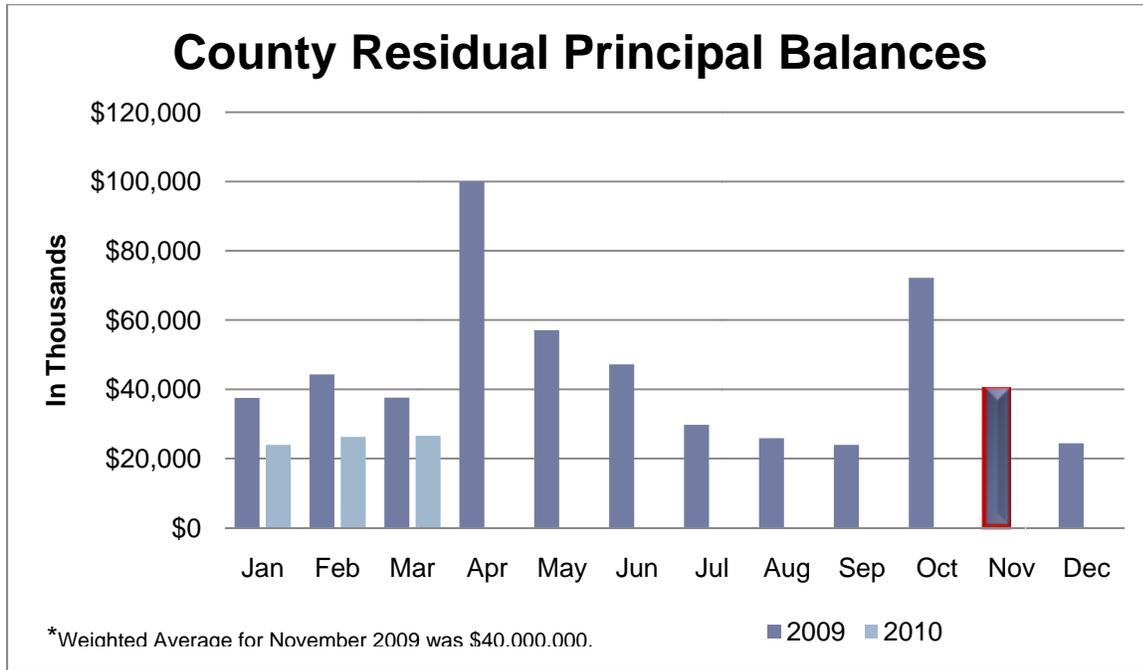


FIGURE FOUR

Figure Five shows interest earnings distributed each month to the County's General Fund from 2009 through 2010. During the first quarter of 2010, interest earnings totaled \$132 thousand less per month than during the same period in 2009. This is due to a decrease in residual cash principal balances and a decrease in interest rates. On an average monthly basis, \$15 thousand was distributed to the General Fund per month.



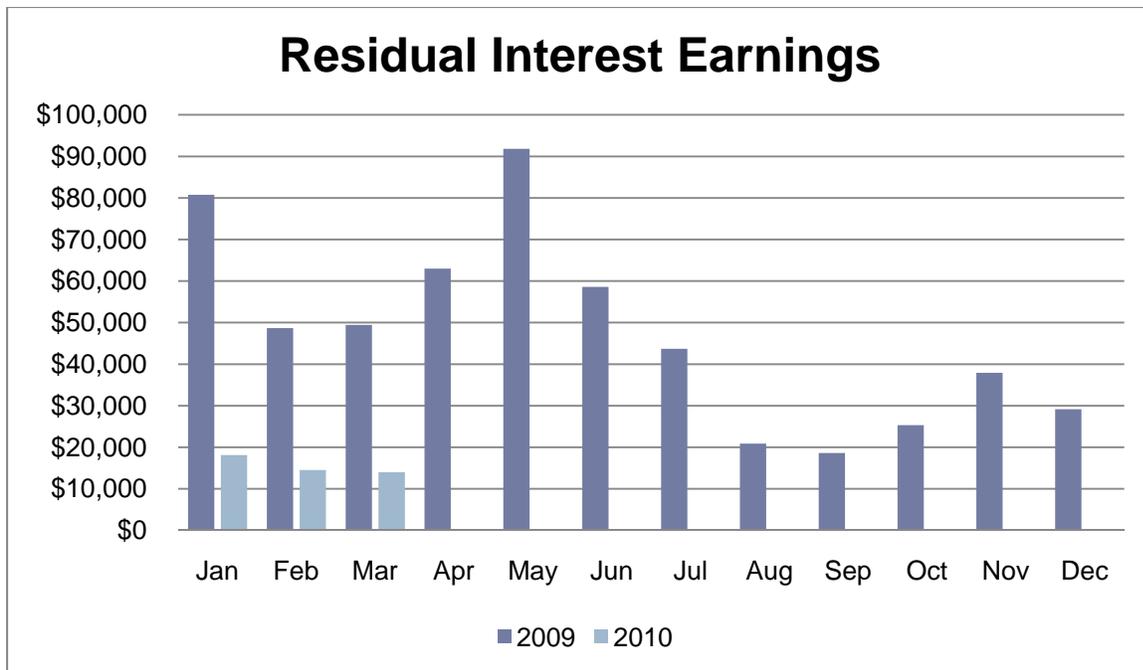


FIGURE FIVE

Figure Six depicts the County Pool's interest rates for 2008 through the first quarter of 2010. The County Pool's gross interest rate, based on the book value of the portfolio, at March 31, 2010 was 1.10% compared to 1.85% at March 31, 2009.

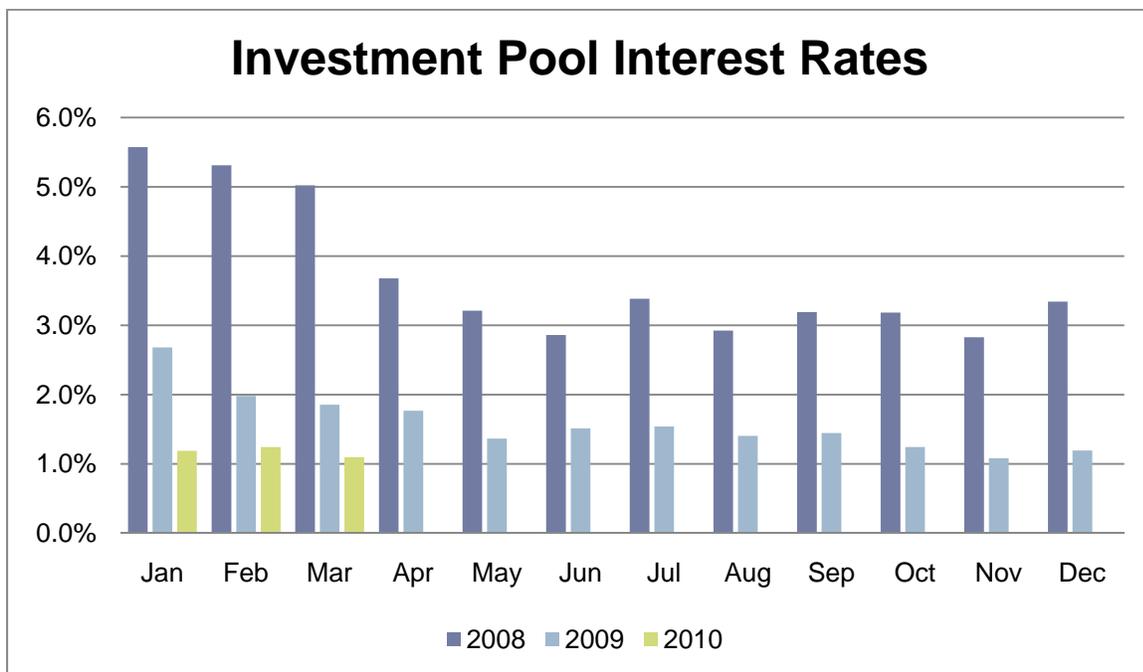


FIGURE SIX

Figure Seven 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 yield of securities compared to their book value at the time of purchase. The performance benchmarks consist of the Washington State Local Government Investment Pool (LGIP) with an average maturity of approximately 48 days for March, 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 235 days. The Standard and Poor's LGIP Index and the Washington State LGIP closely track current interest rates. At the end of the first quarter 2010, the County Pool's net rate on a book value basis was 1.10%, the S&P LGIP Index was 0.32%, and the Washington State LGIP's net rate was 0.26%.

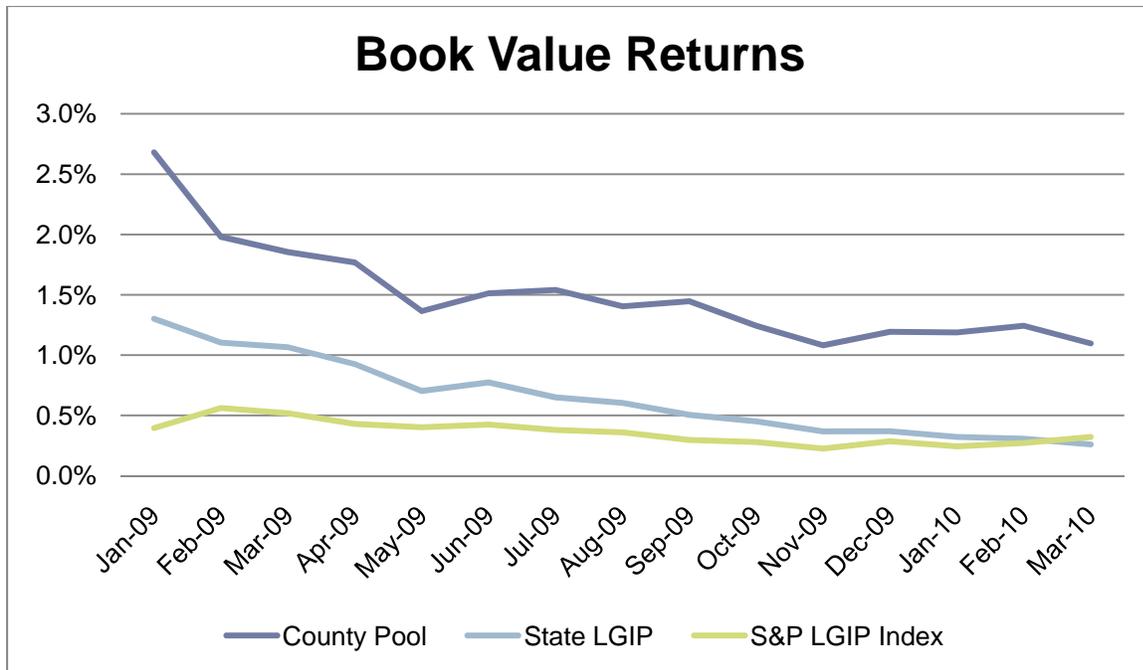


FIGURE SEVEN

Figure Eight 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 consist of 75% Merrill Lynch 0-1 Year U.S. Treasury Index and 25% 1-3 Year Agencies Index with a modified duration of 0.805 years. The annualized return for the first quarter of 2010 for the County Pool was 0.12% and the Custom Benchmark Index was -0.49%.

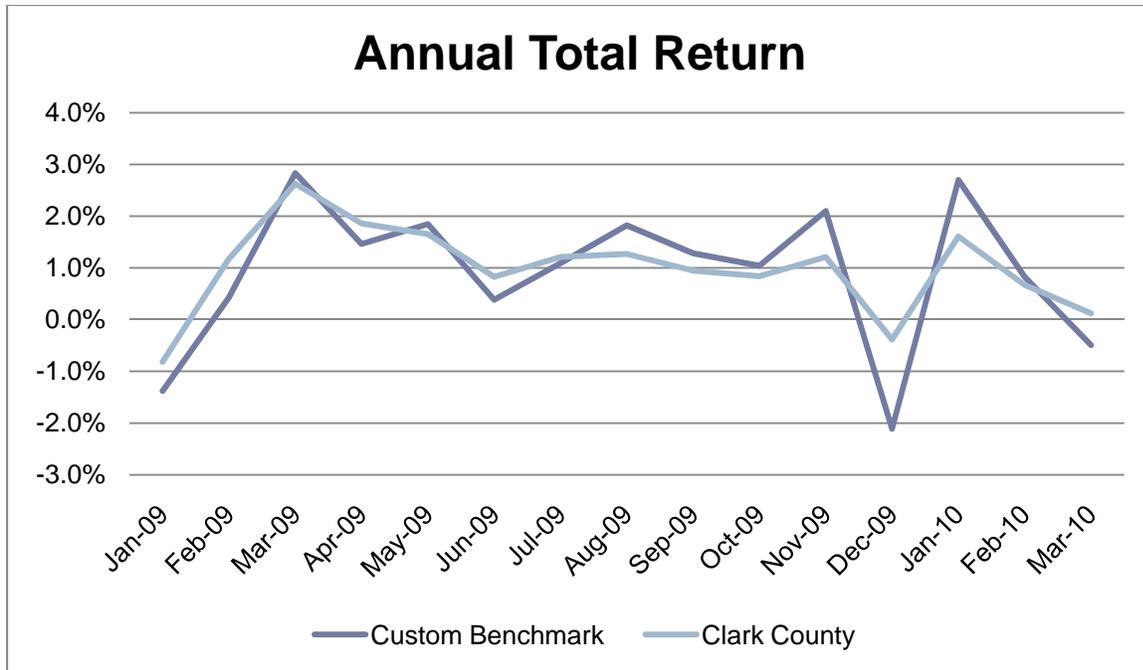


FIGURE EIGHT

Figure Nine 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 March 31, 2010, the N.A.V. per share was \$1.001644. 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 of the Pool is \$442,384,863.76.

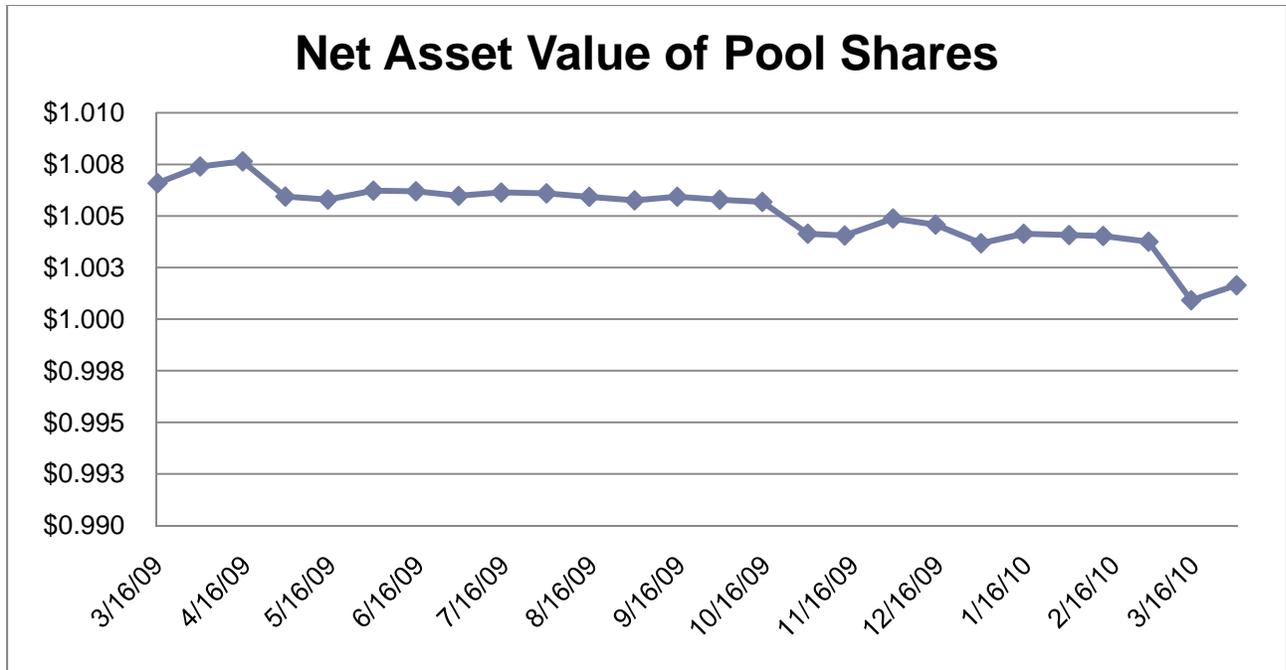


FIGURE NINE

Net Asset Values:

Date	Value	Date	Value
03/16/2009	\$1.00659	09/30/2009	\$1.005787
03/31/2009	\$1.0074	10/15/2009	\$1.005684
04/15/2009	\$1.00765	10/31/2009	\$1.004138
04/30/2009	\$1.00594	11/13/2009	\$1.004054
05/15/2009	\$1.0058	11/30/2009	\$1.004881
05/31/2009	\$1.00623	12/15/2009	\$1.004578
06/15/2009	\$1.006198	12/31/2009	\$1.003678
06/30/2009	\$1.005978	01/15/2010	\$1.004141
07/15/2009	\$1.00614	01/31/2010	\$1.004077
07/31/2009	\$1.00691	02/12/2010	\$1.004031
08/15/2009	\$1.00593	02/28/2010	\$1.003751
08/31/2009	\$1.00576	03/15/2010	\$1.000915
09/15/2009	\$1.005934	03/31/2010	\$1.001644

Figure Ten shows projected County Pool interest rates for 2010 compared with actual gross interest rates.

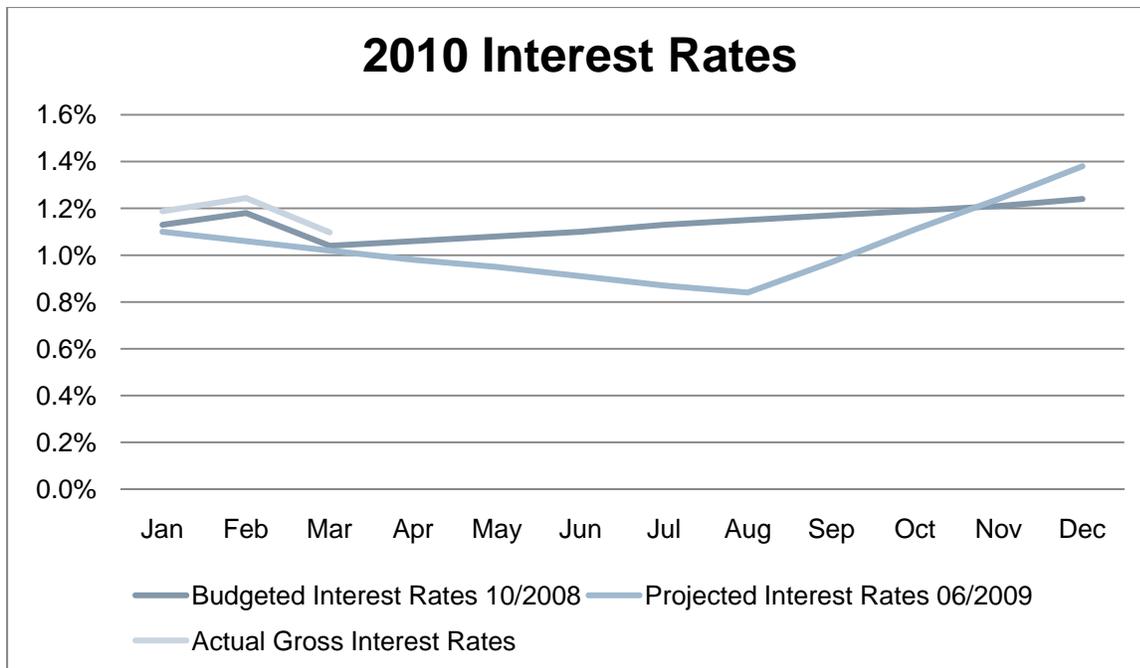


FIGURE TEN

SECTION IV – INVESTMENT STRATEGY

The following table shows the percentage distribution of the Clark County Pool maturity periods. As the table indicates, during 2007 we began purchasing securities in the 2 – 5 year maturity sector to target an average maturity of 8 -9.5 months in anticipation of lower interest rates. In the beginning of 2008, the emphasis was to continue to purchase securities in the 2 – 5 year sector. As we approach the bottom of lower interest rates, we began purchasing securities in the 1 – 2 year maturity sector to get ready for a rise in interest rates. Starting the end of 2009, we continue to wait for the interest rates to start rising. We continue to purchase securities in the 2 year maturity sector to keep our average maturity around 6 months.

Period	0 – 1 Year	1 – 2 Years	2 – 5 Years
1 st quarter, 2007	77%	21%	2%
2 nd quarter, 2007	65%	33%	2%
3 rd quarter, 2007	70%	25%	5%
4 th quarter, 2007	76%	9%	15%
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%

During the first quarter of 2010, our target range for duration was between 0.4 and 0.6 years. We continue to maintain high credit quality in portfolio and we continue to 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

Weather has affected many reports in January and February based upon the various reports of economic indicators. These economic indicators for April's report should provide us with a more solid idea of whether or not the economy is recovering. Is it really improving like a lot of data is revealing? Employment and inflation are the two primary economic drivers for the direction of interest rates per Davidson Fixed Income Management.

February jobs were a little disappointing with the nonfarm payroll drop of 14,000. Weather is to blame and investors started expecting a larger number to be released in early April for the March numbers. The U.S. unemployment rate remained unchanged at 9.7% for March. It's 14.8% for Clark County in March.

Inflation is not a concern at this time to most investors as there is a substantial gap between production and labor. We need a huge improvement in the economy before inflationary data becomes an issue. Therefore, we have been advised to maintain portfolio durations that are shorter than our benchmark assuming that interest rates will rise moderately during the early stages of the economic recovery and then accelerate if inflationary conditions become more pronounced.

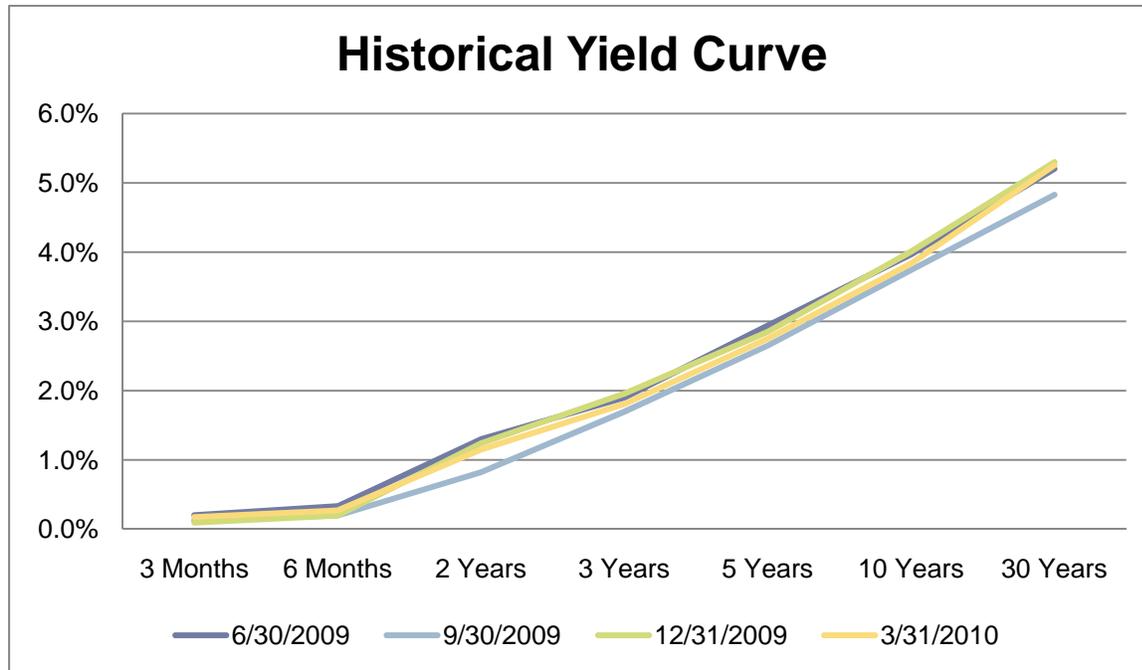
A couple of other things that happened this month are the following two items:

FOMC (Federal Open Market Committee) earlier this month left the Fed Funds rate unchanged. They reiterated that they anticipated exceptionally low rates for an extended period of time. However, Thomas Hoenig (president of the Federal Reserve Bank of Kansas) said the FOMC may contribute to "financial imbalances" if extended period of low interest rates persist.

Finally, President Obama signed the Health Care and Education Reconciliation Act of 2010. This causes the biggest change to the US health-care system in more than four decades. Insurers would no longer be able to reject new customers with pre-existing

conditions, young adults would be able to stay on their parents' insurance until the age of 26, and all Americans would buy health insurance or pay a penalty.

On March 31, 2010, the 2-year US Agency yielded 1.15%, compared to 1.24% on December 31, 2009. That is a decrease of 9 basis points.



SECTION VI - PORTFOLIO

Exhibit One shows the makeup of the entire portfolio at the end of the first quarter of 2010. 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 first quarter of 2010. This report shows the book value, the par value, and the market value of the portfolio as of March 31, 2010.

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. On March 31, 2010, the average maturity was approximately 7.7 months. All the percentages are consistent with the current Investment Policy.

Exhibit Five shows all investment purchases and maturities from January 1, 2010 through March 31, 2010.

Exhibit Six show the makeup of the Clark County Investment Pool at the end of the first quarter of 2010. 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. On March 31, 2010, the average maturity of the Pool was approximately 7.8 months. 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 first quarter. This report contains the book value, the par value, and the market value as of March 31, 2010.

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
March 31, 2010**

Investments	Book Value	Percent of Portfolio	Average Days to Maturity	Yield to Maturity	
				360 Equivalent	365 Equivalent
Certificates of Deposit	\$ 30,129,538	6.58%	275	1.432%	1.452%
Federal Agencies - Semi-annual	\$ 196,930,601	43.01%	493	2.166%	2.196%
Washington State LGIP	\$ 222,950,050	48.70%	1	0.222%	0.225%
Passbook/Money Market Accts	\$ 6,263,386	1.37%	1	0.048%	0.049%
Treasury Securities - SLGS	\$ 1,562,000	0.34%	239	0.000%	0.000%
Total	\$ 457,835,574	100.00%	231	1.135%	1.150%
Accrued Interest at Purchase	\$ 31,710				
Total Cash and Investments	<u>\$ 457,867,284</u>				

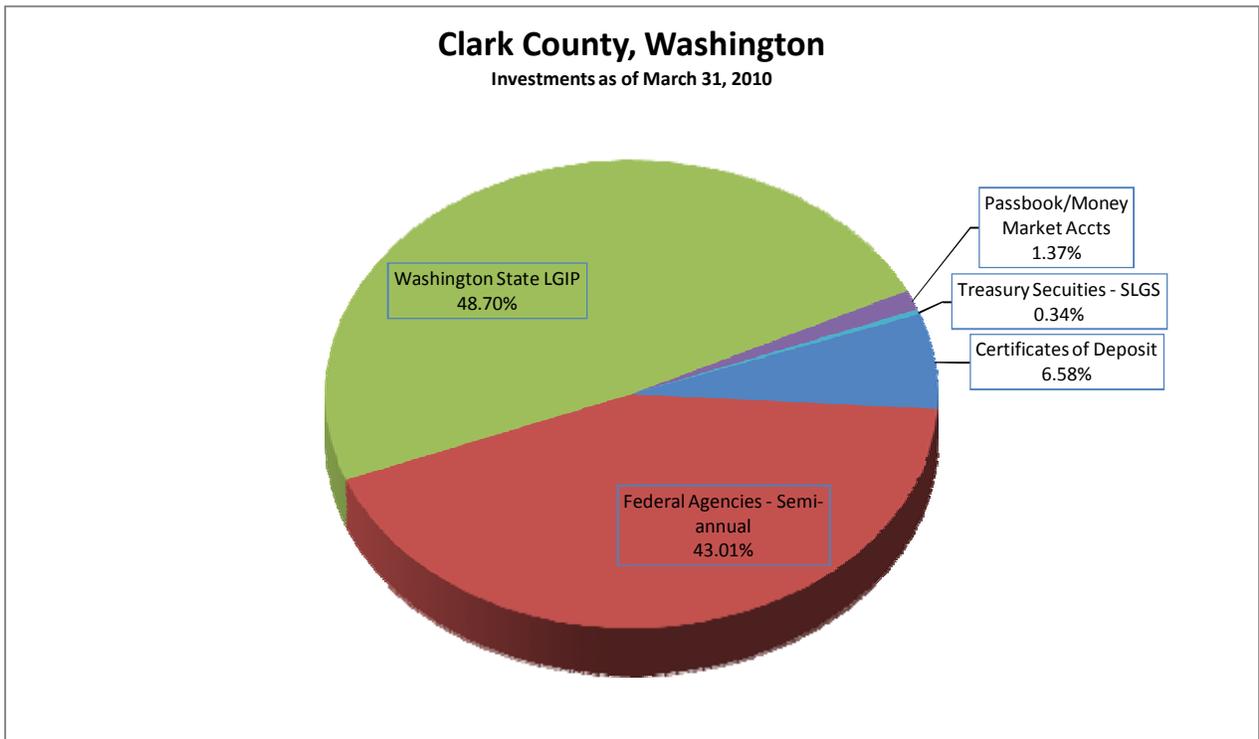


Exhibit 2
Clark County, Washington
Investment Portfolio
March 31, 2010

Investment Number	Purchase Date	Cusip Number	Book Value	Amortized Disc/(Prem)	Amortized Book Value	Par Value	Market Price 03/31/10	Market Value	Cash Gain/(Loss) on Security	Amortized Gain/(Loss) on Security	Percent Gain/(Loss) on Security	Coupon Rate	Yield to Maturity		Maturity Date	Days to Maturity
													360 MM	365 BE		
CD's													6.58%			
89983280	5/1/2009		10,000,000.00		10,000,000.00	10,000,000.00		10,000,000.00				1.500	1.500	1.521	07/30/10	120
00013284	7/1/2009		50,000.00		50,000.00	50,000.00		50,000.00				1.000	0.986	1.000	06/30/10	90
89983285	7/9/2009		10,079,537.98		10,079,537.98	10,079,537.98		10,079,537.98				1.190	1.174	1.190	08/09/10	130
89983296	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	578
Subtotal & Averages			30,129,537.98		30,129,537.98	30,129,537.98		30,129,537.98					1.432	1.452		275
Federal Agencies - Semi-Annual Coupon													39.87%			
89983229	03/12/08	31331XL42	8,098,889.54	(392,168.68)	7,706,720.86	7,651,000.00	101.451	7,762,016.01	(336,873.53)	55,295.15	0.717%	5.250	2.620	2.656	07/16/10	106
89983234	04/18/08	31331XGC0	10,396,900.00	(362,835.76)	10,034,064.24	10,000,000.00	100.822	10,082,200.00	(314,700.00)	48,135.76	0.480%	4.750	2.782	2.821	06/07/10	67
89983252	10/14/08	31331GDC0	10,000,000.00	0.00	10,000,000.00	10,000,000.00	104.278	10,427,800.00	427,800.00	427,800.00	4.278%	3.600	3.551	3.600	10/14/11	561
89983259	11/21/08	31331YG46	4,947,350.00	29,653.45	4,977,003.45	5,000,000.00	102.214	5,110,700.00	163,350.00	133,696.55	2.686%	2.625	3.038	3.080	04/21/11	385
89983303	12/28/09	31331G5Q8	9,982,500.00	17,500.00	10,000,000.00	10,000,000.00	99.902	9,990,200.00	7,700.00	(9,800.00)	-0.098%	1.200	1.263	1.281	03/15/12	714
89983232	04/03/08	3133MYYZ	10,148,900.00	(140,486.47)	10,008,413.53	10,000,000.00	100.367	10,036,700.00	(112,200.00)	28,286.47	0.283%	3.375	2.609	2.645	05/14/10	43
89983235	05/05/08	3133XQYX4	9,957,500.00	34,502.96	9,992,002.96	10,000,000.00	101.173	10,117,260.00	159,760.00	125,257.04	1.254%	3.000	3.137	3.181	09/10/10	162
89983238	05/15/08	3133XR2Y5	9,968,800.00	28,272.39	9,997,072.39	10,000,000.00	100.549	10,054,900.00	86,100.00	57,827.61	0.578%	3.000	3.112	3.155	06/11/10	71
89983258	11/21/08	3133XQQQ8	4,922,650.00	42,159.62	4,964,809.62	5,000,000.00	102.243	5,112,150.00	189,500.00	147,340.38	2.968%	2.625	3.230	3.275	05/20/11	414
89983290	10/07/09	3133XUX24	9,980,000.00	19,333.33	9,999,333.33	10,000,000.00	100.018	10,001,800.00	21,800.00	2,466.67	0.025%	1.250	1.333	1.352	10/07/11	554
89983293	10/22/09	3133XVB91	9,995,000.00	4,622.09	9,999,622.09	10,000,000.00	100.020	10,002,000.00	7,000.00	2,377.91	0.024%	0.750	1.436	1.456	10/14/11	561
89983305	01/26/10	3133XWKN8	9,992,500.00	5,416.67	9,997,916.67	10,000,000.00	100.039	10,003,900.00	11,400.00	5,983.33	0.060%	1.000	2.234	2.265	10/26/12	939
89983308	03/29/10	3133XXJQ1	10,000,000.00	0.00	10,000,000.00	10,000,000.00	99.962	9,996,200.00	(3,800.00)	(3,800.00)	-0.038%	0.500	1.594	1.616	03/29/12	728
89983230	03/20/08	31359MC50	5,246,150.00	(227,478.70)	5,018,671.30	5,000,000.00	100.736	5,036,800.00	(209,350.00)	18,128.70	0.361%	4.625	2.281	2.313	06/01/10	61
89983260	11/26/08	31359MJH7	10,633,400.00	(345,555.68)	10,287,844.32	10,000,000.00	106.112	10,611,200.00	(22,200.00)	323,355.68	3.143%	6.000	3.262	3.307	05/15/11	409
89983298	12/30/09	3136FJA92	9,993,000.00	3,538.89	9,996,538.89	10,000,000.00	100.065	10,006,500.00	13,500.00	9,961.11	0.100%	1.170	1.189	1.206	12/30/11	638
89983307	03/10/10	3136FMCL6	10,000,000.00	0.00	10,000,000.00	10,000,000.00	100.001	10,000,100.00	100.00	100.00	0.001%	2.125	2.096	2.125	09/10/13	1258
89983297	12/21/09	3128X9PG9	9,995,000.00	5,000.00	10,000,000.00	10,000,000.00	100.000	10,000,000.00	5,000.00	0.00	0.000%	1.250	1.258	1.275	12/21/11	629
89983304	01/19/10	3128X9SS0	9,983,000.00	6,800.00	9,989,800.00	10,000,000.00	99.813	9,981,300.00	(1,700.00)	(8,500.00)	-0.085%	1.250	1.318	1.336	01/19/12	658
89983306	01/19/10	3128X9TWO	8,300,000.00	0.00	8,300,000.00	8,300,000.00	100.093	8,307,719.00	7,719.00	7,719.00	0.093%	2.500	2.466	2.500	07/19/13	1205
Subtotal & Averages			182,541,539.54	(1,271,725.89)	181,269,813.65	180,951,000.00		182,641,445.01	99,905.47	1,371,631.36			2.244	2.275		522

**Clark County, Washington
Investment Portfolio
March 31, 2010**

Investment Number		Purchase Date	Cusip Number	Book Value	Amortized Disc/(Prem)	Amortized Book Value	Par Value	Market Price 03/31/10	Market Value	Cash Gain/(Loss) on Security	Amortized Gain/(Loss) on Security	Percent Gain/(Loss) on Security	Coupon Rate	Yield to Maturity 360 MM	Yield to Maturity 365 BE	Maturity Date	Days to Maturity
Outside Investments - Camas		3.14%															
61293275	Federal Farm Credit	1/20/2009	31331XWL2	2,398,637.60	(100,262.97)	2,298,374.63	2,290,000.00	100.221	2,295,060.90	(103,576.70)	(3,313.73)	-0.144%	4.750	1.043	1.057	05/07/10	36
61293272	Federal Home Loan	1/20/2009	3133XQYX4	1,189,545.20	(21,583.02)	1,167,962.18	1,160,000.00	101.173	1,173,602.16	(15,943.04)	5,639.98	0.483%	3.000	1.403	1.422	09/10/10	162
61293273	Federal Home Loan	1/20/2009	3133XRM49	1,211,040.00	(32,350.35)	1,178,689.65	1,160,000.00	102.277	1,186,413.20	(24,626.80)	7,723.55	0.655%	3.875	1.482	1.503	12/10/10	253
61293274	Federal Home Loan	1/20/2009	3133XRWL0	2,584,725.00	(64,860.52)	2,519,864.48	2,500,000.00	101.140	2,528,500.00	(56,225.00)	8,635.52	0.343%	3.375	1.165	1.181	08/13/10	134
61293271	Federal National Mtg Assoc	1/20/2009	31398ATZ5	1,200,679.90	(21,951.83)	1,178,728.07	1,169,000.00	101.318	1,184,407.42	(16,272.48)	5,679.35	0.482%	2.875	1.265	1.283	10/12/10	194
61293276	Federal National Mtg Assoc	1/20/2009	3136F9RJ4	2,339,377.50	(56,468.34)	2,282,909.16	2,274,000.00	100.542	2,286,325.08	(53,052.42)	3,415.92	0.150%	3.255	1.142	1.158	06/09/10	69
61293269	Federal Home Loan Mtg Corp	1/20/2009	3137EABV0	1,029,930.00	(19,456.76)	1,010,473.24	1,000,000.00	101.593	1,015,930.00	(14,000.00)	5,456.76	0.540%	2.875	1.208	1.225	11/23/10	236
61293270	Federal Home Loan Mtg Corp	1/20/2009	3134A4VB7	2,435,125.77	(84,357.53)	2,350,768.24	2,331,000.00	101.085	2,356,291.35	(78,834.42)	5,523.11	0.235%	4.125	1.055	1.070	07/12/10	102
Subtotal & Averages				14,389,060.97	(401,291.32)	13,987,769.65	13,884,000.00		14,026,530.11	(362,530.86)	38,760.46			9.76	9.90		126
Outside Investments - Camp Bonneville		0.24%															
10130001	Washington State LGIP	12/7/2007		1,079,294.07	0.00	1,079,294.07	1,079,294.07		1,079,294.07				0.225	0.222	0.225		1
Subtotal & Averages				1,079,294.07	0.00	1,079,294.07	1,079,294.07		1,079,294.07	0.00	0.00			0.22	0.23		1.00
U.S. Treasury Securities - SLGS		0.34%															
61093301	State & Local Govt. Series	12/21/2009		225,000.00			225,000.00		225,000.00				0.000	0.000	-	11/26/10	239
61123299	State & Local Govt. Series	12/21/2009		91,000.00			91,000.00		91,000.00				0.000	0.000	-	11/26/10	239
61243300	State & Local Govt. Series	12/21/2009		36,000.00			36,000.00		36,000.00				0.000	0.000	-	11/26/10	239
61273302	State & Local Govt. Series	12/21/2009		1,210,000.00			1,210,000.00		1,210,000.00				0.000	0.000	-	11/26/10	239
Subtotal & Averages				1,562,000.00	0.00	0.00	1,562,000.00		1,562,000.00	0.00	0.00			0.000	-		239.00
Passbook/Money Market Accounts		49.83%															
89983283	First Independent Bank	1%		3,263,386.17	0.00	3,263,386.17	3,263,386.17		3,263,386.17				0.450	0.444	0.450		1
89983309	First Independent Bank	1%		3,000,000.00	0.00	3,000,000.00	3,000,000.00		3,000,000.00				0.000	0.000	-		1
89980001	Washington State LGIP	48%		221,870,755.76	0.00	221,870,755.76	221,870,755.76		221,870,755.76				0.225	0.222	0.225		1
Subtotal & Averages				228,134,141.93	0.00	228,134,141.93	228,134,141.93		228,134,141.93					0.222	0.225		1
Grand Total				<u>457,835,574.49</u>	<u>(1,673,017.21)</u>	<u>454,600,557.28</u>	<u>455,739,973.98</u>		<u>457,572,949.10</u>	<u>(262,625.39)</u>	<u>1,410,391.82</u>			<u>1.137</u>	<u>1.153</u>		<u>231</u>
Callable Percentage 19.38%																	
7.70 months																	

EXHIBIT 3

**CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
AGING OF MATURING INVESTMENTS
March 31, 2010**

Days to Maturity	Book Value	% Maturing	Cumulative % Maturing
1	\$229,213,436	50.06%	50.06%
2 - 90	\$40,548,765	8.86%	58.92%
91 - 180	\$44,345,323	9.69%	68.61%
181 - 270	\$5,003,650	1.09%	69.70%
271 - 360	\$0	0.00%	69.70%
361 - 450	\$20,503,400	4.48%	74.18%
451 - 540	\$0	0.00%	74.18%
541 - 630	\$49,970,000	10.91%	85.09%
631 - 720	\$29,958,500	6.54%	91.64%
721 - 900	\$10,000,000	2.18%	93.82%
901 - 1300	\$28,292,500	6.18%	100.00%
TOTALS	\$457,835,574	100.00%	

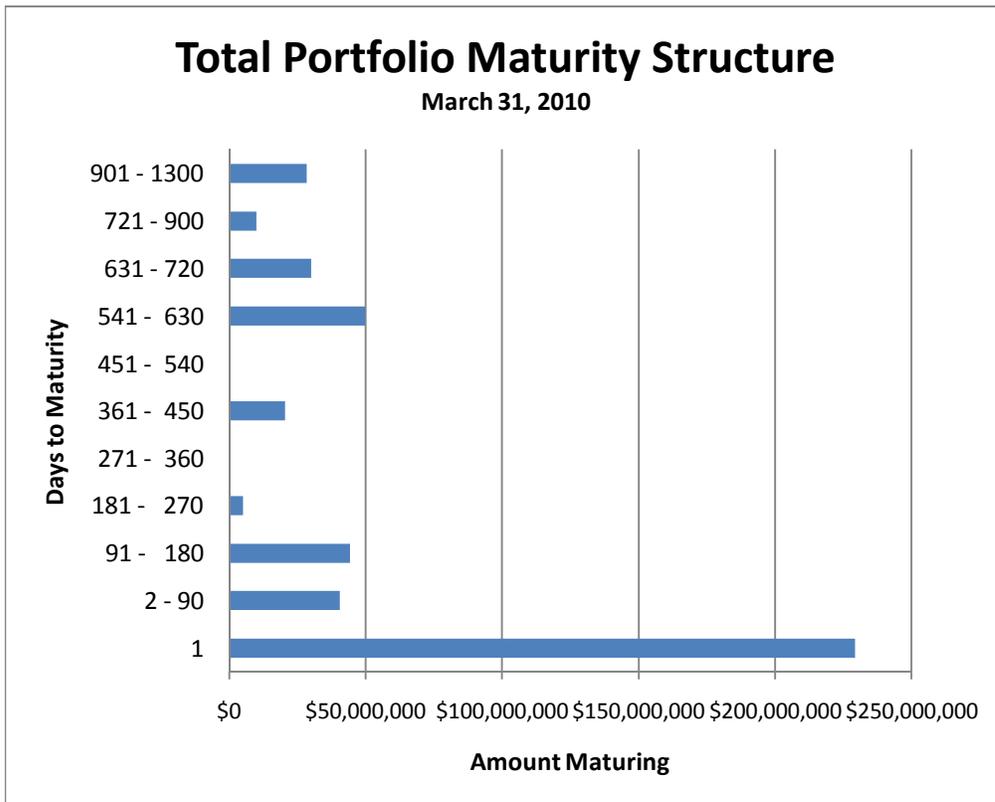


Exhibit 4

**CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
SUMMARY OF INVESTMENTS BY ISSUER
March 31, 2010**

Issuer	Number of Investments	Book Value	% of Portfolio	Avg YTM (365)	Days to Maturity
Federal Farm Credit Bank	6	45,824,277	10.01%	2.56	355
Federal Home Loan Bank	11	79,950,660	17.46%	2.25	418
Federal Home Loan Mtg Corp.	5	31,743,056	6.93%	1.60	736
Federal National Mtg Association	6	39,412,607	8.61%	2.15	609
First Independent Bank	2	6,263,386	1.37%	0.23	1
State & Local Govt. Series	4	1,562,000	0.34%	-	239
Umpqua Bank	2	10,050,000	2.20%	1.65	576
US Bank	1	10,000,000	2.18%	1.52	120
Washington State LGIP	2	222,950,050	48.70%	0.22	1
Wells Fargo	1	10,079,538	2.20%	1.19	130
TOTALS and AVERAGES	40	457,835,574	100.00%	1.148%	231

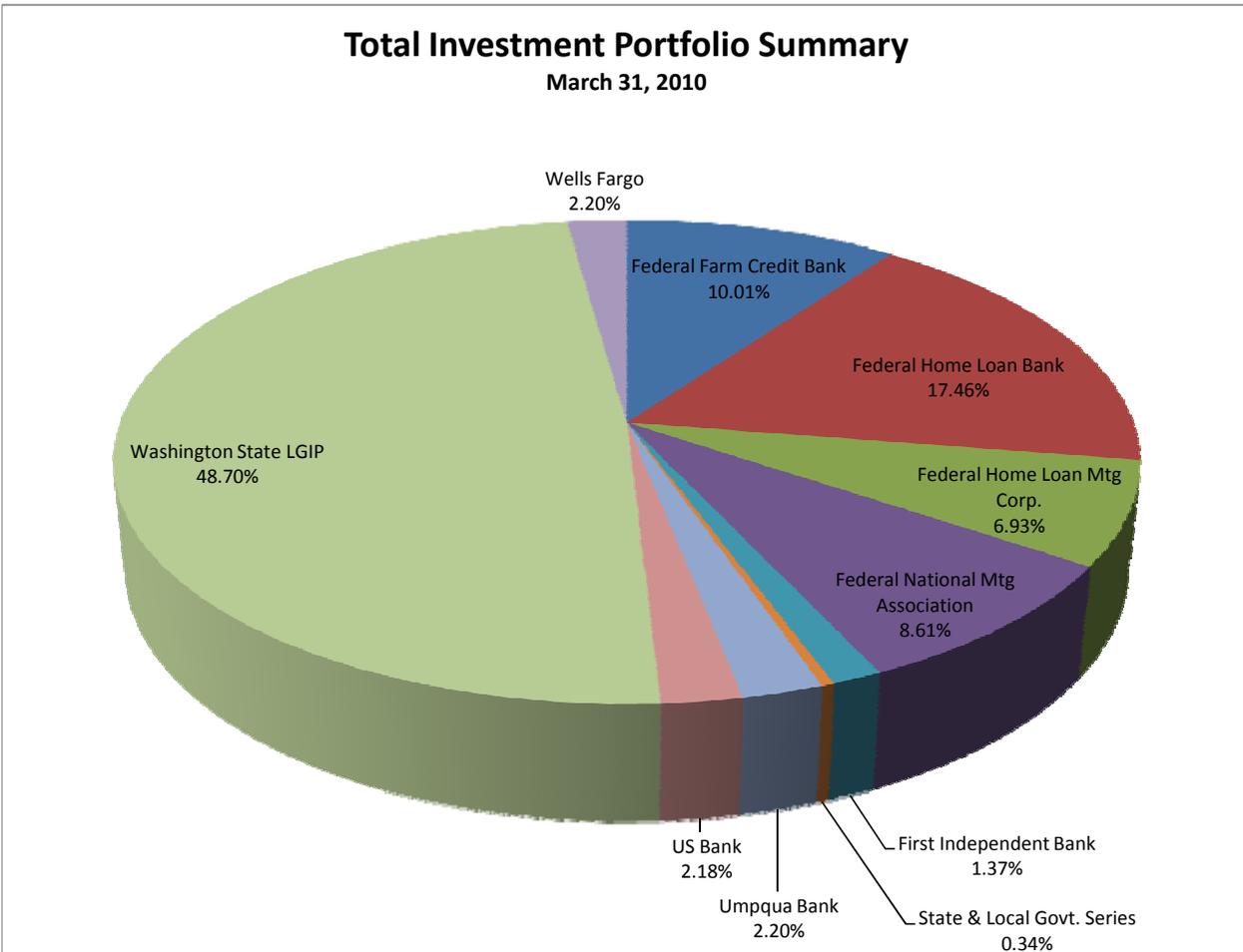


EXHIBIT 5

CLARK COUNTY TOTAL INVESTMENT PORTFOLIO
INVESTMENT ACTIVITY BY TYPE
As of March 31, 2010

NUMBER	ISSUER	STATED RATE	DATE	PURCHASES	MATURITIES	BALANCE	
BANKERS ACCEPTANCES				BEGINNING BALANCE:		2,787,750.00	
89983286	Bank of America	0.900	01/04/10		2,787,750.00		
SUBTOTALS and ENDING BALANCE - JANUARY				0.00	2,787,750.00	0.00	
SUBTOTALS and ENDING BALANCE - FEBRUARY				0.00	0.00	0.00	
SUBTOTALS and ENDING BALANCE - MARCH				0.00	0.00	0.00	
CERTIFICATES OF DEPOSIT				BEGINNING BALANCE:		41,102,627.15	
89983292	First Independent Bank	1.050	01/04/10		1,002,621.18		
89983281	Umpqua Bank	1.300	01/04/10		10,000,000.00		
89983285	Wells Fargo	2.150	01/09/10	10,162.35			
89983285	Wells Fargo	2.150	02/09/10	10,172.64			
89983285	Wells Fargo	2.150	03/09/10	9,197.02			
SUBTOTALS and ENDING BALANCE - JANUARY				10,162.35	11,002,621.18	30,110,168.32	
SUBTOTALS and ENDING BALANCE - FEBRUARY				10,172.64	0.00	30,120,340.96	
SUBTOTALS and ENDING BALANCE - MARCH				9,197.02	0.00	30,129,537.98	
FEDERAL AGENCIES - SEMI ANNUAL COUPON				BEGINNING BALANCE:		208,653,700.51	
89983255	Federal Farm Credit Bank	3.050	01/21/10		10,001,100.00		
89983291	Federal Home Loan Bank	1.500	01/28/10		10,000,000.00		
89983305	Federal Home Loan Bank	1.000	01/26/10	9,992,500.00			
89983304	Federal Home Loan Mtg Corp.	1.250	01/19/10	9,983,000.00			
89983306	Federal Home Loan Mtg Corp.	2.500	01/19/10	8,300,000.00			
89983277	Federal Home Loan Bank	1.050	02/24/10		10,000,000.00		
89983294	Federal Home Loan Bank	1.500	02/09/10		10,000,000.00		
89983295	Federal Home Loan Bank	1.500	02/09/10		9,997,500.00		
89983308	Federal Home Loan Bank	0.500	03/29/10	10,000,000.00			
89983307	Federal National Mtg Association	2.125	03/10/10	10,000,000.00			
89983289	Federal Home Loan Mtg Corp.	1.750	03/02/10		10,000,000.00		
SUBTOTALS and ENDING BALANCE - JANUARY				28,275,500.00	20,001,100.00	216,928,100.51	
SUBTOTALS and ENDING BALANCE - FEBRUARY				0.00	29,997,500.00	186,930,600.51	
SUBTOTALS and ENDING BALANCE - MARCH				20,000,000.00	10,000,000.00	196,930,600.51	
TREASURY SECURITIES - SLGS				BEGINNING BALANCE:		1,562,000.00	
SUBTOTALS and ENDING BALANCE - JANUARY				0.00	0.00	1,562,000.00	
SUBTOTALS and ENDING BALANCE - FEBRUARY				0.00	0.00	1,562,000.00	
SUBTOTALS and ENDING BALANCE - MARCH				0.00	0.00	1,562,000.00	
CLARK COUNTY				BEGINNING BALANCE:		0.00	
JANUARY	Registered Warrant Invest Acct	2.44%		509,280.19	171,398.21	337,881.98	
FEBRUARY	Registered Warrant Invest Acct	2.44%		336.74	337,881.98	336.74	
MARCH	Registered Warrant Invest Acct	2.44%			336.74	(0.00)	
First Independent Bank				BEGINNING BALANCE:		4,009,139.45	
JANUARY	Public Checking Account	0.450		1,532.26		4,010,671.71	
FEBRUARY	Public Checking Account	0.450		1,384.51	0.00	4,012,056.22	
MARCH	Public Checking Account	0.450		3,001,329.95	750,000.00	6,263,386.17	
STATE POOL				BEGINNING BALANCE:		221,011,480.65	
JANUARY	Washington State Pool	0.286		52,551,939.18	56,600,000.00	216,963,419.83	
FEBRUARY	Washington State Pool	0.272		50,395,030.77	30,650,224.75	236,708,225.85	
MARCH	Washington State Pool	0.225		42,541,823.98	56,300,000.00	222,950,049.83	
				BEGINNING BALANCE:	PURCHASES	MATURITIES	ENDING BALANCE:
JANUARY	TOTALS			479,126,697.76	81,348,413.98	90,562,869.39	469,912,242.35
FEBRUARY	TOTALS			469,912,242.35	50,406,924.66	60,985,606.73	459,333,560.28
MARCH	TOTALS			459,333,560.28	65,552,350.95	67,050,336.74	457,835,574.49

Exhibit 6

**CLARK COUNTY INVESTMENT PORTFOLIO POOL
DISTRIBUTION OF INVESTMENTS BY TYPE
March 31, 2010**

Investments	Book Value	Percent of Portfolio	Average Days to Maturity	Yield to Maturity	
				360 Equivalent	365 Equivalent
Certificates of Deposit	\$ 30,079,538	6.82%	276	1.433%	1.453%
Federal Agencies - Semi-annual	\$ 182,541,540	41.42%	521	2.244%	2.275%
Washington State LGIP	\$ 221,870,756	50.34%	1	0.221%	0.224%
Passbook/Money Market Accts	\$ 6,263,386	1.42%	1	0.048%	0.049%
Total	\$ 440,755,219	100.00%	235	1.139%	1.155%
Accrued Interest at Purchase	\$ 1,667				
Total Cash and Investments	<u>\$ 440,756,886</u>				

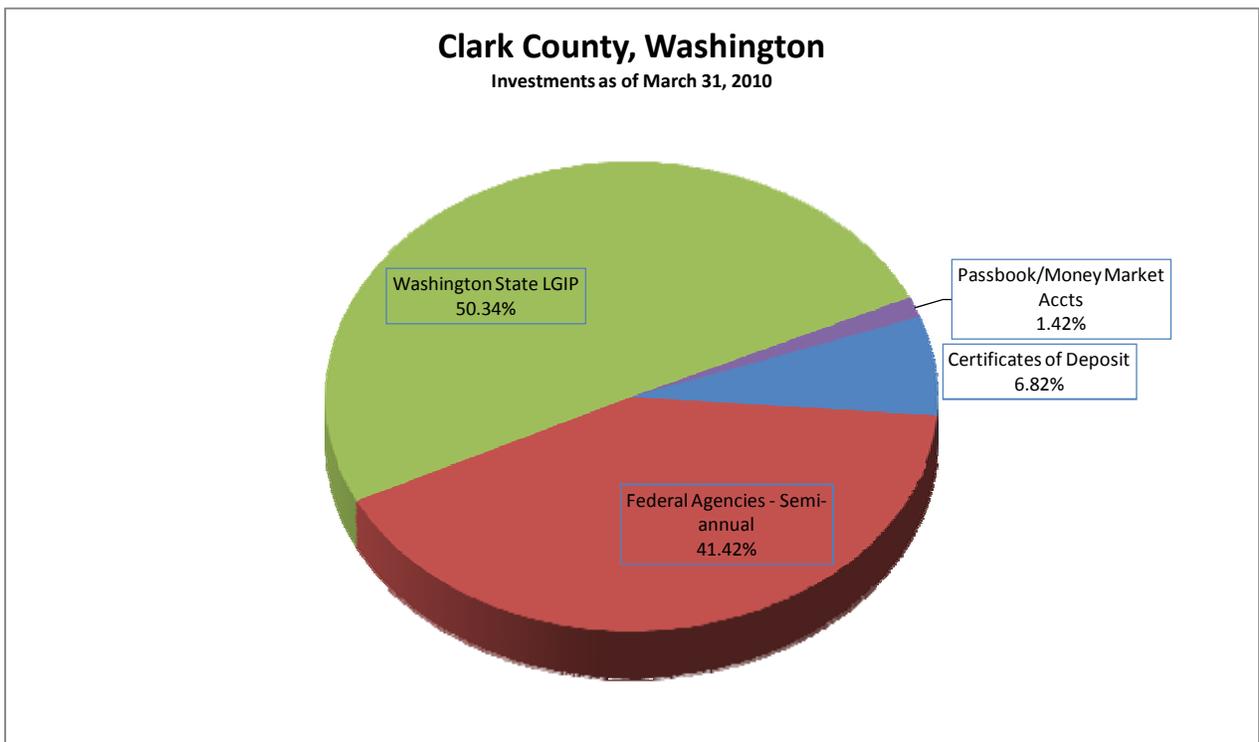


Exhibit 7
Clark County, Washington
Pooled Investment Portfolio
March 31, 2010

Investment Number	Purchase Date	Cusip Number	Book Value	Amortized Disc(Prem)	Amortized Book Value	Par Value	Market Price 03/31/10	Market Value	Cash Gain/(Loss) on Security	Amortized Gain/(Loss) on Security	Percent Gain/(Loss) on Security	Coupon Rate	Yield to Maturity		Maturity Date	Days to Maturity
													360 MM	365 BE		
CD's													6.84%			
89983280 US Bank	5/1/2009		10,000,000.00		10,000,000.00	10,000,000.00		10,000,000.00				1.500	1.500	1.521	07/30/10	120
00013284 Umpqua Bank	7/1/2009		50,000.00		50,000.00	50,000.00		50,000.00				1.000	0.986	1.000	06/30/10	90
89983285 Wells Fargo	7/9/2009		10,079,537.98		10,079,537.98	10,079,537.98		10,079,537.98				1.190	1.174	1.190	08/09/10	130
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	578
Subtotal & Averages			30,129,537.98		30,129,537.98	30,129,537.98		30,129,537.98					1.432	1.452		275
Federal Agencies - Semi-Annual Coupon													41.41%			
89983229 Federal Farm Credit Bank	03/12/08	31331XL42	8,098,889.54	(392,168.68)	7,706,720.86	7,651,000.00	101.451	7,762,016.01	(336,873.53)	55,295.15	0.717%	5.250	2.620	2.656	07/16/10	106
89983234 Federal Farm Credit Bank	04/18/08	31331XGC0	10,396,900.00	(362,835.76)	10,034,064.24	10,000,000.00	100.822	10,082,200.00	(314,700.00)	48,135.76	0.480%	4.750	2.782	2.821	06/07/10	67
89983252 Federal Farm Credit Bank	10/14/08	31331GDC0	10,000,000.00	0.00	10,000,000.00	10,000,000.00	104.278	10,427,800.00	427,800.00	427,800.00	4.278%	3.600	3.551	3.600	10/14/11	561
89983259 Federal Farm Credit Bank	11/21/08	31331YG46	4,947,350.00	29,653.45	4,977,003.45	5,000,000.00	102.214	5,110,700.00	163,350.00	133,696.55	2.686%	2.625	3.038	3.080	04/21/11	385
89983303 Federal Farm Credit Bank	12/28/09	31331G5Q8	9,982,500.00	17,500.00	10,000,000.00	10,000,000.00	99.902	9,990,200.00	7,700.00	(9,800.00)	-0.098%	1.200	1.263	1.281	03/15/12	714
89983232 Federal Home Loan Bank	04/03/08	3133MYYZ	10,148,900.00	(140,486.47)	10,008,413.53	10,000,000.00	100.367	10,036,700.00	(112,200.00)	28,286.47	0.283%	3.375	2.609	2.645	05/14/10	43
89983235 Federal Home Loan Bank	05/05/08	3133XQYX4	9,957,500.00	34,502.96	9,992,002.96	10,000,000.00	101.173	10,117,260.00	159,760.00	125,257.04	1.254%	3.000	3.137	3.181	09/10/10	162
89983238 Federal Home Loan Bank	05/15/08	3133XR2Y5	9,968,800.00	28,272.39	9,997,072.39	10,000,000.00	100.549	10,054,900.00	86,100.00	57,827.61	0.578%	3.000	3.112	3.155	06/11/10	71
89983258 Federal Home Loan Bank	11/21/08	3133XQQQ8	4,922,650.00	42,159.62	4,964,809.62	5,000,000.00	102.243	5,112,150.00	189,500.00	147,340.38	2.968%	2.625	3.230	3.275	05/20/11	414
89983290 Federal Home Loan Bank	10/07/09	3133XUX24	9,980,000.00	19,333.33	9,999,333.33	10,000,000.00	100.018	10,001,800.00	21,800.00	2,466.67	0.025%	1.250	1.333	1.352	10/07/11	554
89983293 Federal Home Loan Bank	10/22/09	3133XVB91	9,995,000.00	4,622.09	9,999,622.09	10,000,000.00	100.020	10,002,000.00	7,000.00	2,377.91	0.024%	0.750	1.436	1.456	10/14/11	561
89983305 Federal Home Loan Bank	01/26/10	3133XWKN8	9,992,500.00	5,416.67	9,997,916.67	10,000,000.00	100.039	10,003,900.00	11,400.00	5,983.33	0.060%	1.000	2.234	2.265	10/26/12	939
89983308 Federal Home Loan Bank	03/29/10	3133XXJQ1	10,000,000.00	0.00	10,000,000.00	10,000,000.00	99.962	9,996,200.00	(3,800.00)	(3,800.00)	-0.038%	0.500	1.594	1.616	03/29/12	728
89983230 Federal Nat'l Mtg Assoc.	03/20/08	31359MC50	5,246,150.00	(227,478.70)	5,018,671.30	5,000,000.00	100.736	5,036,800.00	(209,350.00)	18,128.70	0.361%	4.625	2.281	2.313	06/01/10	61
89983260 Federal Nat'l Mtg Assoc.	11/26/08	31359MJH7	10,633,400.00	(345,555.68)	10,287,844.32	10,000,000.00	106.112	10,611,200.00	(22,200.00)	323,355.68	3.143%	6.000	3.262	3.307	05/15/11	409
89983298 Federal Nat'l Mtg Assoc.	12/30/09	3136FJA92	9,993,000.00	3,538.89	9,996,538.89	10,000,000.00	100.065	10,006,500.00	13,500.00	9,961.11	0.100%	1.170	1.189	1.206	12/30/11	638
89983307 Federal Nat'l Mtg Assoc.	03/10/10	3136FMCL6	10,000,000.00	0.00	10,000,000.00	10,000,000.00	100.001	10,000,100.00	100.00	100.00	0.001%	2.125	2.096	2.125	09/10/13	1258
89983297 Federal Home Loan Mtg. Corp.	12/21/09	3128X9PG9	9,995,000.00	5,000.00	10,000,000.00	10,000,000.00	100.000	10,000,000.00	5,000.00	0.00	0.000%	1.250	1.258	1.275	12/21/11	629
89983304 Federal Home Loan Mtg. Corp.	01/19/10	3128X9SS0	9,983,000.00	6,800.00	9,989,800.00	10,000,000.00	99.813	9,981,300.00	(1,700.00)	(8,500.00)	-0.085%	1.250	1.318	1.336	01/19/12	658
89983306 Federal Home Loan Mtg. Corp.	01/19/10	3128X9TWO	8,300,000.00	0.00	8,300,000.00	8,300,000.00	100.093	8,307,719.00	7,719.00	7,719.00	0.093%	2.500	2.466	2.500	07/19/13	1205
Subtotal & Averages			182,541,539.54	(1,271,725.89)	181,269,813.65	180,951,000.00		182,641,445.01	99,905.47	1,371,631.36			2.244	2.275		522
Passbook/Money Market Accounts													51.75%			
89983283 First Independent Bank	1%		3,263,386.17	0.00	3,263,386.17	3,263,386.17		3,263,386.17				0.450	0.444	0.450		1
89983309 First Independent Bank	1%		3,000,000.00	0.00	3,000,000.00	3,000,000.00		3,000,000.00				0.000	0.000	-		1
89980001 Washington State LGIP	50%		221,870,755.76	0.00	221,870,755.76	221,870,755.76		221,870,755.76				0.225	0.222	0.225		1
Subtotal & Averages			228,134,141.93	0.00	228,134,141.93	228,134,141.93		228,134,141.93					0.222	0.225		1
Grand Total			<u>440,805,219.45</u>	<u>(1,271,725.89)</u>	<u>439,533,493.56</u>	<u>439,214,679.91</u>		<u>440,905,124.92</u>	<u>99,905.47</u>	<u>1,371,631.36</u>			<u>1.142</u>	<u>1.158</u>		<u>236</u>
Callable Percentage													20.10%			7.87 months

EXHIBIT 8

**CLARK COUNTY Pool INVESTMENT PORTFOLIO
AGING OF MATURING INVESTMENTS
March 31, 2010**

Days to Maturity	Book Value	% Maturing	Cumulative % Maturing
1	\$228,134,142	51.76%	51.76%
2 - 90	\$35,760,750	8.11%	59.87%
91 - 180	\$38,135,928	8.65%	68.53%
181 - 270		0.00%	68.53%
271 - 360		0.00%	68.53%
361 - 450	\$20,503,400	4.65%	73.18%
451 - 540		0.00%	73.18%
541 - 630	\$49,970,000	11.34%	84.51%
631 - 720	\$29,958,500	6.80%	91.31%
721 - 900	\$10,000,000	2.27%	93.58%
901 - 1300	\$28,292,500	6.42%	100.00%
TOTALS	\$440,755,219	100.00%	

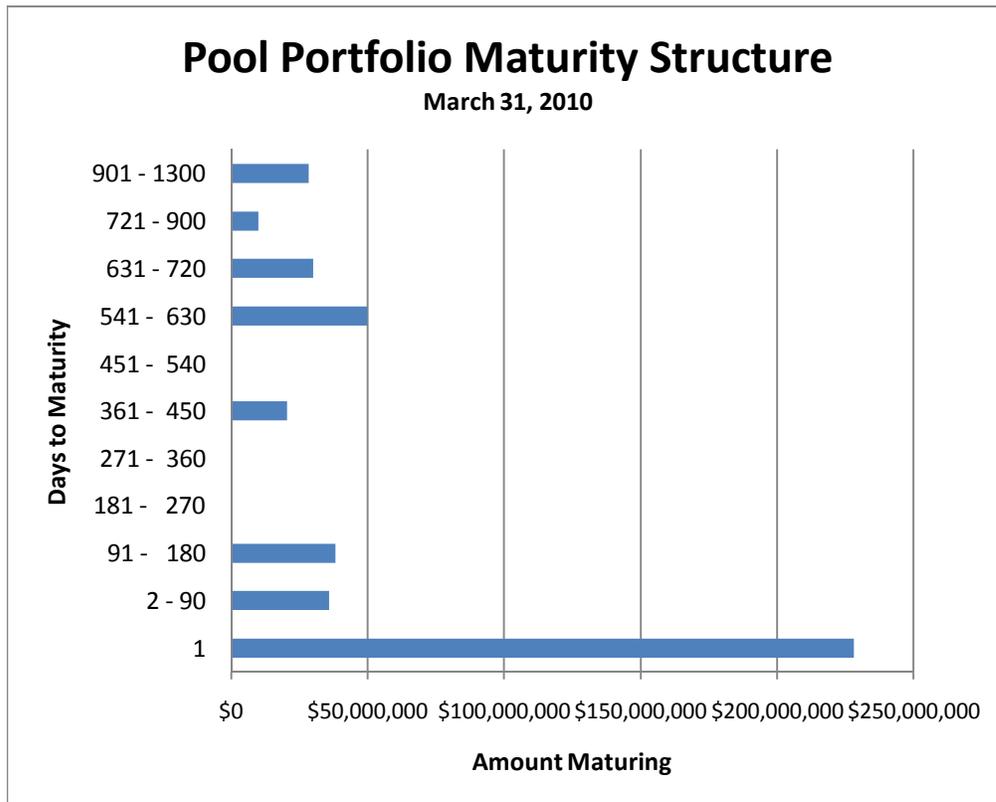


Exhibit 9

**CLARK COUNTY Pool INVESTMENT PORTFOLIO
SUMMARY OF INVESTMENTS BY ISSUER
March 31, 2010**

Issuer	Number of Investments	Book Value	% of Portfolio	Avg YTM (365)	Days to Maturity
Federal Farm Credit Bank	5	43,425,640	9.85%	2.65	373
Federal Home Loan Bank	8	74,965,350	17.01%	2.31	435
Federal Home Loan Mtg Corp.	3	28,278,000	6.42%	1.66	808
Federal National Mtg Association	4	35,872,550	8.14%	2.25	659
First Independent Bank	2	6,263,386	1.42%	0.23	1
Umpqua Bank	1	10,000,000	2.27%	1.65	578
US Bank	1	10,000,000	2.27%	1.52	120
Washington State LGIP	1	221,870,756	50.34%	0.23	1
Wells Fargo	1	10,079,538	2.29%	1.19	130
TOTALS and AVERAGES	26	440,755,219	100.00%	1.158%	235

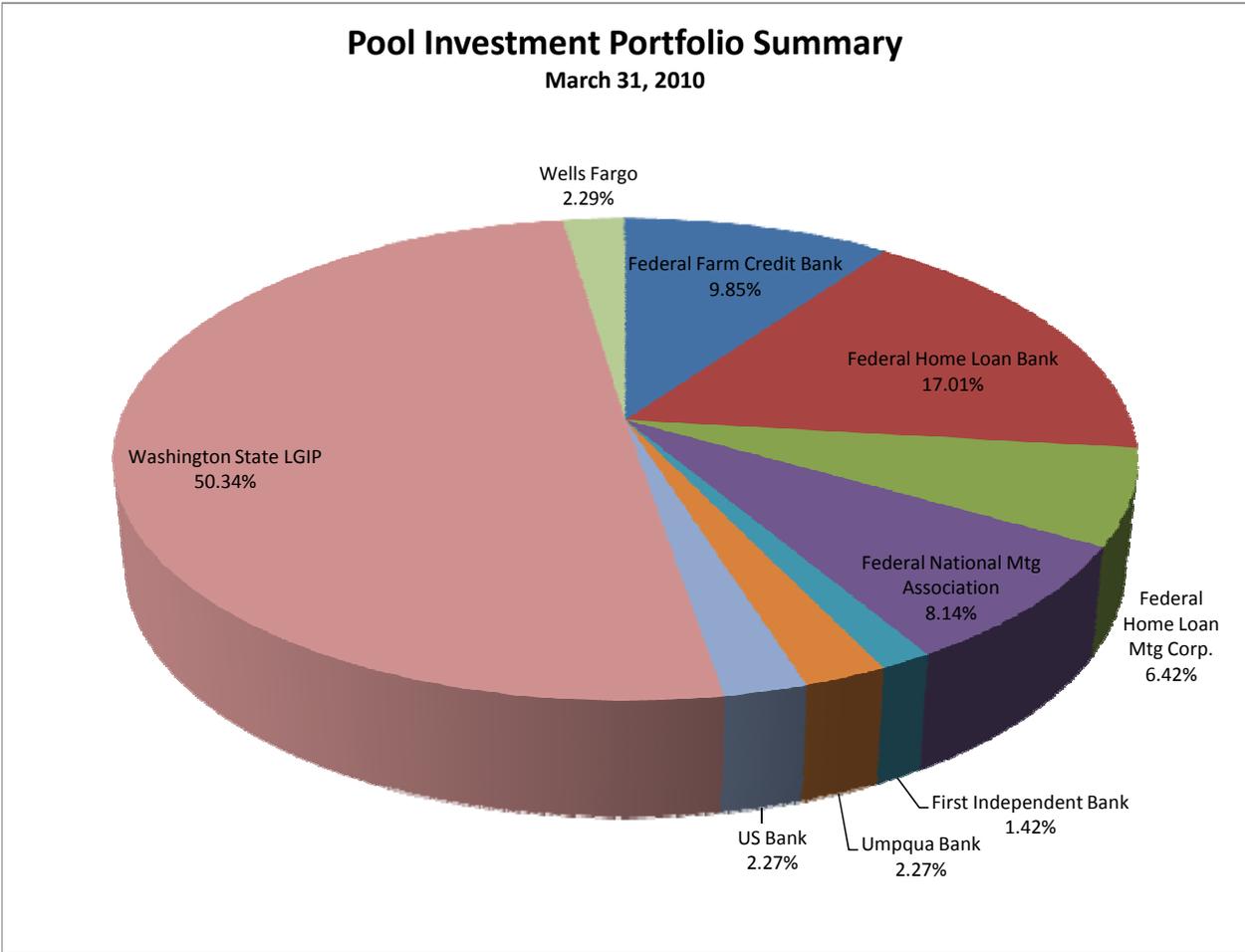


Exhibit 10
County Pool vs. State Pool
1/99 - 03/10

