

## NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

State Treasury Board. The State Treasury Board is responsible for monitoring compliance with the collateralization and reporting requirements of the Act and for notifying local governments of compliance by banks. The State Treasury Board may make additional assessments against participating financial institutions in the event the pool cannot cover losses.

### **Custodial credit risk – investments.**

For an investment, this is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2008, the State Treasurer's Local Government Investment Pool (LGIP) held Authority pool shares worth \$3,967,140; the LGIP maintains a stable net asset value of \$1 per share. As this pool is not SEC registered, regulatory oversight of the pool rests with the Virginia State Treasury. LGIP maintains a policy to operate in a manner consistent with SEC Rule 2a-7. Fair value of investments in securities held by the counterparty's trust department or safekeeping agent in the Authority's name totaled \$6,958,495.

### **Deposits and investments.**

The following is a summary and reconciliation of cash and investments at June 30, 2008:

Unrestricted current assets:	
Cash (bank deposits)	<u>\$ 2,187,330</u>
Investments (LGIP)	
Undesignated	<u>1,932,568</u>
Designated	
Unemployment	20,312
3R - Capital	<u>2,014,260</u>
Total designated	<u>2,034,572</u>
Total investments	<u>\$ 3,967,140</u>
Total unrestricted current assets:	<u>\$ 6,154,470</u>
Unrestricted long-term assets:	
Investments (U.S. & Agencies)	
Undesignated	3,455,319
Designated, 3R - Capital	<u>3,503,176</u>
Total unrestricted long-term assets:	<u>\$ 6,958,495</u>
Restricted long-term assets:	
Cash (2002 Revenue Bond)	<u>\$ 157,601</u>
Total deposits and investments	<u><u>\$ 13,270,566</u></u>