

## INSTRUCTIONS FOR FORM LGC 203

This report is required to be filed twice each year pursuant to G.S. 159-33 and 33.1 or G.S. 115C-446. It is due in the office of the Local Government Commission, 325 N. Salisbury Street, Raleigh, North Carolina 27603-1385 on or before **July 25** or **January 25** and is to reflect the book balances of cash and purchase amounts and market values of investments as of June 30 or December 31. If necessary, attach additional forms or use the supplemental forms to show additional financial institutions or investments. Complete only those sections which are relevant to your unit.

### NOTE TO ALL PREPARERS

Most units are expected to download the Microsoft Excel workbook version of the LGC-203 form from the State Treasurer's website and complete the form using the Microsoft Excel (97 Version or later).

**PLEASE NOTE – YOU MUST SAVE THE WORKBOOK TO A DIRECTORY ON YOUR COMPUTER SYSTEM UNDER A NEW NAME BEFORE YOU ENTER ANY DATA.**

IF you use the Excel Workbook, IGNORE instructions below instructing you to enter subtotals, totals, and to carry over subtotals and totals to other sheets. All the cells in blue contain formulas and many cells link to other cells in the workbook. The Excel workbook is protected and you will not be able to enter data in any cells other than the yellow cells. If you need a blank paper form, please contact our office at 919-807-2381 to request a blank form. Please refer to these instructions regardless of which method you use to complete this form. **All amounts should be rounded to the nearest dollar.**

"Financial institution" as used on this form includes both North Carolina banks (and trust companies) and savings associations (where applicable) in which deposits are made.

1. Provide the name of the unit, the date (either June 30 or December 31) and the proper year. Answer the questions with a yes or no regarding cash policies, board action, custodial agreements and cash concentration.
2. **Section I** - Enter the amount of petty cash and the amount of undeposited receipts (cash received but not yet deposited at the close of business on June 30 or December 31). Section I should not include deposits in transit reported in Sections II or III. Compute the total for cash on hand and enter the amount in box to the right. Carry the total to page 2; section VII, line (1).
3. **Determine which method of collateralization your financial institutions use:** Compare the unit's depositories to the list of Pooling Banks provided. A list of Pooling Banks as of the reporting date is posted on the State Treasurer's website ([www.nctreasurer.com](http://www.nctreasurer.com)). If any of the unit's depositories are not on the Pooling List, then report them in Section II as Dedicated Method Institutions and complete Section VIII on page 2 for each institution listed in Section II. **NOTE: Due to HUD regulations, Housing Authorities must use the Dedicated Method regardless of whether their financial institutions appear on the Pooling List.** (If your depository, including branch offices, appears on the Pooling List, then report it in Section III as a Pooling Method Institution).
4. **Sections II and III - Definitions:**

**Col. A** - Demand deposits (non-interest bearing checking accounts)

**Col. B** - Time deposits (regular savings accounts, CDs)

**Col. C** - Interest Bearing Checking (NOW, SUPER NOW, money market deposit accounts, & any other interest bearing checking accounts)

**5. Section II -Institutions using the Dedicated Method (For Housing Authorities and financial institutions NOT found on the Pooling Method List):**

- a) List the institution's name for each depository (full name of institution and its town/city location; e.g. Bank of America, Raleigh; SunTrust, Durham). DO NOT ABBREVIATE; do not provide mailing addresses. **UNLESS your unit is a Housing Authority, DO NOT enter Pooling Method financial institutions in Section II.**
- b) Enter total amount for accounts in Columns A, B, and C, as appropriate. Include total balances for all such accounts as shown in the accounting records for the close of business June 30 or December 31. Amounts relate to the totals for each financial institution – not individual funds. **Amounts should be rounded to nearest \$.**
- c) Enter subtotals from any supplemental pages needed to list additional financial institutions.
- d) Compute totals by column for all Dedicated Banks.
- e) Compute a grand total for all Dedicated Banks and enter amount in the box to the right.
- f) Carry the Grand Total to Page 2, Section VII, and line (2).

**6. Section III - Institutions using the Pooling Method MUST be found on the Pooling List. Housing Authorities are not eligible for Pooling Method.**

- a) List the institution's name for each depository (full name of institution and its town/city location; e.g. First Citizens, Raleigh; SunTrust, Durham). DO NOT ABBREVIATE; do not provide mailing addresses.

**NOTE**

**Section III of the LGC form now has a "drop down" box in the cell for the name of the financial institution. This "drop down" box lists all the Pooling Method banks from which you can select the name of each pooling method institution which is an official depository of your unit. You must still enter on the next line the city/town in which the bank branch of the official depository is located. This is only applicable for units using the Excel Workbook.**

- b) Enter total amount for accounts in Columns A, B, and C, as appropriate. Include total balances for all such accounts as shown in the accounting records for the close of business June 30 or December 31. Amounts relate to the totals for each financial institution – not individual funds. **Amounts should be rounded to nearest \$.**
- c) Enter subtotals from any supplemental pages needed to list additional financial institutions.
- d) Compute totals by column for all Pooling Method Institutions.
- e) Compute a grand total for all Pooling Method institutions and enter amount in the box to the right.
- f) Carry the Grand Total to Page 2, Section VII, and line (3).

**7. Section IV -Investments:** Supplemental schedules may be attached but subtotals of market value by category of investment must be presented on the front page of the 203 form. **Amounts should be rounded to nearest \$.**

- a) List all funds invested with the **North Carolina Capital Management Trust (NCCMT)** including debt related funds and bond proceeds on the proper line: **Cash Portfolio** or **Term Portfolio**.
- b) List all funds invested in the State Treasurer's **Short-Term Investment Fund (STIF)**.
- c) List **OPEB Trust Fund - State Treasurer** and **OPEB Trust Fund – Other** on their respective lines. Please provide a copy of portfolio listing for OPEB Funds Invested with any custodians other than the State Treasurer.
- d) List **Hospital Funds Invested with State Treasurer** on the next line.
- e) List **Government Securities, Government Agencies, Bankers' Acceptances, Commercial Paper, and Other Investments** (such as State of North Carolina, municipal, or county obligations) separately by type of security, purchase amount, maturity value or market value, purchase date, maturity date, and yield. The security description should include complete information as to any special feature (callable, step-up, flexible/floating rate, etc.) or other feature needed to accurately identify each security. A separate schedule may be used to provide this information. For government agency securities, list the type of security, as well as the specific government agency. Yields for these investments should be quoted on a bond-equivalent basis (interest or appreciation divided by the amount invested, calculated on a 365-day basis). Also, include the name of the institution acting as the unit's custodian or safekeeping agent pursuant to the requirements of G.S. 159-30(d). If the securities are held in the unit's vault, indicate this as well. **Please note that only the trust department of financial institutions may provide safekeeping/custodial services for investments.**
- f) Please footnote in the margin any "Other Investments" that are debt-related.
- g) Compute a "Total by Type" for each category of investment. Totals may be brought forward from separate schedules or may be the sum of all listed entries. Regardless of the format and number of supporting schedules, compute "Total by Type" for the market/maturity values as specified and enter amount in the box provided.

**8. Section V - Repurchase Agreements:**

- a) For repurchase agreements, list the institution(s) with whom the agreement is made, purchase date, maturity date, the specific securities purchased, their purchase amount, current market value, the third-party escrow agent holding the securities in safekeeping; also indicate whether a master agreement is in place, and the yield. Compute a "Total by Type" for all repurchase agreements and enter amount in the box provided.

**9. Compute a Grand Total** for the unit's investment portfolio (Section IV & V Investments): Calculate this amount by summing the "Totals by Type" for each investment category plus any amounts in your NCCMT, STIF, OPEB, and Hospital Funds account(s). Enter the amount in the box provided. Carry the Grand Total to page 2; section VII, line (6).

**10. Section VI - Interest Bearing Checking Account Analysis:** This section is for disclosing interest bearing checking accounts. Enter the name of the financial institution, the amount, and the yield on these accounts. A separate schedule may be used to provide this information.

**11. Section VII - Summary:** Enter total from Sections I through V on page 1. Amounts come directly from the boxes on the front page. Enter on at line 7 any unexpended bond and/or note proceeds to compute "net cash and investments" (line 8)

**12. Section VIII- Dedicated Method Institutions** listed in Section II: Complete Section VIII for each Dedicated Method financial institution reported in Section II. Per institution, show the name and enter the amount of non-interest bearing accounts (from Col. A). These accounts have \$250,000 of FDIC

coverage; compute the uninsured balance (a-b). Also, enter the time deposits (from Col. B) including regular savings and CDs. Enter the interest bearing accounts (from Col. C). Compute the sum of the interest bearing accounts just entered. These accounts have an additional \$250,000 of FDIC coverage; compute the uninsured balance for these accounts.

13. In the "Securities Pledged as Collateral" section to the right record the current market value of the securities held by a third-party financial institution as collateral security for the uninsured deposits. By statute the amount in "total pledged" must exceed the sum of the uninsured balances to the left. Attach a confirmation from the depository or escrow agent listing all securities held as collateral for this reporting period (either June 30 or December 31). Complete the questions about the escrow agent by indicating name and circling either no or yes; or if applicable, enter the location of the Federal Reserve Bank branch being used. The unit will be contacted if the data required in Section VIII is not provided.
14. Certification - Type or print the name and title of the official signing the report, the date, and complete telephone number of that official. Please sign the report if faxing or mailing via US mail or other delivery service. **NOTE: IF YOU E-MAIL THE FORM YOU DO NOT HAVE TO FAX OR MAIL THE SIGNATURE PAGE.**
15. Delivery Options -
  - a) **US Mail** - mailing address is **NC Department of State Treasurer, State and Local Government Finance Division, 325 N. Salisbury Street, Raleigh, NC 27603-1385**
  - b) **Other delivery service** - physical address is **NC Department of State Treasurer, State and Local Government Finance Division, 4505 Fair Meadow Lane, Raleigh, NC 27607-6449**
  - c) **FAX number - 919-807-2398**
  - d) **Email address - LGC0203@nctreasurer.com**
16. As a final step before mailing, review the report for completeness and legibility, and determine that any accompanying schedules are included or attached. Also, please double check that you have signed the report if faxing the report or mailing via US mail or other delivery method.