

Town Of Hampton Education Budget

Fiscal Year	HES	Parish Hill	Total	1% Threshold	HES Audited Actuals	Transfers Out CAFE CNR	Note
2010 / 2011	\$2,236,346	\$1,699,843	\$3,936,189	\$39,362	?	\$50,170 \$0	(Cafe/Latchkey Deficit)
2011 / 2012	\$2,256,188	\$1,669,470	\$3,925,658	\$39,257	\$2,250,728	\$20,000 \$0	
2012 / 2013	\$2,256,188	\$1,583,856	\$3,840,044	\$38,400	?	\$40,786 \$20,786	
2013 / 2014	\$2,132,079	\$1,756,995	\$3,889,074	\$38,891	\$2,132,079	\$25,506 \$17,917	\$7,589 / \$17,817 In Audit Report
2014 / 2015	\$2,187,089	\$1,700,849	\$3,887,938	\$38,879	\$2,179,823	\$22,658 \$58,983	
2015 / 2016	\$2,174,969	\$1,748,834	\$3,923,803	\$39,238	TBD	\$25,000 \$72,977	Proposed / TBD
2016 / 2017	\$2,161,750	\$1,700,263	\$3,862,013	\$38,620	N/A	N/A N/A	

Budget Values From HES BOE Website & Town Financial Statements Kept By The Town Clerk & Treasurer

1% Limit for the transfer of unexpended education funds from 2014 Supplement To The General Statutes of CT (1/1/14) Volume 1 - Title 10 - Chapter 171 - Town Management, Para 10-248a Unexpended education funds account.

Open Questions:

- 1) Does this limit include both Parish Hill & HES?
- 2) Does the cafeteria account fall under this limit as a "nonlapsing account"?

Deposit Insurance for Accounts Held by Government Depositors

Section 330.15 of the FDIC's regulations (12 C.F.R. 330.15) governs the insurance coverage of public unit accounts. For deposit insurance purposes, the term "public unit" includes a state, county, municipality, or any "political subdivision" of the public unit. Under section 330.15, the "official custodian" of the funds belonging to the public unit - rather than the public unit itself - is insured as the depositor.

Permanent Rule

The insurance coverage of public unit accounts depends upon the type of deposit and the location of the insured depository institution. All time and savings deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. Separately, all demand deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. For the purpose of these rules, the term 'time and savings deposits' includes NOW accounts and money market deposit accounts but does not include interest-bearing demand deposit accounts (which were permitted after July 21, 2011). The term 'demand deposits' means both interest-bearing and noninterest-bearing deposits that are payable on demand and for which the depository institution does not reserve the right to require advance notice of an intended withdrawal. The insurance coverage of accounts held by government depositors is different if the depository institution is located outside the State in which the public unit is located. In that case, all deposits, both time and savings deposits and demand deposits, owned by the public unit and held by the public unit's official custodian are added together and insured up to \$250,000. Time and savings deposits are not insured separately from demand deposits.

As mentioned above, a political subdivision (through its official custodian) is entitled to its own insurance coverage. The term "political subdivision" is defined to include drainage, irrigation, navigation, improvement, levee, sanitary, school or power districts, and bridge or port authorities and other special districts created by state statute or compacts between the states. The term "political subdivision" also includes any subdivision or principal department of a public unit (state, county, or municipality) if the subdivision or department meets the following tests:

- ♦ The creation of the subdivision or department has been expressly authorized by the law of such public unit;
- ♦ Some functions of government have been delegated to the subdivision or department by such law; and
- ♦ The subdivision or department is empowered to exercise exclusive control over funds for its exclusive use.

The term "political subdivision" does not include subordinated or non-autonomous divisions, agencies, or boards within subdivisions or principal departments.

Again, a public unit (including a political subdivision) is insured through its official custodian. If the same individual is an official custodian for more than one public unit, he or she is separately insured for the deposits belonging to each public unit. On the other hand, two or more individuals are treated as one official custodian if action or consent by all of these individuals is required for the exercise of control over the funds of a single public unit.

An official custodian is an officer, employee, or agent of a public unit having official custody of public funds and lawfully depositing the funds in an insured institution. In order to qualify as an official custodian, a person must have plenary authority - including control - over the funds. Control of public funds includes possession as well as the authority to establish accounts in insured depository institutions and to make deposits, withdrawals and disbursements.

Deposit insurance coverage cannot be increased by dividing funds among several putative official custodians who lack plenary authority over such funds. Likewise, coverage cannot be increased by dividing funds among several accounts controlled by the same official custodian for the same public unit.

Collateralization of Public Unit Deposits

Depending on applicable state or federal law, public unit deposits may be secured by collateral or assets of the bank. In the event of the failure of the bank, the FDIC will honor the collateralization agreement if the agreement is valid and enforceable under applicable law. The FDIC does not guarantee, however, that the collateral will be sufficient to cover the amount of the uninsured funds. As such, although it does not increase the insurance coverage of the public unit deposits, collateralization provides an avenue of recovery in the unlikely event of the failure of an insured bank.

Special Rule for Public Bonds

A special rule applies to funds held by an officer, agent or employee of a public unit under a law or bond indenture that requires the funds to be set aside to discharge a debt owed to the holders of notes or bonds issued by the public unit. A deposit of such funds in an insured depository institution is insured up to \$250,000 for the beneficial interest of each bondholder. This coverage is separate from the coverage for other deposits owned by the public unit at the same institution. In order to obtain this special coverage, however, the deposit account must satisfy certain disclosure requirements applicable to deposits held by agents or fiduciaries. Specifically, the deposit account records of the insured depository institution must disclose the existence of the fiduciary relationship or the fiduciary nature of the deposit. In addition, the details of the fiduciary relationship and the interests of the bondholders must be ascertainable from the records of the depository institution or the records of the depositor maintained in good faith and in the regular course of business.

The relevant section of the FDIC's deposit insurance regulations can be found at: 12 C.F.R. 330.15.

If you have questions or comments about the insurance coverage of public unit accounts, contact the Federal Deposit Insurance Corporation by telephone at 1-877-ASK-FDIC or by mail at 550 17th Street, NW, Washington, DC 20429.

Knud Hellested II, CTP
Vice President
Relationship Manager

Government & Inst Banking
50 Kennedy Plaza, Suite 1110
Providence, RI 02903
Bus: 401-228-2041
Fax: 508-991-2668
khellested@websterbank.com

WebsterBank.com

GOVERNMENT FINANCE

UNITS

RVE

- Competitive Multi-Tiered Interest Rates
- Unlimited Internal Transfers
- Unlimited Over-the-Counter Transactions
- Collateralized in Accordance with State Statutes
- No Monthly Maintenance Fees
- Fee-based Services Covered by Analysis
- Monthly Analysis and Checking Account Statements
- Annual Analysis Billing/Settlement
- Interest Compounded and Credited Monthly
- Check Writing Capability
- ATM Access
- Six External Transfers (three to third parties) per Month
- \$20,000 Minimum Opening Deposit

SECURED MUNICIPAL ACCOUNT

- Deposits are 100% Collateralized *
- Competitively-Priced Tiered Interest Rates
- Unlimited Internal Transfers
- Unlimited Over-the-Counter Transactions
- No Monthly Maintenance Fees
- Fee-based Services Covered by Analysis
- Monthly Analysis and Checking Account Statements
- Annual Analysis Billing/Settlement
- Interest Compounded and Credited Monthly
- Check Writing Capability
- ATM Access
- Six External Transfers (three to third parties) per Month
- \$20,000 Minimum Opening Deposit

STATE OF CONNECTICUT
DEPARTMENT OF BANKING
FINANCIAL INSTITUTIONS DIVISION
260 CONSTITUTION PLAZA - HARTFORD, CT 06103

PUBLIC DEPOSITS AND ELIGIBLE COLLATERAL REPORT - Banks

Name of Institution:	Savings Institute Bank & Trust Co.
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Public deposits as defined under Section 36a-330 of the Connecticut General Statutes:

	June 30, 2016
Total Public Deposits (in Thousands)	\$31,232
Uninsured Public Deposits (in Thousands)	\$24,224
Tier One Leverage Capital/Total Assets	9.2819%
Total Risk-Based Capital/Risk-Weighted Assets	15.6990%

\$ 24,224,000

Eligible collateral segregated to secure public deposits as defined under Section 36a-330 of the Connecticut General Statutes:

Description	CUSIP	Par Value	Market Value	Maturity
FHLMC 1.65%	3134G35V8	\$1,000,000	\$1,026,127	03/13/2020
FNMA 1.01%	3135G0UD3	\$1,000,000	\$1,000,451	02/14/2018
US Treasury N/B	912828UU2	\$2,000,000	\$2,005,468	03/31/2018

The above collateral is being held at:	Federal Reserve Bank of Boston
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Prepared by:

Signature	Joan H. Maclure
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Name, Title	Joan H. Maclure, Asst. Treasurer
Street Address	803 Main Street
City, State, Zip Code	Willimantic, CT 06226
Telephone Number	860-423-4581

The above named officer, authorized to sign this report, declared before me under oath this day of July 27, 2016 that total amount of public deposits held by the institution and the amount and nature of the eligible collateral segregated and designated, therefore, are in accordance with Chapter 665 of the General Statutes of the State of Connecticut.


(Notary Public) **DONNA M. CHARRON**
NOTARY PUBLIC
MY COMMISSION EXPIRES 11/31/21

Sec. 10-221u. Boards to adopt policies addressing the use of physical activity as discipline. Not later than October 1, 2013, each local and regional board of education shall adopt a policy, as the board deems appropriate, concerning the issue regarding any school employee being involved in requiring any student enrolled in grades kindergarten to twelve, inclusive, to engage in physical activity as a form of discipline during the regular school day. For purposes of this section, "school employee" means (1) a teacher, substitute teacher, school administrator, school superintendent, guidance counselor, psychologist, social worker, nurse, physician, school paraprofessional or coach employed by a local or regional board of education or working in a public elementary, middle or high school; or (2) any other individual who, in the performance of his or her duties, has regular contact with students and who provides services to or on behalf of students enrolled in a public elementary, middle or high school, pursuant to a contract with the local or regional board of education.

(P.A. 13-173, S. 3.)

History: P.A. 13-173 effective July 1, 2013.

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Sec. 10-222. Appropriations and budget. Each local board of education shall prepare an itemized estimate of the cost of maintenance of public schools for the ensuing year and shall submit such estimate to the board of finance in each town or city having a board of finance, to the board of selectmen in each town having no board of finance or otherwise to the authority making appropriations for the school district, not later than two months preceding the annual meeting at which appropriations are to be made. The board or authority that receives such estimate shall, not later than ten days after the date the board of education submits such estimate, make spending recommendations and suggestions to such board of education as to how such board of education may consolidate noneducational services and realize financial efficiencies. Such board of education may accept or reject the suggestions of the board of finance, board of selectmen or appropriating authority and shall provide the board of finance, board of selectmen or appropriating authority with a written explanation of the reason for any rejection. The money appropriated by any municipality for the maintenance of public schools shall be expended by and in the discretion of the board of education. Except as provided in this subsection, any such board may transfer any unexpended or uncontracted-for portion of any appropriation for school purposes to any other item of such itemized estimate. Boards may, by adopting policies and procedures, authorize designated personnel to make limited transfers under emergency circumstances if the urgent need for the transfer prevents the board from meeting in a timely fashion to consider such transfer. All transfers made in such instances shall be announced at the next regularly scheduled meeting of the board and a written explanation of such transfer shall be provided to the legislative body of the municipality or, in a municipality where the legislative body is a town meeting, to the board of selectmen. Expenditures by the board of education shall not exceed the appropriation made by the municipality, with such money as may be received from other sources for school purposes. If any occasion arises whereby additional funds are needed by such board, the chairman of such board shall notify the board of finance, board of selectmen or appropriating authority, as the case may be, and shall submit a request for additional funds in the same manner as is provided for departments, boards or agencies of the municipality and no additional funds shall be expended unless such supplemental appropriation shall be granted and no supplemental expenditures shall be made in excess of those granted through the appropriating authority. The annual report of the board of education shall, in accordance with section 10-224, include a summary showing (1) the total cost of the maintenance of schools, (2) the amount received from the state and other sources for the maintenance of schools, and (3) the net cost to the municipality of the maintenance of schools. For purposes of this subsection, "meeting" means a meeting, as defined in section 1-200, and "itemized estimate" means an estimate in which broad budgetary categories including, but not limited to, salaries, fringe benefits, utilities, supplies and grounds maintenance are divided into one or more line items.

(1949 Rev., S. 1480; P.A. 78-218, S. 147; P.A. 82-217; P.A. 84-484, S. 1, 2; P.A. 98-141, S. 1, 2; P.A. 12-116, S. 16; P.A. 13-60, S. 1.)

History: P.A. 78-218 simplified phraseology by specifying applicability of provisions to local boards, substituting "municipality" for "city, town or school district" and making other technical changes; P.A. 82-217 inserted provisions relating to supplemental appropriations; P.A. 84-484 inserted Subsec. indicator and added new Subsec. (b) re development of a financial information system to assist boards of education in reporting budget data; (Revisor's note: In 1995 the Revisors editorially substituted the numeric indicators (1), (2) and (3) for (a), (b) and (c) at the end of Subsec. (a) for consistency with statutory usage); P.A. 98-141 amended Subsec. (a) to add provisions re limited transfers in emergency circumstances and to define "meeting", effective July 1, 1998; P.A. 12-116 deleted former Subsec. (b) re financial information system and made a conforming change, effective May 14, 2012; P.A. 13-60 added provisions authorizing board or authority to make spending recommendations, requiring board of education to provide written explanation of reasons for rejection of recommendations and for transfers of funds and defining "itemized estimate".

Cited. 115 C. 158. Estimates should be itemized so as to indicate whether or not proposed expenditures are for purposes as to which board of education has duty or independent discretion. 127 C. 351. Under section and provisions of charter, Bridgeport board of education has full discretion as to expenditures of money appropriated for school purposes. 133 C. 415. If board of finance properly exercises its discretion and budget is approved by town, board of education has no power to exceed appropriations made. 138 C. 521. Board of finance cannot place funds for school purposes in general government budget to be paid to school board on happening of certain contingencies. 151 C. 1. Cited. 152 C. 568; 162 C. 393; 163 C. 537; 174 C. 522; 182 C. 253; 217 C. 110; 228 C. 699.

Cited. 14 CS 280; 15 CS 370. Board of finance may reduce the estimate submitted by the board of education; authority of board to refuse to honor vouchers up to the amount of money appropriated for maintenance of schools during the fiscal year discussed. 20 CS 224. Phrase "with such money as may be received from other sources for school purposes" does not apply to state and federal grants; appropriation request may be reduced by amount board of aldermen, in its discretion, considers is larger than is reasonably necessary. 25 CS 9. Provision in Trumbull charter re failure of board of finance to adopt budget for submission to town council upheld; relationship between boards of education and municipal budget authorities; extent of municipal obligation to finance education. 32 CS 132.

Subsec. (a):

Cited. 237 C. 169. Town charter that allows for separate referenda for town's operating budget and education budget and that allows voters to reject the budgets three times does not rise to the level of a veto and does not violate state statute and policy concerning education. 268 C. 295.

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Sec. 10-222a. Boards to have use of funds from repayment and insurance proceeds for school materials and from payment for custodial services for use of school facilities. Notwithstanding the provisions of chapter 106, or any municipal charter or special act to the contrary, whenever any student, or the parent or guardian of any student, pays for lost, damaged or stolen textbooks, library materials, other materials or equipment, or whenever insurance proceeds are received for lost, damaged or stolen textbooks, library materials, other materials or equipment, an amount equal to the amount so paid or received, net of any costs the fiscal authority having budgetary responsibility or charged with making appropriations for the school district has incurred for the purpose of replacing or repairing such lost, damaged or stolen textbooks, library materials, other materials or equipment, shall be deemed to be appropriated to the board of education in addition to the

(1949 Rev., S. 1544; P.A. 78-218, S. 178.)

History: P.A. 78-218 deleted "town" in phrase "with the approval of the town board of education".

Cited 152 C. 568.

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Sec. 10-248a. Unexpended education funds account. For the fiscal year ending June 30, 2011, and each fiscal year thereafter, notwithstanding any provision of the general statutes or any special act, municipal charter, home rule ordinance or other ordinance, the board of finance in each town having a board of finance, the board of selectman in each town having no board of finance or the authority making appropriations for the school district for each town may deposit into a nonlapsing account any unexpended funds from the prior fiscal year from the budgeted appropriation for education for the town, provided such amount does not exceed one per cent of the total budgeted appropriation for education for such prior fiscal year.

(P.A. 10-108, S. 32.)

History: P.A. 10-108 effective July 1, 2010.

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