

**Town of Kingston, Massachusetts**  
**Minutes of the Audit Committee**

MEETING OF: June 16, 2006 at 8:30 AM  
Location: Town Hall, Meeting Room 203, Kingston, MA

**Attendees:**

Audit Committee

Mary Fiore (Chair), Robert Ward, Joan Paquette (Town Accountant, Non-Voting) and Kevin Donovan, (Town Administrator, Non Voting)

Kathleen K. Voigt - Absent

Participants

Town Treasurer – John LaBranche

Meeting was called to order at 8:40 AM by Ms. Fiore, Chair person

**Minutes**

The Committee reviewed the minutes from the October 29, 2005 meeting. The minutes were moved for approval. (Vote 2-0-0)

**Election of Chair for Committee**

It was noted that this was the last meeting for Mary Fiore. Therefore a new chairperson was required. Upon Motion of Mary Fiore, and seconded by Bob Ward, Mr. Ward was elected as Chairman. (Vote 2-0-0-)

**Review of Draft Financials for YE 6/30/05 and Draft Management Letter**

Frank Biron of Melanson Heath & Company (External Town Auditor) presented the draft audited financial statements and the draft management letter.

Draft Audited Year End Financials

The financial report was clean with no exceptions. He did note on the Income Statement (pg 16) that the town overspent by \$318,023. The situation would have been worse except for some one time events, including the release of a reserve for the arbitrage settlement. The main expense driver was a \$241,000 over budget in Public Works (mainly snow and ice removal) and Charter School expense for \$27,000. Overall, the final amounts ended within 1% of the budget, which is a good result.

Draft Management Letter

Mr. Biron reported on the following items in the draft management letter. Most of the items listed as a prior year issue was being addressed by the relevant departments already

Prior Year Issues

1. Establish Formal Dept Receipt Policies
2. Expand Cash Book
3. Document Wastewater Budget Sources
4. Establish Tailings Account
5. Revise Departmental Receipt Policies
6. Other Issues

**Town of Kingston – Audit Committee  
Meeting of June 16, 2006**

- a. Monitor Revenue Estimates
- b. Record Ambulance Receivables
- c. Abate Uncollectible Accounts
- d. Lien Delinquent Accounts

Current Year Issues

1. Implementation of GASB Statement 45
2. Establish Infrastructure of Fixed Assets
3. Other Issues
  - a. Town Collector – Control Over Receivable Amounts with Collector’s Office
  - b. Town Accountant
    - i. Planning Board Accounts
    - ii. Cut Off Article Expense at Year End
    - iii. Recalculate Vendor Invoices
  - c. Assessor – Verify Commitment Form Amounts
  - d. Recreation Department – Improve Receipt Logs

Overall the Committee was pleased at the minor nature of these comments and noted the progress in interdepartmental communication.

**Review of Departmental Responses to Draft Management Letter**

The Committee reviewed the responses from the town departments identified in the Management Letter. There were responses from the following areas:

- Priscilla Palombo, Collector of Taxes
- John LaBranche, Treasurer
- David McKee, Fire Chief
- Joan Paquette, Town Accountant

The reports were accepted and included with these minutes.

**Next Meetings**

The next meeting will be held after the close of the fiscal year 6/30/06, which is anticipated in September 2006.

The meeting adjourned at 9:45 AM (Vote 2-0-0).

Respectfully submitted,  
Robert J. Ward

rjw