

TOWN OF KINGSTON

MASSACHUSETTS

FINANCE COMMITTEE

Minutes
27 December 2007

Chairperson Judythe Lewis opened a meeting of the Finance Committee at 7:30 PM on 27 December 2007 at the Kingston Town Hall. Also present were Elaine Fiore, Mathew Hamilton, John LaBrache, Jason Lelio, Paul Ricci and Claire Soares.

The Committee welcomed Paul Ricci as a new member of the Committee and welcomed John LaBrache back as a member of the Committee.

The Committee reviewed members' budget-liaison assignments to town departments and the meeting schedule for budget deliberations.

The Committee discussed the meeting scheduled in Halifax on 3 January 2008 with the Silver Lake Districts member towns to discuss the regional school's FY09 budget.

Judythe Lewis reported that a transfer request will be forthcoming for funds needed to cover an expected absence of an employee on medical leave.

John LaBrache reported the town currently has \$695,280 in free cash of which \$585,280 is available to balance the budget. The balance will be used to adjust to a 53-week payroll for salaried employees.

The Committee reviewed items on the agenda.

The Committee offered gratitude and congratulations to the Town Treasurer for the research and the effort he made during the summer to comply with auditors' requests for information on borrowing for the Kingston Elementary and Intermediate Schools. The Treasurer reviewed the audit requirements and noted that there is no one currently in Town government who was involved with the school construction eleven years ago. He acknowledged the assistance of Melanie Meeker, a citizen who had served on the School Building Committee, in reconstructing the necessary town records.

He reported that state reimbursements to the Town for the school construction costs will be reduced from \$1.5 million to \$1.2 million each of the next 12 years since the Town

used \$2 million less than the amount borrowed. He explained the reduced cost resulted from items being dropped from the project, e.g. a planned waste-water treatment plant that could be eliminated when sewer mains were extended by the school site. Subsequently, the \$2 million was transferred by a Town meeting vote to help fund the proposed Senior Center.

There was discussion of Moody's warning that the Town's A-1 bond rating might be reduced if reserves continue to erode as a result of free cash being used to balance the annual operating budgets.

Upon motion made by Mathew Hamilton and seconded by Elaine Fiore, following discussion and a 5 to 0 vote with two members abstaining, it was—

VOTED: To accept the Minutes of the meeting held on 4 October 2007 as corrected.

John LaBrache and Paul Ricci abstained from voting on the motion; all other members present and voting supported it.

There was no objection to following last year's procedure for disseminating budget recommendations to voters nor to considering adjustments to the Finance Committee's FY09 budget request during scheduled budget deliberations.

The Committee reviewed the Treasurer's FY09 financial summary and discussed possible means of revenue enhancement.

Upon motion made by Mathew Hamilton and seconded by Elaine Fiore, following discussion, it was unanimously—

VOTED: To draft a letter to the Board of Selectmen regarding the new sand/salt ratio on Kingston's roads.

There being no further discussion or vote, the meeting was adjourned at 9:20 PM.

Respectfully submitted,

Miriam MacInnis, Secretary