

CAPITAL SUBCOMMITTEE REPORT

\$200,000 DPW Transfer Request - Discussed by Advisory on 7/7/15

July 28, 2015

Written by Fred Levitan

The Capital Subcommittee held a public meeting on July 21, 2015 at 6:00 p.m. in room 408 of Town Hall with respect to the discussion of the June 10, 2015 request for a Reserve Fund transfer of \$200,000 and the issue of an apparent lack of timely notification to the Advisory Committee. In attendance were, Andrew Pappastergion, Melissa Goff, Advisory Committee Members - Steven Kanas, Lee Selwyn, David Mark Goldstein and Len Weiss, TMMs Saralynn Allaire (16) and Regina Frawley (16), Alan Allaire, Craig Bolon (Brookline Beacon, TMM 9) and Capital Subcommittee members Harry Friedman, Amy Hummel and Fred Levitan.

All opinions and statements made in this report are my own. Unfortunately, despite our having met, the Subcommittee did not discuss the conclusion of this matter as a group.

On Friday, July 10, 2015, I took advantage of an invitation from Mel Kleckner to meet with him to discuss the Advisory Committee reaction to the DPW Revere Fund Transfer request. In preparation, I had jotted down some notes of questions and comments I had for Mel. The list of questions is attached hereto.

As most of you know, I have been suspect of the politicking surrounding the override campaign and I believed that the knowledge of the necessity of an additional \$200,000 might have been withheld from the Advisory Committee and Town Meeting for some, as yet, undefined reason.

My meeting with Mr. Kleckner alleviated the feelings of distrust that I may have had. Mel and I discussed my list of questions, one by one, and I believe he answered me with total honesty. He agreed that it was a mistake not to notify the subcommittee and Advisory Committee of the higher than expected bids. He regrets not having resolved this matter prior to Town Meeting. He was aware of a potential increase of approximately \$190,000 in State aid to Brookline, coming from the new budget. He is planning on using these new funds to reimburse the Reserve Fund for most of the funds used for the recycling contract. We discussed the issue of increasing the trash fee to resolve the higher than expected costs.

I told Mel that I believed a simple apology or mea culpa would have been better than an explanation. Mel said that he thought the questions in Sean's email required an answer.

From my conversation with Mel, I found the following to be truthful statements:

Mel said it was a mistake not notifying the subcommittee and Advisory during the budget process prior to Town Meeting. There was no discussion with a member or members of the Board of Selectmen about the recycling contract shortfall. Normally, the bid process would have started earlier but due to the busy winter, the bid cycle was delayed by a few weeks.

During the meeting of July 21 2015, we were able to review with Andy and Melissa the issues of timely notification from both Department Heads and the Sixth Floor with respect to all financial matters. I told both Mel and Melissa that I believed there was a duty of the TA and his staff to make timely notifications to Advisory of all financial matters affecting the Town. Both Mel and Melissa have agreed to provide requested financial reports as quickly as possible. Yesterday, we all received the first quarterly reports from the previous Fiscal Year, as required by the Conditions of Appropriation, and I assume that more discussion about desired reporting is necessary and will continue.

We reviewed with Melissa and Andy the questions originally presented to the TA and our desire to see timelier reporting of all financial matters. We discussed Craig Bolon's comments about transparency in financial reporting and his desire to see the appropriate public posting of Advisory files to our web pages, including the new financial reports and financial narratives about to come to the Advisory Committee.

It doesn't seem to me to be either beneficial or appropriate to reconsider the issue of the actual reserve fund transfer. What's done is done. We should look forward to ensure that we receive timely notification from the TA and his staff and our Department Heads of all financial issues as they arise.

Len Weiss stated that he believed all purchasing and contracts should have some involvement with our Purchasing Department and not just the individual user (i.e. DPW). Purchasing, was apparently not involved with the Town's negotiated recycling and/or trash contract; I completely agree that Purchasing should have some involvement.

I do not totally agree with the policy and procedure and/or requirements of a set aside of funds for payment of contracts once a purchase order is signed. This seems cumbersome especially between the Annual Town Meeting and the Fall Town Meeting when adjustments in the budget may occur. I believe the AC should review (not to effect change but for learning purposes) all financial policies of the Town. There are policies that are not known to all of us that we all should know and understand.

I believe that now that this issue was raised, we can expect more timely financial notifications, reporting and memos. We should work on determining what financial reports will be useful and the type and depth or financial narrative required with the financial reporting.