

FISCAL COMMITTEE OF THE GENERAL COURT
MINUTES

January 17, 2007

The Fiscal Committee of the General Court met on Wednesday, January 17, 2007 at 9:00 a.m. in Room 210-211 of the Legislative Office Building.

Members in attendance were as follows:

Representative Marjorie Smith, Chairman
Representative Neal Kurk
Representative Mary Jane Wallner
Representative Frederick King
Representative Peter Franklin
Representative Daniel Eaton, Alternate
Representative Kenneth Weyler, Alternate
Senator Lou D'Allesandro, Vice-Chairman
Senator President Sylvia Larsen
Senator Kathleen G. Sgambati
Senator Theodore Gatsas
Senator John Gallus

Chairman Smith opened the meeting at 9:00 a.m.

ORGANIZATION OF COMMITTEE:

On a motion by Senator Larsen, seconded by Representative Wallner, that Senator D'Allesandro be nominated as Vice Chairman of the Fiscal Committee.

No other nominations were received. The Chairman closed nominations and without the necessity of a vote Senator D'Allesandro was named Vice Chairman of the Fiscal Committee.

On a motion by Senator Larsen, seconded by Representative Wallner, that Representative Kurk be nominated as Clerk of the Fiscal Committee.

No other nominations were received. The Chairman closed nominations and without the necessity of a vote Representative Kurk was named Clerk of the Fiscal Committee.

ADOPTION OF FISCAL COMMITTEE RULES AND PROCEDURES:

Chairman Smith requested that Michael Buckley, Legislative Budget Assistant brief the Committee on the suggested motions that would continue the past practices of the Fiscal Committee.

On a motion by Representative King, seconded by Senator D'Allesandro, that the Committee accept the following past practices:

ADOPTION OF FISCAL COMMITTEE RULES AND PROCEDURES (continued):

- That the Fiscal Committee require any requests made to the Fiscal Committee requesting new positions authorized by RSA 124:15, that extend beyond the current budgeted biennium, be amended to authorize them only through the end of the current biennium.
- That the Committee authorize the Chairman of the Fiscal Committee to have signature approval authority for transfers that are in accordance with RSA 9:16-a and less than \$25,000, and that the Legislative Budget Assistant be directed to prepare a report for the Fiscal Committee on a monthly basis on all such transfers which will be included on the agenda under informational materials.
- That any item listed on the Fiscal Committee agenda under RSA 9:16-a, Transfer Authorized and RSA 124:15, Positions Restricted, shall be placed on a consent calendar and voted on as a block. Any member may request that any item be removed from the consent calendar for further discussion and/or clarification prior to or during the Fiscal Committee meeting.
- Authorize the Legislative Budget Assistant to grant step increases for employees of the LBA Office on the employee's anniversary dates, and at such other times for exceptional service, as determined by the Legislative Budget Assistant. The Legislative Budget Assistant will inform the Fiscal Committee in writing, when these step increases have been granted. Further, when any LBA employee is promoted from one position to another, the Legislative Budget Assistant will seek approval from the Chairman of the Fiscal Committee, and hiring a new individual in the LBA Office would be brought before the full Fiscal Committee. MOTION ADOPTED.

RSA 14:30 APPOINTMENT AND COMPENSATION OF LEGISLATIVE BUDGET ASSISTANT:

On a motion by Senator D'Allesandro, seconded by Representative King, that Michael L. Buckley be re-appointed as the Legislative Budget Assistant, pursuant to the provisions of RSA 14:30, for the next two years at the continued compensation. MOTION ADOPTED.

ACCEPTANCE OF MINUTES:

On a motion by Representative Franklin, seconded by Representative King, that the minutes of the November 14, 2006 meeting be accepted as written. MOTION ADOPTED.

RSA 9:16-a TRANSFERS AUTHORIZED - CONSENT CALENDAR:

FIS 07-010 New Hampshire Veterans Home – On a motion by Senator D’Allesandro, seconded by Representative Wallner, that the Committee approve the request of the New Hampshire Veterans Home to transfer \$67,000. MOTION ADOPTED.

RSA 14:30-a, VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$50,000 FROM ANY NON-STATE SOURCE - CONSENT CALENDAR:

Item FIS 06-364 Department of Resources and Economic Development – accept and expend \$950,877 was removed from the Consent Calendar at the request of Representative King.

The Chair called for a vote that the Committee approve all the remainder of the requests on the agenda under this section as submitted. MOTION ADOPTED. (FIS 06-361 Department of Safety – accept and expend \$106,013, FIS 06-369 Department of Environmental Services – accept and expend \$306,893, FIS 06-373 Department of Safety – extend termination date of previously approved FIS 05-260 from September 30, 2006 to June 30, 2007, FIS 06-374 Department of Education – accept and expend \$119,957.32, FIS 07-003 Department of Transportation – accept and expend \$104,000, FIS 07-004 Postsecondary Education Commission – accept and expend \$161,348, FIS 07-007 Department of Resources and Economic Development – accept and expend \$88,416.53, FIS 07-013 Department of Safety – accept and expend \$98,664)

FIS 06-364 from the Department of Resources and Economic Development. Allison McLean, Director of the Division of Parks and Recreation and Chris Gamache, Chief of the Trails Bureau responded to questions of the Committee.

On a motion by Senator D’Allesandro, seconded by Representative King, that the Committee approve the request of the Department of Resources and Economic Development to accept and expend \$950,877. MOTION ADOPTED.

RSA 124:15 POSITIONS RESTRICTED - CONSENT CALENDAR:

On a motion by Senator Larsen, seconded by Representative Franklin, that the Committee approve all the requests on the agenda under this section as submitted. MOTION ADOPTED. (FIS 06-366 Department of Justice – continue a consultant position through June 30, 2007, FIS 07-006 Department of Justice – establish part-time consultant through June 30, 2007)

RSA 14:30-a, VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$50,000 FROM ANY NON-STATE SOURCE AND RSA 124:15 POSITIONS RESTRICTED:

FIS 07-012 Department of Safety – Wesley Colby, Director of Administration, presented the request and responded to questions of the Committee.

On a motion by Senator D’Allesandro, seconded by Representative Wallner, that the Committee approve the request of the Department of Safety to accept and expend \$2,961,684 and establish consultant positions through June 30, 2007. MOTION ADOPTED.

RSA 9:17-d SUPREME COURT; TRANSFER OF APPROPRIATIONS:

FIS 06-360 Administrative Office of the Courts – Donald D. Goodnow, Esq., Director, and Dale Trombley, Fiscal Manager, Administrative Office of the Courts, Judicial Branch presented the request and responded to questions of the Committee.

On a motion by Representative King, seconded by Senator Larsen, that the Committee approve the request of the Administrative Office of the Courts to transfer \$102,000. MOTION ADOPTED.

RSA 12-G:42, XI PEASE DEVELOPMENT AUTHORITY: POWERS AND DUTIES:

FIS 07-001 Pease Development Authority – Geno Marconi, Director of Ports and Harbors, Pease Development Authority and Robert P. Cheney, Jr., Special Council to Pease Development Authority, Sheehan, Phinney, Bass & Green, P.A. presented the request and responded to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Representative Franklin, that the Committee approve the request of the Pease Development Authority-approval of rules related to establishing the process for setting and collecting fees at the State-owned slips. MOTION ADOPTED.

RSA 21-I:8,I(h) DEPARTMENT OF ADMINISTRATIVE SERVICES – DIVISION OF ACCOUNTING SERVICES:

FIS 07-009 Department of Administrative Services – Donald Hill, Commissioner, presented the request and responded to questions of the Committee.

On a motion by Representative Kurk, seconded by Senator D'Allesandro, to amend the item with the last sentence of the first paragraph amended to read 2006 -- until March 30th, 2007, with a status report to the Committee on the last business day of the months of January and February. NO ACTION TAKEN.

On a motion by Representative King, seconded by Senator D'Allesandro, that this request be tabled until the next scheduled meeting of the Fiscal Committee. MOTION ADOPTED.

At the request of Chairman Smith, Edwin Smith, Director of Policy, Department of Transportation, was requested to convey to the Commissioner of Transportation, that it is essential that the Department of Transportation comply with the law and with professional expectations in terms of completing the necessary documentation on Fiscal Year 2006 and that the Committee expects an appropriate response two weeks from this meeting date in regards to progress and a timeline from the Department.

CHAPTER 177:1, LAWS OF 2005 OFFICE OF INFORMATION TECHNOLOGY;
TRANSFERS AMONG ACCOUNTS:

FIS 06-380 Office of Information Technology - On a motion by Senator Larsen, seconded by Representative King, that the Committee approve the request of the Office of Information Technology to transfer \$17,200. MOTION ADOPTED.

FIS 06-381 Office of Information Technology - On a motion by Senator D'Allesandro, seconded by Representative Franklin, that the Committee approve the request of the Office of Information Technology to transfer \$75,000. MOTION ADOPTED.

CHAPTER 177:4, II, LAWS OF 2005 DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES:

FIS 07-008 Department of Health and Human Services – John Stephen, Commissioner, and James P. Fredyma, Controller, Department of Health and Human Services responded to questions of the Committee.

On a motion by Representative Kurk, seconded by Representative Franklin, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$14,084,887.92. MOTION ADOPTED.

LATE ITEM:

FIS 07-014 Department of Adjutant General – Michael Buckley presented the request and responded to questions of the Committee, explaining the circumstances for the Committee's consideration of this late item.

On a motion by Representative King, seconded by Senator Sgambati, that the Committee approve the request of the Adjutant General's Department to accept and expend \$1,653,236 from the federal government. MOTION ADOPTED.

INFORMATIONAL MATERIALS:

Senator Gatsas had questions on request FIS 07-005 from the Department of Corrections. William Wrenn, Commissioner and Gary Arceci, Administrator, Fiscal Management of the Department of Corrections responded to questions of the Committee regarding funding of vacant positions.

The informational items were accepted and placed on file.

AUDITS:

The Fidelity Advisor 529 Plan Annual Report September 30, 2006 and The Unique College Investing Plan Annual Report September 30, 2006 – Steve Hurt representing PricewaterhouseCoopers and Catherine Provencher, N.H. State Treasurer presented the reports and responded to questions of the Committee.

On a motion by Representative Kurk, seconded by Representative King, with Senator Larsen abstaining from the vote that the reports be accepted, placed on file and released in the usual manner. MOTION ADOPTED.

New Hampshire Retirement System Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2006 and New Hampshire Retirement System Auditors' Report on Compliance and on Internal Control Over Financial Reporting in Accordance with *Government Auditing Standards* and Management Letter Year Ended June 30, 2006 – Brock Romano representing KPMG and Robert S. Leggett, Executive Director, N.H. Retirement System presented the reports and responded to questions of the Committee.

On a motion by Representative Kurk, seconded by Representative Franklin, that the reports be accepted, placed on file and released in the usual manner. MOTION ADOPTED.

New Hampshire Lottery Commission Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2006 – Kimberly Seamans, CPA, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant presented the report and responded to questions of the Committee. Georges Roy, Administrator III, Lottery Commission was also present to respond to questions of the Committee.

On a motion by Representative Weyler, seconded by Senator D'Allesandro, that the report be accepted, placed on file and released in the usual manner. MOTION ADOPTED.

ADJOURNMENT:

On a motion by Senator D'Allesandro, seconded by Representative Franklin that the meeting adjourn to the call of the Chair. MOTION ADOPTED. (Whereupon the meeting adjourned at 12:45 p.m.)

Representative Neal Kurk, Clerk