

FISCAL COMMITTEE OF THE GENERAL COURT

MINUTES

May 21, 2012

The Fiscal Committee of the General Court met on Monday, May 21, 2012 at 10:00 a.m. in Room 210-211 of the Legislative Office Building.

Members in attendance were as follows:

Representative Ken Weyler, Chairman
Representative Daniel McGuire
Representative Carol McGuire (Alternate)
Representative William Belvin (Alternate)
Representative Robert Foose
Senator Chuck Morse
Senate President Peter Bragdon
Senator Bob Odell
Senator Lou D'Allesandro (Alternate)
Senator John Gallus

Chairman Weyler opened the meeting at 10:02 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Senator Gallus, seconded by Representative Foose, that the minutes of the April 13, 2012 and April 26, 2012 meetings be accepted as written. MOTION ADOPTED.

OLD BUSINESS:

Office of Legislative Budget Assistant – Administrative Procedures. Tabled 12/29/10.
No Action Taken.

FIS 11-274 Department of Information Technology – request for an extension to the October 1, 2011 requirement to present the consultant's report on the MMIS system to the Fiscal Committee to December 31, 2011. Tabled 09/23/11 and FIS 11-274 Additional Information – Department of Justice handout presented at the October 28, 2011 meeting, and FIS 11-274 Additional Information #2 – Department of Information Technology update presented at the January 20, 2012 meeting. No Action Taken.

FIS 11-322 House of Representatives – request on behalf of the House Speaker that the Office of Legislative Budget Assistant conduct a complete financial audit of the New Hampshire Disaster Relief Fund (“NHDRF”) from inception to the present and a complete report on how NHDRF operated itself, determined distributions and followed-up on distributions. Tabled 10/28/11. No Action Taken.

NEW BUSINESS:

RSA 9:16-a, TRANSFERS AUTHORIZED:

CONSENT CALENDAR

On a motion by Senator D'Allesandro, seconded by Senator Gallus, that the Committee approve the requests under this section as submitted. MOTION ADOPTED. [FIS 12-160 Department of Safety – transfer \$96,000, FIS 12-161 Department of Safety – transfer \$15,500, FIS 12-162 Department of Safety – transfer \$46,300, FIS 12-163 Department of Safety – transfer \$15,000, FIS 12-179 Banking Department – transfer \$18,000, FIS 12-180 Department of Safety – transfer \$10,000, FIS 12-181 State Treasury – transfer \$50,500, FIS 12-190 Department of Transportation – transfer \$625,000, and FIS 12-193 Department of Corrections – transfer \$24,000]

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

At the request of Representative Dan McGuire FIS 12-182 Department of Corrections, and FIS 12-183 Insurance Department were removed from the Consent Calendar.

On a motion by Senator Bragdon, seconded by Senator Gallus, that the Committee approve the remaining requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 12-148 Department of Environmental Services – budget and expend \$200,000, FIS 12-149 Department of Environmental Services – accept and expend \$60,067, FIS 12-164 Office of Energy and Planning – authorization to amend FIS 12-132, approved April 13, 2012, by reallocating \$4,850 in federal ARRA funds through September 30, 2012, FIS 12-165 Department of Environmental Services – authorization to amend FIS 09-198, approved June 12, 2009, by reallocating \$157,897 in federal ARRA funds through December 31, 2013, FIS 12-166 Department of Safety – authorization to amend FIS 11-221, approved September 23, 2011, and subsequently amended by FIS 12-116, approved April 13, 2012, by reallocating \$5,092 in federal funds through September 30, 2012, and FIS 12-184 Department of Safety – accept and expend \$58,136 and \$28,354]

FIS 12-182 Department of Corrections – William Wrenn, Commissioner, and Gary Arceci, Administrator, Fiscal Management, Department of Corrections responded to questions of the Committee.

On a motion by Representative Belvin, seconded by Representative Carol McGuire, that the Committee approve the request of the Department of Corrections to accept and expend \$237,736. MOTION ADOPTED.

FIS 12-183 Insurance Department – Roger Sevigny Commissioner, and Barbara Richardson, Director of Operations, New Hampshire Insurance Department responded to questions of the Committee.

On a motion by Senator Bragdon, seconded by Senator Gallus, that the Committee approve the request of the Insurance Department to accept and expend \$51,000. 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 AND RSA 124:15 POSITIONS RESTRICTED:

FIS 12-167 Department of Safety – On a motion by Senator Bragdon, seconded by Representative Dan McGuire, that the Committee approve the request of the Department of Safety to amend FIS 09-342, approved October 20, 2009, by 1) extending the end date from June 30, 2012 to June 30, 2013, with no increase in funding, and 2) extending the end date from June 30, 2012 to June 30, 2013 for two (2) full-time temporary State Police Trooper I positions, with no increase in funding. MOTION ADOPTED.

FIS 12-168 Department of Safety – On a motion by Senator Bragdon, seconded by Senator Gallus, that the Committee approve the request of the Department of Safety to amend FIS 09-347, approved October 20, 2009, by 1) extending the end date from June 30, 2012 to February 28, 2013, with no increase in funding, and 2) extending the end date from June 30, 2012 to February 28, 2013 for one (1) full-time temporary Pharmacist/Compliance Investigator position, with no increase in funding. MOTION ADOPTED.

FIS 12-185 Department of Education – Cheri White, Administrator, Bureau of Food and Nutrition, Department of Education responded to questions of the Committee.

On a motion by Senator Bragdon, seconded by Senator Gallus, that the Committee approve the request of the Department of Education to accept and expend \$105,563 in federal funds through June 30, 2013 and establish one (1) part-time temporary Program Specialist II position through June 30, 2013. MOTION ADOPTED.

FIS 12-192 Insurance Department – On a motion by Senator Bragdon, seconded by Representative Foose, that the Committee approve the request of the Insurance Department to 1) amend FIS 11-305, approved October 28, 2011, by extending the end date from June 30, 2012 to June 30, 2013 and transferring funds in the amount of \$301,707, and 2) accept and expend \$1,029,934 in federal grant funds for FY 2013, for the period of July 1, 2012 through June 30, 2013, and 3) continue one (1) part-time temporary Grants & Contracts Technician position for the period of July 1, 2012 through June 30, 2013, and 4) continue a consultants position for an amount not to exceed \$623,834 for the period of July 1, 2012 through June 30, 2013. MOTION ADOPTED.

RSA 21-P:12-d FIRE STANDARDS AND TRAINING AND EMERGENCY MEDICAL SERVICES FUND:

FIS 12-169 Department of Safety – Wesley Colby, Director of Administration, Department of Safety, responded to questions of the Committee and was recognized for his years of service to the State.

On a motion by Senator Bragdon, seconded by Senator D'Allesandro, that the Committee approve the request of the Department of Safety to transfer \$20,000 in other funds through June 30, 2012. MOTION ADOPTED.

RSA 106-H:9, FUNDING; FUND ESTABLISHED, AND RSA 124:15, POSITIONS RESTRICTED:

FIS 12-150 Department of Safety – Wesley Colby, Director of Administration, and Bruce Cheney, Director, Division of Emergency Services and Communication, Department of Safety, responded to questions of the Committee.

On a motion by Senator Bragdon, seconded by Senator Gallus, that the Committee approve the request of the Department of Safety to 1) budget and expend \$241,090 from the Prior Year Carry Forward Balance of E-911 System funds through June 30, 2013 and 2) establish five (5) part-time Telecommunication Specialist I positions through June 30, 2013. MOTION ADOPTED.

RSA 216-A:3-g, FEES FOR PARK SYSTEM:

FIS 12-186 Department of Resources and Economic Development – Thomas Martin, Business Manager, and John DeVivo, General Manager, Franconia Notch State Park and Cannon Mountain Ski Area, Department of Resources and Economic Development responded to questions of the Committee.

On a motion by Senator Bragdon, seconded by Senator Gallus, that the Committee approve the request of the Department of Resources and Economic Development of the rate changes for the primary winter 2012/2013 products at Cannon Mountain Aerial Tramway and Ski Area and the Flume Gorge and of the 2012/2013 Cannon Mountain Winter Special Use Policy. MOTION ADOPTED. [9-Yes, 2-No]

RSA 228:12 TRANSFERS FROM HIGHWAY SURPLUS ACCOUNT:

FIS 12-187 Department of Transportation – On a motion by Representative Foose, seconded by Senator Bragdon, that the Committee approve the request of the Department of Transportation to transfer \$3,895,000 from Highway Surplus to fund various road repairs. MOTION ADOPTED.

CHAPTER 224:14, II AND III, LAWS OF 2011, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS:

FIS 12-170 Department of Health and Human Services – On a motion by Senator Bragdon, seconded by Representative Dan McGuire, that the Committee approve the request of the Department of Health and Human Services to transfer \$722,014 in general funds and decrease related revenue adjustments by \$147,621 in federal funds and increase revenue adjustments by \$126,273 in other funds through June 30, 2012. MOTION ADOPTED.

FIS 12-171 Department of Health and Human Services – On a motion by Senator Bragdon, seconded by Representative Foose, that the Committee approve the request of the Department of Health and Human Services to transfer \$15,801,345 in general funds and increase related revenue adjustments by \$156,718 in federal funds and increase revenue adjustments by \$3,038,882 in other funds through June 30, 2012. MOTION ADOPTED.

FIS 12-172 Department of Health and Human Services – On a motion by Senator Bragdon, seconded by Representative Dan McGuire, that the Committee approve the request of the Department of Health and Human Services to transfer \$852,001 in general funds and increase related revenue adjustments by \$369,666 in federal funds and increase revenue adjustments by \$5,675 in other funds through June 30, 2012. MOTION ADOPTED.

CHAPTER 224:203, LAWS OF 2011, DEPARTMENT BUDGETS; TRANSFER OF FEDERAL FUNDS:

FIS 12-173 The Adjutant General's Department – On a motion by Senator Bragdon, seconded by Representative Foose, that the Committee approve the request of The Adjutant General's Department to transfer \$200,000 in federal funds in FY 2012 and FY 2013, through June 30, 2013. MOTION ADOPTED.

FIS 12-188 Department of Safety – On a motion by Senator Bragdon, seconded by Representative Foose, that the Committee approve the request of the Department of Safety to transfer \$50,000 in federal funds through June 30, 2012. MOTION ADOPTED.

FIS 12-191 Department of Education – Susan Folsum, Accountant, Business Office, and Gail Taylor, Charter School Office, Department of Education responded to questions of the Committee.

On a motion by Senator Bragdon, seconded by Representative Foose, that the Committee approve the request of the Department of Education to transfer \$24,000 in federal funds effective July 1, 2012 through June 30, 2013. MOTION ADOPTED.

CHAPTER 224:203, LAWS OF 2011, DEPARTMENT BUDGETS; TRANSFER OF FEDERAL FUNDS AND RSA 14:30-a, VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$50,000 FROM ANY NON-STATE SOURCE:

FIS 12-189 Department of Education – On a motion by Senator D'Allesandro, seconded by Representative Dan McGuire, that the Committee approve the request of the Department of Education to 1) transfer \$65,100 in federal funds effective July 1, 2012 through June 30, 2013, and 2) continue a full-time temporary Program Specialist III position from July 1, 2012 through June 30, 2013 (FIS 10-231, originally approved July 20, 2010, and subsequently extended by FIS 11-269, approved October 26, 2011). MOTION ADOPTED.

INFORMATIONAL MATERIALS:

The informational items were accepted and placed on file.

AUDITS:

State of New Hampshire, Management Letter For the Year Ended June 30, 2011 – Richard Mahoney, Director of Audits, Office of Legislative Budget Assistant, Scott Warnetski, KPMG Senior Audit Manager, and Edgar Carter, Comptroller, Department of Administrative Services, presented the report and responded to questions of the Committee.

On a motion by Representative Dan McGuire, seconded by Representative Carol McGuire, that the report be accepted, placed on file and released in the usual manner. MOTION ADOPTED.

State of New Hampshire, Lottery Commission, Management Letter For The Fiscal Year Ended June 30, 2011 – Richard Mahoney, Director of Audits, and James LaRiviere, Senior Audit Manager, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Charles McIntyre, Executive Director, and Kassie Strong, Chief Accountant, New Hampshire Lottery Commission were present to respond to questions of the Committee. Also present was Georges Roy, Chief Finance Officer, New Hampshire Lottery Commission.

On a motion by Representative Dan McGuire, seconded by Senator Bragdon, that the report be accepted, placed on file and released in the usual manner. MOTION ADOPTED.

State of New Hampshire, Racing and Charitable Gaming Commission, Internal Control Over Revenue, May 2012 – Richard Mahoney, Director of Audits, and Jean Mitchell, Senior Audit Manager, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Paul Kelley, Director, and Sudhir Naik, Deputy Director, Racing and Charitable Gaming Commission were present to respond to questions of the Committee.

On a motion by Representative Dan McGuire, seconded by Representative Carol McGuire, that the report be accepted, placed on file and released in the usual manner. MOTION ADOPTED.

ADJOURNMENT:

The next regular meeting of the Fiscal Committee was set for Monday, June 18, 2012 at 10:00 a.m.

On a motion by Senator Morse, seconded by Representative Foose, that the meeting adjourn. MOTION ADOPTED. (Whereupon the meeting adjourned at 11:25 a.m.)

Representative Beverly Rodeschin, Clerk