

FISCAL COMMITTEE OF THE GENERAL COURT

MINUTES

January 10, 2014

The Fiscal Committee of the General Court met on Friday, January 10, 2014 at 10:00 a.m. in Room 210-211 of the Legislative Office Building.

Members in attendance were as follows:

Representative Mary Jane Wallner, Chairman
Representative Ken Weyler, Clerk
Representative Peter Leishman
Representative Cindy Rosenwald
Representative Daniel Eaton
Senator Jeanie Forrester
Senator Bob Odell
Senate President Chuck Morse
Senator Sylvia Larsen
Senator Andy Sanborn

Chairman Wallner opened the meeting at 10:12 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Representative Eaton, seconded by Representative Weyler, that the minutes of the November 22, 2013 meeting be accepted as written. MOTION ADOPTED.

OLD BUSINESS:

FIS 13-081 Additional Information – request from the Members of the Joint Legislative Performance Audit and Oversight Committee dated, December 6, 2013, requesting that the proposed Police Standards and Training Council audit be removed from the table and voted on (FIS 13-081 Letter from Representative Lucy McVitty Weber, Chairman of the Legislative Performance Audit and Oversight Committee relative to the recommendation of the performance audit topics for 5) Police Standards and Training Council, The Council in Performance of its Charter. Tabled 03/08/13.) No Action Taken.

NEW BUSINESS:

RSA 14:30-a, III, AUDIT TOPIC RECOMMENDATION BY LEGISLATIVE PERFORMANCE AUDIT AND OVERSIGHT COMMITTEE:

FIS 13-273 Letter from Representative Lucy McVitty Weber, Chairman of the Legislative Performance Audit and Oversight Committee – Linda Hodgdon, Commissioner, Department of Administrative Services responded to questions of the Committee regarding the Statewide Recycling effort. Tara Merrifield, Senior Management Analyst, Bureau of Plant and Property, Department of Administrative Services, and Margaret LaBrecque, Commandant, New Hampshire

Veterans Home, were present to respond to questions of the Committee regarding recycling at the N.H. Veterans Home.

On a motion by Representative Eaton, seconded by Senator Forrester, that the Committee approve the request of Representative Lucy McVitty Weber, Chairman of the Legislative Performance Audit and Oversight Committee relative to the recommendation of the following three (3) performance audit topics: 1) Department of Administrative Services, Statewide Recycling, 2) Department of Safety, Homeland Security – Radio Interoperability Initiative, and 3) Department of Education, Charter School Approval Process. MOTION ADOPTED.

RSA 9:16-a, TRANSFERS AUTHORIZED AND RSA 14:30-a, VI, FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$100,000 FROM ANY NON-STATE SOURCE:

CONSENT CALENDAR

On a motion by Representative Rosenwald, seconded by Representative Eaton, that the Committee approve the requests under this section as submitted. MOTION ADOPTED. [FIS 13-296 Department of Health and Human Services – authorization to 1) transfer \$19,500 in general funds and decrease related federal revenue in the amount of \$25,050 and 2) accept and expend \$36,211 in other funds through June 30, 2014, FIS 13-297 Department of Health and Human Services – authorization to 1) transfer \$245,492 in general funds and decrease related federal revenue in the amount of \$63,111 and 2) accept and expend \$22,046 in other funds through June 30, 2014, FIS 13-298 Department of Health and Human Services – authorization to 1) transfer \$2,051,634 in general funds and 2) accept and expend \$421,538 in federal funds and \$259,945 in other funds through June 30, 2014]

RSA 14:30-a, VI, FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$100,000 FROM ANY NON-STATE SOURCE:

CONSENT CALENDAR

At the request of the Department of Education (FIS 13-299 Additional Information), FIS 13-299 requesting authorization to amend FIS 10-237, approved July 20, 2010, and subsequently amended on September 14, 2012 (FIS 12-283) and June 7, 2013 (FIS 13-129), by reallocating \$26,042 in federal ARRA funds and extending the end date from January 31, 2014 to September 30, 2014, with no increase in funding was withdrawn.

At the request of Senator Sanborn, FIS 13-295 Department of Health and Human Services was removed from the consent calendar.

On a motion by Representative Eaton, seconded by Senator Larsen, that the Committee approve the remaining requests under this section as submitted. MOTION ADOPTED. [FIS 13-269 Department of Agriculture, Markets & Food – accept and expend \$224,025.35, FIS 13-279 Department of Safety – authorization to retroactively amend FIS 13-052, approved March 8, 2013 and subsequently amended on July 10, 2013 (FIS 13-134), by extending the end-date only with no increase in funding from September 30, 2013 to September 30, 2014, FIS 13-286 Office of Energy and Planning – authorization to retroactively accept and expend \$99,501 in other funds effective September 30, 2013 through June 30, 2015, FIS 13-287 Department of Safety – authorization to 1) accept and expend

\$196,371 in federal funds through June 30, 2015 and 2) accept and expend \$510,353 in federal funds through June 30, 2015, FIS 13-290 Department of Health and Human Services – accept and expend \$198,000, FIS 13-294 Department of Health and Human Services – accept and expend \$722,837]

FIS 13-295 Department of Health and Human Services – Nicholas Toumpas, Commissioner, and Steve Mosher, Chief Financial Officer, Department of Health and Human Services, presented the request and responded to questions of the Committee.

Senator Sanborn requested that the Department provide the number of applications sent to the Federally Facilitated Exchange.

On a motion by Representative Eaton, seconded by Representative Leishman, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$9,544,393. MOTION ADOPTED.

RSA 14:30-a, VI, FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$100,000 FROM ANY NON-STATE SOURCE AND RSA 124:15 POSITIONS RESTRICTED:

CONSENT CALENDAR

On a motion by Representative Eaton, seconded by Senator Forrester, that the Committee approve the requests under this section as submitted. MOTION ADOPTED. [FIS 13-280 Department of Safety – authorization to 1) accept and expend \$879,887 in federal funds through June 30, 2015, and 2) establish consultant positions through June 30, 2015, FIS 13-291 Department of Information Technology – authorization to 1) accept and expend \$254,995 in other funds through June 30, 2014, and 2) establish consultant positions through June 30, 2014]

RSA 124:15 POSITIONS RESTRICTED:

CONSENT CALENDAR

On a motion by Representative Leishman, seconded by Representative Eaton, that the Committee approve the request under this section as submitted. MOTION ADOPTED. [FIS 13-285 Department of Justice – authorization to hire into Class 050, Part-Time salaries for the purpose of hiring a part time Attorney I through June 30, 2015]

RSA 21-I:19-g, III, USE OF STATE-OWNED VEHICLES:

FIS 13-292 Department of Administrative Services – Linda Hodgdon, Commissioner, and Tara Merrifield, Senior Management Analyst, Bureau of Plant and Property, Department of Administrative Services, presented the request and responded to questions of the Committee.

The Committee requested that the Department correct their spreadsheet to reflect that vehicle F1 under Fish and Game is a pool vehicle garaged at the office overnight and not at the director's home. The Committee also asked questions regarding the continued use of the Cannon Mountain vehicle.

On a motion by Representative Eaton, seconded by Senator Larsen, that the Committee approve the request of the Department of Administrative Services for waivers to retain 57 State owned passenger vehicles which fall below the break-even mileage for FY 2013. MOTION ADOPTED.

CHAPTER 144:31, LAWS OF 2013, DEPARTMENT OF ADMINISTRATIVE SERVICES;
TRANSFER AMONG ACCOUNTS AND CLASSES:

FIS 13-288 Department of Administrative Services – On a motion by Representative Eaton, seconded by Senator Forrester, that the Committee approve the request of the Department of Administrative Services to transfer \$423,783 in and among accounting units and to create two (2) new expenditure classes. MOTION ADOPTED.

CHAPTER 144:56, LAWS OF 2013, DEPARTMENT OF CORRECTIONS; TRANSFERS:

FIS 13-282 Department of Corrections – On a motion by Representative Eaton, seconded by Senator Larsen, that the Committee approve the request of the Department of Corrections to transfer \$12,000 in federal funds through June 30, 2014. MOTION ADOPTED.

FIS 13-284 Department of Corrections – On a motion by Representative Leishman, seconded by Representative Eaton, that the Committee approve the request of the Department of Corrections to create a new expenditure class and transfer \$85,120 in general funds through June 30, 2014. MOTION ADOPTED.

CHAPTER 144:95, LAWS OF 2013, DEPARTMENT OF TRANSPORTATION; TRANSFER
OF FUNDS:

FIS 13-265 Department of Transportation – On a motion by Representative Eaton, seconded by Senator Larsen, that the Committee approve the request of the Department of Transportation to establish various non-budgeted classes and transfer \$20,000 between Highway Fund accounts and classes through June 30, 2014. MOTION ADOPTED.

FIS 13-276 Department of Transportation – On a motion by Representative Eaton, seconded by Senator Larsen, that the Committee approve the request of the Department of Transportation to establish various non-budgeted classes in various accounting units and transfer \$257,475 between Highway Fund accounts and classes through June 30, 2014. MOTION ADOPTED.

FIS 13-289 Department of Transportation – On a motion by Representative Eaton, seconded by Senator Larsen, that the Committee approve the request of the Department of Transportation to establish various non-budgeted classes in various accounting units and transfer \$105,240 between Highway Fund accounts and classes through June 30, 2014. MOTION ADOPTED.

CHAPTER 144:117, LAWS OF 2013, DEPARTMENT OF INFORMATION TECHNOLOGY;
TRANSFERS AMONG ACCOUNTS:

FIS 13-275 Department of Information Technology – On a motion by Senator Forrester, seconded by Representative Eaton, that the Committee approve the request of the Department of Information Technology to transfer \$150,000 in other funds through June 30, 2014. MOTION ADOPTED.

CHAPTER 144:117, LAWS OF 2013, DEPARTMENT OF INFORMATION TECHNOLOGY;
TRANSFERS AMONG ACCOUNTS AND RSA 124:15 POSITIONS RESTRICTED:

FIS 13-293 Department of Information Technology – On a motion by Representative Eaton, seconded by Senator Forrester, that the Committee approve the request of the Department of Information Technology to 1) transfer \$489,443 in other funds through June 30, 2014, and 2) establish two (2) temporary part-time Systems Development Specialist VI positions through June 30, 2014. MOTION ADOPTED.

INFORMATIONAL MATERIALS:

FIS 13-283 Department of Health and Human Services – Nicholas Toumpas, Commissioner, Department of Health and Human Services updated the Committee on the November 2013 Operating Statistics Dashboard report for the fiscal year ending June 30, 2014.

The informational items were accepted and placed on file.

10:30 a.m.

Audits:

State of New Hampshire, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2013 – Richard Mahoney, Director of Audits, Office of Legislative Budget Assistant, Greg Driscoll, KPMG Partner, and Scott Warnetski, KPMG Senior Manager, presented the report and responded to questions of the Committee. Linda Hodgdon, Commissioner, and Karen Benincasa, State Comptroller, Department of Administrative Services were present to respond to questions of the Committee.

This report was accepted, placed on file and released at the November 22, 2013 meeting of the Fiscal Committee.

State of New Hampshire, Department of Transportation, Turnpike System, Annual Financial Report For the Fiscal Year Ended June 30, 2013 – Richard Mahoney, Director of Audits, and Jean Mitchell, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant presented the report and responded to questions of the Committee. Patrick McKenna, Director of Finance, Department of Transportation, was also present to respond to questions of the Committee.

This report was accepted, placed on file and released at the November 22, 2013 meeting of the Fiscal Committee.

2013 Comprehensive Annual Financial Report, New Hampshire State Liquor Commission, A Department of The State of New Hampshire – Richard Mahoney, Director of Audits, and Jean Mitchell, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant presented the report and responded to questions of the Committee. Steven Kiander, Chief Financial Officer, and Craig Bulkley, Chief of Operations, New Hampshire State Liquor Commission, were also present to respond to questions of the Committee.

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

New Hampshire Lottery Commission, A Department of The State of New Hampshire, Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2013 – Richard Mahoney, Director of Audits, and James LaRiviere, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant presented the report and responded to questions of the Committee. Charles McIntyre, Executive Director, and Kassie Strong, Chief Financial Officer, New Hampshire Lottery Commission, were also present to respond to questions of the Committee.

This report was accepted, placed on file and released at the November 22, 2013 meeting of the Fiscal Committee.

State of New Hampshire, Performance Audit, Community Development Finance Authority, Audit Report, January 2014 – Richard Mahoney, Director of Audits, and Steven Grady, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant presented the report and responded to questions of the Committee. Janet Ackerman, Chairman of the Board of Directors, Kathy Bogle Shields, Executive Director, and Ted Kuchinski, Chief Financial Officer, Community Development Finance Authority were also present to respond to questions of the Committee.

On a motion by Representative Weyler, seconded by Representative Eaton, 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 Friday, February 14, 2014 at 10:00 a.m. (Whereupon the meeting adjourned at 12:41 p.m.)



Representative Ken Weyler, Clerk