

FISCAL COMMITTEE OF THE GENERAL COURT
MINUTES

January 21, 2004

The Fiscal Committee of the General Court met on Wednesday, January 21, 2004 at 9:00 a.m. in Room 210-211 of the Legislative Office Building.

Members in attendance were as follows:

Representative Neal Kurk, Chairman
Senator Richard Green, Vice Chairman
Representative Kenneth Weyler, Clerk
Representative Beverly Rodeschin
Representative Edwin Smith
Representative Marjorie Smith
Senator Robert Flanders
Senator Robert Clegg
Senator Robert Odell
Senator Lou D'Allesandro

Chairman Kurk opened the meeting at 9:21 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Representative Rodeschin, seconded by Representative Edwin Smith, that the Committee approve the minutes of the December 17, 2003 meeting as written. MOTION ADOPTED.

OLD BUSINESS:

No actions were taken under old business.

NEW BUSINESS:

RSA 124:15 Positions Restricted - Consent Calendar:

FIS 04-005 Liquor Commission - George Tsiopras, Chief Financial Officer and Eddie Edwards, Lieutenant, Bureau of Enforcement presented the request and responded to questions of the Committee.

On a motion by Senator Green, seconded by Representative Rodeschin, that the Committee approve the request from the Liquor Commission to hire a Consultant through May 31, 2004. MOTION ADOPTED.

FIS 04-006 Department of Education - On a motion by Senator Green, seconded by Senator D'Allesandro, that the Committee approve the request from the Department of Education to hire Consultants through June 30, 2005. MOTION ADOPTED.

RSA 100-a:41-a,II - Supplemental Retirement Allowances:

FIS 04-001 N.H. Retirement System - Eric Henry, Executive Director presented the request and responded to questions of the Committee.

On a motion by Representative Weyler, seconded by Senator Flanders, that the Committee approve a cost-of-living adjustment

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(COLA) for individuals retired prior to July 1, 2003, effective July 1, 2004 and retroactive to their retirement anniversary date as follows:

Employees - 1%
Teachers - 1%
Policemen - 1%
Firemen - 2.5%

MOTION ADOPTED.

A recorded vote was requested and the votes were as follows:

Representative Kurk - Yes
Representative Weyler - Yes
Representative Marjorie Smith - No
Representative Edwin Smith - Yes
Representative Rodeschin - Yes
Senator Green - No
Senator Flanders - Yes
Senator Clegg - Yes
Senator Odell - Yes
Senator D'Allesandro - Yes

Yes-8 No-2

Chairman Kurk requested further information from Director Henry regarding the additional amounts of money necessary to bring the medical sub-trusts for retirees up to 100 percent funding.

LATE ITEMS:

FIS 04-012 Department of Environmental Services - Chairman Kurk noted that this item had been distributed to all members and that Commissioner Nolin was withdrawing it at this time.

FIS 04-015 Letter from State Employees Association relative to the Department of Environmental Services request - This letter was distributed to members of the Committee and placed on file.

FIS 04-011 Department of Environmental Services - Michael Nolin, Commissioner presented the request and responded to questions of the Committee. Michael Walls, Assistant Commissioner, Harry Stewart, Director Water Division, Tony Giunta, Director Waste Division and Bob Scott, Director Air Resources were also present to respond to questions.

On a motion by Senator Clegg, seconded by Representative Weyler, that the Committee approve the request of the Department of Environmental Services to reduce its general fund spending by approximately \$2.2 million as a result of certain personnel layoffs, transfers and funding transfers, as specified in their letter dated January 20, 2004. MOTION ADOPTED.

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A recorded vote was requested and the votes were as follows:

Representative Kurk - Yes
Representative Weyler - Yes
Representative Marjorie Smith - No
Representative Edwin Smith - Yes
Representative Rodeschin - Yes
Senator Green - No
Senator Flanders - Yes
Senator Clegg - Yes
Senator Odell - No
Senator D'Allesandro - No

Yes-6 No-4

FIS 04-016 Department of Education - Nicholas Donohue, Commissioner presented the request and responded to questions of Committee.

On a motion by Senator Clegg, seconded by Representative Edwin Smith, that this request be tabled. MOTION ADOPTED.

Commissioner Donohue requested that the informational material he brought with him be distributed. Chairman Kurk noted it would be included in next month's Fiscal Committee packet.

FIS 04-013 (State Employee Health Insurance) and FIS 04-014 (Hiring Delay) Department of Administrative Services - Commissioner Donald Hill presented the informational items and responded to questions of the Committee. Eileen Bernard, Administrator, Risk Management Bureau was also present to respond to questions.

On a motion by Representative Weyler, seconded by Senator D'Allesandro, that informational request FIS 04-014 relative to the hiring delay be accepted and placed on file. MOTION ADOPTED.

On a motion by Representative Weyler, seconded by Senator D'Allesandro, that informational request FIS 04-013 relative to the State Employee Health Insurance be accepted and placed on file. MOTION ADOPTED.

FIS 04-017 Office of the Governor, Office of Information Technology - The monthly report was distributed to Committee members and Chairman Kurk requested it be held until the next meeting when Senator Eaton is in attendance for presentation and discussion.

On a motion by Senator Green, seconded Senator D'Allesandro, that this report be tabled until the February meeting when Senator Eaton is in attendance. MOTION ADOPTED.

Representative Marjorie Smith requested that this report be received in a timely manner so it could be included in the monthly mailing to Fiscal Committee members.

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Senator Clegg requested that Chairman Kurk tell Mr. Anderson to answer the direct question as to exactly how much money his Office has saved.

INFORMATIONAL MATERIALS:

The informational items were accepted and placed on file.

(Vice Chairman Green in the Chair.)

AUDITS:

State of New Hampshire, Department of Corrections, Division of Field Services Performance Audit Report December 2003 - This report will be presented at the February Fiscal Committee meeting.

The Unique College Investing Plan Annual Report September 30, 2003 and Fidelity Advisor 529 Plan Annual Report September 30, 2003 - Ann Kennedy, Partner, PricewaterhouseCoopers, Boston presented the reports and responded to questions of the Committee. Michael Ablowich, State Treasurer was also present to respond to questions.

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

State of New Hampshire Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2003 - Tom Martin, Comptroller, Department of Administrative Services and Karen Farrell, KPMG presented the report and responded to questions of the Committee. Shawn Warren, KPMG was also present to respond to questions.

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.

State of New Hampshire, New Hampshire Sweepstakes Commission Comprehensive Annual Financial Report For the Year Ended June 30, 2003 and Sweepstakes Commission Management Letter For the Year Ended June 30, 2003 - Chairman Kurk requested that the Sweepstakes Commission Financial Report and Management Letter be held until the next meeting for presentation.

On a motion by Representative Weyler, seconded by Senator D'Allesandro, that the Sweepstakes Commission Annual Report and Management Letter be accepted, placed on file and released in the usual manner. MOTION ADOPTED.

DATE OF NEXT MEETING AND ADJOURNMENT:

The next meeting of the Fiscal Committee is scheduled for Wednesday, February 18, 2004 at 9:00 a.m. in Room 210-211 of the Legislative Office Building.

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On a motion by Senator Green, seconded by Senator D'Allesandro,
that the Committee adjourn. MOTION ADOPTED.

Representative Kenneth Weyler, Clerk