

FISCAL COMMITTEE OF THE GENERAL COURT
MINUTES
March 25, 2011

The Fiscal Committee of the General Court met on Friday, March 25, 2011 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 Beverly Rodeschin
Representative Daniel McGuire
Representative Stephen Stepanek
Representative Mary Jane Wallner (Alternate)
Representative John Reagan (Alternate)
Senator Chuck Morse
Senator Jeannie Forrester (Alternate)
Senate President Peter Bragdon
Senator Sylvia Larsen
Senator John Gallus

Chairman Weyler opened the meeting at 10:05 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Senator Gallus, seconded by Representative McGuire, that the minutes of the February 18, 2011 be accepted as written. MOTION ADOPTED.

OLD BUSINESS:

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

NEW BUSINESS:

RSA 9:16-a, TRANSFERS AUTHORIZED:

CONSENT CALENDAR

On a motion by Senator Morse, seconded by Senator Larsen, that the Committee approve the request under this section as submitted. MOTION ADOPTED. [FIS 11-097 Department of Transportation – transfer \$3,383,777]

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 McGuire FIS 11-081 Department of Cultural Resources, FIS 11-099 and FIS 11-110 Department of Safety were removed from the Consent Calendar.

On a motion by Representative McGuire, seconded by Senator Morse, that the Committee approve the remaining requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 11-083 Department of Safety – accept and expend \$299,700, – accept and expend \$208,800, FIS 11-098 Department of Safety – authorization to amend FIS 10-307, approved November 15, 2010, by reallocating \$1,700 in federal grant funds through June 30, 2011, FIS 11-107 Department of Justice – authorization to retroactively amend FIS 09-387, approved December 3, 2009, by extending the end date from September 30, 2010 to June 30, 2011, with no increase in funding, FIS 11-108 Department of Justice – authorization to retroactively amend FIS 09-339, approved October 20, 2009, by extending the end date from September 30, 2010 to June 30, 2011, with no increase in funding, FIS 11-109 Department of Safety – accept and expend \$418,969, FIS 11-115 Department of Justice – authorization to amend FIS 09-322, approved September 29, 2009 and subsequently amended by FIS 10-328, approved November 15, 2010, by reallocating \$14,983.02 in federal funds through June 30, 2011]

FIS 11-081 Department of Cultural Resources – Kathleen Stanick, Administrator, Department of Cultural Resources responded to questions of the Committee.

On a motion by Senator Morse, seconded by Senator Forrester, that the Committee approve the request of the Department of Cultural Resources to accept and expend \$56,882.50. MOTION ADOPTED. (8-Yes, 1-No)

FIS 11-099 Department of Safety – Wesley Colby, Director of Administration, and Lance Harbour, State Hazard Mitigation Officer, Division of Homeland Security and Emergency Management, Department of Safety responded to questions of the Committee.

On a motion by Representative McGuire, seconded by Representative Stepanek, that the Committee approve the request of the Department of Safety to accept and expend \$623,957. MOTION ADOPTED.

FIS 11-110 Department of Safety – Wesley Colby, Director of Administration, and Jeff Phillips, Acting Director, Fire Standards and Training Commission, Department of Safety responded to questions of the Committee.

On a motion by Representative McGuire, seconded by Senator Morse, that the Committee approve the request of the Department of Safety to accept and expend \$114,600. 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:

ARRA FUNDS CONSENT CALENDAR

At the request of Representative McGuire FIS 11-086 and FIS 11-087 Department of Education were removed from the Consent Calendar and approved jointly.

FIS 11-086 and FIS 11-086 Department of Education – Michael Bieniek, Administrator, Office of Business Management, and Kathleen Murphy, Director, Division of Instruction, Department of Education responded to questions of the Committee.

On a motion by Senator Larsen, seconded by Representative McGuire, that the Committee jointly approve the requests of the Department of Education to accept and expend \$808,155 in federal ARRA funds through September 30, 2011 (FIS 11-086) and accept and expend \$23,730,632 in federal ARRA funds through September 30, 2011 (FIS 11-087). MOTION ADOPTED.

On a motion by Representative McGuire, seconded by Representative Stepanek, that the Committee approve the remaining requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 11-085 Department of Justice – authorization to amend FIS 09-228, approved June 18, 2009, by extending the end date from April 30, 2011 to April 30, 2012, with no increase in federal ARRA funds, FIS 11-088 Department of Employment Security – authorization to amend FIS 09-230, approved June 12, 2009 and subsequently amended by FIS 10-159, approved May 18, 2010, by reallocating \$258,278 in federal ARRA funds through June 30, 2011, FIS 11-089 Public Utilities Commission – authorization to amend FIS 09-389, approved December 3, 2009 and subsequently amended by FIS 10-145, approved May 18, 2010, by reallocating federal ARRA funds by bringing a \$7,227 balance forward from FY 2010 to FY 2011, decreasing FY 2011 by \$22,094, increasing FY 2012 by \$54,143, and decreasing FY 2013 by \$32,049 through December 31, 2012, FIS 11-113 Office of Energy and Planning – authorization to 1) accept and expend \$1,765,815.28 in prior year unexpended federal ARRA funds through March 31, 2012 and further authorization to 2) amend the action taken in #1 by reallocating \$123,553.81 in federal ARRA funds in FY 2011 through March 31, 2012 and 3) amend the action taken in #1 by reallocating \$103,020.96 in federal ARRA funds in FY 2012 through March 31, 2012]

RSA 124:15 POSITIONS RESTRICTED:

ARRA FUNDS CONSENT CALENDAR

On a motion by Senator Bragdon, seconded by Senator Morse, that the Committee approve the request on the agenda under this section as submitted. MOTION ADOPTED. [FIS 11-112 Department of Justice – authorization to amend FIS 09-286, approved August 27, 2009, and subsequently amended by FIS 10-183, approved June 17, 2010, by extending the end date from April 30, 2011 to April 30, 2012 for a consultant position funded by other ARRA funds]

CHAPTER 4:5, LAWS OF 2010, DEPARTMENT BUDGETS; TRANSFERS OF FEDERAL FUNDS:

CONSENT CALENDAR

On a motion by Senator Bragdon, seconded by Senator Morse, that the Committee approve the request on the agenda under this section as submitted. MOTION ADOPTED. [FIS 11-116 Department of Environmental Services – transfer \$43,179 in federal funds through June 30, 2011]

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 11-090 Adjutant General's Department – Major General William N. Reddel, The Adjutant General, and Bill Hardekopf, Pease Fire Chief, responded to questions of the Committee.

On a motion by Senator Bragdon, seconded by Senator Forrester, that the Committee approve the request of the Adjutant General's Department to accept and expend \$99,385 in federal funds through June 30, 2011 and establish six (6) full-time temporary State Fire Fighter I positions through June 30, 2011. MOTION ADOPTED. (8-Yes, 1-No)

FIS 11-114 Department of Corrections – On a motion by Senator Bragdon, seconded by Senator Gallus, that the Committee approve the request of the Department of Corrections to amend FIS 10-168, approved June 17, 2010, by extending the end date from March 31, 2011 to June 30, 2011 and extend one full-time temporary Administrator II position from March 31, 2011 through June 30, 2011. 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:

ARRA FUNDS

FIS 11-111 Department of Justice – On a motion by Senator Bragdon, seconded by Representative McGuire, that the Committee approve the request of the Department of Justice to amend FIS 10-038, approved February 5, 2010, by reallocating \$12,165 in other ARRA funds and extending the end date from April 30, 2011 to April 30, 2012 and to further amend FIS 10-038, approved February 5, 2010, by extending the end date from April 30, 2011 to April 30, 2012 for a temporary part-time Program Specialist IV position. MOTION ADOPTED.

RSA 604-A:1-b ADDITIONAL FUNDING:

FIS 11-091 Judicial Council – On a motion by Senator Bragdon, seconded by Senator Gallus, that the Committee approve the request of the Judicial Council to receive \$65,000 in additional General Funds from funds not otherwise appropriated through June 30, 2011. MOTION ADOPTED.

CHAPTER 144:39, II, LAWS OF 2009, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS:

FIS 11-102 Department of Health and Human Services – On a motion by Senator Bragdon, seconded by Senator Gallus, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$365,243 in federal funds through June 30, 2011. MOTION ADOPTED.

CHAPTER 144:39, II, LAWS OF 2009, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS:

ARRA FUNDS

FIS 11-092 Department of Health and Human Services – On a motion by Senator Bragdon, seconded by Senator Gallus, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$2,893 in additional federal funds and accept and expend \$2,890,497 in federal ARRA funds retroactive to July 1, 2010 through June 30, 2011. MOTION ADOPTED.

FIS 11-100 Department of Health and Human Services – On a motion by Senator Bragdon, seconded by Senator Gallus, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$25,918 in additional federal revenue and accept and expend \$8,761,984 in federal ARRA funds and decrease revenue adjustments to general funds in the amount of \$8,779,115, effective retroactive to July 1, 2010 through June 30, 2011. MOTION ADOPTED.

FIS 11-101 Department of Health and Human Services – On a motion by Senator Bragdon, seconded by Representative McGuire, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$1,232,560 in additional federal revenue and accept and expend \$17,439,803 in federal ARRA funds and decrease revenue adjustments to general funds in the amount of \$18,653,691, effective retroactive to July 1, 2010 through June 30, 2011. MOTION ADOPTED.

MISCELLANEOUS:

INFORMATIONAL MATERIALS:

The informational items were accepted and placed on file.

AUDITS:

State of New Hampshire, Management Letter, Year Ended June 30, 2010 – Richard Mahoney, Director of Audits, Audit Division, Office of Legislative Budget Assistant, Shawn Warren, KPMG Partner, Scott Warnetski, KPMG Senior Audit Manager, and Edgar Carter, State Comptroller, Department of Administrative Services, presented the report and responded to questions of the Committee.

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

New Hampshire Turnpike System, Auditors' Reports as Required by Government Auditing Standards and Management Letter, Year Ended June 30, 2010 – Richard Mahoney, Director of Audits, Audit Division, Office of Legislative Budget Assistant, Shawn Warren, KPMG Partner, Karen Farrell, KPMG Audit Manager, and, Leonard Russell, Financial Analyst, Bureau of Finance and Contracts, Department of Transportation, presented the report and responded to questions of the Committee.

On a motion by Representative Rodeschin, seconded by Representative Stepanek, 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, 2010 – Richard Mahoney, Director of Audits, and Kimberly Seamans, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant, and Charles McIntyre, Executive Director, New Hampshire Lottery Commission, presented the report and responded to questions of the Committee.

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

State of New Hampshire, Governor's Commission on Disability, Financial Audit Report For The Fiscal Year Ended June 30, 2010 – Richard Mahoney, Director of Audits, and Jean Mitchell, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant, and John Richards, Executive Director, Governor's Commission on Disability, presented the report and responded to questions of the Committee.

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

State of New Hampshire, Single Audit of Federal Financial Assistance Programs For the Year Ended June 30, 2010 – Richard Mahoney, Director of Audits, Audit Division, Office of Legislative Budget Assistant, requested that the Committee accept the Single Audit, which was not available for the March 25, 2011 meeting but which is due to be filed with the Federal government on March 31, 2011, and presented it at the next meeting.

On a motion by Senator Morse, seconded by Representative Stepanek, that the report be accepted for presentation and scheduled for the next meeting, placed on file and released in the usual manner. MOTION ADOPTED.

ADJOURNMENT:

The next regular meeting of the Fiscal Committee was set for Monday, May 2, 2011 at 10:00 a.m.

On a motion by Senator Larsen, seconded by Senator Morse, that the meeting adjourn. MOTION ADOPTED. (Whereupon the meeting adjourned at 11:38 a.m.)

Representative Beverly Rodeschin, Clerk