

FISCAL COMMITTEE OF THE GENERAL COURT
MINUTES
March 24, 2004

The Fiscal Committee of the General Court met on Wednesday, March 24, 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
Representative Beverly Rodeschin, Clerk
Representative Edwin Smith
Representative Joseph Stone
Representative Marjorie Smith
Senator Thomas Eaton
Senator Robert Clegg
Senator Robert Odell
Senator Charles Morse
Senator Lou D'Allesandro

Chairman Kurk opened the meeting at 9:08 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Senator Odell, seconded by Representative Edwin Smith, that the minutes of the February 18, 2004 meeting be accepted as written. MOTION ADOPTED.

OLD BUSINESS:

FIS 04-016 Department of Education - transfer \$206,035.86 - Tabled 1/21/04 - On a motion by Representative Edwin Smith, seconded by Senator Eaton, that this request be removed from the table. MOTION ADOPTED.

Chairman Kurk stated that this request is being withdrawn at the request of the Department of Education through a recent e-mail.

NEW BUSINESS:

RSA 9:16-a Transfers Authorized - Consent Calendar:

FIS 04-045 Office of the Adjutant General, FIS 04-046 Liquor Commission and FIS 04-048 Department of Health and Human Services - On a motion by Representative Edwin Smith, seconded by Senator D'Allesandro, that the Committee approve these requests as submitted. MOTION ADOPTED.

RSA 124:15 Positions Restricted - Consent Calendar:

FIS 04-053 Department of Environmental Services - On a motion by Senator Clegg, seconded by Senator D'Allesandro, that this request be withdrawn and replaced with another request with the same number and one additional position. MOTION ADOPTED.

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Chapter 319:1, Laws of 2003 Department of Health and Human Services; Additional Revenues:

FIS 04-042 Department of Health and Human Services, Office of Community & Public Health - On a motion by Senator Eaton, seconded by Representative Edwin Smith, that the Committee approve the request from the Department of Health and Human Services, Office of Community & Public Health to accept and expend \$128,699 in federal funds. MOTION ADOPTED.

FIS 04-049 Department of Health and Human Services, Division for Children, Youth & Families - On a motion by Senator D'Allesandro, seconded by Representative Stone, that the Committee approve the request from the Department of Health and Human Services, Division for Children, Youth & Families to accept and expend \$61,654 in federal funds. MOTION ADOPTED.

LATE ITEMS:

GOVERNOR CRAIG BENSON - Copies of Executive Orders 2004-02 and 2004-03 were distributed. Governor Benson explained each Executive Order and responded to questions of the Committee. Commissioner Donald Hill was also present to respond to questions.

Executive Order 2004-02 - An order directing a hiring and spending freeze to reduce the rate of state general fund expenditures - On a motion by Senator Clegg, seconded by Representative Edwin Smith, that the Committee approve Executive Order 2004-02 - an order directing a hiring and spending freeze to reduce the rate of state general fund expenditures. MOTION ADOPTED.

Executive Order 2004-03 - An order directing a reduction in Executive Branch expenditures - On a motion by Representative Marjorie Smith, seconded by Representative Stone, that this Executive Order be placed on the table. MOTION FAILED. (4-Yes, 6-No)

On a motion by Senator Clegg, seconded by Senator Eaton, that the Committee approve Executive Order 2004-03 - an order directing a reduction in Executive Branch expenditures. MOTION ADOPTED. (8-Yes, 2-No) Representative Marjorie Smith and Senator D'Allesandro wished to be recorded as voting no.

FIS 04-058 Office of the Governor, Office of Information Technology - Peter Yao and Commissioner Donald Hill presented the request and responded to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Representative Edwin Smith, that the Committee approve the request of the Office of the Governor, Office of Information Technology to amend previous requests FIS 03-131, FIS 03-184 and FIS 03-205 to retroactively adjust the transfers to apply for the time period February 6, 2004 to June 30, 2004, rather than the entire fiscal year as previously requested, and the Committee further authorized, for accounting purposes, the establishment of a newly created Class 027 Transfer to Informational Technology and the related 001 source of funding. MOTION ADOPTED.

Chapter 223:15, Laws of 223 (RSA 4-D:3,II) Governor's Office of Information Technology:

FIS 04-051 Office of Information Technology - Peter Yao, Office of the Governor and Rick Bailey, Director, Office of Information Technology presented the report and responded to questions of the Committee.

Chairman Kurk stated that the Committee will still require a monthly report, in a timely manner, from the Office of Information Technology but it will not be on the regular part of the agenda, this report will be under the informational materials.

LATE ITEMS (CONTINUED):

FIS 04-056 Department of Administrative Services - Report detailing waivers as a result of the hiring delay and freeze - This is an informational item and required no action by the Committee.

FIS 04-057 Department of Health and Human Services - James Fredyma, Controller presented the request and responded to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Representative Stone, that the Committee approve the request of the Department of Health and Human Services to transfer \$974,864.50 in state general funds otherwise unappropriated, and accept and expend \$975,839.36 in federal funds. MOTION ADOPTED.

FIS 04-055 Department of Environmental Services - Report on the status of staff reductions. This item was for informational purposes and required no action by the Committee.

INFORMATIONAL MATERIALS:

The remaining informational items were accepted and placed on file.

AUDITS:

State of New Hampshire, Single Audit of Federal Financial Assistance Programs For the Year Ended June 30, 2003 - Brock Romano, Audit Partner and Mike Maschio, Senior Manager, KPMG presented the audit and responded to questions of the Committee. (This report was accepted, placed on file and released at the February 18, 2004 Fiscal Committee meeting.)

Management Letter for the State of New Hampshire For the Year Ended June 30, 2003 - Shawn Warren, Partner and Karen Farrell, Manager, KPMG presented the Management Letter and responded to questions of the Committee.

On a motion by Representative Rodeschin, seconded by Representative Stone, that the Management Letter be accepted, placed on file and released in the usual manner. MOTION ADOPTED.
Fiscal Committee Minutes
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DATE OF NEXT MEETING AND ADJOURNMENT:

The next meeting of the Fiscal Committee is scheduled for Wednesday, April 21st at 9:00 a.m. in Room 210-211 of the Legislative Office Building. (Future meeting dates were also set for May 19 and June 16.)

Whereupon the Committee adjourned.

Representative Beverly Rodeschin, Clerk