

MINUTES OF THE MEETING
OF THE FINANCE ADVISORY COMMITTEE

Held in Room 1A at the Legislative Office Building on April 1, 2010.

PRESENT: Lieutenant Governor Michael Fedele
Mark Ojakian, Deputy State Comptroller
Howard Rifkin, Deputy State Treasurer
Senator Toni Harp
Senator Dan DeBicella
Representative John Geragosian
Representative Joan Lewis
Representative Craig Miner
Deputy Secretary Michael Cicchetti, Deputy Secretary and Clerk,
Office of Policy & Management
Gregory Messner, Assistant Executive Budget Officer,
Office of Policy & Management, Budget and Financial Management Division

ABSENT: Governor M. Jodi Rell

Lieutenant Governor Fedele called the meeting to order at 1:08 P.M.

1. It was voted to approve the minutes of the meeting of March 4, 2010.
2. The following new transactions were approved by the Committee:

FAC 2010-15 – Department of Veterans Affairs – A transfer of \$500,000 from Personal Services to Other Expenses to meet funding requirements through the end of the year.

This item was unanimously approved by the Committee.

FAC 2010-16 – Department of Information Technology – A transfer of \$1,350,000 from Personal Services to Other Expenses and Expert Witnesses to meet funding requirements through the end of the year.

This item was unanimously approved by the Committee.

FAC 2010-17 – Office of the Child Advocate – A total transfer of \$33,000. \$32,000 from Other Expenses, \$1,000 from Child Fatality Review Panel to Personal Services to meet funding requirements through the end of the year.

This item was unanimously approved by the Committee.

FAC 2010-18 – Department of Agriculture – A total transfer of \$175,000. \$75,000 from WIC Program for Fresh Produce for Seniors, \$100,000 Personal Services to Other Expenses to meet funding requirements for the remainder of the year.

Representative Miner raised the question whether funding was available in Personal Services because positions had been transferred to other funding sources. Deputy Secretary Deputy Secretary Michael

Cicchetti assured him that this was not the case. Representative Miner also raised the question as to whether funding for Fresh Produce for Seniors would be available whereas markets were still being developed. Mike assured him that there were two programs providing the same service and that these funds were available due to the newer program being ramping up. Senator Harp echoed Representative Miner's question on the availability of senior food program money. She was assured by Commissioner Prelli that the funds were only available because they were getting the new program up and running in over 300 outlets and have not yet experienced full demand. Senator Harp noted that farmers markets would be starting before the end of the current fiscal year and how important it was to make fresh produce available to seniors in New Haven in light of the recent grocery store closing. Commissioner Prelli assured her that not all of the funds were being transferred and that funds would remain in the account to pay for costs through the end of the fiscal year.

This item was unanimously approved by the Committee.

FAC 2010-19 – Department of Developmental Services– A total transfer of \$8,683,732 from Various Accounts. \$6,683,732 to Early Intervention and \$2,000,000 to Workers Compensation to meet funding requirements for the remainder of the year.

Senator DeBicella asked for assurances that this proposed FAC from Personal Services would not increase the state's overall deficiency by eating into required retirement and other holdbacks. Deputy Secretary Cicchetti guaranteed him that the transfer was coming from anticipated lapses beyond the holdbacks and would have no impact on the overall state deficit.

Representative Lewis asked about the component of the anticipated Early Intervention shortfall resulting from the cost of services shifting to contract based as a result of the early retirement. Commissioner O'Meara explained that this is a one time expense while the remaining staff builds up their caseloads again.

This item was unanimously approved by the Committee.

FAC 2010-20 – Department of Mental Health and Addiction Services – A total transfer of \$6,000,000. \$2,000,000 to Discharge and Diversion Services, \$2,000,000 to Professional Services and \$2,000,000 to General Assistance Managed Care to meet funding requirements for the remainder of the year.

This item was unanimously approved by the Committee.

FAC 2010-21 – Department of Transportation – A transfer of \$4,386,000 from Personal Services to Other Expenses to meet funding requirements for the remainder of the year.

Representative Miner questioned whether the funding available in Personal Services for transfer was due to delays in refilling positions or due to positions that would not be refilled. Deputy Secretary Michael Cicchetti told him that it was due to both. Representative Miner questioned the explanation as to why the funding was needed in Other Expenses. Bob Card, from the Department of Transportation, explained that the price increase was for salt and the increase needed for fuel was based on usage. He also explained that the reason salt supplies were replenished was based on the need to order salt at a time when the agency was projecting two additional storm events (that did not happen) and the need to order well in advance of any need. Senator Harp questioned whether the agency was precluded from using its available sand

mixture. The agency indicated that they are not precluded from using the sand mixture but that the sand was not as safe and had costs associated with its use such as the need to sweep up the sand and the pollution it causes. Senator Harp questioned whether the agency could use the sand supplies that it has on hand, given the State's current fiscal situation. The agency indicated that they were working to try and sell the excess sand supply.

This item was approved by the Committee with Representative Miner voting no.

FAC 2010-22 – Soldiers', Sailors' & Marines' Fund – A total transfer of \$48,700. \$21,000 from Other Expenses and \$27,700 from Award Payments to Personal Services and Employee Fringe Benefits to meet funding requirements for the remainder of the year.

This item was unanimously approved by the Committee.

FAC 2010-23 – Department of Higher Education – A transfer of \$232,983 from Americorps to Personal Services due to a variety of unforeseen circumstances. This will meet funding requirements for the remainder of the year.

Representative Miner questioned the grant activity for the Americorps program, specifically whether OPM had withheld any grant expenditures from this account. Deputy Secretary Michael Cicchetti responded that this appropriation was an expansion of the Americorps/National Service Act program and that the Department of Higher Education has not been able to get the additional monies expended.

This item was unanimously approved by the Committee.

FAC 2010-24 – Department of Children and Families – A transfer of \$2,300,000 from Board and Care for Children-Residential. \$800,000 to Board and Care for Children-Adoption and \$1,500,000 to Workers Compensation Claims to meet funding requirements for the remainder of the year.

This item was unanimously approved by the Committee.

FAC 2010-25 – Commission on Child Protection – A total transfer of \$125,000 from Contracted Attorneys. \$25,000 to Personal Services, \$50,000 to Attorney Related and \$50,000 to Other Expenses to meet funding requirements for the remainder of the year.

This item was unanimously approved by the Committee.

3. The meeting was then adjourned at 1:34 P.M.



Robert L. Genuario
Clerk