

MINUTES OF THE MEETING
OF THE
FINANCE ADVISORY COMMITTEE

Held in Room 1E of the Legislative Office Building on March 2, 2006.

PRESENT: Lieutenant Governor Kevin Sullivan
Mark Ojakian, Deputy Comptroller
Howard Rifkin, Deputy Treasurer
Senator Toni Harp
Senator David Cappiello
Representative Denise Merrill
Representative Douglas McCrory
Robert L. Genuario, Secretary and Clerk,
Office of Policy & Management
John Bacewicz, Executive Budget Officer, Office of
Policy & Management, Budget and Financial Management Division

ABSENT: Governor M. Jodi Rell
Representative Arthur O'Neill

Lieutenant Governor Sullivan called the meeting to order at 1:10 P.M.

1. It was voted to approve the minutes of the meeting of February 2, 2006.
2. It was asked that the agenda be opened to add Item 2006-17. The agenda was opened and Item 2006-17 was added.
3. The following new transactions were approved by the Committee:

FAC 2006-13 – State Elections Enforcement Commission – A transfer of \$15,000 from Personal Services to Other Expenses for the implementation of an MOU between DOIT and SEEC to repair a computer system crash in August when the agency had to enlist the services of DOIT to restore and maintain the system.

Lt. Gov. Sullivan inquired as to the necessity of going to DOIT for the services and where the agency had stood before the crash in terms of systems maintenance. No one was present from the SEEC to respond. This item was unanimously approved by the Committee.

FAC 2006-14 – Office of the State Comptroller – A transfer of \$10,750,000 from the Retired Employee Health Service Cost account to the Higher Education Alternative Retirement Fund.

The shortfall in the alternative retirement account is the result of a change in the rate of recoveries and a change in the timing of payments. The former contract called for payments made one month in arrears and the new contract that began Jan. 1 requires current bi-weekly payments. This results in 13 months of payments in FY 2006. This item was unanimously approved by the Committee.

FAC 2006-15 – Department of Transportation – A transfer of \$4,000,000 from Personal Services to Other Expenses to cover an anticipated shortfall in Other Expenses due to increased prices of sand, salt and replacement steel for guard rails. This item was unanimously approved by the Committee.

FAC 2006-16 – Department of Education – A transfer of \$450,000 from the Priority School District (PSD) Grant account to the ECS grant account.

There was much discussion that centered on the reasons for the lapse in the PDS grant and whether this amount will make ECS grant “whole”. Brian Mahoney, George Coleman and Jim Chasse from the Department were present and answered the questions posed by the various members of the FAC Committee. This item was unanimously approved by the Committee

FAC 2006-17 – Office of State Ethics – Increases the authorized position count for the agency from 8 to 16 to enable the immediate recruitment and hiring of necessary staff.

Lt. Gov. Sullivan questioned whether there would be any fiscal hurdles in this year. Secretary Genuario responded that (a) based on the staffing levels the OSE currently works with (a skeleton-crew) there will be sufficient savings to allow for the staggered hiring of the requested 8 positions without any major fiscal issue for the remainder of the fiscal year and (2) the Office of Policy and Management must approve positions to be hired based on funding availability and will only approve positions to be posted and hired which can be absorbed within the FY06 fiscal resources. This item was unanimously approved by the Committee.

3. The meeting was then adjourned at 1:40 P.M.



Robert L. Genuario
Clerk