

MINUTES OF THE MEETING OF THE FINANCE ADVISORY COMMITTEE
April 12, 2024

PRESENT: Lieutenant Governor Susan Bysiewicz
Deputy Comptroller, Tara Downes
Deputy Treasurer Sarah Sanders
Senator Catherine Osten
Representative Toni Walker
Senator Eric Berthel
Representative Lucy Dathan
Representative Jeff Currey
Representative Tami Zawistowski
Deputy Secretary Paul Potamianos
Office of Policy and Management, Finance Advisory Committee Clerk

Lieutenant Governor Bysiewicz called the meeting to order at 1:00 p.m.

The minutes of the March 7, 2024, meeting were adopted.

The following new transactions were considered by the committee:

2024-6 for the Department of Mental Health and Addiction Services. Transfer of \$11,800,000 from various accounts to the Other Expenses and Professional Services accounts to cover anticipated operational needs for the remainder of the fiscal year.

Senator Osten inquired about the reasons for the Other Expenses shortfall. Cheryl Arora, Chief Fiscal Officer, reported that since 2021, there have been significant increases in food (56%), utilities (32%) and Premises, Security and Maintenance (56%) costs. Ms. Arora further explained that Premises, Security and Maintenance is not related to collective bargaining increases but instead for increases in the costs for upkeep and maintenance of facilities and grounds.

Representative Walker asked whether the agency is lapsing funds in Personal Services. Ms. Arora explained that the release of the \$12.1 million holdback covered the anticipated \$4.5 million shortfall and the remaining \$7.6 million was proposed for transfer to cover other shortfalls identified in the FAC request. Representative Walker also asked why the Behavioral Health Recovery account was lapsing \$3 million. Deputy Commissioner Colleen Harrington explained that the lapse was due to delayed implementation of the Substance Use Disorder initiative as it relates to delays in hiring by the Administrative Services Organization (ASO). Deputy Commissioner Harrington reported that the ASO is responsible for credentialing new providers and because there have been delays in hiring, the ASO was unable to spend all the implementation money this year but that they anticipate using the entire appropriation next year. Representative Walker asked for clarification of the uses of the Professional Services account. Deputy Commissioner Harrington explained that the account pays for contracted professional staff such as doctors and nurses that are difficult to recruit as state employees. Representative Walker asked whether there are any other line items lapsing funds at this time. Ms. Arora confirmed that the agency has no additional lapsing accounts.

Senator Berthel asked for clarification of the release of the \$12.1 million holdback in Personal Services that only results in a \$7.6 million transfer. OPM Deputy Secretary Paul Potamianos explained that release of the \$12.1 million holdback addresses a roughly \$4.6 million overrun in Personal Services, leaving \$7.6 million that can be transferred to help cover the shortfalls in Other Expenses and Professional Services.

Representative Zawistowski inquired about the Professional Services account and whether the positions being hired are associated with a particular facility. Deputy Commissioner Harrington explained that the need is greatest at Connecticut Valley Hospital, the agency's biggest facility, but that contracted staff are used across all of their facilities.

Representative Currey asked about the cause of the delay in the implementation of the Substance Use Disorder initiative. Deputy Commissioner Harrington explained the delay is due to workforce shortage. Representative Currey asked if it is anticipated that the full amount will be needed in FY 2025; Deputy Commissioner. Harrington confirmed the full amount will be needed.

The item was unanimously approved.

The meeting was adjourned at 1:12 p.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Paul E. Potamianos", with a stylized flourish at the end.

Paul E. Potamianos, Deputy Secretary, Office of Policy and Management
Finance Advisory Committee Clerk