

**MINUTES OF THE MEETING
OF THE
FINANCE ADVISORY COMMITTEE**

Held in Room 1B of the Legislative Office Building on June 14, 2005.

PRESENT: Lieutenant Governor Kevin Sullivan
Mark Ojakian, Deputy State Comptroller
Senator Joan Hartley
Senator David Cappiello
Representative Peter Tercyak
Representative Arthur O'Neill
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
Denise Nappier, State Treasurer
Representative Denise Merrill

Lieutenant Governor Sullivan called the meeting to order at 1:03 P.M.

1. It was voted to approve the minutes of the meeting of May 18, 2005.
2. The following new transactions were approved by the Committee:

FAC 2005-36 – Office of the State Comptroller –A transfer of \$6,930,000 from various accounts to meet fourth quarter obligations and to insure that \$20 million is available to be carried forward to FY 2006.

There was some discussion concerning CORE-CT in relation to this FAC transfer.

Lieutenant Governor Sullivan abstained from voting on this item. This item was approved by the Committee.

FAC 2005-37 – Department of Public Safety – A transfer of \$225,000 from Personal Services to Workers Compensation Claims to meet projected requirements due to higher than anticipated medical payments.

There was no discussion on this item and it was unanimously approved by the Committee.

FAC 2005-38 – Department of Mental Health & Addiction Services – A transfer of \$1,250,000 from General Assistance Managed Care to various accounts to cover projected year end requirements.

There was no discussion on this item and it was unanimously approved by the Committee.

FAC 2005-39 – Department of Education – A transfer of \$495,000 from Personal Services to Magnet Schools for start-up costs associated with the Hartford host magnet schools.

These funds were to be provided to the City of Hartford as a supplemental grant to offset unanticipated costs of creating new magnet schools under the Sheff stipulated agreement. Lt. Governor Sullivan asked a question pertaining to the use of supplemental funding from this account. He thought that the only supplemental funding available was for RESC operated magnets and existing magnet schools. A staff person from the Department of Education clarified this point indicating that the magnet school budget also included additional funds for the City of Hartford separate from those associated with the RESC operated magnet schools.

This item was unanimously approved by the Committee.

FAC 2005-40 – Department of Social Services– A transfer of \$2,500,000 from Temporary Assistance to Families to meet anticipated end of year requirements in the Aid to the Disabled and Connecticut Home Care Program Accounts.

Representative Tercyak asked that if the movement of these funds would impact FY 06. Secretary Genuario responded that there would be no impact on FY 06 Budget because the adjustment was based on current services.

This item was unanimously approved by the Committee.

FAC 2005-41 – Public Defender Services – A transfer of \$85,000 from Personal Services to SPD Non Contractual due to an overall increase in caseloads.

Lieutenant Governor Sullivan questioned why the agency was coming back for an FAC transfer when the Deficiency Bill had just been passed. It was noted by Chief Public Defender Smyth that the transfer from another account was part of the overall deficiency plan, keeping the deficiency to a minimum with offsets from surpluses in other accounts.

Lieutenant Governor Sullivan abstained from voting on this item. This item was approved by the Committee.

FAC 2005-42 – Insurance Department - A transfer of \$212,000 from Personal Services to cover fringe benefits to meet year end expenses.

There was some concern of how agencies handle the higher costs for fringe benefits. It was noted that this agency is an industry funded agency and that the other agencies fringe benefits were handled through a central account.

This item was unanimously approved by the Committee.

FAC 2005-43 – Department of Public Utility Control – A transfer of \$291,802 from Personal Services to cover fringe benefits to meet year end expenses.

There was no discussion on this item and it was unanimously approved by the Committee.

FAC 2005-44 – Department of Banking – A total transfer of \$485,000 from various accounts to cover fringe benefits to meet year end expenses.

There was some concern of how agencies handle the higher costs for fringe benefits. It was noted that this agency is an industry funded agency and that the other agencies fringe benefits were handled through a central account.

This item was unanimously approved by the Committee.

3. The meeting was then adjourned at 1:24 P.M.

Robert L. Genuario
Clerk