

MINUTES OF THE MEETING  
OF THE FINANCE ADVISORY COMMITTEE

Held in Room 1E at the Legislative Office Building, on March 1, 2012.

PRESENT: Lieutenant Governor Nancy Wyman  
Deputy Comptroller Martha Carlson  
Deputy Treasurer Jonathan Harris  
Senator Toni Harp  
Senator Robert Kane  
Representative Toni Walker  
Representative Craig Miner  
Representative Henry Genga  
Deputy Secretary Karen Buffkin  
Office of Policy and Management, Finance Advisory Committee Clerk

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

1. The minutes of the February 2, 2012 meeting were adopted unanimously.
2. The following new transactions were considered by the committee:

FAC 2012-6 – Department of Mental Health and Addiction Services. Transfer of \$6,000,000 from the Personal Services and General Assistance Managed Care accounts to fund medical services to clients and to support claims for federal reimbursement for targeted case management services provided by DMHAS contractors.

In regard to the transfer for the Grants to Mental Health Services account, Representative Miner asked whether this process will continue in the future. Secretary Buffkin explained this is a one-time adjustment. Representative Miner further inquired whether an adjustment was made in the proposed budget for FY 2013 and Commissioner Patricia Rehmer explained that funds in Personal Services were available to cover the increased cost in professional services for *locum tenens* due to hiring delays in this fiscal year and would not impact the upcoming budget. Representative Walker asked whether adjustments were made in the budget to transfer funds to DSS and Stephen DiPietro, Chief of Fiscal Administrative Services, responded that this was a one-time adjustment and that the billing process moving forward will not require similar transfers to DSS.

This item was unanimously approved by the committee.

FAC 2012-7 – Department of Transportation. Transfer of \$500,000 from Personal Services to the Tweed New Haven grant account to support operations of the airport.

Senator Kane noted that there are other airports in the state and asked whether Tweed was the only one with an operating subsidy. Robert Card, Interim Chief, Bureau of Finance and Administration of the Department of Transportation, indicated in the affirmative. Senator Kane asked about the total operating budget for Tweed and the amount of state support for

that budget. Mr. Card indicated that based on reporting from the airport, the state supports about half of the operating costs. Senator Kane asked about the level of state budget support in fiscal years 2011 and 2012, and asked about the reduction in the subsidy for FY 2012. Deputy Secretary Buffkin answered that the budget for FY 2012 included a reduction from the FY 2011 funding level, and Senator Harp indicated that the reduction was made by the legislature. Senator Kane asked about the necessity for this transaction, and Mr. Card indicated that it would maintain level state funding for the airport at \$1.5 million for FY 2011 through FY 2013. Senator Kane expressed concern about the policy grounds for subsidizing one airport as well as the appropriateness of the Finance Advisory Committee as a forum for addressing this issue. Representative Miner noted that many difficult decisions were made in arriving at a budget and expressed concern that others who sustained budget reductions might also request adjustments. He then asked whether there was any evidence that Tweed would experience a budget deficit if this transaction were not undertaken. Mr. Card noted that the airport reported an operating deficit last year even with a \$1.5 million subsidy, and that a similar result would reasonably be expected to occur this year. The Lieutenant Governor expressed a hope that a similar transaction would not be necessary in the future. Representative Miner indicated a desire for the state to have more oversight of the airport's operations in exchange for state assistance, and the Lieutenant Governor noted that the issue would be referred to the Secretary of the Office of Policy and Management for followup.

This item was approved by a majority vote of the committee with Senator Kane and Representative Miner voting no.

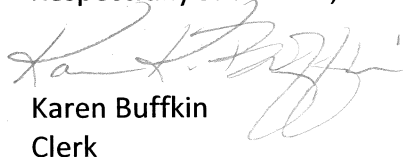
FAC 2012-8 – Department of Social Services. Transfer of \$2,300,000 from the HUSKY B account to the Charter Oak Health Plan account to recognize revised requirements for program costs.

Senator Kane asked whether caseload in the Charter Oak account was falling. The Lieutenant Governor answered affirmatively, and Deputy Secretary Buffkin explained that the need for additional funding was due to repricing to reflect revised rates. Representative Walker asked to reconcile the need for additional funding with the proposed budget adjustments for FY 2013, which would reduce funding in the account. Mari Spallone, Fiscal Administrative Manager of the Department of Social Services, explained that enrollments were projected to decline below budgeted levels, resulting in the proposed budget adjustment.

This item was unanimously approved by the committee.

3. The meeting was adjourned at 1:22 P.M.

Respectfully submitted,

  
Karen Buffkin  
Clerk