

MINUTES OF
Budget and
Control Board
Meeting

April 19, 1985

MINUTES OF STATE BUDGET AND CONTROL BOARD MEETING

APRIL 19, 1985

10:00 A. M.

The Budget and Control Board met at 10:00 a. m. on Friday, April 19, 1985, at the Public Service Authority Wampee Conference Center in Moncks Corner with the following members in attendance:

Governor Richard W. Riley, Chairman;
Mr. Grady L. Patterson, Jr., State Treasurer;
Mr. Earle E. Morris, Jr., Comptroller General;
Senator Rembert C. Dennis, Chairman, Senate Finance Committee; and
Representative Tom G. Mangum, Chairman, House Ways and Means Committee.

Also attending were Executive Director William T. Putnam; Board Secretary William A. McInnis; Governor's Executive Assistant Katherine Hepfer; Chief Deputy Assistant Attorney General Joseph A. Wilson, II; Deputy Executive Directors E. A. Laurent and Joseph A. Mack; Assistant to Secretary Donna K. Williams; Budget Division Director Jesse A. Coles; State Auditor Edgar A. Vaughn, Jr; Jerry W. Branham; Board of Economic Advisors members Bobby M. Bowers and Barbara A. Feinn; and Senate Finance Committee staff member Bill Jordan and Ways and Means Committee staff member Scott Inkley.

EXECUTIVE SESSION ADD-ON AND SENATOR DENNIS WELCOME

Executive Director Putnam called the Board's attention to a need to consider an executive session item at the end of the scheduled session. He indicated that the matter involved a Fire Marshal Appeal Panel action on which there is some urgency.

Governor Riley then determined that Board members had no objection to considering that executive session item.

Senator Dennis then indicated his delight to be back with the Board. He indicated that he had missed being with the Board but that he had been reading behind it. He emphasized that he does not intend for his presence at this meeting to be an indication of his resumption of his chair on the Board. He pointed out that Senator Waddell will continue to serve in his stead in the meantime.

In response, Governor Riley expressed the pleasure of the Board members to be with Senator Dennis again and assured him that he had been missed. He also noted that Senator Waddell had diligently performed his duties in Senator Dennis' absence. Governor Riley concluded his welcome by indicating to Senator Dennis that he anxiously awaits the Senator's return to full-time duty.

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REORGANIZATION COMMISSION: BUDGET FORMAT REVISION PROPOSALS

Appearing before the Board on this matter were Reorganization Commission Director Philip G. Grose, Jr., and staff members Larry Fernandez, Janice Trawick, consultant Carroll Allen, and Rick Grover.

Director Grose emphasized at the outset that the presentation today is a status report and that the report itself is not yet final. He also noted that the effort is in a sense caught between the Freedom of Information Act and the Reorganization Commission's own law regarding release of reports. He emphasized that all of the documents distributed for review would have to be returned at the end of the presentation.

Mr. Grose and staff member Larry Fernandez then reviewed the Reorganization Commission's study of the budget content and its study of efficiency and effectiveness measures. He emphasized effectiveness relates to how well something is being done while efficiency relates to its costs.

Following the presentations of the Reorganization Commission's study of the budget content revision, Mr. Grose called attention to a number of recommendations. Included was the notion of a pilot test of the recommended courses of action involving ten agencies during next year in the preparation of the budget requests for 1986-87. He also noted that agencies would be asked to begin developing performance indicators and that his staff would be working with agencies on that effort. He noted that joint oversight of this performance indicator portion of the effort would be provided by the Budget and Control Board and Legislative committees.

Mr. Grose indicated that the Commission had given some thought to restructuring the membership of the Board of Economic Advisors to provide for three citizen members along with the Tax Commission representative and the Research and Statistical Services representative. This proposal would effectively add two citizens to that Board. As conceived by the Reorganization Commission, one of the three would be appointed by the Budget and Control Board, one would be appointed by the Senate Finance Committee and one would be appointed by the Ways and Means Committee.

Governor Riley then read a letter from Board of Economic Advisors Chairman James A. Morris, handed to him by Chief Economist Barbara Feinn, which urged that the Chief Economist position on the Board of Economic Advisors be retained and which recommended certain other staff structures.

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Following further discussion of the proposals by the Reorganization Commission staff, Director Grose expressed his appreciation to the Board and noted that he will be in further communication on the upcoming stages of the effort.

Governor Riley expressed his appreciation to Mr. Grose and his staff for the clear recommendations which were made and expressed the view that getting into programmatic aspects in the budget process to a greater degree would be a big help.

Mr. Patterson also commended the Reorganization Commission staff for making a complex subject understandable.

Following this discussion, this portion of the meeting was adjourned at 12:10 P. M.

[Secretary's Note: Senator Dennis excused himself at the morning break which was held at approximately 11:10 A. M.]

EXECUTIVE SESSION

Mr. Putnam advised the Board that a Fire Marshal Appeal Panel recommendation had been proposed for consideration during executive session.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board agreed to consider this matter in executive session whereupon Governor Riley declared the meeting to be in executive session.

RATIFICATION OF EXECUTIVE SESSION ACTION

Following consideration of the executive session item, the meeting was opened and, upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board ratified the following action taken during executive session:

Affirmed the April 18, 1985 findings and recommendation of the Fire Marshal Appeal Panel relating to the Carolina Coliseum Tractor Pull appeal and incorporated that Panel's recommendation as its Order.

Upon a motion by Mr. Morris, seconded by Mr. Patterson, the meeting was adjourned at 12:40 p.m.

[Secretary's Note: In compliance with Section 9 of Act 593 of 1978 (the Freedom of Information Act), public notice of and the agenda for this meeting were posted on bulletin boards in the office of the Governor's Press Secretary in the State House, near the Board Secretary's office in the Wade Hampton Building, and in the lobby of the Wade Hampton Office Building at 10:00 a.m. on Tuesday, April 16, 1985.]

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