

STATE OF NEW YORK : COUNTY LEGISLATURE
COUNTY OF ONONDAGA

2013 WAYS and MEANS COMMITTEE

PUBLIC HEARING

UNDER 2013

PROPOSED BUDGET

PUBLIC HEARING in the above matter conducted at the Onondaga County Legislative Chambers, Room 407 of the Onondaga County Court House, Syracuse, New York before, JOHN F. DRURY, CSR, RPR, Notary Public in and for the State of New York, on October 4, 2012 at 7:00 p.m.

B E F O R E: LEGISLATOR DAVID H. KNAPP,
Chairman of Ways & Means Committee

LEGISLATORS ALSO PRESENT:

J. RYAN McMAHON,	Legislative Chairman
BRIAN F. MAY	1st District
JOHN C. DOUGHERTY	2nd District
WILLIAM H. MEYER	3rd District
KATHLEEN A. RAPP	5th District
MICHAEL E. PLOCHOCKI	6th District
DANNY J. LIEDKA	7th District
CHRISTOPHER J. RYAN	8th District
MARK A. STANCZYK	9th District
KEVIN A. HOLMQUIST	10th District
PATRICK M. KILMARTIN	11th District
CASEY E. JORDAN	14th District
MONICA WILLIAMS	16th District
LINDA R. ERVIN	17th District

Reported By:
John F. Drury, CSR, RPR
Court Reporter 471-7397

Chairman

CHAIRMAN KNAPP: I'd like to call the meeting to order. Welcome everyone to our public hearing for the 2013 budget. Just as a quick point of order please check the nearest emergency exits just in case. Also just as a reminder please silence your cell phones just so we don't have any kind of disruption here.

I'd like to start off by asking Chairman McMahon if he has any comments before we start.

LEGISLATIVE CHAIRMAN McMAHON: I would just like to take a few brief moments to thank everybody, thank the members of the Ways and Means Committee and all the other members of the Legislature for the work they put into this process, and our staff, the executive team staff. And as we're starting to end the process of the 2013 budget just looking forward to what the public has to say. Thank you, Chairman.

CHAIRMAN KNAPP: Thank you, we

INDEX TO SPEAKERS

<u>SPEAKERS</u>	<u>REPRESENTING</u>	<u>PAGES</u>
COLLEEN WHEATON	CSEA Union President	4
PHIL GRAHAM	CSEA Local 834	9
THOMAS DADEY	Ond Cnty Repub Chair	18
DAVID APPLETON		20

Wheaton

currently have three speakers that have registered to speak. If anyone else would like to speak please come forward, sign up at the desk in the back and we will be happy to put you on the agenda.

The comment period will now begin. Just to remind you the speakers please keep your comments short and concise so that we can move through the list.

First up we have Phil Graham, with Colleen Wheaton on deck.

MR. GRAHAM: If you would, could I switch positions with Colleen, if that's all right with you?

CHAIRMAN KNAPP: That's fine. While Colleen is coming forward if anyone has any written or printed hard copy of their comments please leave them with the clerk and we'll make sure we get them into the record, thank you.

COLLEEN WHEATON: Good afternoon or evening I should say. My name is Colleen Wheaton and I'm speaking tonight as the union president representing

1 Wheaton

2 made in the Daily Star newspaper.
3 In fact, on August 28th, the same
4 newspaper reported that the federal
5 Centers for Medicare and Medicaid
6 Services had stopped paying for
7 admissions to this private nursing home
8 last May due to a huge increase in
9 citations under the new operator. 66
10 citations within three years, nearly
11 three times the state average.

On September 15th the paper reported that rather than trying to correct those citations the new operators were simply calling it quits and filed a plan with the state Health Department to close that facility. They're just walking away from all the promises they made, and now families are working with the state Department of Health to relocate their loved ones due to the closure.

22 It is also reported that the
23 operators still owed more than half a
24 million dollars to Delaware County from
25 the original purchase price. The County

1 **Wheaton**

2 is now in the process of suing and
3 trying to get their money. So taxpayers
4 are now left in a lurch and their loved
5 ones are being shipped out of their
6 County.

7 We offer this example because we
8 know that Delaware County residents were
9 not in full support of getting rid of
10 their nursing home, but they were sold a
11 bill of goods by a company that wanted
12 the business. And the County leaders
13 were looking for an easy way out.
14 Unfortunately we can see by this example
15 that there may not be any easy way out.
16 And we don't want to see this happen in
17 Onondaga County.

18 We hope that you carefully look at
19 our community's long term needs and
20 strongly consider other avenues that
21 would allow Van Duyn to continue it's
22 vital community mission as a public
23 nursing home. For our part, we pledge
24 to work with the County in any way
25 possible to come up with solutions and

<div>9</div> <div>1 Graham</div> <div>2 lobby for funding increases to allow</div> <div>3 that to happen. It is our hope that in</div> <div>4 your final budget you will vote to fully</div> <div>5 fund Van Duyn's operations in the coming</div> <div>6 fiscal year. And it's the right thing</div> <div>7 to do for our community. I thank you</div> <div>8 for your time and consideration over</div> <div>9 this important community issue, thank</div> <div>10 you.</div> <div>11 CHAIRMAN KNAPP: Thank you. Next is</div> <div>12 Phil Graham, with Tom Dadey on deck.</div> <div>13 PHIL GRAHAM: Good evening Chairman</div> <div>14 and County Legislators. I'm Phil</div> <div>15 Graham, I'm here tonight as an elected</div> <div>16 president of more than 3,000 Onondaga</div> <div>17 County workers. Like Colleen I'm here</div> <div>18 to speak on behalf of the workers who</div> <div>19 represent Van Duyn home and hospital,</div> <div>20 and on behalf of the residents they care</div> <div>21 about and serve.</div> <div>22 We know that tonight's budget hearing</div> <div>23 is mostly about facts and figures but I</div> <div>24 want to impress upon you it is also</div> <div>25 about the people. The people that live</div>	<div>11</div> <div>1 Graham</div> <div>2 Van Duyn to maintain the vital mission</div> <div>3 that accepts any resident regardless of</div> <div>4 how much money they have or how severe</div> <div>5 their medical needs.</div> <div>6 Let us remind you that the County</div> <div>7 budget reported that nearly 82 percent</div> <div>8 of the Van Duyn current residents are</div> <div>9 paid for by Medicaid. But up until now</div> <div>10 -- up until very recently an investment</div> <div>11 in our public nursing home meant that we</div> <div>12 had the crown jewel of elderly care</div> <div>13 available for Onondaga County residents</div> <div>14 with a well maintained facility and</div> <div>15 caring staff that offered the best</div> <div>16 quality care available.</div> <div>17 Unfortunately a change in political</div> <div>18 leadership and facility administrative</div> <div>19 leadership has left a decline in Van</div> <div>20 Duyn's image, with less investment in</div> <div>21 the facility and in staffing which has</div> <div>22 led to an increase in deficiencies and</div> <div>23 citations from the state Health</div> <div>24 Department. Services there formerly</div> <div>25 operated by the County have been</div>
<div>10</div> <div>1 Graham</div> <div>2 in our County homes and their families.</div> <div>3 The people who work at our County home,</div> <div>4 people in our community who may need the</div> <div>5 future services of our County home. The</div> <div>6 people in this room who are charged with</div> <div>7 making difficult decisions about the</div> <div>8 future of our County home. With all</div> <div>9 these people in mind it would be wrong</div> <div>10 to reduce the discussion about Van</div> <div>11 Duyn's future to dollars and cents</div> <div>12 without looking at the bigger picture of</div> <div>13 the people involved and what services</div> <div>14 our County value is paying for in their</div> <div>15 taxes. It is these topics that I would</div> <div>16 like to talk about tonight.</div> <div>17 As you know Van Duyn has been a</div> <div>18 community asset for decades. Beginning</div> <div>19 its safety net mission in our community</div> <div>20 as a County poor house and continues to</div> <div>21 be a facility of last resort for any and</div> <div>22 all County residents who may need its</div> <div>23 services. Throughout these decades our</div> <div>24 community and our elected leaders have</div> <div>25 always chosen to make an investment in</div>	<div>12</div> <div>1 Graham</div> <div>2 contracted out. Workers who have wanted</div> <div>3 to continue maintaining Van Duyn's</div> <div>4 quality care and services have felt</div> <div>5 frustrated over lack of administrative</div> <div>6 support and lack of political will to</div> <div>7 continue Van Duyn as a quality facility</div> <div>8 it always was.</div> <div>9 Reports in the newspaper have</div> <div>10 reflected this decline, and some have</div> <div>11 used this as an excuse to call for</div> <div>12 privatization. We feel that would be a</div> <div>13 big mistake. We know with the proper</div> <div>14 continued investment in the facility and</div> <div>15 its staff, a County run operation could</div> <div>16 continue to provide the best care for</div> <div>17 our community's elders and continue Van</div> <div>18 Duyn's safety net role.</div> <div>19 The big question now is whether or</div> <div>20 not our community wants to continue</div> <div>21 paying for this investment. It's a</div> <div>22 question that should be asked going</div> <div>23 forward. When asked previously County</div> <div>24 residents have always valued the vital</div> <div>25 role Van Duyn has served in our community,</div>

Graham

1 and we believe they continue to support
2 that mission. Before you make any final
3 decisions on the subject you should be
4 hearing from the public if that's still
5 the case. And remember, from a dollars
6 and cents standpoint, even if you vote
7 to privatize the facility, there are
8 legacy costs that will continue to the
9 future. A consultant's report from 2010
10 estimates more than \$12 million in these
11 costs, which is more than Van Duyn's
12 current projected deficit.

14 We have to ask, does it make
15 financial sense to continue a multi-
16 million dollar obligation with virtually
17 no say in the future administration of
18 the operation? We also have to ask, can
19 our community afford to gamble on our
20 senior care, especially with an
21 increasing elderly population, and in
22 light of the glaring example of the
23 failure of privatization in Delaware
24 County that Colleen just spoke about?

25 For us, the bottom line is not just

Graham

1 about money. The bottom line is about
2 Onondaga County residents who have lived
3 and worked in this community all their
4 lives, paid their taxes, and always had
5 the knowledge that Van Duyn would be
6 there for them if they needed it. With
7 privatization we're very unsure if that
8 would be the case.

10 We believe our seniors deserve a
11 more certain future when it comes to
12 available and affordable nursing home
13 care. We believe our County leaders
14 should vote to reject privatization and
15 come up with the means to keep Van Duyn
16 publicly owned and operated. We realize
17 this will not be an easy decision, and
18 as Colleen said, we will be happy to
19 work with the County like we did with
20 the previous administration, to seek
21 cooperative solutions that will maintain
22 our public nursing home for all the
23 people involved.

24 That was a written speech. I also
25 was working in my office the last few

Graham

1 days. Van Duyn was started as a Poor
2 House back in 1827. I'm not sure if any
3 of the legislators we're here at that
4 time. That was for the indigent and
5 chronically ill people. 1861 that was
6 right around the Revolutionary War, the
7 Civil War, Onondaga Home and Hospital
8 was the name of the hospital. 1954 Van
9 Duyn Home and Hospital. It was in honor
10 of the distinguished family of physicians
11 who served the Syracuse area for almost
12 100 years. Then the new building was
13 built in 1975.

15 It is the oldest large elderly care
16 facility in New York State. Since the
17 recession 10 counties have sold their
18 nursing homes and another 12 are
19 expected to sell them in the next few
20 years. There is still 34 County run
21 nursing homes throughout New York State.
22 They have asked the state officials for
23 special status to gain more funds.
24 They're still waiting for that answer to
25 come from the state.

Graham

1 Center for government research has
2 awarded a grant to document the tangible
3 results of previous decisions to close,
4 sell or maintain County nursing homes
5 and provide data driven policy guidance
6 to the state and counties deciding the
7 future of these nursing homes. The
8 report is not due until May of 2013.

10 The County has a responsibility to
11 all its residents, and of course when
12 the times get tough government turns its
13 back on the less fortunate. There are
14 some services that the government is
15 morally obligated to provide. I think
16 services for the elderly population is
17 critical.

18 It is unclear what will happen if
19 this private company goes out of
20 business or stops taking residents that
21 rely on Medicaid. Private companies
22 pick and choose who they keep and who
23 they take. There are too many
24 unanswered questions with the sale of
25 Van Duyn, which gives me no comfort to

<p style="text-align: right;">17</p> <p>1 Graham</p> <p>2 the residents and employees of that</p> <p>3 facility.</p> <p>4 So here I stand today before the</p> <p>5 members of the Onondaga County</p> <p>6 Legislature, who have the undesirable</p> <p>7 task of maybe selling an 185 year old</p> <p>8 facility. We are at the crossroads that</p> <p>9 many other counties have come to in</p> <p>10 recent years. The members of CSEA, the</p> <p>11 families and the residents of Van Duyn</p> <p>12 have fought with and against the County</p> <p>13 over the last 10 years to keep Van Duyn</p> <p>14 running. Our previous County Executive</p> <p>15 Nick Pirro, felt an obligation to Van</p> <p>16 Duyn because his mother was a resident</p> <p>17 up there. Does the current County</p> <p>18 Executive and Legislature have the same</p> <p>19 obligation for these Van Duyn residents?</p> <p>20 What will happen to our safety net?</p> <p>21 Like Colleen said, talk is cheap,</p> <p>22 newspapers can say anything about a</p> <p>23 safety net. There is a true safety net</p> <p>24 there right now. What will happen to</p> <p>25 the 500 workers up at Van Duyn? Will</p>	<p style="text-align: right;">19</p> <p>1 Dadey</p> <p>2 in on this process. I was out of town,</p> <p>3 I was president of the school board so I</p> <p>4 know a little bit about municipal</p> <p>5 budgeting. But I know from my</p> <p>6 conversations with many of you over the</p> <p>7 last several weeks that this is a very</p> <p>8 grueling process. And I just wanted to</p> <p>9 thank in particular 13 members of the</p> <p>10 Republican Legislature, led by Chairman</p> <p>11 Knapp with his Committee of Ways and</p> <p>12 Means, thank you for what you have done</p> <p>13 to get a budget that is workable for</p> <p>14 everybody involved. And thank you for</p> <p>15 what you're doing in allowing the taxes</p> <p>16 to go down in most of the</p> <p>17 municipalities. So thank you for your</p> <p>18 hard work and thank you for what you're</p> <p>19 doing and keep up the good work.</p> <p>20 CHAIRMAN KNAPP: Thank you. Is</p> <p>21 there anyone else wishing to speak?</p> <p>22 Could you please come up and sign up</p> <p>23 please before you speak. If there is</p> <p>24 anyone else wishing to speak please come</p> <p>25 up and sign in, thank you. Again, if</p>
<p style="text-align: right;">18</p> <p>1 Dadey</p> <p>2 they have wages and benefits enough to</p> <p>3 care for their families or will they be</p> <p>4 in line for food stamps and HEAP.</p> <p>5 Selling Van Duyn will not get us out</p> <p>6 of the future obligations, such as</p> <p>7 retiree future health benefits,</p> <p>8 interdepartmental costs and workers'</p> <p>9 compensation insurance. Before you</p> <p>10 decide on the future of Van Duyn I urge</p> <p>11 everyone to look at all the facts, you</p> <p>12 can make a decision based on what's best</p> <p>13 for everyone. Thank you.</p> <p>14 CHAIRMAN KNAPP: Thank you. Tom</p> <p>15 Dadey.</p> <p>16 TOM DADEY: Good evening, Chairman,</p> <p>17 members of the Legislature, I'm Tom</p> <p>18 Dadey, most of you know me, I'm the</p> <p>19 Republican Chairman, I'm a City resident</p> <p>20 taxpayer, and I'm also a small business</p> <p>21 owner in the Town of Dewitt. So I just</p> <p>22 wanted to come briefly tonight, keep it</p> <p>23 very brief Chairman, and say thank you</p> <p>24 to the members of the Legislature for</p> <p>25 the hours and the time that you've put</p>	<p style="text-align: right;">20</p> <p>1 Appleton</p> <p>2 you have any written material you would</p> <p>3 like to submit to the record please give</p> <p>4 it to the Clerk, please. Next we have</p> <p>5 Dave Appleton. Good evening.</p> <p>6 DAVID APPLETON: Good evening, I</p> <p>7 would like to take a moment to read a</p> <p>8 letter I have from the Office of the</p> <p>9 State Comptroller, State of New York.</p> <p>10 I'll read the excerpt of it. It says,</p> <p>11 "Onondaga County and the City of</p> <p>12 Syracuse have entered into various</p> <p>13 municipal cooperation arrangements under</p> <p>14 which the County serves as administrator</p> <p>15 and/or fiscal agent for joint under-</p> <p>16 takings. SOCPA is one of these joint</p> <p>17 undertakings. It is budgeted and</p> <p>18 accounted for by the County and staffed</p> <p>19 by County employees.</p> <p>20 The City's share of costs incurred</p> <p>21 in connection with these activities is</p> <p>22 recovered by the County through a tax</p> <p>23 levy on real property in the City.</p> <p>24 Neither the City budget nor the City's</p> <p>25 annual financial reports reflect the</p>

1 Appleton

2 taxes or related expenditures. The
3 Office of the State Comptroller issued
4 an audit report in 1998 that criticized
5 this practice, and recommended that
6 appropriations for these expenditures be
7 included in the City budget, and that
8 the City levy the necessary taxes to pay
9 the County its share of the costs.
10 Based on our recent inquiries, the City
11 has not taken corrective action with
12 respect to this recommendation."

13 Now the City cannot do this without
14 the cooperation of the County. I under-
15 stand why the City does not want to end
16 this arrangement. It allows them to
17 spend money, taxpayers money and not be
18 held accountable for it. People will
19 get their County tax bill, they think
20 they're paying for County services.
21 When the County is actually taking a
22 little bit that should be going through
23 the City budget. This is deceitful,
24 it's not the way our government is
25 supposed to work.

22

1 Appleton

2 Our elected representatives are
3 supposed to be held accountable for the
4 money they spend. As a City taxpayer I
5 would like to see the City held
6 accountable and the Common Councilors.
7 And we cannot do that if we don't know
8 how much it is. And if the County
9 continues to use this arrangement I see
10 no benefit for the County. And I would
11 like to know if you have any plans to
12 end this arrangement and bill the City
13 directly the way it's supposed to be
14 done.

15 I believe you're an accountant, so I
16 shouldn't have to explain that to you,
17 but if you could explain it to me. But
18 that is not the way things are run in
19 business or in government. And I have
20 copies for everyone here, I would hope
21 that you could take the time to discuss
22 this and put an end to it. Thank you.

23 CHAIRMAN KNAPP: Thank you. I'll
24 take those, thanks, appreciate it. We
25 can make an extra copy if we need to.

1 Knapp

2 Is there anyone else who would wish to
3 speak? Okay, I'm declaring the comment
4 period closed. Are there any members of
5 the Legislature who would like to speak
6 at this time? We'll go on.

7 Just a few closing comments before
8 we adjourn the meeting. I would like to
9 thank the members of the Ways and Means
10 Committee for their diligent work over
11 the past few weeks, lot of long days,
12 lot to take in, and I think that went
13 very very well.

14 Also like to thank the County
15 Executive and her team, I think they
16 were more than great about answering all
17 of our questions. They put together a
18 very solid responsible budget for us to
19 start with, and I certainly appreciate
20 that. Lori Tarolli and the County
21 Attorney's office who was also available
22 to answer any questions that we had.
23 The County Comptroller's team again,
24 answered a lot of questions for us and
25 very accessible.

24

1 Knapp

2 And then last and probably most
3 importantly Debbie Maturo and Sue
4 Stanczyk, and our entire legislative
5 staff for all that they've done, pretty
6 much 14, 15 days straight here. So
7 wanted to make sure we acknowledge all
8 their hard work.

9 With that I'd like to call the
10 meeting adjourned. Have a good evening.
11 [Conclusion of Public Hearing].

12 * * * *

13 C E R T I F I C A T E

14 This is to certify that I am a
15 Certified Shorthand Reporter and Notary
16 Public in and for the State of New York,
17 that I attended and reported the above
18 entitled proceedings, that I have
19 compared the foregoing with my original
20 minutes taken therein and that it is a
21 true and correct transcript thereof and
22 all of the proceedings had therein.

23 John F. Drury, CSR, RPR

24 Dated: October 9, 2012
25