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NEWS FROM THE 11TH DISTRICT

A Public Private Partnership between Suffolk County and the Shermans
By: Suffolk County Legislator Thomas F. Barraga

Ownership of the John J. Foley Nursing Home and adjacent acreage would be divided between Suffolk County and the Shermans with each holding a 50% ownership interest.

The Shermans would purchase their fifty percent interest for \$11.5 million or half of the current market value of the nursing home and adjacent acreage.

All current employees at Foley would continue to be salaried as County employees with benefits for three years after the partnership is approved. County employees will continue to be represented by (AME) the Association of Municipal Employees. After the three year period the remaining County employees would shift to the union representing the rest of the nursing home employees. Their salary and benefits would conform to the agreement in place between the nursing home and the nursing home employees union.

All new employees hired after the agreement is approved will be hired by the Shermans and paid in accordance with the union contract in effect with that designated union representing non-county nursing home employees. If the union is Local 1199 the new employee would receive salary and benefits in accordance with the contract in effect between 1199 as the union and the Shermans as an owner and administrator of the nursing home.

The Shermans would immediately take over the administration of the John J. Foley Nursing Home and all appropriate responsibilities that are associated with this authority.

The County will have complete oversight and responsibility for the County employees and current residents at the time of the signing of the partnership agreement.

All residents at the time of the signing of the public private partnership are to be retained at the John J. Foley Nursing Home. All new admissions will be determined by the Shermans with appropriate criteria regarding admissions.

Annual profit and loss from the partnership is to be shared equally by the County and the Shermans with an annual audit conducted by an outside accounting firm chosen and agreed to by both parties.

The Shermans would be eligible to buy out the County share of the nursing home and adjacent acreage when the number of County employees at the nursing home falls below 50% of those on the county payroll working at the nursing home at the time of the signing of the partnership. Regardless of the decline in County employees the Shermans cannot offer to buy out the County for five years after the signing of the public private partnership. This is necessary to give the current County employees and current residents a strong sense of stability for a lengthy period of time in this case a minimum of five years.

If the Shermans buy out the County after the minimum five year period the amount of the buy out must be equal to the remaining \$11.5 million based on the current market value or the market value of the nursing home and adjacent acreage at the time of the buyout whichever amount is higher. Such a buy out must be approved by the Suffolk County Legislature.