



## **DAUPHIN COUNTY BOARD OF COMMISSIONERS**

### **Legislative Meeting**

**Wednesday, November 2, 2005 (10:00am)**

#### **MEMBERS PRESENT**

Jeff Haste, Chairman  
Dominic D. DiFrancesco, II, Vice Chairman  
George P. Hartwick, III, Secretary

#### **STAFF PRESENT**

Bill Tully, Esq., Solicitor; Chad Saylor, Chief Clerk; Marie Rebeck, Controller; Bob Dick, Treasurer; Kay Sinner, Personnel; Elke Moyer, Human Services; Steve Suknaic, Director of Juvenile Probation; Garry Esworthy, Risk Manager; Guy Beneventano, Esq., Solicitor's Office; Kelly Wolf, Solid Waste Manager; Sharon Way, Personnel; Robb Wentzel, Director of EMA; Tom Guenther, Director of IT; Edgar Cohen, Director of Facilities Maintenance; Randy Baratucci, Director of Purchasing; Mike Yohe, Budget Director; Gary Serhan, Controller's Office; Julia Nace, Assistant Chief Clerk; Lena Martinez, Office of the Press Secretary; Diane McNaughton, Press Secretary; Faye Fisher, Director of Personnel; Bob Hawley, District Court Administrator; Carolyn Thompson, Court Administrator; Dan Robinson, Director of DCED and Jena Wolgemuth, Commissioners' Office.

#### **GUESTS PRESENT**

Jack Sherzer, Patriot-News; Rose Guyer

#### **MINUTES**

#### **CALL TO ORDER**

Mr. Haste, Chairman of the Board, called the meeting to order at 10:00 a.m.

## **MOMENT OF SILENCE**

Everyone observed a moment of silence.

## **PLEDGE OF ALLEGIANCE**

Everyone stood for the Pledge of Allegiance.

## **APPROVAL OF MINUTES**

Mr. Haste: We are going to pull the October 5, 2005 Salary Board Meeting minutes and we will take those up at the next Legislative Meeting. We have the October 5, 2005 Legislative Meeting minutes and the October 12, 2005 Workshop Meeting minutes. Is there a motion to approve?

**It was moved by Mr. DiFrancesco and seconded by Mr. Hartwick to approve the October 5, 2005 Legislative Meeting minutes and the October 12, 2005 Workshop Meeting minutes. All were in favor. Motion carries.**

## **EXECUTIVE SESSIONS HELD BETWEEN MEETINGS**

Mr. Saylor: Commissioners, there were no Executive Sessions held between meetings.

Mr. Haste: Thank you.

## **PUBLIC PARTICIPATION**

Mr. Haste: We are at the point in time in the meeting for public participation. Is there anyone in the audience that would like to address the Board at this time? (There was one.) If you could please come forward and state your name and speak into the microphone.

Ms. Guyer: My name is Rose M. Guyer and I am very concerned about what is happening at Spring Creek and I want to be prepared for the meeting that you are going to have after next week. I have never been involved in anything all my life so I don't know where to start or what to do. I was wondering if possibly I could have a copy of the expense and revenue sheets for the current year and maybe the past 2 years. I would like to look over them to see what is happening because I am really in the dark. I am terribly concerned because there is more to this than money. I realize you guys inherited a big problem and I know you are doing your best to solve it. It certainly isn't in the interest of our most vulnerable part of society and I am concerned about that.

My mother has been there a year. I am there every day. I see what is happening. It is probably the very best nursing home in the area. I have a sister that comes in from California. She and her husband are very active in nursing homes and hospitals because he's a deacon in a church. She is so astounded at the excellence of this

nursing home. In Sacramento, in all the homes she's been in, there is nothing even close to as good as this one is. I really think somehow we need to have you go back to the drawing board and see what you can do. The closure I think is very immoral. We have helpless people here. I really think, I don't know how things work, but shouldn't this be a referendum on a ballot for the public to decide whether or not it closes? I know your job is finances, but isn't it the public's job to make this decision?

Mr. Haste: No.

Ms. Guyer: It's not?

Mr. Haste: It is the public's input. We are not California. We are not a referendum state. So we do not act on referendum. That is why we are elected into the positions we are in. We are trying to get as much public input as possible and that's why we are having meetings. That's why it has been out in the public for a number of months and will continue to be out there. No decision has been made. Those are things that we are looking at. There are several options.

Ms. Guyer: Well, I realize that because they talked to us 2 weeks ago at the home. An impromptu thing where whoever was present heard it. It was an invitation kind of thing or an announcement. Am I interrupting?

Mr. Haste: No, I'm just going to get Mike, if you could go get the three years, maybe you could get those before she leaves. Can you print them off? That way we can get the budget numbers that you wanted so you can have those.

Ms. Guyer: Yes, I would like to sit and look at them. Not that I am that smart, but I'd like to see if I can figure anything out. Like I said, they had an impromptu meeting after an activity out there so it wasn't like all the families and so forth were present. The gal in charge there, I think her name is Teresa, she said it is either going to be closed or turned over to another concern. Now my feeling is that even if it is turned over to another concern, if a non-profit like Dauphin County can't make it work, how will a for-profit private concern make it work, thereby being closed anyhow in a short time under those conditions. I almost feel like the bucks being passed.

Mr. Haste: I'll let Commissioner DiFrancesco speak to that, but before I do there are a couple things I'd like to say so you understand where we are.

First of all, there is nothing we are doing that is immoral.

Ms. Guyer: No, it is not what you are doing that is immoral, it is the consequence of it.

Mr. Haste: I understand that. The other thing is not only did we inherit a bad situation, but also times are changing. When I say that I mean more and more of the federal and state programs that are out there are basically against placing people in nursing homes.

There are more and more options and more and more people who finish out their life at home.

I saw that first hand when my mother got terminal cancer. We came up with the difficult decision that I am sure you faced. What do you do with a loved one, do you put them in a home or don't you put them in a home? When we started looking at the programs there were more and more programs and it turned out that it was better for my mother to stay at home. Funding wise and in the long run, even though I didn't think it was a good idea, from her perspective that's where she wanted to live her last days.

Times are turning to where the funding and the programs are not geared toward placing people in nursing homes. More and more people want to finish their life at home. It makes our job of trying to run a nursing home of that size extremely difficult because the dollars aren't there and in many cases the numbers aren't there because people are choosing to finish at home.

Ms. Guyer: Well...

Mr. Haste: That doesn't answer everybody's questions but that adds to the mix of the problem. Whoever told you that one of two things is going to occur misspoke because we have not made a decision at all. In fact if you would poll each one of us individually we would probably have a little different idea on how to handle this. There has been no decision made, there has been a lot of discussions. The number one thing we are taking a look at are those residents.

We are in a position where we need to balance the need of the residents along with the wishes of the taxpayers. I can tell you this. When I am on the street, and again these are people who don't have a loved one in a home, as soon as you have someone in the home or know of someone in the home there is different input on this, but most people don't feel that we should be paying the kind of money we are to do this. I am glad to hear you say that we have a good facility, because we take pride in that facility, but there are a lot of other folks that think there are other good adequate nursing homes out there and maybe we aren't the best ones to be doing it. That's just part of the mix. We are currently taking a look at all options, whether we continue to run the home, whether we downsize the home, whether someone else runs it or whether we get out of it all together and join partnerships with other nursing homes and do a good job. In any case, no matter what the option is, the number one concern that we will have is making sure that those residents, that this is there only option, are taken care of, whether it is in this facility or another facility. The commitment by this Board and the commitment of the county will not go away based upon where that individual is residing.

I appreciate what you are saying but I want you to understand that we are not just looking at the dollars. That is a major thing we have to look at because we answer to the taxpayers...

Ms. Guyer: Yes.

Mr. Haste: Their referendum will be every four years they decide whether we remain in this job or not. In that decision, while we are trying to balance that, the number one concern that we have, I was going to say I have, but I know it is the number one concern of my two colleagues is those individuals that have no other option.

Ms. Guyer: Well, there are a lot of people there that don't have other options. Now my mother has me but I can't take care of her. I am not a young chicken I could drop dead before she does and then who's there? It was very difficult to place her in the home but I did it because it was highly recommended by the doctor that sent her saying she needed 24 hour attention. What I see out there is a very coherent family. These people, just to place them somewhere else is not a matter of placing them it is a matter that they must derive a new lifestyle where they are like brothers and sisters. It is an emotional thing. My heart goes out to see that they have lost their homes, most of them sold their homes to help defray their costs. Yet now they have to give up a home that they have accepted as their final home? The stress and the trauma I think is very unfair to this frail part of our society.

Mr. Haste: There is nothing that says it has to be done overnight either.

Ms. Guyer: Well the thing is I'm not just being personal about this. Yes, I am concerned about my mother but she is 88, she could pass on tonight. I would still feel as strongly because being there as much as I have, I have bonded with these people. They are my family too. My heart goes out to them. I just hate to see a horrible disruption if there is any other way this could be worked out.

Mr. Haste: No decision has been made. We are weighing all of that.

Ms. Guyer: But the newspapers say that you are inclined to get out of it. That's what concerns me.

Mr. Haste: We are inclined to change the way it is being operated. Whether we continue to operate, whether it is downsized or whether we partner with someone else, we are inclined to change it because it is not working.

Ms. Guyer: Okay. But if you would give it or sell it to somebody else, I'm not sure how that works, would you have any control or input on what's happening out there anymore?

Mr. Haste: We have dollars. There are individuals that we will be responsible for whether it's County direct dollars or whatever. There will be people that we will have a responsibility for. If we partner with people, yes we will make sure that it happens.

Ms. Guyer: Okay.

Mr. Haste: Those folks do not leave our responsibility. There are still a certain number, and Nick can talk to this better, there are still a certain number of people that we will be obligated to follow.

Ms. Guyer: Well, there are so many things that are just unreal. It's a new building two years old and we're going to get rid of it. Nothing balances out in my mind. I'm not smart, but I have common sense. They tell me they closed two floors and they are getting a grant to renovate it. They are taking in more people from Villa Teresa. Nothing is making sense to me.

Mr. Haste: You are right. It is only two years old.

Ms. Guyer: Yes.

Mr. Haste: I wish there was, in this case, just like in vehicles, a Lemon Law. We have a lemon. The day I walked into the facility I recognized it was poorly designed.

Ms. Guyer: I will agree with you. If they had a woman on the Board that designed it.

Mr. Haste: Actually, the scary thing is and I don't want to burst your bubble, but it was a woman who designed it.

Ms. Guyer: Well she did a bad job of it. Most women have common sense about moving things and setting things up. You can barely get in and out of the bathrooms with wheelchairs.

Mr. Haste: The day I walked through there I pointed out some of those very things. I wasn't on the Board yet. This was when I was being appointed. I walked through there and I pointed out, because I worked for an engineering company, I'm not an engineer but I knew enough about it, I brought points up to the previous folks before and it was ignored. It was a terrible building.

Ms. Guyer: Well....

Mr. Haste: It looks nice but is not functional.

Ms. Guyer: Well, I know but it is still a nice home for these people.

Mr. Haste: A very inefficient unfunctional home.

Ms. Guyer: It is inefficient I will agree. That is all that I have to say.

Mr. DiFrancesco: Let me lay a couple things out because I think that it is important that at the end of the day, if we are going to get this right, and we are going to resolve the issues out there, which we are still trying to do, there is still a small window of hope that we could change all of the things that we need to change in order for that home to

continue to run smoothly, much more efficiently and to keep it in the County's hands. I will be very honest when I tell you that after working on that for almost 2 years now that window of hope is very narrow.

There are still factors outside of our control that we can't change that need to be changed if we are going to restore hope out there and keep this building operational. I thank every single individual that contacts us because they care about this facility. They need to understand that at the end of the day both sides of the argument in the discussion need to realize that this Board, this is probably the most significant emotional heavy-weighted issue that this Board will address during our tenure. We understand that on one side we have people's lives. We have those 300 residents out there and we have their lives in our hands and what decision we make will impact their lives, quality of life and quite honestly to a degree their physical health.

Ms. Guyer: Yes.

Mr. DiFrancesco: We understand that and know that. As Jeff said that is among our highest priorities. I would say it would be our highest priority, but on the other side of it we still have to weigh the fact that each and every year there are people in this county that lose their home due to the tax burden that is placed on them because the tax burden in this county is so high. Now we have a facility basically that is operating this year and last year with an \$8 million deficit. We have streamlined management, eliminated a lot of positions and reorganized the way things are run but at the end of the day \$8 million last year and \$8 million this year, every time that happens that is the single largest driver of a budget deficit in this county.

Ms. Guyer: What is the biggest part of that \$8 million? Is it past debt?

Mr. DiFrancesco: It is a combination. It is an inefficient operation and it was overstaffed. Last year the \$8 million could be attributed to overstaffing. What happened last year our census dropped down into the 320's when the Department of Health came in and almost shut us down. They capped our admissions. The census got down into the 320's and at the time the folks that were leading the show never adjusted the staffing levels. We were staffing that building as if they were still operating at 386 people. That caused a tremendous amount of inefficiencies.

Ms. Guyer: Well yes it would.

Mr. DiFrancesco: Those are the types of things that we are trying to address and we have addressed many of them. We have revamped management as I have said. We have revamped every single department. Every single department is being run by a new individual because we just felt like the last management team that was here, we didn't have confidence in them. We have taken the steps within our control and we will continue to do that. I think at the end of the day if you would ask each one of us, we would say we would like to get the facility down to the point where it should be. Everybody will tell you a nursing home should operate at basically a revenue neutral

status. It should lose maybe a little bit or even make a small profit, but it should not be losing \$8 million per year. We are the third highest operation loss facility across the Commonwealth's 40...Chad how many county run nursing homes are there across the State?

Mr. Saylor: 36 counties about 41 county run facilities.

Mr. DiFrancesco: Okay, 41 facilities, 36 counties and we would be the first or second if you took the counties that don't have multiple sites. We are the highest annual loss of all of those facilities. We have to do something about that. Now again given the fact that we have the lives of these people in one hand and the needs of the taxpayers and the burden on them in the other, it is a very difficult and challenging decision. The one thing that I would ask when people get involved in this is they understand that we have that responsibility to balance both sides. People will lose their homes if we have to go back and raise taxes again. We take that side of it very seriously as well. We are trying to do everything we possibly can to put the efficiencies in place out there and I think this Board again would agree that if we got that operating loss down to a manageable number, each one of us probably has our own window of what we think is manageable, but we would do everything in our power to keep this building open.

Ms. Guyer: Do you receive any revenue from other counties who have their residents at Dauphin Manor?

Mr. DiFrancesco: If we would, which I don't believe we do, we would have contracted arrangements with those counties. I don't think we do.

Ms. Guyer: Couldn't a reciprocal agreement be worked in? I know from talking to a couple of people, a lady came from York, somebody that left went somewhere else, out of our county. So now we are using our, and I don't mean to turn people away, but if we are having people live in our home on our taxpayers money those people aren't paying taxes to help support their people, couldn't something like that be worked out?

Mr. DiFrancesco: Jeff had mentioned about the number of people out there that would still be our responsibility and still be ours to take care of even if the home would close. I can't speak for today because this changes daily, but as of last week, there were zero people living in that facility that we would have been responsible for. There was not one person in that facility that did not have a payer source. Ultimately the County's responsibility is only for the indigent. We are not responsible to have a nursing home. We are paying \$8 million a year from the county tax base to operate a building that we, by law, do not have to operate. Again, don't forget what I said earlier, the folks that we have out there we take their lives very seriously and we want to give them the highest quality of care. If we are in the business we do it well. That is what we have been trying to do for the last year and a half.

Ms. Guyer: That I would congratulate you on. It is a wonderful facility.

Mr. DiFrancesco: There are things in our budget that we don't have a choice over. We have to run a prison and it doesn't matter how many people are out there. We have to operate a court system. It doesn't matter how many people commit crimes we have to fund that. We have to run the Human Services. A nursing home is not one of those listed items that we absolutely have to do. Currently, there are no indigents in that building that we are responsible for. It is the one entity in county government where they have had just unbridled, unlimited ability to spend money over the past several years. The annual debt, \$8 million this year and \$8 million last year was preceded by I believe \$6 million the year before. It is just a track record now of operating losses, year after year after year. If this happened in any one of our other departments it would have been stopped overnight. The problem here is that you have three hundred and some people in the building. You have to take care of them, you have to give them the highest quality of care and there are just many factors that prevent us from going in—you mentioned starting with a clean slate. If we started with a clean slate we would have a building that worked, it would be the best in the state. There is no question in my mind if we could start with a clean slate. But we can't do that.

Ms. Guyer: That's what I am saying. Isn't there any way that can be worked out to raise funds to get this to that point and then continue. Schools go to corporations and so forth. Is there any way to get this thing back on its feet?

Mr. DiFrancesco: It's not a matter of that. Even if we would go to the state and say hey look we want to keep these beds operational give us a subsidy, why would they take money out of the state coffers to give it to a building that is outrageously inefficient? Again, go back to the point....

Ms. Guyer: So everything is getting blamed on the building?

Mr. DiFrancesco: No, not the building. Well the building should never have been built. There is no doubt about it. For many reasons the building should never have been built. Specifically that is only \$2 million of our \$8 million. Whatever the operating deficit is, that is only \$2 million of the problem.

Ms. Guyer: That's what I was wondering.

Mr. DiFrancesco: It is about \$2 million of the problem. The debt service is about \$1.5 million, but really the inefficiencies that build in make it somewhat more than that but it is a little bit harder to identify why. Because of the inefficiencies of staffing levels, for instance, there are 56 rooms per floor on the 4<sup>th</sup> floor. State of the art staffing patterns in the industry say you need to have certain staffing per 30 rooms. Right there is a mistake. They build a brand new facility and know what the industry standards are and they build an odd number of rooms, which require you to staff at a higher level than what you would normally need to staff, or don't give you enough ability to generate enough revenue to offset those employees.

Right there is one reason why that building should have been at least changed. Everybody that had ever gone out there said you don't build a tower. We had a facility that was a one level facility. It provided courtyards for nearly everybody regardless of their physical or mental well-being. They could go outside in a controlled environment. We don't have that any longer. We just lost so much when that older building was torn down.

Ms. Guyer: In essence it is a white elephant?

Mr. DiFrancesco: It is a white elephant.

Ms. Guyer: Okay.

Mr. Haste: It definitely is.

Mr. DiFrancesco: It should have never been built. Again, that can only attribute to a portion of that operating loss that happens year after year. The building is run inefficiently right now. There are reasons why. Some of those inefficiencies can be changed and we've done that. We've renegotiated therapy contracts, pharmacy contracts and changed the way the dietary department operated. We changed a lot of things, everything that we could control, even linen services. Everything that there was not a contractual obligation that we couldn't just change it overnight, this Board has done in order to make that building more efficient. Again there are some things that we don't have control over.

The way we structure this is we tried to knock the things off of the top that were costing us the most money. The largest was last year we spent about \$3 million in agency nursing.

Ms. Guyer: I agree. I think that is terrible.

Mr. DiFrancesco: Right. This is the reason why we reduced and closed the two floors. With those two floors we couldn't get our census high enough to fill the beds and we had to staff them. We couldn't get enough county employees to staff those two floors. When we say we right-sized the facility we truly did. What we did was we took it down to a census number that we could meet, in terms of our staffing and since we reduced to 308 beds we have been running a daily census right around 305. It is not completely full but on any given day there are only a couple beds available.

Ms. Guyer: The agency funding I agree with. I talked to one of the gals out there that I thought worked there on a regular basis, she was there that often. We got talking one day and somehow it came up and she told me she was with the agency. I said I saw she was there so often why don't you take a full-time job here? She said she was making so much money it would be ridiculous. That made me sick to my stomach. She was a very nice girl, but it made me sick to my stomach to hear that.

Mr. Haste: If she wants off she can just take off. She doesn't have the same obligations that an employee would have.

Mr. DiFrancesco: We eliminated \$3 million of expense in doing that.

Ms. Guyer: That is wonderful. You answered most of my questions.

Mr. Hartwick: Could I just state one other thing. I'll keep my comments brief. As the Board stated we are most concerned about the residents and their quality of care, which I think has significantly increased. I want to make it very clear today that where you sit so do other directors and county departments in budget hearings. We made some cuts. We are attempting to do all we can with cutting out inefficiencies and fat in every section of the county budget. One thing that I am going to be vehemently aggressive about today is what I feel are some real deficiencies and failures of the management company and hold them accountable for certain things that they have promised this county and they haven't provided. The management company is equally on the hook in this case because they are contracted by Dauphin County to perform in a way that is supposed to be consistent with their promises as they first sat before us in Dauphin County. Quite frankly, I am very disappointed in their ability to deliver on the financial aspects of the proposal they provided to Dauphin County. They are not off the hook. They are going to be sitting in your seat this afternoon and I will tell you from my perspective, and I know the rest of the Board's perspective, we are going to be aggressive in holding their feet to the fire and making them accountable for the financial problems that exist out at the county home. I will give them credit for improving quality of care but they also deserve a lot of the punishment and blame for some of the issues related to the financial mismanagement and current position that we are in.

I just have one question for them. If this nursing home is not able to be run due to certain issues that we have, union contract issues and others, that make it so we are running with such a deficit, how can a private company take this over and make a profit? I want to define, from their perspective, what is attributed to union related problems and find out if in fact the management company wants to take this over. How would they then in turn make a profit from this business? I rest assured that if they are driving up costs in any way to try and move forward in this home that that's not going to happen. We know, as this Board of Commissioners' has been committed, Commissioner DiFrancesco is on top of everything that is happening out at the Dauphin County nursing home and he has been extremely aggressive lately as well in making the management company accountable for the things that they have promised contractually. I want to find out what is exactly attributed to the costs that they can't control and what would make this nursing home profitable that we can't be making it as stewards for the county. That is something I want numbers too. That is something I am going to hold them accountable to. I hope today that they will provide us numbers that stretch like they have in the past when they have sat before us.

Ms. Guyer: That was my biggest concern.

Mr. Hartwick: We are going to make them accountable as well.

Ms. Guyer: If you can't do it, how could anybody else do it, especially a for-profit place. That's why I could ultimately see the writing on the wall that perhaps it is going to be terminated as a nursing home. That is my concern. You did answer my questions. You did help me out to understand more, but it doesn't solve the problem. I have a better understanding. The other thing as far as the public being strongly advised of this, I only became aware of the possibility of the closing and so forth very recently. I have seen things written in the paper, but it never said anything much until the last month maybe. Of course, we just got your letter on the 10<sup>th</sup> or 12<sup>th</sup> of October about this meeting and if I was aware of all of this stuff 6-8 months ago I don't know that I could have done anything but I would have had a lot more time for research and that kind of stuff. Everything that I am doing right now is very inexperienced and very impromptu. I am trying my best because I am concerned for the people.

Mr. Haste: I commend you and thank you for coming in and asking questions.

Ms. Guyer: May I sit through the rest of the meeting?

Mr. Hartwick: Absolutely.

Ms. Guyer: But I can leave at any time without disruption?

Mr. Hartwick: Yes.

Mr. DiFrancesco: Thank you very much.

Ms. Guyer: Same old Steelton boy that I remember.

Mr. Haste: Okay, is there anyone else in the audience that would like to address the Board at this time? (There was none.)

## **DEPARTMENT DIRECTORS/GUESTS**

### **A. Sharon Way, Manager of Benefits & Compensation**

#### **1. Expanding opt-out incentives for health care.**

Ms. Way: Good morning Commissioners. Thank you very much for giving me the time to talk on this subject. Basically what I am presenting before you is a restructuring of our opt-out options that we currently offer to employees that decide to waive the health insurance under our current plan.

Currently, as you are aware, we subsidize employees \$1,200 per year if they waive the health insurance policy. They can maintain prescription, dental and vision and still get that money as long as they complete a waiver of insurance form, which shows that they do have coverage elsewhere. For 2006 Highmark has identified that in order to be

compliant with our plan design that employees will no longer be able to just waive health insurance and just take prescription. The prescription comes right along in the package with the health insurance so employees will have to waive the prescription if they choose to waive the health insurance.

In light of that we have come up with an option of increasing the payout option so that employees are subsidized for now having to waive the prescription cost. That amount would go up to \$2,400. It will be paid in two increments of \$1,200 in June and \$1,200 in December. Attached to the information I gave you are some charts that basically outline what the potential savings are to us for offering this. Obviously it is more money than it was in the past, but there are some savings to this because of the premium costs of the health insurance and the prescription coverage. Right now we have about 109 people who opt out of the insurance, which makes up about 6% of the benefit eligible people. If you look at the chart, the very bottom one is at 6%. Basically we are at that for our opt out. I would like to try and see it stay like that. I think by offering the \$2400 people will, hopefully that will subsidize them enough in their prescription costs that they will say look I don't need the county's prescription plan I can take my spouses.

Like in the past we would ask them to provide or show us that they are eligible for other insurance. On top of that option we would also like to extend to employees a stipend for waiving their dependents on their coverage and taking single coverage for themselves. This kind of goes in light with employers having the philosophy of if their employees' spouses have coverage elsewhere let their employers pay for their coverage so we can cover our employees. With that we would offer a \$150 per month stipend, which again would come out to be about \$1,800 per year with two payments of \$900 in June and \$900 in December. Again, you can see on the chart if we get 6% of the participation then it would be close to a million dollar net savings. Because again, they would be waiving the coverage and the premium costs are that high that if they waive it we'll save a significant amount of dollars.

There is one group, the PSSU Bargaining Unit that we would have to offer something a little different to because they currently cannot waive prescription coverage. Their coverage comes in a package with their health and welfare fund. They are only able to have health insurance. Highmark is fine with that because we are not offering them Highmark's prescription plan. We would continue to offer them the \$1,200 for waiving total coverage, but instead of giving them obviously \$150 a month for waving dependant coverage, which comes out more than waiving total coverage, we would give them \$75 a month to waive their dependants and take the single coverage.

Basically I am here today to present that to you. If you have any questions I will be happy to answer them. This is something that we do need to move forward on in order to get it communicated to our employees and giving them ample time to review their spouse's coverage versus ours. This will probably be one of the first times employees really do scrutinize insurance coverages especially with offering a significant amount of money like \$2,400. I think we will get more employees to look at their insurance plans and see what their options are. I have had a few already ask me to take a look at their

spouses insurance and sit down and compare it to ours just to see what their better option would be.

Mr. Hartwick: Could I make a few comments? I'm glad Jack walked back in the room for this and I am going to make a plug and a ploy to try to, and you'll be happy to hear, that a lot of times our employees don't read as much in the direct things that we send them to let them take advantage of things like this, they probably get more out of the Patriot-News from what they read related to our healthcare benefits. That's why I think this is a very important issue. No, that's not the Paxton Herald. We'll go on record by saying that. I'll be in trouble for that one. Ultimately, I think the message here is clear. We now no longer can offer individuals to opt out of medical as one way to opt out and prescription as one way they could opt-out as one or the other or both before now. It is a package deal. Either you opt-out of both or nothing at all. What we are doing in order to incentivize that is to double the opt-out amount for employees to take advantage of it. \$1,200 to \$2,400 makes it extremely attractive for a family. You want to take a look at what you are actually spending in health insurance. Take a close look at your spousal insurance and if you are spending a whole lot less than \$2,400 a year it makes a lot of sense for you as a family to consider opting-out. I've been one that has taken Sharon up on her offer to take a look at my spouse's insurance and see if it makes sense for me as a family to be able to opt-out. This also does not include, just so your families know, your dental and your vision, you still can remain under dual coverage. People have issues with that. This is specifically for prescription and health care. By doubling the opt-out amount hopefully it will be much more attractive to employees to at least inquire and to hopefully opt out. \$2,400 is a significant amount to be able to hold in reserve. You can put it in your own healthcare savings account so you don't have to pay any taxes on the money and then be able to use it for your healthcare expenses throughout the remainder of the year. It makes a lot of sense. It would help if the Patriot-News would cover the extra added option for employees. What this means for Dauphin County is lower premiums, lower money and additional savings for the County. It makes a lot of sense. I know Mike Yohe has checked into this and I don't see any downside to the proposal.

Mr. Haste: Sharon I would just like to thank you for staying on top of this and keeping up on it. Actually I was one of the lone advocates for this a number of years ago when I wore a different hat here. At that point in time the Board was not really in my favor. Especially when the \$1,200 was more than what the industry was doing. At that time even the health care companies were offering \$400. The downside I saw in their plan was that they weren't making it attractive enough for an employee to do it. I think this is long overdue. Just so the record can be clear. When I did this before I had to deal with the non-union/union steward, Mr. Baratucci. I still deal with the non-union, union steward Mr. Baratucci and Randy this is something we did for you.

Ms. Way: Commissioners we are currently working with the unions to present this information to them and get their buy in. Obviously this can go into effect for the non-union and for, I believe there is language in the AFSCME court contract that allows us to implement it with them. We are currently negotiating with the Prison and Schaffner.

We are working towards and so far there seems to have been a lot of favor for it, I don't think there will be a lot of problems getting this implemented and getting to see those numbers. Those numbers can fluctuate depending on if certain unions don't agree to it and all of that stuff.

Mr. Haste: It is also interesting that Highmark is now working with us on this. When we started this some time ago the Blues, at that time, were very much opposed to this.

Ms. Way: Yes, they do not have a problem with it.

Mr. Haste: Good.

Mr. DiFrancesco: Just to say thank you. Some of the stuff that is going on and some of the things that we have been working on has shown the level of innovation that we are looking for in order to make it run. I think in the past four years a lot of decisions were made that really didn't benefit us. They may have made a good public showing but they didn't make an impact to the bottom line for the county. The innovative things that you have been working on really make an impact to the bottom line of the county. Thank you for all of your good effort.

Mr. Haste: Is there a motion to accept this so Sharon can move on?

**It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco to approve the expansion of opt-out incentives for Dauphin County's healthcare. All were in favor. Motion carries.**

### **SALARY BOARD**

A full set of the Salary Board Minutes is on file in the Chief Clerk's Office.

### **PERSONNEL**

Ms. Sinner: I would like to pull New Hire number 24. This person has decided not to take the job. New Hire number 16, I'll wait until you get there. We are pulling number 24 and number 16 the hourly rate should actually be \$16.30, range 9339, and the step is 01. In Changes we need to pull number 36 since we have pulled that salary transaction for Solomon's office the promotion won't go through. I have no further changes.

**It was moved by Mr. DiFrancesco and seconded by Mr. Hartwick to approve the Personnel Packet as amended. All were in favor. Motion carries.**

### **PURCHASE ORDERS**

Mr. Baratucci: Commissioners, you should have received your updated packet yesterday. There were two items that I talked about last week that we were going to add. They are on pages 1 for Voter Registration the sample ballots and on page 7 for

Schaffner Center the resident clothing. In addition to that I believe one more was requested through the oversight Commissioner on page 17. This was something for the recycling facility. My understanding was that it was overlooked in the construction and needs to be added now. Kelly had asked that it be added to the packet. All of the budget issues were resolved and it is my understanding that you did receive an explanation on the door situation at Domestic Relations that is satisfactory.

There was one other thing. On page 14 for Spring Creek last week they had requested a purchase order to cover the special counsel that they use out there. The amount was \$20,000 and they have increased that to \$60,000. It is the amount of money that they expect to spend between now and the end of the year with this firm. The contract is an as needed contract and Scott had contacted me and said that they felt the \$20,000 was not going to be near enough. It still is within their budget. You can see they still have about \$70,000 remaining in that line item for the budget. That was another change from last week. If you have any questions I am here, otherwise the packet is there for your vote.

Mr. DiFrancesco: By explanation this is the law firm that will be working with us through our consideration of options and so forth.

Mr. Tully: The purchase order is simply the authorization in the event that it needs to be utilized. It doesn't bind us to spend that amount. It is a budget tool.

Mr. Hartwick: This is a not to exceed amount?

Mr. DiFrancesco: Right.

Mr. Haste: That is good. It is less than half of their budgeted amount.

**It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco to approve the Purchase Order Packet as presented. All were in favor. Motion carries.**

Mr. Baratucci: In addition the Blackberry requisition ones that I had presented last week. The five that the DA wanted out of the drug forfeiture funds, I do need you to vote on that. We discussed it a little bit last week. I know Commissioner Hartwick's position but I do need to know if the other two are going to vote for that so we can move forward.

Mr. Haste: Is there a motion to approve the DA's request for five Blackberrys?

**It was moved by Mr. DiFrancesco and seconded by Mr. Haste to approve the District Attorney's request for five Blackberrys to be paid out of the drug forfeiture fund. Mr. Haste and Mr. DiFrancesco were in favor. Mr. Hartwick was opposed. Motion carries.**

## **REPORT FROM BUDGET & FINANCE – MIKE YOHE, BUDGET DIRECTOR**

- A. Budget Amendments report for the quarter ending September 30, 2005. The third

- quarter figures for the calendar year budget and the first quarter figures for fiscal budget.
- B. Investment Report.
  - C. Refinancing of the Series E Bond of 2000.

## Report from the Office of Budget & Finance November 2, 2005

- **October 21, 2005** transferred **\$2,434,012.23** to the **Payables** account from the County's Concentration account for checks issued that week. (Delinquent Taxes - \$1.9 million)
- **October 28, 2005** transferred **\$12,755,391.80** to the **Payables** account and **\$1,840,944.35** to the **Payroll** account from the County's Concentration account for checks issued that week.
- **Total Term Investments – N/A**
- **Balance today in INVEST account \$125,380.79 rate 3.820%**
- **Balance today in Community Banks investment account \$14,000,160.64 rate 4.220%**  
(This rate equals today's Fed Funds Rate of 4.000% plus 22 basis points)
- **Balance today in Commerce Bank investment account \$14,000,407.00 rate 4.240%** (This rate equals today's 91-day T-Bill rate of 3.890% plus 35 basis points)
- **Balance today in Sovereign Bank investment account \$28,000,100.08 rate 4.300%** (This rate equals today's 1-month LIBOR rate of 4.09% plus 21 basis points)

### **\$10M TRAN Line-of-Credit Status at PNC: No activity to date.**

Mr. Yohe: I want to note that it has been several years since we have been earning over 4%.

Mr. DiFrancesco: Mike when we go out at the end of the year for the next bid. You already know this but make sure that Graystone is on there as a new bank.

Mr. Yohe: Yes, we will be putting that out in December. It won't be as involved of a process since we have gotten it. Graystone may need a little instruction. We should be able to turn that around pretty quick.

The second item or Item A the amendment report. I sent that out a long time ago. It is there for your approval. Again, these are just changes to the bottom line of any fund. If there were any they were highlighted in gray. I am here to answer any questions on any of them. If not, I would ask that you approve.

Mr. Haste: Is there a motion to approve the Budget Amendments for the 3<sup>rd</sup> Quarter and 1<sup>st</sup> Quarter for Fiscal Year 05/06?

**It was moved by Mr. DiFrancesco and seconded by Mr. Hartwick to approve the Amendments to the Budget for the 3<sup>rd</sup> Quarter of 2005 and 1<sup>st</sup> Quarter for Fiscal Year 05/06. All were in favor. Motion carries.**

Mr. Yohe: Thank you. The last item on the agenda I had spoken about. I have been corresponding for the last month or so with each of you regarding the refinancing of Series E of 2000. Each of you had given me a positive response to move forward with this so I would like to get that on the record. We would like to move forward with this and maybe again reiterate that we need to name a financing team. My first question when this came up was, why didn't we do this in Spring when we did the last one or last year as part of the whole restructuring? I was informed that due to the call dates on certain issues you can't touch them until 90 days before the call date. This was the first opportunity we've had. This is a pretty good opportunity. We will get almost \$150,000 worth of savings out of the \$5 million remaining issue. Before interest rates rise we can get this in and get a good return on it.

Mr. Hartwick: It is a way for our finance folks to always have continual business.

Mr. Yohe: Exactly, that was my point. Why don't we get this all done while we are doing it so we aren't paying out these fees, but I gave you the explanation. Do we have the authority to move forward and again, if you could, by the end of the week if we could get bond counsel and maybe an underwriter?

Mr. Haste: Yes.

Mr. Yohe: Thank you

### **REPORT FROM CHIEF CLERK/CHIEF OF STAFF – CHAD SAYLOR**

Mr. Saylor: I have nothing to report.

### **SOLICITOR'S REPORT -- BILL TULLY, ESQ.**

Mr. Tully: Nothing to add, but I'd be happy to answer any questions.

### **MATTERS REQUIRING BOARD ACTION**

Mr. Haste: Items requiring Board action. We have items A through U. Is there anything that needs to be pulled out separately?

Mr. Hartwick: Just one thing that I want to and this may be something I shouldn't bring up, but I have been known to stick my foot in my mouth before. One of the things that I notice and have asked questions about was related to all of these budget amendments at the end of the year for Human Services. I was told that this is just another interesting way that government funds Human Services. How it works is we enter into agreements

with a lot of these providers and they pay them only a portion of the total amount of their contract. Then we wait until the end of the year to see how much money we actually have left in our budget and these folks that are paid to make sure we are spending all of the money that we have for the MH/MR services. Again, there is no incentive to manage yourself appropriately. If we don't spend all of the money that we need to it is the common practice to fund these things at the end of the year and that is a way to, first of all that the companies actually enter into these agreements in cooperation with the county then at the end of the year if there is more money left over they build in new programs and such. Just another backwards way.

Mr. Haste: How do they get that amount? Someone here has to be telling them?

Mr. Hartwick: They know the basic amount. Then at the end of the year depending upon how much we spent in the budget they may or may not receive additional resources for the services they provided. It was something I thought I would make note of again. Just a backwards way we are funded.

Mr. Haste: So are you going to vote no on them?

Mr. Hartwick: No, I'm going to vote yes, but I just wanted to bring it up for your information.

Mr. Haste: I appreciate that.

Mr. Hartwick: If you don't spend it, you lose it, even though you are managing it correctly. It doesn't make sense.

Mr. Haste: Is there a motion to approve Items A through U?

**It was moved by Mr. DiFrancesco and seconded by Mr. Hartwick to approve Matters Requiring Board action items A through U. All were in favor. Motion carries.**

- A. Training Packet
- B. Approval of FY04/05 & FY05/06 Per Diem Rates between Children & Youth Agency and:
  - 1. Wordsworth Academy Residential Treatment Center - FY04/05
    - Residential Treatment Facility \$252.00/day
    - Personal expenses & allowances \$ 3.00/day
  - 2. Wordsworth Academy Residential Treatment Center
    - Residential Treatment Facility \$252.00/day
    - Personal expenses & allowances \$ 3.00/day
  - 3. George Junior Republic of PA
    - Community Based Group Home \$125.13/day
    - General Residential \$125.13/day
    - Diagnostic Services \$189.09/day
    - Special Needs Services \$214.13/day
    - Shelter Care \$182.36/day

	Inpatient/Non-hospital/D&A	\$146.20/day
4.	Pressley Ridge School	
	Wilderness School-Ohiopyle	\$168.80/day
5.	Silver Springs-Martin Luther School	
	Residential Treatment (7/1/05-11/1/05)	\$264.75/day
	Residential Treatment (11/1/05-6/30/05)	\$281.00/day
	Clothing/allowance	\$ 4.28/day

C. Real Estate Tax refunds/exonerations:

1. Real estate tax refund to Stuart & Faye Rubin, 1113 Eric Drive, Harrisburg, Susquehanna Township, parcel #62-052-027, in the amt. of \$73.68.

D. Subordination Agreements with the following individuals:

1. Ada Taveras, 1236 Bailey Street, Harrisburg
2. Rada Radovich, 832 Mohn Street, Steelton
3. Howard and Angila Johnson, 2229 Green Street, Harrisburg
4. Gerri L. Chambers, 532 Seneca Street, Harrisburg

E. Satisfaction Piece with Lisa M. Wilson for property located at 118 Houston Avenue, Harrisburg.

F. Medical Services Agreement between Spring Creek and Dr. Brian Dechowitz.

G. Purchase of Service Agreement between Schaffner Youth Center and Dr. Elizabeth Potter to provide Psychological Evaluation, Treatment and Counseling Services at Schaffner Youth Center.

H. Recycling Site Lease Agreement between Dauphin County Solid Waste Management and the Williamstown Borough.

I. Adopt Ordinance No. 5-2005 authorizing and approving the 2005 Substantial Revision to the County's Municipal Solid Waste Management Plan and providing for the Comprehensive Management, including the processing, disposal and recycling of municipal solid waste and construction and demolition waste generated in the County.

J. Non-Disclosure Agreement and Statement of Work with Advance AV (a sub-contractor of ePlus Technology, Inc.) to install equipment at the Emergency Management Agency.

K. Purchase of Service Agreement for FY05/06 between Area Agency on Aging and Safe Haven Quality Care, LLC.

L. Purchase of Service Agreement for FY05/06 between Children & Youth Agency and The Summit School, Inc.

M. Amendments to FY05/06 Purchase of Service Agreements between Children & Youth and:

1. New Passages – Amendment #1
2. Cornell Abraxas Group, Inc. – Amendment #1

N. Purchase of Service Agreements for FY05/06 between Mental Health/Mental Retardation and:

1. Quest, Inc.
  2. Youth Advocate Programs, Inc.
- O. Amendments to FY04/05 Purchase of Service Agreements between Mental Health/Mental Retardation and:
1. Gaudenzia, Inc. – Amendment #1
  2. Goodwill Industries of Central PA – Amendment #1
  3. Bobbi Butch, M.S., OTR/L – Amendment #1
  4. Capital Area Transit – Amendment #1
  5. Melmark, Inc. – Amendment #1
  6. Messiah Village – Amendment #1
  7. Paxton Ministries – Amendment #1
  8. Volunteers of America – Amendment #1
  9. YWCA of Greater Harrisburg – Amendment #1
  10. The ARC of Dauphin & Lebanon Counties – Amendment #1
  11. Philhaven – Amendment #1
  12. Tyler Personal Assistance Associates – Amendment #1
  13. Impact Systems, Inc. – Amendment #1
  14. Goodwill Industries of Central PA – Amendment #2
  15. Allegheny Valley School – Amendment #1
- P. Amendment #3 to the HealthChoices Behavioral Health Agreement between Dauphin County Human Services Director's Office and the Commonwealth of Pennsylvania, Department of Public Welfare.
- Q. Emergency Shelter Program Subrecipient Contract between Dauphin County Human Services Director's Office and the City of Harrisburg.
- R. Non-binding Letter of Intent with Winn Development to conduct a feasibility study for development of approximately 15 acres of County property located on Mall Road.
- S. Adopt Resolution No. 33-2005 designating the Dauphin County Community and Economic Development Department as the Industrial Development Organization for the County of Dauphin to represent the County in all matters regarding the Industrial Development Assistance Law.
- T. Agreement between Dauphin County Solid Waste Management and Curbside, Inc. for household collection of Hazardous Waste at each household within the County one time per year.
- U. Agreement between Spring Creek and Nationwide Medical Staffing.

## **FORMER BUSINESS**

There was none.

## **NEW BUSINESS**

Mr. Hartwick: Just one thing Jeff. I know one of the things this year that we have discussed and all of categorical agencies in county Human Services. I think you heard a little bit from the Governor yesterday about the crisis that we may face with heating costs in the upcoming year. In Dauphin County we have instructed all of the different

categoricals to make sure that they are planning appropriately in the line items for all of their consumers from the Mental Health consumers to add a little bit more money into the critical needs for the aging population. We are putting a few of the HSDF dollars aside to take care of emergency situations. In addition to that we have a recommendation to also begin an effort that will be headed by the County Commissioners in trying to solicit some support from the private sector to try and create an additional fund with the goal of trying to raise \$20,000 to assist in emergency cases for senior citizens in Dauphin County. We are still in the planning stages of this. We need to establish criteria and decide on how the money is going to be distributed as it comes into the county. One of the things in the time that Human Services are making significant cuts we know that there will be a real need and a crisis this year with heating and oil costs. We wanted to do our part in thinking differently and trying to raise some money from the private sector to create a fund for emergency situations to help offset the real need that we have for our senior population. It is one that I will ask for the support of my colleagues on this particular effort.

Mr. Haste: Just to let everybody know the Transportation and Infrastructure task force met this morning.

Mr. DiFrancesco: How did it go?

Mr. Haste: Good. Bob Grubic was elected Chair.

## **CORRESPONDENCE**

Mr. Haste: We have items A through N that will be handled by the staff appropriately.

- A. Notification from Dauphin Engineering Co., on behalf of DJH Victoria Abbey Associates, indicating they intend to register general permit GP-5, utility line stream crossing and GP-8, temporary road crossing with DEP for construction activities associated with the The Townes of Forest Hills (formerly Centre Court at Wimbledon, Lot 46), Colonial Road, Lower Paxton Township, Dauphin County.
- B. Notification from Alpha Consulting Engineers, Inc., indicating that Lakeview Land Development, LP will be applying for a BDWM general permit-7 for minor road crossing with DEP for construction of a proposed public roadway, southeast quadrant intersection of Lakeside and Jefferson Drives.
- C. Notification from Steve Stoltzfus indicating his intent to apply to DEP for a general permit 6 for the installation of an agricultural stream crossing on his property located at 1575 Luxemburg Road, Lykens Township, Dauphin County.
- D. Notification from Dauphin Engineering Company, on behalf of Rite Aid Corporation, they intend to apply to DEP for a Notice of Intent (NOI) for coverage under the general permit for discharges of storm water from construction activities located on the southeast corner of the intersection of Jonestown Road and Devonshire Road, Dauphin County.
- E. Notification from BL Companies indicating Rite Aid Development intends to apply to DEP for a NPDES permit for discharges of stormwater associated with construction

activities of a new Rite Aid Pharmacy, Susquehanna Township, Dauphin County.

- F. Received notification from Pennsylvania Turnpike Commission indicating they will be performing control surveys for upcoming aerial mapping between Milepost 250 and Milepost 252 in Lower Swatara and Londonderry Townships, Dauphin County.
- G. Notification from Herbert, Rowland & Grubic, Inc., giving notice to proceed to Total Heating & Cooling, Inc.; ECI Construction, LLC; and Shannon A. Smith, Inc. for construction of a new district justice office.
- H. Received from DEP a Plan Revision Approval for the Dauphin County 2005 construction and demolition Waste Substantial Municipal Waste Plan.
- I. Notification from Herbert, Rowland & Grubic, Inc., indicating they intend to submit an application to DEP for a general permit GP-11 for replacement of a culvert on Rabbit Lane crossing of Walnut Run, West Hanover Township, Dauphin County.
- J. Notification from Evans Engineering, Inc., on behalf of Hershey Company, indicating they will be applying to DEP for a general NPDES permit for stormwater discharges associated with construction activities of a 4+/- acre area of a 146 acre tract located at 100 Crystal A Drive, Hershey, Dauphin County.
- K. Notification from Mellott Engineering, Inc., indicating that Harry H. Fox, Jr., will be filing an application with DEP for a NPDES and water encroachment permit for the Grayson Manor subdivision/land development plan, Swatara Township, Dauphin County.
- L. Notification from Tri-Tech Resources, Inc., indicating that Robert Mumma of the Dauphin Development Company is applying to DEP for a general permit for construction activities related to Beaufort Terrace – 58 lot residential subdivision located in Susquehanna Township, Dauphin County.
- M. Notification from Cedar Manor MHP indicating they intend to submit an application to DEP for renewal of their NPDES permit for the Cedar Manor Wastewater Treatment Plant located at 59 Cedar Manor Drive, Elizabethtown, PA.
- N. Notification from Hershey Conewago Recreaground indicating they intend to submit an application to DEP for renewal of their NPDES permit for the Hershey Conewago Recreaground wastewater treatment plant at 1688 Hershey Road, Elizabethtown, PA.

## **PUBLIC PARTICIPATION**

There was none.

## **ADJOURNMENT**

**It was moved by Mr. DiFrancesco and seconded by Mr. Hartwick to adjourn the meeting. All were in favor. Meeting adjourns.**

Respectfully submitted,

Chad Saylor, Chief Clerk/Chief of Staff

Transcribed by: J. Wolgemuth  
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