

Maplewood Manor LDC Minutes
October 21, 2015 - 3:00 p.m.

Present: Chairman Wright; Committee Members Kinowski, Peck, Meager, Endres and Wood; Spencer Hellwig, County Administrator; Justin Miller, Miller Mannix; Chad Cooke, Deputy Administrator; George Martin, Treasurer.

Chairman Wright called the meeting to order and welcomed all in attendance.

On a motion made by Mr. Peck, seconded by Ms. Endres the minutes of the March 17, 2015 meeting were approved unanimously.

Mr. Hellwig distributed copies of the proposed 2016 MMLDC budget to all committee members. He said he has had a number of conversations with Mr. Martin, who is the Chief Financial Officer for the LDC, regarding the balance of \$1,956,000 that is currently in the bank. This is what the LDC has at their disposal in terms of covering operating costs and other expenses next year.

Mr. Hellwig said Zenith Healthcare contractually has until the end of 2018 to have a closing. Beginning in January of 2016 and for each month of 2016 that the closing doesn't occur, the purchase price will increase by \$26,666.67 per month, up to a maximum of \$320,000/yr.

In 2017 the cost will be adjusted by \$13,333.33/per month, up to a maximum of \$160,000/yr. He said in total the costs could be as much as \$480,000 above what was originally owed.

On a motion made by Mr. Wood, seconded by Mr. Meager the LDC 2016 budget was approved as outlined. Unanimous.

Mr. Hellwig said there have been ongoing discussions with several legal entities that make up the purchaser. There were four separate items; one had to do with the consulting contract that the county agreed to pay for with the understanding that Zenith would reimburse the county for the costs. The consultant was hired to recommend and help bring changes that would result in a higher Medicaid reimbursement rate, thereby, getting the facility in a better position to be comparable to the way that other facilities were being operated by the buyer, and at the same time have the county benefit from any adjustments to the Medicaid rate.

The second item that they are in default with is water and sewer charges as they are responsible as the current owners for payment of those taxes.

The third item is, at the time that they took over the facility, the transition agreement provided for them taking all the equipment, including vehicles, as a part of the purchase and sale agreement. Mr. Hellwig said there was an issue with one of the trucks and in the interest of making sure that they had what they needed for the winter months to plow the facility, the

County Highway Department made repairs to the vehicle and, in addition, added a salt spreader on the vehicle at an approximate cost of \$3,000.

The fourth item was for phone charges totaling approximately \$1,200.

The costs associated with the Zimmet Consulting Contract are owed to Saratoga County Government, and the remaining three items are owed to MMLDC.

Mr. Hellwig said the Zenith Contract and Consulting Contract are seen as an agreement between the county and the buyer; therefore, the county is going to have to pursue that through a default notice to initiate the process.

On a motion made by Mr. Peck, seconded by Mr. Wood the meeting was adjourned unanimously.

Respectfully submitted,
Chris Sansom