

RESOLUTION NO. 340.18

WHEREAS, St. Clare’s Hospital was conceived a century ago with the Roman Catholic Diocese of Albany purchasing a plot of land for the project in 1917 and a succession of Diocesan Bishops and priests serving as members of the Catholic hospital’s board of directors; and

WHEREAS, St. Clare’s happened to be the smaller of the two city hospitals, primarily serving many uninsured and underinsured patients – thus leading to decades of unpaid bills and the hospital shortening its pension fund deposit as a result; and

WHEREAS, in the 1990s, St. Clare’s took advantage of a religious exemption in federal law that allowed it to not pay insurance on its pension fund, saving the hospital money but ultimately leaving its future retirees with no prospect of a bailout from the Federal Pension Benefit Guaranty Corp., in the case of insolvency; and

WHEREAS, St. Clare’s board made only partial contributions to its pension fund in three of the last ten years it was in operation and no contribution at all in the other seven years; and

WHEREAS, The Berger Commission, put in place by Governor Pataki in 2005, ordered St. Clare’s to surrender its operating license in 2008 and did not provide enough money to fund the underfunded pension’s liabilities; and

WHEREAS, St. Clare’s was absorbed by Ellis Hospital with an agreement that Ellis would be absolved from all of St. Clare’s pension liabilities; and

WHEREAS, The \$28.5 million provided by New York State to St. Clare’s Corporation (the successor to St. Clare’s Hospital) to fund its pension plan has proved to be an insufficient sum to ensure the plan’s continued solvency absent transfers of operating income from the former hospital; and

WHEREAS, St. Clare’s Corporation recently advised plan participants that about 440 ex-St. Clare’s employees who were at least 62 years old and/or receiving benefits would have their pension payments reduced about 660 other ex-employees will their promised pension payments eliminated altogether; and

WHEREAS, the eight Roman Catholic Dioceses in New York State recently announced the formation of the Mother Cabrini Health Foundation endowed with \$3.2 billion in proceeds from the sale of the Fidelis Care health insurance plan for the purpose of making grants totaling \$150 million annually to provide assistance to needy New Yorkers of “every color, every religion and every background”; and

WHEREAS, New York State received an additional \$2 billion from the same sale; **NOW**

THEREFORE, UPON MOTION OF Councilmember GUIDARELLI, seconded by Councilmember CHRISTOU,

BE IT RESOLVED BY THE TOWN BOARD AS FOLLOWS:

SECTION 1. the Town of Rotterdam Town Board stands in solidarity with more than 1,100 former employees of St. Clare’s Hospital whom will no longer receive their pension benefits, and calls on the Roman Catholic Diocese of Albany, which has at least a moral obligation to the plan participants, and the State of New York, which ordered the closure of St. Clare’s Hospital and inadequately funded the hospital’s

plan, as well as other stakeholders in the community, to collaborate in good faith to identify strategies and funding sources that will restore pension benefits for the former St. Clare’s Hospital Employees.

SECTION 2. the supervisor is hereby directed to send copies of this resolution to Bishop Edward Scharfenberger of the Roman Catholic Diocese of Albany, Governor Andrew Cuomo, New York State Senator James Tedisco, New York State Senator George Amedore, New York State Assemblyman Angelo Santabarbara, New York State Assemblyman Philip Steck and New York State Assemblywoman Mary Beth Walsh.

SECTION 3. This resolution shall become effective December 12, 2018.

DATED: December 12, 2018

NAME	AYES	NOES	ABSTAIN
Christou	X		
Guidarelli	X		
Miller-Herrera	X		
Signore	X		
Tommasone	X		