

**TOWN OF GREENWICH
BOARD OF ESTIMATE AND TAXATION**

Nathaniel Witherell Strategic Planning Committee Meeting

Wednesday, May 22, 2019
Mazza Room

Committee: Arthur D. Norton, Chairman; William Drake, Andreas Duus, Elizabeth K. Krumeich, Jeffrey Ramer, Nancy Weissler

Staff: Peter Mynarski, Comptroller

BET: Leslie Tarkington

The meeting was called to order at 2:09 P.M.

1. Review recommendations of HDG Consultants' Report

The Committee reviewed the Recommendations and Options identified in the December 2017 Report.

Ms. Krumeich reported that a new title search organization had begun research on the property to identify the restrictions and legatees. The Committee considered obtaining additional professional recommendations so that governance issues could be better understood.

Upon a motion by Ms. Krumeich, seconded by Mr. Drake, the Committee voted 4-0-0 to solicit a quote for legal opinions on labor law and alternative ownership structures. Motion carried.

The Committee decided that discussions with local for-profits and nonprofit nursing facilities would provide insights on operations and observe governance in alternative ownership structures. Mr. Ramer and Mr. Duus will visit 4-star 501(C)(3) nonprofit corporations (Waverny, The Osbourne) and 4-star for-profit facilities (Greenwich Woods). Ms. Krumeich, Ms. Weissler and Mr. Drake will meet with Michael Handler who carried out the transaction for Stamford's Smith House.

2. Review the PKF O'Connor Davies Report

- **Refer to the PKF O'Connor Davies Observations and Recommendations to the BET Audit Committee**

The Committee discussed the timing of referring the Consultant's recommendations on TNW's Business Office internal financial controls and best business practices to the BET Audit Committee. It was decided that an Internal Audit Report would be premature before TNW's report to the BET in October.

3. Nathaniel Witherell Governance

The Committee reviewed the recommended ownership options proposed for TNW and will discuss findings on governance learned from their local visits to for-profit and nonprofit nursing facilities at a future meeting.

4. Next steps

- **Preparation of the Committee Report to the BET**

Upon a motion made by Ms. Krumeich, seconded by Mr. Drake, the Committee voted 4-0-0 to approve the next steps to be undertaken in order to develop recommendations for the direction of The Nathaniel Witherell (TNW) that would be presented to the full Board of Estimate and Taxation (BET). Motion carried.

- **The next steps are as follows:**

A. Develop a Strategic Plan of Action for TNW which includes among other possible items:

Option 1. Maintain the current ownership while seeking greater efficiencies

- Detailed spreadsheet of recommendations from Health Dimensions Group (HDG) and up-dates on progress and implementation
- Detailed spreadsheet of recommendations from PKF O'Connor Davies and up-dates on progress and implementation
- Review HDG's Financial Plan for the next 5 years
- Explore marketing plan and expansion of services

Option 2: Sell or lease to a non-profit corporation (501c3)

- Determine the legal steps necessary to establish a 501c3
- Review potential expansion of existing 501c3 through lease agreement
- Review Title Search for 70 Parsonage Road
- Identify potential qualified counterparty(s)
- Review HDG's Financial Plan for the next 5 years

Option 3: Sell or lease to a for profit corporation

- Determine the legal steps necessary to sell or lease to a for profit corporation
- Review Title Search for 70 Parsonage Road
- Identify potential qualified counterparty(s) and terms
- Review HDG's Financial Plan for the next 5 years

B. After the Title Search is completed, discuss the findings with the BET Law Committee and determine if further action is necessary.

- C. Complete a summary of the findings of the 3 subcommittees
- D. Consider voting to adopt the HDG Report and the Review by PKF
- E. Prepare and present a Report of this Committee to the BET

5. Schedule of Future Meetings

June 19, 2019 at 2:00 P.M. in the Mazza Room
July 10, 2019 at 1:00 P.M. in the Mazza Room

6. Adjournment

Mr. Drake made a motion, seconded by Mr. Ramer, to adjourn at 4:06 P.M. The Committee voted 4-0-0. Motion carried.

Catherine Sidor, Recording Secretary

Arthur D. Norton, Chairman

SUBJECT TO APPROVAL