TOWN OF GREENWICH
BOARD OF ESTIMATE AND TAXATION
NATHANIEL WITHERELL STRATEGIC PLANNING COMMITTEE
MINUTES – Mazza Conference Room, Town Hall
Thursday, February 8, 2018

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

BET: Jill Oberlander, Chairman; Karen Fassuliotis, Debra Hess, Leslie Moriarty, Leslie Tarkington, David Weisbrod

Others: Peter Mynarski, Comptroller; Laurence Simon, Chairman, TNW Board of Directors

The meeting was called to order at 1:04 P.M.

1. Approval of the BET Nathaniel Witherell Strategic Planning Committee Meeting of Minutes January 5, 2018 and January 31, 2018

Upon a motion duly made by Ms. Weissler, seconded by Ms. Krumeich, the Committee voted 4-0 to approve the minutes from the January 5, 2018 Meeting. (Norton, Krumeich, Weissler, Oberlander)

An additional motion was made to accept the minutes of January 5, 2018 by Mr. Ramer, seconded by Mr. Drake, as Committee members appointed at the BET Organizational Meeting, (Drake, Duus, Ramer), voted 3-0-0 to accept the minutes of January 5, 2018. (Ms. Krumeich had approved the minutes of January 5, 2018 as a Committee member during the previous term.)

Upon a motion duly made by Mr. Ramer, seconded by Ms. Krumeich, the Committee voted 4-0-0 to approve the minutes of January 31, 2018 as amended.

2. Presentation and description of the January 5, 2018 Committee Report to the new Committee Members

Mr. Norton described the process followed by the Committee in creating its report and offered an overview of the facility’s background to ensure that new Committee members and BET attendees understood that the strength of the report was in its process of discovery in its second stage. Historically TNW has had 3 stages: 1) in its initial stage, it was the responsibility of the Greenwich Board of Health; 2) its second stage occurred when the TOG Charter was revised in 1973 and creating The Nathaniel Witherell Board of Directors; 3) since that time, it has been in its third stage, evolving into a skilled nursing facility subject to changes in the marketplace and Medicare and private insurance reimbursement practices bundling payments.

Mr. Norton proposed a town-wide discussion of the facility’s need to enhance its competitiveness. Ms. Weissler suggested the next step should be to hire consultants to better
understand what is needed to prepare for pursuing any of the report’s longer-term recommendations. A straw poll of the attendees was taken on whether they supported accepting or adopting the report; finding the majority of BET attendees was favorable.

Mr. Drake made a motion, seconded by Mr. Ramer to seek the services of consultants to develop TNW "actuals".

Ms. Krumeich offered a substitute motion, seconded by Mr. Ramer, to limit the scope of work for the proposed retention of consultants to the recommendation in the completed report. The Committee voted (1-3-0). Motion failed. (Opposed: Drake, Duus, Ramer)

Upon a motion duly made by Mr. Drake, seconded by Mr. Ramer, to seek the services of consultants to develop TNW "actuals", the Committee voted 4-0-0 to approve the motion.

Mr. Drake drafted the following for submission to the BET:

Board of Estimate and Taxation Nathaniel Witherell Strategic Planning Committee proposes carrying out the report recommendation to retain a consultant for the following scope of services:

a. To review historical financial statements for TNW. These financial statements will present the historical income statement, balance sheet and statement of cash flow for the period to be determined, including cost accounting of variable and fixed costs on a basis to be determined.

b. To develop detailed operating and financial projections for 10 years for TNW, as a high-quality provider of short-term and long-term care services, under governance scenarios—operation by the Town or by a third-party nonprofit or by a for-profit operator. This scope of work may include but is not limited to the following:

- Revenue assumptions, including but not limited to census broken down by payer class, average daily rates, supplemental revenues
- Operating cost assumptions with detailed assumptions about: a) staffing models and hourly wages that may vary by governance structure; and b) service, supply and maintenance expense
- Fringe benefit expense assumptions
- Administrative support expenses
- Capital expenditures
- Summary and assessment of the competitive market and regulatory factors that are expected to affect TNW’s operations over the next 10 years

Upon a motion by Mr. Ramer, seconded by Mr. Drake, the Committee voted 4-0-0 to present the report to the BET for its acceptance, and seek BET approval of the Committee’s recommendation to retain consultants.

3. Next Steps: Schedule meetings with BET, Board of Selectmen, Nathaniel Witherell Board, RTM and the public to present the Committee Report.
Mr. Norton agreed to forward the Committee report and its recommendation to hire a consultant to the BET for its Agenda on February 20, 2018 meeting; thereafter, subject to BET acceptance of the report and approval of the recommendation, it could be forwarded to the Board of Selectmen for consideration at their next meeting.

In addition to the proposed recommendation to be made to the BET at its February 20, 2018 meeting, Ms. Oberlander suggested that outside legal counsel be retained to research any conflicts pertinent to TNW's land or legacy restrictions that could cause a conflict to going forward with the report's recommendations.

Mr. Simon commented that TNW's Board of Directors would look forward to clarification of the best governance structure, the optimal staffing model and where the business could go.

4. **Initiate discussion of the Nathaniel Witherell Business Models suggested in the Committee Report**

The Committee anticipates that further discussion of TNW business models will take place after the consultants complete the scope of the consulting projects.

5. **Adjournment**

The meeting adjourned at 2:37 P.M.

Catherine Sidor, Recording Secretary

Arthur D. Norton, Chairman