



*The Nathaniel Witherell*  
TOWN OF GREENWICH  
CONNECTICUT

Project Renew Witherell

02/06/2007

Long Range Plans – Financial and Volume Assumptions

1. 96% occupancy
2. Medicare census increases from 12% to 19% by 2015
3. Private census increases from 22% to 27% by 2013
4. Inflation at 3%
5. Medicare and Medicaid rates increase average of 2.5%, starting at 1.5%, then 2% (2012-2016) , 2.5% (2017-2121) and then 3%
6. Private pay rates increase @ 3%.
7. New business realizes net of \$25,000 in 2010, grows to \$100,000 in 2013 then at 3% inflation
8. Fund Raising nets \$150,000 in 2008 and grows at rate of 3% inflation
9. Budget 2008 salaries reduced by further \$464,696 - incorporating headcount reductions, 40 hour week, paid time off, paid leave holiday and double time reductions
10. Salaries increase at 3.5% versus 3% inflation. Exception is 2009 and 2010 increase of 1.4% reflecting Teamster wage freeze.
11. Fringe benefit rate reduced from 32.5% to 31.7% of salary, reflecting contract negotiations
12. Town and Medicaid operating capital spend maintained above historic and replacement levels
13. Other expense reduced by 6% over three years 2009-2011
14. Maintenance expense increased by \$50,000/year for 7 years increasing from \$189,000 in 2007 to \$540,000 and then maintained at 3% inflation
15. Other Town expenses comprised of \$100,00 unbudgeted insurance and \$230,000 estimate for Town services
16. Renew funded with short term construction notes @ 4% and 20 year government obligation bond @ 5%
17. Medicaid reimbursement assumes DSS recognizes full Renew expenditure including contingencies and financing costs with 30 year fair rent value calculated at 7.203% (CJLC LLC 2006 rates)
18. NPV based on 2008-2030 – end of 20 year note – using 6% discount factor
19. Bad debt at 1.5% self pay + .5% Medicaid