

# Staff cuts will be hospital's last resort to cope with deficit

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By JANE MULLER

Drastic steps, including staff cuts and instituting paid parking at Milton District Hospital, are considered last resorts as its board faces the possibility of a \$350,000 to \$400,000 deficit this year.

The Ontario Ministry of Health announced last week that it would increase funding to hospitals by one per cent in 1992.

"The board is very concerned about the one per cent increase when we are going to face an increase in costs of four per cent at the very least," said hospital executive director Brian Brady.

Of the hospital's \$14.5 million budget, the Province funds 80 to 83 per cent. The rest comes from revenue generated within the hospital through charges for upgraded rooms and some diagnostic services. There are only two options available to deal with the projected budget shortfall, according to Mr. Brady — increasing revenue and cutting costs.

One idea the board tossed around last Wednesday evening was paid parking. Mr. Brady said many Ontario hospitals have implemented paid parking and are realizing hefty profits.

However, he added that a move toward paid

parking would not likely be well received in a town like Milton, where no paid parking exists anywhere.

The hospital will pay more this year for utilities, supplies and unemployment insurance premiums. It remains to be seen what wage increases members of the Canadian Union of Public Employees (CUPE) and the Ontario Nurses Association receive. Their contracts are still under negotiation.

"Hospitals are labour intensive. Seventy-five per cent of our costs are salaries," the executive director said.

The hospital's board of directors will be

"looking at a three-year term" when planning to deal with reduced funding, Mr. Brady explained. The Province has committed to increases of two per cent for both 1993 and 1994.

To cope with the minimal funding increases, the Province has suggested hospitals share more services to cut operating costs. Mr. Brady indicated this was already being done in Halton, and that the Halton District Health Council would be the body to explore any further restructuring of health care service delivery.

For example, Milton already handles primary services while more high-tech ones are provided at larger centres, he said.

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Photo by GRAHAM PAINE

### Everyone jump in

The whirlpool, waterslide, leisure pool and lap pool are ready for visitors beginning with grand opening tours at 6 p.m. tomorrow (Thursday). Cake and gifts will be given away after official ceremonies at 7 p.m. Tours continue Friday (6-10 p.m.) Saturday (10

a.m. to 6 p.m. and Sunday (noon to 5 p.m.) Pick up free family swim passes at those times. Getting a head start are lifeguards, from left, Brad Janzen, Lynn McConnell, Deann Hasler, Tanya Smith, Shane Ostman.

## Second phase of leisure centre inches ahead

By ROB KELLY

Haltingly, cautiously, Milton's municipal councillors took a step toward building the second phase of the new leisure centre, the community's current flagship project, Monday night.

Following hours of debate and a stab at deferring the whole matter at least until after the 1992 Town budget has been given closer scrutiny, councillors finally voted to spend approximately \$125,000 to buy detailed designs for phase two of the centre.

The \$8 million centre on Main Street east of Thompson Road involves a swimming pool complex (just completed at a cost of \$5.4 million) and plans for a gymnasium, aerobics and weight training facility, in phase two.

Originally the phase two work was budgeted at \$3.2 million, but that estimate has been slashed to \$2.6 million, largely because construction quotes are expected to be 20 per cent lower than previously anticipated due to the recession.

Already \$1,478,000 in municipal money has been set aside for building phase two, in the

form of 1991 taxes, reserve funds and capital levies (one-shot building fees). But there have been a couple of curveballs thrown at Milton's financial strategy, too.

First, the Town was recently turned down in its application for a \$600,000 provincial grant to help cover phase two costs. Second, despite the fact the recession has created favourable conditions for building by slashing projected costs,

councillors are wary about taking on a major project because of the economic slump.

In a worst-case scenario, the whole building could end up costing taxpayers about \$447,000 annually until 2001. That would come about if the ongoing fundraising campaign to build the centre completely fell apart.

The campaign goal is to generate \$1.7 million from private donations, and so far about

\$800,000 has been pledged, and \$400,000 collected. If there was simply no more money to be had from private sources, the debt would have to be covered by floating a municipal bond issue (a debenture). The carrying costs of that 10-year debt, plus the annual operating shortfall projected for the centre, add up to roughly \$447,000 a year.

Monday night Town treasurer Jim McQueen recommended that the additional debenture be taken on immediately with a view to tendering the project in June and having phase two open by the spring of 1993.

Mr. McQueen and Milton's leisure services director, Jennifer Reynolds, pointed out several reasons for pushing ahead, besides the fact that they expect a better deal from builders.

While building costs have turned into a relative bargain and the burden of carrying debentures has lessened with the interest rate plunge, there's another important rationale for getting phase two up and running quickly, the duo explained.

Phase one, basically the pool, is expected to

### Celebration for board veterans

Teachers with 20 years of service with the Halton Board of Education will experience a 'flashback' when they are honoured Wednesday, Feb. 5.

The theme for the night will be the '70s, with a look back to 1971 and music of the era performed by Milton District High School senior concert band and Robert Baldwin School junior choir.

Among the 118 board staff veterans whose years of service add up to more than

2360 years are Milton teachers: Rick Cullis and Jim Goring — E. C. Drury High School; Rod Pullen — J. M. Denyes Public School; Marjorie Bailey and Bert Vella — Milton District High School; Gail Lennsen — Robert Baldwin School; Larry Krar, Donna Robbins, George Robbins and Barb Vansickle — Sam Sherratt Public School.

Celebrating Service, as the event is named, will be held at Milton District High School.

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