

Town Presentation

Paid Parking at Deep River & District Hospital



October 18, 2017



Background

- The Hospital is implementing paid parking on November 1, 2017 to minimize reductions in service and staffing
- Town requested Hospital to provide background information related to implementation of paid parking on November 1, 2017 at the Hospital as the Town was proposing changes to parking bylaw

News Release

- “Please be assured that this decision has not been made lightly”, Janet Gow, Chair of the Board noted. “The executive leadership team and the Board Directors have carefully considered all options during their deliberations about this issue. DRDH is committed to maintaining the highest level of quality care, and we are doing everything in our power to maintain services in this very tough economic climate. DRDH remains committed our mission, vision and values and providing exceptional healthcare to our community.”

Current Realities

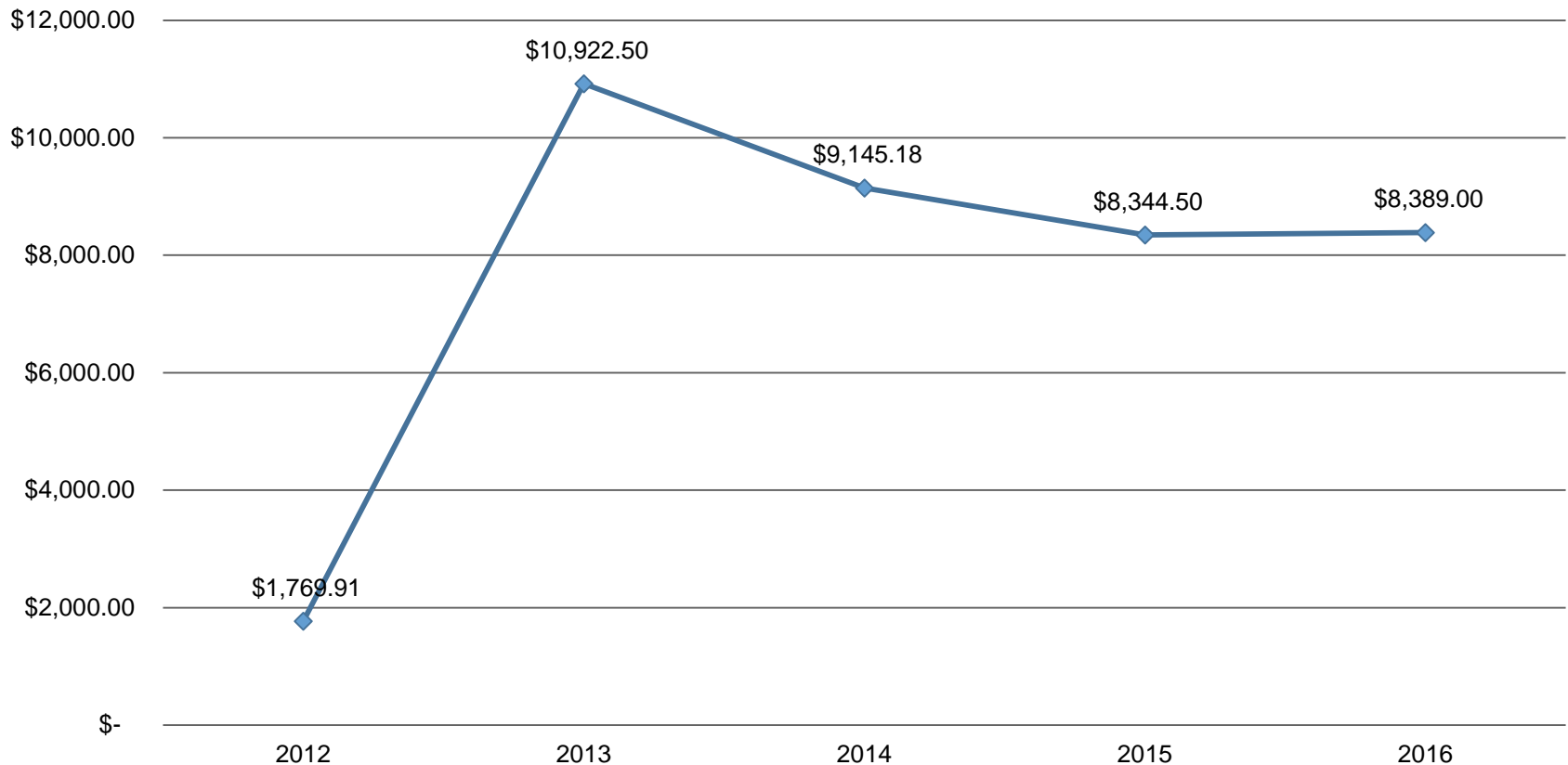
- Hospital funding for DRDH has been increasing on average by 1% each year for the past 5 years while expenses have been increasing by over 3% each year
- The Hospital is legislated to run in a balanced position even if services must be reduced or eliminated
- Paid parking is in place at almost every Ontario hospital
- Significant investments are required for equipment and infrastructure and the Hospital does not typically receive directed funds for “routine updates”

Current State

- Voluntary paid parking is in effect
- Revenue from this method has been declining over the past 5 years
- Effectiveness of this model is quite low
- Currently revenues are insufficient to:
 - Cover expenses in relation to the parking lot
 - Generate revenue to support capital improvements

Parking Revenue – past 5 years

Parking Revenue by Year



2016/17 Parking Related Expenses

Activity	Cost
Plowing	\$7,336.08
Parking lot sweeping	\$1,100.41
Crack Sealing	\$2,588.01
Depreciation	\$12,111.72
TOTAL	\$23,136.22

Ongoing Parking Expenses

- Additional Expenses related to parking not incurred in 2016/17 due to budgetary constraints:
 - Line painting
 - Yearly patching
 - Maintenance of lighting
 - Replacement of signage
 - Resurfacing
 - Funding for capital improvements to clinical equipment and to aging infrastructure
- The above expenses far exceed \$500,000 over 10 years

Capital Improvements

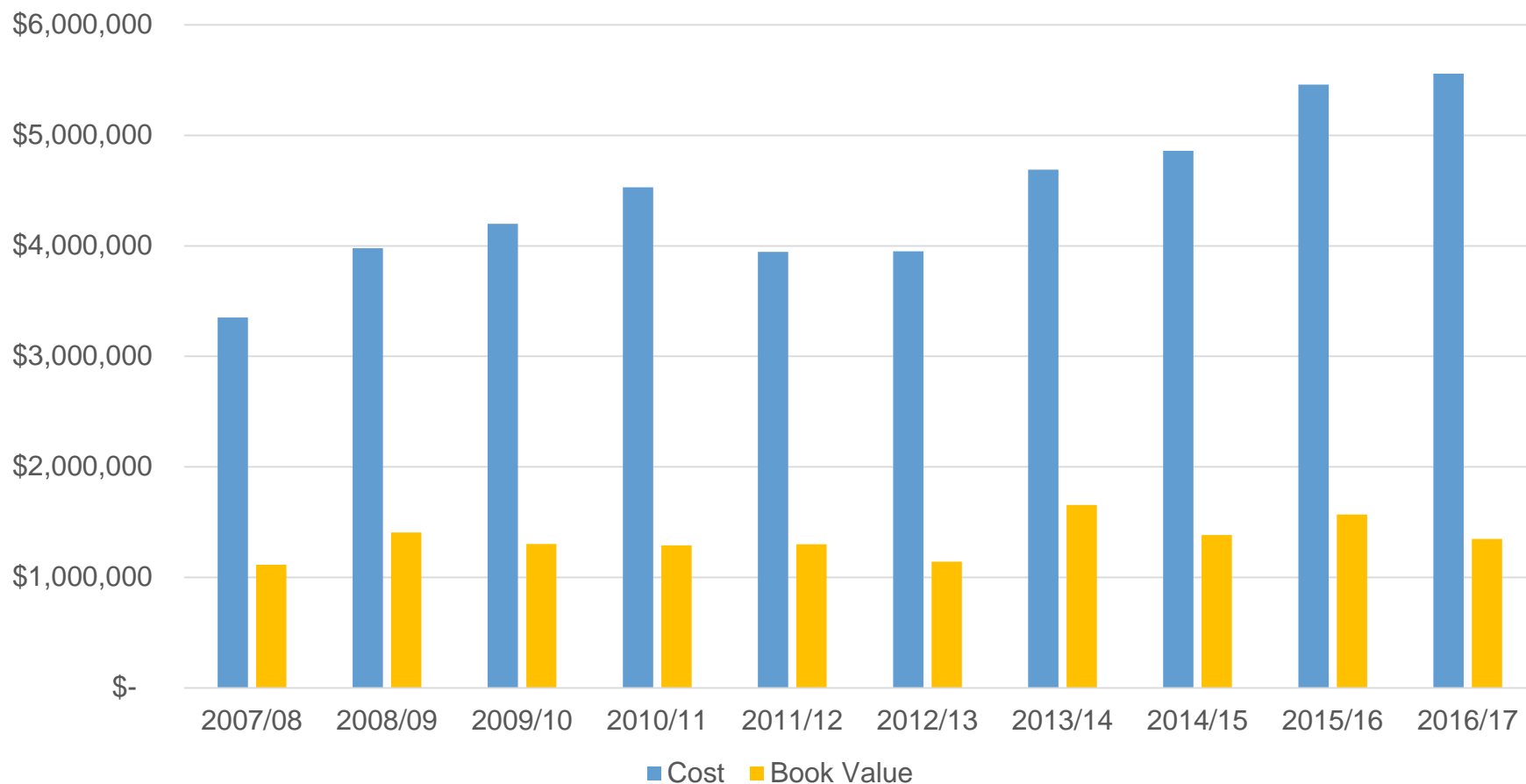
- The Hospital has an acute need for medical equipment and capital improvements/upgrades
- The following 4 slides highlight that the Hospital has not been reinvesting in medical equipment and in capital at a rate higher than yearly depreciation
 - As such, many pieces of medical equipment are being used past their projected useful life and need to be replaced
- The majority of Hospitals in the province utilize funds from parking to support costs related to maintaining the parking lot and to support capital needs

Equipment Assets

- Equipment Assets (not including building)
 - \$5.6M in equipment assets
- Depreciation Lifecycle
 - \$4.2M totally depreciated and past expected life
 - \$1.4M of assets up to date and actively depreciating
- Fully Depreciated
 - 75% of assets

Capital Equipment Position

Capital Position – Past 10 Years

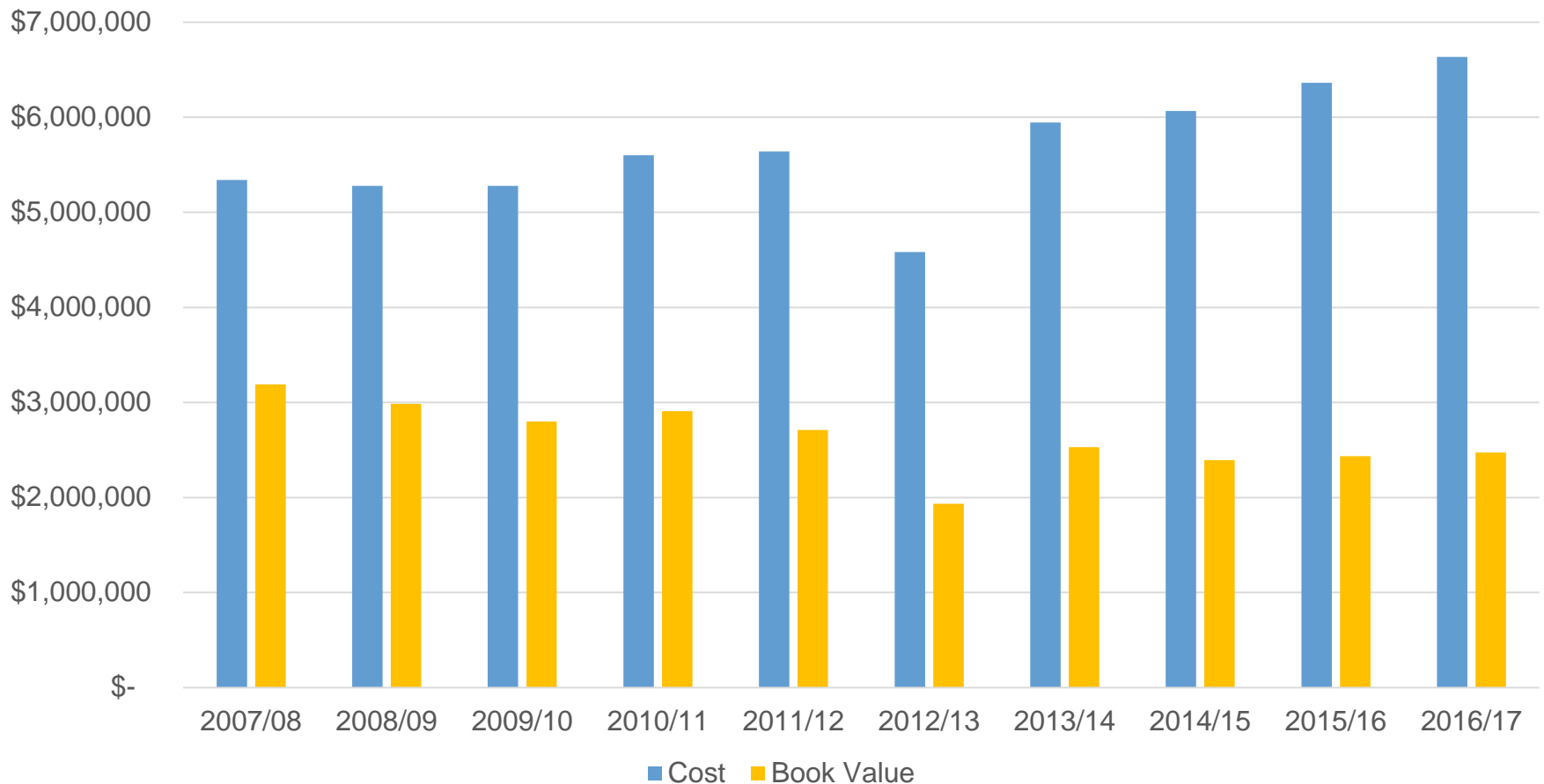


Building Assets

- Building Assets
 - \$6.6M in building assets
- Depreciation Lifecycle
 - \$2.5M totally depreciated and past expected life
 - \$4.1M of assets up to date and actively depreciating

Building Position

Capital Position – Past 10 Years





Parking Considerations

- Ease of Entry and Exit for Stakeholders
 - No gates or barriers required
- Accessibility of Services
 - Allow for large trucks and ambulances
- User Friendly
 - No need to return to vehicle after purchase
- Affordable System
 - Low implementation cost (no construction required)

Implementation

- Based on the design of the Hospital and flow of patients at peak hours, two pay-stations will be installed
 - Not gated (similar to Via at Fallowfield, the Royal Hospital in Ottawa)
 - Allow for ambulances and patient drop off
 - Allow for delivery trucks and service vehicles
 - Enforcement by license plate
 - Offering 24-hour, 30-day and 365-day passes
- The pay-stations will be located in the following locations:

Pay Station Locations



Emergency Entrance



Main Entrance

Pricing Research

- Based on the results of this survey, the pricing structure below was determined to be reasonable in comparison to our neighbouring Hospitals and adhering to the parking directive issued by the Ministry
- Daily parking
 - \$5 for 24 hours
- Monthly Pass
 - \$30 for 30 days
- Yearly Pass
 - \$300 for 365 days

Logistics

- No charge for
 - Food bank clients
 - Family services clients
 - Patient drop off or pick up
 - Volunteers while volunteering
- Town
 - Working with the Town since the Board announcement in March to discuss implementation

NRT Editorial from October 18, 2017

- “The hospital is caught, however, by the strictures of provincial funding and its legal requirement to provide balanced budgets to the LHIN. The hospital, like others across the province, has been living on a starvation diet when it comes to funding, with annual increases far below the cost of inflation in the health care sector. How is it make ends meet?
- Paid parking at DRDH is completely normal, completely reasonable and completely outrageous. All three apply”