



**RED ROCK**  
*a superior treasure*

# A PATH FORWARD

**SAGE ORGANIZATIONAL REVIEW  
TOWNSHIP OF RED ROCK, ONTARIO**

**SAGE ANALYTICS INC. | Edmonton, Alberta**



**ORGANIZATIONAL REVIEW  
TOWNSHIP OF RED ROCK, ON**

October 30, 2020

**Mayor and Council  
Township of Red Rock**

42 Salls Street, P.O. Box 442  
Red Rock, ON, P0T 2P0

**Re: SAGE Organizational Review**

Dear Mayor Nelson and Council,

The Organizational Review project for the Township of Red Rock is now complete. The project included a preliminary review for Phase One, and a detailed review and public consultation for Phase Two. The SAGE team included subject matter experts in all key areas of municipal operations.

The purpose of the Organizational Review project focused on modernization and efficiency of municipal operations. Modernization focusses on improved services and doesn't always mean less expensive. Various recommendations are provided for Council's consideration.

Thank you for the opportunity to serve the Township of Red Rock. Our SAGE team was delighted to experience Red Rock from this unique consulting perspective, and we trust that the recommendations will provide a solid financial path for the community.

Sincerely,

*Shari-Anne Doolaege*

Shari-Anne Doolaege, MPA, Q.Med, Q.Arb, CLGM  
President, SAGE Analytics Inc.  
Edmonton, Alberta

***Disclaimer:***

*This report is prepared strictly for the municipal Council of the Township of Red Rock, Ontario. SAGE Analytics Inc. takes no responsibility for any unauthorized or third-party use of this report.*



# ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON

## EXECUTIVE SUMMARY

The 2020 Organizational Review focused on efficiencies and modernization of municipal operations for the Township of Red Rock. Municipal finance strategies and practices received considerable spotlight by the SAGE team. The overall financial trajectory for the community showed an unsustainable downward trend in recent years, with a notable improvement in 2019.

Past leadership decisions focused on maintaining low taxes and low user fees. This low taxation strategy has a short-term focus. It 'kicks the can down the road' and has hidden costs. Municipal utilities are underfunded, and rates do not meet a minimum threshold of cost recovery. Municipal assets are depreciating, with all asset categories receiving the lowest grade of 'F' according to a [2014](#) report.

Current leadership has directed this Organizational Review to better understand the financial picture and consider recommendations for municipal improvements. Potential solutions reach further than simply increasing municipal revenue. Partnerships and contracting services also need to be considered on the path forward as options to share risk and improve service delivery capacity.

Red Rock has significant potential. It is an attractive community with unique features and natural amenities. The public consultation comments received during this project showed tremendous community pride, optimism, concern, and creativity.

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*\* Photos in this report were provided by the Township of Red Rock.*

## **SAGE ORGANIZATIONAL REVIEW**

### **Township of Red Rock, Ontario**

**October 30, 2020**

#### **1. BACKGROUND**

The Township of Red Rock, Ontario is a community of nearly 900 residents located on the north shore of Lake Superior in the Nipigon Bay area, approximately 100 km northeast of Thunder Bay. The township is responsible for providing an array of local services including a multi-use recreation facility and marina.

Local infrastructure was built to accommodate residential needs and a paper mill which was the primary local industry. The community is still adjusting to the local economic shock following the 2006 mill closure. Besides local job losses and out-migration from residents leaving the community, Red Rock lost significant tax revenue over the years and mill site remediation has not begun.

Water and sewer systems are designed to support increased capacity and could accommodate growth in residential, commercial, and industrial activity. Some municipal facilities are underutilized, such as the multiuse recreation centre with a curling rink that has not been in a usable state for approximately 15 years.

Red Rock residents are responsible for the full cost of local service delivery, even though residents are not the sole users of local assets. The arena, bowling alley, marina, fire services, and economic development efforts provide a regional benefit, yet Red Rock is responsible for all costs.

# ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON

## 2. PUBLIC CONSULTATION

Public consultation was an important part of the organizational review. Members of the public participated in an online survey in August 2020 to gauge their level of satisfaction with local services, and to invite comments on taxation, user fees and long-term financial planning.

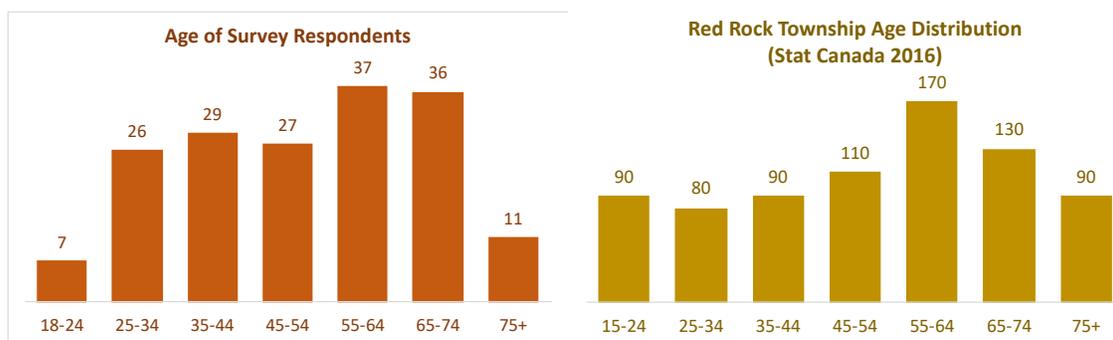
Quantitative data ranking and qualitative comments were collected in the survey results. Surveys were provided in both online format and hardcopy. All results were analyzed by SAGE. 180 survey responses were collected, which is a good collection rate at 20% of the population. Though not statistically valid, the survey provides some indication of local sentiments for council to consider.

Quantitative data is provided in the following charts. The SAGE analysis included highlights on respondent age, and length of time living in Red Rock.

Qualitative data includes many detailed comments which are provided in an appendix of this report.

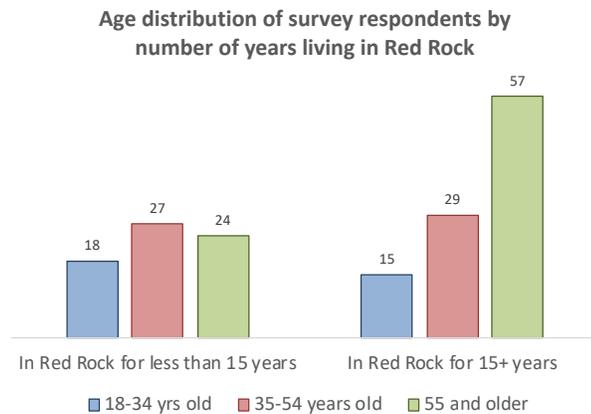
### 2.1. Age Distribution and Residency

Respondents of all ages completed the survey. However, the age distribution of survey respondents shows that survey respondents tended to be younger than the population as a whole, based on Statistics Canada 2016 Census profile. A comparison is shown in the charts below:



# ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON

About two thirds of respondents (59%) lived in Red Rock for more than 15 years, 28% for 5 to 15 years, and 13% for less than 5 years. Survey respondents who lived in Red Rock for more than 15 years (since the mill closure) tended to be older than those who moved to Red Rock in the past 14 years.



## 2.2. Satisfaction ratings

### 2.2.1. Administration



**68%** of respondents rated **administration** as average or higher.

77% of older respondents (55 years or more), and 60% of younger respondents (54 years or younger) rated administration as average or higher.

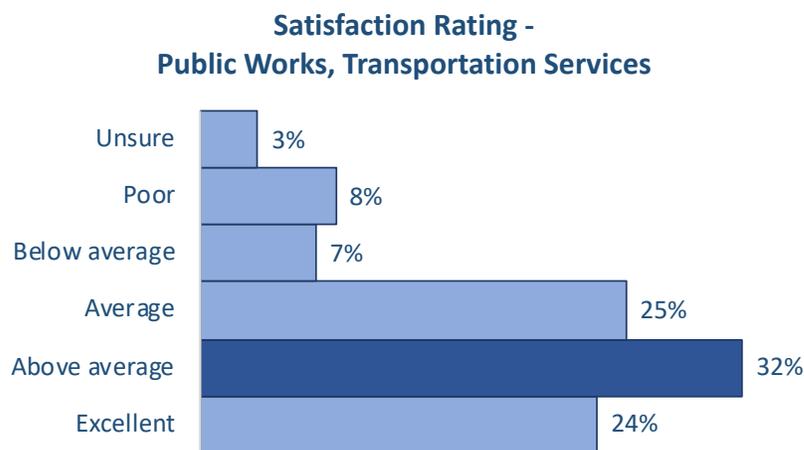
## ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON

Those living in Red Rock for more than 15 years responded in a similar way than those who moved to Red Rock more recently.

*"Office staff are great, friendly and helpful."*

Some comments reflected a desire for stronger council leadership.

### 2.2.2. Public works, Transportation Services



**81%** of respondents rated **public works & transportation services** as average or higher.

90% of older respondents (55 years or more), and 74% of younger respondents (54 years or younger) rated public works and transportation services as average or higher.

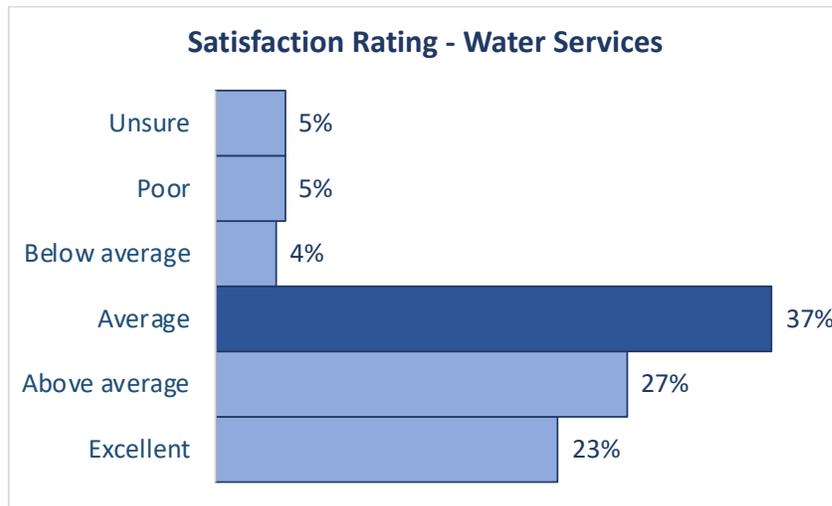
Those living in Red Rock for more than 15 years responded in a similar way than those who moved to Red Rock more recently.

*"I think our Public Works department is A+. Not only are they hard working, but they are always so friendly."*

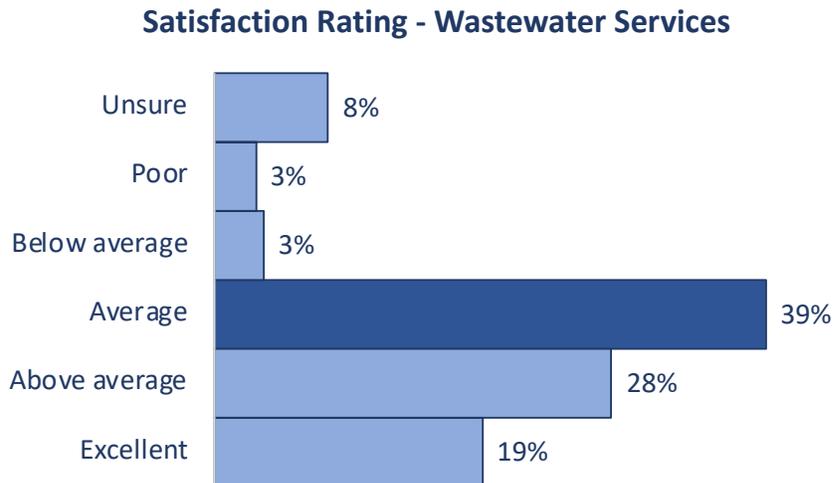
4 of the 7 comments suggested that some areas of the township were favored.

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**2.2.3. Water, wastewater services, and garbage collection**



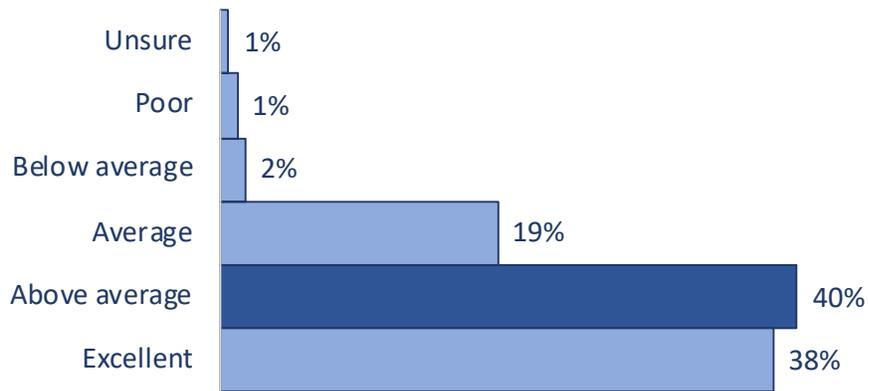
**87%** of respondents rated **water services** as average or higher.



**86%** of respondents rated **wastewater services** as average or higher.

**ORGANIZATIONAL REVIEW  
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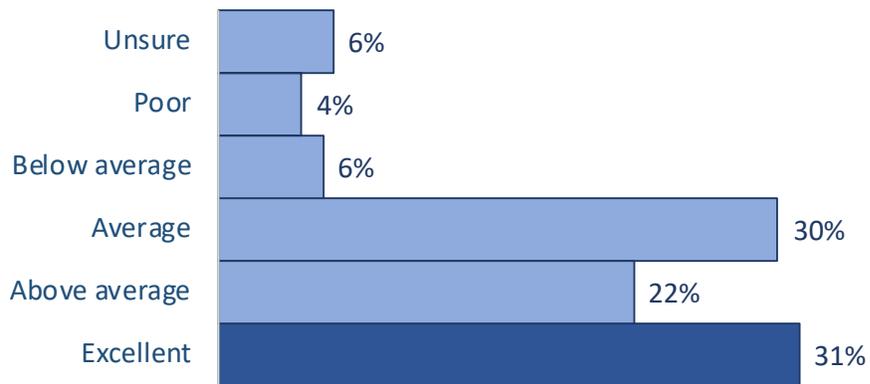
**Satisfaction Rating -  
Garbage Collection and Disposal**



**97%** of respondents rated **garbage collection and disposal** as average or higher.

**2.2.4. Protective Services**

**Satisfaction Rating -  
Fire and Emergency Services**



**83%** of respondents rated **fire and emergency services** as average or higher.

There were almost no differences in responses based on age or length of residence in Red Rock for wastewater services, garbage collection and fire and emergency services. Older residents had higher satisfaction rating regarding water service than younger ones.

## ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON

Respondents did not offer any comments for water, wastewater services, garbage collection and fire and emergency services.

### 2.2.5. Land use planning and economic development

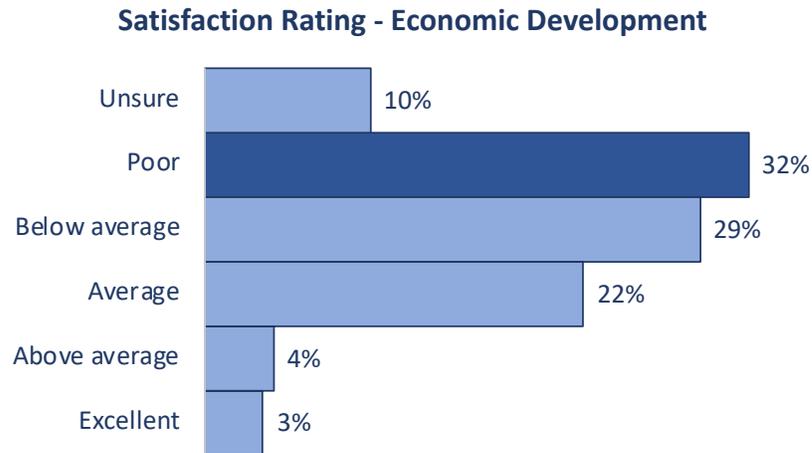


Only **37%** of respondents rated **land use planning** as average or higher.

32% of older respondents (55 years or more), and 42% of younger respondents (54 years or younger) rated land use planning as average or higher. 27% of older residents were unsure, compared to 14% of younger ones.

48% of those living in Red Rock for less than 15 years, and 31% of those living in Red Rock for more than 15 years rated land use planning as average or higher. 26% of those who had lived in Red Rock for more than 15 years were unsure, compared to 12% of younger ones.

## ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON



Only **29%** of respondents rated **economic development** as average or higher.

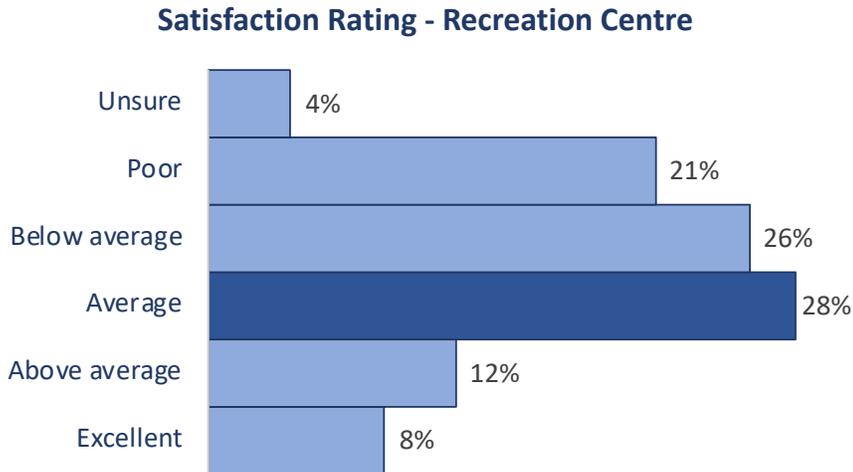
There were almost no differences in responses based on age for economic development.

38% of those living in Red Rock for less than 15 years, and 25% of those living in Red Rock for more than 15 years rated economic development as average or higher.

*"We need an Economic Development Officer (EDO) to move community forward."*

### 2.2.6. Recreation Centre, cultural services and library

**ORGANIZATIONAL REVIEW  
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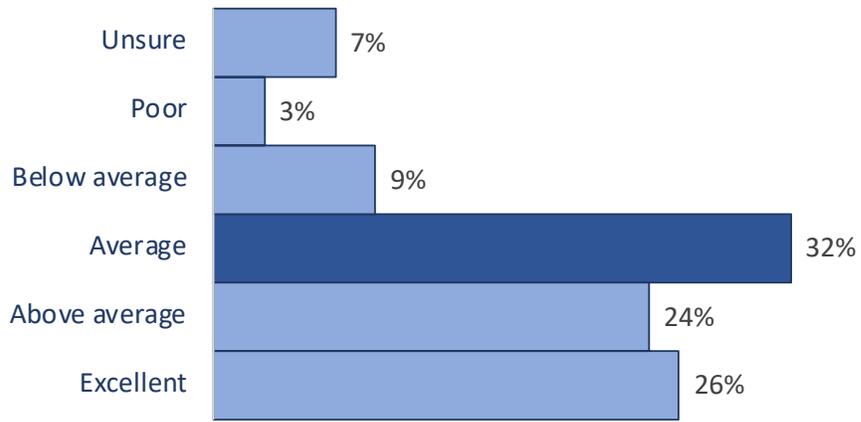
Only **48%** of respondents rated the **recreation centre** as average or higher.

28% of older respondents (55 years or more), and 48% of younger respondents (54 years or younger) rated the recreation centre as average or higher.

There were almost no differences in responses based on length of residence in Red Rock for economic development.

**ORGANIZATIONAL REVIEW  
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**Satisfaction Rating - Cultural Services, Library**



**82%** of respondents rated **cultural services and the library** as average or higher.

There were almost no differences in responses based on age or length of residence in Red Rock for rating of cultural services and the library.

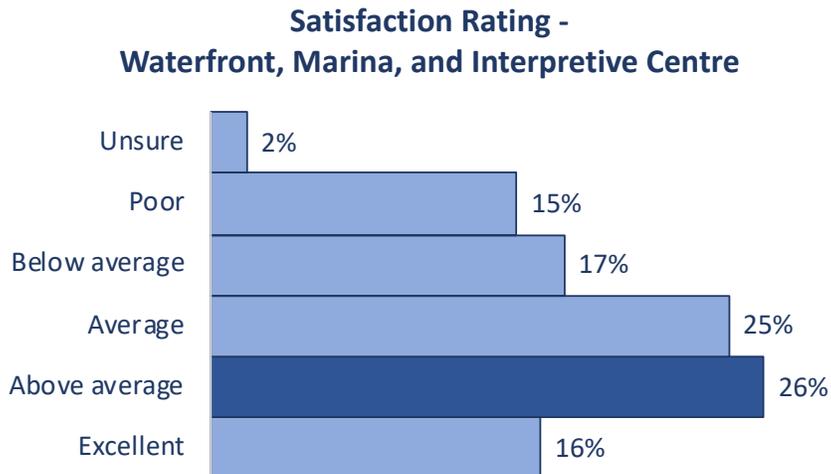
- *"More things should be available at the Recreation Centre and the Marina."*
- *"What are the cultural services besides the Library? Especially since interpretive center is generally only open 1/2 the year or not at all."*

Comments:

- Of the 7 comments regarding the recreation centre, 6 suggested that the centre could be used better, with new and more diverse activities.

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**2.2.7. Waterfront, Marina and Interpretive Centre**



**67%** of respondents rated the **waterfront, marina and interpretive centre** as average or higher.

There were almost no differences in responses based on age or length of residence in Red Rock for rating of waterfront, marina and interpretive centre.

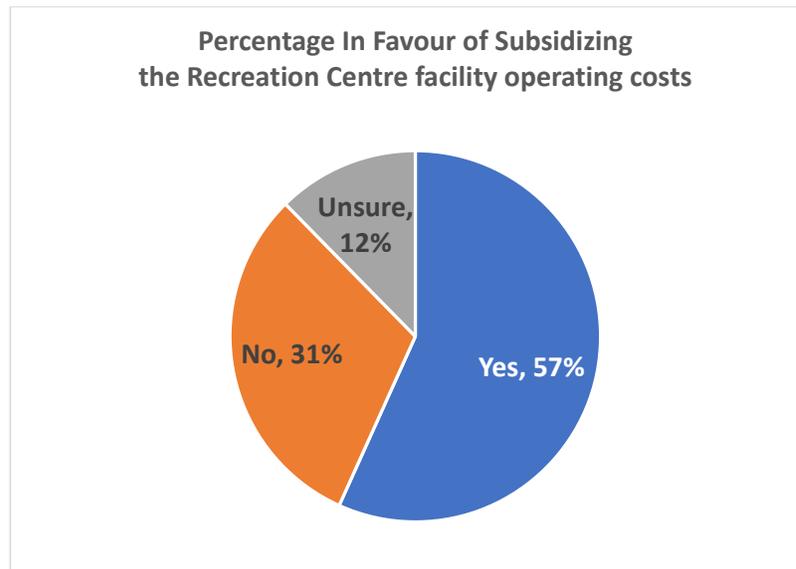
Comments:

All 8 comments suggested that these facilities could be run better, in terms of financial management, promotion, and utilization.

## ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON

### 2.3. Subsidizing the Recreation Centre facility operating cost

Respondents were asked whether they would be in favour of continued subsidization of the Recreation Centre facility operating costs.



**57%** of all respondents were in favour of continued subsidization of the Recreation Centre facility operating costs.

53% of the older residents (55 or more) and 59% of the younger ones (54 or less) were in favour of continued subsidization.

There was no difference based on length of residence in Red Rock.

- *"A recreation centre is necessary for all people in our community."*
- *"A recreation centre is essential to life in a small community. It is a place to connect and to unwind, to exercise and to bond."*
- *"We need a community hub where community members can engage in healthy activities."*

Comments:

56 respondents commented on the Recreational Centre.

## **ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON**

Eighty percent of the respondents spoke to the importance of the centre for the community.

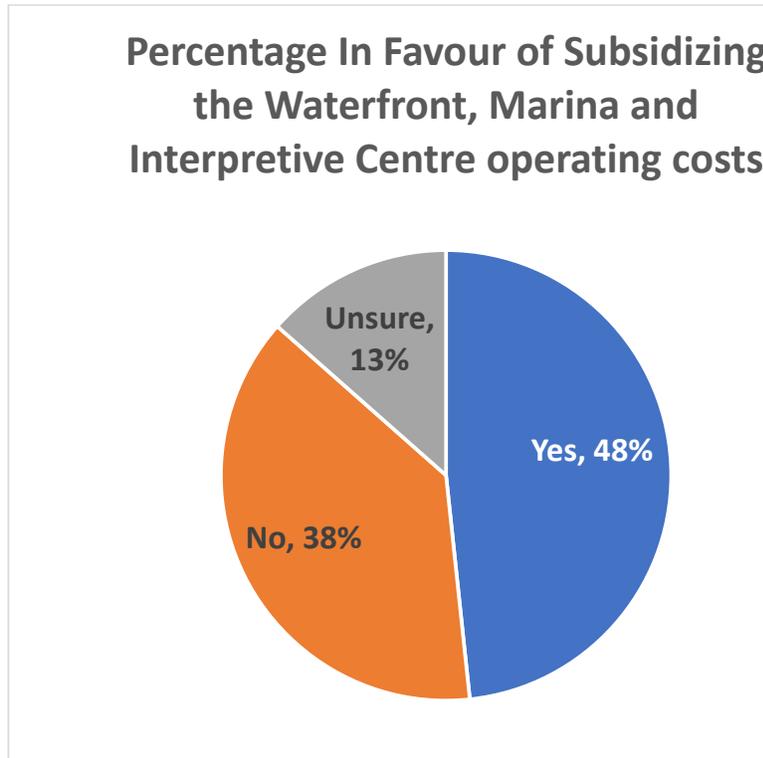
The other 20% were in favour of closing down the facility.

A number of suggestions were made including the following:

- Ensure that the building is well maintained.
- Increase the range of activities offered at the Centre (activities for all ages, year-round)
- Explore ways of operating the Centre in a more efficient way, or lease the building to a 3<sup>rd</sup> party
- Explore partnerships with surrounding communities to increase use of the building
- Ensure that user fees are kept at a rate that everyone can afford.
- Would building a new Rec Centre be cheaper than doing all the required repairs and upgrades?

**2.4. Subsidizing the Waterfront, Marina and Interpretive Centre operating costs**

Respondents were asked whether they would be in favour of continued subsidization of the Waterfront, Marina and Interpretive Centre operating costs.



**48%** of all respondents were in favour of continued subsidization of the Waterfront, Marina and Interpretive Centre operating costs.

55% of the older residents (55 or more) and 42% of the younger ones (54 or less) were in favour of continued subsidization.

43% of those who have lived in Red Rock for more than 15 years and 57% of those who lived in Red Rock for a shorter period were in favour of continued subsidization.

Comments:

59 respondents commented on the Waterfront facilities.

## **ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON**

A total of 80% of the respondents spoke to the importance of the Waterfront and facilities for the community.

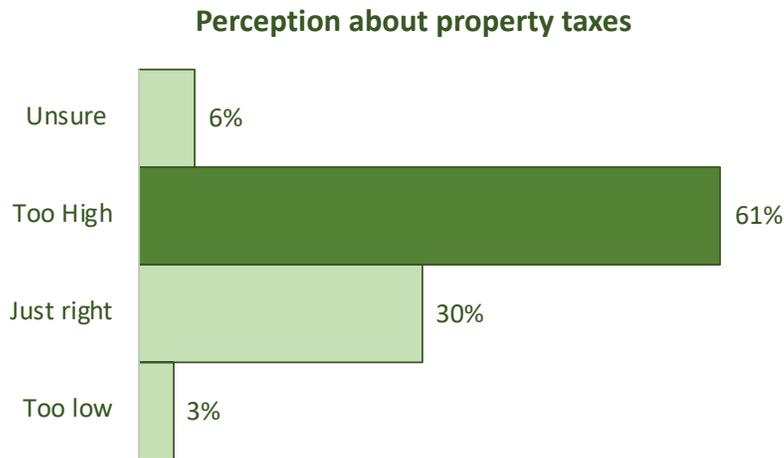
The other 20% were strongly against subsidizing the costs.

- Several individuals wanted more details about the costs, with operating costs of each of the three elements: waterfront, marina and interpretive centre.
- A number of respondents believed that the waterfront and the marina were essential to the community, but questioned whether the interpretive centre was necessary.
- Some thought that the interpretive centre and the recreation centre served similar purposes. They suggested that because the interpretive centre was newer and fully accessible, it should be used to its full potential for community activities, as well as a rental venue.
- Several respondents suggested slowing down the building of an RV park.
- Suggestions to increase the use of the area, and promote increased revenues included: developing a tourism/marketing strategy, developing the waterfront and make it a better beach, having a paddleboard & kayak rental company, increase fees for the boaters, lock the washroom and laundry facilities to avoid vandalism, and keeping the restaurant open.
- Several respondents thought that the facilities should have been kept open this summer, despite the pandemic.

# ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON

## 2.5. Current level of taxes, fees and charges

### 2.5.1. Property taxes



**61%** of respondents stated that **property taxes were too high.**

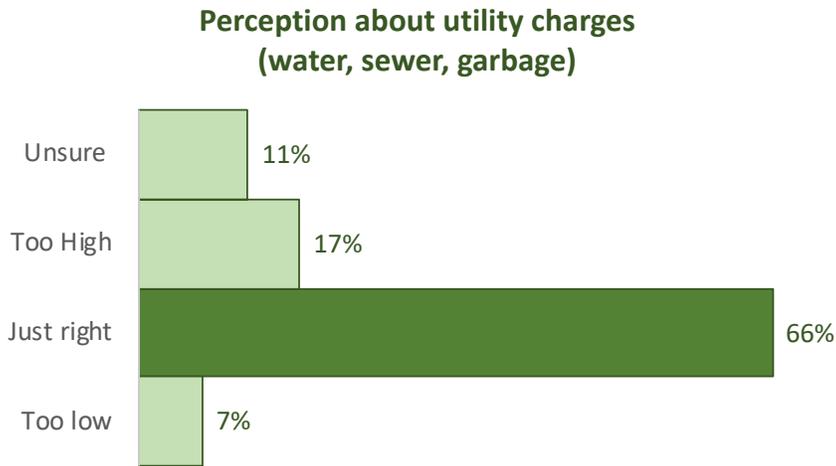
52% of older residents (55 years +) and 70% of younger residents (54 years -) responded that property taxes were too high.

63% of those who have lived in Red Rock for more than 15 years and 58% of those who lived in Red Rock for a shorter period responded that property taxes were too high.

Several respondents suggested that tax rates for those living in rural areas should be reviewed, since they receive fewer services than others.

**ORGANIZATIONAL REVIEW  
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**2.5.2. Utility charges**



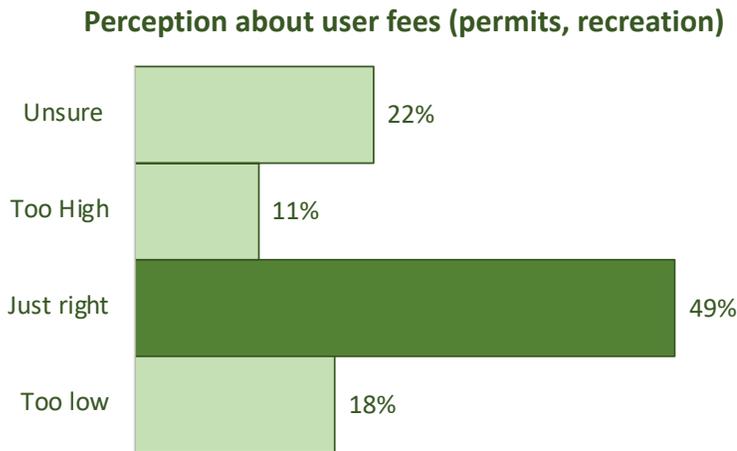
**66%** of respondents stated **that utility charges were just right.**

63% of older residents (55 years +) and 69% of younger residents (54 years -) responded that utility charges were just right.

65% of those who have lived in Red Rock for more than 15 years and 69% of those who lived in Red Rock for a shorter period responded that utility charges were just right.

## ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON

### 2.5.3. User fees



**49%** of respondents stated that **user fees were just right.**

43% of older residents (55 years +) and 55% of younger residents (54 years -) responded that user fees were just right.

45% of those who have lived in Red Rock for more than 15 years and 58% of those who lived in Red Rock for a shorter period responded that user fees were just right.

## ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON

### 2.6. Suggestions for long-term financial planning for Red Rock

78 respondents offered suggestions on processes and strategies that could improve the long-term financial planning for Red Rock. They fall under the following categories:

- More public consultation and better communication with residents
- Support small business development
- Explore partnerships and collaboration with neighbouring municipalities/townships for the delivery of municipal services
- Promote Red Rock as a safe community for families, a retirement destination, a place close enough to commute from Thunder Bay, a tourism destination
- Explore ways to increase tourism activity and income.



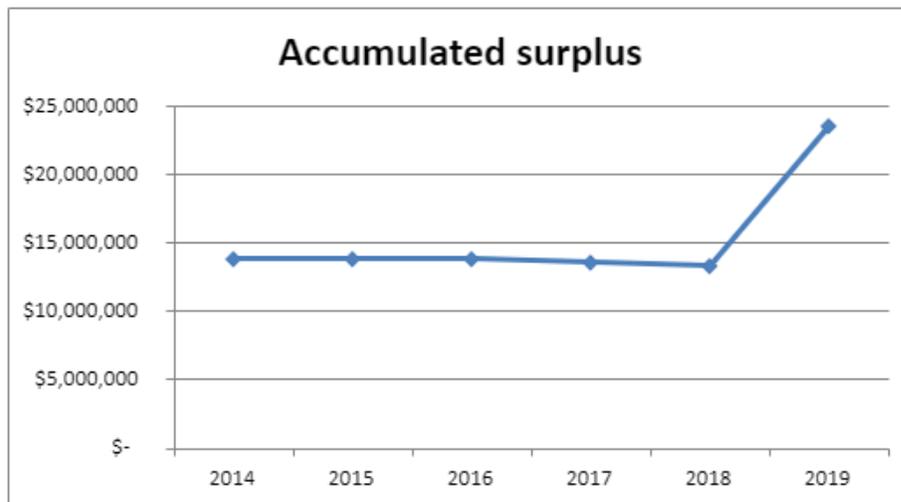
# ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON

## 3. FINANCE

Red Rock’s financial picture is shown in the following pages and charts. Chart data was taken from the 2019 audited financial statement.<sup>1</sup>

### 3.1. Statement of Financial Position

Red Rock’s 2019 accumulated surplus totalled **\$23.6M**. This is the net amount of all assets and liabilities, and it includes all tangible capital assets such as roads and buildings.

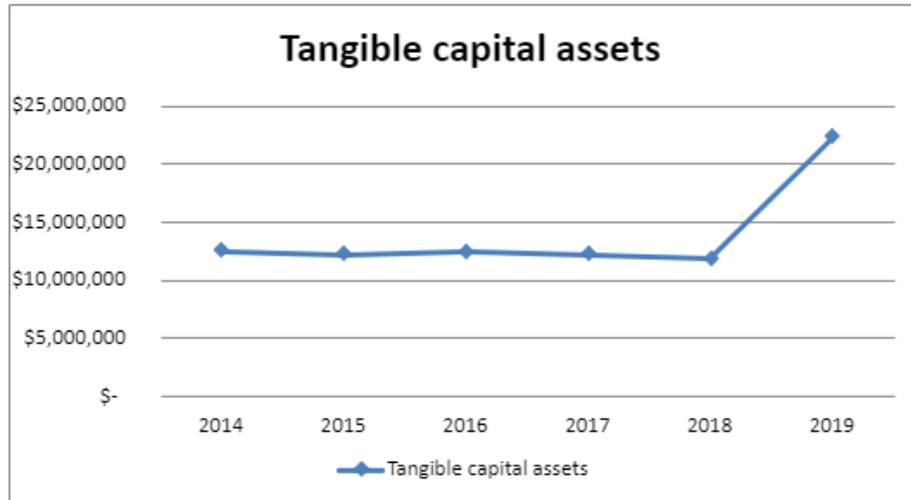


Accounting for tangible capital assets (TCA) became mandatory for all Canadian municipalities as of January 1, 2009, in accordance with the Public Sector Accounting Handbook Section PS 3150. This requires amortization expense to be recognized in municipal financial statements.

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<sup>1</sup> 2019 Consolidated Financial Statement for the Township of Red Rock, ON. Accessed at: <https://www.redrocktownship.com/wp-content/uploads/2020/07/2019-Audited-Financial-Statements.pdf>

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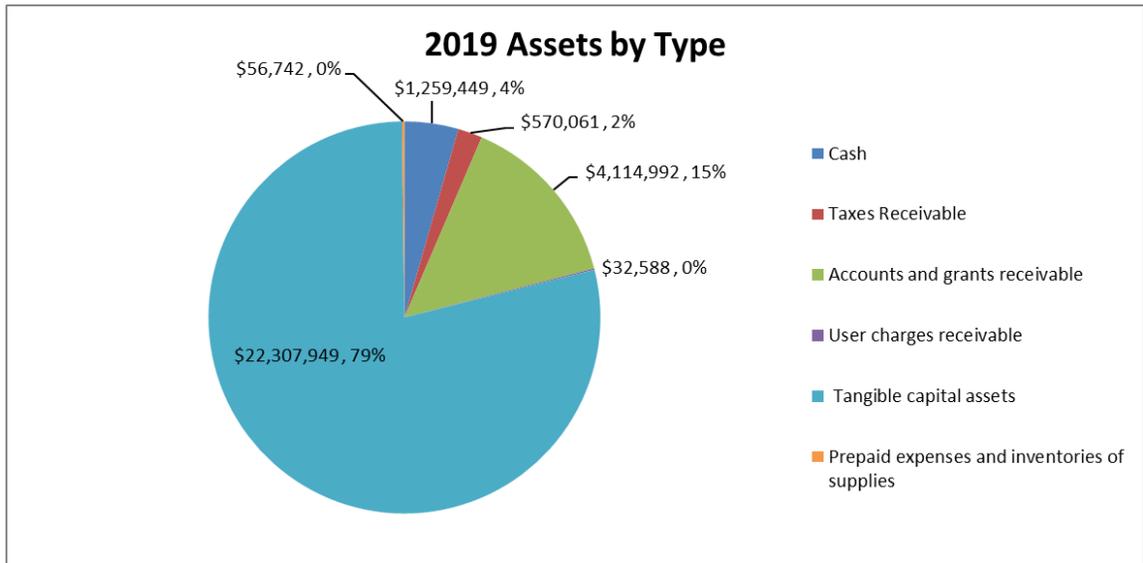


The new water pollution control plant (work in progress) had a considerable impact on Red Rock's 2019 financial picture, including:

- \$10.3M government grant funding received
- \$10.6M increase in capital assets
- \$4.0M in accounts and grants receivable
- \$3.0M increase in accounts payable and accrued liabilities from 2018
- \$0.2M redemption of portfolio investments
- \$0.6M increased bank indebtedness from a line of credit used to manage cashflows during the year

The 2019 year also included a large \$621K reduction in taxes receivable related to a provision for doubtful taxes receivable.

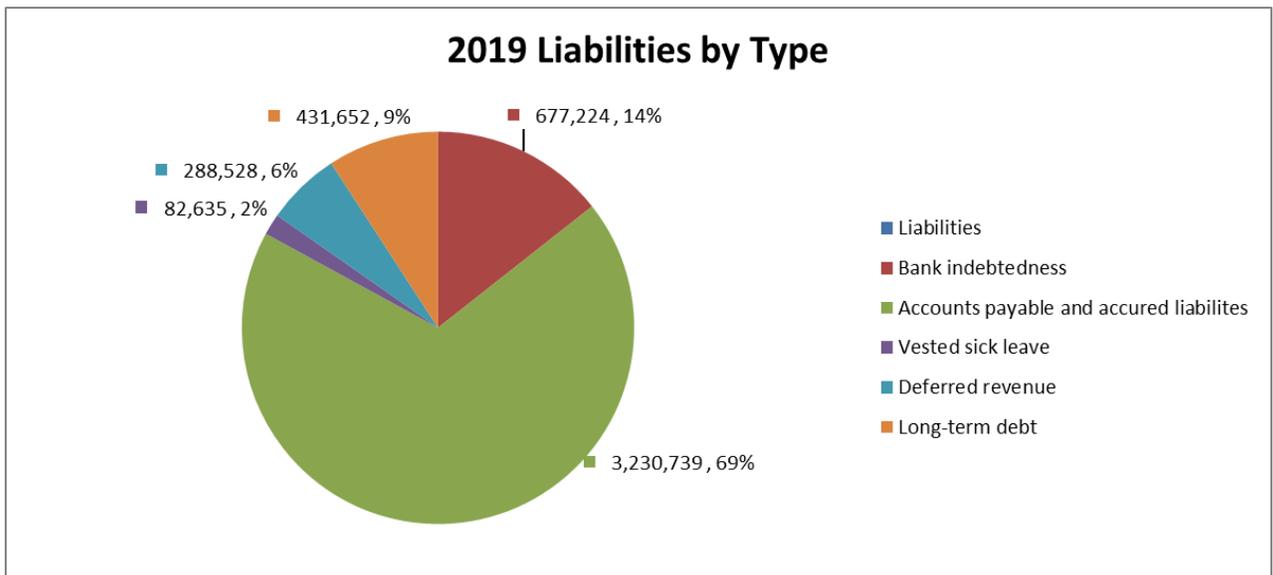
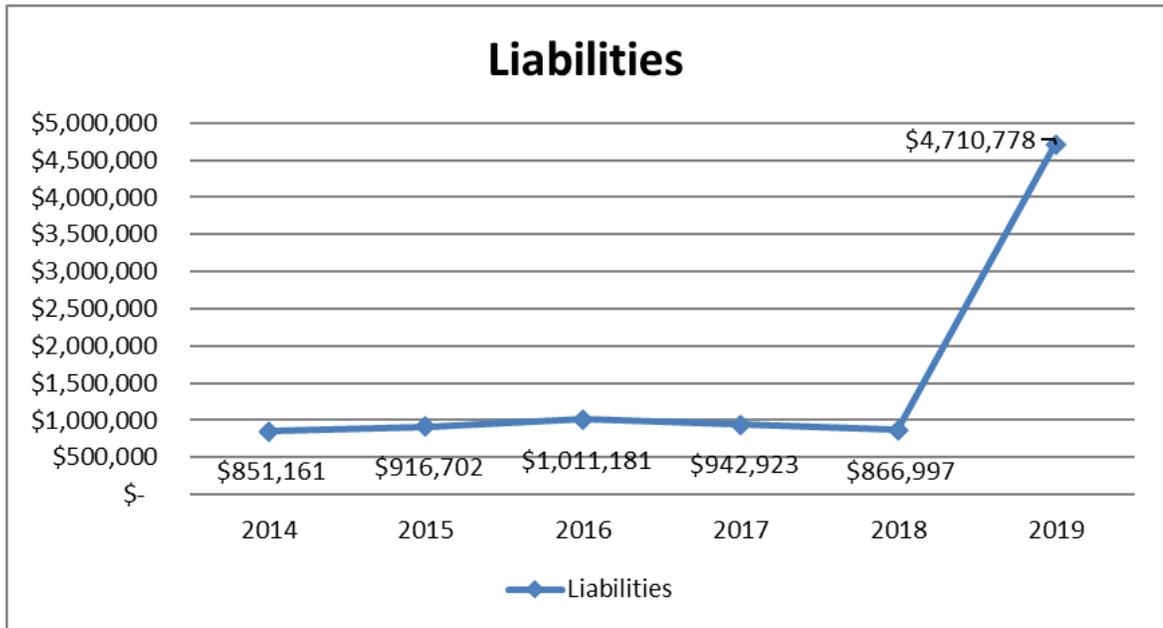
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Other 2019 asset, liability, and reserve balances are listed below and remained relatively unchanged from 2018:

- \$1.3M cash
- \$32K user charges receivable
- \$57K prepaid expenses
- \$83K vested sick leave
- \$0.4M long-term debt
- \$0.8M reserves
- \$0.5M reserve funds

**ORGANIZATIONAL REVIEW  
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### **3.2. Statement of Financial Operations – Comparison to Prior Year**

The 2019 surplus of \$10.3M was a significant improvement from the 2018 year that ended with a \$0.2M deficit. The \$10.5M increase from 2018 was primarily due to government grant revenue of \$11.8M received for the new pollution control plant as referenced above. An additional increase can be expected for 2020 once the majority of the remaining portion of the \$25.5M project grant funds are received, although this is not reflected in the 2020 budget.

Total revenues from all sources were \$14.2M. Aside from the pollution control plant, 2019 revenues remained relatively stable compared to 2018.

Total expenses were \$3.9M. Expenses also remained relatively stable from 2018. One exception was the \$0.4M increase in the general government department. A large portion of this difference is due to the provision for doubtful taxes receivable where \$620,591 were written off, compared to \$370,037 written off in 2018.

Salaries comprise 33% of total expenses at \$1.3M and are the largest segmented expense type. Statistical information on Schedule 80 of the 2019 FIR<sup>2</sup> shows the following number of staff positions:

#### **10 Full-time; 31 Part-time; 8 Seasonal**

The Schedule of Water Operations shows a 2019 deficit of \$149K. This is an increase of \$22K from the \$127K deficit in 2018. The 2019 deficit is primarily driven by the non-cash amortization of \$114K.

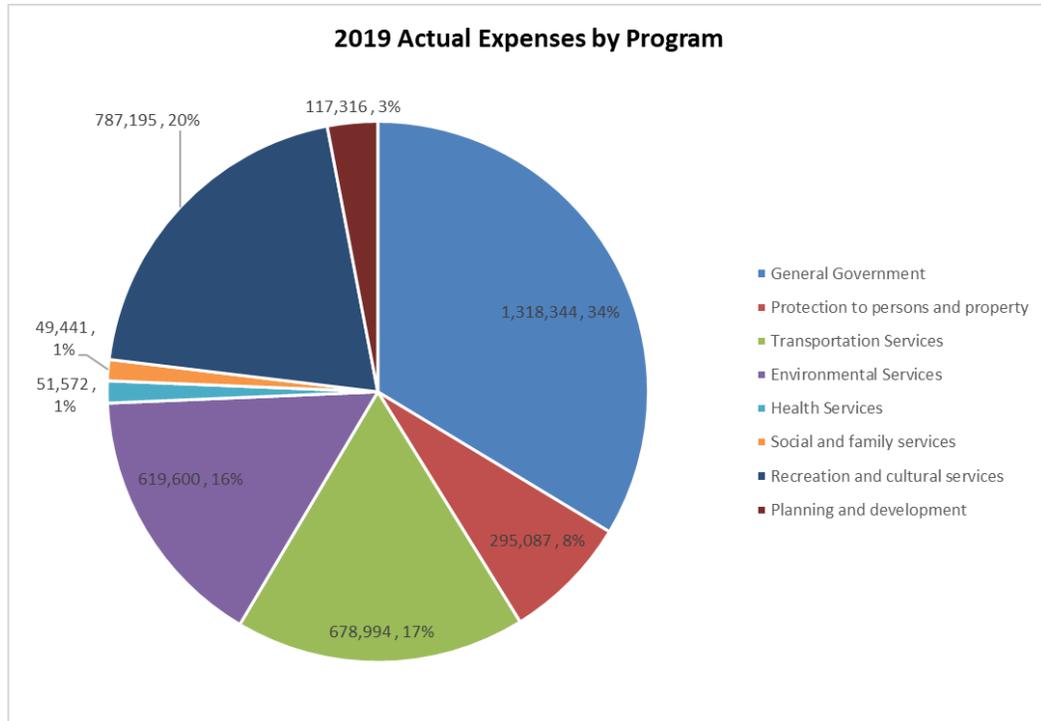
The Schedule of Sewer Operations shows a \$10.8M surplus in 2019, largely due to the government grants received for the pollution control plant. However, when government capital grants are excluded, it shows a deficit of \$25K for 2019, including amortization. In comparison, 2018 had a deficit of \$5K.

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<sup>2</sup> Township of Red Rock, Financial Information Return, 2019, Accessed from:  
<https://efis.fma.csc.gov.on.ca/fir/ViewFIR2019.htm#5841>

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In 2019 Red Rock made a net transfer of \$0.2M to reserves and reserve funds, compared to a net withdrawal of \$0.4M in 2018.



**3.3. Statement of Financial Operations – Comparison to Budget**

Compared to the budget, the 2019 surplus was \$10.2M higher than the \$0.1M budgeted surplus, primarily due to unbudgeted government grant revenue for the pollution control plant.

In total, revenues were \$10.9M higher than budget. Government grants of \$11.8M were \$10.6M higher than the budget of \$1.1M.

Other notable revenue variances include:

- Water and sewer billing revenues were \$20K higher than budget
- Other fees were \$54K higher than budget
- Permits and licenses were \$206K higher than budget
- Investment income was \$16K lower than budget due to the redemption of portfolio investments

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Compared to the budget, total expenses were \$0.8M higher than budget. This is primarily due to increasing the provision for doubtful taxes receivable (\$0.6M) in the General Government department.

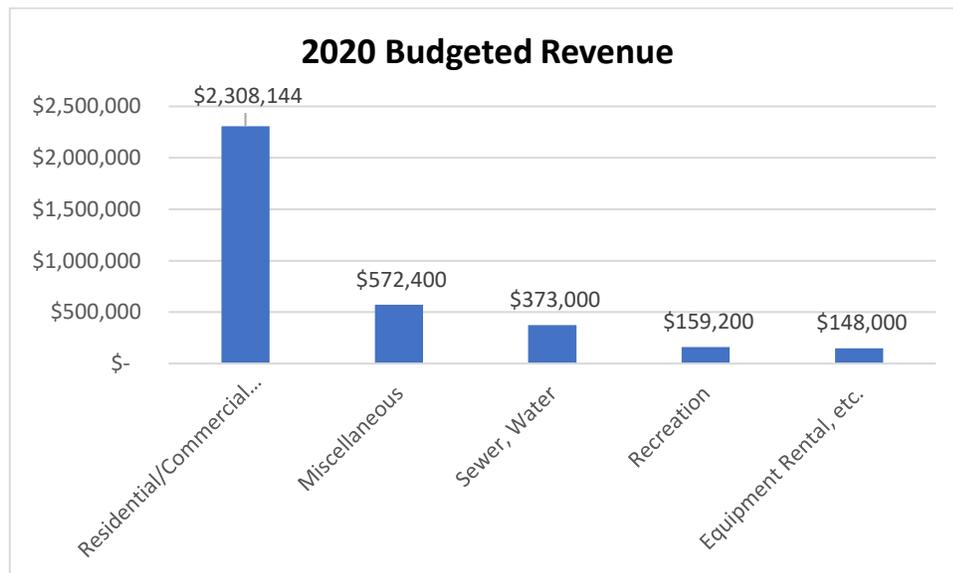
Other notable expense variances include:

- Transportation services were \$100K higher than budget
- Environmental services were \$100K lower than budget
- Health services were \$20K higher than budget
- Planning and Development were \$18K higher than budget

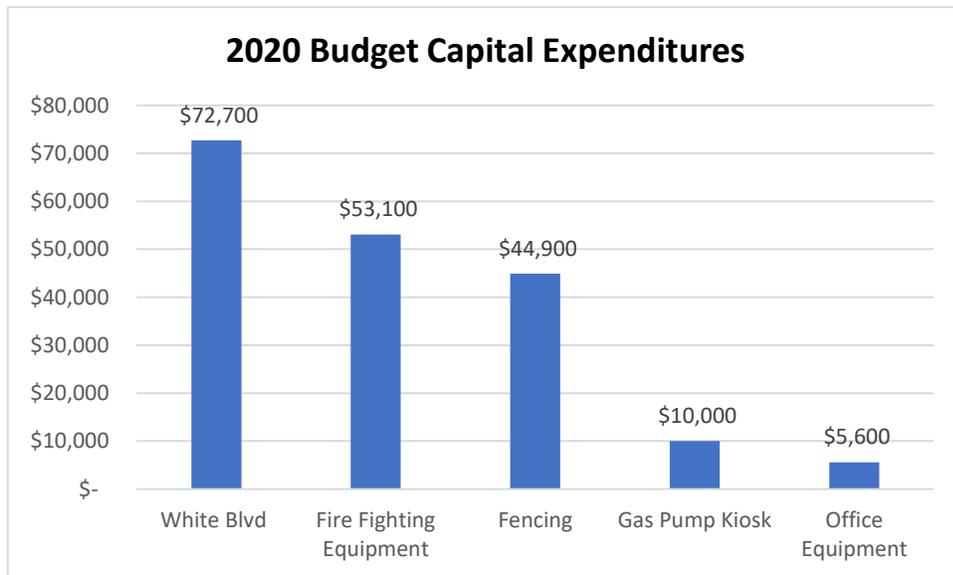
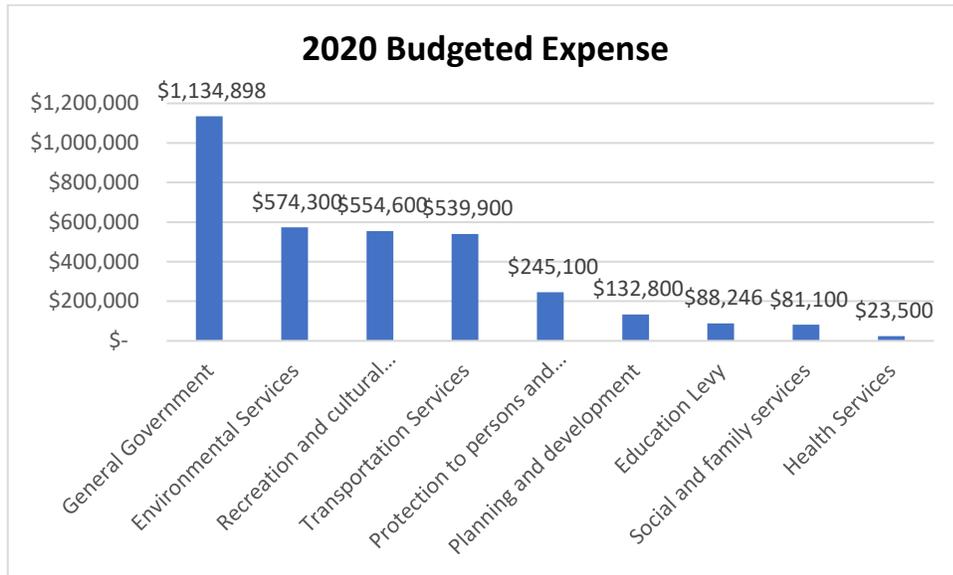
### 3.4. Budget Strategy

The 2020 budget strategy was based on the prior year values plus inflation, and with the intention that the annual surplus is used to fund capital additions.

The budgeted revenue, expense, and capital expenditures by category are presented in the graphs below.



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**3.5. Financial Situation Analysis**

**3.5.1. Reliance on Grant Funding**

With exception of the government grants for the new pollution control plant, Red Rock would likely have posted a small surplus (\$0.1M) as budgeted in 2019 wherein operating revenues nearly matched expenses. This demonstrates the extent of how reliant the township is on government grants to fund capital infrastructure. Up until 2019, the accumulated surplus had been declining. Without external assistance from government grants, this downward trend would have likely continued. The new pollution control plant will strengthen Red Rock’s capital base and improve the overall condition rating of tangible capital assets; however, Red Rock will still require significant surpluses to build up reserves to fund infrastructure investment.

**3.5.2. Asset Management**

The 2019 total reserve balance is \$0.8M and the 2020 budget anticipates a \$0.2M surplus to be used for capital projects. This is significantly inadequate to maintain local asset infrastructure needs as recommended in the [2014 Asset Management Report](#) where a **Total Annual Deficit of \$682,340** was calculated. Red Rock’s asset management strategy has not improved since 2014 when assets were funded at only 9% of their long-term requirements (p.59). An average **annual** capital investment of \$750K was recommended in the 2014 report,<sup>3</sup> as summarized in the report excerpt shown in the table below.

Table 1. Summary of General Capital Requirements & Current Funding Available						
Asset Category	Average Annual Investment Required	2014 Annual Funding Available				Annual Deficit/Surplus
		Taxes	Gas Tax	Other Grants	Total Funding Available	
Buildings	271,000	0	0	15,000	15,000	256,000
Land Improvements	128,000	0	0	2,000	2,000	126,000
Machinery & Equipment	232,000	0	0	38,285	38,285	193,715
Vehicles	119,000	0	0	12,375	12,375	106,625
<b>Total</b>	<b>750,000</b>	<b>0</b>	<b>0</b>	<b>67,660</b>	<b>67,660</b>	<b>682,340</b>

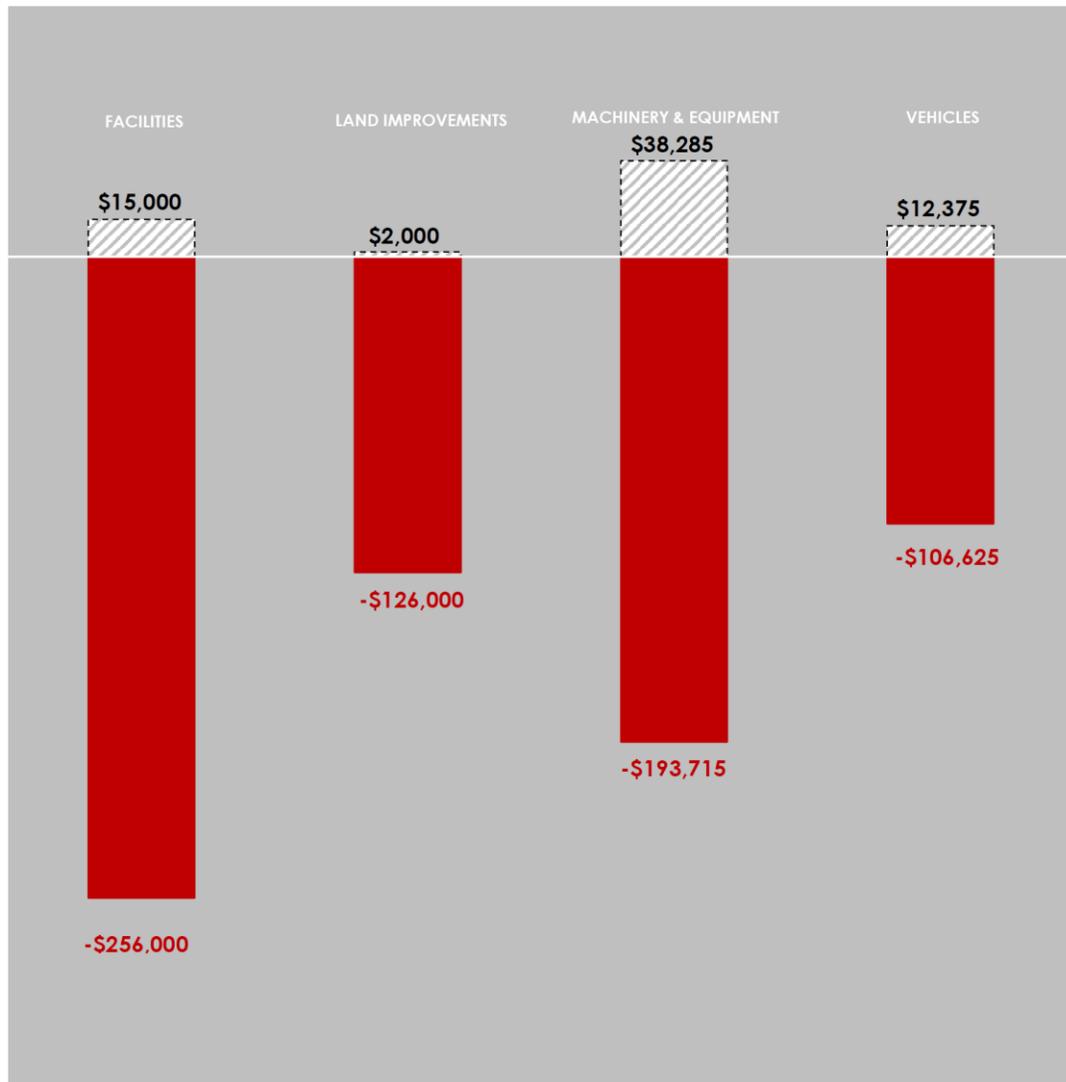
<sup>3</sup> The Asset Management Plan for the Township of Red Rock, 2014, Public Sector Digest. Accessed from <http://www.redrocktownship.com/wp-content/uploads/2018/08/asset-mangement-plan-part-ii.pdf>

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The above table data is also shown in graphical format in the excerpt below (p.15). Red Rock received an overall rating of 'F' in each asset category and a cumulative GPA of 'F'.

State of the General Capital  
The Township of Red Rock

AVERAGE ANNUAL FUNDING REQUIRED vs. AVERAGE ANNUAL FUNDING AVAILABLE



Total Annual Deficit: **\$682,340**

 Annual Funding Available  
 Annual Funding Deficit

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The 2014 asset management report recommended a 15-year strategy to achieve full funding of capital requirements and provided tax increase options in the following table:

*d) increasing tax revenues **by 3.09% each year for the next 15 years** solely for the purpose of phasing in full funding to the asset categories covered in this section of the AMP.*

<b>Table 3. Revenue Options for Full Funding</b>				
	Tax Revenues			
	5 Years	10 Years	15 Years	20 Years
Annual tax increase required	9.28%	4.64%	3.09%	2.32%

The 2014 asset management report recommendations were not followed by Red Rock officials. Now, six years later, the funding problem has compounded. Red Rock must accelerate its contribution to reserves for other future capital projects. The annual capital investment will need to be adjusted in future years to account for the 2021 pollution control plant.

The key recommendations of the 2014 Asset Management Report are listed below for emphasis:

- Increasing tax revenues each year to phase in full funding for infrastructure
- Increasing capital budgets by the inflation index
- Presenting a “cost per household” (CPH) analysis to determine the financial obligation of each household in sharing the replacement cost of the Township’s assets. This is an excellent communication tool to convey the importance of asset management to taxpayers.

SAGE concurs with the Asset Management Report that an asset management plan does not include debt financing nor dependency on government grants. Red Rock’s successful federal/provincial grant application for the pollution control plant is a remarkable accomplishment that will help to revive one part of the community’s unfunded and critically aging infrastructure.

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Red Rock should continue efforts to seek and explore diverse revenue sources. To be conservative, Red Rock should strive to fund infrastructure independently with internal funds, since the political and economic environment for grants and loans can be volatile.

Municipal asset management planning is required by legislation<sup>4</sup> within the *Infrastructure for Jobs and Prosperity Act* and regulations quoted below. An important compliance date of July 1, 2021 is approaching.

### ***Asset Management Plans***

#### ***Asset management plans, current levels of service***

***5. (1) Every municipality shall prepare an asset management plan in respect of its core municipal infrastructure assets by July 1, 2021, and in respect of all of its other municipal infrastructure assets by July 1, 2023.***

Guidance, resources, and grant applications are available to assist Ontario municipalities with achieving compliance with asset management planning. For example, compliance phases are referenced in the following MFOA<sup>5</sup> excerpt:

*Requirements for the development of an asset management process are also outlined in a regulation of the IIPA (O.Reg 588/17):*

*1. A Strategic Asset Management Policy by July 1, 2019 (discussed in detail in Chapter 2);*

*2. Municipalities would be required to prepare an asset management plan in three phases:*

*a. **Phase I** would address core infrastructure assets (i.e. roads, bridges, culverts, wastewater, water, and stormwater) and would be required to be completed by July 1, 2021.*

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<sup>4</sup> O. Reg. 588/17: Asset Management Planning for Municipal Infrastructure, 2017. Accessed from: <https://www.ontario.ca/laws/regulation/r17588>

<sup>5</sup> Municipal Finance Officers' Association of Ontario, 2018, p.16. *A Guide to Asset Management for Municipalities in Ontario*. Accessed from: [http://mfoa-amp.ca/AMF/AMF\\_01C.pdf](http://mfoa-amp.ca/AMF/AMF_01C.pdf)

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*b. **Phase II** would expand on Phase I by including all infrastructure assets in the plan by July 1, 2023.*

*c. **Phase III** would require further details to be provided for all infrastructure assets by July 1, 2024.*

Local officials described ongoing efforts along Red Rock's asset management journey. Important steps have been taken and management continues to work with external consultants to access the required expertise. A summary action list is provided below:

- **December 2018:** Strategic Asset Management Policy approved by Red Rock Council.
  - This demonstrates local leadership to develop and implement an asset management program, along with the required infrastructure planning and investment.
- **April 2019:** Phase I of Asset Management Plan was completed.
  - Management staff worked with expert consultants to complete AMP Phase I requirements well ahead of the July 1, 2021 deadline.
- **December 2019:** A grant application was prepared requesting funding to complete Phase II and III of the legislated requirements for asset management planning. Grant approval remains pending.

An updated study on asset management is needed to determine the optimum annual contribution to reserves for the current tangible capital asset base. Overall, the new contribution estimates would be significantly higher than amounts previously recommended for the following reasons:

- The \$25.5M pollution control plant will double the tangible capital asset base, rising from \$25.5M in the beginning of 2019 to \$50.5M by the end of the project completion.
  - The annual amortization expense of the pollution control plant will be significant. If the useful life of this asset is estimated to be 75 years, the amortization expense would be \$340K per year. Or, if the useful life is 40 years, the amortization expense would be 638K per year.

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- The landfill closure and post-closure costs need to be determined in the near future. These costs are unknown and unaccounted for in the budget and financial statements. The auditor's qualified opinion suggests that the amount is material. Local officials were aware of this issue for the last 10+ years.
  - An engineering study is needed to determine the landfill costs so that officials can plan for remediation, ongoing monitoring, and generating associated revenue. Identifying and disclosing the landfill closure and post-closure costs will result in better planning and would remove that basis for the auditor's qualified opinion on future financial statements.

### 3.5.3. Water and Sewer Operating Deficits

The departmental deficit in Water Operations in recent years shows that the fees charged are insufficient to cover expenses when amortization is considered. This indicates that Red Rock does not have funds to replace aging infrastructure. Sewer Operations has also operated at a deficit in the past, however, government grants in 2019 covered the capital asset replacement costs.

Under *Bill 13, Sustainable Water and Waste Water Systems Improvement and Maintenance Act, 2010*,<sup>6</sup> municipalities are encouraged to promote full cost recovery for water and wastewater services. The Purposes of the Act include:

#### ***Purposes***

##### ***1. The purposes of this Act are,***

***(a) to ensure that public ownership of water services and waste water services is maintained;***

***(b) to promote full-cost recovery and full-cost accounting of water services and waste water services;***

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<sup>6</sup> Bill 13, Sustainable Water and Waste Water Systems Improvement and Maintenance Act, 2010. Accessed from: <https://www.ola.org/en/legislative-business/bills/parliament-39/session-2/bill-13>

## ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON

*(c) to encourage an increase in scale and capacity in the provision of water services and waste water services to minimize costs to the public;*

*(d) to improve transparency in the provision of water services and waste water services to the public through the establishment of publicly-owned corporations; and*

*(e) to create an independent economic regulator with the expertise and authority to administer this Act.*

Considering the direction of current legislation, as well as political and economic uncertainty, it is prudent for municipalities to plan to fund operations internally, without relying on external funding sources such as federal and provincial grants. SAGE recommends increasing user fees to achieve full cost recovery.

Increasing utility rates to achieve full cost recovery may not be a welcome message for some community members. The public consultation survey results provided in this report show that a total of 66% survey respondents felt that the utility fees are just right, 17% felt the fees were too high and 7% felt that the fees were too low. Transparency and ongoing education will be needed to promote awareness of Red Rock's financial situation and the need for infrastructure investment.

SAGE heard concerns that rural residents pay disproportionately higher taxes and receive less services since these properties do not have water or sewer connections. The past financial strategy of running deficits in utility services means that a portion of utility related expenses are covered through general taxation of the community at large. The financial strategy could be improved through a stronger user-pay focus where those who use the service pay for the service.

User-pay has a strong 'fairness' argument to reduce general taxation proportionately and to ensure that utility departments are fully funded through utility charges. This means that the cost of providing utility services would be predominantly paid by those who benefit from the services. This user-pay alignment would take some pressure away from taxation. Taxes are not expected to drop, however, since there are several other departmental needs and a great need for infrastructure investment in the overall community.

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**3.5.4. Recreation Centre and Waterfront/Marina/Interpretive Centre  
Subsidization**

Red Rock’s assets include a multi-use Recreation Centre and Waterfront Development with a Marina and Interpretive Centre. Financial records show the following deficits generated in these departments:

<b>Total Recreation</b>		<b>Waterfront Park</b>	
<u>2019</u>		<u>2019</u>	
25,777	Revenue	76,589	Revenue
238,388	Expense	203,677	Expense
61,037	Amort	216,354	Amort
<hr/>		<hr/>	
299,425	Total Expense	420,031	Total Expense
<b>273,648</b>	<b>Deficit</b>	<b>343,442</b>	<b>Deficit</b>

In 2019, the recreation centre and parks ran a \$274K total deficit. The Waterfront Park (including Marina and Interpretive Centre) ran a \$343K deficit. Most amenities in these facilities were closed in 2020 due to COVID-19 health restrictions. On a typical year recreation services are heavily subsidized through taxation so that the use of the service is not cost-prohibitive. There is no fee charged to walk through a park, for example. Red Rock arena registration fees generated \$5,400 in 2019, which covers only a fraction of the cost to run the ice plant, pay for power, gas, insurance, staffing, and amortization.

The public consultation survey revealed a divided opinion on subsidizing the Recreation Centre and Waterfront facilities. Survey responses showed 57% and 48% were in favour of subsidizing the facilities respectively.

Survey respondents felt that the recreation centre was aging and underutilized. Many comments supported expanding activity programs and exploring alternate uses for the space, as well as building partnerships to increase usage and obtain grant funding for renovations. Investing in the recreation centre can be vital to building a community hub and keeping residents in the community.

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Many survey respondents felt that the waterfront and marina are an important “jewel” to the community, a key to attracting tourism, and that these facilities have been underpromoted and therefore underutilized. Investing in promotional activities could increase usage, reduce subsidization of the facilities, and stimulate Red Rock’s economy.

There were also many survey comments that were strongly negative towards the Interpretive Centre. While some enjoyed the interpretive centre and felt there was potential, many thought it was an ineffective use of taxpayer dollars. Like the recreation centre, it is underutilized (closed restaurant, limited hours during the year), however many felt that it offers too few benefits to residents and tourism to be a worthwhile investment.

Despite some optimism for the recreation centre and the waterfront possibilities, there is a sizable group of residents who are not in favour of subsidization. This sentiment is also reflected in the survey question on property taxes where 61% of respondents felt that taxes were too high, 30% just right, and 3% felt that taxes were too low. It will be a challenge for residents to accept an increase in property taxes. Red Rock may find support if a strategic plan for community development that invests in local strengths is well communicated to the public.



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### 3.5.5. Provision for Doubtful Taxes Receivable

The \$0.6M provision for doubtful taxes receivable in 2019 is indicative of the magnitude of Red Rock's struggle to collect taxes; this loss is almost *half* of the entire 2019 General Government department expense. Combined with the \$0.4M written off in 2018, Red Rock has lost **nearly \$1.0M** in just two years due to uncollectable taxes. Including doubtful accounts for further years, the amount of lost collections is much higher.

### 3.5.6. Budget Variances

A budget variance is the difference between a budget estimate and the actual amount. For Red Rock, budget variances have increased since 2015. The gap between planned and actual activity indicates that several assumptions and figures used in the budgeting process were inaccurate. In 2019, the \$10.3M surplus was far from the \$0.1M budgeted surplus, largely due to project grant revenue received.

The 2020 budget did not appear to account for the effects of the continued construction of the pollution control plant such as deferred revenues, receivables, and work-in-progress. As a result, the 2020 actuals will likely vary dramatically from the budget.

The timing of budget approvals stretched well into the budget year, such as May 2020, June 2019, June 2018, and May 2017. It could be expected that budget estimates would more closely reflect actual values when budget approval occurs several months into the year, where there is more certainty on what the year will bring.

Regular financial reporting to council on the overall operations is important and should clearly show budget variances for departments and projects. This detail is needed so that local leaders can provide important financial oversight. Current management made efforts to provide financial reports to council.

The "prior year plus inflation" approach to budgeting may be simple, however, the situation in Red Rock is complex. An assessment of priorities and strategies is recommended to thoughtfully plan for revenue sources and allocate expenditures that are most beneficial for the community.

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The budget preparation process was largely concentrated in the CAO position. Management staff indicated that they had input into their department budget, and that they received internal monthly financial reports for monitoring. Open communication among departments and staff is needed to maximize the expertise of departmental and finance knowledge to build a budget that meets operational needs and aligns with the strategic plan. A more effective process would include stronger financial planning and budget approval prior to the start of the budget year.

Red Rock has typically missed the [June 1](#) provincial deadline to complete annual financial statements and submit the Financial Information Return for the previous year. These delays were caused by the lack of internal capacity to prepare for the annual audit. Examples of audit delays include:

- 2019 completed in June 2020
- 2018 completed in September 2019
- 2017 completed in August 2018
- 2016 completed in July 2017
- 2015 completed in July 2016

Increased finance staff capacity is needed to guide the budgeting process and the audit preparation process. Timely and accurate completion of these key financial tasks is needed. Timely preparation of the yearend financial statements will also provide clarity on the starting point for the next budget year.

### 3.6. Internal Controls

Segregation of duties for accounting tasks is an important internal control to protect individual staff members and to safeguard an organization from potential dishonest actions.<sup>7</sup>

Red Rock has a small number of staff, but strong internal control practices can still be incorporated. For example, the person receiving cash at the front counter

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<sup>7</sup> Segregation of Duties source: <https://www.accountingcoach.com/blog/what-is-the-segregation-of-duties>

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should not be the same person that prepares the bank deposit and reconciles bank accounts.

Strong internal controls are needed wherever cash is handled in operations, such as in the municipal office, recreation facilities, waterfront services, and the landfill. This helps to ensure proper accounting and honesty in reporting revenue.

There was no indication of any dishonest action regarding cash management. However, it was noted that bank reconciliations were not completed in a timely manner each month, leaving the organization vulnerable to unknown error. Management described a process that was in place for many years. Cash handling protocols should be reviewed to protect individual staff and the organization; and a more timely bank reconciliation process is needed for regular financial reporting.

### 3.7. Finance Recommendations

1. **Infrastructure Investment:** That Red Rock increase tax revenues each year to phase in full funding for infrastructure as recommended in the 2014 Asset Management Report; and in accordance with the December 2018 Strategic Asset Management Policy approved by Red Rock Council.
2. **Utility Fees:** That Red Rock increase user fees to achieve full cost recovery for water and sewer operations.
3. **Reports to Council:** That regular financial reporting to council on the overall operations be provided at least quarterly, including the following:
  - a. Balance sheet
  - b. Income statement, showing budget variances
  - c. Capital project expense report
4. **Budget Timing:** That the budget approval process be completed prior to the start of each budget year.

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5. **Budget Strategy:** That the budget strategy have a stronger focus on priorities and expenditures that are most beneficial for the community, rather than a simple prior year plus inflation approach.
6. **Internal Controls:** That internal controls be strengthened by incorporating segregation of duties related to handling cash, receiving revenue, and reconciling bank accounts.

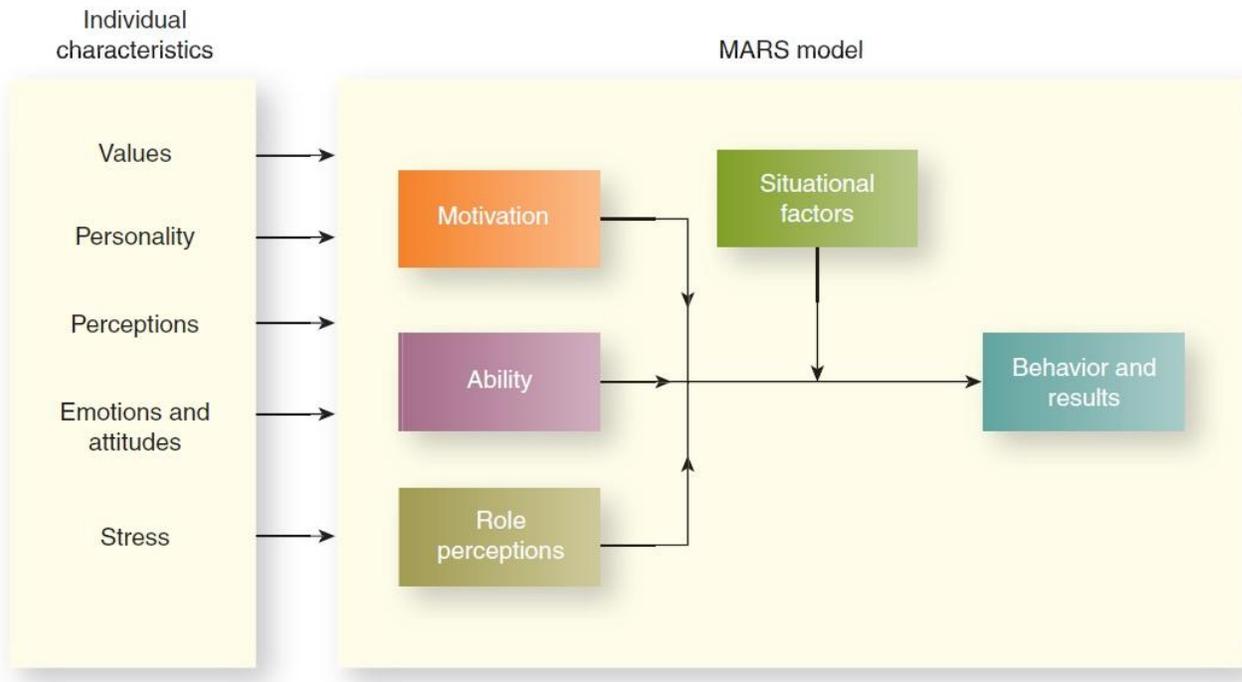


# ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON

## 4. ADMINISTRATION AND ORGANIZATIONAL PERFORMANCE

### 4.1. MARS Model

Organizational performance is driven by individual contributions to the collected whole. It makes sense to understand and remove barriers so that each staff member can perform at their highest level. Academic research identifies key variables that impact individual performance shown in the graphic below using the MARS Model of Individual Behaviour.<sup>8</sup> The MARS acronym refers to **M**otivation, **A**bility, **R**ole Perceptions, and **S**ituational Factors.



*1 Graphic adapted from McShane, Von Gilnow; Organizational Behavior*

Based on the MARS model, employees should have strong individual behaviour and performance when they are **motivated** to work; have the **ability** (qualifications) to perform required tasks; understand their **role** in the organization; and have a productive, healthy work environment/**situation**.

<sup>8</sup> MARS Model source: <https://relivingmbadays.files.wordpress.com/2012/09/mars-model.jpg>

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The MARS model can help frame and explain underlying frustrations of some Red Rock staff members. A few examples include:

1. Outdated staff job descriptions contributed to a **lack of role clarity**.
2. Lower qualified staff were promoted from within to fill senior positions. Opportunities for staff development were present, but a **lack of important qualifications** in some positions caused staff frustration at work.
3. Project demands and heavy workload created an **intense work environment**. Office staff had the additional pressure of transitioning to a new municipal software system. Public works staff had operational challenges of managing infrastructure that lacked significant investment.

Individual staff contributions were negatively impacted by several variables. Even when staff were motivated to work and brought a willing spirit, a lack of role clarity, lack of qualifications, and situational factors inhibited individual behaviour and performance. Several staff referred to the work environment as “Management by Crisis” without proper attention to planning. Without changes, staff and the organization as a whole will continue to struggle.

One option to increase efficiency and reduce staff workload and costs is to change the utility billing frequency to ‘every second month’ rather than monthly. Public feedback would be needed before making any billing frequency changes to gauge the level of support and impact on households and businesses.

A greater level of financial expertise is needed to skillfully quarterback the many financial processes in the community. An individual with a CPA level qualification is recommended. Red Rock has begun recruiting for a Director of Corporate Services position, and SAGE agrees with that effort. Additionally, an updated management-level organizational structure is recommended and provided in this report.

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**4.2. Job Descriptions**

Staff job descriptions were updated and completed in-house during 2020. Management described that staff provided input into developing their respective job descriptions.

There are many resources available to assist in developing a job description template for the organization. The following graphic is one format example:<sup>9</sup>

<b>Job Description Content</b>	<b>Description</b>
Job Title & Reporting	<ul style="list-style-type: none"> <li>■ The title of the position and the supervisory / managerial job title that the position reports to.</li> <li>■ This should not include the incumbent's or supervisor's name—only position titles.</li> </ul>
Job Purpose	<ul style="list-style-type: none"> <li>■ A brief overview of why the position exists.</li> </ul>
Primary Duties and Responsibilities	<ul style="list-style-type: none"> <li>■ A brief explanation of the essential duties of a position.</li> <li>■ Generally 4–6 major responsibility statements should be adequate to describe the position.</li> <li>■ The usual format consists of describing what the employee is required to do. This may be followed by why the responsibilities are performed.</li> <li>■ Start each accountability statement with an action verb.</li> </ul>
Qualifications	<ul style="list-style-type: none"> <li>■ Qualifications should reflect the minimum required educational and experiential requirements to perform the job.</li> <li>■ Consider the question: "What would I need if I was hiring for this position tomorrow?"</li> <li>■ It is irrelevant to include the incumbent's specific level of experience or education.</li> </ul>
Experience	<ul style="list-style-type: none"> <li>■ Designed to focus on experience and knowledge, skills, and abilities required to perform the work to the required standard.</li> <li>■ Skills should be specific and measurable.</li> </ul>
Competencies	<ul style="list-style-type: none"> <li>■ Competencies are the observable abilities, skills, knowledge, motivations or traits defined in terms of behaviours needed for successful performance.</li> <li>■ They are "what is needed to get the job done".</li> </ul>
Working Conditions	<ul style="list-style-type: none"> <li>■ Common or typical working conditions.</li> </ul>

The staff performance appraisal process was recently improved to be completed annually for all staff. Public works staff indicated that they had not received performance evaluations in recent years, and management described how the appraisal process was being brought up to date. Timely and meaningful feedback is important for staff development. Performance appraisals can reward positive behaviour, identify areas for additional training, and provide overall supervisor feedback on individual staff performance.

<sup>9</sup> Job Description Source: [https://www.ictc-ctic.ca/wp-content/uploads/2012/06/ICTC\\_HRTipSheetJobDesc\\_EN.pdf](https://www.ictc-ctic.ca/wp-content/uploads/2012/06/ICTC_HRTipSheetJobDesc_EN.pdf)

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**4.3. Administration Recommendations:**

1. **Management Position:** That Red Rock establish and recruit a new Director of Corporate Services position, responsible to oversee all financial functions for the municipality.
2. **Job Descriptions:** That job descriptions for all staff positions be reviewed annually to encompass any changes to position responsibilities and tasks; and that a consistent template be used throughout the organization.
3. **Performance Appraisals:** That formal staff appraisals be completed for all staff, at least annually.



## **5. PROTECTIVE SERVICES**

### **5.1. Policing**

Policing is provided by the Ontario Provincial Police ([OPP](#)). Annual service contract costs for municipalities are determined by a formula in the Ontario *Police Services Act*, RSO 1990, c. p.15, [O Reg 267/14n: Amount Payable by Municipalities Under Section 5.1 of the Act for Ontario Provincial Police](#).

Red Rock's policing contract costs totalled \$150,810 for 2019.

### **5.2. Bylaw Enforcement**

Bylaw enforcement was provided through a new contract for services, beginning in November 2019 for on-call services. A qualified contractor was retained for bylaw enforcement services; however, the contract was temporarily discontinued by September 2020. Related services were subsequently being provided by in-house staff. Town staff did not indicate that they have formal training in this field.

Community safety is important and bylaw enforcement services ensure consistency application and enforcement of local laws such as animal control and property use. Staff safety is also important, and staff could be at risk if they attempt to complete tasks without proper training. It is an efficient, logical fit to contract out periodic bylaw enforcement services.

### **5.3. Bylaw Recommendations:**

1. **Bylaw Enforcement Contract:** That Red Rock continue to contract out bylaw enforcement services for the community.
2. **Regional Service:** That Red Rock explore shared services options with regional municipal neighbours to retain bylaw enforcement expertise.

#### **5.4. Emergency Management**

Emergency management responsibilities were provided by the Red Rock CAO as of the date of this report, following the June 30, 2020 retirement of a previously appointed Community Emergency Management Coordinator (CEMC).

Municipalities are required to develop and implement an emergency management program, along with training programs and risk assessment. This legislation is provided in the *Emergency Management and Civil Protection Act*, [RSO, 1990, cE.9](#):

##### ***Municipal emergency management programs***

**2.1** (1) *Every municipality shall develop and implement an emergency management program and the council of the municipality shall by by-law adopt the emergency management program. 2002, c. 14, s. 4.*

##### ***Same***

(2) *The emergency management program shall consist of,*

(a) *an emergency plan as required by section 3;*

(b) *training programs and exercises for employees of the municipality and other persons with respect to the provision of necessary services and the procedures to be followed in emergency response and recovery activities;*

(c) *public education on risks to public safety and on public preparedness for emergencies; and*

(d) *any other element required by the standards for emergency management programs set under section 14. 2002, c. 14, s. 4.*

##### ***Hazard and risk assessment and infrastructure identification***

(3) *In developing its emergency management program, every municipality shall identify and assess the various hazards and risks to public safety that could give rise to emergencies and identify the facilities and other elements of the infrastructure that are at risk of being affected by emergencies. 2002, c. 14, s. 4.*

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Red Rock is compliant with the provincial requirements for emergency planning. A 2017 Emergency Plan<sup>10</sup> is in place for the municipality and is accessible on the municipal website:

The 2020 year proved particularly challenging for all Canadian municipalities as emergency measures were activated in response to the COVID-19 pandemic (<https://www.who.int/>).

The past Red Rock CEMC identified a significant time commitment and suggested that a more fulltime effort is needed to fulfill the position responsibilities and provincial reporting requirements. These responsibilities are currently added to the existing staff workload for the CAO, who has emergency management qualifications. Vesting the CEMC responsibilities in the CAO position answers the need for oversight but should be considered a short-term solution. Service continuity is at risk if there is turnover in the CAO position.

Regional emergency management efforts were in place through coordinated training exercises, such as an annual tabletop exercise for the Community Control Group (CCG) involving local personnel, outside agencies, and the neighbouring [Township of Nipigon](#). The Red Rock Emergency Operations Centre (EOC) is located in the lower level of the municipal office. The EOC contained one dedicated phone line, rather than a bank of phone lines that would be needed to coordinate a response involving various agencies during a power outage.

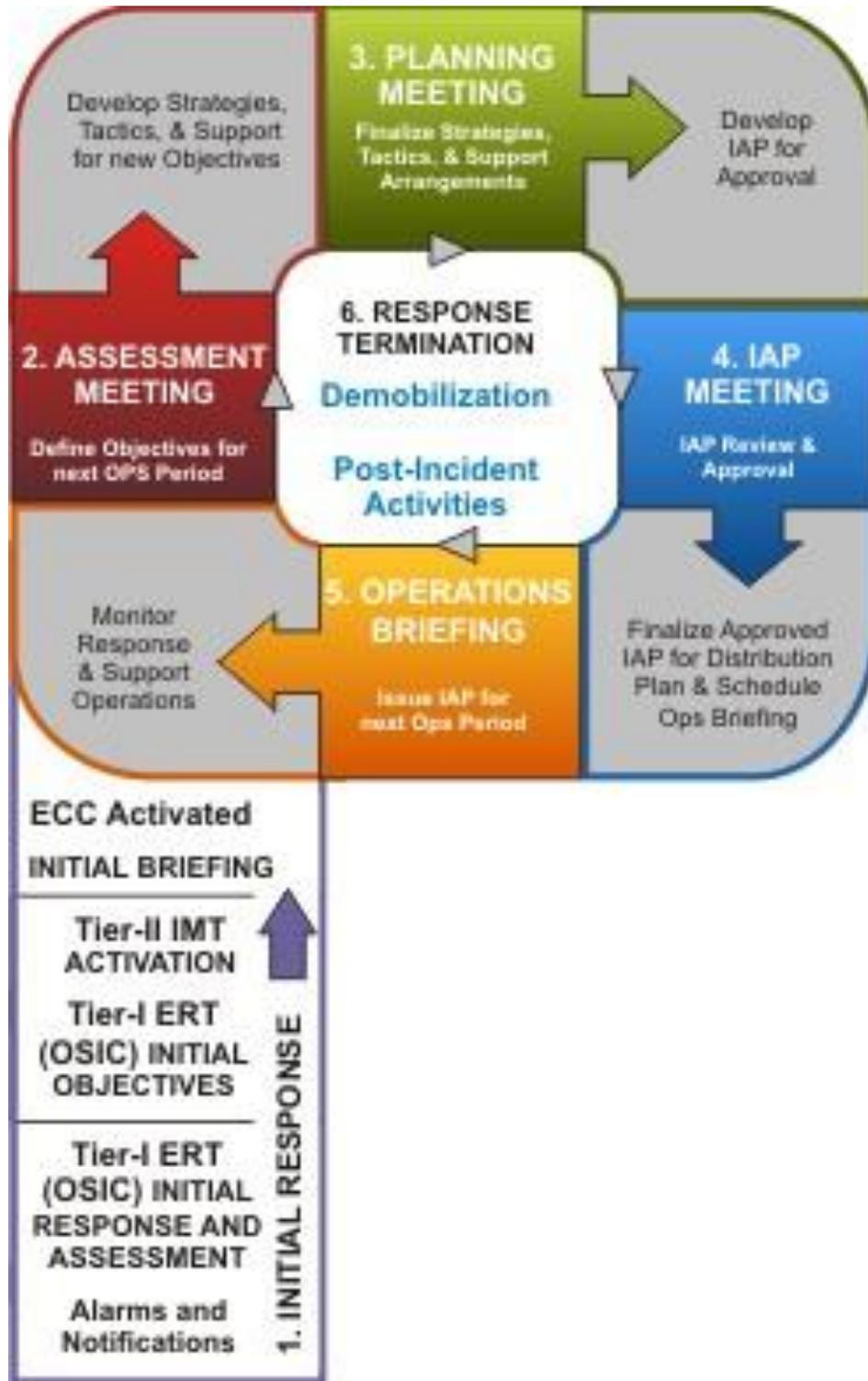
Tabletop exercises should aim to include two planning cycles in a training day to avoid a rushed process and to allow participants to absorb the training. A recommended format is to follow steps in the EOC Planning “P” shown in the image below.<sup>11</sup> This models the incident management process for one operational period. Note that ECC (Emergency Coordination Center) is equivalent to EOC (Emergency Operations Center). An additional ‘Planning P’ model is provided in an appendix to this report.

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<sup>10</sup> Red Rock 2017 Emergency Plan; Accessed from: <http://www.redrocktownship.com/wp-content/uploads/2018/08/emergency-plan-for-township-of-red-rock-pdf>

<sup>11</sup> EOC Planning ‘P’ source: <https://www.emergency-response-planning.com/blog/bid/55017/the-emergency-operations-planning-p>

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*Image 1: EOC Planning 'P' process*

**5.5. Emergency Management Recommendations:**

1. **EOC Training Exercises:** That Red Rock EOC training with annual tabletop exercises include two planning cycles per training day for the Community Control Group (CCG).
2. **EOC Resources:** That the Red Rock Emergency Operations Centre (EOC) resources be reviewed to ensure there is access to an adequate number of phone lines and supplies to effectively coordinate a response.
3. **Reporting Structure:** That the CEMC position report to the CAO in the Red Rock organizational chart.
4. **Emergency Plan Update:** That the 2017 Emergency Management Plan be updated at least annually to ensure that the schedules, participants, and contact information remains up to date.
5. **Regional CEMC:** That Red Rock explore shared services options with regional municipal neighbours to establish a Regional Community Emergency Management Coordinator (CEMC) position.

**5.6. Fire Services**

Red Rock fire services are provided through a volunteer fire department of approximately 20 members. The Fire Services Bylaw 2002-863 establishes the Red Rock Fire Department and describes responsibilities and function. An organizational chart shows positions for a Fire Chief, Deputy Chief, six Platoon Chiefs, and related Fire Fighter positions.

**5.6.1. Level of Service**

The 2002 bylaw should be updated to clarify the “**Level of Service**” that council expects the fire department to perform. A small community, such as Red Rock with a standalone fire service cannot afford training and equipment to respond to every type of service call. The right fit is needed to match department member safety with public response expectations on a limited municipal budget. The level of service specifies what the fire department can do and cannot do.

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Suggested level of service resources include:

- St. Paul County, AB, Level of Service Policy (2020).  
<https://www.county.stpaul.ab.ca/wp-content/uploads/2020/01/Mallaig-Fire-Department-Levels-of-Service-Policy.pdf>
- Fire Commissioner of Manitoba, Guide to Service Levels: Fire Fighting (2019).  
<http://digitalcollection.gov.mb.ca/awweb/pdfopener?smd=1&did=26965&md=1>
- NFPA, Fire Service Deployment: Assessing Community Vulnerability.  
<https://nfpa.org/-/media/Files/Membership/member-sections/Metro-Chiefs/UrbanFireVulnerability.ashx>

The level of service for the Red Rock Fire Department should be developed with significant input from the department, as well as through regional discussion with neighbouring departments to consider regional needs.

### 5.6.2. Training

Department members stated that they held regular training nights and gave examples of training to use tools and pumps. Some members stated that their past training efforts were “grandfathered” in relation to current qualifications. Members expressed interest in expanded specialty operations training such as ice rescue, water rescue, fighting forest fires, and search and rescue.

Despite various requests, a sample of fire department training records were not shared with the SAGE team during this organizational review project. Based on department members interview responses, SAGE did not see evidence that any department member or officer was fully trained to the [NFPA 1001](#) Standard for Fire Fighter Professional Qualifications. According to the National Fire Protection Association (NFPA) “*This standard identifies the **minimum** job performance requirements (JPRs) for career and volunteer fire fighters whose duties are primarily structural in nature.*”

This nationally recognized training standard would be valuable for at least officer-level members to achieve. Much of the training can be completed online. NFPA training costs are relatively inexpensive with a \$52 course [textbook](#). The

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time commitment could take up to a year to work through the various modules on a part-time, volunteer basis.

Economical options are available to share resources in the region to complete competency testing requirements for the NFPA training modules. Additional efficiencies could be obtained if a department member in the region was trained to a "Train the Trainer" level. This would be a convenient and effective option to save cost and time for competency testing.

All department members should be made aware of and encouraged to complete the NFPA 1001 training that identifies the minimum job performance requirements (JPRs) for volunteer fire fighters. The department would benefit greatly if even some members were formally trained. For any members who hold a 'grandfathered' training status, this training would be a valuable refresh to officially complete updated training.

### 5.6.3. Records Management

Incident reporting is an important fire department function. Incident reports are official, legal documentation of the events and actions taken during a response. SAGE was not provided with a sample of incident reports for the Red Rock fire department.

Interviews comments from department members show that records management responsibilities were concentrated in the fire chief position where the fire chief completed all reports. This concentrated practice is not recommended. It puts the municipality at legal risk; and should be discontinued immediately.

Instead, the **officer in charge** at the incident should complete the related incident report. This may or may not be the fire chief, depending on availability. This authenticity is required to help protect the municipality during any potential future legal challenges or insurance claims related to a fire department response. Sharing the workload also allows more than one member to develop expertise. Incident reports should be reviewed by the CAO or delegate to add a level of oversight before finalizing.

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Records management software options for incident reporting are available and would help to modernize the fire services records management process. Software options are robust and can also include training records management for members. SAGE was told that current records management practices were in an Excel-based spreadsheet.

A software solution for fire department records management scores high for the modernization goal, but it is cost prohibitive and hard to justify for the Red Rock fire department with a low number of response calls. There were 19 calls to date in 2020, according to an October department report to council.<sup>12</sup> Economies of scale would make this modernization option more affordable if a records management program was shared with other fire departments in the region.

### **5.6.4. Dispatch**

The fire department uses a home-based dispatch for emergency calls. This standalone system appeared to meet the department needs. Department strength included two communications desk officers who demonstrated pride in their role.

Dispatch protocols could be modernized by contracting a professional dispatch service. An external dispatch contract is worth exploring and would improve reliability with a dedicated 24-hour service available. It also adds a layer of support and expertise to the communications function of the fire department.

Contracted professional dispatch services score high on modernization and efficiency. Overall dispatch costs can be reduced when the number of users increases due to economies of scale. Remote dispatch can lack home front familiarity with an area.

Red Rock has mutual aid agreements with surrounding communities and a dedicated dispatch could strengthen communications between departments.

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<sup>12</sup> Fire Department Report to Council, October 19, 2020, (p.39). Accessed from: <https://www.redrocktownship.com/wp-content/uploads/2020/10/ag1019.pdf>

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The importance of mutual aid communications is described by an official in the Northumberland County Ontario region:<sup>13</sup>

*“There is little interoperability between the fire departments in terms of communications, which creates a serious threat to firefighter safety on the fire ground when mutual aid is activated and several fire departments are working together on the same incident. Co-ordination of resources becomes extremely difficult when you can’t communicate.”*

### 5.6.5. Radio Equipment

The fire department radio equipment included 8 portables, 3 mobiles for the units, and 1 base station. For this size of department, access to a **minimum of six radios** and two backup radios is recommended. All radios would not be used on every call, but responses to a typical fire, vehicle accident, or search would require at least this number of working radios for an effective department response.

Radios are an equipment investment that council should prioritize for the fire department in the 2021 budget. Past department radio purchases were approximately \$800 - \$1,000 per unit.

### 5.6.6. Apparatus

The fire department maintained two pumper apparatus and a rapid response unit, as follows:

#1 2001 Pumper 4400 International

#2 1998 Pumper F800 Ford

#3 1992 Rapid Response Cube/Utility Van

Pumpers are serviced annually by an accredited agency of the Underwriters Laboratories of Canada ([ULC](http://www.ulc.ca)), an independent product safety testing,

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<sup>13</sup> Dispatch Dilemma. Fire Fighting in Canada (2012). Accessed from: <https://www.firefightingincanada.com/dispatch-dilemma-11654/>

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certification and inspection organization. Owning and maintaining three fire apparatus for a community of ~900 people appears excessive and inefficient to service ~20 calls per year.

Some department members felt that two pumpers were needed because mutual aid is provided to other jurisdictions, and one would always remain 'at home.' There was no evidence or legislation provided to support the strategy to maintain this high level of service to always keep one truck at home base.

Operational issues need to be considered as well since the small local department would likely require 'all hands on deck' during a response and is not large enough to keep a crew at home to standby to respond to a second fire call with the home-based pumper. Practically speaking, the pumper may be at home, but not enough members are around to run it.

It is possible that fire services would be needed at home at the exact same time that the crew is out of town on a mutual aid response. In this unlikely event, if the department responds to mutual aid and a subsequent emergency occurs back in the responder's township, the crew will return home.

It is estimated that a return trip home to Red Rock with an already assembled crew onboard from Nipigon, for example would be close to response time to station by personnel. If a department receives a mutual aid call and cannot supply enough personnel or equipment, they are not obligated to respond. Department members expressed willingness to serve the public and help their neighbours where possible. The standalone fire service is limited in its reach and simply can't afford to mitigate every risk.

The age of the pumper trucks signals that they are nearing their expected useful life. Replacement is very costly and limited revenue would be generated by the sale of the existing assets. Assets depreciate and don't last forever. Amortization for protective services assets totalled \$39,020 in 2019. Limited planning for asset replacement has occurred in past years. The 2019 accumulated surplus shows a \$66,760 protective services reserve fund balance. Purchasing a new pumper anytime in the next few years would require a loan and/or a tax increase.

Planning for asset replacement is recommended. The department has done reasonably well to maintain equipment and extend the useful life of assets, but a

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replacement plan is needed. Although late, starting now will allow the municipality to plan to absorb the future financial hit of a new fire truck purchase.

Major equipment purchases should be made with consideration to meet both local and regional needs. It would be poor regional planning for a cluster of five standalone communities to have nearly identical equipment specifications and limitations. Rather, individual communities could host a certain training strength or expertise that complements the whole region. One department may host water rescue equipment, and another specialize in high-angle rescue, for example.

The department has a long history of participating regionally through mutual aid. Guidance is provided through a 2018 Province of Ontario Mutual Aid Plan. The Thunder Bay Fire Chief is designated as the District Fire Coordinator.

Regional service discussions are important and should occur in a more formal and dedicated manner. An applicable anecdote states that *"If you want to go fast, go alone. If you want to go far, go as a team."* There is a long road ahead to reach optimum operational capacity for the fire department. Having formal discussions with regional neighbours about shared fire services is an important first step.

### 5.7. Fire Services Recommendations:

1. **Level of Service:** That Red Rock Council update the fire services bylaw to establish a level of service and associated training for the Red Rock fire department, as follows:
  - Defensive Operations
    - Ground cover fires
    - Passenger vehicle fires
    - Exterior firefighting
    - Ignitable liquid (Class B) fires
  - Medical assists
  - Mutual Aid

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2. **NFPA Training:** That Red Rock fire department members be encouraged to complete NFPA 1001 training.
3. **NFPA Training:** That all officer-level fire department members be required to complete NFPA 1001 training by December 31, 2022.
4. **Training Records:** That a copy of all fire department training records be maintained at the municipal office; and that all department records or equipment related to training or department activities be stored securely at the fire hall or municipal office; and that no official records be stored at a department member's personal residence.
5. **Incident Reporting:** That beginning immediately, the fire department officer in charge at any incident will be responsible to complete the related incident report.
6. **Incident Report Oversight:** That all fire department incident reports be reviewed by the CAO or delegate before finalizing.
7. **Records Management:** That Red Rock explore options to share a fire services records management software system with neighbouring municipalities.
8. **Fire Department Radios:** That an adequate supply of radios be maintained for the fire department.
9. **Dispatch:** That Red Rock explore options to contract professional dispatch services for fire services.
10. **Regional Partners:** That Red Rock initiate formal discussions with regional neighbours about potential opportunities to strengthen the overall fire service capacity in the region.
11. **Capital Equipment:** That the fire department capital needs for an updated fire pumper be considered, and that financial planning for replacement begin in 2021 with a budgeted contribution to reserves estimated at 20% of the cost of the pumper purchase.

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### 5.8. Health and Safety

A dedicated position for health and safety was not established for the municipality. Past efforts included a part time Safety Officer position, which was discontinued in 2019. In 2020, management described how some staff were hesitant to volunteer to get involved on the Health and Safety Committee. Despite lacking formal coordination, staff held monthly safety meetings. Public works staff also had regular tailgate meetings and maintained preventative circle check books for equipment.

### 5.9. Health and Safety Recommendations:

1. **Training:** That a regular health and safety training program be in place for all staff.
2. **Safety Coordinator:** That Red Rock explore regional options to share services for a health and safety coordinator.



## **6. TRANSPORTATION**

### **6.1. Public works**

The public works department is arguably the most noticed operational function in the community. Work duties require frontline staff to be out and about in the community every day. The transparency of municipal public works is sometimes referred to as operating in a “fishbowl” environment.

Red Rock public works demonstrated strong team commitment and dedication to the community. Staff were experienced and understood their roles. Staff described a work environment where positions were cut back over the years, and now there are a *“limited number of staff, wearing too many hats.”* Service delivery was challenging if one person took a holiday or sick leave. This all-consuming pace left little time for training or long-term planning. Casual staff were brought in to assist when the department was short-staffed during emergencies.

Some operational tasks need to be reconsidered or discontinued. Staff described a can-do attitude and historical practices such as curbing cutting to extend private driveways and locating property survey pins. These private service tasks are not an efficient use of staff time and should either be discontinued or charged appropriately. One staff member commented that *“We have more serious work to do.”*

Staff respected that the community had a limited budget and maintained a limited inventory of parts and supplies. This low-budget strategy was inefficient and costly at times. Ordering supplies was sometimes delayed and impacted operations with inefficient emergency orders for parts. Staff described a strong rapport and neighbourly cooperation with other municipalities in the region. Stories were told of Red Rock staff travelling to meet staff from another community halfway on the road to access parts or emergency supplies.

Management described particular efforts made in 2020 to maintain a stock of spare parts, including some basic items such as filters and drive belts for mowers. Staff showed pride and confidence in the work completed stating *“All rolling stock is operable today, ready for winter, serviced and ready to go.”*

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Asset management planning includes equipment replacement. The backhoe was described as *“a primary piece of equipment, used daily...it is the heart of equipment in Red Rock.”* Staff explained that the backhoe either needs to be traded in for a newer one, or ~\$20k would be spent on repairs. A plan to prioritize the upgrade of the backhoe is needed to reduce operational risk to the community. An equipment purchase would require a loan since there are insufficient dedicated reserve funds. The 2019 accumulated surplus shows a \$40,555 public works reserve fund balance.

The superintendent role was co-managed for the majority of 2020 where an additional staff member was brought on board on a temporary basis. Staff indicated that this was a tremendous help to coordinate projects and improve health and safety and overall shop organization. Department staff job descriptions were also updated or created.

The overall management demand of the public works department will increase once the new pollution control plant is operational in 2021. This will also draw additional staff time commitment from the public works team that already has limited workers. Options were being considered to manage workload responsibilities. This could involve the current superintendent transitioning to a fulltime wastewater operator position to manage the new plant. This would create a subsequent gap in department leadership. The municipality is preparing for a future transition and has begun advertising for a Director of Operations position. Ongoing department leadership is needed and SAGE recommends establishing and recruiting for a Director of Operations position.

The public works shop had a fairly small 16' x 8' lunchroom space. This space was not practical for staff to meet comfortably in. Staff gathered in the shop as a makeshift sitting area. It is important that all staff have a clean and reasonably comfortable space to meet, eat lunch, and warm up. Management was seeking a quote to update the kitchen and replace the cabinets in 2020.

The public works shop and fire department share the same building with separate entrances and dedicated space. The entire building is municipally owned. The fire department side has a spacious lounge area and training room. The fire department space has limited use compared to the public works

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department where lunchroom space is needed several times during every workday. Some staff members serve on both departments. It may be an efficient option worth exploring to share some space between these two physically adjacent departments to ensure that all staff have access to healthy and comfortable work facilities.

### 6.2. Public Works Recommendations:

4. **Management Position:** That Red Rock establish and recruit a new Director of Operations position, responsible to oversee all public works, transportation, environmental, and recreation functions.
5. **Shared Space:** That options for shared lunchroom space be explored between the public works department and fire department facilities.
6. **Backhoe:** That council approve the replacement or upgrade of the public works backhoe.



## **7. ENVIRONMENTAL SERVICES**

### **7.1. Water**

Red Rock water services includes water treatment and distribution. The water treatment plant was designed to support a once-thriving local [paper mill](#) industry and is currently operating at 8-12% of available capacity, according to staff. An unlimited water supply is available from the adjacent Lake Superior and the water intake is 400+ meters offshore.

The water treatment plant had an upgrade 16 years ago, in 2004. Asset management efforts and financial planning for modernization have been limited. Staff described the need to retrofit some repairs so that the old infrastructure would fit with modern and available parts.

Plant management requires 24/7 monitoring. Two staff members are trained as certified operators in water treatment and distribution and a third staff member has completed training and is working towards full certification. The staff coverage schedule involved an operator to be available on call 24/7 throughout the week, and on alternating weekends. The community has risk in operational capacity since critical department responsibilities are concentrated in a limited number of in-house staff. Staff often work alone when attending to water plant operations and monitoring. Certain tasks require efforts of more than one staff member, and all safety procedures are strictly followed. Modernization could include additional monitoring technology to improve working alone safely protocols.

Staff deserve to be commended for achieving a 100% grade on the 2019 accreditation audit conducted on behalf of the Ontario Ministry of the Environment and Climate Change. [Accreditation Protocols](#) for municipal drinking water system operating authorities are approved under section 21 of the *Safe Drinking Water Act* (SDWA), [SO, 2002, c32](#).

Water meters were installed in Red Rock several years ago. Municipalities large and small are implementing water meters as a best practice. Some municipal examples

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include [Toronto, ON](#), and the [Village of Pemberton, BC](#). Public education efforts in the Village of Pemberton describe four main reasons for water metering:<sup>14</sup>

- Equity
- Water Efficiency/Conservation
- Economic Benefits
- System Management

Red Rock's Overall Responsible Operator (ORO) and the Operator-In-Charge (OIC) prepared a March 16, 2020 'Water Treatment Plant 2019 Summary Report' to Red Rock council. Reduced 2019 water consumption was noted, as follows:

*Overall water consumption was **reduced by 14.0 mega liters** (14 million liters) as compared to 2018, demonstrating less exfiltration from the distribution system, and an increase in conservation awareness from consumers.*

The 2019 summary report also references the need to address ongoing maintenance issues for the Red Rock Drinking Water System (DWS):

*As stated in the previous year's report, the DWS continues to face some challenges with staffing and maintenance issues. Any required maintenance that arises outside of the regular plant routine can sometimes be a lingering issue until extra help is available. In the future it may become necessary to use more outside help in the way of contractors and service technicians to keep up with bigger maintenance needs. There are still maintenance jobs being carried over from year to year because there is simply not enough manpower to complete the work.*

*It is our hope that the Red Rock DWS can make better progress [in] 2020 with some of the maintenance and operational improvements needed for the DWS. Steps are being taken to explore funding*

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<sup>14</sup> Village of Pemberton, BC, Cost-Benefit Analysis for Water Metering; 2007, Earth Tech (Canada) Inc., <https://www.pemberton.ca/public/download/documents/40827> p.4.

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*opportunities to upgrade the water plant's PLC control for automated plant functions, to a more modern SCADA system. This is a much-needed improvement for the water plant as the old system is very outdated, and if compromised, would significantly disable plant operations. Another project that is being addressed in 2020 will be the installation of a surge suppression unit for the 600V power to the water plant. There has been considerable loss of instrumentation at the water plant throughout the years due to lack of power regulation. Some levels of protection may also be installed in conjunction with a SCADA project.*

Physical plant upgrades, backup power, and a more robust monitoring system are needed to modernize the water treatment plant. Monitoring technology includes a Supervisory Control and Data Acquisition (SCADA) system. The SAGE preliminary report referenced a SCADA system. As a clarification, staff confirmed that this system is a project request, and not currently in place.

The 2019 accumulated surplus shows a \$97,440 water capital reserve fund balance built up from allocations made over the years. Annual amortization for 2019 water operations is calculated at \$114,159.

The department financial concerns are compounded by historical operating deficits where utility rates did not recover operating costs. For example, a 2019 water operations deficit of \$34,884 was reported. Adding amortization expense, the department had an overall 2019 deficit of \$149,043.

The water department is underfunded. This is a troubling financial picture to fund capital improvements in this critical utility function. Immediate steps are needed to financially sustain Red Rock's water operations for treatment and distribution. Infrastructure investment in this critical service has been lacking for several years, since the 2004 upgrade. Council leadership and administrative financial guidance is needed to ensure the ongoing integrity of the Red Rock water system.

Action is needed to close the gap between revenues and expenses, and to plan for upgrades and eventual replacement of the water operations infrastructure. Continued inattention could risk a critical failure where there is *"water, water everywhere, but not a drop to drink"* to quote an old adage.

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Areas for internal efficiencies were not apparent. Modernization will provide much needed improvements to the water service. Shared services should also be explored in the region to capitalize on economies of scale for monitoring services, and to expand access to the pool of certified operators.

### 7.2. Water Services Recommendations:

1. **Utility Rates:** That water utility rates be increased in 2021 and beyond to achieve a full cost recovery strategy for operating expenses and amortization.
2. **Capital Improvements:** That Red Rock council prioritize water treatment plant modernization and upgrades in future budgets; And that the 2020 upgrades requested by the local operators be approved and completed immediately.
3. **Regional Services:** That Red Rock explore regional and contracted options to expand access to certified operators, improve system monitoring, and to reduce the operational risk in managing a standalone water service.
4. **Working Alone:** That a stronger working alone safely procedure be implemented to reduce risk and improve operator safety.
5. **Accreditation:** That Red Rock establish an operational goal of maintaining a +90% provincial accreditation score for water services.

### 7.3. Wastewater

Red Rock had a major project underway to construct a new, \$25.5M Water Pollution Control Plant. This project is a significant infrastructure investment and is 100% funded through federal (1/3) and provincial (2/3) grants. The project

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goal is to protect human health and the environment.<sup>15</sup> The project began in [2019](#) and the plant is scheduled to be operational by early 2021.

As mentioned in the finance section of this report, the project will have a significant positive financial boost to Red Rock's asset side of the balance sheet where this one new \$25.5M wastewater asset will more than double Red Rock's total tangible capital asset value. The related non-cash amortization expense for this new asset will also accrue each year.

Current staff anticipate that wastewater operations will require additional staff resources to keep up with the testing, monitoring, and provincial reporting requirements for the new plant, despite automation and modernization. The new plant design requires a [Level III certified](#) wastewater operator and ongoing discussions with the engineers were underway to understand the Level III requirements, such as increased staff training. The cost for chemicals and supplies has not been determined.

2019 operating expenses totalled \$109,571 for sewer operations. The 2019 accumulated surplus shows a \$60,338 sewer capital reserve fund balance built up from allocations made over the years. Amortization expense for 2019 sewer operations was \$31,919.

Utility rates covered operating costs in recent years but were deficient in covering amortization costs. Excluding the \$10.86M project grant funding received in 2019, a sewer department deficiency of over \$25,000 would have accrued. The 2018 year shows a little better picture with a \$4,712 department deficit.

Although the capital asset was granted to the community, Red Rock will struggle to fund the ongoing sewer operating costs and amortization. Options are limited and a new financial strategy is needed to increase sewer utility rates to achieve full cost recovery. Contracting out services or sharing expertise within

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<sup>15</sup> Water Canada, May 10, 2019 article: <https://www.watercanada.net/governments-of-canada-and-ontario-invest-in-red-rock-wastewater-treatment-plant/>  
Ontario Newsroom, April 27, 2018 article: <https://news.ontario.ca/en/bulletin/49259/new-red-rock-water-pollution-control-plant-to-support-cleaner-waterways-in-nipigon-bay>

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the region may help to reduce some operational costs where economies of scale exist.

Senior government partners have invested in the capital side of this local project and ongoing communication with senior government is needed to promote awareness of local operational and asset management challenges.

### 7.4. Wastewater Services Recommendations:

1. **Utility Rates:** That sewer utility rates be increased in 2021 and beyond to achieve a full cost recovery strategy for operating expenses and amortization.
2. **Regional Services:** That Red Rock explore regional and contracted options to support local sewer operational capacity with access to additional expertise to support the one dedicated local operator.



### **7.5. Solid Waste**

Red Rock owns and maintains a local [landfill](#), which is staffed by a part-time landfill attendant who tracks the activity at the site. Site compaction, cover, and management of scrap steel is managed by a local contractor. Some additional work was done at the site in 2020 to remove trees so the contractor could access sand and fill for site cover.

Officials estimate that the remaining capacity could serve the community for the next 15 years, based on current use; and that planning for a new landfill could take up to 10-12 years to secure a site and get permit approval. Staff suggested that a future regional landfill site may be a good option.

Provincial [guidelines](#) are in place to describe "*the regulatory and approval requirements for the design, operation, closure and post-closure care of new or expanding municipal (i.e. non hazardous) waste landfilling sites.*"

The complete financial picture of Red Rock's landfill costs has not been determined. This missing piece has caused the municipality to receive a 'qualified' audit opinions for the last 10+ years. The existing landfill will incur closure costs and ongoing post-closure care and monitoring costs. Engineering services are needed to determine these costs, which the community will be responsible for. Staff indicated that limited efforts had begun on this project. Determining the landfill closure/post-closure costs is a project that should be prioritized for 2021.

Modernization of solid waste services includes participation in a regional landfill where there are shared benefits, risks, expertise, and cost. Regional landfills can replace standalone landfill sites. Various [regional landfills](#) are in place throughout Ontario, including the [Thunder Bay Solid Waste and Recycling Facility](#). Red Rock should initiate a regional discussion with neighbouring municipalities about potential participation in a regional landfill.

Local recycling efforts were limited. There were no recycling bins in the community or formal recycling programs. A broader initiative was introduced by the province in October 2020 with *A proposed regulation, and proposed regulatory amendments, to make producers responsible for operating blue box*

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*programs.*<sup>16</sup> The province is accepting comments on this proposed regulation until December 3, 2020.

Red Rock owns and maintains one garbage truck to serve the community with a weekly collection cycle over 1.5 days, involving two staff members. This system is meeting existing local needs and the limited use of the truck should extend its useful life.

It was noted that local satisfaction with the current service was particularly strong for this highly visible regular service. Garbage collection and disposal received the highest satisfaction score of all the departments. **78%** of recent survey respondents rated their satisfaction for this service as above average or excellent.

There is some risk of service interruption if the garbage truck breaks down, or if staff are required for other public works duties. Options for a modernized service include contracting out the garbage collection function to reduce service risk, and to free up some staff time in the public works department.

The 2020 budget for landfill and garbage collection services was \$112K. Revenue was collected through taxation, rather than through a monthly utility charge.

Financing solid waste management 100% through taxation is not typical. This finance strategy shifts a disproportionate percentage of costs to higher tax-paying properties. Best practices include a user-pay component to finance at least a portion of solid waste expenses. Municipalities see that user pay makes

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<sup>16</sup> Ontario Waste Management. Accessed from: <https://www.ontario.ca/page/waste-management>  
ERO 019-2579. Accessed from: <https://ero.ontario.ca/notice/019-2579>

## ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON

residents more aware of the costs of waste management<sup>17</sup> and that there is a positive effect on increased waste diversion rates.<sup>18</sup>

Red Rock's waste management financing strategy could be improved to include asset management costs (landfill site) paid through taxation, and garbage collection costs paid through monthly charges for households and businesses.

### 7.6. Solid Waste Recommendations:

1. **Landfill Closure Costs:** That the landfill closure and post-closure costs be identified by a qualified engineering firm; and that this project be completed in 2021.
2. **Regional Landfill:** That Red Rock officials initiate discussions with neighbouring municipalities to explore options to participate in a regional landfill service.
3. **Garbage Collection:** That Red Rock obtain quotes to compare the cost of the current garbage collection service with an external contracted service.
4. **Finance Strategy:** That solid waste management services be funded through taxation for the asset management of the landfill site, and monthly charges for garbage collection services.

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<sup>17</sup> User pay in Canada. Waste & Recycling Magazine (2000). Accessed from: <https://www.wasterecyclingmag.ca/feature/user-pay-in-canada/>

<sup>18</sup> The price of garbage: an analysis of the effect of user-pay programs on waste diversion in Ontario municipalities. University of Ottawa, Institute of the Environment, C. Chiasson (2018), p.40. Accessed from: [https://ruor.uottawa.ca/bitstream/10393/37894/1/Chai\\_\u00c7hristina\\_The\\_Price\\_of\\_Garbage\\_Analysis\\_of\\_the\\_effect\\_of\\_user\\_pay\\_programs\\_on\\_waste\\_diversion\\_in\\_Ontario\\_municipalities.pdf](https://ruor.uottawa.ca/bitstream/10393/37894/1/Chai_\u00c7hristina_The_Price_of_Garbage_Analysis_of_the_effect_of_user_pay_programs_on_waste_diversion_in_Ontario_municipalities.pdf)

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### 7.7. Mill Site

Red Rock has an unaddressed environmental issue where reclamation costs and responsibilities for the local mill site are undetermined. Locals considered Red Rock to be a single-industry town, until the paper mill [closed in 2006](#) causing an economic shock to the community. Local job losses followed along with an ~\$1M loss in tax revenue. Legal proceedings regarding the mill property are ongoing, according to meeting [minutes](#) and local [news](#).

The mill site land has the potential to be a benefit to the community since there are 800 acres of land right on the shores of Lake Superior. Red Rock needs the guidance and support of senior government to identify and remediate any environmental issues that may exist on the old paper mill site. Senior governments prioritized the health of residents and the environment by providing 100% grant funding for the 2021 pollution control plant. Similarly, the health of residents and the environment needs to be prioritized through reclamation of the old mill site. Local officials described a continued effort to pursue access to information on the environmental condition of the mill site land.

Red Rock participated in an 11-month community adjustment process following the 2006 mill closure. The results are summarized in a 2007 "[Adjusting our Sails](#)" report. This report was developed from extensive community input; and over 400 residents participated at a public meeting. Some recommendations were implemented, and some may need to be reconsidered for current applicability. For a worthy glance in the 'rear view mirror' the 2007 report recommendations are summarized below:

1. Recommendation #1- Update and Improve Municipal Official Plan to make the Community Investment Ready
2. Recommendation # 2 – Retain the service of a full-time Community Development Manager.
3. Recommendation #3 – Establish a Community Development Committee.

## **ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON**

4. Recommendation # 4- Community Development Committee to be involved in Regional Activities.
5. Recommendation #5 - Facilitate the Establishment of a Local Investment Fund.
6. Recommendation # 6 - Establish Annual Event Partnership Protocol with Local Organizations.
7. Recommendation # 7 – Adopt an Official Theme for the Red Rock Community.
8. Recommendation #8 – Develop serviced camping facilities at the Marina.
9. Recommendation #9 – Develop an all-season nature trail around the base of the Red Rock Hill.
10. Recommendation # 10 – Re-Zone Open Space to allow for Commercial Use.
11. Recommendation # 11 – Allow for more commercial use in the Recreation Centre

The following additional points and themes were also noted in the 2007 report:

12. Red Rock is not growth ready.
13. Partnerships are needed.
14. Red Rock can benefit from regional initiatives and should play a bigger role in regional planning.
15. No community can act as an island especially when residents are co-dependent on neighbouring communities for many services.
16. Capitalize on all assets, including the success of local residents.
17. Expand trail tourism efforts and partnerships.

## ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON

### 7.8. Mill Site Recommendations:

1. **Senior Government Support:** That Red Rock initiate meetings with senior government officials to continue to ask for guidance and support for the reclamation of the old mill site land bordering Lake Superior.
2. **Uncollectable Taxes:** That the annual operating budget include an allowance for uncollectable taxes.



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### 8. HEALTH

#### 8.1. Ambulance

Red Rock contributes to the Thunder Bay District Health [Unit](#). The 2019 Health services expense was \$51,572.

### 9. SOCIAL AND FAMILY SERVICES

#### 9.1. Social Services

Red Rock contributes to the Thunder Bay District Social Services Administration [Board](#). The 2019 Social and family services expense was \$49,441.

#### 9.2. Library

The Red Rock Public [Library](#) was described as a [community hub](#) and drew support from community volunteers and the 'Friends of the Red Rock Library.' The library is managed by a local board and run by parttime staff. Library patrons are mostly seniors with the mean age of users is 52 years old.

The library is adjacent to the municipal office, partially under the same roof. A renovation of the library was completed in 2019 which was well supported and described as "long overdue."

Modernization of records and resources has occurred recently with an upgrade to participate in the [JASI](#) Integrated Library System developed and maintained by Ontario Library Service – North ([OLS-North](#)). This new cloud-based online public access catalogue system replaced the previous local computer acting as an online server. This also required all resources to be updated to a new bar code.

The library appeared to be run very efficiently. Staff described multipurpose community needs, and regional efforts to deliver programming and workshops. Concerns were shared that the low-income demographic was underserved. The library remained closed to the public for most of 2020 due to COVID-19 health

## ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON

precautions. Staff continued to work staggered shifts to make resources available for pickup, and quarantine/clean book returns.

The library CEO position has evolved and was reported to have outgrown the allotted staff hours that reflected work levels in 2013 or possibly 2008. A nominal 2% budget increase was provided in 2020. The workload exceeds the set hours and staff regularly 'donated' an additional 20% weekly time commitment to complete the workload demands.

The library building is municipally owned, and related assets are consolidated in the annual municipal financial statements. Library funding comes from the municipality. The 2019 accumulated surplus shows a \$37,290 library capital reserve fund balance.

### 9.3. Library Recommendation:

1. **Library Budget:** That the library budget be reviewed to ensure that the financial allocation is appropriate to cover staff workload demands identified in the job descriptions.



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**10. RECREATION AND CULTURAL SERVICES**

**10.1. Recreation Centre**

Red Rock maintains local park spaces, trails, and a gazebo. Red Rock also has a large [recreation centre](#) with numerous amenities, including:

1. Ice Arena
2. Curling Rink
3. Bowling Lanes
4. Gymnasium
5. Multipurpose Rooms (youth, seniors)
6. Fitness Centre
7. Outdoor Swimming Pool
8. Tennis Courts
9. Ball Diamond
10. Café



Some recreation amenities were not in an operational state, such as the curling rink and pool. The recreation centre building also needs capital repairs.

Facility usage stats were limited. Staff referenced a log book, fitness centre sign-in sheets, and fitness memberships as possible records to track facility usage. Without formal tracking it is difficult to determine what facility components are popular, or to compare demand over time.

The 2019 accumulated surplus shows a \$49,167 recreation capital reserve fund balance. Overall facility revenue for 2019 was \$25,777 as summarized below and also shown in the finance section of this report.

**Total Recreation  
2019**

25,777	Revenue
238,388	Expense
61,037	Amortization
<hr/>	
299,425	Total Expense
<b>273,648</b>	<b>Deficit</b>

## ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON

Recreation facilities in the community are not profitable, and with limited use, the social return on investment has a low return as well. One survey comment summarized the situation as *“Rec centres don’t usually make money, but it shouldn’t bankrupt a community either.”*

Red Rock is oversized with recreation facilities which are heavily subsidized through taxation. Major repairs are needed for the roof, windows, and flooring. Staff stated that a grant application has been submitted, and that they are waiting to hear the results.

Survey responses suggested partnerships and shared services. This type of arrangement should be pursued and could enable shared risk, cost, and benefits. The current funding strategy is not sustainable and if unchecked, it will continue to strain the tax base.

Generating additional revenue from repurposing or expanding commercial use in recreation centre should also be explored. This was a 2007 recommendation from the “Adjusting Our Sails” report.

### 10.2. Recreation Recommendations:

1. **Usage Statistics:** That a system be established to track usage statistics at the recreation centre in order to determine the frequency of services used.
2. **Partnerships:** That Red Rock pursue partnership opportunities to operate the recreation centre.
3. **Repurpose:** That Red Rock invite proposals for the repurposing and more efficient use of existing, unused recreation centre spaces.

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**10.3. Waterfront**

The Marina and Interpretive Centre provide a seasonal tourism draw for the community. The [Marina](#) is a unique asset for Red Rock, and it is sheltered in the Nipigon Bay. On a typical year, recreation staff supported the marina and interpretive centre during the summer and the ice arena during the winter months.

Overall waterfront facility revenue for 2019 was \$76,589 as summarized below and also shown in the finance section of this report.

**Waterfront Park**

2019

76,589 Revenue

203,677 Expense

216,354 Amortization

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420,031 Total Expense

**343,442 Deficit**

Like the recreation centre, the interpretive centre and marina are underused assets that generate a significant deficit. Similar problems may have similar solutions. Partnerships and expanded commercial use would improve the efficiency of this unique local asset. Seeking marketing advice would be good starting point to receive proposals on commercial use within the facility.

The RV Park project appears to be a great fit for waterfront camping options. However, excess funds are currently not available to prioritize this project. Other funding options should be explored, such as a partnership arrangement to finance the development and contracting out the RV park management.

Fees for docking and slip rentals were reported to be low in comparison to similar marina facilities in the region. Rather than basing rates on a regional comparison, it would be more efficient to base local rates on the local cost of delivering the service. The taxpayers of Red Rock do not need to be so generous in subsidizing boat traffic use at the local marina.

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### 10.4. Waterfront Recommendations:

1. **Marketing:** That Red Rock obtain marketing expertise and advice to use the interpretive centre more efficiently.
2. **RV Park:** That partnership options be explored for the development and operations of an RV Park at the waterfront.
3. **Marina Fees:** That the fees related to marina services be reviewed and increase to reflect the actual cost of providing the service.



## **11. PLANNING AND DEVELOPMENT**

### **11.1. Municipal Planning**

Local planning guidance is provided from a 2011 [Official Plan](#) and a [2013 Zoning Bylaw](#) for the community. Land use zoning requirements and ensure orderly development of land with compatible land uses in the right locations. For example, Townsite Commercial/Institutional (TCI) is compatible and complementary to Low Density Residential (LDR). This can be seen in the Zoning Bylaw Map Schedule A where the school areas on the south side of the community are zoned TCI and are surrounded by LDR zoning. In contrast, heavy industrial zoning and residential zoning are not compatible land uses and the enjoyment of the residential land could be affected if these land uses operated side by side.

Based on the Land Use Bylaw, any future land use developments or land use changes need to be carefully considered to ensure compatibility.

The municipality is responsible for municipal development approvals and maintaining building codes. A council-appointed [committee of adjustment](#) is in place to grant minor variances to the zoning bylaw.

Municipal planning services are contracted as needed to access related expertise. This service delivery option appears to be meeting the community needs and is a more efficient method of service delivery than hiring an internal planning position.

### **11.2. Economic Development**

The need for economic development, marketing, and community promotion was highlighted in the public consultation survey responses. Red Rock had a temporary community development officer position subsidized by a federal economic development grant through [FedNor](#). One recent project example was the improved [hiking trail](#) connection between Red Rock and Nipigon.

The regional nature and benefits of economic development make it logical to work with neighbouring communities to pool resources to recruit a regional economic development officer.

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Red Rock participated in developing a [Tourism Strategy](#) in 2020 to develop an All-Season Tourism Market Growth Strategy.

### 11.3. Residential Subdivision (proposed)

A new residential subdivision was proposed for the north side of the community, immediately east of an abandoned rail spur line. A preliminary lot layout was provided in the February 3, 2020 council meeting [agenda](#). This preliminary design showed 19 residential lots with water access, as well as seven municipal lots.

Council was in the process of considering a “Site Specific Official Plan & Zoning Bylaw Amendments” in [October 2020](#). A related public meeting was held, and public submissions were invited. Officials described extra efforts to consult with the community regarding these proposed bylaw amendments, and to respond to questions from citizens. Officials indicated that an additional public meeting would be held, and that the bylaws would be further considered by council in late November 2020.

Wise stewardship in land disposition is needed. Land is a valuable municipal asset, collectively owned by the community and a municipality typically has only one prime opportunity to generate a profit from the sale of the land asset.

The concept of gifting land to a developer in order to receive future tax revenue is not the most effective use of the land asset and the municipality would miss out on converting the land asset to (much needed) cash. However, there can be valid reasons for a council to provide development incentives to share development risk with private industry as **partners in community building**. The land in the proposed residential subdivision area was described as being “not in an original state” and that it would require significant cost to develop.

Development is costly and it also increases demand on local services, such as roads, landfill, and utilities. Typically, development charges are in place to sufficiently cover the cost of utility and road connections and other necessary infrastructure. A “Development 101” principle is that new development should

## ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON

pay for itself and should not financially burden the existing developed community.

Annual taxes are levied to generate revenue to cover the expense of providing local services. New development is positive since it expands the assessment base and increases the overall capacity to generate tax revenue. Tax revenue generated from new development contributes to funding overall annual service delivery costs. Tax revenue from new development is not a windfall or an extraordinary benefit to a municipality.

Council has the authority to pass bylaws and make decisions to provide good governance for the community. Land development deserves careful consideration since the built environment becomes permanent. Development opportunities can also stimulate pressure for additional growth.

Several approvals are needed before a subdivision approval can be granted. At the onset, the proposed development project appeared to generate some excitement in the community that *"has sat stagnant for 14 years"* according to one official.

Public consultation efforts are especially important. Council needs to take the time to keep the public informed through a transparent process, and to invite input along the community building journey.

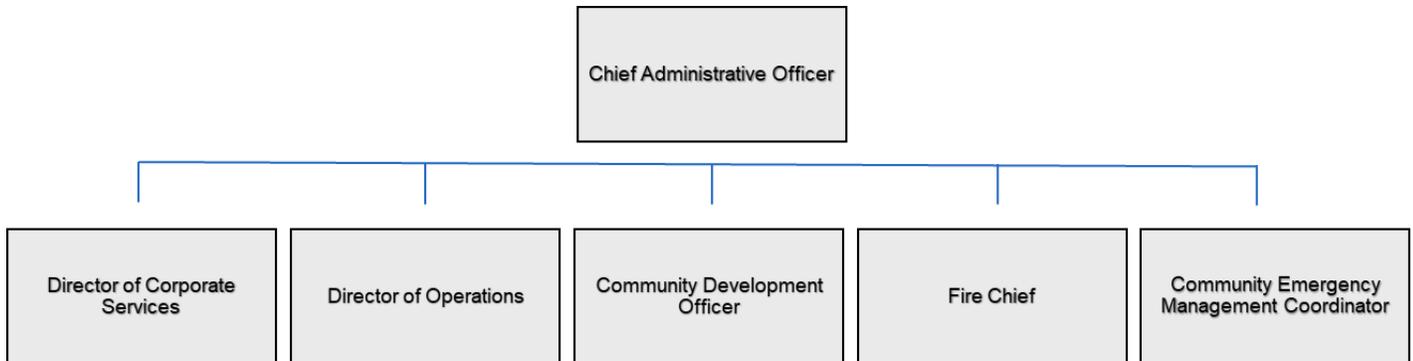
### 11.4. Development Recommendations:

1. **Economic Development:** That Red Rock work with neighbouring communities to establish and maintain a regional economic development office to promote the region and attract visitors and investment.
2. **Land Development:** That new development in the community be self-sustaining, where it 'pays for itself' and does not cause a financial burden to the existing community.

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**12. ORGANIZATIONAL STRUCTURE**

The following management-level organizational structure would enable the Township of Red Rock to meet current operational needs:



Key changes to the existing organizational structure include adding new positions for the Director of Corporate Services and Director of Operations. The CEMC position has been elevated to report directly to the CAO.

Remaining staff positions appeared to be serving the community well and the need for immediate adjustments to frontline positions were not apparent.

**12.1. Organizational Structure Recommendation:**

1. **Organizational Structure:** That a new management-level organizational structure be approved for the Township of Red Rock.

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## 13. GAP ANALYSIS

A gap analysis is defined as *the process companies use to examine their current performance with their desired, expected performance. This analysis is used to determine whether a company is meeting expectations and using its resources effectively.*<sup>19</sup> This business sector concept can apply to many organizations, including municipalities. Performance needs to be measured and aligned with strategic objectives to reach desired outcomes.

A Strategic Scope was developed for 2018-2022, as available on the Red Rock municipal website.<sup>20</sup> Some goals have been completed, some are underway, and some may need to be reconsidered.

Regular council decision making, and budgeting need to reflect strategic priorities. Strategic plans require a regular review to ensure that local goals and the path charted to accomplish those goals remain relevant.

This Organizational Review project is focused on municipal operations and

The Corporation of the  
**Township of Red Rock**  
Strategic Scope 2018-2022

**Mission Statement**  
*"The Township of Red Rock is a caring, inclusive community nestled as a Superior Treasure. We are dedicated to providing services in a sustainable and responsible manner"*

**Vision Statement**  
*We strive to be a welcoming and safe community that provides all the amenities of an urban centre in a picturesque rural setting. Growth opportunities and a Quality of Life that is unique.*

Strategic Initiatives	Goals & Objectives
<ul style="list-style-type: none"><li>• Promote as Community of Choice</li><li>• Develop Strategic Partnerships</li><li>• Community Engagement</li><li>• Environmental Stewardship</li><li>• Develop Strategic Priorities<ul style="list-style-type: none"><li>○ Responsible Economic Growth</li><li>○ Quality Service Delivery</li><li>○ Infrastructure Enhancement</li><li>○ Good Governance &amp; Fiscal Responsibility</li></ul></li></ul>	<ul style="list-style-type: none"><li>• Water Treatment Pollution Control Plant</li><li>• Contract Economic Development Officer</li><li>• Marketing &amp; Branding Red Rock</li><li>• Establishment of a LCBO Agency Store</li><li>• RV Park &amp; Campground Water Front Development</li><li>• Residential Development</li><li>• Recreational Enhancement</li><li>• Establishment of a Gas Station &amp; Car Wash</li><li>• Development of Wharf (Cruise Ships)</li></ul>

**Values**  
*Inclusive • Progressive • Innovative • Accountable • Passionate*

<sup>19</sup> Gap Analysis definition from Investopedia: <https://www.investopedia.com/terms/g/gap-analysis.asp>

<sup>20</sup> Strategic Objectives accessed from: <https://www.redrocktownship.com/government/municipal-council/>

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the strategic priority of 'Quality Service Delivery.' The following 'gaps' were most notable, deserving attention and action by officials. Department details are provided in the respective sections of this report.

### 13.1. Financial Planning

- Utility rates did not achieve service cost recovery. This gap between revenues and expenses means that utility costs are subsidized by taxation. This drives the municipal tax rate up and places a disproportionate tax burden on outlying properties that are not connected to local utility services.
- Landfill closure and post-closure costs have not been determined. The community carries this liability over the years and is responsible for the costs. This issue caused the auditors to give a 'qualified' opinion on every annual audited financial statement for at least the last [10 years](#). A qualified audited financial statement is bad news for a municipality and signals that the auditor was not able to see the full financial picture of the organization.

### 13.2. Facility Usage

Recreation and waterfront facilities are local assets that are not being used to their potential. On a typical year these facilities are underused at best, with some components, such as the curling rink hanging in limbo in a state of disrepair.

Recreation and cultural facilities are typically highly subsidized so that local usage is affordable. In Red Rock, these facilities are 'bleeding cash.' Taxpayers are impacted by this financial hit without receiving a reasonable return on investment in monetary or social benefits.

### 13.3. Regional Participation

Red Rock exists among a cluster of North Shore communities with similar needs, amenities, and challenges. Some regional participation exists such as fire mutual aid and a regional trail network. Periodic "Quad-Council" meetings are held between the Townships of [Red Rock](#), [Dorian](#), [Nipigon](#), and the [Red Rock Indian Band](#). For several services, however, Red Rock is somewhat isolated.

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Service duplication exists in the North Shore region, such as garbage collection, economic development, bylaw enforcement, and fire services.

An analogy of 4 communities acting in isolation and paying for stand-alone services can be described by the equation  $1+1+1+1=4$ . This equation could change to  $0.75+1.25+1.50+0.50=4$  for example, if stronger economies of scale were incorporated into the region.

Each community could play to their strengths while sharing risks and benefits, and they could shed costly service duplication that none can likely afford. Pooling resources for shared services can generate efficiencies where economies of scale exist, and services can be improved by recruiting highly qualified staff.



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### 14. PERFORMANCE MEASUREMENT

Red Rock had limited operational performance information available. Current staff were not aware of consistent performance tracking efforts. The most recent data on the municipal website was from [2013](#) and [2012](#).<sup>21</sup> Some good metrics were gathered and shared with the public in those past years, such as recreation operating costs per capita, garbage collection costs per household, water treatment operating costs per megalitre; and roads operating costs per kilometer. Sharing this type of data with the public strengthens transparency and allows municipal leaders to track performance over the years.

The [Ontario Municipal Act](#) refers to 'Information re: municipal operations' in s. 299, quoted below. This information is provided to the Minister through the annual Financial Information Return ([FIR](#)). The municipality could provide a summary of meaningful data to the public in an easy to read format.

#### ***Information to be provided***

*(3) A municipality shall provide the Minister with information designated by the Minister which, in the Minister's opinion, relate to the efficiency and effectiveness of the municipality's operations, at the times and in the manner and form designated by the Minister. 2001, c. 25, s. 299 (3).*

#### ***Publication***

*(4) A municipality shall publish all or such portion of the information as may be designated by the Minister at the times designated by the Minister but in the manner and form determined by the municipality. 2006, c. 32, Sched. A, s. 126 (2).*

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<sup>21</sup> Performance Measure Reports: <http://www.redrocktownship.com/government/municipal-services/municipal-administration/financial-reports/>

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**14.1. Performance Measurement Recommendations:**

1. **Metrics:** That Red Rock collect and provide the following annual metrics to the public.
  - a. **CPH:** The cost per household (CPH) to show the financial obligation of each household in sharing the replacement cost of the Township's assets (as per the 2014 AMP recommendation).
  - b. **Asset management:** Report grades of asset management categories.
  - c. **Citizen Participation:** Voter turnout, Website visitor traffic, Attendance numbers at town hall events, number of complaints resolved per year.
  - d. **Debt** per capita
  - e. **Grant funding** received per capita
  - f. **Acres of parks** maintained per capita
  - g. **Recreation & Culture facility usage** statistics; cost per capita
  - h. **Fire call** volume; department cost per capita
  - i. **Staff positions** – number of Fulltime Equivalent (FTEs)



## **ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON**

### **15. CONCLUSION**

The SAGE organizational review involved a close look at the modernization and efficiency of operations. Public engagement was incorporated and a 20% response rate was generated which included many comments and reflected a deep rooted passion for the community. There is a strong common interest between council, staff, and the public, where everyone is reaching for community success.

The uniqueness of Red Rock includes oversized facilities in water, sewer, and recreation to support the resident population of 900. This excess capacity is a blessing since the community can manage growth and increased service demands; however, the oversized facilities pose a financial challenge to maintain with a limited tax base.

Infrastructure investment has been lacking for many years. Immediate attention is needed for critical assets, such as the water treatment plant. The recent grant for the pollution control plant project offered a tremendous \$25.5M boost to the municipal financial picture. In 2019 that one asset reversed a longstanding downward financial trajectory.

Operations were run efficiently overall, and staff were quite budget conscious. Sometimes a lack of spending and planning proved to be more expensive when supplies were not stocked. Recommendations are provided to achieve full cost recovery for utility services, which could take some pressure off taxation.

Shared services and stronger regional participation efforts hold the greatest promise to modernize services and generate efficiencies wherever economies of scale or shared expertise exist in municipal service delivery. Meaningful shared service discussions with regional neighbours can lead to shared costs and benefits.

Several SAGE recommendations are provided for council's consideration. Some recommended initiatives were already underway or completed by current staff, such as updating job descriptions. The SAGE team is confident that this report and recommendations will shine some light on a solid operational path forward for the Township of Red Rock, Ontario.

## ORGANIZATIONAL REVIEW TOWNSHIP OF RED ROCK, ON

### *SAGE team acknowledgements:*

- Shari-Anne Doolaege, MPA
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- Chief Randy Siemens (Ret)
- Ted Gillespie
- Hélène Wirzba, MD, CE
- Sara Alinaghi Pour, PhD, Planning



**16. APPENDICES**

**Appendix 1: EOC Planning 'P' Process**

This image of the Planning P shows a model<sup>22</sup> for the incident management process for one operational period.



<sup>22</sup> EOC Planning P source: EMBC, Ministry of Justice, 2014, [https://www.ccrd.ca/sites/default/files/images/land-use-planning/EM%20Training\\_core\\_participant\\_guide.pdf](https://www.ccrd.ca/sites/default/files/images/land-use-planning/EM%20Training_core_participant_guide.pdf)

**Appendix 2: PUBLIC CONSULTATION COMMENTS**

The following comments were received as part of the August 2020 public consultation survey. Various comments and themes were previously provided throughout the report.

**16.1. Administration**

1. I rated the administration on the office staff, that question should have been split into different categories which should have one category for elected officials, a category for the CAO and one for the office staff.
2. I would like to note that when rating the administration, I only took into consideration the employees. Why is there nothing to rate Management & Elected Officials? I feel as though it is really challenging to give a clear rating of each of the line items listed above.
3. The average citizen does not understand the workings of the administration. We just take it for granted that they are doing a good job.
4. I would rate the ladies in the office great,
5. The office ladies are great, friendly and helpful!

**16.2. Council and CAO**

1. at the end of the day the council works for the taxpayers as we pay the taxes for this community to run.
2. we need to get a council that will work for the taxpayer and run the community,
3. The CAO and Council created 3 new job position in the community which we don't need.
4. Far too much business conducted by too few behind closed doors. Poor representation by Council.
5. The Council has to listen to people who have business experience as this seems to be lacking on the Councils for at least the past decade. It seems that too many decisions are made behind closed doors.
6. the staff of this Township are great with the exception of salaried staff and Council. The Mayor is the only one that does any work without any support of Council.

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7. I would have liked to see an option to rate the level of satisfaction for town council. They are the group that needs to be looked at the closest. They make all the decisions for the town.
8. Would like to thank council for reaching out to the public for some input. I feel the last 3 councils did nothing for growth and where not interested in feedback from the residents. We have a long ways to go

### **16.3. The survey/public consultation**

1. I disagree on how this survey is being presented to the community.
2. The survey comments will go nowhere.
3. These questions leave to much open to interpretation. It's hard to answer the questions when I'm not really sure who there about.
4. I am not sure what information council expects to get from this survey. It is very vague and asks questions about services the average citizen would have no knowledge of.... i.e. Land Use?
5. These categories are too vague.

### **16.4. Public works, Transportation Services**

1. Town only cares about the people that live in town and not in the country, I plow the road I live on more often than they do in the winter
2. repair red rock road.
3. requested assistance of public works two years ago, still haven't received it.
4. favouritism is also rife in this town, e.g. certain driveways left clear of snow during plowing while others receive both sides of the road worth of snow,
5. I think our Public Works department is A+. Not only are they hard working, but they are always so friendly. I'd like to see more walking trails within town...maybe expand the boardwalk at the marina.
6. It could be so much more: public works seen about town cutting grass and such more on holidays and weekends, when they get paid more, than any day of the week.

### **16.5. Water services**

No comments

### **16.6. Wastewater services**

1. I have own water & septic.

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**16.7. Garbage Collection and Disposal**

No comments

**16.8. Fire and emergency services**

1. Fire department equipment being used for public works projects hardly seems like good utilization of emergency equipment.

**16.9. Land use planning**

1. Unsure what land use planning pertains to

**16.10. Economic Development**

1. I'm not sure how much economic development we are seeing.
2. Need an EDO to move Community forward with investors and really utilise the water front to the full potential.

**16.11. Recreation Centre**

1. More things should be available at Marina and Rec
2. Priority: shut down rec center for winter.
3. Hard to justify costs being incurred by the waterfront or rec centre for the present usage.
4. Recreation center is underutilized. No programming provided for seniors or youth with paid instructors - everything runs on volunteers and we just don't have that anymore.
5. Recreation can be put to use much better. Should be the hub of the community. Interpretive Centre has so much in unused potential. Bring people into the Community. The Red Rock Inn seems to be doing all the promoting.
6. rec centre bleeds money, oh and where is the 75000 budgeted for years to a defunct pool going?
7. It seems that in a normal year (when we were not being affected by Covid-19) that there could be a lot more activities offered through recreation. Or maybe some new activities.
8. Are there ways to improve the use of this building to generate revenue?

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9. As a great taxpayer I would hate to see the Rec Center close, as a parent of 4 kids my kids are down at the rink every day after school and playing hockey. This community should make everyone in the community pay a yearly fee and go towards the Rec Center, and have a monthly fee for shinny and public skating as other community do in our area. I would have no problem paying a fee for the rec Center and pay a month fee for my kids to play shinny. They need to get someone down there to run the Rec Center because there is a lot of opportunity to make it a profitable business.
10. I love the rec centre especially the restaurant
11. We have been subsidizing the rec centre since the Mill closed. The town needs a facility for our residents
12. Center of Community. Needs to be put to better use.
13. I enjoy playing hockey, skating, bowling and playing up in the gym.
14. Why would you include the amortization expense? It is very challenging for the average person to understand these figures presented. How is one to make a confident and comfortable decision? It would be nice to see what the ACTUAL revenues vs. expenditures (w/o amortization). I do believe that this "community centre" could be better utilized and generate more revenue if run more efficiently. This municipality (elected officials and management) needs to be more open to the ideas of the residents (tax & rate payers) and employees who work within these facilities on a day to day basis. Maybe additional funds can be spent on areas that benefit the current infrastructure we have and less on new subdivision developments, signs, flags, and additional (very high paying) management/contract positions (those are just a few examples of poor decision making by the powers at be). How do we plan to attract new families and seniors to our community if we don't have anything to offer? There are a number of vacant lots (already fully serviced) that could be developed by a new owner.
15. Community needs to find way to keep open and utilise partnerships with local communities. Rec centres don't usually make money, but it shouldn't bankrupt a community either
16. Not worth the cost of running. Nothing in it is open most of the time
17. Arena may not be feasible as there are no hockey teams
18. It costs far too much to keep running when the pool, curling club, gym etc are closed
19. Users have to learn to pay their way.
20. Close this and you might as well put a closed sign on the town.

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21. With the right leadership the rec can go back to being the place it was
22. As I stated earlier, money could be put to better use. Like this survey, the town could have made their own survey instead of paying 60,000 for an outside company to do it.
23. Need someone there with Recreation Co-ordinator qualifications to provide stimulus for more activities for all age groups.
24. I would say it is time to shut down the arena ice portion. The main building for the hall, weight room, bowling alley, restaurant I can see still operating as long as they can pay their way. User fees must support this and if not then they too should eventually be shut down until they can be supported again.
25. The recreation centre is not there to make a profit, which is reflected in the low cost for all the rental options. However, in the summer of 2019, there was a decision made to keep it open for the summer, which had very little public use.
26. Based on implementing programming such as  
<http://ruraldev.ca/wp-content/uploads/2017/10/CDToolsRecreation.pdf>  
<https://www.tay.ca/en/living-here/sports-and-recreation-programs.asp?mid=19570>
27. In favour of continued subsidization contingent on a plan to explore the creation of more revenue and program grant funding for the recreation centre - e.g. implementing children's programs, adult and senior programs, developing sport camps, academic/sport academies (tennis, basketball, hockey, rowing, curling, badminton, swimming, theatre, music workshops, art workshops, figure skating, etc.), coaching clinics (volleyball, golf) in addition to "actively" renting out the facilities. This would involve implementing programming with the cooperation of school boards, professional associations, other North Shore communities, like Nipigon, Dorion, Hurkett. Research needs to be conducted to explore and analyze what other small communities are doing at their recreation facilities, e.g. Terrace Bay. Also, marketing of new ideas needs to be targeted directly to the community in order to change the current mindset as many people are still remembering what it was like when the mill was running 20 years ago.
28. The Recreation Center staff need to be more aware of how the place is supposed to be operated. There is a lot of time when the rec center is totally empty. Also, the maintenance staff should look after the building better. A lot

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- of times you can be down there and not see anyone if you need help. There is more but to hard to type it down.
29. If you are concerned with the cost, why did you keep it open all year-round last year? Did my \$2 skating fee not save it?
  30. A recreation centre is necessary for all people in our community. Requiring payment for participation is a step forward to recoup some losses. Offering our arena facility for rental to out of town teams is an avenue to pursue. If a choice between Recreation Centre and Marina, focus should be on Rec Centre.
  31. Where do you come up with numbers saying the cost of the Arena is less than the interpretive center building when it is closed from September until May. The arena has an ice plant that runs from November until April and has no minor hockey income! how is it cheaper to run????
  32. The town should look into grants and the benefit of having a high school and rec centre close together. Possibly start hockey school where school and hockey are integrated into the credits.
  33. It can be run better!
  34. Having a place where children can go, is important. Maybe have some programs there for kids, rather than let it sit empty.
  35. Barely being utilized
  36. If it loses money every year and very few people use it then shut it down
  37. It would be nice to see community members coordinate events (tournaments, etc) but there is some uncertainty about using the areas. Additional signage may help.
  38. This question is "stacked" against the Recreation Centre. This facility is old and has been neglected physically. With the decline of population and the changing demographics of the community, it has not been well used. Planning for the use of the facility has been allowed to slide and there is no viable efforts to support the main body. The Arena portion is dated and the age of the mechanical infrastructure is needing expensive upkeep. The ice plant is on its last legs and needs frequent and expensive upkeep. The electricity cost to keep the skating rink is about \$25,000 annually then add the cost of Zamboni, staff to operate, clean, secure etc. This cost is not justifiable when there are possibly 10 persons a week that use the ice surface. The curling rink has not been operational for the past 20+ years and is a liability at best. However, there are several service features that need to be maintained in the Recreation Center. The Red Pebbles Restaurant has been a great asset to our community. It is well run, serves the community well and is the only real

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source of full meals in Red Rock. The Town has not serviced this facility well in the years, probably in hope that it would wither and go away. The bowling alley is a very active and well received service in our Recreation Center. It provides a good service to Red Rock and to the neighboring Town of Nipigon. It is a good resource for supervised physically and mentally challenged patrons. Lastly, the Physical Fitness Room. It is widely used and well cared for by the members of this facility. When there was question of closing this facility, the members spoke up quickly and strongly to keep it active. There is a wish by some to close the Fitness facility, the restaurant and the bowling lanes. They would have this closed to save the large costs associated with the Recreational Center. True, the facility is a financial drain, but we need to have a common meeting site in the event of a major episode. It is also a reality that the few viable services there are well worth the costs associated with them. Let's keep this portion open!

39. Due to the cost increases at the recreation centre and the decisions made by Council and CAO I am no longer willing to support activities at the recreation centre. The decisions being made are not in the best interest in the community. Increasing fees so residents can no longer afford to participate in things yet purchasing signs with businesses that no longer exist is laughable.
40. I would try to sell it to one of the Indian bands of this area because of their funding, provincial and federal. There are no teams left in Red rock all that is used down there is a bowling alley, and gym which does not create much revenue. If you go there in summer months it is empty.
41. I would hate to see it closed. Could staffing not be utilized better, find other avenues of revenue such as advertising rink time to Thunder Bay.
42. Contingent upon finding users of facility to increase revenue and reduce deficit.
43. getting rid of the recreation centre is not only political suicide but will kill what is left of the Township...and including amortization in the figure above...?.are you trying to pull the wool over our eyes trying to fool us? This exercise is only being done to justify hiring a Treasurer, a new position that we cannot afford.
44. sell it
45. Please pursue 3rd party partnership to reduce operating costs. Increase canteen rental fees.
46. Absolutely 100%. The health and well-being of the community depends on this.

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47. Firmly believe partnerships with other communities is required so utilization is enhanced and increased in revenue occurs to offset operational expense.
48. The taxpayers cannot afford to continue to pay for operational costs and any future capital costs. Explore external partnership or external full ownership.
49. It is the only facility that can operate year-round if allowed.
50. It's the only thing left in this town. Should be kept and utilized. Possibly looking into ways for it to generate more income would help with maintenance.
51. Some efficiencies should be sought out to lessen the subsidies
52. It is too bad the pool area and surrounding playgrounds are not put to better use.
53. If the facilities are not getting full use, then it should be closed.
54. Would repairs be less costly than a new complex?
55. The township should strongly look into partnering with neighbouring communities/First Nations to subsidize cost saving. With Red Rock being an aging community, perhaps a different approach to Recreational activities should be looked into and organized by a recreation director/coordinator. I feel as though the current recreation department needs to move towards this approach rather than the stagnant situation it is in currently.
56. I believe the town does not utilize the rec centre to it full capabilities and money-making efforts. Also, extra positions to working for the township at great expensive to taxes that are not needed. Ie extra supervisor.
57. Need a better Rec Committee..... they talk the talk but it .. Very Disappointed
58. Only insure due to COVID restrictions. That is a lot of money to operate with no hockey, no programs for kids, no curling etc.
59. need to find a cheaper options for entertainment for the children and a gym option
60. A recreation centre is essential to life in a small community. It is a place to connect and to unwind. It is a place to exercise and to bond. There are numerous options for incrementally increasing revenue's to offset the subsidization.
61. We need a community hub where community members can engage in healthy activities. Government and healthcare providers (including mental health providers) are always talking about the importance of being healthy and how preventative measures like physical activity actually save money in the long run...so all levels of government should be willing to invest in facilities that help develop healthy lifestyles. And we need someone working

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- at the rec centre who is actively seeking out opportunities for all age groups: pre-schoolers, kids, teens, young adults, middle-aged adults and seniors. Perhaps if there was more going on, there would be more income generated from this building.
62. Although I rarely use the rec centre I do think it is important to have the facility for our young citizens (ice, bowling, etc.) and a place to gather for others (restaurant).
  63. Although this is a Covid-19 situation, I believe that this building could be used more in normal times.
  64. More specific information (Re: operating costs) would be helpful. How can we attract new families if we do not have any recreational facilities?
  65. "Use ice surface for RV storage? -no heat, no ice required"
  66. Rec Centre is an important part of community.
  67. Use ice surface for rental of RV, boats storage. Receive money instead of losing money.
  68. Arena and gym not utilized enough by residents to warrant continuing subsidizing these areas.
  69. If we have to come up with more money for the Rec in taxes, no. But if you get grants to fix, yes.
  70. If you want people to move to Red Rock, we have to have recreation facilities.
  71. [The restaurant] is great but close it. We don't even have a hockey team and the gym sucks.
  72. Close it.
  73. Close it.
  74. Privatize!
  75. Rink should be used more, advertise rates for out-of-town teams.
  76. Tear it down. Room for new homes or the right industry. Electronics, robotics, etc.
  77. We do need the Rec Centre, if only we can get the hockey going again - glad to have the restaurant there.

### **16.12. Waterfront, Marina and Interpretive centre**

1. The answers to these questions don't reflect on how the people in this community think about how beautiful our Marina is and if it is run properly it will make money.
2. They CAO and council want to close these building

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3. .... the interpretive centre is a complete waste of money. I don't believe anything related to the interpretive centre, boardwalk or splash park (liability insurance, etc.) is appropriate for the marina. we pay our docking fees, pump out fees proof of insurance and fuel and it is only from May to Sept. We have the most perfect spot for campgrounds and promote our marina .....You do not need a HIGH-PRICED consultant to figure that out. Looking forward to a reply
4. the Marina building should have been open during Covid for tourists
5. Hard to justify costs being incurred by the waterfront or rec centre for the present usage.
6. The interpretive center is a waste I feel. Restaurant not utilized, not enough tourists to go through the centre. Is there any way to increase the amount of boats moored here?
7. Advertise more about what is available at the Marina/Interpretive Centre - social media, radio, large bright highway signs, signs throughout Red Rock, etc. this will draw in more tourists as people come here for a nice drive and give them more of a reason to shop at local businesses ( also when crafts are available at the Interpretive centre again) so people know
8. Marina building is a huge waste nothing is being utilized there.
9. Waterfront, marina & Interpretive Centre are three separate entities & should be treated as separate.
10. The interpretive centre at Lake shore is sad. Built it and never used it. Money could have been spent better than that.
11. I do not believe the Interpretive Centre is worthwhile.
12. Close the Rec Centre and interpretive centre unless they can fund themselves.
13. Restaurant should be reinstated, docking fees should be advertised, campground needed, swim area should be made.
14. I miss the restaurant, it was a nice place.
15. Why does this building which was my understanding was built by a grant cost the taxpayers of Red Rock so much money?
16. We have one of the most beautiful marina's around, the crew that have worked there in the last couple years were great and did a lot Work to make it look that good. I don't agree with it be closed.
17. This building was a joke from day one, total waste of money
18. Where would it cost 343,000?
19. The marina YES the interpretive center should be separate the washrooms and the laundry facility should be for the boaters with a key only to prevent misuse and vandalism!!!!!! as seen in the past!!!!!!

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20. Beautiful space. Rent out for personal use. Weddings showers meetings. Etc.  
EDO needed
21. This area needs to be promoted as a destination; it is one of the most beautiful marinas in northern Ontario! There isn't even a sign on hwy17 to tell people what we have. We don't need a full-service RV park right away to attract the baby boomers we just need a clean quiet place for the night.
22. My favorite place to explore is down at the marina. They have lots of fun things to do and learn about at the interpretive centre, I enjoy the critter dipping dock, the splash pad and really wish they still had the little restaurant.
23. This facility attracts so many more people to our beautiful community than any other facility. It brings people travelling across Canada from all over the world and many large vessels have been seen docking at our state of the art marina because of the level of service (staff) that has been offered, the beautiful setting and the interpretative centre which holds a wealth of information on lake superior and the history of Red Rock. This facility is new and could be used YEAR-ROUND. The revenue generated through the marina is far more than the Recreation Centre. But again, you don't provide much of a breakdown for the average person to understand the financial state of the services and facilities. I will also re-iterate what I noted above - Why would you include the amortization expense? How is one to make a confident and comfortable decision? It would be nice to see what the ACTUAL revenues vs. expenditures (w/o amortization). I do believe that this marina centre could be better utilized and generate more revenue if run more efficiently. This municipality (elected officials and management) needs to be more open to the ideas of the residents (tax & rate payers) and employees who work within these facilities on a day to day basis. Maybe additional funds can be spent on areas that benefit the current infrastructure we have and less on new subdivision developments, signs, flags, and additional (very high paying) management/contract positions (those are just a few examples of poor decision making by the powers at be). How do we plan to attract new families and seniors to our community if we don't have anything to offer? There are a number of vacant lots (already fully serviced) that could be developed by a new owner. Without this facility what would attract tourists to take that turn off of highway 11/17 and venture 8km down a secondary highway?
24. Township needs to add attractions at the waterfront. EDO can help this along the way. For time being town can get some paddle board and boat rentals A floating dock and access to lake for swimming.

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25. Total waste of money. Marina building has been nothing but a burden since it was built. It has never made a profit
26. This definitely is an attraction to tourists, and it should stay open
27. That marina building was a mistake and has only cost us money.
28. I do not believe it should be subsidized to that extent. Are they charging enough for the docking, launching, camping? The large campground being planned is nothing more than another white elephant and another hole to put money into. Look at putting in a few serviced sites and develop some for people to do if they visit this town. Also I rv'd for over 30 years and quite frankly that campground would be too close to the railway tracks for me.
29. We built it, we run it. Why would you even ask these stupid questions?
30. Again, amortization!
31. The marina has so much potential that is wasted
32. Would suggest new displays/exhibits be featured every year for regular area visitors to appreciate. Bring in mobile exhibits from Science North, R.O.M. for example.
33. Marina has huge potential and is continuously ignored
34. I would say I am not in favour of continued subsidization; however I would favour reducing the deficit for this substantially for the next two to three years and try grow the income. Some volunteering should be looked at for the running of the Interpretive Centre. Camping fees and boat launching, and docking must bring in more income. The idea of a full-scale RV Park should be scrapped. Use the plan and put in a few sites that will eventually fit the plans and build slowly. It should be an all or nothing program. \$3million for a RV Park certainly should not be as priority at this time. This can just add more to the deficit of the whole Marina area.
35. Waterfront and marina are absolutely necessary to have a chance at any tourism in the community. The interpretive centre however is a complete waste of money. Perfect example is keeping it running to host only council meetings this summer, which by watching last nights, ran much smoother via zoom with everyone in their own homes.
36. "Based on further development such as <https://www.tay.ca/en/living-here/parks-and-trails.asp>
37. Market, promote and identify other waterfront, marina and interpretive centre opportunities."
38. In favour of the continued subsidization of the waterfront, marina and interpretive centre based on a strategy to implement additional tourism e.g. tall

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ship regattas, active marketing of the waterfront to all Lake Superior boaters. There is so much that can be done when one researches what other small communities have created to enhance their towns. Again, part of the problem is changing the mindset.

39. Then why did you even build it if you're just going to leave it closed. After time and time again we've been told tourism is our future, yet council does little to promote it.
40. You could sell the whole marina to Parks Canada
41. The marina only operates three months per year. It does bring in some tourists. Fees should be raised for those using the service.
42. For a building that is a lot newer and is closed longer how is the cost so much more than the arena?
43. Again look at marketing it.. complete the camping get kayak rentals utilize the space.
44. More effort could be put into getting more people into the interpretive Center. Field trips from Thunder Bay and Nipigon, as well as organizing events for kids that would bring parents and kids alike from Thunder Bay. This applies to the marina as well. More money-making opportunities.
45. This building was a poor choice. It has really done nothing positive for our community
46. Feel this will eventually go in the positive
47. Same deal if it's losing money then shut it down. Especially if it had no prospect of being profitable in the near future
48. The interpretive centre seems to get minimal use by local taxpayers. The rest of the marina seems to get use, and is well looked after.
49. Another " loaded " question. It would have been better to have broken down the question into separate questions. The Waterfront park is one of the Town's more valuable assets. Our Marina is one of the best facilities in the region. It has been totally neglected in terms of marketing. The slip occupancy is about 35% and should be filled with a waiting list. This is an annual loss of revenue for the marina and for our Town. Our waterfront park is a jewel and where we congregate annually for our Live From The Rock Festivals. The waterfront is one of our most precious assets. It is in need of upgrading and marketing through an Economic Development Office. However, the Interpretive Center has not proven to be an asset. Over the few years of its existence it has been a revenue drain in comparison to what it has generated. Red Rock needs to divest itself of the building through sale or lease to and entrepreneur. Our Town can make the

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Marina become a net revenue provider as well as a service to the growing boating culture. Part of the EDO function would market this facility to its potential.

50. If I could. I would move.
51. I have been through this building a couple of time over the years. We don't have enough tourists or locals using it. I would put it up for sale. People are moving from Toronto all the time. Hard to make a go with a building only open up for 4 months. Would make a good B&B
52. Marina yes, interpretive centre could be utilized differently perhaps. No rental spaces in town without stairs and the centre is accessible.
53. again...including amortization...!
54. just advertise more and make it more user friendly - develop it into a trailer/camper destination drawing in more tourists who will shop at local businesses and help grow this community
55. Sell it or lease it.
56. Please pursue selling or leasing the Marina center. If sold it would be a fairly large tax base.
57. This is our future right here. This building has so much un-used potential. An amazing space.
58. This should be a break-even attraction and if not then lease the area out and or develop the waterfront into condos and retail.
59. The interpretive center was a waste of money. More effort and money should be out into the Recreation center which gets more use and is more valuable to the families that live here.
60. The taxpayers cannot afford to continue to pay for operational costs and any future capital costs. Explore external partnerships or external full ownership.
61. Prior to being built it was projected to be a loss. Should have never built it and should have revamped the rec centre instead. Very poor decision made and now we pay for it.
62. We live on one of the greatest lakes in the world. This should be optimized and again, find ways to utilize it to generate income if needed.
63. There is more need for publicity, social media, school expeditions, learning potential.
64. Huge waste
65. "Township needs to do more to bring revenue to the waterfront. Year-round campsites etc."
66. I find there are a select few who use these services.

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67. Definitely needs a way to generate \$ to maintain.
68. Although the exhibit is very well done, it does not draw in the necessary tourists to own waterfront. Advertisement is key to success; something that our community severely lacks. I am not in favour of closing, however, again, partnering should be seriously considered.
69. Build it up for tourism
70. Find investment partners and start making the waterfront a spot for tourism
71. Red Rock is missing many opportunities to make the marina a family area. Look at the beach in Terrace Bay for example. Beautiful way to spend the day for families. Would be nice if we could look at developing the waterfront for the community. Beach Volleyball, Basketball, a beach area would be lovely. Access to grants?? I grew up here and spent a lot of time at the waterfront when not at camp. Our town is beautiful, and we need to find ways to celebrate it.
72. Again, the waterfront & marina is the essence of not just small-town life (boating/fishing/gathering) but it is also a meaningful tourist attraction. Suggest renting out more real estate in the interpretive centre to local artisans on the weekends and during the busy season and encouraging the historical society to get involved and post stories, pictures, history etc...
73. If we don't have these facilities, how else will we draw tourists to our town? Don Evans won't be around forever.
74. I think the outside areas are important, but I'm not sure we need to be putting money into a building with laundry and washrooms.
75. The waterfront/ Marina has so much potential. It needs development - RV Park, camping. Talking to visitors is enlightening. They love our waterfront: a well-kept secret. Right now, the Interpretive Centre is a white elephant.
76. An explanation of these costs would be helpful. Could council explain the operating costs. It would be a shame to go backwards. We have a state-of-the-art building. Not using it makes no sense!!! How do we expect to take advantages of tourism and water use if we cannot have services they need?
77. -that project put the cart before the horse?
78. Marina is well maintained and a real asset to the community.
79. Beautiful building but no use to locals. Too bad it didn't remain open for rentals of meetings, conventions or weddings. Again, receive money instead of spending.
80. Need evaluation of usage.
81. Of the figures above, what was marina share, what was interpretive centre share, what was waterfront share? What is cost of Red Rock folk festival?"

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82. If it costs more money in taxes, no. But if you get grants for it, yes. But taxes are already too high.
83. Again, we need to have services to attract new people.
84. As a resident paying \$7,000+ in taxes each year and still have to pay to launch, close it down.
85. Close it.
86. Close it, unless it becomes self-sufficient.
87. Downsize
88. "It should not have been closed this summer. Rental income should be procured to offset expenses. E.g. Cafe"
89. Only if put to good use, put back Cafe.
90. No waterfront condos, apartments, etc. Public use only.
91. It's good to have the Marina. We do get boaters in and the facilities are there for them.

### **16.13. Cultural Services, Library**

1. What are the cultural services besides the Library? Especially since interpretive center is generally only open 1/2 the year or not at all.
2. Library is good for the town.

### **16.14. Mill site**

1. Contact Domtar and Norampac for funding to get mill site cleaned up. \$10,000,000; involve federal and provincial government and media.
2. Loss of 5 million dollars of taxes on old mill property and conducting questionable transfer of some of this property to Township can hardly be considered honest, transparent or proper without public input.
3. The mill property is a potential future economic industrial site. And future development will not happen unless the property is FULLY RESTORED to Ministry Environmental approved regulations. I have been told there is case law that states the last original producing company is required to meet the FULL RESTORATION to the original state before industrial development. My question is why this has not happened and it should not be on the backs of the taxpayers of Red Rock) to fight this.

### **16.15. Other comments**

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1. I think a lot of time and planning could be put into far better and useful things. Signs and banners do nothing but cost us money, even though it may come from grants the EDO spends a lot of hours applying for these which in turns costs the town money for things that get us nowhere, when she could be applying for grants that push us forward.
2. We don't use any of the services, we are rural
3. Ongoing services are favourable for non-resident groups: Food, Liquor, P.O., Credit Union, Fresh Water, Washrooms, Laundry, Garbage, Power, Fuel (at dock), Quiet, Safe, Clean, Organized, now no Mill effects, "
4. Township needs to stop spending money on dumb stuff like 60 grand for this survey 30 grand to replace a sign that was basically brand new and 15 grand to put up useless signs that look like Campbell's soup logos
5. Red Rock is a community that has neglected to prepare for adversity in face of changing regional, provincial, national and international economic situations. In the face of the paper industry drying up, the Township of Red Rock simply did not plan for anticipated future changes and stood still , doing nothing. even when dire warnings were brought forward to Council, these warnings were not acted upon. Some of the other problems were self-inflicted by some in positions of authority and power. There is opportunity to quickly reverse this uncomfortable situation, but it will take some administrative adjustments and wisdom to study the deficiencies and the opportunities. This Town can not only turn around in a relatively short time, but become a viable self-supporting entity. There is a need for serious and strong leadership at the Council and Administrative level and a will to lead the community with confidence. Sage is the first step.
6. The town spends our tax money on useless things such as a sign, remodeling the CAO's office, cutting trees, paying for this consulting agency, etc. and hiring out of town companies instead of putting money in necessities such as updating our water treatment plant, increase pay for front line employees.
7. I think much more can be done in the Economic Development and forecasting for future residents. There is not enough publicity on how wonderful Red Rock is, how safe it is for young families and the school ratio student:teacher can be shown to push the emphasis on smaller classrooms, better learning.

### **16.16. Taxes, fees and utilities**

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1. I live in the country and pay exceedingly high taxes; with the only service I receive being garbage pickup. I don't use this service, as I am away working most of the time. Also because of my work hours, I do not benefit from the services in town, because they often open and close while I am still at work.
2. Taxes and other fees have gone up considerably in the last few years, but I believe they are still responsible. If these were to increase by a large percentage, I think people would reconsider living there. We are attracting people from outside to buy homes here because of our reasonable prices for homes and services.
3. Set the rate and we pay it cause that how a town runs on the taxes and fees for different thing, that's how you run a business
4. Taxes are way too high for the 2 services I get from the town. I can walk my garbage to the dump I'm close enough and the lack of road maintenance is unbelievable. People in Thunder Bay pay less taxes than I do for full services
5. Any thoughts or ideas on how many users there are?? Why would some user fees be more than others? Is it because there are more users in regard to specific facilities than others? This is also a challenging question to answer without the proper information being provided.
6. Taxes are high from our debt
7. I only receive garbage pick up
8. Our taxes are outrageous especially since we only receive garbage pick up
9. The town is still run by people who have been associated with mill life and the mill subsidization. Using this mentality to govern is costing the taxpayers too much so others get a free ride.
10. The water, sewer. garbage charges should be paying their way through the user charges, not subsidized.
11. Recreation memberships or pay for usage is a good idea. Fees for fire permits and dump mage fees would help with some of the costs
12. Develop a walking/bike path using the old CN railway between Red Rock and Nipigon (and perhaps further). Could be used for cross country skiing in the winter.
13. You have a \$10million dollar surplus and you have not paved a road in this town.
14. We bought a house in red rock a few years ago but if I had known how high taxes were, we would have looked elsewhere in the area.
15. User fees should be collected from everyone bringing material to the landfill site. The Emergency Exit Road should be gated at all times forcing people,

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- including town employees hauling town waste up the road, to haul their waste to the landfill site. Allowing dumping on the Emergency Exit Road will only become a huge problem if the town continues to allow dumping there. There are "No Dumping" signs posted but obviously they don't mean anything.
16. The price for a membership at the rec Center gym is high, especially with the amount of equipment available.
  17. Ontario government directs a higher cost for water and sewer services. There will have to be an increase here ...unfortunately.
  18. We need things like updates to our water treatment plant and recreation centre NOT a bunch of signs, a consulting service to ask questions anyone could have done, new CAO's office, tree cutting, etc. The public works kitchen is full of mould and the labour board should be notified of their working conditions.
  19. I have delt with MPAC for many years over the high Taxes in Red rock we are a struggling township losing school and buildings every year. We have to utilize our space and try to open up building lots
  20. What are the user fees?
  21. Do not charge different amounts. All in town property owners should pay the same amount.
  22. All Urban properties should pay the same amount. The present system in Red Rock and Ontario is unfair. We all get the same services with the exception of rural properties..... yet if your house has a higher MPAC assessment you pay more ..... It is time to SET OUR OWN TAX SYSTEM.
  23. The arena needs a user fee and needs to be promoted and rented out.
  24. Weight room fees are ridiculously overpriced
  25. I do find that our roads and sidewalks need lots of work and there appears to be no money for these, yet money was found for remodeling the library and a new office for our current CAO. It would be an asset to have a listing of exactly what all of our land taxes have paid for.
  26. Taxes seem to operate on a "who you know" basis.
  27. If there were more programs, there would be more financial benefit.
  28. "Rural taxes are ridiculous. There should be a 2-tiered tax system.
  29. Right now, rural taxes seem to be carrying more than its share of operating costs."
  30. "The recreation centre isn't used as much due to the low level of children here however attracting ppl to our town requires options like a recreational centre.
  31. I cannot afford the gym however that doesn't mean I don't think it has value.

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32. I rent in the community, so I don't pay water or taxes directly. Currently, we've had decent residential rental costs however with the new businesses moving in this may not last. Increasing things like user fees etc. make it difficult for families in the lower income bracket to afford living here. We need to keep families here to keep schools, tax income etc."
33. "As with all small communities, various levels of governments need to recognize the value of smaller communities to the fabric of Canadian culture in order to bring property taxes under control. I find the utility fees very reasonable.
34. Efforts to gain Federal & Provincial property tax attention require public champions, good news stories, advocacy efforts and leadership that drives the values that will encourage these attitudes and behaviours throughout the community. Small town pride. Kindness. Openness. A welcoming attitude. Sharing. Caring. Etc. While they appear 'soft', they are immeasurable attributes when marketing small towns. Share 'small town stories' in national newspapers. Document and celebrate 'good catches' and 'community spirit' etc. THEN once the right headlines are running...run the tax stories."
35. I'm not sure what besides the weight room and the marina charge user fees, and I'm also not sure that those fees are high enough when comparing the cost and service to similar services in our area.
36. I think taxes are high, but I also understand why they are high.
37. It's not fair for homeowners to be left footing the tax bill when big industry shut down.
38. Very unfair that taxpayers and homeowners paying for industry we no longer have.
39. Without data, an objective opinion is nearly impossible to form. Comparison equivalent to a similar community which is considered to be well-run with similar problems or advantages would be very helpful.
40. Taxes are already too high. Seniors cannot afford more taxes. It is mostly seniors that pay taxes and are too high for what we get.
41. Create split taxes to lower taxes of people getting screwed. My mail does not even go to Red Rock and I have no utilities and pay over \$7,000 in taxes!
42. "My road is garbage. All you do is pick up my trash once a week. I pay too much tax. Lower taxes!!!"
43. Create a rural tax rate as our taxes are unfair and receive little service.
44. We have a team of employees second to none. I wish I could say the same for council.
45. No one likes paying taxes, but I believe mine are fair.

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46. Do not privatize the waterfront. No large buildings. Public use only.
47. Taxes is what pays for everything to keep the town going, but as a senior alone - ouch.

**16.17. Strategies to improve the long-term financial planning for Red Rock**

1. I believe one of the things we could do would be less use of heavy equipment. More effective use of employee's time, this includes office and other staff.
2. By not creating 3 jobs that the community doesn't need. Totally drop this waterfront development that they are going ahead with. Maybe the elected officials and CAO should have town meetings and consult with the real people that keep this town running.
3. Get rid of this idea of running things like they have always been and actually make some changes. Also let people speak freely in meetings without the cops dragging them out
4. Marina campsites and property development.
5. Campsites at the waterfront
6. "Promote tourism get on with the proposed camp sites and push our beautiful marina.....so many beautiful from Red Rock on Lake Superior.....That is why we moved here. NO HIGH PAID CONSULTANT REQUIRED."
7. EDO. Use social media to promote community. Camping at waterfront, use of marina, trails etc.
8. We need to have a more inclusive community. What drew us to move to Red Rock is the beauty! This should and could be capitalized on. Red Rock needs to promote itself as a destination for hiking, fishing and cruising our beautiful bay.
9. Again, this is a challenging question for the average person to have to answer. But I will note that focusing on our existing infrastructure, facilities and services would be beneficial. A plan needs to be developed and then followed - there is currently so many different things happening/changing all at once with VERY LITTLE thought put into it. It is extremely frustrating to sit back and watch it unfold and know there is nothing you can do about it. We need to attract/promote new businesses and new ideas. We need to be more willing to work with residents and business owners - not AGAINST them. Again, the taxpayers need MORE of a voice. Even when they do try to speak up, they get shut down instantly - especially if they are not in agreement with a decision made by the elected officials/management.

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10. Hire Accountant and EDO. Qualified council members need to be voted in and not family and friends with old ideas
11. "- Improve Marina Camping. Clean-up mill site, then get it sold! This town will not survive solely on tourist dollars and government grants."
12. Development of mill site. priority
13. Town council and CEO need to make better decisions regarding how money is spent
14. Business investment. Development of the Red Rock Mill site.
15. Town Council/CEO need to make better decisions for a town that has zero industry
16. They should be working more with Nipigon so the costs can be reduced for both towns. Savings could be reduced in equipment and services. The equipment they now have should be cared for better and not used at the whim of the employees for their private enterprises. This should not be a privilege just because you work for the Township.
17. Management should take a look at themselves and the others they work with. Hold each other accountable
18. Serviced camping sites; Seniors apartment facility; utilization of the mill property area which is suitable for manufacturing plant.
19. spend less then received
20. Develop the infrastructure we have. The marina has a lot of potential and could be used as a means of bringing in tourism and revenue. The marina building is beautiful but due to it being built over budget are we ever going to see it operate in the positive. People need more to come to then a walk on the board walk and a small museum like collection
21. This town must realize the Mill is no longer a part of this town. People must begin to pay their way and they must provide opportunity for a business to grow. When the mill was running they would just get their friend, plumber, electrician mill wright whoever to do their home, vehicle or whatever repairs, not letting someone in the town to actually grow a business because they were undercut by persons in the mill scene who did not have the overhead and costs of actually running a business to make a living., A good example, right now, the Township allows the workers to use Township equipment at a rental rate and do jobs outside Township work. Who would by similar equipment as a tractor, snowplows, backhoe and try to build a business in Red Rock when he has to compete with the Township employees using Township equipment? Such a business could complement the Township fleet in time of need for such extra

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equipment. Small business, even if they are part time businesses must be supported to grow. I see such a confectionery as Dampier's actually trying different ideas of products to try grow his business. Others must be encouraged to grow so most local businesses have a chance at survival. Home renos and roofing type businesses are other examples, to compete in their own town, if a trade or business operates in Red Rock, then have a licencing process for those from outside the Township so it gives the local an opportunity to survive.

22. Qualified EDO who had feasible ideas. No more costs to the township.
23. Do not expect recreation activities in the community to turn a profit. Must find another way to make money
24. "Simple improvements in the Marina Area, i.e. must add a FIRE PIT and seating in the Area for recreational Boating season.
25. Addition of an RV park in the same area as a potential destination point for regional and travelling groups."
26. Financial planning is only one type of currency. There are many other currencies to examine such as social currency, community connectedness, cultural currency, etc.
27. "Amalgamate Red Rock, Nipigon, Dorion and Hurkett into one North Shore community, with one Town Office with municipal employees/representatives from each community and create a strategic plan moving toward economic and community growth.
28. Sport Tourism - <https://canadiansporttourism.com/sport-events-congress/sport-events-congress.html>
29. Getting a council and mayor with to the people for their input. Don't feel represented by them at all.
30. Advertise more to get people coming in from other towns. More events at the Marina and Rec Center for kids. In the winter, organize charity skidoo runs, in the summer kids' day events.
31. Retirement community - more activities, centre and homes directly related to the aged
32. "Do not hire a 90k a year economic development officer for a town that has absolutely no economy of its own
33. (What are they going to do get the grocery store to hire one more part-time kids? That alone could be put to better use like road repair or the rec center "
34. "Our Township has to adapt to the more contemporary methods of administration and the financial realities of the present. There is need for an

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- administrative restructuring to include a corporate manager with financial credentials/experience. researching and upgrading of our computer systems will lead to time savings and financial efficiencies. Highly important as well, is the need to employ a highly skilled Economic Development Office. There are many opportunities that this office will expose and benefit our community. It will become necessary in future to review our workforce and justify all positions. In the near future, the Township may look at developing partnerships with other communities or groups to enhance efficiencies as well as develop opportunities.
35. The above actions would be transformative for Red Rock. It is necessary to remove ourselves from the ""Mayberry"" town idea and work with an attitude of driving for goals."
  36. Better communications with the people of Red Rock. The times I have gone to a town council meeting, they go "In Camera" shortly after the general meeting is started. Very hard as a taxpayer to know what the heck is going on. Council seems very secretive. Like they don't want anyone to know what is going on. Or only what the council wants to tell people.
  37. Apply for grants and funding, upgrade our current facilities so major repairs aren't needed all at once. look into building business instead of being rude and chasing people out of town.
  38. I would get the deed from the owners of the old Mill property, survey lots all along the waterfront trying to get investors like Tom Jones to get on board as partners. Take the field in the marina convert it into retirement condos with parking, restaurant, hairdressing etc. I could easily see 60 units going up. Why move to chartwells when you could stay in your own condo in Red rock overlooking the lake
  39. Look at township staffing for ways to streamline existing costs.
  40. "Explore potential to expand residential tax base.
  41. Ensure administrative costs are in line with best practices."
  42. Develop the marina into a tourist destination (see previous comments )
  43. Get the mill site cleaned up. Once cleaned up maybe then someone will consider opening up a business.
  44. "Is it time to explore amalgamation? What services can be shared? What staffing levels can be shared?
  45. What are the pros and cons?"
  46. The lake lots, camping sites at waterfront, promoting community to Seniors, another Seniors complex built.

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47. "Growth and development (residential) industry and proper internal financial analysis and controls. Also hire a EDO to network with investors."
48. Reduce overtime costs for public works
49. There's a beautiful Marina it is hardly utilized surrounding Marina is availability of people to come to Red Rock Arctic camper trailer user boat go fishing for 3 or 4 days go into Red Rock spend money but for some reason the service is provided to make this possible are next to none even though the land is there even though the marina provides a place to launch your boat there is no place to stay for one or two days of relaxation the ability to park a trailer or camper what's hookups what allow people to come in utilize the marina in the area and stay for a few days also with times changing instead of marketing this place as a tourist destination may be marketed as a safe place to live an easy commute to Thunderbay to work most people moving into the Thunderbay region are used to travelling over an hour to get to work
50. A professional and widespread Tourism campaign with the partnership of the provincial government. I feel tourism is one huge piece of this puzzle.
51. not paying 75,000 per year for a pool that hasn't been usable for over 10 years. Getting control of maintenance and stopping them from wasting money (the grass didn't really need to be cut on a stat holiday for double time)
52. Put the money into our infrastructure instead of the beauty committee. Would rather have curbs on our street.
53. Selling off land for development such as the waterfront.
54. Then need for retail space, old folks' home, assisted living, seniors complex, Rv park
55. overall getting in someone that can read and produce a financial statement and keep the township's finances in place
56. Productive EDO position, town employees cut down to what's needed and paid by experience,
57. Brainstorm ways to generate income for the town utilizing what is left here. I.e.: marina and rec centre
58. Social media, publicity, The Red Rock Inn could host retreats for artists, musicians, corporate retreats. Bus service to/from Thunder Bay, competitions, events for summer and winter sports. Help our businesses grow. Give Saunders a subsidy so they can better their store and attract more customers. Get some health and wellness programs, speakers, special interest groups in the Rec Centre. Promote the 'SAFE COMMUNITY FOR FAMILIES'...

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59. Too many contracted out unnecessary positions. Cuts need to be made as our town is smaller all the time and things haven't changed to reflect this. We cannot go on as if the mill is still running
60. "1 to 3-year contract EDO to market Red Rock and entice commercial investment. Promote the marina more. Continue to seek RV Park funding. Once in place RV park infrastructure should be less costly to maintain than the marina.
61. Continue to market Red Rock as a safe place to live boasting wonderful scenery and hiking opportunities as well as access to great fishing."
62. I think we need to set up more partnerships with First Nations. Apply for even more Federal gov't grants etc. Perhaps merge some positions within the administration to save some funds. Partner with the school boards and consolidate those locations to become more of a community hub. I also believe the Town is not as transparent in its operations as it should be.
63. Somehow entice industry, or governmental services.
64. "The township should look at either developing more senior living and look at putting in a new subdivision for people wanting to move out of the city."
65. Need industry
66. Economic development that brings business without spending more money.
67. Really don't know
68. Red Rock took a major hit after the mill closed. We all know this. However, it's been a cycle of bad decisions. Someone qualified should be hired; not someone who will become qualified.
69. Better use of money. Less CEO positions small town doesn't require big wage CEO
70. I think there could be an audit of current staffing levels at the township. It appears we are paying for services we are surely not receding these days. If the town can operate as it has been and by appointment only 2 days a week, why do we have staff with rather high wages the rest of the time?
71. More economic development towards creating our town as a tourist destination.
72. "Improve community understanding (in ways like this) of what things cost. Recognize the value of marginal cost reductions and revenue generating. It doesn't always have to be HUGE to count. Ask for help in areas that are very expensive. Advertise for volunteers with critical skills. Maximize current staff. Assign tasks that will contribute to the community.
73. Generate revenue = rent camping spots at the marina - summer staff clean & support, implement trail fees for local hiking spots, etc...

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74. Shop around annually for insurance and other contracted services; demand competitive pricing?"
75. "Encourage use of the recreation centre instead of schools for activities organized by community members, such as Tai Kwon Do, Yoga etc.
76. Could citizens "hire" the public works department to assist with their own property? I'm thinking things like tree removals, driveway repairs, things I believe they would have the equipment to do. I'm just not sure if it is possible.
77. Thinking outside of the box to create employment opportunities to the community to increase tax base. Look at your current assets as a way to generate revenue. Capitalize on the proximity to Thunder Bay to bring some revenue into the community.
78. to eliminate subsidizing, taxes must be raised
79. I live in the country and pay exceedingly high taxes, with the only service I receive being garbage pickup. I don't use this service, as I am away working most of the time. Also because of my work hours, I do not benefit from the services in town, because they often open and close while I am still at work.
80. Full service campground at water front and re-start the lake trout stocking to enhance tourism.
81. "-make a swimming area for tourism, and get the campground set up with full hook ups -people will come if there is a place to stay & swim for families"
82. You could apply for more grants. Taxes too high already. More grants for this.
83. I don't know.
84. Close everything.
85. Council needs to focus more on keeping costs down so there are no tax increases. Taxes for service is not acceptable.
86. Campground at waterfront.
87. to help seniors with snow removal from driveways
88. "seniors condos, waterfront property sales and condos, waterfront area to camp and utilize space there much better"