



Staff Report

Administration – Chief Administrative Officer

Report To: Special Committee of the Whole
Meeting Date: June 17, 2024
Report Number: FAF.24.074
Title: Completion of the 2024 Corporate Organizational Structure Review Process
Prepared by: Shawn Everitt, Chief Administrative Officer

A. Recommendations

THAT Council receive Staff Report FAF.24.074, entitled “Completion of the 2024 Corporate Organizational Structure Review Process”;

AND THAT Council approve the 2024 Corporate Organizational Structure to include six (6) Departments as follows:

- Administration (Admin)
- Community Services (CS)
- Corporate and Financial Services (CFS)
- Operations (OPS)
- Planning and Building Services (PBS)
- Strategic Initiatives (SI)

AND THAT Council acknowledge that the implementation of the approved Corporate Organizational Structure will be implemented through a phased-in approach over the next twenty-four (24) months beginning in June of 2024.

B. Overview

The purpose of this report is to advise the public of the completion of the Corporate Organizational Structure Review Process and to share the findings and recommendations of the project.

C. Background

The Corporate Organizational Structure Review was completed in December of 2023 and, in consultation with Council, the Corporate Organizational Structure and Service Delivery Review Budget Sheet was included in the 2024 approved Budget (Attachment 1). The 2024 approved Budget includes the funding to implement the phased-in approach of a new Corporate

Organizational Structure over twenty-four (24) months. The completion of this project included presenting a range of options for Council to consider and provide direction on.

The approach Management has taken in this restructuring has been to have an initial focus on the Departmental and Divisional structure and its staffing composition. As implementation is phased in over the next twenty-four (24) months, ongoing reviews of operational needs will be performed with any necessary modifications being considered in a strategic and long-term Corporate-wide approach through the annual budget process.

Staff had anticipated bringing this report to open session in February of 2024, however, the implementation of the Corporate Organizational Structure was delayed due to the departure of the Director of Operations in January of 2024. Management felt that hiring a new Director of Operations was a priority to move forward prior to the initiation of the implementation process because of the level of impact and change the Operations and Planning and Development Services Departments are set to experience. Additionally, the recent departure of the Town's Acting Director of Finance and IT Services, who was also the Town's Manager of Accounting and Budgets/Deputy Treasurer, has left two (2) vacant positions that are currently being recruited for.

2023 Project

As part of the 2023 Budget, Council approved a Comprehensive Corporate Organizational Structure Review Project that was awarded to KPMG after reviewing seven (7) Request for Proposal (RFP) submissions.

Since 1998, the Town of The Blue Mountains has seen its organizational structure modified several times. Management suggests that these changes were considered through specific individual Departmental structural reviews rather than through a holistic, Corporate-wide perspective. With the benefit of going through a comprehensive Corporate Organizational Structure Review process, it has become abundantly clear that previous changes to the Town's organizational structure, along with the changing of staff roles and responsibilities, have impacted the Corporate culture. Changes that may have been thought to provide potential efficiencies in operational processes have ultimately resulted in the fragmentation of some Departments and Divisions within the organization. For additional background, staff have created a chronological map providing a high-level overview of how the Town's structure has evolved dating back to the amalgamation of the former Collingwood Township and the Town of Thornbury (Attachment 2). The chronological map outlines the changes that took place along with key decision points being highlighted to illustrate how the structures were managed. This process provided an opportunity to thoroughly consider the background, the issues, and the pressures of how the Town's Corporate structure has been modified over the years without full consideration of the overall impacts on the Corporation, Council, and the community.

Through a review of previous documents and reports authored by former Chief Administrative Officers of the Town, significant changes were experienced between 2014 and 2017 that have continued to impact the Corporation. In 2015, Council approved Staff Report CAO.15.03 entitled "Development Review Process". This report provided a series of recommendations that

implemented a Corporate structure that dramatically changed the way the Town managed development. The responsibility for performing internal development engineering reviews was shifted from the Engineering and Public Works (now Operations) Department to a new Planning and Development Services Department. The most significant change being implemented through this 2024 Corporate Organizational Structure Review is the shifting of all engineering services to the Operations Department. Therefore, the Development Engineering that currently reports through the Planning and Development Services Department will report to the Operations Department. The Planning and Development Services Department will be renamed Planning and Building Services Department.

Municipal Comparators

In addition to the internal review, a series of municipal comparators, similar in size and service provision, and sharing similar pressures, were selected. The following municipal comparators were used in this process:

- Town of Georgina
- Town of Innisfil
- Town of New Tecumseth
- Town of Saugeen Shores

The comparisons are included in KPMG's Final Report in Appendix I: Benchmarking and Leading Practice Review on pages 120 through 127 (Attachment 3).

Council Interviews

Based on interview feedback from members of Council, additional municipal comparators were selected that provided "Resort" type community comparators. Although including these additional comparators was outside of the initial scope of the project work plan, staff agreed that it was a worthwhile addition. As such, the following additional municipal comparators were used:

- Resort Municipality of Whistler
- Town of Niagara on the Lake
- City of Mont-Tremblant (chose not to participate)

These comparisons are included in KPMG's Final Report Appendix J: Resort Municipality Leading Practice Review on pages 159 through 162.

D. Analysis

The Corporate Organizational Structure Review Report, prepared by KPMG, reviews the Town's current processes, interdepartmental relationships, roles and responsibilities, and the findings

of the interviews and surveys that KPMG completed during the information-gathering stage of the project.

The service profile development identified on page 164 of Attachment 3 outlines the four (4) service types and a description of each service type. The four (4) service types are identified below:

1. Mandatory (Must Do)
2. Essential (Should Do)
3. Traditional (Can Do)
4. Discretionary (Nice To Do)

Through the phased-in implementation of this structure, staff will continue to review and consider the resources required to complete the **Traditional (Can Do)** and **Discretionary (Nice to Do)** municipal services in a manner that is well rationalized and understood through the appropriate planning of these proposed services. Typically, the **Traditional** and **Discretionary** services are brought forward through requests from the community and Council. Through this process, any consideration for providing these types of services should require a fulsome process to understand the actual costs, resourcing, and whether the responsibility of providing the service is that of the municipality or an upper-tier government, external organization/agency or private sector.

This will be critically important when considering the Goals and Objectives along with the priorities set out in the future Corporate Strategic Plan update scheduled for 2025.

New Corporate Organizational Structure

This structure consists of six (6) Departments:

- **Administration** (CAO, Clerks, Human Resources, Fire Services)
- **Community Services** (By-law Enforcement, Parks and Trails, Recreational Facilities, Programming and Special Events)
- **Corporate and Financial Services** (Facilities and Fleet, Finance, IT, Purchasing and Risk Management)
- **Operations** (Engineering and Capital Projects, Roads and Drainage, Solid Waste, Water and Wastewater)
- **Planning and Building Services** (Planning Services, Building Services, potential of Attainable Housing and Growth Management)
- **Strategic Initiatives** (Sustainability, Communications and Customer Service, Economic Development, and Special Projects and Strategic Initiatives)

Key Changes

Administration:

Council was consistent through their one-on-one interviews with KPMG that the number of direct reports to the Chief Administrative Officer should be reduced from the current reporting structure. As a result, the revised organizational structure reduces the number of direct reports while retaining the Clerks Division, Human Resources and Fire Services. The Clerks Division will continue to manage the Corporation's records but will now take a more active role in managing Corporate Agreements. Freedom of Information requests along with the development and management of a Lobbyist Registry will fall within the control of the Clerks Division.

Additionally, during this implementation process, staff will be looking at opportunities for the potential temporary staff resourcing for the Human Resources Division as the implementation of the restructuring over the next twenty-four (24) months anticipates a higher workload for this Division.

Lastly, a formal process to retain a roster of external Legal Services for the provision of a fulsome suite of Legal Counsel Services for the Town has been recently completed. This process was discussed with Council as part of this organizational review and was a result of the Legal Services Department being removed from the current Organizational Structure.

Community Services:

The By-law Enforcement Division will permanently report to the Director of Community Services. This reporting structure was temporarily put in place after the resignation of the Town's Director of Legal Services. This structure has worked extremely well for the Department. Through the review process with Council, it was requested that the structure include a municipal Programming and Special Events Division within Community Services. It is anticipated that this addition will be further considered through the 2025 Budget deliberations. This consideration will include a detailed analysis of the composition, resourcing and financial requirements of the proposed Division while identifying potential return on investment and revenue generation opportunities with the provision of programming.

Corporate and Financial Services:

This Department, previously the Finance and IT Services Department, will be renamed the Corporate and Financial Services Department but will remain relatively unchanged regarding the areas of responsibility. The one change is that, historically, this Department has been responsible for the delivery of Customer Service within Town Hall. The shift to a Centralized Corporate Customer Service Model under the purview of the Strategic Initiatives Department will shift the management of that responsibility and create a more consistent and Corporate-wide customer experience. This implementation will take place over the next 24 months and will require a coordinated effort from all Departments to ensure a seamless transition.

Operations:

As noted in the Background section of this report, the key structural change to this Department is the shift back to a pre-2015 structure and returning Development Engineering to the Operations Department. This allows for all engineering services for future and current municipal infrastructure to be managed within the same Department which ultimately is responsible for the long-term management and operations of municipal infrastructure. This change to the Organization can be seen as the most significant and positive change for the Corporation. This shift is projected to be completed by the 3rd quarter of 2025. Another significant change involves shifting Sustainability from the Operations Department to the Strategic Initiatives Department. This will allow staff to ensure that the Town's twenty (20) Bold Acton Items, contained within the [Future Story](#), are prioritized and engrained within the Corporation's operations.

Planning and Building Services:

This Department, previously the Planning and Development Services Department, will be renamed the Planning and Building Services Department. Through discussions with Council, the opportunity was identified to establish an internal Division within the Town that would focus on community growth and potentially move the Attainable Housing portfolio from the current external Corporation. This option will be brought forward in alignment with The Blue Mountains Attainable Housing Corporation's correspondence that provides the recommendations for next steps being considered at the June 17, 2024 Special Committee of the Whole meeting.

Strategic Initiatives:

This new Department will establish a centralized and consistent approach to all Corporate Communications and Customer Service while managing all the Town's Strategic Initiatives. For example, the Town's Official Plan Update would be led by a Project Manager within the Strategic Initiatives Department who would manage the project while engaging the expertise of the Town's professional Planners and other appropriate staff throughout the process. This concept of utilizing Project Managers allows for the technical aspects of a project to be provided by staff and external consultants who are experts in their field while shifting the management of the projects to dedicated Project Managers. This shift will allow for staff to focus on the duties as outlined in their Job Descriptions and eliminate these projects from being downloaded to staff who do not have the time, resources, and project management expertise to effectively manage these projects. Many of these projects are multi-faceted and require a great deal of coordination to ensure that they are well communicated to the public throughout the entire process.

Historically, the Town has struggled to complete its approved projects each year for a variety of reasons. Often, the reason is that staff has simply taken on more than the available resources allow for. However, a good number of projects get delayed through the approval processes, public information and Public Meeting processes where more information is being requested over the life span of the project that in many cases extends beyond terms of Council. When a

project is not completed, the project often gets pushed to the following year, thereby compounding the lack of staff resourcing by increasing the number of projects. It is anticipated that the addition of dedicated Project Managers, along with improvements to internal processes, consistent communication with the public, and staying the course of decision making will help ensure projects are completed on time and within budget.

Management will be making the recommendation, through the 2025 Budget process, to freeze all capital projects for 2025 and to provide a budget plan that effectively completes all the existing approved projects over the next five (5) years. This will also provide staff the opportunity to recommend the deferral and/or the elimination of some low-priority or redundant projects.

Key Opportunities Identified by KPMG

In addition to the revised organizational structure, the report provided by KPMG also outlines a series of twenty-eight (28) opportunities that were considered and developed in collaboration with the Town's Senior Management Team. These opportunities were supported by the entire Senior Management Team. The details of these opportunities can be reviewed in Attachment 3 on pages 9 through 25.

These opportunities will be considered through the annual budget deliberations. For instance, the Governance review was identified in the 2024 budget and was pushed to 2025 for Council consideration. Staff will again bring this project forward for Council consideration.

Staff Engagement Efforts

As a result of a staff satisfaction survey and subsequent workshops with staff, the Town has established working groups, comprised entirely of staff, to review the following topic areas:

- Review of the existing Vacation, Lieu and Overtime, and Personal Emergency and Sick Leave Policies
- Employment Related Bonuses and Perks
- Staff Recognition
- Employee Personal Benefits
- Communications and Consultation
- Recruitment, Onboarding, Orientation, and Onboarding

The working groups will provide their recommendations to the Senior Management Team who will then action the recommendations either by enacting the changes or recommending that Council approve policy revisions and/or provide budget allocation.

E. Strategic Priorities

1. Communication and Engagement

We will enhance communications and engagement between Town Staff, Town residents and stakeholders.

2. Organizational Excellence

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

3. Community

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

4. Quality of Life

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

F. Environmental Impacts

A commitment to the Town's 20 Bold Action Items contained within the Town's [Future Story](#) was a key guiding document in the completion of this work.

G. Financial Impacts

Attachment 1 of this report provides the approved Budget for 2024. Additional information will be presented through the 2025 Budget deliberations as the implementation of this approved structure is phased in and implemented over the twenty-four (24) month period. Attachment 5 also identifies the positions included in the 2024 budget for implementation.

H. In Consultation With

Senior Management Team

I. Public Engagement

The topic of this Staff Report has not been the subject of a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. However, any comments regarding this report should be submitted to Shawn Everitt, Chief Administrative Officer cao@thebluemountains.ca.

J. Attached

1. Corporate Organizational Structure and Service Delivery Review Budget Sheet
2. Chronological of Town Structures
3. Corporate Organizational Structure Review Report
4. Corporate Organizational Structure
5. Phase-In of Staff Positions

Respectfully submitted,

Shawn Everitt
Chief Administrative Officer

For more information, please contact:
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Report Approval Details

Document Title:	FAF.24.074 Completion of the 2024 Corporate Organizational Structure Review Process.docx
Attachments:	- Attachment-1-Corporate-Organizational-Structure-and-Service-Delivery-Review-Budget-Sheet.pdf - Attachment-2-Chronological-of-Town-Structures.pdf - Attachment-3-Corporate-Organizational-Structure-Review-Report.pdf - Attachment-4-Corporate-Organizational-Structure.pdf - Attachment-5-Phase-In-of Staff-Positions.pdf
Final Approval Date:	Jun 6, 2024

This report and all of its attachments were approved and signed as outlined below:

Shawn Everitt - Jun 6, 2024 - 12:57 PM