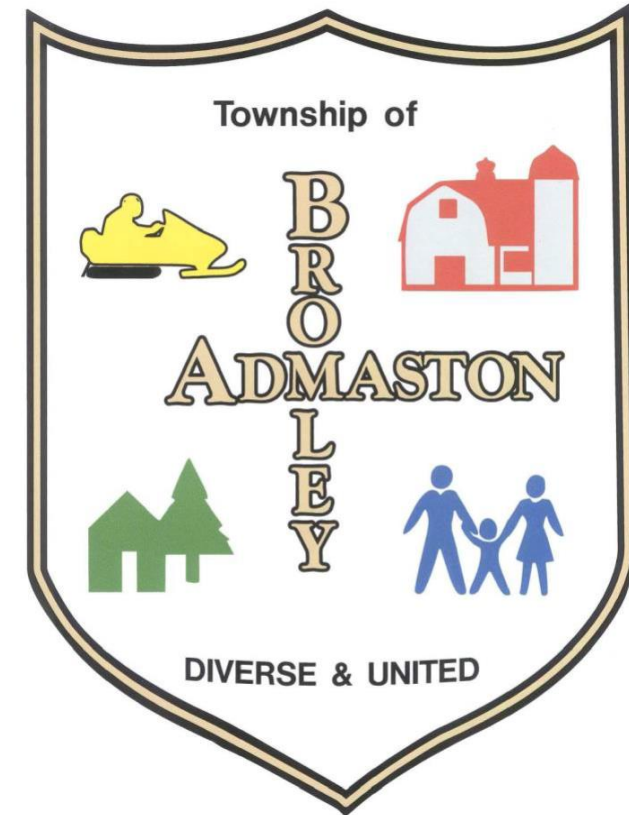




**MUNICIPAL
GOVERNMENT
WAYFINDERS**

EXPERT CONSULTANTS FOR LOCAL GOVERNMENT

Township of Admaston/Bromley Organizational Review



Council July 5, 2022

Wayfinding is *“the process or activity of ascertaining one’s position and planning and following a route.”*

Executive Summary

Background

- ▶ In May 2022, Municipal Government Wayfinders Ltd., in partnership with Cornerstones Management Solutions Ltd. was retained to complete an Organizational Review
- ▶ We follow an evidence-based approach. **Evidence informs our recommendations**
- ▶ **Our review was independent.** There was **no undue influence** by staff or Council on our independent 3rd party recommendations.
- ▶ Primary tasks included:
 - ▶ Comprehensive review of current organizational structure and staffing resources
 - ▶ Identify the optimal organizational structure and resourcing to meet current and future workload forecasts (Staff resources matched with service levels and standards)
 - ▶ A Pay Equity and External Pay Grid Comparative Review (Cornerstones Management Solutions)

Executive Summary

Background

- ▶ Updating Job Descriptions
- ▶ Identification of modernization opportunities to achieve increased efficiencies and enhanced service delivery
- ▶ Risk and challenge identification and strategies
- ▶ Preparation of a Preliminary Findings Report, presented in June 2022
- ▶ Preparation of a final comprehensive report, the subject of this presentation

Executive Summary

Research

Research included the following primary steps:

- ▶ Interviews with Council and staff
- ▶ Comprehensive data mining including census, OMPF, FIR, reports, studies, policies and other materials
- ▶ Municipal comparators were researched to identify the Township's relative position to its peers and its competition. Two comparator groupings were developed – Demographic Comparators and County Comparators

Executive Summary

Research

- ▶ Many follow up questions and interviews were conducted with key personnel
- ▶ A site visit was also completed to help ground truth the surroundings
- ▶ The comprehensive document review, interviews, and physical ground truthing have all helped to inform our recommendations – a.k.a. “the evidence”

Executive Summary

Common Themes

Seven common themes emerged during our interviews and research to further help inform our research and findings:

1. Staff Attraction, Retention and Succession
2. Staff to Workload Ratios
3. Compensation
4. Funding and Revenue (including Ability to Pay)
5. Modernization and Technology

Executive Summary

Common Themes

6. Administrative Tools and Policies
7. Keeping Up with Asset Management and Maintenance

Key Findings

Evidence Based Findings

- ▶ The Township has considerably more lane kms of road than its comparators. **656kms** versus an average of **214kms** with the demographic comparators and an average of **395kms** with the county comparators.
- ▶ The Township has a large land area **524km²** with less population density **5.6 pop/km²**. Versus **339km²** and **11.6 pop/km²** for demographic comparators.
- ▶ There is a large amount of rural/agricultural lands in the Township contributing in part to lower taxation revenue than municipalities with more dense land holdings such as residential track development, commercial or industrial. The Township's Weighted Tax Base (WTB) per Household is **\$240,922** versus **\$278,427** for demographic comparators and **\$261,129** for the county comparators.

Key Findings

Evidence Based Findings

- ▶ Less tax revenue is in tension with the significantly higher lane kms of roads, and the costs associated with maintaining roads.
- ▶ The Township allocates considerably less full-time (FTE) staff per lane km of road than its comparators. One FTE for every **93.7** lane kms versus one FTE for every **35.3** lane kms of road for demographic comparators and one FTE for every **44.5** lane kms of road for county comparators. This is a significant data set.
- ▶ The Township invests considerably less towards Wages and Benefits (W&B) per lane km of than its comparator averages. **\$450** per lane km versus **\$1,192** per lane km for demographic comparators and **\$1,570** per lane km for county comparators. (**NOTE:** Total Township W&B are **69%** of demographic comparator average)

Key Findings

Evidence Based Findings

- ▶ The Township collects significantly less taxation per household than its comparators. **\$1,139** versus **\$1,429** for average demographic comparators and **\$1,354** for average county comparators.
- ▶ More than half of the Township's full-time workforce can retire now or in the foreseeable future. More than **35%** of the workforce is over the age of **60 years old** and almost **30%** of the workforce is between the age of **50 and 59 years old**. Most notably, the CBO's retirement is immanent.
- ▶ The Township has experienced significant challenges attracting and retaining employees for critical positions including senior administration and essential operations positions in Public Works.

Key Findings

Evidence Based Findings

- ▶ At the time of writing our final report, the Public Works Department only had **two (2)** of its **six (6)** full-time positions available due to illness and vacancies. This is a significant concern. Had this occurred during the winter control months, it would have undoubtedly placed the Township in a position of defaulting on its winter control MMS requirements.
- ▶ The Township does not compensate public works staff for being on-call during winter control, and only pays over-time after 44 hours worked and on weekends.
- ▶ The Township is falling behind on road maintenance and rehabilitation. This is evident given amortization of Tangible Capital Assets has exceeded additions to the TCA's by over **\$10 million** over the past 10 years.

Key Findings

Evidence Based Findings

- ▶ The Township's Public Works Superintendent (PWS) is operating a snow-plow during winter control operations, keeping the PWS from conducting mandatory road patrol during peak conditions, overseeing field operations and other critical administrative duties. The use of the PWS as a plow operator speaks to how thin FTEs are spread across lane kms of road.
- ▶ The Township relies on retired employees to fill gaps during critical winter control operations. This is not considered a reliable or sustainable practice.
- ▶ The Township does not currently have a Succession Plan or recruitment strategies to help respond to attraction and retention concerns.
- ▶ The Fire Department is facing a threat of losing members due to a new push to require NFPA certification for volunteer members.

Key Findings

Evidence Based Findings

- ▶ The Township does not have a deputy treasurer position to fulfill the statutory duties of the Treasurer during absences, or to supplement during workload spikes.
- ▶ The Township's pay grid includes lower job rates for most jobs indicating that the entire grid has fallen behind the market and should be increased. Our opinion is this is contributing to employee attraction and retention concerns.
- ▶ The Township's pay grid involves a 10-step increment system that minimizes and delays employee compensation.
- ▶ Local internet service is poor and impacting service levels. Poor internet will continue to present challenges to improve efficiencies until solutions are implemented.

Conclusions

Workforce Stability Contributes to Effective Service Delivery

- ▶ Our **number 1** recommended **priority** is to **stabilize the workforce**. Instability in the workforce has been and continues to be a significant threat to effective service delivery, asset management investment, efficient day-to-day operations and employee health.
- ▶ Difficulties attracting a senior administrator in the past has impacted the Township's ability to provide stable administrative leadership to staff.
- ▶ Difficulties attracting and retaining critical public works positions is a serious threat to adhering to MMS during winter control operations.
- ▶ Lagging asset management investment is connected to attraction and retention issues, as well as adequacy of asset funding (reserves are notably low). All are linked to finance strategies.
- ▶ Our report recommends a **5-year financial strategy** to deliver greater **workforce stability** and increase **funding towards asset life cycling investment and service delivery**.

Responding to Priorities

A Strategic Approach

- ▶ Responding to noted priorities is accomplished by gradually increasing taxation such that taxation aligns with the **average** of the Township's comparators.
- ▶ By taking an incremental approach, taxation would increase in stages on an annual basis over 5 years (\$58/year or \$4.83/month/year).
- ▶ The new 5-year financial strategy would generate an estimated additional **\$1.625M** (uninflated) in taxation.
- ▶ By the end of the 5-year period, the Township would have an estimated **\$598,667** (uninflated) in additional revenue to apply towards asset investment such as road repairs, ditching, brushing, as well as other service delivery priorities.
- ▶ We do not propose revisions to the Township's general organizational design; however, we do recommend adjustments in the Administrative/Finance and Public Works Departments

Responding to Priorities

A Strategic Approach

- ▶ We have recommended a **six (6) step pay grid** increment format with a 5-year financial strategy for affordability purposes to assist in providing greater workforce stability.
- ▶ Movement across increments should be merit (performance) based on achieving key goals set annually. A compensation policy is recommended.
- ▶ Succession plan and recruitment strategy outlines are provided to assist with concerns related to attraction, retention and employee burnout.
- ▶ We have also made modernization and other recommendations aimed at helping the Township achieve increased efficiencies.

Summary of Recommendations

A Path Forward

- ▶ Adopt a revised pay grid to be in line with the comparator averages (median).
- ▶ Develop a 5-year financial strategy to effectively implement recommendations.
- ▶ Develop a strategy to replace the CBO *before* retirement.
- ▶ Adopt Succession Plan and Recruitment Strategies.
- ▶ Create an additional Equipment Operator position immediately so that the PW Superintendent can assume statutory and other critical duties. In addition, this will fill in gaps due to absences.
- ▶ Plan to acquire an additional Tandem Truck with sanding/salting capabilities as a more permanent solution (March 2022 estimate \$270,500 with net HST). Utilize the existing grader as an interim solution and monitor grants.

Summary of Recommendations

A Path Forward

- ▶ Blend the Finance Clerk and Administrative Assistant positions into one job description.
- ▶ Introduce a 2-year succession plan to allow one or both employees to compete for the Deputy Treasurer position.
- ▶ Adopt a policy to ensure that movement across the increment steps is based on merit (performance) upon achieving key goals set annually (not automatic increases).
- ▶ Introduce an on-call and/or overtime policy particularly for winter control operations.
- ▶ Adjust and correct TCA data and fully integrate AMP, LRFCF and TCA data.
- ▶ Adopt a well funded rolling road maintenance program, with greater investments in brushing, drainage improvements and calcium application.

Summary of Additional Recommendations

Additional Steps for Operational Efficiencies

Five categories of additional recommendations have been developed to help increase efficiencies, improve client experiences, enhance service delivery, mitigate risks, save money and/or protect the long-term interests of the Township and its rate payers:

- ▶ Administration
- ▶ Finance
- ▶ Technology
- ▶ Risk Management
- ▶ Public Works

Summary of Recommendations

Additional Recommendations

- ▶ Many “additional recommendations” (8 out of 17) come with little to no new costs and 7 should be grant eligible.
- ▶ Others come with costs or may be more complex to implement.
- ▶ It will be important to recognize that everything cannot be done at once.
- ▶ Actions should be prioritized with highest yield items rising to the top of the list.
- ▶ Total estimated one-time costs of additional recommendations is **\$166,800** with potential staff efficiencies of up to **\$65,600/year**.
- ▶ It is possible for additional recommendations to result in net savings in year one if 50% of grants eligible projects are awarded at 75% upper-level funding.

Summary of Recommendations

Additional Recommendations Listed

- ▶ Adopt a new Delegation of Authority By-law (no cost)
- ▶ Adopt a Routine Disclosure Policy (no cost)
- ▶ Develop Council Agenda Forecasts (no cost)
- ▶ Accelerate Budget Approval Timelines (no cost – with potential for significant tender savings)
- ▶ Adopt a Comprehensive Reserve and Reserve Fund Policy (no cost)
- ▶ Implement Electronic Payment of Vendors (no net cost with est. staff savings of up to \$8,200/yr.)
- ▶ Implement Electronic Records Management (\$55,000 in year 1, with est. staff savings of up to \$18,700/yr.)
- ▶ Pursue Internet Improvements (\$4B senior government fund)

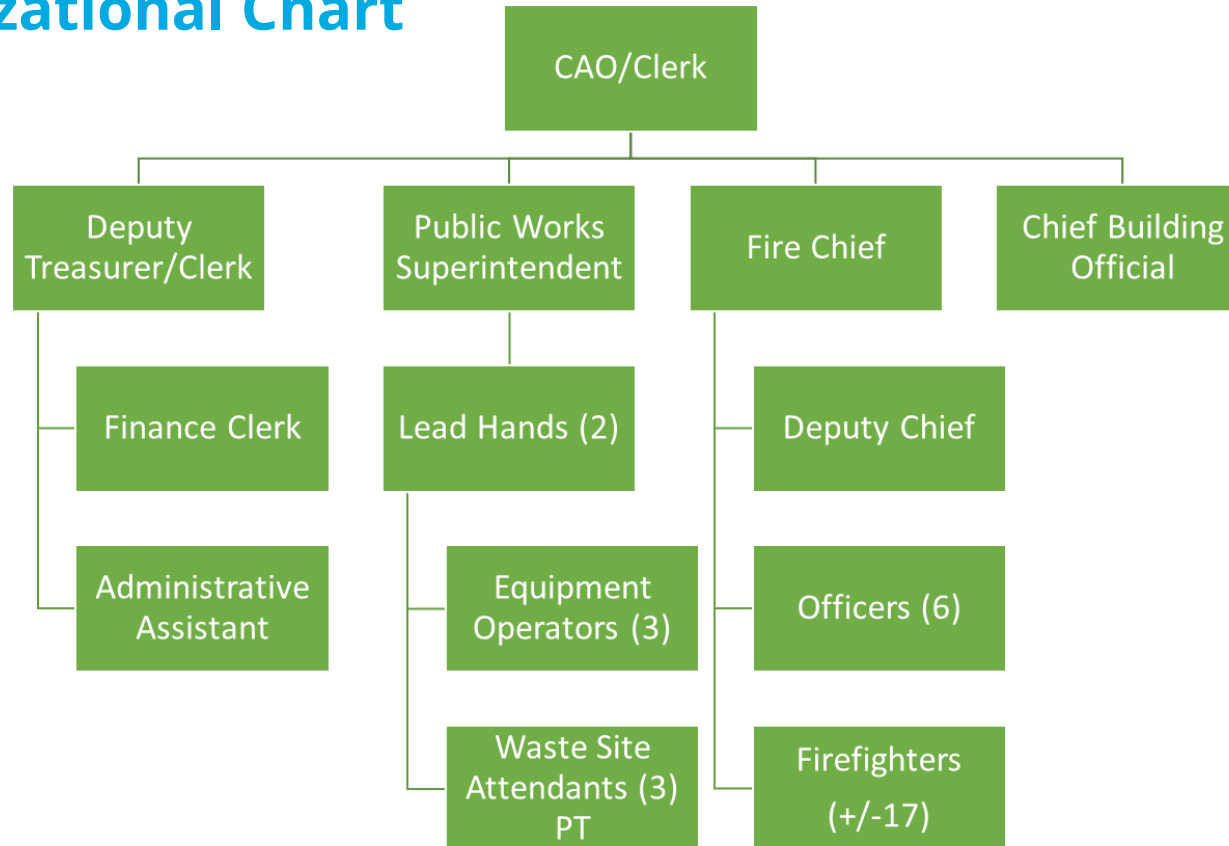
Summary of Recommendations

Additional Recommendations Listed

- ▶ Enhance website functionality (\$30,000 with est. staff savings of up to \$8,200/yr.)
- ▶ Implement Inspection Software/Hardware (\$3,300 with est. staff savings of up to \$8,000/yr.)
- ▶ Develop an IT Disaster Recovery Plan (urgently needed - \$7,500)
- ▶ Implement risk management training (no cost with reduced risks and liabilities)
- ▶ Adopt Township Minimum Maintenance Standards (no cost with reduced risks and liabilities)
- ▶ Implement employee contracts (\$1000 with reduced risks and liabilities)
- ▶ Enhance maintenance standards for gravel roads (est. no net increase – should extend life of the asset significantly – deferring major rehab costs)
- ▶ Implement garage wash bays (\$70,000 – decrease in equip. downtime, reduced repair costs and extend life of the asset – defer replacement costs)

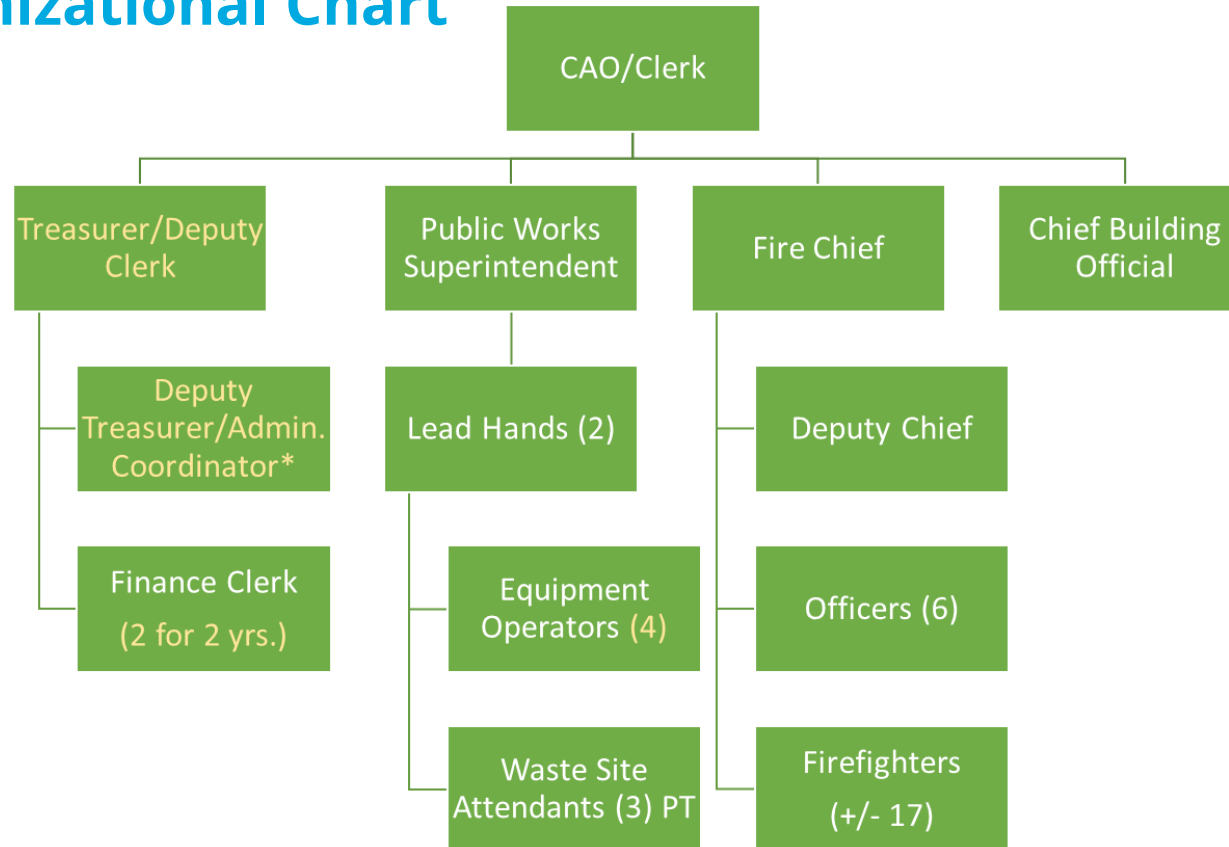
Organizational Adjustments

Current Organizational Chart



Organizational Adjustments

Proposed Organizational Chart



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