



Service Delivery Review Final Report

City of Owen Sound

February 2023



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Glossary

DE&I – Diversity, Equity & Inclusion

IT – Information Technology

KPI – Key Performance Indicator

SDR – Service Delivery Review

Manager Span of Control = Staff Count / Manager Count (does not include seasonal or casual staff, administrative staff that support to directors, or Supervisors)

SOP – Standard Operating Procedure

TTAG – Tom Thomson Art Gallery

S.M.A.R.T. – specific, measurable, achievable, realistic, time-bound

Introduction

This section provides an overview of the project scope, objectives and methodology.

Project Objectives and Approach

Project Objective

The City of Owen Sound engaged MNP LLP (MNP) - a Canadian accounting, tax and consulting firm - to conduct a review and provide recommendations that promote the efficient and effective delivery of services. The desired outcome from this engagement includes recommendations that, if implemented, will support Owen Sound in delivering on its key priorities and enable the community, Council, and City staff to make strategic decisions regarding its services. MNP's recommendations considered:

- Modifying the current service delivery model to improve the efficiency of service delivery;
- Benchmarking City services and programs with comparable municipalities;
- Improving ratepayer outcomes;
- Optimizing the cost of services;
- Identifying opportunities for potential revenue enhancements;
- Implementing innovative solutions and partnerships to modernize service delivery; and
- Improving value (improved efficiency, cost-effectiveness and quality) by achieving more with what the City already has.

Project Approach

The project's approach was customized for the City and considered the requirements of the engagement and objectives. As such, the review was divided into two phases:

1. **Current State Review** – in this phase, MNP conducted a documentation review (including a review of current agreements with partners and existing master plans), developed service profiles, benchmarked services to similar organizations, and conducted interviews with identified stakeholders. This provided an overview of the current state to understand the root causes of challenges and enabled the identification of emerging organizational and service delivery opportunities.
2. **Recommendations Report and Implementation Roadmap** – MNP further evaluated the emerging opportunities and analyzed each opportunity on a matrix that outlines their relative potential financial impacts, service impacts, and execution risks. This analysis provides a perspective on advantages/disadvantages and incorporates a risk-reward perspective. MNP included this analysis, a recommended implementation roadmap and training requirements in its final report.

Project Objectives and Approach

Project Scope

MNP was engaged to conduct a Service Review of Owen Sound's operations, to identify opportunities to enhance efficiency and effectiveness in service delivery, and possible changes to services and service levels. The scope of the engagement included all departments and City-managed services, with the exception of Police Services, Fire Services and Owen Sound and North Grey Union Public Library.

Specifically, MNP's mandate was to identify the following:

- Measures to improve the efficiency and/or effectiveness of the delivery of services;
- Mechanisms of continuous improvement that could be implemented to improve service, and/or the efficiency and effectiveness of service delivery on an ongoing basis;
- Potential changes to service levels to reflect a more appropriate balance between costs and benefits based on an assessment of service levels in similar communities;
- Alternate service delivery models; and,
- Identify tangible opportunities for cost savings, cost recovery, and/or efficiencies.

Additionally, the Service Review included a focus on reviewing and assessing the City's services relative to their ability to support DE&I, with the intent of maximizing DE&I services for Owen Sound.

Data Limitations

While a fulsome review was completed to assess the current state and develop the recommendations and their associated costs and benefits, the City's available financial data is high-level information. Additional costs and cost recovery requirements requiring more-in-depth analysis were not in scope.

Current State Assessment Summary

This section summarizes the key takeaways and trends identified from MNP's current state review. The findings outlined guided the development of future state recommendations.

Please refer to the following appendices for current state details.

- Appendix A for the themes from interviews;
- Appendix B for the staff survey findings;
- Appendix C for committee survey findings;
- Appendix D for service classifications;
- Appendix E for service valuations;
- Appendix F for the Diversity Equity & Inclusion (DE&I) assessment; and,
- Appendix G for the benchmarking assessment.

Overarching Service Delivery Trends

An environmental scan was conducted to identify trends in other Ontario municipalities that may impact or influence operations and/or service delivery. Specifically, this environmental scan has considered economic drivers, population and demographics, infrastructure and technology, and political and environmental factors of Ontario municipalities. The results of this scan are presented below:

Infrastructure Maintenance and Asset Management Gap

- Municipalities own an **ageing portfolio of public infrastructure** which requires demanding maintenance and renewal, and increasingly onerous safety and regulatory standards that must be complied with.
- This impacts operations and potentially **limits service delivery by increasing the costs and putting a greater strain on the budget.**

Technological Innovation

- The technology landscape is constantly evolving at a rapid pace with innovative information systems and information technologies being developed every year.
- These **innovative technologies are dramatically changing the ways municipalities and businesses deliver services and connect with customers.**

Provincial Government Expectations

- The provincial government has placed heightened pressure on all municipalities to deliver quality services within a constrained financial context, triggered by **reducing provincial transfers, the provincial downloading of services and growing resident sensitivity to tax increases.**
- This is a challenge as these changes are **out of municipalities' control and can impact the number of services delivered and/or the way they are delivered.**

Climate Change Impacts

- The rising intensity of storms and short-term variations in temperature **requires greater maintenance of roads, parks, and infrastructure.**
- Additionally, warmer and more extreme weather patterns are leading to **increased quantities and intensities of forest fires and other natural disasters.**
- This is a challenge because the service requirements and proactive emergency readiness programs will **constrain the municipalities' existing resources and funds.**

COVID-19

- While many services shift back to in-person, there will be **continued pressure to change ways of working and offer services in modified and/or virtual manner.**

Staff Shortages

- Municipalities and the private sector continue to **struggle with staff retention, recruitment, and vacancies,** particularly in service-oriented roles. .

The following section provides an overview of the observations identified through a combination of internal consultation with key stakeholders and a review of documentation provided by the City. Please refer to **Appendix A** for a complete list of stakeholder interview participants.

Challenges

Staff Communications

There is a perceived lack of a public engagement strategy and consistency with external communications. Internal communications could be improved as well, as staff are not aware of the work other departments are responsible for or who to contact outside of their department for day-to-day responsibilities.

Small Tax Base Supporting Services Used by the Region

It was noted that Owen Sound's services are provided at the scale of a large, single-tier municipality and residents from neighbouring municipalities may often benefit from this. This allows non-residents access to services which increases workload and operating costs for Owen Sound. Additionally, the City experiences slower growth than other Ontario municipalities.

Staff Retention and Turnover

Several positions within the City are experiencing high levels of turnover. Staff have expressed their workload, specifically administrative tasks, can be overwhelming and leads to higher turnover. Employees feel they are constantly trying to hire and train new employees, which hinders effectiveness and efficiency. This is especially prevalent in seasonal workers.

Organizational Structure Hinders Efficiency

There is a perception that the organizational structure results in a siloed approach to service delivery which increases the potential for duplicated services, particularly between Public Works and Community Services. This makes it challenging for staff to find the right person to contact which results in staff addressing tasks based on availability, not necessarily priority or whether they are the right person responsible for the task.

Technology

Council members and staff noted that technology systems may be underutilized due to lack of training and understanding. Similarly, there are existing technologies that are available but are not yet implemented across the entire organization.

Culture of Fostering Growth

Many processes, policies, and organizational structure have been in place for a long time, which do not always make sense in the current working environment. When processes and policies are questioned, the response would be "this is how we have always done it". This can be challenging for staff and leads to inefficient and ineffective service delivery.

Controlling Taxes and City Growth

A perceived lack of interest in growth, according to some stakeholders interviewed, has left the City offering services that are more expensive than they can afford.

Governance Structure and SOPs

Overlap between departments and a perceived lack of empowerment is creating organizational inefficiencies and friction.

Strategic Metrics and Tracking Progress

Staff noted that strategic priorities are not set up properly to track and monitor, and often there is little perceived follow-through with promises or current initiatives.

Strengths

High Level of Service

Owen Sound provides a high level of service that is unique to a municipality of its size. While the public is generally happy with the level of service it receives, the disproportionate levels of service to municipal size present cost and capacity concerns.

Available Technology

The City has several technology systems with relevant functionality to enhance service effectiveness and thus free up staff time to focus on mandated and value-adding activities. A technology needs assessment was conducted by IT which should further support this and provide detailed opportunities.

Leveraging Partnerships

The City currently manages a number of partnerships that support service delivery such as with the YMCA. There is room for economic and population growth opportunities through existing establishments such as hospitals, colleges, and the Ontario Hockey League (OHL) team, or through partnerships with the County or other external stakeholders.

Proud and Motivated Staff

Staff understand the impact the City's services have on its residents. They are proud of what they do and take pride in trying to make the City a better place. Staff are seen as effectively reporting strategic initiatives to Council.

Technology Opportunities

The City recently conducted an IT needs assessment (June 2022) which outlines a number of recommended technology improvements and changes that are proposed to automate processes and connect systems to share data. Implementing the changes proposed in the IT needs assessment could support the City in enhancing service delivery efficiency and effectiveness.

Common Themes

Five themes were observed which were used to categorize initial opportunities in the current state assessment and formed the basis for future state recommendations. The common themes include:

1. Organizational Effectiveness,
2. Staffing Capacity Limitations,
3. Prioritizing Core Services,
4. Increasing Communication and Clarity, and
5. Service Delivery Efficiencies..

MNP conducted an online survey that was distributed to staff and committee members to gather feedback in regards to service delivery. The complete survey results can be found in **Appendix B** and **Appendix C**.

Staff Survey Result Themes



Divisions are Siloed from Each Other

Staff frequently mentioned that divisions are siloed and often people are not aware of the work or roles/responsibilities in other teams or divisions.



Lack of Internal and External Communication Channels

A common theme across staff was a lack of formal internal and external communications channels. Staff do not know who to contact for certain issues. Additionally, staff typically communicate with other staff through email or phone calls.



Too Many Services for the Tax Base to Support

Respondents highlighted that the City provides a significant number of services with a high service level, similar to large-scale municipalities that have significantly higher tax bases.



High Proportion of Management Staff Compared to Frontline Workers

A common theme that was mentioned is that there is a high proportion of management staff compared to frontline workers. This is inefficient and ineffective as frontline workers directly support service delivery.

Committee Survey Result Themes



Increase Technology Usage

Committee members frequently highlighted the need for increasing technology use. Some common mentions include:

- Improve the usage of technology to limit the amount of employee hours spent doing manual tasks
- Ensure that technological change addresses a need



Streamline Services Where Possible

Respondents commonly commented on the need for greater efficiencies in service delivery. Some common mentions include:

- Work with other municipalities to improve service delivery
- Explore opportunities for more effective service delivery to reduce costs



Match Resources with Services

A common theme across committee survey results were to better align service delivery with the available resources. Some common mentions include:

- Ensure that the City matches the resources and capabilities with the services it delivers

Service Valuation Overview

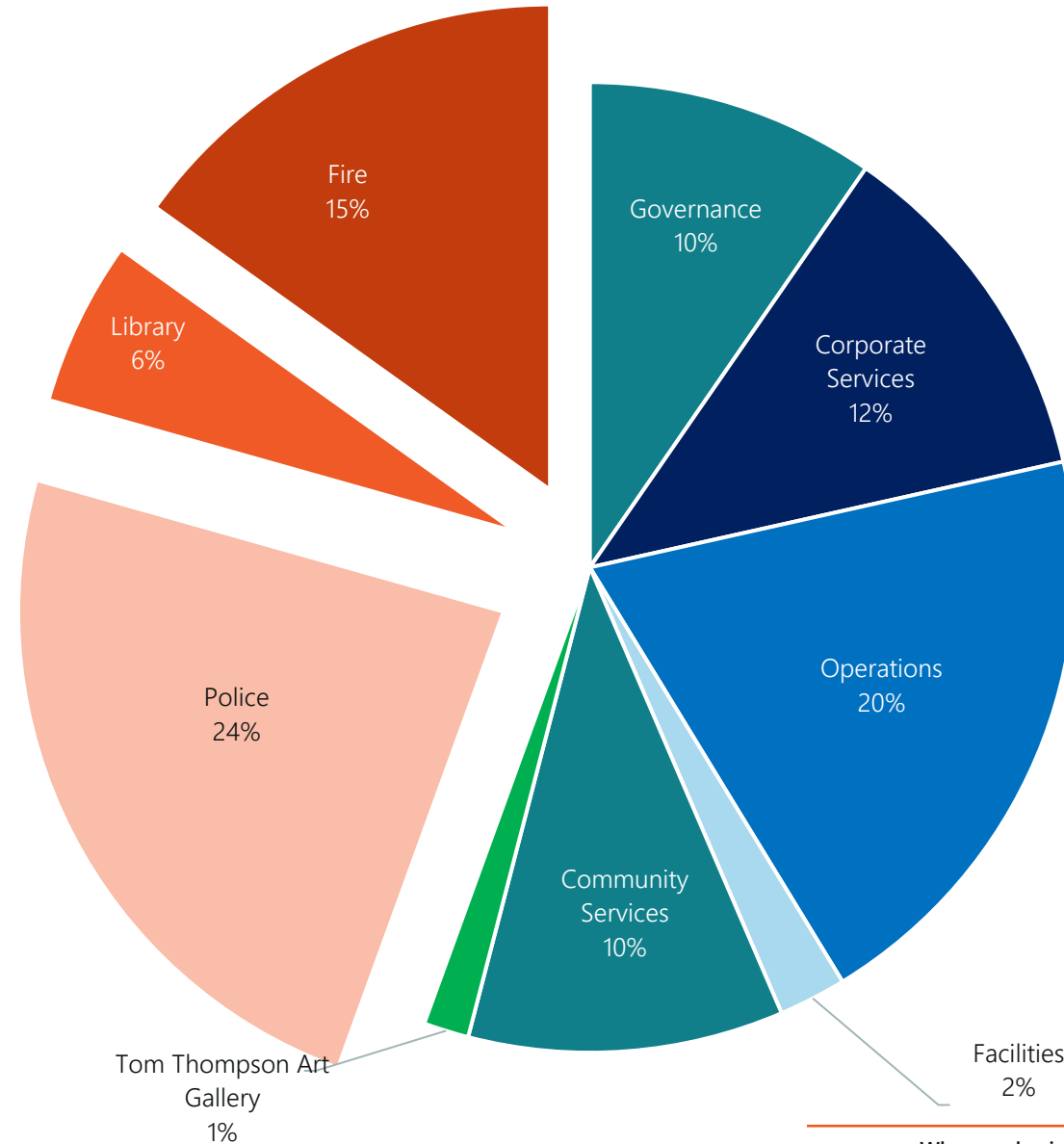
A valuation of services was conducted to provide a value score for each public-facing service based on the tax-based revenue, grants and user fees, perceived importance, required resources (costs) and the classification of the service. Refer to **Appendix E** for the service valuation methodology and detailed scoring of each service valuation. Refer to **Appendix D** for further details relating to the service classification.

Cemetery and Playground received the highest service valuation, while the art gallery received the lowest service valuation.

| Department | Service | Service Value | Tax-based Revenue Rating | Grants and User Fee Rating | Perceived Importance Rating | Resources Rating | Classification Multiple |
|----------------------------|--------------------------------------|---------------|--------------------------|----------------------------|-----------------------------|------------------|-------------------------|
| Art Gallery | Art Gallery | 2.67 | 1 | 4 | 3 | 3 | 1 |
| Community Services | Cemetery and Playgrounds | 12.00 | 2 | 3 | 3 | 2 | 3 |
| | Recreation Facilities and Arena | 5.50 | 4 | 4 | 3 | 4 | 2 |
| | Parks and Greenspace | 5.50 | 4 | 4 | 3 | 4 | 2 |
| Public Works & Engineering | Transit | 5.50 | 4 | 4 | 3 | 4 | 2 |
| | Water and Wastewater | 6.00 | 1 | 4 | 3 | 4 | 3 |
| | Roads Maintenance and Winter Control | 6.67 | 4 | 3 | 2 | 4 | 3 |
| | Waste Management | 7.50 | 3 | 4 | 3 | 4 | 3 |
| Corporate Services | By-law | 7.50 | 2 | 1 | 2 | 2 | 3 |

Financial Overview

Net Operating Budget 2022



- The graphs represent the 2022 net operating cost breakdown by departments.
- Notably, fire, police, and library (the services out of scope for this Service Review) represent approximately 45% of the total operating budget.
- Governance, corporate services, operations, water and wastewater, facilities, community services, and Tom Thompson Art Gallery (the services in scope for the Service Review) comprise 55% of the total budget.
- City of Owen Sound operating budget is \$39.8 million of which the tax levy is \$32 million.

Financial Benchmarking Overview

A financial benchmarking analysis was conducted to compare the cost of service delivery to identify potential areas that should be a focus in this review. Five (5) municipalities were selected to benchmark financial performance indicators against. The 2018-2020 Annual Financial Information Returns (“FIR”) were analyzed for the City of Owen Sound and the five (5) comparator municipalities. Refer to **Appendix G** for detailed results of the benchmarking assessment.

The results of the benchmarking analysis are influenced, to varying degrees, by a multitude of factors that may affect each municipality’s relative performance metrics. These potential variances require that the results of the benchmarking be used for high-level comparative analysis and interpretation with the understanding that the comparisons are indicative.

Owen Sound’s services tend to have similar or higher costs compared to the other five municipalities in this review.

| Owen Sound 2018-2020 Benchmarking Percentile Summary | | | |
|--|----------------------|----------------------|----------------------|
| | 2018 Cost Percentile | 2019 Cost Percentile | 2020 Cost Percentile |
| Planning and Development | 57% | 28% | 28% |
| General Government | 42% | 42% | 42% |
| Roads and Bridges | 28% | 57% | 57% |
| Waste Management | 42% | 57% | 57% |
| Recreation, Parks and Cultural Services | 71% | 71% | 57% |
| Other Transportation Services | 71% | 71% | 71% |
| Water and Wastewater | 71% | 71% | 71% |
| Winter Control | 85% | 85% | 85% |
| Average | 59% | 65% | 63% |

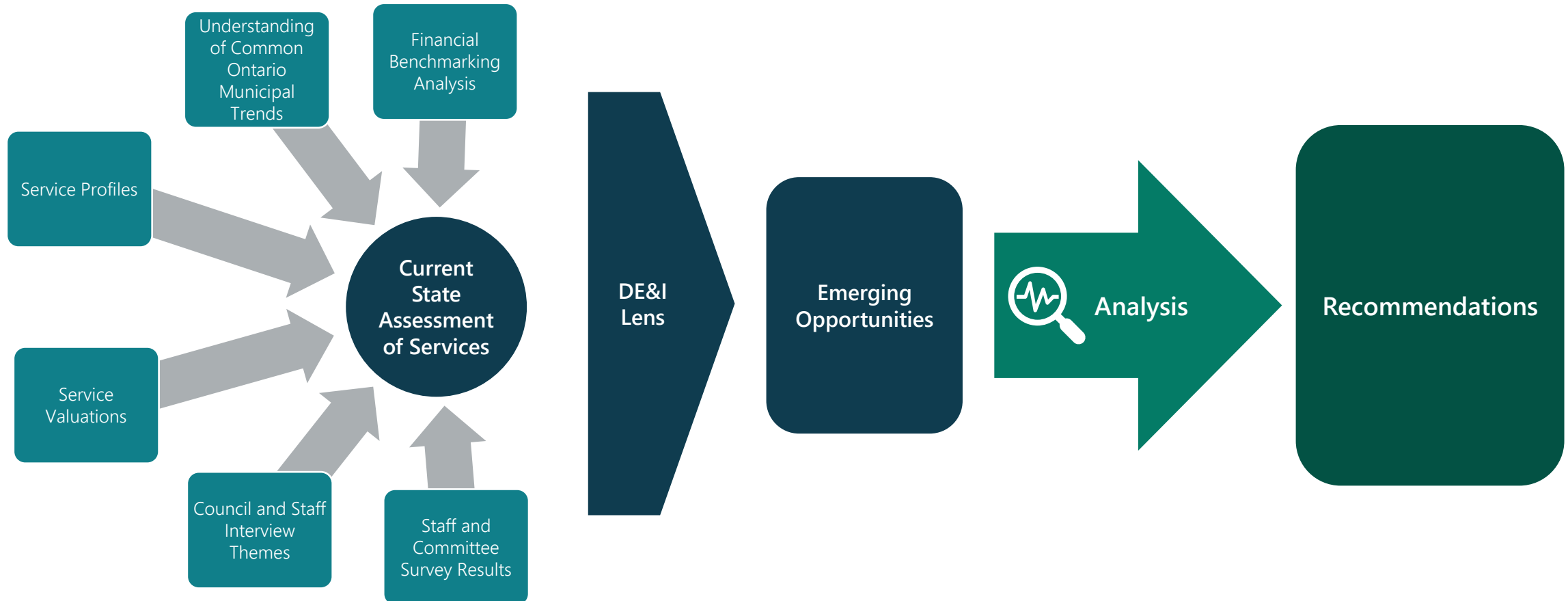
- Owen Sound’s cost of planning and development, general government, roads and bridges and waste is approximately average.
- The cost of other transportation services, water and wastewater, recreation, parts and cultural services, and winter control are higher for Owen Sound than the comparable municipalities.
- Notably, winter control is the highest expense for Owen Sound however, the City has the highest snowfall out of the comparator municipalities and has targeted higher service levels for winter sidewalk maintenance which contributes to the higher cost of services.

Future State Recommendations

This section summarizes MNP's recommendations as they relate to Service Delivery. The recommendations were developed based on the documentation review, feedback collected through internal interviews and external consultation, as well as MNP's analyses.

Formation of Recommendations

The results of the activities conducted in the current state were assessed and summarized, providing a foundation to develop the Emerging Opportunities. Considering the results of the current state assessment, a DE&I lens was applied to support decision-making when analyzing the Emerging Opportunities and forming the recommendations. Each of the six (6) current state analysis activities served as one of many data points when developing the recommendations and all results are considered when forming the recommendations. The Emerging Opportunities were further analyzed, revised, and in some cases abandoned. These, as well as additional opportunities identified during this analysis form the final recommendations in this report.



Recommendations Overview

Based on analysis and feedback from Owen Sound management, Councillors and Committees, the initial opportunities identified in the current state assessment were consolidated, added to, and abandoned, resulting in six (6) overarching recommendations. The recommendations are based on municipal service delivery best practices and focus on five (5) key strategic focus areas for improvement: **1) Organizational Effectiveness, 2) Service Delivery Efficiencies, 3) Increasing Communication and Clarity, 4) Prioritizing Core Services, and 5) Staffing Capacity Limitations.** The following Recommendations were identified as common themes from the current state assessment.

1. Redesign the organizational structure.

- A. Align organizational structure with the functional model to create efficiencies.
- B. Formalize documentation for the organization and between departments to improve decision-making authority and responsibility to improve efficiencies and solidify the organizational redesign.
- C. Target a reduction or strategic reallocation of 3 management or staff FTE in the short-term that support traditional and discretionary services and design a longer-term strategic attrition plan.
- D. Formalize the fleet management process and ensure the function is centralized within the organization to improve the scheduling and utilization of fleet.

2: Leverage existing technology to improve the effectiveness and efficiency of service delivery.

- A. Implement digital timecoding across the entire organization.
- B. Expand the use of tablets to leverage digital processes.

3: Reduce service delivery to align with municipalities of similar size and scope.

- A. Identify opportunities to reduce level of service for discretionary services, traditional services, and some essential services.
- B. Consider negotiating cost-sharing opportunities with Grey County or the Grey County municipalities.

4: Target increased level of revenues through revenue generation opportunities.

- A. Develop KPIs and revenue targets for TTAG that can be integrated with the TTAG Strategic Operations Plan.
- B. Conduct review of compost site and implement user fees for the compost site for non-residents, if beneficial.
- C. Conduct a detailed study of cost recovery options for on-demand services currently subsidized by ratepayers.

5: Expand granularity of internal cost tracking controls to improve reporting and target efficiencies.

- A. Change code of accounts to align with services.
- B. Conduct Snow Removal Time & Motion Analysis for Performance Improvement.

6: Strengthen and build on the strategic planning process to improve effectiveness.

Recommendation Assessment Legend

The following pages provide a detailed analysis of each of the sub-recommendations which are assessed on a scale of high, medium, and low, which is defined below.

Priority

- Low = Does not address key concerns identified in the SDR
- Medium = Addressed one key concern identified in the SDR
- High = Addresses multiple key concerns identified in the SDR

Complexity

- Low = Requires a small team of decision makers to implement
- Medium = Requires multiple stakeholders and decision makers to implement with specialized knowledge requirements
- High = Requires enterprise-wide decision-making for a multifaceted solution

Benefit

- Low = Would not provide financial benefits, efficiencies or improved service delivery
- Medium = Provides some financial benefits, efficiencies, or improved service delivery
- High = Provides multiple financial benefits, efficiencies, or improved service delivery

DE&I

- Low = Changes in service/service level will not impact DE&I of the population
- Medium = Changes in service/service level will impact DE&I of a small population group
- High = Changes in service/service level will impact DE&I of the entire population

Staff

- Low = Does not impact any staff
- Medium = Impacts staff in one or a few departments
- High = Impacts staff across the entire organization

Structure

- Low = Does not impact the organizational structure of a department or the organization
- Medium = Impact the organizational structure of one or a few departments
- High = Impacts the organizational structure of the entire organization

Technology

- Low = Does not impact technology in a department or across the entire organization
- Medium = Impacts technology in one or a few departments
- High = Large impact of technology across the entire organization

Culture

- Low = Does not impact the tone of a department or the organization
- Medium = Impacts the tone of one or a few departments
- High = Impacts the tone of the organization

Finance

- Low = Requires low or minimal impact to budget
- Medium = Requires a budget adjustment or capital investment
- High = Requires significant, reoccurring budget adjustment, and capital investment

Leadership

- Low = Does not require Council involvement
- Medium = Requires Council approval
- High = Requires Council approval and Council engagement with the public

Residents

- Low = Does not impact the public or public-facing services
- Medium = Impacts certain public groups and/or public-facing services
- High = Impacts all residents and/or all public-facing services

Recommendation 1: Redesign the Organizational Structure

| | | | | | | | |
|--|-------------------------|---|------------------------|---------------------------|------------------|-------------------|-----------------|
| A. Align organizational structure with the functional model to create efficiencies. | | Strategic Focus | | | | | |
| | | Organizational Effectiveness, Staffing Capacity Limitations, Increasing Communication and Clarity | | | | | |
| Description <ul style="list-style-type: none"> The organizational structure has inefficiencies due to functional misalignment - for example, the TTAG plans a number of events and would benefit from being able to leverage the Community Services events coordinator to support TTAG events Additionally, span of control is low for some departments and high for others, which makes it challenging for decision-making – for example, there are two HR managers with less than two direct reports, the Building Manager and Planning Manager both have 2 direct reports The organization currently has a marriage coordinator function that does not achieve cost recovery and does not support core services Both customer service and fleet management functions are performed in a number of teams across the organization A redesigned organizational structure to align with the functional model is recommended to improve the efficiency and effectiveness of services | | Activities <ol style="list-style-type: none"> Conduct official staffing and organizational review that investigates the following opportunities: Move the TTAG department within the Community Services Department Consolidate the following management positions that perform similar functions and combine staff: <ol style="list-style-type: none"> Human Resources and Strategic Human Resources (Corporate Services) Accounting Services and Revenues (Corporate Services) Building and Planning (Community Services) Centralize all customer service-related staff within Community Services department Centralize fleet management related functions within the Public Works department. Remove the Marriage Coordinator function in Corporate Services and strategically realign the position to support other mandatory or essential services An option could be to combine the Parks and Open spaces staff with the Public Works and Engineering department to align operational staff however, there is a risk of creating a mega department that may have inefficiencies Align the Development Engineer with the building and planning staff | | | | | |
| Benefits/Outcomes <ul style="list-style-type: none"> Allows the City to achieve more with less by being able to reduce manager/director count which creates efficiencies and effectiveness in service delivery model Would simplify communications and operations with less departmental cross-over involved in the delivery of certain services Optimizes structure, roles, responsibilities and spans of control | | Savings/Efficiencies <ul style="list-style-type: none"> Approximately \$60,000 in savings annually by reclassifying manager positions to staff positions (see page 30 for a summary) Significant efficiencies would be realized by functionally aligning the organization No net reduction in overall staff headcount. | | | | | |
| Costs/Investments <ul style="list-style-type: none"> City manager with Senior Leadership to develop an implementation plan for future state organizational structure (by function). Estimated 300 internal staff hours of effort. | | Risks/Challenges <ul style="list-style-type: none"> Staff may be concerned with structural changes taking place and may be fearful of losing their position which would impact culture negatively | | | | | |
| Implementation | | | | | | | |
| Required Resources <ul style="list-style-type: none"> Council to approve of organizational changes The PMO office should lead the changes, specifically supporting change management and implementation changes | | Interdependencies <ul style="list-style-type: none"> N/A | | | | | |
| Timing | Priority (H/M/L) | | Benefit (H/M/L) | Complexity (H/M/L) | | | |
| After 1 Year | High | | High | High | | | |
| Impact Assessment (H/M/L) | | | | | | | |
| DE&I - Low | Staff - High | Structure – High | Technology – Low | Culture – High | Finance – Medium | Leadership – High | Residents – Low |

Recommendation 1.A. Align organizational structure with functional model to create efficiencies. **MNP**

Summary of Recommended Changes

| Change | Role Being Affected | Impact | Benefits | Cost Savings/Efficiencies |
|--|--|--|---|---|
| Move the TTAG department within the Community Services Department | <ul style="list-style-type: none"> Chief Curator and Director of TTAG TTAG staff | <ul style="list-style-type: none"> Reclassify the Chief Curator and Director of TTAG to Chief Curator and Manager of TTAG Change Community Services department title to Community and Cultural Services TTAG roles are being reallocated within the Community and Cultural Services department (previously Community Services department) | <ul style="list-style-type: none"> Efficiencies realized through less inter-departmental cross over when delivering services | <ul style="list-style-type: none"> Efficiencies gained by being able to share resources. E.g. previously the TTAG would coordinate events on their own however, this function currently exists within the Community Services Department and is duplicated effort |
| Consolidate the Human Resources managers (Manager of Human Resources and Manager of Strategic Human Resources) and combine staff teams | <ul style="list-style-type: none"> Manager of Human resources Manager of Strategic Human Resources | <ul style="list-style-type: none"> Reduced manager headcount One of the managers would be reclassified as an HR Specialist or other similar position | <ul style="list-style-type: none"> Would improve the span of control as there is currently only 1 direct report for each manager Cost savings in reclassifying a manager position Simplifies organizational structure | <ul style="list-style-type: none"> Approximately \$20,000 savings through reclassifying a position Efficiencies gained by reducing the span of control |
| Consolidate the Finance related managers (Manager of Accounting Services or Manager of Revenues) and combine the staff teams | <ul style="list-style-type: none"> Manager of Accounting Services Manager of Revenues | <ul style="list-style-type: none"> Reduced manager headcount One of the managers would be reclassified as a coordinator or other similar position | <ul style="list-style-type: none"> Would improve the span of control as the Manager of Accounting Services has 3 direct reports and the Manager of Revenues has 4.5 direct reports Cost savings in reclassifying a manager position Simplifies organizational structure | <ul style="list-style-type: none"> Approximately \$20,000 savings through reclassifying a position Efficiencies gained by reducing the span of control |
| Consolidate the Building and Planning teams and reclassify one of the managers (Chief Building Official or Manager of Planning and Heritage) | <ul style="list-style-type: none"> Chief Building Official Manager of Planning and Heritage | <ul style="list-style-type: none"> Reduced manager headcount The Chief Building Official could report to the Manager of Planning and Heritage | <ul style="list-style-type: none"> Would improve span of control as Manager of Planning has 2 direct reports and the Chief Building Official has 3 direct reports Building and planning are related services and would benefit from being on the same team to improve communication and share resources | <ul style="list-style-type: none"> Efficiencies gained by reducing the span of control |

Recommendation 1.A. Align organizational structure with functional model to create efficiencies. **MNP**

Summary of Recommended Changes

| Change | Role Being Affected | Impact | Benefits | Cost Savings/Efficiencies |
|--|--|---|---|--|
| Centralize all customer service-related staff within Community Services department | <ul style="list-style-type: none"> Customer service related staff | <ul style="list-style-type: none"> Move staff Change title of Manager of Community Development and Marketing to Manager of Community Development and Customer Service | <ul style="list-style-type: none"> Improve the effectiveness of the customer service Revenue customer service staff can be cross-trained to support the Community Services customer service Alignment of service delivery as Corporate Services is internal-facing and Community Services is external-facing, focussed on residents and the public | <ul style="list-style-type: none"> N/A |
| Centralize fleet management and all operator-related functions within the Public Works department | <ul style="list-style-type: none"> Fleet and asset management related staff | <ul style="list-style-type: none"> Move staff Revise the Manager title and Capital Asset Administrator title | <ul style="list-style-type: none"> Allows for preventative maintenance of fleet Creates efficiencies as the fleet could be better shared between teams which would reduce equipment/vehicle downtime With improved fleet sharing and scheduling, less equipment/vehicles may be required in the future | <ul style="list-style-type: none"> Efficiencies through lower fleet downtime and improved sharing of resources |
| Eliminate the marriage coordinator function in Corporate Services | <ul style="list-style-type: none"> Licensing and Marriage Coordinator | <ul style="list-style-type: none"> Elimination of the marriage coordinator function and strategic reallocation of the position to support mandatory service delivery | <ul style="list-style-type: none"> Planning and coordinating marriages is not a mandatory or legislated service of Ontario municipalities Eliminating this service would save costs and focusses service delivery mandatory services | <ul style="list-style-type: none"> Efficiencies through prioritizing core service delivery which are the mandatory and essential services |
| Move the Development Engineer in Public Works and Engineering to the Planning and Building team in the Community Services department | <ul style="list-style-type: none"> Development Engineer | <ul style="list-style-type: none"> Move staff position | <ul style="list-style-type: none"> Creates efficiencies as the functions of the Development Engineer align with the Planning and Building team | <ul style="list-style-type: none"> Efficiencies through alignment of functions |

Recommendation 1.A. Align organizational structure with functional model to create efficiencies. **MNP**

Summary of Option 2 Recommended Changes

| Change | Role Being Affected | Impact | Benefits | Cost Savings/Efficiencies |
|--|---|--|---|---|
| Move arena operations team and parks and cemetery team to Public Works and Engineering | <ul style="list-style-type: none"> • Parks and Cemetery Supervisor • Parks and cemetery staff • Arena Operations Manager • Arena operations staff • Manager of Parks and Open Spaces | <ul style="list-style-type: none"> • Move staff • Realign Manager of Parks and Open Spaces to Senior Planner Parks and Open Spaces reporting to the Manager of Building and Planning | <ul style="list-style-type: none"> • Cost savings in reclassifying a manager position • Centralizes all staff who perform field work within the Public Works and Engineering department | <ul style="list-style-type: none"> • Approximately \$20,000 savings through reclassifying a position • Efficiencies gained by centralizing staff who perform field work |

Recommendation 1: Redesign the organizational structure



| | |
|--|--|
| B. Formalize documentation for the organization and between departments to improve decision-making authority and responsibility to improve efficiencies and solidify the organizational redesign. | Strategic Focus |
| | Organizational Effectiveness, Increasing Communication and Clarity |

| | |
|--|---|
| Description <ul style="list-style-type: none"> Currently, department do not know who is responsible for activities outside of their department Increasing communication and clarity was a common theme of the current state as communication lines between department are not always clear or effective Additionally, with the implementation of recommendation 1.A., there will be large organizational changes that take place which will need to be documented and formalized to ensure successful implementation of the recommendations The City is planning to complete an internal communication strategy in 2023 which will support this recommendation and the improvement of internal communications between departments As well, the City is currently developing an HR strategic plan which will go to Council in the fall of 2022 which is focussed on retention, onboarding, etc. which could support this recommendation Owen Sound should leverage this recommendation to strengthen the internal communication and HR strategy work they are currently working on Additionally, implemented the IT Needs Assessment will result in new processes which should be considered in this review | Activities <ol style="list-style-type: none"> Conduct a formal review of SOPs relating to multi-department procedures and revise documentation based on the new organizational structure and how cross-departmental processes/procedures should operate Develop a decision-making process including a template for staff to document decisions and rationale to improve decision-making authority/ responsibility Develop and document single points of contacts to understand responsibilities Conduct a review of job descriptions and explicitly define responsibilities and tasks that align with the new organizational structure and specifically focus on hand-offs between departments Conduct a business process mapping exercise to further identify efficiencies in cross-departmental service delivery Build process improvement and implement LEAN practices within the organization Conduct information and training sessions for staff to adopt the revised and/or new SOPs, procedures, job descriptions, and processes |
| Benefits/Outcomes <ul style="list-style-type: none"> Increased visibility/understanding of interdependencies and flow of information between staff Clear expectations and understanding of staff's responsibilities within the organizational structure Improved understanding of other department's responsibilities Supports the successful implementation of Recommendation 1.A. | Savings/Efficiencies <ul style="list-style-type: none"> Reoccurring time efficiencies created from improved clarity in each department's responsibilities and more seamless delivery of cross-departmental services and processes Target efficiencies of approximately 1 FTE or ~\$100,000 reoccurring |
| Costs/Investments <ul style="list-style-type: none"> 75 to 100 hours of staff time to conduct document reviews and develop/revise SOPs, procedures, job descriptions, and processes or support from external resource (if required) ~\$40,000 | Risks/Challenges <ul style="list-style-type: none"> Depending on the volume and quality of existing documentation, the time investment required can vary if significant content development is required |

Implementation

| | |
|--|---|
| Required Resources <ul style="list-style-type: none"> PMO to lead the changes of this recommendation | Interdependencies <ul style="list-style-type: none"> Recommendation 1.A. – Recommendation 1.B. should be implemented in coordination with Recommendation 1.A. to ensure organizational changes are captured in the activities to ensure successful implementation of Recommendation 1.A. and 1.B. |
|--|---|

| Timing | Priority (H/M/L) | Benefit (H/M/L) | Complexity (H/M/L) |
|--------------|------------------|-----------------|--------------------|
| After Year 1 | High | High | Low |

| Impact Assessment (H/M/L) | | | | | | | |
|---------------------------|--------------|------------------|------------------|----------------|------------------|-------------------|-----------------|
| DE&I - Low | Staff - High | Structure – High | Technology – Low | Culture – High | Finance – Medium | Leadership – High | Residents – Low |

Recommendation 1: Redesign the organizational structure

| C. Target a reduction or strategic reallocation of staff that support traditional and discretionary services through the implementation of a strategic attrition plan | | | | Strategic Focus | | | |
|---|--------------|------------------|------------------|--|------------------|--------------------|-----------------|
| | | | | Organizational Effectiveness, Prioritizing Core Services | | | |
| Description <ul style="list-style-type: none"> The City has a large organizational structure with many managers Additionally, Owen Sound provides a high level of services to residents and non-residents which is comparable to a large-scale city or Regional centre It is recommended to target a reduction or strategic reallocation of workforce to focus on the core service delivery of mandatory and essential services and achieve cost savings that are targeted by Council Target a reduction or strategic reallocation of up to 5 staff FTE that could be achieved through a strategic attrition plan over the next three years. In the longer-term, a strategic attrition plan could be developed and adopted to identify additional reductions or strategic reallocations Although staff capacity limitations was identified as a key theme in the current state, this reduction or reallocation of FTE is meant to be focussed to support the theme of prioritizing core services and reducing the traditional and discretionary services or service levels | | | | Activities <ol style="list-style-type: none"> Review the organizational structure and any changes to the organizational structure resulting from this Service Review Identify a target of 3 positions that do not support mandatory or essential service delivery, notably positions that may be retiring within three years Assess and determine the positions that will be reduced or strategically reallocated Develop and adopt a longer-term plan for strategic attrition, targeting positions that are vacant, contract positions, or near retirement Consider engaging an independent third-party expert to support the staffing plan | | | |
| Benefits/Outcomes <ul style="list-style-type: none"> Allows the City to achieve more with less by being able to reduce manager count which creates efficiencies and effectiveness in service delivery model Optimizes structure, roles, responsibilities and spans of control | | | | Savings/Efficiencies <ul style="list-style-type: none"> Target savings and efficiencies of \$150,000 to \$500,00 through reallocation to core service or reduction of FTE of traditional and discretionary service through attrition. | | | |
| Costs/Investments <ul style="list-style-type: none"> Consider engaging an independent third-party expert to support the staffing plan which could cost approximately \$50,000 Staff time in identifying short and long-term staffing plans of 40 hours | | | | Risks/Challenges <ul style="list-style-type: none"> Targeted savings may not be achieved to undesired service level reduction of discretionary or traditional services | | | |
| Implementation | | | | | | | |
| Required Resources <ul style="list-style-type: none"> Council to approve of organizational changes Human resources to support the changes | | | | Interdependencies <ul style="list-style-type: none"> N/A | | | |
| Timing | | Priority (H/M/L) | | Benefit (H/M/L) | | Complexity (H/M/L) | |
| After Year 1 | | High | | High | | Medium | |
| Impact Assessment (H/M/L) | | | | | | | |
| DE&I - Medium | Staff - High | Structure – High | Technology – Low | Culture – High | Finance – Medium | Leadership – High | Residents – Low |

Recommendation 1: Redesign the organizational structure

| <i>D. Formalize the fleet management process and ensure the function is centralized within the organization to improve the scheduling and utilization of fleet.</i> | | | | Strategic Focus Organizational Effectiveness, Staffing Capacity Limitations | | | |
|---|--------------|-------------------------|------------------|---|------------------|---------------------------|-----------------|
| Description <ul style="list-style-type: none"> The current state analysis identified that a number of departments use similar vehicles and equipment and the resources are not shared effectively Additionally, recommendation 1.A. centralizes the fleet management function within the Public Works and Engineering department, which is a large user of fleet The City would benefit from consolidating its asset inventory and management practices for more effective and cost efficient use of fleet Furthermore, the IT Needs Assessment recommended implementing an asset management system (costing \$79,800 to \$186,300 to implement) and the City could leverage this to further enhance and formalize the fleet management function | | | | Activities <ol style="list-style-type: none"> Assign accountability of fleet management process to one person Classify the fleet as either “sharable”(e.g. Pickup truck) and “non-sharable” (e.g. Fire Truck) assets to identify the resources that could be shared Introduce scheduling SOPs to remove unnecessary leasing of assets to deliver services and to schedule proactive maintenance (rather than reactive maintenance) Each week, identify priority of fleet and identify known, planned scheduling requirements Plan and schedule for preventative maintenance and warranty recovery | | | |
| Benefits/Outcomes <ul style="list-style-type: none"> Reduces delays in service due to inaccessibility of fleet assets for use Increased sharing of resources results in more efficient and effective service delivery Improves communication relating to the roles and responsibilities of fleet management, which was identified as a key theme in the current state | | | | Savings/Efficiencies <ul style="list-style-type: none"> Improved preventative maintenance (rather than reactive maintenance) results in potential future reoccurring savings Increased sharing of resources could eventually result in fewer vehicle and equipment required through sharing resources Target approximately \$200,000 in cost savings | | | |
| Costs/Investments <ul style="list-style-type: none"> 20 hours of staff time initially to formalize the process and 1 hour per week of ongoing fleet management coordination Note: Costs do not include the cost of implementing a fleet management system as recommended by the IT Needs Assessment | | | | Risks/Challenges <ul style="list-style-type: none"> Challenges could arise when prioritizing each departments use of the assets (i.e., each department will believe their use should be prioritized) | | | |
| Implementation | | | | | | | |
| Required Resources <ul style="list-style-type: none"> Assign one individual from Public Works and Engineering department to be accountable and coordinate the centralized fleet management function | | | | Interdependencies <ul style="list-style-type: none"> Recommendation 1.A. – Recommendation 1.D. can be implemented by leveraging the organizational changes from Recommendation 1.A. | | | |
| Timing | | Priority (H/M/L) | | Benefit (H/M/L) | | Complexity (H/M/L) | |
| Within 1 Year | | High | | High | | Medium | |
| Impact Assessment (H/M/L) | | | | | | | |
| DE&I - Low | Staff - High | Structure – High | Technology – Low | Culture – High | Finance – Medium | Leadership – High | Residents – Low |

Recommendation 2: Leverage existing technology to improve the effectiveness and efficiency of service delivery.



| <i>A. Implement digital timecoding across the entire organization.</i> | | | | Strategic Focus | | | |
|--|----------------|------------------|-------------------|---|------------------|--------------------|-----------------|
| | | | | Staffing Capacity Limitations, Prioritizing Core Services | | | |
| Description <ul style="list-style-type: none"> Stakeholder interviews identified that manual time sheet entries consume significant time and is only done manually for field staff within Public Works and Engineering and Community Services For example, the Parks and Cemetery Administrative Assistant spends 381.5 hours per year on manual time sheet entry for parks and cemetery staff Additionally, the Water and Wastewater Administrative Assistant and Public Works Administrative Assistant also completes manual timesheet entries, although there are less staff (i.e. less time entries) for these assistants to coordinate compared to the Parks and Cemetery Administrative Assistant As well the Supervisors/Managers are required to review the manual timesheet entries Some departments and staff currently complete their time sheet entries digitally through the software Penny The technology currently exists within the City to implement digital timecards across the organization Removing manual time card entries would save administrative time by having employees input time cards digitally themselves | | | | Activities <ol style="list-style-type: none"> Engage IT to initiate this project to implement digital timecoding across the entire organization Identify opportunities to improve the accessibility of digital timecode entries including: <ol style="list-style-type: none"> A mobile app so staff can enter timecoding on their phones Expanding the use of tablets throughout Public Works and Engineering and Community Services staff (tablets are currently being tested with some operating staff) Identify the optimal solution Implement the solution across the organization Conduct training to ensure staff are able to use the new solution | | | |
| Benefits/Outcomes <ul style="list-style-type: none"> Elimination of manual tasks that are time consuming for administrative and management staff Reduced workload for administrative and management staff who are involved in manual timecode entries Improved employee satisfaction from eliminated manual and time consuming tasks | | | | Savings/Efficiencies <ul style="list-style-type: none"> Reoccurring cost avoidance of approximately \$100,000 (assuming average salary of \$100,000 and approximately 2,000 hours, or 1 FTE) spent on manual time cards (Shared with Recommendation 1.B.) | | | |
| Costs/Investments <ul style="list-style-type: none"> Cost of expanding current digital timecoding system (including adding tablets to support digital timecoding) (Shared with Recommendation 1.B.) Per IT Needs Assessment Report the implementation costs are estimated between \$80,000 to \$186,000 | | | | Risks/Challenges <ul style="list-style-type: none"> The staff who complete manual time code entries do not have access to computers within the municipality to input their time each week There is a risk that the staff are resistant to using digital time cards | | | |
| Implementation | | | | | | | |
| Required Resources <ul style="list-style-type: none"> IT to support the project An external expert resource to implement the expansion of digital timecoding technology across the organization | | | | Interdependencies <ul style="list-style-type: none"> Recommendation 2.B - Digital timecode entry will require tablets or an app to be developed for field staff to have the tools to enter timecodes digitally | | | |
| Timing | | Priority (H/M/L) | | Benefit (H/M/L) | | Complexity (H/M/L) | |
| Within 6 Months | | Medium | | High | | Low | |
| Impact Assessment (H/M/L) | | | | | | | |
| DE&I - Low | Staff - Medium | Structure - Low | Technology - High | Culture - Medium | Finance - Medium | Leadership - Low | Residents - Low |

Recommendation 2: Leverage existing technology to improve the effectiveness and efficiency of service delivery.



| <i>B. Expand the use of tablets to leverage digital processes.</i> | | | | Strategic Focus | | | |
|--|----------------|-------------------------|-------------------|---|------------------|---------------------------|-----------------|
| | | | | Staffing Capacity Limitations | | | |
| Description <ul style="list-style-type: none"> Stakeholder interviews identified that three tablets are currently in use for some Public Works and Engineering staff Providing field staff with tablets would support digital processes such as recording and tracking workorders digitally, digital timecode entry, and real-time reporting and notifications, among others Manual process for workorders, timecoding, reporting, notifying, etc. are time consuming, can lead to errors, and often create duplicated efforts as data has to be re-entered or inputted into computer systems for reporting purposes | | | | Activities <ol style="list-style-type: none"> Identify the number of tablets required for field staff (approximately 20-40) Start procurement process to procure tablets Identify other manual processes that could be digitized through the use of tablets Document and formalize digital processes for workorders, timecode entry and others identified Provide training to staff to use the tablets and digital processes Monitor the use of tablets to ensure staff are using it effectively Monitor results of tablet use to ensure efficiencies and effectiveness is achieved | | | |
| Benefits/Outcomes <ul style="list-style-type: none"> Reduces manual processes for staff which can improve employee satisfaction as their time will be focussed on value-added activities rather than manual data entry and tracking Improves the efficiency of service delivery as digital processes reduce duplicated efforts and reduces time required to complete tasks Improves the effectiveness of service delivery as digital processes reduces human-error | | | | Savings/Efficiencies <ul style="list-style-type: none"> Reoccurring cost avoidance of approximately \$100,000 related to digital timecoding (assuming average salary of \$100,000 and approximately 2,000 hours, or 1 FTE spent on manual time cards) (Shared with Recommendation 1.A.) Other potential cost avoidance and efficiencies would be realized through replacing manual processes with digital processes | | | |
| Costs/Investments <ul style="list-style-type: none"> Estimated cost of \$50,000 (shared with Recommendation 1.A.) to purchase and implement tablets Estimated cost to train staff of \$15,000 | | | | Risks/Challenges <ul style="list-style-type: none"> There is a risk that staff are resistant to using tablets It could be challenging for some staff to navigate the tablets if they are not technologically-savvy | | | |
| Implementation | | | | | | | |
| Required Resources <ul style="list-style-type: none"> IT to support the project | | | | Interdependencies <ul style="list-style-type: none"> N/A | | | |
| Timing | | Priority (H/M/L) | | Benefit (H/M/L) | | Complexity (H/M/L) | |
| Within 6 Months | | Medium | | High | | Low | |
| Impact Assessment (H/M/L) | | | | | | | |
| DE&I - Low | Staff - Medium | Structure – Low | Technology – High | Culture – Medium | Finance – Medium | Leadership – Low | Residents – Low |

Recommendation 3: Reduce service delivery to align with municipalities of similar size and scope.



| A. Identify opportunities to reduce level of service for discretionary services, traditional services, and some essential services. | | Strategic Focus | | | | | |
|--|---|--|-------------------------------------|------------------|------------------|---------------------|------------------|
| | | Prioritizing Core Services | | | | | |
| Description <ul style="list-style-type: none"> The current state assessment identified that Owen Sounds delivers a high level of service to residents and the service level is comparable to what is offered at large single-tier municipalities As a mid-size municipality, part of Grey County, there is an opportunity to reduce service levels, specifically for traditional, discretionary, and some essential services to focus on the mandatory service delivery For example, the benchmarking analysis identified that Owen Sound spends more on Parks than benchmarked comparators Reducing the number of services offered, the service frequency or service standards could reduce cost of service delivery | Activities <ol style="list-style-type: none"> Identify options for reducing service levels, for example: <ol style="list-style-type: none"> Decrease classification of some parks from Class A or B to Class C (conduct a review of park usage to warrant decreasing classifications for low usage parks) Identify if there are opportunities to reduce the number of recreation activities/programs offered Identify services where the hours of operations could be reduced Replace grass boulevards (which was identified as time consuming for staff to maintain) with low or no maintenance materials Identify opportunities to reduce the number of events administered by the City Ensure snow clearing and roads maintenance is maintained at the provincially mandated service level (not higher) Conduct a review to assess whether these options would reduce costs for the City Continue building on the options list to reduce service levels and conduct review of all options Prioritize the list of options based on the impact to residents, ease of implementation, and estimated cost savings Implement the prioritized options | | | | | | |
| Benefits/Outcomes <ul style="list-style-type: none"> Would lower the workload for staff as lower level of service is delivered, alleviating staff burnout and heavy workloads Ultimately would reduce costs on an ongoing basis | Savings/Efficiencies <ul style="list-style-type: none"> Lowering the level of service would reduce the resources required to deliver services which will ultimately result in cost savings Target reoccurring cost savings and/or efficiencies of \$100,000 per year | | | | | | |
| Costs/Investments <ul style="list-style-type: none"> Staff's time to investigate lower service level options Staff's time to implement changes | Risks/Challenges <ul style="list-style-type: none"> There is a risk that residents will not be happy with lower service levels and will vocalize concerns to Council | | | | | | |
| Implementation | | | | | | | |
| Required Resources <ul style="list-style-type: none"> One person from each team within departments (or each department) should be responsible for identifying and reviewing options for reducing service levels and selecting options to implement | | Interdependencies <ul style="list-style-type: none"> N/A | | | | | |
| Timing Within 1 year | Priority (H/M/L) Medium | Benefit (H/M/L) High | Complexity (H/M/L) Medium | | | | |
| Impact Assessment (H/M/L) | | | | | | | |
| DE&I - Low | Staff - Medium | Structure – Low | Technology – Low | Culture – Medium | Finance – Medium | Leadership – Medium | Residents – High |

Recommendation 3: Reduce service delivery to align with municipalities of similar size and scope.



| <i>B. Consider negotiating cost-sharing opportunities with Grey County or the Grey County municipalities.</i> | | | | Strategic Focus | | | |
|--|-------------|--|------------------|--|------------------|---------------------------|------------------|
| | | | | Prioritizing Core Services | | | |
| Description <ul style="list-style-type: none"> Throughout this engagement, MNP repeatedly heard reports of residents of other Grey County Municipalities accessing Owen Sound services free of charge For example, residents from neighbouring municipalities use the Owen Sound waste management, transit, libraries, planning, recreation, and tourism/special events. Considering that the cost of these services falls upon the taxpayers of Owen Sound, the City should approach the County with a proposal to fairly share the cost of services that Grey County residents are already accessing | | Activities <ol style="list-style-type: none"> Each department identifies Owen Sound services that are being used by residents from other municipalities Collect and consolidate data on usage of services by non-residents and costing of these services Each department identified potential services that could be easily shared, for example: <ol style="list-style-type: none"> Payroll Purchasing Risk management Advisory committee Human resources Collect and consolidate costing data of services that could be easily shared Develop business case to identify the City’s cost of providing the services and document the benefits and outcomes of sharing the service Approach County leadership with the business case Negotiate a resolution on a cost-sharing agreement with other Municipalities to formally deliver services to their residents with some portion of the costs covered by other Municipalities and/or the County | | | | | |
| Benefits/Outcomes <ul style="list-style-type: none"> Increases funding for services that are provided to non-residents Alleviates financial pressures of providing services without compromising the level of service provided to residents | | Savings/Efficiencies <ul style="list-style-type: none"> Would create cost recoveries for the City | | | | | |
| Costs/Investments <ul style="list-style-type: none"> Staff time to document the non-resident data, develop a business case and negotiate with the other municipalities and/or Grey County | | Risks/Challenges <ul style="list-style-type: none"> There is a risk Grey County or Grey County municipalities would not be receptive to sharing costs Political sensitivities may be challenging to navigate when negotiating with Grey County and the municipalities | | | | | |
| Implementation | | | | | | | |
| Required Resources <ul style="list-style-type: none"> One person from each team within departments (or each department) should be responsible for identifying and reviewing options for reducing service levels and selecting options to implement | | | | Interdependencies <ul style="list-style-type: none"> N/A | | | |
| Timing | | Priority (H/M/L) | | Benefit (H/M/L) | | Complexity (H/M/L) | |
| 1 to 3 years | | Low | | Medium | | High | |
| Impact Assessment (H/M/L) | | | | | | | |
| DE&I - Low | Staff - Low | Structure – Medium | Technology – Low | Culture – Low | Finance – Medium | Leadership – Medium | Residents – High |

Recommendation 4: Target increased level of revenues through revenue generation opportunities.

| A. Develop KPIs and revenue targets for TTAG that can be integrated with the TTAG Strategic Operations Plan. | | | | Strategic Focus | | | |
|---|-------------|------------------|------------------|---|------------------|--------------------|-----------------|
| | | | | Prioritizing Core Services | | | |
| Description <ul style="list-style-type: none"> While TTAG is not a mandatory or essential service, it provides strong DE&I benefits for the City however, it has high costs with low cost recovery The most recent 2021-2023 TTAG Strategic Operations Plan focuses on elements like values, mission, vision, and cultural priorities for the gallery Creating and following a Strategic Operations Plan that includes KPIs addressing specific targets for revenues, expenditures, and other financial operation metrics may place the TTAG in a financial position where the gallery has more freedom to operate and launch projects and initiatives suiting its vision | | | | Activities <ol style="list-style-type: none"> Identify realistic and attainable key performance indicators (KPIs) for TTAG’s financial operations that will enable the realization of these future goals, for example: <ol style="list-style-type: none"> Total annual visitors Average number of visitors per day Revenue per visitor Payroll to revenue ratio (staffing costs/revenue) Cost per visitor Earnings before interest, taxes, depreciation and amortization Set specific targets and goals for each KPI Assemble an inventory of actionable items for the TTAG to deploy to meet these KPI goals Integrate these actionable items and goals into the Strategic Operations Plan | | | |
| Benefits/Outcomes <ul style="list-style-type: none"> A stronger financial position grants the TTAG more discretion to commit to more initiatives | | | | Savings/Efficiencies <ul style="list-style-type: none"> Target cost savings through KPI targets of \$100,000 reoccurring annually | | | |
| Costs/Investments <ul style="list-style-type: none"> Staff’s time to develop and track KPIs | | | | Risks/Challenges <ul style="list-style-type: none"> Achieving financial goals may result in reduced service levels or outcomes that contradict the goals laid out in the initial Strategic Operations Plan | | | |
| Implementation | | | | | | | |
| Required Resources <ul style="list-style-type: none"> TTAG Director and staff | | | | Interdependencies <ul style="list-style-type: none"> N/A | | | |
| Timing | | Priority (H/M/L) | | Benefit (H/M/L) | | Complexity (H/M/L) | |
| 1 to 3 years | | Medium | | High | | Low | |
| Impact Assessment (H/M/L) | | | | | | | |
| DE&I - Low | Staff - Low | Structure – Low | Technology – Low | Culture – Low | Finance – Medium | Leadership – Low | Residents – Low |

Recommendation 4: Target increased level of revenues through revenue generation opportunities.



| <i>B. Conduct review of compost site and implement user fees for the compost site for non-residents, if beneficial.</i> | | | | Strategic Focus | | | |
|--|-------------|-------------------------|---------------------|---|------------------|---------------------------|------------------|
| | | | | Prioritizing Core Services | | | |
| Description <ul style="list-style-type: none"> Currently, visitors to Owen Sound may use City services without paying or by paying the same as resident taxpayers One area where this is apparent is with the City's compost site which is currently not monitored Owen Sound residents pay for this compost site through taxes and the use of this service by non-residents adds significant costs as staff are required to maintain the site and pick up waste This is an example of how Owen Sounds residents are paying for services that are being used by the Region, free of charge A staff member could operate the compost site from April 1 to October 31 to request proof of address and charge non-residents a fee to drop off waste and contractors a fee to pick up mulch Current resident and non-resident usage data of the compost site is not known so it is unknown whether charging a non-resident fee would offset the cost of the required FTE and recover costs of operating the compost site A review should be conducted to determine if implementing non-resident fees would be beneficial | | | | Activities <ol style="list-style-type: none"> Conduct a review of the compost site to document resident vs non-resident usage and tonnage of waste dropped off in a time frame Determine whether charging flat fees for non-residents and contractors would cover the cost of operations, the salary of staff to collect funds, and the pay terminal at the site If the review determined it would be beneficial, develop a policy to require proof of residence to access the landfill site and charge non-residents a fee Set the fee for non-residents that would cover costs Install a pay terminal and booth for a staff to sit in at the entrance of the landfill site Hire students to operate the pay terminal and booth Require service users to provide identification with proof of local address when accessing services Consider developing a "resident identification card" to be able to quickly identify residents from non-residents Publicize this change to notify residents and non-residents | | | |
| Benefits/Outcomes <ul style="list-style-type: none"> Increased cost recovery Lower burden on tax bases for the City to draw from to provide services Improve the public perception of preventing non-residents from exploiting Owen Sound services | | | | Savings/Efficiencies <ul style="list-style-type: none"> There are likely no cost savings or efficiencies however, there would be cost recoveries to offset the cost of services accessed by the Region | | | |
| Costs/Investments <ul style="list-style-type: none"> Cost of 1 FTE to operate the landfill site ~\$100,000 (multiple staff would be required which would equate to 1 FTE) Cost of adding a pay terminal and booth at the landfill site ~\$20,000 | | | | Risks/Challenges <ul style="list-style-type: none"> Some residents may forget identification when accessing services There is a risk that residents could be unhappy with this change as they would have to show proof of residence each time they use the landfill site | | | |
| Implementation | | | | | | | |
| Required Resources <ul style="list-style-type: none"> Establishing IT infrastructure to receive payments to the City's accounts Finance team to determine acceptable target user fees | | | | Interdependencies <ul style="list-style-type: none"> N/A | | | |
| Timing | | Priority (H/M/L) | | Benefit (H/M/L) | | Complexity (H/M/L) | |
| Within 1 year | | Medium | | Medium | | Medium | |
| Impact Assessment (H/M/L) | | | | | | | |
| DE&I - Low | Staff - Low | Structure - Low | Technology - Medium | Culture - Low | Finance - Medium | Leadership - Low | Residents - High |

Recommendation 4: Target increased level of revenues through revenue generation opportunities.

| <i>C. Conduct a detailed study of cost recovery options for on-demand services currently subsidized by ratepayers.</i> | | | | Strategic Focus | | | |
|---|--------------------|--------------------------------|-------------------------|---|-------------------------|----------------------------------|-------------------------|
| | | | | Prioritizing Core Services | | | |
| <p>Description</p> <ul style="list-style-type: none"> Currently, Owen Sound residents are paying more for services that are being used by the Region, free of charge Many revenues and cost recoveries are lost as a result, for example: <ul style="list-style-type: none"> There is no cost recovery for the Water Backflow Prevention Program from specific businesses/locations resulting in ratepayers subsidizing the installation of backflow prevention devices in commercial properties Costs are not recovered when groups require Public Works & Engineering to support special events Utility companies do not fully reinstate after any work done within the City's Right of Ways and the City/ratepayers bear the cost of reinstatement Development charges could be implemented to provide funding for Capital Works The City's recreation programs have differing resident and non-resident fees and there could be opportunities to expand this to other areas such as non resident recreation rental fees, public skating/swimming fees, cemetery sales, boat ramp fees, paid parking, etc. Consider adopting a policy to protect revenue sources from user fees to recovers Conduct a detailed study of cost recovery options for on-demand services with the goal of implementing nominal user fees for services currently subsidized through taxes Other Ontario municipalities are implementing high non-resident fees such as, Burlington, Cambridge, Guelph, Hamilton, Kitchener, and Windsor, among others Other Ontario municipalities have identified opportunities to increase user fees such as, Milton (development charges), York Region (development charges), Barrie (stormwater user fees), and Hamilton (development charges), among others | | | | <p>Activities</p> <ol style="list-style-type: none"> Identify opportunities for new revenue lines for soft services, including, but not limited to: <ol style="list-style-type: none"> Installation of backflow prevention devices in commercial properties Implementing municipal accommodation tax; Recoup costs from groups who require support from Public Works & Engineering for special events Require security deposits from utility companies for work done within the City's Right of Ways Implement the collection of development charges to provide funding for Capital Work Increase non-resident user fees (e.g. recreation facility rentals, public skating/swimming, public transit, cemetery sales, lake access fees, etc.) Conduct an analysis to identify the magnitude of cost recovery required for each service Determine optimal rates for each identified opportunity Develop presentation for Council approval Pass bylaws to implement the new user fees/rates | | | |
| <p>Benefits/Outcomes</p> <ul style="list-style-type: none"> Cost recovery to achieve cost neutral services Alleviates financial pressures of providing services without compromising the level of service provided | | | | <p>Savings/Efficiencies</p> <ul style="list-style-type: none"> There are likely no cost savings or efficiencies however, cost recovery/revenues would increase | | | |
| <p>Costs/Investments</p> <ul style="list-style-type: none"> 200 hours of staff's time or approximately \$40,000 for an third-party to conduct the study | | | | <p>Risks/Challenges</p> <ul style="list-style-type: none"> There is a risk the public would be unhappy with the changes and Council may be hesitant to approve the changes | | | |
| Implementation | | | | | | | |
| <p>Required Resources</p> <ul style="list-style-type: none"> Council and staff's time to conduct review and approve/implement changes | | | | <p>Interdependencies</p> <ul style="list-style-type: none"> N/A | | | |
| <p>Timing</p> | | <p>Priority (H/M/L)</p> | | <p>Benefit (H/M/L)</p> | | <p>Complexity (H/M/L)</p> | |
| <p>Within 1 year</p> | | <p>Medium</p> | | <p>Medium</p> | | <p>Medium</p> | |
| Impact Assessment (H/M/L) | | | | | | | |
| <p>DE&I – Low</p> | <p>Staff - Low</p> | <p>Structure – Low</p> | <p>Technology – Low</p> | <p>Culture – Low</p> | <p>Finance – Medium</p> | <p>Leadership – High</p> | <p>Residents – High</p> |

Recommendation 5: Expand granularity of internal cost tracking controls to improve reporting and target efficiencies.



| | | | | | | | |
|--|--|-------------------------|--|---|--|---------------------------|--|
| A. Change code of accounts to align with services. | | | | Strategic Focus | | | |
| | | | | Organizational Effectiveness, Increasing Communication and Clarity | | | |
| Description <ul style="list-style-type: none"> Currently, accounting practices employed by the City do not realize a level of granularity that would allow for costs to be tracked precisely on a service-by-service basis While the City' has detailed department budgets, costs cannot be attributed to specific services such as Harrison Park and therefore the City has no way of knowing the cost of specific services For example, the operating cost of Harrison Park cannot be identified because the code of accounts does not provide granular cost calculation This is a common theme that impacted the ability to provide more detailed cost/savings calculations when developing recommendations for this Service Review Altering the code of accounts to better align with services would allow for a more refined and specific tracking of expenses to better identify and more accurately report on inefficiencies and cost drivers in the future | | | | Activities <ol style="list-style-type: none"> Conduct review of current code of accounts and services Develop new code of accounts that aligns with services Modify internal reporting tools to reflect a code of accounts Document new account codes and distribute to relevant City employees Train employees on new code of accounts | | | |
| Benefits/Outcomes <ul style="list-style-type: none"> More accurate tracking and reporting Greater visibility in the cost of delivering services With better cost tracking data, cost savings could be targeted and achieved more effectively | | | | Savings/Efficiencies <ul style="list-style-type: none"> There are no direct cost savings however, the results could indirectly achieve cost savings by identifying areas of opportunities for to cut costs | | | |
| Costs/Investments <ul style="list-style-type: none"> Staff's time to develop new code of accounts Would take approximately 200 hours of staff time including training on new code of accounts (over a 2 to 3 month duration) | | | | Risks/Challenges <ul style="list-style-type: none"> There is a risk that the code of accounts may become overcomplicated which would result in undesirable results | | | |
| Implementation | | | | | | | |
| Required Resources | | | | Interdependencies | | | |
| <ul style="list-style-type: none"> Finance staff to develop new code of accounts | | | | <ul style="list-style-type: none"> N/A | | | |
| Timing | | Priority (H/M/L) | | Benefit (H/M/L) | | Complexity (H/M/L) | |
| Within 1 year | | Low | | High | | Low | |
| Impact Assessment (H/M/L) | | | | | | | |
| DE&I - Low | | Staff - Low | | Structure - Medium | | Technology - Low | |
| Culture - Low | | Finance - High | | Leadership - Low | | Residents - Low | |

Recommendation 5: Expand granularity of internal cost tracking controls to improve reporting and target efficiencies.



| <i>B. Conduct Snow Removal Time & Motion Analysis for Performance Improvement.</i> | | | | Strategic Focus | | | |
|--|-------------|------------------|------------------|--|------------------|--------------------|-----------------|
| | | | | Organizational Effectiveness | | | |
| Description <ul style="list-style-type: none"> Current data collection methods employed by the City do not allow for inefficiency identification within winter control activities Winter control activities is a substantial cost for the City and there could be cost savings identified through analyzing work efficiency through the observation and timing of tasks The City's 2022 operating costs for winter control activities is approximately \$1,700,000, of which, nearly 50% is attributed to salaries and 47.5% is attributed to materials and supplies (i.e., equipment) Note: a small portion of the winter control activities budget can be attributed to contract services Considering the substantial cost of this service, conducting a time and motion analysis of the delivery of this service could assist the City with enhancing their data of winter control activities which would allow for identification of performance improvement opportunities to maximize efficiencies and cost savings | | | | Activities <ol style="list-style-type: none"> Document routes and routines for snow removal during varying levels of snowfall over a winter season Triage routes by a ranking of "most important to finish first" to "least important to finish first" Assign "disruption costs" to different routes: what is the relative disruption to the City's transportation for every hour that a section of the City's streets is not cleared? Does this change depending on levels of snowfall or when the snow falls (i.e., Weekends vs weekdays, mornings vs evenings, holidays vs regular calendar days)? Conduct an optimization exercise to determine a route schedule that realizes an acceptable sum of disruption costs while minimizing time in motion for City equipment operators | | | |
| Benefits/Outcomes <ul style="list-style-type: none"> More efficient use of fleet resources Fewer overtime hours for winter maintenance staff Lower gas expenditures, less deterioration of equipment | | | | Savings/Efficiencies <ul style="list-style-type: none"> Cost savings and efficiencies through less overtime hours, lower gas expenditures, and less deterioration of equipment Target cost savings of approximately 5% Based on the City's current budget for winter control activities, this would equate to approximately \$85,000 annually | | | |
| Costs/Investments <ul style="list-style-type: none"> Staff time to conduct analysis or cost of third-party consultant Would take approximately 200 hours or \$45,000 from a third-party consultant | | | | Risks/Challenges <ul style="list-style-type: none"> There is a risk that the actual cost savings do not achieve the target It could be challenging for staff to conduct this analysis given resourcing constraints | | | |
| Implementation | | | | | | | |
| Required Resources <ul style="list-style-type: none"> Possible hiring of a third-party consultant to conduct analysis Tracking technology for fleet Leadership to coordinate data collection efforts | | | | Interdependencies <ul style="list-style-type: none"> N/A | | | |
| Timing | | Priority (H/M/L) | | Benefit (H/M/L) | | Complexity (H/M/L) | |
| 2 to 4 years | | Medium | | Medium | | High | |
| Impact Assessment (H/M/L) | | | | | | | |
| DE&I - Low | Staff - Low | Structure - Low | Technology - Low | Culture - Low | Finance - Medium | Leadership - Low | Residents - Low |

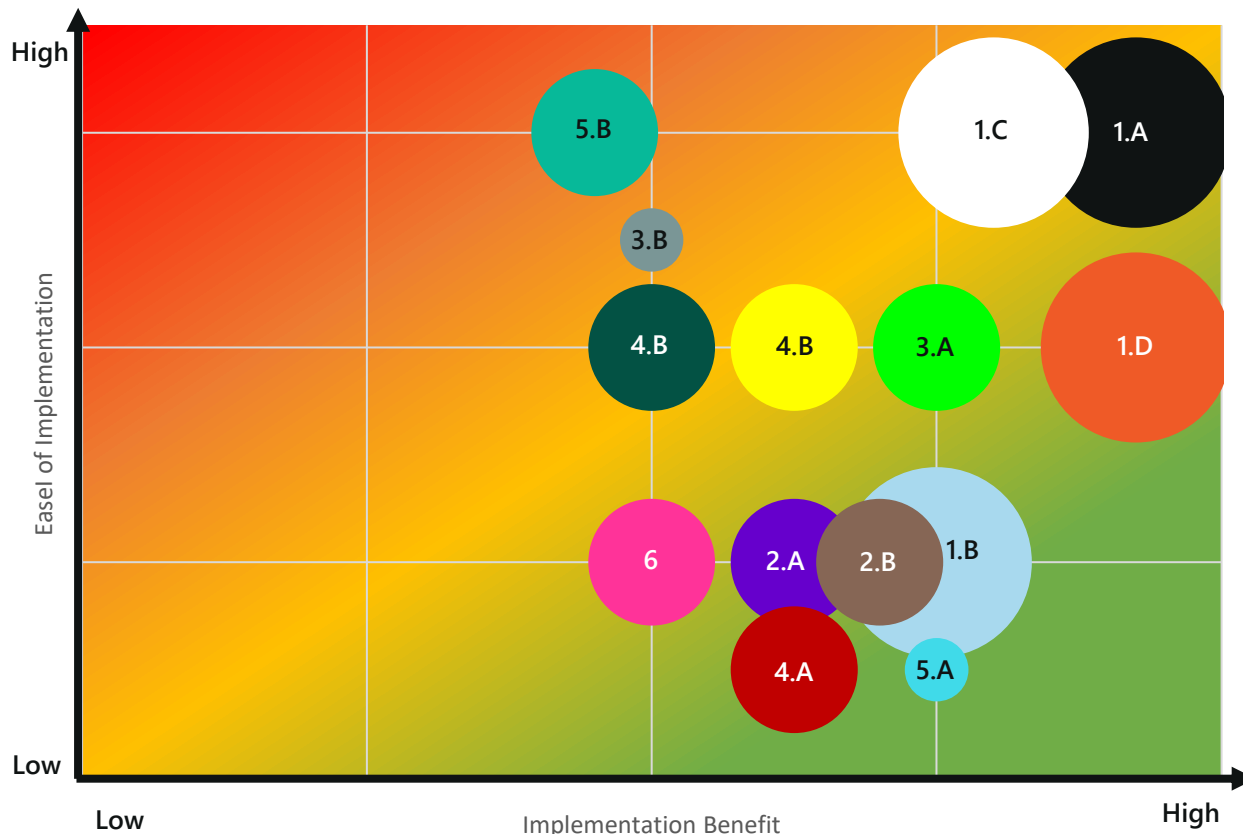
Recommendation 6: Strengthen and build on the strategic planning process to improve effectiveness.

| Description <ul style="list-style-type: none"> The City implemented a new strategic planning process which includes the development of a long-term strategic vision with priorities identified in a four-year Strategic Plan to incrementally contribute towards a long-term vision The strategic planning process was established in 2021 for a three-year period (2021-2023). Stakeholder interviews identified that Council often prioritizes projects or issues that are most strongly vocalized by residents, although this may not always result in effective or efficient service delivery This suggests that the revised strategic planning process that was implemented in 2021 may not be well understood or prioritized by Council Further enforcement of the strategic planning process through training, emphasis on S.M.A.R.T. (specific, measurable, achievable, relevant, and time-bound) key results, and building out the long-term strategic plan will support effective service delivery | | Activities <ol style="list-style-type: none"> Conduct annual training and education sessions for Council through a third-party contractor to enforce the strategic planning process Consider increasing the frequency of Council's review of the strategic priorities from every six months to every quarter Require Council requests of staff to be linked to the strategic priorities, possibly through standardized templates Ensure the key results in the strategic plan are specific, measurable, achievable, relevant, and time-bound If the strategic planning process is not well understood or prioritized by Council after the previous activities are implemented, consider forming a committee to support council in delivering and achieving the key objectives in the strategic planning process | | | | | |
|--|------------------|---|--------------------|------------------|------------------|-------------------|-----------------|
| Benefits/Outcomes <ul style="list-style-type: none"> Decisions based on what is best for the City, rather than strongly vocal citizens Increased productivity through clear strategic priorities and less back and forth between Management and Council Enables staff to focus on service delivery that supports the strategic priorities | | Savings/Efficiencies <ul style="list-style-type: none"> Actual cost savings will be the result of more focused investment and governance of strategic initiatives Efficiencies will be gained in service delivery as staff's service delivery efforts will be focussed on strategic priorities that are best for the City | | | | | |
| Costs/Investments <ul style="list-style-type: none"> Approximately \$5,000 to \$10,000 annually for a third-party contractor to provide Council training Approximately \$50,000 for a consultant to support a long-term strategic plan and business plans | | Risks/Challenges <ul style="list-style-type: none"> There is a challenge that Council may still prioritize vocal citizens over the strategic priorities that are best for the City | | | | | |
| Implementation | | | | | | | |
| Required Resources <ul style="list-style-type: none"> Council to participate in training and prioritize the strategic plan A third-party contractor to provide training to Council | | Interdependencies <ul style="list-style-type: none"> N/A | | | | | |
| Timing | Priority (H/M/L) | Benefit (H/M/L) | Complexity (H/M/L) | | | | |
| 1 Year | High | High | Low | | | | |
| Impact Assessment (H/M/L) | | | | | | | |
| DE&I - High | Staff - Medium | Structure - Low | Technology - Low | Culture - Medium | Finance - Medium | Leadership - High | Residents - Low |

Recommendation Priority Summary

Below is a benefit/complexity matrix that illustrates the implementation complexity and implementation benefit for each sub-recommendation. The green quadrants indicate an opportunity would be relatively easy to implement and would provide a benefit to the City. As opportunities move closer to the red quadrants, the benefit decreases and implementation becomes more complex. Additionally, the size of the circles indicates the priority of the sub-recommendation where large circles are high priority and small circles indicate low priority.

Opportunity Matrix



| Recommendation Legend | |
|-----------------------|--|
| 1.A. | Align organizational structure with the functional model to create efficiencies. |
| 1.B | Formalize documentation for the organization and between departments to improve decision-making authority and responsibility to improve efficiencies and solidify the organizational redesign. |
| 1.C | Target a reduction or strategic reallocation of 3 management or staff FTE in the short-term that support traditional and discretionary services and design a longer-term strategic attrition plan. |
| 1.D | Formalize the fleet management process and ensure the function is centralized within the organization to improve the scheduling and utilization of fleet. |
| 2.A | Implement digital timecoding across the entire organization. |
| 2.B | Expand the use of tablets to leverage digital processes. |
| 3.A | Identify opportunities to reduce level of service for discretionary services, traditional services, and some essential services. |
| 3.B | Consider negotiating cost-sharing opportunities with Grey County or the Grey County municipalities. |
| 4.A | Develop KPIs and revenue targets for TTAG that can be integrated with the TTAG Strategic Operations Plan. |
| 4.B | Conduct review of compost site and implement user fees for the compost site for non-residents, if beneficial. |
| 4.C | Conduct a detailed study of cost recovery options for on-demand services currently subsidized by ratepayers. |
| 5.A | Change code of accounts to align with services. |
| 5.B | Conduct Snow Removal Time & Motion Analysis for Performance Improvement. |
| 6 | Strengthen and build on the strategic planning process to improve effectiveness. |

Recommendations Overview



Below is a summary of the recommendations, the investment required and estimates cost savings or efficiencies. A net cost savings of \$895,000 could be realized if all recommendations are implemented and targeted savings/efficiencies are achieved.

| Recommendations | Investment | Estimate or Target Savings | Potential Cost Savings | Reoccurring or One-time |
|---|-------------------------------|----------------------------|------------------------|-------------------------|
| 1. Redesign the organizational structure. | | | | |
| A. Align organizational structure with the functional model to create efficiencies. | \$40,000 | Estimate | \$60,000 | Reoccurring |
| B. Formalize documentation for the organization and between departments to improve decision-making authority and responsibility to improve efficiencies and solidify the organizational redesign. | - | Target | \$100,000 | Reoccurring |
| C. Target a reduction or strategic reallocation of 3 management or staff FTE in the short-term that support traditional and discretionary services and design a longer-term strategic attrition plan. | Shared Investment with 1.A. | Estimate | \$150,000 | Reoccurring |
| D. Formalize the fleet management process and ensure the function is centralized within the organization to improve the scheduling and utilization of fleet. | - | Target | \$200,000 | Reoccurring |
| 2: Leverage existing technology to improve the effectiveness and efficiency of service delivery. | | | | |
| A. Implement digital timecoding across the entire organization. | \$80,000 - \$186,000 | Estimate | \$100,000 | Reoccurring |
| B. Expand the use of tablets to leverage digital processes. | \$65,000 | | | |
| 3: Reduce service delivery to align with municipalities of similar size and scope. | | | | |
| A. Identify opportunities to reduce level of service for discretionary services, traditional services, and some essential services. | - | Target | \$100,000 | Reoccurring |
| B. Consider negotiating cost-sharing opportunities with Grey County or the Grey County municipalities. | - | - | Cost Recovery | Reoccurring |
| 4: Target increased level of revenues through revenue generation opportunities. | | | | |
| A. Develop KPIs and revenue targets for TTAG that can be integrated with the TTAG Strategic Operations Plan. | - | Target | \$100,000 | Reoccurring |
| B. Conduct review of compost site and implement user fees for the compost site for non-residents, if beneficial. | \$120,000 | - | Cost Recovery | Reoccurring |
| C. Conduct a detailed study of cost recovery options for on-demand services currently subsidized by ratepayers. | \$40,000 | - | Cost Recovery | Reoccurring |
| 5: Expand granularity of internal cost tracking controls to improve reporting and target efficiencies. | | | | |
| A. Change code of accounts to align with services. | - | - | - | - |
| B. Conduct Snow Removal Time & Motion Analysis for Performance Improvement. | \$45,000 | Target | \$85,000 | Reoccurring |
| 6: Strengthen and build on the strategic planning process to improve effectiveness. | | | | |
| | \$55,000 to \$60,000 | - | - | - |
| Total | \$445,000 to \$556,000 | | \$895,000 | |

Implementation Roadmap

This section includes a high-level implementation roadmap for the recommendations.

Implementation Roadmap



Below is a Gantt chart outlining MNP's recommended roll-out of the recommendations found in this report over the next three years:

| | FY 2022 | | FY 2023 | | | | FY 2024 | | | | FY 2025 | |
|---|---------|----|---------|----|----|----|---------|----|----|----|---------|----|
| | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 |
| 1. Planning | | | | | | | | | | | | |
| Key Management Decisions | | | | | | | | | | | | |
| Performance Planning | | | | | | | | | | | | |
| Budget Planning | | | | | | | | | | | | |
| Create initiative to provide management and oversight to the implementation of recommendations | | | | | | | | | | | | |
| Clarify accountabilities to monitor performance | | | | | | | | | | | | |
| 2. Execution | | | | | | | | | | | | |
| 1.A. Align organizational structure with the functional model to create efficiencies. | | | | | | | | | | | | |
| 1.B. Formalize documentation for the organization and between departments to improve decision-making authority and responsibility to improve efficiencies and solidify the organizational redesign. | | | | | | | | | | | | |
| 1.C. Target a reduction or strategic reallocation of 3 management or staff FTE in the short-term that support traditional and discretionary services and design a longer-term strategic attrition plan. | | | | | | | | | | | | |
| 1.D. Formalize the fleet management process and ensure the function is centralized within the organization to improve the scheduling and utilization of fleet. | | | | | | | | | | | | |
| 2.A. Implement digital timecoding across the entire organization. | | | | | | | | | | | | |
| 2.B. Expand the use of tablets to leverage digital processes. | | | | | | | | | | | | |
| 3.A. Identify opportunities to reduce level of service for discretionary services, traditional services, and some essential services. | | | | | | | | | | | | |
| 3.B. Consider negotiating cost-sharing opportunities with Grey County or the Grey County municipalities. | | | | | | | | | | | | |
| 4.A. Develop KPIs and revenue targets for TTAG that can be integrated with the TTAG Strategic Operations Plan. | | | | | | | | | | | | |
| 4.B. Conduct review of compost site and implement user fees for the compost site for non-residents, if beneficial. | | | | | | | | | | | | |
| 4.C. Conduct a detailed study of cost recovery options for on-demand services currently subsidized by ratepayers. | | | | | | | | | | | | |
| 5.A. Change code of accounts to align with services. | | | | | | | | | | | | |
| 5.B. Conduct Snow Removal Time & Motion Analysis for Performance Improvement. | | | | | | | | | | | | |
| 6. Strengthen and build on the strategic planning process to improve effectiveness. | | | | | | | | | | | | |
| 3. Monitoring and Management | | | | | | | | | | | | |
| 4. Communication Process | | | | | | | | | | | | |

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Appendix A

Themes from Interviews



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Stakeholders Interviewed



| Department | Participant Name | Position |
|--------------------|-------------------|---|
| Art Gallery | David Huff | Curator of Collections |
| Art Gallery | Heather McLeese | Curator of Contemporary Art |
| Art Gallery | Aidan Ware | Director and Chief Curator |
| Art Gallery | Kim Skene | Education & Engagement / Acting Operations |
| Art Gallery | Shannon Bingeman | Exhibitions assistant |
| Art Gallery | Hillary Weppler | Visitor Services / Membership Coordinator |
| City | Tim Simmonds | City Manager |
| City | Sharon Edwards | Executive Assistant & Public Relations Coordinator |
| City | Michelle Palmer | Senior Manager, Strategic Initiatives and Operational Effectiveness |
| Community Services | Kevin Linthorne | Chief Building Officer |
| Community Services | Pam Coulter | Director of Community Services |
| Community Services | Ryan Gowan | Manager of Arena Operations |
| Community Services | Brent Fisher | Manager of Community Development & Marketing |
| Community Services | Adam Parsons | Manager of Parks and Open Spaces |
| Community Services | Amy Cann | Manager of Planning & Heritage |
| Corporate Services | Briana Bloomfield | City Clerk |
| Corporate Services | Nelly Morrow | Deputy Treasurer/Manager Accounting Services |
| Corporate Services | Kate Allan | Director of Corporate Services |
| Corporate Services | Annie Reed | Manager of Human Resources |
| Corporate Services | Shawn Hilliker | Manager of IT |
| Corporate Services | Christine Gilbert | Manager of Revenue |

| Department | Participant Name | Position |
|------------------------------|------------------|---|
| Corporate Services | Kristan Shrider | Senior Manager, Corporate and Facility Services |
| Council | Travis Dodd | Councillor |
| Council | Scott Greig | Councillor |
| Council | Brock Hamley | Councillor |
| Council | Marion Koepke | Councillor |
| Council | Carol Merton | Councillor |
| Council | Richard Thomas | Councillor |
| Council | Brian O'Leary | Deputy Mayor |
| Council | Ian Boddy | Mayor |
| Fire | Phil Eagleson | Fire Chief |
| Public Works and Engineering | Dennis Kefalas | Director of Public Works & Engineering |
| Public Works and Engineering | Chris Webb | Manager of Engineering Services |
| Public Works and Engineering | Matt Prentice | Manager of Water and Wastewater |
| Public Works and Engineering | Jeff Follis | Public Works Superintendent |
| Public Works and Engineering | Cassandra Cesco | Supervisor of Environmental Services |
| Public Works and Engineering | Rick Chappell | Supervisor of Environmental Services |
| Public Works and Engineering | James Fenton | Waste Water Supervisor |
| Public Works and Engineering | Mike Duncan | Water Distribution Superintendent |
| Public Works and Engineering | Troy Pelletier | Water Treatment Superintendent |

Interview Themes: Staff-Perceived Challenges 1-3

The following challenges were identified throughout interviews with staff.

Challenge 1: Staff Communications and Branding

- Employees are strong believers that the work that gets done is exceptional, but there is a missing opportunity to communicate these “good news” stories externally.
- Owen Sound does a great job of reporting on strategic plans internally, but there is a perceived lack of a public engagement strategy that ensures consistency and reliability with external communication.
- Some staff feel that they are left in-the-dark with respect to HR communications. This lack of HR communications feel most notable with the gaps in hiring, succession planning, and communications between departments (not knowing who to reach out to for certain roles/responsibilities).
- Some staff have expressed frustration with limited cross-collaboration across the City. This makes it challenging to understand what is going on in other departments and decreases knowledge transfer.

Challenge 2: Organizational Structure Hinders Efficiency

- Many staff believe that there can be immense increases in efficiency with a re-arrangement of departments, scopes of responsibilities, and levels of bureaucracy. There are certain services where accountability is muddled because it is not clear who’s purview it falls under, which sometimes results in staff undertaking additional work that they are not trained on and may not feel qualified/responsible to undertake.
- Everyone is willing to help but finding the right person to go to for certain things is sometimes a struggle. Staff express challenges understanding who does what and who is responsible for certain tasks in certain departments. Staff are thus unsure who to go to with questions, requests, or even new ideas.
- Perception of an inefficient organizational structure which staff sometimes address tasks based on availability and not necessarily based on priority.

Challenge 3: Small Tax Base Paying for Services Used by Region

- Many staff and Council members feel that they are a City of 20,000 people that serves 60,000. There are gaps in the controls that allow non-residents to access Owen Sound services for free, and many staff feel this increases their workloads.
- Staff noted the potential for cost-savings by altering service delivery of labour-intensive services that the City currently offers.
- Many staff members find that the billing of certain services is not set-up to maximize ease of payment, and thus creates a higher cost of revenue.

Challenge 4: Inconsistent Processes and Unstructured HR Policies

- Many staff feel that the amount of time spent on administrative tasks not only decreases staff efficiency, but also decreases staff engagement and likely contributes to higher turnover.
- Staff noted a misalignment between onboarding and training and daily job function. Because of the lack of structure around formalized succession planning, employees feel as though they are constantly trying to train new employees and thus don't have time for succession planning.

Challenge 5: Technological Onboarding, Implementation, and Support

- Many staff believe that there is a large gap between technology availability and implementation. Staff feel as though both available and implemented technology tools are being heavily underutilized because there is a lack of training and ongoing support. Further, staff feel that there are many features of programs that have been purchased but not yet integrated or implemented by the City.
- Staff believe that IT may be understaffed and may have a hard time following the IT Assessment with action.

Challenge 6: Changing People's Mindset to Foster Personal and Organizational Growth

- Many staff members feel that current practices and standard operating procedures (SOPs) have been in place for a long time, and if they were to question why things are done a certain way, the response would be "this is how we have always done it".
- Currently, some team leaders struggle to find the time to mentor and train team members. This can leave team members feeling like the path to the top is blurred, and it can make it challenging for them to envision a future for themselves. Because of training pains, surprise staff vacancies leave employees feeling as though there is no internal replacement that knows how to complete these vacant roles/responsibilities.

Interview Themes: Council-Perceived Challenges 1-3

The following challenges were identified through interviews with Council.

Challenge 1: Controlling Taxes and City Growth

- Council members believe that things are done to maintain status quo and very little of that is challenged. Either people are too busy to look at alternative practices, don't have any interest in changing, or new ways have not been considered. Some Council members believe that staff may be opposed to further growth and development.
- Although there is residential growth already occurring, Council members believe that industrial growth should also be sought. Council members believe partnerships with the County on affordable housing and transit can help achieve this, as well as partnerships with the College or the hospital.
- Council members very aware of citizens living outside Owen Sound coming in to use the City's services for free and want to find ways to capitalize on potential revenue.
- "We can't afford to keep paying for everyone else to use our services and compete with taxes that are way lower than ours" was a common comment heard.

Challenge 2: Strategic Metrics and Tracking Progress

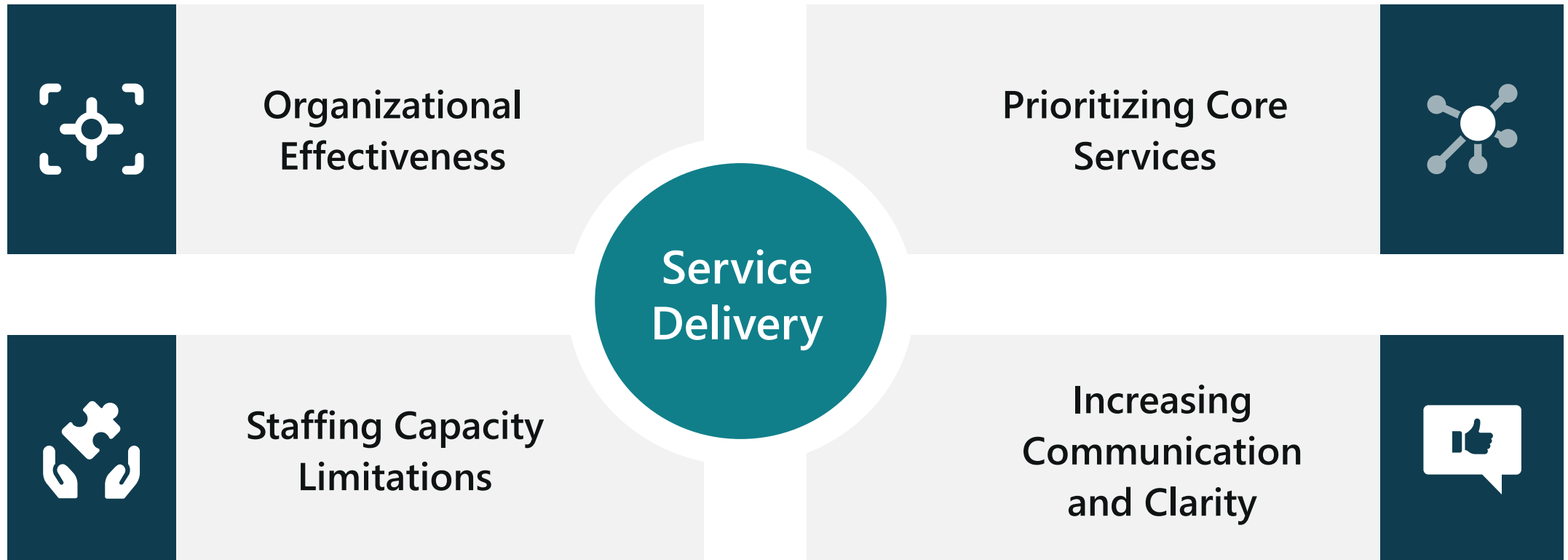
- Council sets priorities and documents them in the Strategic Plan, but some Council members feel that the KPIs set to track the progress towards these goals are ill-informed and inaccurate.
- A few identified issues include staff reports with little explanation to where "saved" funds will be reapplied and poor documentation of assumptions.

Challenge 3: Governance Structure and SOPs

- Some Council members see "quite a lot" of overlap between some service departments (ie. Public Works and Community Services) which leads to inefficiency and some redundancies within the organization. Additionally, some Council members believe the organization is too risk adverse and thus employs too much bureaucracy that hampers efficiency and progress.
- Staff are perceived to sometimes oppose Council decisions and want to guide their own path to decide strategic direction.

Overarching Observations - Reoccurring Themes

The following themes are a summary of the reoccurring gaps that we heard in our interviews with Council members and staff. High-level future state opportunities have been categorized under these themes. Each theme is further explored in the emerging opportunities section.





Appendix B

Summary of Staff Survey Findings



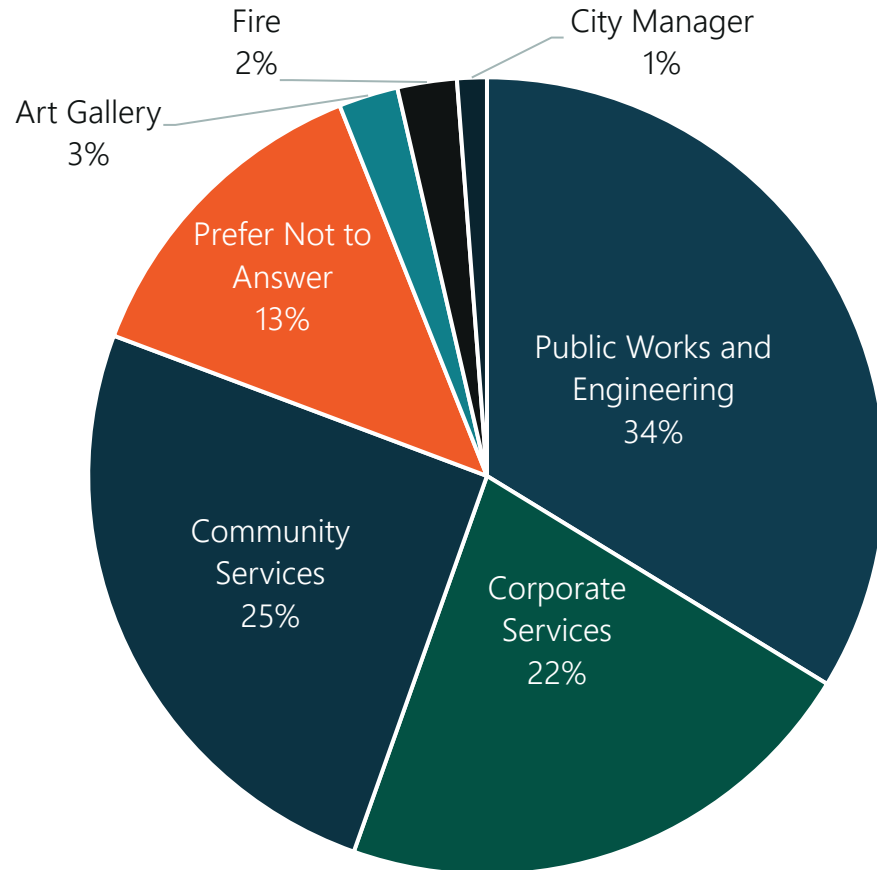
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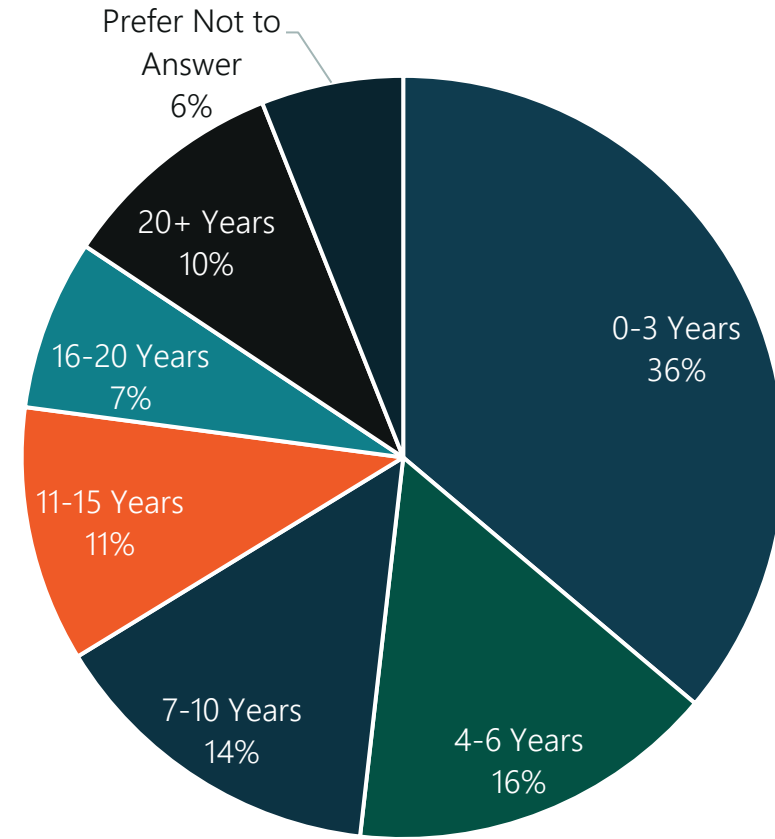
Survey Results - Demographics

MNP conducted an online survey to gather staff feedback in regards to service delivery. The survey link was emailed to staff and available for one week. The survey received 84 individual answers.

Departments

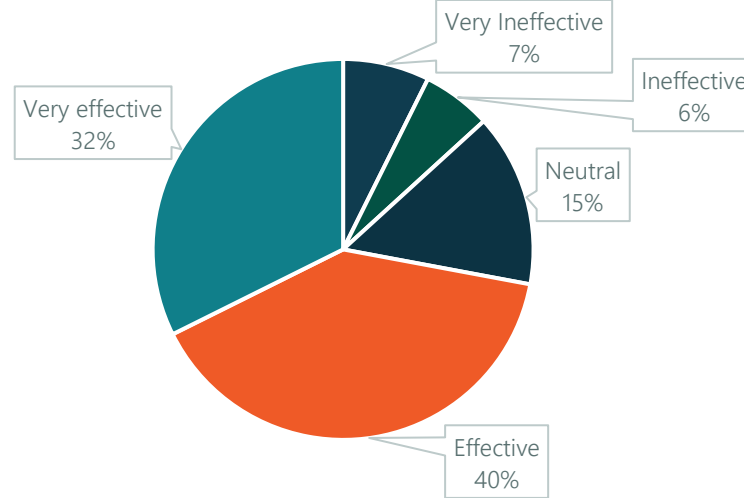


Duration of Time Working for Owen Sound

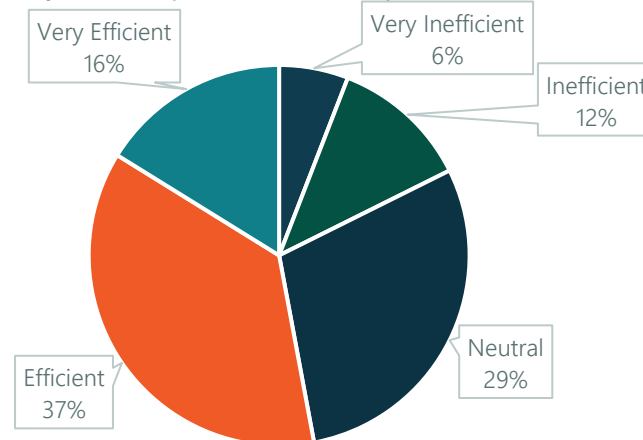


Survey Results – Department Rating

Perceived Effectiveness of Respondent's Department's Service Delivery



Perceived Efficiency of Respondent's Department's Service Delivery



➤ **Effectiveness of service delivery:** how well your department delivers the service(s) to the public or internal organization as described in your department's function.

Efficiency of service delivery: how cost- and time-efficient your department's delivery of service(s) is.

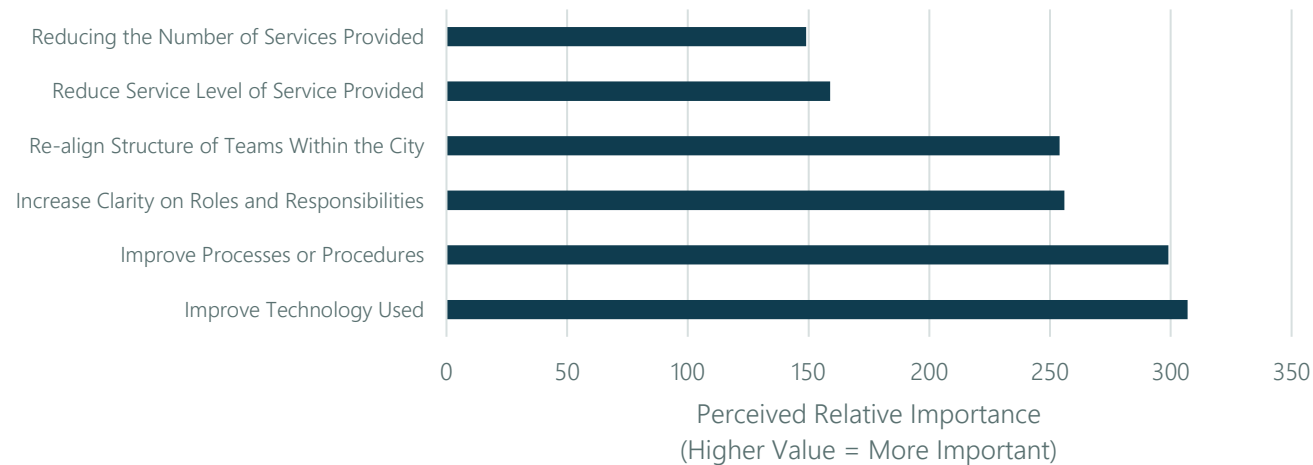
➤ On average, employees found their departments to be **effective and neutrally efficient**.

➤ **More than half of employees found that their department's service delivery was either effective or very effective (72%), and efficient or very efficient (53%).**

➤ Only 13% of employees found their departments to be ineffective or very ineffective, and only 18% of employees found their department's service delivery to be inefficient or very inefficient.

Survey Results – Cost-Efficiency Opportunities

City's Biggest Perceived Opportunities to be More Cost-Efficient



➤ **Improving Technology Use** and **Improvement of Processes or Procedures** were listed as the greatest opportunities for becoming more cost-efficient.

➤ **Reducing numbers of services offered** and **levels of services offered** were perceived as the least great opportunities for becoming more cost-efficient.

Survey Results – Themes

The following three themes were most frequently mentioned by staff members in the staff survey findings.



Need for Increased Process Digitization and Efficiency

Some common mentions include:

- Increased utilization for GIS software is needed
- Many technology platforms and tools are outdated based on standards set by other municipalities and government services
- Processes are not standardized across departments
- Time spent doing paper work is currently too high for many staff



Clarity in Roles

Some common mentions include:

- Many staff are not aware of the roles and responsibilities of staff in other divisions or teams
- Many staff are performing the same tasks twice because some clarity in roles is missing



Current Staffing Levels Insufficient

Some common mentions include:

- Some staff reported that based on the services the City provides, current staffing levels are not sufficient
- Some staff also mentioned that turnover has exacerbated some of these staffing issues

Survey Results – Themes

The following are additional common themes that were observed in the written responses:



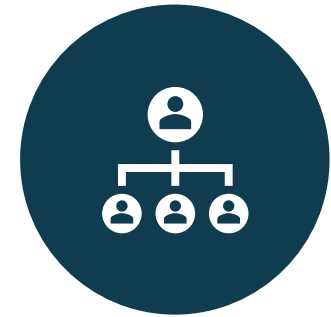
**Divisions are Siloed
from Each Other**



**Lack of Internal
and External
Communication
Channels**



**Too Many Services
for the Tax Base to
Support**



**High Proportion of
Management Staff
Compared to
Frontline Workers**



Appendix C

Summary of Committee Survey Findings



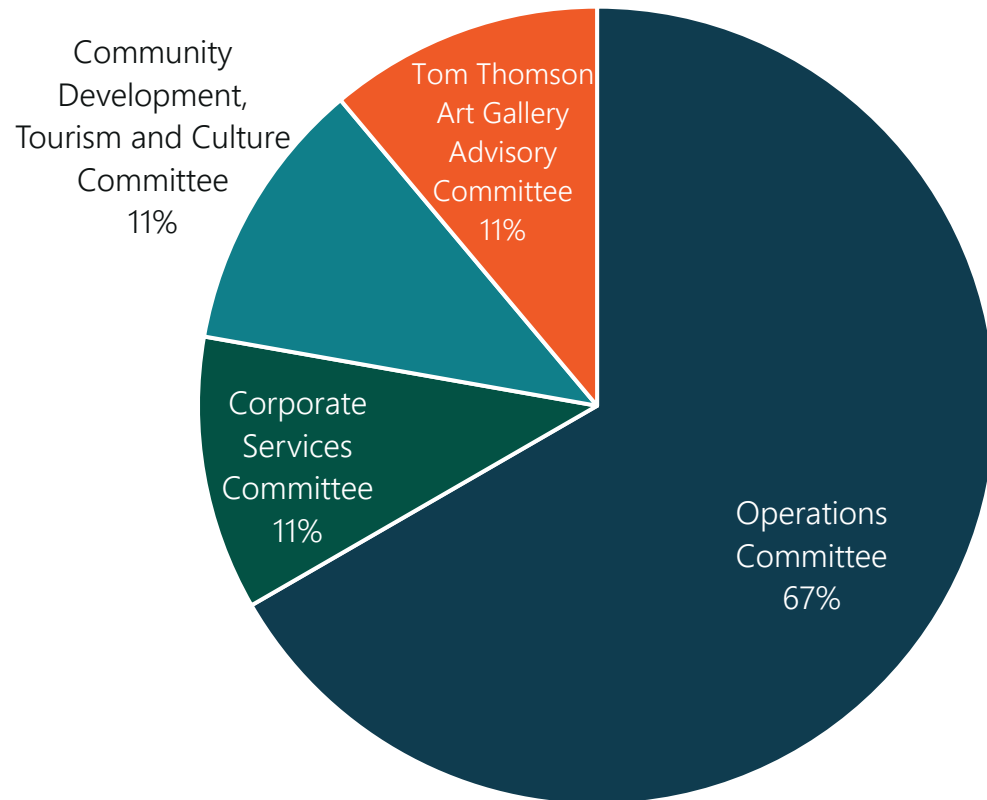
Wherever business takes you

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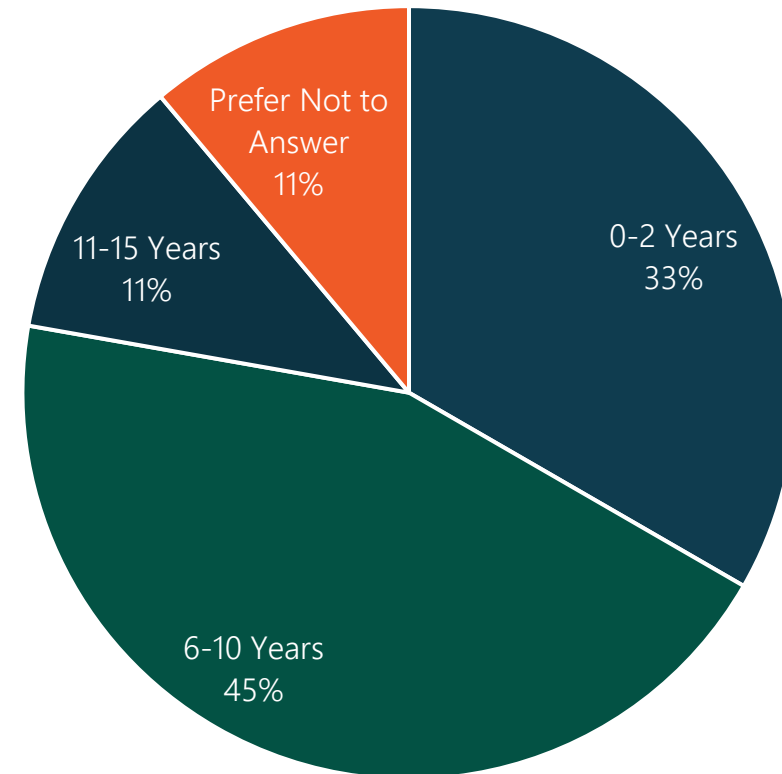
Survey Results - Demographics

MNP conducted an online survey to gather feedback from committee members in regards to service delivery. The survey link was emailed to committee members and was available for one week. The survey received 9 individual answers. Note: The Community Services committee was sent this survey, however, individuals from this committee did not provide any responses.

Committee

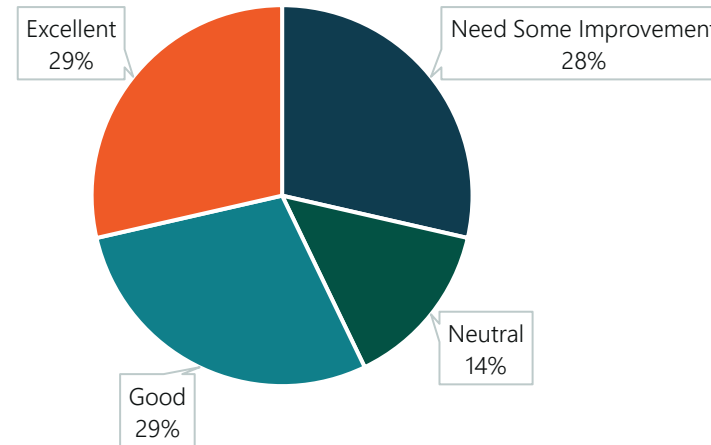


Duration of Time on Owen Sound Committees

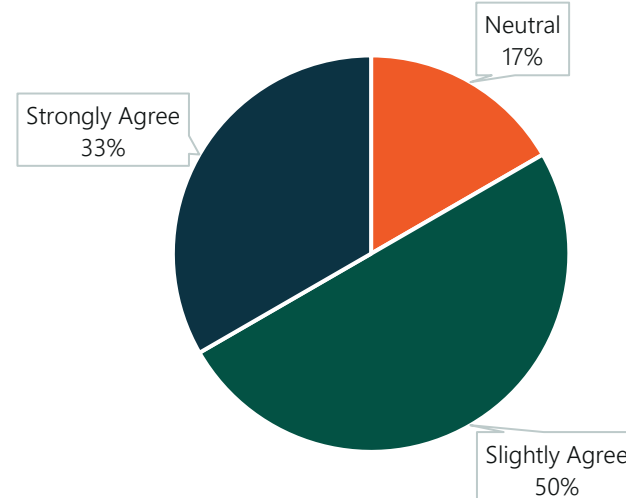


Survey Results – Committee Support & Services

Committee Members' Ratings of Services They Provide Oversight For



Committee Members' Ratings on Whether they Provide the Right Support for Effective Service Delivery

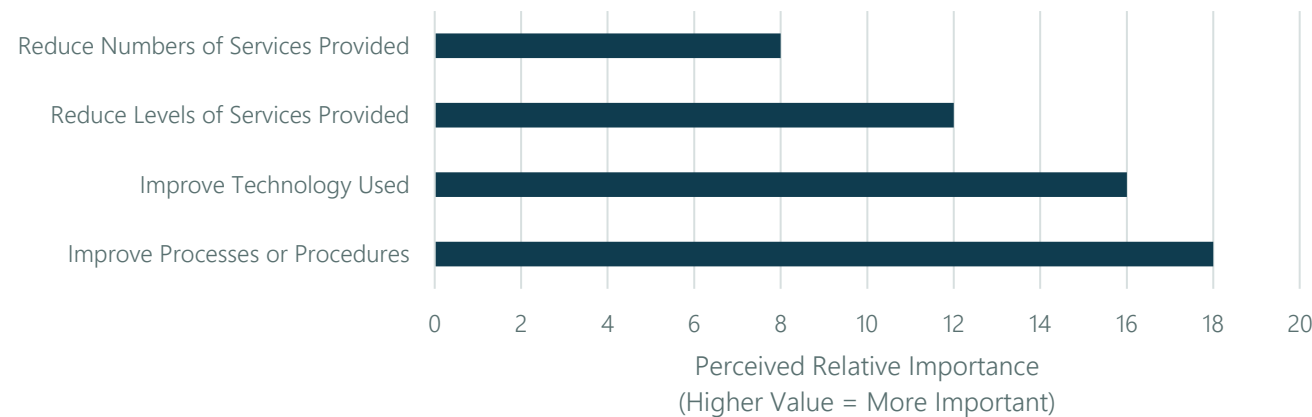


➤ 58% of committee members stated that the services their committees provide oversight for are either “Excellent” or “Good.” The remaining 32% either stated the services they oversee needed some improvement, or they were neutral.

➤ 50% of committee members stated that they “slightly agree”, and 33% stated that they “strongly agree” that their **committee is providing the right level of support for effective service delivery**. 66% of committee members stated that they “slightly agreed” or “strongly agreed” that their **committee is providing the right level of support for efficient service delivery**. All other responses were “neutral”, with no “slightly disagree” or “strongly disagree” options selected.

Survey Results – Cost-Efficiency Opportunities

Committee Members' Biggest Perceived Opportunities to be More Cost-Efficient



➤ **Improving Technology Use** and **Improvement of Processes or Procedures** were listed as the greatest opportunities for becoming more cost-efficient.

➤ **Reducing numbers of services offered** and **levels of services offered** were perceived as the least great opportunities for becoming more cost-efficient.

The following three themes were most frequently mentioned by committee members in the committee survey findings.



Increase Technology Usage

Some common mentions include:

- Improve the usage of technology to limit the amount of employee hours spent doing manual tasks
- Ensure that technological change addresses a need



Streamline Services Where Possible

Some common mentions include:

- Work with other municipalities to improve service delivery
- Explore opportunities for more effective service delivery to reduce costs



Match Resources with Services

Some common mentions include:

- Ensure that the City matches the resources and capabilities with the services it delivers



Appendix D

Service Classification

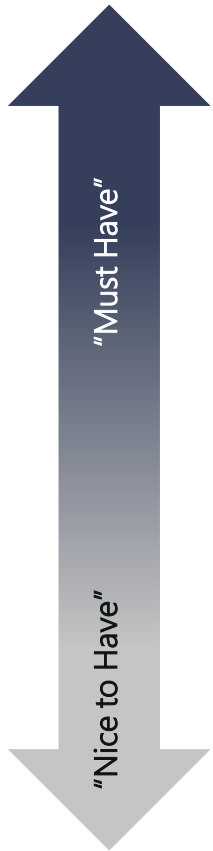


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Service Classification Definitions

Based on Municipal Act and MNP Experience across the municipal sector



- 1) **Mandatory** – Services or functions that are prescribed by provincial legislation.

Examples: Elections, Capital Plans, Cemeteries, Police, Emergency Plan, Land use regulation

- 2) **Essential** - Critical to the ongoing operation of the City.

Core Services needed to protect the Health and Safety of citizens and business. Examples: Fire, Municipal Works, Water/Sewer, Utilities, Environmental, Permitting & Bylaw Enforcement.

Support Services needed to enable the delivery of Core Services and ensure accountability to the electorate. Examples: Government, Admin & HR, CAM, Finance, IT & Technology.

- 3) **Traditional** - Services provided typically by municipalities in order to satisfy a specific need of citizens and businesses.

Examples: Parks & Recreation, Community Centers & Programming, Pools, Rinks, Museums, Transit.

- 4) **Discretionary** - Services provided in response to a unique community need, positive business case, or other particular purpose.

Examples: Tourism, Campgrounds, Business Development, and Premium Service Levels above all Minimum Standards in Mandatory, Essential, and Traditional services.

City Service Classifications (1/8)

| Designation | Service Name | Description | Department | Division | Team |
|---------------|---|---|--------------------|---|--|
| Traditional | Tom Thomson Art Gallery (TTAG) | The Art Gallery is a major cultural attraction within the region and the custodian of the City's nationally significant (multi-million-dollar) art collection. The Art Gallery develops exhibitions and programs that support the City's values and priorities and collaborates with local businesses, organizations, and schools, to develop events, activities, and partnerships that promote arts, culture, and education. The Art Gallery represents the Culture aspect of the City's Community Development, Tourism, and Culture Committee and contributes expertise to the City's cultural planning. Also, the Gallery is a leader in the development of Truth and Reconciliation, equity, and inclusion practices both through curation and by contributing within the City's internal working groups. | Art Gallery | Art Gallery | Art Gallery Staff |
| Discretionary | Communications - Internal and External | Inform, engage and consult the public on key programs, policies, and decisions, maintain a consistent identity for the corporation, and provide direction/support for strategic issues or crises; share information with city staff and council on corporate-wide policies, issues, initiatives and decisions, and provide all city staff with the tools and training they can use to share information with one another; supports staff through the provision of graphic design to assist with marketing (media releases and public notices, corporate social media, website, media and public inquiries). | City Manager | Communications | Communications |
| Discretionary | Inter-governmental Relations | Research and analysis of provincial and federal policy, attend government and stakeholder meetings, organize ad hoc events, prepare briefing notes, provide advice to internal and external stakeholders | City Manager | Communications | Strategic Initiatives and Operational Effectiveness team |
| Discretionary | Strategic Initiatives and Operational Effectiveness | Leads, develops and assists with corporate initiatives and special projects that support achievement of the City's strategic priorities and the City Manager's and Senior Leadership Team's priorities; collaborates with all divisions to support the development of an integrated and coordinated standardized work plan (business plan) to guide delivery of core services, Council priorities and Strategic Plan implementation; creates and implements organizational service management initiatives, processes and tools to measure and communicate service performance, achieve strategic priorities and goals, ensure accountability for results, and instill a continuous improvement mindset | City Manager | Strategic Initiatives and Operational Effectiveness | Strategic Initiatives and Operational Effectiveness team |
| Traditional | Arenas | To provide management, administration and customer service to users of 3 indoor arenas (Bayshore 1 ice pad and JMRRC 2 ice pads) as well as 2 large community rental halls (can be split into 4 smaller halls). The arena operation provides daily maintenance and cleaning of the ice rinks, outdoor areas, mechanical equipment, 10 washroom facilities, 8 dressing rooms, and 2 community rental halls to ensure a clean and safe environment for users of both facilities. | Community Services | Arena Operations (Facilities) | Arena Operations |

City Service Classifications (2/8)

| Designation | Service Name | Description | Department | Division | Team |
|---------------|--|---|--------------------|-------------------------------------|--|
| Mandatory | Building Services | The Building Division accepts incoming applications for all aspects of construction including new construction, renovations, alterations, change of use, underground servicing and plumbing. Each application is reviewed for completeness and compliance with the Building Code Act. Each complete application has its plans reviewed by a plans reviewer and the communication is commenced with the applicant regarding deficiencies. After review, each application is finally reviewed by senior staff and the permit is issued. Fees are calculated and invoiced before a permit is issued, along with the collection of Development Charges. Inspections of the project are initiated starting with excavation, footings, foundation, backfill, framing, insulation, vapour barrier, plumbing underground, plumbing rough-in, occupancy and final inspection. A basic house has between 7-9 inspections and larger builds the inspections number into the hundreds. The Chief Building Official is also responsible for municipal addressing in accordance with the 911 Emergency Operations Group. This includes street naming and unit numbering to conform to City standard. The Division also supports the work of the City's Development Team. Building Division staff are responsible for the upkeep of current ownership of properties in the Amanda Property Management software. Electronic plans and occupancy permits are submitted to MPAC in order to pick up Supplementary Assessment earlier. | Community Services | Building | Building Team |
| Discretionary | Community Development | The Manager of Community and Business Development oversees strategic initiatives in the areas of Community Economic Development, Tourism and Culture, River District Revitalization and Facility Booking and Recreation Programs. This includes, but is not limited to workforce development, business retention and expansion, stakeholder relations and the growth and development of partnerships including, but not limited to Grey County, TIAO, RT07, Chamber of Commerce etc. in the Community | Community Services | Community Development and Marketing | Community Development |
| Traditional | Events | Development, promotion and delivery of a number of free and low-cost events and support / facilitation of other events that highlight Owen Sound's rich cultural landscape. | Community Services | Community Development and Marketing | Events |
| Discretionary | Community Development - River District | Responsibility for supporting Community Development initiatives directly relating to the River District Action Plan and City's Strategic Plan; planning and execution of a variety of River District events, cultural programming and creative experiences; Preparation and publishing of content as well as work with contracted content creators for the River District and Community & Business Development web and social media platforms. | Community Services | Community Development and Marketing | Community Development (River District) |
| Discretionary | Tourism | Operating under three pillars, tourism marketing supports the local tourism sector through marketing and promotion and product development to enhance and highlight the City's tourism assets. Tourism marketing also supports visitors through a variety of digital, print and in-person platforms to ensure the visitor experience is positive and focused on befitting Owen Sound businesses. | Community Services | Community Development and Marketing | Tourism Marketing |

City Service Classifications (3/8)

| Designation | Service Name | Description | Department | Division | Team |
|-------------|-------------------------------|---|--------------------|-------------------------------------|---------------------------------------|
| Traditional | Facility Booking and Programs | Booking and allocation of sportsfields, ice and floor rentals in accordance with City policies. Some hall rentals; facilitating special events coordinated by outside groups; facilitates delivery of outsourced programming offered by City (soccer camps, hockey camps). | Community Services | Community Development and Marketing | Facility Booking / Community Services |
| Essential | Parks | Parks Planning, management, maintenance and development of 536 acres of parks, 30km of trails, 8 sportsfields, 10 ball diamonds and a seasonal outdoor ice pad; garbage collection and litter removal in the inner harbour and parks; operation of the campgrounds and bird sanctuary; support for City and third party events using City Parks (eg. Summerfolk) seasonal beautification, maintenance and litter control in the River District; urban forestry, canopy renewal and arboriculture for all trees on City properties including parks areas and streets. | Community Services | Parks and Open Spaces | Parks |
| Mandatory | Cemetery | Responsibility for the effective planning, operation, development, marketing, sales and administrative aspects of the City's 43-acre cemetery including administration of the sale of plots niches, crypts, internment services, and winter storage for Greenwood and by fee for other cemeteries. | Community Services | Parks and Open Spaces | Cemetery |
| Traditional | Planning | Management/administration of land development applications as delegated under the Planning Act and by the County of Grey. Planning Act Applications processed by Staff include plans of subdivision/condominium, Official Plan and zoning by-law amendments, site plans, minor variance, and consent applications. Creation and maintenance of mandatory documents including the City's Official Plan and Zoning By-law. Review of all building permit applications, sign permits, business licenses, encroachments, lands sale requests, compliance matters, requests for agreement release, capital projects, and all other property-related issues for compliance with City Planning policies. Tracking and implementing provincial and upper-tier planning and development-related policy and legislation and pursuing continued indigenous consultation is included in the City's required work. | Community Services | Planning and Heritage | Planning |
| Essential | Planning- Policy | Development and management of strategies, policies, regulations and programs that implement the City's Official Plan and Zoning By-law and are related to land use planning, including but not limited to: cultural and natural heritage conservation, accessibility, community gardens, community improvement planning, site alteration, retail and commercial policy, urban design, growth management, infrastructure planning, and other matters as needed. Program oversight is a component of policy implementation, and includes: application processing for all programs under the Community Improvement Plan, sidewalk patio applications and permitting. | Community Services | Planning and Heritage | Planning and Heritage |
| Mandatory | Heritage | Development and implementation of the City's Heritage Conservation Program, including but not limited to: maintenance of the City's Heritage Register, monitoring and maintaining documentation for the lands/buildings/structures designated under the Ontario Heritage Act, review and issuance of Heritage Permits, maintenance and implementation of the City's Cultural Heritage Interpretation Program (Interpretive Plaques and Historic Walking Tours). | Community Services | Planning and Heritage | Planning and Heritage |
| Essential | Payroll | Process payroll for employees and some affiliated groups. Prepare T4s and calculate payroll adjustments. Ensure compliance with all legislated requirements, process non-payroll related payments and deductions | Corporate Services | Accounting | Payroll |

City Service Classifications (4/8)

| Designation | Service Name | Description | Department | Division | Team |
|---------------|-----------------------|---|--------------------|---------------------------------|----------------------------------|
| Essential | Accounts Payable | Maintain vendor master records, process supplier invoices, employee reimbursements and perform audits on payments | Corporate Services | Accounting | Accounts Payable |
| Mandatory | Clerks | The Clerk and Clerk's staff undertake the management/administration of council agendas and minutes; council policies and by-laws; open and closed council meetings; appointments to boards and committees; municipal elections; business licence applications; lottery licenses, including audits; marriage licenses; burial permits; commissioning services; and encroachment applications. Advises on matters of procedure; provides training and oversight of recording secretaries for City committees; acts as the administrator for the City BIA (River District Board of Management); acts as the Secretary-Treasurer for the Committee of Adjustment; and provides corporate legislative support for contracts, policy development, and agreement administration. | Corporate Services | Clerks | Clerks |
| Mandatory | Clerks | Corporate records, archives, imaging, and corporate libraries, including paper and electronic document management systems; access and privacy requirements; Freedom of Information requests; | Corporate Services | Clerks | Clerks |
| Discretionary | Clerks | Civil marriage ceremonies; facility bookings for weddings. | Corporate Services | Clerks | Clerks |
| Essential | Clerks | Manages contract services for animal control, crossing guards and parking enforcement. | Corporate Services | Clerks | Clerks |
| Essential | Asset Management | Develop detailed and advanced asset management plans for all asset categories, comprising long range funding, reserve requirements and service expectations for both the existing and future asset inventories | Corporate Services | Corporate and Facility Services | Asset Management |
| Essential | Building Maintenance | Respond to requests for service; perform preventative maintenance and repair to reduce the incidence of breakdowns and failure to equipment and fixtures in City facilities; Troubleshoot and correct building environmental concerns: heating, cooling, indoor air quality etc. ; facilitates outsourced repairs and maintenance for City facilities; raise and lower flags, monitor condition of flags and replace as needed at all city facilities; facility request administration; management of leased properties. | Corporate Services | Corporate and Facility Services | Building Maintenance |
| Essential | Purchasing and Risk | Prepare and issue bid opportunities, facilitate evaluation committees, evaluate and recommend award including preparing reports for Council where applicable; prepare agreements; issues purchase orders; facilitates liability claims | Corporate Services | Corporate and Facility Services | Purchasing and Risk |
| Essential | GIS | Create, maintain and manage spatial (map) datasets related to City assets | Corporate Services | Corporate and Facility Services | GIS |
| Essential | Property and Projects | Renovations provide oversight and management to planning and execution of facility construction and renovation and infrastructure renewal project | Corporate Services | Corporate and Facility Services | Property and Projects Supervisor |

City Service Classifications (5/8)

| Designation | Service Name | Description | Department | Division | Team |
|-------------|--------------------|---|--------------------|-----------------|---|
| Mandatory | Human Resources | Responsible for salary administration and job evaluation, recruitment and retention, employee onboarding, job descriptions, health and safety, disability and return to work management, employee and labour relations, benefit development and administration, pension administration, corporate wellness and diversity programs, health and safety, workplace accommodations, corporate recognition, corporate learning and development, HR and H&S policy development, performance management, exit interviews and workforce planning. Admin support to Accessibility Advisory committee. Legislated responsibilities include: Collective agreement negotiations and labour relations for three employee groups, harassment investigations, joint health and safety committees, WSIB claims, compliance with Occupational Health & Safety Act, Workplace Safety and Insurance Act, Labour relations Act, Employment Standards Act, Pay Equity Act and Human Rights Code. | Corporate Services | Human Resources | Human Resources Team |
| Essential | IT | Operate the IT Service Desk, server/desktop/laptop hardware and software support, network and communications infrastructure, mobile computing; manage all structured data and database management systems, enterprise application and systems architecture, software development and maintenance and software quality assurance. | Corporate Services | IT | IT Support Team |
| Mandatory | Financial Services | Performance of all bank reconciliations, process all incoming revenues, donations, and financial administration of the City's contracts and leases; Management of banking relationships, investigations of fraud and exceptions; work with asset owners to ensure accurate accounting of the City's additions, disposals, write-downs, amortizations and donations of the City's more than \$1 billion of tangible capital assets, ensuring compliance with PSAB. Compiling working papers and preparing the consolidated year-end financial statements, Annual Financial Report, Financial Information Return (FIR), and various financial reports for Statistics Canada; ensuring compliance with all legislated requirements. Provision of sales tax expertise and processing of monthly HST returns to maximize the City's tax recoveries. Assist with the budgeting process, including monitoring capital progress reports and staff inquiries. Review, analyze, and corrections to financial reporting. | Corporate Services | Revenue | Financial Services |
| Mandatory | Taxes | Billing and collection of property taxes, payment in lieu of property taxes; assessment management; responding to customer inquiries and concerns related to property tax accounts; customer account management; issue tax certificates; collection and arrears management | Corporate Services | Revenue | Property Taxes |
| Essential | Customer Service | Payment processing including pre-authorized plan, online, point of sale, and other payments; miscellaneous revenue billing. SOS is also responsible for the booking of Harrison Park Community Centre and Picnic Shelter, Kelso Beach Bookings, small Bayshore bookings, hall rentals, special events. | Corporate Services | Revenue | Cash receipting, switchboard and customer service |
| Essential | Utilities | Schedule and process water reads, billing of water ; review and process account adjustments; creation and management of system billing records for properties; respond to customer inquiries and concerns related to utility accounts; customer account management; issue utility certificates; collection and arrears management | Corporate Services | Revenue | Water Billing |

City Service Classifications (6/8)

| Designation | Service Name | Description | Department | Division | Team |
|-------------|----------------------------|---|------------------------------|------------------------|------------------------|
| Essential | Bylaw | Foster compliance with City regulatory by-laws through education, awareness, promotion, advice, and enforcement by way of a warning, fee, order, certificate of offence, or laying an information under oath. | Corporate Services | Clerks | Bylaw |
| Mandatory | Engineering Capital | Develop and maintain a 10-year capital program for the renewal and replacement of City Assets and Infrastructure. The development and management of infrastructure capital projects. These include various construction projects and phases, including water distribution, wastewater collection, sewage pumping stations, roads, storm water management, bridges, retaining walls, sidewalks, and larger capital projects involving water and wastewater treatment. Undertaking of Class Environmental Assessments relating to these above noted Capital Projects. | Public Works and Engineering | Engineering Services | Capital Program |
| Mandatory | Engineering Administration | Maintenance of industry standard engineering specifications, administer, review and process municipal consent applications, work with Planning staff to review, approve and administer all proposed site plans, subdivisions and development charge capital projects. Negotiation and maintenance of Service Agreements relating to developments. works with Public Works (Roads, Water, Wastewater) in regard to residents' concerns relating to City infrastructure. Reporting to the Operations Advisory Committee and Council on an as required basis. | Public Works and Engineering | Engineering Services | General Administration |
| Mandatory | Traffic | Management of the outsourced operation and maintenance of street light and traffic signalization. Administers the City's Street Occupation Permit System, coordinates road closures and detour routes. Investigate and prepare reports related to traffic related complaints; i.e. density, speed, safety, etc. with suggestions for improvements as per relevant guidelines and standards. | Public Works and Engineering | Engineering Services | Traffic |
| Traditional | Transit | Operation of City's Transit Terminal. Contract management of outsourced Transit Service within the City. Co-ordination of Guelph to Owen Sound (GOST) Transit Service. Contract Management of the Mobility Transit Service. Administration of the Mobility Bus Service application process. | Public Works and Engineering | Environmental Services | Transit |
| Mandatory | Waste Management | Manage the outsourced curbside household waste and recycling collection, co-ordinate household hazardous waste days including all administration and billing to participating Municipalities, oversight of the leaf and yard waste composting site, promotion of goods exchange day. Management of the leachate collection system at the Genoe landfill site, including off site haulage for treatment, and monitoring abandoned landfills. | Public Works and Engineering | Environmental Services | Waste Management |

City Service Classifications (7/8)

| Designation | Service Name | Description | Department | Division | Team |
|---------------|--------------------------------|---|------------------------------|--------------------|-----------------------|
| Mandatory | Roads | Maintenance services for all roads and municipally owned sidewalks within the city, including all winter and summer maintenance. Winter Maintenance Activities include but are not limited to: roadway and sidewalk plowing, de-icing, snow haulage, and winter cleanup including street sweeping and turf repair, and other related repairs. Summer Maintenance Activities include but are not limited to; pot hole repair, asphalt crack sealing, pavement utility cut repair, gravel road and shoulder maintenance, sidewalk repairs including mud-jacking and slab replacement, temporary asphalt trip hazard repairs, and interlocking pavement repairs, catch basin cleaning & repairs, curb & gutter repair, minor retaining wall repairs, sidewalk sweeping and power washing, city-wide street sweeping, spring litter picking, some tree removal in the City's RoW's ; routine inspection of road conditions as per O. Reg 239 to identify maintenance concerns; road closures - for emergencies, special events and parades, hazardous road conditions, lane narrowing related to road and other infrastructure related maintenance activities; supporting and executing other activities in support of other City work groups i.e. power rodding and cleaning of sanitary sewers, no dig support for utility repairs (use of vactor), maintenance and replacement of all ROW signage in the City (including reflectivity). Managing the outsourced line painting and sign reflectivity programs. Special attention is paid to the DRP in regard to debris pickup, sidewalk, and accessories maintenance. Fleet management and vehicle specing for purchase, fleet maintenance and repairs including Water, Wastewater and Parks Operations. | Public Works and Engineering | Public Works | Roads |
| Mandatory | Wastewater Treatment | Operation and maintenance of the City's recently upgraded wastewater treatment plant. This includes; Plant Operation and control, conducting in-plant and sampling as required under the MOECC issued ECA. Identifying and managing low to mid size Capital Projects and working with Engineering Services in regard to larger Capital Projects. | Public Works and Engineering | Wastewater | Wastewater Treatment |
| Mandatory | Wastewater Collection | Operation and maintenance of the City's wastewater collection system. This includes sewage pumping stations, inspection and flushing the wastewater collection piping, and the monitoring/reporting of combined sewer overflows. Working with Engineering Services in regard to continuous improvement regarding collection system rehabilitation and larger Capital Replacement Projects. | Public Works and Engineering | Wastewater | Wastewater Collection |
| Discretionary | Backflow Prevention | This is a new program for the City subsidizing of backflow prevention in high / higher risk commercial/industrial settings. This service is mandated by Municipal Bylaw and is considered a best practice within applicable Drinking Water Regulations. | Public Works and Engineering | Water Distribution | Backflow Prevention |
| Mandatory | Water Distribution Development | Work with Engineering Services to identify and inventory capital needs; water main replacement, water main anti-corrosion program, system modeling, review developments to assess system impacts. | Public Works and Engineering | Water Distribution | Capital & Development |

City Service Classifications (8/8)

| Designation | Service Name | Description | Department | Division | Team |
|-------------|-------------------------------|---|------------------------------|--------------------|-----------------|
| Mandatory | Water Distribution Operations | Operation and maintenance of the City's water distribution system. This includes; systemic flushing of water mains, regular sampling and testing for water quality in the system, fire hydrant maintenance, line valve operation/ replacement, leak surveys, and location services. This service also provides Water Meter replacement / remote key pad service Emergency response relating to water main breaks / failures, frozen water services, and emergency location requests. | Public Works and Engineering | Water Distribution | Operations |
| Mandatory | Water Treatment | Operation and maintenance of the City's Water Treatment Plant. This includes; Plant Operation and control, conducting in-plant and distribution system regulatory water testing, and monitoring the entire water system's SCADA Software. Identifying and managing low to mid size Capital Projects and working with Engineering Services in regard to larger Capital Projects. The data required for the Plant's Regulatory Reporting Requirements is managed through this facility as well. The oversight of the Water Systems Drinking Water Quality Management System as required by legislation. | Public Works and Engineering | Water Treatment | Water Treatment |
| Essential | Emergency Management | Ensures the development and updates to the Emergency Response Plan which is utilized during an emergency is to facilitate the effective co-ordination of human and physical resources, services and activities necessary to: a) Protect and preserve life and property; b) Minimize and/or mitigate the effects of the emergency on the residents and physical infrastructure of the City; and c) Quickly and efficiently enable the recovery and restoration of normal services. It also makes provision for the efficient administration, coordination, and implementation of extraordinary arrangements and response measures taken by the City to protect the health, safety, and welfare of the residents during any emergency by: a) Identifying the governance structure for emergency response within the City; b) Identifying roles and responsibilities required in mitigating, preparing for, responding to and recovering from emergencies and disasters; c) Identifying standard response goals for emergency response operations and decision making; and d) Providing for a coordinated response by the municipality and partner agencies in managing emergencies e) Develop the annual training exercise. | Corporate Services | Revenue | Property Taxes |
| Essential | Budget | Coordinate and facilitate the development of the City's multi-year capital budget as well as the annual operating budget. Prepare variance reports and projections for City Council throughout the year. | Corporate Services | Accounting | Budget |



Appendix E

Service Valuations



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Service Valuation Introduction

Overview

A service valuation formula has been designed and customized for the City of Owen Sound's service delivery based on its operations and available information. The service valuation formula includes inputs from revenue and operating expenses, the service classification, in addition to service ratings from the citizen satisfaction survey conducted by Owen Sound. A few limitations in this valuation exercise exist, which are described below:

- The revenues and operating expenses included in the service valuations are derived from 2022 budget estimates.
- All services were not included in citizen satisfaction scores for the identified criteria.

The citizen satisfaction scores are a large component of the service valuation framework and services included in the citizen satisfaction survey are mostly public/citizen-facing in nature. This limited the service valuation exercise to directly public facing services. A number of services could not have a service valuation completed as a result. Services that were not included in the valuation are indicated throughout each of the section. Notably, the Citizen Satisfaction Survey identified that the public are most concerned with adjusting service level for fire and police, which is out of scope for this engagement. Additionally, citizens identified reduction of service in transportation and Council has already made a decision on transit.

Service Valuation Framework

$$\text{Service Value} = \frac{\text{Perceived Value}}{\text{Resources}} \times \text{Classification of Service}$$

Resources = Operating Costs

- Operating Cost
- 1 = \$0-\$100,000
- 2 = \$100,000-\$500,000
- 3 = \$500,000-\$1,000,000
- 4 = \$1,000,000+

Classification of Service

- 1 = Discretionary
- 2 = Traditional
- 3 = Essential/Mandatory

Discretionary and Traditional Services

- Further assessed based on frequency of use (available only for services with this data point from the Citizen Satisfaction Survey).

Perceived value = Tax-based Revenues + Grants and User Fees + Perceived Importance + Satisfaction of Service

Tax-Based Revenues

- 1 = \$0-\$100,000
- 2 = \$100,000-\$500,000
- 3 = \$500,000-\$1,000,000
- 4 = \$1,000,000+

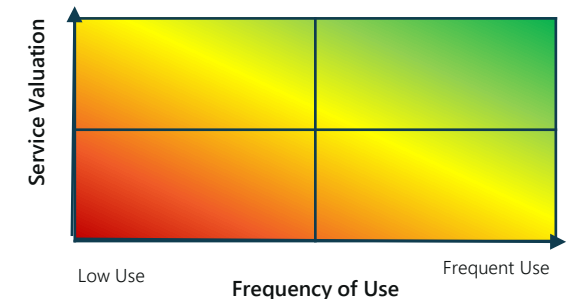
Grants and User Fees

- 1 = \$0-\$50,000
- 2 = \$50,000-\$100,000
- 3 = \$100,000-\$200,000
- 4 = \$200,000+

Average Rating for: Perceived Importance and Satisfaction of Services*

- 1 = 1-4 rating
- 2 = 5-6 rating
- 3 = 7-10 rating

*Based on citizen satisfaction survey



Service Valuation Overview



Cemetery and Playground received the highest service valuation, while the art gallery received the lowest service valuation.

| Department | Service | Service Value | Tax-based Revenue Rating | Grants and User Fee Rating | Perceived Importance Rating | Resources Rating | Classification Multiple |
|----------------------------|--------------------------------------|---------------|--------------------------|----------------------------|-----------------------------|------------------|-------------------------|
| Art Gallery | Art Gallery | 2.67 | 1 | 4 | 3 | 3 | 1 |
| Community Services | Cemetery and Playgrounds | 12.00 | 2 | 3 | 3 | 2 | 3 |
| | Recreation Facilities and Arena | 5.50 | 4 | 4 | 3 | 4 | 2 |
| | Parks and Greenspace | 5.50 | 4 | 4 | 3 | 4 | 2 |
| Public Works & Engineering | Transit | 5.50 | 4 | 4 | 3 | 4 | 2 |
| | Water and Wastewater | 6.00 | 1 | 4 | 3 | 4 | 3 |
| | Roads Maintenance and Winter Control | 6.67 | 4 | 3 | 2 | 4 | 3 |
| | Waste Management | 7.50 | 3 | 4 | 3 | 4 | 3 |
| Corporate Services | By-law | 7.50 | 2 | 1 | 2 | 2 | 3 |

Art Gallery

Service Valuation: Tom Thomson Art Gallery

| | | | | |
|---|--------------------|---|-------------|--|
| Department: | Art Gallery | Service Value Rating: | 2.67 | Service Value = $\frac{\text{Perceived Value}}{\text{Resources}} \times \text{Classification of Service}$ |
| Perceived value = Tax-based Revenues + Grants and User Fees + Perceived Importance + Satisfaction of Service | | | | |
| Tax-based Revenues = 1 | | Grants and User Fees = 4 | | Perceived Importance and Satisfaction Rating = 3 |
| <ul style="list-style-type: none"> Tax-based revenues for the art gallery is \$10,482 which receives a rating of 1 (i.e. between 0 and \$100,000) | | <ul style="list-style-type: none"> The art gallery receives grants and users fees of \$284,871 which receives a rating of 4 (i.e. greater than \$200,000) Note: in addition to the grants and revenues, the city also contributes approximately \$495,000 | | <ul style="list-style-type: none"> Citizens rated their satisfaction with the "Tom Thomson Art Gallery" as satisfied (7-10) in the citizen satisfaction survey There was no relevant data for the perceived importance of the art gallery in the citizen satisfaction survey |
| Resources = 3 | | Classification of Service = 1 | | Calculation |
| <ul style="list-style-type: none"> Operating costs for the art gallery is \$506,932 which receives a rating of 3 (i.e. between \$500,000 to \$1,000,000) | | <ul style="list-style-type: none"> Classification of Service = Discretionary | | $\begin{aligned} \text{Service Value} &= [(1 + 4 + 3) / 3] \times 1 \\ &= (8 / 3) \times 1 \\ &= 2.67 \end{aligned}$ |

Community Services

The following services were used in the valuation assessment:

- Parks
- Cemetery and playgrounds
- Arena

The following services were not included in the valuation assessment:

- Building
- Community Development and Marketing
- Planning and Heritage

Service Valuation: Cemetery and Playgrounds

| | | | | |
|--|---------------------------|--|--------------|--|
| Department: | Community Services | Service Value Rating: | 12.00 | Service Value = $\frac{\text{Perceived Value}}{\text{Resources}} \times \text{Classification of Service}$ |
| Perceived value = Tax-based Revenues + Grants and User Fees + Perceived Importance + Satisfaction of Service | | | | |
| Tax-based Revenues = 2 | | Grants and User Fees = 3 | | Perceived Importance and Satisfaction Rating = 3 |
| <ul style="list-style-type: none"> Tax-based revenue for cemetery and playgrounds are \$391,788 which receives a rating of 2 (i.e. between \$200,000 and \$500,000) | | <ul style="list-style-type: none"> User fees for cemetery and playgrounds are \$179,000 which receives a rating of 3 (i.e. between \$100,000 and \$200,000) | | <ul style="list-style-type: none"> Citizens rated their satisfaction with "parks and trails" as satisfied (7-10) in the citizen satisfaction survey There was no relevant data for the perceived importance of cemetery and playgrounds in the citizen satisfaction survey |
| Resources = 2 | | Classification of Service = 3 | | Calculation |
| <ul style="list-style-type: none"> Operating costs for cemetery and playgrounds are \$330,408 which receives a rating of 2 (i.e. between \$100,000 and \$500,000) | | <ul style="list-style-type: none"> Classification of Service = Essential/Mandatory | | Service Value = $[(2 + 3 + 3) / 2] \times 3$ $= (8 / 2) \times 3$ $= 12.0$ |

Service Valuation: Recreation Facilities and Arena

| | | | | |
|--|---------------------------|---|-------------|--|
| Department: | Community Services | Service Value Rating: | 5.50 | Service Value = $\frac{\text{Perceived Value}}{\text{Resources}} \times \text{Classification of Service}$ |
| Perceived value = Tax-based Revenues + Grants and User Fees + Perceived Importance + Satisfaction of Service | | | | |
| Tax-based Revenues = 4 | | Grants and User Fees = 4 | | Perceived Importance and Satisfaction Rating = 3 |
| <ul style="list-style-type: none"> Tax based revenues for recreation facilities and arena are \$1,091,865 which receives a rating of 4 (i.e. greater than \$1,000,000) Includes tax levy for the Recreation Centre of 987,563, tax levy of -\$893,657, \$5,032 for Programs, and \$992,927 for Bayshore | | <ul style="list-style-type: none"> Recreation facilities and arena has revenues and grants of \$1,269,565 which receives a score of 4 (i.e. above \$1,000,000) Includes grants and other revenue of \$1,110,465 from Facility Booking, other revenues of \$133,050 from Programs and \$26,050 from Bayshore | | <ul style="list-style-type: none"> Citizens rated their satisfaction with "Recreation Facilities" as satisfied (7-10) in the citizen satisfaction survey There was no relevant data for the perceived importance of recreation facilities in the citizen satisfaction survey |
| Resources = 4 | | Classification of Service = 2 | | Calculation |
| <ul style="list-style-type: none"> Operating costs for Bayshore and recreation facilities (including rentals) is greater than \$2,093,147 which receives a rating of 4 (i.e. grater than \$1,000,000) Includes cost of \$867,563 for the Recreation Centre, \$85,000 for Facility Booking, \$86,607 for Programs, and \$1,053,977 for Bayshore | | <ul style="list-style-type: none"> Classification of Service = Traditional | | $\begin{aligned} \text{Service Value} &= [(4 + 4 + 3) / 4] \times 2 \\ &= (11 / 4) \times 2 \\ &= 5.50 \end{aligned}$ |

Service Valuation: Parks and Greenspace

| | | | | |
|---|---------------------------|---|-------------|--|
| Department: | Community Services | Service Value Rating: | 5.50 | Service Value = $\frac{\text{Perceived Value}}{\text{Resources}} \times \text{Classification of Service}$ |
| Perceived value = Tax-based Revenues + Grants and User Fees + Perceived Importance + Satisfaction of Service | | | | |
| Tax-based Revenues = 4 | | Grants and User Fees = 4 | | Perceived Importance and Satisfaction Rating = 3 |
| <ul style="list-style-type: none"> Tax-based revenues for parks and greenspace is \$1,471,684 which receives a rating of 4 (i.e. greater than \$1,000,000) | | <ul style="list-style-type: none"> Parks and greenspace receives \$435,200 in user fees which receives a rating of 4 (i.e. greater than \$200,000) | | <ul style="list-style-type: none"> Citizens rated their satisfaction with "parks and trails" as satisfied (7-10) in the citizen satisfaction survey There was no relevant data for the perceived importance of parks and greenspace in the citizen satisfaction survey |
| Resources = 4 | | Classification of Service = 2 | | Calculation |
| <ul style="list-style-type: none"> Operating costs for parks and greenspace is \$1,919,717 which receives a rating of 4 (i.e. greater than \$1,000,000) | | <ul style="list-style-type: none"> Classification of Service = Traditional | | $\begin{aligned} \text{Service Value} &= [(4 + 4 + 3) / 4] \times 2 \\ &= (11 / 4) \times 2 \\ &= 5.50 \end{aligned}$ |

Public Works and Engineering

The following services were used in the valuation assessment:

- Transit
- Water and Wastewater
- Roads Maintenance and Winter Control
- Waste Management

The following services were not included in the valuation assessment:

- Engineering Services

Service Valuation: Transit

| | | | | |
|--|---------------------|--|-------------|--|
| Department: | Public Works | Service Value Rating: | 5.50 | Service Value = $\frac{\text{Perceived Value}}{\text{Resources}} \times \text{Classification of Service}$ |
| Perceived value = Tax-based Revenues + Grants and User Fees + Perceived Importance + Satisfaction of Service | | | | |
| Tax-based Revenues = 4 | | Grants and User Fees = 4 | | Perceived Importance and Satisfaction Rating = 3 |
| <ul style="list-style-type: none"> Tax-based revenues for Transit are \$1,510,244 which receives a rating of 4 (i.e. above \$1,000,000) | | <ul style="list-style-type: none"> Grant and user fees for transit are \$448,700 which receives a rating of 4 (i.e. greater than \$200,000) | | <ul style="list-style-type: none"> Citizens rated their satisfaction with "transit" as neither satisfied or unsatisfied (5-6) in the citizen satisfaction survey Citizens rated the perceived importance of transit as important (7-10) in the citizen satisfaction survey |
| Resources = 4 | | Classification of Service = 2 | | Calculation |
| <ul style="list-style-type: none"> Operating costs for transit are \$1,858,374 which receives a rating of 4 (i.e. greater than \$1,000,000) | | <ul style="list-style-type: none"> Classification of Service = Traditional | | Service Value = $[(4 + 4 + 3) / 4] \times 2$ = $(11 / 4) \times 2$ = 5.50 |

Service Valuation: Water and Wastewater

| | | | | |
|--|---------------------|--|-------------|--|
| Department: | Public Works | Service Value Rating: | 6.00 | Service Value = $\frac{\text{Perceived Value}}{\text{Resources}} \times \text{Classification of Service}$ |
| Perceived value = Tax-based Revenues + Grants and User Fees + Perceived Importance + Satisfaction of Service | | | | |
| Tax-based Revenues = 1 | | Grants and User Fees = 4 | | Perceived Importance and Satisfaction Rating = 3 |
| <ul style="list-style-type: none"> There are no tax-based revenues for water and wastewater as it is largely user fee based Therefore tax-based revenues for water and wastewater receive a rating of 0 (i.e. between 0 and \$100,000) | | <ul style="list-style-type: none"> Water and wastewater user fees are \$13,614,268 which receives a rating of 4 (i.e. greater than \$1,000,000) User fees for water distribution and treatment and wastewater collection and treatment are \$6,111,013 and \$7,503,256, respectively | | <ul style="list-style-type: none"> Citizens rated their satisfaction with "drinking water" as satisfied (7-10) in the citizen satisfaction survey There was no relevant data for the perceived importance of water and wastewater in the citizen satisfaction survey |
| Resources = 4 | | Classification of Service = 3 | | Calculation |
| <ul style="list-style-type: none"> Operating costs for water and wastewater is \$7,228,766 which receives a rating of 4 (i.e. over \$1,000,000) This includes water and distribution costs of \$3,142,596 and wastewater collection and treatment costs of \$4,086,170 | | <ul style="list-style-type: none"> Classification of Service = Essential/Mandatory | | $\begin{aligned} \text{Service Value} &= [(1 + 4 + 3) / 4] \times 3 \\ &= (8 / 4) \times 3 \\ &= 6.0 \end{aligned}$ |

Service Valuation: Roads Maintenance and Winter Control

| | | | | |
|--|---------------------|---|-------------|--|
| Department: | Public Works | Service Value Rating: | 6.75 | Service Value = $\frac{\text{Perceived Value}}{\text{Resources}} \times \text{Classification of Service}$ |
| Perceived value = Tax-based Revenues + Grants and User Fees + Perceived Importance + Satisfaction of Service | | | | |
| Tax-based Revenues = 4 | | Grants and User Fees = 3 | | Perceived Importance and Satisfaction Rating = 2 |
| <ul style="list-style-type: none"> Tax-based revenues for road maintenance and winter control are \$2,785,108 which receives a rating of 4 (i.e. above \$1,000,000) Roads maintenance has a tax levy of \$1,074,805 while winter control has a tax levy of \$1,710,303 | | <ul style="list-style-type: none"> Grants for Road maintenance and winter control is \$127,500 which receives a rating of 3 (i.e. between 100,000 and \$200,000) Winter control does not have any grants or other revenue while road maintenance receives a grant of \$127,500 from County Contribution | | <ul style="list-style-type: none"> Citizens rated their satisfaction with "Roads and Sidewalks" as neither satisfied or unsatisfied (5-6) in the citizen satisfaction survey Citizens rated the perceived importance of road safety as important (7-10) in the citizen satisfaction survey |
| Resources = 4 | | Classification of Service = 3 | | Calculation |
| <ul style="list-style-type: none"> Operating costs for roads maintenance and winter control are \$2,662,609 which receives a rating of 4 (i.e. above \$1,000,000) Road maintenance has a cost of \$1,094,805 and winter control has a cost of \$1,567,804 | | <ul style="list-style-type: none"> Classification of Service = Essential/Mandatory | | $\begin{aligned} \text{Service Value} &= [(4 + 3 + 2) / 4] \times 3 \\ &= (9 / 4) \times 3 \\ &= 6.75 \end{aligned}$ |

Service Valuation: Waste Management

| | | | | |
|---|---------------------|--|-------------|--|
| Department: | Public Works | Service Value Rating: | 7.50 | Service Value = $\frac{\text{Perceived Value}}{\text{Resources}} \times \text{Classification of Service}$ |
| Perceived value = Tax-based Revenues + Grants and User Fees + Perceived Importance + Satisfaction of Service | | | | |
| Tax-based Revenues = 3 | | Grants and User Fees = 4 | | Perceived Importance and Satisfaction Rating = 3 |
| <ul style="list-style-type: none"> Tax-based revenues for waste management are \$511,610 which receives a rating of 3 (i.e. between \$500,000 and \$1,000,000) | | <ul style="list-style-type: none"> Grants and user fees for waste management total \$1,030,900 which receives a rating of 4 (i.e. above \$1,000,000). This includes grants of \$227,000 and other revenue of \$803,900 | | <ul style="list-style-type: none"> Citizens rated their satisfaction with "garbage and recycling collection" as satisfied (7-10) in the citizen satisfaction survey There was no relevant data for the perceived importance of cemetery and playgrounds in the citizen satisfaction survey |
| Resources = 4 | | Classification of Service = 3 | | Calculation |
| <ul style="list-style-type: none"> Operating costs for waste management are \$1,442,610 which receives a rating of 4 (i.e. above \$1,000,000) | | <ul style="list-style-type: none"> Classification of Service = Mandatory | | $\begin{aligned} \text{Service Value} &= [(3 + 4 + 3) / 4] \times 3 \\ &= (10 / 4) \times 3 \\ &= 7.50 \end{aligned}$ |

Corporate Services

The following services were used in the valuation assessment:

- By-law

The following services were not included in the valuation assessment:

- Corporate and Facility Services
- Clerks
- IT
- Human Resources
- Revenue/Accounting

Service Valuation: By-Law

| | | | | |
|--|---------------------------|---|-------------|--|
| Department: | Corporate Services | Service Value Rating: | 7.50 | Service Value = $\frac{\text{Perceived Value}}{\text{Resources}} \times \text{Classification of Service}$ |
| Perceived value = Tax-based Revenues + Grants and User Fees + Perceived Importance + Satisfaction of Service | | | | |
| Tax-based Revenues = 2 | | Grants and User Fees = 1 | | Perceived Importance and Satisfaction Rating = 2 |
| <ul style="list-style-type: none"> Tax-based revenue is \$280,016 which receives a rating of 2 (i.e. between \$100,000 and \$500,000) | | <ul style="list-style-type: none"> Other revenue from by-law is approximately \$5,000 which receives a rating of 1 (i.e. between 0-\$50,000) | | <ul style="list-style-type: none"> Citizens rated their satisfaction with "By-Law" as neither satisfied or unsatisfied (5-6) in the citizen satisfaction survey Citizens rated the perceived importance of By-Law as important (7-10) in the citizen satisfaction survey |
| Resources = 2 | | Classification of Service = 3 | | Calculation |
| <ul style="list-style-type: none"> Operating costs for by-law are \$196,516 which receives a rating of 2 (i.e. between \$100,000 and \$500,000) | | <ul style="list-style-type: none"> Classification of Service = Essential/Mandatory | | Service Value = $[(2 + 1 + 2) / 2] \times 3$ = $(5 / 2) \times 3$ = 7.50 |

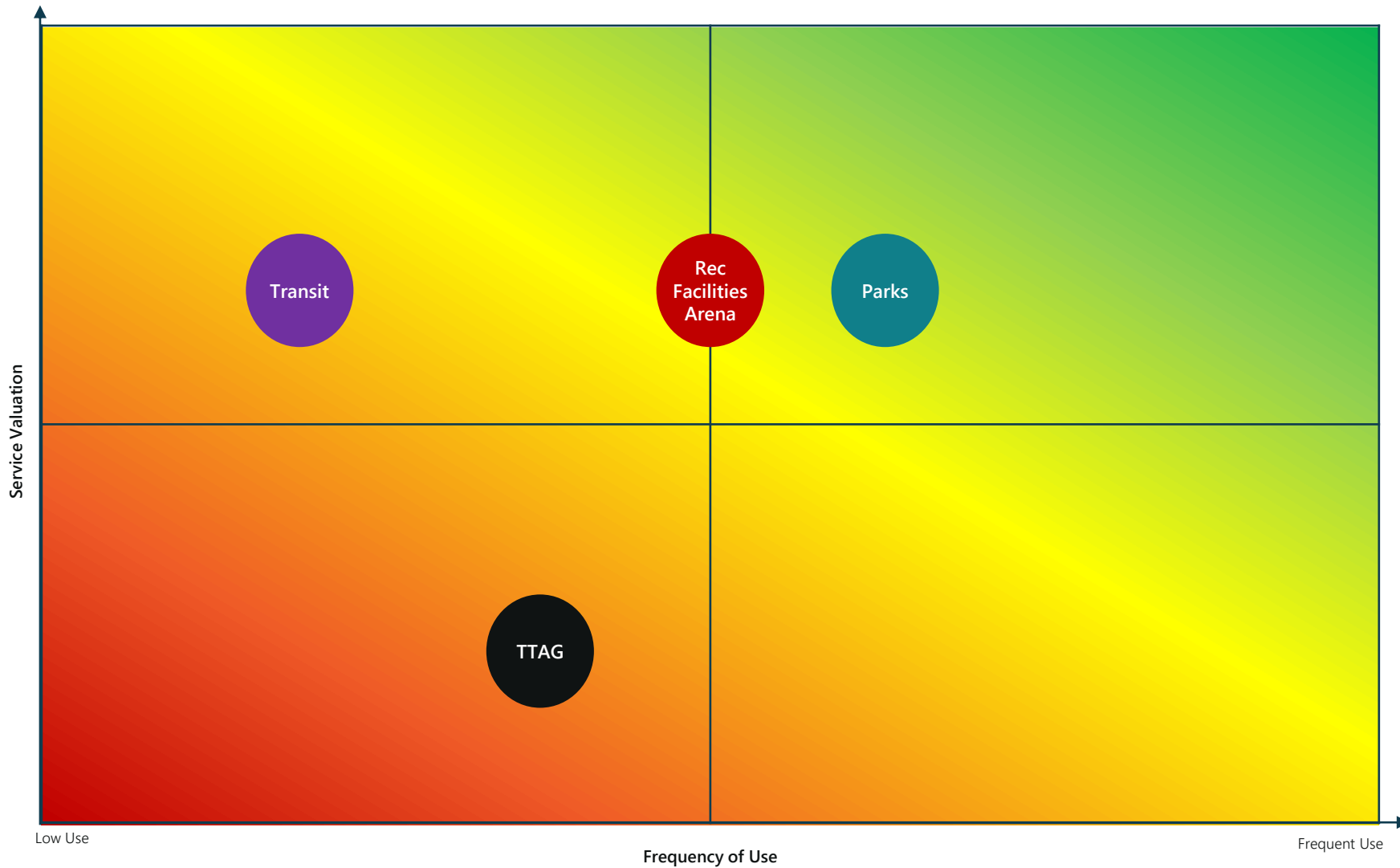
Traditional and Essential Services Additional Analysis

The traditional and essential services received lower valuation scores and an additional analysis was conducted to assess these services based on their frequency of use. The services are plotted on a heat map which considers the valuation score and the frequency of use (which is based on the Citizen Satisfaction Survey).

The following traditional or essential services are included in this additional analysis:

- Tom Thompson Art Gallery
- Transit
- Parks and Greenspace
- Recreation Facilities and Arena

Traditional and Essential Services Additional Analysis **MNP**



| Graph Label | Service Name |
|----------------------|---------------------------------|
| TTAG | Tom Thompson Art Gallery |
| Rec Facilities Arena | Recreation Facilities and Arena |
| Parks | Parks and Greenspace |
| Transit | Transit |

This additional analysis for the traditional and essential services suggests that although these services have lower service valuation ratings, they have relatively high frequency of use, specifically Recreation Facilities and Arena and Parks and Greenspace. Transit and Tom Thompson Art Gallery have lower frequency of use however, these services are considered further in **Appendix F** which considers service delivery from the DE&I lens.



Appendix F

Diversity, Equity & Inclusion (DE&I) Assessment



Wherever business takes you

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Overview

Ontario municipalities operate in a highly evolving environment with changing demographics and it can be challenging to ensure services and policies are reflective of the population being served. Throughout this service delivery review, an “inclusion lens” is applied to each service assessment aspect to consider the potential DE&I impact each service may have.

Why use an inclusion lens?

- We generate better solutions and outcomes when we incorporate diverse perspectives.
- It is a positive way to remove systemic barriers and to promote inclusion.
- Citizens are more likely to report high satisfaction when they are not excluded from many important parts of life in an Ontario municipality.

We know that federal, provincial and municipal legislation and policies require us to serve all people but beyond the law, there are huge benefits when everyone can access services and can thrive. Ontario municipalities are dramatically different in 2022 than they were in 1972 and that trend will not change. The reality that citizens have different needs must be incorporated into the decisions that are made before programs are created and launched and we need to ensure existing programs are reviewed through the ‘inclusion lens.’

What is an Inclusion Lens?

An inclusion lens considers the following:

- Awareness of the diversity around us. It is never about just ONE group.
- Incorporating a diversity of perspectives to strengthen the capacity of work teams.
- Creating positive and respectful workplaces and services.
- Addressing systemic barriers and asking ‘who is not being served.’
- Questioning who is not included in the work you do.
- Considering how we can avoid exclusion.
- Questioning what you can do differently to ensure inclusion.

Why is the Inclusion Lens Important?

The under-represented groups benefit from enhanced inclusion and the Inclusion lens also helps anyone who manages the resources and employees of a City.

Why is it Important to Consider Impact on Some Groups of People?

- If you English is your first language, are not a member of a visible minority in Canada, or Indigenous, you are unlikely to encounter bias or racism in your daily life.
- If you or your children are living in poverty, you are more likely to live near hazardous waste, and may never have access to good schools and opportunities for your children to participate in organized sports, or be able to count on safe before and after school care for your children. You may be regularly unable to get to the services you need because you are living in a rural area or must rely on public transit that is not reliable. Or urban transit that is costly.
- If you are a member of a visible minority group, you may not attend schools where you are encouraged to consider post-secondary training or education and instead work in a job that pays minimum wages – not living wages.

DE&I Best Practices – Groups to Consider When Reviewing Services

- Indigenous Peoples – First Nations, Inuit and Metis
- New Canadians
- Older Adults
- People Living in Poverty
- Racialized People/Visible Minority
- Rural Residents
- Women
- Youth
- Francophones and Residents Whose First Language was not English
- LGBTQ2S+.

MNP's Application of the DE&I Lens

Through MNP's assessment and analysis of Owen Sound's services, potential DE&I impacts are considered which and will be a key factor that influences final recommendations. The DE&I impact is defined below.

- **High DE&I Impact** – Changes in the service or service level will impact DE&I significantly, across a broad population
- **Medium DE&I Impact** – Changes in the service or service level will impact a small population group
- **Low DE&I Impact** – Changes in the service or service level will not impact the population

Inclusive Programs and Services

The following list includes programs and services that are inclusive and address the DE&I lens, and are offered at no cost to participants:

- Public transit and subsidized transit programs;
- Tom Thompson Art Gallery;
- Parks;
- Free swim hours;
- Free skate hours;
- Splash pads;
- Music at the market;
- Harbour nights;
- Movie nights;
- Community events such as Canada Day, the Sound Waterfront Festival;
- City support for Pride; and,
- City flag policy.

The City is doing well in expanding its availability and delivery of inclusive programs and services to offer the public. A key focus on this Service Review was ensuring DE&I services of the City are maintained to benefit the residents. For example, reducing or eliminating transit services was considered as a possible opportunity for the Service Review because it is an expensive service that does not achieve cost recovery. Through the analysis of the Service Review, this service was identified as having a high DE&I impact and would not achieve the required results which is to improve efficiency and effectiveness of service delivery while maintaining DE&I services.



Appendix G

Benchmarking Assessment



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Benchmarking Introduction

Five (5) municipalities were selected to benchmark financial performance indicators against when comparing the City's services. The 2018-2020 Annual Financial Information Returns ("FIR") were analyzed for the City of Owen Sound and the five (5) comparator municipalities.







The results of the benchmarking analysis are influenced to varying degrees by a number of factors that affect each municipality's performance metrics. These potential variances mean that the results of the benchmarking should be used for high-level analysis and interpretation. These differences and limitations are described below.

1. **Service Delivery** – Differences in the service levels, variations in the type or number of services provided, and alternative methods of delivering services cause variance in data as it results in differences in the cost of service delivery.
2. **Demand and Supply** – Differing levels of demand for services will impact the financial results as higher public demands puts pressure on the municipality. Alternatively, some municipalities may have access to a large pool of third-party contractors, while others may not. Higher supply of contractors would result in a more competitive market which impacts the cost of service delivery in some cases and leads to variances in the data.
3. **Locational Factors** – Municipalities will have different weather patterns, precipitation/snowfall and varying topography, based on their location. This leads to variance in the data as it impacts the level of maintenance required and the volume of workload when maintaining of roads, bridges, parks, trails, winter control, etc.
4. **Population Density** – Municipalities with higher population density may have more usage of services which would require different maintenance strategies.
5. **Demographics and Socio-economic Differences** – Municipalities with large social gatherings would require different maintenance strategies and more frequent maintenance. Additionally, variation in factors such as age, income, family size, education, permanent vs non-permanent residents, etc. require different strategies to deliver services which will impact results.
6. **Organizational Structure** – Each municipality has a differing organizational structure for parks and forestry and FTE analysis' may not always provide comparable data (e.g. some FTE may include recreation staff, while others may not).
7. **Budgeting and Reporting Practices** – There may be a variance in budget reporting structures amongst the municipalities that results in differences when comparing the spend. Differing reporting practices amongst the organizations may cause variances.
8. **Age of Infrastructure** – Municipalities with older infrastructure may have higher associated costs and municipalities that recently replaced infrastructure will have depleted reserves.
9. **User Fees and Taxes** – Each municipality will have differing user fee policies and structure of what is collected from rates as opposed to property taxes.
10. **Urban and Rural Composition** – The composition of urban and rural areas in a municipality will have differing needs that impacts costs and revenues of the municipality.
11. **Publicly Available Information** – The information used in this review is based on public information which has limitations in the type and availability of the data.

Given these variances, the FIR data is not an "apples to apples" comparison of services, but rather is meant to provide insight and indicate where there may be potential opportunities to investigate. Further analysis would be required to determine the cause of the differences across each spending envelope and within each municipality. The benchmarking results is only being used as one source (out of six) to determine potential themes for recommendations. It should be remembered that overall themes are more important than the detailed numbers.

Benchmarking Comparator Profiles

The comparators (outlined below) were carefully selected by MNP's subject matter experts in collaboration with the City, to best reflect Owen Sound's environment. These municipalities were selected because they had similar population, number of dwellings, services offered, etc.. Additionally, these municipalities were selected because their FIR data was published for 2018 to 2020. Owen Sound is below the comparator average in terms of population, population growth, number of dwellings, dwelling growth, land size, and population density. Cornwall, Brockville, and Pembroke are single tier municipalities and Orangeville and Cobourg (like Owen Sound) are lower tier municipalities.

| Geographic Name | CSD | Tier Type | Population 2021 | Population 2016 | Population % change 2016 to 2021 | Total private dwellings 2021 | Total private dwellings 2016 | Total private dwellings % change from 2016 to 2021 | Land area in square kilometres 2021 | Population density per square kilometre 2021 |
|---|------|-------------|-----------------|-----------------|----------------------------------|------------------------------|------------------------------|--|-------------------------------------|--|
|  Owen Sound | City | Lower Tier | 21,612 | 21,341 | 1.27% | 10,406 | 10,098 | 3.05% | 24.21 | 892.6 |
|  Cornwall | City | Single Tier | 47,845 | 46,589 | 2.70% | 22,214 | 21,659 | 2.56% | 61.50 | 777.9 |
|  Brockville | City | Single Tier | 22,116 | 21,569 | 2.54% | 11,088 | 10,826 | 2.42% | 20.91 | 1,057.8 |
|  Pembroke | City | Single Tier | 14,364 | 13,882 | 3.47% | 6,888 | 6,685 | 3.04% | 14.32 | 1,002.8 |
|  Orangeville | Town | Lower Tier | 30,167 | 28,900 | 4.38% | 11,308 | 10,696 | 5.72% | 15.16 | 1,989.5 |
|  Cobourg | Town | Lower Tier | 20,519 | 19,440 | 5.55% | 9,520 | 8,958 | 6.27% | 22.41 | 915.7 |
| Average* | | | 27,002 | 26,076 | 3.73% | 12,204 | 11,765 | 4.00% | 26.86 | 1,149 |


Financial Benchmarking Overview

Owen Sound's services tend to have similar or higher costs compared to the other five municipalities in this review.

| Owen Sound 2018-2020 Benchmarking Percentile Summary | | | |
|--|----------------------|----------------------|----------------------|
| | 2018 Cost Percentile | 2019 Cost Percentile | 2020 Cost Percentile |
| Planning and Development | 57% | 28% | 28% |
| General Government | 42% | 42% | 42% |
| Roads and Bridges | 28% | 57% | 57% |
| Waste Management | 42% | 57% | 57% |
| Recreation, Parks and Cultural Services | 71% | 71% | 57% |
| Other Transportation Services | 71% | 71% | 71% |
| Water and Wastewater | 71% | 71% | 71% |
| Winter Control | 85% | 85% | 85% |
| Average | 59% | 65% | 63% |

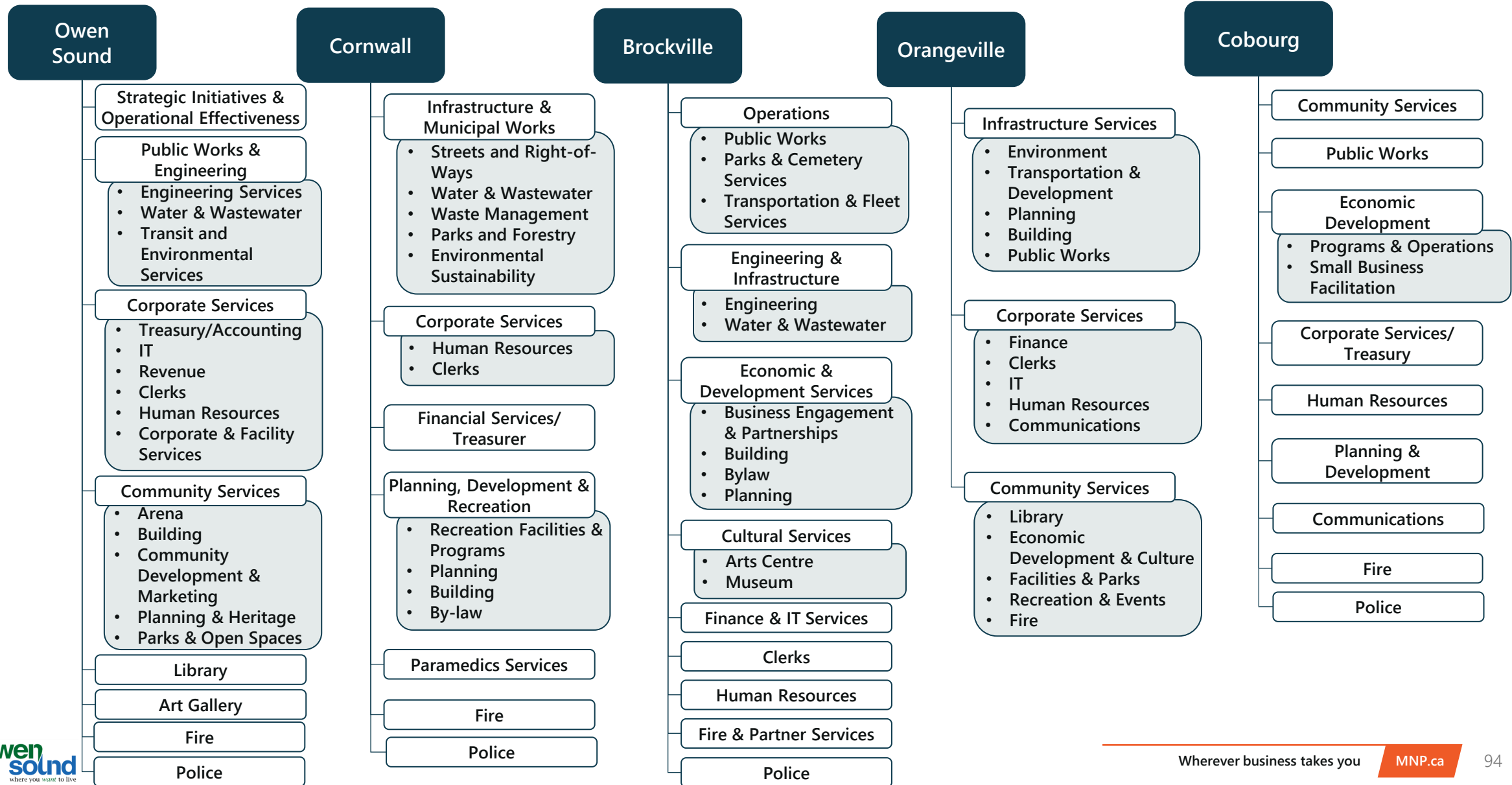
- Owen Sound's cost of planning and development, general government, roads and bridges and waste management fall between 42nd to 57th percentile.
- The cost of other transportation services, water and wastewater, recreation, parts and cultural services, and winter control are higher for Owen Sound than the comparable municipalities.
- The services with above average costs are investigated further on the following pages.

Organizational Structure

 All municipalities organizational structure differ – there is no “one-size fits all” approach.

- While all municipalities’ organizational structure differs, Brockville and Cornwall group parks-related services with Public Works-related services.
- Notably, Orangeville groups Planning and Building Services with their Public Works department, whereas Owen Sound groups Planning and Building with Community Services Department.
- The next page includes a breakdown of the overarching functions of some of these departments.

Organizational Structure – Functions



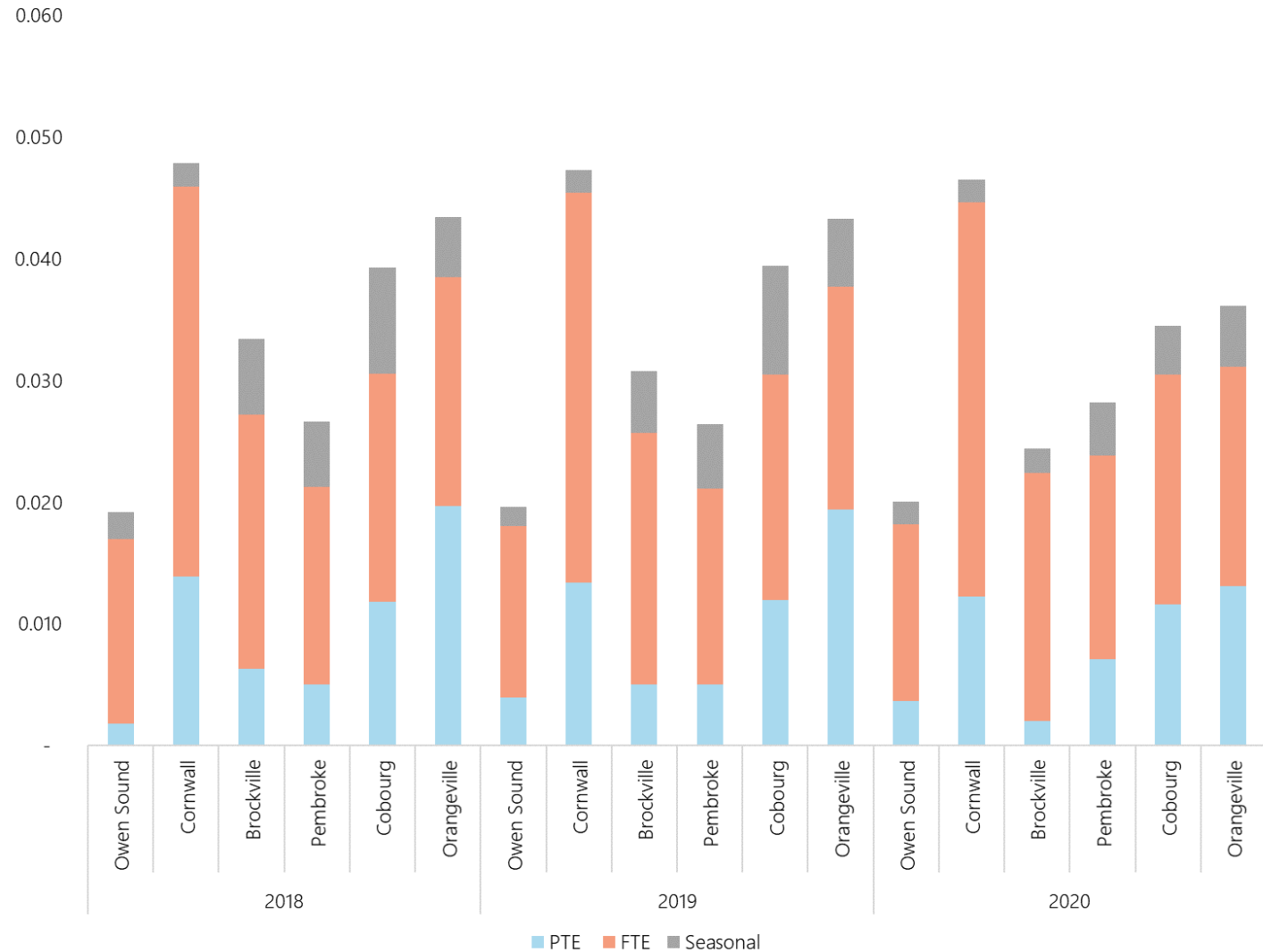
Staffing



Owen Sound's KPI for part-time equivalent (PTE), full time equivalent (FTE), and seasonal workers per household is below average.

- Owen Sound has the lowest ratio of PTE, FTE, and seasonal workers per household amongst the municipalities in the benchmarking analysis.
- Cornwall (a single tier municipality) has the highest staff levels per household for FTE, PTE, and seasonal workers. It operates a home for the aged which has significant staff levels that were included in this review.
- Cobourg and Orangeville are lower tier municipalities and they have the second and third highest ratio of staff per household, respectively.

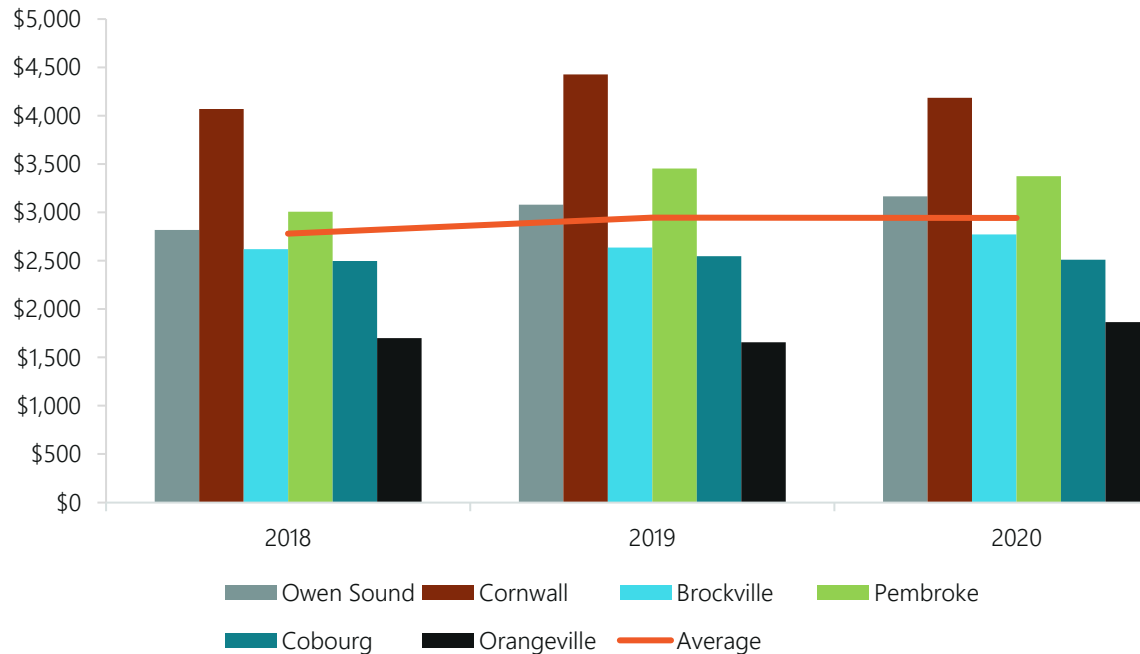
PTE, FTE and Seasonal Workers per Household



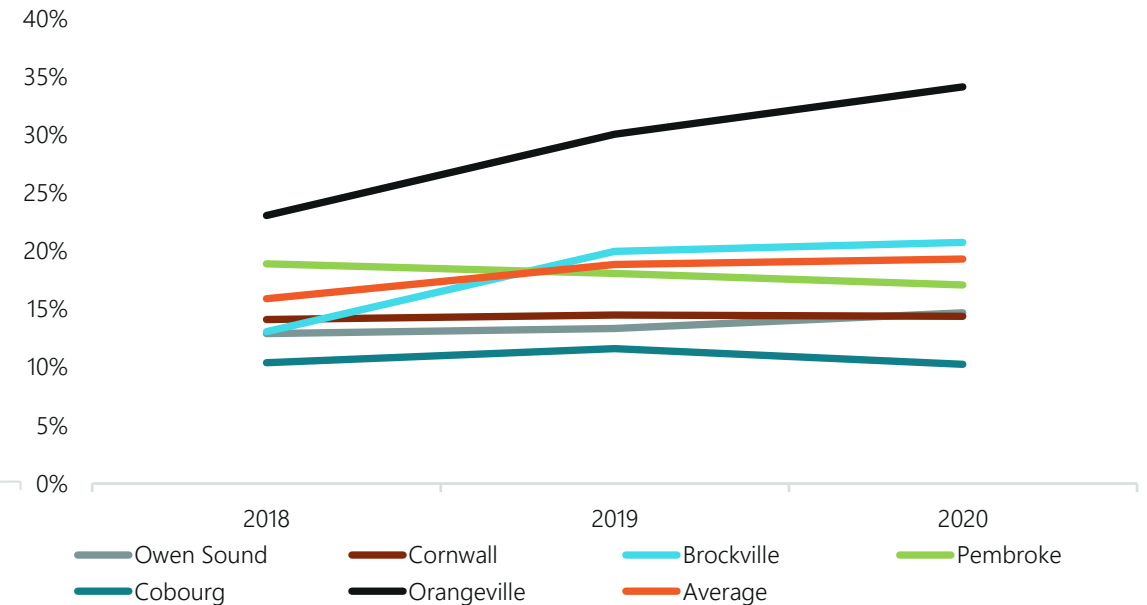
Operating Cost and Reserves

Owen Sound's operating cost per population is slightly above average while reserves as a percentage of tangible capital assets is slightly below average.

Municipal Operating Cost per Population



Reserves as a Percentage of TCA



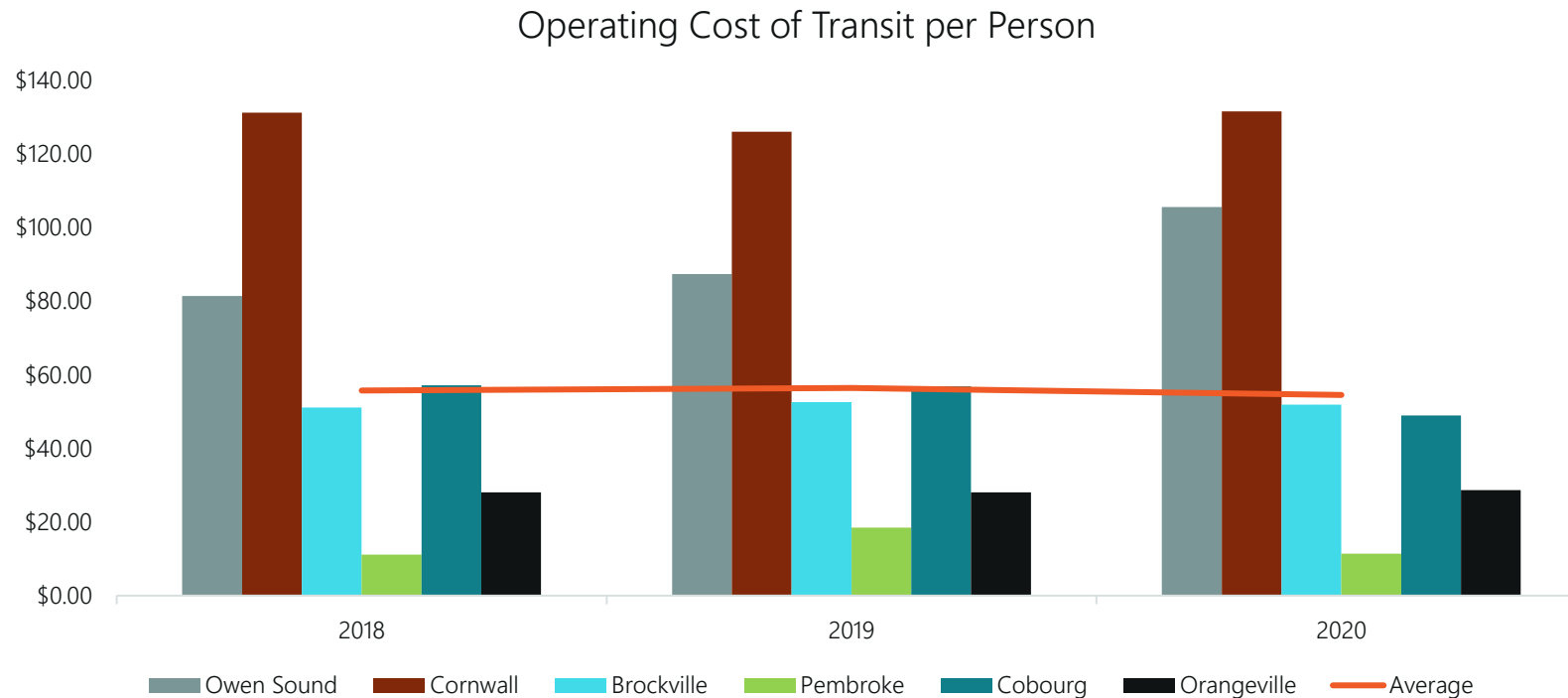
- Owen Sound's operating cost per population is above average compared to the other municipalities and is the third highest operating cost ratio.
- Cornwall has the highest operating cost per population with over \$4,000 per person, which impacts the average benchmark significantly.

- Owen Sound's reserves as a percentage of Tangible Capital Assets (TCA) are below average among the municipalities in the benchmarking analysis.
- However, Owen Sound and most of the comparators fall within a 5% variance, while Brockville is significantly above the average by 10% difference.

Other Transportation Services



Owen Sound has the second highest cost of transit services.

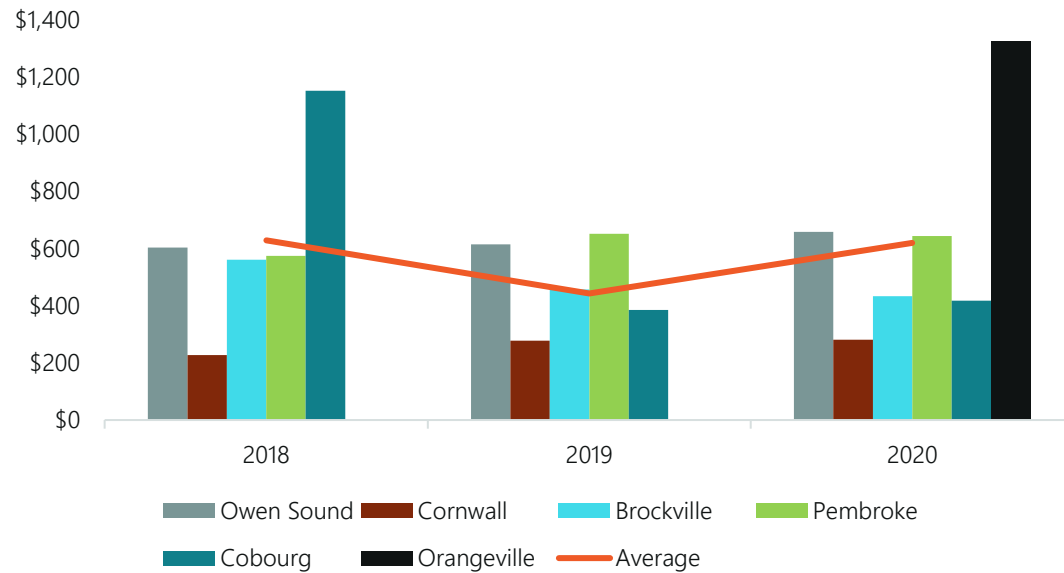


- Cornwall has the highest cost of transit services per person with Owen Sound ranking as the second highest cost of this service. Comparatively, Pembroke has the lowest cost of transit services per population.
- Other costs that are included in other transportation services include transit, parking, street lighting and air transportation, however, transit services was the largest cost category across all the municipalities.

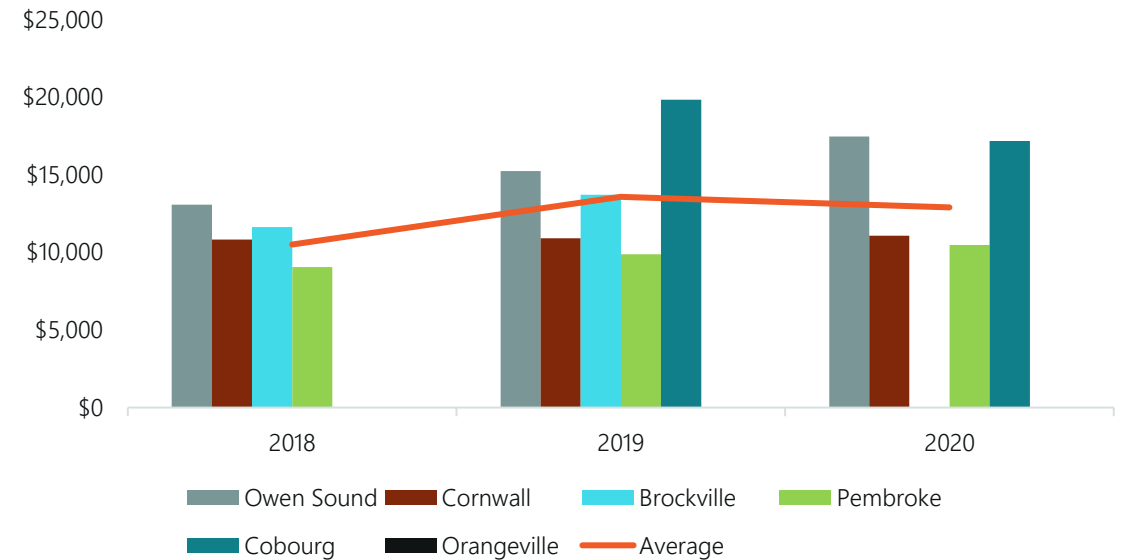
Water and Wastewater (1/2)

Services for water and wastewater are above average cost for Owen Sound when compared to the other municipalities.

Cost of Treatment of Drinking Water per Megalitre



Cost of Distribution/Transmission of Drinking Water per Kilometre

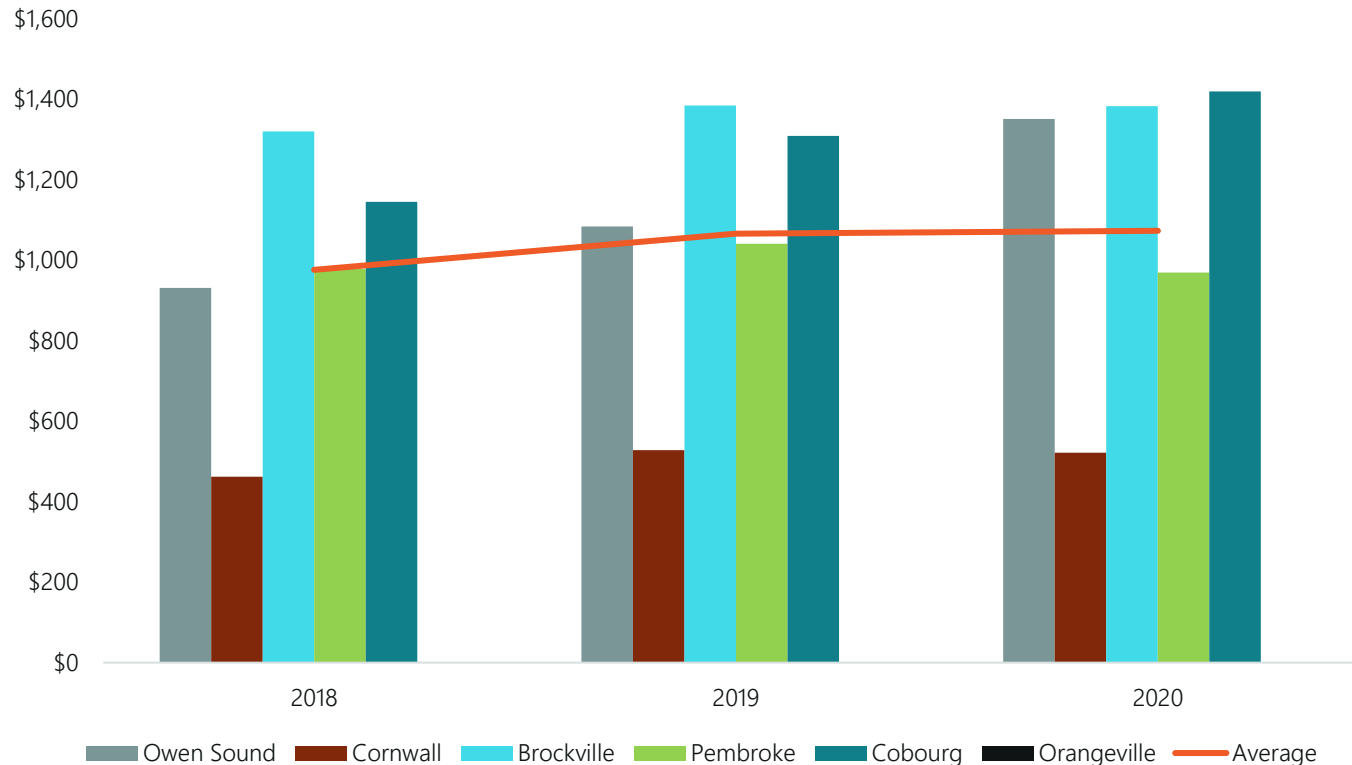


- Owen Sound's treatment of drinking water per megalitre has been above average in recent years. Additionally, the cost of service for Owen Sound has increased since 2018.
- Orangeville did not have any financial resources allocated to this service in 2018 and 2019.

- The cost of distribution/transmission of drinking water per kilometre has increased for Owen Sound over the three years. Owen Sound's cost for this service is above average compared to the other municipalities.
- Orangeville does not allocate financial resources for this service.
- The data was removed for Brockville in 2020 as it appeared to be incorrect and skewed the comparator information.

Water and Wastewater (2/2)

Cost of Treatment and Disposal of Wastewater per Megalitre



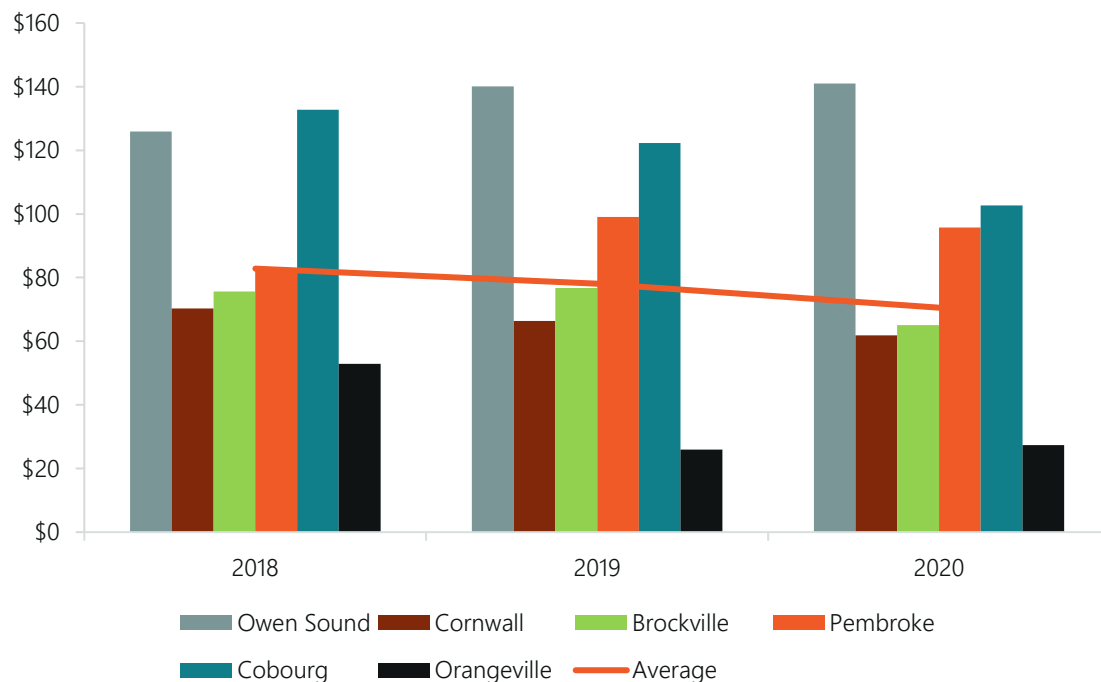
- **Wastewater Collection/Conveyance** – the cost of wastewater collection/conveyance per kilometre was high for Owen Sound. However, Brockville’s cost for this service was significantly higher than Owen Sound and the other municipalities. A graph was not included for this service as the data is extremely skewed by Brockville’s results.
- **Storm Sewer System** – similar to the wastewater collection/conveyance, Brockville’s cost of storm sewer system was significantly higher than Owen Sound and the other municipalities. A graph was not included for this service as the data is extremely skewed by Brockville’s results. However, Owen Sound’s cost for this service is approximately average compared to the other municipalities.

- Owen Sound’s cost of treatment and disposal of wastewater per megalitre is slightly above average compared to the other municipalities and is the third highest in 2020.
- Notably, Orangeville does not allocate any financial resources to the treatment and disposal of wastewater.

Recreation, Parks and Cultural Services (1/3)

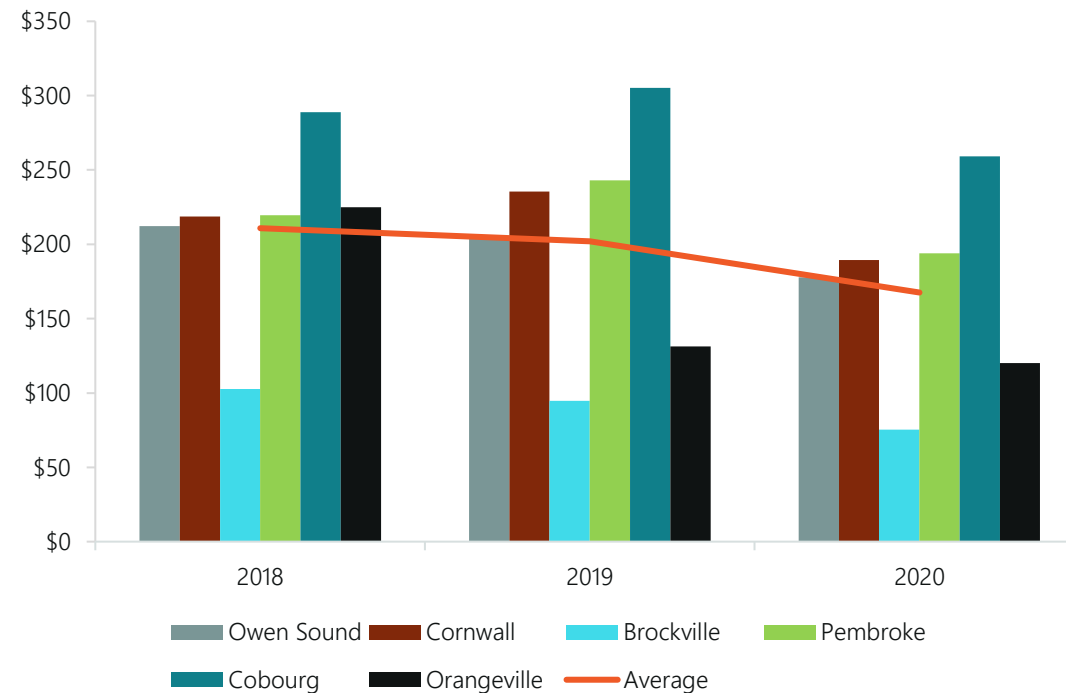
Owen Sound has a high cost for parks and museums and cultural services compared to the other municipalities however, the cost of recreation per person is approximately average in comparison.

Cost of Parks per Person



- The cost of parks per person is significantly higher for Owen Sound in comparison to the other municipalities.
- Cobourg and Pembroke also have a relatively high cost of parks per person and Orangeville has the lowest cost of parks per person.

Cost of Recreation Programs and Facilities per Person

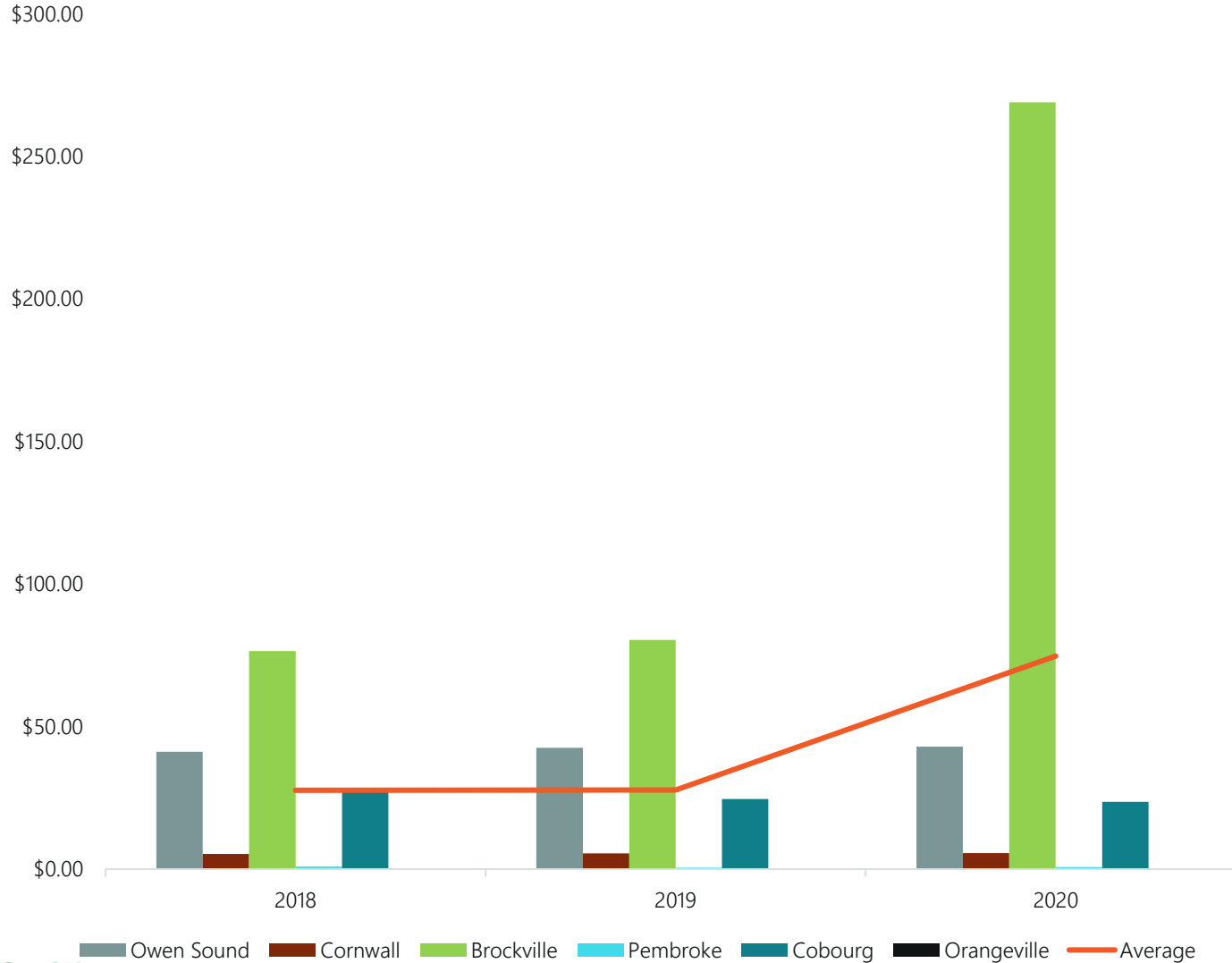


- The cost of Owen Sound's recreation programs and facilities per person is approximately average in comparison to the other municipalities.
- Cobourg has the highest cost of recreation and Brockville and Orangeville have the lowest cost of recreation per person.

Recreation, Parks and Cultural Services (2/3)



Cost of Museums and Cultural Services per Person



- Brockville and Owen Sound has the highest cost of museums and cultural services per Person out of the municipalities that were analyzed.
- Brockville’s cost of operating museums and cultural services increased significantly in 2020, specifically related to cultural services which increased by \$4 million from 2019 to 2020.
- Notably, Orangeville does not contribute funds for museums and cultural services, and Pembroke and Cornwall contribute a small amount of financial resources for these services.

Recreation, Parks and Cultural Services (3/3)



Owen Sound has one of the highest net cost of parks and museums and cultural services compared to the other municipalities however, the net cost of recreation per person is approximately average in comparison.

Net Cost per Household of Parks, Recreation, and Museum, Cultural Services and Other

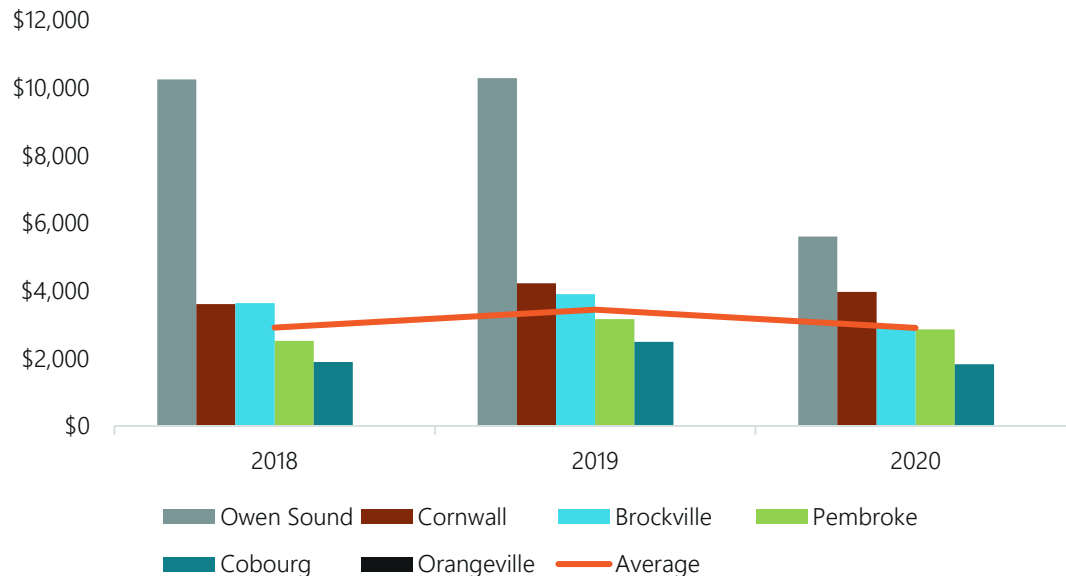


- The graph illustrates net cost of recreation, parks and cultural services per household, which considers both the revenues and expenses of each of the services.
- The revenues considered in this analysis include conditional grants, municipal transfers, and user fees and services charges. It does not include tangible capital assets.
- Parks, recreation, and museums, cultural services and other services are a net cost for each of the municipalities as the revenues are not able to cover costs.
- Cobourg has the highest cost of museums, cultural services and other services and in 2019 and 2020.

Winter Control

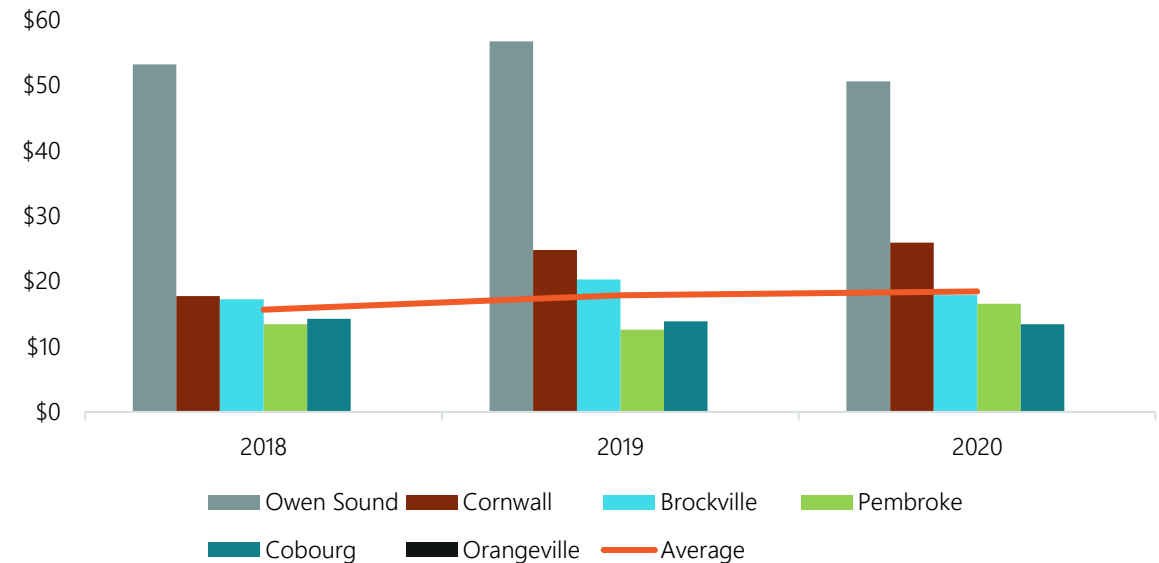
The cost of winter maintenance for Owen Sound is significantly higher than the comparator municipalities. However, Owen Sound has at least double the average snowfall than the other municipalities.

Cost of Winter Road Maintenance per Kilometre of One Road Lane



- The cost of winter road maintenance per kilometre of one road lane for Owen Sound is significantly higher than the comparator municipalities. However, the cost per kilometre of laneway declined for Owen Sound since 2018.
- While Owen Sound's winter control costs are the highest, it also has the highest snowfall from 2018 to 2020 compared to the other municipalities.
- Notably, Orangeville did not have any financial information allocated to winter maintenance of roadways or sidewalks and parking lots in the FIR data.

Operating Cost for Winter Maintenance of Sidewalks and Parking Lots per Household



- The cost of winter maintenance of sidewalks and parking lots per household for Owen Sound is significantly higher than the comparator municipalities. The operating cost of sidewalks and parking lots per household has declined since 2018, similar to the operating cost of winter maintenance of roadways.
- Coburg does not provide sidewalk snow removal.
- Owen Sound targeted high service levels for sidewalk winter control as a response to the Citizen Satisfaction Survey. The sidewalk snow removal fleet was expanded, the district that is maintained was expanded, and dedicated staff were added.