



Special Committee Meeting
AGENDA

Monday, October 21, 2024, 5:30 p.m.

Council Chambers

City Hall - 200 McIntyre Street East, North Bay, ON

General Government Committee

Chair: Councillor Horsfield

Vice-Chair: Councillor Inch

Item to be Addressed:

GG 2024-06: Report from John Severino dated October 10, 2024 re:
Organizational Review Implementation Plan.

Community Services Committee

Chair: Councillor Mallah

Vice-Chair: Councillor King

No Items to be Addressed.

Infrastructure and Operations Committee

Chair: Councillor Mitchell

Vice Chair: Councillor Mayne

No Items to be Addressed.

GG 2024-06

Draft Recommendation:

That Council:

1. approve the Organizational Review Implementation Plan as outlined in Report to Council CAO 2024-007, inclusive of Appendix A, dated October 10, 2024 from John Severino;
2. receive and file the City of North Bay Organizational Review by KPMG (April 2024) and the City of North Bay Communications Review Report by Redbrick Communications (April 2024); and
3. authorize the transfer of funds to the project as outlined in Report to Council CAO 2024-007, dated October 10, 2024 from John Severino.

City of North Bay Supplemental Report to Council

Report No: CAO-2024-007

Date: October 10, 2024

Originator: John Severino, P.Eng, MBA

Business Unit:
Administration

Department:
Office of the CAO

Subject: Organizational Review Implementation Plan

Closed Session: yes ☐ no ☒

Recommendation

1. That Council approves the Organizational Review Implementation Plan as outlined in Report to Council CAO 2024-007, inclusive of Appendix A, dated October 10, 2024 from John Severino;
2. That Council receive and file the City of North Bay Organizational Review by KPMG (April 2024) and the City of North Bay Communications Review Report by Redbrick Communications (April 2024); and
3. That Council authorizes the transfer of funds to the project as outlined in Report to Council CAO 2024-007.

Background

KPMG LLP and Redbrick Communications presented their recommendations to Council during a Special Committee Meeting on April 30th, 2024. Following the presentation, it was recommended that the Organizational Review remain on Committee for the Chief Administrative Officer to return to present an implementation plan. The purpose of this report is to provide Council with a proposed implementation plan; provide an update on the status of the opportunities identified by KPMG; and obtain Council's support to proceed with the action items presented in the implemental plan.

Implementation Plan Development

KPMG's final report included several recommendations that were separated into three different categories:

- a) Top 10 Opportunities
- b) Additional Opportunities
- c) Underway Opportunities

In June 2024, a strategic planning workshop was held with members of Council followed by a separate workshop with the Senior Leadership Team (SLT). The purpose of the workshops was to review the Top 10 Opportunities and prioritize the various recommendations.

There was strong alignment between the priorities identified by Council and those identified by the SLT. The following six (6) opportunities were identified as priorities to pursue over the short to medium term:

1. Develop Departmental Master Plans and Business Plans
2. Implement a Corporate-Wide Customer Service Strategy
3. Centralize/Streamline Back-Office Roles
4. Adopt a Corporate Performance Management Framework
5. Clarify the Community Safety and Well-Being Plan
6. Develop a Workforce Plan

Following the workshops, further planning and analysis was undertaken to develop a detailed implementation plan for each of the Top 6 Priorities. Consideration was given to the benefits expected to be realized, integration with existing projects already underway, capacity and available resources, and budget implications. The Implementation Plan is attached to this report as Appendix A.

Overall Benefits Expected to Be Realized

During the Organizational Review, capacity was identified by internal stakeholders as the top constraint to achieving both operational and strategic objectives. Furthermore, the issues raised by Council through the review focused on the following themes:

- Social Services/Societal Issues
- Strategic Direction and Alignment
- Customer Service and Communication
- Economy and Fiscal Responsibility
- Organizational Structure, Leadership and Workforce Management
- Digitization

The Top 6 Priorities focus on addressing the concerns raised through the stakeholder engagement process. Expected benefits are outlined in Appendix A for each Priority. Expected benefits include but are not limited to the following:

- Efficient and effective use of resources
- Cost savings/cost mitigation by building capacity within existing resources to address increased service demands

- Enhanced customer service
- Improved accountability
- Enhanced community safety
- Increased communication
- Alignment between departments and with the strategic plan
- Risk mitigation
- Enhanced recruitment and retention of employees
- Enhanced employee engagement

KPMG's report highlighted that the City is ambitious and forward thinking and demonstrates a commitment to excellence in service delivery and improving customer service. Furthermore, the consultants noted that the City has already embarked on a number of initiatives to increase the efficiency and effectiveness of services through digitization, process improvement and refinement of workforce management practices. Accordingly, the road to creating a more effective and efficient organization did not begin with the tabling of KPMG's final report. Instead, the identification and consolidation of opportunities and recommendations through their work have assisted in supporting the ongoing efforts through enhanced planning, prioritization of resources and communication of alignment with the City's Strategic Plan. The Implementation Plan developed as a result of the Organizational Review will further guide the City on its continuous improvement journey to deliver greater value to the taxpayer.

The City will need to leverage the strengths noted by KPMG, including teamwork and cohesion, knowledge and experience and adaptability, in order to successfully implement the Top 6 Priorities and other initiatives identified in the plan.

Financial/Legal Implications

Capital Project No. 4353GG, Organizational Review Implementation, was included in the City's 2024 Capital Budget and Forecast Plan with funding of \$250,000, \$150,000 and \$155,000 in 2024, 2025 and 2026 respectively. The funding was identified to support the implementation of the recommendations in a phased manner with further details to be brought forward as part of the Implementation Plan.

The Implementation Plan presented in Appendix A identifies the 2024 funding allocation as follows:

2024 - \$250,000:

- Comprehensive Customer-Centered Digital Strategy (\$120,000)
- Corporate-Wide Customer Service Strategy (\$80,000)
- Centralize/Streamline Back-office Roles (to support digitization and tools to improve processes) (\$50,000)

It is anticipated that development of the Workforce Plan will commence in

2026 with an estimated cost of \$100,000. The remaining budget funds in 2025 and 2026 will be used to support the implementation of recommendations developed through the completion of the Comprehensive Customer-Centered Digital Strategy and the Corporate-Wide Customer Service Strategy. These strategies will include multi-year action plans that will be used to inform future operating and capital budget requirements.

The above-mentioned cost allocations are estimates only and are subject to change following the completion of competitive procurement processes (i.e. Request for Proposal for consulting services). The cost of the individual initiatives will be managed within the overall project budget.

Additionally, there is approximately \$21,780 remaining in unspent funds in Capital Project No. 4341GG, Organizational Review, following completion of KPMG's final report. It is recommended that the unspent funds be transferred into Project 4353GG to further support the implementation of the plan through change management training and to fund other recommendations as they continue to be developed upon completion of the strategies and process reviews.

Corporate Strategic Plan

- | | |
|---|---|
| ☒ Natural North and Near | ☒ Economic Prosperity |
| ☒ Affordable Balanced Growth | ☒ Spirited Safe Community |
| ☒ Responsible and Responsive Government | |

Specific Objectives

Ensure the efficient and effective operations of the city, with particular consideration to the impact of decisions on the property tax rate.

Ensure continuous improvement of governance and administration.

Explore opportunities to reduce the costs of government service delivery, including shared services and new technologies.

Work with community stakeholders to enhance safety and integration throughout the City.

Streamline processes, policies and practices that make it easier and more effective to do business.

Protect, promote and enhance the environment in all aspects of the city's operations and plans.

Options Analysis

Option 1:

That Council approves the Organizational Review Implementation Plan as outlined in Report to Council CAO 2024-007, inclusive of Appendix A, dated October 10, 2024 from John Severino; That Council receive and file the City of

North Bay Organizational Review by KPMG (April 2024) and the City of North Bay Communications Review Report by Redbrick Communications (April 2024); and, that Council authorizes the transfer of funds to the project as outlined in Report to Council CAO 2024-007.

This option is recommended.

Option 2:

That Council does not accept the Organizational Review Implementation Plan as presented.

This option is not recommended as the plan includes action items that will increase the efficiency and effectiveness of services, the recommendations align with the City's Strategic Plan and promote continuous improvement of the organization to ensure value to the taxpayer.

Recommended Option

1. That Council approves the Organizational Review Implementation Plan as outlined in Report to Council CAO 2024-007, inclusive of Appendix A, dated October 10, 2024 from John Severino;
2. That Council receive and file the City of North Bay Organizational Review by KPMG (April 2024) and the City of North Bay Communications Review Report by Redbrick Communications (April 2024); and
3. That Council authorizes the transfer of funds to the project as outlined in Report to Council CAO 2024-007.

Respectfully submitted,

Name: John Severino, P.Eng., MBA

Title: Chief Administrative Officer

We concur with this report and recommendation.

Name: Shannon Saucier, CPA, CA

Title: Director, Strategic Initiatives

Name: Alan Korell, P.Eng.

Title: Interim City Engineer

Name: Ian Kilgour, MCIP, RPP

Title: Director, Community Services

Name: Margaret Karpenko, CPA, CMA

Title: Chief Financial Officer /Treasurer

Name: Peter E.G. Leckie, B.A. (Hons.), LL.B.
Title: City Solicitor

Name: Wanda Trottier, CHRL
Title: Director, Human Resources

Name: Jason Whiteley
Title: Fire Chief

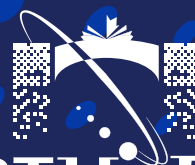
Personnel designated for continuance:
Name: John Severino, P.Eng., MBA
Title: Chief Administrative Officer

Attachments: Appendix A – Organizational Review Implementation Plan

Appendix A

Organizational Review Implementation Plan

October, 2024



NORTH BAY
ONTARIO • CANADA

Organizational Review Implementation Plan

Introduction:

This plan outlines the Top 6 Priorities identified by Council and City staff from the recommendations of the KPMG organizational review for the City of North Bay.

These priorities focus on key goals, including improving effectiveness and efficiency, enhancing customer service, strengthening accountability and communication, and delivering greater value to taxpayers.

Each priority is presented for quick reference, highlighting two primary stakeholder groups: internal (City staff) and external (the community). As implementation progresses, the involvement of specific departments and stakeholder groups within these categories will be further defined.

The priorities are aligned with the City's Strategic Plan, with estimated timelines, costs, and related projects that support the broader objectives of the KPMG review. While this plan emphasizes the Top 6 Priorities, as noted on pages 8 and 9, many other initiatives identified in the review are also in progress. Each action has been carefully coordinated with ongoing projects to ensure a cohesive and strategic approach to prioritization and implementation.

The estimated costs presented in this plan cover the initial phases of strategy development. As the City moves forward, additional resources may be required, which will be addressed through the annual operating and capital budget processes.

The implementation of these priorities is expected to improve overall organizational efficiency and effectiveness; and, depending on the initiative, may result in reduced operational expenses and/or mitigation of future cost escalation, optimized resource use, and/or enhanced service delivery for the community.

The KPMG review, along with this Implementation Plan, is strengthening and enhancing efforts already in progress. By refining planning, resource prioritization, and alignment with the City's Strategic Plan, these initiatives will support the City's ongoing commitment to continuous improvement to deliver greater value to taxpayers.

Overarching Themes/Strategic Objectives:



- Efficient and effective operations
- Performance measurement framework
- Quality customer service
- Continuous improvement
- Streamline processes and remove barriers



- Protect, promote and enhance the environment in all aspects of the city's operations and plans



- Streamline processes, policies and practices that make it easier and more effective to do business



- Smart, cost effective services
- Explore opportunities to reduce costs, including shared services and new technology



- Work with community stakeholders to enhance safety and integration throughout the city

Develop Departmental Master Plans & Business Plans

Project Lead: Office of the CAO

Develop departmental master plans and business plans to support advancement of the City’s strategic plan priorities in a more synchronized manner.

Stakeholders



City of North Bay



Community

Link to Strategic Plan



Affordable
Balanced
Growth



Spirited Safe
Community



Responsible
& Responsive
Government

Action Item		Outcomes		Timeline			
Develop Departmental Business Plans (phased approach) using internal resources		2024	2025	2026	2027		
Phase 1. Develop Departmental Business Plans and integrate with the annual operating budget.	- Efficient and effective use of resources - Cost savings/mitigation - Enhance customer service - Alignment between departments and with strategic plan - Accountability - Communication	Phase 1					
Phase 2. Expand Business Plans to include departmental Key Performance Indicators (KPIs) and progress updates.		Phase 2					
Phase 3. Expand Business Plans to include departmental KPI analysis.		Phase 3					
Phase 4. Expand Business Plans to include multi-year workplans and workforce plans. Present multi-year Operational Financial Plan.		Phase 4					
Develop Master Plans/Strategies using external consultant							
Finalize the Roads Safety Strategy which began in 2023 and develop a multi-year implementation plan.	- Enhance safety - Efficient and effective use of resources	Strategy Implement					
Develop a Comprehensive Customer-Centered Digital Strategy to optimize processes to deliver municipal services. The strategy will be developed using an external consultant.	- Efficient and effective use of resources - Cost savings/mitigation - Enhance customer service	Strategy Implement					

*Estimated cost is indicated for initial strategy development. Additional resources for implementation of recommendations and potential savings will be addressed through annual operating and capital budget development.

Estimated Cost



Related Projects

- Corporate-Wide Customer Service Strategy
- Centralize/Streamline Back-Office Roles
- Performance Management Framework
- Clarify the Community Safety and Well-Being Plan
- Workforce Plan
- Enterprise Resource Planning (ERP) system

Comprehensive Customer-Centered Digital Strategy

Implement a Corporate-Wide Customer Service Strategy

Project Lead: Strategic Initiatives

Develop a corporate-wide customer service strategy and establish corporate-wide customer service standards to drive quality and consistency of citizen experience.

Stakeholders



City of
North Bay



Community

Link to Strategic Plan



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Government

Action Item

Outcomes

Timeline

Develop a corporate-wide customer service strategy with the help of an external consultant.

The strategy will evaluate current customer service practices, identify areas for improvement, and establish clear service standards.

The strategy will inform future resource requirements and consider modernizing processes, physical facility design and location of services and use of technology.

It will also create metrics to measure service outcomes and the design of a training program to ensure consistent, high-quality service delivery across all departments.

- Efficient and effective use of resources
- Cost savings/mitigation
- Enhance customer service
- Alignment between departments and strategic plan
- Accountability
- Communication

2024

2025

2026

2027



*Estimated cost is indicated for initial strategy development. Additional resources for implementation of recommendations and potential savings will be addressed through annual operating and capital budget development.

Estimated Cost



Related Projects

- Departmental Master Plans and Business Plans
- Comprehensive Customer-Centered Digital Strategy
- Performance Management Framework
- Workforce Plan

Centralize/Streamline Back-Office Roles

Project Lead: Strategic Initiatives

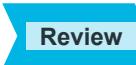
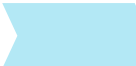
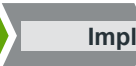
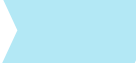
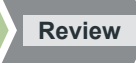
Centralize key back office/corporate services to improve effectiveness, efficiency and enable specialized support.

**City of North Bay**

**Community**

**Affordable
Balanced
Growth**

**Responsible
& Responsive
Government**

Action Item	Outcomes	Timeline			
		2024	2025	2026	2027
Process map and review current procurement and payment processes to identify areas for improvement and ability to centralize services and streamline processes. Consider use of technology to find efficiencies, build capacity, and improve effectiveness.	- Efficient and effective use of resources - Cost savings/mitigation - Enhance customer service - Alignment between departments and with strategic plan - Maximize funding opportunities with other governments - Accountability - Risk Mitigation - Communication				
Review existing webpage management practices to determine if centralization is possible. This review integrates with the development of a digital strategy.					
Review current workflows for grant management to streamline the application and reporting process and clarify roles and responsibilities.					
Review current workflows and practices regarding legal and insurance claim management.					
Review health and safety management practices and clarify roles and responsibilities of the Health and Safety Advisor and individuals within other departments. Identify ways to improve processes that enhance workforce productivity.					

*Estimated cost is indicated for initial strategy development. Additional resources for implementation of recommendations and potential savings will be addressed through annual operating and capital budget development.

Estimated Cost



Related Projects

- Departmental Master Plans and Business Plans
- Comprehensive Customer-Centered Digital Strategy
- Performance Management Framework
- Workforce Plan
- Enterprise Resource Planning (ERP) system

Adopt a Corporate Performance Management Framework

Project Lead: Strategic Initiatives

Formalize a corporate performance management framework to measure success and progress toward goals.

Stakeholders



City of
North Bay



Community

Link to Strategic Plan



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Government

Action Item

Outcomes

Timeline

Develop corporate Key Performance Indicators (KPIs) to be monitored and updated on the City's website. This initiative will begin with the creation of a public-facing dashboard that shares existing tracked data and statistical information. Over time, this dashboard will evolve as more sophisticated KPIs are developed and integrated.	- Efficient and effective use of resources - Cost savings/mitigation - Enhance customer service - Alignment between departments and with strategic plan - Accountability - Communication - Measurement of performance to enhance decision making - Enhance employee engagement
Develop departmental Key Performance Indicator (KPIs) to be incorporated into departmental business plans as part of the annual budget process.	- Efficient and effective use of resources - Cost savings/mitigation - Enhance customer service - Alignment between departments and with strategic plan - Accountability - Communication

2024 2025 2026 2027



*Estimated cost is indicated for initial strategy development. Additional resources for implementation of recommendations and potential savings will be addressed through annual operating and capital budget development.

Estimated Cost



Existing Resources

Related Projects

- Departmental Master Plans and Business Plans
- Comprehensive Customer-Centered Digital Strategy
- Corporate-Wide Customer Service Strategy
- Centralize/ Streamline Back-Office Roles
- Workforce Plan

Clarify the Community Safety and Well-Being Plan

Project Lead: Community Services

Update the Community Safety & Well-being (CSWB) Plan to clarify roles and responsibilities for the delivery of social services.

Stakeholders



City of
North Bay



Community

Link to Strategic Plan



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Government



Spirited Safe
Community

Action Item	Outcomes	Timeline			
		2024	2025	2026	2027
Update the Community Safety and Well-Being Plan (CSWB) to clarify roles and responsibilities for delivery of services with particular emphasis on defining the municipal role. In accordance with Ontario Regulation 414/23 of the Community Safety and Policing Act, 2019, the CSWB Plan must be reviewed prior to July 1, 2025 with subsequent reviews and revisions within four years thereafter.	- Efficient and effective use of resources - Cost savings/mitigation - Alignment between departments and with strategic plan - Accountability - Communication - Clarity of roles and responsibilities	Review & Update Implement			

*Estimated cost is indicated for initial strategy development. Additional resources for implementation of recommendations and potential savings will be addressed through annual operating and capital budget development.

Estimated Cost



Related Projects

- Departmental Master Plans and Business Plans
- Workforce Plan

Develop A Workforce Plan

Project Lead: Human Resources



Develop a Workforce Plan to strategically align staffing practices with service delivery needs.

Stakeholders



Link to Strategic Plan



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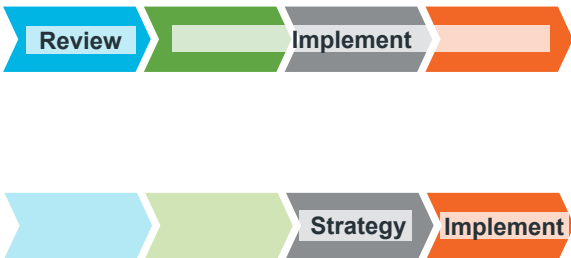
Action Item

Outcomes

Timeline

Develop a workforce plan	
To be implemented in phases. Phase 1 will focus on a comprehensive review of total compensation, which will provide valuable insights and, together with departmental business plans, guide the development of the overall Workforce Plan in Phase 2.	
Phase 1. Review total compensation.	- Efficient and effective use of resources - Cost savings/mitigation - Support recruitment and retention of employees
Phase 2. With the assistance of an external consultant develop a Workforce Plan. The plan will serve as a guide to ensure appropriate resources are available to deliver services to residents and businesses.	- Efficient and effective use of resources - Cost savings/mitigation - Enhance customer service - Enhance employee engagement - Alignment between departments and with strategic plan - Communication

2024 2025 2026 2027



*Estimated cost is indicated for initial strategy development. Additional resources for implementation of recommendations and potential savings will be addressed through annual operating and capital budget development.

Estimated Cost

Related Projects



Workforce Plan
(Phase 2)

- Departmental Master Plans and Business Plans
- Comprehensive Customer-Centered Digital Strategy
- Corporate-Wide Customer Service Strategy
- Centralize/Streamline Back-office Roles
- Performance Management Framework
- Clarify the Community Safety and Well-Being Plan
- Enterprise Resource Planning (ERP) system

Summary of All Opportunities

Link to Strategic Plan



Status - Oct. 2024

Complete
In progress
Not started
On-going through regular operations



Top 10 Strategic Opportunities

	Status	2024	2025	2026	2027
Develop Departmental Master Plans and Business Plans	In progress				
Implement a Corporate-Wide Customer Service Strategy	In progress				
Centralize/Streamline Back- Office Roles	In progress				
Adopt a Corporate Management Framework	In progress				
Clarify the Community Safety and Well-Being Plan	In progress				
Develop a Workforce Plan	In progress				
Clarify service agreements with ABCs/Service Partners	In progress				
Conduct comprehensive user fee studies	Not started				
Prepare a climate change impact assessment	On-going through regular operations				
Collaborate with local post-secondary institutions	On-going through regular operations				

Additional Opportunities

	Status	2024	2025	2026	2027
Implement recommendations as stated in the Redbrick Communications Review	In progress				
Review existing collection practices for outstanding fines under the POA Office	Not started				
Adopt a project management framework to govern city projects	Not started				
Conduct a Lean Process Review on key departmental processes	In progress				
Conduct a market compensation review	In progress				
Establish internal response timelines between citizen facing departments and Corporate Service Teams	Not started				
Deploy training material related to the use of software to employees	On-going through regular operations				
Update Class recreation software to enable online booking and payment	In progress				
Explore a software solution to track by-law enforcement complaints and infractions	Not started				
Review the service delivery model and cost recovery levels of the marina	Not started				
Assign a dedicated in-house project manager to support Fire Services with the CRISIS system project	Complete				
Further streamline after-hour emergency management practices and associated roles and responsibilities	In progress				
Review digital work place opportunities to increase support for field operators and linear infrastructure staff	In progress				

Summary of All Opportunities

[Link to Strategic Plan](#)

Status - Oct. 2024

	Complete
	In progress
	Not started
	On-going through regular operations



Underway Opportunities

	Status	2024	2025	2026	2027
Consider opportunities to improve access and transparency to SMT as part of a larger organizational culture initiative					
Clarify internal communication roles and responsibilities between HR, Communications and other City Departments					
Consider options to collect payments online					
Perform a comprehensive assessment of the City's current ERP system and associated business processes and strategies					
Explore implementation of electronic signature solutions					
Refresh the City's benefit programs to align with current workforce needs					
Review and update HR policies to set clear employer expectations while protecting the needs and interests of employees					
Implement a document management system to improve cross-functional coordination, information sharing and records management					
Refresh the process to prioritize resources to update municipal by-laws to ensure compliance with current legislation and needs					
Digitize planning and building application review processes through Citywide implementation					
Engineering to continue development of design submission standards and inspection standards for new development					
Continue to enhance the City's asset management plan by performing condition assessments					
Conduct a transit needs assessment to assess the value add of the on-demand transit service and effectiveness of transit routes					





City of North Bay Supplemental Report to Council

Report No: CAO-2024-003

Date: April 22, 2024

Originator: John Severino, P.Eng, MBA

Business Unit:
Administration

Department:
Office of the CAO

Subject: Organizational Review

Closed Session: yes ☐ no ☒

Recommendation

That the Organizational Review remain on Committee for the Chief Administrative Officer to return to present an implementation plan.

Background

Council received report, CAO 2024-002, on April 23, 2024, regarding the Organizational Review subsequent to which the Organizational Review has been completed. A summary of KPMG's recommendations is attached as Appendix A to this Report to Council. Additionally, a summary of the recommendations from Redbrick Communications resulting from the communications review is attached as Appendix B.

KPMG and Redbrick Communications will present their recommendations to Council at a Special Committee meeting scheduled for April 30, 2024. Following the presentations, Council will have an opportunity to ask questions of the presenters.

The full reports will be available on the City's website the following day. After Council has had the opportunity to review the full report, and if there is a need for additional clarification on items related to the KPMG Report, the questions will either be answered by the CAO or arrangements will be made to have KPMG return.

This report also provides three options, which are described below, for how the Council may wish to proceed.

Financial/Legal Implications

To fund potential implementation of recommendations Capital Project No. 4353GG – Organizational Review Implementation was established during the 2024 Budget deliberations.

Capital Project No. 4353GG - Organizational Review Implementation was included in the City's 2024 Capital Budget and Forecast Plan with funding of \$250,000, \$150,000 and \$155,000 in 2024, 2025 and 2026 respectively. This funding was identified to initiate the implementation of the recommendations in a phased manner. Updated funding requirements will be brought forward to Council as part of the Senior Leadership Team's implementation plan following prioritization and analysis of each strategic recommendation.

Corporate Strategic Plan

- | | |
|---|---|
| ☐ Natural North and Near | ☐ Economic Prosperity |
| ☒ Affordable Balanced Growth | ☒ Spirited Safe Community |
| ☒ Responsible and Responsive Government | |

Specific Objectives

Ensure the efficient and effective operations of the city, with consideration to the impact of decisions on the property tax rate.

Ensure continuous improvement of governance and administration.

Explore opportunities to reduce the costs of government service delivery, including shared services and new technologies.

Work with community stakeholders to enhance safety and integration throughout the City.

Options Analysis

Option 1: That the Organizational Review remain on Committee for the CAO to return to present an implementation plan.

This is the recommended option. This option allows Council to review the full report while allowing the CAO and staff to begin developing an implementation plan.

Option 2: That Council approve the KPMG report and recommendations, including the recommendations from Redbrick Communications, in principle and direct the CAO to undertake an analysis of the strategic opportunities presented and provide an implementation plan to Council for approval.

Option 3: Do not accept the report and recommendations, including the recommendations from Redbrick Communications, in principle and

do not direct the CAO to provide an implementation plan to Council for approval. This option is not recommended as implementation of the recommendations presented provides the municipality with opportunities for more effective and efficient service delivery.

Recommended Option

That the Organizational Review remain on Committee for the Chief Administrative Officer return to present an implementation plan.

Respectfully submitted,

Name: John Severino, P.Eng., MBA

Title: Chief Administrative Officer

Personnel designated for continuance:

Name: John Severino, P.Eng., MBA

Title: Chief Administrative Officer

Attachments: Appendix A – KPMG Executive Report
 Appendix B – Redbrick Communications Executive Report



City of North Bay Organizational Review

Executive Report

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April 2024



Disclaimer

This report has been prepared by KPMG LLP (“KPMG”) for the Corporation of The City of North Bay (the “City”, or “Client”) pursuant to the terms of our engagement agreement with Client dated June 28, 2023 (the “Engagement Agreement”). KPMG neither warrants nor represents that the information contained in this report is accurate, complete, sufficient or appropriate for use by any person or entity other than Client or for any purpose other than set out in the Engagement Agreement. This report may not be relied upon by any person or entity other than Client or for any purpose other than set out in the Engagement Agreement. This report may not be relied upon by any person or entity other than Client, and KPMG hereby expressly disclaims any and all responsibility or liability to any person or entity other than Client in connection with their use of this report.

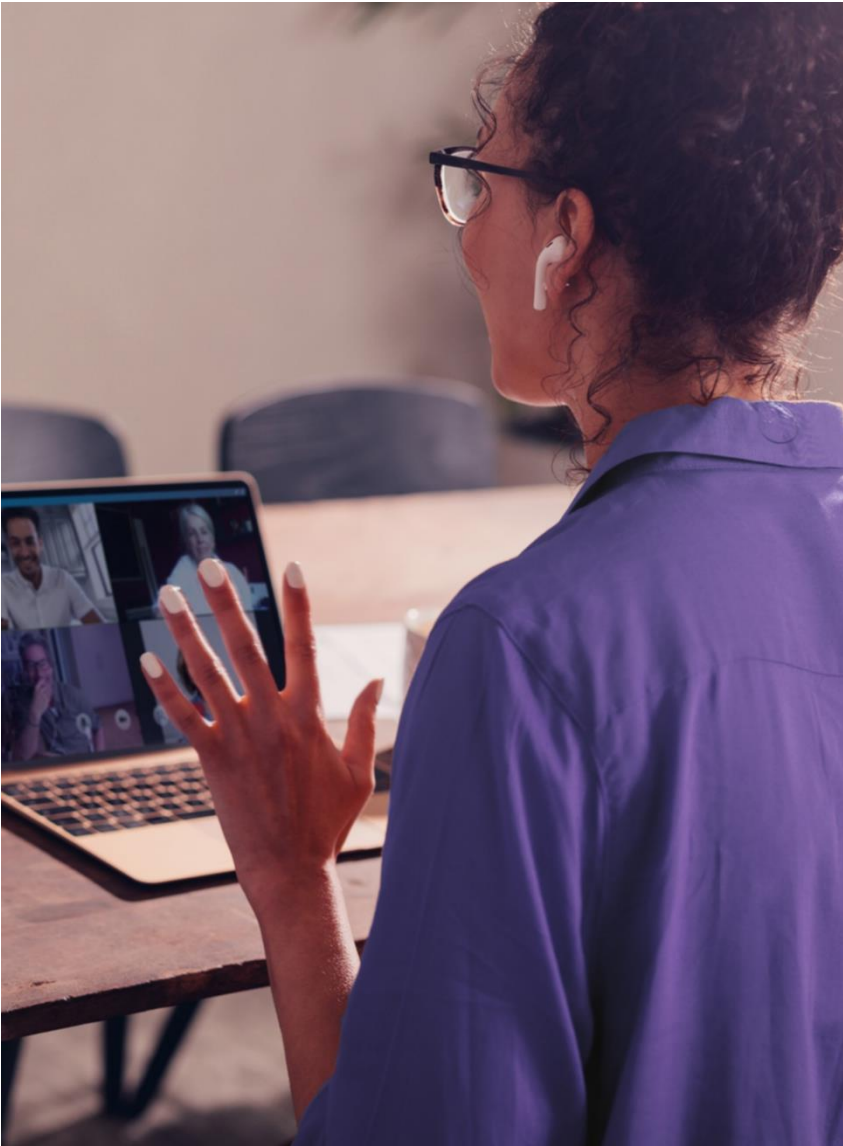
The information provided to us by Client was determined to be sound to support the analysis. Notwithstanding that determination, it is possible that the findings contained could change based on new or more complete information. KPMG reserves the right (but will be under no obligation) to review all calculations or analysis included or referred to and, if we consider necessary, to review our conclusions in light of any information existing at the document date which becomes known to us after that date. Analysis contained in this document includes financial projections. The projections are based on assumptions and data provided by Client. Significant assumptions are included in the document and must be read to interpret the information presented. As with any future-oriented financial information, projections will differ from actual results and such differences may be material. KPMG accepts no responsibility for loss or damages to any party as a result of decisions based on the information presented. Parties using this information assume all responsibility for any decisions made based on the information.

No reliance should be placed by Client on additional oral remarks provided during the presentation, unless these are confirmed in writing by KPMG.

KPMG have indicated within this report the sources of the information provided. We have not sought to independently verify those sources unless otherwise noted within the report.

KPMG is under no obligation in any circumstance to update this report, in either oral or written form, for events occurring after the report has been issued in final form.





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02

Project Overview

The City of North Bay
Organizational Review
Final Report

Project overview



Project Objectives – *How will we define success?*

KPMG was engaged by the City of North Bay (“the City”) to conduct an organizational review. This review includes an overall assessment of City services to ensure value for the taxpayer and the outcomes of the review include the following:

- Prepared and developed a catalogue of the services/ programs currently provided by the City.
- Identified redundant, deficient, or missing services, as well as classified whether these services are core/ essential, discretionary, etc.
- Articulated to the City the rationale for the delivery or suggested alternative models of delivery of the service/ program if a more effective model is appropriate.
- Identified and recommended optimal service levels as they pertain to municipal operations.
- Identified the most cost-effective, sustainable, and strategic way to structure the City’s operations to deliver the required services to meet the current and foreseeable needs of the community.
- Identified and prioritized opportunities to guide the implementation of recommended improvements and/or innovative service delivery models.
- Investigated communications, both internally and externally, as well as policies and plans for public engagement.
- Recommended innovative technologies and models that have been proven to improve operational efficiencies.
- Collected benchmarking data regarding municipal services and programs in comparable municipalities (i.e., geographical location and demographics) and recommended key performance indicators for future measurement of performance.

Project overview



Project Drivers – *What problem are we trying to solve?*

The City of North Bay has a clear vision of being economically prosperous for all residents by ensuring that they are vibrant, integrated and a balanced community rooted in the natural beauty of Ontario's near north. The City strives to be the employer of choice for highly qualified employees and maintain positive employee relations.

This organizational review will provide the City an opportunity to assess its current program and service offerings to determine how to optimize service delivery through service improvement initiatives. Essentially, the City wants to ensure that its structure and operations is able to effectively, efficiently, and sustainably meet local community expectations, Council priorities, provincial legislation and program changes in an ever-changing environment and landscape.

We also understand that the City is undertaking the implementation of an Enterprise Resource Planning (ERP) system and the ERP project will be running in parallel with the organizational review. The ERP implementation will potentially have an operational impact on current processes and as such KPMG will collaborate with the ERP implementation team to ensure outcomes of the implementation of the ERP system and the operational review are aligned.



Project Timing – *What is the timeline of the project?*

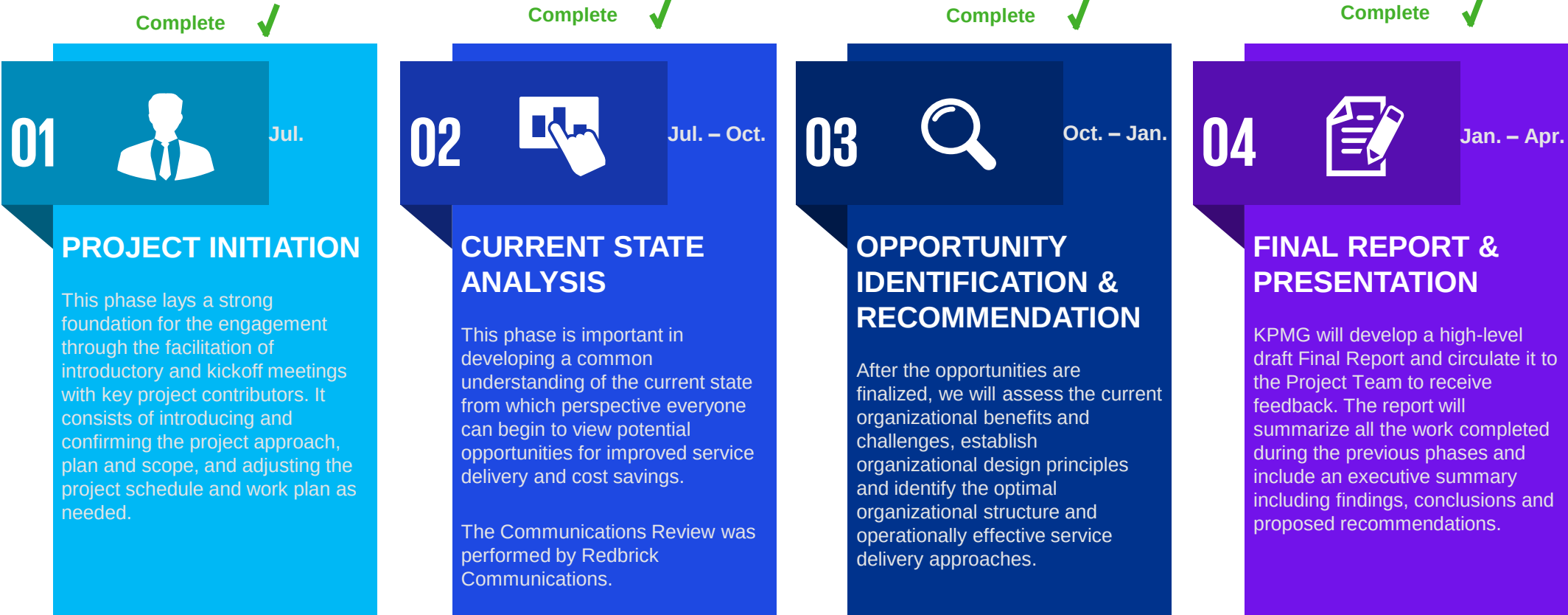
- The project commenced on July 13th, 2023 and will be completed when the final report is presented in April 2024.

The City of North Bay – Organizational Review

Work plan

Our approach to the review is divided into four phases. Each phase is focused on the accomplishment of specific, tangible objectives and activities. This report summarizes KPMG’s activities from Phases 1-4, including:

- Top 10 opportunities
- Additional opportunities
- Underway opportunities
- Organizational Structure Review
- High-level implementation plan



03

Top 10 Strategic Opportunities

**The City of North Bay
Organizational Review
Final Report**

The City of North Bay – Organizational Review

Summary of opportunities

As part of this project, KPMG performed stakeholder engagement, benchmarking, employee survey, and developed service profiles. In collaboration with municipal staff, KPMG identified the City's Top 10 opportunities that would meet the project objectives along with 13 additional opportunities and recognized 13 underway opportunities. The Top 10 opportunities (not ranked in any order of priority) include the following:

The Top 10 Opportunities are:

1. Adopt a Corporate Performance Management Framework
2. Develop Departmental Master Plans and Business Plans
3. Clarify the Community Safety and Well-being Plan
4. Implement a Corporate-wide Customer Service Strategy
5. Develop a Workforce Plan
6. Centralize Back-office Roles
7. Clarify Service Agreements with ABCs/Service Partners
8. Conduct Comprehensive User Fee Studies
9. Prepare a Climate Change Impact Assessment
10. Collaborate with Local Post-secondary Institutions

Assessment Criteria	Definition
FINANCIAL IMPACT	Opportunity's impact on the City's operating and capital budgets. • Green: Positive impact or strongly aligned to operating and capital budget. • Yellow: Neutral impact or somewhat aligned to operating and capital budget. • Red: Negative impact or not aligned to operating and capital budget.
CITIZEN IMPACT	Opportunity's impact on municipal service delivery or citizen experience. • Green: Positive impact or strongly aligned to municipal service delivery or citizen experience. • Yellow: Neutral impact or somewhat aligned to municipal service delivery or citizen experience. • Red: Negative impact or not aligned to municipal service delivery or citizen experience.
RISKS	Assessment of the impact of potential barriers/risks to the implementation of the opportunity. • Green: No barriers/potential risks to the implementation of the opportunity. • Yellow: Some barriers/potential risks to the implementation of the opportunity. • Red: Multiple barriers/potential risks to the implementation of the opportunity.
STRATEGIC ALIGNMENT	The opportunity's level of alignment to the City's strategic priorities. • Green: Positive impact or strongly aligned to the City's strategic priorities. • Yellow: Neutral impact or somewhat aligned to the City's strategic priorities. • Red: Negative impact or not aligned to the City's strategic priorities.

Disruption Gauge



Disruption Gauge

Disruption Gauge:

Overall impact the opportunity would have on operations and services to the City.

- Green: Positive overall impact to the organization.
- Yellow: Neutral impact to the organization
- Red: Negative impact to the organization.

1. Adopt a corporate performance management framework



Observation	Project Owner	Service Level Dashboard					
Accountability was a concern identified in the current state assessment. Council, the community, and groups within the organization feel City resources are not operating efficiently, and without reliable performance management, ensuring accountability is a challenge. While some departments/divisions have effectively implemented some monitoring and reporting (e.g., Transit and Fleet monitoring vehicle usage, trends, route utilization, etc.), most service areas have little or informal performance management.	Office of the CAO			Behind Target	At Target	Above Target	
		Relevant sub-services	Executive Leadership				
			Corporate Performance Management				
			Strategic Initiatives				
Formalize a corporate performance management framework to measure success and progress towards goals.							
Rationale		Benefits					
The data derived from implementing a corporate performance management framework can work to support Council decisions, set policy, evaluate programs, support budget recommendations, identify trends, and develop data dashboards. If implemented, the framework can reinforce big-picture strategic planning by encouraging goal-setting in multiple areas, such as financial performance, customer service, operational efficiencies, and promote innovation and learning.		• Ensure organizational/departmental objectives align with strategic priorities • Enable informed decision-making based on real-time accurate data • Establish clear accountability for performance outcomes • Facilitate ongoing evaluation and adaption of improvements • Benchmark against past performance and industry standards					
To enhance the administration and assessment of municipal services, the framework should monitor a set of KPIs that are reported to management on a periodic basis. Overall, the performance management framework should:							
• Ensure KPIs are SMART (specific, measurable, achievable, realistic, time-bound) • Outline data collection procedures • Outline reporting procedures (i.e., cadence for reporting to management) • Contain a process to review the effectiveness of KPIs on a periodic basis.							
A performance management framework allows the City to quantify and assess areas for improvements against key strategic priorities and curate solutions to enhance performance and continuous improvement. The City should consider how a corporate performance management framework would integrate with the Strategic Plan. The active Strategic Plan expires in 2027 and this recommendation should be considered as the City prepares to update the plan.		Key Considerations • Involve key stakeholders in the planning and decision-making process; and develop comprehensive communication plans to explain the purpose and intention of the project. • Ensure monitoring and reporting on KPIs does not retract from staff ability to carry out core service delivery activities (i.e., avoid manual tracking and reporting processes which contribute to administrative tasks) • Ensure the accuracy, integrity and reliability of data sources by considering the necessary controls are in place. • Consider how current technology (such as the ERP solution) can be utilized before looking to onboard new solutions.					

1. Adopt a corporate performance management framework



Opportunity Assessment

Financial Impact:	Citizen Impact:	Risks:	Strategic Alignment:
This opportunity will have no capital/start-up cost associated with implementation if the framework is executed in-house. Once implemented, the framework should have a neutral or positive impact to the operating budget by improving productivity i.e., reducing inefficiency and improving revenue generation. This may result in marginal permanent operational benefits of up to \$100K, dependent upon implementation.	A corporate performance management framework will have a neutral (off-setting) impact to most citizens and a positive impact to some, by contributing to the general improvement and effectiveness of service delivery offered by the City.	This opportunity has minor barriers/risks associated with its implementation, including: - Possible resistance to change - Technological adoption (i.e., to avoid manual tracking of KPIs, some degree of automation is required with the support of IS) - Siloed approach - Overcomplicating the use of KPIs - Resources required to lead and implement the framework	This opportunity is strongly aligned with the City's Strategic Plan and Council priorities. A corporate performance management framework speaks to the City's Strategic Priority, Responsible & Responsive Government, by improving efficiency, effectiveness, and sustainability. The Strategic Plan specifically calls to "develop and implement a performance measurement framework".

Implementation Plan

Planning: Before the framework is implemented, the City will need to identify the corporate lead, key stakeholders and gather input on expectations and priorities. The City should conduct a thorough needs assessment to understand the current performance management practices and gaps. Then, working with the appropriate service area representatives, the City should identify KPIs which directly reflect progress towards City goals. Each department should consider how KPIs can be integrated with business plans (opportunity #2).

Once KPIs have been agreed upon, the City should begin to understand how technology and systems can support the collection, measurement, and reporting of KPIs. Similarly, the associated processes should be documented and socialized throughout the organization.

Implementation: Once the system(s) and processes are defined and socialized, the City should pilot implementation with select service areas and/or select KPIs to gather feedback and make necessary adjustments. Once any feedback is integrated, the City is prepared for a full-scale rollout of the performance management framework.

Continuous Improvement: The system should be continuously evaluated through ongoing feedback to understand the effectiveness of KPIs and efficiency of the monitoring/reporting process to make adjustments as needed. Periodic (e.g., once per year), formal reviews of the framework should be conducted with management to determine if any larger improvements are necessary.

In the long-term, the City should consider improving reporting. For instance, a leading practice among municipalities is to provide interactive public dashboards or "report cards" regarding corporate KPIs. Example: the City of Brampton has developed live dashboards available to the public to monitor municipal service performance, as seen [here](#).

Timeline for Implementation

Key Task	0-6 months	6-12 months	12+ months
1 Define objectives and goals			
2 Needs assessment			
3 Develop KPIs			
Technology and systems			
4 implementation			
Define processes for collection			
5 and reporting			
Employee training and			
6 communication			
7 Pilot implementation			
8 Full-scale implementation			
Continuous monitoring and			
9 evaluation			
10 Review and adaptation			

The City of North Bay – Organizational Review

Sample key performance indicators

The City should consider developing KPIs that complement the organization’s strategic objectives. To derive the most value from KPIs, the City should identify a small set of meaningful indicators rather than a large inventory of KPIs. Below is a sample list of KPIs for the City’s consideration.

Corporate-Wide	
Service Dimension	KPI
City Finances	1. Non-residential Tax Rate 2. Annual Residential Property Tax Increase 3. Reserves per Household 4. Debt per Household
Economy	1. Number of Businesses 2. Average Home Price 3. Construction Value of Building Permits 4. Unemployment Rate
Community Safety	1. Crime Rate 2. Number of Structural Fires 3. Number of Fatal Motor Vehicle Collisions
Livability	1. Transit Ridership per Capita 2. Library Engagements 3. Active Transportation Infrastructure



This slide presents some overarching, corporate-wide strategic KPIs; however, as departments develop master plans and business plans (see Opportunity 2), the City should consider development of department-specific KPIs to monitor progress against business plans. Some examples of department-specific KPIs are included on the following slide.

Sample key performance indicators – department-specific

Once the corporate-wide strategic KPIs are determined, additional work may be required to determine the most appropriate set of KPIs across each department, ensuring alignment with master plans and business plans. Below are some examples of department-specific KPIs.

Public Works		
Service Dimension	KPI	Sample Target Level
Operational Efficiency and Effectiveness	- RCI (road condition index) i.e., percentage of roads meeting or exceeding minimum standards - Percentage of work orders completed on time - Percentage of street cleaning completion within scheduled timeframe	>95% >80% >95%
Customer Service	Maintenance request response time	<48 hours
Sustainability	Percentage reduction in fleet GHG (greenhouse gas) emissions per year	>10%
Information Technology		
Service Dimension	KPI	Sample Target Level
Operational Efficiency and Effectiveness	IT FTE as a percent of total FTE	2% to 3%
Customer Service	- Adherence to service level agreement for tickets - Customer satisfaction score from help desk - Count of tickets submitted	<95% >80% 1,000 to 1,500
Sustainability	Availability of the IT network (network uptime)	>99.99% network availability
Building Services		
Service Dimension	KPI	Sample Target Level
Operational Efficiency and Effectiveness	- New residential unit per building service FTE - Total value of new construction per building service FTE	10 >\$8 million
Customer Service	Percentage of permit applications reviewed within provincially estimated turnaround times	<95%
Sustainability	Percentage of building permits submitted online	>90%

2. Develop departmental master plans and business plans



Observation	Project Owner	Master Plans and Business Plans		
Based on stakeholder consultation (interviews, focus groups, and staff survey), both staff and Council believe there is a disconnect and unclear understanding of strategic priorities throughout the organization. While some service areas have clear priorities based on legislative requirements (e.g., water services), priorities of other areas are often unclear or can shift spontaneously. In many cases, effective resource planning can be difficult and staff can feel disconnected from the priorities of their department and/or the City as a whole.	Office of the CAO	Sample List of Master and Business Plans	Available	Unavailable
		Transportation Master Plan	X	
		Customer Service Strategy		X
		Economic Development Strategic Plan	X	
		Community Safety & Well-being Plan	X	
		Waste Management Plan	X	
		Workforce Plan		X
		IT Master Plan		X
		Roads Safety Strategy	work in progress	
Develop departmental master plans and business plans to support advancement of the City’s strategic plan priorities in a more synchronized manner.				
Rationale		Benefits		
Through the direction and leadership of Senior Management, the City should develop departmental master plans and business plans to establish clear targets and action plans to better coordinate resources and implementation efforts. A master plan is defined as a comprehensive long-term strategy outlining an individual department’s goals, objectives, and initiatives to serve as a roadmap for the department and guiding resource allocation. Meanwhile, a business plan is a detailed document outlining specific activities, projects and initiatives including budgetary considerations, performance metrics and a specific timeframe to act as a tactical guide. The use of both master and business plans are leading practice in municipalities to ensure strategic alignment, planned allocation of resources, and effective coordination across the organization. Based on reports of unclear strategic direction, spontaneous shifting of priorities, and ad hoc requests leading to miscommunication and idle or overused resources, the City would benefit from the organization provided by master and business plans. Some service areas currently have master plans but they are reportedly difficult to locate and insufficiently socialized. The plans should not only capture the department’s goal, but also allocation of resources. For instance, based on the outcome of the workforce plan (opportunity #5), the plans should detail staffing levels for current and projected service delivery needs with contingency plans for absences/vacancies. The plans should also establish guidelines and standards for service quality such as internal response timelines between departments/teams to support efficient workflows and enhance accountability. Lastly, the plans should align with the Corporate Performance Management Framework (opportunity #1) with performance targets and reporting standards related to the department’s performance and progress on its initiatives.		• Ensure strategic alignment with the City’s wider objectives • Promote a holistic and integrated approach to achieving strategic priorities • Enable efficient allocation and utilization of resources by identifying synergies and eliminating redundancies across and within departments • Provide a structured framework for decision-making by aligning departmental objectives with the City’s long-term vision		
		Key Considerations		
		• Align master plans with the overarching City strategic goals as well as other departments, ensuring there are no conflicts (e.g., duplicative projects) • Involve the community, Council, and other relevant stakeholders in the planning process to ensure the needs and expectations of key individuals/groups are addressed in the plans • Develop realistic financial plans to fund and sustain the initiatives outlined in the master plans considering capital/operating and short-/long-term implications		

2. Develop departmental master plans and business plans



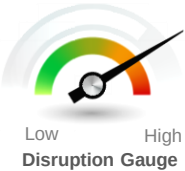
Opportunity Assessment								
Financial Impact:		Citizen Impact:		Risks:		Strategic Alignment:		
This opportunity should have no capital/start-up costs to initiate , as master/business plans can be established in-house. Similarly, there should be either no ongoing operating impact or an offsetting impact because any cost to administer the plans will be offset by effectiveness and efficiencies gained through improved planning.		Citizens should experience a positive or neutral (offsetting) impact from this opportunity as municipal service delivery improves in its operational and financial efficiency by effectively planning and allocating resources to achieve strategic objectives.		This opportunity has minor risks associated with its implementation. For instance: - Inconsistent effort/adoption among departments - Resistance to change, lack of buy-in - Poor execution of plans		This opportunity is strongly aligned with the City’s Strategic Plan . Through these plans, each department can ensure its activities are closely aligned with the strategic priorities outlined in the Strategic Plan thereby enhancing overall efficiency and effectiveness through alignment.		
Implementation Plan				Timeline for Implementation				
Planning: The first and most time-consuming phase of work will focus on gathering all the information to be included in the plans. Firstly, the City will need to determine which plans to develop i.e., based on the organizational design, determine which departments/divisions should receive dedicated master plans and which initiatives should receive business plans. Then, based on the proposed plans, determine if in-house or outsourced resources will be used to develop the plans. This decision will be based on a number of factors such as complexity of the assignment and capacity of in-house resources. The party responsible for each plan will then begin to define the goals and objectives specific to each plan with steering committees to provide strategic support. Then, conduct a current state analysis to understand what resources are available and define the gap between the current state and the vision for that department/project with actions to address the gap. Based on the planned actions, consider what resources (staffing, financial, tangible assets, etc.) will need to be deployed to support the achievement of the plan. Implementation: Once all elements of the planning stage are complete, the department can draft the plan and follow the necessary protocols to seek approval and eventually roll out the plans. Continuous Improvement: After plans have been formalized and published, the departments will need to act on their commitments to report progress. This is an important step to ensure accountability for the success of these plans. As the operating environment shifts, plans should be continually evaluated if changes are necessary.				Key Task		0-6 months	6-12 months	12+ months
				1 Needs assessment				
				2 Resourcing				
				3 Define goals and objectives				
				4 Establish a steering committee				
				5 Current state and gap analysis				
				6 Action plan				
				7 Budget and resource allocation				
				8 Drafting plans				
				9 Review, feedback and approval				
				10 Roll-out plans				
				11 Monitoring and reporting				

3. Clarify the Community Safety & Well-being Plan



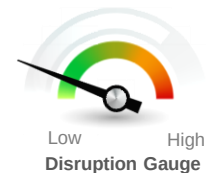
Observation	Project Owner	Service Level Dashboard			
Social services was discussed by all Council members during stakeholder consultation, many of whom made commitments to addressing these challenges to the community. While the City does not directly provide social services, there are multiple community partnerships and support initiatives to address this growing concern. Despite this, staff have been tasked with responsibilities such as cleanup of needles and hazardous waste while accountability remains unclear. The City should better clarify roles and responsibilities both internal and external to the organization.	Community Services		Behind Target	At Target	Above Target
		Relevant sub-services	Community Safety & Well-being		
Update the Community Safety & Well-being (CSWB) Plan to clarify roles and responsibilities for the delivery of social services.					
Rationale		Benefits			
Addressing social services is a high priority of Council but the City should first clearly define its role in the provision of these services. The City of North Bay should therefore review the allocation of responsibility between the different service delivery providers for the provision of social services to address homelessness, mental health, drug addiction, crime, housing, and affordability. Services are currently provided in collaboration with the District of Nipissing Social Services Administration Board (DNSSAB), among others include 76 planning tables and committees which comprise approximately 145 programs/services and over 100 community strategies, presenting a significant challenge in coordinating service delivery ¹ . By clearly defining roles and responsibilities, each individual, department, and partner organization will know their exact duties. This can help streamline operations, improve efficiency, and ensure that all tasks are carried out by the appropriate parties. It can also help to prevent any potential legal or safety issues that could arise from staff being asked to perform tasks that they are not trained or equipped to handle. A related area of concern is the parking garage. The downtown parking garage, owned and operated by the City, has faced security challenges related to homelessness in the area. While improvements to security are under review, the department should consider if divesting the parking garage is a viable option. The City should perform a cost-benefit analysis to determine the long-term plan for the parking garage. Understanding the future state of the parking garage will be essential in building the Facilities and Parking Department’s strategy and business plan (opportunity #2). The City historically reviewed its parking master plan every five years but the most recent update was in 2011.		• Improve the efficiency and effectiveness in the delivery of social services • Ensure safety and well-being of staff and the community • Enhance partnerships with community organizations • Prevent potential legal or safety issues			
		Key Considerations			
		• Staffing levels and budgets may need to be adjusted to reflect the level of involvement by City staff. • Training and support may be needed if the City continues to retain responsibility for services such as needle pickup and hazardous waste disposal. Similarly, these activities should be accompanied with clear protocols to ensure the safety of staff and members of the community. • Clear communication and coordination between departments and organizations is essential to ensure all parties understand their involvement. • Develop performance measurement mechanism such as quarterly scorecards to measure and report on progress			
Source 1 – City of North Bay website, Service Network Coordination					

3. Clarify the Community Safety & Well-being Plan



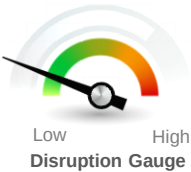
Opportunity Assessment																																							
Financial Impact:	Citizen Impact:	Risks:	Strategic Alignment:																																				
There is a nominal financial impact to this opportunity however there can be significant cost savings or cost implications based on the decisions made.	This opportunity should have a positive overall impact to the citizens of North Bay through improvements in the quality of social services. While the organization is limited in its jurisdictional authority to address most underlying causes of social challenges, the City can work with service partners to treat the symptoms in a coordinated and efficient approach.	Significant barriers are anticipated when making changes to the provision of social services. However, these barriers can be overcome with time and corporate focus. Assigning and reassigning responsibility between service providers may be met with resistance. The City may also expect criticism from members of the community and pressure groups.	As the most strongly discussed topic during stakeholder consultation, this opportunity is strongly aligned with the City's Strategic Plan and priorities of Council. North Bay's comparators are also focusing heavily on addressing social services, making this topic a leading practice on Ontario municipalities. If the City decides to pursue an expanded social services offering, resourcing impacts needs to be considered.																																				
Implementation Plan		Timeline for Implementation																																					
Planning: In the first phase of work, the City will need to define precisely what social services are needed in North Bay and understand what obligations the municipality has in terms of legislative authority, collective agreement restrictions with the local union, and other factors which may force/restrict the organization's provision of social services. Then, the City must engage directly with stakeholders: both service partners, and representatives of the community to understand expectations. Based on these interactions, the needs of the community, and any obligations, the City can define the provision of social services. Implementation: Based on the services retained by the municipality, the impacted departments should prepare service standards, training, and documentation to support service delivery. At this point, the City should complete a review of the parking garage as described in opportunity #2. The operation of the parking garage will need to be considered in an update to the CSWB (Community Safety & Well-being) Plan. All the changes should then be formalized in an updated CSWB Plan, receiving the necessary approvals. Similarly, other agreements for shared service delivery should be established or updated to clarify partner expectations. Continuous Improvement: Once documentation has been updated to reflect the City's service delivery, the City will need to monitor and report on progress. In alignment with the Corporate Performance Management Framework (opportunity #1), KPIs and reporting channels should be established to ensure the City is accountable for progress.		<table><tr><th>Key Task</th><th>0-6 months</th><th>6-12 months</th><th>12+ months</th></tr><tr><td>1 Needs assessment</td><td> </td><td></td><td></td></tr><tr><td>2 Research obligations</td><td> </td><td></td><td></td></tr><tr><td>3 Stakeholder engagement</td><td> </td><td></td><td></td></tr><tr><td>4 Clarify roles and responsibilities</td><td></td><td> </td><td></td></tr><tr><td>5 Determine service levels of retained services</td><td></td><td> </td><td></td></tr><tr><td>6 Update the CSWB Plan and impacted agreements</td><td></td><td> </td><td></td></tr><tr><td>7 Monitor and evaluate progress</td><td></td><td> </td><td></td></tr><tr><td>8 Review and update, as necessary</td><td></td><td></td><td> </td></tr></table>		Key Task	0-6 months	6-12 months	12+ months	1 Needs assessment				2 Research obligations				3 Stakeholder engagement				4 Clarify roles and responsibilities				5 Determine service levels of retained services				6 Update the CSWB Plan and impacted agreements				7 Monitor and evaluate progress				8 Review and update, as necessary			
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4. Implement a corporate-wide customer service strategy



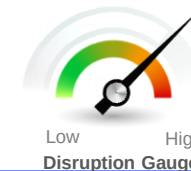
Observation	Project Owner	Service Level Dashboard				
Improving customer service and communication was a key priority discussed by Council during the Current State Analysis. Most members of Council expressed an interest in improving corporate-wide customer service and public communication/transparency of City affairs. While Council acknowledged progress has been made in recent years, many residents continue to express frustration with municipal services and staff.	Office of the CAO			Behind Target	At Target	Above Target
		Relevant sub-services	Communication and Marketing			
			Customer Service			
Develop a corporate-wide customer service strategy and customer service standards to drive quality and consistency of citizen experience.						
Rationale		Benefits				
Following changes to the City’s organizational structure, the City should consider developing a customer service strategy. Establishing a focused strategy will allow the City to ensure the needs of residents and visitors are effectively addressed, fostering a high level of citizen satisfaction in a measurable manner. While the majority of internal stakeholders believe service levels are delivered at community standards, there is limited quantitative data used to further improve the process. A customer service strategy will not only ensure community needs are more effectively met, but continuously assessed and determine areas for improvement based on routine community engagement. Further, a customer service strategy will assist the City to streamline operations and more efficiently allocate resources by considering input from both internal and external sources to the organization. This approach can provide confidence that taxpayer funds are utilized effectively, and in accordance with their needs, contributing to both financial sustainability and community transparency. Alongside the development of a customer service strategy, the City should explore a CRM (Customer Relationship Management) solution through either the ERP project or Citywide, with citizen-facing portal capabilities, to process common recurring services (e.g., business licenses, burn permits, sell bag tags, access to utility bills and tax notices, etc.) and to improve tracking and management of citizen inquiries and service requests. A CRM solution also allows the City to provide after-hour services. The strategy should also assess the government office layout of customer service counters to reduce public confusion and improve customer experience (e.g., through improved signage).		- Enhance citizen satisfaction by ensuring citizens receive prompt and effective assistance - Improve public perception and reputation of the City - Increase citizen engagement with the City - Collect data related to customer service to improve decision-making - Facilitate clear and transparent communication with the community				
		Key Considerations				
		- Conduct thorough research and engage with the community to understand expectations, preferences, and needs - Clearly define the objectives and goals of the customer service strategy - Connect the customer service strategy with the performance management framework by setting appropriate KPIs to track customer service performance - Develop training programs to equip existing and new employees with the skills to deliver effective customer service - Consider how current (and prospective) technology solutions can be leveraged to streamline communication, automate processes, and enhance data collection.				

4. Implement a corporate-wide customer service strategy



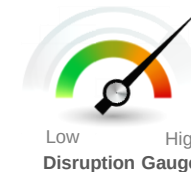
Opportunity Assessment																																															
Financial Impact:	Citizen Impact:	Risks:	Strategic Alignment:																																												
A small to medium one-time capital/start-up cost would be needed to implement this opportunity by developing the strategy with support of a third party consultant. If a CRM system is pursued, the City can expect the capital cost to be approximately \$650k for implementation and \$150k to \$200k in annualized licensing costs (depending on the solution and scale/scope of use).	A customer service strategy will have a positive impact to all of its citizens, by improved customer experiences during all interactions between customers and the City staff and could improve public perception of municipal public service.	There are minor risks/barriers associated with the implementation of this opportunity, such as: • Lack of buy-in from customer-facing service areas • Poorly implemented change management	This opportunity is strongly aligned with the City's Strategic Plan and Council priorities. Enabling customer service standards supported by active citizen engagement was identified as a priority for most members of Council through interviews. This opportunity will support objectives to enhance public communication, transparency, and customer service.																																												
Implementation Plan		Timeline for Implementation																																													
Planning: The first phase of implementation will focus on planning, including assessing the past/current state of customer service at the City, defining high level customer service principles/objectives/goals, engaging relevant stakeholders to inform the strategy (Council, staff, citizens, customers, etc.). This will help inform a gap analysis of specific areas for improvement (e.g., specific departments, customer service tools, best practices, etc.) Implementation: The implementation phase should focus on two core tasks: developing the customer service strategy, and exploring what technology (CRM) solutions are available to the City to support the strategy. This phase will likely span over a year to complete a thorough market scan and procurement process for a CRM solution. Though this depends significantly on the complexity, system integrations, data transfer, level of support, and several other factors. Continuous Improvement: Measure and report performance against objectives and goals established in the planning phase, and open feedback mechanisms to continuously gather input from customers to make iterative improvements to the customer service strategy. Customer satisfaction can be measured through surveys, which gather feedback on various aspects of service delivery such as timeliness, responsiveness, and quality of service provided by staff. An applicant satisfaction survey could come in the form of: • An annual survey distributed on a community-wide basis to understand system-level satisfaction • Randomly selected, pulse-style surveys following milestone activities to gather real-time insight into immediate challenges and opportunities that require action		<table><tr><th>Key Task</th><th>0-9 months</th><th>9-18 months</th><th>18+ months</th></tr><tr><td>1 Research and review</td><td> </td><td></td><td></td></tr><tr><td>2 Define principles, objectives & goals</td><td> </td><td></td><td></td></tr><tr><td>3 Engage stakeholders</td><td> </td><td></td><td></td></tr><tr><td>4 Gap analysis</td><td> </td><td></td><td></td></tr><tr><td>5 Strategy development</td><td></td><td> </td><td></td></tr><tr><td>6 Explore CRM solutions</td><td></td><td> </td><td></td></tr><tr><td>7 Process redesign and communication</td><td></td><td> </td><td></td></tr><tr><td>8 Technology integration</td><td></td><td></td><td> </td></tr><tr><td>9 Performance measurement and feedback</td><td></td><td></td><td> </td></tr><tr><td>10 Continuous improvement</td><td></td><td></td><td> </td></tr></table>		Key Task	0-9 months	9-18 months	18+ months	1 Research and review				2 Define principles, objectives & goals				3 Engage stakeholders				4 Gap analysis				5 Strategy development				6 Explore CRM solutions				7 Process redesign and communication				8 Technology integration				9 Performance measurement and feedback				10 Continuous improvement			
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5. Develop a workforce plan



Observation	Project Owner	Service Level Dashboard					
Capacity was identified as a significant challenge during stakeholder consultation, with 74% of survey respondents indicating their department does not have sufficient staff levels to meet service standards and service demands. As service portfolios expand in some service areas, the City has become reliant on overtime, on-call, and contractors to provide service coverage. Recruitment and retention has been a consistent challenge for the municipality, not unlike comparators and other municipalities across Canada.	Human Resources			Behind Target	At Target	Above Target	
		Relevant sub-services	Workforce Planning and Recruitment				
			Talent Management				
Develop a workforce plan to strategically align staffing practices with service delivery needs.							
Rationale		Benefits					
The City should develop a workforce plan to address concerns related to capacity, recruitment delays, talent development, and more. Comparator analysis and KPMG experience indicates most municipalities in Ontario are actively recruiting to fill vacancies and/or new positions to support operations. As such, a workforce plan will ensure the City has the appropriate level of resources to support current and future service delivery. Key elements of the plan should consider including: <u>Recruitment and retention</u>: Develop a strategy to recruit and retain employees, considering elements such as recruitment channels, marketing campaigns, recruitment process, etc. <u>Managing leave and return to work arrangements</u>: Management of disability leave and return to work/accommodation arrangements. <u>Talent management</u>: Update the City's performance management program to support talent development. Employee training and leadership development opportunities, including cross-training <u>Review of job descriptions, titles, and compensation</u>: Job equity was identified as a primary area for concern. Most employees feel the City's compensation schedule is not reflective of job requirements or market conditions. Job titles are also reportedly unclear (e.g., CFO and directors); the City should consider adopting a position management framework. To maintain consistency across the organization. <u>Succession planning and contingency plans/backups for absences</u>: Outline clear steps and provide support for the succession of key positions. <u>Workforce composition, scheduling</u>: Staffing and scheduling approach for full-time, part-time, seasonal, and temporary personnel; consider the use of rotational schedules. The City recruits its seasonal employees each autumn and spring which reportedly consumes significant HR and corporate resources. Understanding the costs and benefits of this option versus permanent positions may influence the workforce composition.		- Improve employee recruitment and retention - Align workforce with the City's strategic goals - Anticipate and plan for future workforce needs - Increase employee engagement by investing in professional development					
		Key Considerations					
		- The City should make any high level organizational structure changes contemplated before engaging in a detailed workforce plan which will focus on granular staffing details. - Some staff may perceive a workforce plan as a threat to their job security. The City will need to ensure the workforce planning process is transparent and employees are continuously engaged. - The City will need to consider the financial implications. The cost to onboard, train and compensate additional staff must be approved by Council and will likely need to be justified by an offsetting increase in user fees or levy charges. - Service levels should be determined before workforce levels are calculated. As such, the City should consider the development of its master plans and business plans prior to or in conjunction with a workforce plan.					

5. Develop a workforce plan



Opportunity Assessment

Financial Impact:	Citizen Impact:	Risks:	Strategic Alignment:
Developing the workforce plan could be done in-house with dedicated resources or externally through a third party consultant requiring a small to medium one-time capital cost between \$60K to \$80K.	An effective workforce plan should have a positive impact to residents by ensuring the City has the resources to maintain or expand on service levels delivered. However, if the plan results in significantly increased tax levy requirements to fund additional positions, it may result in increasing taxes and/or user fees to balance the budget.	There are minor risks/barriers associated with implementation of a workforce plan, such as: - Communication and change management is needed to avoid causing panic and misconceptions - Lack of stakeholder buy-in - Recruitment challenges - Diligent development to ensure prudent financial affordability versus service delivery expectations.	This opportunity is strongly aligned with the Strategic Plan and Council priorities , specifically addressing Strategic Priority 5: Responsible & Responsive Government, including the objective to be the employer of choice for highly qualified employees and maintain positive labour/employee relations.

Implementation Plan

Planning: Before establishing, a detailed workforce plan, the City should complete any larger, structural changes to the organizational structure. The organizational review section of this report discusses background to inform changes to improve organizational effectiveness.

Then, a needs assessment should be conducted by clearly defining service levels of each service area before collecting data regarding employee coverage to identify gaps. At this point, the various strategies and plans should begin development (succession plan, employee development plans, performance appraisal, recruitment strategies, etc.) Once the gap analysis is complete, the City can complete a detailed list of positions to begin recruiting.

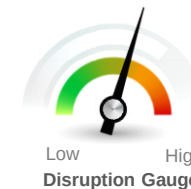
Implementation: The first phase of implementation will be to recruit any vacancies identified before a skill development program and succession planning activities can commence.

Continuous Improvement: After the organization is fully staffed and equipped with the tools and support to maintain a motivated and productive workforce, the City should ensure communication remains effective, progress is monitored, and improvement remains continuous by leveraging exit interviews, routine compensation reviews, and all plans and strategies receive ongoing attention.

Timeline for Implementation

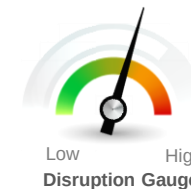
Key Task	0-6 months	6-12 months	12+ months
1 Complete high-level restructuring			
2 Needs assessment			
3 Data collection and gap analysis			
4 Develop strategies and plans			
5 Detailed organizational design			
6 Recruit to fill vacancies			
7 Launch skill development plan			
8 Begin succession planning			
9 Communication plan			
10 Monitoring and evaluation			

6. Centralize back-office roles



Observation	Project Owner	Service Level Dashboard					
During stakeholder consultation, staff identified opportunities to centralize some specialized tasks, citing time and cost saving opportunities by streamlining procurement, health and safety, and webpage management, to name a few.	Corporate Services			Behind Target	At Target	Above Target	
Consider centralizing back-off/corporate services to improve process efficiency and enable specialized support.		Relevant sub-services	Communication and Marketing				
			Health & Safety				
			Grant Management				
			Purchasing				
			Risk Management				
Rationale		Benefits					
Based on the size and growth of the organization, there is an opportunity to shift additional corporate-wide services into a centralized model. While the City currently operates a Corporate Services business unit, additional areas to consider increased centralization with specialized talent include: <u>Webpage management</u>: department-specific webpages are mostly managed independently. While efforts to standardize format and graphics are underway, the overall management could be centralized further. <u>Health and Safety</u>: the role of the City's Health & Safety Advisor varies by department, resulting in duplication of efforts on tasks such as policy development. <u>Grant management</u>: grant facilitation is led by the Grant Facilitator in Community Services but execution and management of the grant is handled by the relevant department. Control of grant funds is managed within Financial Services. Altogether, the grant management processes, specifically the accountability of grant applications, claims and reporting duties, are unclear and there is an opportunity to streamline processes and consolidate accountability. <u>Procurement</u>: the Manager of Purchasing supports procurement up to contract award and subsequent steps (e.g., contract execution, WSIB, etc.) are decentralized to the department's admin and managerial personnel. <u>Legal and insurance claims management</u>: legal and insurance work is largely decentralized with each department managing workflows individually. In any area where services are centralized (i.e., all areas listed above among others identified upon further review), the City should consider conducting a Lean Process Review to adapt service delivery by clarifying roles, establishing accountability and streamlining processes (reducing "waste" in the process).		- Improve efficiency by consolidating and streamlining services resulting in reduced duplication of efforts - Increase specialized support by allowing experts to provide higher quality service and allow other staff to focus on their core duties - Save costs by consolidating services and achieving economies of scale - Improve control framework through process standardization					
		Key Considerations					
		- Consider any changes to the City's organizational structure in conjunction with centralizing services. The department(s) responsible for these services must have the capacity and governance structure to function effectively. - Align staffing level appropriately. Areas requiring specialized support may not have sufficient capacity to fully centralize services given the current staffing complement. - In any area where processes and roles are changed, policies/procedures should be updated. For instance, the City should continue to review and update the procurement policy focusing on limits and delegation of authority.					

6. Centralize back-office roles



Opportunity Assessment

Financial Impact:	Citizen Impact:	Risks:	Strategic Alignment:
There may be a small to medium one-time capital cost or similar implementation cost to centralize the back office roles. Costs may be associated with a third party consultant to support implementation, recruitment costs if new positions are necessary, etc. There may be a marginal benefit of up to \$100K, dependent upon implementation. However, cost savings may be more substantial based on the scale of centralization.	This opportunity will have a positive/neutral impact to citizens based on increases to service quality. As staff providing citizen-facing services will be allowed to focus more directly on their core services and less with administrative tasks related to procurement, grant management, etc., service delivery is expected to improve.	There are significant barriers that could be overcome, but will require significant time and corporate focus . There may be resistance to change among staff as their roles and responsibilities will shift. Also, there is a risk of service disruption if implementation is ineffective.	This opportunity is strongly aligned with the Strategic Plan , specifically complementing Strategic Priority 5: Responsible & Responsive Government, including the objective to ensure the efficient and effective operations of the City.

Implementation Plan

Planning: The first step to this opportunity should be an initial assessment of which services should be reviewed for centralization before impacted stakeholders should be consulted for their thoughts on the feasibility and logistics of the new model. Based on the outcome of these discussions, the City can set goals and objectives for each area of centralization (e.g., timeframe to transition, objectives for new service levels).

Implementation: Then, where necessary, identify the technology that will support key processes in the centralized services. For the most part, the ERP project will impact these services, but any other systems should be identified before the updated processes are mapped. Then, relevant staff will be trained on any changes, and capacity will be established/enhanced depending on the City's needs. Any changes will be strategically communicated to avoid disruption or resistance and then the new systems can be implemented in a phased approach to avoid overwhelming stakeholders. Each individual pilot will likely take a tailored approach to implementation depending on the size of the department, number of clients served, etc.

Continuous Improvement: Once implemented, performance should be monitored in alignment with the City's Corporate Performance Management Framework (opportunity #1) to determine if adjustments or additional resources are necessary.

Timeline for Implementation

Key Task	0-6 months	6-12 months	12+ months
1 Initial assessment			
2 Stakeholder engagement			
3 Define goals and objectives			
4 Identify technology			
5 Map and re-engineer processes			
6 Training and capacity building			
7 Communication strategy			
8 Pilot programs			
9 Full-scale implementation			
10 Continuous improvement			

7. Clarify service agreements with ABCs/service partners



Observation	Project Owner	Agreement Status			
The City provides support services to ABCs (Agencies, Boards, and Commissions) including the airport, library, police, DNSSAB, Cassellholme, and Conservation Authority; however, service levels are often unclear and there is a perception that levy charges require review. While the City does maintain some agreements with its ABCs, many arrangements are reportedly outdated.	Office of the CAO	ABC	Updated	Outdated	No Agreement
		Airport	X (MOU to operate)		X (services provided)
		Library		X	
		Police		X	
		DNSSAB	X (rent/utilities)	X (IS Services)	
		Cassellholme			X
		Conservation Authority			X
		Provincial Offences Act		X	
		Capitol Centre		X	
		Heritage North Bay	X		
Update or establish service agreements with partner organizations to clarify service levels and fees.	DIA			X	
	Invest North Bay		X		
	North Bay Hydro Holdings Ltd			X	
	North Bay Battalion	X			
	The Business Centre			X	
	YMCA	X			
	Dionne Quints Heritage	X			
	North Bay Hydro Distribution		X		
	Tourism North Bay		X		
	Rationale		Benefits		
Services provided to the City’s ABCs include IT, HR, legal, and financial services among others. Updated formal service level agreements or MOUs for many of the ABCs are absent, resulting in inconsistent and unclear service expectations directly impacting the organization’s capacity to provide internal services. The City should review, update, and/or establish formal agreements (SLAs or MOUs; Service Level Agreements or Memorandums of Understanding) between the City and its partner organizations to clarify roles and responsibilities for the provision of services, service levels (e.g., response timelines, quality standards), and fees and charges. Multiple internal stakeholders acknowledged legacy agreements with partner organizations are irreflective of today’s service offerings. For instance, the City has maintained its service level for HR and IT services despite increasing the number of users without a proportional increase in City staff, contributing to capacity challenges. There may be opportunities, through partnership with ABCs, to streamline back-office service and explore cost-sharing opportunities to reduce overall costs. Social Services was one area identified as needing attention. As detailed in opportunity #3 (to update the CSWB Plan to clarify roles and responsibilities for the delivery of social services), the City will need to update or establish its service agreement with DNSSAB.		- Enhance accountability for service providers and recipients with clear standards and expectations (e.g., payment provisions, response timelines, in-scope services, etc.). - Strengthen partnerships with ABCs by setting clear targets to collaborate. - Improve cost efficiency and recovery levels by thoroughly understanding the cost of service delivery and ensuring fair and accurate funds are exchanged. - Proactively manage risk by including terms for dispute resolution and liability.			
		Key Considerations			
		- Each agreement will have nuances based on the organization in question. The City will need to consider tackling each agreement independently but there are opportunities for standard language and templates. - Reductions in services or increases in fees to ABCs may result in tension and/or resistance to implement the agreements. The City should seek a collaborative approach rather than imposing internally-drafted agreements without seeking input from the ABCs. - The agreements should be set with a deadline to review/update to capture any changes. Similarly, the process and personnel responsibilities should be clear to prevent agreements from becoming outdated.			

7. Clarify service agreements with ABCs/service partners



Opportunity Assessment

Financial Impact:	Citizen Impact:	Risks:	Strategic Alignment:
The City should expect a improved cost recovery for services provided by City staff through this opportunity because fees to ABCs will be adjusted based on services provided. There may be a marginal benefit of up to a \$100K, dependent upon implementation.	This opportunity will have a possible/neutral (off-setting) impact on its citizens given that this opportunity enhances efficiency and accountability of the City and its service partners.	There are minor barriers associated with this opportunity which can be overcome with time and corporate focus. For instance, if the outcome of reviewing agreements involves raising fees charged to service providers, the City will likely face some resistance which can be overcome with negotiation and effective communication.	This opportunity is strongly aligned with the City's Strategic Plan , specifically complementing Strategic Priority 5: Responsible & Responsive Government, by improving efficiency, effectiveness, and sustainability of the organization through effective partnership with ABCs.

Implementation Plan

Planning: The first steps of this recommendation involve understanding the current state of agreements and identifying gaps or inconsistencies. The City will then need to work with its service partners to set goals, targets, standards and assign responsibilities to create/update the agreement as well as other standard project management preparations. The initiative could be lead by a strategic initiatives resource which would manage the project with oversight from the CAO.

Implementation: Implementation will involve a cycle of drafting and negotiating the agreements until a final agreement is settled upon by both (or more) parties involved. Then, the applicable approval parties will need to review and approve the agreements before they are executed formally.

Continuous Improvement: Once the agreements and updates have been executed, the City will need to ensure a successful implementation by communicating and training (where necessary) any applicable changes. If significant changes are decided as a result of the agreements, a change management plan should be developed to ensure a smooth transition. In the long-term, the agreements should have routine opportunities for reviews and amendments outlined directly in the agreement to avoid any agreement becoming outdated and ensuring opportunities for continuous improvement.

Timeline for Implementation

Key Task	0-6 months	6-12 months	12+ months
1 Compile list of agreements			
2 Review current agreements and offerings			
3 Gap analysis			
4 Develop plan to address gaps			
5 Update existing agreements			
6 Develop new agreements			
7 Receive necessary approvals			
8 Execute updates and new agreements			
9 Communicate/train relevant stakeholders			
10 Continuously review and update agreements			

8. Conduct comprehensive user fee studies



Observation	Project Owner	Service Level Dashboard				
The majority of Council members expressed concerns related to inflation and the impacts on cost of service delivery. Fiscal responsibility and affordability were discussed as a high priority as the City strives to deliver high value services relative to the tax burden on residents. A key piece to ensure the financial sustainability of municipal services is ensuring user fees appropriately reflect the cost of service delivery.	Financial Services			Behind Target	At Target	Above Target
		Relevant sub-services	Financial Planning & Fiscal Policy Management			
Perform a comprehensive fee study every three to five years to balance cost recovery and tax burden on residents.						
Rationale		Benefits				
During the current state assessment, it was noted that the City has not historically undergone routine comprehensive fee reviews. In some cases, stakeholders acknowledged fees have not been reviewed or updated over extended periods of time e.g., the City’s planning fees have not been reviewed since 2008 through the approval of a six-year fee schedule resulting in the latest increase in 2013, and building fees have not been updated since 2011. The User Fees for City Departments By-law (By-Law No. 2023-02) outlines the authorities to impose fees or charges on services/activities. Based on rising concerns related to increasing cost of service delivery and maintaining fiscal responsibility, the City should consider continuous evaluations of user fees. Best practice among municipalities is targeting a comprehensive fee review every three to five years. Internal stakeholders acknowledged the City’s objective to provide affordable and high value municipal services relative to the tax burden on residents. To meet service standards without compromising tax rates, user fees must be set appropriately given that municipalities cannot budget a deficit. With any adjustment to service levels, fees may quickly become irreflexive of the cost of service delivery. For instance, the introduction of Bill 23 (More Homes, Built Faster Act, 2022) and Bill 109 (More Homes for Everyone Act, 2022) resulted in the need for expedited development reviews which has impacted resource consumption of municipalities across Ontario. In many cases, municipalities have introduced new technologies and recruited additional resources to meet the new legislation. In any case, the cost of service delivery has changed and fees are not reflective of the cost of service delivery.		- Align with City and departmental strategic direction - Benchmark fees and service delivery to ensure fairness - Reflect consumption of municipal resources				
		Key Considerations				
		- Fees should align with the City and departmental priorities. Each service provided may have different objectives related to affordability to customers and cost recovery - Consider the structure of fees e.g., non-refundable, fees to apply, fees for late application or missed deadlines, etc. This may involve introducing new fees. - The City should consider leveraging a third party specialist to conduct the reviews. Comprehensive fee reviews consider many complex elements of service delivery and require specific skill and attention. - The timing of a comprehensive fee review should align with other major milestone activities. For instance, a fee review should proceed after any changes to processes or increase in service levels to account for the cost of service delivery. - User fees should be benchmarked against comparator municipalities to ensure there are no drastic differences with neighbouring jurisdictions.				

8. Conduct comprehensive user fee studies



Opportunity Assessment

Financial Impact:	Citizen Impact:	Risks:	Strategic Alignment:
There may be a marginal benefit of up to a \$500K, dependent upon implementation. However, a small to medium one-time capital cost between \$50K and \$75K will be necessary to outsource the fee studies to a qualified third party provider. The cost will also vary depending upon the number of service areas and user fees are reviewed. The review therefore may need to be completed in phases.	Conducting fee studies may have a negative impact on a few citizens if fees are suggested to increase for some/all services. However, given the long-term reduced burden on the municipal levy, property owners will bear less of the burden of service costs.	There are minor risks that could be overcome with time and corporate focus . Mainly, users of municipal services will likely push back against increases in costs. Also, the City will need to balance it's priorities of fiscal responsibility and affordability which may conflict if fees are poised to increase.	This opportunity is strongly aligned with the Strategic Plan and Council priorities despite conflicting with affordability objectives, because having user fees reflective of the cost and quality of service delivery is aligned with a responsible and responsive government (Strategic Priority 5).

Implementation Plan

Planning: The Planning Phase will be the most time-intensive as it includes establishing scope (determining which fees will be reviewed), collecting data (including personnel and operational cost to delivery services), analyzing costs, and benchmarking against comparator municipalities. Then, based on the cost analysis and benchmarking, recommend any necessary fee adjustments considering also the City's strategic priorities related to fees.

Implementation: Once the fee adjustments have been calculated, the results should be presented to the public for input before proceeding to Council for approval. Ensuring citizen buy-in at this stage is essential to avoid complaints after implementation; this may take place in the form of public meetings, online surveys, and other forms of public engagement. Then, the City will follow the necessary approval process, adjust by-laws and procedures, and begin collection of fees at the new rates.

Continuous Improvement: As suggested in the rationale, this process should be repeated every three to five years, based on best practice. However, the implementation steps will likely build on the work completed during the first comprehensive study i.e., data collection, cost analysis, and benchmarking take less time once data sources and connections have been established. However, the approval and implementation steps will likely remain the same.

Timeline for Implementation

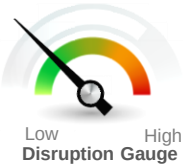
Key Task	0-6 months	6-12 months	12+ months
1 Establish scope			
2 Data collection			
3 Cost analysis			
4 Benchmarking			
5 Fee adjustment recommendations			
6 Public input			
7 Approval			
8 Adjust by-laws and procedures			
9 Implementation			
10 Ongoing adjustment			

9. Prepare a climate change impact assessment



Observation	Project Owner	Service Level Dashboard			
The first Strategic Priority outlined in the 2017-2027 North Bay Strategic Plan is Natural, North & Near. The priority outlines the City’s admiration, value and respect for the natural environment, and outlines opportunities to enhance the natural environment by pursuing investment in technology, among other opportunities. To better understand the tangible impact of climate change on municipal infrastructure such as the growing risk of flooding, wild fires, storms, etc., the City should pursue a climate change impact assessment.	Infrastructure & Operations		Behind Target	At Target	Above Target
		Relevant sub-services	Sustainability		
Prepare a climate change impact assessment to understand the impact of climate change on City infrastructure.					
Rationale		Benefits			
The City should develop a climate change impact assessment which considers both mitigation of environmental pollution and how climate change will impact municipal operations. For instance, the risk of wildfires has been increasing in recent years and many municipalities have been forced to consider monitoring and response efforts e.g., evacuation plans. Similarly, flooding and storm management is a legitimate risk for North Bay given the proximity to Lake Nipissing and other lakes/creeks within the City’s jurisdiction. While sustainability as a sub-service in Environmental Services was rated as ‘at target’, there is an opportunity for the City of North Bay to follow leading practice and become a regional leader in climate action by first understanding the impact of climate change. The product of a climate change impact assessment should be a climate action plan with detailed tasks and objectives related to both the reaction and prevention of climate change. Many municipalities are developing a green fleet strategy for their municipal fleet as a means of calculating a baseline GHG (greenhouse gas) emissions level and developing strategies to reduce their Scope 1 emissions (emissions resulting directly from the burning of fuel). A green fleet strategy examines light- and heavy-duty fleet vehicles and equipment to improve asset management, explore alternative energy source vehicles (e.g., electric, fuel cell, compressed natural gas), monitoring GHG emissions, and funding sources among other elements of the strategy. The Transit Division is expecting to transition its fleet to hybrid vehicles during the next replacement cycle, a first step towards an organization-wide green fleet. There is an opportunity to use ZEB (zero emission bus) program funding to support the development of the strategy.		- Strengthen risk management by planning and preparing for the impacts of climate change - Socialize the importance of addressing and the seriousness of climate change throughout the organization and community. - Improve the City’s climate change mitigation efforts - Stimulate economic growth by encouraging investment and job creation in green technology industries			
		Key Considerations			
		- Provincial and federal funding programs are available to support environmental initiatives such as developing impact assessments and plans. The City should consult with the in-house grant coordinator to explore these opportunities. - While this opportunity focuses on the impact of climate change on infrastructure, the City may want to consider impacts and actions from all departments. While some have very clear connections to climate change e.g., reducing GHG emissions from fleet vehicles in transit, others are less direct but equally applicable such as reducing GHG emissions from buildings, reducing residential waste and/or increasing diversion, etc. Example: City of Toronto TransformTO Net Zero Strategy; City of Guelph Climate Adaptation Plan.			

9. Prepare a climate change impact assessment



Opportunity Assessment			
Financial Impact:	Citizen Impact:	Risks:	Strategic Alignment:
This opportunity will have no operating impact but may require a small to medium one-time capital cost or similar implementation cost between \$50K to \$85K to establish the strategy. However, there are provincial and federal funding initiatives to financially support climate initiatives which should be explored to understand the full financial impact of this opportunity.	A climate change impact assessment should have a positive or neutral impact to citizens as it results in improvements in quality of life and public health.	There are no significant barriers to a climate change impact assessment, but the City should consider if/how the objectives outlined in the plan will impact service delivery. For instance, green fleet vehicles often come with limitations such as shortened range and longer refuel (charge) time which may impact standard service delivery.	This opportunity is strongly aligned with the Strategic Plan , specifically addressing the first Strategic Priority: Natural, North & Near. The priority outlines the City's admiration, value and respect for the natural environment.

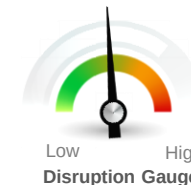
Implementation Plan	Timeline for Implementation			
Planning: The first step to developing a climate change impact assessment is to identify key stakeholders including internal staff, environmental organizations (if deemed necessary), and other internal or external stakeholders whose contribution is important. Then, the City should scope specific climate variables and municipal infrastructure to review. Implementation: Once the planning phase is complete, the City will begin to collect and analyze data including relevant climate data, historical records, and projections to form the vulnerability assessment considering all in-scope municipal infrastructure. Through a risk assessment, the City will develop plans for addressing and prioritizing actions based on likelihood of occurrence and impact to the City/community. Continuous Improvement: To ensure buy-in and education of the community, the City should conduct outreach through various channels to inform the community of the City's initiatives and ways they can support environmental sustainability. The City should continuously monitor, document, and report on climate impacts to strengthen its understanding of the impact of climate change and mitigation/response strategies.	Key Task	0-6 months	6-12 months	12+ months
	1 Initiation and stakeholder engagement			
	2 Scoping and goal setting			
	3 Data collection and analysis			
	4 Vulnerability assessment			
	5 Risk assessment and prioritization			
	6 Adaption and mitigation strategy development			
	7 Implementation planning			
	8 Monitoring and evaluation			
	9 Community outreach and education			
	10 Documentation and reporting			

10. Collaborate with local post-secondary institutions



Observation	Project Owner	Service Level Dashboard				
Based on best practices identified through comparator interviews, collaboration with local universities and colleges is attributable to the success of many municipalities. The City has a positive relationship with local post secondary institutions but there is an opportunity to further explore enhancing collaboration and exploring new opportunities.	Office of the CAO		Behind Target	At Target	Above Target	
		Relevant sub-services	Community Economic Development Partnerships			
			Strategic Initiatives			
Enhance opportunities to collaborate with local post secondary institutions.						
Rationale		Benefits				
Some comparators' attributed their economic success to post secondary institutions. The City should explore new and enhance existing opportunities to collaborate with local post secondary institutions, such as Nipissing University, Canadore College, and Collège Boréal–West Nipissing Campus (a French-language College). Forging partnerships with local post-secondary institutions represents a strategic move for the municipality. By tapping into the research and innovation capabilities of these institutions, the City can foster a collaborative environment that extends beyond specific projects. This collaboration can contribute to the overall development and well-being of the community. Specific areas to explore collaboration include: • Internships, co-op programs, and apprenticeships at the City enable students to support municipal service delivery and can lead to returning candidates for permanent positions. Student competitions, case studies, and projects to engage students to solve real-world municipal problems through innovative solutions offer the City insightful ideas and provide students insight into work life in municipal government. • Continuing education programs for residents and staff through post secondary institutions encourage employee development and skill-building which can help improve productivity of the organization. • Invite academic experts to serve on municipal advisory committees to lend a unique perspective. • Collaborate on the use of shared facilities (e.g., culture, library and recreation facilities, innovation hubs, fire training facilities, etc.) to improve economies of scale and bargaining power. • Enhance opportunities to collaborate on specific shared interests such as delivery of transit services, fire services, police/security, parking, and economic development initiatives • Collaborate on housing initiatives that will serve to accommodate students and professionals brought to the City through education and employment with post-secondary institutions.		• Improve access to a pool of skilled and educated graduates • Access to academic expertise for problem-solving and consultation • Support for cultural and recreational events • Share facilities and resources, improve bargaining power with vendors • Stimulate economic development • Increase attraction and retention of investment/residents to North Bay				
		Key Considerations				
		• Consider opportunities for collaboration with local education providers in parallel with reviews to adjust service levels. For instance, if a transit needs study suggests transit services should be enhanced, the City should seek opportunities for collaboration with post secondary schools as an option to improve service delivery as part of investment decisions. • Clearly define resource commitments required from both the municipality and academic institutions including funding, personnel, and infrastructure for each initiative. Consider implementing formal agreements where necessary.				

10. Collaborate with local post-secondary institutions



Opportunity Assessment

Financial Impact:	Citizen Impact:	Risks:	Strategic Alignment:
This opportunity will have neither an operating nor capital impact on the City as it is not expected to have any direct impacts on revenue generation or cost-savings. However, in the long-term, it may create more cost-savings and revenue-generating opportunities depending on the avenues of collaboration.	This opportunity should have a positive or neutral impact to citizens by having overall positive economic impacts to the City.	There are minor barriers that could be overcome with time and corporate focus such as resistance to change if partnership involves adjustments to service delivery (e.g., shared transit agreement increases routes in student populated neighbourhoods while reducing other routes).	This opportunity is strongly aligned with the Strategic Plan and Council Priorities related to addressing two main challenges the City is facing: - Population growth: retaining youth and attracting new residents - Jobs: attracting new and diverse employers

Implementation Plan

Planning: The City should begin this initiative by first considering what opportunities might exist to collaborate with post-secondary institutions and identifying which stakeholders to engage. Then, reach out to establish connections and begin discussions on the proposed joint initiatives. At this point, depending on the proposed initiatives, the City can begin to determine its resource allocation (funding, personnel and infrastructure) approved by Council.

Implementation: Once goals and resources have been established, the City and partner organizations can begin to develop action plans and resultant MOUs (memorandums of understanding) when necessary. Then, the projects can be launched. Each project will likely have an independent timeline depending on many factors including number of stakeholders involved, if any infrastructure/investment is required, etc.

Continuous Improvement: Each project will have a designated governance structure and implementation plan that should be continually monitored and evaluated to ensure its success.

Timeline for Implementation

Key Task	0-6 months	6-12 months	12+ months
1 Needs assessment			
2 Stakeholder identification			
3 Initiate conversations			
4 Goal setting			
5 Resource allocation			
6 Develop action plans			
7 Formalize MOUs			
8 Launch projects			
9 Monitoring and improvement			

The City of North Bay – Organizational Review

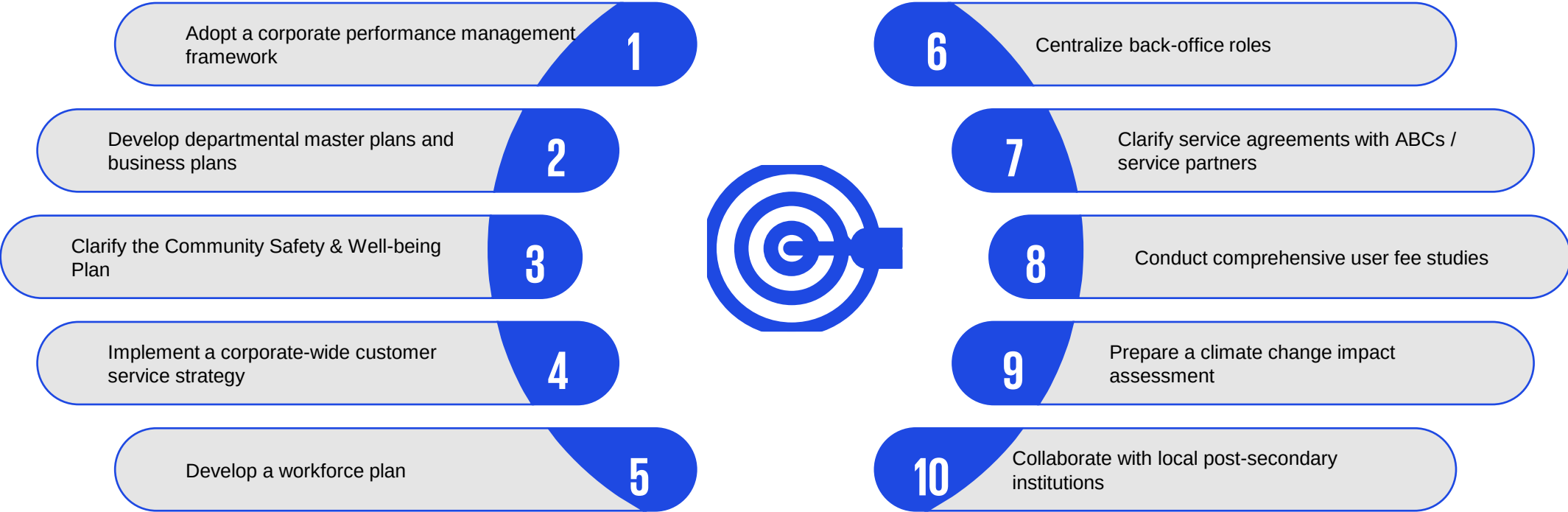
Summary

The City of North Bay sought to conduct a comprehensive evaluation of the services provided by the City, how those programs and services are delivered, and the level by which they are delivered. The objective of the review was to ensure value for the taxpayer, among other complementary objectives. The opportunities identified through this review achieve such objectives.

The Top Opportunities

As part of this work, KPMG performed stakeholder engagement, benchmarking, employee survey, and developed service profiles. In collaboration with municipal staff, KPMG identified the City's top 10 opportunities that would meet the project objectives. Each opportunity is supported by an assessment rationale and a recommended priority level.

The opportunities include the following:



The City of North Bay – Organizational Review

Next steps

Implementing the opportunities identified throughout this project will be a long and resource-intensive process with many variables to consider during planning, execution, and reflection stages. Some key considerations for implementation include:



Is the City ready?

Overall, the City has initiated steps to increase the efficiency and effectiveness of services through digitization, process improvement, and refinement of workforce management practices. The work completed as part of this review will serve as a foundation to guide the City towards a culture of continuous improvement.



Who will lead implementation of recommendations?

The adoption of new ways to doing things will require governance and oversight. The City will have to determine the key personnel and stakeholders to be involved in the process and leading the change.



Is the implementation of recommendations appropriately funded and resourced?

From our work and engagement with stakeholders, it is apparent that the City has an ambitious and forward thinking agenda. We found that the City is committed to excellence in service delivery and improving customer service. Nonetheless, the City will need to review its budget and resourcing model to achieve its ambitious agenda.



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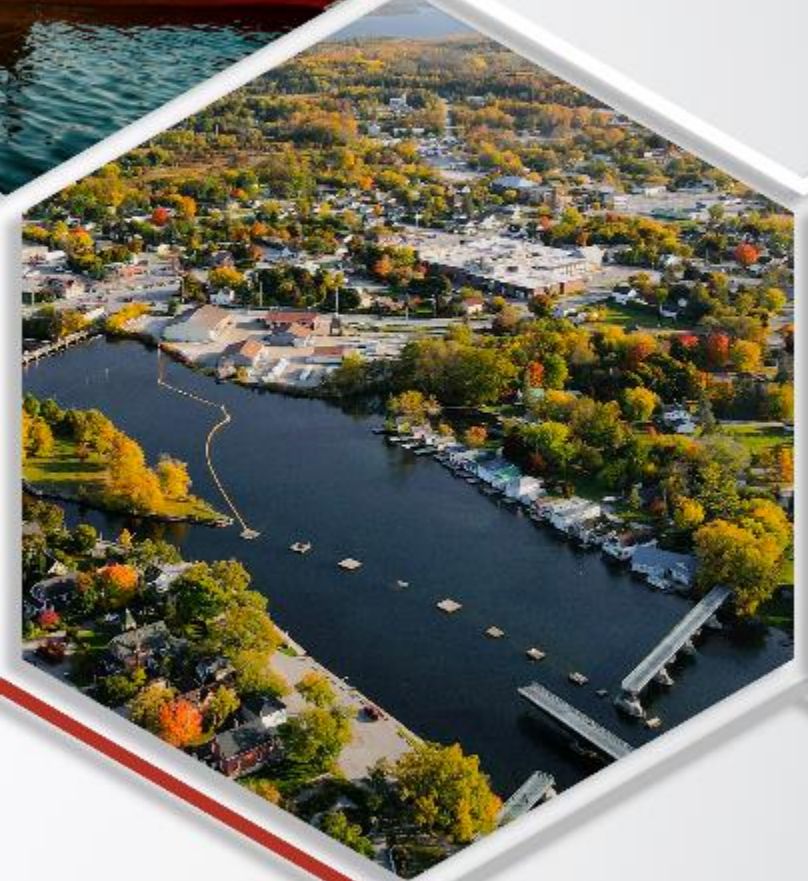
Document Classification: KPMG Confidential



City of North Bay Communications Review Executive Summary

April 2024

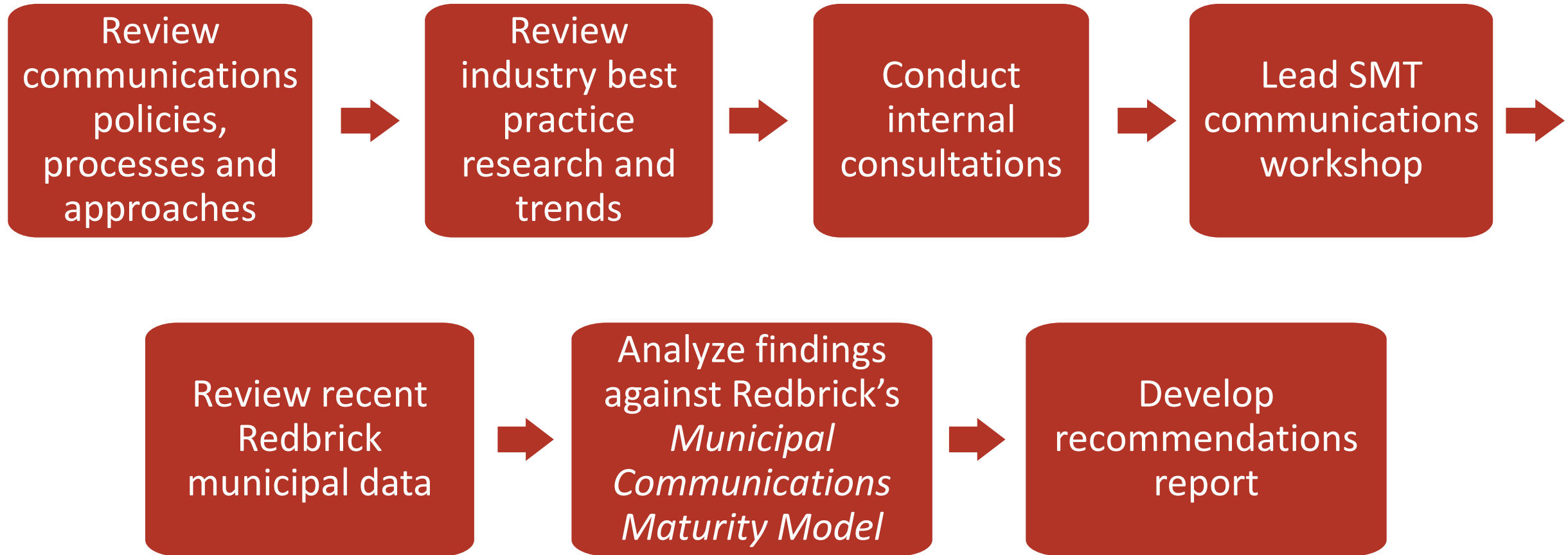
Andrea Montgomery, APR, Prosci, Vice President



Project Objectives

- ✓ Review the City's current communications efforts
- ✓ Elevate communications to tell the municipal story
- ✓ Help ensure communications keep pace with the changing landscape
- ✓ Increase internal processes and efficiencies
- ✓ Provide recommendations to foster a more informed and engaged community

Work Plan



What We Heard

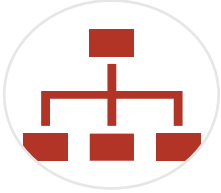
- Overall communications function has improved
- Demands continue to increase
- Opportunities for more proactive planning
- Desire for stronger internal and public engagement
- Want to tell a stronger municipal story
- Clearer understanding needed of the value and impact of communications



5 Recommended Priority Areas



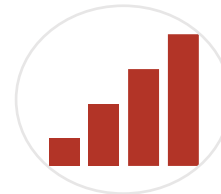
1. Vision and Priority Setting



2. Mindset and Structure



3. Positive Storytelling and Community Building



4. Measurement and Evaluation



5. Public Engagement

Top 10 Opportunities

1. Increase **capacity** as budgets allow
2. Instill **proactive communications planning** and collaboration
3. Develop a **corporate communications plan**
4. Strengthen **issues management** processes and the City's ability to **communicate quickly**
5. Improve processes to share **positive stories**
6. Implement regular and **consistent reporting**
7. Provide regular updates and messaging to support **Council communications**
8. Strengthen the **City's brand** and professionalism
9. Strengthen the **City's social media presence**
10. Develop a corporate **public engagement framework**

Measuring Success - Priority KPIs

Based on the recommendations and action plan in the Review Report:

Measure #1: (internal) More proactive planning and collaboration

Measure #2: (internal) Greater organizational competency

Measure #3: (external) Higher engagement and positive reaction



Thank you

Andrea Montgomery, APR, Prosci
Vice President

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redbrick
COMMUNICATIONS



City of North Bay Report to Council

Report No: CAO-2024-002

Date: April 12, 2024

Originator: John Severino, P.Eng, MBA

Business Unit:
Administration

Department:
Office of the CAO

Subject: Organizational Review

Closed Session: yes ☐ no ☒

Recommendation

That Report to Council CAO 2024-002 dated April 12, 2024 from John Severino be received and referred to a Special Committee Meeting on April 30, 2024.

Executive Summary

The Organizational Review is nearing completion and KPMG will present final recommendations to Council on April 30, 2024.

The review was a collaborative effort that included feedback from stakeholders across all levels of the municipality including the Mayor and Members of Council.

Key elements of the review included:

- (a) Reviewing existing operations and services to recommend opportunities to find efficiencies and ways to improve service delivery such as through the use of new technology.
- (b) Benchmarking the City against other municipal comparators and developing recommendations for future performance measurement.
- (c) Reviewing internal and external communications.

The final report will include several recommendations and possible implementation timelines and strategies. Following KPMG's presentation, the CAO along with the Senior Management Team will develop an implementation strategy that considers existing projects already underway, capacity and

available resources and budget implications. The Senior Leadership Team's implementation plan will be brought back to Council for approval.

Background

An independent third party operational review of the City of North Bay was requested by Council at the December 6th, 2022 Council Meeting through Council Resolution No. 2022-345(a) and (b).

Following the completion of a formal Request for Proposal process, a contract was awarded to KPMG LLP in June 2024 to conduct an Organizational Review of the City to investigate the overall organizational effectiveness to ensure value for the taxpayer. The review was to be completed in a phased manner over an approximate 9 month period.

KPMG's review included the following:

- A catalogue of services/programs currently provided by the City.
- Identification of redundant, deficient, or missing services, as well as classification of services as core/essential, discretionary, etc.
- The rationale for the delivery or suggested alternative models of delivery of the service/program if a more effective model is appropriate.
- Identification and recommendations of optimal service levels as they pertain to municipal operations.
- Identification of the most cost-effective, sustainable, and strategic way to structure the City's operations to deliver the required services to meet the current and foreseeable needs of the community.
- Identification and prioritization of the opportunities to guide the implementation of recommended improvements and/or innovative service delivery models.
- Investigation of communications, both internally and externally, as well as policies and plans for public engagement.
- Recommendations of innovative technologies and models that have been proven to improve operational efficiencies.
- Benchmarking data regarding municipal services and programs in comparable municipalities (i.e., geographical location and demographics) and recommendations of key performance indicators for future measurement of performance.

KPMG LLP will present the final recommendations to Council at a Special Committee Meeting scheduled for April 30th, 2024.

A Supplemental Report to Council which will include KPMG's recommendations will be provided in advance of the April 30th Committee Meeting.

Financial/Legal Implications

This report is being presented to Council to refer the Organizational Review to a Special Committee Meeting for a presentation by KPMG. Recommendations will be presented with estimated costs and/or benefits associated with each option. Following the presentation, Council will have an opportunity to ask questions before formally accepting the report and directing the CAO to proceed with the development of an implementation plan.

Capital Project No. 4353GG - Organizational Review Implementation was included in the City's 2024 Capital Budget and Forecast Plan with funding of \$250,000, \$150,000 and \$155,000 in 2024, 2025 and 2026 respectively. This funding was identified to initiate the implementation of the recommendations in a phased manner. Updated funding requirements will be brought forward to Council as part of the Senior Leadership Team's implementation plan following prioritization and analysis of each strategic recommendation.

Corporate Strategic Plan

- | | |
|---|---|
| ☐ Natural North and Near | ☐ Economic Prosperity |
| ☒ Affordable Balanced Growth | ☒ Spirited Safe Community |
| ☒ Responsible and Responsive Government | |

Specific Objectives

Ensure the efficient and effective operations of the city, with particular consideration to the impact of decisions on the property tax rate.

Ensure continuous improvement of governance and administration.

Explore opportunities to reduce the costs of government service delivery, including shared services and new technologies.

Work with community stakeholders to enhance safety and integration throughout the City.

Options Analysis

Over the last nine months, KPMG has worked collaboratively with internal stakeholders at all levels of the municipality, as well as with the Mayor and Members of Council, to review current operations and services to identify opportunities to improve organizational effectiveness and find efficiencies. The City is very fortunate to have dedicated employees with diverse expertise that were instrumental in bringing forward ideas and recommendations to the consultant for consideration throughout the process. Feedback was obtained through one-on-one interviews, focus groups and an employee survey. Stakeholder feedback was summarized into four major themes:



While the main purpose of the review was the identification of opportunities for improvement, the review also identified key strengths within the municipality including:



Stakeholder feedback and benchmarking data gathered and analyzed during the review process led to the identification of a list of top ten (10) strategic opportunities for the City. The final report will identify the rationale for each strategic recommendation together with a detailed implementation plan. Furthermore, thirteen (13) other recommendations will be highlighted for consideration to assist with modernization of the City's operations.

The communications review portion of the project was completed by KPMG in partnership with Redbrick Communications. The communications review explored internal and external communications, municipal best practices, current challenges and identified opportunities for improvement with a detailed multi-year implementation plan.

KPMG's final report will serve as an important resource for the City as we continue to improve the effectiveness and efficiency of municipal operations. The review is a critical step in the City's continuous improvement journey. The review was not intended to provide quick responses to address all of the City's challenges. The work completed as part of the review will serve as a foundation to guide the City towards a culture of continuous improvement using a planned and cohesive approach to ensure sustainable delivery of municipal services in an effective and efficient manner.

Implementation of the opportunities is expected to be a multi-year, resource-intensive process with many variables to consider. Key considerations include the following:

- Is the City Ready?
- Who will lead implementation of the recommendations?
- Is the implementation plan appropriately funded and resourced?

Following the April 30th presentation to Council, it is recommended that Council approve KPMG report and recommendations in principle and direct the CAO to undertake an analysis of the strategic opportunities presented in the report and present an implementation plan to Council for approval. The implementation plan needs to consider the impact and alignment with existing projects and strategic initiatives currently underway, resourcing and capacity requirements and budget implications.

Recommended Option

That Report to Council CAO 2024-002 dated April 12, 2024 from John Severino be received and referred to a Special Committee Meeting on April 30, 2024.

Respectfully submitted,

Name: John Severino, P.Eng., MBA

Title: Chief Administrative Officer

Personnel designated for continuance:

Name: John Severino, P.Eng., MBA

Title: Chief Administrative Officer