



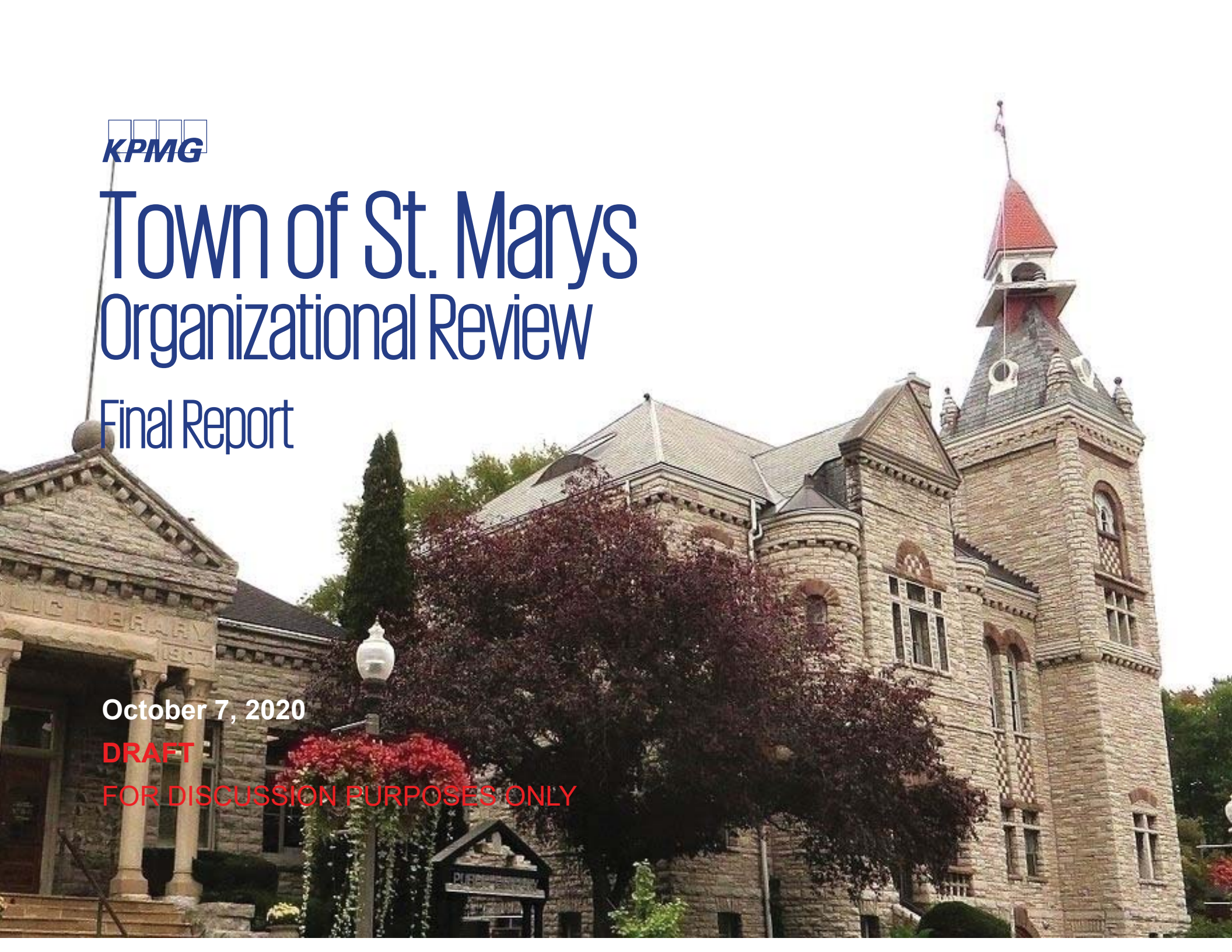
Town of St. Marys Organizational Review

Final Report

October 7, 2020

DRAFT

FOR DISCUSSION PURPOSES ONLY



The Town of St. Marys Organizational Review

Disclaimer

This report is subject to the terms and conditions in our engagement letter February 20th, 2020. This report is intended solely to assist the Town of St. Marys (“the Town”) with an organizational review. The comments and observations in our report are not intended, nor should they be interpreted, to be legal advice or legal opinion. This report is based on information and documentation that was made available to KPMG at the date of this report. KPMG has not audited nor otherwise attempted to independently verify the information provided unless otherwise indicated.

We had access to information up to October 1, 2020 in order to arrive at our observations but, should additional documentation or other information become available which impacts upon the observations reached in our report, we will reserve the right, if we consider it necessary, to amend our report accordingly. This report and the observations expressed herein are valid only in the context of the whole report. Selected observations should not be examined outside of the context of the report in its entirety.

Our observations and full report are confidential and are intended for the use of the Town. Our review was limited to the procedures conducted. The scope of our engagement was, by design, limited and therefore the observations should be considered in the context of the procedures performed. In this capacity, we are not acting as external auditors nor value for money auditors and, accordingly, our work does not constitute an audit, examination, value for money, attestation, or specified procedures engagement in the nature of that conducted by external auditors on financial statements or other information and does not result in the expression of an opinion.

Pursuant to the terms of our engagement, it is understood and agreed that all decisions in connection with the implementation of advice and recommendations as provided by KPMG during the course of this engagement shall be the responsibility of, and made by, the Town. KPMG has not and will not perform management functions or make management decisions for the Town.

KPMG has no present or contemplated interest in the Town. Accordingly, we believe we are independent of the Town and are acting objectively.

This report is not intended for general use, circulation or publication and any use of KPMG's report for any purpose other than circulation within the Town without KPMG's prior written permission in each specific instance is prohibited. KPMG assumes no responsibility or liability for any costs, damages, losses, liability or expenses incurred by anyone as a result of the circulation, reproduction or use of or reliance upon KPMG's reports, contrary to this paragraph.

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Executive Summary

Town of St. Marys
Organizational Review
Final Report

Introduction

This final report of the Town of St. Marys Organizational Review was prepared to review current organization design and service delivery. The activities completed to date include:

- 21 interviews with Town of St. Marys senior leadership and management teams, including a special meeting of Council;
- 4 focus group sessions with front line staff across all of the Town of St. Marys business units;
- Review of documentation that was made available to KPMG;
- Benchmarking of Town of St. Marys services to municipal comparators using available financial data.
- Facilitating 7 key process mapping sessions with Town staff
- Facilitating 2 High level organizational design workshops with Town leadership
- 7 detailed organizational design interviews with Town leadership

This summary of findings will provide the foundation for possible opportunities to improve the overall effectiveness and efficiency of the current organizational structure, processes and service delivery model.

Setting the Stage

The Town of St. Marys (“the Town”) a single tier municipality located at the junction of Thames River and Trout Creek, southwest of Stratford in southwestern Ontario. St. Marys is a small town, with a population of just under eight thousand, but offers a high level of service to its citizens not typical for a municipality of its size.

The Town is currently governed by six elected Councillors and a Mayor. To help achieve the Town’s long-term goals, Council and senior management developed a strategic plan with six defined pillars: infrastructure, communication and marketing, culture and recreation, economic development, balanced growth, and housing. Each pillar has defined strategic priorities that must be achieved to deliver the desired outcome within each pillar.

In 2019, as a proactive step to manage the impact of anticipated funding cuts from the Province, St. Marys Town Council approved a Service Delivery Review project, with two major objectives:

1. A review of the services that are currently delivered, and;
2. A review of how the Town is delivering those services.

To accomplish Council’s goals, a two-phased approach was designed for the project. Phase 1 was an internally lead review of services currently delivered by the Town. The first phase was a success, with over \$300,000 in positive annual budget changes identified for 2020. The Town has received funding for Phase 2 of this project from the Province’s Municipal Modernization Program, and has engaged KPMG to complete Phase 2 of the Organizational and Internal Service Modernization Review.

Project Objectives

KPMG was engaged by the Town to undertake an organization review of the municipality. The overall goal of the project is to review the whole organization of the Town and identify an organizational structure that best positions the Town for sustainable and responsive municipal service delivery that can be achieved without impacting front line services. The Town is also seeking to identify service improvement opportunities through a review of key internal processes. Specific project objectives include:

- Performing a review of the current organizational and departmental structures, with particular attention on the Town’s management structure and how municipal services are functionally organized and assigned by department;
- Gathering information on the strengths, weakness, opportunities, and threats of the current organizational and departmental structures and functional assignments through internal consultations with stakeholders;
- Providing recommendations (including quantified savings) on how to better design the organization and its departments around strategy and process, with the goal of improving the effectiveness and efficiency of service delivery;
- Providing an implementation plan, with estimated implementation costs;
- Identifying key internal processes where opportunity exists for improvements and efficiencies;
- Performing detailed process reviews to identify and recommended process changes or technological modernizations, and;
- Providing recommendations (including quantified savings) to improve the effectiveness and efficiency of internal processes.

Project Principles

The organizational review project will be guided by the following principles:

- The knowledge and expertise of Town staff will be fully engaged and built upon, to arrive at recommended actions through a transparent, participative and inclusive process facilitated by the consultant.
- The aim is to, wherever possible, transfer knowledge and necessary “tools” to Town employees to enable them to better develop their own solutions to operational and process issues and challenges over time.
- Opportunities and recommendations will be based on leading practice from the jurisdictional review of comparator municipalities.
- Lastly, this is not an audit; this is an organizational review to build on successes and identify opportunities to improve the productivity of the Town.

Project Scope

Phase One: Project Initiation

- Project Sponsor / Project Manager Meeting
- Kick Off Meeting with Project Team

Phase Two: Current State Analysis

- Documentation review of org charts, strategic plan, job descriptions and staffing levels, inventory of current programs and services, any other relevant documents
- Stakeholder consultation in the form of Interviews and focus groups with key Town leadership (e.g. Council, CAO, Directors and Managers, etc.) as selected by the Project Team, and an online survey for municipal staff
- Jurisdictional review, including benchmarking analysis of financial statements, FIRs, census data, and services of comparator municipalities

Phase Three: High Level Organizational Structure

- Half-day working session with Project Team to establish 5-6 design principles to be used to guide decision making when developing structure options.
- KPMG will facilitate another half-day working session with the Project Team to evaluate each structure option against the design principles.
- The Project Team will meet once more in this phase for a two-hour session facilitated by KPMG with the objective of confirming the optimal structure and portfolio mandates.

Phase Four: Detailed Organizational Structure

- Design optimal structure at the divisional level, through a series of small focus groups with outputs including design of roles, work alignment, distribution of responsibilities, FTE allocation and span of control within each department.
- KPMG will develop a high level implementation plan and recommendations in support of the Organizational Management Structure Review
- KPMG will facilitate a final half day session with the Project Team to review and enhance the organization design recommendations, implementation plan, and validate KPI's

Phase Five: Process Mapping

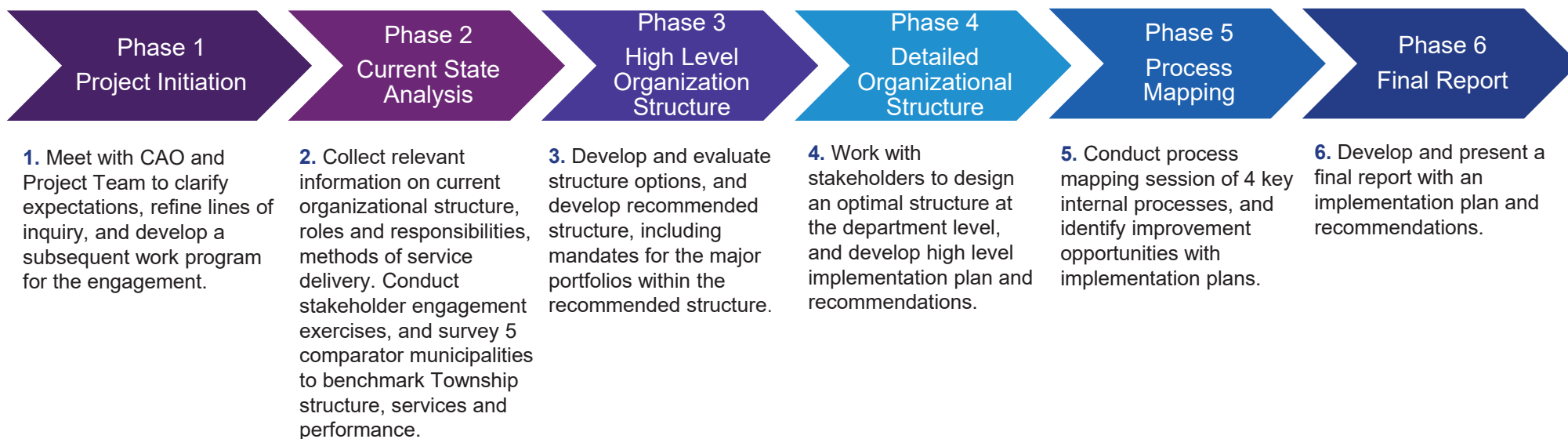
- KPMG will lead a series of process mapping working sessions involving front line and supervisory staff for key internal process jointly identified by the Project Team and KPMG.
- KPMG will train Town staff in process mapping using lean six sigma methodologies so that the Town's in-house continuous improvement capabilities are strengthened and the mapping work can continue post project.

Phase Six: Final Report and Presentation

- KPMG will consolidate the feedback received from the Project Team and will prepare a final report for presentation to Council.
- KPMG will attend the Committee and/or Council meeting as required to present the Final Report.

Work Plan

This engagement commenced on February 27, 2020, and will be completed when the draft final report is presented to Town Council on or before November 1, 2020. This completion date is subject to change if the Province extends project deadlines due to the challenges with completing some portions of the work during the pandemic. The diagram below depicts the key phases as outlined in the Project Charter.

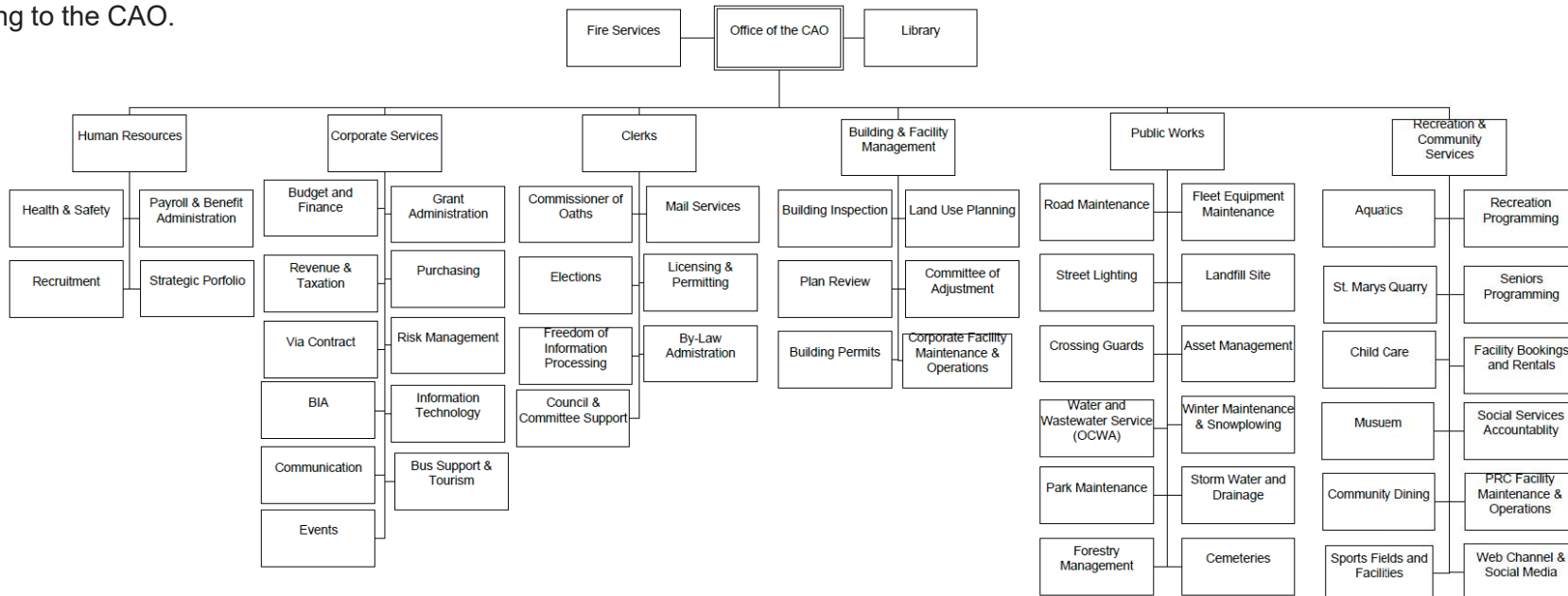


Selected High Level Design for the Town of St. Marys

The Project Team selected a revised **Functional Model A** because of its greater support for the design principles established at the beginning of the project. The Project Team made the revision to the original Functional Model A to re-assign parks maintenance, forestry management and cemeteries to the Public Works department following the high-level organizational design workshop in order to streamline parks operations under one director in one department. In addition, the revised Functional Model A re-assigns operation of all outdoor recreation playing surfaces to the Community Services department to streamline all recreation programming and operations under one director in one department.

1. Organization Designed and Organized Around Strategy & Process Not Individuals
2. Customer Driven, Customer Focused, and Responsive to Customer Needs
3. Communication is Effective & Efficient
4. Span of Control/Accountability/Influence/Support are Appropriate
5. Right Processes or Tasks are Aligned to the Line or Support

A key change in the Town's high level structure is the separation of the Clerk and CAO functions and amalgamation of the Corporate Services and Finance departments. As noted in the organizational structure constraints, the size of the SMT has resulted in ineffective communication and inefficiencies in decision making. Functional Model A eliminates removes Fire Services and the Clerk from the SMT table, reducing the number of SMT's reporting to the CAO.

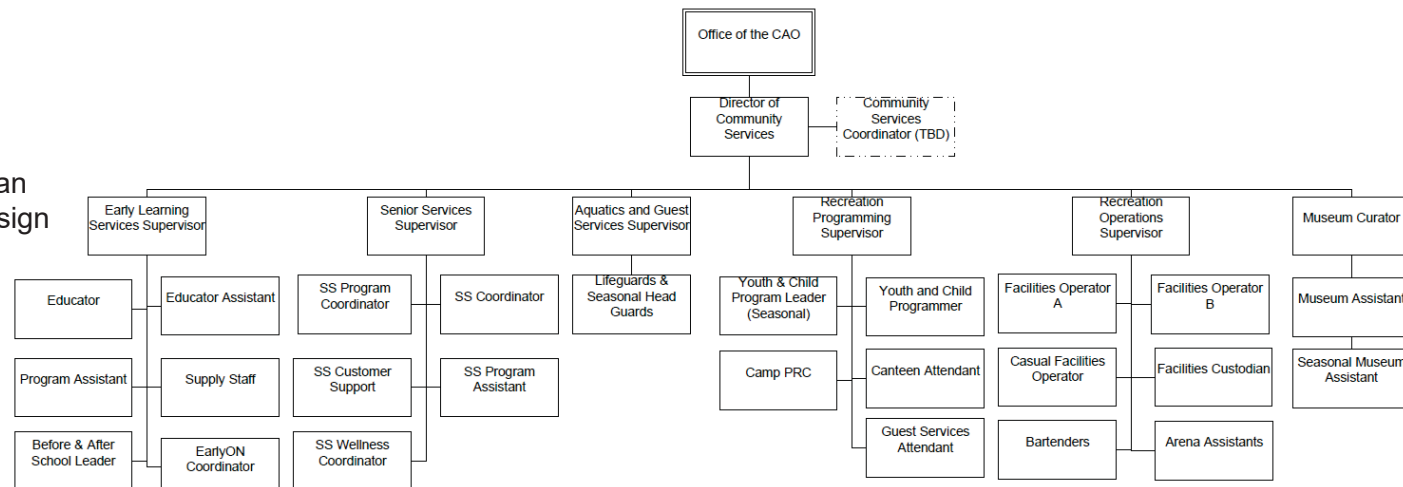


Executive Summary

Community Services

Recommendations:

- Community Services portfolio assumes PRC facility maintenance & operations activities.
- Reassign Guest Services and the Canteen Attendants under the Recreation Supervisor.
- Remove all financial related activity (other than fee collection) from Guest Services and reassign to a Financial Analyst in Corporate Services Dept. and replace the Guest Services Coordinator with the Community Service Coordinator.
- Promote Museum Curator to Supervisor responsible for museum operations and the heritage portfolio with 1 FTE to support.
- Eliminate the Kitchen Coordinator position.



Rationale:

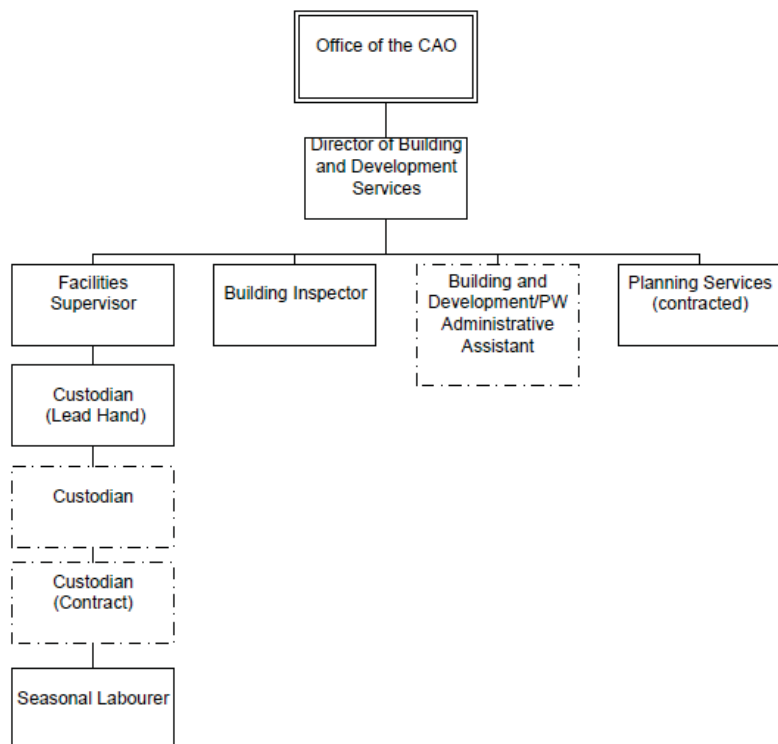
1. PRC Facility Maintenance & Operations and Sports Fields/Playing Surfaces operations activities are to be restructured to fall under the Director of Community Services. This will eliminate the accountability and performance management issues between the operations and programming staff as all PRC activities will be the responsibility of one director. The PRC Operations Supervisor will have his title changed to Recreation Operations Supervisor.
2. To ensure a consistent level of service for Guest Services within the PRC, the management of Guest Services along with the Canteen Attendants will be reassigned to the Recreation Supervisor. This will provide a level of continuity of service both internally and for users of the PRC. Additionally, this will create capacity in the Aquatics Supervisor portfolio to focus on expanding the aquatics portfolio.
3. To reduce the Town's exposure to financial risk related to the significant amount of financial transactions managed by the PRC's Guest Services team, a Financial Analyst will be assigned to Community Services. The Financial Analyst will report to the Corporate Services function. The Guest Services Coordinator position will transition to the Community Services Coordinator position. This position will be responsible for all contract management activities, assisting with guest services and the bar during peak hours, and general administrative assistance for the entire Community Services department.
4. The Museum Curator will be promoted to Supervisor to permanently manage the day-to-day operations and decision making at the museum and the heritage portfolio. Also, the part-time Museum Assistant will be promoted to full-time. This will increase the effectiveness and efficiency of decision making with respect to museum operations.
5. The Kitchen Coordinator position will be eliminated. It has been challenging to fill the Kitchen Coordinator's portfolio for the required 25 hours per week, and subsequently, all food preparation will be contracted out for events with the costs downloaded to the end users. With this elimination, the Town will require evening programming support. As such, the department is proposing to redefine a Program Assistant job to fill the gap.

Executive Summary

Building and Development Services

Recommendations:

- Eliminate vacant Planning and Development coordinator position to create the Building and Development/PW Administrative Assistant.
- Re-rate Custodian/Maintenance position to Custodian Lead Hand.
- Re-hire vacant Custodian position and retain contracted services.
- Re-assign parks operations to Public Works
- Re-assign sports fields/playing surfaces operations to Community Services.



Rationale:

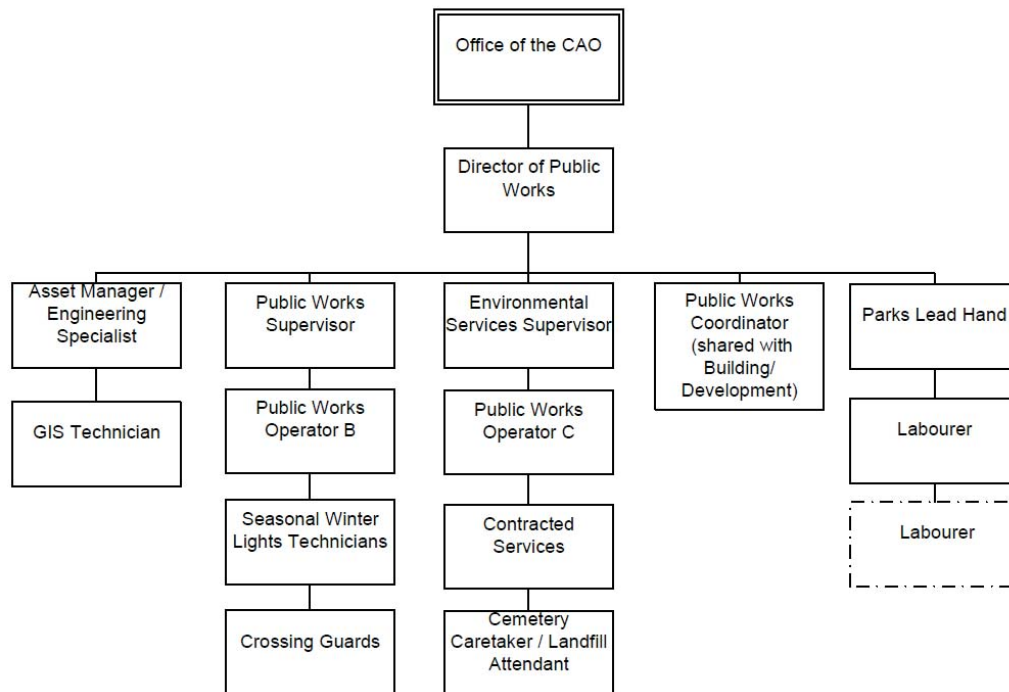
1. Internal synergies have been realized by having the Public Works Coordinator support both Public Works and the Building and Development services departments. To continue to maximize these efficiencies, the existing Public Works Coordinator will be permanently transitioned to a shared coordinator role between Building and Development and Public Works. The vacant Planning and Development Coordinator position will be eliminated to create a shared Building and Development/Public Works administrative position that will assist with the heavy administrative burden of the shared coordinator. Collectively, these two changes represent the initial steps towards a long-term goal of a merger of the Building and Development and Public Works portfolios.
2. Given the expected increase in cleaning service level (post COVID-19) there will be an increase in the job responsibilities of the Custodian/Maintenance position. As such, this position should be promoted to Custodian Lead Hand.
3. As the Town re-opens (post COVID-19) there will be shortfall in custodial services. Given the increase in the cleaning service level that will be required, the Town will re-post the custodial job for hire and retain contracted services.
4. The high level design adopted by the Town re-assigns parks operations to Public Works. Public Works will assume all parks activities including open spaces (e.g., grass cutting, vacant lands, parks), playground equipment and splashpads. Capital asset management and custodial duties of the noted areas will remain with the Building and Planning Department. This will streamline all parks operations under one director in one department, rather than different directors managing various park operations. In addition, this will create capacity within Building and Development to focus on strategic council objectives.
5. PRC Facility Maintenance & Operations and Sports Fields/Playing Surfaces operations activities are to be restructured to fall under the Director of Community Services. This will eliminate the accountability and performance management issues between the operations and programming staff as all PRC activities will be the responsibility of one director.

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Public Works

Recommendations:

- Re-assign parks operations responsibilities to Public Works.
- Transition two seasonal labourer positions into one FTE.
- Eliminate contracted snow removal service.
- Promote Parks Operator A to Parks Lead Hand.
- Long-term potential to merge Building and Planning Services into the Public Works department through attrition.



Rationale:

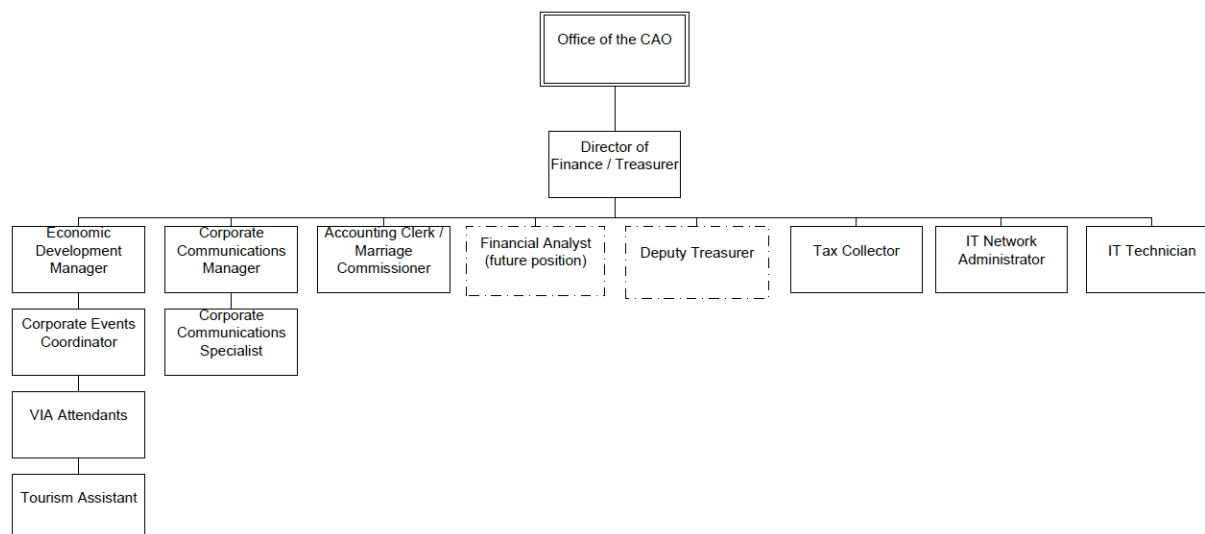
1. The high level design adopted by the Town re-assigns parks operations to Public Works. Public Works will assume all parks activities including open spaces (e.g., grass cutting, vacant lands, parks), playground equipment and splashpads. Capital asset management and custodial duties of the noted areas will remain with the Building and Planning Department. This will streamline all parks operations under one director in one department, rather than different directors managing various park operations. In addition, this will create capacity within Building and Development to focus on strategic council objectives.
2. The Town will combine one summer seasonal park labourer (typically April – October) and one winter seasonal labourer (typically December – March) into one FTE. This position will take over the duties normally assigned to each seasonal position. Hiring of this position will add another resource to the crew that will help with the increased workload as well as reduce hiring latency for the seasonal positions.
3. Given the rising costs of securing snow removal contracts due to insurance liabilities, the Town will eliminate the contracted service. Going forward, snow removal will be managed by Public Works during the winter season.
4. To ensure a seamless transition of all parks operations to Public Works, the Parks Operator A will be promoted to the Parks Lead Hand. The Parks Lead Hand will be responsible for all open spaces (e.g., grass cutting, vacant lands, parks), playground equipment and splash pads. The Parks Lead hand will also help with snow clearing activities as part of the winter program.

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Corporate Services (formally Finance)

Recommendations:

- Change department name from Finance to Corporate Services.
- Re-assign Economic Development, Tourism, Communications, and IT to the Director of Finance.
- Revise the vacant Corporate Risk Management and Procurement position into a Deputy Treasurer position.
- Move the Corporate Events Coordinator under the Economic Development portfolio.
- Change IT Technician position from contract to full time.
- Add Financial Analyst position to support processing of financial transactions across Town departments.



Rationale:

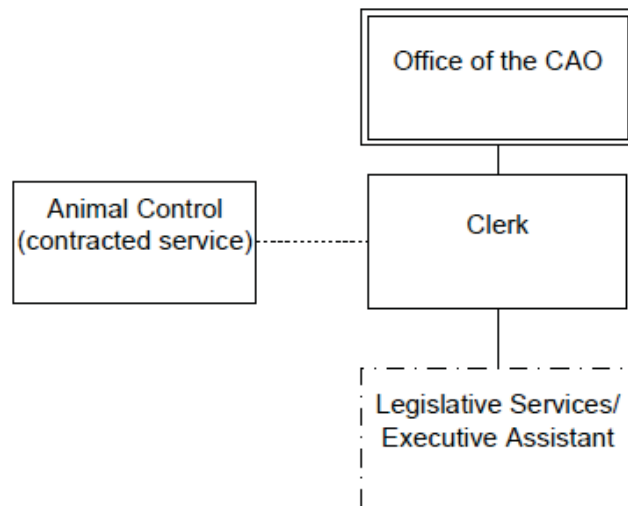
1. With the departure of the former Director of Corporate Services, it was determined that the functions that fell under that portfolio (e.g., corporate communications, economic development, tourism, IT) would be transitioned to the current Director of Finance. Given the addition of these functions, the Finance department will be renamed Corporate Services.
2. Given the amount of accounting transactions processed by the Town and the size of the Finance function, the Town lacks a sufficiently staffed Finance Function. This has resulted in staff without financial training, at the PRC and Childcare, handling a considerable level of cash transactions. The high level organization design adopted by the project team will create a new Deputy Treasurer position through the revision of the vacant Corporate Risk Management and Procurement position. The position will take on some of the day to day accounting duties performed by the Director of Finance, which will create additional capacity for the Director to focus on strategic items.
3. To create capacity and free the Corporate Communications Manager from decisions that do not impact the communications portfolio, the Corporate Events Coordinator will report to the Economic Development Manager. Given the Corporate Events Coordinator conducts events that are tourism focused, this will create more effective communication and alignment within the function.
4. The IT Technician position will be shifted from a contract position to a regular FTE position. The IT function will deploy staff to have one specialize in hardware and software, and one specialize in user support and security.
5. As noted above, the Town lacks a sufficiently staffed Finance Function. To reduce the Town's exposure to financial risk related to the significant amount of financial transactions managed by the PRC's Guest Services team, a Financial Analyst will be assigned to Community Services to support financial processes. The Financial Analyst will report to the Corporate Services function.

Executive Summary

Clerks Department

Recommendations:

- Replace vacant Corporate Administrative Assistant with the Legislative Services/Executive Assistant position.
- Promote existing Deputy Clerk to Clerk and remove the Clerk title from the CAO/Clerk. CAO to become the Deputy Clerk.
- Contract out animal control.
- Clerk to report directly to CAO and will not be a member of SMT.

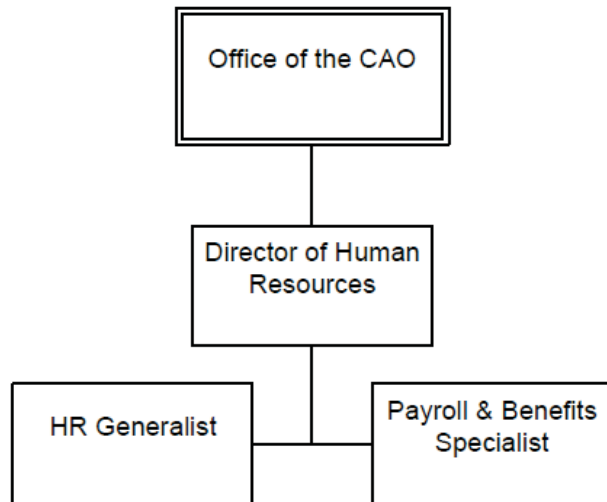


Rationale:

1. Under the current organization model it was noted that there is a lack of administrative support within the CAO's office resulting in both the Deputy Clerk and CAO's time spent completing administrative level duties. To resolve this issue, the new organization design will replace the vacant Corporate Administrative Assistant with a new Legislative Services/Executive Assistant position. The position will support and report to the Clerks department, while also supporting the CAO and customer services needs at Town Hall. Any residual capacity of the Legislative Services/Executive Assistant will be given to the Fire Services department for administrative support.
2. The existing Deputy Clerk will be promoted to Clerk and the Clerk title will be removed from the CAO/Clerk. This will provide the Clerks portfolio with sufficient resources and allow the CAO to focus on more strategic priorities.
3. Under the updated organizational design, animal services will be contracted out to a third party. This contract will be managed by the Clerk and will free up capacity to focus on more strategic priorities.

Executive Summary

Human Resources



Recommendations:

- Transition PTE HR Generalist position to FTE position.

Rationale:

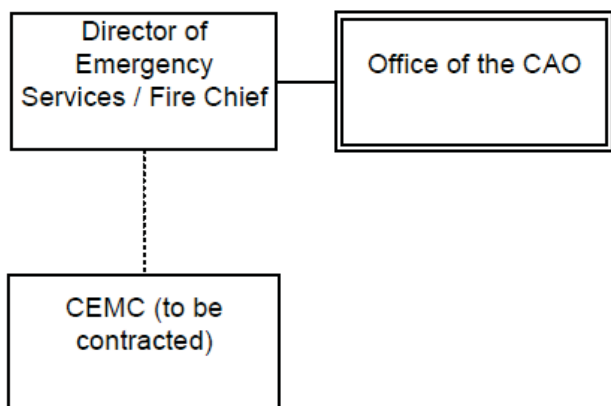
- The FTE position will help to mitigate recruitment challenges and give the department the capacity to proactively focus on areas that are currently lacking attention (i.e., improving health and safety beyond minimum compliance, business continuity planning, and strategic planning).

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Fire Services

Recommendations:

- Remove Director of Emergency Services/Fire Chief from the SMT.
- Remove CEMC responsibilities from Fire Chief and contract out.
- Legislative Services/Executive Assistant to complete routine admin for the fire department (depending on capacity in new role).



Rationale:

1. Under the current organization structure, the size of the SMT has resulted in ineffective communication and inefficiencies in decision making. The high level organization design will remove the Director of Emergency Service/Fire Chief from the SMT reducing the number of directors are the SMT table.
2. CEMC responsibilities will be removed from the Director Emergency Services/Fire Chief. This service will be contracted out to the County, which will free up capacity for the Director.
3. As the day-to-day capacity of the Legislative Services/Executive Assistant is realized, any residual capacity will be assigned to the fire department for administrative tasks.

Executive Summary

Recommendations

A summary of recommended changes to the organizational structure, business processes, people practices is as follows:

Ref No.	Observation	Recommendation	Impact 1=Low 5=High	Effort 1=Low 5=High
1	We understand that there is some confusion over the management of parks operations since it is delivered by both Public Works and Building and Development departments. This has resulted in ineffective scheduling and deployment of crews throughout the Town including duplication of efforts.	<p>Public Works will assume all parks activities including open spaces (e.g., grass cutting, vacant lands, parks), playground equipment and splashpads. Capital asset management and custodial duties of the noted areas will remain with the Building and Planning Department. This will streamline all parks operations under one director in one department rather than different director managing various park operations.</p> <p>In addition, the current Parks Operator A should be promoted to Parks Lead Hand. The Parks Lead Hand will be responsible for all open spaces (e.g., grass cutting, vacant lands, parks), playground equipment and splash pads. The Parks Lead Hand will also help with snow clearing activities as part of the winter program.</p> <p>In addition, Sports Fields/Playing Surfaces operations activities are to be restructured to fall under the Director of Community Services. This will eliminate the accountability and performance management issues between the operations and programming staff as all PRC activities will be the responsibility of one director.</p>	4	2
2	Internal synergies have been realized by having the Public Works Coordinator support both Public Works and the Building and Development services departments. To continue to see these efficiencies, the existing Public Works Coordinator will be transitioned to a shared coordinator role between Building and Development and Public Works. In order to achieve this transition, the administrative duties of the Public Works Coordinator will need to be assigned to another role.	Eliminate the vacant Planning and Development Coordinator position to create the Building and Development/PW Administrative Assistant. This position will take on administrative tasks of the shared Public Works / Building and Development Coordinator.	4	1

Executive Summary

Recommendations

A summary of recommended changes to the organizational structure, business processes, people practices is as follows:

Ref No.	Observation	Recommendation	Impact 1=Low 5=High	Effort 1=Low 5=High
3	<p>Through benchmarking and comparative analysis it was noted that the Town's Finance department is currently understaffed verses its comparators. Due to this resourcing constraint, Finance is unable to provide proactive financial advice and support to all business functions in the Town.</p> <p>Additionally, this resourcing constraint has resulted in staff lacking financial training at the PRC and in Childcare, handling a considerable level of cash transactions.</p>	<p>Retool the vacant Corporate Risk Management and Procurement position into a Deputy Treasurer position. The Deputy Treasurer position will take on some of the day to day accounting duties performed by the Director of Finance, which will create capacity for the Director to focus on strategic items.</p>	4	3
4	<p>With the departure of the former Director of Corporate Services, it was determined that the functions that fell under that portfolio (e.g., corporate communications, economic development, tourism, IT) could be transitioned to another Director.</p>	<p>Re-assign Economic Development, Tourism, Communications, and IT to the Director of Finance.</p> <p>Given the additions of the Economic Development, Tourism, Communications and IT to the Director of Finance's portfolio, the former Finance department should be renamed to Corporate Services.</p>	3	1
5	<p>Changes were made in 2019 to transfer the GIS Technician from Corporate Services Department over to Public Works to assist the Asset Management and Engineering Specialist with a large ongoing capital project. This resulted in the Town hiring an IT Technician on a contract basis, to support the IT Network Administrator. It was noted that the addition of this staff resource within the IT business unit has resulted in a high level of service for internal stakeholders and there were no concerns regarding the capacity of this business unit to meet current demands.</p>	<p>Change IT Technician position from contract to full time. This will allow the IT function to deploy staff to have one specialize in hardware and software, and one specialize in user support and security.</p>	3	1

Executive Summary

Recommendations

A summary of recommended changes to the organizational structure, business processes, people practices is as follows:

Ref No.	Observation	Recommendation	Impact 1=Low 5=High	Effort 1=Low 5=High
6	Under the current organization model it was noted that there is a lack of administrative support within the CAO's office resulting in both the Deputy Clerk and CAO's time spent completing administrative level duties. It was also noted that the current Corporate Administrative Assistant position was underutilized.	Replace vacant Corporate Administrative Assistant with the Legislative Services/Executive Assistant position. The position will report to the Clerks department, while also supporting the CAO and customer services needs at Town Hall.	2	1
7	As noted above, a lack of administrative support within the CAO's office was highlighted, resulting in both the Deputy Clerk and CAO's time spent completing administrative level duties rather than strategic priorities. Consequently, the CAO is unable to spend sufficient time on the Clerk portfolio that would be typical of a standalone position, and the majority of these duties have fallen to the Deputy Clerk.	Promote existing Deputy Clerk to Clerk and remove the Clerk title from the CAO/Clerk. CAO to become the Deputy Clerk.	5	1
8	Under the current organization structure, the size of the SMT has resulted in ineffective communication and inefficiencies in decision making.	Remove Director of Emergency Services/Fire Chief and Clerk from the SMT.	1	1
9	It was noted that Fire Chief lacks capacity to focus on activities within the Fire Master Plan due to multiple administrative tasks and CEMC responsibilities.	Remove CEMC responsibilities from Fire Chief and contract out to the County (or other third party). As capacity is determined for the new Legislative Services/Executive Assistant position, additional administrative support could be provided to the Fire Chief through this position.	2	1

Executive Summary

Recommendations

A summary of recommended changes to the organizational structure, business processes, people practices is as follows:

Ref No.	Observation	Recommendation	Impact 1=Low 5=High	Effort 1=Low 5=High
10	Under the current organization model it was noted that there is accountability and performance management challenges between the operations and programming staff at the PRC. This is a result of two different directors managing the various staffing groups within the building.	Re-assign the PRC Facility Maintenance & Operations activities from Building & Development to Community Services. This will eliminate the accountability and performance management issues between the operations and programming staff as all PRC activities will fall under one director.	5	5
11	It was noted that there is a discrepancy in the customer service standard at the PRC with Guest Services reporting to one supervisor, and Friendship Centre customer service reporting to another. In addition, it was noted that the aquatics portfolio has the potential for strategic growth with the workload of the current supervisor being the limiting factor.	Transfer the management of PRC Guest Services to the Recreation Supervisors portfolio. This transition would provide the Aquatics Supervisor with additional capacity to focus on expanding the aquatics portfolio. In addition, the Town should consider implementing a Corporate Customer Service standards to unify the approach to customer service across all service desks of the corporation.	4	1
12	It was noted that the contract for Kitchen Coordinator positions requires the Town to supply 25 hours a week for the position. Under the current climate, the Town is unable to fully utilize the position given the hours outlined in the contract.	Eliminate the Kitchen Coordinator position and utilize 3 rd party catering services for community dining events.	1	1
13	It was noted that the current reporting structure for the museum has led to inefficiencies and challenges due to communication barriers between the Museum Curator and the Director of Corporate Services.	Promote Museum Curator to Supervisor responsible for day-to-day museum operations and the heritage portfolio with 1 FTE to support.	3	1

Executive Summary

Recommendations

A summary of recommended changes to the organizational structure, business processes, people practices is as follows:

Ref No.	Observation	Recommendation	Impact 1=Low 5=High	Effort 1=Low 5=High
14	Given the cost increases associated to contracting snow removal services, the Town has had difficulties sourcing a snow removal contractor.	Eliminate contracted snow removal due to the increasing cost of the service. Formally contracted snow removal responsibilities will be managed by the Parks Operator under the Public Works department.	3	1
15	The Corporate Communications Manager is routinely involved in decision making that does not impact the communications portfolio. This has resulted in a communication barrier between the Corporate Events Coordinator and the Economic Development Manager and causes delays in decision making.	Move the Corporate Events Coordinator under the Economic Development Manager to align with the Town's strategic objectives around tourism.	3	1
16	Given the re-assignment of all parks operations to Public Works, the current Parks Operator A will require a promotion to Park Lead Hand due to an increase in leadership responsibilities.	To ensure a seamless transition of all parks operations to Public Works, the Parks Operator A will be promoted to the Parks Lead Hand. The Parks Lead Hand will be responsible for all open spaces (e.g., grass cutting, vacant lands, parks), playground equipment and splash pads. The Parks Lead hand will also help with snow clearing activities as part of the winter program.	2	1

Executive Summary

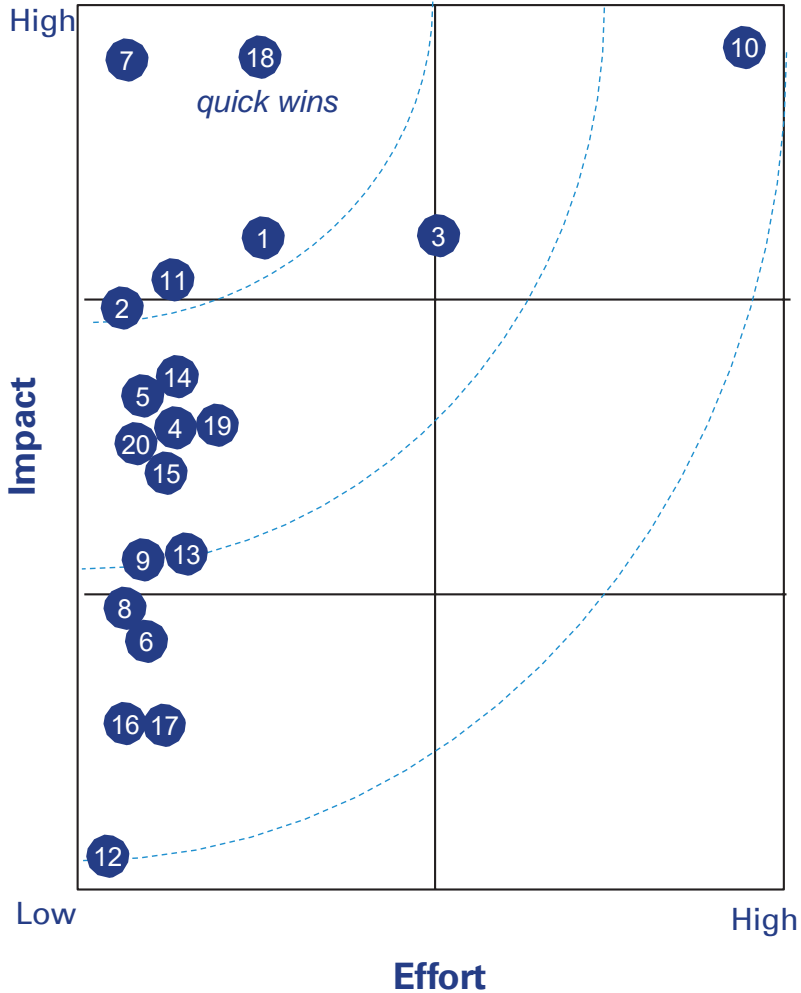
Recommendations

A summary of recommended changes to the organizational structure, business processes, people practices is as follows:

Ref No.	Observation	Recommendation	Impact 1=Low 5=High	Effort 1=Low 5=High
17	Given the required increase in cleaning service level (post COVID-19) the current Custodian/Maintenance position will require a promotion to Custodian Lead Hand due to an increase in responsibilities.	Given the expected increase in cleaning service level (post COVID-19) there will be an increase in the job responsibilities of the Custodian/Maintenance position. As such, this position should be promoted to Custodian Lead Hand.	2	1
18	Given the amount of accounting transactions processed by the Town, the Town lacks a sufficiently staffed Finance Function. This has resulted in staff without financial training at the PRC and Childcare handling a considerable level of cash transactions.	To reduce the Town's exposure to financial risk related to the significant amount of financial transactions managed by the PRC's Guest Services and Child Care teams, a Financial Analyst will be assigned to Community Services. The Financial Analyst will report to the Corporate Services function.	5	2
19	It was noted that the Town has experienced challenges in the recruitment of a PTE HR Generalist position.	The Town should transition the PTE HR Generalist to a FTE position. The FTE position will help to mitigate recruitment challenges and give the department the capacity to proactively focus on areas that are currently lacking attention (i.e., improving health and safety beyond minimum compliance, business continuity planning, and strategic planning).	3	1
20	As the Town re-opens (post COVID-19) there will be shortfall in custodial services. Given the increase in the cleaning service level that will be required, the Town will require a full-time Custodian position.	Re-hire vacant Custodian position to ensure cleaning service level standards are met post COVID-19.	3	1

Prioritization of Suggested Actions

Suggested actions have been mapped for **impact vs effort** to help prioritize activities.



Suggested Actions

- 1 Re-assign Parks operations from Building and Development Services to Public Works.
- 2 Eliminate the vacant Planning and Development coordinator position to create the Building and Development/PW Administrative Assistant.
- 3 Retool the vacant Corporate Risk Management and Procurement position into a Deputy Treasurer position.
- 4 Re-assign Economic Development, Tourism, Communications, and IT to the Director of Finance.
- 5 Change IT Technician position from contract to full time.
- 6 Replace vacant Corporate Administrative Assistant with the Legislative Services/Executive Assistant position.
- 7 Promote existing Deputy Clerk to Clerk and remove the Clerk title from the CAO/Clerk. CAO to become the Deputy Clerk.
- 8 Remove Director of Emergency Services/Fire Chief and the Clerk from the SMT.
- 9 Remove CEMC responsibilities from Fire Chief and contract out to the County (or other third party).
- 10 Re-assign the PRC Facility Maintenance & Operations activities from Building & Development to Community Services.
- 11 Transfer the management of PRC Guest Services to the Senior Services Supervisor's portfolio.
- 12 Eliminate the Kitchen Coordinator position and utilize catering services for community dining events.
- 13 Promote Museum Curator to Supervisor responsible for day-to-day museum operations and the heritage portfolio with 1 FTE to support.
- 14 Eliminate contracted snow removal due to the increasing cost of the service
- 15 Move the Corporate Events Coordinator under the Economic Development Manager.
- 16 Promote Parks Operator A to Parks Lead Hand.
- 17 Promote Custodian/Maintenance position to Custodian Lead Hand.
- 18 Hire a Financial Analyst to manage financial transactions at the PRC and Child Care.
- 19 Transition PTE HR Generalist position to FTE position.
- 20 Re-hire vacant Custodian position.



Project Overview

Town of St. Marys
Organizational Review
Final Report

Introduction

This final report of the Town of St. Marys Organizational Review was prepared to review current organization design and service delivery. The activities completed to date include:

- 21 interviews with Town of St. Marys senior leadership and management teams, including a special meeting of Council;
- 4 focus group sessions with front line staff across all of the Town of St. Marys business units;
- Review of documentation that was made available to KPMG;
- Benchmarking of Town of St. Marys services to municipal comparators using available financial data.
- Facilitating 7 key process mapping sessions with Town staff
- Facilitating 2 High level organizational design workshops with Town leadership
- 7 detailed organizational design interviews with Town leadership

This summary of findings will provide the foundation for possible opportunities to improve the overall effectiveness and efficiency of the current organizational structure, processes and service delivery model.

Setting the Stage

The Town of St. Marys (“the Town”) is located at the junction of Thames River and Trout Creek, southwest of Stratford in southwestern Ontario. St. Marys is a small town, with a population of just under eight thousand, but offers a high level of service to its citizens not typical for a municipality of its size.

The Town is currently governed by six elected Councillors and a Mayor. To help achieve the Town’s long-term goals, Council and senior management developed a strategic plan with six defined pillars: infrastructure, communication and marketing, culture and recreation, economic development, balanced growth, and housing. Each pillar has defined strategic priorities that must be achieved to deliver the desired outcome within each pillar.

In 2019, as a proactive step to manage the impact of anticipated funding cuts from the Province, St. Marys Town Council approved a Service Delivery Review project, with two major objectives:

1. A review of the services that are currently delivered, and;
2. A review of how the Town is delivering those services.

To accomplish Council’s goals, a two-phased approach was designed for the project. Phase 1 was an internally lead review of services currently delivered by the Town. The first phase was a success, with over \$300,000 in positive annual budget changes identified for 2020. The Town has received funding for Phase 2 of this project from the Province’s Municipal Modernization Program, and has engaged KPMG to complete Phase 2 of the Organizational and Internal Service Modernization Review.

Project Objectives

KPMG was engaged by the Town to undertake an organization review of the municipality. The overall goal of the project is to review the whole organization of the Town and identify an organizational structure that best positions the Town for sustainable and responsive municipal service delivery that can be achieved without impacting front line services. The Town is also seeking to identify service improvement opportunities through a review of key internal processes. Specific project objectives include:

- Performing a review of the current organizational and departmental structures, with particular attention on the Town’s management structure and how municipal services are functionally organized and assigned by department;
- Gathering information on the strengths, weakness, opportunities, and threats of the current organizational and departmental structures and functional assignments through internal consultations with stakeholders;
- Providing recommendations (including quantified savings) on how to better design the organization and its departments around strategy and process, with the goal of improving the effectiveness and efficiency of service delivery;
- Providing an implementation plan, with estimated implementation costs;
- Identifying key internal processes where opportunity exists for improvements and efficiencies;
- Performing detailed process reviews to identify and recommended process changes or technological modernizations, and;
- Providing recommendations (including quantified savings) to improve the effectiveness and efficiency of internal processes.

Project Principles

The organizational review project will be guided by the following principles:

- The knowledge and expertise of Town staff will be fully engaged and built upon, to arrive at recommended actions through a transparent, participative and inclusive process facilitated by the consultant.
- The aim is to, wherever possible, transfer knowledge and necessary “tools” to Town employees to enable them to better develop their own solutions to operational and process issues and challenges over time.
- Opportunities and recommendations will be based on leading practice from the jurisdictional review of comparator municipalities.
- Lastly, this is not an audit; this is an organizational review to build on successes and identify opportunities to improve the productivity of the Town.

Project Scope

Phase One: Project Initiation

- Project Sponsor / Project Manager Meeting
- Kick Off Meeting with Project Team

Phase Two: Current State Analysis

- Documentation review of org charts, strategic plan, job descriptions and staffing levels, inventory of current programs and services, any other relevant documents
- Stakeholder consultation in the form of Interviews and focus groups with key Town leadership (e.g. Council, CAO, Directors and Managers, etc.) as selected by the Project Team, and an online survey for municipal staff
- Jurisdictional review, including benchmarking analysis of financial statements, FIRs, census data, and services of comparator municipalities

Phase Three: High Level Organizational Structure

- Half-day working session with Project Team to establish 5-6 design principles to be used to guide decision making when developing structure options.
- KPMG will facilitate another half-day working session with the Project Team to evaluate each structure option against the design principles.
- The Project Team will meet once more in this phase for a two-hour session facilitated by KPMG with the objective of confirming the optimal structure and portfolio mandates.

Phase Four: Detailed Organizational Structure

- Design optimal structure at the divisional level, through a series of small focus groups with outputs including design of roles, work alignment, distribution of responsibilities, FTE allocation and span of control within each department.
- KPMG will develop a high level implementation plan and recommendations in support of the Organizational Management Structure Review
- KPMG will facilitate a final half day session with the Project Team to review and enhance the organization design recommendations, implementation plan, and validate KPI's

Phase Five: Process Mapping

- KPMG will lead a series of process mapping working sessions involving front line and supervisory staff for key internal process jointly identified by the Project Team and KPMG.
- KPMG will train Town staff in process mapping using lean six sigma methodologies so that the Town's in-house continuous improvement capabilities are strengthened and the mapping work can continue post project.

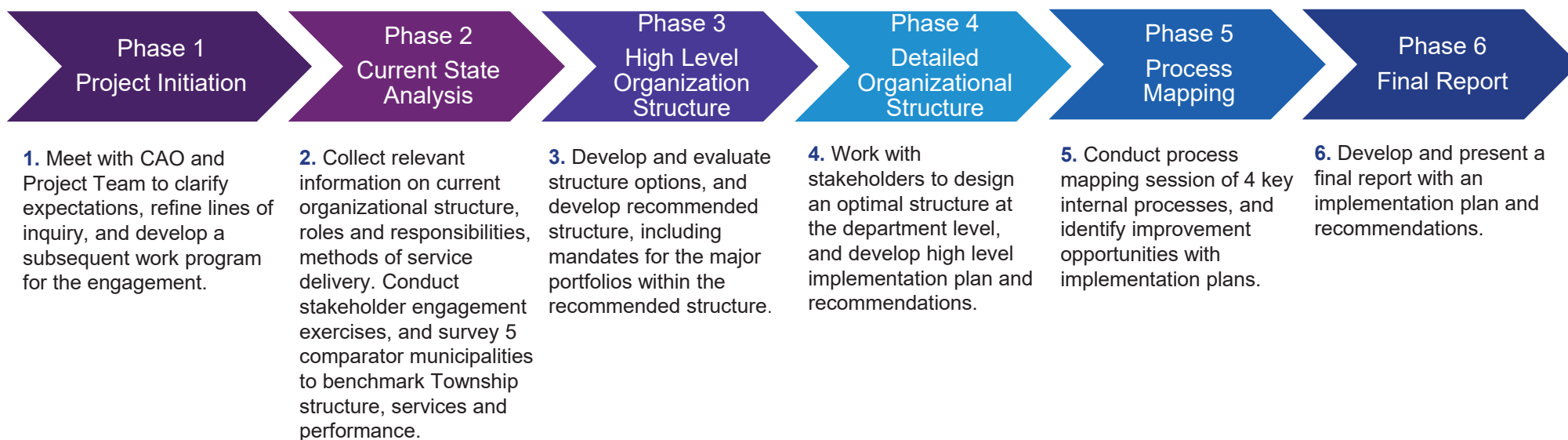
Phase Six: Final Report and Presentation

- KPMG will consolidate the feedback received from the Project Team and will prepare a final report for presentation to Council.
- KPMG will attend the Committee and/or Council meeting as required to present the Final Report.

Introduction and Context

Work Plan

This engagement commenced on February 27, 2020, and will be completed when the draft final report is presented to Town Council on or before November 1, 2020. This completion date is subject to change if the Province extends project deadlines due to the challenges with completing some portions of the work during the pandemic. The diagram below depicts the key phases as outlined in the Project Charter.





High Level Organizational Design

Town of St. Marys
Organizational Review
Final Report

Introduction

In this phase, we worked with the Project Team to develop structural options for the organization at a high level. Over a period of two half-day working sessions, we selected design principles to assist in the evaluation of the options, constructed three models and ultimately selected the preferred model.

Working Session #1

Development of Structure Options:

KPMG facilitated a half-day working session with the Project Team to facilitate the development of 5 to 6 design principles to be used to guide decision making in the development of structure options. These design principles formed the criteria against which the various structure options were evaluated. In addition, the Project Team constructed a handful of structure options by aligning functions into work streams. During this process, the Project Team identified the benefits and drawbacks related to each option paying particular attention to current service levels, fiscal considerations and legislative operational levels. KPMG supplemented this analysis with our experience in organizational design, particularly in the municipal government setting. In developing structure options, the Project Team conducted the following work:

- Assessed any recruitment/succession planning issues
- Identified opportunities to increase operational efficiency and effectiveness by grouping like processes and types of work together
- Established an effective management structure (span-of-control).

Working Session #2

Evaluation of Structure Options and Selection of Preferred Model:

Once the high-level structure options were refined, KPMG facilitated another half-day working session with the Project Team to review the findings from the Interim Report and evaluate each structure option against the key findings and design principles developed in the earlier working session. Through this analysis, the Project Team worked to identify an optimal structure option, refined it as needed, and began to develop mandates for the major portfolios within the recommended structure. The project team then confirmed the optimal structure and identified refinements and detailed design considerations.

Organizational Design

Introduction

The organization is not an end in itself; it is simply a vehicle for accomplishing the strategic tasks of the business.

A well-designed organization helps everyone in the business do her or his job effectively.

A poorly-designed organization (or an organization by default) creates barriers and frustrations for people both inside and outside the organization.

Paul Galbraith

- Organization design is the deliberate process of configuring structures, processes, and people practices to create an effective organization capable of achieving the organization's identified strategy.
- **Form Follows Function** - strategy drives structure; processes are based on structure; and structures and processes define the implementation of people practices
- Structure is just one of several levers to be 'pulled' in organizations to optimize performance
- Effective organization design considers the following:
 - Strategy
 - Structure
 - Processes & Systems
 - People Practices
 - Culture

Common Organization Design Pitfalls

Observations	Implications
<p>Organization design efforts often begin and end just with a structure chart.</p>	<p>Creating just structure charts is insufficient with respect to effective governance and collaboration within the organization and across boundaries. And it is inadequate if you want people to adopt new accountabilities, responsibilities and ways of working.</p>
<p>Many organizations evolve without conscious design choices from a holistic perspective.</p>	<p>Piecemeal tweaks over time can result in structures that become inefficient, with unclear accountabilities and suboptimal working relationships.</p>
<p>Creating an effective 'lean' organization doesn't happen by chance.</p>	<p>Focusing an organization on primary outputs and deliverables, and helping reduce non value-added activities is a common objective. However, lean organizations do not exist by chance. They have to be deliberately designed.</p>
<p>Today's organizations compete in rapidly changing environments.</p>	<p>Leadership should constantly rethink how their business is designed and how it can achieve and sustain increased levels of performance. No matter what is driving change, more rigor needs to be applied to ensure that structures, processes, systems, and capabilities all support the objective.</p>
<p>Organization design can become a political compromise – undertaken to find jobs for existing people.</p>	<p>Senior teams need an opportunity to work outside of the current conventions, politics and mindsets to start again.</p>

Organizational Design

Organizational Success Measures

Success Measures are the drivers of performance.

Organizations must employ methods and procedures that are measurable. Declaring success is difficult if there is nothing in place that can be measured to show proof of that success.

Three key criteria must be met in order to ensure that measures are critical and meaningful:

1. The information must be critical to the success of your company or organization.
2. It must be measurable and quantifiable.
3. A baseline must be established in order to measure progress or changes.

Benefits

- Set and clearly quantify key performance indicators
- Define clear characteristics of success measures
- Easily adaptable to any situation
- Vital component of organization performance measurement

The Stakeholder	How they will measure success:
Council	<ul style="list-style-type: none"> ✓ Reducing Cost ✓ Public perception ✓ Reduction in citizen complaints ✓ Staff's reaction
Senior Leadership	<ul style="list-style-type: none"> ✓ More strategic capabilities ✓ Increased efficiencies ✓ Operational excellence through continuous improvement ✓ Greater clarity in roles and responsibilities ✓ Seamless integration
Staff	<ul style="list-style-type: none"> ✓ Clarity in role and expectations for staff ✓ Feel that senior leadership has listened to them ✓ Clear transparent communication throughout the process ✓ Seamless integration into current operations
External Partners	<ul style="list-style-type: none"> ✓ Clarity on roles and responsibilities ✓ Streamlined answers to inquiries ✓ Timeliness in response to inquiries
Citizens	<ul style="list-style-type: none"> ✓ Questions and complaints are dealt with quickly ✓ Results from organizational changes make sense to the community ✓ Cost and saving levels / tax levy positive impacts

Organizational Design

Design Principles

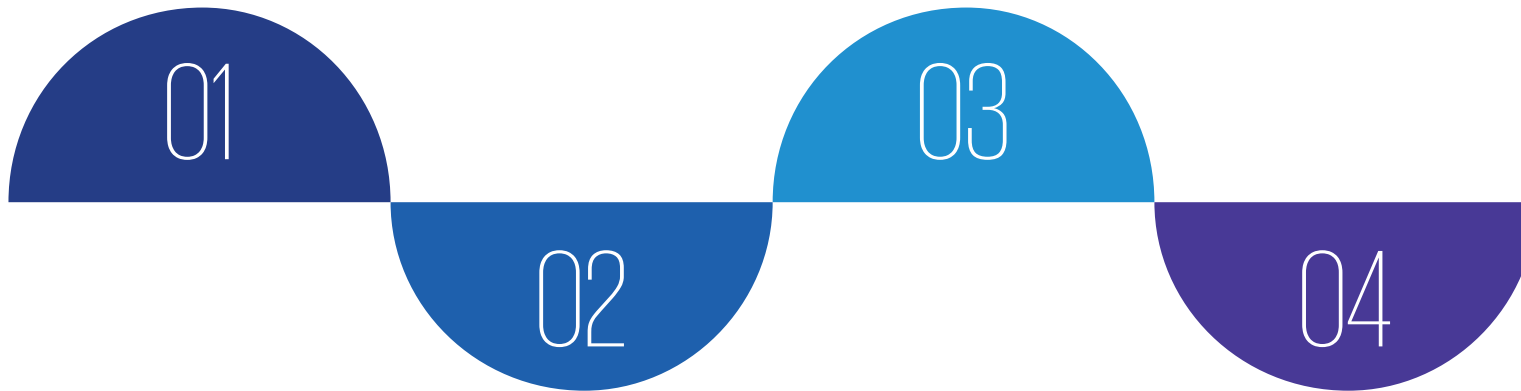
Criteria

Design principles form the criteria against which to measure the organization design.



Efficiency

Design principles should reflect a focus on efficiency. An organization is efficient if it is doing things in a way that maximizes utilization of resources.



Effectiveness

Design principles should reflect a focus on effectiveness. An organization is effective if it is doing the right things to achieve its mandate and vision.



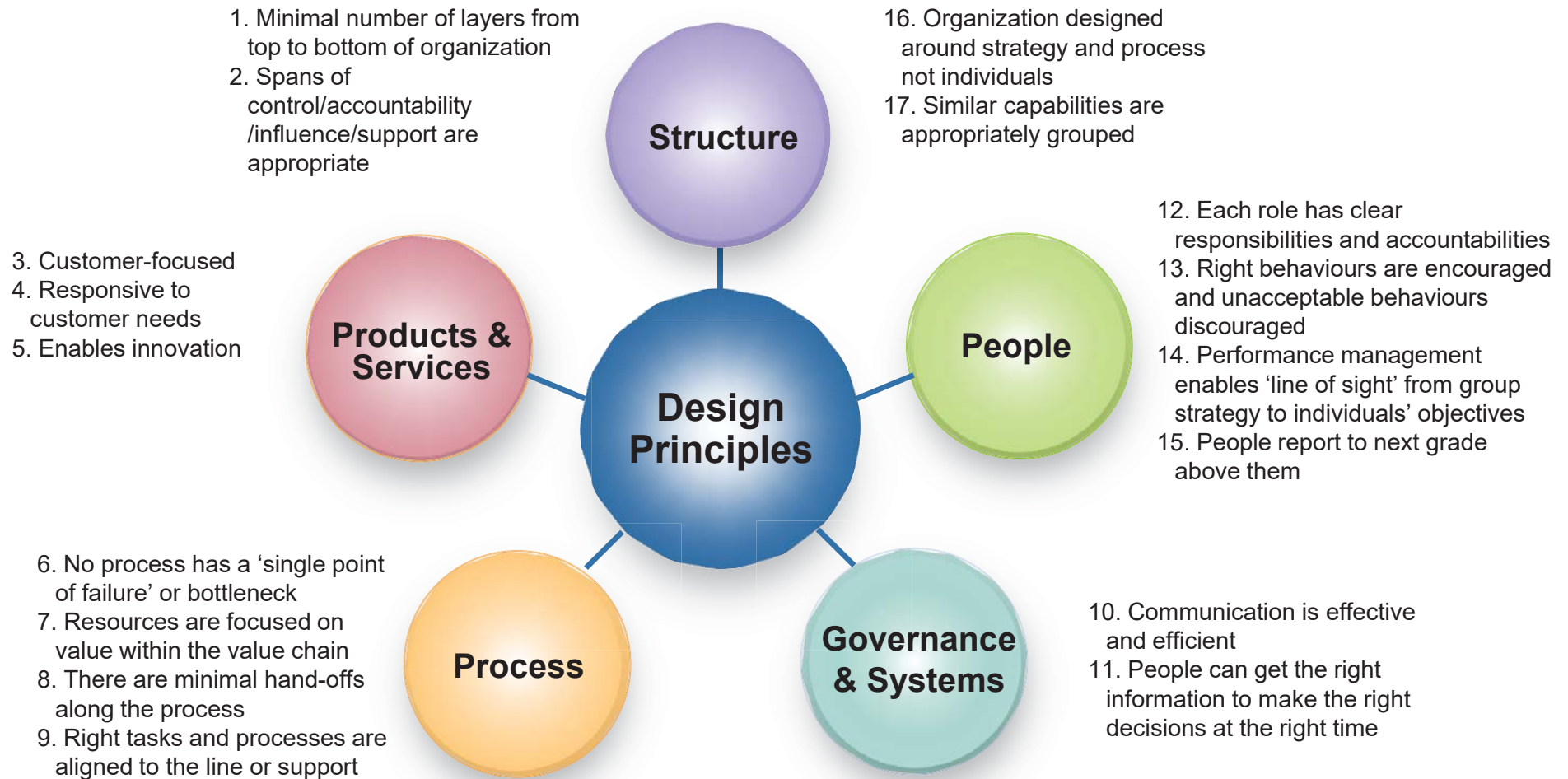
KPIs

Design principles should reflect desired performance (success measures).



Organizational Design

Leading Practice in Design Principles



Leading Practice in Design Principles

18. **Form follows function** – Build an organization around its role and purpose – not around its people.
19. **Single points of accountability** – There will be clear, well-defined accountabilities and decision-making authorities, supporting the concepts of single points of accountabilities for results
20. **Future growth and change** – Organize to be flexible and adaptable to future growth and service needs.
21. **Span of control** – Span of control should be as broad as possible without sacrificing efficiency. However, there is a limit to the number of positions one person can effectively be responsible for.
22. **Specialization** – The activities for which a single individual is held accountable should be similar.
23. **Simplicity** – The organization should be kept as simple as possible.
24. **Layers of supervision** – The number of levels of authority should be held to a minimum.
25. **Decision making** – The organization design should facilitate effective and timely decision-making in support of day to day operations.
26. **Decentralize/centralize** – What to centralize and decentralize depends on the nature of the work being performed and the objectives of the organization relative to its customers and stakeholders. As a very general rule, decentralize customer-facing work and centralize enabling system work.
27. **Consistent with strategic direction** – The overall organizational design should support the vision, direction and strategic priorities.
28. **Customer driven** – The design of the organization should be accessible, responsive and easily understood by the customer.
29. **Balance in scale and scope** – The scale and scope of operations across each layer in the organization should be comparable in terms of operational, political and financial complexity and risk.
30. **Minimal organizational disruption** – The preferred organization design should help minimize the potential service disruptions to the customer.
31. **Reasonable workload** – The organization should be designed to balance reasonable workload, the ability to keep promised deadlines, and provide high service levels.

Organizational Design Design Principles

After reviewing the list of Design Principles on slides 37-38, each participant selected the Design Principles they deemed most critical to an efficient and effective organization. The Design Principles selected have been ranked 1-6 and were assigned points accordingly.

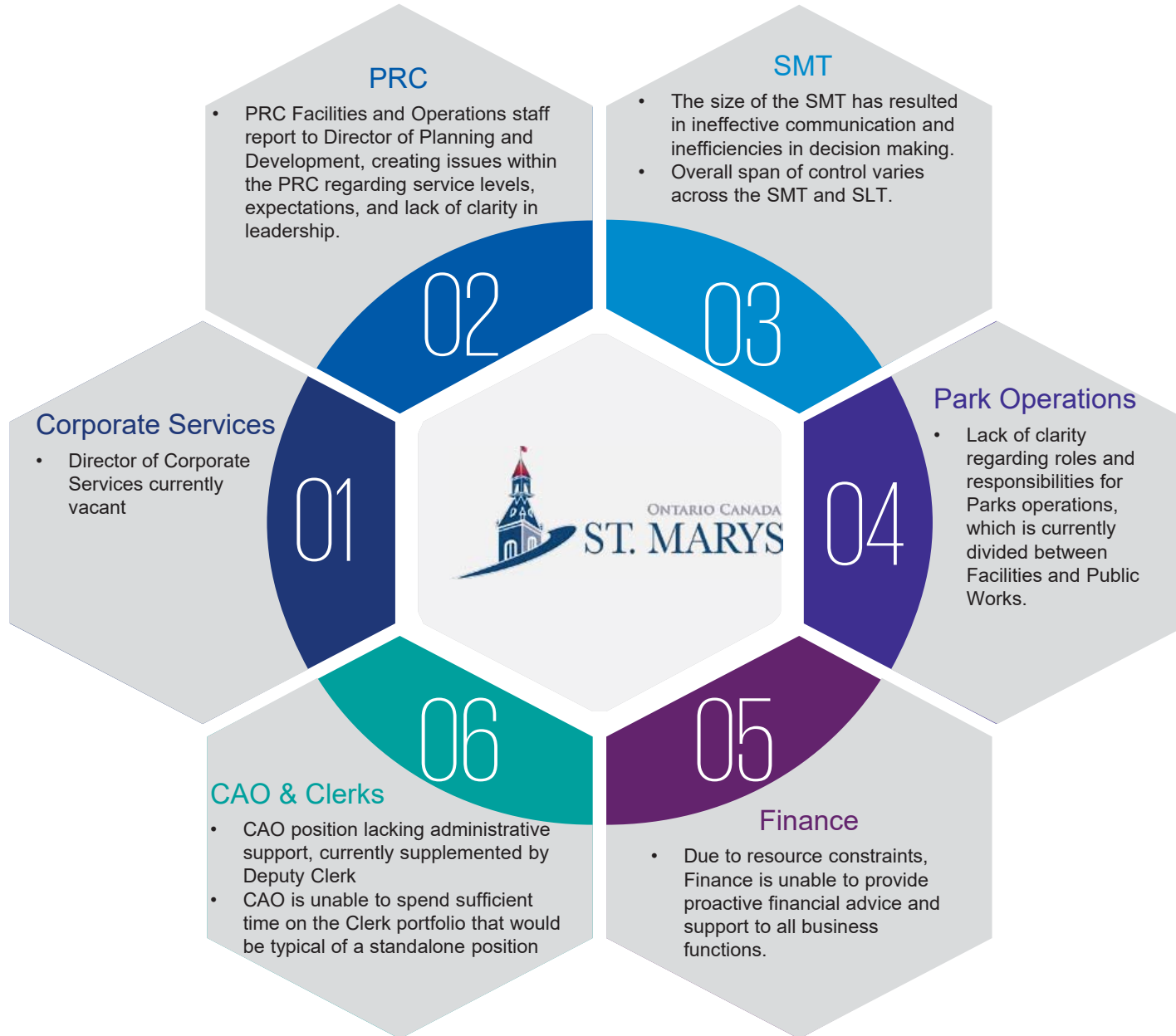
Rank (where 1 is 'best')	Design Principle	Points
1	Consistent with Strategic Direction	30
2	Customer Driven / Customer Focused / Responsive to Customer's Needs	28
3	Communication is effective and efficient	21
4	Spans of control / accountability / influence / support are appropriate	9
5	Minimal Organizational Disruption	9
6	Right tasks and conditions are aligned to the line or support	9



Structural Options & Development

Town of St. Marys
Organizational Review
Final Report

Summary of High Level Organizational Structure Constraints



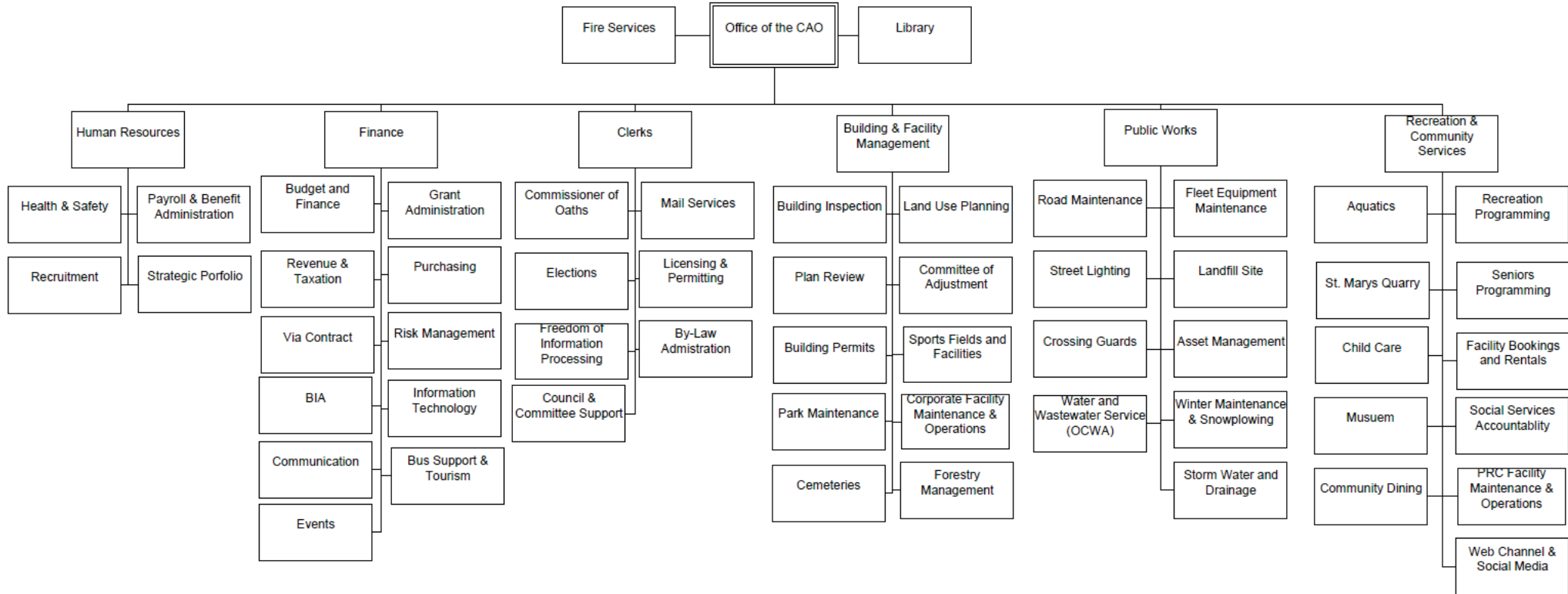
Organization Types Comparison Chart

ORGANIZATION TYPE	ADVANTAGES	DISADVANTAGES	USE WHEN
<p>FUNCTIONAL</p> <p>A functional structure is organized around major services/activity groups</p> <p>Ex: animal control, property standards, policy, communications, smoking enforcement</p>	<ul style="list-style-type: none"> • Knowledge sharing within unit • High functional specialization • Efficiency & economies of scale • Standardization 	<ul style="list-style-type: none"> • Limited decision making capacity • Communication across functions is difficult • Coordination across functions is difficult • Less responsive to end user needs 	<ul style="list-style-type: none"> • Single line of business • Common standards are required • Highly regulated • Core capability is based in functional expertise or economies of scale
<p>PRODUCT/PROGRAM</p> <p>A product structure is organized around products or programs</p> <p>Ex: public health, political response team, transportation, property standards</p>	<ul style="list-style-type: none"> • Speed of product development cycle • Product excellence • Product diversification • Operating freedom 	<ul style="list-style-type: none"> • Duplication of effort • Lost economies of Scale • Multiple customer points 	<ul style="list-style-type: none"> • Product features are competitive advantage • Multiple products for separate market segments • Short product life cycles
<p>CUSTOMER</p> <p>A customer structure is organized around market segments or specific customers</p> <p>Ex: students, traffic, home owners, businesses</p>	<ul style="list-style-type: none"> • Customization • Relationship building • Solutions not just products 	<ul style="list-style-type: none"> • Knowledge sharing is limited • Duplication of effort • Lost economies of Scale 	<ul style="list-style-type: none"> • Buyers/customers have power • Customer knowledge is a competitive advantage • Rapid customer service is key • Rapid product cycles are key
<p>GEOGRAPHIC</p> <p>A geographic structure is organized around physical location</p> <p>Ex: Rural, East Wards, West Wards, Centre Town</p>	<ul style="list-style-type: none"> • Responsive to regional customer needs • Relationship building • Selective centralization-decentralization 	<ul style="list-style-type: none"> • Mobilization & sharing resources is difficult • Sharing knowledge is difficult • Multiple points of contact for clients • Internal competition for resources • Client relationships belong to who? 	<ul style="list-style-type: none"> • Smaller efficient scale exists • High cost of transport • Just-in-time delivery is critical • Need to locate close to supply source

Organization Types Comparison Chart

ORGANIZATION TYPE	ADVANTAGES	DISADVANTAGES	USE WHEN
<p>PROCESS A process structure is organized around major processes</p>	<ul style="list-style-type: none"> • Process excellence • TQ (total quality) • Cycle time reduction • Continuous Improvement • Easy measurement • Cost reductions 	<ul style="list-style-type: none"> • Coordination between processes is often difficult 	<ul style="list-style-type: none"> • Short product life • Rapid development cycles • Cost reduction is critical
<p>Matrix Matrix organizations are typically designed as a grid, or matrix, rather than in a traditional hierarchy. In other words, employees have dual reporting relationships - generally to both a functional manager and a service manager.</p>	<ul style="list-style-type: none"> • Single point of interface for customer • Cross selling • Value-added systems & solutions • Product/service focused • Multiple distribution channels 	<ul style="list-style-type: none"> • Internal competition for resources • Price disagreements • Customer needs disagreements • Conflicting metrics • More complex accounting 	<ul style="list-style-type: none"> • Multiple service lines and multiple market segments • Global customers • Competitive advantage is in combined customer and product excellence

Structural Options Evaluation Functional Model A

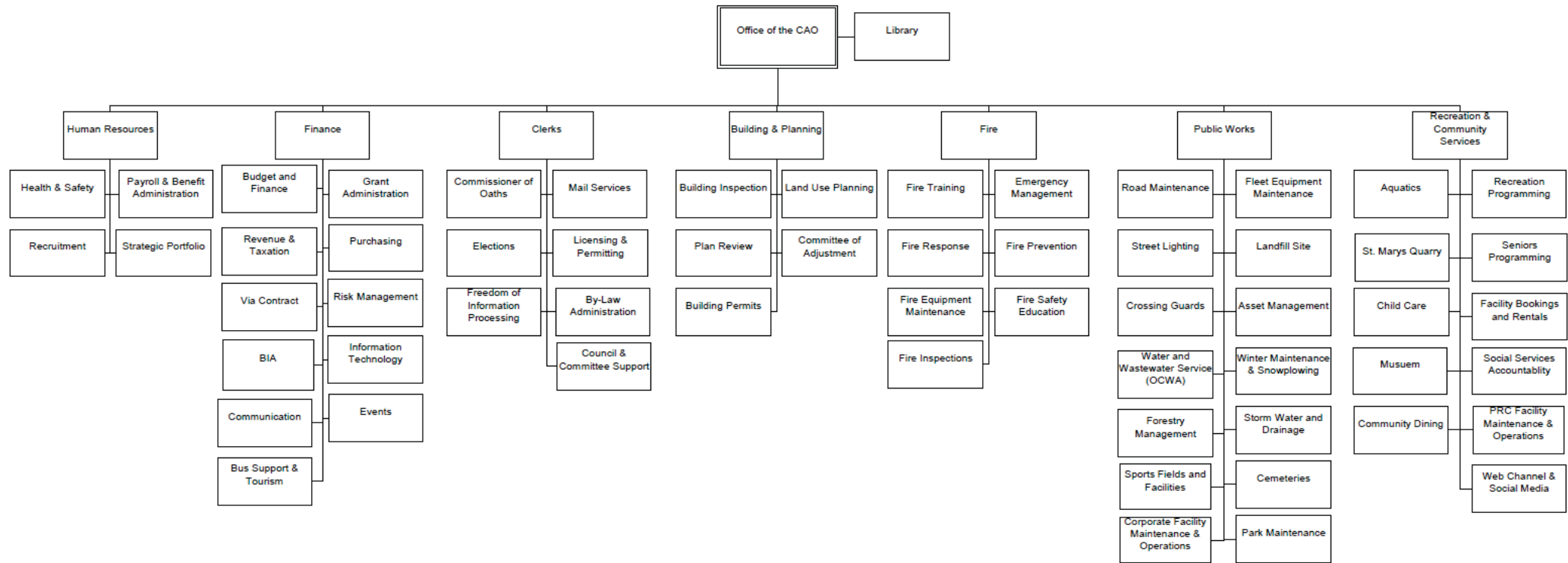


Functional Model A resolves the following organizational design issues:

- PRC facility maintenance & operations is moved to Recreation & Community Services.
- Deputy Clerk becomes responsible for all services under the Clerks function.
- Building & Facility Management merges Building & Planning and Parks & Facilities under one function.
- Removes Fire Services from the SMT.

Structural Options Evaluation

Functional Model B

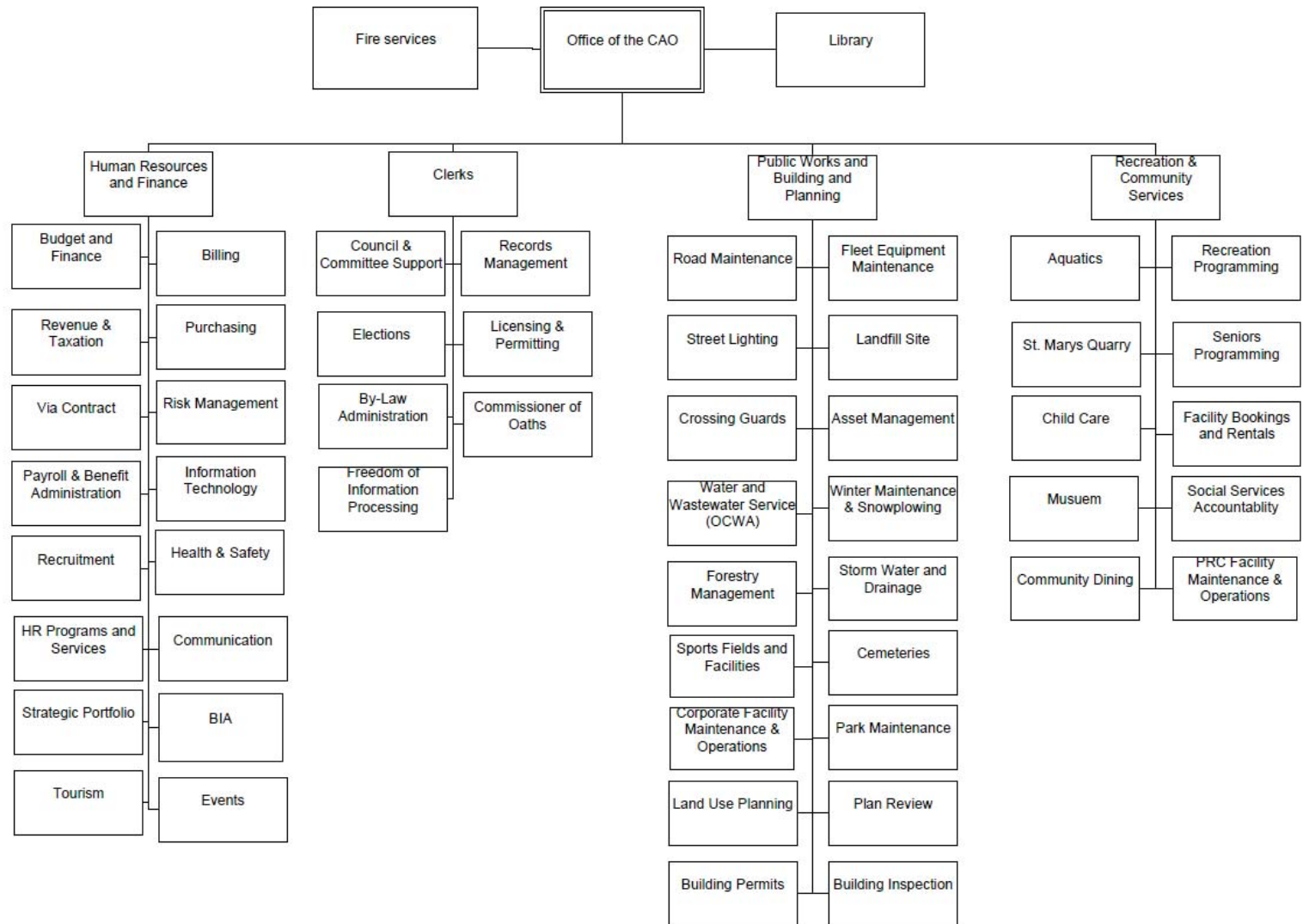


Functional Model B resolves the following organizational design issues:

- Consolidates Parks & Facilities services under the Public Works Function.
- PRC facility maintenance & operations is moved to Recreation & Community Services.
- Deputy Clerk becomes responsible for all services under the Clerks function.

Functional Model C

- Functional Model C resolves the following organizational design issues:
- Consolidates Human Resources and Finance.
 - Consolidates Building and Planning, Public Works and Parks & Facilities into one department.
 - Removes Fire Services from the SMT.
 - PRC facility maintenance & operations is moved to Recreation & Community Services.
 - Deputy Clerk becomes responsible for all services under the Clerks function.

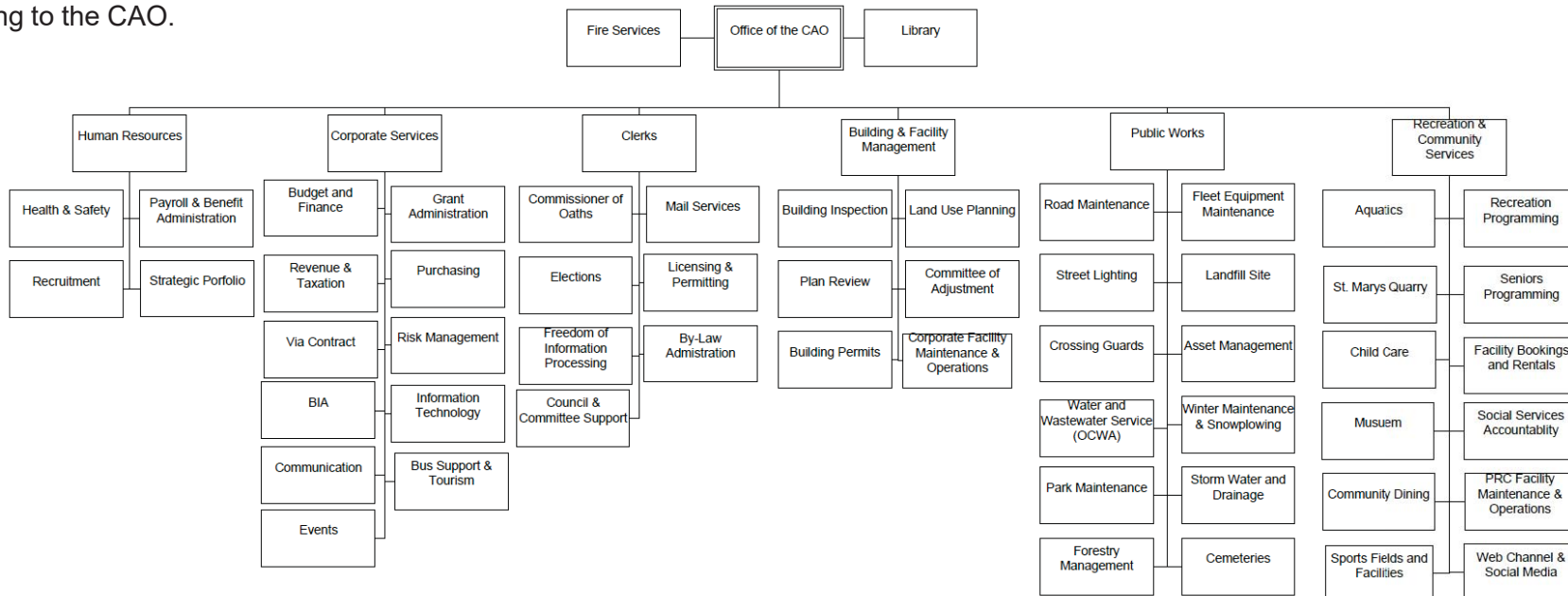


Selected High Level Design for the Town of St. Marys

The Project Team selected a revised **Functional Model A** because of its greater support for the design principles established at the beginning of the project. The Project Team made the revision to the original Functional Model A to re-assign parks maintenance, forestry management and cemeteries to the Public Works department following the high-level organizational design workshop in order to streamline parks operations under one director in one department. In addition, the revised Functional Model A re-assigns operation of all outdoor recreation playing surfaces to the Community Services department to streamline all recreation programming and operations under one director in one department.

1. Organization Designed and Organized Around Strategy & Process Not Individuals
2. Customer Driven, Customer Focused, and Responsive to Customer Needs
3. Communication is Effective & Efficient
4. Span of Control/Accountability/Influence/Support are Appropriate
5. Right Processes or Tasks are Aligned to the Line or Support

A key change in the Town's high level structure is the separation of the Clerk and CAO functions and amalgamation of the Corporate Services and Finance departments. As noted in the organizational structure constraints, the size of the SMT has resulted in ineffective communication and inefficiencies in decision making. Functional Model A eliminates removes Fire Services and the Clerk from the SMT table, reducing the number of SMT's reporting to the CAO.





Detailed Organizational Design

Town of St. Marys
Organizational Review
Final Report

Detailed Organizational Design

Introduction

In this phase of the project, we drilled deeper into the recommended management structure emerging from the high level design (see below) in the earlier phase to define a detailed structure design at the departmental level.

For each department identified in the recommended structure, KPMG worked closely with the directors leading the work and the CAO to design an optimal structure for each department. This was accomplished through a series of small group working sessions that focused on analyzing the following:

- Work effort required to carry out functions and processes
- Issues of over- and under-capacity in current business units
- The organizing and managing of work to meet the mission and vision of the Township
- Work flow and process handoffs
- Appropriate spans of control
- The skills and experience needed to carry out each function and process.

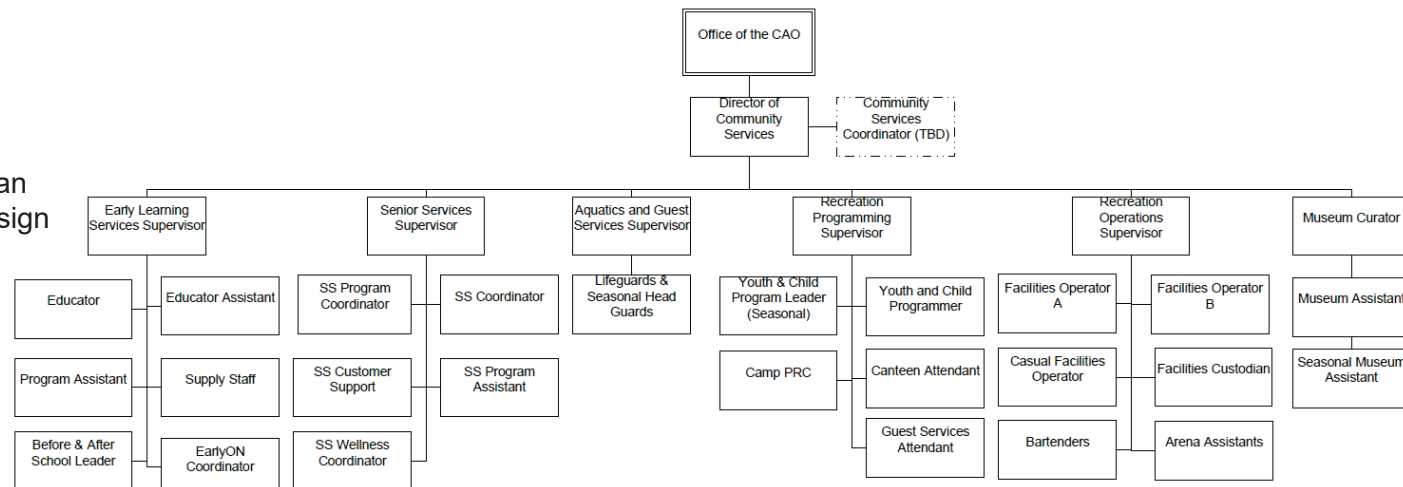
We worked with session participants to consider how observed trends and expectations for the future (i.e. proposed service improvements, population growth, development pressures) will impact on the results of the analysis. The output of these working sessions provided the evidence needed to inform the design of roles, work alignment, distribution of responsibilities, FTE allocation and span of control within each department.

Detailed Organizational Design

Community Services

Recommendations:

- Community Services portfolio assumes PRC facility maintenance & operations activities.
- Reassign Guest Services and the Canteen Attendants under the Recreation Supervisor.
- Remove all financial related activity (other than fee collection) from Guest Services and reassign to a Financial Analyst in Corporate Services Dept. and replace the Guest Services Coordinator with the Community Service Coordinator.
- Promote Museum Curator to Supervisor responsible for museum operations and the heritage portfolio with 1 FTE to support.
- Eliminate the Kitchen Coordinator position.



Rationale:

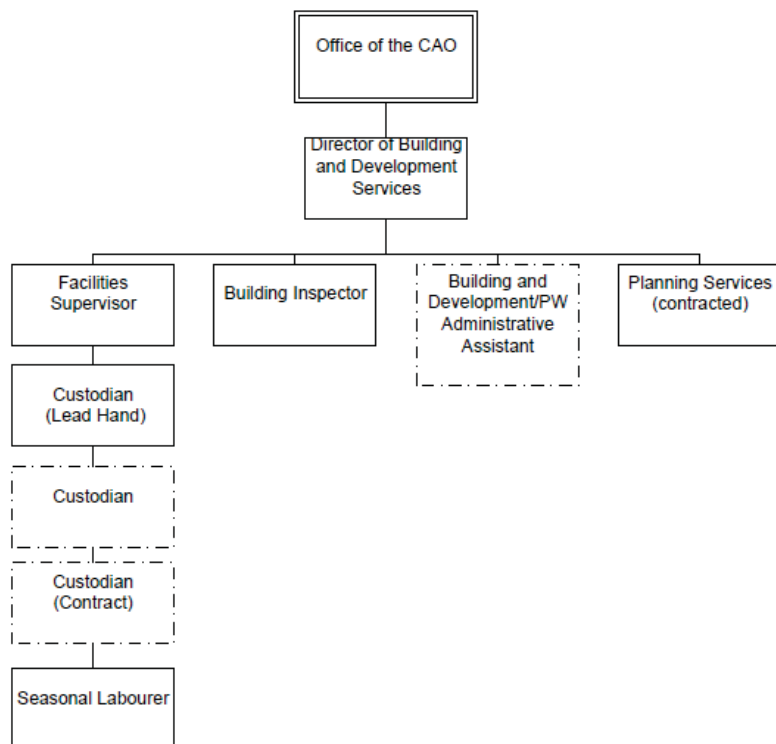
1. PRC Facility Maintenance & Operations and Sports Fields/Playing Surfaces operations activities are to be restructured to fall under the Director of Community Services. This will eliminate the accountability and performance management issues between the operations and programming staff as all PRC activities will be the responsibility of one director. The PRC Operations Supervisor will have his title changed to Recreation Operations Supervisor.
2. To ensure a consistent level of service for Guest Services within the PRC, the management of Guest Services along with the Canteen Attendants will be reassigned to the Recreation Supervisor. This will provide a level of continuity of service both internally and for users of the PRC. Additionally, this will create capacity in the Aquatics Supervisor portfolio to focus on expanding the aquatics portfolio.
3. To reduce the Town's exposure to financial risk related to the significant amount of financial transactions managed by the PRC's Guest Services team, a Financial Analyst will be assigned to Community Services. The Financial Analyst will report to the Corporate Services function. The Guest Services Coordinator position will transition to the Community Services Coordinator position. This position will be responsible for all contract management activities, assisting with guest services and the bar during peak hours, and general administrative assistance for the entire Community Services department.
4. The Museum Curator will be promoted to Supervisor to permanently manage the day-to-day operations and decision making at the museum and the heritage portfolio. Also, the part-time Museum Assistant will be promoted to full-time. This will increase the effectiveness and efficiency of decision making with respect to museum operations.
5. The Kitchen Coordinator position will be eliminated. It has been challenging to fill the Kitchen Coordinator's portfolio for the required 25 hours per week, and subsequently, all food preparation will be contracted out for events with the costs downloaded to the end users. With this elimination, the Town will require evening programming support. As such, the department is proposing to redefine a Program Assistant job to fill the gap.

Detailed Organizational Design

Building and Development Services

Recommendations:

- Eliminate vacant Planning and Development coordinator position to create the Building and Development/PW Administrative Assistant.
- Re-rate Custodian/Maintenance position to Custodian Lead Hand.
- Re-hire vacant Custodian position and retain contracted services.
- Re-assign parks operations to Public Works
- Re-assign sports fields/playing surfaces operations to Community Services.



Rationale:

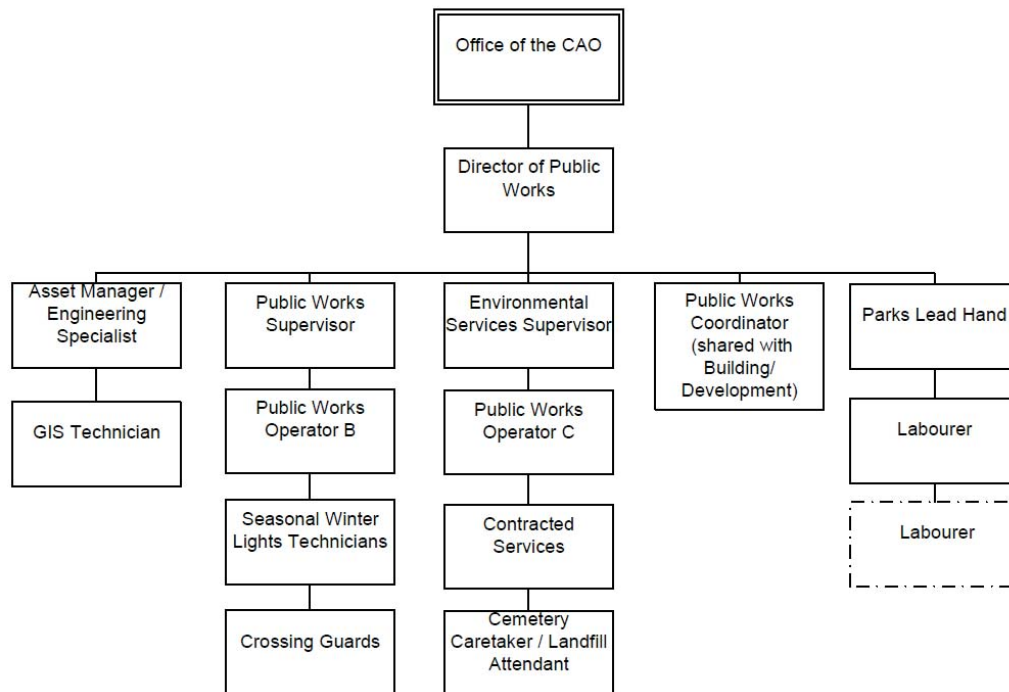
1. Internal synergies have been realized by having the Public Works Coordinator support both Public Works and the Building and Development services departments. To continue to maximize these efficiencies, the existing Public Works Coordinator will be permanently transitioned to a shared coordinator role between Building and Development and Public Works. The vacant Planning and Development Coordinator position will be eliminated to create a shared Building and Development/Public Works administrative position that will assist with the heavy administrative burden of the shared coordinator. Collectively, these two changes represent the initial steps towards a long-term goal of a merger of the Building and Development and Public Works portfolios.
2. Given the expected increase in cleaning service level (post COVID-19) there will be an increase in the job responsibilities of the Custodian/Maintenance position. As such, this position should be promoted to Custodian Lead Hand.
3. As the Town re-opens (post COVID-19) there will be shortfall in custodial services. Given the increase in the cleaning service level that will be required, the Town will re-post the custodial job for hire and retain contracted services.
4. The high level design adopted by the Town re-assigns parks operations to Public Works. Public Works will assume all parks activities including open spaces (e.g., grass cutting, vacant lands, parks), playground equipment and splashpads. Capital asset management and custodial duties of the noted areas will remain with the Building and Planning Department. This will streamline all parks operations under one director in one department, rather than different directors managing various park operations. In addition, this will create capacity within Building and Development to focus on strategic council objectives.
5. PRC Facility Maintenance & Operations and Sports Fields/Playing Surfaces operations activities are to be restructured to fall under the Director of Community Services. This will eliminate the accountability and performance management issues between the operations and programming staff as all PRC activities will be the responsibility of one director.

Detailed Organizational Design

Public Works

Recommendations:

- Re-assign parks operations responsibilities to Public Works.
- Transition two seasonal labourer positions into one FTE.
- Eliminate contracted snow removal service.
- Promote Parks Operator A to Parks Lead Hand.
- Long-term potential to merge Building and Planning Services into the Public Works department through attrition.



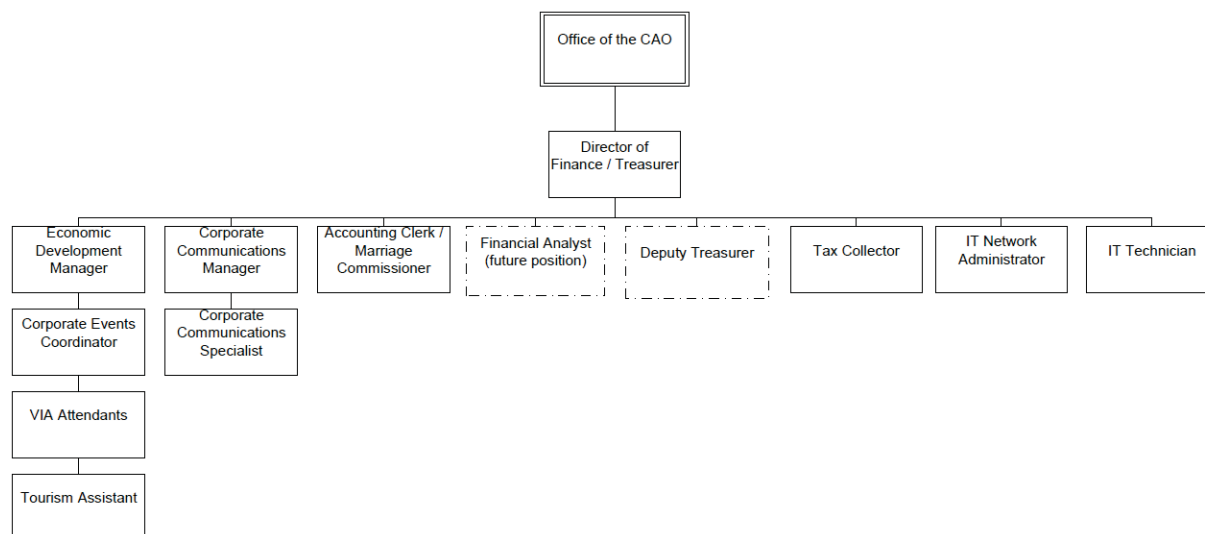
Rationale:

1. The high level design adopted by the Town re-assigns parks operations to Public Works. Public Works will assume all parks activities including open spaces (e.g., grass cutting, vacant lands, parks), playground equipment and splashpads. Capital asset management and custodial duties of the noted areas will remain with the Building and Planning Department. This will streamline all parks operations under one director in one department, rather than different directors managing various park operations. In addition, this will create capacity within Building and Development to focus on strategic council objectives.
2. The Town will combine one summer seasonal park labourer (typically April – October) and one winter seasonal labourer (typically December – March) into one FTE. This position will take over the duties normally assigned to each seasonal position. Hiring of this position will add another resource to the crew that will help with the increased workload as well as reduce hiring latency for the seasonal positions.
3. Given the rising costs of securing snow removal contracts due to insurance liabilities, the Town will eliminate the contracted service. Going forward, snow removal will be managed by Public Works during the winter season.
4. To ensure a seamless transition of all parks operations to Public Works, the Parks Operator A will be promoted to the Parks Lead Hand. The Parks Lead Hand will be responsible for all open spaces (e.g., grass cutting, vacant lands, parks), playground equipment and splash pads. The Parks Lead hand will also help with snow clearing activities as part of the winter program.

Corporate Services (formally Finance)

Recommendations:

- Change department name from Finance to Corporate Services.
- Re-assign Economic Development, Tourism, Communications, and IT to the Director of Finance.
- Revise the vacant Corporate Risk Management and Procurement position into a Deputy Treasurer position.
- Move the Corporate Events Coordinator under the Economic Development portfolio.
- Change IT Technician position from contract to full time.
- Add Financial Analyst position to support processing of financial transactions across Town departments.



Rationale:

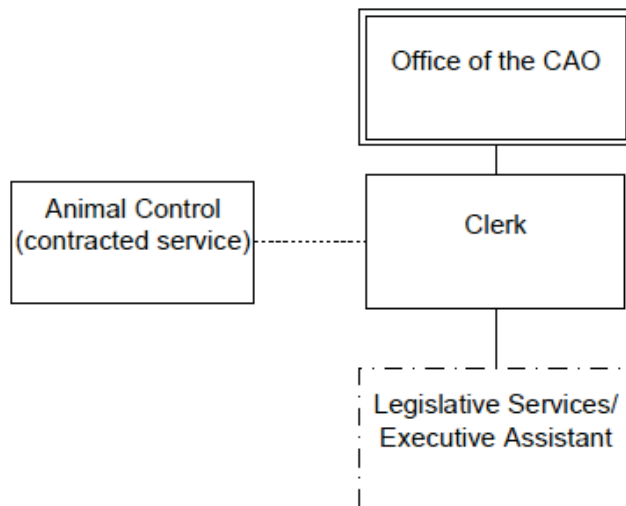
1. With the departure of the former Director of Corporate Services, it was determined that the functions that fell under that portfolio (e.g., corporate communications, economic development, tourism, IT) would be transitioned to the current Director of Finance. Given the addition of these functions, the Finance department will be renamed Corporate Services.
2. Given the amount of accounting transactions processed by the Town and the size of the Finance function, the Town lacks a sufficiently staffed Finance Function. This has resulted in staff without financial training, at the PRC and Childcare, handling a considerable level of cash transactions. The high level organization design adopted by the project team will create a new Deputy Treasurer position through the revision of the vacant Corporate Risk Management and Procurement position. The position will take on some of the day to day accounting duties performed by the Director of Finance, which will create additional capacity for the Director to focus on strategic items.
3. To create capacity and free the Corporate Communications Manager from decisions that do not impact the communications portfolio, the Corporate Events Coordinator will report to the Economic Development Manager. Given the Corporate Events Coordinator conducts events that are tourism focused, this will create more effective communication and alignment within the function.
4. The IT Technician position will be shifted from a contract position to a regular FTE position. The IT function will deploy staff to have one specialize in hardware and software, and one specialize in user support and security.
5. As noted above, the Town lacks a sufficiently staffed Finance Function. To reduce the Town's exposure to financial risk related to the significant amount of financial transactions managed by the PRC's Guest Services team, a Financial Analyst will be assigned to Community Services to support financial processes. The Financial Analyst will report to the Corporate Services function.

Detailed Organizational Design

Clerks Department

Recommendations:

- Replace vacant Corporate Administrative Assistant with the Legislative Services/Executive Assistant position.
- Promote existing Deputy Clerk to Clerk and remove the Clerk title from the CAO/Clerk. CAO to become the Deputy Clerk.
- Contract out animal control.
- Clerk to report directly to CAO and will not be a member of SMT.

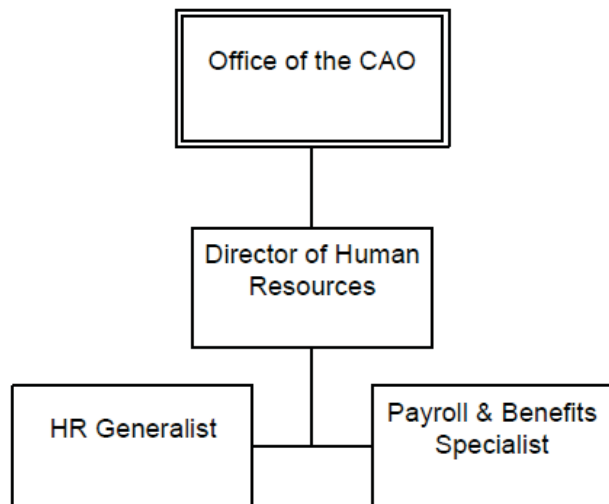


Rationale:

1. Under the current organization model it was noted that there is a lack of administrative support within the CAO's office resulting in both the Deputy Clerk and CAO's time spent completing administrative level duties. To resolve this issue, the new organization design will replace the vacant Corporate Administrative Assistant with a new Legislative Services/Executive Assistant position. The position will support and report to the Clerks department, while also supporting the CAO and customer services needs at Town Hall. Any residual capacity of the Legislative Services/Executive Assistant will be given to the Fire Services department for administrative support.
2. The existing Deputy Clerk will be promoted to Clerk and the Clerk title will be removed from the CAO/Clerk. This will provide the Clerks portfolio with sufficient resources and allow the CAO to focus on more strategic priorities.
3. Under the updated organizational design, animal services will be contracted out to a third party. This contract will be managed by the Clerk and will free up capacity to focus on more strategic priorities.

Detailed Organizational Design

Human Resources



Recommendations:

- Transition PTE HR Generalist position to FTE position.

Rationale:

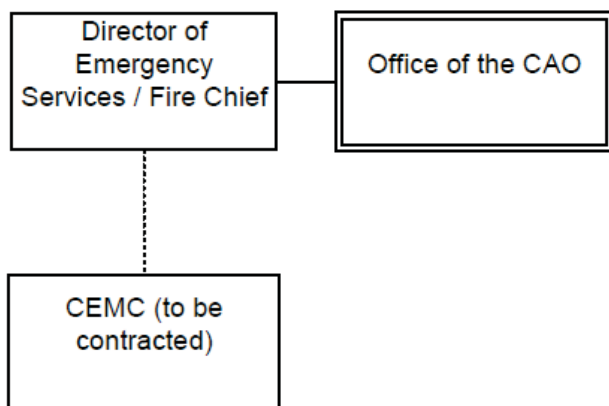
- The FTE position will help to mitigate recruitment challenges and give the department the capacity to proactively focus on areas that are currently lacking attention (i.e., improving health and safety beyond minimum compliance, business continuity planning, and strategic planning).

Detailed Organizational Design

Fire Services

Recommendations:

- Remove Director of Emergency Services/Fire Chief from the SMT.
- Remove CEMC responsibilities from Fire Chief and contract out.
- Legislative Services/Executive Assistant to complete routine admin for the fire department (depending on capacity in new role).



Rationale:

1. Under the current organization structure, the size of the SMT has resulted in ineffective communication and inefficiencies in decision making. The high level organization design will remove the Director of Emergency Service/Fire Chief from the SMT reducing the number of directors are the SMT table.
2. CEMC responsibilities will be removed from the Director Emergency Services/Fire Chief. This service will be contracted out to the County, which will free up capacity for the Director.
3. As the day-to-day capacity of the Legislative Services/Executive Assistant is realized, any residual capacity will be assigned to the fire department for administrative tasks.



Recommendations and Implementation

Town of St. Marys
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Detailed Organizational Design Recommendations

A summary of recommended changes to the organizational structure, business processes, people practices is as follows:

Ref No.	Observation	Recommendation	Impact 1=Low 5=High	Effort 1=Low 5=High
1	We understand that there is some confusion over the management of parks operations since it is delivered by both Public Works and Building and Development departments. This has resulted in ineffective scheduling and deployment of crews throughout the Town including duplication of efforts.	<p>Public Works will assume all parks activities including open spaces (e.g., grass cutting, vacant lands, parks), playground equipment and splashpads. Capital asset management and custodial duties of the noted areas will remain with the Building and Planning Department. This will streamline all parks operations under one director in one department rather than different director managing various park operations.</p> <p>In addition, the current Parks Operator A should be promoted to Parks Lead Hand. The Parks Lead Hand will be responsible for all open spaces (e.g., grass cutting, vacant lands, parks), playground equipment and splash pads. The Parks Lead Hand will also help with snow clearing activities as part of the winter program.</p> <p>In addition, Sports Fields/Playing Surfaces operations activities are to be restructured to fall under the Director of Community Services. This will eliminate the accountability and performance management issues between the operations and programming staff as all PRC activities will be the responsibility of one director.</p>	4	2
2	Internal synergies have been realized by having the Public Works Coordinator support both Public Works and the Building and Development services departments. To continue to see these efficiencies, the existing Public Works Coordinator will be transitioned to a shared coordinator role between Building and Development and Public Works. In order to achieve this transition, the administrative duties of the Public Works Coordinator will need to be assigned to another role.	Eliminate the vacant Planning and Development Coordinator position to create the Building and Development/PW Administrative Assistant. This position will take on administrative tasks of the shared Public Works / Building and Development Coordinator.	4	1

Detailed Organizational Design Recommendations

A summary of recommended changes to the organizational structure, business processes, people practices is as follows:

Ref No.	Observation	Recommendation	Impact 1=Low 5=High	Effort 1=Low 5=High
3	<p>Through benchmarking and comparative analysis it was noted that the Town's Finance department is currently understaffed verses its comparators. Due to this resourcing constraint, Finance is unable to provide proactive financial advice and support to all business functions in the Town.</p> <p>Additionally, this resourcing constraint has resulted in staff lacking financial training at the PRC and in Childcare, handling a considerable level of cash transactions.</p>	<p>Retool the vacant Corporate Risk Management and Procurement position into a Deputy Treasurer position. The Deputy Treasurer position will take on some of the day to day accounting duties performed by the Director of Finance, which will create capacity for the Director to focus on strategic items.</p>	4	3
4	<p>With the departure of the former Director of Corporate Services, it was determined that the functions that fell under that portfolio (e.g., corporate communications, economic development, tourism, IT) could be transitioned to another Director.</p>	<p>Re-assign Economic Development, Tourism, Communications, and IT to the Director of Finance.</p> <p>Given the additions of the Economic Development, Tourism, Communications and IT to the Director of Finance's portfolio, the former Finance department should be renamed to Corporate Services.</p>	3	1
5	<p>Changes were made in 2019 to transfer the GIS Technician from Corporate Services Department over to Public Works to assist the Asset Management and Engineering Specialist with a large ongoing capital project. This resulted in the Town hiring an IT Technician on a contract basis, to support the IT Network Administrator. It was noted that the addition of this staff resource within the IT business unit has resulted in a high level of service for internal stakeholders and there were no concerns regarding the capacity of this business unit to meet current demands.</p>	<p>Change IT Technician position from contract to full time. This will allow the IT function to deploy staff to have one specialize in hardware and software, and one specialize in user support and security.</p>	3	1

Detailed Organizational Design Recommendations

A summary of recommended changes to the organizational structure, business processes, people practices is as follows:

Ref No.	Observation	Recommendation	Impact 1=Low 5=High	Effort 1=Low 5=High
6	Under the current organization model it was noted that there is a lack of administrative support within the CAO's office resulting in both the Deputy Clerk and CAO's time spent completing administrative level duties. It was also noted that the current Corporate Administrative Assistant position was underutilized.	Replace vacant Corporate Administrative Assistant with the Legislative Services/Executive Assistant position. The position will report to the Clerks department, while also supporting the CAO and customer services needs at Town Hall.	2	1
7	As noted above, a lack of administrative support within the CAO's office was highlighted, resulting in both the Deputy Clerk and CAO's time spent completing administrative level duties rather than strategic priorities. Consequently, the CAO is unable to spend sufficient time on the Clerk portfolio that would be typical of a standalone position, and the majority of these duties have fallen to the Deputy Clerk.	Promote existing Deputy Clerk to Clerk and remove the Clerk title from the CAO/Clerk. CAO to become the Deputy Clerk.	5	1
8	Under the current organization structure, the size of the SMT has resulted in ineffective communication and inefficiencies in decision making.	Remove Director of Emergency Services/Fire Chief and Clerk from the SMT.	1	1
9	It was noted that Fire Chief lacks capacity to focus on activities within the Fire Master Plan due to multiple administrative tasks and CEMC responsibilities.	Remove CEMC responsibilities from Fire Chief and contract out to the County (or other third party). As capacity is determined for the new Legislative Services/Executive Assistant position, additional administrative support could be provided to the Fire Chief through this position.	2	1

Detailed Organizational Design Recommendations

A summary of recommended changes to the organizational structure, business processes, people practices is as follows:

Ref No.	Observation	Recommendation	Impact 1=Low 5=High	Effort 1=Low 5=High
10	Under the current organization model it was noted that there is accountability and performance management challenges between the operations and programming staff at the PRC. This is a result of two different directors managing the various staffing groups within the building.	Re-assign the PRC Facility Maintenance & Operations activities from Building & Development to Community Services. This will eliminate the accountability and performance management issues between the operations and programming staff as all PRC activities will fall under one director.	5	5
11	It was noted that there is a discrepancy in the customer service standard at the PRC with Guest Services reporting to one supervisor, and Friendship Centre customer service reporting to another. In addition, it was noted that the aquatics portfolio has the potential for strategic growth with the workload of the current supervisor being the limiting factor.	Transfer the management of PRC Guest Services to the Recreation Supervisors portfolio. This transition would provide the Aquatics Supervisor with additional capacity to focus on expanding the aquatics portfolio. In addition, the Town should consider implementing a Corporate Customer Service standards to unify the approach to customer service across all service desks of the corporation.	4	1
12	It was noted that the contract for Kitchen Coordinator positions requires the Town to supply 25 hours a week for the position. Under the current climate, the Town is unable to fully utilize the position given the hours outlined in the contract.	Eliminate the Kitchen Coordinator position and utilize 3 rd party catering services for community dining events.	1	1
13	It was noted that the current reporting structure for the museum has led to inefficiencies and challenges due to communication barriers between the Museum Curator and the Director of Corporate Services.	Promote Museum Curator to Supervisor responsible for day-to-day museum operations and the heritage portfolio with 1 FTE to support.	3	1

Detailed Organizational Design Recommendations

A summary of recommended changes to the organizational structure, business processes, people practices is as follows:

Ref No.	Observation	Recommendation	Impact 1=Low 5=High	Effort 1=Low 5=High
14	Given the cost increases associated to contracting snow removal services, the Town has had difficulties sourcing a snow removal contractor.	Eliminate contracted snow removal due to the increasing cost of the service. Formally contracted snow removal responsibilities will be managed by the Parks Operator under the Public Works department.	3	1
15	The Corporate Communications Manager is routinely involved in decision making that does not impact the communications portfolio. This has resulted in a communication barrier between the Corporate Events Coordinator and the Economic Development Manager and causes delays in decision making.	Move the Corporate Events Coordinator under the Economic Development Manager to align with the Town's strategic objectives around tourism.	3	1
16	Given the re-assignment of all parks operations to Public Works, the current Parks Operator A will require a promotion to Park Lead Hand due to an increase in leadership responsibilities.	To ensure a seamless transition of all parks operations to Public Works, the Parks Operator A will be promoted to the Parks Lead Hand. The Parks Lead Hand will be responsible for all open spaces (e.g., grass cutting, vacant lands, parks), playground equipment and splash pads. The Parks Lead hand will also help with snow clearing activities as part of the winter program.	2	1

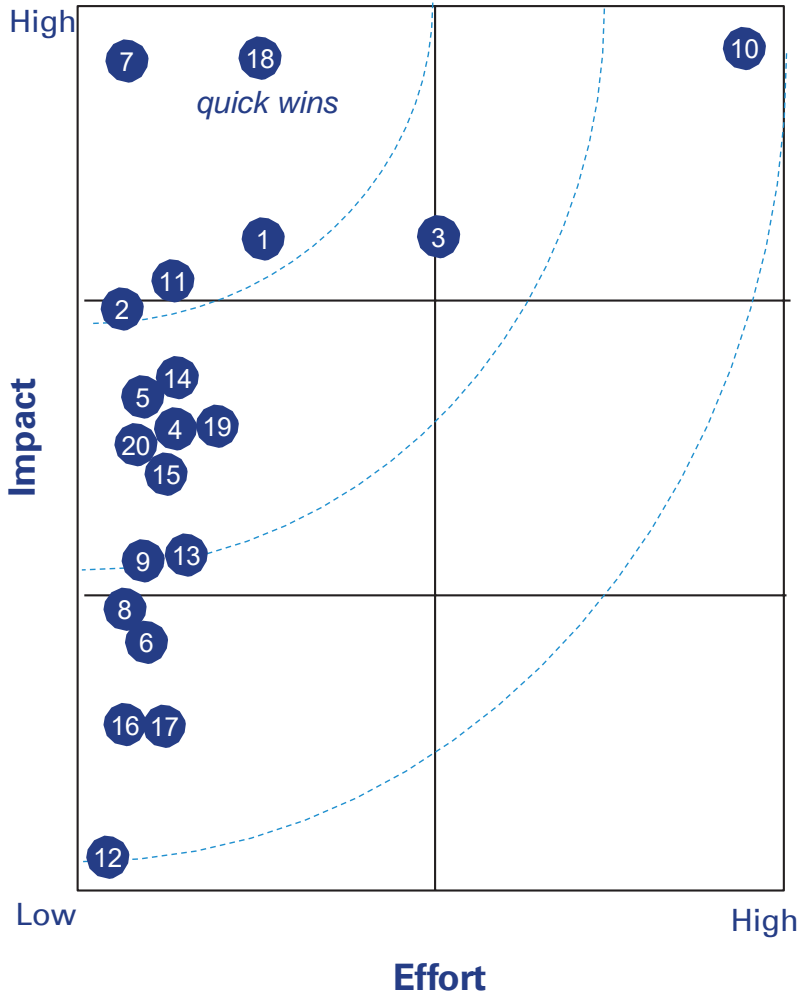
Detailed Organizational Design Recommendations

A summary of recommended changes to the organizational structure, business processes, people practices is as follows:

Ref No.	Observation	Recommendation	Impact 1=Low 5=High	Effort 1=Low 5=High
17	Given the required increase in cleaning service level (post COVID-19) the current Custodian/Maintenance position will require a promotion to Custodian Lead Hand due to an increase in responsibilities.	Given the expected increase in cleaning service level (post COVID-19) there will be an increase in the job responsibilities of the Custodian/Maintenance position. As such, this position should be promoted to Custodian Lead Hand.	2	1
18	Given the amount of accounting transactions processed by the Town, the Town lacks a sufficiently staffed Finance Function. This has resulted in staff without financial training at the PRC and Childcare handling a considerable level of cash transactions.	To reduce the Town's exposure to financial risk related to the significant amount of financial transactions managed by the PRC's Guest Services and Child Care teams, a Financial Analyst will be assigned to Community Services. The Financial Analyst will report to the Corporate Services function.	5	2
19	It was noted that the Town has experienced challenges in the recruitment of a PTE HR Generalist position.	The Town should transition the PTE HR Generalist to a FTE position. The FTE position will help to mitigate recruitment challenges and give the department the capacity to proactively focus on areas that are currently lacking attention (i.e., improving health and safety beyond minimum compliance, business continuity planning, and strategic planning).	3	1
20	As the Town re-opens (post COVID-19) there will be shortfall in custodial services. Given the increase in the cleaning service level that will be required, the Town will require a full-time Custodian position.	Re-hire vacant Custodian position to ensure cleaning service level standards are met post COVID-19.	3	1

Prioritization of Suggested Actions

Suggested actions have been mapped for **impact vs effort** to help prioritize activities.



Suggested Actions

- 1 Re-assign Parks operations from Building and Development Services to Public Works.
- 2 Eliminate the vacant Planning and Development coordinator position to create the Building and Development/PW Administrative Assistant.
- 3 Retool the vacant Corporate Risk Management and Procurement position into a Deputy Treasurer position.
- 4 Re-assign Economic Development, Tourism, Communications, and IT to the Director of Finance.
- 5 Change IT Technician position from contract to full time.
- 6 Replace vacant Corporate Administrative Assistant with the Legislative Services/Executive Assistant position.
- 7 Promote existing Deputy Clerk to Clerk and remove the Clerk title from the CAO/Clerk. CAO to become the Deputy Clerk.
- 8 Remove Director of Emergency Services/Fire Chief and the Clerk from the SMT.
- 9 Remove CEMC responsibilities from Fire Chief and contract out to the County (or other third party).
- 10 Re-assign the PRC Facility Maintenance & Operations activities from Building & Development to Community Services.
- 11 Transfer the management of PRC Guest Services to the Senior Services Supervisor's portfolio.
- 12 Eliminate the Kitchen Coordinator position and utilize catering services for community dining events.
- 13 Promote Museum Curator to Supervisor responsible for day-to-day museum operations and the heritage portfolio with 1 FTE to support.
- 14 Eliminate contracted snow removal due to the increasing cost of the service
- 15 Move the Corporate Events Coordinator under the Economic Development Manager.
- 16 Promote Parks Operator A to Parks Lead Hand.
- 17 Promote Custodian/Maintenance position to Custodian Lead Hand.
- 18 Hire a Financial Analyst to manage financial transactions at the PRC and Child Care.
- 19 Transition PTE HR Generalist position to FTE position.
- 20 Re-hire vacant Custodian position.



Appendix : Process Mapping

Town of St. Marys
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What is a Process Map?

During Phase 5, we facilitated a series of working sessions with Town staff to map the following key processes:

1. Accounts Payable
2. Credit Cards
3. Child Care Invoicing
4. Switchboard
5. Dog Tags
6. Tax Payment
7. Event Rental

How to read our report

For each process under review, we have provided process maps that outline the individual worksteps undertaken as part of the process. These maps are outlined in flowchart form and are intended to assist in understanding (i) the individual worksteps performed by Town personnel; (ii) the sequential ordering of the worksteps; and (iii) decision points included in the process.

Where a risk area or potential improvement has been identified, they have been indicated in the process maps using a number red circle.

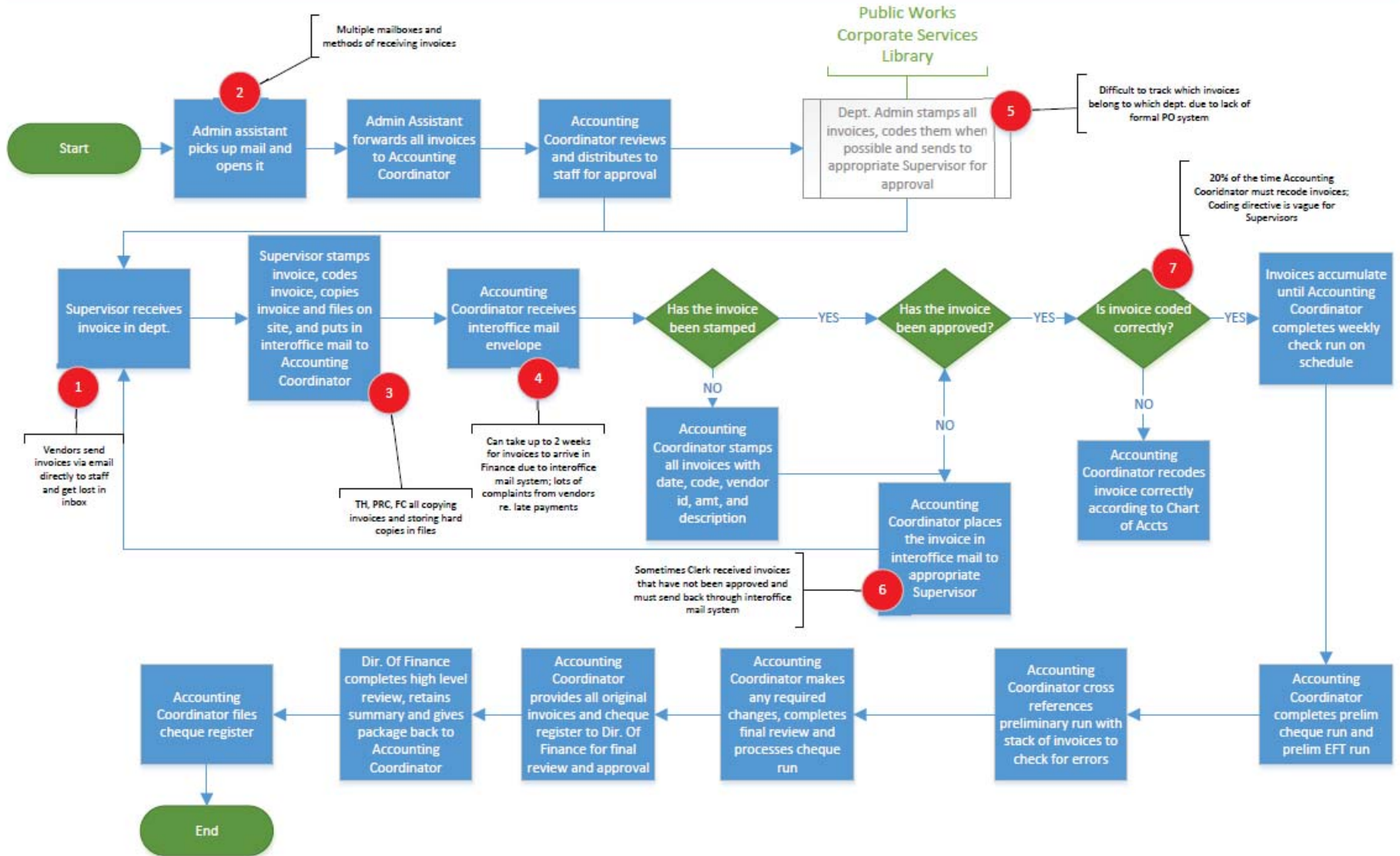
Included with the process maps are the potential areas for improvements, as well as potential courses of action that could be adopted by the Town to address the identified issues.



Accounts Payable

Town of St. Marys
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Final Report

Accounts Payable

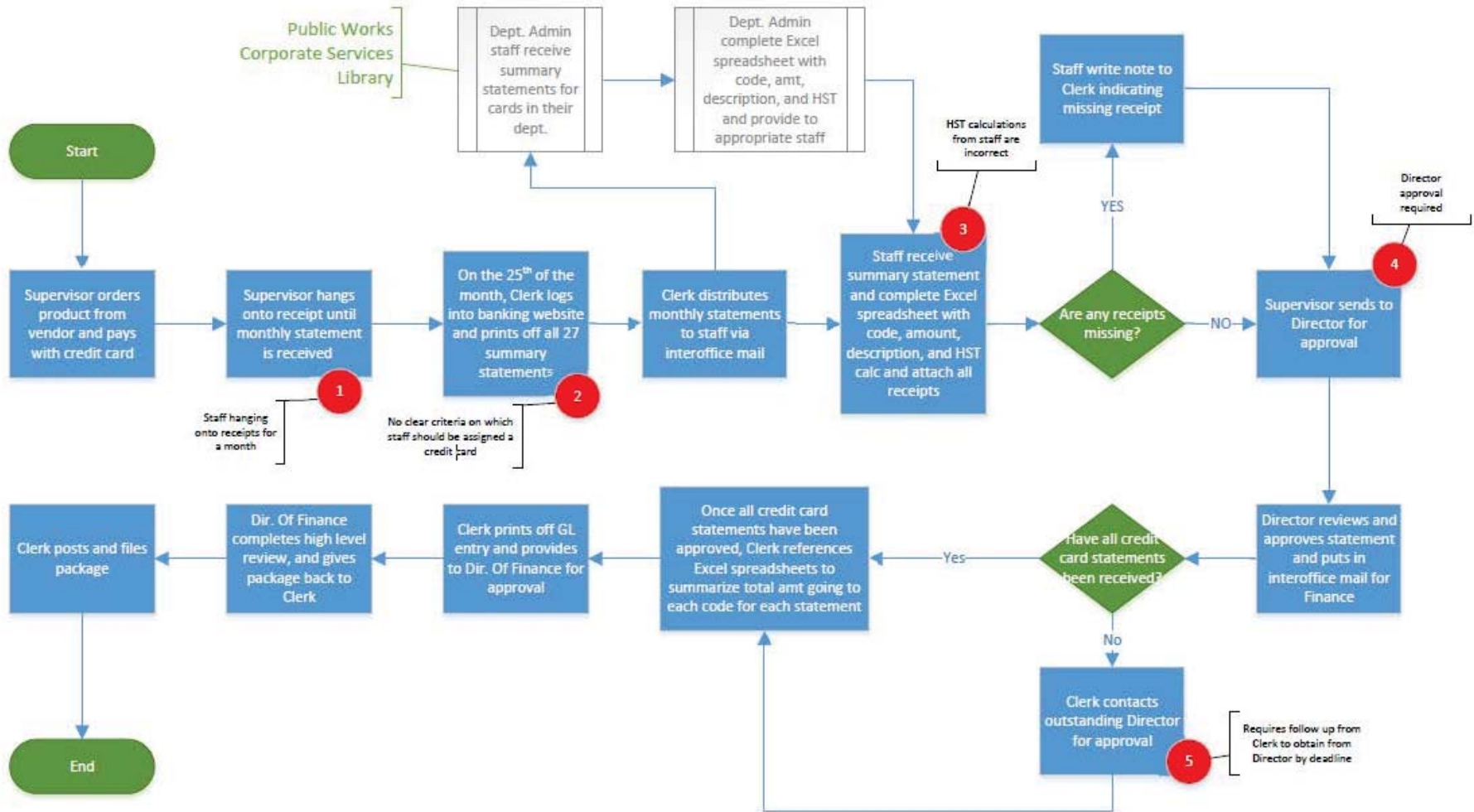




Credit Cards

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Credit Cards





Child Care Invoicing

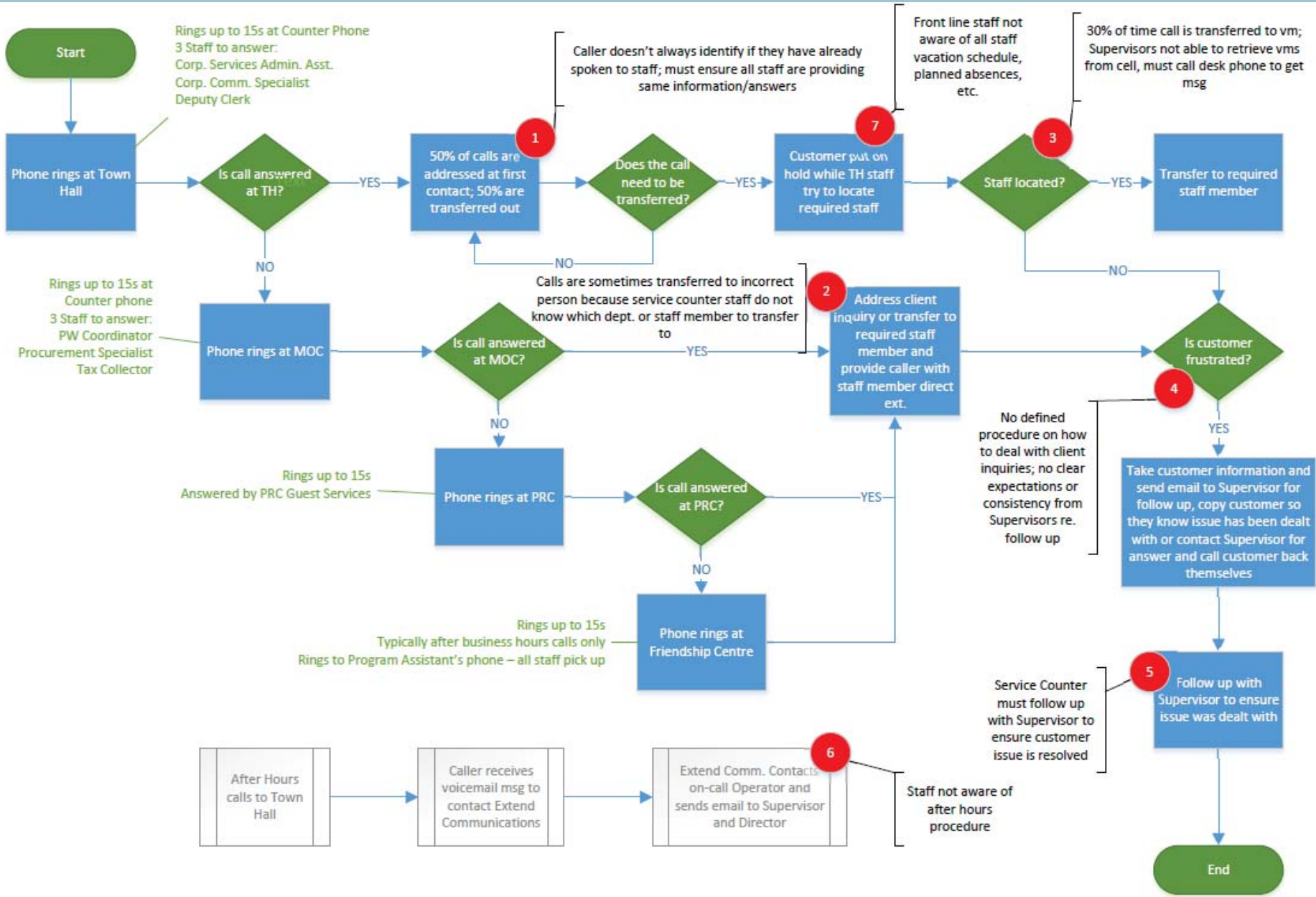
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Switchboard Process

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Final Report

Switchboard

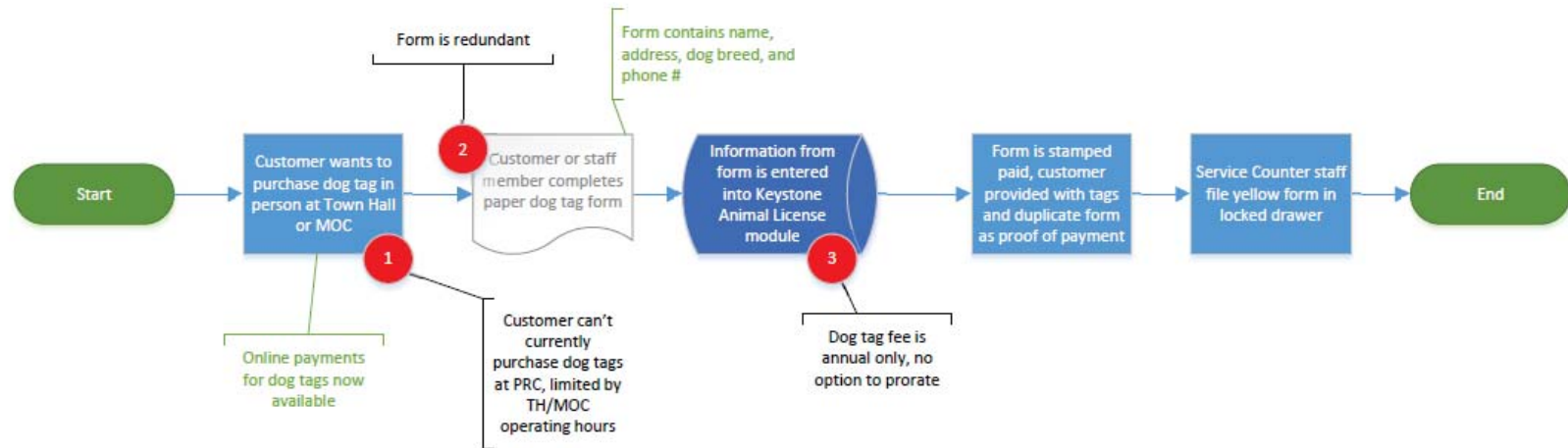




Dog Tag Processing

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Dog Tags

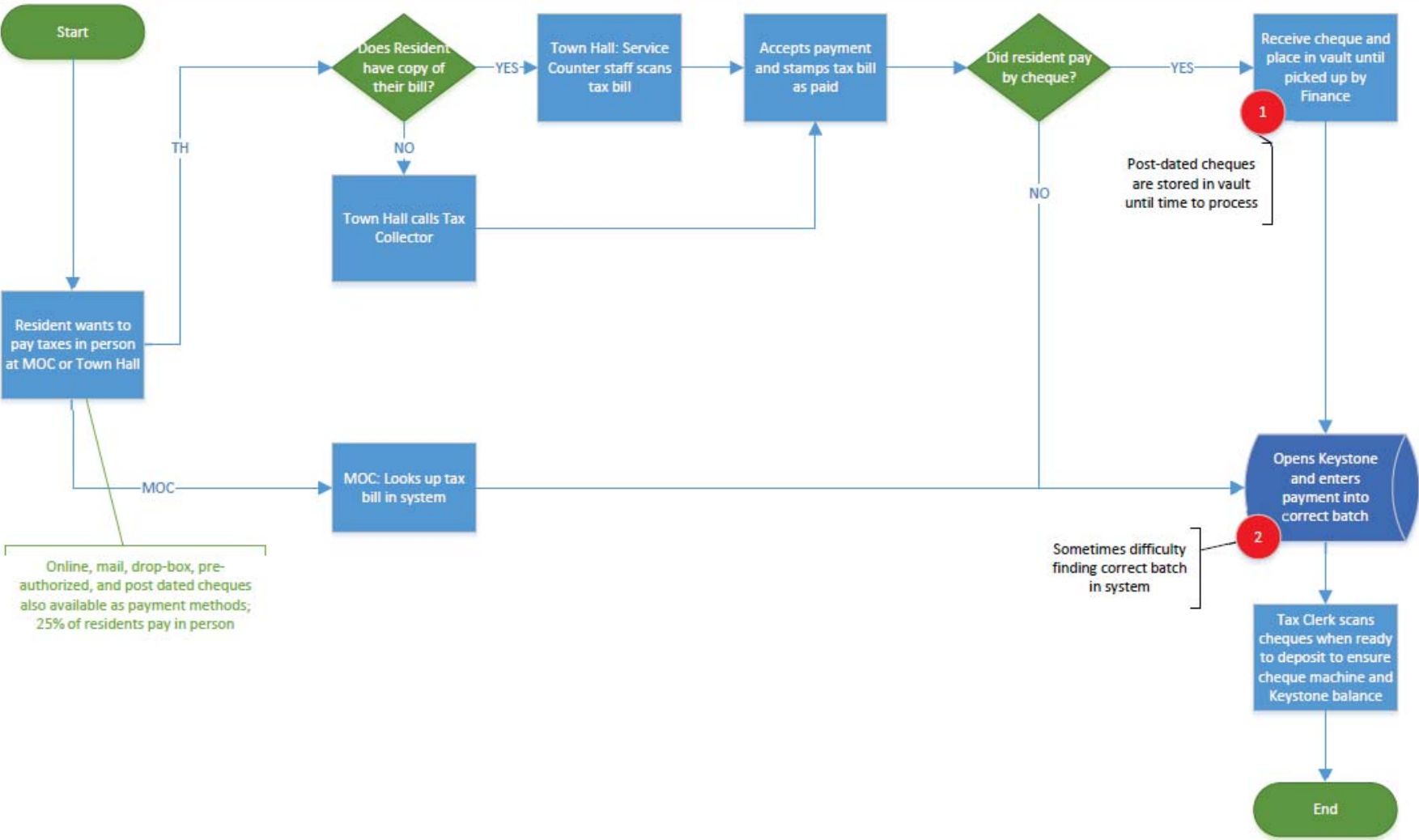




Tax Payment Process

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Tax Payment

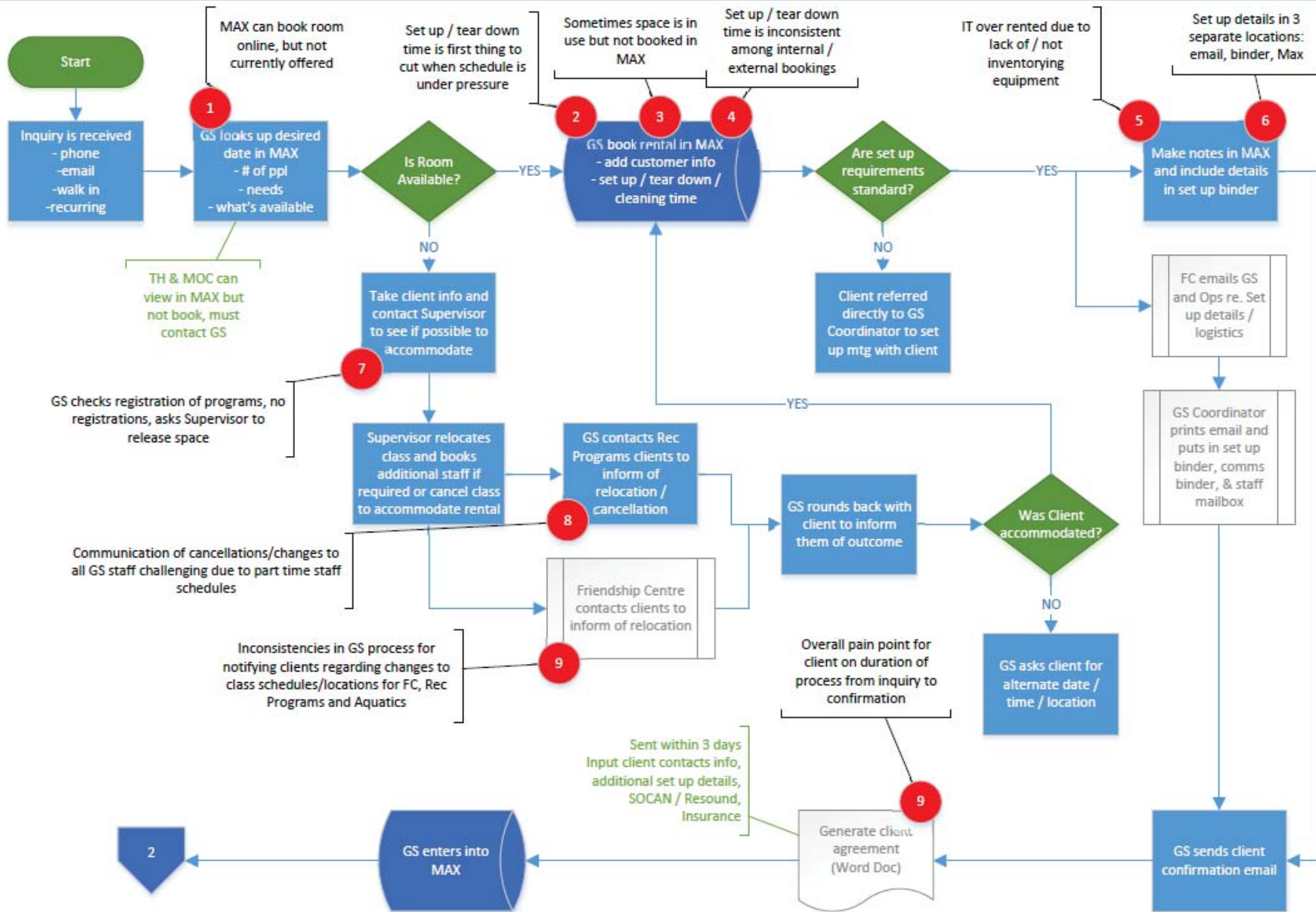




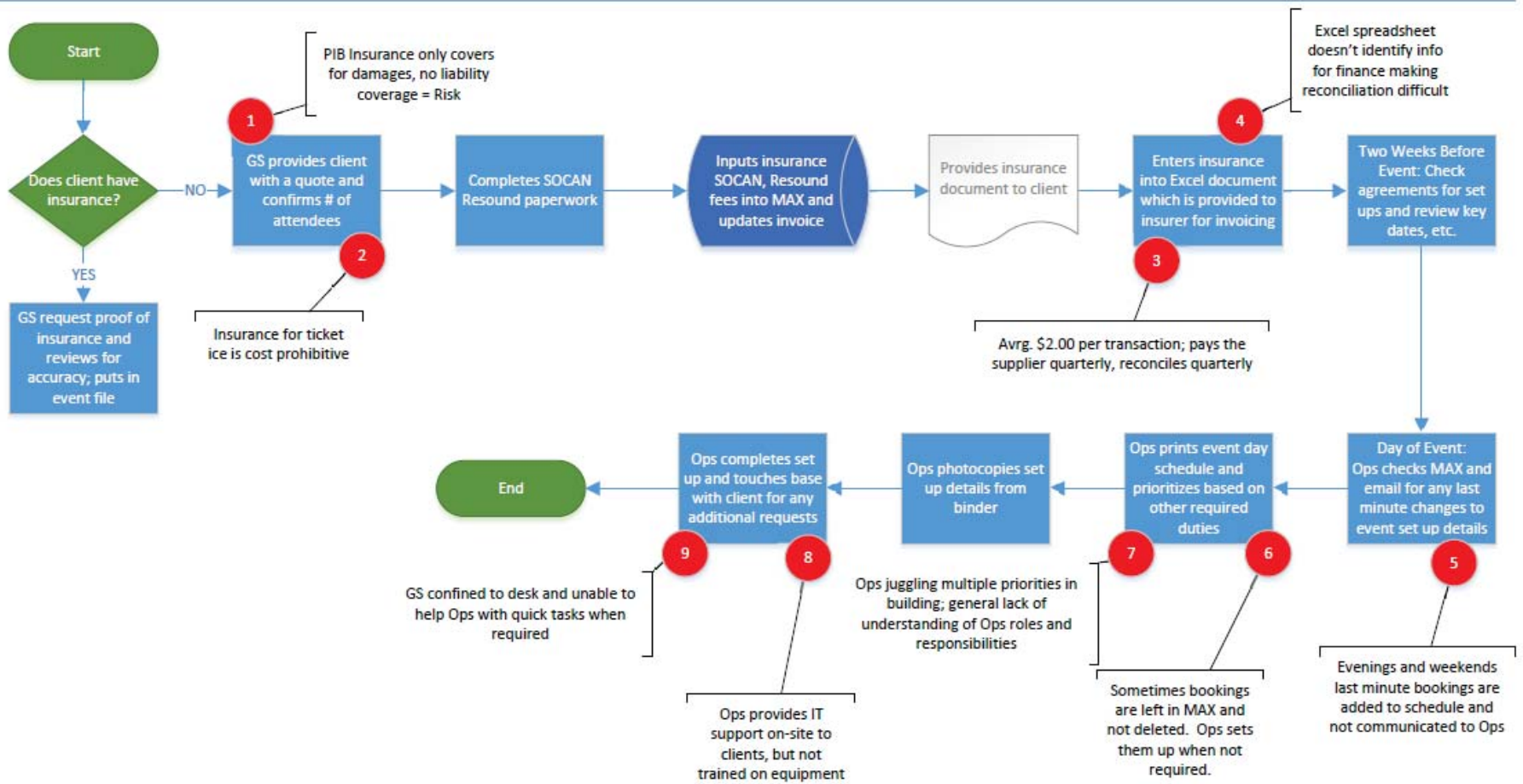
Room Rental Process

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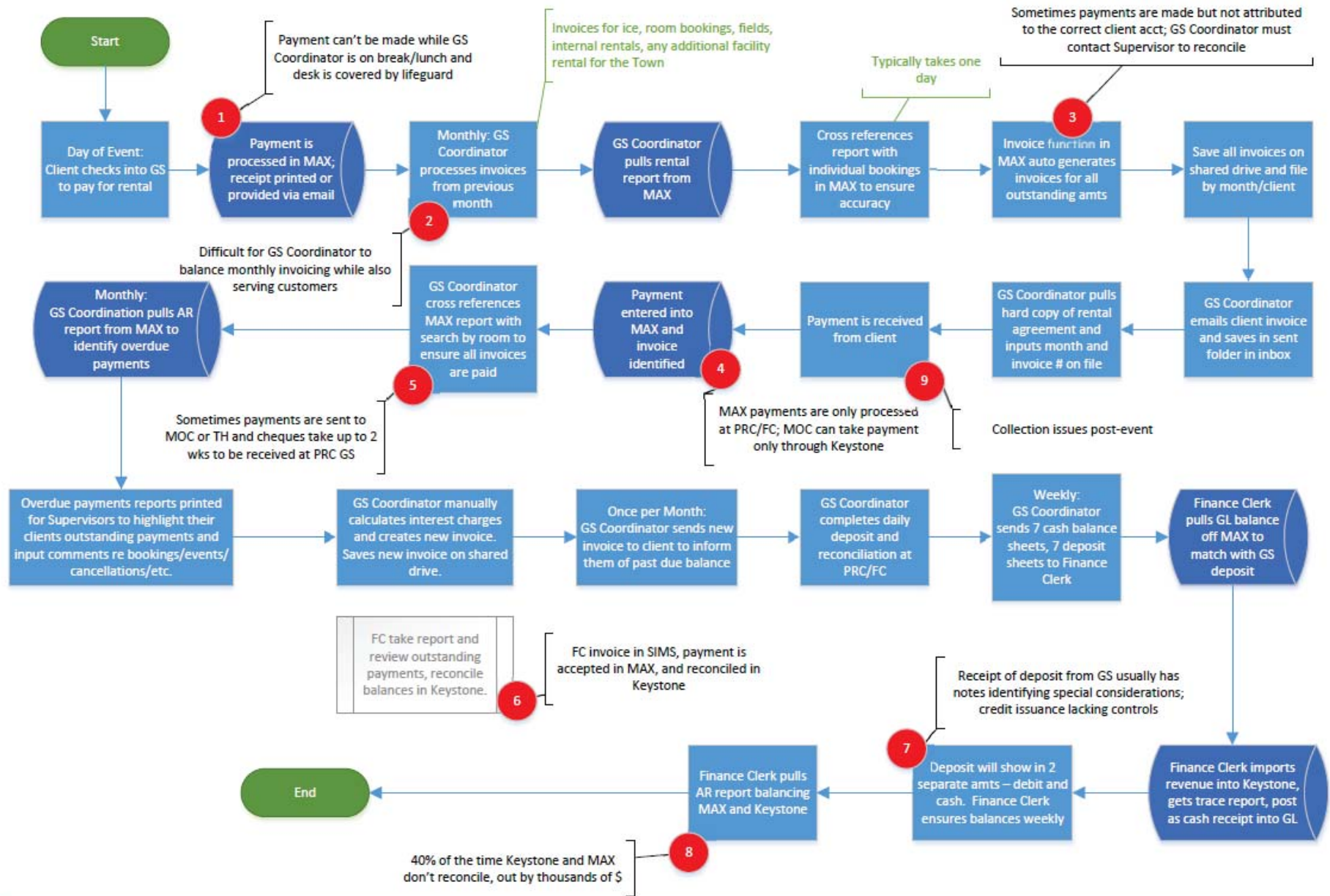
Room / Event Rental



Leading up to Day of Event



Event Rental Payment





Process Mapping Improvement Recommendations

Town of St. Marys
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Process Mapping Improvement Recommendations

Process	Observation / Pain Point	Opportunity for Improvement
AP	Invoices are received through multiple methods and mailboxes. We heard that invoices are sent directly from vendors to staff emails and sometimes can get lost in their inbox. It was noted by participants in the session that a significant amount of inquiries are received from vendors regarding late payments. We also heard that the Town's interoffice mail system can sometimes add up to 2 weeks to the cycle time before invoices are received in finance to process.	We recommend that Finance create a general AP email inbox to receive all invoices and begin a communication initiative with vendors to inform them of new process to submit invoices to general AP email address. This would ensure invoices are not lost in individual staff mailboxes and reduce the overall cycle time required to process invoices.
AP	Session participants noted a lack of documented process and procedures for Accounts Payable, with a heavy reliance on experienced staff for procedural knowledge.	We recommend the Town establish formal Accounts Payable training process for new staff, and institute re-training after 6 months to solidify knowledge base.
AP	Staff estimated that 20% of invoices received by Finance require recoding. Participants noted that the Chart of Accounts coding directive for Supervisors is too vague.	We recommend the Town provide a more descriptive and clear narrative of the types of items that should be included in each account code for Supervisors to reference.
AP	The Town estimates it processes approximately 20,000 invoices per year. There is no formal PO system, and no cost threshold for requirement of PO's, which staff noted makes it difficult to track which invoices belong to which department. We heard invoices sometimes bounce around to various departments for extended periods of time until someone claims ownership.	The Town could consider establishing a formal PO system to enforce greater controls on purchasing and invoice tracking.
AP	We understand that the Town Hall, Friendship Centre, and PRC staff are all copying invoices sent to AP and keeping hard copies on-site, resulting in excess paper copies of invoices being managed, processed, and stored in multiple locations.	We recommend that Town Hall, Friendship Centre, and PRC staff code and scan invoices and save them on a shared drive, accessible by Finance as well as the department, and eliminate paper copies sent through interoffice mail.
AP	We understand Finance requires Supervisors to stamp invoices with date, code, vendor ID, amount and description, and that invoices are received to Finance often lacking the stamp and sometimes missing signature of approval. This results in the invoice being sent back through the workflow in the interoffice mail system, adding additional time to processing.	We recommend the requirement of Supervisors to stamp the invoices be eliminated. The date and amount are already included on invoices. Supervisors could add the description of item when required and sign for approval. We recommend Finance look up vendor ID when processing payment.

Process Mapping

Improvement Recommendations

Process	Observation / Pain Point	Opportunity for Improvement
AP	We understand that prior to COVID there was no set schedule for processing payment of invoices and payments were often only processed bi-weekly. Since COVID, cheque runs are now weekly.	We recommend that Finance establish cut off dates to determine appropriate timelines for receipt of invoice in order for payment to be processed on next cheque run. Formalizing this procedure provides clarity and benchmarking for staff to understand lead time required to ensure vendor receives payment in timely manner.
Credit Cards	We understand the clerk logs into the banking system monthly to print off credit card summary statements for all staff. These paper copies are distributed to staff via interoffice mail.	We recommend the clerk scan and post summary statements to shared drive for staff to access, and send a notification email to staff that statements are ready for their review. Staff can then print, code, attach receipts and send back to finance through interoffice mail, reducing the cycle time and creating capacity for the Clerk. The Town could also consider exploring an option with the bank for staff to obtain their own log in credentials for credit card system, open statement and code purchases directly in system, print report and send for approval with hard copy of receipts. This would expedite the process significantly for staff and create additional capacity for the Clerk.
Credit Cards	We heard there is currently no clear criteria for which staff should receive a credit card for their role. Participants noted that approximately half of all full time staff currently have credit cards, but much fewer are in regular use.	We recommend the Town perform an analysis on previous credit card statements to determine which staff use credit cards and for what purposes. Cards that are not utilized regularly should be eliminated and a corporate credit card policy and criteria to determine who requires credit card in future should be developed.
Credit Cards	We understand staff input acct #, amount, description, and HST calculations on credit card summary spreadsheet in Excel and attach all credit card receipts. Staff noted that the majority of the time the HST calculations completed by staff are incorrect. We also heard that the Finance Clerk manually calculates the total amount to each account code for each statement.	We recommend that macros are built into the Excel spreadsheet to complete the HST calculations as well as sum total each account code per statement automatically. This would create capacity for staff and the Clerk and eliminate errors in HST calculation and manual data entry.

Process Mapping

Improvement Recommendations

Process	Observation / Pain Point	Opportunity for Improvement
Credit Cards	We heard Director approval of credit card statements is required, but not required for processing all other payments such as invoices, etc. Staff noted that a significant amount of time is spent by the Clerk following up with Directors regarding approval of credit card statements.	The Town could reconsider the delegation of authority regarding approval of credit card statements, and standardize it across all procurement activities to eliminate the requirement of Director approval. Additionally, staff could be educated on the timelines required for Clerk to submit monthly report on HST, so they understand the importance of timely credit card statement deadlines and submissions.
Child Care Invoicing	We understand the Child Care Supervisor spends one full day per month on invoicing and that the EZ Care system does not communicate with Keystone.	We were advised that the EZ Care system is currently only used for invoicing purposes. We recommend the Town engage internal IT support and investigate the creation of an interface between Keystone and EZ Care. Alternatively, investigate the possibility of pulling the invoice date in an excel download from EZ Care, and uploading into Keystone to eliminate the manual entry. The Town may also want to consider investigating an alternative child care invoicing program that communicates directly with Keystone, or utilizing a billing module in Keystone to invoice for child care payments and eliminating the use of the EZ Care system.
Child Care Invoicing	It was noted that the current billing schedule for child care is one month behind, which poses a risk to the organization as children are receiving care prior to payment.	We understand that the Town is implementing a pre-authorized payment system which will eliminate this risk to the organization.
Child Care Invoicing	We understand that hard copies of child care invoices are printed off EZ Care system by Finance Clerk and kept in binder at MOC. We heard that when a parent is present at Town Hall to pay a child care invoice without the physical copy of the invoice in hand, Town Hall staff must contact someone at the MOC to pull a copy of the invoice from the binder to determine correct amount for which to process payment.	We recommend printing of EZ care invoices be eliminated and electronic copies of invoices be stored on shared drive accessible to all locations that process municipal payments. The Finance Clerk could export the EZ Care invoices to pdf and upload to shared drive, eliminating the requirement to manager paper copies of invoices in the binder, and increasing ease of customer service at all location that process municipal payments.

Process Mapping Improvement Recommendations

Process	Observation / Pain Point	Opportunity for Improvement
Child Care Invoicing	We understand the EZ Care invoices are confusing and difficult to read. On a monthly basis, 10% of parents contact the Day Care Supervisor to inquire regarding the status of their payment. The Day Care Supervisor is unable to inform the parent if the payment has been received due to payments processed in Keystone by Finance and EZ Care not updated with real time payment status. Additionally, there is no clear account numbers included on the invoices. Staff noted when a payment is made online it is sometimes challenging to match the payment to the child in care and allocate it to the correct account.	We recommend that a note be added to bottom of child care invoices to say: "For billing inquiries or to inquire about the status of your payment, please contact the Finance Department, at extension XXX". Diverting these inquiries away from the Day Care Supervisor to the Finance Clerk will create greater capacity for the Day Care Supervisor and improve the level of service for the parents.
Child Care Invoicing	We heard that when a billing discrepancy is brought to the attention of the Day Care Supervisor, the Supervisor must update the EZ Care system to create a new invoice, and notify the Finance Clerk, who is required to go back into EZ Care system and reprint invoice to update the binder.	As noted above, we recommend eliminating the paper copies of the invoices in the binder. Typically, a credit memo would be issued for the billing error and new invoice would be created. It is recommended that the Director of Finance or Deputy Treasurer is engaged in this process to ensure the process is consistent and meets accounting standards.
Switchboard	We heard that Service Counter staff feel there is a lack of consistency and expectations for Supervisors regarding requirements for follow up on calls from residents. Service Counter staff spend a significant amount of time keeping track of inquiries and following up with Supervisors regarding the status of the call and the resolutions. There is no defined policy or procedure regarding how to respond to customer inquiries.	We recommend the Town develop a customer service standard that is consistent across the organization and level set with all Supervisors regarding expectations for response to resident inquiries. The Town could also consider a work order tracking system that could be used to track the status and follow up requirements for customer inquiries.
Switchboard	Participants in the session noted that a caller doesn't always identify if they have already spoken to a staff member and that calls are sometimes transferred to the PW Coordinator because service counter staff do not know which staff member to direct caller to.	It is important the messaging and information provided by staff to the caller is consistent. As noted above, a customer service standard adopted by the Town will help to standardize this messaging. We also recommend the creation of an FAQ's document available at all service counters regarding key inquiries and create a staff call tree that identifies which calls go to whom to clarify next steps for Service Counter staff depending on the nature of the inquiry.

Improvement Recommendations

Process	Observation / Pain Point	Opportunity for Improvement
Switchboard	We heard that during COVID, Town staff office/desk phones have been transferred to their cell phones, making it more convenient for service counter staff to reach required staff to address caller issues. It was noted by participants that voicemails are not able to be left on the cell phones and Supervisors must call their desk phones to retrieve their messages.	We recommend the Town continue with the process of having desk phones transferred to cell phones, and work with your cell phone provider to allow for voicemails to be left on cell phones. This would create efficiency for the Service Counter staff, departmental staff and Supervisors, and provide greater customer service for residents.
Switchboard	We were advised that not all Service Counter staff are aware of after hours calls procedures.	We recommend training all front line service counter staff on the after hours emergency call procedure involving Extend Communications, and incorporating the after hours calls procedure into the customer service standard to be developed across the organization.
Dog Tags	We understand that staff nor the customer is currently required to complete a paper dog tag form with information that is duplicated within the Keystone system. Staff are manually transferring information from paper form into Keystone.	The paper dog tag form is redundant. We recommend the Town eliminate this form.
Dog Tags	We understand that dog tags are only available on an annual free from January-December and are currently unable to be prorated.	We recommend the Town prorate their fee to encourage dog tag purchasing and also set up a auto-renew fee/invoice system so tags only need to be purchased once and they auto renew annually. This will encourage pet registration, generate additional income for this program, as well as improve customer service by streamlining the process for residents.
Dog Tags	Staff notes that the customer is limited by business operating hours at the MOC and Town Hall and unable to purchase dog tags at the PRC.	We understand that the PRC has access to Keystone and we recommend PRC Guest Services capabilities be expanded to include the sale of dog tags, moving toward a one-window customer service approach for residents.

Process Mapping Improvement Recommendations

Process	Observation / Pain Point	Opportunity for Improvement
Tax Payment	Staff estimate that 25% of residents currently pay their taxes in person at the Town Hall or MOC.	We recommend that the Town consider a communication campaign to transition more payments to pre-authorized or online to decrease draw on Service Counter staff time. The Town may also want to consider the PRC Guest Service counter as an additional option for tax payment, moving toward the one-window approach to customer service. As an initial step, we recommend the PRC Guest Services staff could support residents to transition to online payments by showing them how to complete their tax payment online on their computer at the PRC.
Tax Payment	We understand that payment is received by post-dated cheques and are being stored in vault in Town Hall and/or MOC. These payments aren't entered into the system until it is time for them to be processed, exposing the Town to risk that cheques may go missing or be unaccounted for.	We recommend the post-dated cheque payments are entered into the Keystone system in advance and a formal filing system is set up for retention of post-dated tax payment cheques.
Tax Payment	Staff noted there can be challenges with finding the correct batch in Keystone system.	We recommend Finance performs root cause analysis to identify the cause of the issue.
Event Rental	We understand that current insurance charges for rentals average \$2.00 per transaction. The Town pays the insurance provider quarterly and reconciles quarterly. Insurance is currently tracked on an Excel spreadsheet that doesn't provide the information for finance that is required to reconcile and Finance Clerk spends additional time trying to reconcile \$2.00 transactions. We understand that PIB Insurance is sold to clients to cover damages but contains no additional liability coverage. Additionally, the cost for insurance makes it cost prohibitive for ticket ice.	This is a high risk area for the organization. We recommend the Town prioritize the investigation of alternative insurance providers and billing processes, or create its own rates for insurance (flat rate) to eliminate reconciliation issues, charge a deposit for damages, and charge insurance fee to cover liability.

Process Mapping

Improvement Recommendations

Process	Observation / Pain Point	Opportunity for Improvement
Event Rental	We understand PRC clients must obtain their lottery license from Town Hall. Staff noted that often Town Hall does not provide Guest Services with a copy of the license and GS Coordinator must ask the client for a copy.	We recommend that a standard procedure for lottery licensing be established which includes use of a shared drive between Town Hall and the PRC. When a lottery license is purchased by a client for an event at the PRC, it should be saved on the shared drive which is accessible by PRC staff. This eliminates having to ask the client for a copy of their license which was provided to them by another department within the Town.
Event Rental	We understand that there are three different locations for event set up information to be stored/shared – email, set up binder, and MAX. We heard that the GS Coordinator spends a significant amount of time updating this information in all three locations.	We recommend that MAX be the sole location for event set up information to be stored/shared and when there are changes to the set up requirements, that it is updated in this one location. All staff should be advised to use MAX as the sole source for accessing event set up details. This will create capacity for the GS Coordinator by reducing the number of locations to store and update this information and also minimize the potential for errors or confusion by streamlining the source location.
Event Rental	We heard that sometimes IT equipment is overbooked and lacking inventory because not tracking equipment rentals. Participants also noted that Operators are expected to support clients with IT needs, but have not been trained on equipment.	We recommend a floor plan and equipment list for each room be created and that inventory is tracked in MAX with the event rental. This will eliminate any overbooking of equipment. Additionally, we recommend providing Operators with training on IT equipment so they can increase their confidence with the IT equipment and improve level of service provided to clients.
Event Rental	We understand that bar operations are logistically taxing and take a significant amount of staff time. We heard the Guest Services Coordinator spends 5-8 hours per week to prepare the bar for each Lincoln's game. Often additional staff are brought in to support events with bar operations, but those staff hours are not charged back to the events.	We recommend the Town charge clients for additional staff required to bar operations. Alternatively, the Town could consider tracking additional staff hours spent on bar support and logistics to gain accurate data on total staff draw on resources and put plan in place to begin to recoup those expenses in next fiscal year either through direct bill to client for labour or increase in rental fees.

Improvement Recommendations

Process	Observation / Pain Point	Opportunity for Improvement
Event Rental - Kitchen	<p>We understand that when a rental agreement is signed with the client for use of the kitchen during an event, it does not include any requirements for the caterer (i.e. no proof of insurance or Health Unit inspections required and no recourse for actions of caterer during rental). Staff noted there is a large impact of required clean up post event that is not currently charged back to client.</p>	<p>We recommend that a clause be inserted into the rental agreement for the kitchen that requires proof of insurance and health unit inspection from the caterer who is hired by the client. We also recommend an additional deposit is secured for use of the kitchen that outlines expectations on how the kitchen is to be left post event.</p>
Event Rental - Kitchen	<p>We understand there is a lack of clarity regarding the level of service the Town should offer to clients who rent the kitchen facility, including confusion around number of supplies in inventory available for large kitchen event rentals. Additionally, the kitchen is currently under the Friendship Centre business unit, not Facilities, which sometimes causes pain points during rentals and operations.</p>	<p>We recommend the Town consider a standard level of service to provide to clients who rent the kitchen, and also create charge out rates for kitchen supplies and equipment that the Town currently owns. We heard the kitchen is commonly used for funerals, and we recommend the Town create a standard package offered to clients specific for funerals. This standardization of level of service and package offerings will eliminate the lack of clarity that currently exists regarding kitchen rentals and create capacity for staff in ease of implementation. We also recommend the kitchen facilities be managed by the PRC facilities operations team and operated similarly to any other event rental space within the PRC.</p>
Event Rental	<p>We heard there is no clear process for Supervisors to release space booked for programs with no registrations. Currently, there is an informal reliance on GS to contact Supervisor if there is an inquiry received for a room rental to prompt release. Sometimes bookings are left in MAX and not removed, resulting in building operations staff setting up for a rental that was cancelled. Alternatively, sometimes space is in use but not booked in MAX, impacting set up and tear down timelines for next booking.</p> <p>Staff also noted that online room bookings is a feature currently available in MAX but not offered by the Town.</p>	<p>We recommend that a standard process for release of space is established to ensure the PRC is maximizing potential revenue from room rentals. A deadline for minimum number of program registrants could be established and if this number is not met, space is released and marketed as available.</p> <p>We recommend that when the Town completes the transition to ActiveNet, the online booking feature is made available to clients. It will be imperative moving forward that the booking system is kept up to date if online booking will be available.</p>

Improvement Recommendations

Process	Observation / Pain Point	Opportunity for Improvement
Event Rental	Staff advised that sometimes last minute rentals are added to the booking schedule without communication back to Operations. The building operator schedule is completed one month in advance and typically based on the rental schedule in MAX. Operations staff sometime catch facility scheduling issues when creating staff schedule and work with GS Coordinator to resolve.	We understand that MAX has the ability to house staff schedules within the system. We recommend this feature is utilized for the building operator schedule, which would be accessible to all PRC staff. This work schedule could be reference when booking in new or last minute rentals, and would prompt the GS staff to contact building operations to inform them of the changes which may impact their staff schedules.
Event Rental	We heard there are inconsistencies in GS processes for communication with clients to notify them of changes or cancellations between Recreation, Aquatics, and the Friendship Centre.	We recommend the process for communication with clients to notify them of program cancellations or changes be standardized between Recreation, Aquatics, and Friendship Centre to streamline level of service to clients and clarify process for all staff. It is recommended that the GS staff complete this function for all programs, to create capacity for departmental staff to focus on priority items.
Event Rental - Payment	We understand the GS Coordinator is manually calculating interest on overdue accounts and creating new invoices monthly to add interest accrual.	We recommend the Finance department is engaged to investigate if MAX and ActiveNet can generate interest charges and monthly account statements to eliminate the manually calculation of interest and creation of new invoices for overdue accounts.
Event Rental - Payment	Staff advised that sometimes PRC rental payments are sent to Town Hall and the MOC and can take up to two weeks to arrive at PRC after being redirected through interoffice mail system. PRC MAX payments are only processed at Guest Services and the Friendship Centre. MOC can take payments through Keystone, but not MAX. We also hear that Friendship Centre invoices are processed in SIMS, payment is accepted in MAX, and then reconciled in Keystone.	We recommend the Town investigate how the transition to ActiveNet will enable payments to be processed at the Town Hall and MOC. In an effort to pursue the one-window customer service approach, integration between Keystone and ActiveNet will be a key component to completing this transition. Presently, the Town may want to consider engaging Finance and IT staff to investigate the capability of exporting GL info from MAX, creating a macro to complete the upload into GL in Keystone. Additionally, in consultation with Finance, the Friendship Centre could consider accepting payment directly into Keystone and eliminating this step in MAX.

Improvement Recommendations

Process	Observation / Pain Point	Opportunity for Improvement
Event Rental - Payment	Staff estimate that 40% of the time the Accounts Receivable report balancing MAX and Keystone does not reconcile by thousands of dollars.	We recommend this be a key focus area for Finance and that a root cause analysis is performed to determine why this is happening.
Event Rental - Payment	Finance staff observed that the PRC credit issuance process is currently lacking controls, indicating receipt of deposits from Guest Services sometimes has notes identifying special considerations where credit was granted.	We recommend Finance is engaged in the development of a formal policy and procedure for credit issuance for PRC rentals and proper controls are established to reduce risk.
Event Rental - Payment	We understand that the Guest Services Coordinator processes all invoices for the previous month. We heard it is sometimes difficult for the Guest Services Coordinator to balance monthly invoicing while also serving customers. The Guest Services Coordinator estimates she spends up to one day per month cross referencing individual bookings with MAX Report to ensure accuracy. Staff noted that sometimes payments are made and not attributed to the correct account, and the Guest Services Coordinator must contact Supervisor to reconcile.	The PRC may want to consider completing rental invoicing on a weekly basis, instead of monthly, which could make the process more manageable for the Guest Services Coordinator to balance AR responsibilities while also serving customers. Additionally, daily reconciliation should capture payments made and not attributed to the correct accounts. We also recommend the Town investigate if there is an option to pull an unpaid or unapplied report from MAX to eliminate the need to manually complete this cross reference.



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