



City of North Bay Organizational Review

Final Report

—

April 2024



Disclaimer

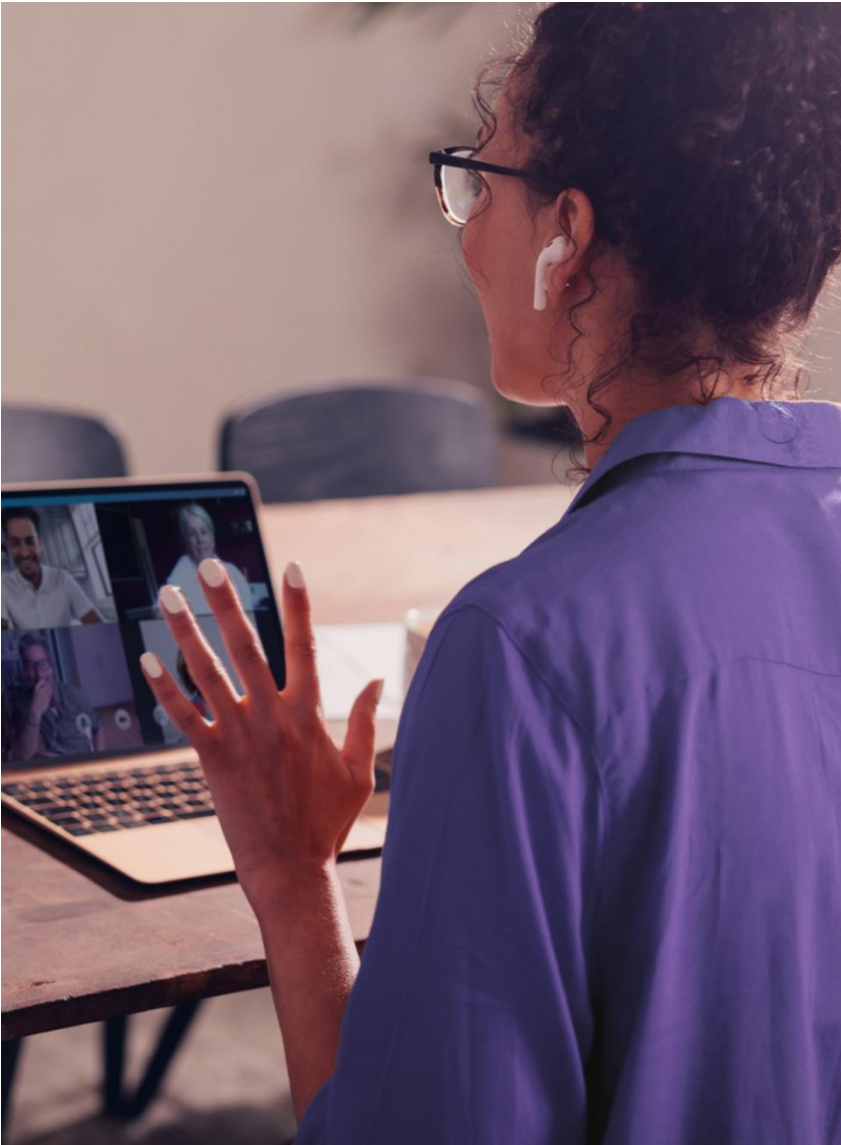
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Project Overview

**The City of North Bay
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Project overview



Project Objectives – *How will we define success?*

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

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

Project overview



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

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

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

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

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

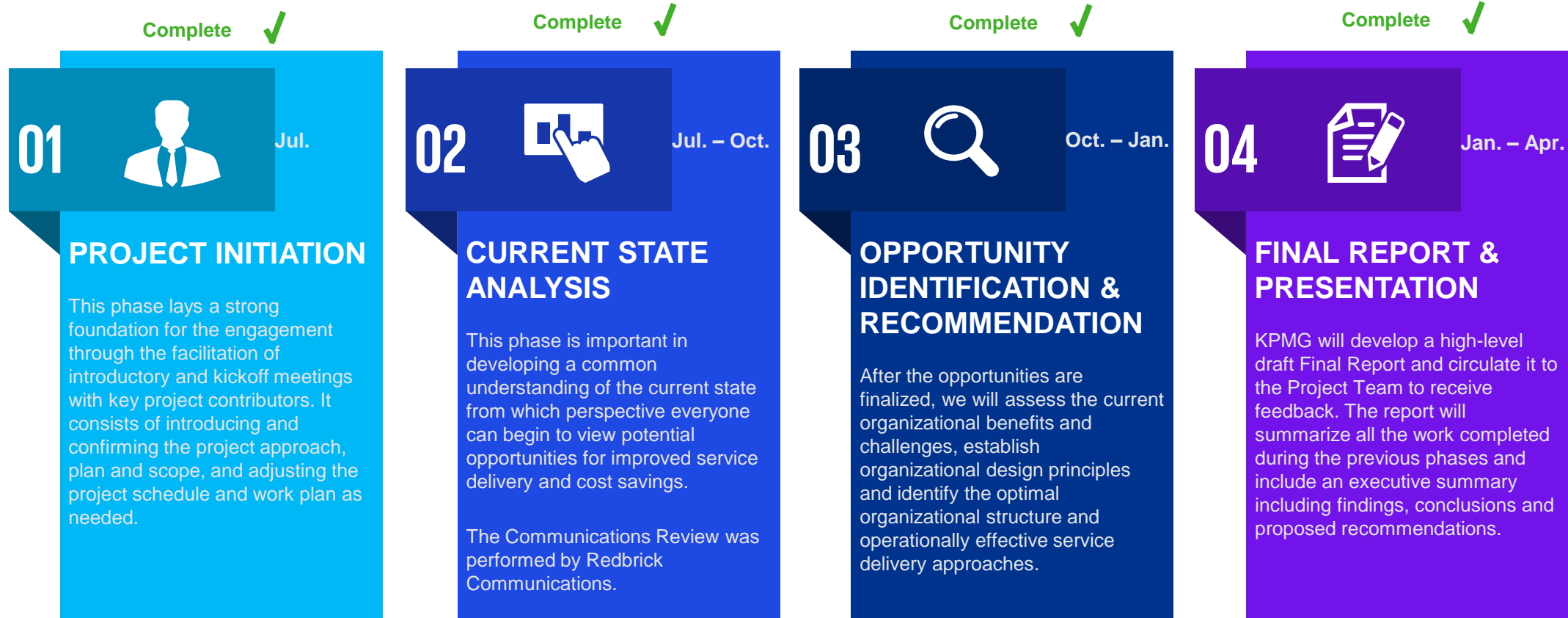


- The project commenced on July 13th, 2023 and will be completed when the final report is presented in April 2024.

Work plan

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

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



03

Top 10 Strategic Opportunities

**The City of North Bay
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The City of North Bay – Organizational Review

Summary of opportunities

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

The Top 10 Opportunities are:

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

Assessment Criteria	Definition
FINANCIAL IMPACT 	Opportunity's impact on the City's operating and capital budgets. <ul style="list-style-type: none"> Green: Positive impact or strongly aligned to operating and capital budget. Yellow: Neutral impact or somewhat aligned to operating and capital budget. Red: Negative impact or not aligned to operating and capital budget.
CITIZEN IMPACT 	Opportunity's impact on municipal service delivery or citizen experience. <ul style="list-style-type: none"> Green: Positive impact or strongly aligned to municipal service delivery or citizen experience. Yellow: Neutral impact or somewhat aligned to municipal service delivery or citizen experience. Red: Negative impact or not aligned to municipal service delivery or citizen experience.
RISKS 	Assessment of the impact of potential barriers/risks to the implementation of the opportunity. <ul style="list-style-type: none"> Green: No barriers/potential risks to the implementation of the opportunity. Yellow: Some barriers/potential risks to the implementation of the opportunity. Red: Multiple barriers/potential risks to the implementation of the opportunity.
STRATEGIC ALIGNMENT 	The opportunity's level of alignment to the City's strategic priorities. <ul style="list-style-type: none"> Green: Positive impact or strongly aligned to the City's strategic priorities. Yellow: Neutral impact or somewhat aligned to the City's strategic priorities. Red: Negative impact or not aligned to the City's strategic priorities.

Disruption Gauge



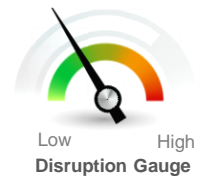
Disruption Gauge

Disruption Gauge:

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

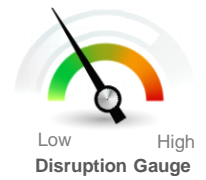
- Green: Positive overall impact to the organization.
- Yellow: Neutral impact to the organization
- Red: Negative impact to the organization.

1. Adopt a corporate performance management framework



Observation	Project Owner	Service Level Dashboard					
Accountability was a concern identified in the current state assessment. Council, the community, and groups within the organization feel City resources are not operating efficiently, and without reliable performance management, ensuring accountability is a challenge. While some departments/divisions have effectively implemented some monitoring and reporting (e.g., Transit and Fleet monitoring vehicle usage, trends, route utilization, etc.), most service areas have little or informal performance management.	Office of the CAO			Behind Target	At Target	Above Target	
		Relevant sub-services	Executive Leadership				
			Corporate Performance Management				
			Strategic Initiatives				
<p>Formalize a corporate performance management framework to measure success and progress towards goals.</p>							
<p>Rationale</p>		<p>Benefits</p>					
<p>The data derived from implementing a corporate performance management framework can work to support Council decisions, set policy, evaluate programs, support budget recommendations, identify trends, and develop data dashboards. If implemented, the framework can reinforce big-picture strategic planning by encouraging goal-setting in multiple areas, such as financial performance, customer service, operational efficiencies, and promote innovation and learning.</p> <p>To enhance the administration and assessment of municipal services, the framework should monitor a set of KPIs that are reported to management on a periodic basis. Overall, the performance management framework should:</p> <ul style="list-style-type: none"> • Ensure KPIs are SMART (specific, measurable, achievable, realistic, time-bound) • Outline data collection procedures • Outline reporting procedures (i.e., cadence for reporting to management) • Contain a process to review the effectiveness of KPIs on a periodic basis. <p>A performance management framework allows the City to quantify and assess areas for improvements against key strategic priorities and curate solutions to enhance performance and continuous improvement. The City should consider how a corporate performance management framework would integrate with the Strategic Plan. The active Strategic Plan expires in 2027 and this recommendation should be considered as the City prepares to update the plan.</p>		<ul style="list-style-type: none"> • Ensure organizational/departmental objectives align with strategic priorities • Enable informed decision-making based on real-time accurate data • Establish clear accountability for performance outcomes • Facilitate ongoing evaluation and adaption of improvements • Benchmark against past performance and industry standards <p>Key Considerations</p> <ul style="list-style-type: none"> • Involve key stakeholders in the planning and decision-making process; and develop comprehensive communication plans to explain the purpose and intention of the project. • Ensure monitoring and reporting on KPIs does not retract from staff ability to carry out core service delivery activities (i.e., avoid manual tracking and reporting processes which contribute to administrative tasks) • Ensure the accuracy, integrity and reliability of data sources by considering the necessary controls are in place. • Consider how current technology (such as the ERP solution) can be utilized before looking to onboard new solutions. 					

1. Adopt a corporate performance management framework



Opportunity Assessment

Financial Impact:	Citizen Impact:	Risks:	Strategic Alignment:
▲	▲	▲	▲
<p>This opportunity will have no capital/start-up cost associated with implementation if the framework is executed in-house. Once implemented, the framework should have a neutral or positive impact to the operating budget by improving productivity i.e., reducing inefficiency and improving revenue generation. This may result in marginal permanent operational benefits of up to \$100K, dependent upon implementation.</p>	<p>A corporate performance management framework will have a neutral (off-setting) impact to most citizens and a positive impact to some, by contributing to the general improvement and effectiveness of service delivery offered by the City.</p>	<p>This opportunity has minor barriers/risks associated with its implementation, including:</p> <ul style="list-style-type: none"> • Possible resistance to change • Technological adoption (i.e., to avoid manual tracking of KPIs, some degree of automation is required with the support of IS) • Siloed approach • Overcomplicating the use of KPIs • Resources required to lead and implement the framework 	<p>This opportunity is strongly aligned with the City’s Strategic Plan and Council priorities. A corporate performance management framework speaks to the City’s Strategic Priority, Responsible & Responsive Government, by improving efficiency, effectiveness, and sustainability. The Strategic Plan specifically calls to “develop and implement a performance measurement framework”.</p>

Implementation Plan

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

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

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

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

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

Timeline for Implementation

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

Sample key performance indicators

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

Corporate-Wide	
Service Dimension	KPI
City Finances	<ol style="list-style-type: none"> 1. Non-residential Tax Rate 2. Annual Residential Property Tax Increase 3. Reserves per Household 4. Debt per Household
Economy	<ol style="list-style-type: none"> 1. Number of Businesses 2. Average Home Price 3. Construction Value of Building Permits 4. Unemployment Rate
Community Safety	<ol style="list-style-type: none"> 1. Crime Rate 2. Number of Structural Fires 3. Number of Fatal Motor Vehicle Collisions
Livability	<ol style="list-style-type: none"> 1. Transit Ridership per Capita 2. Library Engagements 3. Active Transportation Infrastructure



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

Sample key performance indicators – department-specific

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

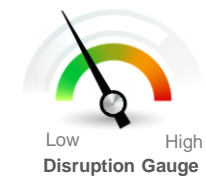
Public Works		
Service Dimension	KPI	Sample Target Level
Operational Efficiency and Effectiveness	<ul style="list-style-type: none"> • RCI (road condition index) i.e., percentage of roads meeting or exceeding minimum standards • Percentage of work orders completed on time • Percentage of street cleaning completion within scheduled timeframe 	>95% >80% >95%
Customer Service	<ul style="list-style-type: none"> • Maintenance request response time 	<48 hours
Sustainability	<ul style="list-style-type: none"> • Percentage reduction in fleet GHG (greenhouse gas) emissions per year 	>10%
Information Technology		
Service Dimension	KPI	Sample Target Level
Operational Efficiency and Effectiveness	<ul style="list-style-type: none"> • IT FTE as a percent of total FTE 	2% to 3%
Customer Service	<ul style="list-style-type: none"> • Adherence to service level agreement for tickets • Customer satisfaction score from help desk • Count of tickets submitted 	<95% >80% 1,000 to 1,500
Sustainability	<ul style="list-style-type: none"> • Availability of the IT network (network uptime) 	>99.99% network availability
Building Services		
Service Dimension	KPI	Sample Target Level
Operational Efficiency and Effectiveness	<ul style="list-style-type: none"> • New residential unit per building service FTE • Total value of new construction per building service FTE 	10 >\$8 million
Customer Service	<ul style="list-style-type: none"> • Percentage of permit applications reviewed within provincially estimated turnaround times 	<95%
Sustainability	<ul style="list-style-type: none"> • Percentage of building permits submitted online 	>90%

2. Develop departmental master plans and business plans



Observation	Project Owner	Master Plans and Business Plans		
<p>Based on stakeholder consultation (interviews, focus groups, and staff survey), both staff and Council believe there is a disconnect and unclear understanding of strategic priorities throughout the organization. While some service areas have clear priorities based on legislative requirements (e.g., water services), priorities of other areas are often unclear or can shift spontaneously. In many cases, effective resource planning can be difficult and staff can feel disconnected from the priorities of their department and/or the City as a whole.</p>	Office of the CAO	Sample List of Master and Business Plans	Available	Unavailable
		Transportation Master Plan	X	
		Customer Service Strategy		X
		Economic Development Strategic Plan	X	
		Community Safety & Well-being Plan	X	
		Waste Management Plan	X	
		Workforce Plan		X
		IT Master Plan		X
		Roads Safety Strategy	work in progress	
		<p style="text-align: center;">Develop departmental master plans and business plans to support advancement of the City’s strategic plan priorities in a more synchronized manner.</p>		
Rationale	Benefits			
<p>Through the direction and leadership of Senior Management, the City should develop departmental master plans and business plans to establish clear targets and action plans to better coordinate resources and implementation efforts. A master plan is defined as a comprehensive long-term strategy outlining an individual department’s goals, objectives, and initiatives to serve as a roadmap for the department and guiding resource allocation. Meanwhile, a business plan is a detailed document outlining specific activities, projects and initiatives including budgetary considerations, performance metrics and a specific timeframe to act as a tactical guide.</p> <p>The use of both master and business plans are leading practice in municipalities to ensure strategic alignment, planned allocation of resources, and effective coordination across the organization. Based on reports of unclear strategic direction, spontaneous shifting of priorities, and ad hoc requests leading to miscommunication and idle or overused resources, the City would benefit from the organization provided by master and business plans. Some service areas currently have master plans but they are reportedly difficult to locate and insufficiently socialized.</p> <p>The plans should not only capture the department’s goal, but also allocation of resources. For instance, based on the outcome of the workforce plan (opportunity #5), the plans should detail staffing levels for current and projected service delivery needs with contingency plans for absences/vacancies. The plans should also establish guidelines and standards for service quality such as internal response timelines between departments/teams to support efficient workflows and enhance accountability. Lastly, the plans should align with the Corporate Performance Management Framework (opportunity #1) with performance targets and reporting standards related to the department’s performance and progress on its initiatives.</p>	<ul style="list-style-type: none"> • Ensure strategic alignment with the City’s wider objectives • Promote a holistic and integrated approach to achieving strategic priorities • Enable efficient allocation and utilization of resources by identifying synergies and eliminating redundancies across and within departments • Provide a structured framework for decision-making by aligning departmental objectives with the City’s long-term vision 			
	Key Considerations			
	<ul style="list-style-type: none"> • Align master plans with the overarching City strategic goals as well as other departments, ensuring there are no conflicts (e.g., duplicative projects) • Involve the community, Council, and other relevant stakeholders in the planning process to ensure the needs and expectations of key individuals/groups are addressed in the plans • Develop realistic financial plans to fund and sustain the initiatives outlined in the master plans considering capital/operating and short-/long-term implications 			

2. Develop departmental master plans and business plans



Opportunity Assessment

Financial Impact:	Citizen Impact:	Risks:	Strategic Alignment:
<p>This opportunity should have no capital/start-up costs to initiate, as master/business plans can be established in-house. Similarly, there should be either no ongoing operating impact or an offsetting impact because any cost to administer the plans will be offset by effectiveness and efficiencies gained through improved planning.</p>	<p>Citizens should experience a positive or neutral (offsetting) impact from this opportunity as municipal service delivery improves in its operational and financial efficiency by effectively planning and allocating resources to achieve strategic objectives.</p>	<p>This opportunity has minor risks associated with its implementation. For instance:</p> <ul style="list-style-type: none"> • Inconsistent effort/adoption among departments • Resistance to change, lack of buy-in • Poor execution of plans 	<p>This opportunity is strongly aligned with the City's Strategic Plan. Through these plans, each department can ensure its activities are closely aligned with the strategic priorities outlined in the Strategic Plan thereby enhancing overall efficiency and effectiveness through alignment.</p>

Implementation Plan

Planning: The first and most time-consuming phase of work will focus on gathering all the information to be included in the plans. Firstly, the City will need to determine which plans to develop i.e., based on the organizational design, determine which departments/divisions should receive dedicated master plans and which initiatives should receive business plans. Then, based on the proposed plans, determine if in-house or outsourced resources will be used to develop the plans. This decision will be based on a number of factors such as complexity of the assignment and capacity of in-house resources. The party responsible for each plan will then begin to define the goals and objectives specific to each plan with steering committees to provide strategic support. Then, conduct a current state analysis to understand what resources are available and define the gap between the current state and the vision for that department/project with actions to address the gap. Based on the planned actions, consider what resources (staffing, financial, tangible assets, etc.) will need to be deployed to support the achievement of the plan.

Implementation: Once all elements of the planning stage are complete, the department can draft the plan and follow the necessary protocols to seek approval and eventually roll out the plans.

Continuous Improvement: After plans have been formalized and published, the departments will need to act on their commitments to report progress. This is an important step to ensure accountability for the success of these plans. As the operating environment shifts, plans should be continually evaluated if changes are necessary.

Timeline for Implementation

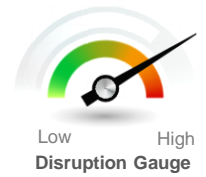
Key Task	0-6 months	6-12 months	12+ months
1 Needs assessment	█		
2 Resourcing	█		
3 Define goals and objectives	█		
4 Establish a steering committee	█		
5 Current state and gap analysis	█	█	
6 Action plan		█	
7 Budget and resource allocation		█	
8 Drafting plans		█	
9 Review, feedback and approval			█
10 Roll-out plans			█
11 Monitoring and reporting			█

3. Clarify the Community Safety & Well-being Plan



Observation	Project Owner	Service Level Dashboard			
<p>Social services was discussed by all Council members during stakeholder consultation, many of whom made commitments to addressing these challenges to the community. While the City does not directly provide social services, there are multiple community partnerships and support initiatives to address this growing concern. Despite this, staff have been tasked with responsibilities such as cleanup of needles and hazardous waste while accountability remains unclear. The City should better clarify roles and responsibilities both internal and external to the organization.</p>	<p>Community Services</p>		Behind Target	At Target	Above Target
		<p>Relevant sub-services</p> <p>Community Safety & Well-being</p>			
<p>Update the Community Safety & Well-being (CSWB) Plan to clarify roles and responsibilities for the delivery of social services.</p>					
<p>Rationale</p>		<p>Benefits</p>			
<p>Addressing social services is a high priority of Council but the City should first clearly define its role in the provision of these services. The City of North Bay should therefore review the allocation of responsibility between the different service delivery providers for the provision of social services to address homelessness, mental health, drug addiction, crime, housing, and affordability. Services are currently provided in collaboration with the District of Nipissing Social Services Administration Board (DNSSAB), among others include 76 planning tables and committees which comprise approximately 145 programs/services and over 100 community strategies, presenting a significant challenge in coordinating service delivery¹.</p> <p>By clearly defining roles and responsibilities, each individual, department, and partner organization will know their exact duties. This can help streamline operations, improve efficiency, and ensure that all tasks are carried out by the appropriate parties. It can also help to prevent any potential legal or safety issues that could arise from staff being asked to perform tasks that they are not trained or equipped to handle.</p> <p>A related area of concern is the parking garage. The downtown parking garage, owned and operated by the City, has faced security challenges related to homelessness in the area. While improvements to security are under review, the department should consider if divesting the parking garage is a viable option. The City should perform a cost-benefit analysis to determine the long-term plan for the parking garage. Understanding the future state of the parking garage will be essential in building the Facilities and Parking Department’s strategy and business plan (opportunity #2). The City historically reviewed its parking master plan every five years but the most recent update was in 2011.</p>		<ul style="list-style-type: none"> • Improve the efficiency and effectiveness in the delivery of social services • Ensure safety and well-being of staff and the community • Enhance partnerships with community organizations • Prevent potential legal or safety issues <p>Key Considerations</p> <ul style="list-style-type: none"> • Staffing levels and budgets may need to be adjusted to reflect the level of involvement by City staff. • Training and support may be needed if the City continues to retain responsibility for services such as needle pickup and hazardous waste disposal. Similarly, these activities should be accompanied with clear protocols to ensure the safety of staff and members of the community. • Clear communication and coordination between departments and organizations is essential to ensure all parties understand their involvement. • Develop performance measurement mechanism such as quarterly scorecards to measure and report on progress <p><i>Source 1 – City of North Bay website, Service Network Coordination</i></p>			

3. Clarify the Community Safety & Well-being Plan



Opportunity Assessment

Financial Impact:	Citizen Impact:	Risks:	Strategic Alignment:
<p>There is a nominal financial impact to this opportunity however there can be significant cost savings or cost implications based on the decisions made.</p>	<p>This opportunity should have a positive overall impact to the citizens of North Bay through improvements in the quality of social services. While the organization is limited in its jurisdictional authority to address most underlying causes of social challenges, the City can work with service partners to treat the symptoms in a coordinated and efficient approach.</p>	<p>Significant barriers are anticipated when making changes to the provision of social services. However, these barriers can be overcome with time and corporate focus. Assigning and reassigning responsibility between service providers may be met with resistance. The City may also expect criticism from members of the community and pressure groups.</p>	<p>As the most strongly discussed topic during stakeholder consultation, this opportunity is strongly aligned with the City’s Strategic Plan and priorities of Council. North Bay’s comparators are also focusing heavily on addressing social services, making this topic a leading practice on Ontario municipalities. If the City decides to pursue an expanded social services offering, resourcing impacts needs to be considered.</p>

Implementation Plan

Planning: In the first phase of work, the City will need to define precisely what social services are needed in North Bay and understand what obligations the municipality has in terms of legislative authority, collective agreement restrictions with the local union, and other factors which may force/restrict the organization’s provision of social services. Then, the City must engage directly with stakeholders: both service partners, and representatives of the community to understand expectations. Based on these interactions, the needs of the community, and any obligations, the City can define the provision of social services.

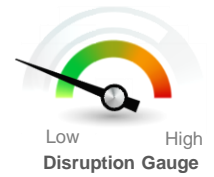
Implementation: Based on the services retained by the municipality, the impacted departments should prepare service standards, training, and documentation to support service delivery. At this point, the City should complete a review of the parking garage as described in opportunity #2. The operation of the parking garage will need to be considered in an update to the CSWB (Community Safety & Well-being) Plan. All the changes should then be formalized in an updated CSWB Plan, receiving the necessary approvals. Similarly, other agreements for shared service delivery should be established or updated to clarify partner expectations.



Continuous Improvement: Once documentation has been updated to reflect the City’s service delivery, the City will need to monitor and report on progress. In alignment with the Corporate Performance Management Framework (opportunity #1), KPIs and reporting channels should be established to ensure the City is accountable for progress.

Timeline for Implementation

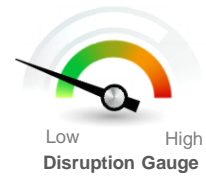
Key Task	0-6 months	6-12 months	12+ months
1 Needs assessment			
2 Research obligations			
3 Stakeholder engagement			
4 Clarify roles and responsibilities			
5 Determine service levels of retained services			
6 Update the CSWB Plan and impacted agreements			
7 Monitor and evaluate progress			
8 Review and update, as necessary			

4. Implement a corporate-wide customer service strategy



Observation	Project Owner	Service Level Dashboard			
<p>Improving customer service and communication was a key priority discussed by Council during the Current State Analysis. Most members of Council expressed an interest in improving corporate-wide customer service and public communication/transparency of City affairs. While Council acknowledged progress has been made in recent years, many residents continue to express frustration with municipal services and staff.</p>	<p>Office of the CAO</p>		Behind Target	At Target	Above Target
<p>Develop a corporate-wide customer service strategy and customer service standards to drive quality and consistency of citizen experience.</p>		<p>Relevant sub-services</p>	<p>Communication and Marketing</p> 		
			<p>Customer Service</p> 		
<p>Rationale</p>		<p>Benefits</p>			
<p>Following changes to the City’s organizational structure, the City should consider developing a customer service strategy. Establishing a focused strategy will allow the City to ensure the needs of residents and visitors are effectively addressed, fostering a high level of citizen satisfaction in a measurable manner. While the majority of internal stakeholders believe service levels are delivered at community standards, there is limited quantitative data used to further improve the process. A customer service strategy will not only ensure community needs are more effectively met, but continuously assessed and determine areas for improvement based on routine community engagement.</p> <p>Further, a customer service strategy will assist the City to streamline operations and more efficiently allocate resources by considering input from both internal and external sources to the organization. This approach can provide confidence that taxpayer funds are utilized effectively, and in accordance with their needs, contributing to both financial sustainability and community transparency.</p> <p>Alongside the development of a customer service strategy, the City should explore a CRM (Customer Relationship Management) solution through either the ERP project or Citywide, with citizen-facing portal capabilities, to process common recurring services (e.g., business licenses, burn permits, sell bag tags, access to utility bills and tax notices, etc.) and to improve tracking and management of citizen inquiries and service requests. A CRM solution also allows the City to provide after-hour services.</p> <p>The strategy should also assess the government office layout of customer service counters to reduce public confusion and improve customer experience (e.g., through improved signage).</p>		<ul style="list-style-type: none"> • Enhance citizen satisfaction by ensuring citizens receive prompt and effective assistance • Improve public perception and reputation of the City • Increase citizen engagement with the City • Collect data related to customer service to improve decision-making • Facilitate clear and transparent communication with the community 			
		<p>Key Considerations</p> <ul style="list-style-type: none"> • Conduct thorough research and engage with the community to understand expectations, preferences, and needs • Clearly define the objectives and goals of the customer service strategy • Connect the customer service strategy with the performance management framework by setting appropriate KPIs to track customer service performance • Develop training programs to equip existing and new employees with the skills to deliver effective customer service • Consider how current (and prospective) technology solutions can be leveraged to streamline communication, automate processes, and enhance data collection. 			

4. Implement a corporate-wide customer service strategy



Opportunity Assessment

Financial Impact:	Citizen Impact:	Risks:	Strategic Alignment:
A small to medium one-time capital/start-up cost would be needed to implement this opportunity by developing the strategy with support of a third party consultant. If a CRM system is pursued, the City can expect the capital cost to be approximately \$650k for implementation and \$150k to \$200k in annualized licensing costs (depending on the solution and scale/scope of use).	A customer service strategy will have a positive impact to all of its citizens , by improved customer experiences during all interactions between customers and the City staff and could improve public perception of municipal public service.	There are minor risks/barriers associated with the implementation of this opportunity, such as: <ul style="list-style-type: none"> Lack of buy-in from customer-facing service areas Poorly implemented change management 	This opportunity is strongly aligned with the City’s Strategic Plan and Council priorities . Enabling customer service standards supported by active citizen engagement was identified as a priority for most members of Council through interviews. This opportunity will support objectives to enhance public communication, transparency, and customer service.

Implementation Plan

Planning: The first phase of implementation will focus on planning, including assessing the past/current state of customer service at the City, defining high level customer service principles/objectives/goals, engaging relevant stakeholders to inform the strategy (Council, staff, citizens, customers, etc.). This will help inform a gap analysis of specific areas for improvement (e.g., specific departments, customer service tools, best practices, etc.)

Implementation: The implementation phase should focus on two core tasks: developing the customer service strategy, and exploring what technology (CRM) solutions are available to the City to support the strategy. This phase will likely span over a year to complete a thorough market scan and procurement process for a CRM solution. Though this depends significantly on the complexity, system integrations, data transfer, level of support, and several other factors.

Continuous Improvement: Measure and report performance against objectives and goals established in the planning phase, and open feedback mechanisms to continuously gather input from customers to make iterative improvements to the customer service strategy. Customer satisfaction can be measured through surveys, which gather feedback on various aspects of service delivery such as timeliness, responsiveness, and quality of service provided by staff. An applicant satisfaction survey could come in the form of:

- An annual survey distributed on a community-wide basis to understand system-level satisfaction
- Randomly selected, pulse-style surveys following milestone activities to gather real-time insight into immediate challenges and opportunities that require action

Timeline for Implementation

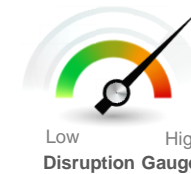
Key Task	0-9 months	9-18 months	18+ months
1 Research and review	█		
2 Define principles, objectives & goals	█		
3 Engage stakeholders	█		
4 Gap analysis		█	
5 Strategy development		█	
6 Explore CRM solutions		█	
7 Process redesign and communication		█	
8 Technology integration			█
9 Performance measurement and feedback			█
10 Continuous improvement			█

5. Develop a workforce plan



Observation	Project Owner	Service Level Dashboard				
<p>Capacity was identified as a significant challenge during stakeholder consultation, with 74% of survey respondents indicating their department does not have sufficient staff levels to meet service standards and service demands. As service portfolios expand in some service areas, the City has become reliant on overtime, on-call, and contractors to provide service coverage. Recruitment and retention has been a consistent challenge for the municipality, not unlike comparators and other municipalities across Canada.</p>		Human Resources	<div style="display: flex; justify-content: space-between; width: 100%;"> Behind Target At Target Above Target </div>			
			Relevant sub-services	Workforce Planning and Recruitment		
				Talent Management		
Develop a workforce plan to strategically align staffing practices with service delivery needs.			Benefits			
Rationale						
<p>The City should develop a workforce plan to address concerns related to capacity, recruitment delays, talent development, and more. Comparator analysis and KPMG experience indicates most municipalities in Ontario are actively recruiting to fill vacancies and/or new positions to support operations. As such, a workforce plan will ensure the City has the appropriate level of resources to support current and future service delivery. Key elements of the plan should consider including:</p> <ul style="list-style-type: none"> • <u>Recruitment and retention</u>: Develop a strategy to recruit and retain employees, considering elements such as recruitment channels, marketing campaigns, recruitment process, etc. • <u>Managing leave and return to work arrangements</u>: Management of disability leave and return to work/accommodation arrangements. • <u>Talent management</u>: Update the City’s performance management program to support talent development. Employee training and leadership development opportunities, including cross-training • <u>Review of job descriptions, titles, and compensation</u>: Job equity was identified as a primary area for concern. Most employees feel the City’s compensation schedule is not reflective of job requirements or market conditions. Job titles are also reportedly unclear (e.g., CFO and directors); the City should consider adopting a position management framework. To maintain consistency across the organization. • <u>Succession planning and contingency plans/backups for absences</u>: Outline clear steps and provide support for the succession of key positions. • <u>Workforce composition, scheduling</u>: Staffing and scheduling approach for full-time, part-time, seasonal, and temporary personnel; consider the use of rotational schedules. The City recruits its seasonal employees each autumn and spring which reportedly consumes significant HR and corporate resources. Understanding the costs and benefits of this option versus permanent positions may influence the workforce composition. 		<ul style="list-style-type: none"> • Improve employee recruitment and retention • Align workforce with the City’s strategic goals • Anticipate and plan for future workforce needs • Increase employee engagement by investing in professional development 				
		Key Considerations				
		<ul style="list-style-type: none"> • The City should make any high level organizational structure changes contemplated before engaging in a detailed workforce plan which will focus on granular staffing details. • Some staff may perceive a workforce plan as a threat to their job security. The City will need to ensure the workforce planning process is transparent and employees are continuously engaged. • The City will need to consider the financial implications. The cost to onboard, train and compensate additional staff must be approved by Council and will likely need to be justified by an offsetting increase in user fees or levy charges. • Service levels should be determined before workforce levels are calculated. As such, the City should consider the development of its master plans and business plans prior to or in conjunction with a workforce plan. 				

5. Develop a workforce plan



Opportunity Assessment

Financial Impact:	Citizen Impact:	Risks:	Strategic Alignment:
<p>Developing the workforce plan could be done in-house with dedicated resources or externally through a third party consultant requiring a small to medium one-time capital cost between \$60K to \$80K.</p>	<p>An effective workforce plan should have a positive impact to residents by ensuring the City has the resources to maintain or expand on service levels delivered. However, if the plan results in significantly increased tax levy requirements to fund additional positions, it may result in increasing taxes and/or user fees to balance the budget.</p>	<p>There are minor risks/barriers associated with implementation of a workforce plan, such as:</p> <ul style="list-style-type: none"> • Communication and change management is needed to avoid causing panic and misconceptions • Lack of stakeholder buy-in • Recruitment challenges • Diligent development to ensure prudent financial affordability versus service delivery expectations. 	<p>This opportunity is strongly aligned with the Strategic Plan and Council priorities, specifically addressing Strategic Priority 5: Responsible & Responsive Government, including the objective to be the employer of choice for highly qualified employees and maintain positive labour/employee relations.</p>

Implementation Plan

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

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

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

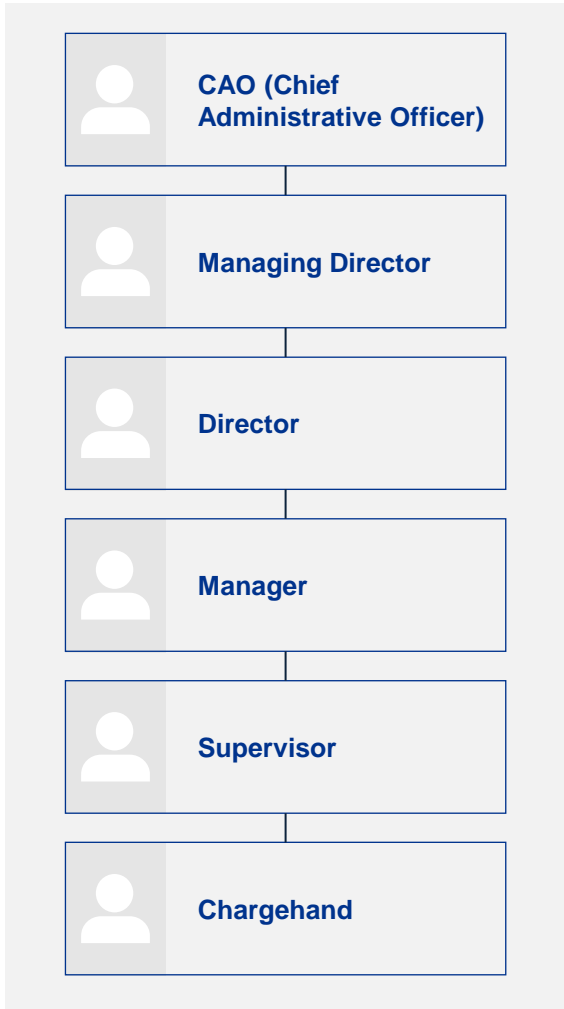
Continuous Improvement: After the organization is fully staffed and equipped with the tools and support to maintain a motivated and productive workforce, the City should ensure communication remains effective, progress is monitored, and improvement remains continuous by leveraging exit interviews, routine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

Timeline for Implementation

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

Sample framework for position management

As the City adjusts the organizational structure, there is an opportunity to clarify the level of responsibility for Managing Directors, Directors, Managers, Supervisors, and Chargehands, and update job descriptions accordingly. Accurate and well-understood job descriptions and titles are important for performance management, succession planning, and employee development plans. Below is a sample framework to define the distinction between leadership roles at the City:



The **CAO** is the highest ranking executive position within the municipality. As the most senior non-elected official, the CAO serves as the primary advisor to the elected officials, including the Mayor and Council, on administrative matters. Their responsibilities encompass leading and managing the day-to-day operations of the municipality and ensure effective and efficient implementation of policies and decisions made by the elected officials.

A **managing director** (or commissioner, general manager) is typically the head of a program within a municipality. These typically include community services, corporate services, infrastructure services, etc. They oversee a group of functions such as Engineering, Public Works, Fleet and Transit. Their role involves developing and implementing policies, managing budgets, and ensuring that services within their program run efficiently. Managing Directors are not typical of small municipalities, but rather help to manage the wide span of services of a larger municipality to prevent the CAO from spreading too thin.

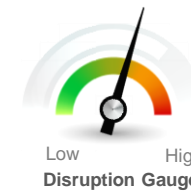
A **director** is a high-level executive position in the municipality’s organizational structure. They are responsible for overseeing a large entire department and its service areas. Directors are accountable for setting strategic goals, managing budgets, and ensuring that the department’s objectives align with the overall goals of the municipality. Directors report to their respective Managing Director or the Chief Administrative Officer.

A **manager** is the next level down from a director. They are responsible for overseeing a specific division or units within a department. Managers are tasked with implementing the strategies and policies set by the Director or Managing Director. They manage day-to-day operations, handle staff supervision, and make decisions that impact their respective divisions / units within a department. Manager also have some involvement in budget planning and resource allocation.

A **supervisor** is at the operational level of management. They oversee teams of employees who perform specific tasks or functions. For instance, in the Operations Department, there are Supervisors overseeing the team of operators in Roads & Drainage, Water, Wastewater, and Solid Waste. Supervisors are responsible for ensuring that their teams work efficiently, adhere to safety protocols, and meet quality standards. They provide guidance and support to their employees, handle scheduling, and report back to the Managers on the progress and challenges faced by their teams.

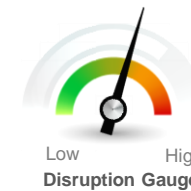
A **chargehand** (lead hand) is typically found in departments where hands-on work is performed, such as in maintenance or construction. Chargehands are experienced and skilled workers who are entrusted with overseeing a small group of frontline employees. They act as a bridge between the workers and the Supervisor or Manager. Chargehands provide technical experience, coordinate tasks within their team, and may assist in training new employees.

6. Centralize back-office roles



Observation	Project Owner	Service Level Dashboard																								
<p>During stakeholder consultation, staff identified opportunities to centralize some specialized tasks, citing time and cost saving opportunities by streamlining procurement, health and safety, and webpage management, to name a few.</p>	<p>Corporate Services</p>		Behind Target	At Target	Above Target																					
<p>Consider centralizing back-off/corporate services to improve process efficiency and enable specialized support.</p>																										
<p>Rationale</p>		<table border="1"> <tr> <td rowspan="5" style="writing-mode: vertical-rl; transform: rotate(180deg);">Relevant sub-services</td> <td>Communication and Marketing</td> <td colspan="3"> </td> </tr> <tr> <td>Health & Safety</td> <td colspan="3"> </td> </tr> <tr> <td>Grant Management</td> <td colspan="3"> </td> </tr> <tr> <td>Purchasing</td> <td colspan="3"> </td> </tr> <tr> <td>Risk Management</td> <td colspan="3"> </td> </tr> </table>				Relevant sub-services	Communication and Marketing				Health & Safety				Grant Management				Purchasing				Risk Management			
Relevant sub-services	Communication and Marketing																									
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<p>Based on the size and growth of the organization, there is an opportunity to shift additional corporate-wide services into a centralized model. While the City currently operates a Corporate Services business unit, additional areas to consider increased centralization with specialized talent include:</p> <ul style="list-style-type: none"> Webpage management: department-specific webpages are mostly managed independently. While efforts to standardize format and graphics are underway, the overall management could be centralized further. Health and Safety: the role of the City’s Health & Safety Advisor varies by department, resulting in duplication of efforts on tasks such as policy development. Grant management: grant facilitation is led by the Grant Facilitator in Community Services but execution and management of the grant is handled by the relevant department. Control of grant funds is managed within Financial Services. Altogether, the grant management processes, specifically the accountability of grant applications, claims and reporting duties, are unclear and there is an opportunity to streamline processes and consolidate accountability. Procurement: the Manager of Purchasing supports procurement up to contract award and subsequent steps (e.g., contract execution, WSIB, etc.) are decentralized to the department’s admin and managerial personnel. Legal and insurance claims management: legal and insurance work is largely decentralized with each department managing workflows individually. <p>In any area where services are centralized (i.e., all areas listed above among others identified upon further review), the City should consider conducting a Lean Process Review to adapt service delivery by clarifying roles, establishing accountability and streamlining processes (reducing “waste” in the process).</p>		<p>Benefits</p> <ul style="list-style-type: none"> Improve efficiency by consolidating and streamlining services resulting in reduced duplication of efforts Increase specialized support by allowing experts to provide higher quality service and allow other staff to focus on their core duties Save costs by consolidating services and achieving economies of scale Improve control framework through process standardization 																								
		<p>Key Considerations</p> <ul style="list-style-type: none"> Consider any changes to the City’s organizational structure in conjunction with centralizing services. The department(s) responsible for these services must have the capacity and governance structure to function effectively. Align staffing level appropriately. Areas requiring specialized support may not have sufficient capacity to fully centralize services given the current staffing complement. In any area where processes and roles are changed, policies/procedures should be updated. For instance, the City should continue to review and update the procurement policy focusing on limits and delegation of authority. 																								

6. Centralize back-office roles



Opportunity Assessment

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

Implementation Plan

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

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

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

Timeline for Implementation

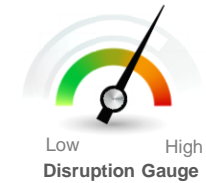
Key Task	0-6 months	6-12 months	12+ months
1 Initial assessment	█		
2 Stakeholder engagement	█		
3 Define goals and objectives	█		
4 Identify technology	█	█	
5 Map and re-engineer processes		█	
6 Training and capacity building		█	
7 Communication strategy		█	
8 Pilot programs			█
9 Full-scale implementation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

7. Clarify service agreements with ABCs/service partners



Observation	Project Owner	Agreement Status			
		ABC	Updated	Outdated	No Agreement
The City provides support services to ABCs (Agencies, Boards, and Commissions) including the airport, library, police, DNSSAB, Cassellholme, and Conservation Authority; however, service levels are often unclear and there is a perception that levy charges require review. While the City does maintain some agreements with its ABCs, many arrangements are reportedly outdated.	Office of the CAO	Airport	X (MOU to operate)		X (services provided)
		Library		X	
Update or establish service agreements with partner organizations to clarify service levels and fees.		Police		X	
	DNSSAB	X (rent/utilities)	X (IS Services)		
	Cassellholme				X
	Conservation Authority				X
	Provincial Offences Act			X	
	Capitol Centre			X	
	Heritage North Bay	X			
	DIA				X
	Invest North Bay			X	
	North Bay Hydro Holdings Ltd				X
	North Bay Battalion	X			
	The Business Centre				X
	YMCA	X			
	Dionne Quints Heritage	X			
	North Bay Hydro Distribution			X	
Tourism North Bay			X		
Rationale	Benefits				
<p>Services provided to the City’s ABCs include IT, HR, legal, and financial services among others. Updated formal service level agreements or MOUs for many of the ABCs are absent, resulting in inconsistent and unclear service expectations directly impacting the organization’s capacity to provide internal services. The City should review, update, and/or establish formal agreements (SLAs or MOUs; Service Level Agreements or Memorandums of Understanding) between the City and its partner organizations to clarify roles and responsibilities for the provision of services, service levels (e.g., response timelines, quality standards), and fees and charges.</p> <p>Multiple internal stakeholders acknowledged legacy agreements with partner organizations are irreflective of today’s service offerings. For instance, the City has maintained its service level for HR and IT services despite increasing the number of users without a proportional increase in City staff, contributing to capacity challenges. There may be opportunities, through partnership with ABCs, to streamline back-office service and explore cost-sharing opportunities to reduce overall costs.</p> <p>Social Services was one area identified as needing attention. As detailed in opportunity #3 (to update the CSWB Plan to clarify roles and responsibilities for the delivery of social services), the City will need to update or establish its service agreement with DNSSAB.</p>	<ul style="list-style-type: none"> Enhance accountability for service providers and recipients with clear standards and expectations (e.g., payment provisions, response timelines, in-scope services, etc.). Strengthen partnerships with ABCs by setting clear targets to collaborate. Improve cost efficiency and recovery levels by thoroughly understanding the cost of service delivery and ensuring fair and accurate funds are exchanged. Proactively manage risk by including terms for dispute resolution and liability. 				
Key Considerations					
	<ul style="list-style-type: none"> Each agreement will have nuances based on the organization in question. The City will need to consider tackling each agreement independently but there are opportunities for standard language and templates. Reductions in services or increases in fees to ABCs may result in tension and/or resistance to implement the agreements. The City should seek a collaborative approach rather than imposing internally-drafted agreements without seeking input from the ABCs. The agreements should be set with a deadline to review/update to capture any changes. Similarly, the process and personnel responsibilities should be clear to prevent agreements from becoming outdated. 				

7. Clarify service agreements with ABCs/service partners



Opportunity Assessment

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

Implementation Plan

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

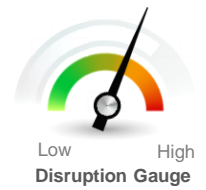
Implementation: Implementation will involve a cycle of drafting and negotiating the agreements until a final agreement is settled upon by both (or more) parties involved. Then, the applicable approval parties will need to review and approve the agreements before they are executed formally.

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

Timeline for Implementation

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

8. Conduct comprehensive user fee studies



Observation	Project Owner	Service Level Dashboard				
<p>The majority of Council members expressed concerns related to inflation and the impacts on cost of service delivery. Fiscal responsibility and affordability were discussed as a high priority as the City strives to deliver high value services relative to the tax burden on residents. A key piece to ensure the financial sustainability of municipal services is ensuring user fees appropriately reflect the cost of service delivery.</p>	Financial Services		Behind Target	At Target	Above Target	
<p>Perform a comprehensive fee study every three to five years to balance cost recovery and tax burden on residents.</p>		Relevant sub-services	Financial Planning & Fiscal Policy Management			
Rationale		Benefits				
<p>During the current state assessment, it was noted that the City has not historically undergone routine comprehensive fee reviews. In some cases, stakeholders acknowledged fees have not been reviewed or updated over extended periods of time e.g., the City’s planning fees have not been reviewed since 2008 through the approval of a six-year fee schedule resulting in the latest increase in 2013, and building fees have not been updated since 2011. The User Fees for City Departments By-law (By-Law No. 2023-02) outlines the authorities to impose fees or charges on services/activities. Based on rising concerns related to increasing cost of service delivery and maintaining fiscal responsibility, the City should consider continuous evaluations of user fees. Best practice among municipalities is targeting a comprehensive fee review every three to five years.</p> <p>Internal stakeholders acknowledged the City’s objective to provide affordable and high value municipal services relative to the tax burden on residents. To meet service standards without compromising tax rates, user fees must be set appropriately given that municipalities cannot budget a deficit.</p> <p>With any adjustment to service levels, fees may quickly become irreflexive of the cost of service delivery. For instance, the introduction of Bill 23 (More Homes, Built Faster Act, 2022) and Bill 109 (More Homes for Everyone Act, 2022) resulted in the need for expedited development reviews which has impacted resource consumption of municipalities across Ontario. In many cases, municipalities have introduced new technologies and recruited additional resources to meet the new legislation. In any case, the cost of service delivery has changed and fees are not reflective of the cost of service delivery.</p>		<ul style="list-style-type: none"> Align with City and departmental strategic direction Benchmark fees and service delivery to ensure fairness Reflect consumption of municipal resources 				
		<p style="text-align: center;">Key Considerations</p> <ul style="list-style-type: none"> Fees should align with the City and departmental priorities. Each service provided may have different objectives related to affordability to customers and cost recovery. Consider the structure of fees e.g., non-refundable, fees to apply, fees for late application or missed deadlines, etc. This may involve introducing new fees. The City should consider leveraging a third party specialist to conduct the reviews. Comprehensive fee reviews consider many complex elements of service delivery and require specific skill and attention. The timing of a comprehensive fee review should align with other major milestone activities. For instance, a fee review should proceed after any changes to processes or increase in service levels to account for the cost of service delivery. User fees should be benchmarked against comparator municipalities to ensure there are no drastic differences with neighbouring jurisdictions. 				

8. Conduct comprehensive user fee studies



Opportunity Assessment

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

Implementation Plan

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

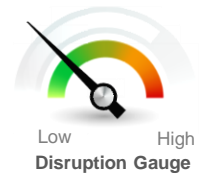
Implementation: Once the fee adjustments have been calculated, the results should be presented to the public for input before proceeding to Council for approval. Ensuring citizen buy-in at this stage is essential to avoid complaints after implementation; this may take place in the form of public meetings,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

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

Timeline for Implementation

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

9. Prepare a climate change impact assessment



Observation	Project Owner	Service Level Dashboard		
<p>The first Strategic Priority outlined in the 2017-2027 North Bay Strategic Plan is Natural, North & Near. The priority outlines the City’s admiration, value and respect for the natural environment, and outlines opportunities to enhance the natural environment by pursuing investment in technology, among other opportunities. To better understand the tangible impact of climate change on municipal infrastructure such as the growing risk of flooding, wild fires, storms, etc., the City should pursue a climate change impact assessment.</p>	<p>Infrastructure & Operations</p>	<div style="display: flex; justify-content: space-between; border-bottom: 1px solid black;"> Behind Target At Target Above Target </div>		
<p>Prepare a climate change impact assessment to understand the impact of climate change on City infrastructure.</p>		<p>Relevant sub-services</p>	<p>Sustainability</p>	
<p>Rationale</p>		<p>Benefits</p>		
<p>The City should develop a climate change impact assessment which considers both mitigation of environmental pollution and how climate change will impact municipal operations. For instance, the risk of wildfires has been increasing in recent years and many municipalities have been forced to consider monitoring and response efforts e.g., evacuation plans. Similarly, flooding and storm management is a legitimate risk for North Bay given the proximity to Lake Nipissing and other lakes/creeks within the City’s jurisdiction.</p> <p>While sustainability as a sub-service in Environmental Services was rated as ‘at target’, there is an opportunity for the City of North Bay to follow leading practice and become a regional leader in climate action by first understanding the impact of climate change.</p> <p>The product of a climate change impact assessment should be a climate action plan with detailed tasks and objectives related to both the reaction and prevention of climate change.</p> <p>Many municipalities are developing a green fleet strategy for their municipal fleet as a means of calculating a baseline GHG (greenhouse gas) emissions level and developing strategies to reduce their Scope 1 emissions (emissions resulting directly from the burning of fuel). A green fleet strategy examines light- and heavy-duty fleet vehicles and equipment to improve asset management, explore alternative energy source vehicles (e.g., electric, fuel cell, compressed natural gas), monitoring GHG emissions, and funding sources among other elements of the strategy. The Transit Division is expecting to transition its fleet to hybrid vehicles during the next replacement cycle, a first step towards an organization-wide green fleet. There is an opportunity to use ZEB (zero emission bus) program funding to support the development of the strategy.</p>		<ul style="list-style-type: none"> • Strengthen risk management by planning and preparing for the impacts of climate change • Socialize the importance of addressing and the seriousness of climate change throughout the organization and community. • Improve the City’s climate change mitigation efforts • Stimulate economic growth by encouraging investment and job creation in green technology industries 		
<p>Key Considerations</p>		<ul style="list-style-type: none"> • Provincial and federal funding programs are available to support environmental initiatives such as developing impact assessments and plans. The City should consult with the in-house grant coordinator to explore these opportunities. • While this opportunity focuses on the impact of climate change on infrastructure, the City may want to consider impacts and actions from all departments. While some have very clear connections to climate change e.g., reducing GHG emissions from fleet vehicles in transit, others are less direct but equally applicable such as reducing GHG emissions from buildings, reducing residential waste and/or increasing diversion, etc. Example: City of Toronto TransformTO Net Zero Strategy; City of Guelph Climate Adaptation Plan. 		

9. Prepare a climate change impact assessment



Opportunity Assessment

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

Implementation Plan

Planning: The first step to developing a climate change impact assessment is to identify key stakeholders including internal staff, environmental organizations (if deemed necessary), and other internal or external stakeholders whose contribution is important. Then, the City should scope specific climate variables and municipal infrastructure to review.

Implementation: Once the planning phase is complete, the City will begin to collect and analyze data including relevant climate data, historical records, and projections to form the vulnerability assessment considering all in-scope municipal infrastructure.

Through a risk assessment, the City will develop plans for addressing and prioritizing actions based on likelihood of occurrence and impact to the City/community.

Continuous Improvement: To ensure buy-in and education of the community, the City should conduct outreach through various channels to inform the community of the City’s initiatives and ways they can support environmental sustainability.

The City should continuously monitor, document, and report on climate impacts to strengthen its understanding of the impact of climate change and mitigation/response strategies.

Timeline for Implementation

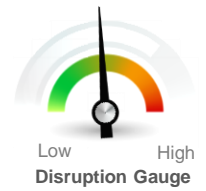
Key Task	0-6 months	6-12 months	12+ months
1 Initiation and stakeholder engagement	█		
2 Scoping and goal setting	█		
3 Data collection and analysis	█		
4 Vulnerability assessment		█	
5 Risk assessment and prioritization		█	
6 Adaption and mitigation strategy development		█	
7 Implementation planning		█	
8 Monitoring and evaluation			█
9 Community outreach and education			█
10 Documentation and reporting			█

10. Collaborate with local post-secondary institutions



Observation	Project Owner	Service Level Dashboard					
<p>Based on best practices identified through comparator interviews, collaboration with local universities and colleges is attributable to the success of many municipalities. The City has a positive relationship with local post secondary institutions but there is an opportunity to further explore enhancing collaboration and exploring new opportunities.</p>	<p>Office of the CAO</p>		Behind Target	At Target	Above Target		
		<p>Enhance opportunities to collaborate with local post secondary institutions.</p>	<p>Relevant sub-services</p>	<p>Community Economic Development Partnerships</p>			
				<p>Strategic Initiatives</p>			
<p>Rationale</p>	<p>Benefits</p>						
<p>Some comparators’ attributed their economic success to post secondary institutions. The City should explore new and enhance existing opportunities to collaborate with local post secondary institutions, such as Nipissing University, Canadore College, and Collège Boréal–West Nipissing Campus (a French-language College). Forging partnerships with local post-secondary institutions represents a strategic move for the municipality. By tapping into the research and innovation capabilities of these institutions, the City can foster a collaborative environment that extends beyond specific projects. This collaboration can contribute to the overall development and well-being of the community. Specific areas to explore collaboration include:</p> <ul style="list-style-type: none"> • Internships, co-op programs, and apprenticeships at the City enable students to support municipal service delivery and can lead to returning candidates for permanent positions. Student competitions, case studies, and projects to engage students to solve real-world municipal problems through innovative solutions offer the City insightful ideas and provide students insight into work life in municipal government. • Continuing education programs for residents and staff through post secondary institutions encourage employee development and skill-building which can help improve productivity of the organization. • Invite academic experts to serve on municipal advisory committees to lend a unique perspective. • Collaborate on the use of shared facilities (e.g., culture, library and recreation facilities, innovation hubs, fire training facilities, etc.) to improve economies of scale and bargaining power. • Enhance opportunities to collaborate on specific shared interests such as delivery of transit services, fire services, police/security, parking, and economic development initiatives • Collaborate on housing initiatives that will serve to accommodate students and professionals brought to the City through education and employment with post-secondary institutions. 	<ul style="list-style-type: none"> • Improve access to a pool of skilled and educated graduates • Access to academic expertise for problem-solving and consultation • Support for cultural and recreational events • Share facilities and resources, improve bargaining power with vendors • Stimulate economic development • Increase attraction and retention of investment/residents to North Bay 						
		<p>Key Considerations</p>					
		<ul style="list-style-type: none"> • Consider opportunities for collaboration with local education providers in parallel with reviews to adjust service levels. For instance, if a transit needs study suggests transit services should be enhanced, the City should seek opportunities for collaboration with post secondary schools as an option to improve service delivery as part of investment decisions. • Clearly define resource commitments required from both the municipality and academic institutions including funding, personnel, and infrastructure for each initiative. Consider implementing formal agreements where necessary. 					

10. Collaborate with local post-secondary institutions



Opportunity Assessment

Financial Impact:	Citizen Impact:	Risks:	Strategic Alignment:
▲	▲	▲	▲
<p>This opportunity will have neither an operating nor capital impact on the City as it is not expected to have any direct impacts on revenue generation or cost-savings. However, in the long-term, it may create more cost-savings and revenue-generating opportunities depending on the avenues of collaboration.</p>	<p>This opportunity should have a positive or neutral impact to citizens by having overall positive economic impacts to the City.</p>	<p>There are minor barriers that could be overcome with time and corporate focus such as resistance to change if partnership involves adjustments to service delivery (e.g., shared transit agreement increases routes in student populated neighbourhoods while reducing other routes).</p>	<p>This opportunity is strongly aligned with the Strategic Plan and Council Priorities related to addressing two main challenges the City is facing:</p> <ul style="list-style-type: none"> Population growth: retaining youth and attracting new residents Jobs: attracting new and diverse employers

Implementation Plan

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

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

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

Timeline for Implementation

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

04

Additional and Underway Opportunities

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

Additional opportunities – modernizing operations

KPMG identified additional opportunities that would require further analysis by the City for Council considerations.

No.	Opportunity Description	Project Owner	Operating Impact (\$)	Capital Impact
11	Implement recommendations as stated in the Redbrick report. Redbrick Communications conducted an independent Communications Review and prepared recommendations focusing on five priority areas: (1) vision and priority setting, (2) mindset and structure, (3) positive storytelling and community building, (4) measurement and evaluation, and (5) public engagement.	Office of the CAO	Refer to Redbrick report	
12	Review existing collection practices for outstanding fines under the POA office. The City of North Bay provides administrative and prosecutorial services for the Ontario Court of Justice, Provincial Offences Act (POA). The City currently has outstanding fines of up to \$6 million and staff believe that the City should explore innovative methods to encourage collections.	Legal Services	Benefit of up to \$6 million <i>(A significant portion of this might be unrecoverable)</i>	None
13	Adopt a project management framework (PMBOK, Agile, Waterfall, etc.) to establish a consistent approach to plan, manage, govern City projects from start to finish. Provide project management training to staff responsible for planning and executing projects.	Office of the CAO	\$10K - \$50K cost	\$10K to \$50K implementation cost
14	Conduct a Lean Process Review on key departmental processes to clarify roles, establish accountability and streamline process (reduce "waste" in the process). While the ERP project is expected to create efficiencies through automation and digitization, the City should take a planned approach at looking at its processes to best leverage the ERP and minimize waste. This will also enable a culture of continuous improvement e.g., assess the Finance Division workflows as part of new financial software implementation project to address process inefficiencies.	Office of the CAO	Benefit of \$50K - \$150K (ongoing)	Implementation costs of \$80K - \$100K
15	Conduct a market compensation review to address employee concerns about market competitiveness. While the City has undergone compensation reviews in the past, they have been relatively informal and not performed on an ongoing basis. Based on concerns raised during the current state assessment (i.e., compensation was identified as the largest constraining factor for recruiting and retaining staff), the City should validate its current market competitiveness and address gaps based on Council's directive for compensation.	Human Resources	None	\$65K to \$80K Implementation cost
16	Establish internal response timelines between citizen facing departments and corporate services teams to support efficient workflows and enhance accountability, e.g., contract management.	Office of the CAO	None	None
17	Deploy training material related to the use of software to employees to ensure the effective and efficient use of digital tools.	Information Systems	None	None

Additional opportunities – modernizing operations

KPMG identified additional opportunities that would require further analysis by the City for Council considerations.

No.	Opportunity Description	Project Owner	Operating Impact	Capital Impact
18	Update Class/Active Network recreation software with citizen-facing functionalities to enable online booking and payment of recreation and facility rental services. This opportunity is expected to not only enhance service levels, but also create efficiencies with respect to freeing staff to perform less manual/repetitive tasks.	Information Systems, Community Services	\$10K to \$50K cost	Up to \$200K implementation cost
19	Explore a software solution to track by-law enforcement complaints and infractions. Note - Current Citywide implementation project does not include the by-law enforcement module.	Legal Services, Information Systems	\$10K to \$50K cost	Up to \$200K implementation cost
20	Review the service delivery model and cost recovery levels of the marina. The City should evaluate the option of using 3rd-party operators.	Community Services	None	None
21	Assign a dedicated in-house project manager to support Fire Services with the CRISIS system implementation project.	Fire & Emergency Services	None	None
22	Further streamline after-hour emergency management practices and associated roles and responsibilities; establish emergency playbooks. - Review and update after-hours dispatch and call back procedures for fire, transit, and public works services. Evaluate dispatch systems (Dynamic and CRISIS) to align with operational and service delivery needs.	Infrastructure & Operations, Fire & Emergency Services	None	None
23	Review digital work place opportunities to increase support for field operators and linear infrastructure staff as part of an effort to reduce paper processes. For example, snow plow route tracking and roads maintenance records are completed by paper.	Infrastructure & Operations	None	None

The City of North Bay – Organizational Review

Underway opportunities

KPMG identified additional opportunities that are already underway.

No.	Opportunity Description	Project Owner	Effort	Impact
1	Consider opportunities to improve access and transparency to SMT as part of a larger organizational culture initiative (e.g., resume the practice of hosting SMT meetings at the various municipal offices across the City to improve visibility and access of leadership to the City's staff).	Office of the CAO	Low	Medium
2	Clarify internal communication roles and responsibilities between Communications, HR, and other City departments to promote a supportive corporate culture. Continue leadership training and development initiative for management staff, including training for change management and communication.	Human Resources, Office of the CAO	Low	Low
3	Consider options to collect payments online: offering online payment options benefits both the City and residents by improving efficiency, convenience, and security in the payment process. Accepting online can lead to cost savings, improved revenue collection, and a more positive relationship between the government and its constituents. The City is exploring online payment capabilities in the context of the ERP project.	Information Systems, Financial Services	Low	Medium
4	Perform a comprehensive assessment of the City's current ERP system and associated business processes and strategies. The assessment will develop a roadmap and business requirements to modernize the existing system in alignment with the City's strategic priorities. The roadmap/business requirements will define the approach (change management, implementation plan, operational readiness, etc.), cost and resource requirements to achieve the desired future state. Note: Key system functionalities and integration needs identified by stakeholders include: <ul style="list-style-type: none"> HRIS functions, such as employee file management, scheduling, timesheets and attendance management, absence and overtime bank tracking, learning management, tax slip reporting and employee self-serve functions. Capabilities to process online payments and support digitization of processes (e.g., e-permitting) Integration with Hansen Work Order Management System, Citywide, Class/ActiveNet, and other City systems 	Information Systems	High	High
5	Explore implementation of electronic signature solutions to reduce administrative time and effort of obtaining physical approval signatures (e.g., legal agreements, procurement documents, invoice payment approvals, etc.). The City has issued a RFP for an electronic workflow tool which is expected to enable electronic signatures.	Information Systems	Low	Medium
6	Refresh the City's benefit programs to align with current workforce needs (e.g., employee wellness programs, insurance options). The City has issued a RFP to retain a benefits consultant who will be tasked with reviewing the benefits plan.	Human Resources	Low	Low
7	Review and update HR policies, such as vacation, overtime, remote working, performance management, etc., to set clear employer expectations while protecting the needs and interests of employees. The City is reviewing its HR policies. Additional effort will be needed to communicate progress of this review and changes to HR policies.	Human Resources	Low	Low

The City of North Bay – Organizational Review

Underway opportunities

KPMG identified additional opportunities that are already underway.

No.	Opportunity Description	Project Owner	Effort	Impact
8	Implement a document management system (e.g., SharePoint) to improve cross-functional coordination, information sharing, and records management. The RFP for an electronic workflow tool is expected to resolve document management challenges.	Information Systems, Office of the Clerk	Medium	Medium
9	Refresh the process to prioritize resources to update municipal by-laws to ensure compliance with current legislative and service delivery needs. While the retention by-law, delegation of authority by-law, and procurement by-law updates are underway, some stakeholders indicated other City by-laws require update.	Office of the Clerk	Medium	Medium
10	Digitize planning and building application review processes through Citywide implementation.	Planning & Building	High	High
11	Engineering design guidelines for new development were established in 2021. Engineering to continue development of design submission standards and inspections standards for new development.	Infrastructure & Operations	High	High
12	Continue to advance the City's asset management plan by performing condition assessments, further adopting lifecycle management practices, and timely updating asset management data. Clarify roles and responsibilities to input and update asset management data. The City needs to address resourcing gap to advance further on this opportunity.	Financial Service, Infrastructure & Operations	High	High
13	Conduct a transit services needs assessment. Assess the value add of the on-demand transit service and effectiveness of transit routes. Note: While transit services are slowly returning to pre-pandemic levels, staff have informally received feedback that community requires improvements to service delivery. Some members of the community have expressed desire for further improvements to transit, but a formal assessment of community expectations and realistic resource capabilities should be determined to set service levels. This opportunity could be further explored with Top 10 opportunity #10 to enhance collaboration with local post secondary institutions as it relates to shared transit services.	Infrastructure & Operations	Medium	Medium

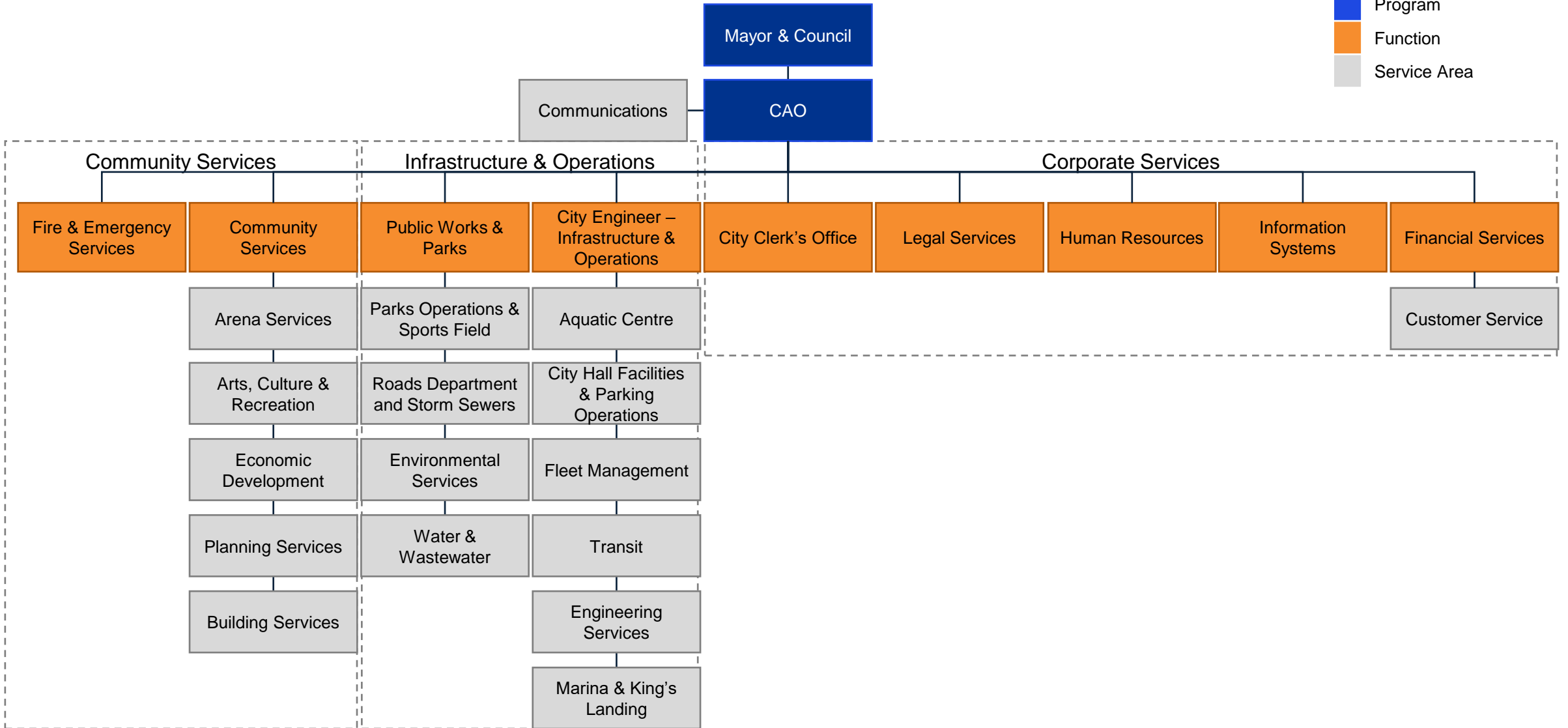
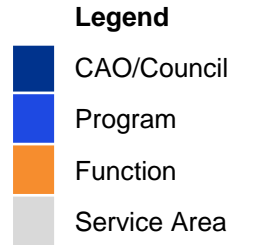
05

Organizational Structure Review

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

The City of North Bay – Organizational Review

Current structure*



* organizational structure as at July 2023

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

Stakeholder	How they measure success
Council	<ul style="list-style-type: none"> • Look at year over year measurement, establish KPI's that drive budgets and decision making • Clarity of roles and responsibilities • Change culture to improve customer service • More proactive; timely communication • Enhanced accountability for certain positions
Senior Leadership	<ul style="list-style-type: none"> • Clarity of roles and responsibilities • Prioritization of strategic decisions • Improved communication • Seamless flow of work and processes; minimal disruption • Proactive/strategic decisions - fact-based decision making • More organized • More mature governance model
Staff	<ul style="list-style-type: none"> • Clarity of roles and responsibilities • Single message/improved communication • Communication of strategic business goals • Right people work together/reduce red tape/work is clear and more efficient • Ability to make decisions/ employee empowerment • Clear decision making pathways/consistency in decisions • Define and improve culture • Improved transparency
Citizens	<ul style="list-style-type: none"> • Clarity of roles and responsibilities • Improved transparency • Value for money • Employees are able to make decisions • Improved quality and consistency of customer service • Less bureaucracy

Organizational design methodology

KPMG facilitated organizational design workshops with the Project Team and Mayor to develop the future state organizational structure. After finalizing organization design principles, the Project Team evaluated various structure options based on their alignment to the principles. Then, KPMG and the Project Team developed an agreed-upon long term organizational structure through a collaborative process with the City.



1

Design Principles Selection

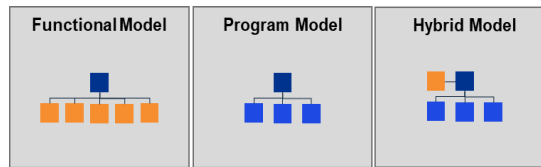


The Project Team identified Organizational Design Principles to form the foundation of the organizational design and considered three different organizational types.



2

Structure Options Analysis



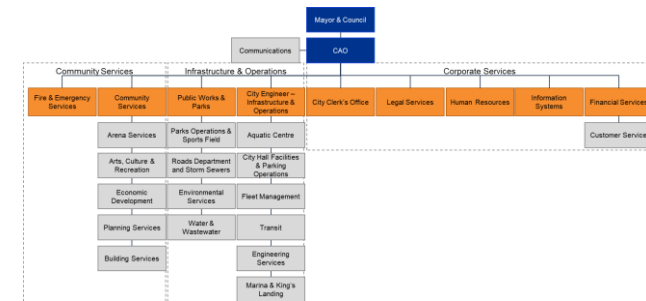
Then, through an interactive workshop, the Project Team grouped the different municipal services to begin forming the new, optimal organizational structure.

The structure options were evaluated based on their alignment to the design principles to determine the optimal structure.



3

Detailed Organizational Design

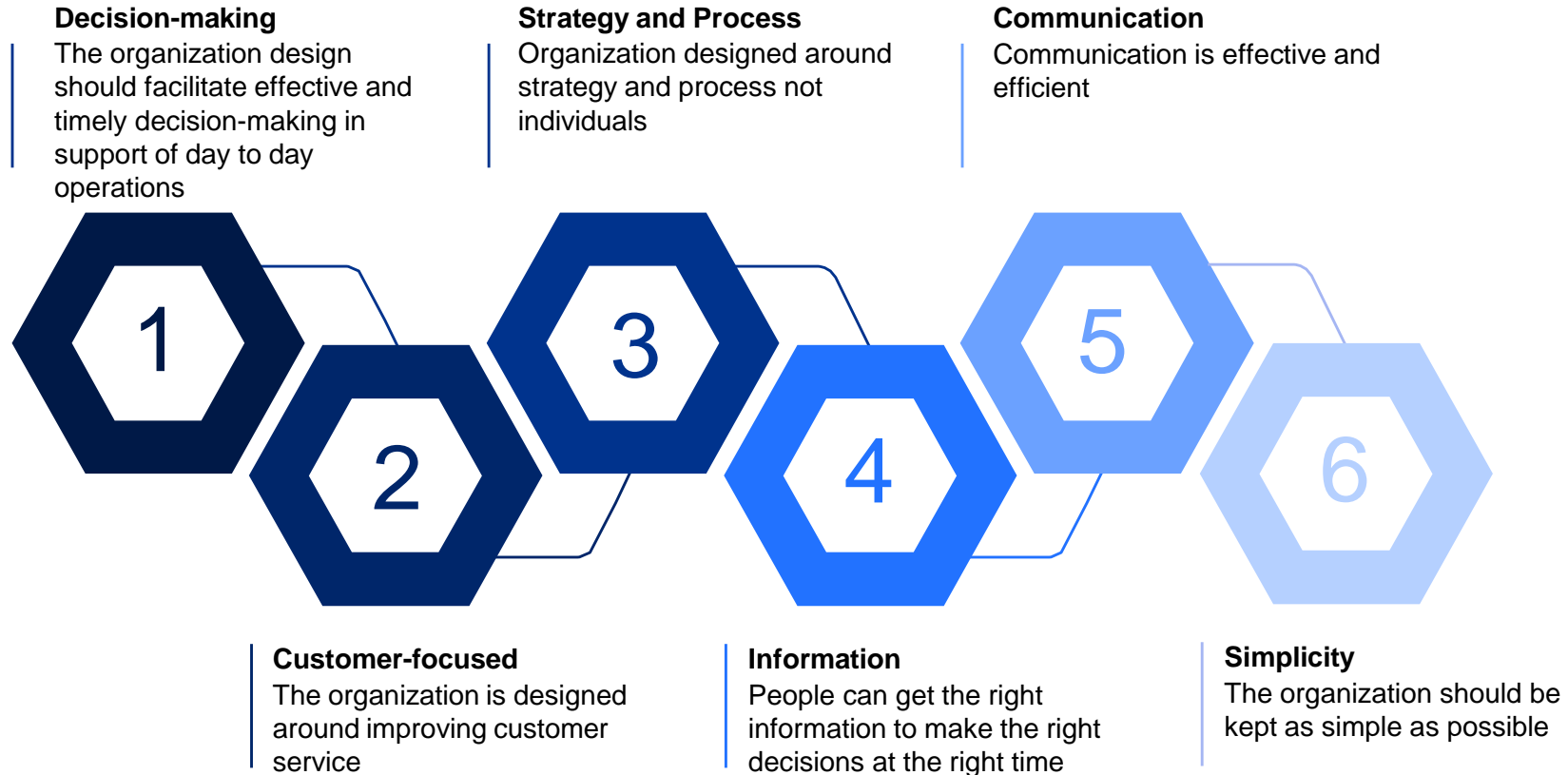


Finally, KPMG compiled all feedback into a corporate-wide organizational structure.

The City of North Bay – Organizational Review

Chosen design principles

After reviewing the list of KPMG’s Leading Practice Organization Design Principles, the Project Team identified the following design principles that are most important for the organizational design of the City’s departments and services.



Model options evaluation

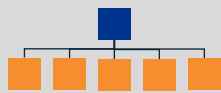


Strengths



Weaknesses

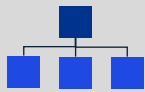
Functional Model



- **Knowledge sharing within unit:** employees have opportunities to develop their skills within functional areas by collaborating with experts regularly.
- **High functional specialization:** employees are grouped based on their areas of expertise, allowing for specialization and the development of deep knowledge and skills in specific functions.
- **Efficiency:** effective coordination within each function ensures that tasks are carried out efficiently and according to established processes.
- **Minimal disruption:** The City's current organizational structure is similar to the functional model.

- **Limited decision making capacity:** Leaders of each function may focus primarily on the goals of their own function, neglecting broader strategic decisions of the organization.
- **Communication across functions is difficult:** Functional organizations may suffer from a silo mentality, where departments prioritize their own objectives and interests over those of the overall organization.
- **Less responsive to the overall needs of the end user**
- **Wide span of control:** In the functional model, the CAO has more direct reports as opposed to a program or hybrid model.
- **Lack of flexibility:** Functional organizations can be rigid and slow to adapt to change in external environment because there is relatively less cross-functional interaction.

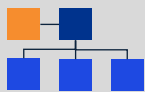
Program Model



- **Reduced span of control of the CAO:** Fewer direct reports than the functional and hybrid models
- **Speed of product development cycle:** Keeping alike functions together enables responsive communication and transfer of information.
- **Product excellence:** Emphasizing a project or program-centric culture with focused attention and dedicated resources to a specific program of services.
- **Product diversification:** Enabling the City to manage multiple projects or programs concurrently.
- **Cross-functional collaboration:** Program models bring together staff from multiple functions to work collaboratively on specific projects/programs which facilitates cross-functional communication, knowledge sharing and innovation.

- **Duplication of effort:** program organizations may require dedicated resources for each program, potentially leading to duplication of efforts/resources across the programs.
- **Multiple customer points:** Each program may have its own customer base that the City needs to manage relationships and interactions.
- **Disruption:** The proposed program model is the most dissimilar to the City's current organizational structure. Effective change management will be most important here.

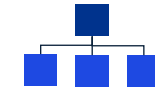
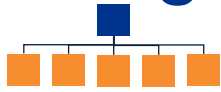
Hybrid Model



- A hybrid model shares many of the benefits of a functional and program model by narrowing the span of control while maintaining focused functions reporting to leadership. Some other unique strengths of this model include:
- **Operating freedom:** More flexible and adaptable to change.
 - **Clear span of control:** Functional organizations typically have a clear hierarchical structure, with clearly defined roles and reporting lines to provide employees a clear understanding of their responsibilities.
 - **Focus on priorities:** larger departments focused on legislative or operational objectives can be kept separate from one or more focused functions.

- **Complexity:** hybrid structures can be more complex to manage compared to single-structure models, requiring more effort to coordinate and define roles.

Determining span of control



Wider Span of Control		Narrower Span of Control
Similar experience, knowledge and skills required of all employees	←————●————→	Different experience, knowledge and skills required of all employees
Senior / experienced employees	←————●————→	Junior / inexperienced employees
Interdependent activities	←————●————→	Independent activities
Employee work is cyclical	←————●————→	Employee work is irregular
Employee work is standardized	←————●————→	Employee work is non-standardized
Primary role of manager is managing delivery	←————●————→	Primary role of management role is delivering a business function
Employees in close geographic proximity	←————●————→	Employees dispersed

06

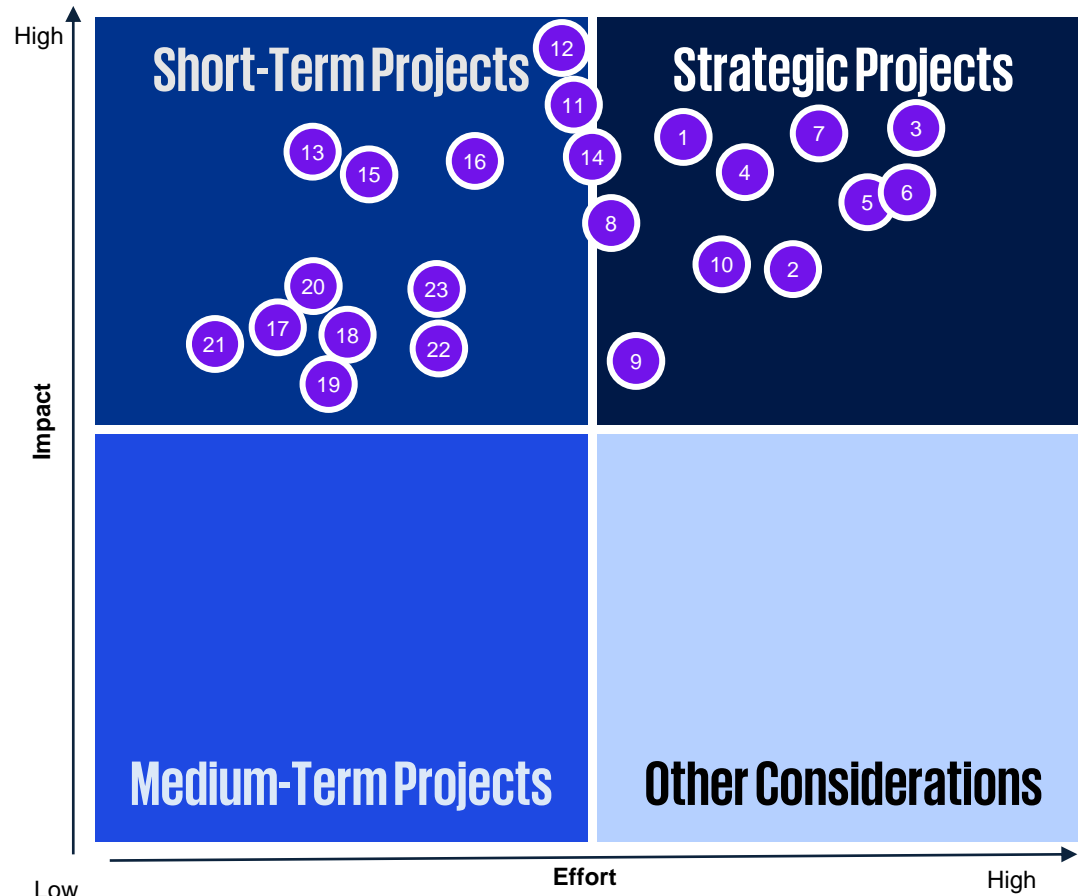
Implementation Plan

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

The City of North Bay – Organizational Review

Opportunity prioritization

Using the prioritization matrix below, KPMG ranked the current state opportunities according to their (a) **impact** and (b) **effort** to implement. The matrix can be used to distinguish the opportunities and prioritize implementation resources and effort according to the four categories of prioritization.



No.	Opportunity
1	Adopt a corporate performance management framework
2	Develop departmental master plans and business plans
3	Clarify the Community Safety & Well-being Plan
4	Implement a Corporate-wide Customer service strategy
5	Develop a workforce plan
6	Centralize back-office roles
7	Clarify service agreements with ABCs / Service Partners
8	Conduct comprehensive user fee studies
9	Prepare a climate change impact assessment
10	Collaborate with local post-secondary institutions
11	Implement Redbrick recommendations
12	Review collection practices for outstanding POA fines
13	Adopt project management framework
14	Conduct Lean process review
15	Conduct market compensation review
16	Establish internal response timelines
17	Deploy software training material
18	Update Class/Active Network recreation software
19	Explore by-law tracking software
20	Review marina service delivery model
21	Assign project manager for CRISIS implementation
22	Streamline after-hours emergency management
23	Enhance remote working capabilities for field operations

Implementation framework

This section summarizes a suggested plan to implement the identified recommendations. The overall implementation framework is based on KPMG leading practice of:



Implementation framework

01

Implementation Structure

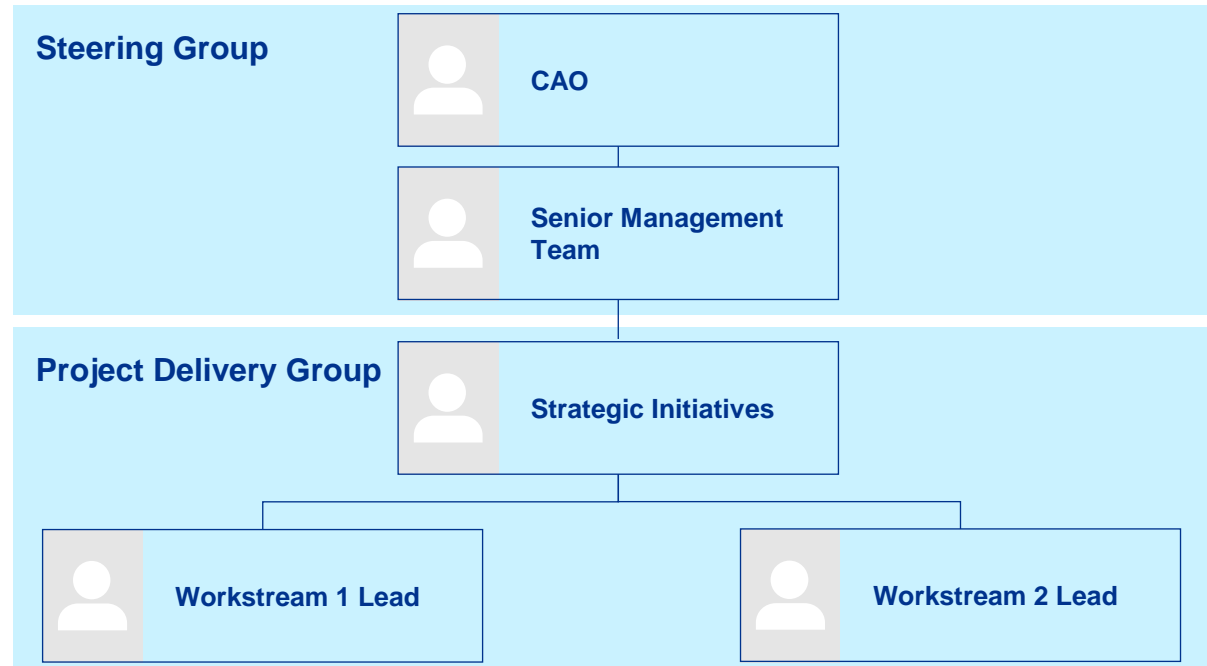
Successful implementation of the recommendations included in this report will require dedicated resources and effective governance.

Based on the scope of the identified recommendations, we recommend the City develop a steering group (or project team) to lead, monitor and report on the implementation of the report's recommendations. The working group should be made up of the CAO and Senior Management Team (SMT). The working group will identify a project sponsor to drive the vision of the implementation plan. The steering group should monitor and enforce changes as outlined in this report. In addition, the steering group would lead continuous improvement initiatives post implementation.

In addition, a project delivery group(s) should be created to tailor specialized resources to the implementation of recommendations in this report. Project delivery leadership will be provided through the creation of strategic initiative resources within the Office of the CAO as this group will have key project management skills and a centralized perspective. Each specific workstream still likely require specialized leadership to maintain accountability for the completion of specific recommendations. Based on the current workload of most service areas, staff have limited capacity to both implement and monitor progress. As such, the City should consider the opportunity to retain a full-time project management resource as needed. Based on the nature of each recommendation, the level of support needed will vary significantly.

The cost for a project management consultant ranges from approximately \$120,000 to \$140,000 annually. The City may need to consider an external consultant if there is little/no capacity to conduct work internally, or if there is a high risk of turnover since the team should be committed to the various projects for their full duration for successful execution.

Sample Implementation Structure



Implementation framework

02

Implementation Plan

The implementation plan outlines the sequence to complete each recommendation, as well as any organizational structure changes. The timeline for each recommendation is based on level of complexity, level of urgency, and if there are other steps required to complete first.

#	Recommendation	Project Owner	Timelines for Implementation				
			0 - 6 months	6 - 12 months	12 - 18 months	18 – 24 months	24+ months
1	Adopt a corporate performance management framework	Office of the CAO	→				
2	Develop departmental master plans and business plans	Office of the CAO	→				
3	Clarify the Community Safety & Well-being Plan	Community Services	→				
4	Implement a Corporate-wide Customer service strategy	Office of the CAO		→			
5	Develop a workforce plan	Human Resources			→		
6	Centralize back-office roles	Corporate Services		→			
7	Clarify service agreements with ABCs/Service Partners	Office of the CAO	→				
8	Conduct comprehensive user fee studies	Financial Services	→				
9	Prepare a climate change impact assessment	Infrastructure & Operations	→				
10	Collaborate with local post-secondary institutions	Office of the CAO	→				
11	Implement Redbrick recommendations	Office of the CAO	→				
12	Review collection practices for outstanding POA fines	Legal Services				→	
13	Adopt project management framework	Office of the CAO; Infrastructure & Operations		→			
14	Conduct Lean process review	Office of the CAO	→				
15	Conduct market compensation review	Human Resources		→			
16	Establish internal response timelines	Office of the CAO	→				
17	Deploy software training material	Information Systems		→			
18	Update Class/Active Network recreation software	Community Services		→			
19	Explore by-law tracking software	Legal Services, Information Systems		→			
20	Review marina service delivery model	Office of the CAO			→		
21	Assign project manager for CRISIS implementation	Fire Services; Information Systems	→				
22	Streamline after-hours emergency management	Infrastructure & Operations, Fire Services	→				
23	Enhance remote working capabilities for field operations	Infrastructure & Operations; Information Systems	→				

Implementation framework

03

Implementation Scorecard

This section presents a scorecard to help measure the implementation of the identified recommendations. Demonstrating progress will help build buy-in with internal and external stakeholders, facilitating change. This scorecard should be reviewed and approved by the working group and reviewed on a periodic basis with the CAO and Steering Committee.

Success Factor	Does this Exist? (✓/✗)
Implementation Structure	
The recommendations and roadmap included in this report have been approved by City Council.	
A clear project governance structure is in place and working well (see implementation structure).	
Sufficient staff capacity and resources are dedicated to the work ahead and are working well (see implementation structure).	
Project Management	
Work plans exist to support the implementation of all recommendations.	
A holistic communications strategy and the accompanying communications plans are developed for the relevant recommendations.	
Recommendations are implemented according to roadmap timelines; delays are justified and communicated.	
Recommendations that have been implemented are reviewed every six to 12 months for effectiveness.	
Customer Centricity	
Citizens are engaged in the implementation process	
Customer experience is measured and improving	

Implementation framework

04

Change Management Framework

Effective change management aligns leaders and staff around change that is clearly defined, justified and well-communicated. The figure below presents KPMG’s change management framework as a starting point for the development of a detailed change management plan to support the implementation of the recommendations included in this report.



To help ensure internal and external stakeholders are ready, willing and able to implement change, the City should:

1. **Make it clear:** Ensure senior leadership understands and is committed to the importance of visible, aligned and ongoing support for improved municipal functions.
2. **Make it known:** Develop and implement a detailed communications plan that clearly articulates the overall case for change to each stakeholder group. Ensure approval of this report and its roadmap is widely communicated.
3. **Make it real:** Clearly define the change management team’s roles, responsibilities, and mandate. Develop detailed change management plans for the recommendations included in this report.
4. **Make it happen:** Begin implementation. Resolve issues and mitigate risks by escalating them through appropriate channels. Focus on high-impact recommendations and continuously monitor the effect of implementation on each stakeholder group.
5. **Make it stick:** Measure progress and maintain momentum. Actively monitor the change as it takes place and adjust actions/goals as necessary.

Implementation framework

05

Communications Strategy

Communications is a critical change-enabler. This section presents five strategic principles to support effective communications during a significant, process-driven transformation:

1. **Equip leaders and change agents:** equip leaders and other change agents with easy-to-use key messages and communication tools.
2. **Develop tailored key messages:** identify different stakeholder groups and develop targeted key messages for each group.
3. **Communicate consistent messages:** communicate consistent messages emphasizing the case for change and anticipated benefits.
4. **Reinforce messages:** repeat and reinforce key messages and progress through a variety of tactics and channels with each stakeholder group.
5. **Engage industry:** communicate directly and regularly with this stakeholder groups.

These principles should be used as a starting point for the development of a tactical communications plan to support the implementation of the recommendations identified in the report. A tactical communications plan should define the communications-related activities that accompany each recommendation/change as well as the overall improvement project. An effective tactical communications plan should include:

- The overall case for change;
- The unique key messages that accompany each initiative or recommendation;
- The key audience(s) when communicating each key message;
- The roll-out timelines; and
- The methods and channels that are to be used when communicating.

The figure on the following pages provides additional detail on each of the five communications principles included in this section.

Implementation framework

05

Communications Strategy

Principle	Outcomes	High Level Tactics
Equip leaders and change agents	Organizational leadership and change champions have the tools needed to promote the case for change.	<ul style="list-style-type: none"> During the first 90 days, provides a refresher course in change management and effective communications for leaders and change agents. The City has scheduled Appreciative Inquiry Training in the Spring of 2024 as part of ongoing LDP for Managers and Supervisors. Continuously update key messages and communication tools for leadership to ensure they remain relevant and effective.
Develop tailored key messages	Different stakeholder groups are targeted with specific key messages, increases the chances of success.	<ul style="list-style-type: none"> Identify different internal and external stakeholder groups involved in the development approval process. Review how the overall implementation roadmap will impact each group as well as the implementation of specific recommendations. Develop targeted key messages that speak to how each stakeholder group will be impacted by the change, identifying each group’s unique case for change.
Communicate consistent messages	Key messages are developed and are consistent across initiatives and time, and align with the broader goals of Development Services.	<ul style="list-style-type: none"> Identify near-term milestones and any short term projects. Develop and leverage key messages consistently through all communications to build consistency, credibility and support. Create a common look and style for change communications. Use it consistently in materials so that communications are recognizable.
Reinforce messages	Multiple opportunities are created for key stakeholders to provide input.	<ul style="list-style-type: none"> Provide regular communications which set specific, clear and relevant expectations and then report back on progress. Use existing communication channels to regularly share information. Develop standards and messages for the change writ-large, and cater messaging in tactical communications plans that support individual initiatives. Encourage two-way dialogue and feedback from stakeholders to continuously improve communication approaches.
Engage industry	Initiatives underway are consistently communicated to industry stakeholders to maintain their awareness and buy-in.	<ul style="list-style-type: none"> Provide structured, formal updates to industry groups, leveraging existing mechanisms. Follow up with all appropriate stakeholders engaged by KPMG to provide a status update and opportunity to review and validate this report.

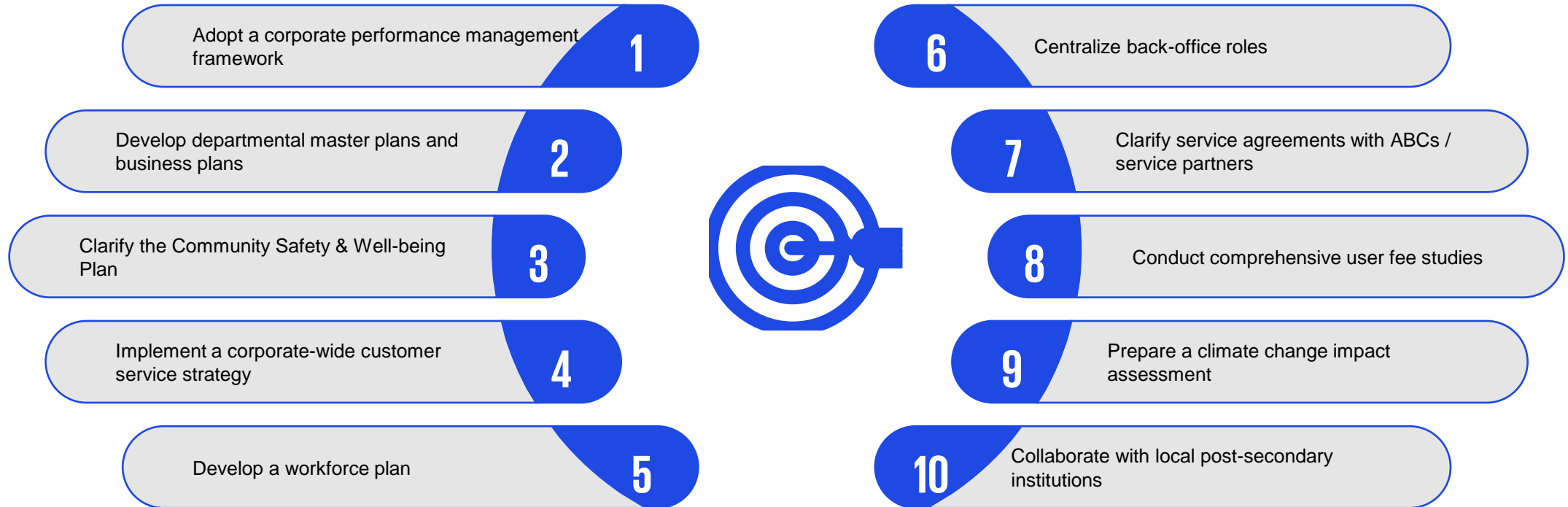
The City of North Bay – Organizational Review Summary

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

The Top Opportunities

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

The opportunities include the following:



Next steps

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



Is the City ready?

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



Who will lead implementation of recommendations?

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



Is the implementation of recommendations appropriately funded and resourced?

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

07

Appendices

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

Appendix A

Summary of Findings From Consultations

The City of North Bay – Organizational Review

Stakeholder consultation

As part of the project, an extensive stakeholder engagement that included 46 meetings (a combination of one-on-one interviews and focus groups) were conducted with representatives of the stakeholder groups listed below. The consultation also included a number of operating site visits.

Stakeholder Groups

- General Government
 - Mayor & Council
 - Office of the CAO
- Infrastructure & Operations
 - Aquatic Centre
 - City Hall Facilities
 - Engineering Services
 - Environmental Services
 - Fleet Management
 - Marina & King’s Landing
 - Parks Operations
 - Roads Department
 - Storm Sewers
 - Transit
 - Water & Wastewater
- Corporate Services
 - Council Secretariat
 - Customer Service Centre
 - Financial Services
 - Human Resources
 - Information Systems
 - Legal Services & POA
- Community Services
 - Arena Services
 - Building Services
 - Community Services Admin
 - Economic Development
 - Fire & Emergency Services
 - Parks Revenues
 - Planning Services
 - Arts, Culture, Recreation
- Sample of new employees
- Sample of long-serving employees

Process

KPMG performed virtual and in-person discussions through July and August 2023 to obtain an understanding of municipal service delivery, organizational structure, challenges, and opportunities.

Meetings were conducted using a combination of one-on-one and group interviews based on the nature of the service area. Discussions lasted between 45 and 60 minutes and interview/discussion guides were shared with participants to provide prompts for discussion. The guides were drafted by the KPMG team and approved by the Project Team before distribution. (Please refer to Appendix A for a full list of stakeholders engaged).

Site Visits

KPMG also performed site visits at the following locations:

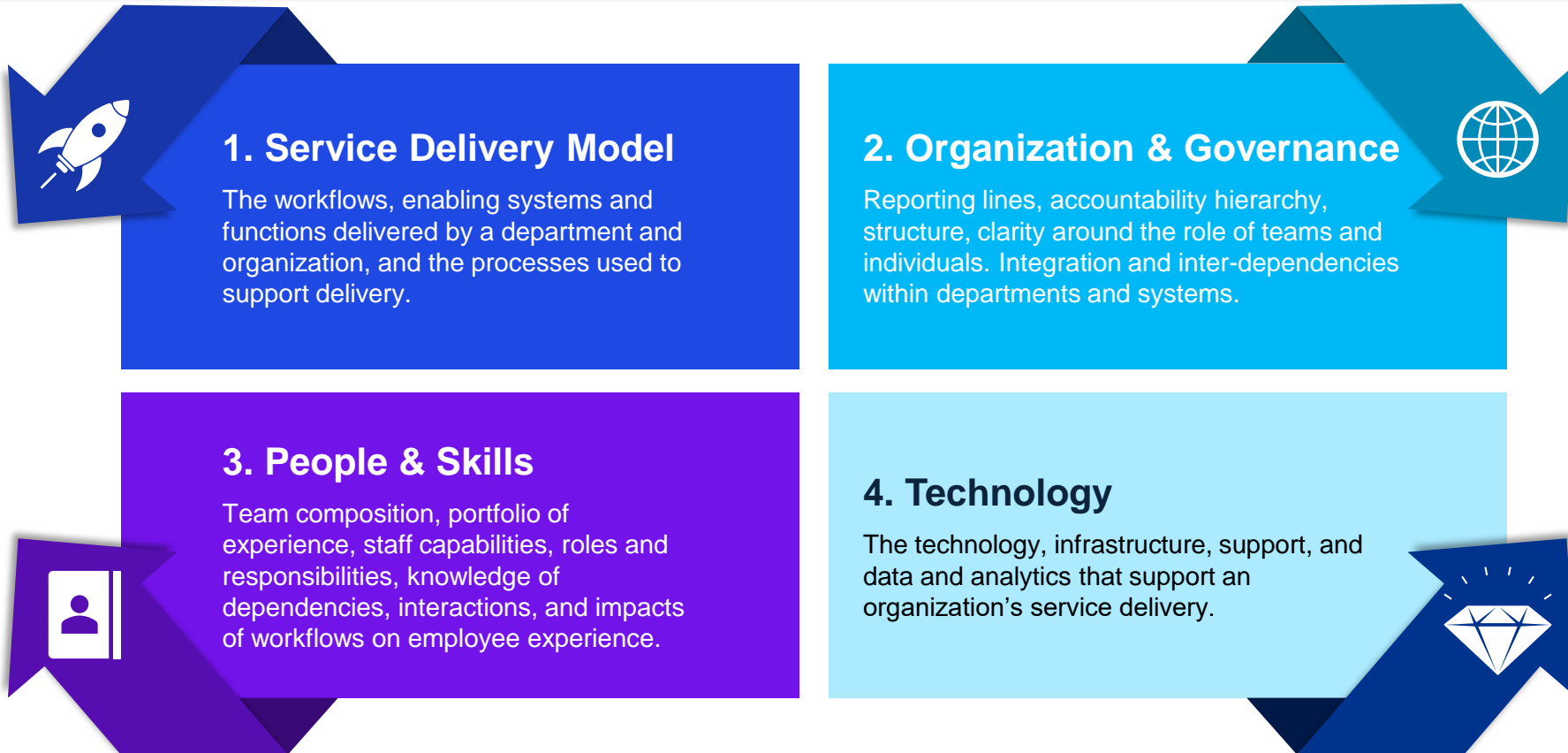
- Public Works Yards
- Fleet Garage and Bus Barn
- Parks Garage/Facility
- Memorial Gardens
- Transit Terminal
- City Hall

KPMG's Target Operating Model



Organizing Stakeholder Responses

Key themes from the stakeholder interviews are organized using the domains from KPMG's *Target Operating Model (TOM)* presented below, as a means of analyzing and understanding the current state. These TOM dimensions provide a consistent structure to evaluate the City's service delivery.



Summary of stakeholder feedback

Service Delivery Model



Key Themes

The City's top strategic priorities include:

- Addressing homelessness, addiction and mental health
- Developing a new community centre
- Implementing a new ERP system
- Improving customer service

However, it is not uncommon for the City to shift priorities spontaneously to meet Council or citizen expectations.

Service Delivery Model (1/3)

Strategic Priorities

- Tackling homelessness, addiction, and mental health are a strategic priority of the City. Biproducts of these challenges, such as needle and hazardous waste cleanup, have been added to the scope of services the City is expected to deliver by citizens. The City needs to continue advancing the Community Safety and Well-Being Plan and further collaborate with all community partners identified in the plan. Community partners include the District of Nipissing Social Services Administration Board (DNSSAB) and others, who deliver housing, social, mental health and addiction, and health services.
- Constructing a new community centre is a high priority of the City. However, following an unsuccessful procurement (tender) process for construction, an Ad Hoc Committee of Council was appointed to review the project. Council approved the Ad Hoc Committee's recommendation to proceed with an RFEI (Request for Expression of Interest) preceded by a third-party led market sounding exercise. Following the RFEI, Council directed staff to prepare a RFP (Request for Proposal) for a Progressive Design Build.
- Stakeholders indicated that the City has a 2017-2027 community based strategic plan; however the plan is high level and is not supported by work plans detailing how it should be operationalized.
- For over ten years, the City discussed integrating all corporate-wide digital tools into a single ERP (enterprise resource planning) system. The project recently kicked off and the development of an ERP strategy is underway with support from a third-party specialist in digital transformation which will be used to create and issue an RFP in 2024. All interviewed stakeholders have high expectation of the ERP project; potential process or technology changes have been paused to further assess whether the new ERP system can address their service/operational needs.
- While most service areas have clear priorities based on legislation (e.g., water and wastewater services), priorities for other areas are often effected by Council's strategic direction or other pressing issues. In those areas, some staff expressed a disconnect in their understanding of their departmental/divisional priorities. Some service areas reported that priorities can shift spontaneously based on urgency and Council directives. As a result, effective resource planning can be difficult.
- Council identified corporate-wide customer service as an area for improvement. The City does not have customer service standards socialized throughout the organization contributing to inconsistent customer experiences. The City's process to capture citizen complaints is manual.

Summary of stakeholder feedback

Service Delivery Model



Key Themes

Performance management is applied inconsistently across the organization. Some service areas lack performance management while other service areas have more advanced performance management practices.

The cost of service delivery has increased in recent years where the City needs to proactively manage financial resources. Stakeholders suggested the City to conduct a comprehensive user fee review and re-evaluate the delivery approaches in many citizen-facing services.

Service Delivery Model (2/3)

<p>Service Standards</p>	<ul style="list-style-type: none"> • Interviewees noted limited strategic effort towards corporate performance management and KPIs (key performance indicators). Most reports are relatively informal and are mostly used for internal purposes. Information is typically aggregated and presented during the annual budgeting process. <ul style="list-style-type: none"> • Some areas are more advanced than others in their use of data analytics and reporting to inform planning and decision-making, e.g., Transit and Fleet are monitoring vehicle usage, trends, route utilization, etc. • Some areas follow legislative tracking requirements e.g., Council secretariat tracking FOI (freedom of information) requests. • The City provides ongoing support services to multiple ABCs (agencies, boards and commissions) including the airport, library, police, DNSSAB, Cassellholme, and Conservation Authority. Services provided include IT, HR, legal, and financial services; however, the City lacks updated formal service level agreements or MOUs for many of the ABCs, resulting in inconsistent and unclear service expectations. Multiple interviewees suggested the levy charged to ABCs is not reflective of service levels and the cost of service delivery.
<p>Financial</p>	<ul style="list-style-type: none"> • The City, similar to other municipalities across Canada, have experienced increasing financial pressure due to inflation. The cost of service delivery has increased significantly in recent years, but the City is reluctant to adjust user fees and taxes upwards to reflect increased cost of service delivery. • Staff indicated that the City has not formally conducted a comprehensive user fee review in recent years. Some of the fees (e.g., planning, building etc.) have not been updated since 2011. • Third-party vendors are used for specialty services and are sometimes used to supplement capacity constraints. For example, the IS (Information Systems) Division uses maintenance contractors for hardware, server and other back-end infrastructure repairs. The City has a culture of doing everything in-house where staff should consider the business case and cost-benefit of utilizing in-house versus outside resources to deliver services. • Transit services are slowly returning to pre-pandemic levels. Staff noted they are receiving informal feedback from the community that residents would like more frequent and expanded transit service options. • Stakeholders shared creative and innovative ideas to generate more revenue or reduce cost, such as the provision of canteen services at the arenas, advertisements on transit vehicles, collecting outstanding POA fines, selling bag tags online, onboarding more short term rental units, and divesting the downtown parking garage.

Summary of stakeholder feedback

Service Delivery Model



Key Themes

The City should consider refreshing its service delivery methods in areas, such as reviewing/updating by-laws and policies, reducing manual processes, and improving coordination of resources across the organization.

The City needs more cross-departmental coordination to advance asset management programs in terms of planning, setting budgets, and managing and allocating resources.

Service Delivery Model (3/3)

Business Processes

- Some staff acknowledged municipal by-laws require updates; examples given were the records retention by-law, delegation of authority by-law, and procurement by-law. Updates are done based on staff capacity. Given ongoing operational challenges, the majority of by-law owners have insufficient resources to address updates. Staff also indicated that some policies (e.g., user fee, mileage claims, vacations, sick leaves) and procedures (e.g., invoice processing) are outdated and can cause internal confusion and operational inefficiencies. The Policy Committee of Council has reviewed the City’s long-term financial policies, including the procurement by-law and associated purchasing authority limits.
- The Purchasing Department supports procurement up to contract award and then subsequent steps are decentralized (e.g., contract execution, insurance, WSIB, etc.). Many departments have staff dedicated to support purchasing; there are manual and duplicative efforts and siloed purchasing activities. Centralizing the entire service was suggested by many staff to improve capacity across the organization. Many staff also suggested revising the authorized purchasing limits to facilitate more operational efficiency.
- Stakeholders indicated that the contract management process, per the delegation by-law, is administratively onerous to finalize a contract (e.g., multiple stakeholder reviews by Financial Services, Legal). A risk aversion culture at the City has contributed to complex administrative procedures.
- Manual tracking is used throughout the organization due to technology and user training limitations. Many processes require physical documentation and manual data entry; some staff have expressed concerns about data integrity. For example, recreational programming, such as swimming lessons at area beaches, is paper based. Need for online payment options for facility bookings was also identified.
- The City of North Bay provides administrative and prosecutorial services for the Ontario Court of Justice, Provincial Offences. The City currently has outstanding fines of up to \$6 million and staff believe that the City should use innovative methods to encourage collections.

Infrastructure & Equipment

- Some components of the City’s infrastructure are aging resulting in unforeseen repairs and additional maintenance costs. Some stakeholders reflected that the City needs to improve its lifecycle costing and asset management practices. These practices need to be integrated with the City’s capital and operating budget processes.
- Staff indicated that the life of some fleet vehicles could be extended through a rebuild program to further enhance financial and operational efficiencies.
- The City does not have resources dedicated to asset management and there were concerns cited that the City might be unable to meet the legislative requirements around asset management and the implementation of new accounting standards for retirement obligations.
- Some departments and divisions suggested that the City has duplicative pieces of equipment that were procured separately. Managing overlapping resources between the departments has reportedly been a challenge; the City could better leverage resources and avoid equipment sitting idle.

Summary of stakeholder feedback

Organization & Governance



Key Themes

The City’s organizational structure has gone through multiple changes in recent history. In its current state, there is an inconsistent understanding of roles and responsibilities, and sentiments of operating in siloes.

Organization & Governance (1/2)

Organizational Structure

- The City was previously under a managing director, program model but moved to a director, functional model following a corporate re-organization in 2019. Multiple interviewees expressed dissatisfaction with the changes, noting a lack of consultation with relevant personnel impacted by the 2019 reorganization.
- Most of the City’s employees are unionized. The City has a CUPE collective agreement that was negotiated in 2020 and will expire in 2024. The City also has a collective agreement with the North Bay Professional Firefighters’ Association that will expire in 2025.
- The City operates a decentralized model for some corporate-wide services such as procurement, engineering, project management and health and safety. Some staff suggested this model has led to duplication of efforts (e.g., managing overlapping policies in multiple departments) and operational inefficiency.
- Roles and responsibilities are inconsistently understood throughout the organization. Staff are often tasked to support services outside the purview of their role.
- The ERP project is a key Council priority; however, there is confusion regarding who is leading the overall project. Stakeholders also believe that Council expectations of the new ERP solution should be managed as the new solution will likely not address all of the City’s business requirements.

Leadership, Governance, & Authority

- Decisions reportedly take long periods of time to execute and change occurs relatively slow. Some projects may remain in the concept stage for a long time before leadership (e.g., SMT, Council) supports change. Project execution can often be impacted by competing stakeholder interests or scope changes to satisfy internal or external stakeholders.
- Communication down the chain of command needs improvement. Staff are often unaware of City activities outside their immediate service area. Some staff look to public media channels to gain information about upcoming projects.
- Some interviewees perceived that Council sometimes gets involved in operational matters taking time away from providing strategic direction.
- Prior to the reorganization in 2019, SMT (senior management team) meetings were held at various municipal offices to provide visibility and accessibility to staff beyond those working in City Hall. However, after recent organizational structure changes, this practice was suspended and some interviewees suggested resuming this practice.
- Some stakeholders suggested that the City should improve project management practices (e.g., setting clear project roles and responsibilities, managing project scope, schedule and cost, change management, etc.) to establish clear accountability for projects.
- Multiple interviewees suggested the delegation of authority needs to be increased and staff need to be empowered to make decisions independently.

Summary of stakeholder feedback

Organization & Governance



Key Themes

Individual teams work effectively together, but cross-functional communication and coordination can be challenging.

Organization & Governance (2/2)

Communication & Collaboration

- All teams reported effective levels of communication and collaboration among their peers. However, several stakeholders indicated communication between service areas and senior leadership team needs improvement.
- Responsibility for internal communication is unclear. While the Office of the CAO or HR occasionally manage organization-wide communication, most departments typically take ownership of communicating with their staff. Field staff often cannot access emails while they are working in the community; hence, corporate emails is not the ideal communication method for these employees.
- Some staff refer to public news sources for information regarding the City and changes that may impact their roles and responsibilities.
- Multiple staff indicated that past organizational re-organizations were not communicated in advance. Effective communication of changes including engagement of key stakeholders would help mitigate change management challenges.

Summary of stakeholder feedback

People & Skills



Key Themes

Various internal and external factors have contributed to staff capacity constraints, which was unanimously identified as the City's largest challenge to meet service delivery requirements.

The City has some onboarding, training and development programs, but this is generally an area that can be improved to prepare staff for current and future roles.

People & Skills (1/2)

<p>Capacity</p>	<ul style="list-style-type: none"> The majority of internal stakeholders suggested staff capacity is the biggest challenge to achieve both operational and strategic objectives. Activities such as training new staff and updating processes receive limited attention because essential day-to-day tasks take priority. Similarly, the majority of internal stakeholders suggested that service levels cannot be expanded given the current staff complement, and any adjustments to service levels should be accompanied with an increase in the staffing complement. Multiple labour-intensive service areas (e.g., transit, water/wastewater, roads) rely on overtime to meet service delivery requirements which is neither a cost effective nor conducive to a positive work environment. To address capacity limitations, multiple service areas hired contractors to support service delivery. However, contractors are experiencing similar staffing challenges resulting in fewer and more costly options for external support. Certain position gaps have not been filled due to potential operational realignment or process re-engineering initiatives. These gaps, coupled with other vacancies and recruitment challenges, are adding to capacity issues in some service areas. Many areas successfully utilize students to complement service delivery such as arenas, parks and recreation. There is an opportunity for the City to expand its use of students in areas that have not historically had these positions.
<p>Talent Pool</p>	<ul style="list-style-type: none"> The City developed an in-house electronic training management system, but user feedback indicated that the system is not user friendly. The ERP system is expected to support training management. Many service areas have vacant positions due to challenges recruiting professionals (i.e., individuals with the qualifications, licenses, or certifications needed for the role). Some staff would like to see more structured development opportunities. While some service areas require ongoing training to maintain professional accreditations, the City offers limited options in other areas such as leadership training. Some areas reported cross-training and resource sharing opportunities are available to support capacity constraints across service areas. However, many positions lack backups. Some service areas have challenges in coordinating vacations/absences because there are no backups. While most manual-labour-based service areas traditionally relied on a pool of part-time/casual employees to supplement the full-time complement during vacations or busy periods, the City has had challenges filling these flexible positions. Stakeholders believed there is an opportunity to use student positions for developing a pool for future PT or FT positions.

Summary of stakeholder feedback

People & Skills



Key Themes

The City, much like other organizations across Canada, has faced recruitment and retention challenges.

Multiple staff indicated that there is an opportunity to review compensation levels across the various service areas.

People & Skills (2/2)

<p>Culture</p>	<ul style="list-style-type: none"> • Most teams identified cohesion and collaboration as a strength. Specifically, smaller teams within the organization work effectively together. • Job equity was identified as an area for concern. Many employees felt the City’s compensation schedule, as outlined in the collective agreement, is not reflective of job requirements. However, adjusting compensation in an isolated/individual case manner has led to the perception that the process for compensation review is inconsistent. • Some staff believe there is a cultural divide between “indoor” (i.e., staff working directly out of City Hall) and “outdoor” staff; additional effort is needed to provide the appropriate communication to staff working in the field. • Many employees suggested performance recognition is insufficient at the City, and tenure is more valuable than actual experience for appraisal e.g., interdepartmental promotions are based disproportionately on seniority rather than performance.
<p>Recruitment & Retention</p>	<ul style="list-style-type: none"> • The City is experiencing challenges to attract and retain talent, competing against private sector organizations and other municipalities. Based on internal conversations, some weaknesses identified of the City include: <ul style="list-style-type: none"> • Compensation was identified as the largest constraining factor for recruiting and retaining staff. There is a perception that the City is reportedly paying at or below market rates for various positions throughout the City. • Newer staff in “outdoor” roles are obliged to work unideal shifts (i.e., weekends, evening/morning shifts) until they reach a position of seniority. • Some positions do not have guaranteed hours. Staff reported high turnover in these positions as new recruits look for other opportunities with stable and sufficient hours to support a livable income. • The pace of career development is reportedly slower at the City compared to other employers. Some positions require significant tenure to move from casual to part-time and eventually to full-time status. • Attracting talent from outside of North Bay has been a challenge for some areas. Between the climate and distance to Toronto, most recruitment occurs within North Bay’s jurisdiction. • Some interviewees suggested the City could leverage exit interviews to gain insights from employees choosing to retire or leave the organization for other reasons. • Some employees expressed dissatisfaction with the internal process to fill vacancies. Despite having positions approved in the budget, managers require further approvals before they are permitted to recruit. Delays in recruitment contribute to stress in staff, supervisors and managers. • There are some instances of succession planning throughout the organization. However, capacity and turnover has limited most service areas in their ability to strategically plan for succession of key roles.

Summary of stakeholder feedback

Technology

Key Themes

The current state of the City's IT infrastructure is largely disjointed, with many previous projects facilitated in isolation resulting in overlaps, redundancies, and unused systems. However, the City has embarked on an ERP project to consolidate and resolve many of these challenges.

Data management was flagged as an area for improvement with some interviewees questioning data integrity and security.

Most employees have a positive attitude towards digitizing service delivery, but the City will likely need to support new initiatives with intense change management to modernize operations.

Technology

Technology Infrastructure and IT Support

- The majority of interviewees reported strong, positive support from Information Systems (IS) Department. IS is also in the process of developing their IT strategy to align priorities.
- Many pieces of software were purchased in isolation by service areas without consultation with IS or Procurement, resulting in the City owning multiple tools with overlapping purposes.
- Many tools were developed in-house and software integration has become a significant challenge resulting in duplicative data entry and many tools are not being used to their full capability.
- Internal stakeholders reported an overdependency on paper-based processes. Many interviewees had suggestions to digitize process and move towards a paperless environment. Some service areas are starting to use electronic signatures, but adoption across the City is still limited.
- Electronic communication is the primary corporate-wide practice. However, most outdoor/operator roles either do not have access to means of electronic communication in the field or do not have corporate emails.
- The City currently does not have a HRIS (Human Resources Information System). However, the ERP project is expected to provide HRIS services. Currently, HR processes such as vacation and sick time entry are completed manually. Most departments have allocated admin resources to manage HR data entry tasks.
- Some service areas (for example, recreation, marina, etc.) are using older technology that is no longer supported. The departments are waiting to see what business requirements will be addressed by the ERP software before determining a path forward.
- Fire services are moving to a new system called CriSys; however the department has experienced integration and implementation challenges.

Data Management

- Records management is an ongoing challenge at the City. Managing legacy files across multiple storage locations (both physical and digital) is an obstacle to efficient service delivery. Most staff reported insufficient capacity to support the transition to a modern document management system. Some service areas still keep documents in physical file folders.

Digital Service Delivery

- While many City employees are comfortable working in a digital environment, some areas may require additional support during digital transformations.
- The City does not accept online payments for some services. Multiple staff suggested expanding payment options in coordination with the City's ERP project.
- Department-specific webpages are managed in a decentralized model. Recent effort has been made to better coordinate web-development and standardize content format and graphics to improve department / project specific web-pages.

New and long-serving employees

KPMG facilitated two additional focus groups to gain the perspectives of employees who have recently joined the City and employees who have served the City for a relatively longer period of time. Below is a summary of the key themes from each focus group:

New Employees

KPMG met with a group of five new employees to the City, covering multiple departments.

1

Recruitment and Professional Development

The recruiting process is considered long. In some service areas, new hires must undergo testing to operate equipment. Staff believe there are limited internal opportunities for career development at the City. In some areas with seasonal fluctuation in activity, staff expressed concern for their job security.

2

Onboarding

Many staff complemented the City’s “familiarization tour” – an orientation event managed by HR whereby new employees visit the various municipal buildings to understand the scope of services and become familiar with the City. Aside from this, most staff rely on on-the-job training and job shadowing to prepare for day-to-day activities.

3

Organizational Structure

The City faces challenges communicating and coordinating across departments, with staff reporting siloes across service areas.

4

Modernization

Staff believe the City is behind on adopting technology to digitize operations, particularly in contrast to previous employers (other municipalities and private sector organizations).

Long-serving Employees

KPMG met with six long-serving employees across multiple departments

1

Communication

Long-serving employees have witnessed the organizational culture shift based on turnover of leadership but generally feel the City has continued to improve in recent decades. However, some staff have suggested communication has worsened. Many staff look to public resources for updates at the City.

2

Compensation

Many long-serving employees noted the City once had a reputation as the leader for compensation (wage/salary, benefits, and pension) in the area. However, the rate of pay has not kept up with market rates. Most tenured staff noted the City’s pension as the main reason they stayed at the City.

3

Organizational Structure

The City’s organizational structure has shifted with its CAOs. Staff suggested that relevant personnel are seldom consulted prior to reorganization.

4

Capacity and Talent

The City has filled recent vacancies with less-experienced candidates. Long-serving employees believe the City’s uncompetitive compensation rates have contributed the organization’s inability to attract qualified talent.

Summary of issues raised by Council



01

Social Services

Mental health, homelessness, drug addiction, crime, housing, and affordability were discussed by all members of Council, many of whom campaigned on commitments to addressing these challenges. While the City does not directly provide social services, there are multiple community partnerships and support initiatives to address this growing concern of the community.



02

Strategic Direction and Alignment

The majority of Council acknowledged a disconnect on priorities and collaborative/cross-functional planning throughout the organization. The City reportedly lacks workplans and performance metrics to support decision-making, performance measurement, and continuous improvement.



03

Customer Service and Communication

Most members of Council acknowledged that corporate-wide customer service and public communication/transparency of City affairs could be improved. While some have observed improvements in customer service, many constituents and residents have continued to express frustration with municipal services and staff. Enabling customer service standards supported by active citizen engagement is a priority for most members of Council.



04

Economy and Fiscal Responsibility

The majority of Council members expressed concerns related to general inflation and the impacts on cost of service delivery. Henceforth, many Councillors want to ensure the City maintains strong fiscal responsibility and accountability to deliver high value municipal services relative to the tax burden on residents.



05

Organizational Structure, Leadership and Workforce Management

Multiple members of Council discussed the level of leadership and oversight, as well as general productivity of employees. Through the organizational review of this project, Council expects gaps and opportunities to be identified to optimize the organizational structure of the organization. Council is also concerned about the City's competitiveness as an employer, given challenges related to recruitment and retention of staff.



06

Digitization

Many members of Council expressed an openness to suggestions related to digital services/capabilities both internally (e.g., ERP system project, KPI tracking) and externally (e.g., offering additional modes of payment). However, some acknowledged the City will need to consider impacts and accommodations for residents and staff if services become digitized.

Summary of strengths and good practices

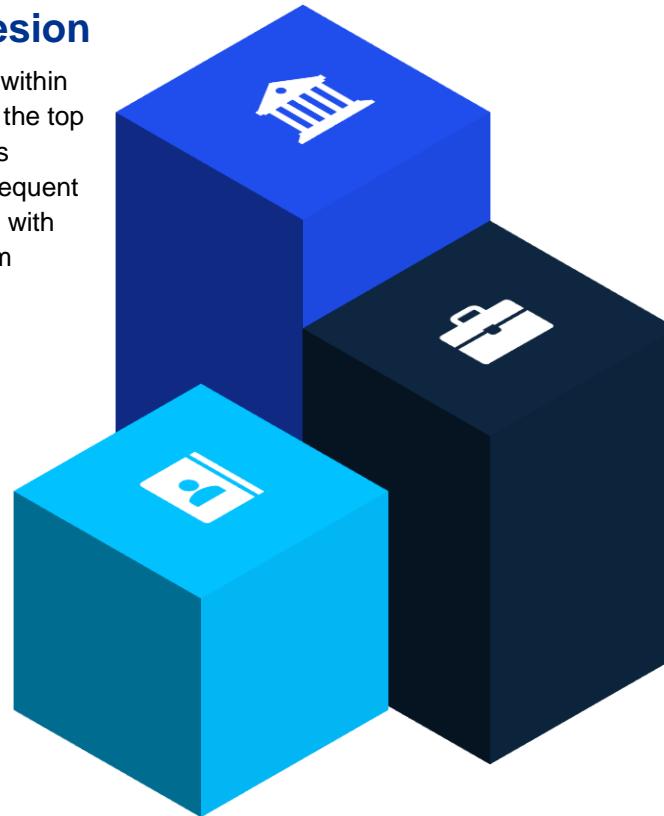
During stakeholder consultation, KPMG asked interviewees and focus group participants to share any leading practices utilized or departmental/divisional strengths. The majority of strengths discussed pertained to the people within the organization. Specifically, the success of the City is largely attributable to the effort, knowledge, and experience of its staff; and departments are generally effective at responding to changes in service delivery.

Teamwork and Cohesion

Communication and collaboration within teams was consistently ranked as the top strength among staff. Many groups (particularly smaller groups with frequent interaction) expressed satisfaction with the trust and reliability of their team members.

Knowledge and Experience

Many staff throughout the City are highly experienced in their fields and carry strong institutional knowledge, contributing to effective service quality. Despite multiple service areas reporting shortages in staff capacity, service standards are predominantly met throughout the organization through staff effort.



Adaptability

The City has been able to respond to evolving trends in the community. For instance, offering on-demand transit services and adjusting arena schedules to meet citizen needs. Many service areas evolve their service delivery approaches to adapt to the changing environment.

Appendix B

Summary of Survey Results

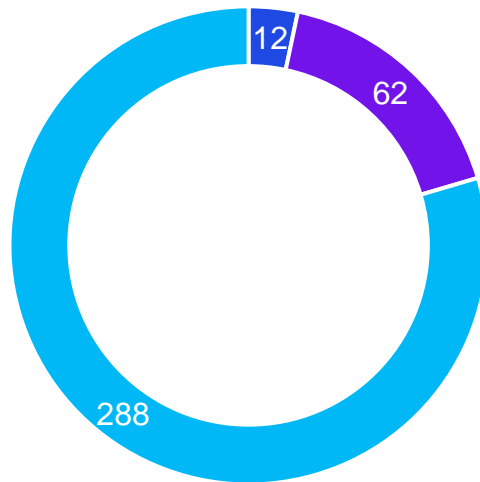
Employee survey results – demographics

An online survey was conducted with City employees to provide an opportunity for feedback on service delivery and to identify areas for improvement. The survey was available in both an electronic and hard copy format to all staff. Survey responses are held confidential by KPMG and no responses are attributable to an individual staff or service area. Summarized survey results can be found in Appendix B.

The survey was circulated to all staff members (435 employees as of August 2023) and a total **277 surveys*** were completed (i.e., the respondent completed all fields and submitted results) including 186 electronic and 91 paper submissions. The results presented in this report include all responses (including partial responses) to avoid discounting any respondents.

Management and Staff

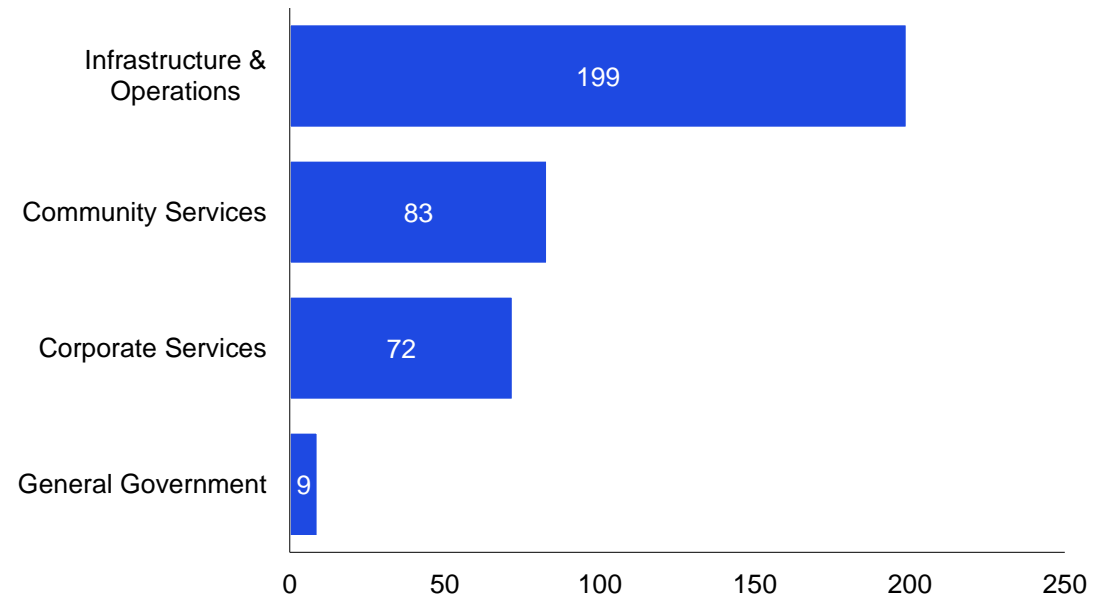
-  **Senior Management**
Direct reports
-  **Manager / Supervisor**
Direct reports
-  **Employee**
No direct reports



Approximately 69% of survey respondents are unionized staff.



Departments

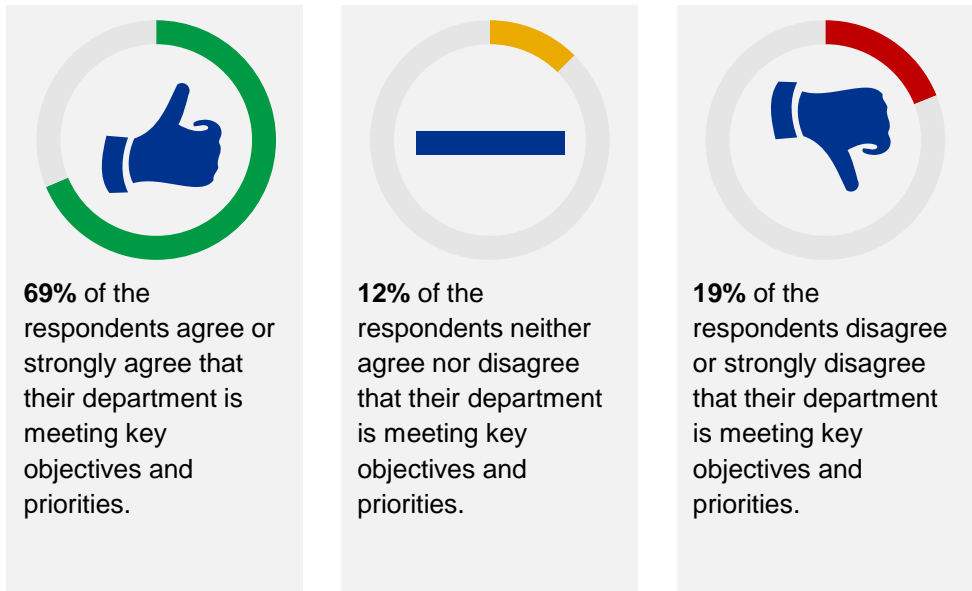


*Note: In total, 363 surveys were initiated (combined paper and electronic submissions). However, not all respondents answered all questions. The survey analysis completed in this section includes all results (complete and incomplete). Full survey results can be found in Appendix B. Discrepancy in total results are due to incomplete survey responses.

Feedback summary – performance and service levels

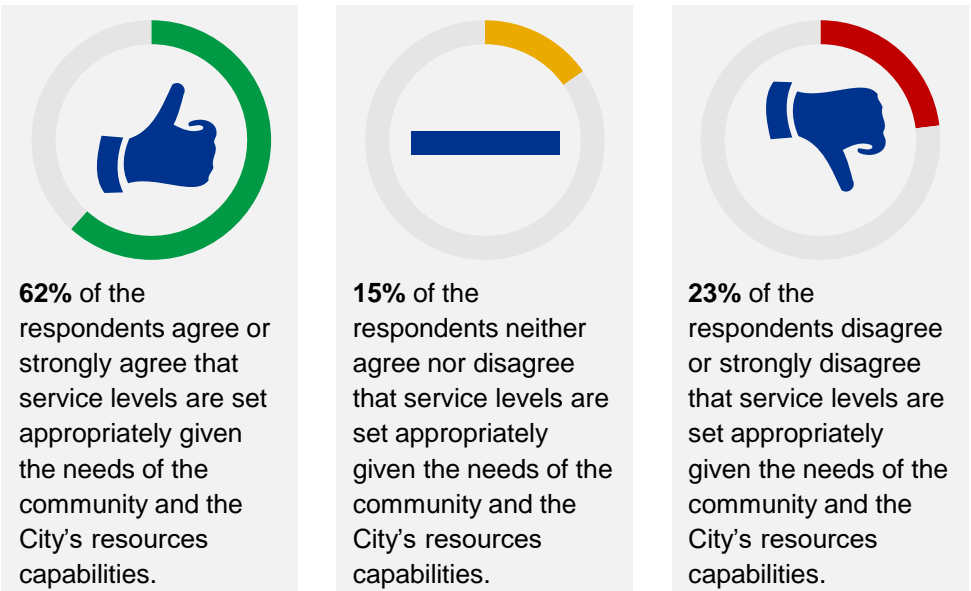
Performance against Department and Key Objectives and Priorities

Statement: My department is meeting its key objectives and priorities.



Setting of Service Levels

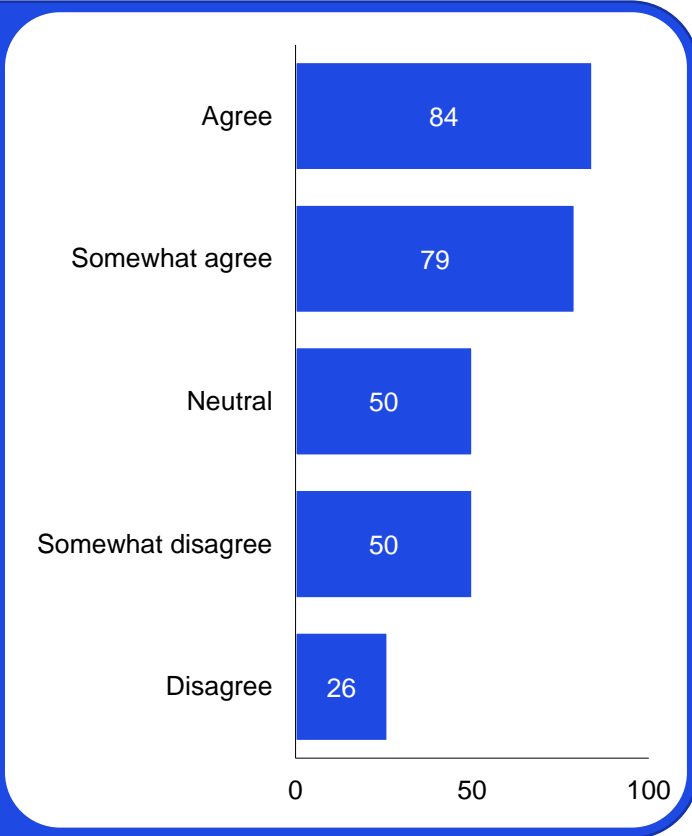
Statement: I believe that Service Levels in my department are set appropriately given the needs of the community and the municipality's resource capabilities



- While more than two thirds of the staffing complement believe the City's departments are meeting key objectives and priorities, fewer respondents believe service levels have been set appropriately given the needs of the community and resource capabilities.
- Nearly half of respondents (49%) believe service levels need to be adjusted upwards (higher service levels). Meanwhile, less than 4% believe service levels should be adjusted downwards (refer to Appendix B – Q8 for full survey results).
- Despite calls to increase service levels, 66% of respondents believe the City provides fair or excellent value to residents and nearly one third (29%) suggest the City provides some value, but requires improvement (refer to Appendix B – Q9 for full survey results).

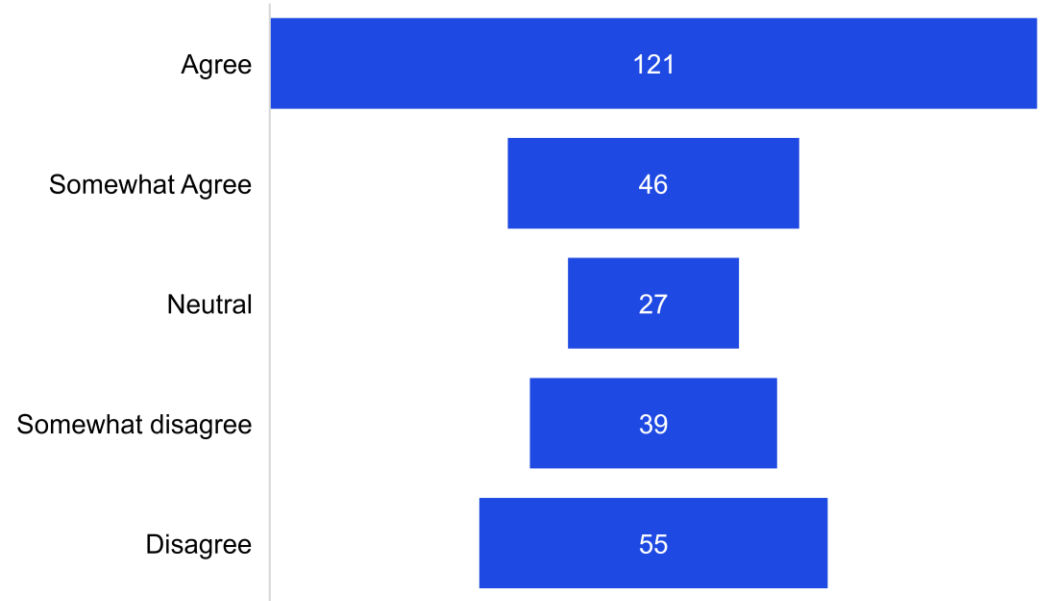
Feedback summary – organizational structure

“In the organization, the right positions work together as needed”



Leadership

Statement: My department currently has the right number of supervisors and managers overseeing staff.

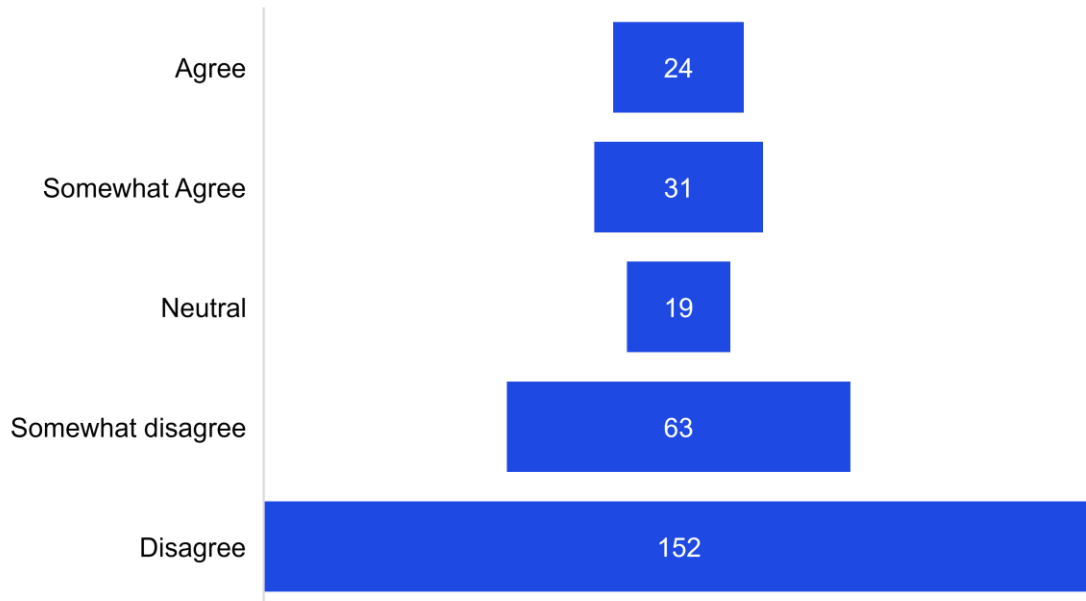


- Comments related to communication, collaboration, and coordination were frequently mentioned in the survey, specifically when respondents were asked to provide comments regarding the City’s organizational structure.
- The organization was described as “top heavy” multiple times along with poor coordination among supervisors/managers, insufficient accountability, and general micromanagement from Council and managers.

Feedback summary – people and skills

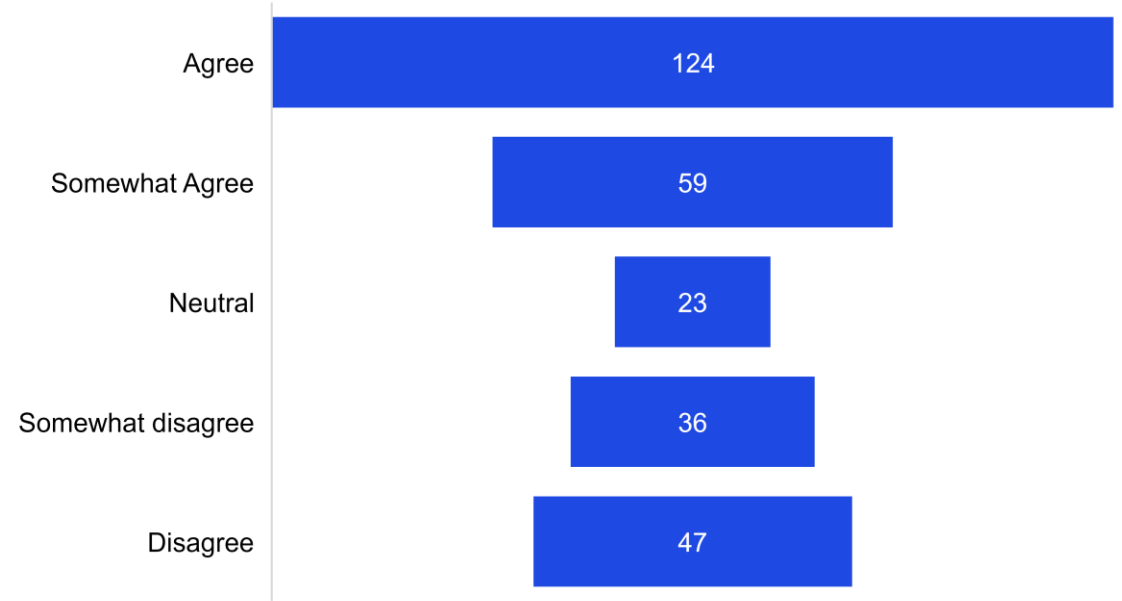
Capacity

Statement: My department currently enough staff to meet service standards.



Talent

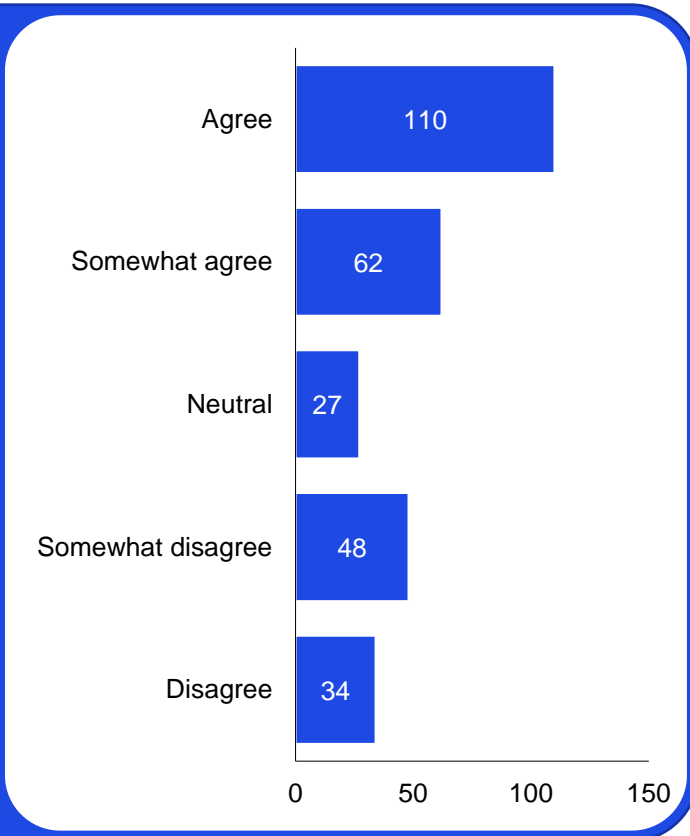
Statement: My department currently has staff with the right experience and expertise to meet service standards.



• Noticeably from the diagrams above, capacity was identified as a significant challenge. Nearly three quarters of respondents (74%) believe their department does not have sufficient staff to meet service standards.

Feedback summary – technology

“I have the tools (i.e., technology/equipment) I need to do my job effectively”



KPMG asked: If you require additional tools (i.e., technology/equipment) to do your job more efficiently, please explain what is required.



Note: the larger the word appears in the word cloud, the more frequently it was mentioned.

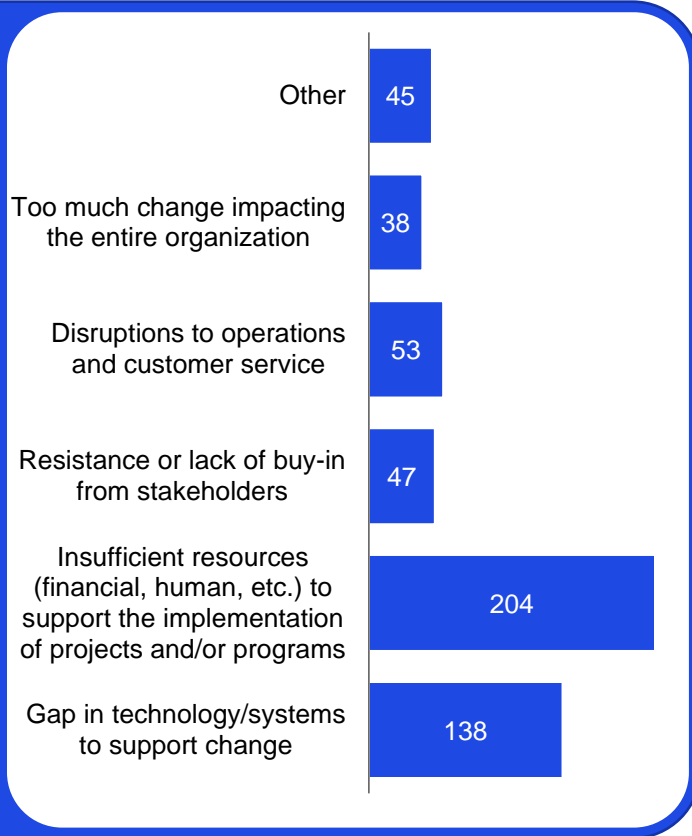


- Generally, most respondents (61%) either agree or somewhat agree that they are provided the tools to perform effectively.
- The most common suggestions for additional tools pertained to equipment and vehicles. Most responses were related to updating equipment for efficiency and safety, ensuring equipment is available when needed, and installing technology in vehicles.

Feedback summary – risks and constraints

Potential risks to changing overall service delivery approach

Note: respondents were given the option to select more than one risk



Top Constraints



Capacity/time constraints (e.g., daily tasks, staffing levels)
93 ranked as #1



Continuity of staff (e.g., staff turnover, retirements, recruiting and training challenges)
44 ranked as #1



Aging infrastructure and equipment
26 ranked as #1



Manual processes (need more automation/digitization)
24 ranked as #1



Communication between team members or departments
20 ranked as #1



Inconsistency of operations between divisions, departments, or service locations
16 ranked as #1



- Capacity/time constraints received the highest ranking among all the listed constraints with 93 votes as the #1 challenge and 54 votes as #2. Collectively, 55% of staff ranked capacity/time as either the top or second greatest challenge.
- Similarly, insufficient resources (financial, human, etc.) was voted as the largest risk to changing service delivery approaches.

The City of North Bay – Organizational Review

Survey results

KPMG facilitated a staff survey in September 2023 which was circulated to all actively employed members of the City of North Bay. The survey consisted of 27 questions (not including sub-questions). The survey was available in both electronic and print format, for convenience of the respondents. The following slides detail the results of all quantitative (multiple choice) questions. Survey results are held confidential by KPMG and open-ended survey responses are not disclosed in this report. The open ended questions were as follows:

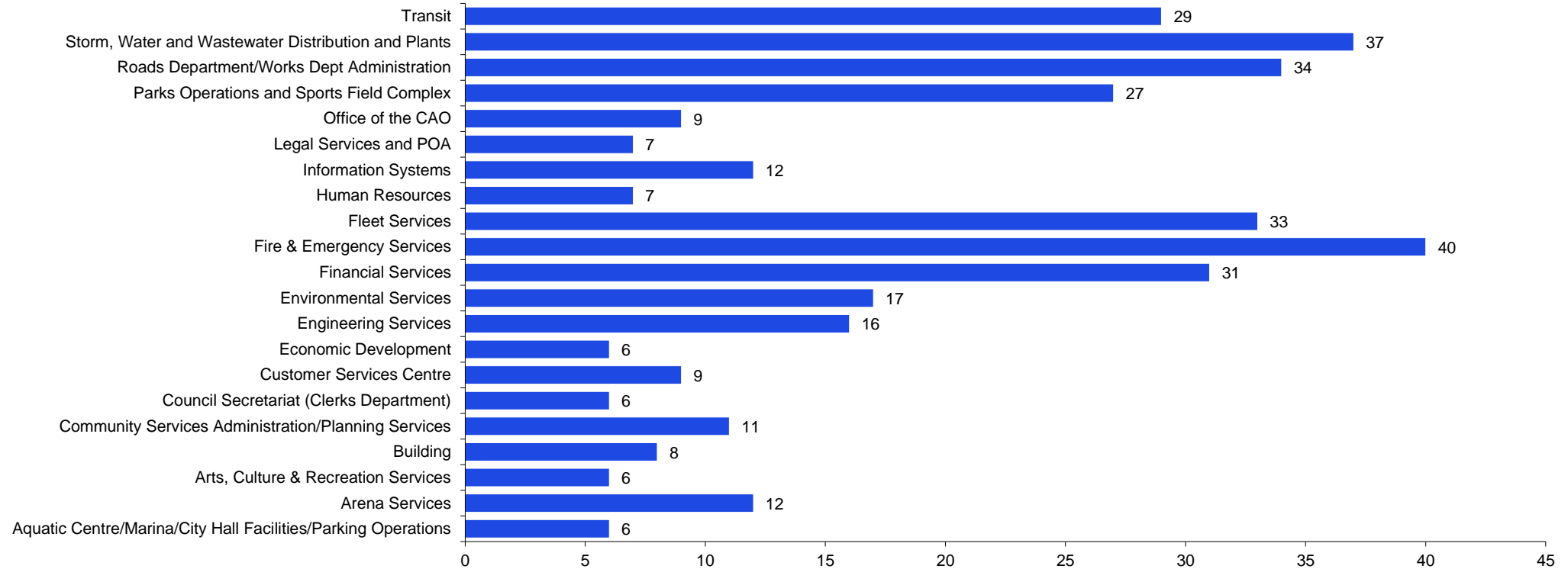
Number	Question	Responses
6b	6. I believe that Service Levels are clearly defined in my department. [Multiple choice: Yes, No] b. Please provide an explanation for your response.	63
9b	9. I believe that the municipality delivers value to our residents in terms of the services offered [Multiple choice] b. Please explain your answer.	243
10	Please share any leading practices utilized or departmental strengths	221
12	Please identify an explain what services are no longer needed from the previous question	164
13	What could be done to improve service delivery in your department?	245
15	Please provide any further comments or feedback you have regarding the City's organizational structure, roles and responsibilities, and ways to further improve, collaborate and coordinate services and operations.	230
20	I have the tools (i.e., technology/equipment) I need to do my job efficiently. If you require additional tools (i.e., technology/equipment), please explain what is required.	146
22	What do you believe are the biggest barriers to change in your department/service are? [multiple choice, more than one] Specify other.	55
24	Please provide comments for "other" challenges noted in the previous question.	155
25	What is one thing you would like to change to make your work more efficient?	241
26	Are there any innovative programs or alternative service delivery models in other municipalities or organizations that you would like to share?	128
27	Do you have any final thoughts you would like to share?	152

The City of North Bay – Organizational Review

Survey results

Question 1: Please select your primary department/service area (this will be the department that you will be responding to departmental questions about throughout the survey).

Answered: 363

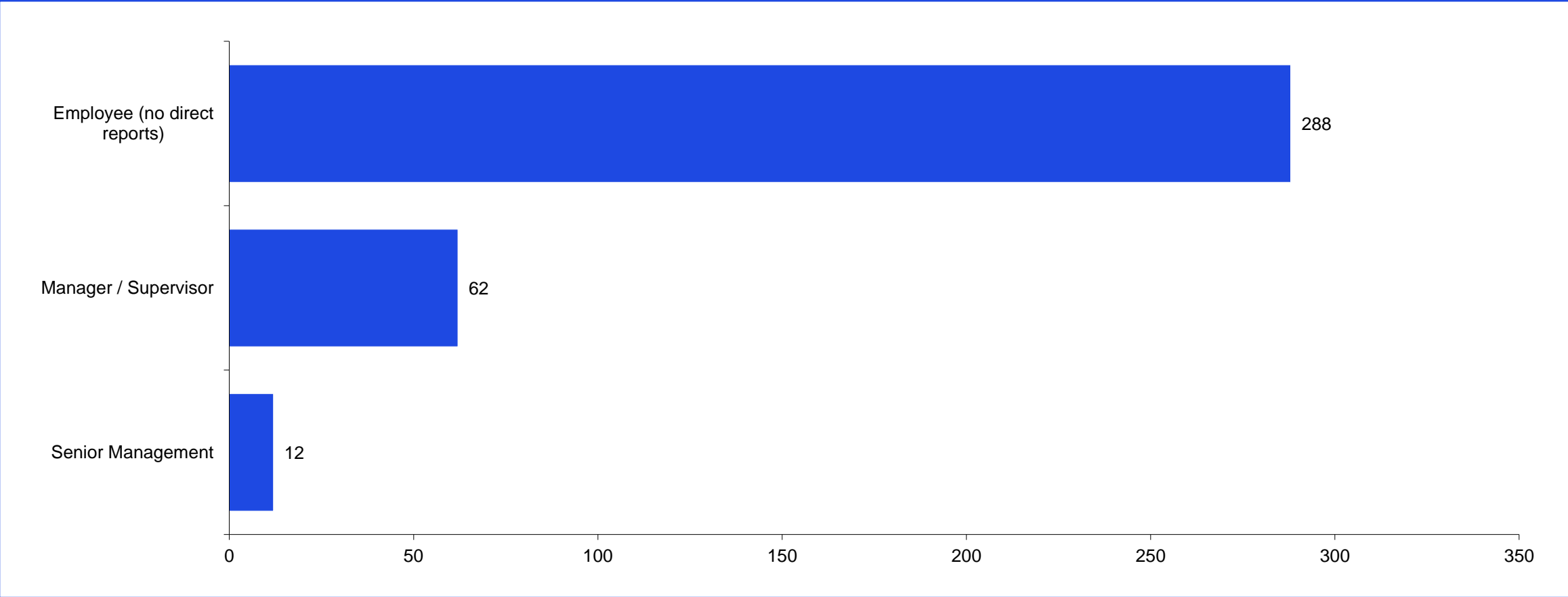


**Note: The survey analysis completed in this section includes all results (complete and incomplete). In some instances, more responses were recorded than total headcount for individual service areas as a result of including partial responses.*

Survey results

Question 2: What is your current level of responsibility at the municipality?

Answered: 362

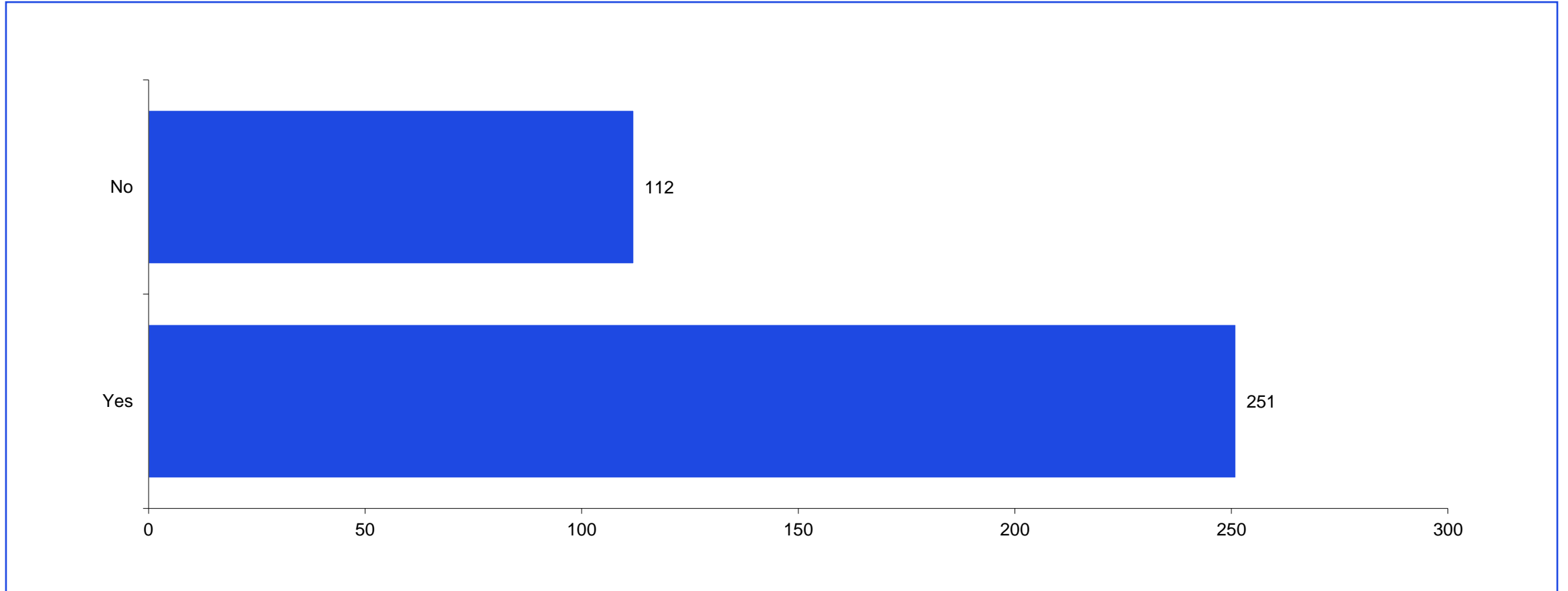


The City of North Bay – Organizational Review

Survey results

Question 3: Is your position unionized?

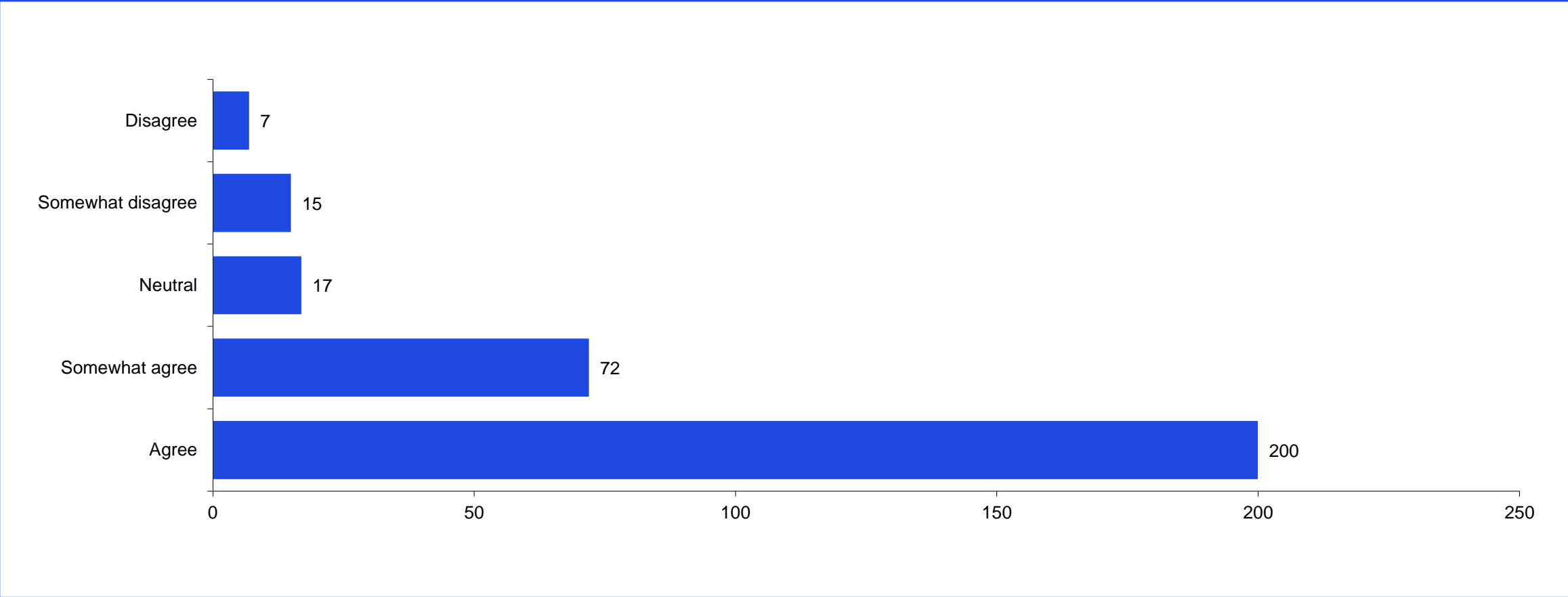
Answered: 363



Survey results

Question 4: I clearly understand by department’s key objectives and priorities.

Answered: 311

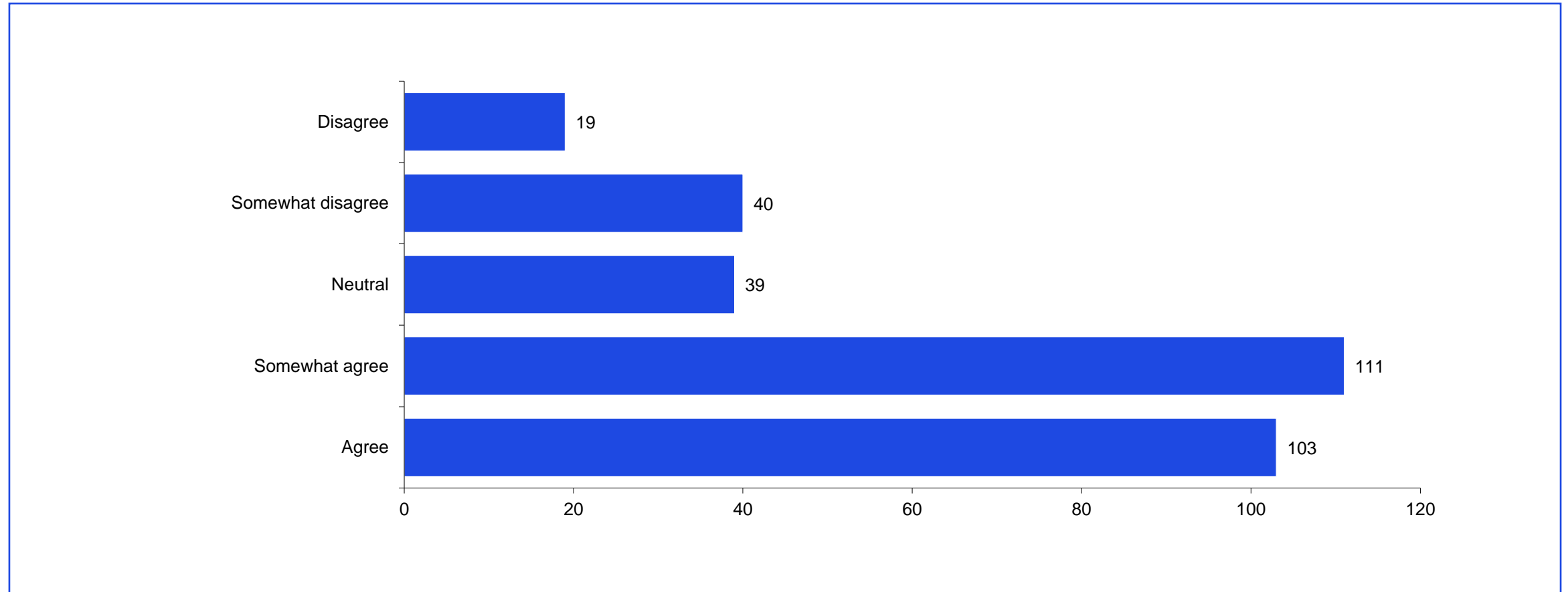


The City of North Bay – Organizational Review

Survey results

Question 5: My department is meeting its key objectives and priorities

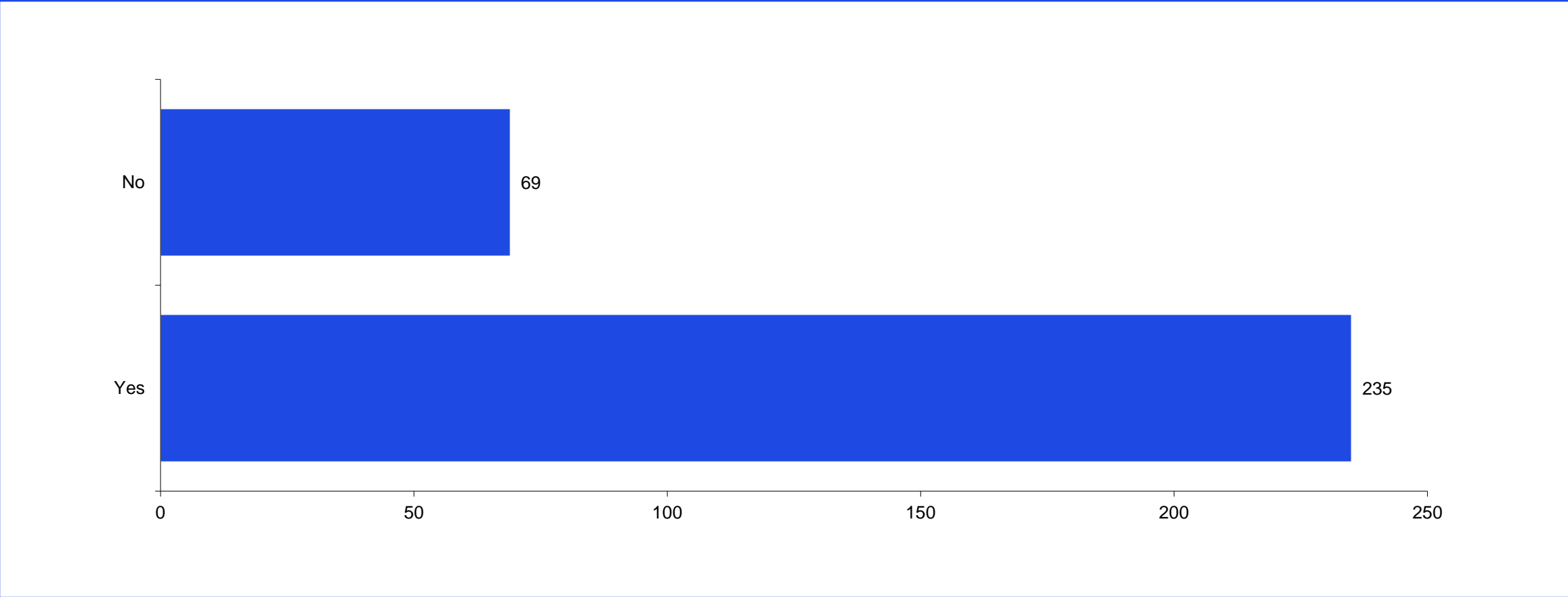
Answered: 312



Survey results

Question 6: I believe that Service Levels are clearly defined in my department.

Answered: 304

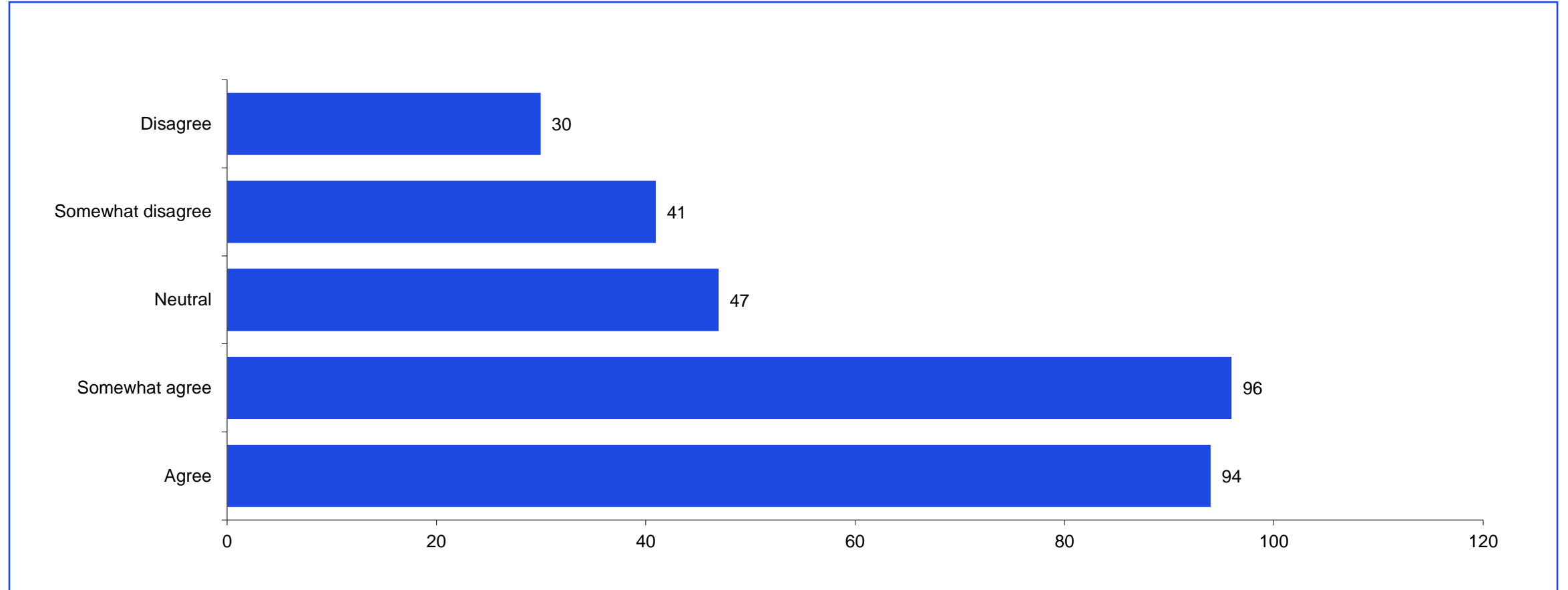


The City of North Bay – Organizational Review

Survey results

Question 7: I believe that Service Levels in my department are set appropriately given the needs of the community and the municipality's resource capabilities.

Answered: 308

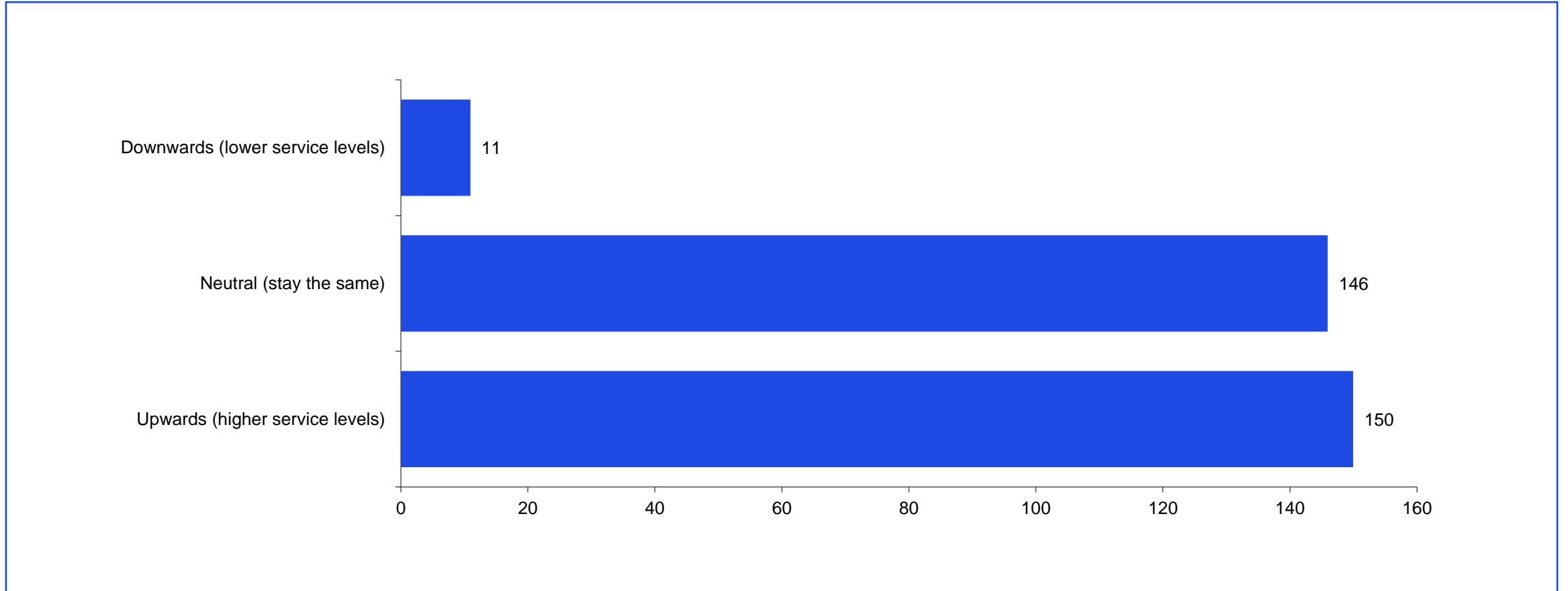


The City of North Bay – Organizational Review

Survey results

Question 8: I believe that Service Levels in my department need to be adjusted:

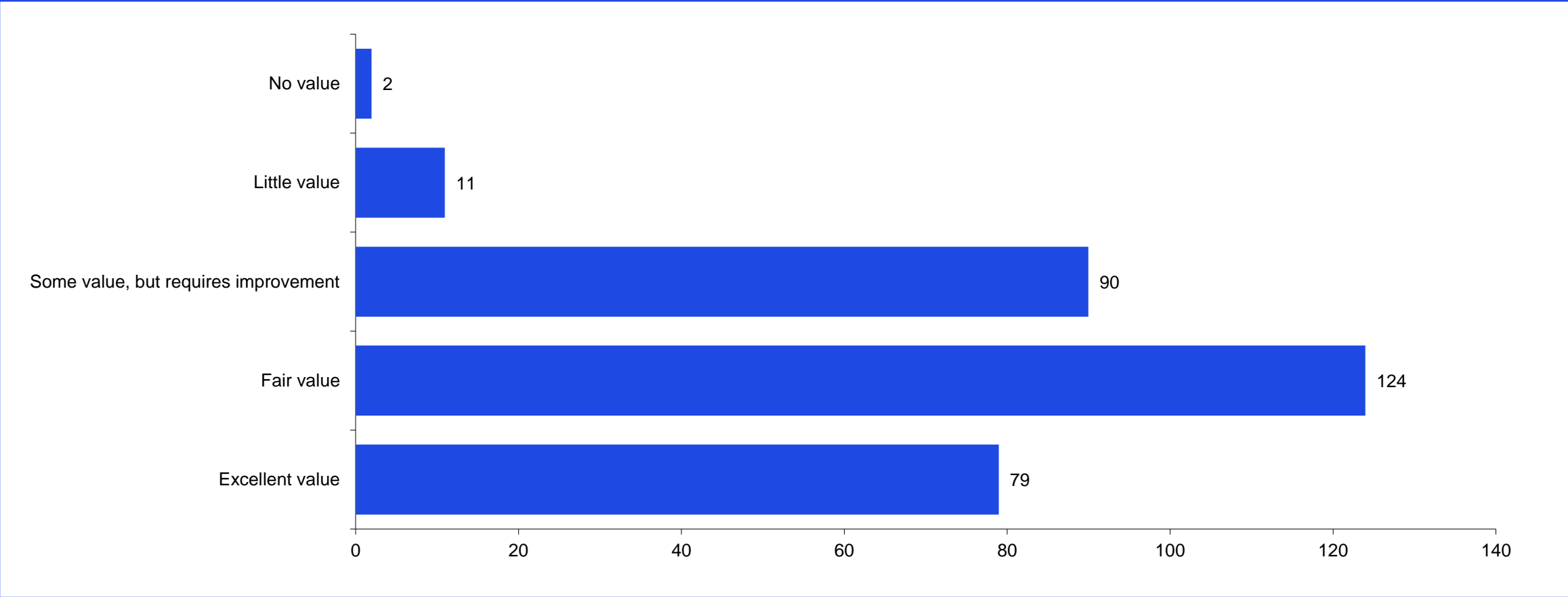
Answered: 307



Survey results

Question 9: I believe that the municipality delivers fair value to our residents in terms of the services offered.

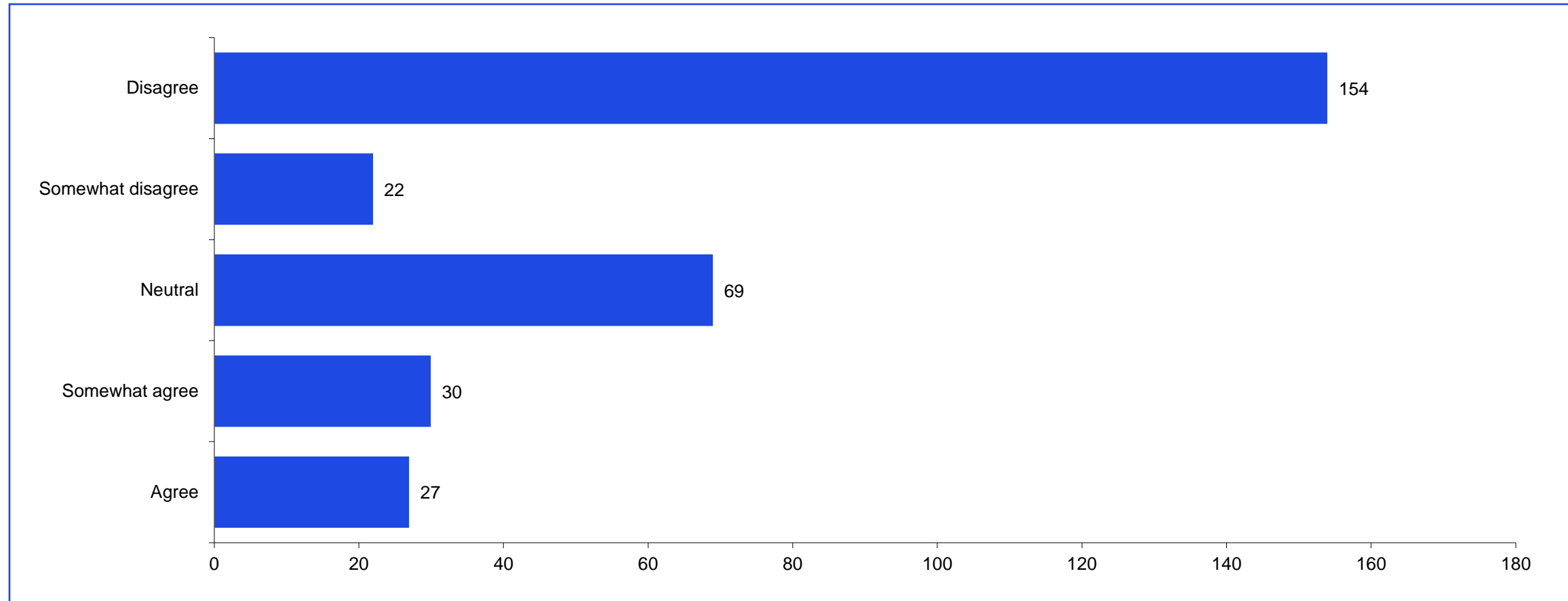
Answered: 306



Survey results

Question 11: I believe that there are some services in my department that are no longer needed/redundant.

Answered: 302

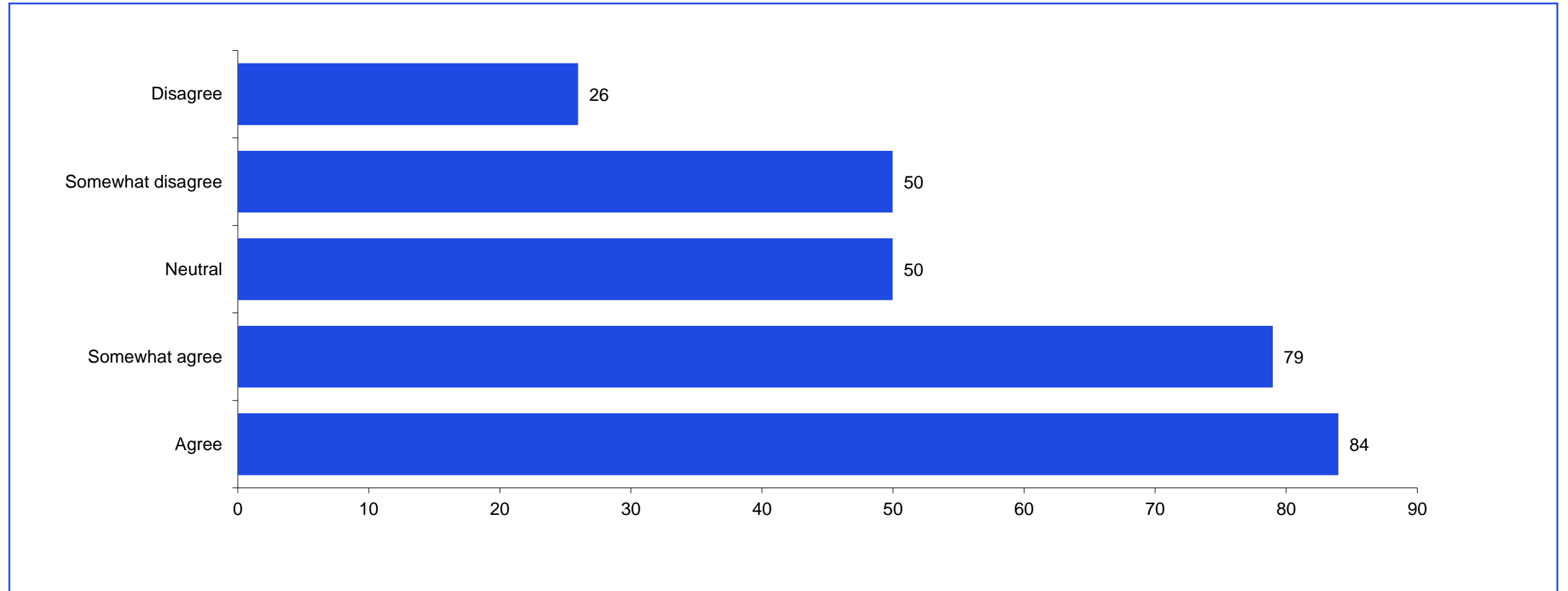


The City of North Bay – Organizational Review

Survey results

Question 14: In the organization, the right positions work together as needed.

Answered: 289

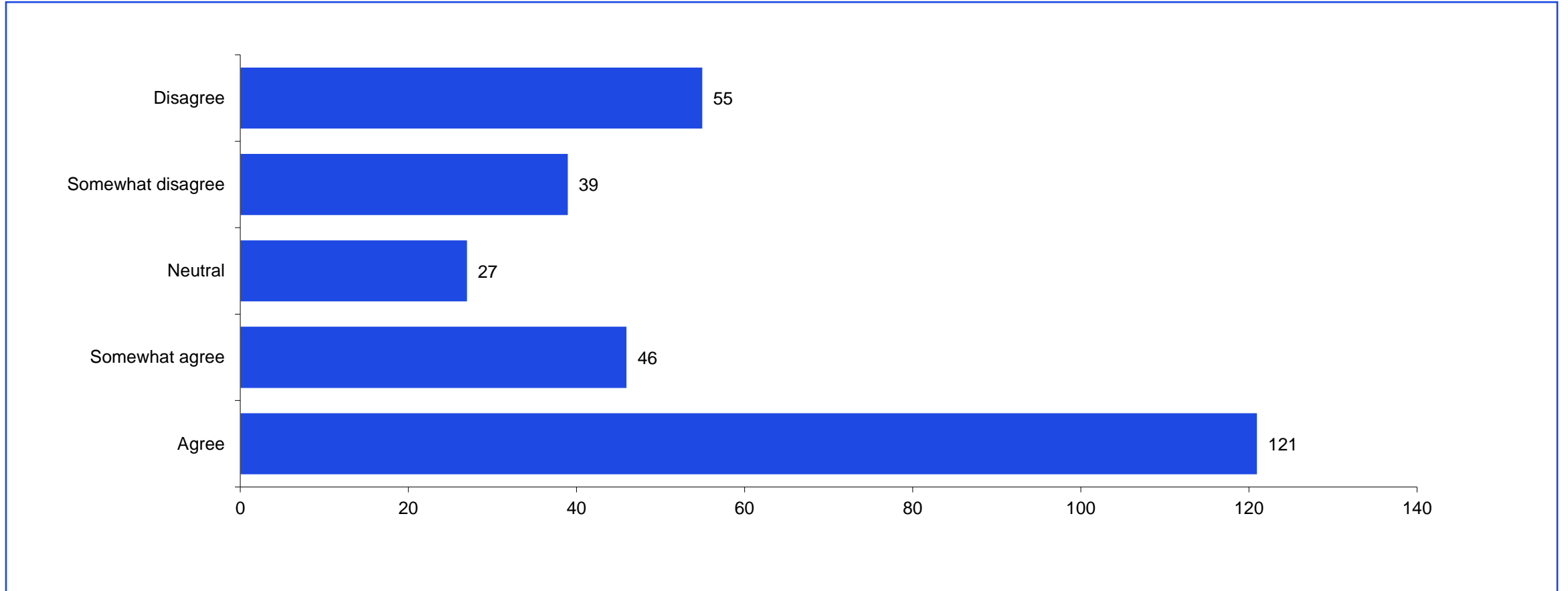


The City of North Bay – Organizational Review

Survey results

Question 16: My department currently has the right number of supervisors and managers overseeing staff.

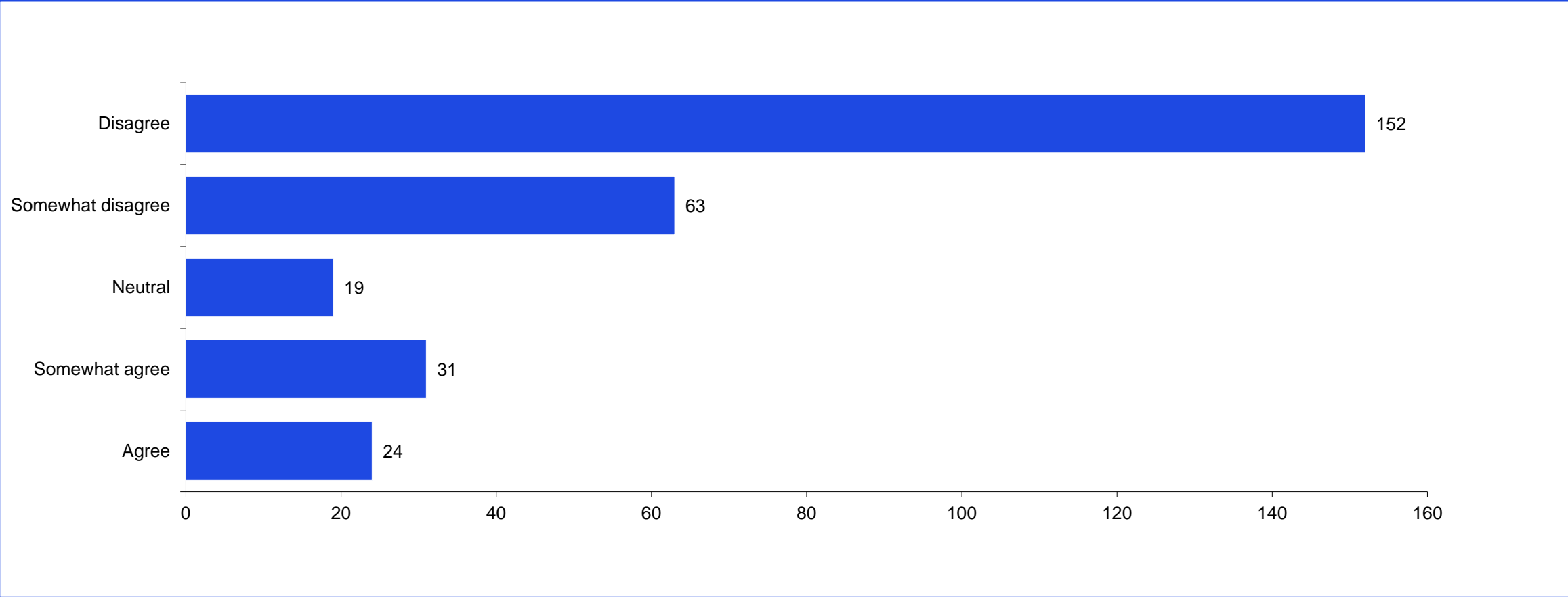
Answered: 288



Survey results

Question 17: My department currently has enough staff to meet service standards.

Answered: 289

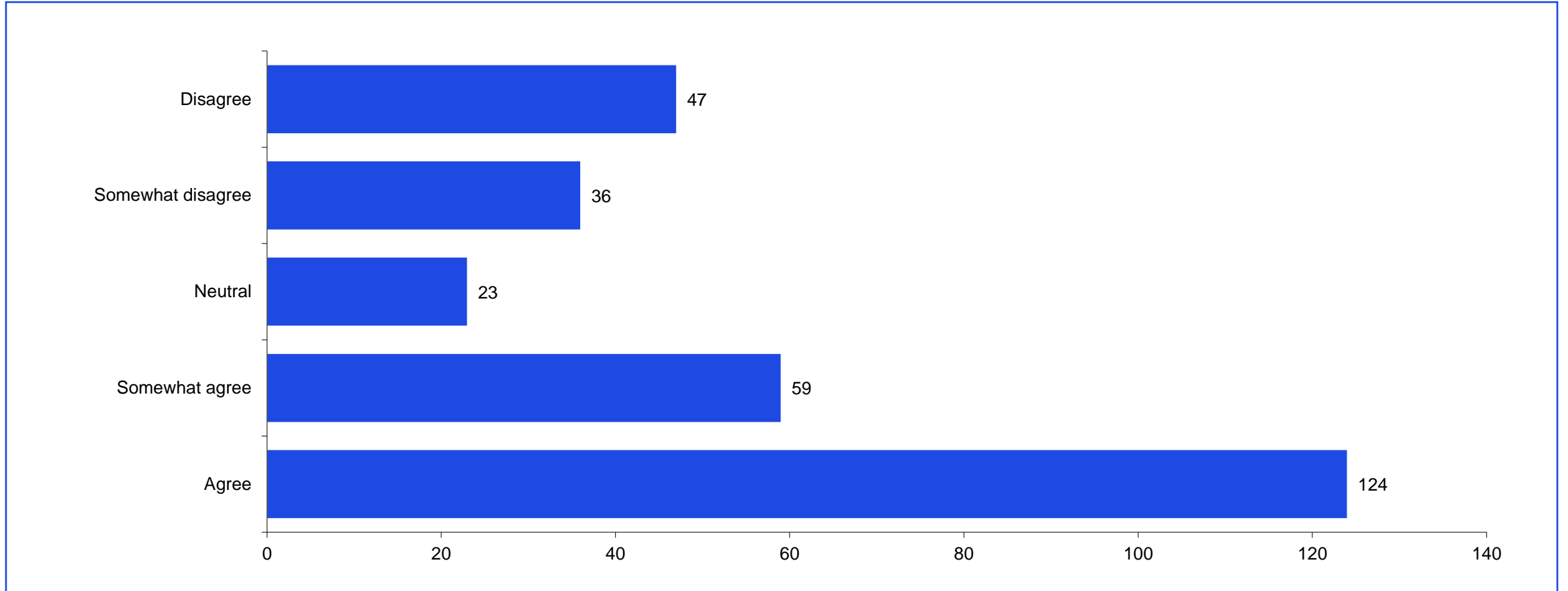


The City of North Bay – Organizational Review

Survey results

Question 18: My department currently has staff with the right experience and expertise to meet service standards.

Answered: 289

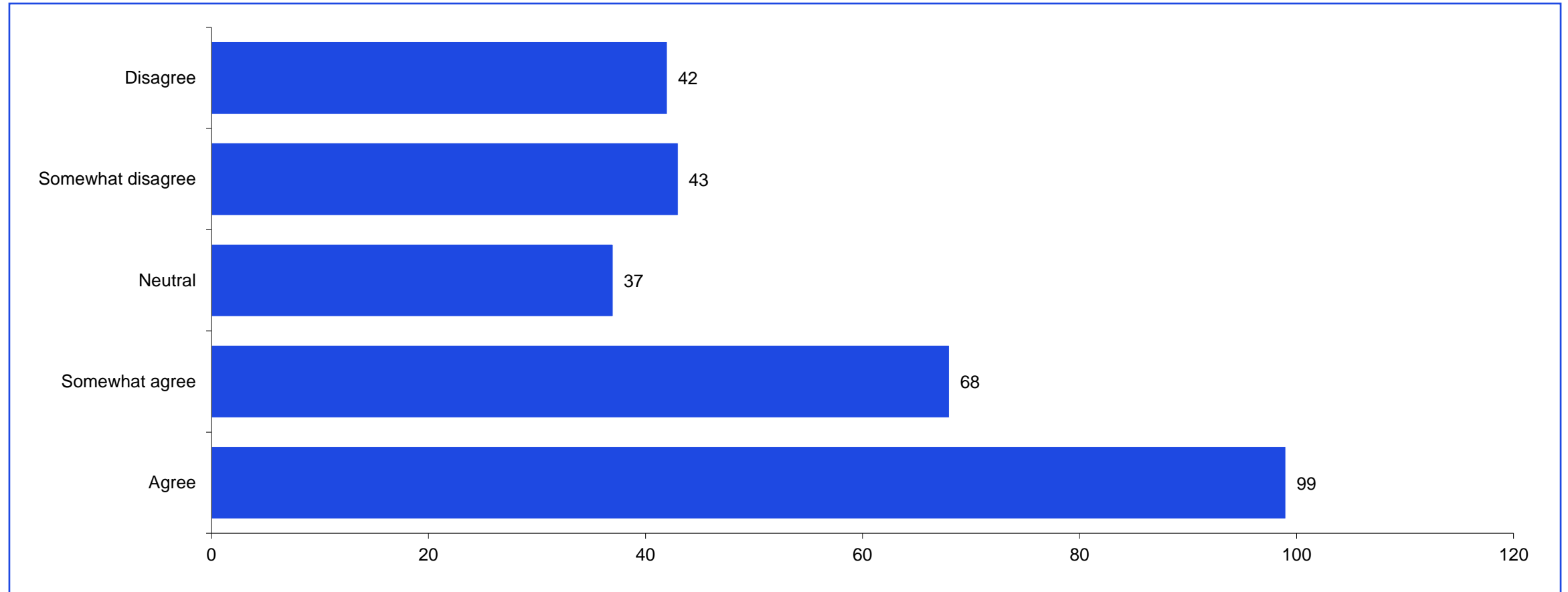


The City of North Bay – Organizational Review

Survey results

Question 19: Roles and responsibilities for different positions within my department are clear. The division and allocation of work and responsibilities are balanced.

Answered: 289

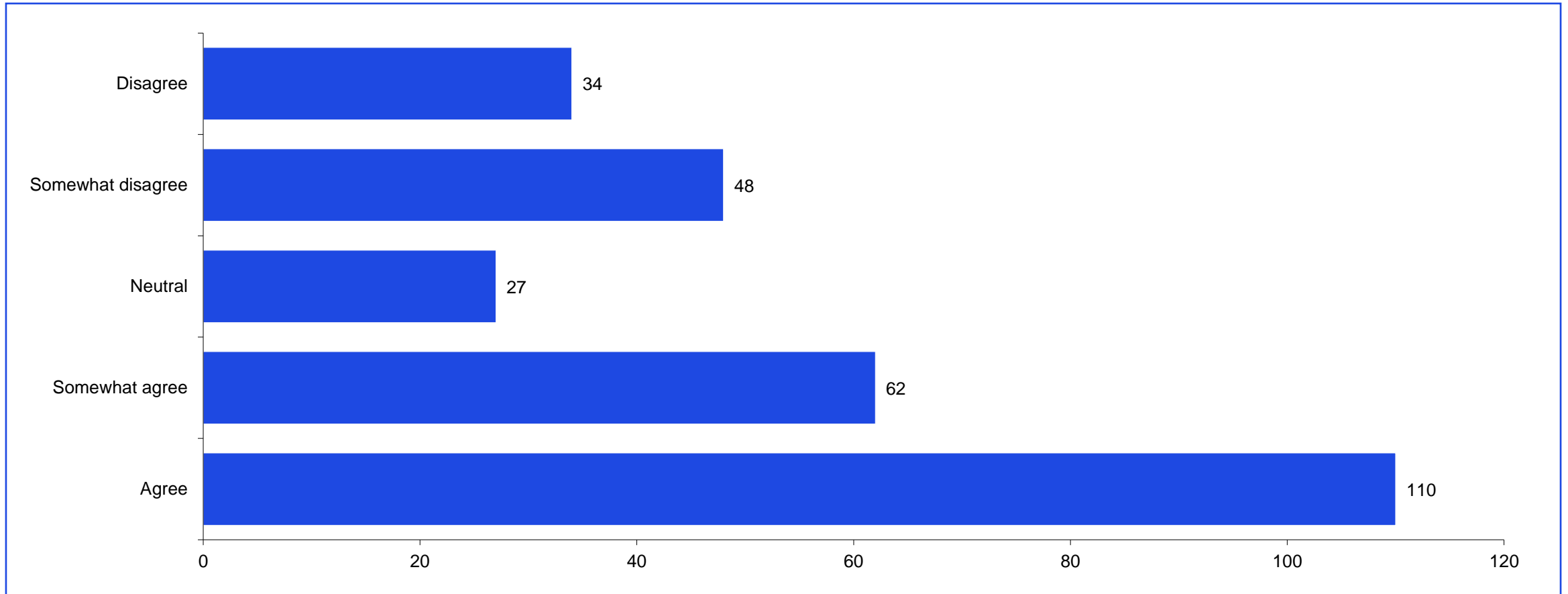


The City of North Bay – Organizational Review

Survey results

Question 20: I have the tools (i.e., technology and equipment) I need to do my job efficiently.

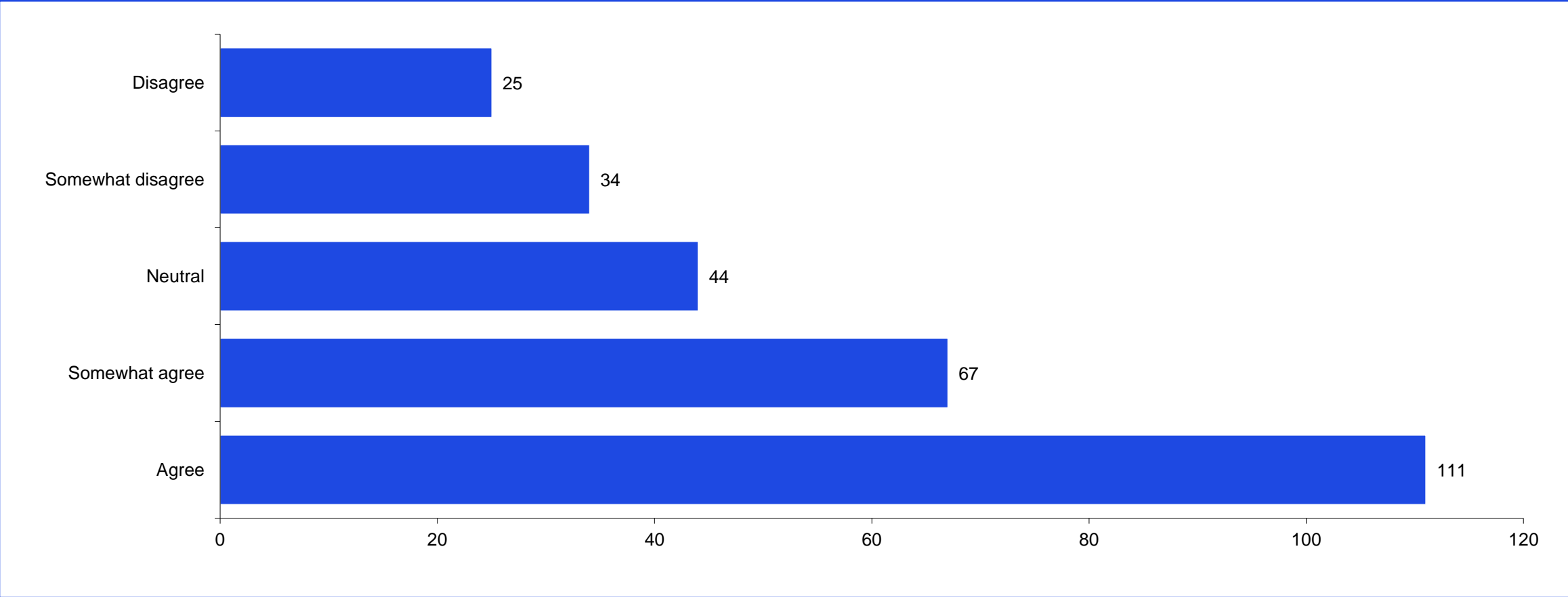
Answered: 281



Survey results

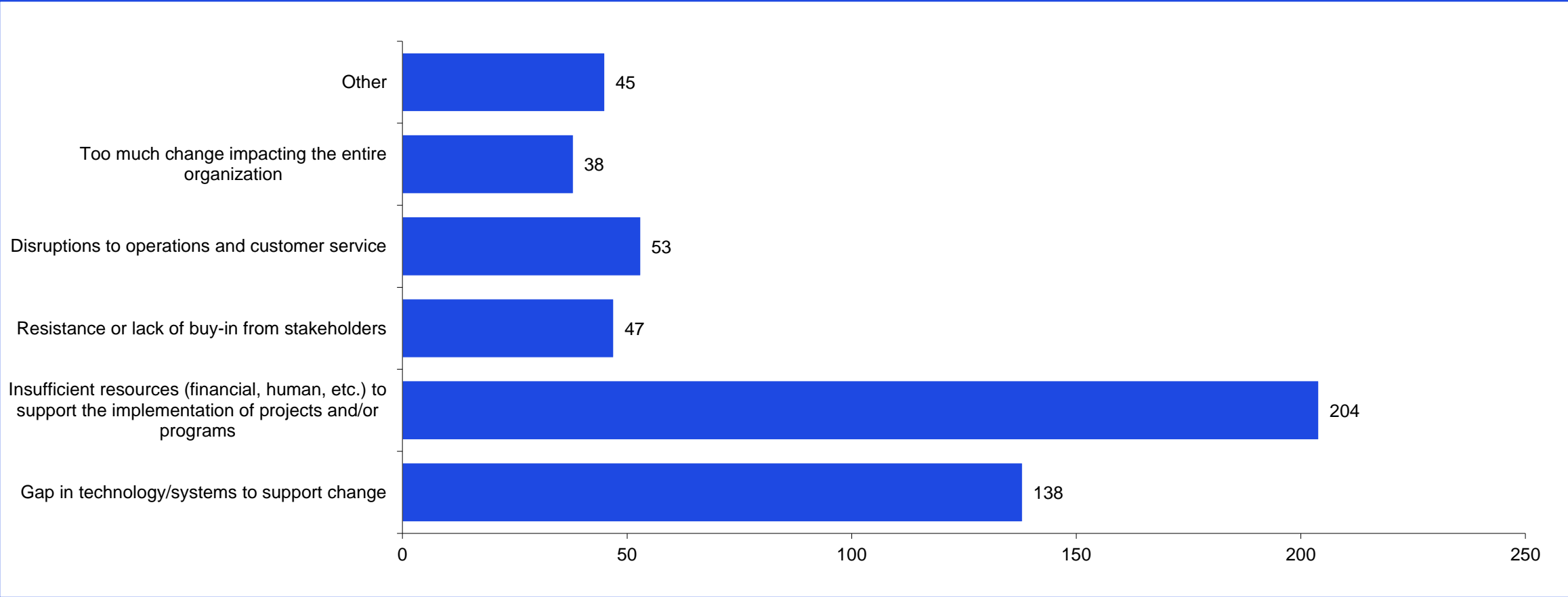
Question 21: I am provided sufficient time to do my job well.

Answered: 281



Survey results

Question 22: What do you believe are the biggest barriers to change in your department/service area? [multiple choice, more than one]

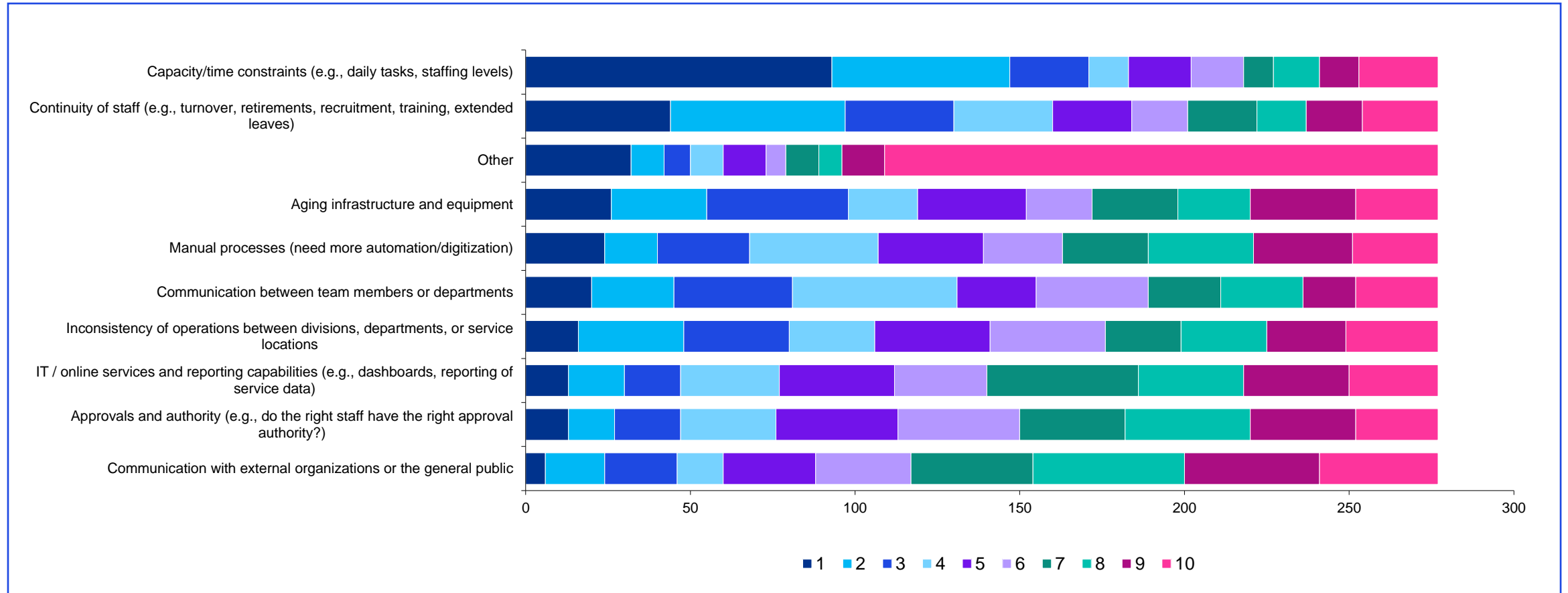


The City of North Bay – Organizational Review

Survey results

Question 23: Based on current service delivery, what is the biggest challenge or constraint to your daily activities? Please rank the following from 1 to 10 with 1 being the most challenging. Please note that each ranking can only be used once.

Answered: 277



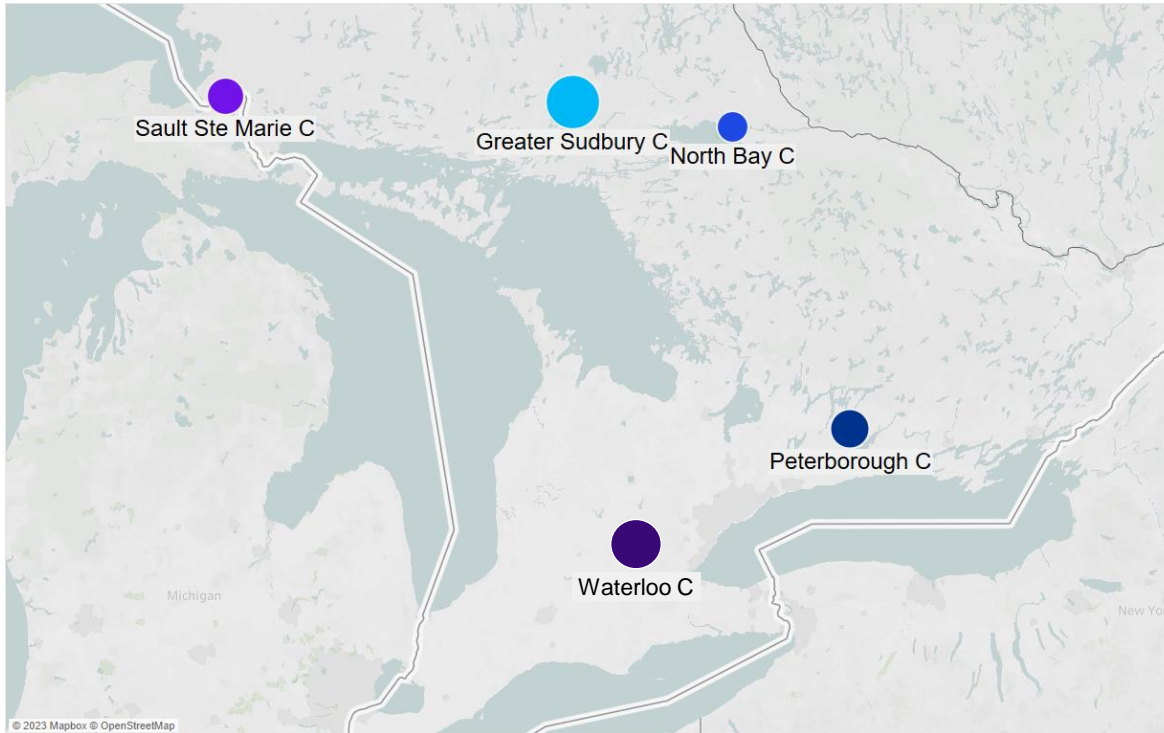
Appendix C

Benchmarking & Leading Practice Review

The City of North Bay – Organizational Review

Comparator municipalities

For the purposes of our review, four municipalities were selected as municipal comparators by the City based on characteristics such as population growth, urban/rural mix, and geography. However, we also recognize that each municipality has its unique environment, and operates a different service delivery model. The primary purpose of the comparative analysis is to understand the performance of comparator municipalities and to identify opportunities to improve how the City delivers municipal services.



Municipality	Population ¹	Households ²	Area Square Km ¹
City of North Bay	52,662	23,467	315.53
City of Greater Sudbury	166,004	75,967	3,186.26
City of Peterborough	83,651	38,006	64.76
City of Sault Ste Marie	72,051	33,480	221.99
City of Waterloo	121,436	50,820	64.06

¹ Census Profile, 2021 Census of Population (Statistics Canada, 2021)

² Financial Information Returns (FIR) 2022.

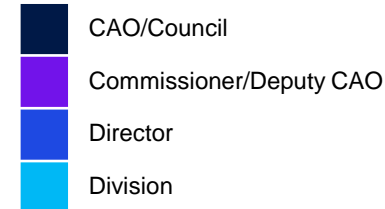
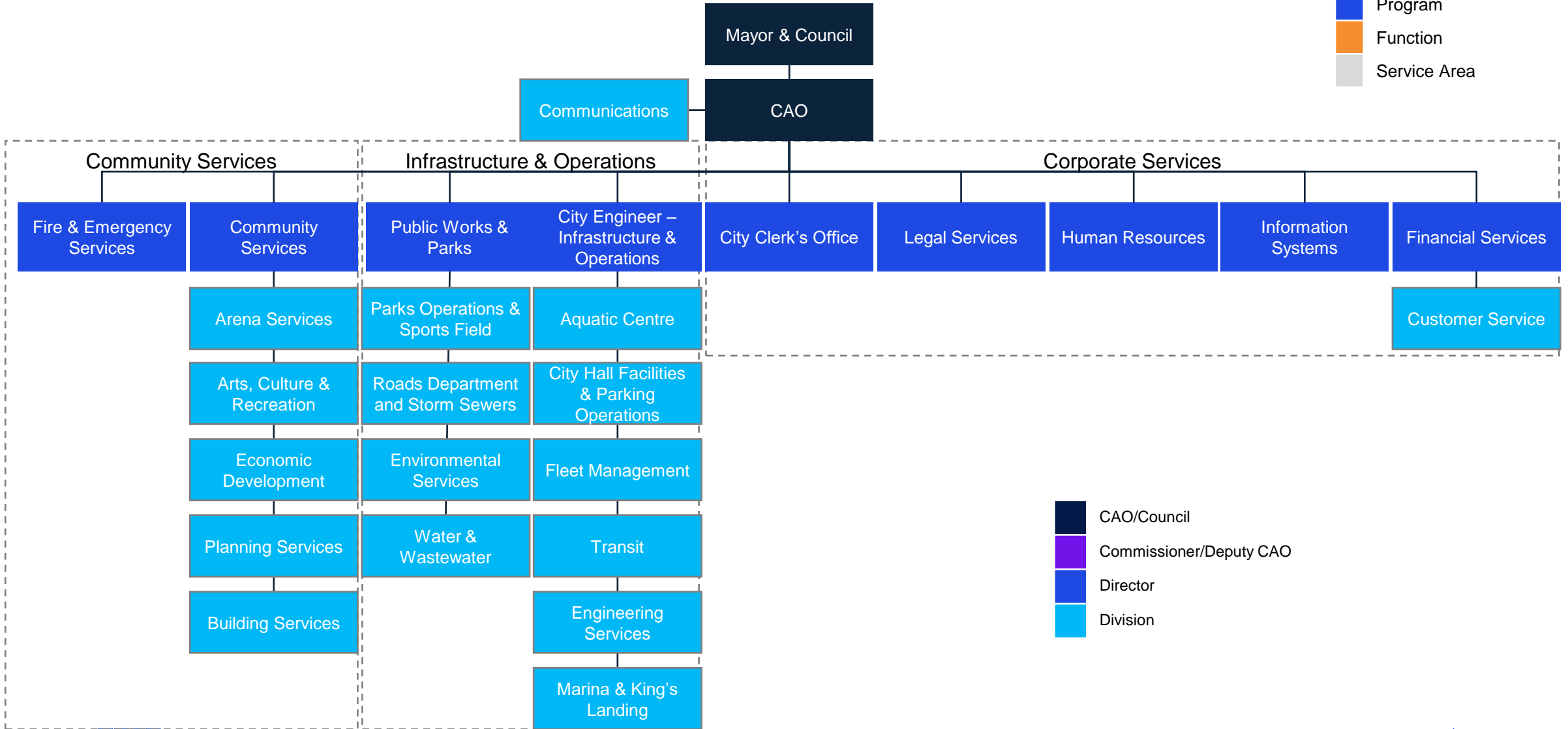
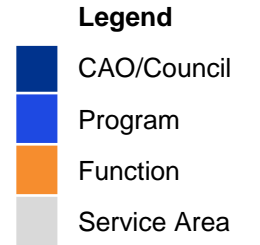
- ✓ Interviews with comparators
- ✓ Documentation review
- ✓ Desktop research

Research Tactics

- ✓ Insight into affordability issues; what a peer municipality can achieve with the same resources
- ✓ Benchmark financial/service levels to identify operating efficiencies
- ✓ Specific topic areas identified during KPMG's engagement with City's Project Team

Research Focus Areas

City of North Bay - current structure*



* organizational structure as at July 2023

The City of North Bay – Organizational Review

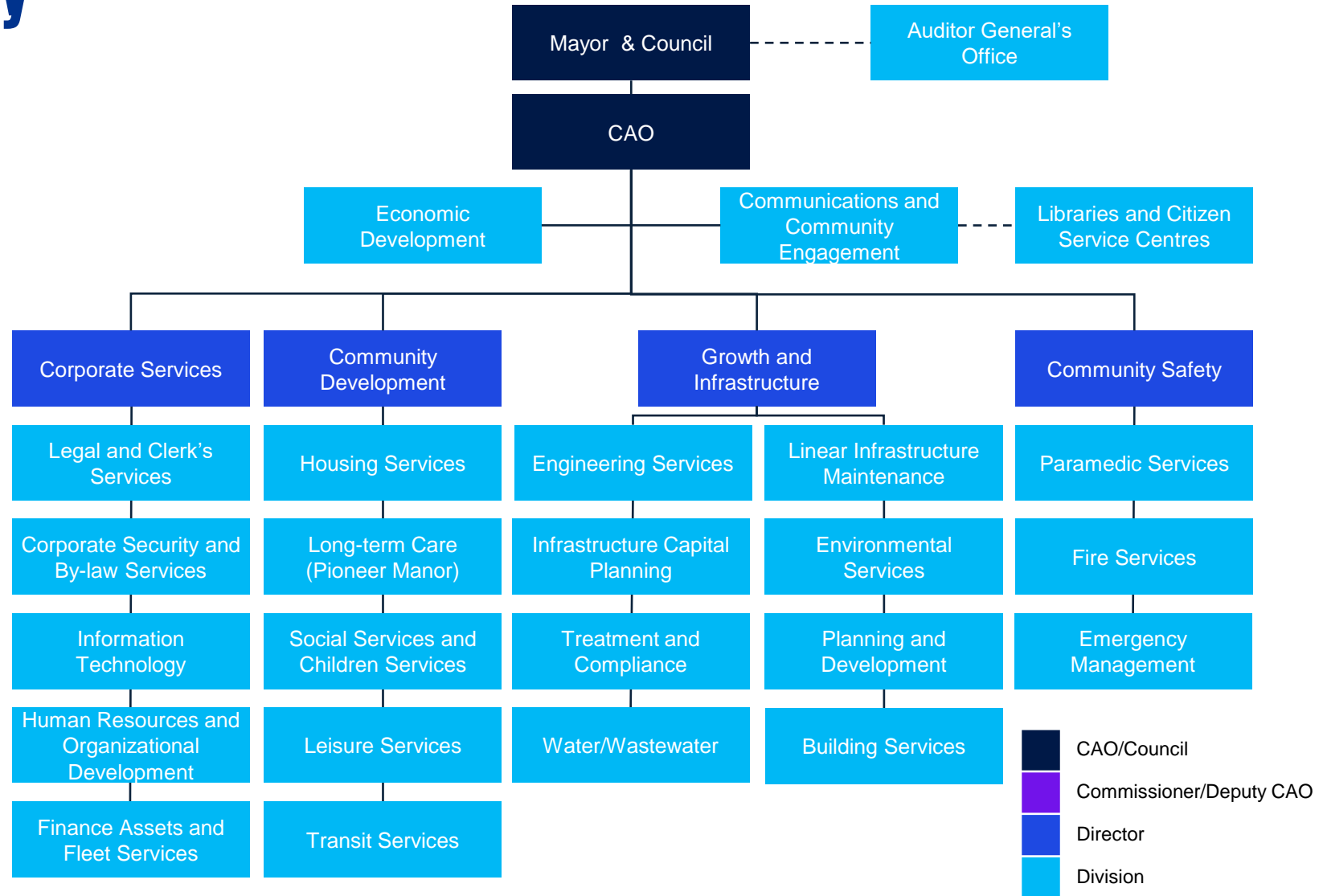
City of Greater Sudbury

Summary of the Organization

The City of Greater Sudbury is a **single tier municipality** and employs approximately **2,000 full-time employees**.

- The CAO has six direct reports.
- The City completed a core service delivery review and has been implementing changes in the last 2.5 years. Time and activity reporting was a key recommended project implemented after the review.
- Customer service was reengineered from a decentralized model with 14 service counters through City Hall into a single location on the ground floor with all staff trained to facilitate service inquires. The City is able to provide customer service with less staff (decreased 2 FTE) with improved service capacity.
- Collective agreement negotiations with the largest union at the City were just completed. Unionized staff will receive a 3% increase each year for the next four years.
- The City is reviewing its compensation pay ranges to increase its market competitiveness while being mindful of the tax levy.
- The City has been unsuccessful in filling its CFO position following turnover of the previous CFO due to changes to the City's remote work policy. Council demanded key leadership positions to be based within the community.

Note: full-time employee count may differ from 2022 FIR data. Count on this page is based on data shared by municipal representatives during comparator interview.



Source: City of Greater Sudbury Organizational Summary

The City of North Bay – Organizational Review

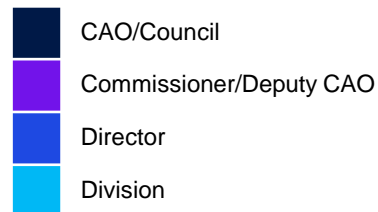
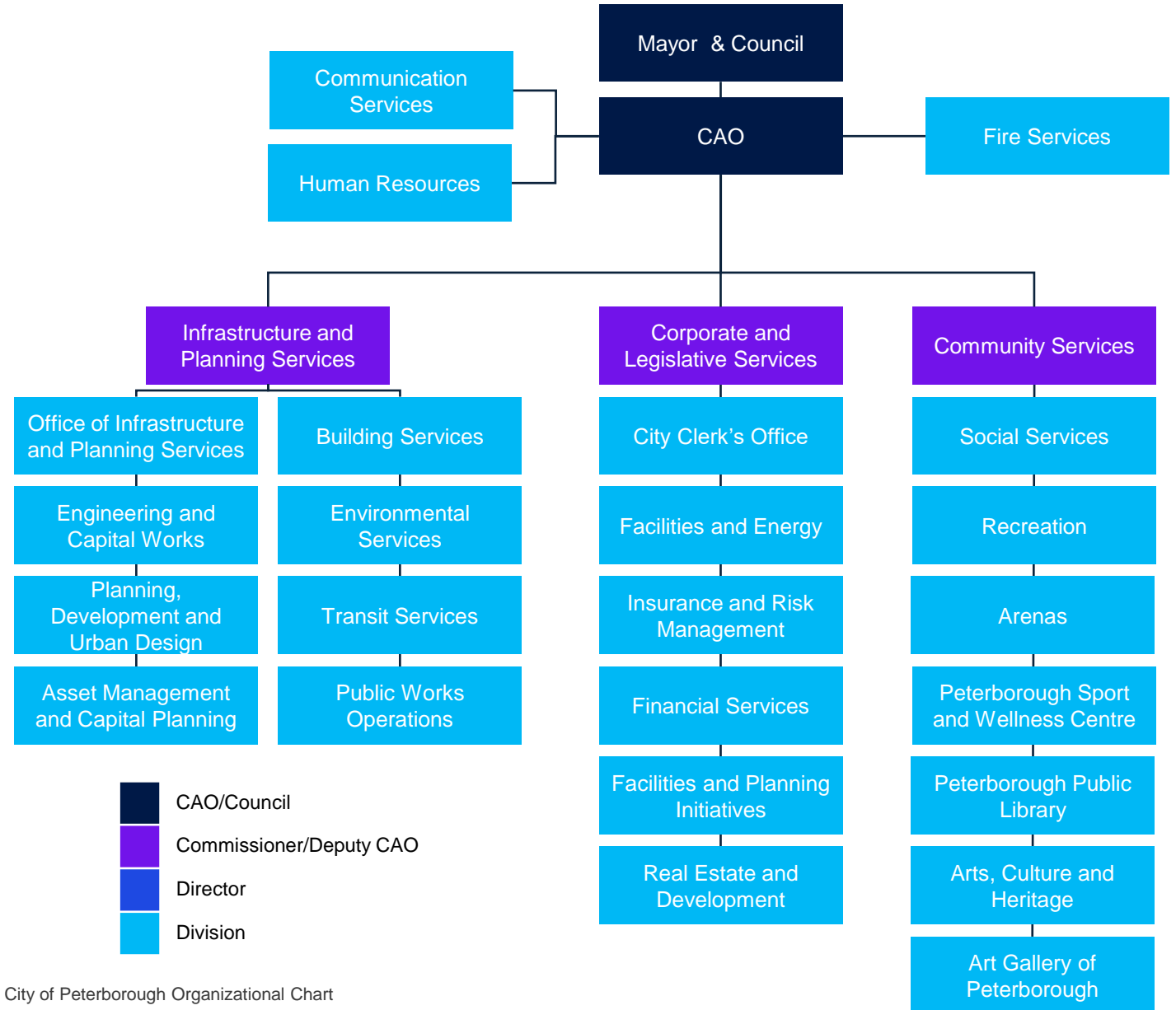
City of Peterborough

Summary of the Organization

The City of Peterborough is a **single tier municipality** and employs approximately **900 full-time employees**.

- The CAO has six direct reports
- The City operates a program model led by three commissioners to direct the three departments. However, following the appointment of a new CAO in June 2023, the City is considering splitting Infrastructure and Planning Services based on the wide span of control and large staffing complement of the department. The vision for these departments are:
 - Transportation and Municipal Operations (regional airport, transit, public works, water and wastewater)
 - Infrastructure, Planning, and Growth (engineering, planning, building, asset management)
- Similarly, the CAO will likely review the scope of Corporate and Legislative Services to determine if an additional commissioner should be added.
- The City delivers most functions in-house with limited use of contractors.
- The collective agreement with CUPE expires at the end of 2024 and negotiations for the new agreement are underway.
- A job review was conducted in 2018 for non-union staff and was updated in 2020. The City is aiming to reach the 75th percentile in compensation for non-union positions but currently sits at or below the 50th percentile.

Note: full-time employee count may differ from 2022 FIR data. Count on this page is based on data shared by municipal representatives during comparator interview.



Source: City of Peterborough Organizational Chart

The City of North Bay – Organizational Review

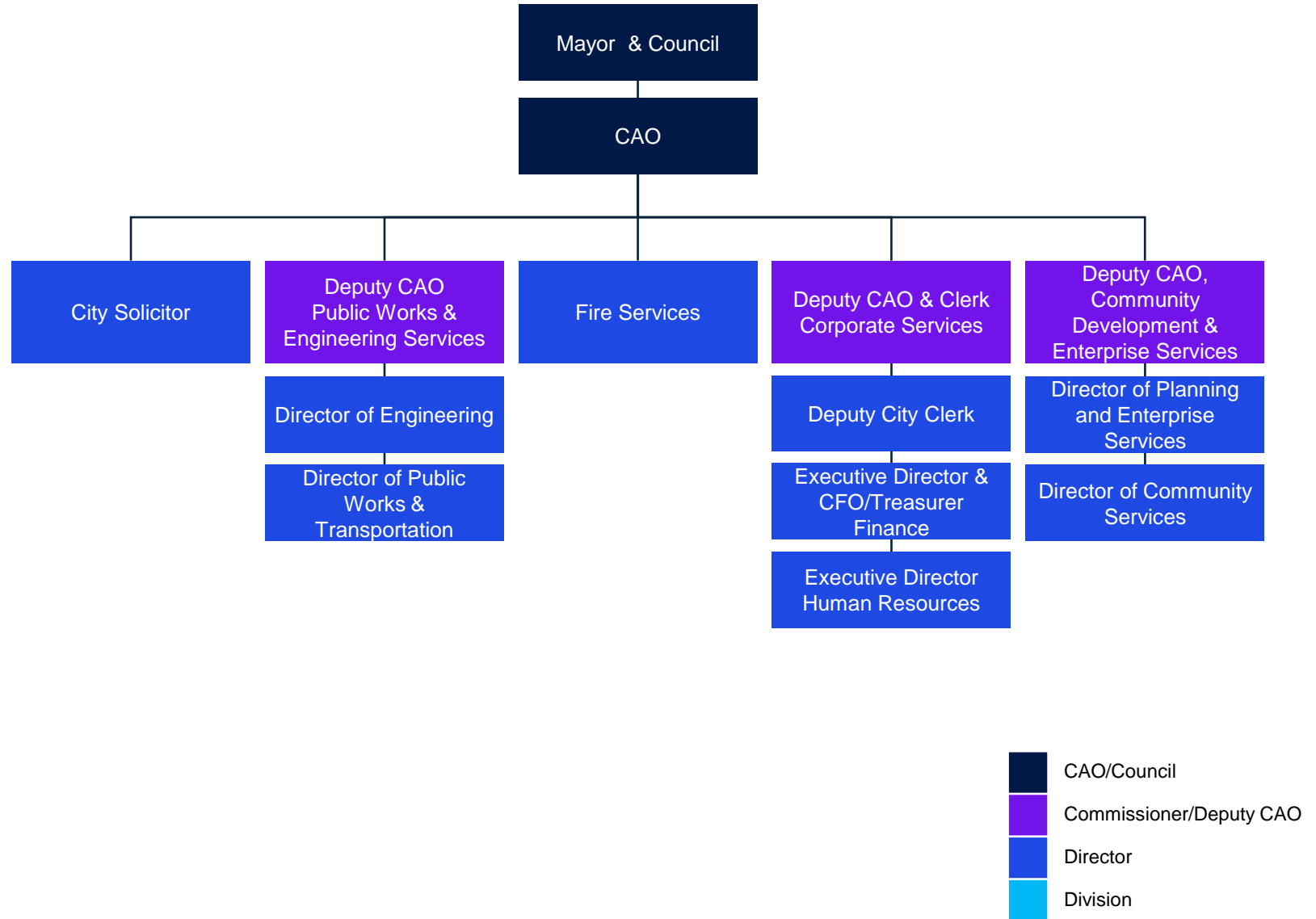
City of Sault Ste Marie

Summary of the Organization

The City of Sault Ste Marie is a **single tier municipality** and employs **614 full-time employees**.

- The current organizational structure of the City is based on a restructuring completed in 2016. The City moved from a functional model with eight directors reporting to the CAO to the current program model with three Deputy CAO positions and two other director-level positions (City Solicitor and Fire Chief) reporting to the CAO.
- The number of Councillors was reduced from 13 to 11 in 2018.
- The City employs approximately 120 students annually. Students are recruited as an alternative to a seasonal workforce. However, the City has been gradually promoting some student positions to seasonal based on challenges in attracting students.
- Based on a recent service level review, all services provided by the City are either mandated or traditional. The City does not provide any discretionary services. The City only provides premium service levels in two areas:
 - Free downtown parking
 - Winter control (based on community and Council directive)
- The City is developing a new strategic plan in fall 2023. The focus areas will be infrastructure, service delivery, quality of life, and community development.

Note: full-time employee count may differ from 2022 FIR data. Count on this page is based on data shared by municipal representatives during comparator interview.



Source: City of Sault Ste Marie Organizational Structure



The City of North Bay – Organizational Review

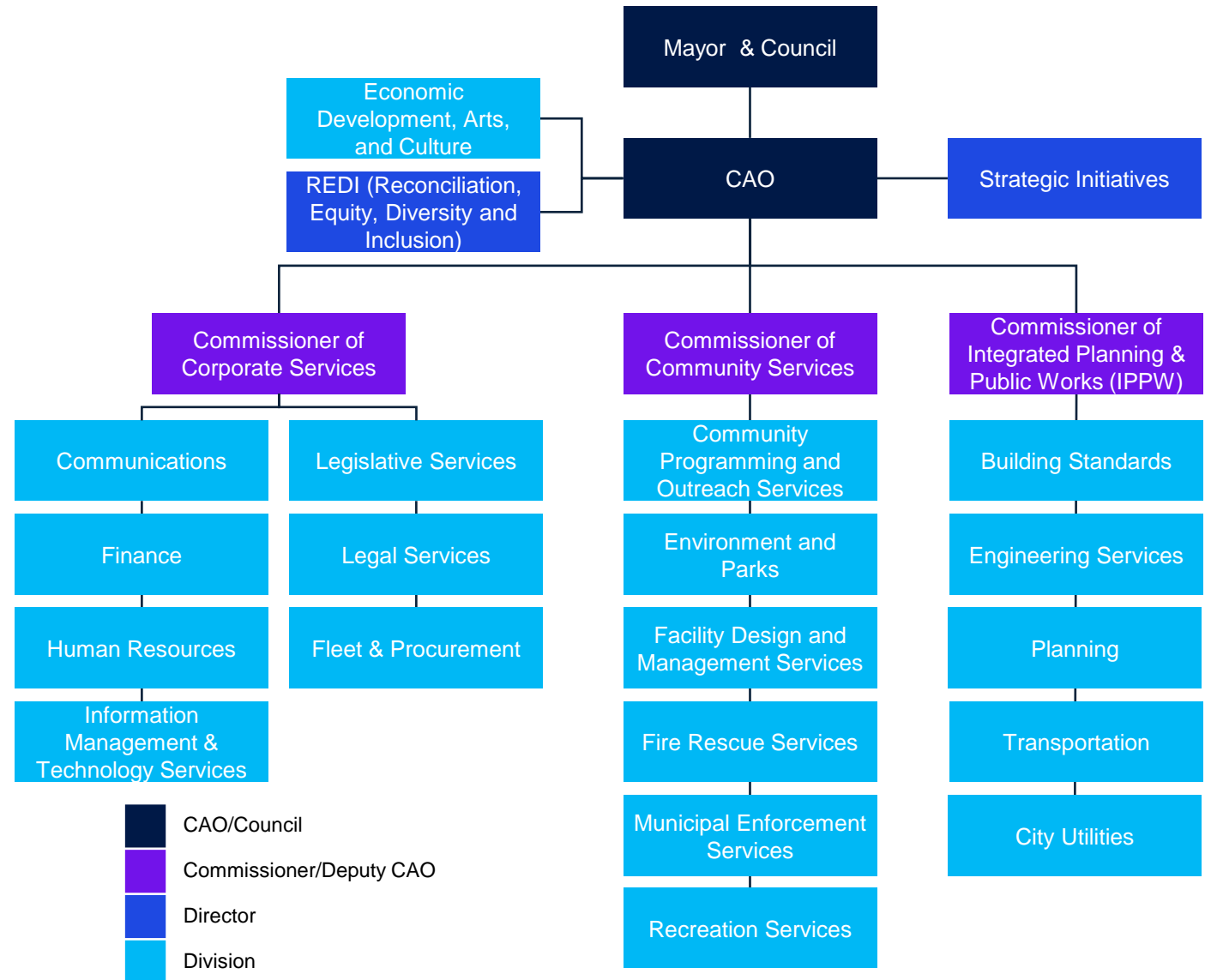
City of Waterloo

Summary of the Organization

The City of Waterloo is a **lower tier municipality** (upper tier is the Region of Waterloo) and employs **658 full-time employees**.

- The City underwent a comprehensive reorganization in 2013 with the support of KPMG. The eight-department functional model was consolidated into a three-department program model.
- The City has continued to fine tune the organizational structure at the divisional level. For instance, the City created the REDI (Reconciliation, Equity, Diversity and Inclusion) Department consisting of a Director and three Advocate positions in response to strategic priorities relating to equity.
- In the two-tier structure, the City has a number of agreements with Waterloo Region in the provision of services such as:
 - Solid waste services are delivered by the Region
 - The City maintains regional roads and is reimbursed via the levy
- Council approved the new Strategic Plan in June 2023 and the City is optimistic with its resourcing capabilities.
- Waterloo credits the surrounding post secondary institutions with the success of the City. The proximity of University of Waterloo, Wilfred Laurier, and other highly accredited colleges and universities have supported talent attraction and economic development in the City and neighbouring municipalities.

Note: full-time employee count may differ from 2022 FIR data. Count on this page is based on data shared by municipal representatives during comparator interview



Source: City of Waterloo City Staff


01

Financial Perspectives

Financial Information Returns (FIR) data was used as source data for benchmarking purposes and includes Service Partners/ABCs (Agencies, Boards and Commissions) such as Police Services and the Library.

Summary of key financial observations


The financial perspectives analysis highlights that the City has been relatively prudent and consistent with its financial performance in the delivery of its services.



01 Cassellholme

The City is a participating municipality of a northern joint municipal home, Cassellholme, and is responsible for its share of funding, including the redevelopment and expansion of the facility, which is projected to be \$57.9 million.


The City's contribution to the project has resulted in a one-time significant expense in 2022 which is reflected in the City's operating deficit and spike in liabilities to finance the project.



02 Municipal Debt


The City has been prudent in managing its debt levels which have effectively contributed to the municipality's ability to partially finance its share of the Cassellholme project.

Excluding the long-term liability for Cassellholme, the City has the lowest total liabilities among the comparator group and closest to the average liabilities per household.



03 Infrastructure Investment


The City has been executing its long-term capital funding policy and capital plans with increasing investments in infrastructure, not unlike the comparators. The comparator municipality debt loads largely represent spending on infrastructure maintenance and rehabilitation projects, such as roads, bridges, water, and wastewater system upgrades.



04 Reserve Levels

The City has been building up its reserve levels each year across the observed time period, mostly intended for infrastructure projects.

However, a driver of the increase has been delays in construction of major projects such as the Community Centre (e.g., federal grants earmarked to this project) and reconstruction of McKeown Ave (OCIF funding). Timing of capital projects can cause the obligatory reserves to fluctuate.



05 Overall

The financial analysis highlights that the City of North Bay is a financially strong municipality. Its active and planned infrastructure projects are expected to continue to play a role in the City's liabilities and reserve funds but given the City's historic financial resilience, there is no immediate concern about the sustainability of the City's operations and investments.

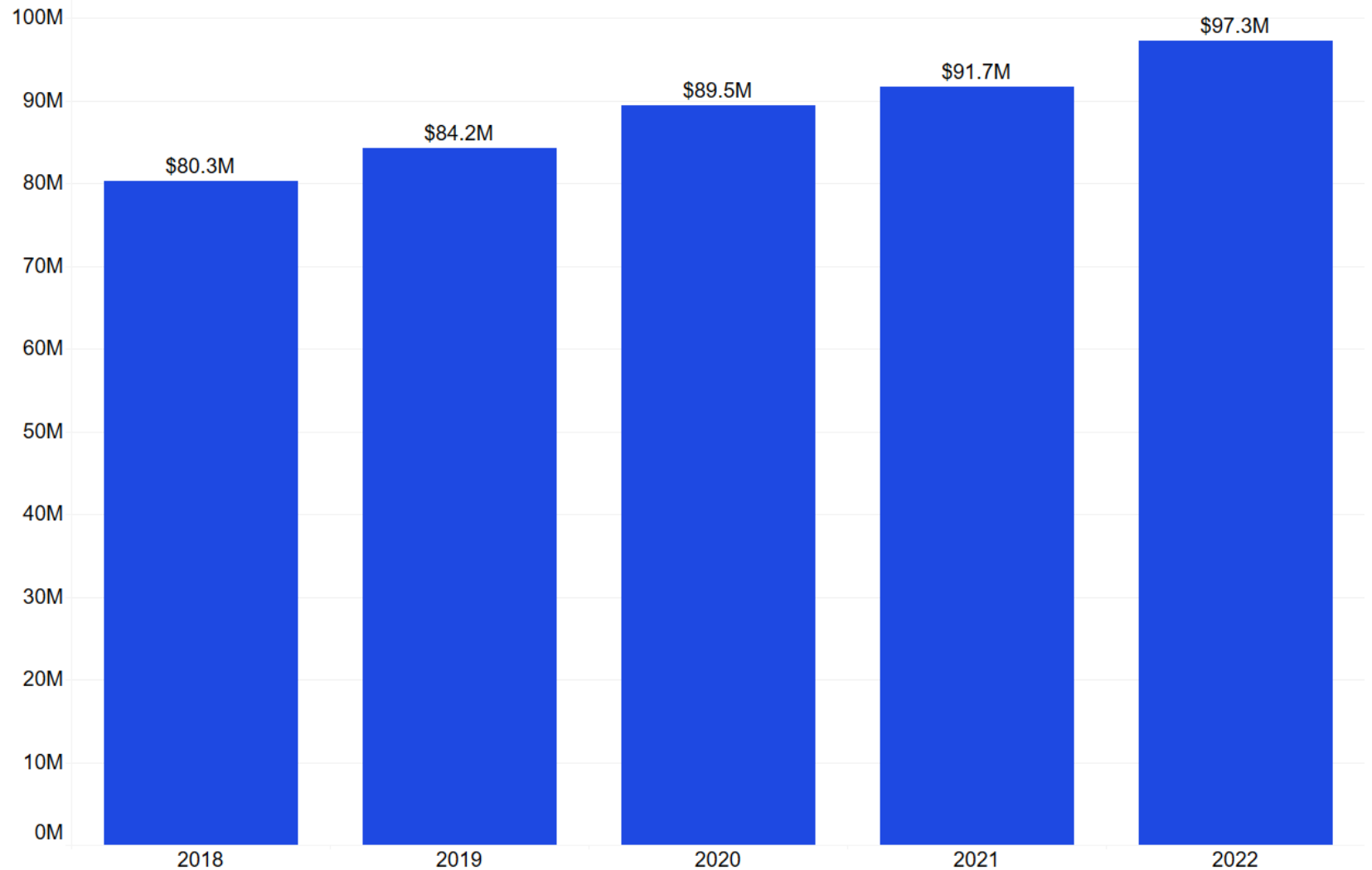
Financial perspectives

Overview of the City’s Financial Performance: Taxation – Own Purposes

From 2018 to 2022, the City had an average annual increase of 5% in total tax revenue, reflecting increasing cost of delivering local government services, specifically when a municipality is expanding services to address citizen needs.

Taxation - Own Purposes is calculated as the total tax billed for the year plus supplemental billings less write-offs/adjustments to assessment, charity rebates, etc. Inputs into the calculation impacts the amount reported as Taxation – Own Purposes in the FIR.

[Note: The chart does not include Payment-in-Lieu of Taxation amounts.]



¹Source – Statistics Canada, Consumer Price Index Ontario, annual average, not seasonally adjusted

²Source – Municipal Financial Information Returns (Schedule 10)



The City of North Bay – Organizational Review

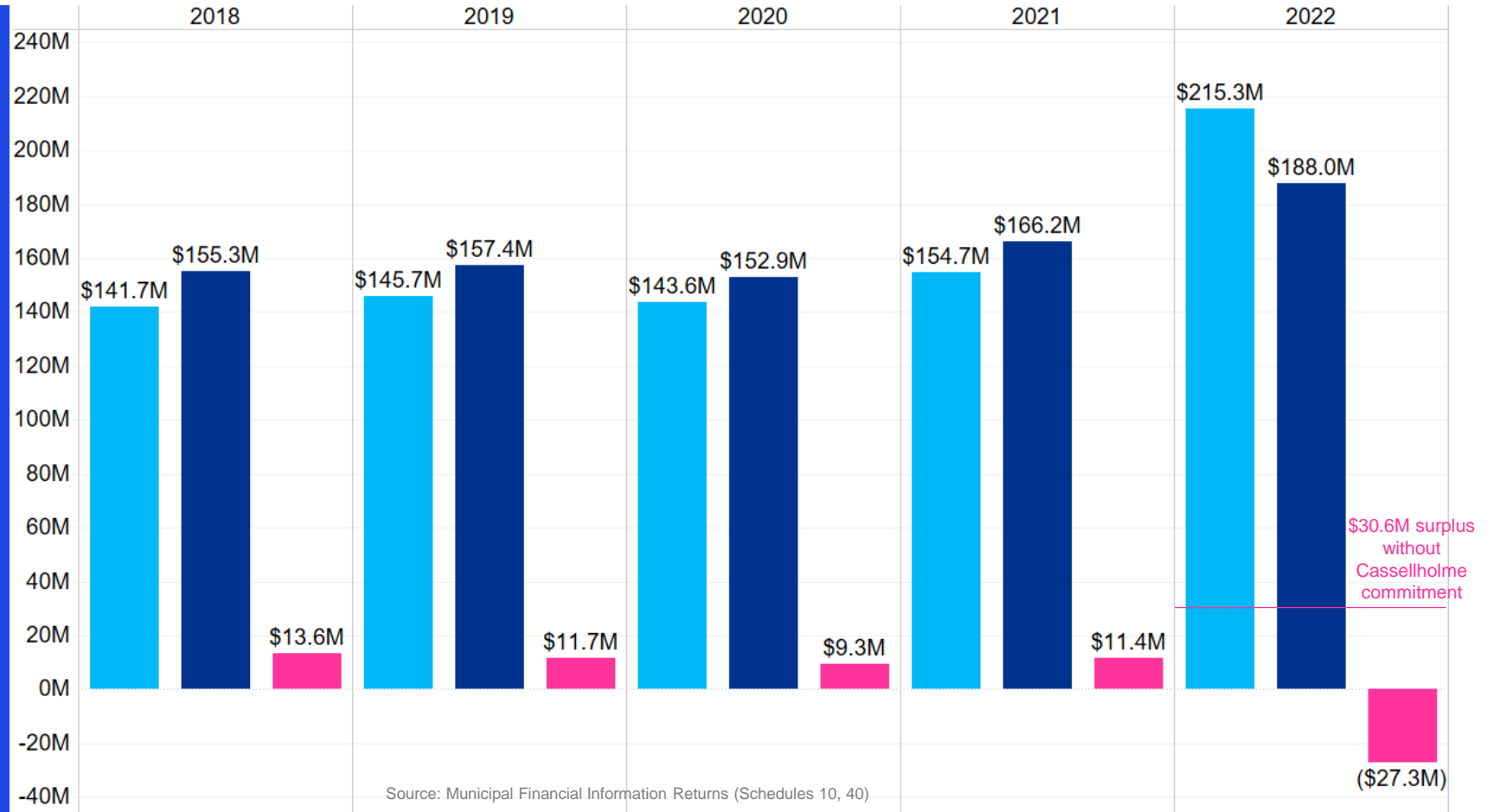
Financial perspectives

Reported Operating Results (in Millions)

Municipalities in Canada are not allowed to budget for an operational deficit. Nonetheless, if we look at the operational expenses excluding amortization and other non-cash items, we can understand if capital acquisitions are requiring the municipality to incur additional debt or to lower their reserves.

The City has incurred annual surpluses between 2018 and 2021. A surplus gives the City greater flexibility when considering investing in operational upgrades or large capital expenditures.

The City is a participating municipality of a northern joint municipal home, Cassellholme, and is responsible for its share of funding, including the redevelopment and expansion of the facility, which is projected to be \$57.9 million. The 2022 operating deficit reported in the FIR reflects the cost of the Cassellholme commitment, which is recognition of a one-time significant expense.



Measure Names	Annual % increase	2018 – 2019	2019 - 2020	2020 - 2021	2021 - 2022
Total Operating Expenses		2.8%	(1.4)%	7.7%	39.2%
Total Revenues		1.4%	(2.9)%	8.7%	13.1%
Surplus (Deficit)		(14.0)%	(20.5)%	22.6%	(339.5%)



The City of North Bay – Organizational Review

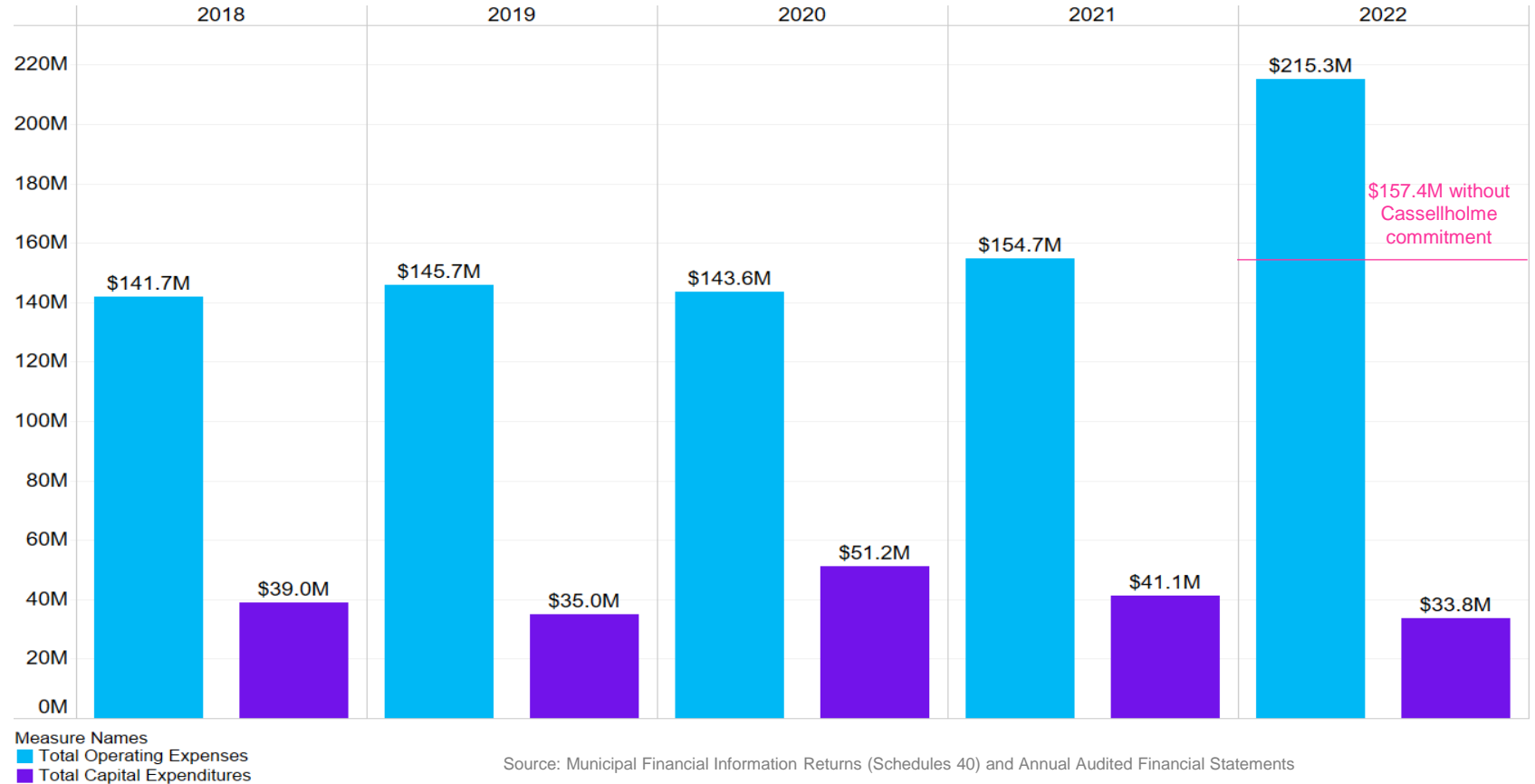
Financial perspectives

Operating and Capital Expenditures

Between 2018 and 2022, the City's operating expenditures have averaged \$160M. Over the same period, capital expenditures have averaged \$40M.

In 2022, the City incurred a \$57.9M operating expense for the Cassellholme construction commitment.

The City has been executing its long-term capital funding policy and capital plans with increasing investments in infrastructure.



Tangible Capital Assets (TCA)	2018	2019	2020	2021	2022
Total TCA in Audited F/S	\$27,249,336	\$36,946,701	\$34,115,387	\$25,089,836	\$33,315,816

Financial perspectives

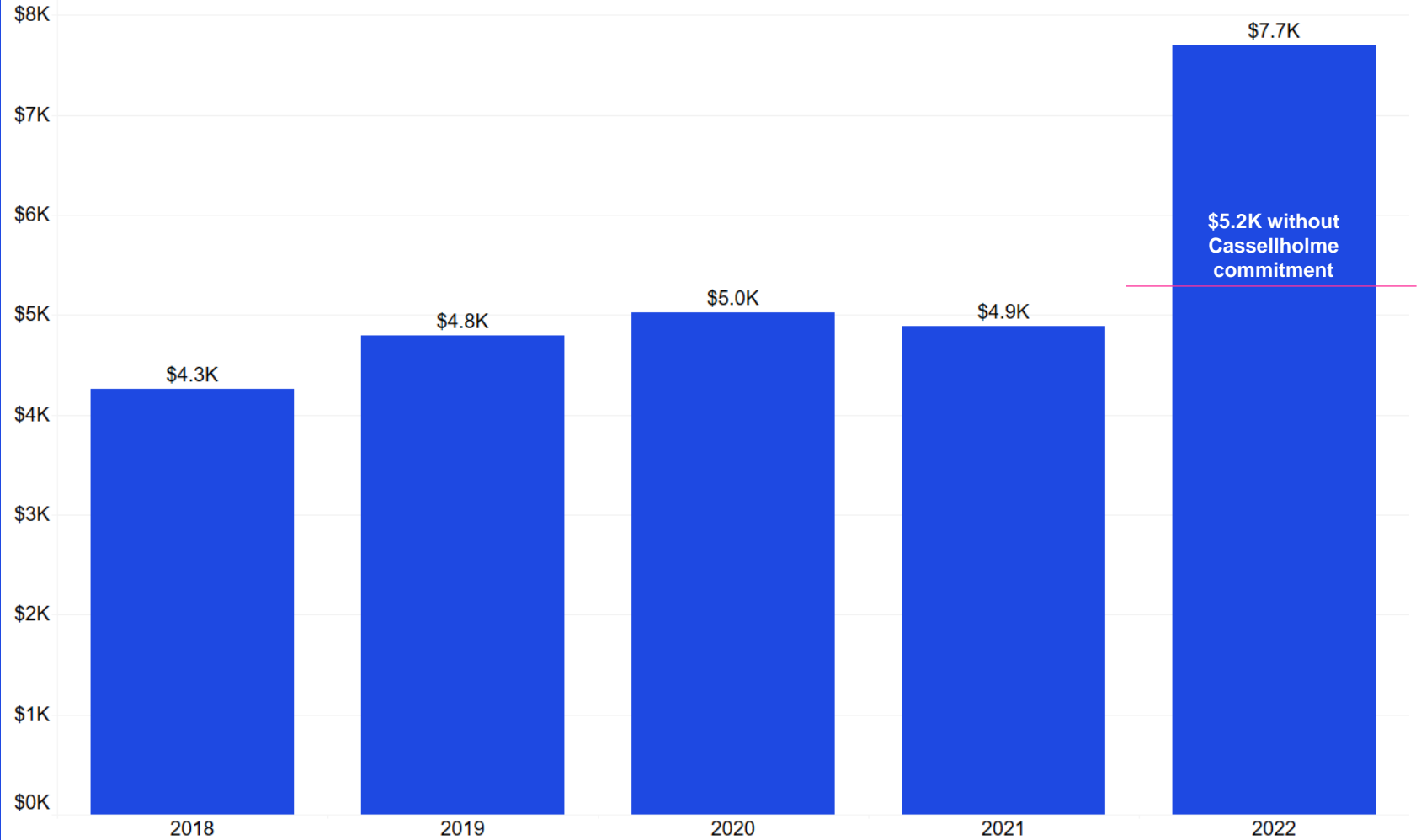
Total Liabilities Per Household – Historical Trend

This financial indicator provides an assessment of the City’s ability to assume liability and issue more debt by considering the existing debt and liability load on a per-household basis. High levels of debt and liability may preclude the issuance of additional debt.

Low debt and liability levels indicates that a municipality has more flexibility in the use of debt as a financing tool for future capital projects and resource investments.

The City’s 2022 increase in total liabilities per household was due to recognizing the City’s share of the Cassellholme redevelopment project. The City has been proactively planning for this additional liability through the cancellation of unused debt authority for capital projects.

The City’s Annual Repayment Limit (ARL) for 2023 is approximately \$26.3M. ARL is the maximum amount that a municipality can pay in principal and interest payments in the year for new long-term debt (and in annual payments for other financial commitments) without first obtaining approval from the Ontario Land Tribunal.



Source – KPMG analysis of annual Financial Information Returns, Schedule 02, 70 & 74A



The City of North Bay – Organizational Review

Financial perspectives

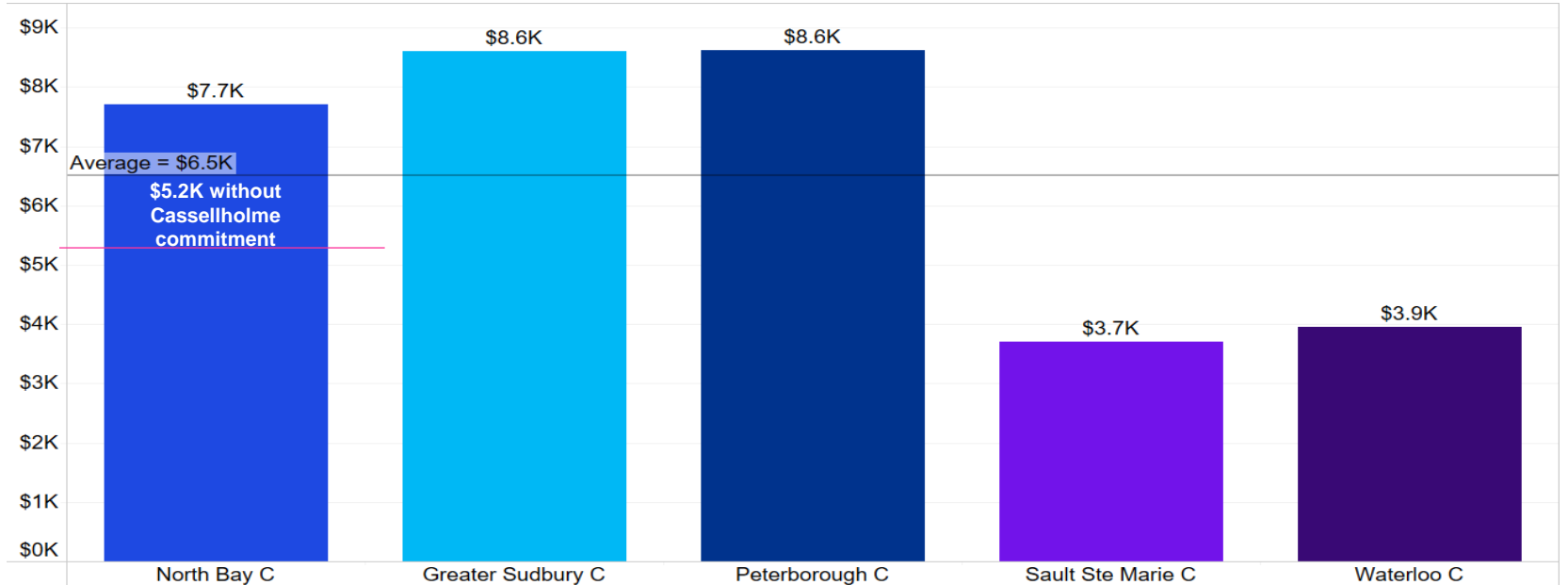
Comparator Total Liabilities per Household

The City ranked closest to average in liabilities per household amongst the comparator group with \$7.7K in total liabilities per household, or \$5.2K without the Cassellholme commitment.

The comparator municipality debt loads largely represent spending on infrastructure maintenance and rehabilitation projects, such as roads, bridges, water, and wastewater system upgrades.

The City of Sault Ste Marie reported the lowest liabilities per household among the comparator group, 43% below the average. The City is in the process of developing a long-term financial plan which will include a plan for the use of debt. However, the municipality has had a historical aversion towards debt based on community and Council directive.

The City of Waterloo has limited itself of raising new debt and focused on paying down debt that was used to finance the construction of the RIM Park Manulife Sportsplex.



Source – KPMG analysis of annual Financial Information Returns, Schedule 02, 70 & 74A

Liabilities	City of North Bay	City of Greater Sudbury	City of Peterborough	City of Sault Ste Marie	City of Waterloo
Temporary Loans	-	-	\$ 24,433,000	\$ 160,930	-
Accounts Payable	\$ 21,066,083	\$ 133,097,864	\$ 56,006,216	\$ 33,423,705	\$ 53,725,484
Estimated Tax Liabilities	\$2,078,699	-	-	-	-
Deferred Revenue	\$ 25,449,332	\$ 78,953,879	\$ 59,744,134	\$ 11,130,606	\$ 79,886,804
Long-Term Liabilities	\$ 46,926,790	\$ 338,480,553	\$ 125,165,411	\$ 5,664,527	\$ 45,310,536
Long-Term Liabilities (Cassellholme)	\$57,920,200	-	-	-	-
Solid Waste Mgmt. Facility Liabilities	\$ 3,010,129	\$ 17,731,054	\$ 20,726,360	\$ 34,769,598	-
Post Employment Benefits	\$ 23,755,400	\$ 85,758,985	\$ 41,653,144	\$ 39,119,022	\$ 21,641,848
Liability for contaminated sites	\$ 548,685	-	-	-	-
Total Liabilities	\$ 180,755,318	\$ 654,022,335	\$ 327,728,265	\$ 124,268,388	\$200,564,672

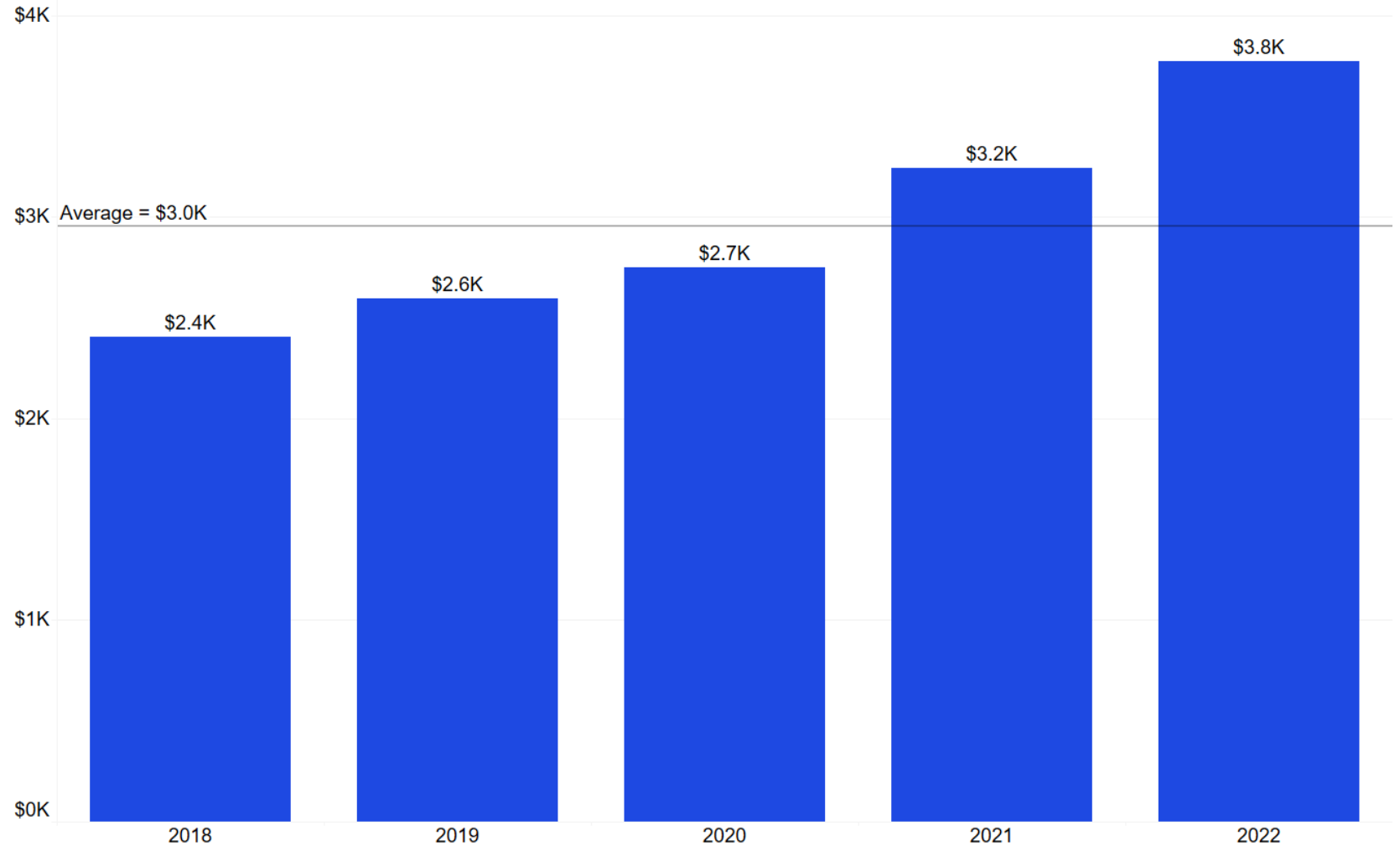


Financial perspectives

Total Reserves per Household – Historic Trend

The total reserve position illustrated in this graph indicates discretionary and obligatory reserves, such as gas tax and development charges.

The City has been building up its reserve levels year over year across the observed time period for infrastructure projects. Reserves have increased due to delay in construction of major projects such as the Community Centre (e.g., federal grants earmarked to this project) and reconstruction of McKeown Ave (OCIF funding). Timing of capital projects can cause the obligatory reserves to fluctuate.



Source – KPMG analysis of annual Financial Information Returns, Schedule 2 and 60

The City of North Bay – Organizational Review

Financial perspectives

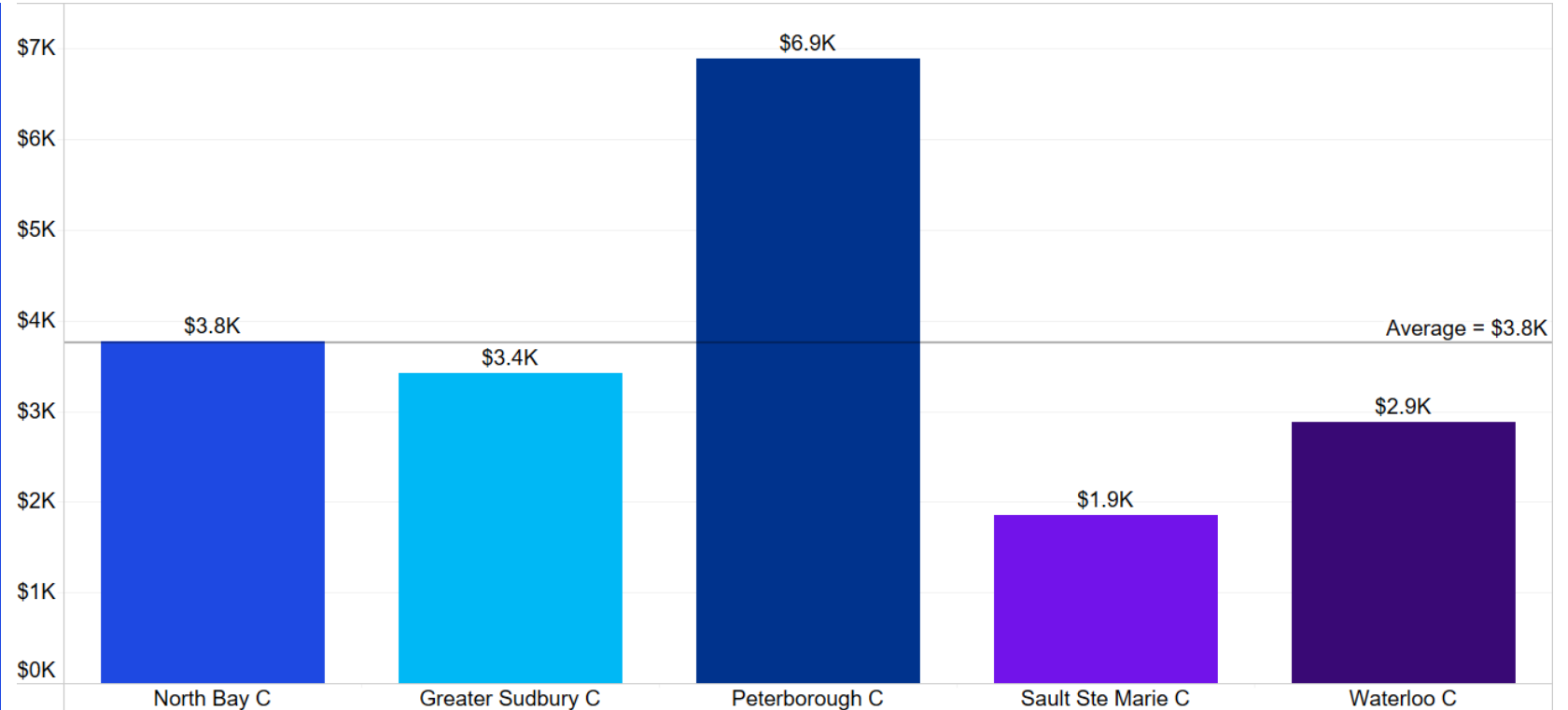
Comparator Reserve Levels per Household

The City is near the average of the comparator group in terms of reserve level on a per household basis. A strong total reserve position allows for greater flexibility in financing options for new infrastructure and applying strategic approaches to fund services.

The City has used its reserves for infrastructure projects, fleet replacements, and to assist in stabilizing tax levy increases. The comparator municipalities have used their reserves in a similar manner.

The City of Peterborough has been growing its reserves. However, the City has begun using its reserves to stabilize rising service delivery cost due to inflation and other unplanned events impacting operations.

The City of Sault Ste Marie is planning to increase user fees in 2024 to improve reserve contributions. Sault Ste Marie has been using reserves to offset inflation cost to stabilize the tax rate. For example, the City has incurred an additional \$800k of fuel expense so far in 2023, reserves were drawn to pay 50% of the unexpected cost.



Source – KPMG analysis of annual Financial Information Returns, Schedule 2 & Schedule 60

Balance, end of year	City of North Bay	City of Greater Sudbury	City of Peterborough	City of Sault Ste Marie	City of Waterloo
Obligatory Res. Funds, Deferred Rev.	\$ 24,173,725	\$ 64,469,463	\$ 43,869,594	\$ 11,130,606	\$ 79,886,804
Discretionary Res. Funds	\$ 64,312,573	\$ 166,285,856	\$ 52,670,663	\$ 1,709,732	\$ 1,394,938
Reserves	\$ 74,961	\$ 28,623,928	\$ 165,145,621	\$ 49,273,962	\$ 65,386,255
Total	\$ 88,561,259	\$ 259,379,247	\$ 261,685,878	\$ 62,114,300	\$ 146,667,997

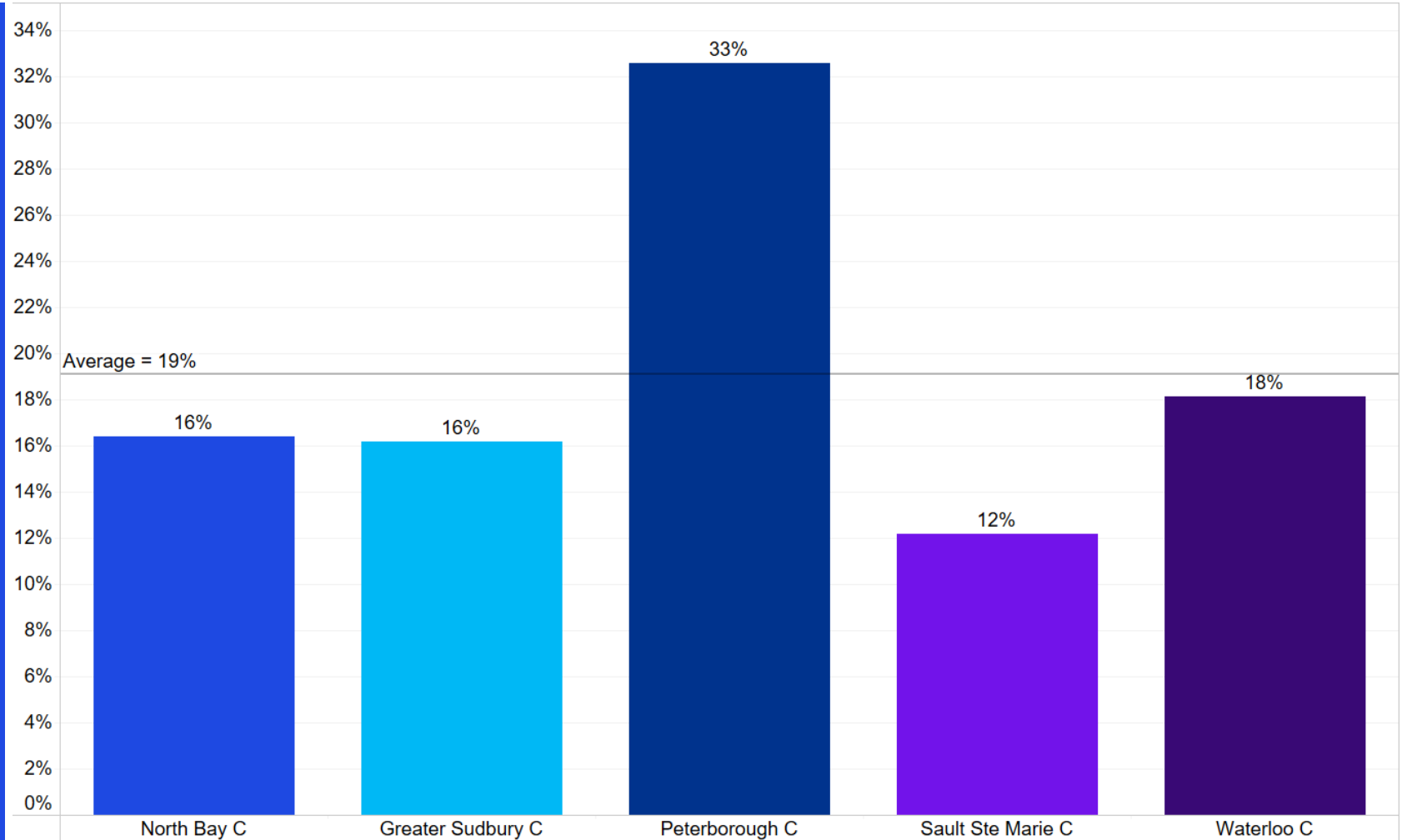
The City of North Bay – Organizational Review

Financial perspectives

Reserve Position Relative to Tangible Capital Assets

When a municipality's total reserve position (obligatory reserve funds, discretionary reserves, and reserves) are expressed as a percentage of its tangible capital assets, it provides an indication of its ability to finance the replacement of its tangible capital assets from internal sources.

The City's reserve position relative to capital assets is in the mid range of the comparator group. Based on this indicator, the City is not in a position to fund all its asset needs.



Source – KPMG analysis of annual Financial Information Returns, Schedule 51 & 60

02

Staffing Perspectives

Summary of key staffing observations

The staffing perspectives analysis highlights that the City has a higher full-time staffing per household level as the City provides additional support services to ABCs. Police, Library, Airport, and Downtown Improvement Area (DIA) personnel are reported as City employees for FIR reporting purposes, which also experienced increases in staffing levels.



01

Staffing Levels and Staffing Mix

- The size, volume, complexity and suite of services offered by a municipality impacts its staffing level and mix.
- Council priorities also impact this staffing approach.
- The City appears to rely more on seasonal employees relative to the comparator cities.
- The comparator cities appear to be moving towards a permanent FT (full time) and PT (part time) staffing model to balance service delivery, resource capabilities, and workforce needs.



02

Retirement Forecast

- By 2033, a cumulative total of 173 full-time employees will be entitled to retire with unreduced pensions. This number represents approximately 39% of all full-time employees of the municipality.
- This is above our typical finding of approximately 20% when this analysis was conducted for other municipalities over a 10-year period, indicating that the City needs to proactively plan for succession to maintain the current staffing level.



03

Overall

- The City's staffing position raises no significant concerns in any particular area. However, there may be an opportunity to prepare a workforce plan to evaluate specific staffing level and composition needs to ensure the municipality is equipped to meet future service delivery needs.
- Staffing levels and capacity are a growing concern among internal stakeholders with varying perceptions on the need to alter headcount/ composition and fill vacancies.

The City of North Bay – Organizational Review

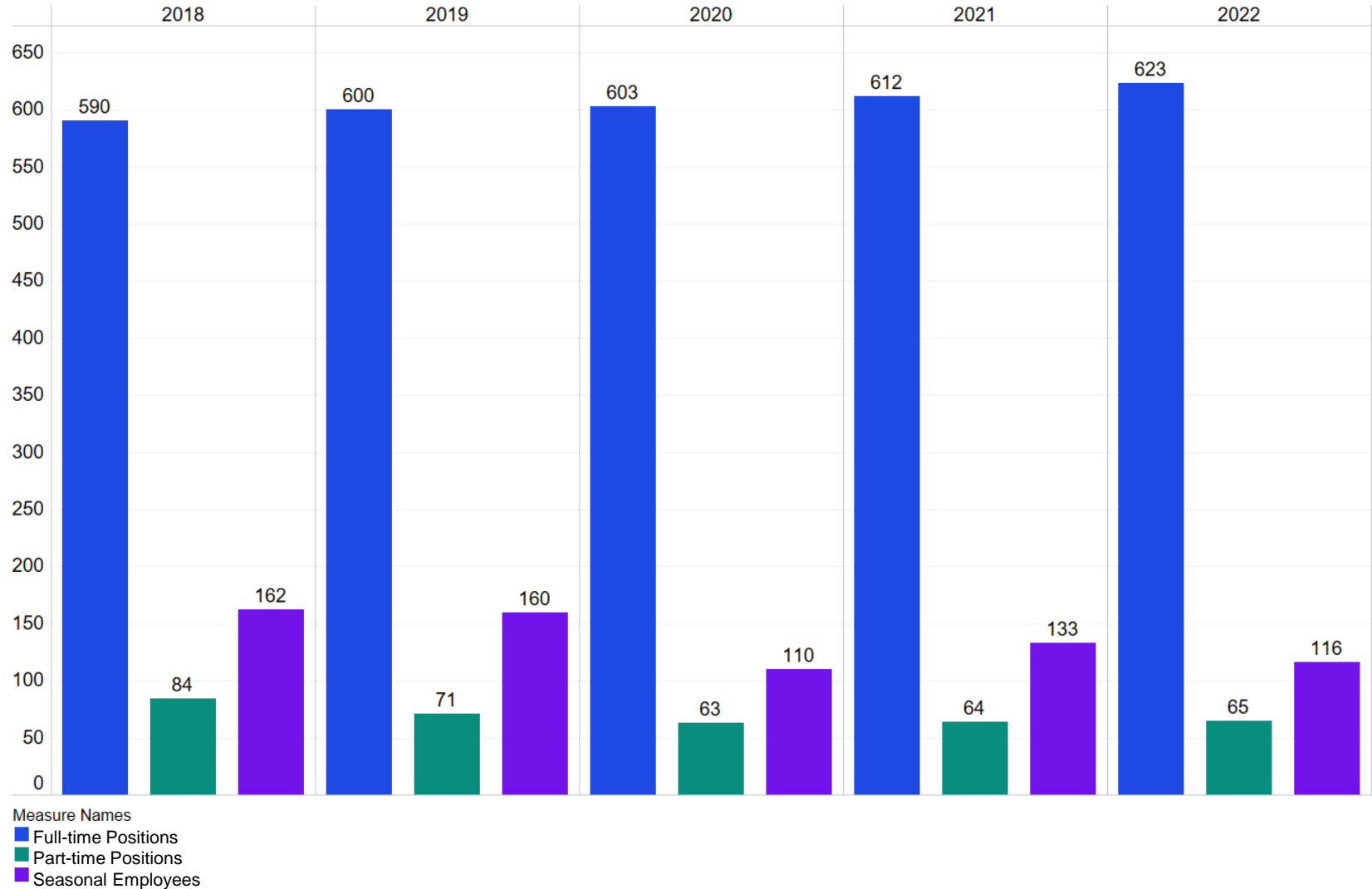
Staffing perspectives

Historical Staffing Levels

When viewed over the past five years, the staffing levels of full-time positions have increased slightly from 590 to 623 positions. Part-time and seasonal positions have been relatively consistent with a slight decline in 2020 due to the COVID-19 pandemic.

The increase in full time positions has been used to address expansion of the City’s service portfolio. For example, the City took over the operation of the Merrick Landfill in 2022 which contributed to increased staffing levels.

The FIR is reported on a consolidated basis. Therefore, the City has reported Police, Library, Airport, and Downtown Improvement Area (DIA) personnel as employees of the municipality, which also experienced increases in staffing levels.



Source – KPMG analysis of annual Financial Information Returns, Schedule 80A

The City of North Bay – Organizational Review

Staffing perspectives

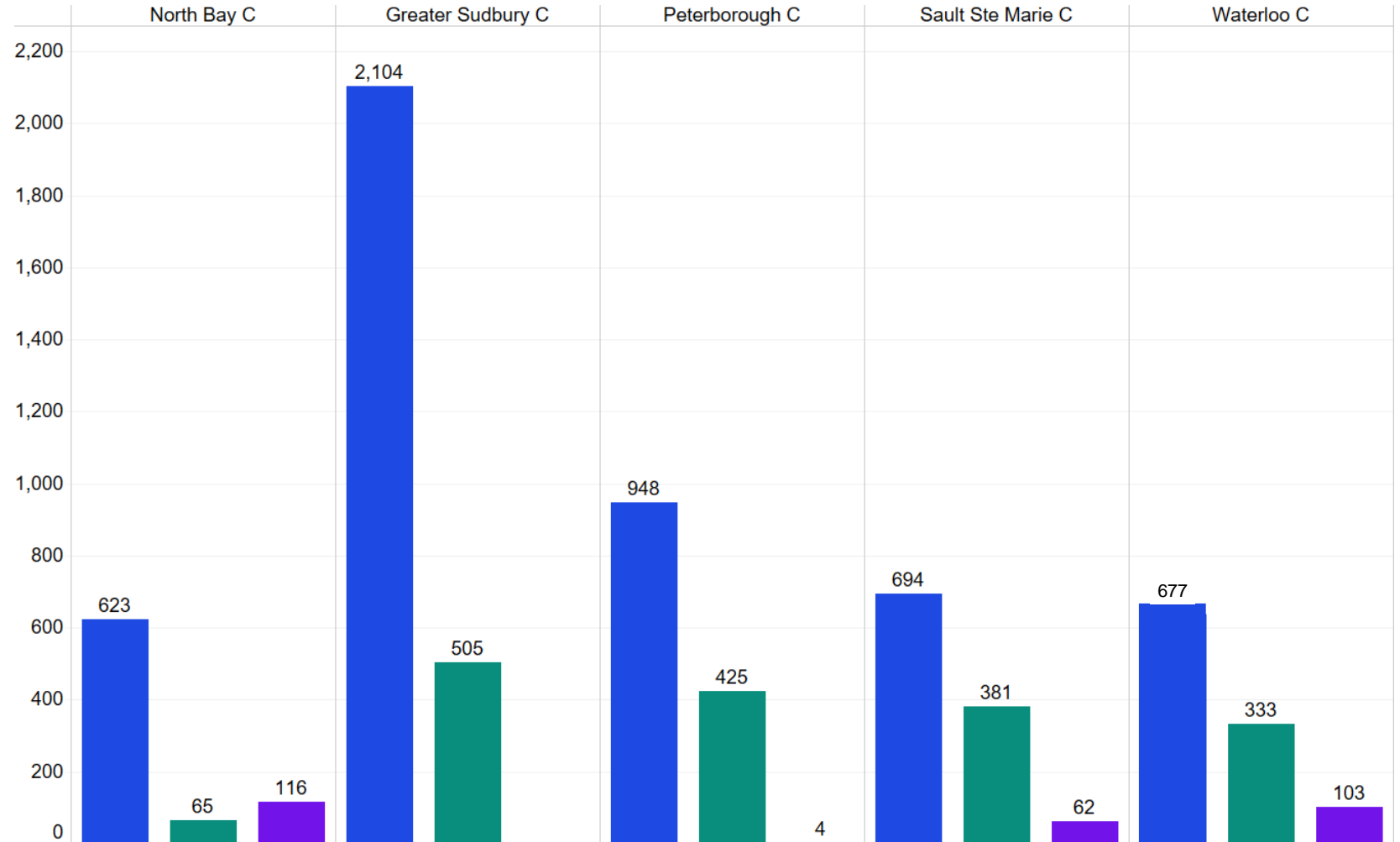
Comparator Staffing Levels

The size, volume, complexity and suite of services offered by a municipality impacts its staffing level and approach (i.e. in-house, contract, shared services). Council's strategic service priorities also impact the structure and deployment of its staffing levels and staffing mix.

The City employs the fewest full-time positions among the comparator group. However, the City also employs more seasonal employees relative to the comparator average.

The City of Greater Sudbury employs more than triple the full-time positions when compared to the City of North Bay. However, this is largely driven by the difference in population and the scope of services provided by Greater Sudbury. For instance, Greater Sudbury employs 261 long-term care staff, 105 social services staff, and 131 ambulance staff.

The City of North Bay reports Police, Library, Airport, and Downtown Improvement Area personnel as employees of the municipality. The City of Waterloo reported its Library Services personnel as employees of joint local boards; the library staff are added to the municipal staff total for comparison purposes. Waterloo Regional Police Service personnel are reported as part of the Region of Waterloo workforce.



Measure Names
 ■ Full-time Positions
 ■ Part-time Positions
 ■ Seasonal Employees

Source – KPMG analysis of annual Financial Information Returns, Schedule 80A



Full-time staffing positions by service areas

The table below illustrates the number of full-time staffing positions by service areas across the comparator group.

	City of North Bay	City of Greater Sudbury	City of Peterborough	City of Sault Ste Marie	City of Waterloo
Administration	76.85	171	60	67	145
Fire ¹	81	140	107	91	125
Police	149.40	386	207	183	-
Court Security	1.28	17	23	9	-
Prisoner Transportation	0.32	-	-	-	-
Transit	36.77	116	110	66	-
Public Works	166.40	459	160	132	120
Ambulance	-	131	-	2	-
Health Services	-	15	-	-	12
Homes for the Aged	-	261	-	-	-
Other Social Services ²	-	105	118	-	20
Parks & Recreation	55.86	87	52	67	123
Libraries	20	64	18	24	38 ⁵
Planning	25 ⁴	42	20	53	54
Other ³	10.25	110	73	-	40
FIR TOTAL	623.13	2,104	948	694	*677

Source – Financial Information Returns, Schedule 80A

Note 1: Volunteer firefighters are not reported in the FIR.

Note 2: Other Social Services primarily consists of child care services and social services staff, excluding long-term care staff.

Note 3: Other consists of clerical/administrative staff, by-law officers and inspectors not included in any of the above categories. Airport employees (7 FT positions) are reported here.

Note 4: Planning includes building, property standards, economic development, and CSBU administrative staff. 1 Downtown Improvement Area FT position is reported here.

Note 5: The City of Waterloo did not report any City staff in libraries, instead reported this figure in joint local boards.



The City of North Bay – Organizational Review

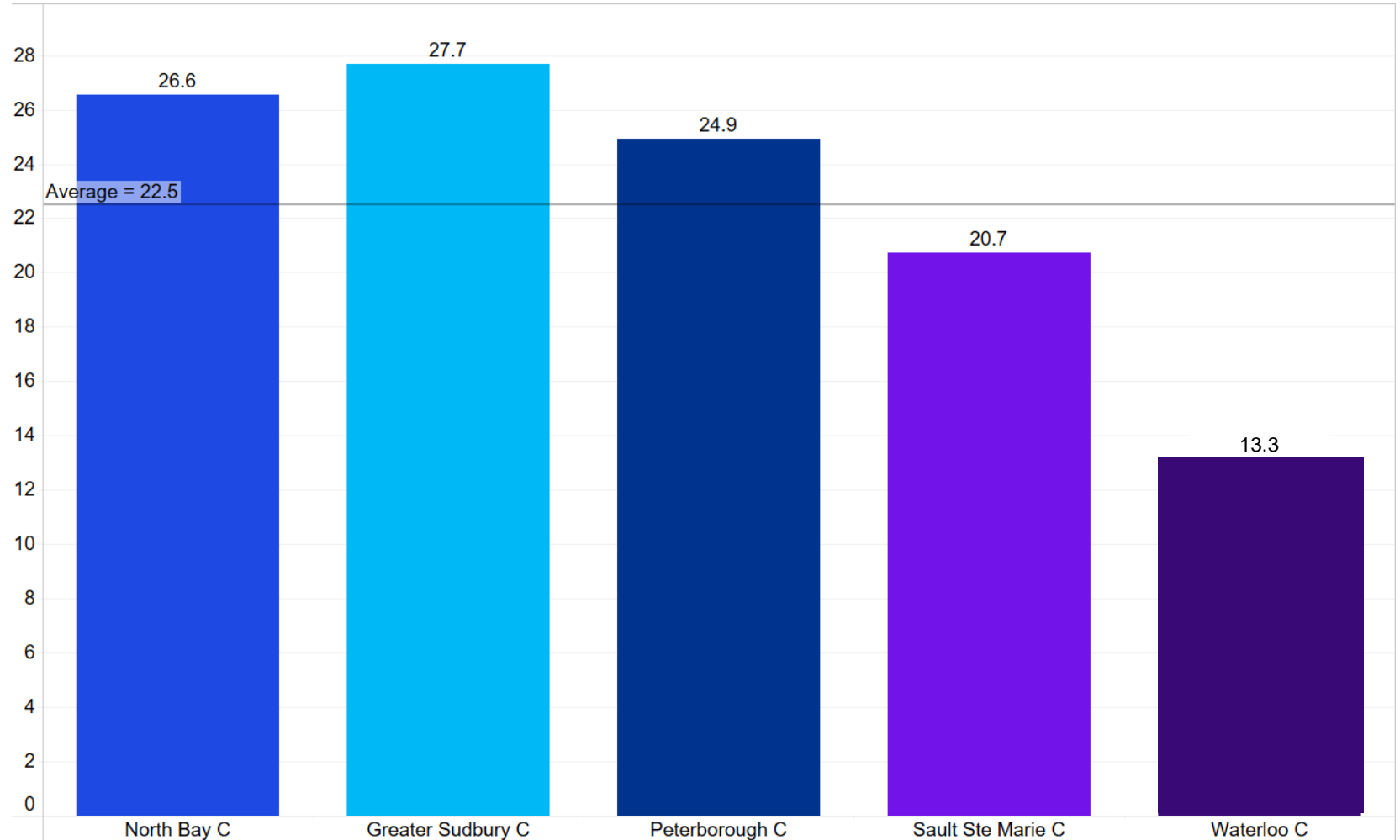
Staffing perspectives

Full-Time Staffing Complement per 1,000 Households

Looking at the full time staffing complement per 1,000 households, the City has the second highest level of full-time staff per 1,000 households among the comparator group.

Meanwhile, the City of Waterloo has around half the comparator average. However, this is largely driven by the two-tier municipal structure. For instance, solid waste is managed by the Region of Waterloo, and water and wastewater services are delivered via a two-tier system with the Region.

Driven by the nature of services provided by single tier cities and population sizes, the staffing complement per 1,000 household is often higher.



Source – KPMG analysis of annual Financial Information Returns, Schedule 02 and 80A

The City of North Bay – Organizational Review

Retirement forecast

10-year Retirement Forecast

By 2033, a cumulative total of 173 full-time employees will be entitled to retire with unreduced pensions. This number represents approximately 39% of all full-time employees of the municipality (based on 2022 FIR data, excluding police, libraries, DIA and airport employees).

This is above our typical finding of approximately 20% when this analysis was conducted for other municipalities over a 10-year period, indicating that the City needs to proactively plan for succession to maintain the current staffing level.

The City has expressed challenges to recruit and retain talent of key positions that the City experienced turnover in recent years.

Upcoming Full-time Position Staff Reaching Retirement Eligibility (2023 to 2033)



Source: OMERS retirement data provided by the City and 2022 FIR Schedule 80A
 Note – Retirement data provided includes all municipal departments and may include members of Police Services.




03

**Service
Perspectives**


Summary of key service observations

The service perspectives analysis highlights that the City is on par with its comparators for the cost and scope of services it provides.




01 Total Operating Cost

With the smallest household count amongst the comparator group, the average cost per household is driven upwards for the City. Cost associated with Cassellholme recognized in the 2022 FIR has also contributed to a higher cost per household amount. Excluding expenses related to Cassellholme, the City performed closest to the comparator average in terms of operating cost per household.




02 Cost per household

In some cases, the City's cost per household is at or above the comparator average. However, the City of North Bay has the lowest population and household count among the comparator group which drives up the cost per household. With this in mind, service areas such as parks and fire which the City reported the highest cost per household are not cause for concern.




03 Planning & Building

Both Planning and Building services showed below-average expenses against the comparator group. However, building activity measured by permits and value of new construction appears on par with the comparators.



04 User Fees

User fees is the main metric used to distinguish revenue for the various municipal services analyzed in this report. Based on the benchmarking data, there may be an opportunity to review fees and structures to ensure cost recovery levels are balanced with Council-approved subsidization levels.



05 Overall

The City's cost of service delivery raises no significant concerns in any particular area. However, there may be an opportunity to conduct a comprehensive fee review given the variation on user fee cost recovery for some service areas.

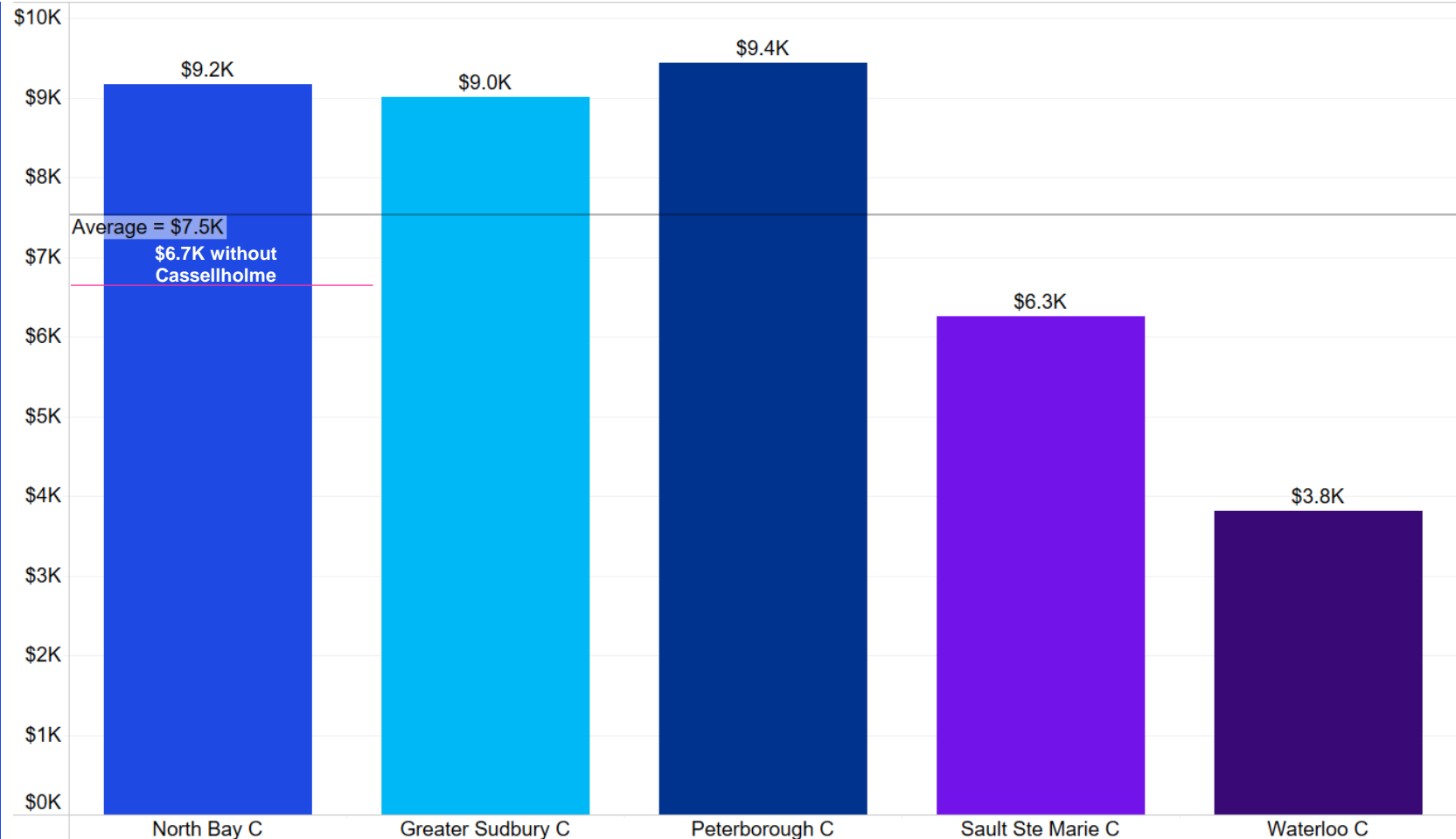
The City of North Bay – Organizational Review

Service perspectives

Total Operating Cost Per Household

Total operating cost represents the overall cost to deliver all municipal services to residents and communities. Operating cost to deliver municipal services is often fixed due to legislative requirements (e.g., road and facility operations and maintenance, water and wastewater services, building permits and inspections, etc.). Delivery of non-mandatory services is often considered the “variable” portion of operating cost; however, it has a direct impact to the quality and level of services residents receive. With the smallest household count amongst the comparator group, the average cost per household is driven upwards for the City. Cost associated with Cassellholme recognized in the 2022 FIR has also contributed to a higher cost per household amount.

City of North Bay	Cost per Household
Total Operating Cost with Cassellholme	\$9,173
Total Operating Cost without Cassellholme construction commitment	\$6,705



Source – KPMG analysis of annual Financial Information Returns, Schedule 02 & 40



The City of North Bay – Organizational Review

Service perspectives

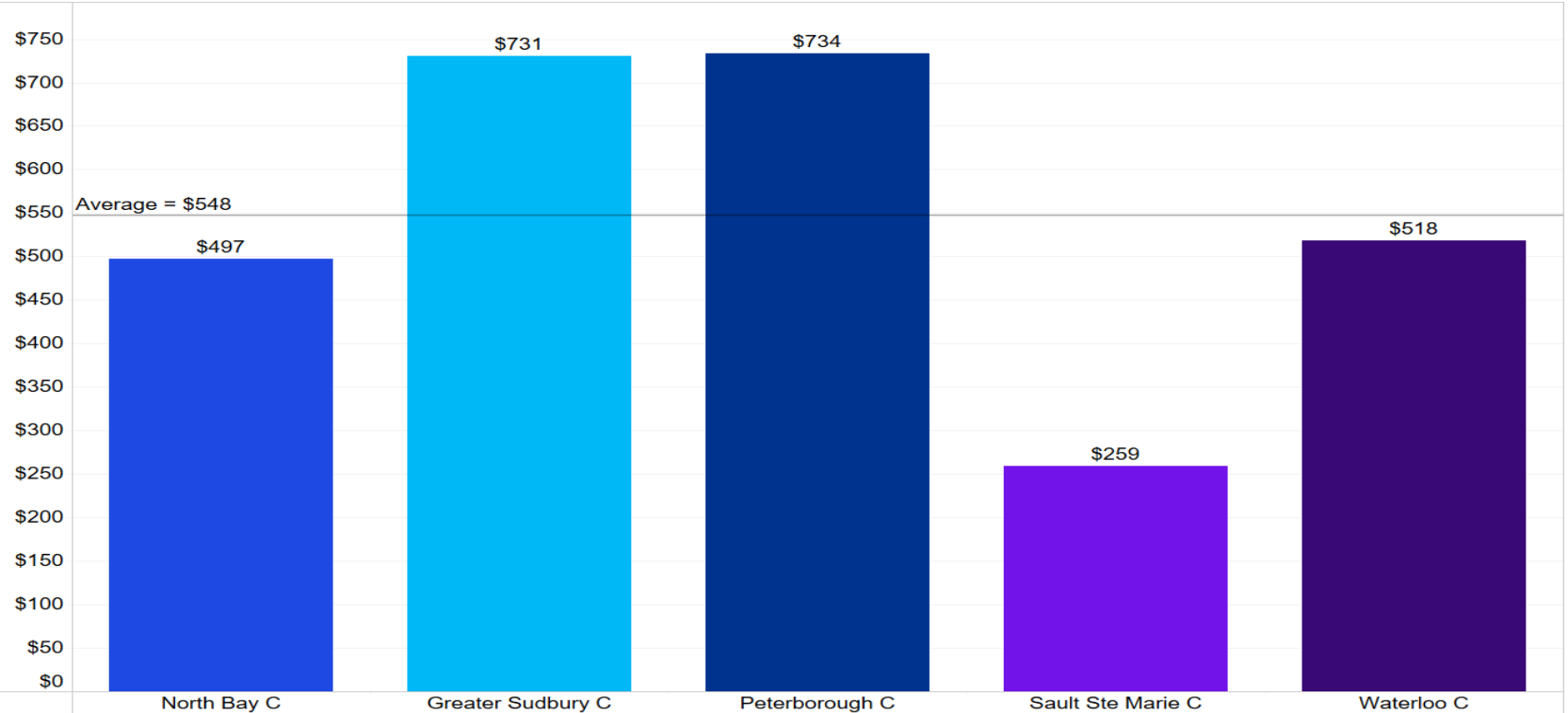
Governance, Corporate Management, and Program Support Cost per Household

Governance costs include costs associated with the Office of the Mayor, Council members and direct administrative staff, council support and election management.

Corporate Management reflect costs associated with corporate-wide functions that are not easily attributable to a specific service area such as the Office of the CAO, Customer Service Centre, Legal, etc.

Program Support includes administrative functions such as Information Systems, Human Resources, Payroll, etc. that play an essential role to support the delivery of municipal services. With a smaller household count, the City's cost per household is still below the average of the comparator group.

Municipality	No. Wards	No. Elected Officials
City of North Bay	-	11
City of Greater Sudbury	12	13
City of Peterborough	5	11
City of Sault Ste Marie	5	11
City of Waterloo	7	8



Source – KPMG analysis of annual Financial Information Returns, Schedule 02 & 40

Municipality	Governance Cost per Household	Corporate Management Cost per Household	Program Support Cost per Household
City of North Bay	\$44	\$275	\$178
City of Greater Sudbury	\$47	\$353	\$330
City of Peterborough	\$60	\$295	\$379
City of Sault Ste Marie	\$66	\$23	\$169
City of Waterloo	\$34	\$180	\$304



The City of North Bay – Organizational Review

Service perspectives

Recreation Program Revenue and Expense per Household

Each municipality has its individual approach to deliver recreational services to its residents and communities, which often drives how resources are allocated.

The City of North Bay provides limited programming (e.g., after school program). Majority of programming is provided by community groups while the City provides the facilities. Since the City provides limited recreation programming, the City earns a limited amount of user fees. Revenues reported on this slide exclude revenues from facility rentals.

The City of Waterloo and City of Peterborough employs full time and part time staff to directly deliver recreation programs to pre-school, youth, adult, and senior groups. Programs range from aquatics and sports to arts and culture. Greater Sudbury and Sault Ste Marie recreation programs such as aquatics, sports, day camps, recreational and cultural activities, are delivered directly and through community partners.



Measure Names
 ■ OpEx per household
 ■ User Fees per Household

Source – KPMG analysis of annual Financial Information Returns, Schedule 2, Schedule 12 & Schedule 40

The City of North Bay – Organizational Review

Service perspectives

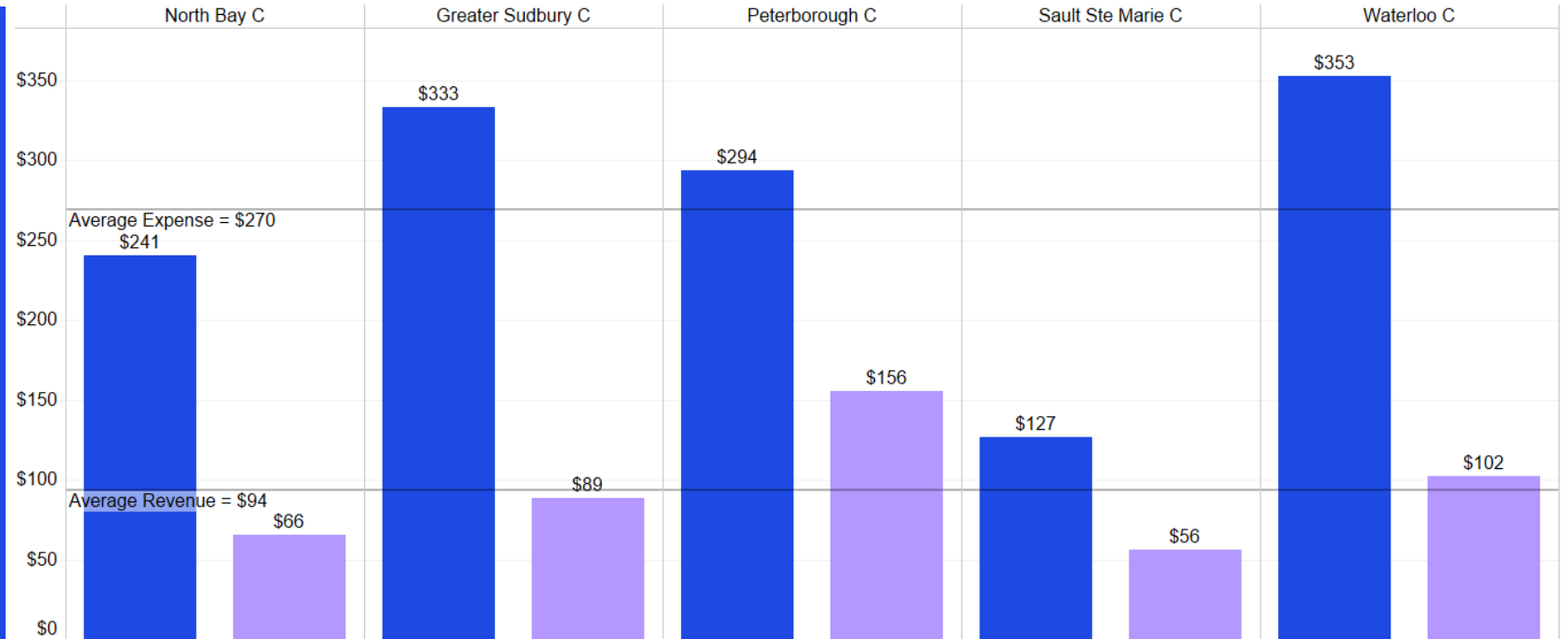
Recreation Facilities Revenue and Expense per Household

The number and mix of recreation facilities each municipality owns and operates, including building condition, impacts the spending level.

Investment has been made by all municipalities to operate and maintain their recreation facilities.

Greater Sudbury has a large mix of recreational facilities (14 buildings) that is driving a higher cost per household.

The City of Waterloo has expanded two recreation facilities that became multi-purpose complexes; hence, a high cost per household. Similarly, the City of Peterborough invested in building a twin pad arena which increased its recreation facilities cost.



Measure Names
 ■ OpEx per household
 ■ User Fees per Household

Source – KPMG analysis of annual Financial Information Returns, Schedule 2, 40 & 80D

Municipality	Major Facilities (exclude cultural facilities)	Indoor Recreation Facility Space	Outdoor Recreation Facility Space
City of North Bay	Marina, 3 arenas, skatepark, YMCA aquatic centre	15,234 m ²	130,000 m ²
City of Greater Sudbury	14 arenas and community centres, workout centre, 5 pools (including one at recreation centre), 9 youth centres	113,577 m ²	42,810 m ²
City of Peterborough	Marina, Sport & Wellness Centre, 2 community centres/arenas	53,926 m ²	84,646 m ²
City of Sault Ste Marie	4 community centres and pools, 2 sports complexes	36,240 m ²	348 m ²
City of Waterloo	4 community centres/sports complexes	56,915 m ²	512 m ²

Source – KPMG analysis of annual Financial Information Returns, 80D, municipal websites

The City of North Bay – Organizational Review

Service perspectives

Parks Expense per Household

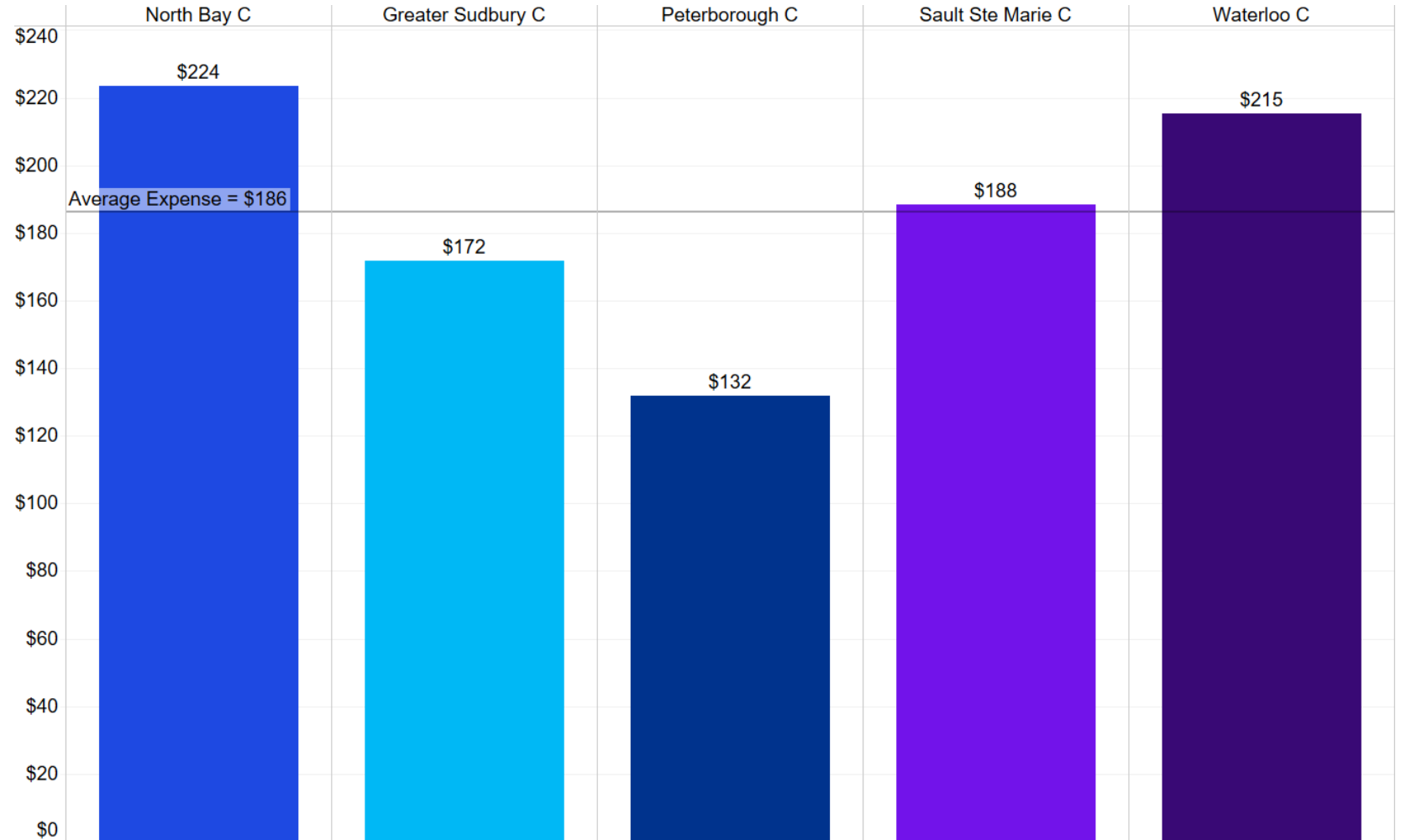
Spending levels of parks are subject to the amount of trails and park land a municipality maintains and the associated service levels it delivers.

The City of North Bay Parks Expense supports various outdoor amenities, such as 27 neighbourhood parks, eight district parks, 24 city-wide parks, 24 playgrounds, 12 soccer fields, a dog park, splash pad, 11 outdoor rinks, a skateboard park, 12 diamond fields, four basketball courts, tennis courts, numerous beach access areas, etc. With the smallest household count amongst the comparator group, the average cost per household is driven upwards for the City.

Municipality	Total KM of trails	Total count of parks
City of North Bay	36 km*	73
City of Greater Sudbury	177 km	186
City of Peterborough	33 km	108
City of Sault Ste Marie	93 km	74
City of Waterloo	167 km	72

Note: The City of North Bay reported 19km of trails in the 2022 FIR. Data should be 36km.

Source – KPMG analysis of various public sources including municipal websites and master plans.



Source – KPMG analysis of annual Financial Information Returns, Schedule 2 & 40

The City of North Bay – Organizational Review

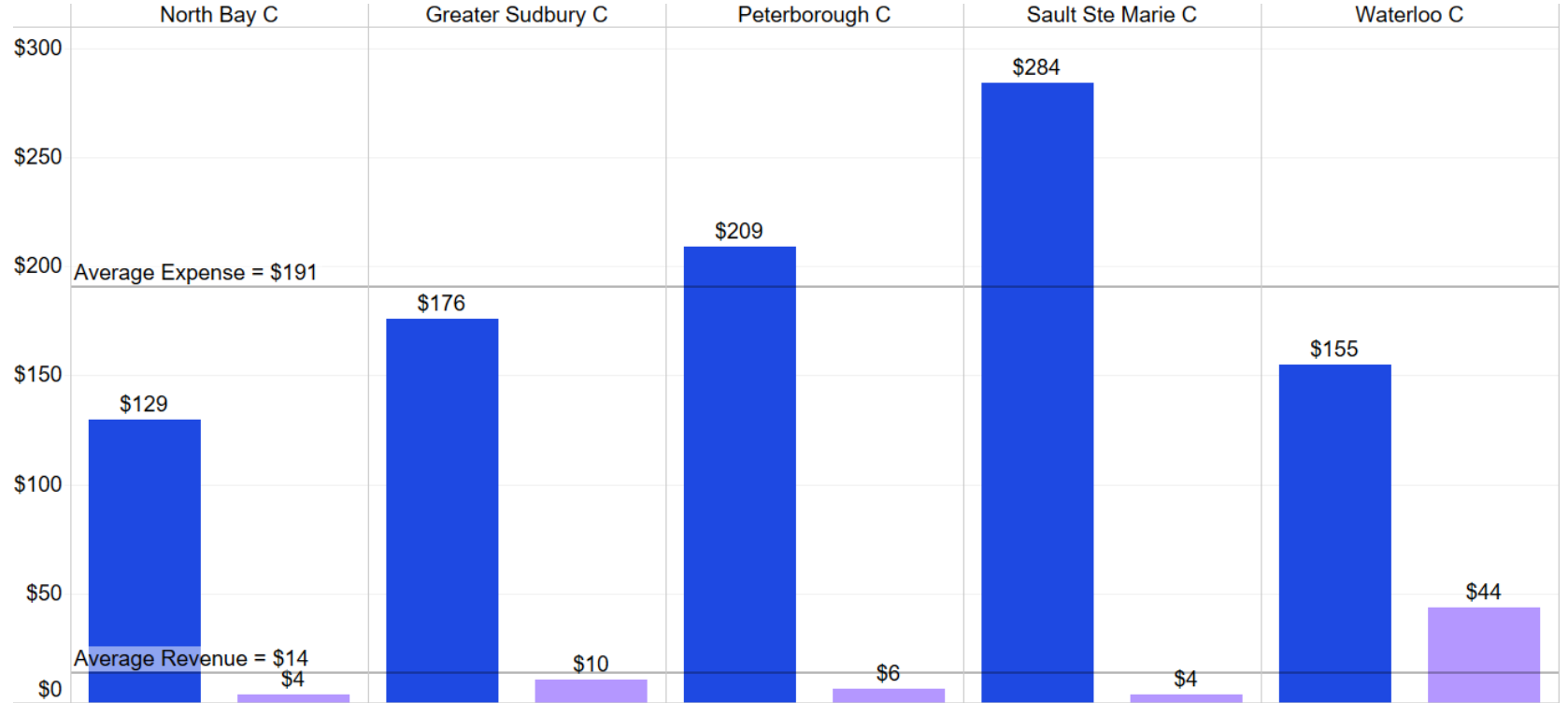
Service perspectives

Planning and Development Revenue and Expense per Household

Planning and development expenses include planning and zoning, commercial and industrial expenses. Spending levels are a reflection of development activities at a municipality. North Bay's expenses also include economic development and Downtown Improvement Area.

As a percentage of gross planning and development expenses, the City of North Bay had the second lowest recovery of cost through user fees among the comparator group. However, the City also reported the lowest average expense per household. Likewise, the levy impact per household (expense per household less revenue per household) was the second lowest among the comparator group at approximately \$125 per household.

Municipality	Cost Recovery
City of North Bay	3%
City of Greater Sudbury	6%
City of Peterborough	3%
City of Sault Ste Marie	1%
City of Waterloo	28%



Measure Names

- OpEx per household
- User Fees per Household

Source – KPMG analysis of annual Financial Information Returns, Schedules 02, 12, 40, 80D

Municipality	New Residential Units within Settlement Areas (2022)	Total New Residential Units (2022)	Total New Secondary Units (2022)
City of North Bay	129	129	0
City of Greater Sudbury	287	366	34
City of Peterborough	303	303	87
City of Sault Ste Marie	344	351	2
City of Waterloo	1,399	1,399	0



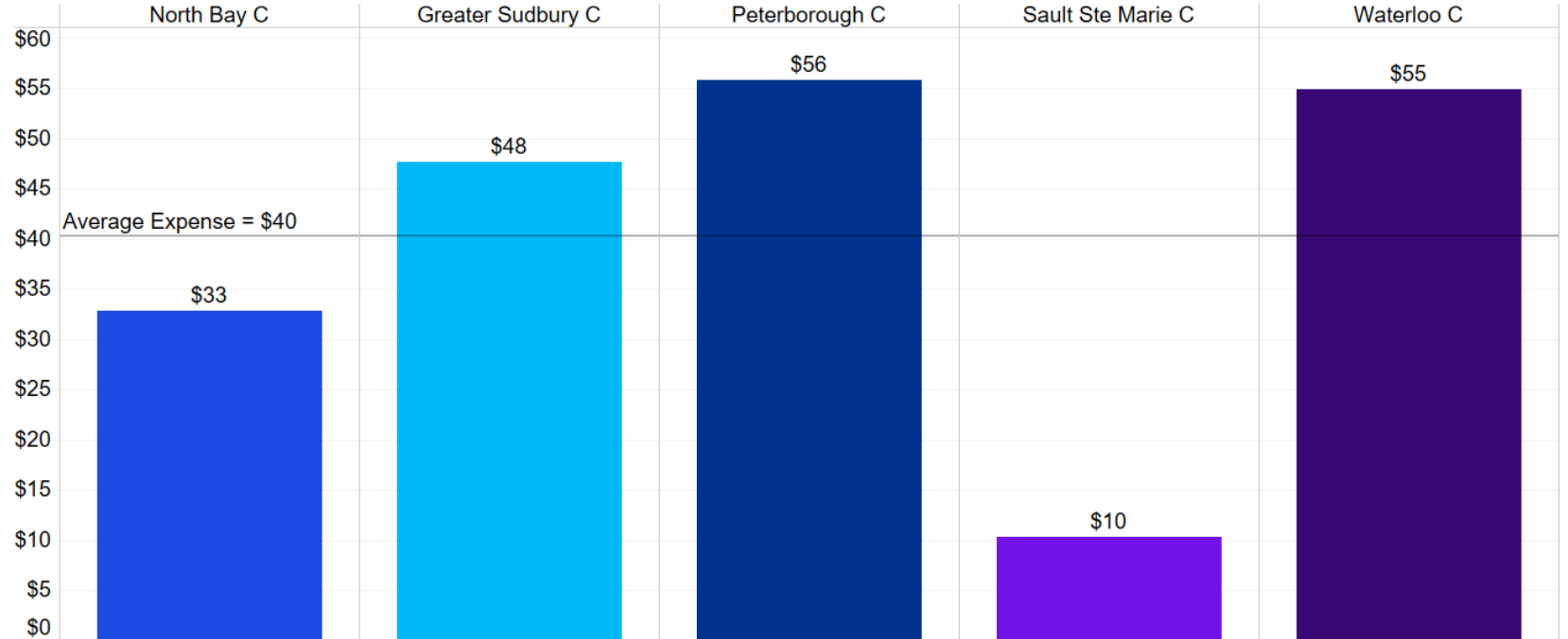
The City of North Bay – Organizational Review

Service perspectives

Building Permit and Inspection Services per Household

Subject to the application type, there is a timing difference between when costs are incurred to process applications and when user fees are collected.

The City reported below average expense per household among the comparator group for building permit and inspection services. In 2022, the City had mid-range construction activity (547 building permits processed) compared to the other municipalities.



Municipality	Obligatory Res. Funds, Deferred Rev. Building Code Act
City of North Bay	\$1,218,005
City of Greater Sudbury	\$0
City of Peterborough	\$2,194,087
City of Sault Ste Marie	\$820,577
City of Waterloo	\$0

Source – KPMG analysis of annual Financial Information Returns, Schedule 02, 12, 40, 60, 80A, 80D

Municipality	Total Number of Building Permits	Total Value of Construction Activity (based on permits issued)	Total Number of Complete and Incomplete Applications
City of North Bay	547	\$ 218,098,352	560
City of Greater Sudbury	1,828	\$ 241,251,331	1,758
City of Peterborough	310	\$ 211,895,829	829
City of Sault Ste Marie	1,254	\$ 258,978,719	505
City of Waterloo	109	\$ 398,422,752	994

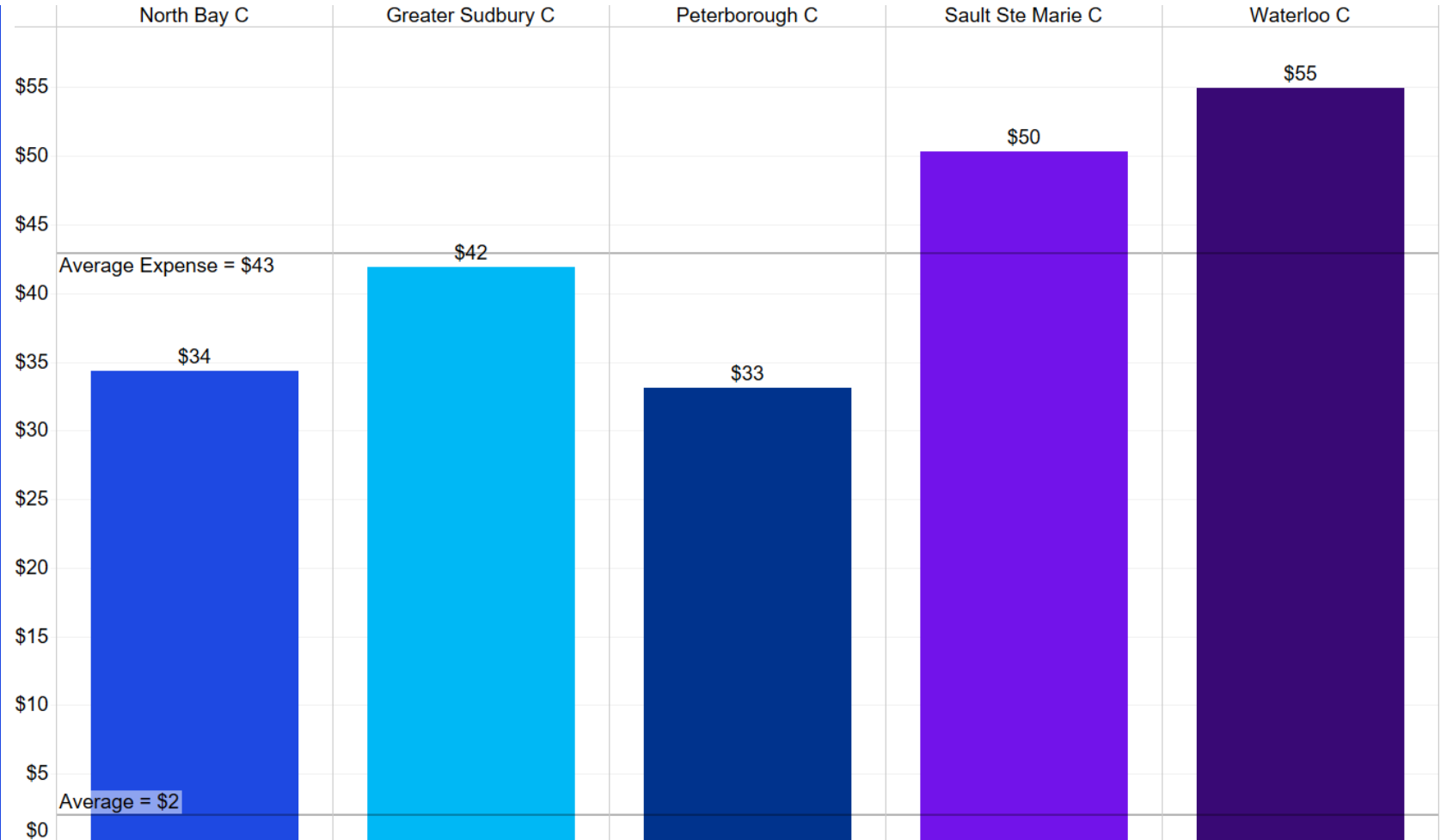


The City of North Bay – Organizational Review

Service perspectives

Protective Inspection and Control (PIC) Expense per Household

Protective inspection and control expenses primarily consists of bylaw enforcement, property standards, and other enforcement related expenses. The service delivery approach (in-house vs. contracted resources) impacts the spending level. The types and volume of enforcement activities established under municipal bylaws also impact spending levels.



Source – KPMG analysis of annual Financial Information Returns, Schedule 02, 10, 12 & 40



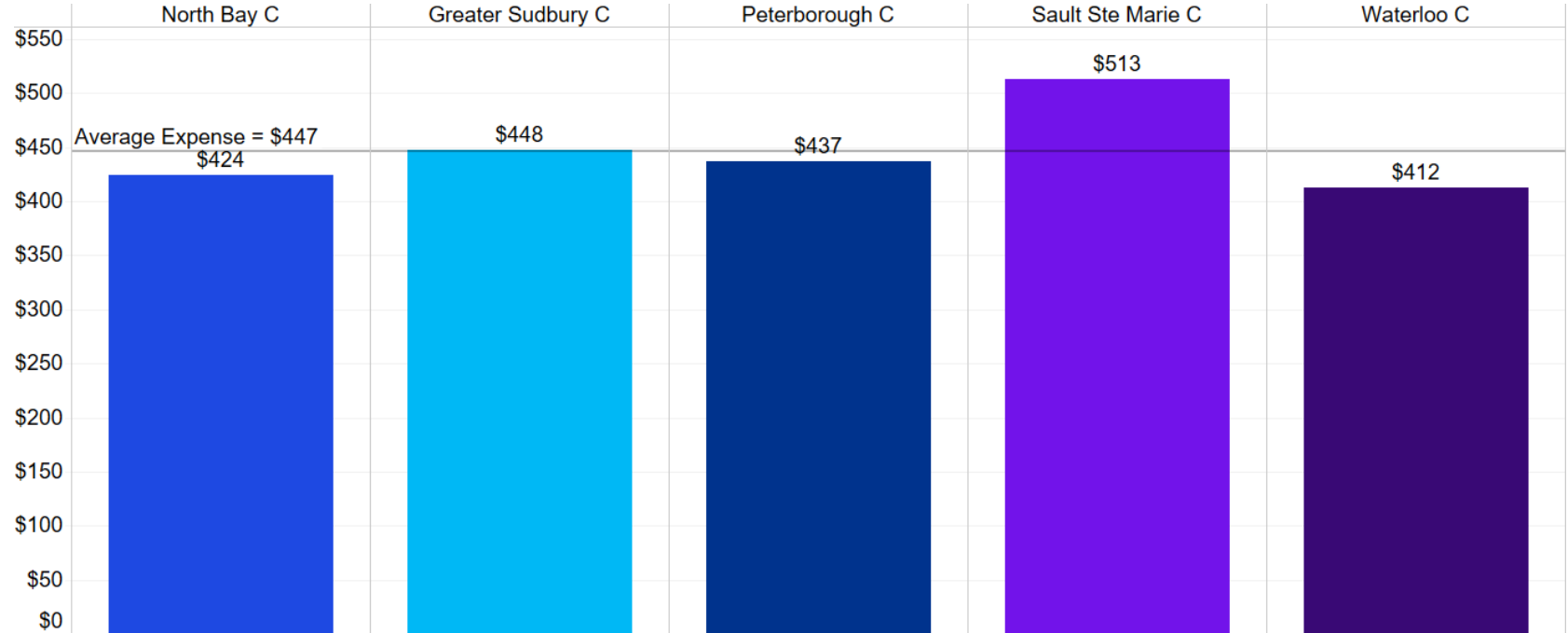
The City of North Bay – Organizational Review

Service perspectives

Water Treatment and Distribution Expense per Household

The City's total expense per household in 2022 is the 2nd lowest among the comparator group and the total expense per megalitre of drinking water treated is the lowest. Upgrades to the City's infrastructure condition may have contributed to cost efficiencies compared to prior years.

The water (and wastewater system) for the City of Waterloo is managed in a two-tier system with the Region of Waterloo. The City is responsible for the distribution of water but the treatment of drinking water is carried out by the Region. Therefore, the City incurs the lowest cost per household among the comparator group.



Source – KPMG analysis of annual Financial Information Returns, Schedule 02, 40, 51A - 51C

Municipality	Total Megalitres of Drinking Water Treated (a)	Total Water Treatment and Distribution/Transmission Expense (b)	Expense per Megalitre (b/a)
City of North Bay	8,025.000	\$ 9,948,992	\$ 1,240
City of Greater Sudbury	19,177.011	\$ 34,010,409	\$ 1,773
City of Peterborough	10,117.700	\$ 16,626,038	\$ 1,643
City of Sault Ste Marie	11,016.000	\$ 17,166,989	\$ 1,558
City of Waterloo	-	\$ 20,959,425	-

Source – KPMG analysis of annual Financial Information Returns, Schedule 80D, 40

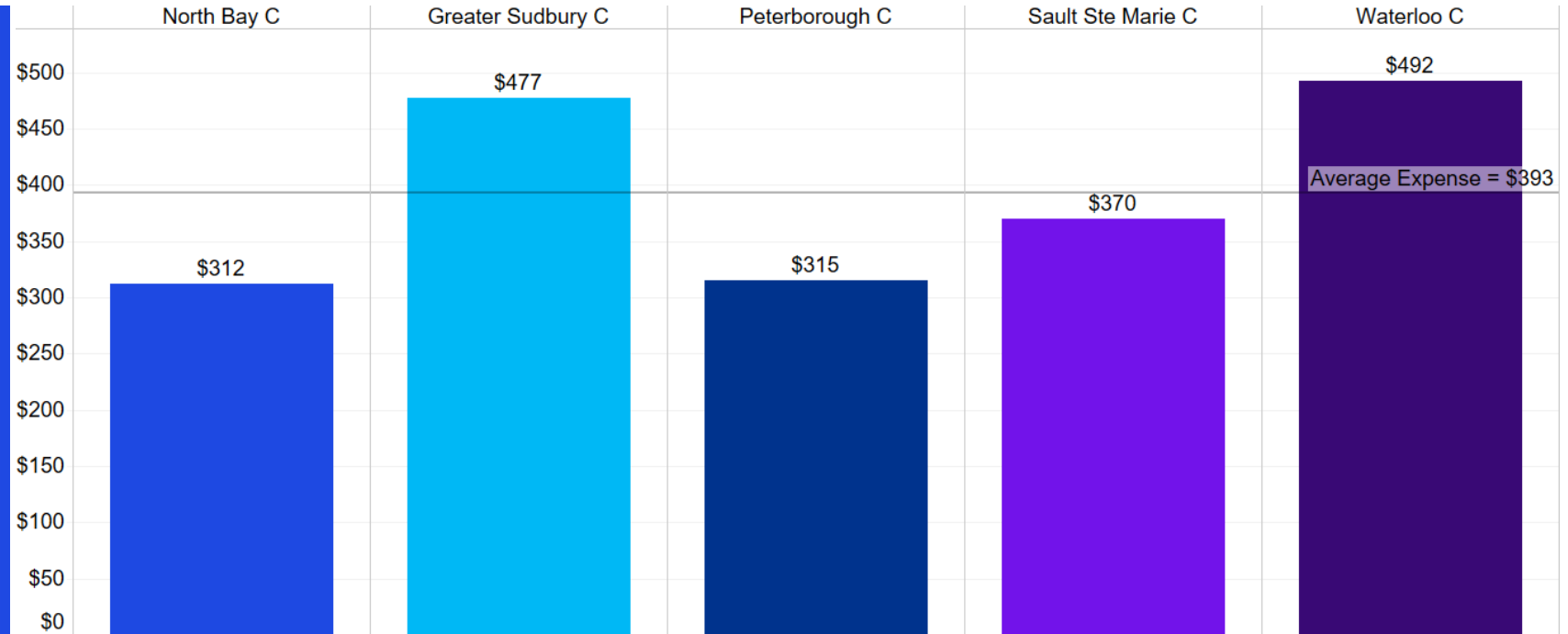
The City of North Bay – Organizational Review

Service perspectives

Wastewater Collection and Treatment Expense per Household

The City's total expense per household in 2022 is the lowest among the comparator group. Similarly, the City reported the lowest average expense per megalitre of wastewater collected and treated.

The wastewater system for the City of Waterloo is managed in a two-tier system with the Region of Waterloo, which is a different service delivery approach than the comparator group. The City is responsible for the collection of wastewater. All other components of wastewater services are delivered by the Region. The high operating cost per household reflects the different service delivery approach.



Source – KPMG analysis of annual Financial Information Returns, Schedule 02, 40 & 80D

Municipality	Total Megalitres of Wastewater Treated (a)	Total Wastewater Collection/Conveyance and Treatment/Disposal Expense (b)	Expense per Megalitre (b/a)
City of North Bay	11,956.000	\$ 8,385,181	\$ 701
City of Greater Sudbury	25,529.400	\$ 37,315,918	\$ 1,462
City of Peterborough	14,323.423	\$ 13,269,461	\$ 926
City of Sault Ste Marie	14,667.438	\$ 14,002,574	\$ 955
City of Waterloo	-	\$ 23,806,834	-

Source – KPMG analysis of annual Financial Information Returns, Schedule 80D, 40

Note: Sault Ste Marie misreported Total Megalitres of Wastewater collected and treated by a factor of 1,000. The analysis on this slide uses the accurate figure.

The City of North Bay – Organizational Review

Service perspectives

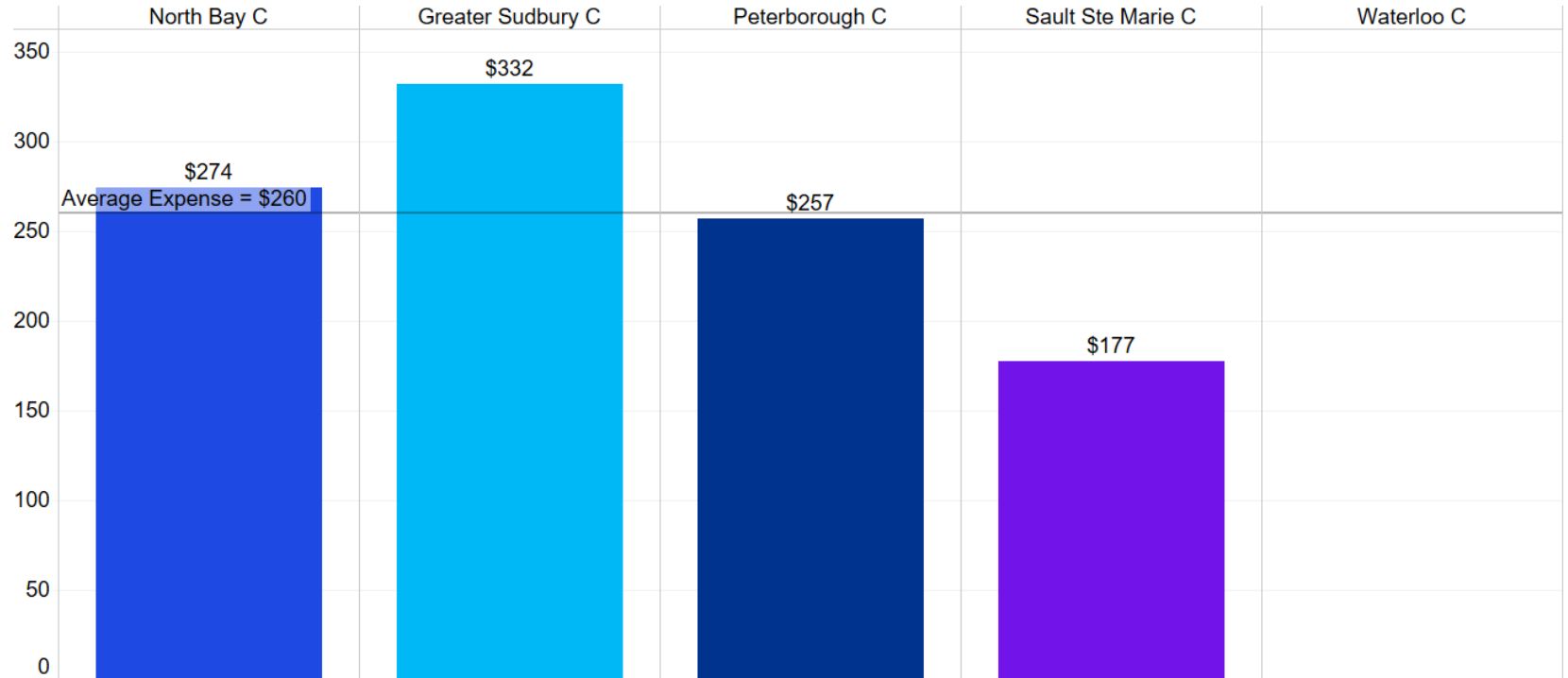
Solid Waste Services Expense per Household

Expenses include solid waste collection and disposal, and waste diversion expenses.

The City's solid waste services expense per household is close to the comparator average. However, the City reported the lowest tonnes of solid waste diverted. Diversion rates are often impacted by a municipality's garbage and recycling collection policies and schedules. The City of North Bay delivers weekly garbage collection and bi-weekly recycling.

Greater Sudbury and Peterborough provide bi-weekly garbage and weekly recycling collection. Sault Ste Marie collects garbage and recyclable material weekly.

The Region of Waterloo delivers solid waste management services on behalf of the City of Waterloo and all lower-tier municipalities.



Municipality	Total tonnes of solid waste collected from all property classes	Total tonnes of solid waste disposed of from all property classes	Total tonnes of solid waste diverted from all property classes
City of North Bay	31,903	43,862	3,243
City of Greater Sudbury	35,810	91,774	31,967
City of Peterborough	15,271	17,532	22,149
City of Sault Ste Marie	Data not provided	Data not provided	Data not provided
City of Waterloo	-	-	-

Source – KPMG analysis of annual Financial Information Returns, Schedule 02, 40 & 80D



The City of North Bay – Organizational Review

Service perspectives

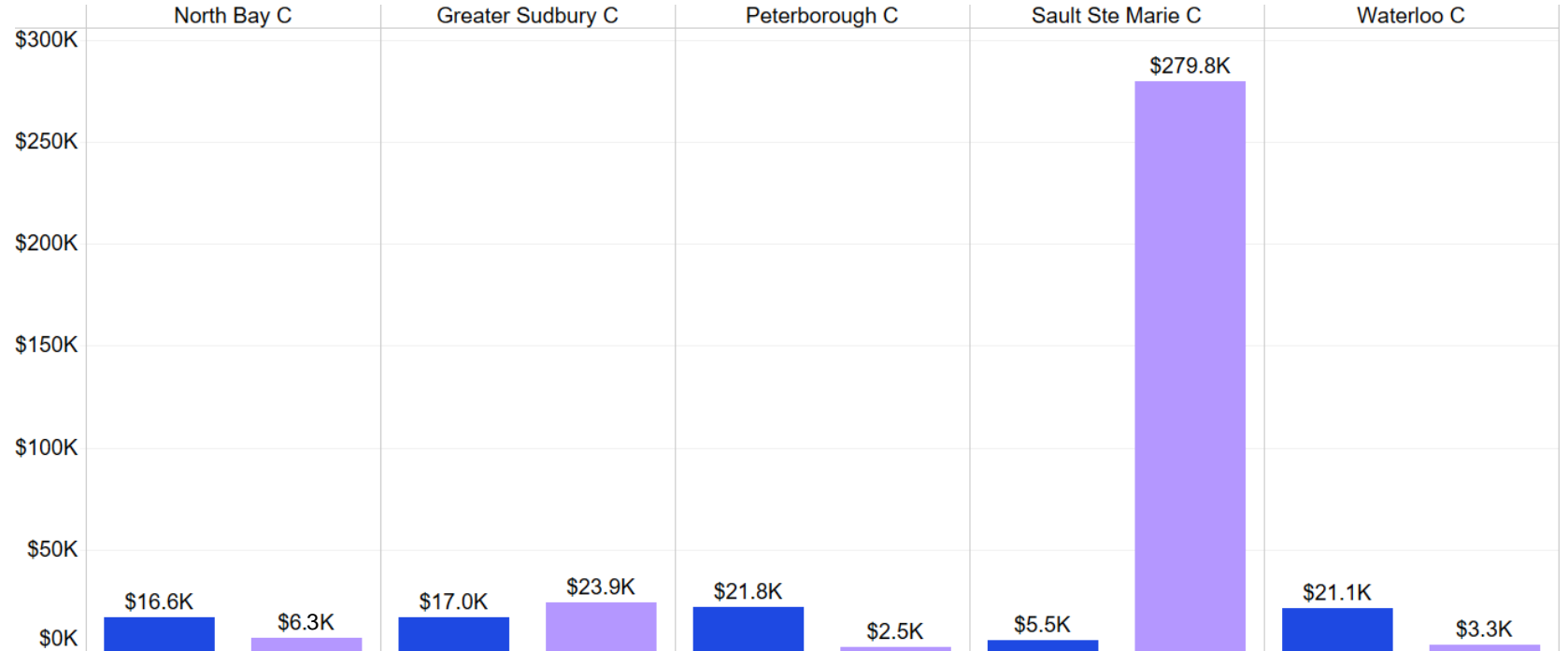
Total Road Maintenance per Lane Kilometre

A lane kilometer is calculated by multiplying the total number of kilometers in the municipal road network by the number of lanes.

Summer road maintenance expense per lane kilometre is calculated by taking the total paved road expense divided by the total paved lane kilometres of roads maintained. Winter control expense per lane kilometre is calculated by taking the total winter control expense by the total lane kilometre maintained in winter.

Peterborough and Waterloo are geographically located in the southern part of Ontario, hence, winter maintenance cost is lower than cities in the north.

Municipality	Total Lane Km maintained in winter
City of North Bay	852
City of Greater Sudbury	1,213
City of Peterborough	1,014
City of Sault Ste Marie	22
City of Waterloo	849



Measure Names

- Summer Maintenance per Lane KM
- Winter Expense per Lane KM

Note – Summer maintenance expense per lane km only accounts for paved roads

Municipality	Paved Lane Km (a)	Unpaved Lane Km (b)	Total Lane Km (a+b)	Paved Road Conditions Rated as Good to Very Good (c)	% of Good to Very Good Road Conditions (c/a)
City of North Bay	827	25	852	460	56%
City of Greater Sudbury	2,987	618	3,605	1,213	41%
City of Peterborough	978	2	980	287	29%
City of Sault Ste Marie	1,224	22	1,246	461	38%
City of Waterloo	849	-	849	589	69%

Source – KPMG analysis of annual Financial Information Returns, Schedule 02, 40 & 80D

The City of North Bay – Organizational Review

Service perspectives

Fire Expense per Household

Despite reporting the fewest full-time fire positions employed, the City of North Bay reported the highest average expense per household among the comparator group. With the smallest household count amongst the comparator group, the average cost per household is driven upwards for the City.

The City of Greater Sudbury operates a composite full-time career and volunteer firefighter model to cover the relatively large geographic area. The City also has mutual aid agreements to cover communities in the outer limits of the City's jurisdiction.

The cities of Peterborough, Sault Ste Marie and Waterloo operate a full-time career firefighter model with no part-time or volunteer firefighters.



Source – KPMG analysis of annual Financial Information Returns, Schedules 02, 40

Municipality	No. Fire Stations	Area Square Km	Total Fire Expense	Cost per Area Square Km
City of North Bay	4 (1 station is inactive and unstaffed)	316	\$14,672,351	\$46,431
City of Greater Sudbury	25	3,186	\$33,032,293	\$10,368
City of Peterborough	3	65	\$17,492,293	\$269,112
City of Sault Ste Marie	4	222	\$17,333,966	\$78,081
City of Waterloo	4	64	\$21,694,681	\$338,979



Appendix D

Service Profiles

Service profile development

Service Profile Development

KPMG developed **27 service profiles** to reflect the current state of service delivery across all in-scope service areas throughout the City.

Engaging Internal Stakeholders

KPMG conducted interviews with department heads to identify staffing structure, service delivery, and other items. As part of the project, KPMG held interviews with the City’s Senior Management Team and divisional management to gain an understanding of service delivery.

Service Type	Description
Mandatory (Must Do)	Service is mandated or required by legislation. Deemed to be a required service.
Essential (Should Do)	Not legislatively required, but service is necessary for the municipality to operate reasonably. Deemed to be a required service.
Traditional (Can Do)	The service is historically provided by all peer municipalities. Each service in this classification will be further examined to find out whether circumstances are changing in a way that would impact whether the service is still required or appropriate.
Discretionary (Nice to Do)	Service is offered by the municipality to respond to particular community needs, based on a positive business case, or other specialized purposes. Each service will be further reviewed to determine if the business case is still valid and the service is still required.

*Some departments deliver a combination of different service types. The main service type is captured in the summary and sub-service type is captured in the sub-services table.

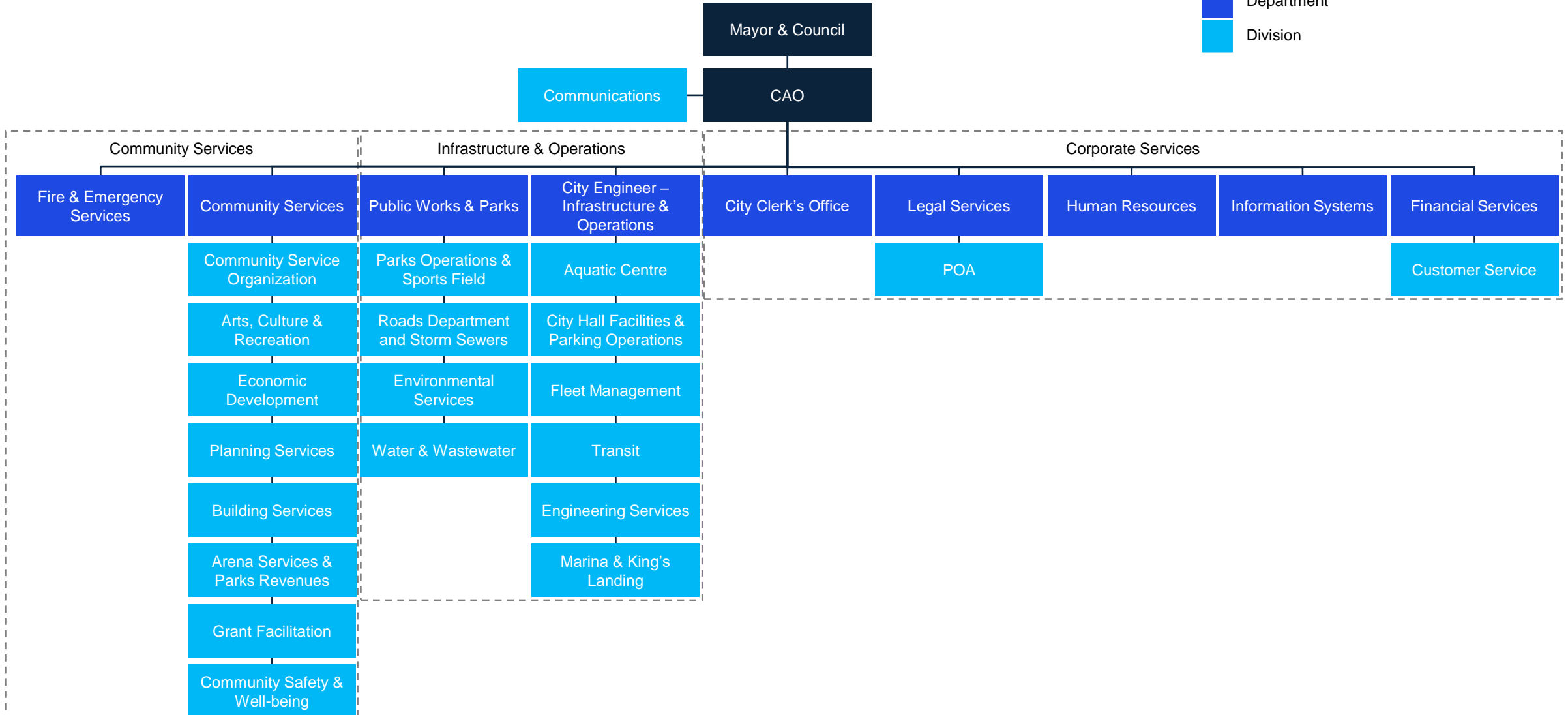
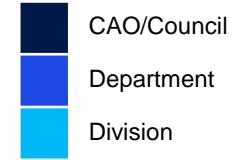
Service Level Assessment

A qualitative assessment of performance against service levels based on interviews and review of documentation provided by the City. Service level targets are set either by legislation, City By-law, or Council/management direction. If a service area or sub-service is evaluated to be “at target”, the current performance is considered to meet (neither exceed nor fall behind) service level targets.

Service profiles are organized by the City’s current organizational structure and service delivery approach.

Department	Service Area
General Government (2)	<ul style="list-style-type: none"> Mayor & Council Office of the CAO
Corporate Services (6)	<ul style="list-style-type: none"> City Clerk’s Office Financial Services Human Resources Information Systems Customer Service Legal Services
Community Services (7)	<ul style="list-style-type: none"> Community Services Administration – Grant Facilitation, Community Safety & Well-being Arena Services & Parks Revenues Arts, Culture, & Recreation Economic Development Planning Services Building Services Fire & Emergency Services
Infrastructure & Operations (12)	<ul style="list-style-type: none"> Aquatic Centre City Hall Facilities Parking Operations Fleet Management Transit Engineering Services Public Works Administration Parks Operations & Sports Field Complex Marina & King’s Landing Roads Department and Storm Sewers Environmental Services Water & Wastewater

City of North Bay organizational structure



01

General Government

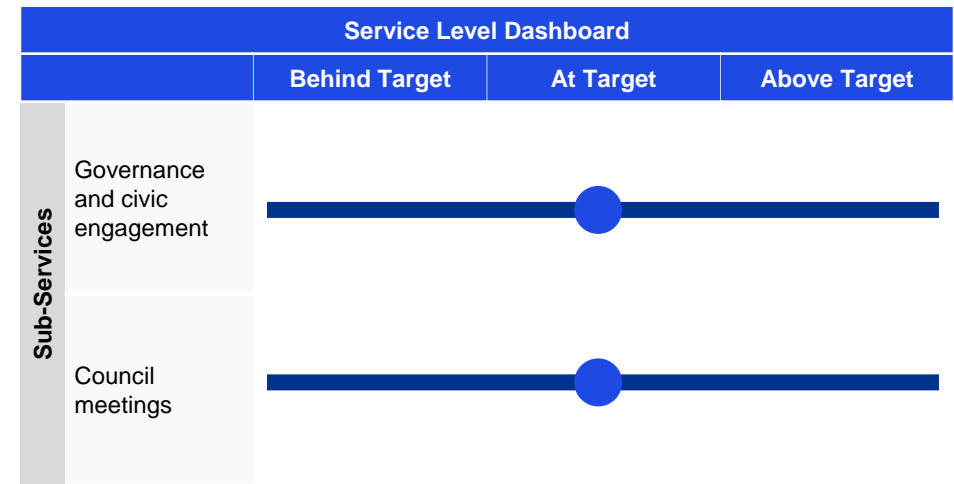
The City of North Bay – Organizational Review

Mayor & Council

Department	
General Government	
Service Type	
Mandatory	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 427
Goods & Services	\$ 140
Financial Expenses	-
Subtotal	\$ 567
Minor Capital Expense	\$ 1
Transfer to Reserve	-
Internal Transfers	-
Total Operating Expense	\$ 568
Total Operating Revenues	(\$ 0)
Net Levy	\$ 568
Total Governance Positions	11

Service Description	
<p>Council is an elected body that conducts regular meetings to address issues facing the City; representing the public and considering the well being and interests of the City, including:</p> <ul style="list-style-type: none"> Strategic direction of operations and services provided by the City; Developing and evaluating the policies and programs of the City, and; Maintaining the financial integrity of the City. <p>The City of North Bay is currently governed by the Mayor and 10 Councillors (including the Deputy Mayor) for a total of 11 elected officials.</p>	

Sub services		
Governance and civic engagement	Mandatory	<p>Governance and civic engagement includes activities conducted by Council to support public interest and how staff deliver on those interests. Activities include understanding priorities and concerns, and establishing action plans to address public concerns.</p>
Council meetings	Mandatory	<p>The City of North Bay regular by-weekly Committee and Council meetings.</p>



Service Level Rationale	
<ul style="list-style-type: none"> Elected Officials provide mandated services pursuant to the Municipal Act and Municipal Elections Act. Council is operating at the target service level of providing leadership and governance and also serving as the voice of the community. Key constituent concerns are discussed through the Committees, and recommendations from Committees are reported to the Council as a Whole. Committees are advisory in nature, and each committee comprises of Council and other members. Some stakeholders suggested that the City's electoral structure could be re-evaluated to introduce a ward system. 	

Note – General Government also includes revenues and expenses that are not allocated to service areas. Positions are also charged here that are not captured in the department e.g., Finance.



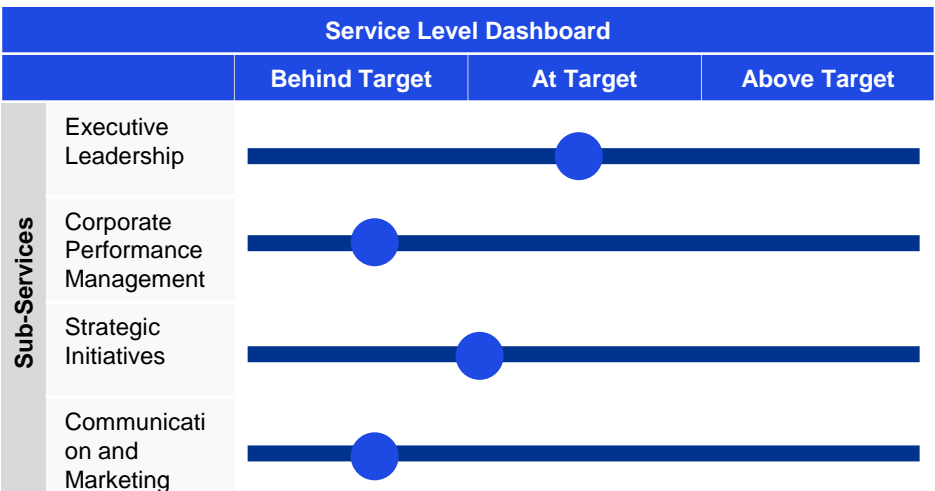
The City of North Bay – Organizational Review

Office of the CAO

Department	
General Government	
Service Type	
Mandatory	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 521
Goods & Services	\$ 66
Financial Expenses	-
Subtotal	\$ 588
Minor Capital Expense	-
Transfer to Reserve	-
Internal Transfers	-
Total Operating Expense	\$ 588
Total Operating Revenues	(\$ 104)
Net Levy	\$ 484
FTE	2.58

Service Description		
The CAO provides the overall leadership and direction for all the City's departments, divisions, and operational units. This includes strategic planning, execution of strategic initiatives and management of business operations. In addition to department heads, the CAO directly oversees Communications.		

Sub services		
Executive Leadership	Essential	Provides strategic and operational leadership. Key activities include goal setting, strategic thinking and effective execution of strategic initiatives.
Corporate Performance Management	Essential	Monitoring service delivery and operational performance of the City's departments and operational units.
Strategic Initiatives	Essential	Leading the research, planning, implementation and evaluation of strategic programs (e.g., economic development, affordable housing).
Communication and Marketing	Traditional	Communications supports the organization by providing strategic and tactical communications to inform the public and employees on municipal matters.



- | Service Level Rationale | |
|--|--|
| <ul style="list-style-type: none"> • CAO administration is an essential service that provides strategic direction and support to departments and operational units. • The organization as a whole is performing at target with opportunities for continuous improvement. However, communication was raised as an area for improvement by stakeholders. • The City has established its 2017 – 2027 Community-Based Strategic Plan. Environmental sustainability, economic growth, community well-being, fiscal responsibility, and responsible and responsive government are priorities of the City. There is opportunity to better synchronize the City's master plans and business plans to better coordinate resources and implementation efforts of strategic priorities across service areas. • The CAO currently has a wide span of control. The reporting structure could be re-evaluated to improve the CAO's span of control. • Stakeholder feedback suggested that more leadership and clarity is needed on monitoring corporate performance and managing strategic initiatives. | |



02

Corporate Services

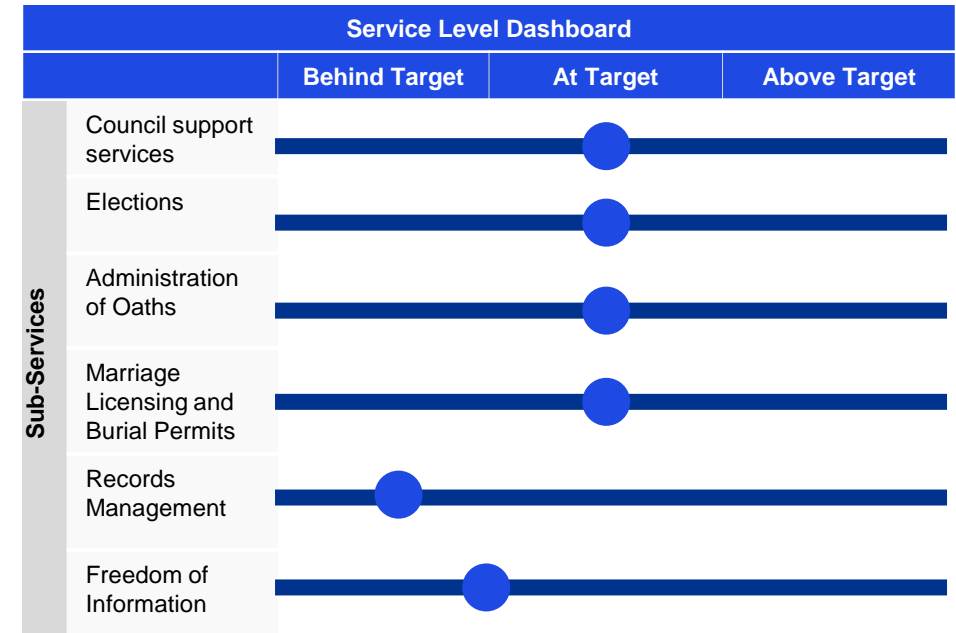
The City of North Bay – Organizational Review

City Clerk's Office

Department	
Corporate Services	
Service Type	
Mandatory	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 459
Goods & Services	\$ 34
Financial Expenses	\$ 1
Subtotal	\$ 493
Minor Capital Expense	\$ 1
Transfer to Reserve	\$ 60
Internal Transfers	-
Total Operating Expense	\$ 553
Total Operating Revenues	(\$ 163)
Net Levy	\$ 390
FTE	4.00

Service Description		
The Clerk's Office is the main point of contact for the public to inquire and obtain City information. The Division provides support to Council and Committees of Council and manages municipal records. The City Clerk's Office performs statutory duties pursuant to the Vital Statistics Act, processes all Municipal Freedom of Information and Protection of Privacy requests, and actively maintains a central filing system to be used by all City Departments.		

Sub services		
Council support services	Mandatory	Provides administrative support for Council and committees (e.g., agenda preparation, minutes), including support of local agencies, boards, and commissions (ABCs).
Elections	Mandatory	Responsible for municipal elections including election results and election information. Elections are administered according to the Municipal Elections Act.
Administration of Oaths	Mandatory	Commissioner of oaths services, include a formal signing or sworn statements, such as affidavits.
Marriage Licensing and Burial Permits	Mandatory	Oversees marriage licenses and burial permits. Licensing services reviews applications and responds to applicant issues/inquiries as appropriate.
Records Management	Mandatory	Controls the creation, receipt, maintenance, use and disposition of City records, including processes for capturing and maintaining evidence of and information about service activities and transactions in the form of records.
Freedom of Information	Mandatory	Respond to FOI requests per the Municipal Freedom of Information and Protection of Privacy Act.



- ### Service Level Rationale
- The legislative services provided by the Clerk is a mandatory service as aspects of the Clerk's responsibilities are required to be provided by law, for example, the Clerk has the authority to deliver municipal elections under the Municipal Elections Act, 1996.
 - Services are delivered within legislative requirements; however, processes are still highly manual. There is an opportunity to further digitize records via a electronic document management and record retention system. FOI processing is slightly below target as FOI requests are reportedly increasing in complexity and the City needs to improve education and training on how to deal with complex FOIs.
 - More resources are likely needed to make more progress on modernization opportunities. Stakeholders indicated there are no backups for ad hoc projects or unplanned absences. Succession planning is needed to transfer institutional knowledge.



The City of North Bay – Organizational Review

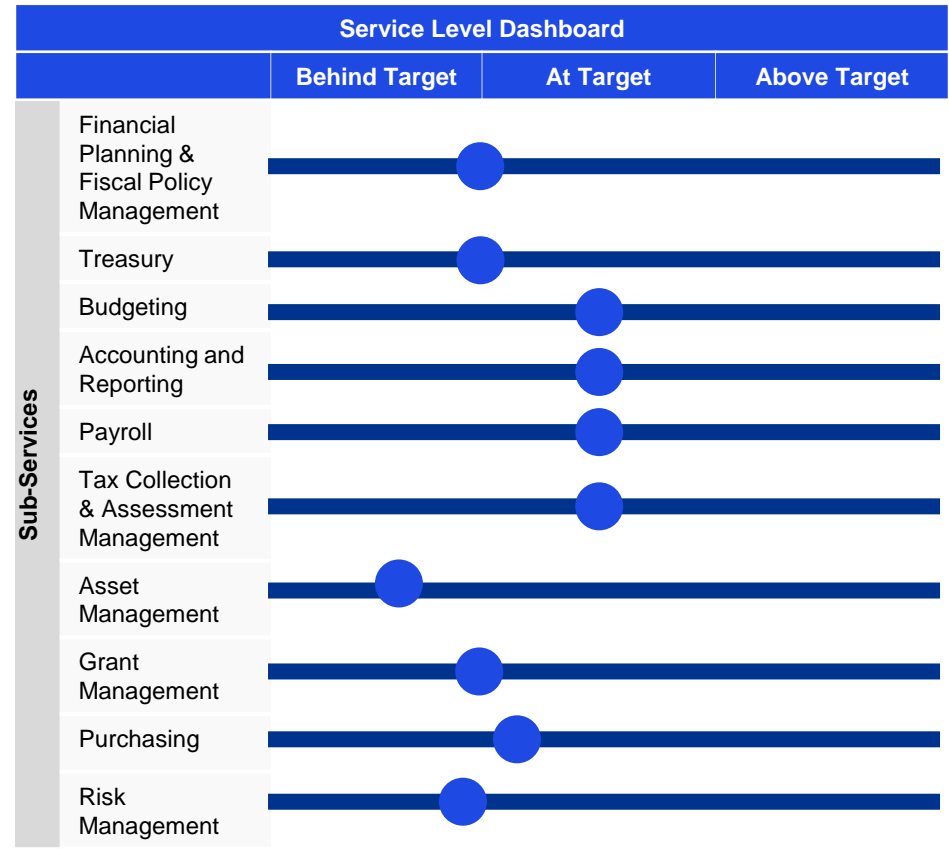
Financial Services

Department	
Corporate Services	
Service Type	
Mandatory	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 2,541
Goods & Services	\$ 178
Financial Expenses	-
Subtotal	\$ 2,719
Minor Capital Expense	\$ 3
Transfer to Reserve	-
Internal Transfers	-
Total Operating Expense	\$ 2,722
Total Operating Revenues	(\$ 1,142)
Net Levy	\$ 1,580
FTE	27.00

Note – 27 report to Financial Services with 3 positions charged to other departments.



Service Description	
Finance ensures that City finances are managed in accordance with legislative and contractual requirements, and provides strategic fiscal advice to Council and municipal departments. The team is responsible for operating and capital budgeting and overall financial planning and development of business plans. Finance also manages and coordinates the delivery of the City’s asset management program. Finance is one of multiple service areas providing services to external ABCs including accounts payable and payroll processing services.	
Sub services	
Financial Planning and Fiscal Policy Management	Develop and oversee corporate fiscal policies, internal controls, annual budget and long-term resourcing approaches to support strategic priorities.
Treasury	Long-term financing, investment management, cash flow management, etc.
Budgeting	Business support for budget and resource planning, strategic procurement support, and other corporate initiatives.
Accounting and Reporting	Accounting and reporting of the City’s financial activities, e.g., accounts receivables and accounts payables.
Payroll Administration	Manage payroll distribution and reporting.
Tax Collection and Assessment Base Management	Preparation, mailing and collection of property taxes (and other corporate revenues). Proactive review of assessment related issues and relationship management with MPAC.
Asset Management	Delivers the corporate asset management program, including development of asset management plans, maintenance of asset management system and asset data, preparation of capital forecasts and funding strategies.
Grant Management	Managing grant programs and compliance reporting requirements.
Purchasing	Supporting the acquisition of goods and services needed by the City, including the development and issuance of RFPs.
Corporate Risk Management	Coordinating insurance and claims management.



- ### Service Level Rationale
- Financial Management Services are classified as mandatory as they are required under provincial legislation: Municipal Act, Pension Benefits Act, Trustee Act, Excise Tax Act, Retail Sales Tax Act, by-laws, Development Charges Act, O.Reg. 588/17, and Grant agreements.
 - The Division has several vacant positions that are currently unfilled. More resources are needed to meet legislative reporting requirements; refresh the City’s financial policies and processes for the ERP project; and advance opportunities to improve the City’s fiscal capabilities.
 - Roles and responsibilities for asset management needs to be further clarified across the City to reach more consistent understanding of capital project plans.
 - The City provides various support services to local ABCs and stakeholders suggested refreshing the Service Level Agreements with these organizations.
 - Purchasing activities and processes were identified as an area of improvement by many stakeholders.

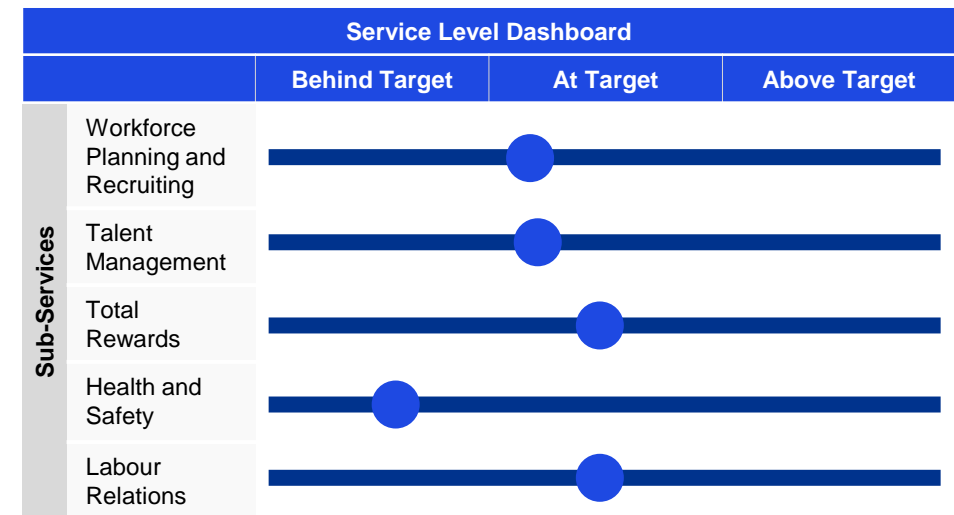
The City of North Bay – Organizational Review

Human Resources

Department	
Corporate Services	
Service Type	
Essential	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 1,194
Goods & Services	\$ 292
Financial Expenses	-
Subtotal	\$ 1,486
Minor Capital Expense	\$ 1
Transfer to Reserve	\$ 120
Internal Transfers	-
Total Operating Expense	\$ 1,608
Total Operating Revenues	(\$ 358)
Net Levy	\$ 1,250
FTE	7.00

Service Description	
Human Resources provides operational human resource management programs and services to support the workforce of the organization and enable the City to meet its business objectives and regulatory requirements.	
The following services are provided:	
<ul style="list-style-type: none"> Talent acquisition, onboarding, and development Performance management Total rewards (compensation, benefits, and other rewards) Health and safety (incident reporting, disability management) Human resource strategy and workforce management 	
The Department also provides services such as pension and benefit administration, and labour relations consultation to ABCs.	

Sub services		
Workforce Planning and Recruiting	Essential	Strategic recruitment and workforce planning support and advice to the City's departments. Also includes recruitment and onboarding activities.
Talent Management	Essential	Talent development, leadership development, and succession planning.
Total Rewards	Mandatory	Organizational compensation, job evaluation, benefit administration, and performance management.
Health and Safety	Mandatory	Occupational health and safety management. Facilitate processes for incident reporting and disability management.
Labour Relations	Mandatory	Managing employer-employee relations in collaboration with employee union including activities such as bargaining and grievance management.



Service Level Rationale	
<ul style="list-style-type: none"> Human Resources is an essential service to support the City's workforce in terms of creating a healthy and productive workplace environment. The City does not have a HRIS (Human Resources Information System) but plans to include HRIS capabilities in the ERP project, such as scheduling, attendance management, absence and overtime bank tracking, learning management, etc. Manual processes have been created to workaround the current NaviLine software. HR has been working on digitizing records. For example, all new employee files are created digitally in 2022, but HR still utilizes physical documentation for personnel files prior to 2022. Health and safety operates in a decentralized model and staff reported limited collaboration between departments. The role of the Health & Safety Advisor in HR varies by department and often involves significant duplication, e.g., supporting policy development for overlapping H&S services across multiple departments. While the size of the City's staffing complement has increased and the City has increase service offerings to ABCs, HR has not increased its staffing resources in recent years, contributing to growing capacity concerns. 	

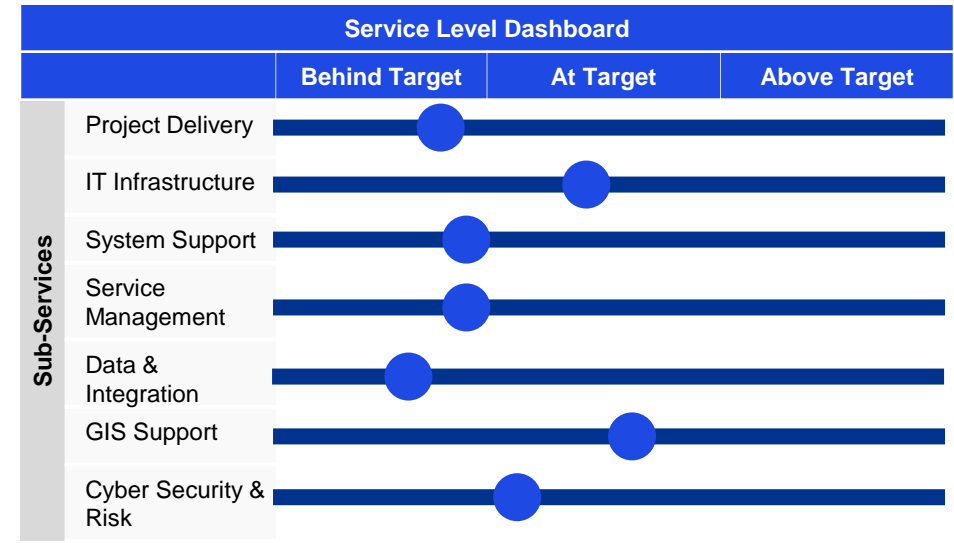


The City of North Bay – Organizational Review

Information Systems

Department	
Corporate Services	
Service Type	
Essential	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 1,609
Goods & Services	\$ 1,128
Financial Expenses	-
Subtotal	\$ 2,737
Minor Capital Expense	\$ 3
Transfer to Reserve	-
Internal Transfers	-
Total Operating Expense	\$ 2,740
Total Operating Revenues	(\$ 917)
Net Levy	\$ 1,823
FTE	13.00

Service Description			
Information Systems (IS) supports over 1,300 users across the City and provides technical support to local agencies, boards, and commissions (e.g., the airport, library, police, DNSSAB, Home for the Aged, and Conservation Authority).			
Some services are provided via third party vendors; response time for those services are dependent on the associated service agreement, for example, web streaming, wireless network support, phone system support and website server support.			
Sub services			
Project Delivery	Essential	End-to-end project management and solution delivery for the City's IT projects.	
IT Infrastructure	Essential	Manage and maintain IT Infrastructure.	
System Support	Essential	Maintain and manage enterprise and business applications, including implementation of innovative and efficient ways to leverage technology and applications.	
Service Management	Essential	Manage end-user devices, and monitoring and mitigation of issues with hardware, software or services.	
Data & Integration	Essential	Support data quality and system integration for analytics and decision-making.	
GIS Support	Essential	Support the compilation and maintenance of geographical data.	
Cyber Security & Risk	Mandatory	Monitoring and assessment of technology usage, advise on technology risks, and provide cyber-security awareness training for all employees.	



- ### Service Level Rationale
- Information Systems services are essential to supporting operations across the City. IS currently has an extensive backlog of IT projects and typically receive 45-50 helpdesk ticket requests per day.
 - The main priority is the ERP project with the objective of consolidating multiple independent software systems throughout the City into a single, integrated solution. Historically, departments at the City have procured software based on isolated business cases without considering organization-wide implications. As a result, there are some instances of overlapping systems and technology capabilities, contributing to challenges in maintaining data integrity and integration, and creating system workarounds that further contribute to inefficient processes.
 - IT infrastructure and systems have become more complex to maintain, and City departments are looking to further digitize processes. However, IT has not increased its staffing resources in recent years, contributing to backlog of IT projects.
 - With new legislation pending, cyber security risk management is expected to have mandatory minimum requirements (Bill c-26 and c-27).
 - No SLAs are currently in place for agreed upon service measures and targets. SLAs for internal departments and external partners are currently being drafted.

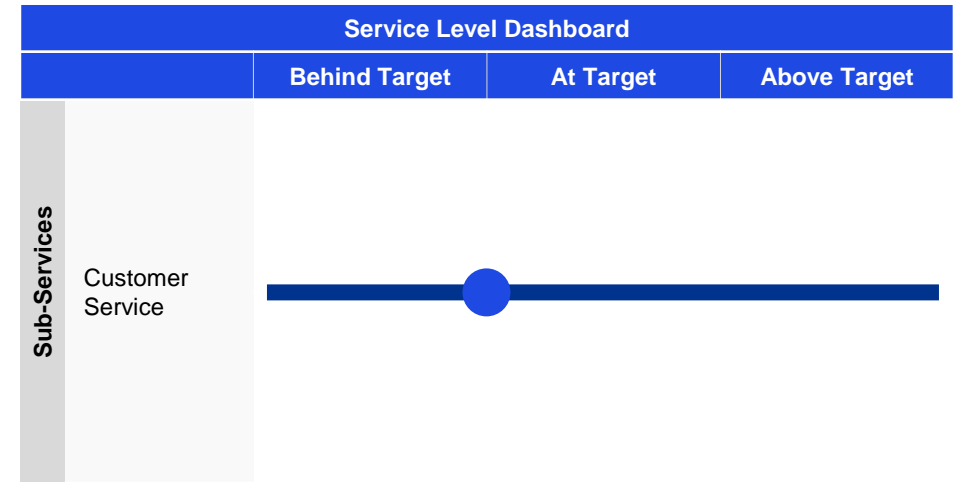
The City of North Bay – Organizational Review

Customer Service

Department	
Corporate Services	
Service Type	
Essential	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 596
Goods & Services	\$ 32
Financial Expenses	\$ 11
Subtotal	\$ 638
Minor Capital Expense	\$ 2
Transfer to Reserve	-
Internal Transfers	-
Total Operating Expense	\$ 340
Total Operating Revenues	(\$ 311)
Net Levy	\$ 329
FTE	7.00

Service Description	
Customer Service provides citizen-facing customer services primarily at City Hall and responds to citizen phone calls and emails.	
Customer service representatives support citizens with general inquiries, making payments, apply for permits, program registration, obtain licenses, and request services/information. Individual departments also provide direct customer service for specific subject matters. The objectives of the Customer Service Centre are:	
<ul style="list-style-type: none"> • Build relationships with the community • Provide comprehensive and accurate responses in a timely manner • Provide accessible customer service • Provide responses that optimize productivity and resources while reducing duplication • Provide a Centre that is customer-oriented and which promotes a safe environment for staff and customers 	

Sub services		
Customer Service	Essential	Provide front-desk support for citizen inquiries and service requests. Customer service is also offered digitally by phone or email. Key service activities: <ul style="list-style-type: none"> • Provide general City information • Process payments (e.g., parking, tax, water and wastewater bills) • Process licenses and permits (e.g., lottery and business licenses, short-term rentals, dog/cat tags, burn permits) • Other common citizen service needs (e.g., City transit passes, general waste bag tags and recycling bins)



Service Level Rationale	
<ul style="list-style-type: none"> • Customer service is an essential service to responding to inquiries and ensuring communication between the City and its citizens and customers. • Services are operating at target for answering calls, emails, and front-desk service needs. However, additional improvement could be made to streamline citizen inquiry intake and response processes. There is an opportunity to consider the business case for a CRM system to proactively manage and track customer inquiries. • Interviewed stakeholders also suggest the City to implement customer service standards throughout the organization to enhance more consistent customer experiences. • Many stakeholders suggested that the City needs to improve its capabilities to process online payments, and improve system integration between the financial and operational software, for example, integration of customer account data (e.g., tax, utility, business license accounts). 	

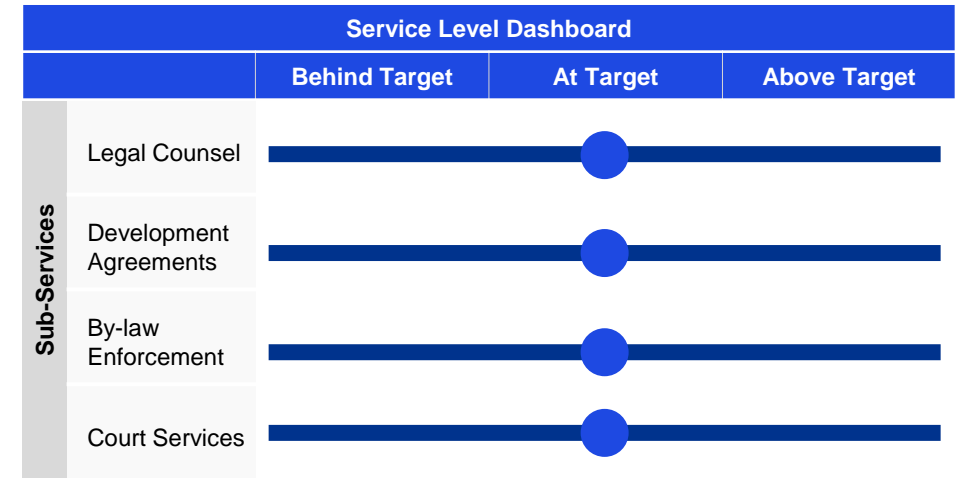
The City of North Bay – Organizational Review

Legal Services

Department	
Corporate Services	
Service Type	
Mandatory	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 1,146
Goods & Services	\$ 757
Financial Expenses	\$ 25
Subtotal	\$ 1,928
Minor Capital Expense	\$ 2
Transfer to Reserve	-
Internal Transfers	\$ 179
Total Operating Expense	\$ 2,110
Total Operating Revenues	(\$ 1,560)
Net Levy	\$ 549
FTE	10.00

Service Description	
Provides legal and counseling services to the City departments, supports real estate and development issues, and protects the City's interests.	
Legal Services also works closely with outside legal counsel on litigation matters and provides general legal and strategic advice/services to the entire corporation on a variety of legal and quasi-legal issues. Legal Services facilitates the proper exercise of municipal powers, activities, and decision-making.	
Legal Services also provides support services to North Bay Public Library Board, North Bay Jack Garland Airport, Invest North Bay Development Corporation, North Bay Hydro Holdings Limited, and North Bay Mattawa Conservation Authority.	
The City operates the Provincial Offences and Court Administration Centre for the North Bay Area which includes Trout Creek to Mattawa to Marten River to the French River, according to the following: a Provincial Memorandum of Understanding; a Municipal Partners' Agreement; a Court House Side Agreement; applicable statutory and common law.	

Sub services		
Legal Counsel	Traditional	Provides legal advice, legal drafting, and review of legal agreements, and representation/advocacy before the courts and tribunals for the City. Oversees outside legal counsel services of litigation support and legal advice, if any.
Development Agreements	Mandatory	Complete and register development agreements based on the approved development applications and conditions.
By-law Enforcement	Mandatory	Responsible for the enforcement of various municipal by-laws, such as noise, parking, property standards, short-term accommodations, etc. Enforcement activities are primarily complaint driven.
Court Services	Mandatory	Provincial Offences Administration, court processing and prosecution of municipal by-law and charges under the Provincial Offences Act.



Service Level Rationale	
<ul style="list-style-type: none"> The City has the authority to enact a broad range of municipal bylaws pursuant to the Municipal Act and other applicable provincial legislation. Enforcement of bylaws is governed by the Provincial Offences Act, the Municipal Act and other applicable legislation. Stakeholders indicated the Division is still working through backlog of legal and court cases that accumulated during the COVID-19 pandemic. Ticket numbers are declining and consequently so have revenues. There is an increase in time to pay being granted by the courts as well as a backlog of Part 1 trial requests. There is an opportunity to review current collection practices to determine if revenues can be increased. The Division currently does not use software to track by-law complaints, and staff suggest the City needs to improve its records management program. Stakeholders suggested that staff need further training to use current City software more efficiently and effectively. Some stakeholders suggest the City to accept electronic signatures for legal agreements. 	

03

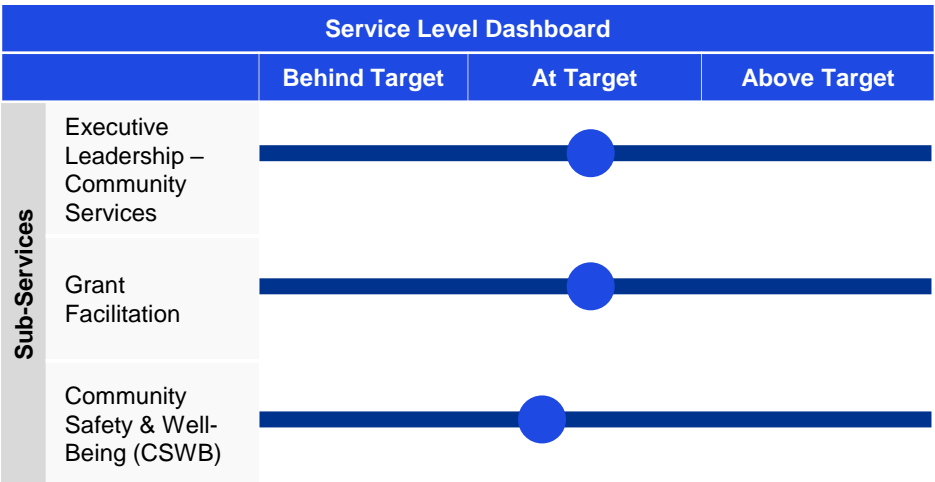
Community Services

Community Services administration

Department	
Community Services	
Service Type	
Traditional	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 465
Goods & Services	\$ 238
Financial Expenses	-
Subtotal	\$ 703
Minor Capital Expense	-
Transfer to Reserve	-
Internal Transfers	-
Total Operating Expense	\$ 703
Total Operating Revenues	(\$ 59)
Net Levy	\$ 644
FTE	3.00

Service Description		
<p>Community Services is led by the Director of Community Services Office, which provides leadership and support for the management and delivery of community-based services. The Office consists of the Director of Community Services overseeing Planning & Building, Economic Development, Arts, Culture, and Recreation, Sports & Events (indoor arenas and sports fields including Omischl Sports Field), Grant Facilitator, and the Community Safety & Well-Being Planner.</p> <p>The Office provides assistance to community groups on community well-being initiatives (e.g., mental health, homelessness, etc.) and facilitates grants and funding agreements.</p>		

Sub services			
Executive Leadership – Community Services	Essential	Oversee the operations and delivery of community-based services. Monitors operational performance to ensure services delivered in accordance with service level standards and strategic priorities.	
Grant Facilitation	Traditional	Leads Funding Access Strategy Team (FAST) a proactive and strategic approach to applying for and securing Provincial and Federal grant funding for City projects. Manages grant application process. Available to work with local non-profits and community groups.	
Community Safety & Well-Being (CSWB)	Mandatory	Through collaborative human service partnerships, oversee, foster, facilitate, consult, and report on the ongoing implementation of the Community Safety and Well-Being Plan for the City of North Bay. Monitors and reviews existing Plan for improvements, amendments, and adjusts to current and emerging social issues in the community.	



Service Level Rationale

- The Director of Community Services office focuses on implementing the City's strategic plan and priorities set by Council.
- With continuing room for improvement in the area of Community Safety and Well-Being, the department believes CSWB is performing at target based on municipal efforts and community work to date, including the formation and commitment of a community collaborative Systems Leaders Advisory Group (SLAG). The CSWB Plan is under review for improvements and additions by the SLAG. However, other stakeholders believe more work and collaboration is needed to proactively address homelessness, addiction, and other social/community issues.
- In a previous organizational structure, Parks services reported to the Director of Community Services, working closely with Arts, Culture, & Recreation Services to administer events and outdoor recreation programming. Following a recent re-organization, Parks was relocated to Infrastructure & Operations. This decision has received mixed reviews throughout the City and was a frequent commenting point in the staff survey.

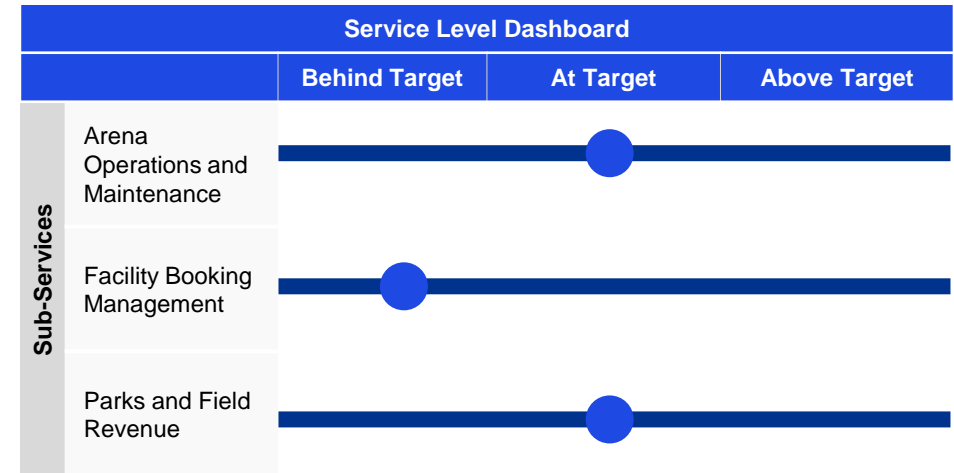


Arena Services & Parks revenues

Department	
Community Services	
Service Type	
Traditional	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 2,012
Goods & Services	\$ 1,763
Financial Expenses	\$ 352
Subtotal	\$ 4,127
Minor Capital Expense	\$ 55
Transfer to Reserve	\$ 311
Internal Transfers	\$ 91
Total Operating Expense	\$ 4,584
Total Operating Revenues	(\$ 2,275)
Net Levy	\$ 2,309
FTE	26.28

Service Description	
Responsible for the administration, operation, and general maintenance of community recreational facilities within the City. Supports local recreation groups in the use of recreation facilities.	
The Arena Services team manages three facilities: Memorial Gardens Sports Arena, Pete Palangio Arena (two ice surfaces), and West Ferris Arena (a.k.a. Sam Jacks Complex).	
Parks Revenues includes revenues from the rental of City parks, sports fields, and parks buildings. The City has 73 park areas including playgrounds and picnic shelters that are available to the community for organized activities where a permit is required. The City has 26 sports fields including soccer fields, baseball fields and a football field which is available for community and sport organization use from May through September each year. The City has 31 park buildings that are available for rental	

Sub services		
Arena Operations and Maintenance	Traditional	Responsible for the operation and day-to-day maintenance of the City's arena facilities.
Facility Booking Management	Traditional	Provide customer service to manage bookings, rentals, and events at the arenas.
Parks and Field Revenue	Traditional	Park rentals, sports fields rental, and outdoor recreation facilities administration.



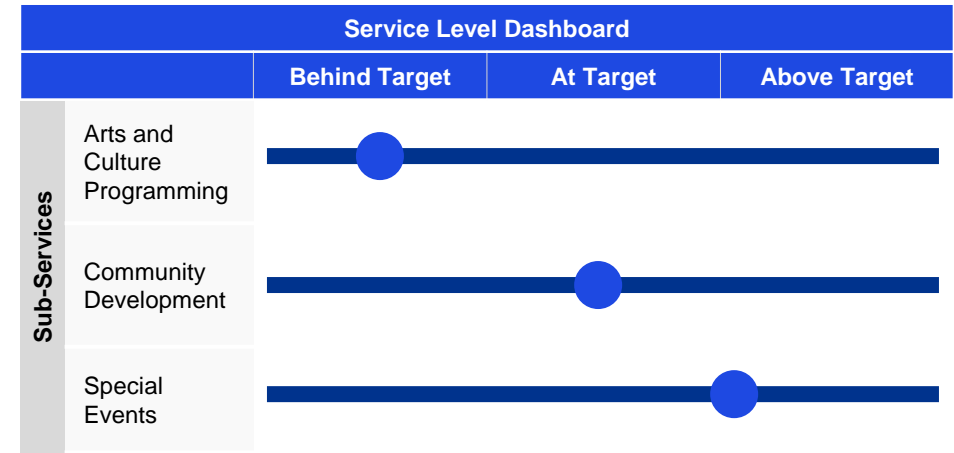
Service Level Rationale	
<ul style="list-style-type: none"> Arena Services is a traditional service guided by Council direction, as well as industry maintenance and safety practices. Overall, the division is meeting service needs based on the current resource capabilities. Staff suggested integration improvements can be made between Class (Active Network) and NaviLine systems. In addition, there is an opportunity to enhance Class system for customer-facing services (e.g., facility and program bookings with online payment capabilities). The City's IS division is currently working with Arena Services to obtain new booking facility booking software, which is already budgeted, to move away from manual processes. This software would replace the Class software. 	

Arts, Culture, & Recreation Services

Department	
Community Services	
Service Type	
Traditional	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 618
Goods & Services	\$ 463
Service Partners	\$ 396
Total Operating Expense	\$ 1,477
Capital Expense	\$ 1
Transfer to Reserve	-
Internal Transfers	-
Expense Total	\$ 1,478
Total Operating Revenues	(\$ 165)
Net Levy	\$ 1,313
FTE	10.24

Service Description	
Arts, Culture & Recreation Services (ACRS) works on advancing the City’s Cultural Plan by working with Creative Industries and other arts and culture sector organizations to enhance the arts and culture initiatives in the City. Similarly, the division works with other municipal departments such as Parks and Transportation to support organization-wide objectives such as the Active Transportation Master Plan.	
Responsible for the hosting of special events, e.g., Armed Forces Day, Canada Day, Santa Claus Parade, Families First as well as acting as a resource to community event organizers leading the special event task force.	
With the exception of the After School Program, summer youth centres and summer beach lifeguarding and one-off youth/adult/senior events, this division relies on community sports and recreation organizations to deliver programming.	

Sub services		
Arts and Culture Programming	Traditional	Public art installations, public art policy, Cultural activities and support to community organizations delivering programs.
Community Development	Traditional	Develop and manage City Agreements (e.g., Rotary Clubs, Creative Industries, Dionne Quints Heritage Board, Heritage North Bay, YMCA of North Eastern Ontario, Golden Age Club). Engage community to support community planning, such as the Active Transportation Master Plan, Parks Master Plan, Age Friendly Action Plan and the North Bay Cultural Plan.
Special Events	Discretionary	Provide permits and logistical support of all special events that require the use of City land. Coordinate park vendors, event hosting fund (\$100,000) municipal alcohol policy, special event taskforce, park bookings and department marketing.



- | Service Level Rationale | |
|---|--|
| <ul style="list-style-type: none"> Arts, Culture & Recreation Services is a traditional service guided by Council direction, as well as community preferences. The City directly delivers recreation programming for all age groups collaborating with community groups and external organizations wherever necessary. The division does not track ongoing performance metrics or KPIs but does track attendance and/or facilitate surveys to gain feedback on larger events and sports tourism to evaluate success. Recreation programming services were ranked slightly below target because the service area is lacking financial, staffing and space resources. Dependence on manual processes to facilitate programming and bookings also impacts service delivery. ACRS manages an Event Hosting Microgrant Program to facilitate community events. This program has seen growth in funding and new events from previous years. The division has a Special Events Taskforce to support event management. The taskforce is a one stop shop for members of the community who lack experience in event planning/hosting. The taskforce supports event planning by corresponding with police, paramedics, engineering, customer service, fire, and Council Secretariat to organize all logistics of an event. | |

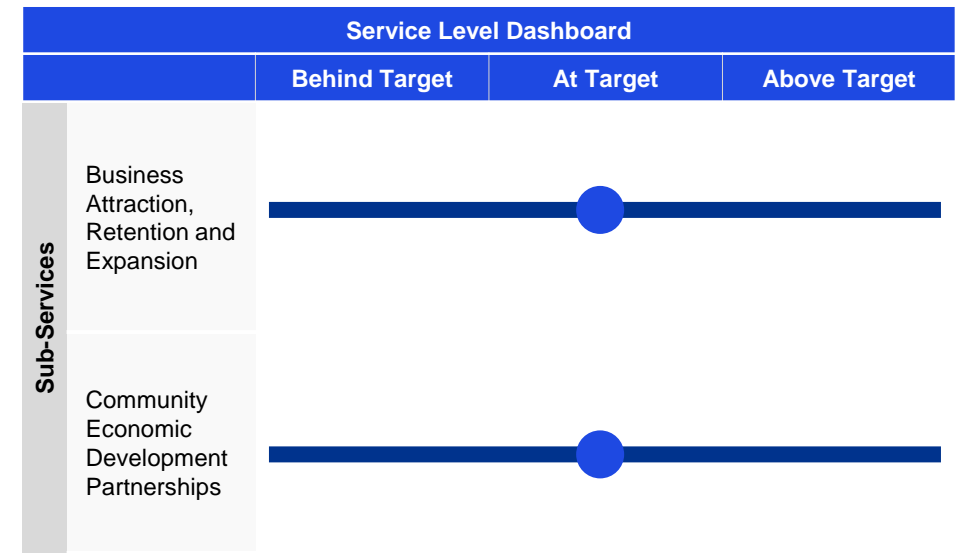
The City of North Bay – Organizational Review

Economic Development

Department	
Community Services	
Service Type	
Traditional	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 686
Goods & Services	\$ 221
Financial Expenses	-
Subtotal	\$ 907
Minor Capital Expense	-
Transfer to Reserve	-
Internal Transfers	-
Total Operating Expense	\$ 907
Total Operating Revenues	(\$ 24)
Net Levy	\$ 883
FTE	6.00

Service Description		
<p>Economic Development serves the interests of local businesses by building relationships between businesses and the local government, and creating and developing partnership opportunities. Key activities include:</p> <ul style="list-style-type: none"> Investment attraction, development facilitation, and investment aftercare Business retention and expansion Government liaison to support business and help facilitate innovation and growth Municipal marketing, promotion, and community familiarization Municipal industrial land sale marketing and facilitation Sector specific capacity development initiatives Film and TV production attraction, support, and municipal permit administration Supporting workforce development, capacity, resiliency, job creation and skills building, including immigration and talent attraction Support for small business and entrepreneurs Community development, capacity, and marketing partnership projects 		

Sub services		
Business Attraction, Retention and Expansion	Traditional	<p>Promote the City as a location for new investment and relocation of business and talent.</p> <p>Support new and expansion projects with facilitation through internal/external processes.</p> <p>Develop and maintain business, organizational and government relationships to foster growth of new and established businesses.</p>
Community Economic Development Partnerships	Traditional	<p>Foster, develop and maintain partnerships with businesses, community partners and stakeholders to provide related programs, services and supports that encourage growth and benefit the community.</p>



Service Level Rationale	
<ul style="list-style-type: none"> Economic Development is a traditional service that serves as a liaison between local businesses and the municipal government. Services are delivered at target in accordance with the City's strategic plan. The department is looking to further improve communication touchpoints with current and potential businesses, economic development partners and stakeholders. Corporately, enhanced and streamlined internal communications among divisions could further support business and growth initiatives Infrastructure, workforce and a competitive cost environment are key elements to attracting and retaining businesses for economic growth. Corporately, the division has enhanced and streamlined internal communications among city departments/divisions to further support growth initiatives. 	

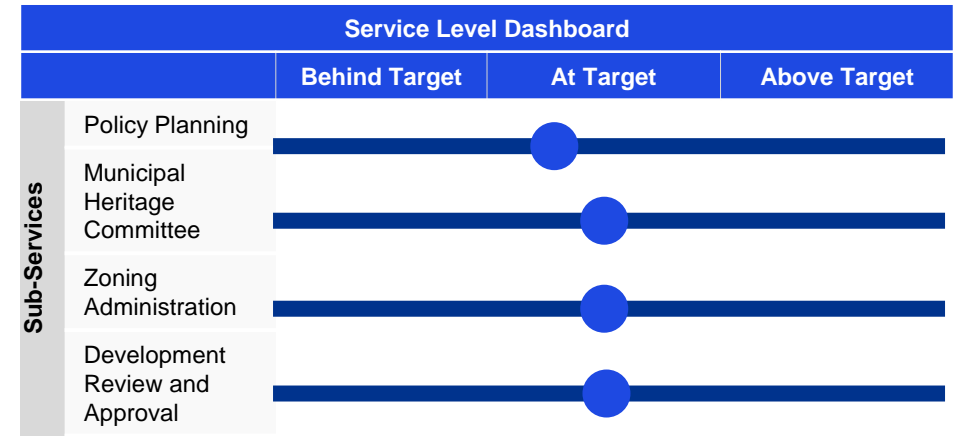
The City of North Bay – Organizational Review

Planning Services

Department	
Community Services	
Service Type	
Mandatory	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 670
Goods & Services	\$ 282
Financial Expenses	-
Subtotal	\$ 652
Minor Capital Expense	\$ 2
Transfer to Reserve	-
Internal Transfers	-
Total Operating Expense	\$ 954
Total Operating Revenues	(\$ 446)
Net Levy	\$ 508
FTE	5.60

Service Description		
<p>Planning & Building Services Division provides professional land use planning services to the community while implementing the vision for how land is used, as outlined by the Official Plan. The Division is responsible for the planning and coordination of growth, land use planning policy and regulations review, heritage planning, community improvement plans (CIP), zoning administration, and all other development matters under the Planning Act, including review and approval of development applications.</p> <p>In the 2023 budget, the Community Safety & Well-being Planner was relocated from the Planning Department to Community Services Administration, reporting directly to the Director of Community Services.</p>		

Sub services			
Policy Planning	Mandatory	Establishes strategic priorities and programs to manage the long-term development of the City. Strategic priorities are aligned to the Official Plan.	
Municipal Heritage Committee	Traditional	Heritage planning services include designating and recognizing heritage properties.	
Zoning Administration	Mandatory	Zoning by-law compliance review for planning and building permit applications.	
Development Review and Approval	Mandatory	The review and approval of development applications. Development applications include zone changes, subdivision, and official plan changes.	



Service Level Rationale	
<ul style="list-style-type: none"> An Official Plan (OP) is mandated by the Planning Act and is required to be reviewed every 10 years. Development approval is a mandatory service under the Planning Act. The division is facing high levels of pressure to support development as municipalities across the province and country are tasked with addressing housing affordability and availability. With provincial legislative requirements (e.g., Bill 109 and Bill 23), policy planning work has fallen behind. Stakeholder noted that planning and development application files are tracked manually, and limited technology is used to manage application files. The City is implementing CityWide and the Planning & Building Services Division is looking to digitize application submission and review procedures as Phase 2 of the project. Phase 1 will focus on digitizing building services procedures. Triaging and managing customer inquiries can sometimes be time-consuming. The City's customer service process needs further improvement (e.g., protocols to divert calls to Planning and Building). Stakeholders suggested conducting a user fee review. The City's planning fees have not been reviewed since 2008 (a six-year fee schedule was approved in 2008) and the last fee increase was in 2013. The Development Application Review Team has delivered strong results of facilitating development applications to meet or exceed the Planning Act timelines. 	



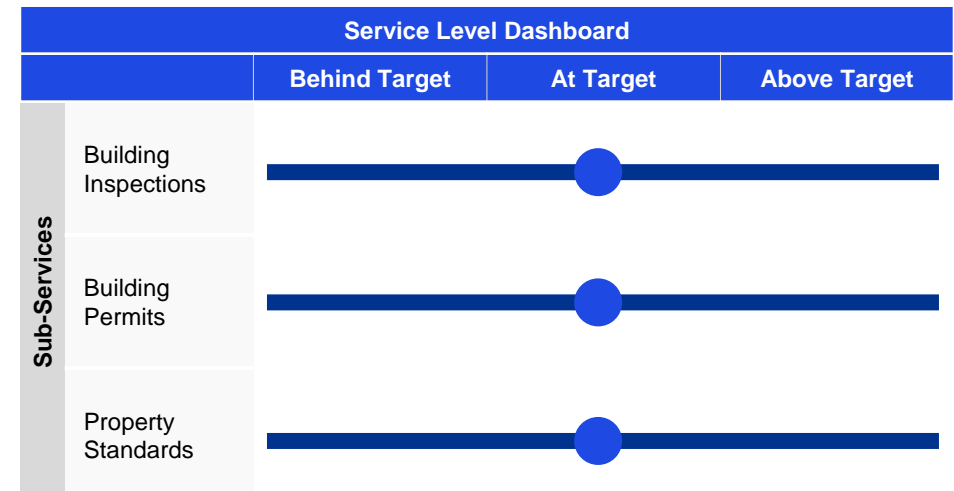
The City of North Bay – Organizational Review

Building Services

Department	
Community Services	
Service Type	
Mandatory	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 943
Goods & Services	\$ 51
Financial Expenses	\$ 1
Subtotal	\$ 995
Minor Capital Expense	\$ 2
Transfer to Reserve	-
Internal Transfers	\$ 295
Total Operating Expense	\$ 1,291
Total Operating Revenues	(\$ 1,183)
Net Levy	\$ 108
FTE	9.40

Service Description	
<p>The Planning & Building Services Division is responsible for the issuance and inspection of building permits, and ensuring the City's buildings are compliant to the Ontario Building Code Act, Municipal Act and Planning Act.</p> <p>The Division also works with developers on permit processing and approval and educates the public about the Building Code. Services include:</p> <ul style="list-style-type: none"> Accepting, processing and issuing building permit applications Inspecting construction worked proposed under building permits Inspecting unsafe buildings / construction without permits Administering Building By-law, Residential Rental Housing Licensing By-law, Short-term Rental By-law and Property Standards 	

Sub services		
Building Inspections	Mandatory	Provides building and construction inspections and enforcement; and to exercise powers and perform duties under the Building Code Act in connection with reviewing plans, inspecting construction, conducting maintenance inspections, and issuing orders in accordance with the Building Code Act.
Building Permits	Mandatory	Administration, review and issuance of building permits for construction of residential, industrial, and commercial buildings.
Property Standards	Mandatory	Provide a variety of inspections, advisory and enforcement services pertaining to legislation and to By-Laws of the municipality relating to matters such as property maintenance, vital services (heat, water hydro), unsafe conditions, lot maintenance. Implements the Short-Term Rental By-law.



Service Level Rationale	
<ul style="list-style-type: none"> Building Services is a mandatory service guided by the Building Code Act and municipal bylaws. The Division is closely tracking legislative reporting and compliance requirements (e.g., the Province's new housing target); however, legislative tracking is done manually. The Division is implementing CityWide to digitize application submission, review, and tracking procedures to move away from manual processes. The City currently does not accept eTransfer or online payments due to NaviLine system limitations; hence, there are duplicative payment tracking processes. Property standard complaints and infractions are tracked manually in excel. CityWide has an enforcement module; however, it is not part of the scope of the current implementation project. Stakeholders suggested conducting a user fee review. The City's building fees have not been updated since 2011. 	



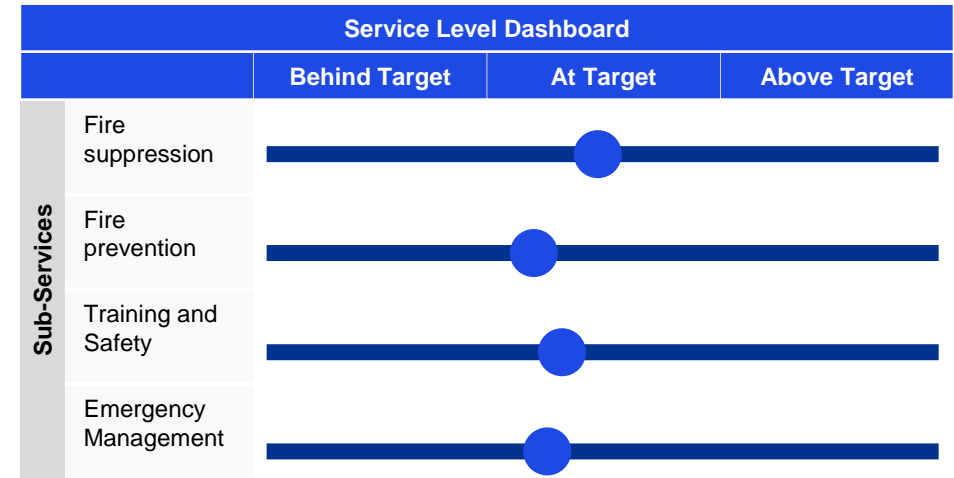
The City of North Bay – Organizational Review

Fire & Emergency Services

Department	
Community Services	
Service Type	
Mandatory	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 12,967
Goods & Services	\$ 812
Financial Expenses	\$ 1
Subtotal	\$ 13,780
Minor Capital Expense	\$ 66
Transfer to Reserve	-
Internal Transfers	\$ 747
Total Operating Expense	\$ 14,593
Total Operating Revenues	(\$ 344)
Net Levy	\$ 14,250
FTE	81.47

Service Description	
<p>Fire & Emergency Services is responsible for fire suppression, prevention, emergency medical services, investigation and public education. Fire services are delivered as per the Fire Prevention and Protection Act (FPPA) and municipal by-laws.</p> <p>The City operates four fire stations, of which three are staffed with full-time firefighters. Station 4 primarily houses fire suppression equipment. Mutual aid agreements are established with neighbouring municipalities. Firefighters take on the additional responsibility and training of technical rescue thereby permitting NBFES to respond to hazardous materials calls, ice rescue, high angle and confined space emergencies (limited).</p>	

Sub services		
Fire suppression	Mandatory	Key activities include the response to calls for service of emergency and non-emergency events that include fires, rescue, medical emergencies, hazardous materials and other public inquiries.
Fire prevention	Mandatory	Fire investigations, fire inspections on a request or complaint basis, smoke alarm program, distribution of safety information, and a simplified risk assessment of the community fire profile.
Training and Safety	Mandatory	Completing skills maintenance and competency-based training and education programs, routine maintenance and equipment checks, public interaction and site-building pre-planning activities.
Emergency Management	Mandatory	Provides the community with action plans and information on how to prepare and react to unexpected emergencies.



Service Level Rationale	
<ul style="list-style-type: none"> • Fire services are delivered at the targeted service levels in accordance with FPPA and Council directions. • Calls for Service have shifted in recent years to more mental health and medical calls. This has presented operational challenges in training staff the professional protocols to attend these call types. • Training records are tracked and maintained in paper records. The Department would also like to have more resources to do public education, emergency management, and fire prevention services. • The Department has been experiencing challenges in implementing the CRISIS system. The project started 10 years ago, and the City has not been able to dedicate resources to manage the project. 	

04

Infrastructure & Operations

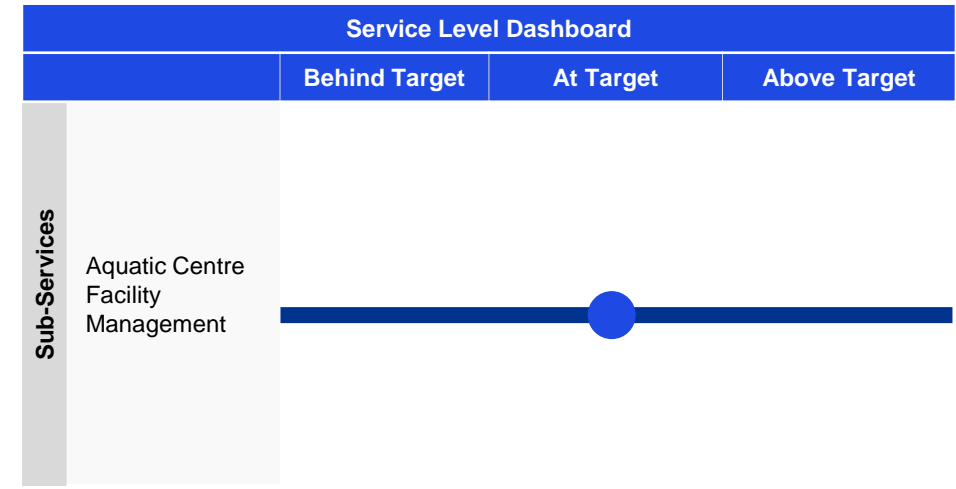
The City of North Bay – Organizational Review

Aquatic Centre

Department	
Infrastructure & Operations	
Service Type	
Discretionary	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 12
Goods & Services	\$ 316
Financial Expenses	-
Subtotal	\$ 328
Minor Capital Expense	\$ 5
Transfer to Reserve	-
Internal Transfers	-
Total Operating Expense	\$ 333
Total Operating Revenues	(\$ 55)
Net Levy	\$ 279
FTE	0.1

Service Description	
This Department is to provide for the agreement between the YMCA and the City of North Bay by assisting with costs to maintain the Aquatic Centre operated by the YMCA.	
Aquatic Centre Capital & Operating budget is developed and implemented in coordination with the YMCA and managed by the City's Supervisor of Facilities & Parking.	

Sub services		
Aquatic Centre Facility Management	Traditional	Oversee day-to-day operations of the Aquatic Centre including maintenance, safety, and functionality of the facility and its amenities.



Service Level Rationale	
<ul style="list-style-type: none"> The Aquatic Centre, among other recreation facilities is a discretionary service guided by Council direction, as well as industry maintenance and safety practices. The budget allocates 0.1 FTE to the Aquatic Centre because the facility and its operations are managed by the YMCA. The City & YMCA have entered into a land lease arrangement where the YMCA provides aquatic programs, events, and activities at their cost. 	

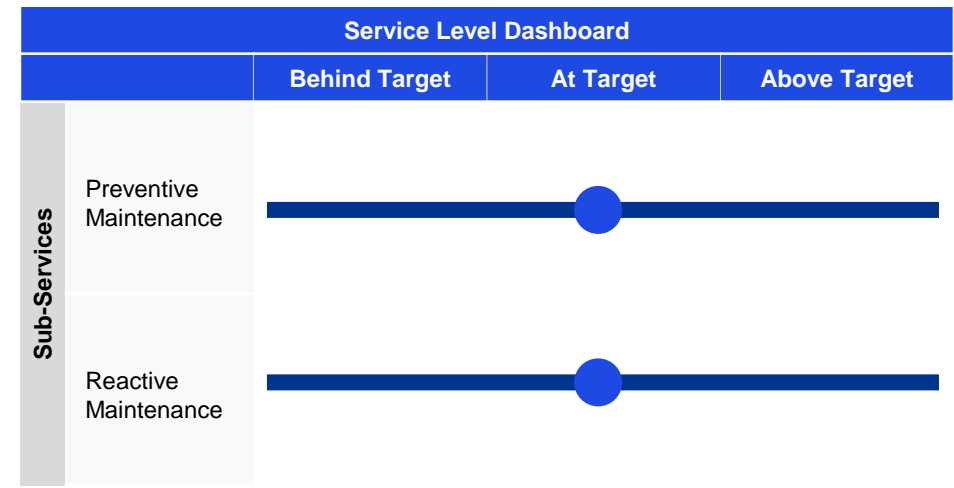
The City of North Bay – Organizational Review

City Hall Facilities

Department	
Infrastructure & Operations	
Service Type	
Mandatory	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 506
Goods & Services	\$ 547
Financial Expenses	-
Subtotal	\$ 1,053
Minor Capital Expense	\$ 30
Transfer to Reserve	-
Internal Transfers	-
Total Operating Expense	\$ 1,083
Total Operating Revenues	(\$ 251)
Net Levy	\$ 832
FTE	4.85

Service Description	
<p>The Facilities & Parking division is to operate and maintain City Hall facilities, and provide ongoing development and rehabilitation of the building and its equipment with an emphasis on accessibility, energy efficiency, and sustainability of the facility. Activities performed by the division include:</p> <ul style="list-style-type: none"> • Capital and operating budget development and implementation • Capital Project Management; planning, execution, risk management, closure, warranty follow-up • Budget reporting and management • Janitorial services • Participate on Energy Efficiency Action Committee • Health and safety 	

Sub services		
Preventive Maintenance	Essential	Coordinates the building condition assessment and preventative maintenance of corporate buildings, including contract coordination of planned maintenance activities (e.g., electrical, plumbing and HVAC work).
Reactive Maintenance	Essential	Support facility user groups on unplanned or operational repairs/maintenance activities.



Service Level Rationale	
<ul style="list-style-type: none"> • City Hall Facilities is an essential service to maintain the building conditions of municipal facilities to support service delivery. • In the 2023 budget, the FTE count decreased by 1.0 from 2022 based on a service level reduction to maintenance. The loss of one custodian contributed to a 10% decrease in the personnel budget between 2022 and 2023. • The division has had success with technology integration in municipal facilities such as the grey box HVAC (heating, ventilation, and air conditioning) automation. • Priorities can often deviate from plans based on reactive/breakdown maintenance calls. However, the City Hall Facilities team reportedly has strong levels of communication and is able to effectively reprioritize tasks. • The division is trialing an electronic maintenance request system as an extension of the IS system used to track technology-related issues/requests. Prior to this trial, requests were tracked manually and reported via phone and email. 	



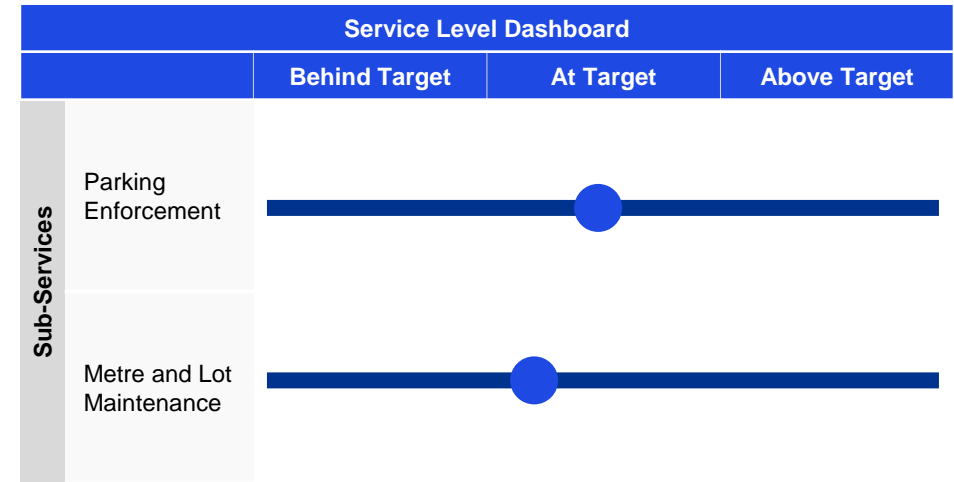
The City of North Bay – Organizational Review

Parking Operations

Department	
Infrastructure & Operations	
Service Type	
Essential	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 336
Goods & Services	\$ 497
Financial Expenses	\$ 11
Subtotal	\$ 844
Minor Capital Expense	\$ 1
Transfer to Reserve	-
Internal Transfers	\$ 43
Total Operating Expense	\$ 888
Total Operating Revenues	(\$ 882)
Net Levy	\$ 6
FTE	3.56

Service Description		
Facilities & Parking division provides for the maintenance and management of the City's on- and off-street parking program including:		
<ul style="list-style-type: none"> • Parking Department Capital & Operating budget development and implementation • Capital Project Management; planning, execution, risk management, closure, warranty follow-up • Budget reporting and management • Management of monthly parking rental program • Participation with the internal Downtown working group • Participation on the Energy Efficiency Committee • Parking lot development • Daily and seasonal maintenance • Coin collection and processing • Parking meter maintenance • Coordinator schedules work for both Parking and Parks staff in the Central City core 		

Sub services		
Parking Enforcement	Essential	Monitoring and enforcement of parking regulations to ensure compliance, maintain traffic flow, and facilitate orderly parking within the City.
Metre and Lot Maintenance	Essential	Regular upkeep, repair, and replacement of parking metres and parking lots to ensure functionality, accessibility, and a positive parking experience for residents and visitors.



Service Level Rationale	
•	The revenue, usage, and capacity of Parking Operations are all tracked. The revenue is reported to senior management and Council as per City requirements whereas usage and capacity reporting is performed ad hoc to inform internal decision-making.
•	Metre and lot maintenance was rated slightly below target based on the division's capacity to ensure downtown safety. Patrol and dispatch of Parking Operations staff has been a challenge based on existing resources.
•	The division often relies on borrowing snow removal equipment from other departments, particularly during periods of heavy snowfall. However, the equipment is reportedly aging and often in need of repair/replacement with insufficient operating budget.
•	The division previously staffed up to six summer students to support parking enforcement during summer months. However, based on budget restrictions, the City did not staff any students this past summer.
•	Growing social services challenges have contributed to capacity challenges as staff are tasked with cleanup of needles, hazardous waste, etc. Improving coordination with Parks and Public Works staff was identified as a possible solution to address this issue.



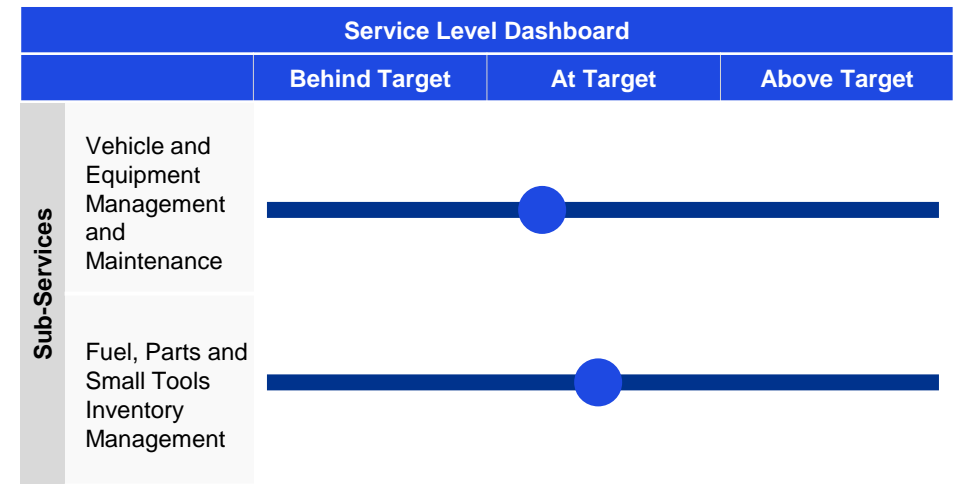
The City of North Bay – Organizational Review

Fleet Management

Department	
Infrastructure & Operations	
Service Type	
Essential	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 2,713
Goods & Services	\$ 2,348
Financial Expenses	-
Subtotal	\$ 5,061
Minor Capital Expense	\$ 40
Transfer to Reserve	\$ 2,673
Internal Transfers	\$ 35
Total Operating Expense	\$ 7,809
Total Operating Revenues	(\$ 7,809)
Net Levy	\$ 0
FTE	29.10

Service Description
The Fleet Management Division manages vehicle costs for Wastewater, Water, Roads, Traffic, Survey, Parks, Arenas, Parking, Landfill, Fire and Transit Departments.
The City conducted a 3 rd party review of the City’s fleet operations in 2014 and the City moved ahead with implementation of a number of directives identified in that review. In 2018, the City implemented a new Fleet Management Information System (FMIS) that streamlines the workflow, enhances the reporting and management of the fleet. 2019 was the first complete year using the new system which also coincided with Central Stores operations moving under Fleet Management. In 2022, Fleet assisted the Landfill and purchased new equipment for Landfill operations which is now maintained by Fleet.
The Fleet Management division operates on a self-funding model (i.e., total budgeted expenses equate total budgeted revenues).

Sub services		
Vehicle and Equipment Management and Maintenance	Essential	Conducts preventative and reactive maintenance on City vehicle fleet and equipment.
Fuel, Parts and Small Tools Inventory Management	Essential	Manages the municipal stockrooms and inventory rooms containing fuel, parts and small tools.



Service Level Rationale
<ul style="list-style-type: none"> Fleet is an essential service to maintaining the City fleet vehicles and ensuring they are available/operating to support effective service delivery. Fleet Management, like several other City service areas, has faced recruitment and retention challenges. The division has been unsuccessful recruiting licensed technicians and sees regular turnover in apprentices. Staff attribute these challenges to compensation; the City reportedly does not have a competitive compensation package for its technician staff. The division has seen an increase in services provided such as supporting landfill fleet and equipment. However, with ongoing vacancies (at the time of the focus group for fleet, the division had three active vacancies), the division’s remaining staff are experiencing capacity challenges. Communication between Fleet and the divisions serviced by Fleet is reportedly poor. Improving lines of communication across divisions will be a priority. The division uses Asset Works as its work order system. All fleet assets, work orders, and transactions are tracked and reported on a monthly basis. While the system reportedly works well for the division, Finance continues to facilitate manual processes to integrate data between Asset Works and NaviLine (the City’s financial management system).



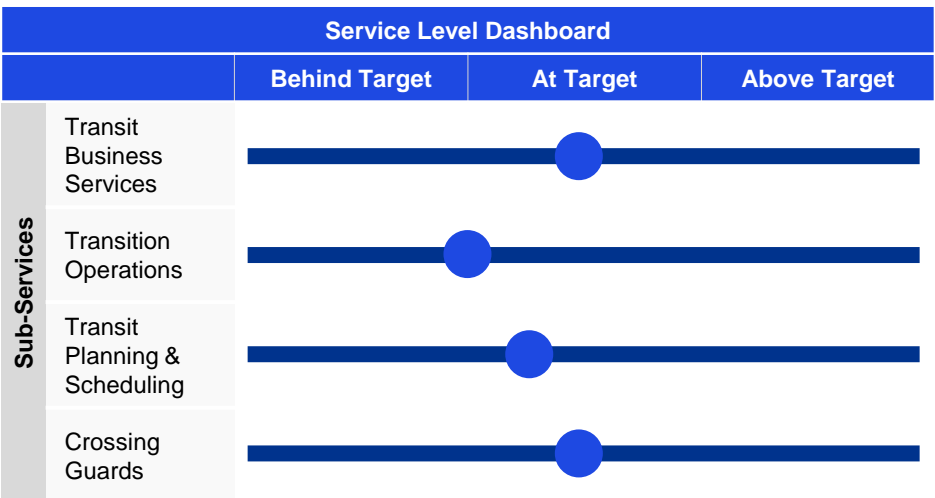
The City of North Bay – Organizational Review

Transit

Department	
Infrastructure & Operations	
Service Type	
Traditional	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 3,817
Goods & Services	\$ 2,237
Financial Expenses	\$ 3
Subtotal	\$ 6,057
Minor Capital Expense	-
Transfer to Reserve	-
Internal Transfers	\$ 2,245
Total Operating Expense	\$ 8,302
Total Operating Revenues	(\$ 3,368)
Net Levy	\$ 4,934
FTE	39.61

Service Description	
<p>The Transit Division delivers daily transit service. It includes scheduling; training; responding to public inquiries and providing transit dispatch; and accident investigation and reporting. Pre-pandemic the annual service was 64,000 operating hours, 1.3 million kilometers traveled and provided over 1.5 million rides.</p> <p>In 2022, Transit continued to operate a hybrid operation of fixed and dynamic routing adjusting the service hours, frequency, and routing to match the current demand. Through to the end of 2022, Transit is projected to travel 900,000 kilometers and provide approximately 680,000 rides.</p> <p>It is planned to continue to provide the Fall 2022 hybrid operation through 2023 and make adjustments if required. Transit has projected it will provide 730,000 rides in 2023.</p>	

Sub services		
Transit Business Services	Traditional	Provides overall administration, marketing, customer services, budgeting, project management, and workforce management for North Bay Transit.
Transit Operations	Traditional	Provide transit services through the City's transit network. On-demand transit is offered for after-hour and accessibility needs.
Transit Planning & Scheduling	Traditional	Bus route planning and scheduling analysis for North Bay Transit.
Crossing Guards	Mandatory	Provision of crossing guard locations along pedestrian routes to public schools to ensure safe student travel.



- ### Service Level Rationale
- During the COVID-19 pandemic, service levels were reduced and have since began to grow back to pre-pandemic levels. While revenue is beginning to return, ridership is starting to approach pre-pandemic levels.
 - A survey was conducted before the pandemic but inconsistency in the frequent riders driven by the pandemic has limited customer outreach effectiveness.
 - The City has an on-demand transit system for after-hours service which has received mixed reviews. The system has several limitations such as an inability to create advance bookings, long and inconsistent wait times, and unforeseen damage to municipal infrastructure (i.e., full-size buses are driving down residential streets).
 - Recruiting and retaining Transit Operators has been a challenge. Some stakeholders suggested re-evaluating the City's transit schedules to improve workforce management.
 - Bill C-26 will include mandatory cyber security measures for all critical infrastructure including communications, energy, banking and transportation. This may impact transit operations, planning and budget of the transit division.

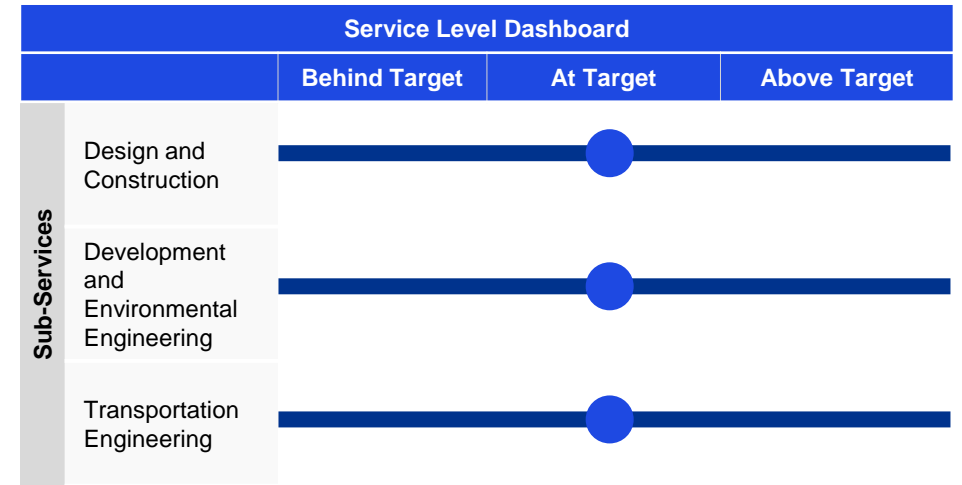
The City of North Bay – Organizational Review

Engineering Services

Department	
Infrastructure & Operations	
Service Type	
Mandatory	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 2,077
Goods & Services	\$ 72
Financial Expenses	-
Subtotal	\$ 2,149
Minor Capital Expense	\$ 13
Transfer to Reserve	-
Internal Transfers	\$53
Total Operating Expense	\$ 2,215
Total Operating Revenues	(\$ 1,268)
Net Levy	\$ 947
FTE	18.50

Service Description	
<p>The major activities of the Engineering Division include project management for design and construction of municipal infrastructure (roads, streetscaping, watermains, sanitary and storm sewers, culverts, and bridges) including pre-engineering surveys for design, environmental assessments, preliminary and detailed design, as well as contract administration and inspection for construction projects. Other activities include asset management, traffic engineering, development review, long-term planning studies, utility approvals, and private property servicing requests (service contracts). The major categories of activities are Infrastructure, Capital Works, Engineering Technical Services, Development, and Traffic.</p>	

Sub services		
Design and Construction	Mandatory	Conducts planning, record keeping, design and project management activities to re-construct linear infrastructure such as roads, bridges and pipes.
Development and Environmental Engineering	Mandatory	Conducts engineering reviews of planning applications for new development (site plans, subdivisions, etc.)
Transportation Engineering	Mandatory	Manages vendor performance of transportation engineering reviews and plans for long-term transportation needs of traffic, roads, and bridges.



Service Level Rationale	
<ul style="list-style-type: none"> The FTE headcount increased from 16.50 in 2022 to 18.50 in 2023 including the addition of one contract engineering intern and one contract municipal development engineer. The City performs a significant portion of engineering services in-house including construction inspection, design, and surveys. Project management within the Engineering service area is reportedly strong, with good leadership and healthy lines of communication within the team. The division is facing historically high levels of pressure to support development as municipalities across the province and country are tasked with addressing housing affordability and availability. Some services in this service area overlap with other City departments (e.g., public works, planning, etc.). Communication and coordination of resources has reportedly been a consistent challenge due to competing priorities. 	



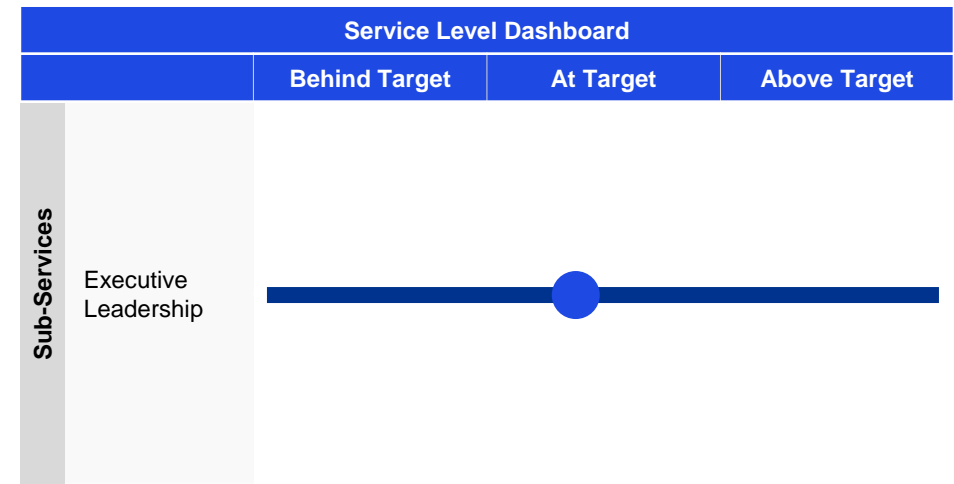
The City of North Bay – Organizational Review

Public Works Administration

Department	
Infrastructure & Operations	
Service Type	
Mandatory	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 518
Goods & Services	\$ 430
Financial Expenses	\$ 1
Subtotal	\$ 949
Minor Capital Expense	\$ 2
Transfer to Reserve	-
Internal Transfers	-
Total Operating Expense	\$ 951
Total Operating Revenues	(\$ 204)
Net Levy	\$ 747
FTE	4.96

Service Description	
<p>Consists of the Director of Public Works and Parks office, which provides leadership and support for the successful management and delivery of infrastructure-related services. The City has a large portfolio of assets spanning across roads, bridges, culverts, water/wastewater pipes, pumping stations, treatment facilities, and drainage systems. Exercises general management of the department to ensure efficient and effective delivery of operational services.</p>	

Sub services		
Executive Leadership	Essential	<p>Oversee the operations and delivery of capital projects, roads, drainage, water, wastewater, and solid waste services. Monitors operational performance to ensure services delivered in accordance with service level standards and strategic priorities.</p> <p>Formulate and recommend strategic approaches to manage City infrastructure. Oversee the execution of Council approved strategic plans and initiatives.</p>



Service Level Rationale	
<ul style="list-style-type: none"> The Public Works Administration focuses on implementing the City's strategic infrastructure plan and priorities set by Council. It was identified that the City's change management practices to communicate organizational changes, solicit input and coordination of cross-departmental projects needs improvement. The City needs to further invest in its Asset Management Plan to maintain infrastructure (e.g., catch up on condition assessments, more rigor planning of infrastructure projects). Staff retention and recruiting has been a concern. There is opportunity to further equip staff with remote working technology and train the workforce to better use technology. 	

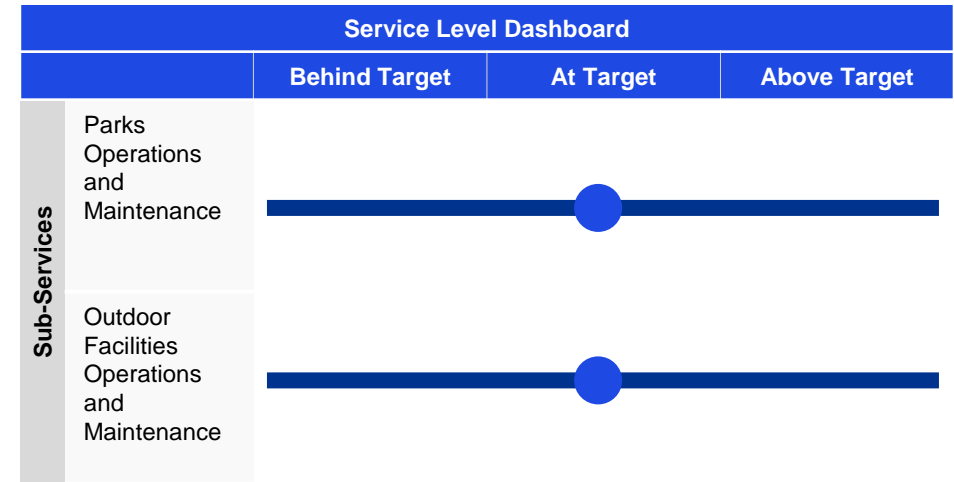


Parks Operations & Sports Field Complex

Department	
Infrastructure & Operations	
Service Type	
Traditional	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 2,955
Goods & Services	\$ 1,000
Financial Expenses	-
Subtotal	\$ 3,954
Minor Capital Expense	\$ 34
Transfer to Reserve	-
Internal Transfers	\$ 621
Total Operating Expense	\$ 4,609
Total Operating Revenues	(\$ 442)
Net Levy	\$ 4,167
FTE	35.59

Service Description		
Responsible for the administration, development, supervision, and maintenance of all 775 hectares of parkland, 31 parks buildings, 4 picnic shelters and other park amenities (e.g., 12 ball fields, 14 sports fields, 3 tennis courts, 8 pickleball courts, etc.) owned by the City.		

Sub services		
Parks Operations and Maintenance	Traditional	Responsible for the operation and day-to-day maintenance of the City's parks.
Outdoor Facilities Operations and Maintenance	Traditional	Responsible for the operation and day-to-day maintenance of the City's outdoor recreational facilities.



Service Level Rationale	
<ul style="list-style-type: none"> • Parks Operations and Maintenance is a traditional service guided by Council direction, as well as industry maintenance and safety practices. • Stakeholders identified aging facilities and limited staffing levels as barriers to effective service delivery. Demographic changes have shifted to higher community expectations. Staff often incur overtime and experience vacation loss to meet service demand. One of the biggest challenges is no staffing backup to manage absences or ad-hoc service requests. • Parks personnel work to keep outdoor public spaces clean and safe year-round. Departmental resources experience challenges keeping pace with rising service level demands as a result of social issues that municipalities across the Province continue to face. 	

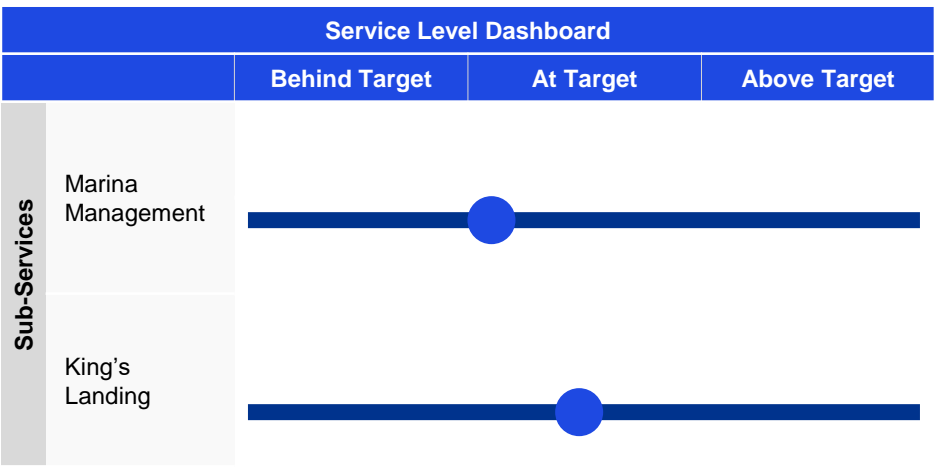
The City of North Bay – Organizational Review

Marina & King's Landing

Department	
Infrastructure & Operations	
Service Type	
Discretionary	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 102
Goods & Services	\$ 197
Financial Expenses	\$ 4
Subtotal	\$ 303
Minor Capital Expense	\$ 8
Transfer to Reserve	\$ 4
Internal Transfers	-
Total Operating Expense	\$ 315
Total Operating Revenues	(\$ 313)
Net Levy	\$ 2
FTE	2.09

Service Description		
<p>The City provides personnel, goods, and services to operate the North Bay Waterfront 220 boat slip Marina from May to October. This includes the waterfront boat launch, kayak storage, launch services and security services during the night. Activities include:</p> <ul style="list-style-type: none"> Slip bookings and renewals Kayak rack rentals Dock, building and grounds maintenance Fuel tank maintenance and operation Sale of ice, worms, fuel, merchandise Pump out of boat septage Boat launch sales Provision of overnight security <p>The Marina operates on a self-funding model (i.e., total budgeted expenses equate total budgeted revenues)</p>		

Sub services			
Marina Management	Discretionary	Operates and manages the marina, including managing the sale and waitlist of mooring slips and land storage.	
King's Landing	Discretionary	King's Landing is the municipal dock. Operation of the dock pertains to the building and utilities.	



Service Level Rationale	
<ul style="list-style-type: none"> The revenue, usage, and capacity of the Marina are all tracked. The revenue is reported to senior management and Council as per City requirements whereas usage and capacity reporting is performed ad hoc to inform internal decision-making. A total of six staff members (totaling 2.09 FTE) are responsible for the Marina. The Marina operates as a zero cost center and does not currently impact the tax levy. Any shortfall in revenues is offset by a transfer from the Waterfront Purposes Reserve. The technology used to support Marina operations needs to be replaced. 	

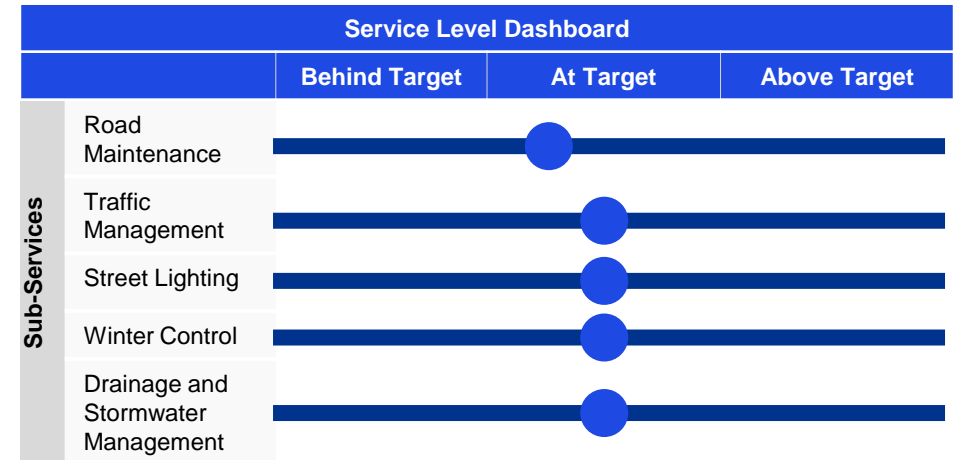


Roads Department and Storm Sewers

Department	
Infrastructure & Operations	
Service Type	
Mandatory	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 4,346
Goods & Services	\$ 3,208
Financial Expenses	-
Subtotal	\$ 7,552
Minor Capital Expense	\$ 20
Transfer to Reserve	-
Internal Transfers	\$ 2,603
Total Operating Expense	\$ 10,176
Total Operating Revenues	(\$ 231)
Net Levy	\$ 9,947
FTE	45.48

Service Description		
<p>The mission of Roads & Drainage is to provide a safe and efficient transportation network for the movement of people and products through the City of North Bay. The Division strives to preserve the public investment in the road system and drainage network.</p> <p>The Storm Sewers division is responsible for the cleaning, maintenance and repair of approximately 226 km of storm sewers, 2,417 storm manholes and 4,877 catch basins. The division represents 4.05 FTE of this service area.</p>		

Sub services			
Road Maintenance	Mandatory	Provide repair and maintenance of roads, bridges, culverts, and sidewalks. Roadways are maintained in accordance to the Minimum Maintenance Standards (MMS) established by the Province.	
Traffic Management	Mandatory	Responsible for traffic control and management of the City's traffic signals, street signs, pavement markings.	
Street Lighting	Mandatory	Power and maintenance of street lighting in accordance with MMS.	
Winter Control	Mandatory	Winter control services of snow ploughing, pre-treating, sanding/salting municipal roads.	
Drainage and Stormwater management	Mandatory	Maintenance of the City's stormwater system. This includes the repair and maintenance of pumping stations, dikes, storm pipes and catch basins, culverts, oil and grit separators. Respond to and address any flooding issues.	



- ### Service Level Rationale
- All maintenance activities are delivered in accordance with Minimum Maintenance Standards (MMS).
 - Stakeholders indicated resourcing levels have not kept pace with growth and increased service demand. The City needs to focus on core infrastructure to mitigate infrastructure failures.
 - Roads and Storm Sewers division has faced significant recruitment and retention challenges since the COVID-19 pandemic. Existing staff are reportedly taking on a larger workload. In some instances, smaller teams of staff are deployed to address jobs, leading to increased safety and quality concerns.
 - While some tracking and reporting has been digitized, other areas are further behind. For instance, snow plow route tracking is completed by paper. Staff require enhanced digitization and better tools to efficiently and effectively report on key metrics.
 - Reporting is often unclear. Augmented by capacity challenges, staff will often cycle between supervisors depending on project and schedule.
 - Cross-departmental sharing of resources with Engineering was identified as an area for improvement and cost-savings.

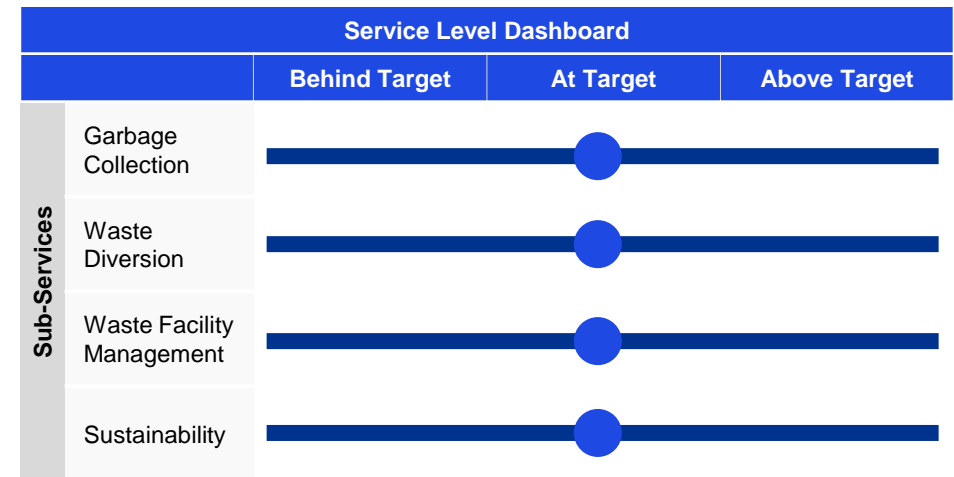
The City of North Bay – Organizational Review

Environmental Services

Department	
Infrastructure & Operations	
Service Type	
Mandatory	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 1,434
Goods & Services	\$ 3,636
Financial Expenses	\$ 8
Subtotal	\$ 5,077
Minor Capital Expense	-
Transfer to Reserve	\$ 398
Internal Transfers	\$ 321
Total Operating Expense	\$ 5,796
Total Operating Revenues	(\$ 4,794)
Net Levy	\$ 1,001
FTE	15.28

Service Description	
<p>The Environmental Services' budget provides for the operation and maintenance of the engineered landfill sites, waste and recycling collection, household hazardous waste disposal, and environmental remediation and consulting services for contaminated lands owned by the City.</p> <p>Solid waste collection is contracted to Miller Waste Systems with a termination date of July 1, 2030. All residents of the City receive waste collection including approximately 19,000 households receiving curbside pick-up and 4,500 households served through the multi-residential collection service.</p>	

Sub services		
Garbage Collection	Mandatory	The collection and management of solid waste and recyclable material. Collection is contracted to a third party vendor and the division oversees contract performance
Waste Diversion	Mandatory	Delivers waste diversion programs of reducing, reusing, and recycling materials away from landfills.
Waste Facility Management	Mandatory	Manages active and inactive waste facilities in accordance with legislative standards.
Sustainability	Traditional	Improve the City's environmental performance by implementing climate change adaptation and mitigation measures and by fostering sustainability literacy and community engagement.



Service Level Rationale	
<ul style="list-style-type: none"> Waste facilities are managed in accordance with the Environmental Protection Act, Regulation 347, Regulation 232/98, etc. Service levels and rates for waste and recycling services are approved by Council. Services overall are delivered at target in accordance with municipal bylaws, MECP legislation, ECAs and vendor agreements. Staff work with the contractor to address customer complaints. The service provision goal is to continue reducing complaints, which mostly relate to missed collection. 2025 will be a transitional year for recycling as the City moves towards the new provincial system. 	



The City of North Bay – Organizational Review

Water & Wastewater

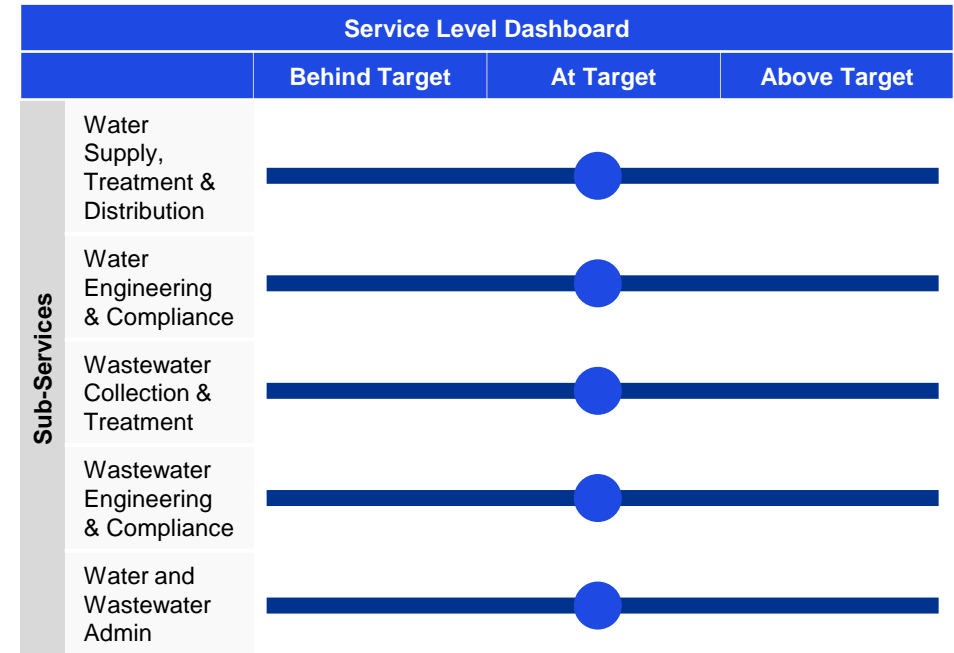
Department	
Infrastructure & Operations	
Service Type	
Mandatory	
Overall Service Assessment	
At Target	
2023 Operating Budget (\$,000)	
Personnel	\$ 6,192
Goods & Services	\$ 5,282
Financial Expenses	\$ 3,126
Subtotal	\$ 14,600
Minor Capital Expense	\$ 10,676
Transfer to Reserve	-
Internal Transfers	\$ 2,704
Total Operating Expense	\$ 27,980
Total Operating Revenues	(\$ 3,000)
Net Levy	\$ 24,980
FTE	61.08

Service Description

Water Services is responsible for providing all residents and business of the City of North Bay with safe drinking water. Residents and business outside of the urban service areas are responsible for their own water and sanitary sewer services. The supply, treatment and distribution of safe drinking water is a mandatory service provided by the City. The Safe Drinking Water Act, the Ontario Water Resources Act, individual ECA's and municipal by-laws dictate the service level for water treatment and distribution.

Wastewater Services is responsible for providing all residents and business in the City with collection and treatment of sanitary wastewater from all connected properties within the City to the sewage system. Wastewater Services must comply with various ECA's, Federal and MECP legislation and municipal by-laws, and adhere to service level standards set by various legislation.

Sub services			
Water Supply, Treatment and Distribution	Mandatory	The treatment, distribution of clean, safe drinking water to residents.	
Water Engineering and Compliance	Mandatory	Oversees water infrastructure. Responsible for ensuring water services meet minimum compliance and quality standards set out in relevant legislation.	
Wastewater Collection and Treatment	Mandatory	The collection and treatment of sanitary wastewater from all connected properties within the City.	
Wastewater Engineering and Compliance	Mandatory	Oversees wastewater infrastructure. Responsible for ensuring wastewater services meet minimum compliance and quality standards set out in relevant legislation.	
Water and Wastewater Administration	Mandatory	Reading, reporting and analyzing water meters, billing administration, and account maintenance.	



- Service Level Rationale**
- Water Services are delivered in accordance with the Safe Drinking Water Act, the Ontario Water Resources Act, individual ECAs, and municipal by-laws.
 - Wastewater Services are delivered in accordance with various ECA's, Federal and MECP legislation and municipal by-laws.
 - The division is operating with a self-funded model, recouping all operating costs through user fees.
 - The City has invested in updating water and wastewater infrastructure to mitigate risks of infrastructure failure. The Division has shifted focus to more preventive work to improve the sustainability of the water and wastewater systems.
 - The City expects the Safe Drinking Water Act to be updated in 2024 to include mandatory measures for securing computer, software and network systems from various forms of cyber attacks.
 - The Asset Management work currently in-progress will provide guidance and inform the capital work necessary to keep the water and wastewater system sustainable.



Note – Two water meter clerks are allocated to this division but report to Financial Services. They have been removed from this FTE figure.



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