



Report to Council

Department: Office of the CAO
Division: Office of the CAO
Date: September 16, 2024
Prepared by: Doug Sweet, Chief Administrative Officer
Report Number: Office of the CAO-2024-10
Subject: Organizational Review Update
Number of Pages: 113 with attachments

Recommendation(s)

That Office of the CAO Report CAO-2024-10 entitled Organizational Review Update prepared by Doug Sweet, Chief Administrative Officer dated September 16, 2024, be **received**, and

That Council **endorse** in principle all recommendations within the Town of Essex Organizational Review Final report as presented by Linton Consulting Inc, and

That Council **approve** all recommendations within Phase 1: Foundation Building except for recommendation R2 which will be brought forward during 2025 budget deliberations, and

That Council **review** all other recommendations within the Town of Essex Organizational Review report during budget deliberations over the next 3 years, and

That Council approve the 2024 post budget expense in the amount of \$16,268 **to be funded from the Town's Salary Stabilization Reserve** (as per Phase 1 critical recommendations identified in report CAO-2024-08)

Purpose

An Organizational Review is a key component to establish the overall direction and priorities, to support future staffing and Department make-up of the municipality. The purpose of the report is to present to Council the results and recommendations of the final 2024 Town of Essex Organizational Review.

Background and Discussion

The Town of Essex is striving to be the best that we can be, and we are committed to looking for ways to meet the needs of our community while being fiscally responsible for the tax dollars we receive. We recognize that our ability to consistently deliver high-quality programs and services in a cost-effective manner depends on having motivated, first-rate staff and providing them with a positive and productive workplace environment. To ensure we are set up for success not only now but for the future, the Town approximately every 5 years undertakes an organizational review by an independent consultant to provide an assessment **of the current organization's capabilities, structure and working relationships with** recommendations on improvement options and potentially organizational realignment. The last review was conducted in 2017 and for the 2024 review (2-year delay due to Covid) the Town retained Linton Consulting to help review our organizational structure and provide recommendations to build on our strengths and achieve an even higher level of organizational excellence.

One of the Town's current Strategic Plan priorities is for "Responsible and People-Focused Government," and under this pillar there is an action item to conduct a staff capacity and succession planning review to determine human resource requirements for the Town over the next few years.

Organizational change is more than rearranging the boxes on an organization chart, but rather, it must be built upon a solid understanding of our operations, resources, and implementation of the proposed improvements. For the process Linton Consulting provided

opportunities for input from Council and staff over a four-month period which included interviews, group sessions, an online questionnaire, and open office hours for individual discussions with the consultant.

The current review has been finalized and some of the proposed recommendations have resulted in modifications to some current roles and responsibilities to improve operational effectiveness/efficiency and make us even more citizen focused. The goal of the review was to focus on answering questions that included the following:

- Assess organizational culture strengths and weaknesses and the development of recommendations that will contribute to positive change.
- Are there adjustments that need to be made to ensure positive results?
- How can we more effectively attract and retain excellent staff?
- What can we do differently to ensure our employees have an appropriate work-life balance?
- Are there resources and/or skillset gaps that need to be addressed?

The final report from Linton Consulting is attached as well as an Executive Summary of the proposed recommendations and proposed timeframe for implementation of the recommendations.

Financial Impact

The below chart depicts Phase 1 as directly mentioned in the report. Administration has reviewed and identified the most critical actions that should be taken immediately and **summarized the financial impacts on those in column C titled “Critical Recommendation: 2024 Post Budget Approval”.**

A: Phase 1: Foundation Building (as per page 40 of the Linton presentation)	B. Estimated Annual Cost	C. Critical Recommendations: 2024 Post Budget Approval (October 1- December 31 st)
R1: Customer Experience Working Group	\$0	\$0
R12: Legislative & Legal Services changes Less: Savings from Legal Expenses	\$60,373 (\$55,000)	\$10,935 (\$5,000)
R5: Corporate Services changes	\$0	\$0
R6: Town Hall customer service merger	\$41,332	\$10,333
R10: Economic Development changes	\$0*	\$0
R2: Parks & Recreation changes	\$137,889	\$0 (to be considered in 2025 Budget Deliberations)
Total Estimated Costs	\$184,594	\$16,268

* First year of the new Analyst, Economic Development & Business Relations contract position is covered by a Provincial grant

The cost for the 2024 Post Budget approval would be approximately \$16,268. This is recommended to be funded from the Town’s Salary Stabilization Reserve. The Town’s Salary Stabilization Reserve’s purpose is “to minimize the impact of salary related expenses that

could include but are not limited to salary **reviews**, union contract renewals and employee discontinuance. Its target balance is 5% of total budgeted salary from the previous year and it is currently above this. Approving this post budget expenditure does not result in a target **balance lower than that recommended in the Town's Reserve Management Plan.**

The 2025 annualized expense associated with these post budget approvals equates to a net \$46,705 which is expected to be funded from growth experienced in the Tax and Water Rate Base, therefore, not to be included in any 2024 increase to the tax rate.

Consultations

Linton Consulting Inc.

Lori Chadwick, Director of Development Services

Kate Giurissevich, Director of Corporate Services

Kevin Girard, Director of Infrastructure Services

Joe Malandrucolo, Director of Legal and Legislative Services

Jake Morassut, Director of Community Services

Link to Strategic Priorities

- Embrace asset management best practices to build, maintain, and continuously improve our municipally owned infrastructure.
- Leverage our Town's competitive advantages to promote jobs and economic investment.**
- Take care of our natural environment and strengthen the sense of belonging to everyone **who makes Essex "home"**.
- Deliver friendly customer service in an efficient, effective, and transparent manner while providing an exceptional working environment for our employees.
- Build corporate-level and community-level climate resilience through community engagement and partnership and corporate objectives.