



Committee of the whole report

Meeting date:	November 24, 2020
Title:	Organizational and Compensation Review: consolidated report
Prepared by:	Laura Johnston, CAO

Recommendation

That committee receives report Organizational and Compensation Review: consolidated report for information.

Executive Summary

In response to the municipality's request for proposal (RFP) to complete an organizational and compensation review, four reports were completed: West Grey Public Library review, council compensation review, West Grey organizational review and employee compensation review. West Grey council received the council compensation report in open council on November 9, 2020, while the organizational review and employee compensation review were presented in closed session on November 9th. The West Grey library board received the library report in closed session on November 11, 2020. This staff report summarizes the consultant's recommendations and includes the consultant's public reports as attachments. Any financial implications will be addressed through the 2021 budget deliberations, scheduled to commence in January.

Discussion

In May 2020, the municipality issued an RFP to retain a qualified consulting firm to complete an organizational and compensation review. The key deliverables of the review were:

- Conduct a review of the municipality's organizational structure and identify if there should be any realignment of positions or changes in reporting structure
- Capture any changes in organization design and job content
- Conduct a review of positions to determine and ensure each position is appropriately defined and compensated for the work being performed based on market equity and internal equity
- Identify appropriate comparators based on specific criteria, collect comparator data and make recommendations to the existing salary ranges
- Review library service delivery, compensation, organizational design
- Conduct a council remuneration study and prepare recommendations

ML Consulting commenced work in June 2020. Marianne Love, principal, completed the organizational review, the salary review, the library service review and the council compensation review.



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Summary of findings

Library Review (Appendix 1)

The consultant worked with the Chief Executive Officer of the West Grey Public Library Services to analyze service levels, staffing levels and general operations, based on comparators and standards. An operational review report was presented to the library board. Any resulting recommendations will come to council, through the board. Library staff compensation was captured in the municipal staff compensation review.

Operationally, West Grey library services is challenged with providing library services to residents in West Grey over a vast geographic area with the current service and resourcing arrangement. The Administrators of Rural and Urban Public Libraries of Ontario guidelines indicate a sustainable library should service a minimum of 1000 people in the surrounding area within a 30-minute drive and should have a minimum of 8,000 circulations a year. The Ontario Public Library Guidelines recommend public library service outlets be located for the maximum convenience of residents of the community, with no specific guideline indicated for minimum population or circulation; and suggests that someone should not have to drive more than 45 minutes to the nearest library.

Participation in West Grey library programs increased in 2019 as compared to the two previous years. A focused programming strategy and work plan with continued collaboration with municipal recreation staff will advance the library's strategic priorities of becoming a community hub for community connections and resources.

In 2018, service levels were reduced at the Elmwood Resource Centre to four hours weekly. In the consultant's assessment, this puts into question whether a meaningful service is being offered to West Grey residents. As well, 2019 circulation decreased by 70% since 2014 with the majority of identified users/patrons from 2016 to 2019 residing in Brockton.

Additionally, the library is challenged to attract and retain technically qualified staff due to minimal operating hours. This results in the CEO often filling the 'service gap'.

Finally, West Grey library's full time equivalent staff complement is 4.3, which is the lowest among the comparators, while serving the second highest community population (ranks second highest to North Perth in population). The consultant recommends staffing levels be addressed to ensure the library service is "right-sized" to meet the mandate and needs of the community.

Council remuneration review (Appendix 2)

Compensation for West Grey elected officials was last reviewed in 2014, and historically, these compensation reviews were conducted through a committee of four members of the public. An independent consultant, as part of the RFP project, completed the 2020 review. In conjunction with surveys and 1-on-1 interviews with council, as well as data collected from municipal comparators and research findings from the Association of Municipal Clerks and Treasurers of Ontario (AMCTO), the consultant proposed a revised compensation model.

The current West Grey compensation model is a combination of base pay and meeting per diems. The 2020 base pay is \$18,830 for the mayor, \$10,814 for the deputy mayor, and \$9,012 for councillors. Meeting per diems are \$163.35 for a full day rate (meetings more than 4 hours) and \$90.13 for a half-day meeting of 4 hours or less. Meeting per diems are provided for regular council meetings (at the full day rate), special council meetings and committee meetings. West Grey has 32 committees, which includes boards, working groups and sub-



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committees. In 2019, West Grey elected officials were reimbursed for upwards of 24 council meetings, and 83 committee meetings. In 2019, the combined reimbursement (base pay plus per diem payments) was \$30,848 for the mayor, \$21,567 for the deputy mayor and \$21,453 as an average of the councillor pay. The AMCTO report for Central Ontario for communities with a population of 10,000-24,999, places the mayor position at \$33,344 and councillors at \$19,670.

When relating to West Grey's comparator municipalities, the consultant recommends that council discontinue the practice of paying per diems for meetings and implement a base pay program. The consultant recommends council consider the following base pay adjustments in 2021, adjusted by 1.5% for the cost of living adjustment for 2021: \$35,458 for the mayor, \$26,738 for the deputy mayor and \$21,958 for councillors.

Organizational Review (Appendix 3)

When viewed over the past five years, the staffing levels for full-time and part-time employees have been relatively consistent, with three additional positions added to complement in the past three years. West Grey is largely reliant on a full-time staffing model with a consistent level of part-time support. The full-time staffing complement per 1,000 households for West Grey is 6.4, which is the lowest staffing level in the comparators group.

Succession planning will need to be addressed. Within the next year, five employees of the municipality will be entitled to retire with an unreduced pension; and within the next five years, an additional four employees could retire with an unreduced pension. The positions are across the corporation, and not specific to any one department.

In reviewing workflow and workload, the consultant provided a questionnaire to department heads that addressed challenges in staffing, challenges in servicing, accomplishments (what's working well) and challenges (areas to improve in staffing and service delivery). In addition, the consultant conducted 1-on-1 interviews with the department heads and reviewed the 2020 staff report listing and reports pending list (which are attached as Appendix 4 and Appendix 5).

The current organizational structure is not an effective model of direct reports and there are opportunities to better align job functions with service delivery and department responsibilities.

To address gaps, the consultant is recommending the following staffing enhancements:

1. Additions to full time complement are recommended in 2021:
 - a. Finance and Asset Management Coordinator
 - i. To provide accountability for asset management and enhanced financial reporting, analysis and forecasting
 - b. Customer Service and Records Coordinator
 - i. Re-alignment to ensure customer service, legislative functions and corporate services are addressed, enhanced and managed appropriately
 - c. Capital Projects and Environment Coordinator
 - i. To provide accountability for major capital projects and landfill and environmental services
 - d. Junior Building Inspector/Plans Examiner
 - i. To address succession planning, to meet legislative and contractual requirements and enhance customer service. This is a non-tax funded position.
2. Additions to full time complement are recommended in 2022/2023:



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- a. Human Resources/Health and Safety Coordinator
 - i. West Grey has no dedicated HR support or internal expertise for employee relations, managing performance, employee development, HR policies and best practice, drafting job descriptions, recruitment, interviewing, onboarding, attendance management, WSIB claims, return to work/modified duties, health and safety training (Health and Safety currently with Fire Chief)
- b. Deputy Fire Chief/Fire Prevention Officer
 - i. West Grey operates with a full time chief and volunteer deputy chiefs, leaving minimal ability for full week coverage and gaps in proactive Fire Prevention and Public Education
- c. Bylaw and Property Standards Officer
 - i. Currently a contracted service; enforcement is complaint driven; first response is timely; need to review process and status update procedure as well as address increased workload
- d. IT Technician
 - i. Currently technology needs, issues and plans are managed by the Director, Corporate Services/Treasurer. This is not the best use of this position and, as the organization grows and the need to respond to technology needs and opportunities expands, there will be a need to deliver and support IT in a more formal manner.

Organizationally, there is also a need for a new Performance Management Program (with metrics) and a Pay for Performance System that includes Department Business Plans, Performance Management Tools that assess Goals/Competencies and Development Plans, and training materials.

Compensation review (Appendix 6)

The last compensation review for West Grey was completed 2015. The external consultant developed a pay grid structure that achieved internal, external and statutory equity using updated job evaluation scoring and market rates that reflected the 55th percentile of the defined pay market. Library positions were included in the 2015 review as well as in the municipality's Pay Equity Plan. The salary grid has been adjusted annually having regard to cost of living increases.

As part of the total compensation package, West Grey implemented an enhanced group benefits program in 2020 for full-time employees. The new program included an increased dental plan per family member, rather than a flat rate per household, maintained prescription drugs and para-medical coverage, and formalized vision care coverage.

As part of the comprehensive project, ML Consulting was retained to review and recommend a revised salary grid for West Grey positions that meets legislative standards, best practices and competitive compensation; specifically, to assess the Municipality's current pay policy (percentile target), ensure internal equity and Pay Equity compliance, and develop a revised salary grid for implementation in 2021. West Grey Library Services was included in this review. This review did not include volunteer firefighters.



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Employees completed updated job description templates that the consultant reviewed and evaluated using an updated/current job evaluation system. Pay equity was also reviewed and applied. The consultant then reviewed West Grey's data with 11 municipal comparators.

The 2020 compensation review indicates that West Grey pays below all of the defined comparator group with greater deviation in some positions. Financial implications of addressing these deviations will be incorporated into the 2021 budget deliberations beginning in January 2021.

Legal and Legislated Requirements

Under the conditions of the modernization grant, a public report must be provided by December 4, 2020.

Financial and Resource Implications

This project, at a cost of \$48,400, was funded through the modernization grant, intake 2, which was focused on organizational reviews. The recommendations resulting from this review will be addressed during the 2021 budget process.

Staffing Implications

To be determined.

Consultation

ML Consulting conducted interviews with all members of council, West Grey's senior management team, West Grey library board members and the library's chief executive officer.

Alignment to the Strategic Vision Plan

Pillar 1 – Work together

Next Steps

Staff will provide financial data resulting from the consultant's recommendations as part of the 2021 budget process.

Attachments

Appendix 1 – Library review

Appendix 2 – Council compensation review

Appendix 3 – West Grey organizational review

Appendix 4 – West Grey 2020 council report listing

Appendix 5 – West Grey council reports pending

Appendix 6 – West Grey compensation review

Respectfully submitted,

Laura Johnston, CAO