

WOODLANDS COUNTY

CORPORATE REVIEW

Report by George B. Cuff & Associates Ltd.

August 2001

AUGUST 17TH, 2001

REEVE DOUG BORG AND COUNCILLORS

Woodlands County
Box 60, #1 Woodlands Lane
Whitecourt, Alberta
T7S 1N3

Dear Reeve Borg and Councillors:

Please find enclosed our Report on the **Corporate Review of Woodlands County**. We appreciate the opportunity of providing consulting assistance to the County and your confidence in our abilities to thoroughly assess the situation and to provide pragmatic counsel on what steps to take.

We have also appreciated the cooperation rendered to us by all members of Council and the administration. While we recognize that some of the circumstances and situations are quite delicate and have been stressful, we believe that Council has taken the appropriate step in calling for this review. As you will note, we have attempted to be balanced in outlining the areas of deficiency and in calling for changes in how these issues are approached. The recommendations contained in this Report and in our separate report to Council dealing with personnel matters should be dealt with immediately. The report on personnel should be considered a confidential document and thus for the eyes of Council and your solicitor only.

The Key Next Steps

- Council needs to consider and approve our Report on Personnel Matters as soon as possible and retain legal counsel in terms of its implementation.
- Council should review this Report and, at its next meeting or at a Special Meeting of Council, pass a resolution to adopt it in principle.
- Council should then hold a subsequent special meeting and assess each recommendation and decide to accept, reject or defer it.
- Council should approve a resolution accepting the revised and recommended organization structure effective immediately.
- Council should request the administration to come back to Council with a gameplan outlining how each of the recommendations could be addressed and how soon.
- Council should keep the residents posted on its progress in implementing the Report through its available means of communication.

If you have any questions, do not hesitate to call. We look forward to our meeting with you and subsequently with the public to present a summary of our Final Report.

Yours very truly,

George B. Cuff, CMC
President

cc Doug Plamping, Senior Associate
Joel DeBlock, Associate

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1.0 BACKGROUND AND HISTORY

The municipality of Woodlands County, which is located about two hours north of Edmonton, covers an area of land which encompasses 7500 square kilometers. It has a population of about 3700 people residing largely in the western section of the County and principally within the acreage subdivisions which surround the Town of Whitecourt. The County is home to various industries including oil and gas, agriculture, timber and the service industries which support these.

Woodlands County has had a number of key events in its relatively brief tenure as a municipality. Based on the information which we were able to find, these include:

- 1913 Creation as a large improvement district
- 1922 Changes in boundaries
- 1945 Changes in boundaries
- 1955 Changes in boundaries
- 1969 Improvement Districts 15 & 16 created
- 1983 Re-establishment as Improvement District No.15 under Alberta Municipal Affairs
- 1991 Dissolution of the Village of Fort Assiniboine effective December 31st, 1991 to become a hamlet within the Improvement District No.15
- 1993 Plebiscite to determine the citizens' preference relative to incorporation as a Municipal District; incorporation was approved
- 1994 Incorporation as a Municipal District effective January 1 pursuant to Order in Council 780.93; first elections since incorporation held in October, 1995
- 1995 Opening of a new sub-office in Fort Assiniboine
- 1997 Construction of a new administration office for the County was completed on October 17th, 1997; new headquarters located near Highway 43 adjacent to the Town of Whitecourt
- 1999 Incorporation as Woodlands County
- 2000 Major flooding in the Clearwater, Doris and Timeu areas north of Fort Assiniboine which washed away 11 bridges, 24 km of roads
- 2001 Corporate Review of Woodlands County

1.1 THE BACKGROUND TO THE STUDY

As with each study or assignment which we have been asked to conduct, now numbering over 300 requests from across Canada, there are various key issues which drive the genesis of such requests. Similarly, this study evolved as a result of concerns expressed by Council relative to how the affairs of the County are being governed and managed.

These issues are not entirely of recent origin. The notion of a Corporate Review has been previously discussed over the past few years however Council as a whole did not feel that a comprehensive review was necessary (at least not when the issue was raised). Due to events of more recent vintage, the idea of an evaluation of Woodlands County was formally debated and was approved by Council in June of this year (Council Meeting of June 5th, 2001). The Council's request for a proposal was received by our firm in June of 2001. Our proposal was approved by Council on June 12th, 2001.

It was made clear to us that there had been a breakdown in the relationship between Council and its administration over the handling of certain personnel issues. Further, the relations between the Reeve, as chief elected official, and a member of senior administration have not been conducive to a productive working relationship for some time and some members of both Council and the administration have expressed the view that this has been hindering the overall sense of well-being in the organization.

The administration has been aware of the concerns of some members of Council for some time and, as we were advised, recommended this review to Council as a means of "clearing the air" and establishing a proper framework for determining the future course of events.

2.0 TERMS OF REFERENCE

We are guided in our work by the terms of reference provided to us by Council. These stated as follows:

“The scope of the review will:

- a) Examine the method by which service is delivered in the County.
- b) Examine the business processes/practices employed by the County
- c) Examine the organizational structure and adequacies of staff and effectiveness of management and supervisory staff.
- d) Examine roles and responsibilities and the current delegation of duties and reporting mechanisms between the County Council and County administration.
- e) Examine the working relationship of Council members.

The report should include:

- a) Supporting documentation of the findings of the consultant.
- b) An opinion on the efficiency of the current service delivery being provided and recommended changes.
- c) An opinion on the relationship of Council, the Chief Administrative Officer, department heads and supervisors, and recommended changes.
- d) An opinion on the working relationship within Council and recommended changes.
- e) Recommendation for changes to business processes/practices that would improve overall operational and administrative efficiencies.
- f) Recommendations for changes in the duties and reporting mechanisms between County Council and administration that would improve operational or administrative efficiency.
- g) Recommendation for changes to management and supervisory staff.
- h) An executive summary of the consultant’s findings and an implementation plan for the recommended changes.
- i) Completed report by July 31, 2001.”

Since receiving those terms of reference, we approached Council and suggested that a later date be established to ensure that all members of Council would be available for a presentation of our Report. The date of August 17th, 2001 was therefore accepted as an alternative date for presenting the Report.

3.0 METHODOLOGY

The guidance which we received from the Council indicated some urgency in conducting this review, such that initially it was to be completed in approximately 6 weeks. We eventually requested an additional 2 weeks in order to complete the Report to our standard and as well to enable all members of Council to be available for our briefing.

Our process for conducting such a study is quite standard. We attempt to gain a comprehensive understanding of the rationale for the study and the proponent objectives so as to ensure that we fully comprehend what issues need to be addressed. Thus, we spend a considerable amount of time meeting with each of the members of Council and administration as well as reviewing past records and minutes of meetings. In this instance, we have had input from some members of the public and several past employees.

Our framework was outlined in our proposal and included:

Step 1 - Study Design

- Submission of the Proposal to Council as per the request
- Established any needed logistical arrangements; designation of one employee to be our principal contact
- Submitted a list of documentation deemed pertinent to the study
- Provided our list of required interviews and interview dates; this included all members of Council, all senior staff, a cross-section of other staff, and any external others who contacted our firm and requested an opportunity to provide some input.

Step 2 - Background Review

- Conducted individual and confidential interviews with the Reeve and each member of the Council
- Conducted individual and confidential interviews with the:
 - Municipal Administrator (CAO)
 - Directors/each department head
 - All management personnel
 - Several key personnel from other levels of employees across the organization
- Circulated a survey questionnaire to each permanent employee to seek independent input on a series of related questions
- Circulated specific questions to the CAO and each department head regarding the functioning of their departments.

Step 3 - Report

- Spent a considerable portion of our consulting time crafting this Report and seeking additional feedback from various individuals as necessary
- Finalized our Report incorporating an Implementation Plan and submitted it to the Council
- Met with the Council to discuss and review process of implementation. Agreed to hold meetings with the public as appropriate and as directed by Council.

Step 4 – Follow - Up

- We will respond to any requests for further elaboration or input as to the implementation of our advice following acceptance by Council of the Final Report
- We will be available for a 1day post audit review (at an agreed upon fee) one year (or earlier if so requested by the 2001-2004 Council) after acceptance of the Report if so requested by Council.

4.0 A SUMMARY OF WHAT WE HEARD

As might be expected in a review of this nature wherein the consultant is asked to assess the health of the organization as viewed by the participants therein, we heard quite a number of issues and concerns. This is standard to such studies although what is heard is obviously specific in many ways to the organization undergoing the review.

While we have changed the language in some instances in order to maintain confidentiality, the following represents a fair and unbiased rendering of what we heard.

4.1 CONCERNS EXPRESSED BY COUNCIL

Given that we will be addressing many of these issues within the remainder of our Report, we have chosen to simply list a summary of what was expressed to us in our interviews with all members of Council. As such, we have chosen to re-state the points somewhat so as to maintain the confidentiality of our interviews but also so as to preserve the integrity of what we heard.

The concerns follow in no particular order of priority:

- General belief that the relationships on Council are at a low ebb; there is a lack of trust between various members of Council
- There appears to be two “factions” on Council resulting in issues being decided without the benefit of full debate but often based on who is in favour of what
- Besides the division along personality lines, the split on Council also appears to be geographically based; there is a definite split between the more populated western portion (i.e. Whitecourt) and the less populated eastern portion (i.e. Fort Assiniboine); Councillors try to represent their own division; as a result, no one seems to represent the County as a whole entity
- Council has become increasingly involved in matters impacting the administration due in part to a lack of confidence in the administration and in part to a desire to micro-manage as a result of a mistaken view that this is “our job”
- Members of Council do not feel that they have always received the full picture from the administration; sense that some of the options have not been fully explored
- May be an argument for a communications consultant
- Some expressed the view that other members of Council have been cultivating friendships with the staff who are resident in their respective divisions and may be getting more access to “information”
- Members perceive that the relationship between the Reeve and the administration has not been conducive to good government; there is an apparent lack of trust and goodwill which impacts many other issues

- Some view the advice given to Council relative to personnel issues not well balanced or thought out
- Too frequent leaks to the public which may be very harmful to the reputation of the Council as a whole; Council not able to control the behaviour of each other
- Lack of protocol at Council meetings; conversations allowed to ramble; individual staff criticized publicly by members of Council
- The style of the administration often encourages Council to become involved in management issues
- General belief that Council acted more as a team at the outset of this term; evidence of division between members more evident regarding specific issues
- Council has debated/discussed giving control of budget on a division by division basis
- Council has held workshops to discuss what they saw as priorities; go on a tour of the roads
- County in good shape financially (est. \$11 million in reserves)
- Limited orientation on governance roles available to new Councillors; does not appear to be a formal process although some useful information has been put together in a package by staff
- Key Issues facing the County according to the Councillors: Boundaries; personnel issues; staying the course; Council unity; no real sense of priorities; road quality and fairness in service delivery

4.2 CONCERNS EXPRESSED BY THE ADMINISTRATION

Similarly, based on our round of interviews with the administration and on our survey responses which we received to the questionnaires which we distributed, we were made aware of a number of concerns which the staff feel needs to be addressed.

These concerns included:

- There has been considerable evidence of Council involvement in the day-to-day affairs of the administration; Councillors should take up their concerns with the Chief Administrative Officer; responding to every complaint by lower echelon staff simply works against accountability; why are staff not expected to follow the chain of command
- There has been a lack of communication to the staff regarding issues which the administration believes directly impacts them (e.g. the recent termination of a fellow staff member)
- This lack of communication has, according to the staff, reduced their degree of confidence in the organization and reduced the overall morale

- Staff are aware of the split between the east and west portions of the County; general sense that the County is administering two distinct organizations with some employees encouraging both residents and Council to view the two offices as separate and distinct
- The lack of planning is evident in most things that we do
- Council should be involving the ratepayers in County boards; why are the only members Councillors? Don't we trust the judgment of members of the public?
- Councillors should keep their personal opinions about individual staff to themselves; their negative comments are hurting morale and trust
- Council should determine the policies and then have the will to stick to them; why change each time someone complains
- It is expected that any questions raised by Councillors are responded to immediately; other priorities are expected to be dropped (this is a complete waste of time and priorities)
- Considerable turnover of senior employees has been a matter of concern; while some of this is due to quite legitimate factors (e.g. higher paying position elsewhere; spouse transferred to another area; etc.), others have left for what appears to staff as questionable reasons
- Department heads are not expected to supervise any employees (exception: Public Works) with the result that all of the central office staff report directly to the CAO
- CAO is perceived as knowledgeable, quite private; not very approachable for many staff; under siege by Council
- Need to have someone responsible for balancing workloads
- Technology believed to be quite good; Council generally viewed as supportive in this regard
- Policies and procedures have not, in certain instances, changed since the days prior to incorporation; this includes the Council Procedural Bylaw; policies are often too gray and thus are open to the interpretation of the supervisor and Councillors; thus, there is considerable variation in their application e.g. the no smoking policy
- Contractors speak directly to Council instead of the department head; contractors are hired regardless of their ability to get the job done; contractual agreements are sometimes not enforced; award of tenders needs improvement; why encourage bids from people who lack either the skills or the equipment; too much confusion on contracts being let
- Position descriptions are not always kept up-to-date or may not have been created in the first place
- Morale has been very poor particularly since the termination of a senior employee recently; morale worsened as a result of the absence of any management communication relative to this issue; some question as to why Council is involved in the decisions regarding who is hired/fired

- Some senior staff have not been able to take off more than 5 days in a row; expected to take their cell-phones with them on vacation
- Councillors are too quick to find fault with the staff; tend to take the public's point of view immediately; Council's comments relative to staff during the negotiation process are viewed as deplorable; need to treat staff with more respect; lack of praise for what we do
- Need to give management the responsibility to get the results expected but leave them to their tasks without so much day-to-day interference
- Seek input from the field staff as to what is or is not working; need for more freedom for road foremen
- Council does not seem to recognize the need to follow the chain of command; priorities seem to be re-arranged as soon as they make a suggestion; this results in projects being interrupted too frequently
- Reduce the size of Woodlands; put the Fort by itself or recognize that too much of the attention is being placed on the Fort; the reverse of the foregoing comment—putting too much emphasis on the Whitecourt area!
- Reeve is too busy looking after his own division to be concerned about the rest of the County
- Staff tired of the way the County is being run; many looking for alternate employment
- Staff expressed the opinion that senior administration has been too involved in every detail; lack of confidence in supervisors; former staff feel that they lacked the necessary support
- Job security of major concern to most staff
- Is this Council too long in the tooth to make the necessary changes
- Could change the timing of Council meetings; why do they need to be so long and why not hold them in the evenings; now an increasingly higher number of County residents available in the evenings
- County run too much like a dictatorship; lack of involvement by employees in the decision-making process
- Maintenance and mechanical work needs to be improved; senior public works need more organizational skills
- Our job is to please everyone
- Road construction should be done by the private sector; we are only equipped and trained to maintain roads; even so, we lack the staff to do that well
- Need for someone to be "in charge" in the Fort office
- The continual complaints by the few are becoming very irksome to the rest.

4.3 CONCERNS EXPRESSED BY THE PUBLIC

While our terms of reference did not require us to engage in a survey of the public of Woodlands County, we did volunteer to meet with anyone who asked for time to express their concerns or to hear them out via a telephone call depending upon personal preference and our time limitations. Thus, we do not place particular significance on the following comments given that we were hearing from those with a particular concern(s). Rather, we have chosen to re-state their comments in such a manner as to maintain their confidentiality and to paint the picture which we felt was being expressed:

- Poor and unfair treatment of a long term employee; lack of answers as to why he was terminated
- Too much in-fighting amongst members of Council; not healthy for the image of the County
- Image of the County has worsened in terms of how it treats its employees
- County employees making public comments which denigrate the County Council
- Lack of planning quite evident; projects started late; some appear to be at least temporarily abandoned in mid-stream
- Woodlands County lost quite a bit of assessment during the time that it was being formed into a Municipal District
- Need to view the County as a whole; move away from the focus on individual divisions.

4.4 SOME OF THE ACCOMPLISHMENTS

We are aware of the fact that the County Council and its administration have accomplished a number of projects each year in addition to their normal day-to-day obligations. We asked for some feedback on this and received the following responses:

- Made the transition from an Improvement District to a Municipal District (and latterly, the County)
- Acquired the Whitecourt Airport through negotiations with the Federal government
- Established a fee schedule that placed the airport on a cost neutral basis
- Negotiated a deal with Alberta Transportation which resulted in the County obtaining 50,000 tonnes of milled asphalt that has a net asset value of \$250,000
- Constructed a new Administration Building and completed it on budget
- Established and maintained excellent relations with the key Provincial departments
- Kept the County in a state of preparedness during the 1998 forest fire which threatened areas of the County
- Placed cold mix overlays in the hamlets within the last 3 years

- Completed 20 km of road oiling, mostly over the past year
- Completed Rural Roads study
- Lagoon reconstruction for the Hamlets of Blue Ridge and Fort Assiniboine
- Re-structured the financial reporting system to support reporting expenditures on a program basis
- Re-structured the job costing system to reflect the full costs of projects on a program basis; introduced improvements to the financial controls to ensure that the financial reporting systems were reconciled with the job costing system
- Out in place an improved system to ensure that all costs associated with gravel hauling are charged to the appropriate project
- Put in place an encumbrance system for project contracts which has improved reporting on Public Works programs
- Reviewed the adequacy of insurance coverage for the County's properties, vehicles and heavy equipment to ensure that the coverage reflects current replacement costs
- Reviewed the adequacy of capital reserves to ensure that they can cover the replacement of all of the County's capital equipment
- Ensured that all benefit plan premiums are reconciled to payroll records on a monthly basis
- Reviewed and made changes to the County's investment portfolio.

5.0 ROLES / RESPONSIBILITIES OF COUNCIL

In a democracy, power is exercised and disseminated by the elected Council. This authority is derived from the Provincial Government who delegates responsibilities and the requisite authority to act to a locally elected Council via the Municipal Government Act and related pieces of legislation. The Municipal Government Act enables the County to make decisions which, in many instances, are binding upon its residents. In the final analysis, the residents will hold Council responsible for the decisions being rendered, as it is Council who serves as the duly elected body charged with acting in the best interests of a majority of the residents.

5.1 COUNCIL AS A WHOLE

Before we proceed with this section of our Report, which we see as fundamental to much of what follows, we wish to indicate that some of the material which follows has been authored previously by our firm in the conduct of other similar studies or is directly quoted from Provincial legislation. Where it has proven relevant, we have made adjustments.

One of the key tenets of local government is the fact that power is vested in the Council as a whole as opposed to its individual members. Thus, no one member of Council has any legislated authority to commit Council to any particular action. Power is wielded by Council who meet as a group to discuss the issues placed on the agendas which are subsequently adopted by Council as a whole for its consideration.

The following are the duties of Council as legislated in the Municipal Government Act:

Section 153

- (a) to consider the welfare and interests of the municipality as a whole and to bring to council's attention anything that would promote the welfare or interests of the municipality;
- (b) to participate generally in developing and evaluating the policies and programs of the municipality;
- (c) to participate in council meetings and council committee meetings and meetings of other bodies to which they are appointed by the Council;
- (d) to obtain information about the operation or administration of the municipality from the chief administrative officer or a person designated by the chief administrative officer;
- (e) to keep in confidence matters discussed in private at a council or council committee meeting until discussed at a meeting held in public;
- (f) to perform any other duty or function imposed on councillors by this or any other enactment or by the council.

Section 180

- (1) A council may act only by resolution or bylaw.

- (2) Where a council or municipality is required or authorized under this or any other enactment or bylaw to do something by bylaw, it may only be done by bylaw.
- (3) Where a council is required or authorized under this or any other enactment or bylaw to do something by resolution or to do something without specifying that it be done by bylaw or resolution, it may be done by bylaw or resolution.

Section 181

- (1) A bylaw or resolution of council is not valid unless passed at a council meeting held in public at which there is a quorum present.
- (2) A resolution of a council committee is not valid unless passed at a meeting of that committee held in public at which there is a quorum present.

Section 183

- (1) A councillor attending a council meeting must vote on a matter put to a vote at the meeting unless the councillor is required or permitted to abstain from voting under this or any other enactment.
- (2) The council must ensure that each abstention and the reasons for the abstention are recorded in the minutes of the meeting.

Section 201(1)

A council is responsible for:

- (a) developing and evaluating the policies and programs of the municipality;
- (b) making sure that the powers, duties and functions of the municipality are appropriately carried out;
- (c) carrying out the powers, duties and functions expressly given to it under this or any other enactment.

Section 201(2)

A council must not exercise a power or function or perform a duty that is by this or another enactment or bylaw specifically assigned to the chief administrative officer or a designated officer.

Section 202(1)

Where

- (a) this or any other enactment or bylaw requires or authorizes a municipality to do something, but does not specify who in the municipality may do it, or
- (b) the municipality wishes to exercise its natural person powers,

the thing may be done or the natural person powers may be exercised by council or by the chief administrative officer, unless council specifies otherwise.

Section 202(2)

Only a council may pass bylaws.

Section 205

- (1) Every council must establish by bylaw a position of chief administrative officer.
- (2) Every council must appoint one or more persons to carry out the powers, duties and functions of the position of chief administrative officer.

Section 205(1)

Requires council to give the chief administrative officer an annual written performance evaluation regarding results with respect to the chief administrative officer's responsibilities under Section 207.

While the foregoing sets out the legislated obligations of a Councillor, it is our view that these duties have been redefined to encompass a much broader scope of responsibilities. These, we believe, include the responsibility:

- to work together as an elected body in order to provide sound leadership to the community of Woodlands County and to the organization;
- to determine the wishes, priorities and requirements of the citizenry of the County, and to represent these views to their colleagues on Council;
- to advise the public on how they might become involved in the political process; to ensure that there are avenues available for useful and timely input by the public;
- to pass bylaws providing for public safety and good government;
- to respond to public complaints in an appropriate manner; to encourage a "customer first" focus;
- to seek the advice of the chief administrative officer (CAO) on all policy matters and other key issues;
- to advise staff and all Council through work on the various committees, commissions and boards; to act as a liaison on behalf of Council to such groups and to represent the views of Council (when known) at such meetings;
- to facilitate and encourage the administration (through the office of the CAO) to deliver the best level of service possible within policy and budget constraints;
- to monitor the performance of the administration through casual observation, attendance at meetings and community feedback; to pass along any feedback, positive or negative, to the CAO for his dissemination to the appropriate staff and his handling in whatever way he deems to be appropriate;
- to understand the fiscal health of the County through an awareness of key fiscal indicators; to establish the key fiscal policies and approve a Business Plan and annual budget in order to ensure the appropriate fiscal direction of the County;

- to review and approve the annual budget (estimate of expenditures & revenues) and ensure that the CAO has in place the steps necessary in order that the staff monitor their spending accordingly; to receive any requests for significant budget amendments and to review the legitimacy of such changes;
- to support the CAO in bringing forward new ideas which will potentially benefit the residents through improved or enhanced services;
- to support the CAO in his/her development as a senior manager and, through the CAO, to support the development of other staff on an ongoing basis where appropriate and as approved by budget;
- to ensure that all reasonable background information is being made available to Council to aid it in its decision-making process; to be prepared for all meetings; and
- to approve policies, bylaws and resolutions which provide clear direction to the public as well as to the administration as to Council decisions.

These duties are significant and central to the effective governance and administration of any municipality. They are listed herein as a complement to those specific duties indicated in various sections of the Act. If each Councillor approaches these duties with a desire to do the right thing in each instance, then the residents of the County will be well served. The residents are thereby assured that the "job" is being done as completely as is practical within the constraints of this being a part-time commitment and not a full time obligation.

5.1.1 Council as One Voice

The Municipal Government Act (Section 153 (a)) states that a Council is expected

- to consider the welfare and interests of the municipality as a whole and to bring to Council's attention anything that would promote the welfare or interests of the municipality

This sub-section of the legislation is central to the cohesiveness and strength of any municipality. It points out that a Council has an obligation to consider issues from a "community as a whole" point of view. That is, the members of Council should be prepared to give equal weight to opinions and input gathered from all quarters (or divisions) of the community and not over-emphasize those from a particular vested interest or from a specific area of the County.

When Council does make a decision, regardless of whether or not it is unanimous or the result of heated debate and thus a split vote, the result is the same. Council has made a decision. It is expected that all members of Council will then support the basic underpinnings of democracy and support the decision of Council, regardless of how each person voted. It is very unfortunate when a member (s) of Council lose a vote and then determine to undermine the decision of Council by advising their friends as to what he/she is convince was the "right" decision. Such debate and discussion is normally expected to take place within Council and before the motion is considered and decided.

Thus, when the Reeve speaks to a decision of Council, the Reeve must be careful to speak in support of Council's decisions and not how he personally feels. This requires recognition by all members of Council that the views of each are worthy of a good

hearing (before the vote is taken) and that the decisions of the Council as a whole are to be supported by Council as it is Council's decisions that drive the subsequent actions of the administration.

This should always be in the form of motions and not simply as a result of discussions at the Council table. The Reeve, of course, has a double obligation. He is not only the chief elected official charged with representing all of the citizens of the County, he is also a division Councillor who is expected by "his" voters to vote for whatever he perceives reflects the will of the majority of "his" residents. This is an almost impossible duty to completely fulfill at all times given that the best interests of the County as a whole may not be mirrored by what the residents of a particular division feel are in their best interests. It is also an issue which we address later in this Report.

5.1.2 Participation in Policies and Programs

Secondly, the Municipal Government Act (Section 153 (b)) states that a Council is expected

- to participate generally in developing and evaluating the policies and programs of the municipality

Thus, while the CAO is generally responsible for recommending policies and programs to Council, it is up to the elected officials to determine what is in the best interests of its residents and what can be realistically incorporated into the municipal budget. This suggests a thorough assessment of the perceived needs of the County and its residents and the establishment of an order of priority of what issues are to be tackled and in what order. This review could then be a part of a comprehensive approach to Business Planning and would be invaluable as lead-in to the annual budget process.

The second aspect of this requirement is to evaluate the present policies and programs to ensure that they are still relevant and that they are providing the results which the Council initially intended. There is also a specific responsibility of the Council to ensure that the policies of the municipality reflect the intent of this Council. Policies are Council's "bible". They represent what the administration are expected to do or to answer on at least the key or repetitive issues. This is a significant matter and one which needs to be addressed by every Council, including the one here at Woodlands. Is there an appropriate policy framework? Do the present policies represent the views of this Council? If not, what changes are required? Why are policies important?

5.1.3 Participation in Council and Committee Meetings

Thirdly, the Municipal Government Act (Section 153 (c)) states that a Council is expected

- to participate in council meetings and council committee meetings and meetings of other bodies to which they are appointed by council

All members of Council are entitled to participate equally at all regular meetings of Council. This does not mean that each needs to speak as frequently as their colleagues but, rather, that each recognizes that they could if they so desired. Further, this subsection of the Act indicates that each member is "expected" to participate in meetings which, in our view, requires that each be reasonably prepared to take part. This requires reading the background materials provided to Council by the CAO as well as asking

questions of the CAO (or, through the CAO, to the department heads) where there are unresolved issues which may not have been clear in the background materials.

In some instances, the member of Council may see the need to drive by the site mentioned in a report (e.g. a troublesome intersection or poor stretch of road) in order to see first hand what the issue is about. While this is appropriate, a member of Council should be clear that the motivation should be to seek clarification as opposed to give any staff direction. The latter is a designated responsibility of the CAO or as the CAO may have delegated to a senior staff member. This is not an obligation or expectation of a member of Council.

Each Councillor needs to be aware of the need to understand the expectations of his participation as a member of external special purpose bodies (or committees/boards) to which he has been appointed by Council. Unless otherwise stated, a member of Council is expected to be a liaison on behalf of Council as a whole. This will likely require taking messages from Council to the special purpose body and voting on issues as the member believes Council would have him vote. Where there is uncertainty as to the position of Council relative to an issue, then the member should so indicate that their opinion is a personal one and not necessarily the position of Council as a whole.

It should also be noted that members of Council should never feel that they are to become the advocate for a particular body to which they have been appointed. That should be the role and responsibility of the chair of that body. Councillors are to be advocates for the community as a whole and not for a particular group.

5.1.4 Importance of Seeking Information from the CAO

Fourthly, the Municipal Government Act (Section 153 (d)) states that a Council is expected

- to obtain information about the operation or administration of the municipality from the chief administrative officer or a person designated by the chief administrative officer

This directive to members of Council places the onus on both Council and the CAO to ensure that there is an open communication system between the two so as to inhibit the spread of misinformation. Such a flow can be achieved through comprehensive yet concise background reports from the CAO to Council; through questions and responses at an actual Council meeting; through a CAO report to Council highlighting the key issues; through Council enquiries on either a verbal or written basis to the CAO; etc.

What this section of the Act says about process is also important. It specifically directs that the Council is to get its information about County matters from the CAO or someone so designated by the CAO. This is done to ensure that the information is reflective of the best information then in the possession of the County and not simply a matter of hearsay; and, secondly, that the Council is inhibited from approaching other staff trying to find information which may suit their own political purposes.

This issue is a very topical one in Woodlands County. Too often, individual members of Council (and certainly not all) either see the need to approach staff directly for additional insights or else they encourage junior staff to call them with “the gospel”, which, from the view of the staff member, may well be directly contrary to the guidance Council is

likely to receive from senior staff. (One would like to think that the motives of staff involved in this practice would be questioned). Such a practice directly undermines the whole system of reporting as it drives a wedge between the senior administration and the Council.

5.1.5 Need to Keep Confidential Matters Confidentially

Finally, the Municipal Government Act (Section 153 (e)) states that a Council is expected

- to keep in confidence matters discussed in private at a council or council committee meeting until discussed at a meeting held in public

The business of Council is generally expected to be conducted publicly. This means that the public should be invited and, indeed, encouraged to attend Council meetings wherein Council discusses the business of the County openly. While some members may find this somewhat distressing or unpalatable, the fact remains that the public should be encouraged to hear the full debate in Council on any and all policy matters. The only distinction which the Act makes is with reference to issues which a Council can and should discuss “in camera”.

These are generally referred to as the three “Ls”— land sales and purchases by the County; legal advice provided by the County’s solicitor to the County Council; and labour relations or personnel matters. These issues are deemed within the right of a Council to discuss in a confidential setting. If this judgment by Council is challenged either by the public or within the Council itself, then a call to the County’s legal counsel by the CAO would be in order. (We note in our section dealing with our observations that this matter of confidentiality has been an area of struggle for Council. Unfortunately, the divulging of in camera matters can place the County as a whole at risk for increased legal costs or settlements).

5.1.6 Need for Decisive Action

Each Council is presented with various issues which it must take in hand and resolve. When Council is satisfied that it has the relevant information available to them, then a decision is appropriate. Council needs to accept its responsibility to act on those issues and areas of concern which it feels are priorities and which will contribute to the overall welfare of the community.

At times, the issues which a Council must confront are difficult to resolve. There may appear to be almost equal rationale supporting one side of the argument as the other. Regardless of this perception and the dilemma it may pose, Council has been elected to make choices on behalf of all others in this County. Despite the temptation to defer the issue or to refer it to the administration for more details, the Council needs to develop the political will to act decisively when the issue so demands. Opposition from some, regardless how outspoken, does not mean that Council came to the wrong judgment.

At the same time, Council needs to be careful that it not be swayed by those with the loudest or most insistent voice. Simply because someone (or group of people) complains about a particular proposed action or decision does not mean that the rest of the population also thought the wisdom of Council or the administration was in doubt. The

process of election is intended to put lay people in public office whose views and values appear to be reflective of the majority. Thus, when confronted by the need to make a decision, the general presumption is that this group of “average citizens” will consider all of the available facts (often presented as a result of good research by the administration) and then render a decision that another similar group of residents would have made in a similar circumstance.

5.1.7 Council Meetings

It is our understanding that Council meetings are currently held every first and third Tuesday of the month commencing at 9:30 a.m., alternating each month between the Whitecourt Administration Office and the Fort Assiniboine Administration Office. According to the orientation information presented to the new Council when they were first sworn in to Council, these meetings normally run until 3-4 PM. The rules of order for Council proceedings are as established by Improvement District Order #4 which was proposed for amendment very recently. (We recommended holding off on any changes pending the results of our study given that the present rules had waited essentially since 1994.) Where no precedent is evident under the said Improvement District Order, Robert’s Rules of Order is expected to prevail. We were also advised that:

- Agendas are closed Thursday at noon preceding the Council meeting and prepared by administration for delivery to Councillors on Friday afternoon.
- Opportunity is given during the adoption of the agenda to add items to the agenda.
- Agendas are structured to follow a set format for each meeting as follows:
 1. Meeting Called to Order
 2. Adoption of Agenda
 3. Adoption of Minutes
 4. Public Works Business
 5. Delegations/Hearings
 6. Correspondence
 7. New Business
 8. Old Business
 9. Bylaws
 10. Information Package
 11. Reports and Questions
 12. In Camera Session
 13. Upcoming Meeting Dates
 14. Adjournment.

The Executive Secretary has been assigned the responsibility for assembling the agenda packages. She has a set process for the handling of agenda packages and ensures that this process is followed as closely as possible. If she has any difficulty understanding how certain items are to be routed or handled, she has open access to the CAO and reports excellent cooperation in that regard. Reports are expected to be drafted by the department head responsible and forwarded to the CAO for review and/or comment. The CAO has

requested that each follow a consistent reporting format which appears to be generally appropriate, albeit lacking certainty as to recommendations and CAO agreement to action recommendations. (That is, all too frequently the reports are fuzzy as to what the administration believes that the Council should do. This, it has been suggested, would be too intrusive in matters deemed to be political).

It is our observation that Council meetings could be held either less frequently or of shorter duration or held during the evenings if:

- The administration was expected by Council to be more direct in its recommendations
- Policies and budgets which have been established were followed without the necessity of bringing items back to Council for further review and a second round of approvals (i.e. the first green light might not have been green)
- Additional policies were established as necessary to ensure that the staff had adequate guidance to simply get on with their jobs
- The Council could be persuaded to stick to policy issues rather than arguing the specifics of procedural matters which ought to be considered the mandate of the CAO and his administration
- The Council stuck to the motions before them and were held on topic by the Reeve.

5.1.8 Council Compensation

The compensation offered to Councillors is based on a Council policy (Travel, Subsistence and Honorariums) first drafted in 1994 and subsequently amended several times, as recently as April 2000. The policy provides for:

- Council remuneration:
 - \$150 per meeting (greater than 4 hours)
 - \$75 per meeting (less than 4 hours)
 - \$150 plus \$75 for two meetings on the same day when one meeting is a full day (greater than 4 hours)
 - mileage at a rate of \$.37 per kilometer
 - in addition, each Councillor, including the Reeve, will be paid \$300 per month for time spent in dealing with other matters of a municipal nature
 - in addition, the Reeve will be paid a further \$200 per month

In terms of total honorarium claimed, the members' claims per annum ranged from a high of \$19,000 to a low of \$11,100. The range appears to reflect the number of meetings attended and whether or not the individual is also holding the position of Reeve, which obviously entails increased responsibilities and expectations.

The policy also outlines what the members can claim for meals and lodging subsistence. The policy also notes that Revenue Canada allows 1/3 of the total allowances to be tax-free.

We contacted the rural municipalities association (AAMDC) to determine what the experience has been with regard to other municipalities. They report that:

- the compensation offered to Councillors on a per diem basis ranges from \$80-185; and on a monthly basis ranges from \$50-\$2628
- the additional compensation offered to the Reeve on a per diem basis ranges from \$10.50-\$185; and on a monthly basis ranges from \$100-1970
- the total compensation ranges from \$3600-81,000 for the Reeve with an average of \$21000; and for Councillors it ranges from \$3000-45000 with an average of \$17000 (all figures rounded up)
- the number of Council meetings ranges from a minimum of 11 per annum to a maximum of 71, with an average of 22

5.1.9 Our Observations

We will expand on certain of the following observations later in this Report. However, the following observations pertinent to the role and responsibilities of this Council provide a clear outline of our assessment of Council and its role in these issues which we have been asked to explore:

- Council appears to lack an overall **strategic framework** within which to make decisions. That is, there does not appear to be much if any time spent on deciding the key goals and objectives of Council at the outset of the year and prior to the budget being finalized.
- Council has, either on their own initiative or as a result of the style and actions of the administration, become drawn in to the **day-to-day management** of the County far more than we believe to be necessary and/or expected by the legislation. Decisions which are normally devolved to management elsewhere have continued to involve Councillors. In fact, decisions which have been made through the budget process are regularly referred back to Council for approval. As a result, it is the opinion of staff that no decision is final until Council has reviewed the issue at least a second time at a Council meeting. Even so, decisions are still subject to reversal by Council.
- Council has developed rather **significant stress fractures** on key issues which often, to those involved, appear to be more centered around personalities than matters of substance. Councillors advise us that they are quite able to predict how issues will be decided based on which Councillors will support their colleagues and which ones will not.
- Too frequently, the Council becomes caught in the argument of “what is in the best interests of my constituents?” and not focused around “what is in the best interests of the County as a whole?” That is, it is our view that the governance of the Council tends too frequently to **focus on the parts rather than on the whole.**

- Councillors appear to be overly sensitive to, and responsive to, the **demands of individual residents** rather than examining the issues in a larger policy context. Council needs to become more comfortable with the role of questioning the policy which is under attack or the rationale which supported the creation of the policy in the first place.
- Councillors do not seem to expect **written advice from their senior management** but, rather, appear content with some background information and few recommendations.
- Some of what Council discusses confidentially may have been leaked to others beyond the Council table. This has reduced the degree of confidence which members of Council have in each other and the confidence which the administration has in its Council. There needs to be a clear understanding and respect by all members of Council for the **need to keep matters discussed in camera confidential** regardless of whether or not any member of Council feels that such issues should be shared with the public.
- It is our observation that **Council does not speak with one voice**. The notion that any duly made decision of Council will be jointly shared as Council policy by all members appears to have been lost. There appears to be an understanding that decisions which are not virtually unanimous are subject to change. This, of course, would seem to negate the notion of decisions being decisions even if only supported by a simple majority.
- Council has seemingly encouraged an environment wherein the administration does not feel confident in placing before Council **their professional and unbiased views and opinions** on such issues as the award of contracts; this has discouraged the administration from following reasonable process.
- **Council does recognize its responsibility to be accountable to the residents**. It has produced newspaper columns, attended local ratepayers meetings, held their own ratepayers meetings and entertained delegations from the public at regular meetings of Council. In addition, as is the case in most smaller and rural communities, Council members are visible in various community venues, including the local coffee shops and special “fair/agricultural days” events.

5.2 ROLE OF THE REEVE

While each member of Council is expected to be a leader, each group of people who are leaders still requires someone to lead. This role falls to the chief elected official in Alberta municipalities. In this instance, that position is referred to as “Reeve”. We note that the position could also be known as “Mayor” which is permitted by the prevailing legislation when referring to a local chief elected official.

5.2.1 Public Recognition

Based on our reviews of other municipalities, we recognize that the Reeve, as chief executive officer of the corporation, can have a significant impact on how both Council (as a whole) and management are perceived by the public. This is due to the Reeve being the

public face of Council. While most people are not aware of the extent of a Reeve's authority as outlined in the legislation, they tend to see him (or her) representing the potential power which a County can exercise. Thus, if the Reeve is perceived as "in control" of the Council, the public perception seems to be that the system is in fairly good shape. Where the Reeve has been weakened by whatever steps or measures (some self-inflicted, others not), the Council as a whole will often similarly appear to be weak. Thus, in ascribing certain respect and power to the Reeve, the rest of Council may (often inadvertently) gain power and respect as well.

5.2.2 Informal Power

Much of the Reeve's power is largely informal and is brought about more by the force of the Reeve's personality and experience than by any formal designation of power. This does not ignore the fact that the Reeve has only one vote on all matters and is, in many respects, co-equal with his colleagues on Council. Rather, it reflects the fact that the public and media often tend to pay more attention to the Reeve than to others on Council. The Reeve must therefore be very prudent in his use of this power and should exercise it for the good of the community as a whole.

The image of the Reeve as an effective leader is highly dependent on the willingness of the rest of Council to follow the lead of the Reeve and to work together. This does not dispute the right of individual Council members to have independent views on all topics. Rather, this observation reflects the need of Council to receive leadership from the chair and to respect the right of the Reeve to provide such leadership as best as he is able to do so.

5.2.3 Need for Common Goals and Policies

If the Reeve is to be effective, he will need to be able to solicit the agreement of his colleagues to work cooperatively on a commonly agreed upon game plan. This is essential if the Reeve is to understand the will of Council as a whole and in order to be able to keep Council focused around the key issues. This, therefore, necessitates the development of goals, objectives and priorities as part of a corporate Business Plan.

It is also expected that the Reeve will encourage his colleagues on Council to view accepted policy from a "Council as one unit" perspective rather than individually. Council nor the community can afford to be jerked around on the basis of each public input or inquiry or complaint. Somehow reasonable policies must be established and then adhered to by Council as a whole. The administration needs to have the assurance of Council that any policies which are established will not be frequently over-turned or set aside simply because someone's aims conflicted with policy. Part of the responsibility to provide the administration with some degree of assurance comes from the Reeve who should be conveying that message to the CAO.

5.2.4 Political Leadership

In recognizing that the Reeve is expected to be the political not the administrative leader, the legislation requires Council to delegate the day-to-day "administration" of the organization to the office of the CAO. This is based on two premises:

- a) The Council is required to hire a qualified administrator (the CAO) who is capable of managing the corporation and County within Council's guidelines and policies; and
- b) The Reeve is elected as a political leader and as a representative of the people. He is not expected to have any training as a municipal administrator. On the other hand, the Reeve needs to be able to understand community issues and concerns and to be able to lead the Council toward a successful resolution of the key issues.

5.2.5 Key Roles of a Chief Elected Official

While we describe the roles of a Chief Elected Official in somewhat different terms in the material which follows, these roles can be categorized into the following four key groupings:

a) Leadership Functions

- Chair of Regular Meetings of Council; Consensus-Seeker on Behalf of all Members
- Key Spokesperson to the residents of the County and to the Administration
- Recommend the Establishment of Council Committees and Appointment of Members to Both Internal and External Boards and Committees
- Make Recommendations re: Peace, Order, Good Government

b) Communication Functions

- Brief Council Members on all Meetings and Correspondence
- Liaison with the Chief Administrative Officer
- Liaison with the Public
- Key Linkage and Spokesperson to Other Levels of Government
- Communicates the Decisions of Council to the Outside World; Expresses the "Will Of Council"

c) Monitoring Functions

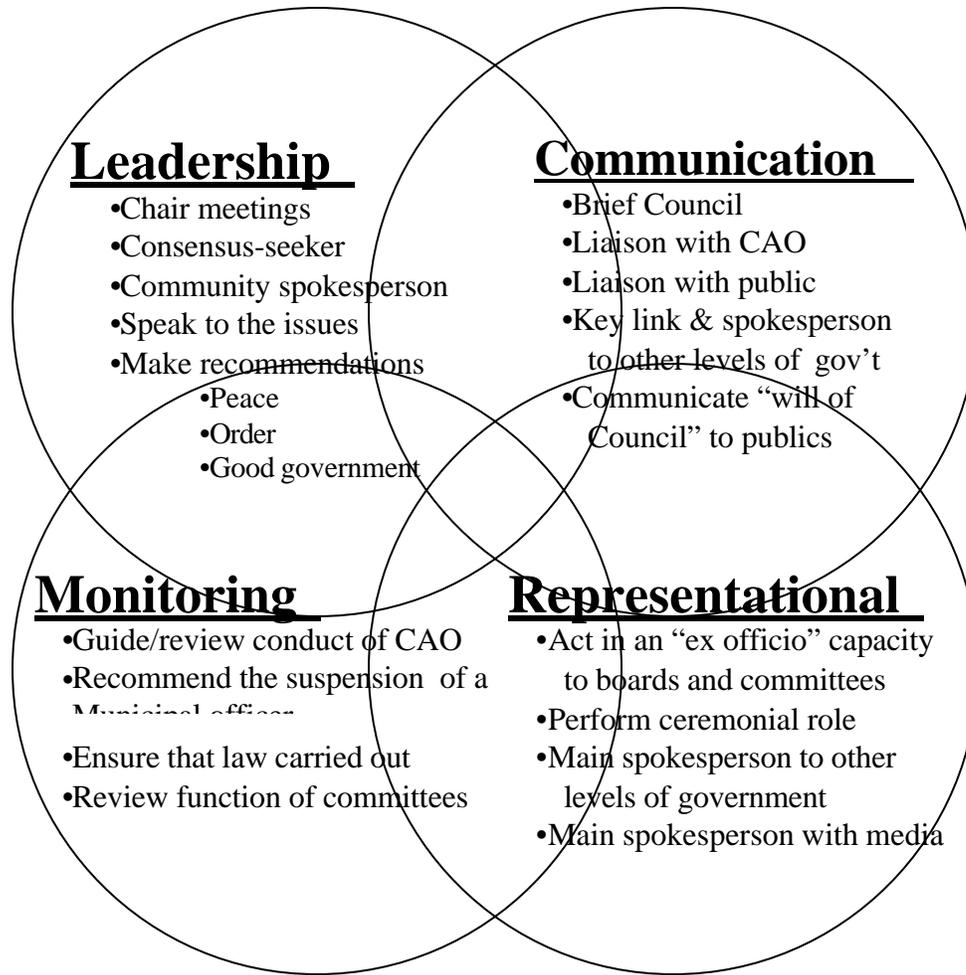
- Act as Council's Eyes and Ears in Maintaining an Overseeing Role with regard to the Conduct of Municipal Officers
- Recommend the Suspension of a Municipal Officer or Employee (If Necessary)
- Ensure that the Law Is Carried Out

d) Representational Functions

- Acts In An "Ex Officio" Capacity to Boards and Committees (if so appointed)
- Performs a Ceremonial Role on Special Occasions
- Main Spokesperson to Other Levels of Government

Another way of describing this role of CEO includes:

5.3 ROLES OF THE CHIEF ELECTED OFFICIAL



a) Leadership Functions

This role is perhaps that which is seen the most frequently by the public and by Council alike. The Reeve is expected to chair each meeting of Council and ensure that the business of Council is handled expeditiously and effectively. This requires the Reeve to be aware of meeting protocol, the concerns of his Council members, the personalities of Councillors, and the issues to be determined at that meeting. He needs to be comfortable with power and with dispensing authority with clarity and equality.

The Reeve needs to be well briefed by the CAO with regard to each and every agenda issue. The Reeve should understand the basics of the issue; what is expected by the administration; the advantages of the proposed course of action; those who are most likely to be impacted; and what sort of public participation and/ or reaction will be expected.

It is not the Reeve's responsibility to direct the agenda process although the Reeve should certainly be advised and briefed by the CAO as to the nature of the items on the agenda. While the Reeve can request that certain items be placed on the agenda, as can the rest of Council, the Reeve ought not to be in the position of screening agenda packages and determining what can or cannot appear before Council at the subsequent meeting. This is

normally the obligation of the CAO whose job it is (by virtue of the Act and Procedure Bylaw) to ensure that those items which require the direction and resolution of Council are placed before Council in a comprehensive yet expedient fashion.

With regard to the appointment of Council members to boards and committees, it is normally deemed to be a prerogative of the Reeve to recommend the appointment of Council members on an annual basis. This prerogative needs to be limited by two caveats. First, the Reeve should consult with all members of Council prior to any recommended appointments being placed before the full Council. Secondly, Council as a whole should approve these appointments by a majority vote. This can be perceived as a fairly significant issue and sometimes an emotionally charged issue given the desire by Council members to serve on particular boards and organizations with which they have personally some degree of affinity. It is our opinion, on the other hand, that all members of Council should be considered to be generalists on all issues and thus should be eligible for appointment to all boards and committees. In this regard, we believe it is wise for the Reeve and Council members to reconsider this list of appointments each year and ensure that some degree of rotation occurs during the course of a Council term.

As a leader, the Reeve is expected to be capable of "rallying the troops" around a particular issue(s) or a particular course of direction. The direction, however, must be that established by the full Council rather than the Reeve individually. Thus, in some instances, the Reeve may be obliged to pull the full Council together towards a particular direction which he may not have supported at the outset. This obviously requires someone with the ability to lead based on decisions established by consensus rather than someone who can only lead if the consensus reflects his own opinion. While this is a difficult matter, the Reeve is nonetheless one individual who must be able to draw disparate views together and enable a consensus to be reached.

Likely one of the most difficult tasks of any Reeve is the expectation that he will be able to find the common ground between Councillors amidst the sea of diverse opinion. This task is daunting at times due to the disparate positions which may be vigorously held by other members of his Council. As the leader of Council, the Reeve is, however, expected to draw the views of his colleagues together and to point out a reasonable compromise if one exists. The Reeve needs to retain his impartiality on the issues until the issue has been presented to Council and until it is appropriate for the Reeve to voice his personal views on the issue. While the Reeve is not expected to compromise his principles, most issues have within them the potential for agreement providing that people are prepared to see each other's point of view. The difficulty, of course, is convincing everyone that some degree of compromise is needed to reach a reasonable solution.

The vast majority of the power of the Reeve's office is more implied than it is stated. The office of the Reeve carries with it considerable perceived clout in the community given the status and respect which most people accord to that office. While it may not have much additional formal power than that of any other member of Council, the Reeve is expected to be the leader of the community and to be capable of taking charge of the issues. The Reeve also has an implied obligation to convey the will of Council to the public, whether or not the Reeve has actually supported the decision of Council. The public needs to know what the Council has decided on a particular issue and this is a role which the Reeve is ideally suited to play.

b) Communication Functions

One of the keys to effective leadership as a Reeve is his ability to ensure that the Council as a whole is well-briefed at all times with regard to the information which the Reeve becomes party to as a result of his office. Council members generally understand that the Reeve may often become aware of issues before the rest of Council as a result of his role as leader of the Council. While this affords the Reeve with advance notice of such issues or even potential new projects, the Reeve has an obligation to immediately inform his colleagues on Council and the CAO as to the nature of his discussions. Indeed, it is preferable that the Reeve strives to have either the CAO or the Deputy Reeve present in such discussions. It is not wise for the Reeve to ever withhold such information if he expects his Council to want to work together under his leadership. Thus, the Reeve and the CAO will need to establish a mechanism that ensures that all members of Council are equally and concurrently advised of the issues as they develop.

In part due to his position as leader of Council and in part due to the more frequent presence, the Reeve is expected to be Council's main spokesman to the administration. This role is particularly important as a means of ensuring that the views of Council as a whole are understood at the senior levels. The Reeve needs to be able to advise the CAO and senior staff as to his Council's anticipated view of a matter or to clarify a policy position or explain a particular grievance as expressed by Council.

The Reeve needs to be careful, however, that his actions do not lead the rest of the organization to conclude that he is the administrator. The Reeve, like all members of Council, needs to defer to the CAO on staff issues or run the risk of severely damaging and undermining that office. This is one of the reasons why the Reeve needs to be careful in how accessible he is to other members of staff other than the CAO, unless such meetings are held with the agreement of the CAO or at least his advance knowledge.

c) Monitoring Functions

The Reeve has an implied obligation to monitor the delivery of local government services. This does not mean that a member of Council, including the Reeve, is to directly supervise the work of the administration but, rather, to maintain an awareness of what services, programs and policies are being implemented and to continually assess whether or not these are meeting community needs and standards. This can be achieved through simply being aware of what is going on in the County and bringing any issue which needs attention to the notice of the CAO. If the matter is within existing policy, the CAO will endeavor to act upon the Reeve's suggestion while if the matter is deemed by the CAO to be beyond the present Council policies, then he is required to bring such a matter back to the whole Council at a duly called meeting for Council's resolution.

As a part of the monitoring function of the Reeve (and also of the Council), it is possible that a member of Council may believe that a member of staff has acted inappropriately. This should not result in that Council member publicly criticizing the staff member but, rather, bringing such a matter to the attention of the CAO to use his authority to act as he deems appropriate, given his assessment of the situation.

Regardless of the rationale for such criticism, there should never be any direct public criticism of the administration by any member of Council. The Reeve should immediately rule such comments out of order and remind Councillors of their commitment to this protocol. The appropriate place for negative comments vis-à-vis

administrative performance, however, is in an in camera meeting between the Council and the CAO.

There also needs to be a clear understanding by all parties that the appropriate protocol for a member of Council in accessing administrative advice (at a Council meeting) requires referral of such enquiries to the CAO for his response. It should be up to the CAO to determine what response is appropriate and whether or not he has sufficient information to answer the question or whether the issue should be referred to another member of the administration. It may well be that the CAO recognizes that the issue is linked to several others which are under review and thus the best response would be to defer any answer. The Council should accord the CAO this courtesy.

d) Representational Functions

The Reeve, by virtue of his office, may be appointed to various boards and committees. These bodies are often appointed by Council and may consist, at least in part, of public citizens who are asked to advise the municipality on one or more key functions (e.g. planning, recreation, tourism). The presence of the Reeve is often sought when a group wants to:

- ensure ongoing support by Council
- increase the likelihood of Council being informed as to the issues
- obtain an insight at least into how Council may react to a particular recommendation.

It needs to be made clear, however, that the Reeve's role is to reflect the views of Council (as they exist in terms of policy, resolutions, bylaws and informal debates/discussions) to the external agency. As well, the role of the Reeve as a liaison (similar to that of any member of Council) rather than that of advocate must be made apparent to any and all advisory agencies (special purpose bodies).

Every Reeve across Canada is expected, from time to time, to perform certain ceremonial duties. These can range from the annual parade to greeting the Premier on a speaking tour. Unless the Reeve is otherwise committed, he is expected to be present and carry the civic colours. This tends to build a real sense of community pride and accomplishment and thus the importance of this role should not be diminished. While these events are important, not all need to be attended to by the Reeve. Depending upon availability, size of the event and other demands of the Reeve's office, the Reeve may want to delegate such an appearance to another member of Council. This delegation to individual Councillors needs to be regularly rotated to avoid any appearance of favouritism

As the official representative of the community, the Reeve will more frequently be in a position of being the host of visiting groups and delegations. This will require the Reeve to have some latitude in that any expenses incurred by the Reeve in hosting such organizations; delegations or individuals should be a legitimate charge to the County. An appropriate record-keeping process, as recommended by the CAO upon the input of the external auditor, should be determined. A reasonable budget needs to be established for this purpose on an annual basis.

The Reeve is also expected to be the key representative of Council in meetings with other municipalities (unless delegated to another member of Council) and the Provincial and Federal governments. Any liaison on a political level should normally be conducted through

the Reeve's office. When another level of government is pondering new legislation or a new regional or local project, they expect to receive the opinion of Council when dealing with the office of the Reeve. While that role may be delegated on occasion to another member of Council, or a committee, it should, as a matter of protocol, be voiced and/or coordinated through the office of the Reeve.

While we recognize the additional powers and prestige of the office of the Reeve, these powers are only effective when supported by the rest of Council. This serves as a useful check upon the authority of not only the Reeve but also Council as a whole. There needs to be a genuine recognition of the value of working together and finding consensus on the issues. This will require respect for the right of each other to hold views which may be at variance with others on Council.

This respect should be conveyed not only at the Council table but publicly as well. That is, the public and staff of the County should not hear a Councillor or the Reeve publicly deride one of their colleagues regardless of the circumstance. That would be unprofessional and not serve any constructive purpose.

5.3.1 Our Observations

Based on our interviews with all members of Council, the administration and some members of the public, we perceive that:

- the current Reeve is quite experienced in local government
- the Reeve has a good understanding of the full County based on both his tenure on Council as well as his involvement in the area which he represents
- the Reeve is capable of running a meeting although there are complaints that these are too loosely structured
- the Reeve appears to be respected locally by those who see his commitment to various community endeavours
- the Reeve has not been able to maintain a harmonious working relationship with all members of Council (it should be observed that others on Council would also have had similar difficulty)
- the Reeve has not had a good working relationship with the CAO.

5.4 COMMITTEES OF COUNCIL

According to the Municipal Government Act, Council has the authority to not only create committees and boards but to also appoint its members to committees and boards established by others. These special purpose bodies can add significant value to the municipality if they are established under the right circumstances; with a good cross-section of the public; with prescribed access to staff resources; with a defined budget and clear terms of reference.

We note that the County has either established several such bodies or has agreed to appoint members of Council to others which have been established by other legislated authorities. According to the information provided to us by the administration of the County, Council appoints members to the following:

- Municipal Planning Commission

- Subdivision and Development Appeal Board
- Assessment Review Board
- Whitecourt Regional Solid Waste Management Authority
- Ambulance Authorities (Whitecourt, Lac Ste. Anne & Barrhead)
- Staff/Council Liaison Committee
- Agricultural Service Board
- Economic Development Board
- Barrhead & District Social Housing Association
- Lac Ste. Anne Seniors Foundation
- Woodlands County Library Board
- Community Lotteries Board
- Whitecourt Regional Housing Authority
- Ad Hoc Committees
 - Canadian Rivers Heritage Nomination Background Study Committee
 - Whitecourt Regional Forest Advisory Committee
 - Local Timber Advisory Committee

5.4.1 Our Observations

Some of the above are required by legislation and thus need to be retained by the County (e.g. Municipal Planning Commission; Agricultural Services Board; Subdivision and Development Appeal Board; Assessment Review Board). Some are created by Council under permissive legislation wherein the Act permits the Council to establish or be part of a particular organization (e.g. the Woodlands County Library Board). Others have been established as regional bodies with various powers ascribed by bylaws or provincial legislation (e.g. the Whitecourt Regional Solid Waste Management Authority; Ambulance Authorities; Community Lotteries Board; Lac Ste. Anne Seniors Foundation; Regional Housing Authority). The Ad Hoc Committees are created by other organizations which then request the Council to appoint members.

It is our opinion that:

- The Council use of a committee of the whole system is appropriate and that any attempt to re-create a standing committee system within Council should be discouraged
- The boards and committees listed above are appropriate and should be continued (with the possible exception of the ad hoc committees and it may be that we were unable to discern the real purpose of these and therefore we question their ongoing need)
- The Council should be encouraging the involvement of the public to the extent realistic and practical and thus we believe that at large members should be appointed to:
 - The Municipal Planning Commission (likely 2 members)
 - The Agricultural Service Board (likely 2 members)
 - The Assessment Review Board (all members to be at large members)

- The Economic Development Committee (likely 4 members)
- The Council Liaison Committee should be rescinded as its purpose contradicts the authority granted to the CAO and likely sends the wrong message to the staff (there are better ways for Council to encourage communication with the staff).

6.0 ROLES / RESPONSIBILITIES OF ADMINISTRATION

While effective Council leadership is essential to a well-run municipality, so, too, is an administration which is well aware of its responsibilities and quite capable of performing them. This requires certain key elements, including at least the following:

- Qualified and positive leadership
- A well-defined organization structure
- Clear position descriptions
- Involvement in developing a corporate Business Plan
- Feedback on performance of their duties
- A reasonable and fair compensation plan including fair and equitable benefits
- Support by management in the face of adversity
- Opportunities for ongoing training
- Career progression opportunities.

6.1 ADMINISTRATION AS A WHOLE (OUR OBSERVATIONS)

Our review included an assessment of the organization as a whole and then the key elements. We begin, firstly, with the administration as a collective body. In the main, we find that many of the key elements (which we have outlined above) are not evident in this system. While there may be various players responsible for the present state of affairs, we believe that the position of CAO carries the responsibility for how the organization performs. This position is accountable as the administrative head of the organization for the performance of the staff in their duties. While it might be argued that Council has played a significant role, the accountability for the performance of the staff rests with the CAO.

Thus, we believe that the CAO must bear responsibility for the decisions made as to who is to be hired. It is his responsibility to hire and fire staff regardless of who asks to play a role in such decisions. We note that, according to the information provided to us, 3 senior staff have been terminated over the past 4 years, with another 11 staff quitting for what were cited as other reasons. This track record, in a relatively small organization, is not what we would expect to find. In fact, it has been our experience that rural municipalities are often far more stable as an employer than urban municipalities and other employers. While we have not conducted a survey of this with other jurisdictions, the fact that there has been considerable changeover recently raises significant questions. (We are aware that the positive local economy has played a role in attracting employees to what would appear to be as higher paid positions. Our argument is with the others who have reportedly left due largely to dissatisfaction with the County Council and its administration).

We also note that the present structure has all of the central office staff reporting directly to the CAO. Again, we cannot recall a similar situation in our previous consulting to numerous other municipalities across Canada. It is normally expected that the staff will report to the supervisor with whom they have the most contact. The staff, in most instances, also questioned this but were reluctant to challenge the current management style and structure. Most managers realize that the only way by which you encourage supervisors to improve

their management capabilities is to give them increasing responsibilities for managing employees and reaching prescribed performance targets. In this instance, we find neither.

The employees as a whole are not encouraged to participate in business planning activities and thus do not have a complete understanding of that key process. In fact, whatever planning does occur is largely ad hoc with much of the emphasis being placed on the annual exercise to prepare and present the budget.

The County does utilize a performance measurement system which is certainly to the credit of the CAO. The CAO does performance reviews on those staff reporting to him, often on a twice yearly basis. The deficiencies in the review system rest largely in the fact that:

- (a) no performance targets are established at the outset of each review period
- (b) not all position descriptions are up-to-date
- (c) the CAO reviews the performance of staff whom he rarely has contact with and is thus unfamiliar with their individual performance
- (d) the use of the system has fallen into considerable disrepute based on the most recent staff member termination.

It is hard to describe the current approach to compensation as a “plan”. The information provided to us indicates that the salaries are negotiated without a proper compensation policy or framework in place and thus the staff are left to argue the worth of their positions in front of a Council who take the adversarial role as a means of trying to restrain salary demands. This has not worked well and has, in fact, lead to considerable animosity between the staff and members of Council who have circulated throughout the organization all of the demeaning comments made to them by one or more Councillors.

Performance appraisals are not currently undertaken for all part-time staff. The trend on the use of part-time staff is increasing and many current part-time staff have worked for the County for a number of years. It is important that this resource be managed effectively and some form of performance appraisal or work assessment be undertaken on a regular basis.

The role of the Council Liaison Committee which is “to negotiate with the Staff Liaison Committee an annual or longer term staff employment agreement” is not a useful mechanism for what is normally expected to be a CAO function. The latter should be developing a policy and framework approach to these matters and then, once those are approved by Council, the annual discussions should take place between Council and the CAO relative to any reasonable changes to the policy and framework, based on the research conducted by the CAO or by an external contracted agency/firm.

Based on the results of our employee survey and the comments provided to us by those staff whom we interviewed, there are major questions amongst the staff as to the degree of support they receive from the senior administration in the face of any criticism from Council or the public. While we understand that the senior staff has gone to bat for the staff on occasion before Council, the general sense which we received from Councillors and the administration was not what we would expect from senior administration. The anecdotal evidence cited by the staff is based on the spate of terminations and employee departures over the past few years. Further, there is a general sense by employees that Councillors immediately take the side of a complaining public regarding staff performance before checking the facts with the CAO. The view of the corporate body of Council and employees is in fact that of two separate organizations.

Career progression and training are generally viewed as the responsibility of the employee. There does not appear to be any municipal training plan. Certainly, no such plan was made available to us and neither did any of the senior staff report to us regarding any serious discussions relative to career planning. We do note, however, that staff have been allowed to attend various courses and conferences related to the course of their work. While this is to be commended and in fact should be expanded, there does not appear to be any real policy commitment to this practice.

Given the relatively small size of the organization, there is considerable degree of awareness as to what happens to each employee. The employees have been really impacted in a negative way by the recent termination of a long-term employee. This, they viewed as unfair and wrongly motivated. Whether it was warranted is not for us to say. It is highly suspect in its timing given that the employee in question had relatively recently been given a promotion to a management level. The issue pertains more to how it happened and the absence of any feedback to the rest of staff as to how the County intended to proceed.

As someone commented in response to our survey, “Maybe if everyone would concentrate on their own job and stop worrying about everyone else’s so much, it would stop some of the negative attitude”. While that may well be true, it does not negate the senior administration and Council from its obligation to ensure that not only is the proper process followed, it must be perceived to have been followed.

6.2 CHIEF ADMINISTRATIVE OFFICER

6.2.1 Background

We view the role of the Chief Administrative Officer as extremely important and central to how the entire system functions. Where there is a clear recognition of the various responsibilities of a CAO and an appreciation as to how these can be best utilized, then the overall legislative-administrative system will function best. We begin this section by describing in summary terms these roles. We then describe them in greater depth.

- Leadership Functions
- Key advisor to Council on all policy issues
- Recommends new initiatives
- Recommends legal counsel as appropriate
- Spokesperson to the administration
- Communication Functions

6.2.2 Legislated Authority

The authority of a CAO is as delegated through bylaw and as specified in the Municipal Government Act. These duties, as listed in the Act, are as follows:

207 The chief administrative officer

- (a) is the administrative head of the municipality;
- (b) ensures that the policies and programs of the municipality are implemented;

- (c) advises and informs the council on the operation and affairs of the municipality;
- (d) performs the duties and exercises the powers and functions assigned to a chief administrative officer by this and other enactment's or assigned by council.

Performance of major administrative duties

208(1) The chief administrative officer must ensure that

- (a) all minutes of council meetings are recorded in the English language, without note or comment;
- (b) the names of the councillors present at council meetings are recorded;
- (c) the minutes of each council meeting are given to council for adoption at a subsequent council meeting;
- (d) the bylaws and minutes of council meetings and all other records and documents of the municipality are kept safe;
- (e) the Minister is sent a list of the councillors and any other information the Minister requires within 5 days after the term of the councillors begins;
- (f) the corporate seal, if any, is kept in the custody of the chief administrative officer;
- (g) the revenues of the municipality are collected and controlled and receipts are issued in the manner directed by council;
- (h) all money belonging to or held by the municipality is deposited in a bank, credit union, loan corporation, treasury branch or trust corporation designated by council;
- (i) the accounts for authorized expenditures referred to in section 248 are paid;
- (j) accurate records and accounts are kept of the financial affairs of the municipality, including the things on which a municipality's debt limit is based and the things included in the definition of debt for that municipality;
- (k) the actual revenues and expenditures of the municipality compared with the estimates in the operating or capital budget approved by council are reported to council as often as council directs;
- (l) money invested by the municipality is invested in accordance with section 250;
- (m) assessments, assessment rolls and tax rolls for the purposes of Parts 9 and 10 are prepared;
- (n) public auctions held to recover taxes are carried out in accordance with Part 10;
- (o) the council is advised in writing of its legislative responsibilities under this Act.

- (2) Subsection (1)(a) to (d) and (o) apply to the chief administrative officer in respect of council committees that are carrying out powers, duties or functions delegated to them by the council.

The role of the CAO must also be established by bylaw (see Section 205.1).

6.2.3 The Expected Results

An effective Council-CAO system could be said to exist when the following results are in evidence:

- Clear and forthright policy advice to Council to aid in its decision-making; well-researched opinions on the key issues and apolitical advice on how such issues should be handled;
- A sound team concept amongst all members of staff; coordination of all staff so that the needs of the community supersede all other considerations;
- Discipline throughout the organization; acceptable behaviour within the Council's approved rules; enforcement of policies as authorized by the CAO's bylaw or by Council policies;
- Effective use of staff resources; the avoidance of any unnecessary duplication; combining job duties as necessary;
- Strong fiscal management systems; a solid grasp of the County's finances; ongoing advice to both Council and to the department heads; assistance to the other staff so as to improve their financial management skills;
- Positive administrative leadership and the ability to instill a good work ethic in all staff; a sense of "mentoring" of solid administrative and management skills;
- New techniques and ideas; the encouragement to come forward with better ways of doing the work which needs to be done;
- Well-trained and motivated staff; appropriate personnel policies; a balanced, comprehensive compensation policy;
- Enhanced employee morale through a better sense of purpose and vision;
- A more interdependent system with teamwork evident between staff; and
- A strong mandate for Council which concentrates on the need to set political direction; and the expectation that staff will be properly guided in carrying out the will of Council.

We have studied this relationship in over 200 municipalities across Canada. It is apparent to us that there must be mutual confidence between the Council and the CAO or this system simply does not work very well. This confidence is based on a clear understanding of roles; a desire by both parties to not interfere unduly in the role of the other; and a belief that the CAO can competently fulfill all of the key aspects of the position.

Council needs to know that the individual holding the position of CAO is fair-minded; astute; of strong character; able to resist the temptation to stray over the blurred line separating policy and administration; capable of retaining confidences; willing to be a strong leader for the staff; able to work in a team environment; and of high moral standards. Many political leaders of today also expect the CAO to be proactive with regard to new initiatives or policies which will place the municipality at the forefront of public sector bodies. As well, most Councils want their chief administrative officer to be able to function effectively as the chief policy advisor.

A municipal system can survive many problems and inconsistencies such as inadequate planning; too few (or too many) staff; limited policy development; interference from Council in administrative responsibilities; etc. Such considerations are a part of the

environment which municipal organizations face on a regular basis. Based on our experience, however, the municipal system virtually ceases to function as intended where the relationship between Council and its chief appointed officer is not reflective of trust and confidence.

As the policy-making body, Council has to feel confident in the advice it receives prior to making decisions. It also has to be assured that these decisions are being carried out promptly and responsively. Further, Council needs to be assured that the public is being well-treated by an administration who adheres to policies and who tries to reflect the attitude of its Council towards the public. This does not suggest that interruptions cannot occur in this relationship. Like all relationships, there will always be a degree of ebb and flow. The key is to ensure that any problems are dealt with quickly and as they arise. If an individual member of Council has concerns relative to the performance or actions of the CAO then he should take this up with the Reeve. If the Reeve is either unable or unwilling to pass along the concern to the CAO, then an in camera meeting of Council should be called to address the matter and take the appropriate action.

6.2.4 Key Functions

Leadership Functions

The role of a CAO is critical to the successful functioning of the Council. Upon it hinges the internal credibility as well as much of the external credibility of the organization. A CAO is chosen on the basis of his administrative skills and his experience in dealing with the complex issues which face this and any similar municipality. As the Act describes it, the role is deemed essential to the decisions which Council will be required to make. One of the leadership roles played by the CAO is that of policy advisor to the Council.

In order for this relationship of policy advisor to policy maker to work effectively, there must be a high level of trust between the two. Where that ebbs or fails, the expected relationship shifts and Council begins to exercise authority in both arenas. Council no longer turns to the CAO as its first source of advice but, rather, looks either to other department heads or internally to other members of Council. Further, decisions which would, as a matter of course, be made by the CAO or other senior employees begin to flow upward to Council who begins to become involved in a level of decision-making normally the purview of the administration.

As we have stated previously, we view the position of CAO as critical because of two central aspects to this role:

- 1) It is a **policy advisory function** which is essential if Council as the policy-maker is to have all of the information it needs to make sound decisions. The CAO as chief policy advisor is charged with ensuring that all of the policy options have been identified and properly balanced prior to recommending that which appears to make the most administrative sense. This, then, leaves to Council the obligation of determining the proper political choices to be made.

This function of a CAO also helps to separate the policy and administrative roles. It might be likened to the narrow portion of the hourglass where information is channeled in both directions but where there is some degree of control (and

protection) over the administrative resources such that this function is maintained as distinct from that of those charged with setting policy.

- 2) It is also an administrative guidance function wherein the members of the management group receive direction from someone schooled in local government administration who has a broad understanding of the issues as well as a good appreciation of what a CAO is expected to do. The CAO acts as the main contact with the political level and, when necessary, as a buffer between the departments and the policy-makers. The apolitical nature of staff is thereby protected and the administration is left to be managed according to sound management principles rather than by political whim regardless of how well-intentioned.

If this is functioning as intended, the administration is at liberty to research issues; delve into the options; assess and weigh those of most merit; and recommend to the policy body (i.e. the Council) the option which appears to have the greatest merit.

A second key leadership function of the CAO is to be able to initiate new ideas and measures designed to improve certain aspects of the organization. The CAO is expected to be the lead player in encouraging his/her subordinate staff to propose better ways of doing business and then taking a lead role in determining whether or not these ideas can be made to work.

Thirdly, the CAO needs to have an appreciation of the legislation so that he is able to advise Council as to whether or not it is in danger of over-stepping the law. Where the CAO has made that assessment, then he is obliged to advise Council of this and to ensure that it has access to the written opinion of its legal counsel.

Further, the CAO has an obligation to act as the spokesperson for the administration. He is expected to be familiar with the issues facing his staff and capable of not only articulating the essence of those issues but also defending his staff where the situation so warrants. Thus, the CAO needs to ensure that he is well-versed in the issues of concern to each of his department heads and sufficiently familiar so as to lead the presentation of such matters to the Council, either in committee or at a regular meeting of Council. That is not to suggest that the CAO is to be the technical expert on all such matters. Rather, that the CAO is to be familiar with the key points and then comfortable enough with the department head in question so as to refer such matters to the department head for further clarification or responses to the questions of members of Council.

Communication Functions

The CAO also plays a very important role in acting as the conduit between the Council and the administration. The CAO is expected to ensure that the messages of Council are communicated quickly and comprehensively to the senior staff immediately following a meeting of Council. While certain logistical aspects of this role may be delegated, it is still up to the CAO to ensure that this has been done.

In some cases this may be achieved by way of circulating the minutes of the Council meeting to all department heads and perhaps even to all staff. In other instances, and depending on the significance of the issues under review, the CAO may wish to hold a department heads meeting right after Council meets to inform the others who may not have been in attendance the essence of the decisions taken by Council. As we note in our Report, the key meeting for a CAO to hold with the senior staff is the one he should be

scheduling before the meetings of Council wherein the business issues to be placed on the Council agenda are thoroughly discussed and vetted by the department heads.

We view the CAO's position in the organization as second only to that of the Reeve and Councillors in terms of potential impact on how things get done. The CAO represents Council's main link with the rest of the organization and is expected to act as the channel through which the administration reports. The role is also central to Council in that the CAO is expected to be the principal policy advisor to Council and thus the source of considerable wisdom and experience based on an extensive background in local government.

The CAO should also be aware of the need to ensure that key decisions by the Council are, in fact, communicated to the public. This is not the role or the responsibility of the media. Steps should be taken which result in the public being made aware of the key decisions of the Council including the goals and objectives of Council given that these have just recently been articulated. This might also be a good time to introduce all members of Council to the public by providing a thumbnail sketch of each in one or more issues of such a public newsletter. Other ways of ensuring public awareness of these issues could probably be garnered through discussion with other rural and urban communities around Alberta.

Monitoring Functions

The CAO also has a significant role in monitoring the organization. This includes the expectation that the CAO will, on an ongoing basis, assess the caliber of the staff who work in a direct reporting relationship to him (as well as those who are in subordinate positions in other capacities throughout the organization via discussions with their supervisor). The formal assessment of those who are not in a direct report capacity should, of course, be the responsibility of the immediate supervisor. It is our position that the CAO has an obligation to conduct both informal and formal appraisals of his own direct reports on a regular basis, including an annual assessment which is tied in to the compensation system.

Any such assessment by the CAO needs to include both subjective as well as objective criteria. That is, there will always be some degree of subjectivity involved in a performance review but this must be complemented by a review of actual specified deliverables as well. These should form a part of the County's performance assessment system.

Similarly, the CAO must also be familiar with the goals and priorities of the organization in order to deliver their assessment of the results being achieved on an annual basis. These should be spelled out as targeted deliverables by the CAO with assessment factors built in to the target setting process. Then, at year-end, the CAO should set in place a process of review which focuses on the targets and the results. This is a critical aspect of good governance and thus the results should be made available to the Council on an annual basis.

One of the aspects of any comprehensive review should be an assessment of the machinery, facilities and equipment of the County. A policy(s) needs to be established which ensures that all machinery, equipment and facilities are being carefully monitored so that any upgrades can be accomplished on an appropriate basis. Further, the County needs to ensure that it has in place a policy which requires the municipality to set aside funds on an annual basis to replace all equipment and machinery at the end of their projected normal life-span.

A monitoring function, which may not be as readily apparent to the organization, is that of maintaining an ongoing pulse on the morale of the administration. This is often

accomplished simply by being a good listener and observer as to what the staff are saying during meetings as well as during informal encounters. In order to produce effective results, the administration must be confident that their concerns are being heard and that action is being taken as quickly as possible.

This is a requirement not only of the CAO but also of the other senior staff as well. Each department head and supervisor acts as a mentor to their subordinates. The question is whether or not the roles being modeled as well as the attitude being displayed are those which the supervisor wants to see replicated.

The CAO has a major role in acting as the senior bureaucrat in the system and thus as the potential mentor of his colleagues and other supervisors in the organization. While it may not always be apparent, the rest of the organization receives their “message” as to appropriate style of management and decision-making from the CAO. Thus, the CAO who is prepared to take some calculated risks in order to move the organization ahead will influence others to adopt a similar attitude and style. The CAO who is personable and outgoing will end up attracting others of a similar attitude. Conversely, the CAO who is reticent and adverse to risk-taking will engender the same or similar attitudes and style amongst his/her colleagues and subordinates.

The CAO is expected to act as the ‘front man’ for his department heads before Council in terms of report presentation and policy advice. Thus, regardless of the matter under review by Council, the CAO should have been sufficiently briefed so as to put his name on the report going to Council (as a clear indication of what action he is prepared to recommend to Council) and be able to initiate the discussion of the matter. Once the issue is introduced to Council, the CAO should then feel free to refer the rest of the presentation over to the department head in question to provide the details needed to achieve a level of understanding by all members of Council. This process is not recommended as a means of exercising control over all and sundry. It is, however, essential that the accountability for such matters be clearly resident with the individual charged with overall responsibility for such matters (i.e. the CAO). This whole system is based on a clear distinction of authority.

As CAO, one of the principal functions is to provide both a directing and coordinating role vis-à-vis other staff. The CAO is to be responsible for the functions and activities carried out by subordinate staff with particular emphasis on the department heads. While it is apparent that the CAO will need to know something about each of their areas of responsibility, it is equally evident that the CAO will need to rely upon the expertise and academic training possessed by each of these individuals. It is certain that any CAO will have some understanding about all key functions with an in-depth knowledge about those disciplines with which he has had hands on experience. Being the CAO does not require one to be the expert. That is what the CAO hires. However, the CAO must be able to develop a broad understanding of the language of their department heads so as to be able to converse on an intelligent basis.

It is also up to the CAO to draw out of the senior staff the best that they are capable of producing in terms of policy advice to be presented to Council and their ability to coordinate and direct their own staff. This necessitates a close working relationship and the ability to perceive individual strengths and needs. It also requires a spirit of empowerment whereby the CAO is able to assure his team that he is confident in their individual and collective

abilities to represent themselves with confidence knowing that the CAO will back-stop their efforts.

The CAO will also have some degree of profile with the public due to the importance of his role and the visibility attached to it. In fact, it will likely be the CAO who will reflect to the public the image of an administration who are eager to be of service. Because so much of what a municipality is mandated to do is expected to be public in nature, the actions and decisions of a Council and its CAO will be open to the scrutiny and feedback of its public. Given that the purpose of municipal government is to provide those local services which individuals cannot reasonably provide for themselves, and given that there is a direct correlation between the degree and amount of service and its cost, the fact that there is an ongoing dialogue between the County and its public is not only anticipated, but desirable. It is our view that the public wants its civic services and decision-makers to be visible and accessible.

Decision-Making Functions

Not only does the CAO have an obligation to advise the Council as to appropriate policies and resolutions, he must also ensure that those same decisions are being carried out within the context of Council's formal direction as espoused through its policies, resolutions and bylaws. This requires the CAO to delegate the implementation of the Council decisions to his senior staff and then to monitor their performance.

The CAO must be attuned to the individual needs of staff and develop the relationship with each accordingly. This presumes that the CAO will work with the staff rather than letting them work in isolation. The CAO needs to be aware of their strengths and shortcomings and be able to support and work with each as the need indicates. This is a delicate balance to achieve. The CAO will want to be able to delegate responsibility and authority at a sufficiently high level so as to encourage senior level decision-making. At the same time, the CAO needs to monitor the decision-making abilities of each department head and provide prompt feedback as appropriate.

One of the ways by which the CAO acts as the gatekeeper of the organization is through his review and approval of all management reports which are to go to Council. It is our view that this is one of the most significant roles played by a CAO given the impact which such reports can have on Council decisions. A policy should be drafted which requires the CAO to have reviewed and signed off all administrative reports and to have seen and commented on all other matters to be presented to the Council. This would include the reports of advisory bodies as well as any delegation reports, correspondence which calls for some action to be taken, and any other request to Council for a decision. Such a policy is essential if the CAO is to act as the chief policy advisor to the Council. Whether or not the Council accepts the recommendations of the CAO is another matter!

It should also be clear that the CAO is Council's primary advisor with regard to financial and budget matters as well. While we respect the role played by the Treasurer as the chief financial officer, the actual policy advice with regard to financial matters must be presented to Council by the CAO if that position is to be seen as the Council's chief advisor on all policy matters. Further, the CAO should also be the one who advises the other department heads as to any changes which are needed in their preliminary budget submissions. The Treasurer (recommended title of Director of Corporate Services) should be considered the primary advisor to the CAO on all fiscal matters. The Treasurer will also be asked by the

CAO to make presentations to Council on either the budget or other financially-related matters, but again, it must be clear that the CAO is guiding the work of the administration, and not the Council. To do otherwise would be to act in a contrary fashion to the Municipal Government Act.

6.2.5 Our Observations

It is obviously essential that Council and the Chief Administrative Officer have a solid relationship based on mutual trust and respect. This is necessary if the Council is to be able to make good decisions and feel confident that the CAO is able and willing to carry these out.

The ongoing relationship between the Reeve as chief executive officer and the CAO as chief administrative officer is also one of the keys to a sound system. The Reeve symbolizes Council authority and legislative leadership. He is expected to communicate Council's perception of the political issues confronting them. The Reeve should be in an ideal position to advise and counsel the CAO with regard to the directions which he feels are appropriate for Council as a whole to take.

If the Reeve is attuned to the will of Council, he will be helpful to the CAO in being able to relate Council's concerns with regard to the issues. As well, the Reeve's relationship with the CAO should be such that he is able to pass along any concerns which he hears being expressed by his colleagues on Council vis-à-vis the performance of the CAO. In this respect, the Reeve's role is preventative in nature in that frank discussions about perceived problems may result in their early resolution.

In this instance, the Reeve and CAO have not seemingly been able to develop a solid working relationship. The reasons for this are not clear and may not be that important. In any event, there is an onus on both parties to develop a workable relationship for the sake of the productivity of the staff and Council and in order to promote a sense of confidence amongst the residents.

Obviously, at the end of the day, it is essential to the CAO's tenure that he develop a positive relationship and gain the confidence of the Reeve and Councillors.

We expect the Reeve to act as the conduit between the Councillors and their chief administrative officer. The Reeve is presumed to have a somewhat closer relationship as a result of more frequent contact with the CAO. This will occur given the need for the Reeve to drop by to sign cheques or to discuss the agenda. If the Reeve becomes aware of any concerns as voiced by a member of Council, then the Reeve has an obligation to pass this along as quickly and accurately as possible so that the CAO might take any necessary corrective action.

We do see the need for the CAO and Reeve to establish a regular schedule of meetings so that the CAO can update the Reeve (at least once weekly). This time should be set based on the Reeve's schedule given that the CAO is expected to be at the office. Such meetings should be held behind closed doors so as to permit frank discussion of the issues (including any comments relative to personnel problems).

While the Reeve and CAO are expected to have a somewhat closer relationship than that which is reflected between the CAO and Council as a whole, the CAO is still to be

accountable to Council as a whole. As a result, certain basic rules of governance need to be established. Among these should be a statement of protocol vis-à-vis members of Council contacting staff for information. Where the Councillor is contacted by the public on a particular matter which simply requires clarification of an existing policy, the Councillor should refer the matter to either the CAO for a response. The CAO should be able to determine the degree of urgency of the request. The information should then be provided to the Councillor, or at his request, directly to the ratepayer. Where necessary, the CAO may have to contact the Public Works Superintendent for the answers but this should be the call of the CAO and not that of the Councillor. Where the request will result in a change of policy, or the development of a report, or a lengthy investigation, or a change in work orders, then the request should be channeled to the Council for a motion as to the appropriate direction. If it is the opinion of the CAO that the request will result in a change in priorities, the Council should be apprised of the request before any action takes place.

It is well to remember that the administration is to report through the CAO to the Council as a whole. That is, the fact that one Councillor requests a certain action does not mean that the administration should respond as requested. Where the CAO has any uncertainty as to whether the request reflects present Council policy, it should be referred to a regular meeting of Council.

We note that the relationship between the CAO and Reeve, while it apparently began some years ago on a positive footing has, over time and due to some undeclared circumstances, become quite strained. It is obvious to most that their relationship reflects more distrust than trust; more a lack of confidence than confidence. While a good relationship between the two is not something that can be legislated, it most certainly is expected and is essential if the system as a whole is to function smoothly. This is not to suggest that the two are unable to communicate because they have managed to keep up a reasonable flow of the necessary communication. There is, however, no real discussions between the two legislative and administrative leaders of the organization as to future vision and priorities as each one has assumed (or hoped) that the other will not be a part of the longer term plans and that such discussions, though perhaps useful, were not essential.

Similarly, the CAO has not been meeting regularly with his senior staff. While the headquarters staff as a whole meet after Council meetings to hear what Council decided at their most recent meeting, the senior staff have not met with the CAO on their own for the past 6-8 months. This style is inappropriate in terms of strengthening the administrative leadership of the organization.

6.3 TREASURY

6.3.1 Responsibilities

The Treasurer, according to the legislation and Bylaw, is required to:

- collect, receive and safely keep all money belonging to or accruing to the municipality (Bylaw 110/00)
- deposit or cause to be deposited daily or as often as Council may direct all money received (Bylaw 110/00)

- pay all accounts which are a proper charge against the municipality (Bylaw 110/00)
- unless otherwise provided by Council, together with the Reeve or some other person the Council appoints, sign all necessary cheques (Bylaw 110/00)
- ensures that accurate records and accounts are kept of the financial affairs of the municipality (Bylaw 110/00)
- ensures that money invested by the municipality is invested in accordance with Section 250 of the Municipal Government Act aforesaid and more specifically, the “Investment” policy of the County (Bylaw 110/00)
- other duties delegated by the Municipal Administrator from time to time (Bylaw 110/00)
- managing the functions of utility billing, accounts receivable, accounts payable, property taxes and payroll
- delegating and scheduling staff work, direction to staff, and training of staff.
- preparation of annual Financial Statements
- preparation of Annual Operating and Capital Budgets
- prepares monthly and quarterly financial and budget reports
- management of AS400 computer hardware and installed software

6.3.2 Financial Overview

Included as an Appendix to this Report are a number of slides that will provide a financial review of Woodlands County.

Slide 3 “Revenues: 1995 to 1999” shows the total revenues by source and provides a further breakdown of taxes. This slide notes that:

- Total Revenues in 1999 were \$7 million, which represents a 3%, or \$221,000, increase over 1995.
 - Net taxes & Grants in Lieu increased the most, by \$1.42 million (36%)
- Provincial Conditional Grants have fluctuated between \$1.1 to \$3.2 million over the past 5 years.
- Total Property Taxes & Grants in Lieu have decreased by \$2.2 million, from \$12.6 million in 1995 to \$10.4 million in 1999.
 - This is due to a decrease of \$3.65 million (61%) in Machinery & Equipment taxes
 - This has been off-set by a \$3.60 million (42%) decrease in Requisitions Transfers
 - Net taxes & Grants in Lieu increased \$1.42 million (36%)

Slide 4 “Expenses: 1995 to 1999” shows the total expenditures by source and a breakdown of revenues by function. This slide notes that –

- Total Expenditures in 1999 were \$5.84 million, which represents an 18%, or \$898,000, increase over 1995.
 - Transportation costs increased the most, by \$393,000 (12%)

- General Government & Transportation costs account for 83% of all expenditures
- The cost of roads, streets, walks and lighting account for 61% of all municipal expenditures.
- Water, sewers and waste management account for an additional 6% of municipal expenditures.

Slide 5 “Taxes and Assessment Value as at July 2001” shows a breakdown of the total taxes and total assessment. This slide notes that –

- Linear & Industrial properties account for 85% or more of taxes and assessments.
- Residential properties account for 9.6% of taxes and 11.8% of total assessments.
- The over-all average mill rate for Woodlands County is 9.16

Slide 6 “Total Taxes as at July 2001” shows the total taxes by region. This slide breaks down Woodlands County into three regions; East and North, West and North, and Whitecourt and South.

Slide 7 “Taxes by Category as at July 2001” shows the location, scale and source of taxes by geographic section across the county. This slide notes that –

- 69% of all Industrial Taxes come from the West & North region of the county.
- 67% of all Residential Taxes come from the Whitecourt & South region of the county.

Slide 8 “Assessments by Category as at July 2001” shows the total expenditures by source and a breakdown of revenues by function. This slide notes that –

- 71% of all Industrial Assessments come from the West & North of the county.
- 66% of all Residential Assessments come from the Whitecourt & South region of the county.

Slide 9 “Land Assessment (1 of 2) as at July 2001” shows the location and amount of land assessment by section. This slide notes that –

- 84% of all Land Assessment is in the East & North region, and the Whitecourt & South region of the county (this excludes Linear property)
- 16% of Land Assessment is in the West & North areas of the county.

Slide 10 “Land Assessment (2 of 2) as at July 2001” shows a three dimensional view of the location and amount of land assessment by section. This slide notes that –

- 62% of all Land Assessment is in the Whitecourt & South region of the county (this excludes Linear property)

Slide 11 “Improvement Assessment (1 of 2) as at July 2001” shows the location and amount of improvement assessment by section. This slide notes that –

- 90% of all Improvement Assessment is in the West & North region, and the Whitecourt & South region of the county (this excludes Linear property)
- 10% of Improvement Assessment is in the West & North region of the county

Slide 12 “Improvement Assessment (2 of 2) as at July 2001” shows a three dimensional view of the location and amount of improvement assessment by section. This slide notes that –

- 62% of all Improvement Assessment is in the West & North region of the county (this excludes Linear property)

6.3.3 Observations

The incumbent Treasurer has been in his present position since March of 2000. He had prior experience in a County environment and most recently worked with a School Division. The current Treasurer was provided with an orientation by his predecessor (who was also available to him in the evenings for added counsel as necessary). The Treasurer is assigned duties and responsibilities under Bylaw 110/00 and the position job description. A number of these duties and responsibilities are currently carried out by staff who do not report to the Treasurer, but who report directly to the CAO. This lack of direct reporting by staff prevents the Treasurer from having the appropriate level of control over these functions necessary to meet the expectations of Bylaw 110/00 and the current position job description.

The Treasurer believes that priorities are established through discussions with the CAO and the department heads as well as any input from Council. While there does not appear to be any formalized process of establishing goals, the Treasurer feels that the budget as approved inevitably reflects the Council’s wishes.

The Treasurer views his primary functions and responsibilities as follows:

- implementation and administration of County policy
- preparation of the annual budget and financial reports
- preparation of the millrate bylaw
- levying property taxes in accordance with the bylaw and MGA; maintenance of the taxroll
- collecting accounts and paying accounts receivables
- processing the payroll
- effective and efficient use of County resources; managing insurance coverage and the investment portfolio
- effective management of human resources
- providing sound advice as required and requested; regular reports to the CAO, Council and department heads
- keeping current with the knowledge and skill requirements of this position
- ensuring the completeness and accuracy of County financial records and reports being generated.

The present workload expectations of the Treasurer appear to be acceptable but would improve if there were support staff directly responsible who could be delegated additional functions. The Treasury department is governed by County policy, specifically:

- accounts receivables cancellations
- accounts receivable collections

- investment
- purchasing and accounts processing
- recreational and cultural grants
- reports to Council
- senior citizens transportation grants
- surpluses and reserves
- travel, subsistence and honorariums
- unbudgeted expenditures.

6.3.4 Management of Investments

Woodlands County has maintained reserves in excess of \$10,000,000 in the past four years (\$11,282,662 at December 31, 2000), plus operating fund surpluses that have accumulated to \$2,103,227 by December 31, 2000. These reserves and surpluses are invested in accordance with the Municipal Government Act (MGA) and the “Investment” policy approved by Council.

Current long-term investments have maturity dates up to 14 years in the future.

Long-term investments are invested through a contracted financial services agency while short-term investments are currently invested by the CAO or the Treasurer.

6.3.4.1 Our Observations

The incumbent Treasurer is reasonably new to his duties but has the kind of training and background which would appear to ensure the County of careful fiscal management. The Treasurer has not been involved in a formal review of corporate priorities nor in a review of County policy. The budget process appears to be rather historic and somewhat archaic given the lack of active and sustained participation by the other department heads in the process. At the moment, they are expected to develop their own departmental budgets without much, if any policy guidance and then turn their budgets over to the CAO and Treasurer to manage the process with Council. This does little to enhance the understanding of all of the department heads relative to the budget process nor does it allow the departments to personally communicate their objectives to Council.

The absence of any supervisory responsibilities makes this department head a supervisor in name only, as with other department heads. Thus, while those in the system are “prepared to make it work”, the current arrangements are far less than ideal.

Woodlands County has no formal financial plan that provides for levels of investment necessary to:

- protect from operational and capital services risk;
- provide for planned future operational and capital expenditure;.
- maintain current value of reserves, i.e. compensate for inflation of future project costs; and

- provide for the investment or expenditure of funds in excess of specified needs.

6.4 PUBLIC WORKS

6.4.1 Responsibilities

The Public Works Department is responsible for:

- operation and maintenance of secondary highways, bridges and ferry (until September 1, 2001)
- road grading and snow control
- bridge inspections
- road, bridge, signage and ditch maintenance
- storm water control
- water supply, treatment and distribution
- sewage collection and treatment
- operator and contractor supervision and control
- capital projects
- equipment repair and maintenance
- storage and control of construction materials, and their inventory

This department plays a very significant role within the County administration. The quality of roads are viewed as one, if not the, most significant issues which faces any County Council and its administration. Given that many of the ratepayers also operate equipment on their own properties, they are not reticent in expressing their opinions on the County's initiatives in this regard.

Unfortunately, and for reasons which we enunciate elsewhere in this Report, there has not been much stability in the staffing of the Public Works Department. Either the County has not been capable of hiring the appropriately qualified people, or they have responded too abruptly to the complaints of the public. Regardless of the cause, the Department has been set back in its planning for new road construction and the rehabilitation of other roads.

The County has recently undertaken a Rural Roads Study, which is presently in a draft stage. These types of studies are essential in supporting decision-making in the following types of areas: designation of heavy haul / market road routes; plans to restrict heavy traffic to set routes; development of road upgrading criteria such as those outlined in the current "Road Construction Plan" policy; development of maintenance priorities such as those outlined in the current "Snowplowing of Roads" policy; differentiation of maintenance standards, for example - reduced maintenance on roads with no residences and only providing access to fields and industrial sites designated "Industry and Farm Equipment Access Only – Use At Your Own Risk", this reduces some maintenance commitments allowing increased services to heavy haul routes; formalization of how roads are paid for, for example – policy on how road improvements are paid for, what percentage is paid by adjoining land owners, minimum standards for improvements, and

over what period of time; and development of strategies on the development of new roads, for example – restricting the development of roads to a two mile grid, subject to terrain issues.

Gravel road maintenance needs to be provided on a regular basis, with the frequency determined by traffic volumes and local conditions. This maintenance includes:

- a) Gravelling programs are required to ensure that road bases are adequate for the traffic volumes, and to ensure that there is sufficient separation between the road surface and the water table.
- b) Dust control adjacent to residences, businesses, farms and community facilities. Current industry choices are typically to provide either an oil stabilization to the road gravel, or to use calcium chloride for that purpose. Oil is available as a waste product and in a highly viscous form binds the road gravel together to prevent the creation of dust. Calcium chloride has the properties of being hygroscopic (it absorbs moisture from the air or ground) and deliquescent (it dissolves in the moisture it absorbs, forming a clear solution that is extremely resistant to evaporation). When these properties of calcium chloride are combined with this chemical's high surface tension, low vapour pressure, and strong moisture film, it helps bind road gravel particles together making the treated road gravel stay slightly damp, thereby reducing dust. Calcium chloride is used by a majority of rural municipalities due to its lower cost.
- c) Shoulder pull work has been undertaken on gravel roads within each year. This decreases gravel costs and improves road conditions by placing the gravel surface further above the water table.
- d) The re-profiling of ditches and, cleaning of ditches to improve the drainage of water away from road surfaces and bases is an essential investment on reducing future maintenance costs.
- e) Culverts are essential in ensuring that surface water is quickly removed from areas adjacent to roadway bases, reducing the possibility of damage and future maintenance costs. A regular program of inspection, maintenance and repair is essential to ensure that culverts are capable of this task.
- f) Brushing and mowing along road allowances is undertaken on a contract basis within the County with the work currently being supervised by the Road Foremen. The contracts are given to contractors based within the County wherever possible.
- g) Bridge inspections are scheduled to be undertaken on a regular basis to protect the bridge infrastructure and reduce the risk of injury or accidents.

The control of costs through the accurate allocations of costs is an important aspect of public works operations. Functions such as gravel inventory costs and equipment charge out rates have been included in current Woodlands County operational processes.

Preventative and breakdown maintenance of mobile equipment is provided through the services of a mechanic based at the Fort Assiniboine shop. This shop is the only facility with a vehicle lift suitable for servicing heavy equipment.



Woodlands County is a member of the Whitecourt Regional Solid Waste Management Authority, and has two members of Council on the Authority Board. The only direct solid waste operations by Woodlands County are the transfer stations which are operated at a number of locations throughout the County. During posted hours (see adjacent picture), the transfer stations are staffed by part-time County employees who have been granted salvage rights in addition to their set wages and benefits. The employees are charged with supervising materials being placed into the transfer bins and to ensure safety at the transfer stations, including the removal of doors from appliances. Separation of materials for recycling was observed at one site for materials such

as heavy metals, barbed wire, appliance metals, vehicle batteries, tires, glass, bottles, newsprint and tin cans.

6.4.1.1 Our Observations

It would appear that staff provide a high standard of maintenance on the surface of gravel roads even though the training of road maintenance staff is an ongoing demand due to the regular loss of staff to higher paying resource industry positions. This loss of staff is not expected to change in the near future, particularly in the west end of the County, and present operator training plans need to be formalized into a step-by-step training process.

The draft Rural Roads Study identifies approximately 52 years worth of construction projects based on the current annual funding allocation of \$800,000 per year. Generating a lengthy list of projects is not unusual, but it does emphasize the need to prioritize projects within the strategic plans and goals developed by Council.

The current Road Use Agreements system is only partially successful, and when combined with provincial permits on drilling rig moves, it is most effective. Staff reported little ability to control oil service, forestry and gravel hauling on County roads. Typically, staff were only made aware of hauling operations when complaints on dust problems were received from residents – usually when the hauling operation was close to being completed. Additional enforcement resources may be needed in this function.

Some historic agreements on gravel hauling and the responsibility of the hauler to maintain gravel roads need to be reassessed. Policy should be approved that covers this area and states that original contributions on road construction cannot be considered to provide road maintenance in perpetuity unless there is a specific signed agreement.

Grader beats may be too small in east end of the County, and it would be better to increase grader beat size and use spare equipment and operator time to support maintenance and construction projects, or to support other operators after incidences of heavy rain or snowfalls.

Graders providing snow control services in acreage areas currently are not equipped with gates, thereby decreasing their efficiency. Other rural

municipalities have found that the use of gates on locations with a large number of driveways significantly increases operator and equipment productivity.

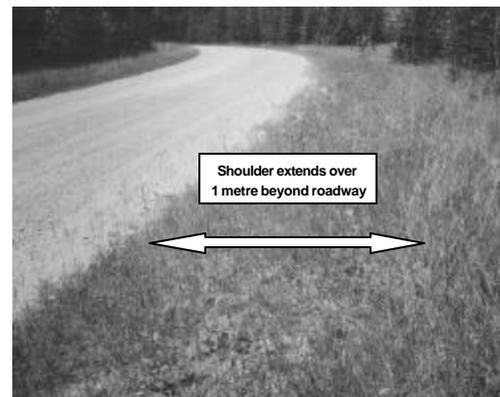
We also note that the County will need a greater differentiation in service standards if high use roads are to receive a greater level of maintenance within the same level of resources.

Current roads maintenance policies do not appear to have been able to satisfy the demands of the acreage owners throughout the County, with most concentrated in the Whitecourt area. The County needs to recognize the special needs of acreage owners, driving low-clearance urban vehicles to/from urban centres on a regular daily basis. This type of use is often quite different from the typical farm operation use where trips are less frequent and vehicles are not as likely to be hindered by poor road conditions. The current use of cold mix on roads will only provide a short-term solution with complaints regenerating after only three to five years.

Current use of oil for dust control is causing high costs for the County. Dust control fees of \$150 do not closely relate to the current reported cost of \$1,600 per application. The current application of oil for dust control was observed to be in such quantities that some treatment locations have lasted for three years without further maintenance required. We suggest that the County reassess why oil is being utilized for dust control when calcium chloride treatment is available at lower cost, and include the type and standard of treatment in their “Dust Control” policy.

Winter gravelling programs have been largely viewed as successful and current road crews have developed the necessary skills to undertake these projects. These projects should be encouraged as costs are reduced due to lower winter costs and the ability to utilize equipment year-round.

A greater emphasis should be placed on scheduling shoulder pull work as it will reduce future road maintenance work and decrease gravel expenditures. Locations where additional shoulder pulls are required should be identified and included within future road maintenance plans and project scheduling.



The cleaning and re-profiling of ditches has not received sufficient emphasis in current work and project schedules. An increased emphasis on these aspects of gravel road maintenance will reduce future maintenance costs.



Culverts in a number of locations were observed to lack recent maintenance. Culverts should be marked with painted wood posts to reduce damage from

mowing, brushing and road equipment, and to facilitate regular maintenance and inspection. Staff should be provided with inspection sheets showing and numbering of all culverts within each grader beat, and providing for the reporting of any maintenance issues.

The results of contracted brushing work were observed in a number of locations throughout the County. The completed work at a number of sites was found to be below industry and County policy standards. More attention to managing these contracts is needed to ensure that contractors comply with County standards and contracts. We also suggest that the County amend standard contracts to require minimum equipment provisions by size and capability.

No issues or concerns in the area of bridge inspections services were noted, but Woodlands County should separate the services of bridge inspections from services by the same engineering firm that designs bridge repairs.

The current Equipment Rental Rates Guide from the Alberta Roadbuilders and Heavy Construction Association has been used as the basis for equipment charge-out calculations. This guide is made available in April of each year and has been accepted by both Council and Alberta Transportation and Utilities for use in contracts and/or force account rates. In 1999 a sample rate calculation was provided by the ARCHA to this consultant, and based on that sample the following points are made:

- The purchase price of the equipment is considered confidential to the ARHCA and is not handed out.
- On each piece of equipment the amount to be depreciated (called Ownership Costs) is based on an adjusted purchase price less the resale value.
- Hourly depreciation costs are based, for the 1999 example obtained, on 1,000 hours per year and a 9 year life. This was typical for heavy equipment but will vary for light equipment.
- Operating Costs include fuel, repairs, oil, grease, filters, tire replacements, tire repairs, and the operator's wage. The 1999 agreement with International Union of Operating Engineers provides for wage rates ranging from \$18.00 to \$26.50 per hour, with most operators' rates falling into the \$23.00 to \$25.00 per hour range.
- The Ownership and Operating Costs are added together prior to adding 10% for overhead costs, and then 10% is added for profit to this new total, which then provides the ARHCA Equipment Rental Rate.
- The elimination of profit, overhead and operators' wages makes a significant impact on the rental rates. The ownership costs in the 1999 sample calculation are 149.83% over and above the O & M (operating and maintenance) costs. These factors, and the base of 1,000 hours per year and a 9 year operational life, make these rates unsuitable for internal use as charge-out rates and the County needs to adjust these rates to provide true internal costs. Present internal rates are lower than book rates but do not appear to reflect these adjustments.

Maintenance services for mobile equipment were found to be ineffective and inefficient. Use of the mechanic's time has not been appropriately supervised with equipment based in Whitecourt not receiving the same level of maintenance servicing as equipment based in Fort Assiniboine. Insufficient time has been allocated to preventative maintenance programs, and the basing of services in Fort Assiniboine places the mechanic away from a majority of equipment service needs.

The provision and maintenance of water and sewage services to the hamlets has not received sufficient attention by the County. Recent attempts to designate a staff member with specific responsibilities and qualifications for these services should be followed-up and completed. It is also recommended that the County review these plants on a regular basis to ensure that they meet all the requirements imposed on such facilities by Alberta Environment.

In 1996 a survey on transfer station opening hours resulted in 66% of those being surveyed requesting longer weekend hours. In interviews with staff and members of the public, this issue was noted a number of times as an ongoing, and perhaps increasing, concern of the public. A number of options are available to provide additional weekend transfer station hours with minimal or no changes in cost, and these should be reviewed by Council.

6.4.2 Transfer of Secondary Highways and Ferry

On September 1, 2001 the maintenance of secondary highways and the operation of the ferry revert back to the Provincial Government.

In 1998, the last year where a complete financial analysis was available to the consultants, Woodlands County expended \$231,458.56 on the maintenance of secondary highways without including the operation of the ferry. This compares to the conditional grant received from the Province of Alberta of \$3,100.00 per kilometer for 135.2 km of secondary highway, a total of \$419,120 per year. We were advised that the ferry operation was based on the recovery of actual expenses to maintain and operate and does not therefore generate a surplus.



6.4.2.1 Our Observations

At the time of this review, only two months before the transfer of operations on secondary highways to the Province, we were not aware of any firm plan on the changes required to staffing and roads maintenance equipment allocation. The only information available was that maybe one or one and a half positions would be eliminated. As the date of changeover has been known for over 20 months, it is difficult to conceive of why a well-defined plan dealing with these changes has not been developed by management and approved by Council.

For 2002, Woodlands County can expect to lose approximately \$188,000 in revenue (increasing from a loss of approximately \$94,000 in 2001) from the previous level of surplus generated by these secondary highway operations. This does not include internal salaries, benefits and equipment costs that were allocated to secondary highways of approximately \$46,000 for salaries and benefits and approximately \$44,000 for equipment charges that will no longer be covered by the provincial grants, requiring a compensatory reductions in staffing and equipment.

Councillors were advised in February 2000 that the financial implications were that this change would be “revenue neutral with a chance for the County to gain some extra revenue”. We have found no evidence that supports this statement.

The need for a reduction in staffing (in this regard) and equipment following transfer of secondary highways to the Province should have been utilized by the organization as an opportunity to re-plan staff and equipment allocations, and to undertake measures to increase the effectiveness and efficiency of road maintenance operations. We note that the staffing levels for Public Works in the Whitecourt area are lower than planned in terms of being able to achieve the expected results. The heated economy around Whitecourt has not produced the same impact in the Fort Assinibline area.

6.4.3 Airport Operations

When Woodlands County agreed to undertake airport operations, initial transition funding was provided for the first three years. Woodlands County has marketed land to airport-related developments, and has recently restructured airport fees to move the airport towards long-term financial viability. The airport site includes a large area of timber, providing value in both timber rights and future developable land.

A long-term economic development plan needs to be developed for the airport operations to ensure that the operation is beneficial to the region, and financially viable for Woodlands County.

6.4.4 Operation of Water and Sewer Systems

Recent incidents in Canada of the contamination of municipal water supplies has highlighted the growing difficulty in ensuring the safety of the public’s health in an environment with growing levels of contamination risk. The appropriate level of technical expertise combined with regular inspections and monitoring of both water and sewer systems is required to protect the health of the public and to protect the municipality and its Councillors from liability.

Present administrative systems do not provide an appropriate level of service, and the amount of supervision available to non-technical staff is not adequate to ensure the public’s health. An additional position is required for the operation, inspection and maintenance of water and sewer facilities by a fully qualified individual. These duties may not require a full time position due to the small workload within the County, and thus this requirement may be filled by adding other duties to the position, or by contracting with another urban or rural municipality for these services.

6.4.5 Whitecourt Public Works Shop

In April 2000 and July 2000 Council received information on a proposal to sell or lease the existing shop and build a new shop, and subsequently at a Special Council Meeting on August 24, 2000, Council defeated the proposed sale. What is important to note in this issue is not the decision made by Council but the lack of support to Council by administration:

- The offer to purchase the current facility at the airport by a private business was appropriately forwarded to Council as there is no written policy on responses to unsolicited offers to purchase.
- Neither long term planning nor the current budget included costs to build a new public works facility, raising the question as to how important was this previously to administration.
- Three reports from administration on this subject did not include written recommendations to Council from the CAO on whether the proposed sale and consequential construction of a new public works shop was beneficial to the municipality and, if so, how.

This type of process is not atypical of advice from the administration to Council where recommendations consist of statements such as “At council’s discretion” or “How does Council wish to proceed?” These are important issues which do not appear to have received the attention which their perceived importance would warrant.

6.5 DEVELOPMENT / ASSESSMENT

The Development/Assessment Department is responsible for:

- annual market value assessment of land and improvements based on an analysis of property sales transactions within the County
- prepare assessments, assessment rolls, tax rolls, and assessment and tax notices within timelines specified by the Municipal Government Act
- submission of assessment, valuation and equalized assessment information to the province
- tax recovery proceedings
- sales agent for tax recovery property
- issuance of tax certificates
- maintenance of assessment and tax records
- support of the Assessment Review Board
- maintenance and publication of land ownership maps
- enforcement of Land Use Bylaws
- processing of development permits and subdivision applications within timeframes set by the Municipal Government Act, and inspection of development projects
- review of development and subdivision applications
- issuance and enforcement of stop work orders
- maintenance of development and subdivision records

- issuing certificates of compliance
- processing of Land Use Bylaw amendments
- support to the Municipal Planning Commission and the Subdivision and Development Appeal Board
- maintain specialized computer hardware and software systems related to assessment and development services

Assessment services provide the basis for the collection of property taxes on land and improvements. These taxes form the majority of the annual revenue sources for the municipality.

Development services provide for the control of development in accordance with the Land Use Bylaw approved by Council.

6.5.1 Our Observations

The staff within the Development/Assessment Department are assigned duties and responsibilities under the Land Use Bylaw 041/96, Inter-municipal Development Plan Bylaw 068/98, Municipal Development Plan Bylaw 067/98, Rural Area Structure Plan and the position job descriptions. A number of these duties and responsibilities are currently carried out by the Assessor/Development Officer and the Assessment/Taxation/Planning/Development Clerk. The latter is not a member of the Department, but reports directly to the CAO. This lack of direct reporting by staff inhibits the Department (in our opinion) from having the appropriate level of control and accountability over these functions delegated to this position. The clerk (also known as the Assistant Assessor) was retained in the summer of 2000 to provide some assistance and back-up to the Assessor/Development Officer.

This department appears to be quite busy with a fairly significant range of duties. As well, the senior officer also acts in a back-up capacity to the CAO whenever the latter is away. While interesting to the Assessor/Development Officer, this places increasing burdens on that department.

The staff involved in these functions appear to be well qualified for their assigned duties with the Assessor/Development Officer having about 10 years of directly relevant experience and accreditation since 1994. The staff report minimal interference with their tasks by either the Council or the CAO. Recommendations are generally presented first to the CAO and then to Council. Given the fact that Council also serves as the Assessment Review Board, they are well aware of the issues.

The issues facing this department include:

- Assessment
 - A general re-inspection of all residential and commercial buildings is planned by the administration for the summer of 2003; Council approval has yet to be sought
 - A general re-inspection of all farmland properties is currently planned by the staff for 2002; this will involve conversion to the soil system series as compared to the present farmland assessment manual

- Annual inspections (approximately 1300 residential parcels) (about 800 industrial parcels) are proceeding
 - With the implementation of the new Special Property assessment guide, all of the large (say over \$5 million) gas plants (about eight (8)) will have to have their inspections re-done
 - Two of the large gas plants have launched appeals; considerable time and resources will be required to defend the assessments
- Development/Subdivision
 - The administration has recently conducted a review of the Land Use Bylaw, Municipal Development Plan and Rural Area Structure Plan; Council has reviewed these through a Council committee and has signed off on these
 - Land Use bylaws may need to be amended in light of the Province's recent decision to take over responsibility to govern intensive livestock operations
 - Ongoing applications are being dealt with as they arise (about 110 development applications and 7-12 subdivision applications)
- Computer System
 - The present policy of replacing equipment quite regularly appears to be working quite well; normally the organization replaces about two machines per year
 - The municipal software company has been put up for sale; the County has been meeting with other stakeholders to ensure that their interests are protected
- Geographic Information Systems
 - The administration is keen to keep the GIS system updated; plans are to add the road system data base and then link that to their financial software
- Environmental Inspection
 - The department expects to be required to make comments to Alberta Environment on various sites if there is a spill on a lease site or other problems
- Workload
 - One of the key issues being faced by the department is the degree of workload being placed on this department as a result of the need for back-up to other employees and the need for advice, input and assistance on projects which may be largely unrelated to the mandate of the department; the incumbent senior officer is viewed by many employees as the back-up to the CAO and thus is consulted with on many projects or issues which fall outside the normal range of position expectations

Included as an Appendix to this Report is the following slide which will provide a demographic review of Woodlands County.

Slide 2 “Population 1981 to 1996” shows the changes in population for Woodlands County and the Town of Whitecourt from 1981, 1986, 1991 and 1996 census data. This slide notes that:

- The population of the M.D. of Woodlands & the population of Whitecourt increased by 29.6% and 35.7% respectively, from 1986 to 1996.
 - Both municipalities have an average annual growth rate of 2.2% between 1981 and 1996
- In 1996 the populations of Whitecourt & the M.D. of Woodlands totaled 11,482.
 - 68%, or 7,783 people, lived in Whitecourt
 - 32%, or 3,699 people, lived in the M.D.
- Fort Assiniboine accounts for 220 people, or 2%, of the total population.
 - The population of Fort Assiniboine increased by only 5 people from 1986 to 1996, which equates to an annual growth rate of 0.2%

Once 2001 demographic data becomes available, Council should ensure that it receives an up-to-date analysis of population and demographic trends within the region as part of its strategic and business planning process.

6.6 COMMUNITY SERVICES

The County’s Community Services Department consists of a number of functions including:

- Coordination of Fire Departments and Arrangement for Fire Services
- Emergency Preparedness Response
- Economic Development
- Family and Community Support Services
- Library Board Coordination
- Coordination of Recreation Organizations
- County Safety Program
- Website Management

The County plays a rather insignificant role in many of these areas although its presence appears to be increasing somewhat with the hiring of a Community Services Manager. The actual County responsibilities in each of these functions appears to be as follows:

- Coordination of Fire Departments and Arrangement for Fire Services
 - Liaison with the local fire departments in Fort Assiniboine, Blue Ridge, Goose Lake, Whitecourt
 - Funding to each Department cited above based on records of responses; budget requests (which are generally reduced in the approval process)
 - Encouragement of training; regional training (a new initiative) (based on the Alberta Fire Training School Part one)
 - Coordination of fire equipment purchases (based on budget requests)
 - Provision of space to house the equipment and volunteers

- Payment of an honoraria to the volunteers (\$200 month to the Fire Chief; an average of \$16.00 per hour to volunteers based on the call outs, practices; mileage based on \$.37/km)
- Ensuring the appropriate communication systems and equipment; linking up the communication equipment
- Emergency Preparedness Response
 - Development of an overall Master Plan
 - Ensuring the appropriate communications equipment
 - Training the appropriate resources in how to operationalize the Plan
- Economic Development
 - Developing a Master Plan to outline what could be done
 - Involving the surrounding communities and County hamlets
 - Recognizing the potential economic advantages of the County; broadening the tax base
- Family and Community Support Services
 - Developing a Master Wellness Plan
 - Linking existing and new community organizations
 - Ensuring that programs and services benefit county residents
- Library Board Coordination
 - Ensuring that the County's Library system is functioning appropriately
 - Providing a cooperative linkage with the Board to Council
 - Seeking the input and advice of the Board prior to any decisions being made by Council as to requests for funding
- Coordination of Recreation Organizations
 - Work with local Recreation Boards to see how the County can be of assistance to ensure the optimum provision of recreation programs and services to County residents
- County Safety Program
 - Development of a County Safety Manual
 - Ensuring that appropriate policies are developed and procedures established
 - Providing or coordinating training to County employees
- Website Management
 - Ensuring that the County staff are trained in how to do website updates
 - Maintaining the site on a regular basis.

6.6.1 Our Observations

In the main, these functions are areas of responsibility in which the County has some degree of involvement but has maintained, thus far, a very limited role. As we understand it, the County has not seen any real need to become more involved directly but would prefer to either provide as little direct service as possible or to fund any organization which can legitimately claim to represent the interests of a significant body of people.

While the County has not had much of a role in many of these functions, this does not exclude the County from legal responsibility for service provision. That is, the fact that the communications system for emergency preparedness has yet to be created will not somehow enable the County to be absolved of any blame should a major emergency occur in the County and the resources which are available not be readily supplied based on a poor or non-existent communications system. If the County prefers to do the minimal for whatever reason(s), then it needs to at least ensure that it has entered into partnership arrangements with other jurisdictions or organizations who are prepared to take on these areas of responsibility. Thus, its role would be to establish the policy framework; the service objectives; the required deliverables; the performance standards; and the contract with the partnering agency which has agreed to assume the responsibility for service provision.

The following provides our assessment of the issues facing the County in each of these areas:

- Coordination of Fire Departments and Arrangement for Fire Services
 - The absence of a County-endorsed gameplan in most of these functions; as a result, decisions are made without an overall context
 - Even without the gameplan (which would outline Woodlands' proposed involvement, objectives, standards and partner obligations), it would seem to us that the absence of County involvement will not absolve the County in terms of any legal liability should such circumstances arise (this would need to be verified with the County's legal counsel)
 - The County can and should provide its leadership to these areas of responsibility even if it decides not to become involved to any great degree in offering direct services; Standard Operating Guidelines are needed
 - A Fire Protection and Emergency Services Bylaw has been established by the County effective March 20th, 2001
 - The senior County personnel will need to enhance their own professional and technical skills if such leadership is to be provided and if the CAO and Council are to gain access to quality advice
 - The County has a role in ensuring that all of the fire departments are being coordinated in an effective manner; regardless of the history and the somewhat independent nature of local fire departments, each receives funding from the County; each should be operating according to the approved standards and policies relative to training, equipment and fire-fighting apparatus
 - Mutual Aid agreements exist with the Town of Whitecourt, Lac Ste. Anne County, Yellowhead County, and Barrhead County and the Town of Whitecourt
 - Decisions by Council relative to new buildings should be considered as a part of an overall capital budget plan and not on the basis of private discussions
- Emergency Preparedness Response

- The communications system needs to be put in place which will enable the County to coordinate any emergency from one side of the County to the other and to access the most appropriate resources which may need to be transported from one area to the other
 - The County administration should ensure that their staff and any interested volunteers are trained in the use of emergency equipment and or acting as back-up to those with more relevant training
- Economic Development
 - An overall economic development strategy should be developed by the County which outlines the County's potential involvement in any economic activities in the region and its relationship to other economic development committees e.g. the Town of Whitecourt (this will require an external consultant with related expertise)
- Family and Community Support Services
 - The County Council recently ratified the FCSS Wellness Plan in March, 2001; the Plan was developed with the input of a number of volunteer organizations as well as individual citizens through a number of workshops in Anselmo, Whitecourt, Blue Ridge, Goose Lake and Fort Assinboine
 - The Plan outlines some 28 strategies within 7 broad strategic commitments
 - Work is ongoing in some of these areas albeit limited by the fact that the County employs one person to look after all community services functions, of which FCSS is but one
 - The full FCSS program has a budget of approximately \$82,000 with \$68,000 coming as a grant from the Province
 - The County in turn, funds 17 community organizations who are involved in one aspect or another of family and community support services
- Library Board Coordination
 - There appears to be a limited degree of coordination between the County and the regional library system
 - The regional Board distributes funding to the school and community-based libraries; the funding is based on a per capita system which may not be meeting the needs of the smaller libraries
 - According to the 2001 budget figures provided to us, it would appear that the County funded library services as follows:

◆ Fort Assiniboine Public Library	\$2470
◆ Yellowhead Regional Library Board	\$13094
◆ MD Library Board	\$24413
- Coordination of Recreation Organizations
 - The County essentially funds the local recreation boards who, in turn, tend to operate their own programs; the County may be wise to ensure some

degree of overall coordination of these boards given the funding provided to them by the County

- We note that the Fort Assinboine Recreation Society agreed to amalgamate with the Fort Assinboine Agricultural Society on March 13th, 2001 after having been given authorization to do so in May of 2000 by Council resolution C-15-358-00
- According to the 2001 budget figures provided to us, it would appear that the County funded recreation services as follows:

◆ Heritage Society (Whitecourt)*	\$15000
◆ Whitecourt & Dist. Ag Society**	\$72000
◆ Blue Ridge & Dist. Com. League	\$31246
◆ Fort Assinboine & Dist. Rec.Society***	\$58365
◆ Town of Whitecourt (cost sharing)	\$111383

* Tourism Booth and Theme Room

** Construction of a community centre

***Includes Goose Lake

- We were unable to ascertain the logic behind these expenditures in terms of any cost-sharing formula or agreement to fund on a per capita basis
- County Safety Program
 - Development of a County Safety Manual has finally been completed
 - The next challenge will be to ensure that everyone is adequately trained and that all the required documentation is in place
 - The County will be subject to an external audit by the Alberta Municipal Health and Safety Association in the fall of this year; if the County is successful, we understand that the County could get anywhere from a 5-20% rebate on its WCB premiums
- Website Management
 - The County Council and its staff are to be commended for launching the website; staff report just under 2000 hits since its initiation in December 2000; quite a number of these are from American travelers inquiring about the airport services; these kinds of inquiries also point to the potential for economic activity in the region

As a final note, we observe that the Manager of Community Services has but a limited role in budget process. The Manager, along with the other department heads, provides his draft budget to the CAO and Treasurer who, in turn, take the budget document to Council. They do not have any other opportunity to explain or defend their budgets which can result in Council making decisions without access to those who have the most intimate knowledge of the requests being put forward. This can result in Council not being as aware as they should be relative to the repercussions of their decisions. Budget decisions, as a result, become political decisions rather than being based on a carefully documented strategic or business plan.

6.7 OTHER ADMINISTRATIVE ISSUES

- Need for clear and consistent policies and procedures e.g. presently no separation of garbage materials at one of the transfer site (e.g. paint materials)
- No charge levied to drop off materials at the transfer site
- Quality of some of the equipment other than graders is rated by staff as poor
- Problems with the sewer line in the Fort on main street; known about for quite some time (3 years); no remedial action
- Performance reviews appear to be based on the number of complaints received from the public

7.0 OVERVIEW OF THE KEY ISSUES

In summary, we view the following as the key issues which will certainly need to be addressed by Council:

7.1 THE LEADERSHIP AND POLICY ROLES OF COUNCIL

The Council of Woodlands County needs to re-focus its energies on the future direction of the County and address itself to moving forward on those issues and concerns which are predominant in the minds of the residents. We do not feel that this has been the focus of this Council nor of its administration. For a number of reasons, many of which we have identified herein, the Council has been limited in its focus as a result of the differences which have sprung up between its members and with its senior management.

It is our view that the County will not achieve anywhere near the results which it should without a strong commitment by its elected officials to work together in a cooperative spirit and to move away from the internal bickering which has marked at least the latter portion of this term.

How can that happen? By Council and the administration working together in a spirit of mutual respect and cooperation in a concerted effort to focus not on personality differences but on the central issues which would impact the quality and breadth of services available to its residents.

The decision-making processes of Council also need to be improved. It is apparent to us that the administration is not necessarily expected to provide Council with comprehensive reports on the issues and even when these are presented, Council has chosen to disregard the input of its administration (e.g. the award of contracts).

7.2 THE QUESTION OF A REEVE (OR CHIEF ELECTED OFFICIAL) AT LARGE

While we are aware that the Act permits the Council to choose its chief elected official by a vote of solely the members of the Council, we are also aware that Council and/or the residents can choose to place this issue before the voters of the County to decide. It is our firm belief that the residents of this and any municipality can be trusted to exercise their collective judgment as to who they wish to have as **their** chief elected official. This is not an issue which we feel is best resolved by elected representatives of the constituent wards/divisions on the basis of:

- who do I think will serve my interests the best; or
- who will most readily listen to me; or
- who will vote according to my sense of what is right.

It is our view that the leadership of the Reeve is one of the elements of a successful Council. The majority of rural governments across Alberta have retained the “weak leader” model of local government wherein the chief elected official is chosen from amongst the Council as a whole. This model obviously has both positive and negative attributes depending whose views are being sought. We summarize some of these as follows:

- **In Favour of the Reeve being Chosen from within Council**
 - The other members on Council see the performance of all members most frequently and therefore are in the best position to judge who is most capable of leading Council
 - If the Reeve is perceived by the rest of Council as not doing his job, they can remove him a year later at the annual organizational meeting of Council
 - If the Reeve is not doing his job but is elected at large, Council will have to wait for the next election and hope that the public choose someone else
 - The County is so large that it would be difficult for anyone to campaign for the job; further, it might prove to be costly and we do not pay the Reeve enough to enable that person to recoup their campaign costs
 - The Reeve might come from the most populated area and, as a result, that area would gain one more vote and spokesperson for “their” issues
 - The Reeve’s position would gain in perceived power and thus the rest of Council will be viewed as lesser positions
 - If we elect the Reeve at large, we will need to re-configure the County’s boundaries into six wards (rather than the current seven) so that we still end up with a Council of seven (thus ensuring that Council is not saddled with an even number of members and thus the potential for more evenly split votes)
- **In Favour of the Reeve being Chosen by the Public**
 - The Reeve is the chief elected official for all residents, therefore all residents should be able to choose who will be their CEO
 - Democracy is all about allowing the people to choose for themselves; the choice of Reeve (or Mayor if there is a decision to change the title) should be made by ALL the people and not by only the seven people in a Council chamber
 - The Reeve should be accountable to all the residents, not simply to his colleagues on Council
 - There will be no cost difference to the County in having a Reeve elected at large (i.e. this will not necessarily necessitate a change in the level of compensation)
 - We need someone who can speak for the residents as a whole and not be swayed by the need to constantly appeal to the residents of only one ward/division
 - Internal politics around the Council table should not be allowed to determine who our chief elected official; the people should decide when to change the person holding the position of Reeve
 - If the MLA can represent 37,754 people and the MP represent 96,150 people, why can’t the Reeve represent 3699; the degree of campaigning required does not put this position out of reach for anyone
 - The Reeve is already recognized as the most important position on Council; choosing this position at large will not change this perception in the minds of most people

- The Reeve may or may not come from the most populated area simply because of the votes in one area vs. that of another; plus, the Reeve will need to identify with all of the areas of the County if he/she wants to be re-elected
- The Reeve's position is already viewed as the leader of the Council; how will being elected at large change that perception to any great degree
- The boundaries of the County are currently in need of adjustment given population changes in the County, particularly around Whitecourt; electing the Reeve will not change that fact
- Regardless of choosing a Reeve at large, the Reeve still only has one vote, the same as everyone else.

Having outlined the foregoing, our own view is that of supporting the Reeve at large, simply based on the notion that the public should be directly involved in choosing its elected leaders. We do believe this to be of sufficient significance to warrant further public debate and the opportunity for the public to decide the answer to this issue. Thus, we will be recommending a Council-authorized plebiscite or resolution as early as possible to seek the will of the public. There should still be sufficient time to place this question on the ballot, while recognizing that the legal requirements will only allow this change to be made in time for the next election (i.e. the election of 2004). Legal counsel should be sought on this matter.

7.3 THE REDISTRIBUTION OF COUNTY WARDS (I.E. DIVISIONS)

It is apparent from the materials and information which we have reviewed (including a report to Council by the administration in February of 2000), that the current composition of wards/divisions does not reflect the actual distribution of population in the County. The staff report showed a variance of approximately 69% above the average population per division (Division 2) to one division (Division 7) which is 50% below the average of 528.

While these wards may have been quite comparative at the outset of the original Improvement District, the population has obviously shifted over the years as more and more people have moved into the residential subdivisions particularly adjacent to the Town of Whitecourt. While this observation may be upsetting to those located nearest to the hamlet of Fort Assiniboine, the reality is that there has been a population shift. The following data point to the need for change.

- 1986-96 Fort Assiniboine 2.3% increase
- 1986-96 Other areas 31.8% increase

7.4 THE SEPARATION OF GOVERNANCE (I.E. THE WORK OF COUNCIL) FROM MANAGEMENT (I.E. THE WORK OF THE ADMINISTRATION)

It is apparent that the County has an inadequate understanding of what is meant by the concept of "role clarity". We found repeated instances of Council being directly involved in responsibilities which had been delegated to the administration either by the prevailing legislation or by policy and procedures. In some instances, this degree of involvement has become expected and, indeed may be invited or encouraged by management.

This has had the impact of effectively negating any real sense of accountability such that the Chief Administrative Officer cannot really be held accountable for decisions which are

normally the expected mandate of the CAO. Thus, and just for example, Council has become involved in making decisions respecting:

- the award of tenders which are within the amount approved for the job
- terminating both senior management and supervisory personnel
- hiring both senior management and supervisory personnel
- negotiating individual personnel compensation.

The involvement of Council in such decisions really brings into question the organization's understanding of senior management practices and the expectations of the CAO as provided for in the Municipal Government Act. Section 207 clearly states that a CAO is the administrative head of the municipality. A CAO is expected to act as Council's principal advisor and any other advice or guidance, which Council receives from the administration, is expected to flow through the CAO (or someone who is so designated by the CAO).

The style of management practiced by the current organization appears to us to be based on that which was encouraged when the municipality was an improvement district, wherein all real power was held by the Province of Alberta. During the tenure of improvement districts, which some would still argue as a useful model of governance, the administrator was expected to provide Council with his advice on issues when asked and to engage the Advisory Council in the decision-making process. Regardless, however, of what the Council would direct, the municipal administrator knew that he could still be able to rely upon the Department of Municipal Affairs to provide its final decision.

In that regard, the improvement district's administrators relied upon the contact they had with the Province (through the officials of Alberta Municipal Affairs) to ensure that decisions wherein they felt Council was wrong in recommending to the Province would be over-ruled. In that way, the administrator had advisory powers vis-à-vis the Council and vis-à-vis the Department. As a result, no real decisions had to be made by the administrator.

One of the principal reasons why municipalities were anxious to obtain real power and autonomy was to be able to make local decisions locally. Unfortunately, their key advisors, in some instances, may have been so tied to a former style of decision-making that they found considerable difficulty in becoming decision-makers. Others may have become so immersed in this former style of governance that they became unable to separate out matters of policy from matters of administration. As a result, in our opinion, virtually all decisions flow to Council thus negating managerial accountability.

What we have reviewed in our assessment of Woodlands County bears a strong resemblance to the earlier model of governance wherein Councillors are intimately involved in what most similar organizations believe today to be administrative prerogatives. So—is Council not to have an important role? We would argue that involvement in what we have termed “administrivia” has limited Council's impact and effectiveness and, in some ways, its ability to hold people to account for their decisions.

Council's real job may be somewhat less intrusive but certainly more substantial and significant. Council is to set the direction; determine the priorities; approve the Business Plan; approve the annual budget; approve the policies which guide administrative actions; respect the authority and responsibilities of the CAO; have trust in the CAO to do his work effectively and without interference. This job description of a Council would not be descriptive of the Woodlands example. The real question is: why?

7.5 THE LEADERSHIP OF THE ADMINISTRATION

The responsibility for leadership of the administration has been assigned by legislation to the chief administrative officer (CAO). This is a significant requirement and obligation and one which conveys the expectation that the CAO will actually lead his administration. It is our view that an administrative head of an organization will:

- Ensure that the services of the organization are clearly defined and are in concert with the expectations of the residents
- Develop an organization structure which allocates staff to the required functions/service areas
- Ensure that the structure is current and clearly defined
- Create position descriptions which reflect actual and current duties to be provided by each of the personnel
- Empower the supervisory staff to take action on their areas of responsibility
- Provide ample support for staff in the face of any criticism from the public or from the Council; take corrective action vis-à-vis poor performance where that is justified
- Coordinate the efforts of the administration through regular meetings with the department heads; ensure that they are meeting regularly with their own staff and communicating issues/plans and discussing/resolving problems
- Provide performance feedback on a regular basis to those senior staff reporting directly to the CAO
- Encourage ongoing and relevant training for senior staff (and through them for the other members of the administration)
- Ensure that the compensation plan and personnel policies are appropriate and fair for all employees.

The question which needs to be asked, however, is “has this been done?” It is our assessment that the administrative practices of Woodlands County have not been discharged appropriately. Our interviews reveal that:

- Whereas responsibility has been conveyed, authority to act has not.
- Staff do not feel that their capabilities are well-regarded by senior management, nor is unfounded criticism from Council refuted.
- Decisions which have been made by either the senior administration or Council have not been explained to the staff.
- Staff and senior management have not felt supported during wage negotiations; the process was considered unfair and demeaning.
- The organization structure is considered to be inappropriate to a normal chain of command.
- Quite a number of the position descriptions are considered to be out of date.
- Many of the staff do not feel empowered; every decision appears to be open to criticism or will need to be taken to Council; policies are not adhered to or are not considered.
- Staff sense that they can be dismissed on the basis of public criticism voiced to a Councillor which may or may not be valid; this has greatly reduced the level of morale throughout the organization.

- Meetings of senior staff are not held; meetings are held with all headquarters staff on the day following Council meetings; these focus largely on what happened at Council, not on planning for issues or projects.

While there is general support for senior administration in terms of the knowledge of local government and of the County, there is a growing sense that there is a lack of commitment to the organization. Most of the staff are aware that at least a portion of Council no longer has confidence in the senior administration and that discussions have been held relative to this issue. This sense of unease has been a contributing factor to the diminished degree of morale amongst the staff.

7.6 THE NEED TO FOCUS ON THE DEVELOPMENT OF CLEAR POLICIES

Local governments are guided by the legislation, regulations, bylaws, policies and resolutions. Only the last three are the mandate of a Council. Bylaws are created on those issues which require bylaw authority by the legislation, for example, land use issues, whereas policies and resolutions may be utilized for a much wider variety of decisions. Whereas resolutions are used to indicate Council's direction on many topics which come before Council on a regular basis, policies are drafted for those issues which are perceived to be either major or repetitive or both. Policies represent a thoughtful, step-by-step approach to decision-making by ensuring the use of research into the issue(s) and the consideration of the longer term expected impacts of approved policies.

Policies represent the 'what we do' of an organization. They provide certainty to the residents in terms of how an issue will be handled and assurance that other situations of the same or even similar nature will be treated with a measure of consistency. It is the **role of Council to approve policies** and even, at times, to suggest where a policy might be useful. It is the **role of a forward-looking administration to recommend policies** on repetitive and major issues without necessarily having to be prodded into action by its Council. It is then the mandate of an administration to enforce the policy in a manner consistent with the intent of Council.

If the administration is to be able to function effectively, there must be a clear understanding of what actions and decisions are permissible and which are beyond the scope of their authority. This suggests that policies will be established with regard to hiring, firing, training, recruitment, purchasing, use of equipment or facilities, vacations, sick leave, payment of utilities, investments, handling of funds, etc.

We have reviewed the file on policies which the County has established. While we recognize that the County (then Municipal District) has seen fit to create such policies at the outset of incorporation in 1994, only a few of these policies have been re-visited, amended or rescinded since. Further, we note that there are very few new policies which either means that there has not been the need for new policies; that each new Council since 1994 confirmed that the policies of the previous Council were acceptable; or that successive Councils have got into the habit of simply ignoring the policies which do exist and relying instead upon dealing with virtually all issues by resolution (as though whatever policies which are in the manual are of no significance or current value). Based on our discussions with Council and senior management, we suspect that both the Council and the management have relied on dealing with every issue as a "one off".

Having reviewed the County over the past month, we see the need for a renewed focus on policy development as an ongoing tool in the decision-making process of Council and the administration. Policies need to be drafted by the administration and brought before the Council for its review, amendment possibly, and approval. A new format is needed which separates out the policies from the administrative procedures. Some of the policies which need to be drafted or re-drafted:

- Business Planning
- Budget process
- CAO Title
- CAO Performance Review
- Cheque signing
- Committees of Council
- Distribution of Agenda Materials
- Expenditure limits
- Follow-up to staff suggestions
- Hiring of personnel
- Honoraria
- Involvement of Council in Directing Staff
- Mechanical repairs (lowest cost/closest location)
- Meeting Dates
- Processing and Signing for Payment of Invoices
- Reports to Council
- Respecting the Confidentiality of In Camera Meetings
- Road maintenance priorities
- Tendering process
- Treatment of the public; responsiveness to complaints

7.7 SERVICES TO ACREAGE OWNERS

Woodlands County is one of many rural municipalities impacted by the continued growth of residential acreage subdivisions. Quite a number of residents in these subdivisions often have little knowledge of municipal services provided by rural municipalities, having previously lived in towns or cities. Many of these residents do not have a background in the maintenance issues of gravel and cold mix road surfaces, and have expectations based on a history of driving on paved roads. This places a greater onus on the staff and Council of Woodlands County to communicate effectively on issues such as levels of service, methods of road construction and maintenance, and proposed changes to service levels.

Acreage owners represent a different rural lifestyle from that of farm-based residences:

- They drive more frequently between their location and local communities, increasing the use of local and collector roads.

- They utilize vehicles less suited to gravel roads than those operated by the typical farm operation, demanding higher standards of surface maintenance on gravel, cold mix and paved roads.
- They typically work at locations other than their residence during the full working day, and require access to municipal services after hours and on weekends.

This situation requires continuing adaptation in the way that the organization responds to these needs and the future changing demographics of the County.

7.8 MANAGERIAL PRACTICES AND TRAINING

With limited delegation of management authority and accountability to department heads by the current system, the organization has not developed a strong senior management team. Senior staff who are willing to work at developing their skills will see little future in this style of organization, and will see that the development of their management skills and career will require their movement to another organization.

With limited delegation of management authority, the development of management skills within the organization has received little priority and investment in management training has been low. This lack of focus on management skills is also exhibited by the lack of meaningful senior management meetings where it is expected that strategic and business directions would be discussed on a two-way basis. What interaction occurs at the senior management level is often based on one-on-one meetings with the CAO, where the focus is typically on responding to immediate service issues or complaints.

It is our view that, in order for the organization and the community to be properly served, that real authority and accountability must flow to the department heads. This can be accomplished by:

- Clearly stating managerial responsibilities and accountability in revised position descriptions
- Outlining appropriate powers of department heads in policies
- Designating responsibility for staff supervision in position descriptions and clearly outlining such in the organization chart
- Providing suitable training opportunities for department heads in management skills (rather than simply attending technical seminars or conferences put on by their respective professional associations); the latter are also recommended but are at the moment of lesser significance.

7.9 BUSINESS PLANNING

“Business planning” is a relatively new jargon for a practice whose importance has long been recognized. It refers to the essential components of:

- Defining what business we are in
- Outlining a process of determining goals, objectives and priorities
- Determining how and when the community will be invited to provide input
- Establishing corporate and community goals
- Defining short and long term objectives

- Establishing Council priorities
- Converting goals, objectives and priorities into annual and long term budgets.

There needs to be a clear understanding by the organization of the goals and objectives of Council on the current and future strategic directions by Woodlands County. This is the duty of the Council, through a process supported by the Chief Administrative Officer and the senior management team, to undertake this process on a regular basis.

While it is a duty of Council and therefore their responsibility, so too is it the responsibility of the CAO to encourage and support this process. Council has not received this support and the need for strategic and business planning has apparently not been brought forward in a meaningful way in the orientation of members of Council.

7.10 COMMUNICATION PRACTICES

Effective communication consists of several components. Each of these are inter-related and essential to the sound operation of any organization. We view these components and their key elements as:

- Internal Communications
 - A Communications Strategy (what we want to accomplish; who are the key audiences; what are the key messages; what forums will we use; who is most responsible; what assessment will be done)
 - Regular Staff Meetings
 - Regular Management Meetings
 - Communications Tools
 - Communications Policies
 - Identifiable Targets
- External Communications
 - A Communications Strategy (what we want to accomplish; who are the key audiences; what are the key messages; what forums will we use; who is most responsible; what assessment will be done)
 - Opportunities for Public Input and Involvement
 - Identifiable Targets
 - Role of Councillors in Conveying Key Messages
 - Use and Frequency of Ratepayers Meetings
 - Use of the County Web Page

It is our understanding that the County has not developed a formal communications strategy. As such, some areas of communications have received emphasis while others have not. Council needs to recognize that one of its most significant tasks is to communicate effectively with its public. This will require more frequent formal methods of ensuring that the residents are being made aware of the key issues facing Council and the key decisions being made. The coordination of this service should be assigned by the CAO to one employee with direct access to the relevant information.

The staff feel that they are too frequently left out of the loop. The CAO must ensure that the staff of both offices are made aware of the same information, if not concurrently, then certainly the same day.

Significant effort has been placed in the internet site as a form of communication to the public. This effort has been largely successful with useful content and materials being made available to the public. We would suggest a number of improvements that would fall more into the area of maintenance than development.

- Policies presented on the web site are not the up-to-date versions available in the Policy Manual.
- Only some policies are included on the site. Why not all approved policies?
- Some documents such as Council agendas and minutes are available on the site in Adobe PDF format - making them easy to view and print, while other forms and documents are only available as Microsoft Word DOC files, limiting their use to only those with the most recent versions of this Microsoft software.
- Finding policies and forms on the site is difficult, requiring progress through multiple pages (there should be direct access to items that the public may be searching for)

The organization has not developed a regularly functioning senior management team with the department heads, and the communication, insights and collaboration benefits accruing from this type of management tool are not available to the organization. A regular and formalized meeting schedule and agenda items needs to be established.

7.11 A REPORTING PROTOCOL

There are several matters relating to how people report to each other and how communication is presently handled. These relate directly to the relationship of the Council to the CAO and to impediments to ongoing communication. The following changes are recommended:

- Council should respect the chain of command and direct its inquiries through the CAO
- The CAO should direct any Council or public complaints to the respective department head and request that these be placed in an order of importance which reflects their significance and importance in relation to current staff deployment
- A new policy and format should be developed which ensures that Council always receives a full briefing on the issues and a clearly worded administrative report on what actions are recommended
- Any complaints or comments from individual staff should be immediately referred to the CAO for his review and possible action; all staff are to be made aware that this protocol will be followed
- The CAO will advise Council of actions taken by the CAO on significant issues which are within current policy or approved budgets.

7.12 RATEPAYERS MEETINGS

The County Council does attempt to communicate on a formal basis with its ratepayers through holding “ratepayers meetings” annually in two locations: one in either Whitecourt,

Anselmo or Blue Ridge and the other in Fort Assiniboine. These meetings are generally held in April or May.

The attendance varies from year to year with the following statistics available:

<u>Year</u>	<u>Community Location</u>	<u>Attendance</u>
1999	Fort Assiniboine	12
1999	Whitecourt	5
2000	Fort Assiniboine	18
2000	Whitecourt	8
2001	Fort Assiniboine	68
2001	Whitecourt	53

There appears to be a standard format to these meetings with the following available to us through the County records:

1. Meeting Called to Order
2. Introductions
3. Selection of Chairman
4. Selection of Recording Secretary
5. Minutes of Previous Ratepayers Meetings
6. Reeve's Report
7. Financial Statements
8. Question/Answer Period
9. Closing Remarks
10. Adjournment

While these meetings do not attract the kind of attendance likely sought by Council and the administration, they are nonetheless quite useful and ought to be continued. While there is considerable potential for such meetings to be "hijacked" by those whose sole intent might be to embarrass the sitting Council, most people believe in fair play and will try to ensure that Council is able to get its message across to their residents. A copy of Council's reports should be sent to each household immediately before such meetings with a signed invitation from the Reeve to attend any Council-authorized ratepayers meetings.

These meetings, however, should not be allowed to serve as a forum for attacking the staff (or Councillors) on a personal basis. If the chair of the meeting is unable to control the people in attendance from such behaviour, then the Reeve should either suspend the meeting or encourage all of the administration present to leave. It is the job of Council to defend its administration and to take up any concerns with the staff through the CAO who will determine what sort of discipline (if any) is warranted.

7.13 EMPLOYMENT AGREEMENT

The County has a non-unionized organization and, as a result, has entered into an agreement with both the management and a separate agreement with the staff. The current staff agreement runs for three years, January 1st 2000 to December 31st 2002 as does the management agreement. These agreements were negotiated between representatives of each

group (4 members of staff)(3 management) and a 3 member committee of Council (the Council Liaison Committee).

These negotiations were conducted over a time period of about 3 months. The CAO sat in on these discussions and essentially acted as an advisor to Council. The staff chose their own representatives as did the management group. Data was gathered by the payroll clerk (on behalf of the staff and on behalf of the management group) and also by the CAO. The significant issue for staff was the wages and eventually staff felt that they had little option but to agree to the offer by Council. The staff felt that some of the comments made at the table were quite demeaning and unnecessary. The staff and management had previously had one single agreement with Council but, with what apparently was mutual consent, decided to approach Council as two separate bodies.

We offer the following comments:

1. The present style of “bargaining” leaves a lot to be desired. Many of the employees spoke negatively regarding the process and stated that it contributed significantly to the poor morale, given their understanding of the demeaning comments made about their value by the Councillors “negotiating” on behalf of the rest of Council. Further, the notion of having staff bargain directly with a committee of Council has considerable potential for problems given the power differential between the two parties.
2. The Council Liaison Committee was established without any terms of reference. This could result in the Committee saying or doing things which are not necessarily endorsed by Council as a whole.
3. The County should employ the services of a mediator who could act on behalf of both parties in seeking an agreement. This individual should not be viewed as the ally of either the Council or the management (or staff).
4. The position of CAO should not be part of the agreement. The CAO should be attempting to act in the best interests of Council and the administration.
5. The County, through the CAO, should retain an independent compensation consulting firm likely every three years (or more frequently) to conduct a salary survey and to help in designing an overall compensation framework and grid system.
6. Council should be involved insofar as setting out the general parameters of an agreement; approving a compensation grid system for all employees with the exception of the CAO (who should be dealt with separately, preferably by an employment contract).
7. The employment policies (and the agreements) should be changed as early as possible in terms of the confidential advice provided by the County’s legal counsel (see letter of September 8th, 2000).
8. The hiring of staff should be the mandate of the CAO, with no involvement by Council (other than acting as an advisory interview panel with the CAO relative to the hiring of department heads if so asked by the CAO)(this is in keeping both with the legislation as well as with our earlier comments relative to designating accountability).

7.14 SEPARATE SAFETY MANUAL FROM THE POLICY MANUAL

The organization has not placed a high emphasis on safety policies and procedures. Safety meetings are scheduled but may be postponed or cancelled due to operational considerations. An overall increase in emphasis on safety is required within the organization, with one of the initial steps being to separate safety policies into a separate manual from other policies, and to prioritize the completion of safety policies in all areas. Ongoing training is important for all personnel.

7.15 ORGANIZATIONAL RESTRUCTURING

The County struggles under an organization structure which presently reflects five department heads, four of whom have no supervisory responsibilities. As noted in our earlier comments, the CAO decided to manage the support staff directly. While this decision may have resulted in all of the support staff receiving comparable treatment, it has been inadequate. Further, the department heads have responsibility for functions without the resources to carry them out through access to their own staff.

If the Woodlands County is not organized based on a department structure, what is it based on? In 1994 this organization legally changed from an Improvement District to a Municipal District, and then subsequently renamed as a County, but there is little evidence that the organization has significantly changed from its previous style of operation. We provide the following examples:

Improvement District Style of Operation	Current Style of Operation	Expected County Style of Operation
Advisory Board gives input to Municipal Administrator.	Municipal Administrator provides almost no written recommendations to Council.	Chief Administrative Officer provides written recommendations to Council on all agenda items.
Organizational decisions made by Municipal Administrator, subject to direction by Province.	Organization decisions often made by Municipal Administrator.	Organizational decisions based on recommendations of a strong senior management team.
Little delegation of authority and accountability to management staff.	Limited delegation to management staff, when it exists it is often forced by legislation. Department clerical staff still report directly to the Municipal Administrator.	Strong departments taking on delegation of duties, authority and accountability. All staff carrying out department functions located within their own department.
Municipal Administrator undertakes hiring, discipline and termination of staff.	Council has absorbed hiring and termination of staff issues from the administration.	Chief Administrative Officer fully responsible for hiring, discipline and termination of staff. Council has only one

		employee.
Municipal Administrator is part of staff group whose salaries and benefits are negotiated by the province.	Municipal Administrator plays a largely independent observer role; staff and management negotiate directly with counsel	Chief Administrative Officer (or their designate) responsible to Council to negotiate on behalf of the organization with staff.
Municipal Administrator provides limited orientation to Board members as they make few decisions.	Municipal Administrator provides a limited orientation to new Council members.	Chief Administrative Officer provides a comprehensive orientation for all member of Council following an election.
Province provides overall strategic and business planning for Improvement districts based on input from all I.D. Municipal Administrators.	Strategic and business planning typically limited to that necessary to meet legislation requirements.	Chief Administrative Officer supports a Council centered strategic and business planning process.

While we have other reservations relative to the present structure, we have chosen to place most of our emphasis on the future system. Thus, we have recommended a new organizational structure which reflects the following characteristics:

- Defined chain of command
- Clear reporting relationships
- Staff reporting to those supervisors who are most involved in their duties
- The Fort Assiniboine office reporting to a on site supervisor who will, in turn, be expected to report to and be guided by a department head
- Fewer department heads
- Clusters of service recognizing the advantages of shared services
- Identification of responsibilities even if much of the actual work is that of coordinating other volunteer groups
- Clear reporting line of authority between the Council and the CAO, which will support the current legislation wherein the CAO is Council's only employee who reports directly to Council

In our revised structure, department heads will be delegated authority to undertake management duties and carry out the following functions:

- leadership to the department through a clear sense of direction based on plans, targets, deadlines, policy and procedures
- maintenance of a high level of morale within the department
- consistent, strong and clear, upwards and downwards communication
- effective listening to ideas contributed by staff and the public
- performance standards for the department and staff; provision of regular feedback

- clear and up-to-date job descriptions
- high priority on training and safety
- fair recruitment process with effective orientation of new staff
- collaboration and cooperation with other departments and external organizations.

(This type of department operation simply does not exist across the organization, with the only possible exception being Public Works due to the scale of its services in that it expends a majority of the annual budget. Even in the case of Public Works, the full delegation of authority is not apparent.)

Our new structure reflects the following key elements:

- four separate departments, each with comparability in terms of significance
- support resources attached to each department, but with the flexibility to move back and forth between departments as the workload so requires (any disagreements in this regard will be resolved by the CAO)
- A Hamlet Operations Technician, responsible for the effective and legal operation of Hamlet water and sewer facilities and lines reporting to the Director of Community and Agricultural Services (any additional capacity should be filled by the Department Head in response to current need)
- A Community & Agricultural Consultant, responsible for providing assistance to the Agricultural Fieldman on an ongoing basis, particularly in peak seasons, and responsible for providing assistance to the Director of Community and Agricultural Services throughout the year
- A designated “office administrator” (with a reasonable compensation increase) at the Fort Assiniboine office to ensure improved coordination between that office and the head office in Whitecourt.

8.0 OUR SUMMARY

We believe that what we have stated vis-à-vis how the organization functions at the moment is an accurate reflection of the situation as we observed it during the course of our review. As independent consultants, we approached the engagement without any pre-conceived bias. We brought to bear the resources of experienced municipal consultants to this work and are convinced that the advice which we have offered is sound.

This advice should be viewed as interdependent. That is, the recommendations directed at Council are of equal importance to those dealing with the need for improved administrative leadership. It will not be possible for the overall system to improve if Council simply opts to change some of its practices without addressing the equally important recommendations to change the management structure and senior management.

Similarly, we do not believe that the system which we have described will be effective unless Council agrees to take a more policy-oriented approach to its role. The present focus on the detail of decision-making has resulted in Council losing sight of its role as governors of the system and the administration being relegated to simply discharging Council resolutions rather than acting as policy advisors and then managers of the system.

The fact that Council chose to call for an independent review indicates to us that there was a perception that certain changes had to be made. To delay making a decision at this stage simply postpones the inevitable. We believe that there will be real merit in proceeding with the recommended changes and that an assessment of these changes should be conducted after a six month period.

9.0 THE KEY NEXT STEPS

- Council needs to consider and approve our Report on Personnel Matters as soon as possible and retain legal counsel in terms of its implementation.
- Council should review the Report and, at its next meeting, pass a resolution to adopt it in principle.
- Council should then hold a special meeting and assess each recommendation and decide to accept, reject or defer it.
- Council should approve a resolution accepting the revised and recommended organization structure effective immediately.
- Council should request the administration to come back to Council with a gameplan outlining how each of the recommendations could be addressed and how soon.
- Council should keep the residents posted on its progress through regular means of communication.

10.0 FINDINGS AND RECOMMENDATIONS

Recommendation		Responsibility	Timing	Status
Handling of the Report				
1.	We recommend that Council accept this Report for information and approve this Report in principle.	Council	Immediate	
2.	We recommend that Council hold a special meeting and assess each recommendation and decide to accept, defer or reject it.	Council	Immediate	
3.	We recommend that Council request the administration to review the Report and provide to Council a gameplan as to how each recommendation ought to be addressed.	Council	Immediate	
Governance of the Municipality				
4.	We recommend that Council recognize and agree to respect its role as the policy-makers of this municipality.	Council	Immediate	
5.	We recommend that the Council request the administration to prepare an orientation program which features training of all members of Council in how to govern effectively and how to monitor and control the County's business appropriately.	Council	October, 2001	
6.	We recommend that a comprehensive orientation process be scheduled for Council following each general election, and that the CAO establish the date(s) for the orientation prior to the election and advise all candidates of those dates, making use of the programs available through Alberta Municipal Affairs and other sources, other external advisors, and key parties as appropriate.	Council and the CAO	October 2001	
7.	We recommend that the Council agree to keep those matters discussed in camera as confidential until such time as Council as a whole decides by resolution that they may be discussed publicly.	Council	Immediate	
8.	We recommend that the Business Planning approach as described herein be endorsed in principle by Council and be utilized to guide the administration.	Council	Immediate	

Recommendation		Responsibility	Timing	Status
9.	We recommend that Council agree to respect the powers and prerogatives granted to the Chief Administrative Officer by the Municipal Government Act and limit its direct guidance to the administration to the CAO.	Council	Immediate	
10.	We recommend that Council limit any negative comments on the performance of individual staff to in camera meetings with the CAO and that the Reeve ensure that this protocol is enforced.	Council	Ongoing	
11.	We recommend that Council engage in an independently-facilitated annual planning process to establish its strategic and business plans; develop its goals, objectives and priorities as the preliminary step of each annual budget process; and that senior administration be invited to take part in this planning process.	Council and the CAO	November 2001	
12.	<p>We recommend that the County place before the residents of the County the following questions:</p> <p>(a) “Are you in favour of electing a Chief Elected Official (Reeve) from the votes of all of the eligible residents of the County rather than the present method which has the Reeve elected by the Councillors from amongst their own group.</p> <p>(b) “If the answer is yes to the foregoing question, are you in favour of a Council of seven (the Reeve plus six Councillors) or a Council of nine (the Reeve plus eight Councillors)?</p>	Council	2001-2004	
13.	We recommend that the County request the assistance of independent expertise in drawing new boundaries for the resulting new divisions/wards of the County based on the most recent information provided by the federal government relative to population distribution.	Council	2002	
14.	We recommend that the Council accept our advice and recommendations as provided in the Confidential Report on Personnel Matters as submitted under separate cover and seek the advice of independent legal counsel on its implementation.	Council	Immediate	

Recommendation		Responsibility	Timing	Status
15.	We recommend that each member of Council agree to operate as a team; deal with any personal differences in private; and agree to move forward based on jointly developed goals and objectives.	Council	Immediate	
16.	We recommend that Council require its CAO to operate within approved polices and bylaws and that he be guided by the relevant section(s) of the MGA and any approved contracts/position descriptions.	Council	Immediate	
17.	We recommend that Council review its present approach to making decisions and agree to a process whereby each decision requires a comprehensive administrative report and recommendation prior to any new policy or resolution being adopted on a business issue.	Council	Immediate	
18.	We recommend that the Reeve agree to abide by the proposed new Procedural Bylaw (as soon as it is agreed to) and to the suggestions made herein and keep the meetings on track and focused on finishing the business of Council in a timely fashion.	Reeve	Immediate	
19.	We recommend that the Reeve and CAO meet on a regularly scheduled basis at least once weekly to discuss the key corporate and Council issues and in preparation for the regular Council meetings.	Reeve and CAO	Immediate	
20.	We recommend that the role description of the Reeve as cited herein be accepted in principle.	Council	Immediate	
21.	We recommend that Council endorse the role description of Council as set forth in this Report.	Council	Immediate	
22.	We recommend that Council continue to utilize the “committee of the whole approach”.	Council	Ongoing	
23.	We recommend that Council reconsider the make-up of its committees as described in this Report and seek public representation on the Municipal Planning Commission, Agricultural Service Board, Assessment Review Board, Economic Development Committee; and that it disband its Council Liaison Committee.	Council	Immediate	

Recommendation	Responsibility	Timing	Status
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Administration and Operations

24.	We recommend that the Council endorse the proposed new approach to submitting management advice to the Council through the revised “Request for Decision” format; and that this form be used to support all submissions made to Council by its administration.	Council	Immediate	
25.	We recommend that the administration receive training in the development of policies for Council approval and that a new approach to such policies be acted upon immediately.	CAO	Immediate	
26.	We recommend that Council endorse the role description of the CAO in principle and that this position be governed by a contract in the future.	Council	Immediate	
27.	We recommend that all new policies be brought by the CAO before the Council as they are being developed by the administration.	CAO	Ongoing	
28.	<p>We recommend that the following specific changes be made in the operational practices of the County:</p> <ul style="list-style-type: none"> (a) Regular weekly meetings of the senior management team (SMT). (b) Regular bi-weekly meetings between the department head and his/her staff. (c) The implementation of an internal monthly newsletter to ensure that all staff are equally informed as to key issues and decisions. (d) The development of performance targets for department heads and then all positions as appropriate. 	CAO	Immediate and Ongoing	
29.	We recommend that the revised organization structure presented in this Report be implemented with appropriate changes to all necessary policies and job descriptions.	CAO	Immediate	
30	We recommend that the CAO designate one employee as the site administrator of the Fort Assiniboine office.	CAO	Immediate	

Recommendation		Responsibility	Timing	Status
31.	We recommend that a Communications Strategy and supporting policy on all aspects of organizational communication be developed by administration and submitted to Council for approval.	CAO	90 days	
32.	We recommend that the CAO prepare a plan which would ensure that senior management and staff receive the training and development necessary to ensure that services are delivered in the most effective manner possible.	CAO	90 days	
33.	We recommend that an external firm with experience in compensation planning be engaged to develop a comprehensive compensation system for Woodlands' administration.	CAO/Council	90 days	
34.	We recommend that the CAO review with the Superintendent of Public Works the: a) Rural Roads Study and determine what steps are required next; b) present road building and maintenance policies; c) size of current grader beats; d) gates for graders; e) dust control applications; f) management of contractors; g) maintenance services for mobile equipment; h) staff deployment; I) policies and procedures for landfill sites and transfer stations.	CAO	90 days	
35.	We recommend that the CAO review with the Director of Community and Agricultural Services the following and bring back a report(s) to Council for implementation: a) Proposed Woodlands strategy and objectives relative to fire services; b) training requirements for County personnel relative to fire services; c) a communications plan and system for emergency preparedness; d) a proposal to develop an economic development strategy and framework; e) next steps in moving forward with the Council-endorsed FCSS Wellness Plan; f) a plan to improve the coordination of the County's library services; g) a funding formula and plan to address the needs of the County in terms of recreation services; h) a safety training plan for County employees.	CAO	90 days	
36.	We recommend that the CAO ensure that he is delegating appropriate responsibilities and authorities to his department heads and site administrator.	CAO	Immediate	

Recommendation	Responsibility	Timing	Status
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Other Issues

37.	We recommend that Council enter into discussions with its solicitor on the appropriate way of engaging its citizens on the issue of a Reeve at large.	Council	Immediate	
38.	We recommend that the CAO ensure that the appropriate staff receive training in developing departmental and corporate business plans.	CAO	90-120 days	
39.	We recommend that the CAO review the present approach to employee compensation and personnel policy negotiations and recommend to Council a new strategy.	CAO	120 days	

