

**A Report on the Inspection
of
The City of St. Albert**

George B. Cuff & Associates Ltd.

July 2017

July 24th 2017

The Honourable Shaye Anderson

Minister of Municipal Affairs

227 Legislature Building

Edmonton, Alberta T5K 2B6

Dear Minister Anderson:

Re: A Report on the Inspection of the City of St. Albert

We are pleased to provide you with our Report on the Inspection of the City of St. Albert. Our Report summarizes our findings based on compliance with the terms of reference. The Inspection/Review was conducted over the period of March 6th -July 24th 2017.

Our findings are based on our review of the relevant documentation provided to us by City officials; by the substance of the 50+ interviews that we conducted with those individuals who are directly connected to this engagement; by our review of historical documentation (generally speaking for the period of October 2013 to the present time); and by our attendance at St. Albert Council and committee meetings and by viewing videos of past meetings. We are pleased to report that all parties to our engagement were very cooperative and responded promptly to our numerous requests for interviews, information and clarification.

Our work and subsequent Report focuses on a wide range of governance factors but also on one significant element: the Inspection under Section 571 of the Municipal Government Act. The Report includes our observations and recommendations relative to aspects of “good governance” that we believe will enhance the capacity of St. Albert’s Council (and management) to effectively lead and govern their municipality. We are, as usual, available to respond to any questions you might have and are thankful for this opportunity to be of assistance.

Yours very truly,



George B. Cuff, FCMC, President

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**Section One: Setting the Stage
(The Request, Purpose, Methodology,
History, Functions)**

1.0 The Request

The decision to conduct a “limited scope municipal inspection of governance practices” of the City of St. Albert was conveyed by the Minister of Municipal Affairs on March 6th 2017 to the Mayor and Councillors of the City. This Inspection was an outcome of the “preliminary review” conducted by members of the Department of Municipal Affairs during September 2016. The City was advised that staff members from Municipal Affairs would conduct their preliminary review and provide a summary report of findings which would be submitted to the Minister of Municipal Affairs. Subsequent to the Minister receiving the results of the preliminary review report, the Minister announced that an Inspection would be commenced.

The firm of George B. Cuff & Associates Ltd. was retained and George Cuff was appointed on March 6th 2017 through Ministerial Order No. MSL: 016/17 as the “inspector” under the MGA under Section 571 for the following purposes:

- *Conducting an inspection on the governance of the City of St. Albert*
- *Acting as an inspector (with the same powers, privileges and immunities as a commissioner under the Public Inquiries Act).*

The Inspection has taken place from March 6th 2017 until the present date. Our firm of George B. Cuff & Associates Ltd. conducted this independent, professional and unbiased assessment and prepared this Report of our findings and recommendations.

The input of all parties to this Inspection is acknowledged and appreciated. This Report and its findings is the work of its author.

2.0 The Purpose of the Inspection

The Act outlines the following relative to an Inspection:

- 571(1)** *The Minister may require any matter connected with the management, administration or operation of any municipality or any assessment prepared under Part 9 to be inspected*
- (a) on the Minister’s initiative, or*

- (b) on the request of the council of the municipality.*
- (2)** *The Minister may appoint one or more persons as inspectors for the purpose of carrying out inspections under this section.*
- (3)** *An inspector*
- (a) may require the attendance of any officer of the municipality or of any other person whose presence the inspector considers necessary during the course of the inspection, and*
- (b) has the same powers, privileges and immunities as a commissioner under the Public Inquiries Act.*
- (4)** *When required to do so by an inspector, the chief administrative officer of the municipality must produce for examination and inspection all books and records of the municipality.*
- (5)** *After the completion of the inspection, the inspector must make a report to the Minister and, if the inspection was made at the request of a council, to the council.*

An Inspection is conducted under the terms of the MGA with the powers, privileges and immunities provided for in the Public Inquiries Act. Our contract required us to review and report on all matters germane to a review of Council’s governance practices and to report on matters which we believed fell within the guidelines of “irregular, improper or improvident conduct by Council, individual Councillors or by municipal staff”. The terms irregular, improper and improvident may not be familiar to the reader in this context. These are used in the following context:

Irregular: Not according to established principles, procedures or law; not normal; not following the usual rules about what should be done.

Improper: Deviating from fact, truth, or established usage; unsuitable; not appropriate; not conforming to accepted standards of conduct.

Improvident: Lacking foresight; taking no thought of future needs; spendthrift; not providing for, or saving for the future; not wise or sensible regarding money.

The letter from the Minister to the Mayor of St. Albert (December 14th 2016) states that the “inspection may include, but would not be limited to, a review and evaluation of:

- *The structure of council committees;*
- *the process and procedures used to prepare for council meetings;*
- *The conduct of council meetings;*
- *Council’s understanding of their roles and responsibilities;*
- *Council’s leadership and effectiveness in working together; and*
- *Council’s policies and procedures.”*

Those matters that we believe fall into one or all of these categories are included in this Report. We have also advised on what we see as “generally acceptable governance practices” and have identified what we feel are changes in style and practice which should be undertaken by the Council (and where appropriate, by management).

3.0 Our Methodology

Our work requires us to assess whether or not the City is functioning in a responsible manner relative to its mandate as the governors and leaders of the municipality and, more specifically, to identify any irregular, improper or improvident matters. In order to accomplish this in a thorough and impartial manner, we have taken those steps which we believe enable us to report with fairness, understanding and depth. We are not the experts relative to how the City of St. Albert functions. The administration would have a greater appreciation of its inner workings; Council members past and present will appreciate in more depth why decisions are made in the manner they are and why certain personalities interact the way they do.

As part of our Inspection, we:

- conducted interviews with all members of Council
- conducted in person interviews with all senior management personnel of the City

- conducted telephone interviews with former senior management personnel in order to develop a broader perspective of the circumstances leading up to the Inspection
- conducted an interview with the former President of the Chamber of Commerce and the President of the St. Albert Citizens' Coalition
- received a briefing from Alberta Municipal Affairs based on the preliminary review of circumstances which led to the request for an Inspection
- reviewed documentation from the City including background reports, audit reports, related studies and documents considered to be relevant to this Inspection
- read the minutes of the approximately four years of previous Council and committee meetings beginning in October 2013 when the current Council was elected
- reviewed Council and committee meetings both in person and via links to the video available on the web
- sought additional clarification from the City and other parties on issues which are central to the Report
- reviewed all those matters which we believed to be germane to this Inspection and request
- provided a draft report to Alberta Municipal Affairs; received their comments on possible areas for change or clarification
- provided this Final Report to Alberta Municipal Affairs.

4.0 Some Key Historical Events

Historical records and related documentation (provided to us by the City and via web information) indicate that the City of St. Albert has had a storied and colourful history including the fact that it has played a prominent role in the evolution of local government in Alberta.

St. Albert is the oldest, non-fortified community in Alberta.¹ According to City records, the history of St. Albert began with the arrival and permanent residence of

Father Lacombe in 1853. The first chapel was built in 1861. The Father Lacombe Chapel is the oldest building in Alberta and is a Provincial Heritage Site.² The Hudson's Bay Company opened its trading post in 1878 followed closely by the first post office in 1880.

What became known as the St. Albert Trail was first opened in 1889 followed by the incorporation of St. Albert as a village in 1898. St. Albert was then incorporated as a Town in 1902 when the Province was still to be founded and the Town was thus incorporated by decree of the Northwest Territories. The formation of the Town was promptly followed by its first election in 1904. In 1954 the Town celebrated its 50th anniversary followed in 1961 with the 100th anniversary of the Mission (and the 100th anniversary of the Father Lacombe Chapel).

St. Albert achieved City status in 1977 followed by the development of its internationally-renowned St. Albert Place in 1984 (designed by the Canadian architect Douglas Cardinal). For St. Albert Place, Mr. Cardinal took his signature curvilinear style along with inspiration from the winding Sturgeon River to create this one of a kind work of architectural art.³ St. Albert Place was designed as a "people place", housing a unique combination of civic government and cultural activity. Currently it houses the St. Albert Public Library, Musée Héritage Museum, Visual Arts Studio and Arden Theatre, as well as City Hall and associated city government services.

The City hosts a wide range of cultural and sports activities and events including a first-class rodeo (which began in 1964) and the [International Children's Festival of the Arts](#) (which began in 1995)⁴. It is proud of its theatre group, local musicians and sports teams. Known for its parks and green spaces, St. Albert has over 80,000 trees and more than 85 kilometres of trails connecting parks and neighbourhoods. The Outdoor Farmers' Market, held in downtown St. Albert, is Western Canada's largest outdoor farmers' market.⁵

The City celebrated its 150th anniversary in 2011 and followed that significant event with being named the #1 best place to live in Canada by *MoneySense* Magazine in 2014⁶.

The population of the City of St. Albert, according to its 2016 census, is 64,645 making it the second most populated city in the Edmonton region.

In short, the City has come a long way and has every right to feel a sense of pride and worthiness in its role in the Edmonton region.

Sources:

City website: <https://stalbert.ca/exp/heritage/history/>

City website: <https://stalbert.ca/exp/heritage/heritage-sites/>

City website: <https://stalbert.ca/exp/sact/about/history/>

City website: <https://stalbert.ca/exp/heritage/fast-facts/>

Current Status

We also inquired with the Mayor's office as to what might be described as "accomplishments" over the current term of office. The response follows:

Council Results 2013-2017:

- Analytics philosophy implementation
- Smart City initiative approval
- IT Master Plan approval
- Environmental Master Plan update approval
- New Utility Model implemented to set rates
- City traffic calming plan implemented
- Public Works site policy approved
- HandiBus implementation into Edmonton approved
- Social Master Plan completed and approved
- Francophone School decision made and school opened
- Public School decision made and new one under construction
- Way finding signage installed
- Safe Journeys to School study completed and plan being implemented
- Inclusive Hiring policy implemented
- Policing Long Term Plan approved
- Drainage Bylaw approved
- Train whistle cessation bylaw approved
- Sewer extension (project 9) approved and borrowing in place
- Begin back alley refurbishment plan approved

- Increased snow removal frequency
- Youth policy and youth council approved
- Facilities Matrix and related capital approved
- Electric buses purchased and delivered and in use
- Red Willow Place seniors facility approved and opened
- Complete Service Standards added to policy
- Digital Display signs approved
- Water conservation bylaw approved
- Updated Joint Use Agreement for schools
- Lease policy implemented
- Hometown Hockey hosts for CBC
- Backyard hen pilot began
- Regional Transit kickoff strategy began
- LED lights approval given and implemented
- Healing Garden approved
- Residential Parking Pass trial approved
- Grandin Mall rebuild approved.

5.0 Functions of a Municipality

The Encyclopaedia Britannica describes a municipality “*as a unit of local government...a political subdivision of a state within which a municipal corporation has been established to provide general local government for a specific population concentration in a defined area.*” In Alberta, a municipality is incorporated under the Municipal Government Act (MGA) (sec. 77) which defines the types of municipalities as:

(a) municipal district; (b) village; (c) town; (d) city; (e) specialized municipality; repealed 1995 c24 s11.

The MGA (sec.142) also states that:

- 142 (1) Each municipality is governed by a council.*
- (2) A council is a continuing body.*

5.1 Purpose, Powers and Services

The MGA (Part 1) defines the purpose, powers and capacity of municipalities. The purpose is described in the MGA (sec.3) as:

3 The purposes of a municipality are

(a) to provide good government,

(b) to provide services, facilities or other things that, in the opinion of council, are necessary or desirable for all or a part of the municipality, and

(c) to develop and maintain safe and viable communities". 1994 cM-26.1 s3

While both powers and duties are imposed on a municipality by legislation, much of how these are carried out is left to the Council of each to determine. That is, while its powers are generally prescribed, the delivery of its services and programs is accorded to a City like St. Albert with considerable discretion. Bylaws convey those functions regulated by legislation. Many of these are listed in Section 7 of the Act. How these are regulated and what services are ultimately delivered and with what sense of priority is determined by the Council of a municipality which in turn is generally based on the advice of its professional administration and the input of its residents.

(Note: We used the MGA consolidation as at July 1, 2017 for this Report. Readers should be aware that there are a number of amendments to the MGA which await proclamation before they come into force).

5.2 How is this Accomplished?

Most municipalities understand that there are two major spheres of authority or responsibility: policy-setting/decision-making (governance) and putting bylaws, policies and resolutions into action (administrative). The one sphere encompasses the visioning and decision framework. This includes the guidance necessary for appropriate actions to be taken as a result of governance decisions (such as bylaws and policies). That is a principal role of an elected Council. The second sphere is that of administration, the actual business of putting policies into action. The one role looks at the various decision alternatives and chooses what the elected leaders feel will be the decision(s) leading to the results most likely to be supported by a majority of residents; the second advises on the decision options and their expected

consequences; accepts the right of the governance body (i.e. Council) to choose the right course; and then takes those steps necessary to implement the decision in an effective and efficient manner.

These roles are distinct: one is not simply an outgrowth of the other. Both require a thoughtful and honest approach (as well as certain skill sets); neither encourages or entails much overlap (albeit this frequently happens as we detail later).

A careful design of these functions and a willingness by all parties to stick to their respective roles ensures a minimal degree of overlap or confusion and maximum effectiveness. While this is readily accepted by most of those involved in local government, adherence to these roles remains a major and ongoing challenge for a number of elected and appointed officials.

Council members are often elected as a result of their commitment to the community (frequently based on their connection to various local groups and causes) and their ability to capture sufficient voting support of their fellow residents in an election. This is often a reflection of community connectedness and the perceived or verbalized promise of action for the future. Members of the administration, on the other hand, are selected and appointed on the basis of the work that needs to be done, educational history, experience in such matters in a relevant setting and the requisite skills required.

The accomplishment of the municipal mandate is generally the result of a combined effort by those who understand the community best (the elected leaders) and those chosen because of their knowledge of applicable processes, expertise in a required profession and a particular competency.

While not mutually exclusive, these spheres are certainly quite separate and form the basis of a good “marriage” of complementary skills and commitments. The one body sets the intended outcomes and parameters; the other provides input and advice on what outcome appears best from an administrative/logistical standpoint and the skills, tools, techniques and resources to achieve those outcomes or goals.

In summary, while a municipality might be referred to in legal terms with its power, duties, and services being provided or authorized through the Municipal Government Act (MGA), it is really a community of people that have come together for the purpose

of provision of services for the common good of all. The community elects citizens to govern it. Those governing, in turn inherit a body of people who are committed to managing municipal resources in such a manner as to ensure solid service delivery and the accomplishment of Council's objectives. These two separate yet closely allied bodies have the potential to accomplish much on behalf of any municipality. Whether or not that happens depends on a number of factors as we outline in this Report.

Section Two: The Basics (What We Would Expect to Find)

6.0 Council's Introduction to its Role

Based on our experience with municipalities across Canada, it is safe to say that every municipal Council has a multitude of challenges and expectations and a finite array of available resources. The ability of a Council to meet the expectations of its citizens lies often in its own understanding of its roles and access to the necessary tools such that intended results are achieved.

Developing an understanding of roles is fundamental to all that a Council will achieve in its term of office. Attempting to function without clarity on the fundamentals of being an elected official places considerable burden on both Council and administration as additional energies will need to be expended by both if the City is to move ahead.

6.1 The Importance of Orientation

Every elected body faces the potential of some degree of turnover in its ranks at the time of an election. For municipalities across Alberta, turnover is estimated as high as 30-40% on a per term basis. This is significant as it means that many Councils will witness a complete re-vamp of its membership within three terms (12 years). Since 2007, St. Albert's Council has had a fair bit of turnover. Although the incumbent Mayor has served as Mayor throughout this period, there has been less consistency in the office of Councillor. For example, none of the Councillors elected in 2007 are on the current Council elected in 2013 (100 per cent turnover of Councillors during that time). Comparing the Councils of 2007 and 2010, two Councillors were re-elected (66.7 per cent turnover among Councillors). When you look at the Councils of 2010 and 2013, three Councillors were re-elected (50 per cent turnover among Councillors). (Source: City website: <https://stalbert.ca/cosa/elections-census/election-results/#2007>)

What that conveys is the absolute importance of some form of orientation and ongoing training as to Council's roles and responsibilities. This has now been recognized by the Province of Alberta as one of the fundamentals and has been

incorporated into the recent re-write of the MGA (sec. 201.1(1)) which requires a Council to make provision for training for new members of Council.

While the City has some flexibility in how it structures such training, there are certain requirements as of this change in legislation which sets out specific components which must be covered (MGA sec. 201.1(2)). It is expected that with this degree of orientation, both new and returning members of Council will be able to “get up to speed” fairly quickly given the steep learning curve that exists based on all there is to learn.

As we indicate in our chapters regarding what elements comprise an effective governance system (see 6.2, 8.1, 12.0), a comprehensive orientation to “good governance” is absolutely central. Without such an orientation, the degree of role clarity which is critical to how a Council functions would be greatly reduced. Council members are not to be viewed as an extension of the administration; nor are they there to catch staff doing something which is either inappropriate or illegal. Presumably the internal checks and balances would address that issue as would effective supervision.

The core of a quality Council orientation is not intended to inform its members as to what their management knows or does. While understanding the basic roles of the administration will be useful, it is even more essential that a Council understands its own roles, purposes and goals so as to function effectively as a governance body (including the responsibility to monitor what progress is being made in terms of their own agenda).

6.2 Key Roles and Responsibilities

While a Council’s job is both onerous and complex as will be described herein, the roles of a Council could be summarized in a generic fashion in the following broad statements:

- Understand the legislative umbrella which provides the legitimacy to a Council’s actions and decisions
- Ensure that the municipality provides those services and functions deemed useful or necessary in an efficient and effective manner

- Set the course for the future of the municipality; determine priorities and key projects
- Maintain a healthy tax base while providing for a sustainable future
- Preserve the safety and security of the residents and local businesses
- Resolve the issues brought before the Council which lay within its jurisdiction and which require the judgment of the elected Council.

In order to accomplish these, a Council must establish sound policies; make good decisions; approve annual budgets; ensure that primary services are appropriately funded; and ensure that good government (public order and public safety) are preserved.

Section 201(1) states that 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.*

This section of the MGA is complemented by Section 207 which specifies what the chief administrative officer (referred to in St. Albert as the City Manager) is responsible for, which states that the City Manager:

- (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 functions and exercises the powers assigned to a chief administrative officer.*

These two sections are allied insofar as the Council of a City the size of St. Albert is not realistically expected to become engaged in the day-to-day running of the City such as the development of programs or overseeing the discharge of individual roles. Such matters are delegated or ascribed to the City Manager and through delegation,

to his direct reports. How that is achieved is a reflection of a combination of processes which includes:

- a clear policy framework (advised by management and established by Council)
- a clear definition of senior level functions and accountabilities
- a performance management and reporting program which ensures that goals are being addressed; policies are being followed; roles are being discharged; performance is being monitored
- the delineation of what constitutes policy and what might be described as procedures/regulations/administration with the former being ascribed to Council and the latter to management.

Council is expected to establish the policy framework, the priorities, the anticipated results and the required resources whereas the City Manager (CM) and his administration provide advice on those requirements as well as the skills/expertise and daily commitment for these to be achieved. In short, Council determines what is to happen generally based on a combination of the advice of the CM and senior management and Council's own insights based on their linkages to the community; the CM provides the advice to Council as well as the leadership, direction and supervision to the staff members assigned to get the tasks done. Where this works well the system functions as intended. Despite (or because of) any comments by the public as to how things could have been done better in this instance or that, the public is basically well-served.

Council has the responsibility to lead the community. It is elected every four years to provide guidance to the decisions being made and the direction being set. While it must do so within the parameters set by the legislation (principally the MGA), the Council still has considerable flexibility as to what decisions are made and how they are justified. In many instances, the decisions of a Council are not challenged by the voters either because they seem relatively commonplace or because the electorate has not been alerted to the magnitude of a decision and its implications. In many instances, it may be safely assumed by a Council that its choices and the philosophy on which it stands are sound and consistent with the dialogue that a Council had with its citizens (both during the run-up to an election and subsequently).

The expectations related to Council as a policy leadership body (as we understand them) follow and are based on both the legislation (the MGA) and generally accepted governance practices:

- **Good government:** Are the actions/decisions of the Council such that an impartial reviewer could assert that these are intended to serve the community well in terms of offering needed and preferred services in a manner deemed acceptable by the residents?
- **Adherence to decision-making protocols:** Does Council generally adhere to a reasonable process of decision-making? Is the necessary information in its hands prior to a Council meeting? Are all members informed on a concurrent basis?
- **Primacy of the Council Table:** Does this Council respect the primacy of the Council table? Is that where decisions are being made? Or are decisions of Council determined in advance of its actual meetings?
- **Open meetings:** Is the public afforded the opportunity to attend the meetings of Council? Are the meetings properly advertised/scheduled?
- **Regular and transparent reporting:** Are the minutes properly posted in a public manner and do they accurately reflect the decisions of the Council? Has there been any attempt to hide information from the public which the public has a right to see?
- **Apolitical administration:** Is there any attempt to guide the report writing of the CM and his senior staff such that the reports to Council are representative of its political views rather than what constitutes “best apolitical advice” based on the collective expertise of the administration?
- **Interests of the whole:** Are the interests of the whole community being considered by Council in its decision-making? Or does Council give priority to the interests of particular interest groups or neighbourhoods?
- **Oversight:** Does Council respect the responsibility it has to ensure adequate oversight of the actions of its administration? Does it confer sufficiently with its CM so as to gain a full and unfettered understanding of the issues at hand? Does Council meet with separately its external auditor to hear their report?

- **Participation:** Are all members of Council involved in its governance processes? Are there deliberate efforts to keep certain Council members away from key decisions?
- **Respect for the Administration:** Does Council show respect for its administration? Does it deal with and through the CM when accessing the administration? Or, does it deliberately bypass the CM in seeking to confirm information? Are the reports of the administration perceived as “their best efforts” in informing Council?
- **The Mayor as Spokesman for Council:** Does the Mayor respect his role as the official spokesperson for all members of Council? Does the Mayor represent the official (i.e. approved) views of Council or does the Mayor disregard those and portray his own as those as “official” even when they are not endorsed?
- **Ethical Government:** Does Council act in a manner which is fitting for a publicly-elected governance body? Does it adhere to the requirements and constraints of the office in terms of avoiding bias and pecuniary interests? Are confidential matters kept private by all members of Council?
- **Good neighbours:** Does Council take seriously its role as a neighbour to other public sector bodies within its ambit of authority? Does it try to act as a cooperating partner in agreements regarding shared services? Does it seek to be fair in its treatment of those who utilize the City’s services, programs and facilities even though they are resident elsewhere?
- **Self-Regulating:** Has Council established rules for its conduct at meetings and elsewhere, identifying potential areas of pecuniary interest and recommended governance practices? Is Council following these rules and assessing its performance against these rules?
- **Accountability:** Does Council recognize that it is accountable for the decisions being made by the municipality regardless if they are made by Council or by its administration? Is Council prepared to be accountable for its decisions?

6.3 Principles of Decision-Making

Council’s decisions ought to be guided by what it believes to be its “principles of decision-making”. In other words, when a Council makes choices, it does so as an

outcome of how it perceives its role; how it views the overall needs of the community it serves; and what it feels the community will support. Its decisions ought to flow from its principles: such principles reflect how a Council sees its relationship to its electorate and how it perceives its role and mandate in serving as the elected representatives.

We have suggested these principles in prior studies as requirements to:

- act in good faith so that the best interests of the whole community are respected
- think independently and refrain from forming allegiances within Council
- work with each other on Council so that the will of the public in electing each other is respected
- support the citizens' choice of Mayor and show respect for the position and a willingness to make the system work well
- as Mayor, respect the other choices that citizens made in electing the Council members; show evidence of a desire to make this Council function effectively
- take all points of view into account when making decisions; withhold judgment on requested decisions until all of the information has been considered including the ideas and opinions of each member of Council
- work in collaboration with the CM and his administration; act respectfully at all times
- refrain from showing added consideration to the views of any individuals in the community regardless of how important they may be perceived to be (either in their own mind or that of others)
- provide leadership to the CM as a body and not individually
- use the office of the Mayor (or as otherwise delegated from time to time) to maintain liaison between meetings of Council.

The foregoing are outlined here as examples of decision-making principles and certainly not the only ones. We believe that it would be useful for every Council to assess what principles guide its governance processes and why these are important as guideposts.

6.4 Strategic Planning

Strategic/business planning is one of the techniques that a City utilizes to ensure that it maintains an ongoing awareness of what issues are being considered a priority and in what order. The term “Strategic Plan” is generally defined as meaning a comprehensive planned approach to connecting the organization’s vision, mandate and values to its current priorities and defining needed resources, responsibilities and targets.

The City of St. Albert has a Manager of Corporate Planning (supported by four staff) who head up the City’s strategic planning function. His role includes him working with Council and senior management in developing the City’s approach and strategic planning documents/outcomes. The combined efforts of Council and management as a result of the one day focused on Council’s input to the Plan is centred on gaining an appreciation of what Council members see as the top priorities. These are expected to impact the City’s financial plan and overall corporate plan.

Council is kept apprised of the progress made on its priorities through quarterly reports. These are also tied to the City’s financials. The public is involved through a community satisfaction survey conducted every two years, supplemented by two days in the community utilizing a “town hall” forum as an approach. The combined approach is viewed as an improvement over previous iterations but still falls short of a proactive strategic plan.

The approach the City takes to planning is set out in the document dated April 5th 2017 entitled *Overview of the City of St. Albert Strategic Plan and Supporting Processes*. Council has enshrined their commitment to strategic planning by enacting the *Strategic Planning Policy*.

6.4.1 Strategic Plan and Supporting Processes

The value of a strategic plan and other planning documents can only be realized if it impacts more detailed planning, budget decisions and ultimately the actions taken. How this unfolds in St Albert is described in the April document. The introduction to the document states:

The purpose of this document is to provide an overview of the City of St. Albert’s strategic plan and supporting processes. This document provides an

overview of the City’s community vision and strategic framework and brief overviews of how the strategic plan has evolved since its introduction in 2015. This document also provides an overview of the supporting processes used to prepare for the annual Council retreat, activities undertaken to set Council priorities, and activities undertaken to revise, approve and communicate the strategic plan annually.

The “Community Vision and Strategic Framework” is visually described as follows:



Figure 1 City of St. Albert Strategic Framework

This Figure illustrates how the various parts of the Strategic Framework flow from one step to the next. Each component guides the next step. The following extract from the

Document expresses how the framework is to function.

The purpose of the City of St. Albert Strategic Plan is to provide Administration with a long-term perspective, blended with Council priorities, that directs Administration in how to move forward and align the work of the broader organization to the Community Vision and Pillars of Sustainability. The City of St. Albert Strategic Plan acts as the main directional document that guides Administration’s corporate and financial planning efforts.

Council holds an annual retreat in the first quarter of each year. This is the first step in the overall planning process that culminates in Council approving the budget and business plan.

6.4.2 Strategic Planning Policy

The City's involvement in strategic planning is governed by a policy statement which was last revised on February 6TH 2017. The purpose of the Council Policy (C-CG-02) relative to strategic planning is stated as "to establish a City of St. Albert Strategic Plan that guides Administration's corporate and financial planning efforts". The actual policy (which we believe needs to be re-worked) states that:

The City of St. Albert shall have a strategic plan that sets forth to achieve the Community Vision and Pillars of Sustainability and provides a single source of direction for the City.

The current policy lists "Responsibilities"

Council is responsible to validate the strategic plan on an annual basis and identify priorities to Administration for the upcoming fiscal year.

The City Manager is responsible for ensuring the strategic plan aligns with the Community Vision and Pillars of Sustainability...

(Note: this places the City Manager in awkward position of apparently over-ruling Council). What should be stated is:

The City Manager shall identify to Council where the Strategic Plan does not align with the Community Vision and Pillars of Sustainability and provide a suggested course of action to Council.

The "Service Standards/Expectations" in the policy lists five items which reinforce the significance of the Strategic Plan as a governance document and the role of Council. These five items are:

1. *The City of St. Albert Strategic Plan encompasses all other community long-term plans, shall inform the development of new plans and will be updated as new plans are approved by Council. Details relative to the City of St. Albert Strategic plan are provided within Schedule A to this policy.*
2. *Strategic indicators identified to assist Council in measuring change over time in terms of progress towards (or away from) a desired future or outcome, are provided within Schedule B to this policy. The results are updated on an annual basis as data becomes available.*

3. *The City of St. Albert Strategic Plan shall be recognized as the primary resource in the development of corporate action plans, performance metrics and budgets.*
4. *Council establishes priorities at the start of each fiscal year to assist Administration in the preparation of the business planning and budget cycle. Details relative to Council's priorities are provided within Schedule C to this policy.*
5. *Council shall review this policy following a general election, or more often at its discretion.*

6.4.3 Strategic Plan

On the St Albert website, we find the following statement:

The St. Albert Strategic Plan is the road map to guide the current and future councils in realizing the community vision being defined through the participation of thousands of St. Albertans.

The Strategic Plan features outcomes, goals and strategies, all of which were validated by St. Albert's City Council in January 2017. The outcomes are aspirational, the goals are long-term and the strategies will be implemented in stages.

The Strategic Plan is important because it provides the City of St. Albert with a single source of direction for planning. It will inform all of the City's efforts, from developing annual action plans and budgets to achieving the goals through the identified strategies. The plan is organized around the Community Vision and Pillars of Sustainability, which are outlined in more detail below.

We also examined the policy and attached documents for 2017-2019 which was approved on April 18th 2016. We compared the two policies including appendices and found no material changes. Thus, the following commentary applies to each year equally.

The plan starts with Council's vision statement. Council endorsed this vision and the balance of the plan when it passed the policy. In doing so, it embraces the plan as being the guiding document for Council and management as set out in the policy.

The Vision endorsed by Council is:

A vibrant, innovative and thriving City that we all call home, that sustains and cherishes its unique identity and small town values. We are the Botanical Arts City.

The Plan articulates the 5 “Pillars of Sustainability” under the following headings:

- *Social*
- *Economic*
- *Built Environment*
- *Natural Environment*
- *Culture*

The Plans then states:

Each sustainability pillar that was identified in pursuit of the community vision has specific results that the community expects to achieve. For each result, a number of strategies have been identified that describe how we are planning to achieve them.

It then goes on to identify for each pillar the “results” and “strategies” (27 result statements and 61 strategies).

While this document is an interesting read, it can only come to life through Council and management using it as various plans are developed and ultimately as these plans are translated to budget decisions and the actions of the administration.

Apart from the pillars and related results and strategies, the plan sets out what is referred to as “*Governance Strategy*”. With regard to this strategy, the Council through the Plan states:

Council is committed to ensuring that the City of St. Albert is a responsive, accountable government that delivers value to the community. We will pursue this commitment by focusing on the following results:

1. *Strive to become a leader in analytics to enhance decision making.*

Strategies include:

- 1.1. *Utilize analytics in support of evidence-based decision making to enhance service delivery to residents.*

- 1.2. *Support the development of key measurable goals for each City department and division to monitor the health of the organization and progress towards achieving the community's vision.*
- 1.3. *Support open government to increase the transparency and accessibility of municipal information, promote economic opportunity and empower the community to become more involved in municipal government.*
2. *Maintain the City of St. Albert as an employer of choice.*

Strategies include:

 - 2.1. *Support strategies to attract, retain and nurture employees to enhance the City's ability to compete with external organizations for talent.*
3. *Maintain fiscal responsibility and transparency.*

Strategies include:

 - 3.1. *Provide prudent fiduciary oversight of the City's finances in an open and transparent manner, through the use of strong internal controls.*
 - 3.2. *Establish a robust series of financial policies that support a long-term sustainable, financially responsible and affordable community for the residents of St. Albert.*
 - 3.3. *Provide short- and long-term forecasting and budgeting principles that guide the City's decision making and link financial resources to the City of St. Albert's strategic plan.*
4. *Develop strong working relationships with regional, provincial and federal partners.*

Strategies include:

 - 4.1. *Develop strong working relationships with Sturgeon County and other neighbouring municipalities, public and private interests in the Capital Region.*
 - 4.2. *Research government organizations that are recognized for their leadership in municipal government and identify best practices to enhance municipal operations.*

The Plan's final section focuses on "Service Delivery Strategies". This section sets out Council's commitment to "...to ensuring that the City of St. Albert is engaging

residents to identify opportunities to improve delivery of services to the community.” The two results and four strategies focus on community engagement.

Following the Strategic Plan in Schedule B strategic indicators are provided. The indicators are prefaced with *“The following strategic indicators were identified in June 2014 to assist us in measuring change over time in terms of progress towards (or away from) a desired future or outcome.”*

There are six outcomes listed, however, these do not clearly link to the Pillars of sustainability and the additional strategies of Governance and Service Delivery. There are thirty-eight performance measures presented under the six outcomes. The main purpose of performance measures is to inform citizens, Council and management whether the appropriate progress has been made in achievement of the desired results set out in plans. For this information to be provided, measures must be clearly relevant to the result. That is, the measure needs to describe the progress towards the result in reasonably concrete terms. Also, they need to include a meaningful target (typically challenging but achievable) for a relevant time such as one year. The presumption is that the reason for including a strategy in the plan as is that change is desired. Meaningful measures assess the change desired versus change achieved. Based on the documents provided it is not clear how these performance measures meet these tests.

The final section of the Strategic Planning package is Council identified *“...priorities for each pillar of sustainability to support Administration in preparing the City’s action plans and budget for the 2018-20 cycle.”* Each of the six pillars and the two additional strategies have one or more priorities set out for them. In total, there are twenty-six (26) priorities.

6.4.4 Linkage to the Budget and Business Plan

As noted in the numerous quotes presented above, the Strategic Plan and associated documents are to guide the business plan and budget (these are bundled together in an almost 450 page document).

The following statement in that document attempts to portray the linkage between the Strategic Plan and community long term plans:

Administration develops community long-term plans to articulate high-level strategies in connection with the community vision, to tie the needs of the community together and provide a roadmap for achieving these goals. These plans range from 10 to 25 years and are used to inform the development of Council's strategic direction, corporate action plans and the budget.

A number of community long-term plans are currently in place and have been used to guide development of the 2017-2019 departmental action plans and 2017 Budget to ensure scheduled projects and initiatives are completed according to the plans.

The City also advises that:

Corporate action plans act as the business plans for Administration and are developed to support the delivery of programs and services based on community needs. They also outline how Administration will implement the City of St. Albert Strategic Plan.

The Budget Business Plan document presents a linkage between the initiative and the strategic plan as well as indicates the department responsible for the Initiative and a sense of the anticipated time frame. Due to the very extensive amount of information, the impact of the strategic plan on the budget is not readily discernible.

6.4.5 Observations

The planning model appears to be robust and integrated. We see evidence that the Strategic Plan and priorities have been considered in the development of more detailed plans. We do question the role and value of performance measures in context of the planning model, since they do not link to elements in the Strategic Plan and do not include targets as dates or the amount of change expected. Also, we did not see reference to them in the annual report. However, the Council evidently believes that the data provided by the measure is useful.

The City's investment in planning staff and a continuing improvement in the process further reinforces its commitment to planning. We do note that the actual impact on the budget is not clearly demonstrated in the document provided. This does not mean it did not occur. It does mean that an outside observer who relies on the published documents will not likely see it.

We did note that the plan and related documents approved on April 18th 2016 as the 2017 Strategic Plan is reproduced with minimal changes as the 2018 Strategic Plan approved on February 6th 2017. Some change would normally be expected between years if this is truly a look forward.

City Council as a whole has fulfilled its roles in terms of leading through a statement of vision and priorities; guiding through the passing of bylaws and Council established annual set of priorities. While its commitment to these is debatable (as frequently other issues arise, which crowd out the focus on what were described as priorities), the fact that Council has set aside time to review its priorities is commendable.

At the same time, we note from correspondence between members of Council and management that not all members of Council see priority-setting as important due in large measure to their focus on specific issues and individual personality struggles within Council. There has been some expression of concern that identifying priorities may inhibit Council's flexibility and response to issues as they arise. Also, as noted earlier not all Councillors support the planning process and in one case chose not to participate in the planning retreat.

Council's ongoing focus on detail runs counter to what it describes as its policy focus and seems to ensure that a real policy leadership focus will lag even though it is spoken of fairly frequently. Some Council members have not been content with directing their administration to pursue a particular policy or strategic planning priority; they wish to get at the detailed procedures which underlie the policy to see "how it works". As a result, Council is readily led away from any policy focus it might have had into the work and role of its administration. The entire Corporate Planning process has taken Council away from its role as the vision and goal maker for the organization. There is a maze of policies on the Corporate Planning process, each referring or duplicating one another. This fog of words hides some fundamental issues in how corporate planning is undertaken.

During the planned 2017 Orientation November 3rd is shown as "Council Priorities Session (All Day)". The outline of this session is as follows:

Description: - *This working session has been designed to discuss Council's priorities for their term.*

Objectives:

- *Provide Council with an overview of the City of St. Albert's Community Vision and Pillars of Sustainability*
- *Provide Council with a basic, high level understanding of the strategic framework and how the organization aligns all planning, budgeting and reporting/*
- *Establish Council's approach and ground rules for working on priorities and plans (e.g. review progress, refine priorities as appropriate)*
- *Identify the important initiatives based on each Councillor's election platform and identify common themes.*

This session is scheduled to occur after six staff presentations to Council. This may well reflect a key element of the problem. Council is immersed in staff detail first, before they are asked for their own priorities.

The "Overview of the City of St. Albert Strategic Plan and Supporting Processes" also shows a Council retreat in January, with a priorities document coming forward in February for Council approval. This would suggest that the November 3rd session is not expected to produce definitive direction to the organization.

The second major issue we have with the current approach to strategic planning is that the process has been developed in a way that presents Council's priorities and direction as being subordinate to other documents. A perfect example of this is in the C-FS-05 - Budget and Taxation Guiding Principles policy. Policy Statement No. 1 includes the following text - *which articulates Council's long term outcomes, goals and strategies in support of the community vision* (our emphasis). What if Council does not agree with the 'Community Vision'; is it not allowed to disagree because it was developed with community input. This begs the question: "Who represents the community: Council or a 2014 'community vision' process? Otherwise, the C-FS-05 - Budget and Taxation Guiding Principles policy is mostly motherhood statements that reflect legislation and current municipal fiscal practices in Alberta. Taken on its own, this one statement might not seem important, but when it is reinforced in many of

the City's policies it then drives how Council and the organization will work in this area. More examples of this undermining of Council's role follow.

In the overview of the Strategic Plan and Supporting Processes document, a diagram (Figure 1) is included that demonstrates some of the strategic planning process issues: Our observations with respect to the City's planning process include:

- The Strategic Plan (including Council's Goals and Priorities) is shown as subordinate to the Community Vision & Pillars of Sustainability: the Community Vision & Pillars of Sustainability should instead be inputs to Council's Strategic plan.
- Evaluating and Reporting is shown as reporting back to the Community Vision & Pillars of Sustainability: Evaluating and Reporting should be to Council first, with input from the community to Council as part of the planning process.
- The text states:

The Community Vision and Pillars of Sustainability act as the foundation for the City's strategic framework. - The purpose of the City of St. Albert Strategic Plan is to provide Administration with a long-term perspective, blended with Council priorities, that directs Administration in how to move forward and align the work of the broader organization to the Community Vision and Pillars of Sustainability - and in notes on the preparation of the 2017 Strategic Plan states: Administration facilitated discussion with the Committee of the Whole to assist in identifying priorities to support preparations for the 2018-2020 business planning and 2018 budget cycle. During these discussions, Committee of the Whole identified priorities for each Pillar of Sustainability as well as a number of services/service level reviews, which have been included under the Service Delivery Strategy.

All of these statements show how Council has been removed from its place as the primary leader and priority-setting body.

In policy C-CG-01 (Council's Vision, Mission and Values) it states:

Council shall be responsible to ensure that they govern the community in accordance with the Community Vision and Pillars of Sustainability, their shared mission and set of values.

We question why Council would approve these statements given that they effectively over-rule its decision-making ability. 'Consult' would have been a more normal statement.

Policy C-CG-02 (Council's Strategic Outcomes, Goals and Priorities) has eight (8) pages of detailed Goals and Priorities from January 2014 onwards. The results show that this process was not strategic (i.e. high level), and not focused on a vision developed by Council, with administration leading Council to develop detailed priorities under each Pillar of Sustainability heading. The sheer number of priorities can be expected to divert Council's attention away from the broader vision and goals. The second chart in the Overview document shows the process for a January retreat with Council, with other charts for preparation and follow-up. A number of points to note:

- This is scheduled for January, and the budget year has already started, and priorities will not be presented to Council for approval until February.
- Even though the City uses a two year budget cycle, Council has the right to review the budget previously approved, but nowhere in this process does it show where Council can provide budget targets (for the current year or future years) prior to the presentation of budget or taxation figures.
- The process is outlined only in the terms of identifying the Council priorities and identifying service reviews.
- It is an administratively-driven process.

We would suggest that the guiding philosophy and schedules be changed as follows:

- That a two day (early November) Strategic Directions off-site retreat be held with Council members, the CAO, Department Heads, and be led by a neutral external facilitator.
- That the first day (following an election) include presentations on key issues facing the City and an orientation on municipal governance.
- The second day should start with a private session with Council members and the facilitator only, with the remainder of the day (with management present) being focused on developing Council's vision, goals and priorities.

- The development of Council's vision, goals and priorities should not be constrained by the Community Vision & Pillars of Sustainability documents. Whether it is considered disruptive or not, each new Council term needs to begin with a fresh look at what THIS Council views as the critical priorities and future vision.

7.0 Leadership by Mayor and Councillors

7.1 The Legislative Umbrella

Every Council functions within a suite of legal obligations as expressed in the MGA. These key sections define much of what it means to be a Council and how the individuals thereon should function. Section 3 outlines the purposes of a municipality; Section 201 provides the overview of what Council as a whole is responsible to do; Section 153 gives us the “job description” of an individual Councillor; and Section 154 adds in the specific and extra duties of a Mayor as chief elected official.

Section 3 states that *“The purposes of a municipality are:*

- (a) to provide good government,*
- (b) to provide services, facilities or other things that, in the opinion of council, are necessary or desirable for all or a part of the municipality, and*
- (c) to develop and maintain safe and viable communities.*

Section 201(1) states that *“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 153 states that *“Councillors have the following duties:*

- (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 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 154 (1) states that a Mayor has the following responsibilities:

A chief elected official, in addition to performing the duties of a councillor, must

- (a) preside when in attendance at a council meeting unless a bylaw provides that another councillor or other person is to preside, and*
- (b) perform any other duty imposed on a chief elected official by this or any other enactment or bylaw.*

While we recognize that there are other sections of the MGA which speak to a Council’s roles, the foregoing are fundamental and thus very important.

7.2 What Does a Council Do?

These statements might appear to be generic but do cover the essence of why local governments function as they do. The City (in this instance) is expected to function as a body keen to provide “good government”. That is, the City will to the best of its ability offer its residents quality services and programs which reflect Council’s best judgment of what is needed and desired. Council is to provide “services, facilities or other things which are necessary or desirable”. Every Council has the obligation to determine what those are and will realize that these will vary to a certain degree from place to place based on geographic location and size as well as other factors (e.g. the socio-economic profile of the community).

The City is obliged to ensure that it functions in a manner contributing to a “safe and viable” community. This implies that Council will examine its obligations to ensure that the citizens’ right to a safe environment has been met to the extent reasonable and within City resources. How does that happen? That is further described in Section 153 and Section 201 (MGA) which speaks to the need to develop and evaluate policies and programs to achieve those purposes; to make sure that all the necessary functions are reasonably delegated; and to recognize the obligation to carry out a full range of duties as assigned by legislation (and/or imposed by local bylaws).

Having captured the broad strokes of purpose and function, the legislation then defines again in comprehensive yet clear terms who will be accountable for the various aspects of this complex matrix. The roles of Councillors are described as are the added duties ascribed to the position of Mayor.

What is expected of Council as a whole? This is described in Section 201 (1) which states (and we paraphrase) that Council is responsible for establishing the policies and programs of the municipality (in other words, what the municipality sees as its mandate for action); and for making sure that applicable powers, duties and functions are discharged. Council is expected to understand its community; seek its best; ensure that it has clear policies and useful programs; and make sure that the required regimen of duties is clearly laid out such that a high degree of accountability is possible.

Why would that be difficult? Because every Council needs to understand what its residents see as priorities amongst a competing array of services/programs which could be offered if resource constraints were not a fact of life. How should that occur? From a Council perspective, having a clear vision, sense of priorities, clarity of goals; some reasonable benchmarks or performance measures; approving a budget that seeks to accomplish those objectives; and ensuring there are appropriate checks and balances so that there are no major year-end surprises: these are the functions and descriptors that allow good direction-setting and effective evaluation.

Where is this rather simplistic menu derailed? Well, not everyone on every Council is like-minded. There are some who would rather focus on the past and look for skeletons; others who might prefer a non-policy environment so they can focus on the

details; some who may not normally trust senior management and who are quite willing to bypass any legislated authority; still others who either dislike or disrespect (or both) the Mayor and thus are reluctant to follow any of his suggestions. This “being on council” carries with it a tremendous expectation of doing the best for the whole community but just how that is to be carried out is not clearly defined thereby leaving much to personal choice and imagination.

Council as a whole is expected to lead. This is discharged in the weekly, bi-weekly and monthly meetings and decisions as well as in the policies and plans approved by Council. It is an organic, ongoing process because the community itself is always evolving with new challenges and potential opportunities. Council leads not only through long range planning or major City plans regarding infrastructure, buildings, parks etc. but also through a corporate business planning and budgeting process which seeks to identify and address ongoing and foreseeable City needs.

In order to effectively guide the City and to make use of the budget dollars effectively, a Council must understand its own priorities and determine how the budget ought to reflect those. This requires that each Council develop some mechanism to discuss and debate the key issues and challenges of the day and then determine what is on first base, second and so on. This process is generally described in the literature and by practice as “strategic planning” or “business planning” and indeed is both. On the one hand, a Council needs to determine where it hopes to position the City in the longer term and secondly, what that vision suggests in terms of how to approach the budget choices faced this year.

More and more communities across Canada have adopted some system of strategic planning not as a “checklist” of what to do but rather as the foundation upon which to base good long and short term decisions. This ensures that the budget for each year is considered well in advance of the year to which the budget applies so that the best use is made of scarce, public resources. Further, given that there are always competing priorities within every organization, a plan is useful in determining which of those priorities are thought to be of a higher order than the others. This is a decision to be made by the elected officials.

Council is also expected to be the ears, eyes and voice of those it represents. This is not accomplished simply by sitting in Chambers alongside the other members of Council listening to presentations and making decisions. Nor is it accomplished simply by reading background reports on this or that issue. Representation occurs when a Council's voice is heard speaking out on behalf of a community interest that has been carefully researched; where those pursuing a cause have been met over coffee to discuss their concerns and views. Representation also occurs when a Council deliberately (i.e. not casually) thinks about how its citizens would expect it to address and resolve an issue or a challenge. What would the majority say if they were all in the room? Are their best interests being reflected in what Council believes or has Council become so immersed with a particular faction or vested interest group that the voice of common folks has been muted?

A Council is also expected to resolve troublesome issues and pass judgment. Being on a Council is not at times a very popular thing. Decisions need to be made; choices may result in those viewed as losing as well as winners. A budget needs to be produced and a tax rate established. Costs will likely have gone up and with that unless the assessment base has responded favourably, so too will taxes. Projects will be presented by the various departments: all will look appealing. Not all will be funded.

Every Council is expected to provide fiduciary leadership; to ensure that proper budgeting and financial management occur; that a business plan is created; that organizational goals and priorities are established; that a realistic budget is approved for funding civic services; that sources from other levels of government are requested and applied as required. While none of these are particularly exciting to most members of a Council, they do represent the core of what any Council is elected to do: provide necessary and desired services and make sure they are adequately funded.

The role of a Council has often been described as that of a steward. That is, one of the fundamental principles of a local governing body is that it will ensure that the resources of the City are being utilized wisely and in accordance with the budget and business plan as well as any policies and procedures which may apply. Ensuring that

Council has made the best use of resources requires that it adopts those policies which support judicious use of all resources and careful purchasing procedures to ensure the appropriate bids are sought and awarded.

A Council needs to be in the business of establishing clear policies. Unless a Council wants to be involved in re-visiting every issue on a regular/frequent basis, policies need to be approved which give license to management to get on with the business of service delivery. Decisions which are major or repetitive (or both) should be the subject of a Council policy. Establishing a policy mindset is needed in every Council chambers.

Together with a clear and Council-driven strategic plan, a policy framework forms the basis of every sound system of local government. Policies and plans form the essence of guidance and control for a Council because they articulate where the community is going and what it will do to both get there and to function effectively along the way.

The business of managing the City's responsibilities is that of the management and their employees. How that business is managed is determined by legislation in terms of minimum requirements in certain fields of endeavour and by policy of a Council. Policies set out "what" is to be done. The "how" it is to be accomplished is determined by regulations and by managerial direction. The former is the purview of a Council. The latter is the purview of management.

The decisions of a Council effectively become the policies of it. That is, whether a Council decides by way of resolution or by bylaw, its decisions taken together, constitute the "policy bank" of the City. While policies should preferably be presented to a Council according to a set format, the key to an effective council is the recognition that its decisions become the standard upon which the administration functions and makes decisions.

A wise Council appreciates that it has a very strong ally in its chief administrative officer (in this instance known as the City Manager). There is an obligation in the legislation for a Council to delegate the implementation of its policies to its CM. A CM plays the primary role in acting as the link-pin between Council as the policy-makers and the staff as the administrators of those policies. The CM is viewed as the Council's chief policy advisor and as the person responsible for ensuring that its

decisions are effectively discharged. Thus, all advice to Council from all departments is to be directed through the office of the CM so that Council can be confident that the breadth of its business lies fully within the responsibility and accountability of the CM. That is, the CM acts as the advocate for the advice and opinions of the administration and ensures that Council has the full picture of all salient points in any decision. Once Council has determined the direction to be taken from a policy perspective, the CM is charged with ensuring that his administration implements those policies based on Council's directives.

This requires that choices be made between various alternatives all of which might seem to be valid. Choices are best made when the Council expects the administration to articulate the reasonable options, their costs and the respective advantages/disadvantages. Once that advice has been received, each Council needs to evaluate the recommendations as to which would be the best for the community and helpful in both the immediate and foreseeable future. Leadership is all about making difficult choices in an often stressful environment.

Each Council has a responsibility to assess community wants and needs and determine, based on priorities and overall community good, what is to be funded or not. While some of what every municipality does is required by legislation, there are also aspects of any municipal budget which are discretionary (i.e. up to each Council to decide "do we fund this service or not?"). The funding approved by a Council authorizes the administration to deliver the services. Council is accountable as a result for both the policy choices to fund certain services and the delivery of those funding choices on a day to day basis by its administration.

Finally, inherent in "good governance" is the implied responsibility to monitor progress and report on results. While a Council is not expected to develop measurement tools or standards, it ought to require its CM to develop and utilize such measurements. This will enable a Council to determine what program or service is working as intended and which are failing to deliver.

Process is important to decision-making. Critical to difficult decisions being acceptable to the majority of the public is the process used to make such choices. A Council which recognizes the need to adopt a step-by-step process of decision-making

will note that it has more confidence that its decisions will more often than not be in accordance with the wishes of the “community”. Inappropriate decisions often result from the absence of careful consideration or requests which have not been properly vetted.

Hiring qualified people is a must. This is one of those fundamentals which seem to apply. That is, a municipality is wise to recruit and hire those who are the most experienced and trained for specific and unfilled roles. The person with the engineering and infrastructure background will be valuable as the head of “Engineering and Works” or some similar title. The one with the legal degree complemented by training in legislative drafting or application will likely be chosen for a role in the Legislative Services office. The fellow or lady who has a career history of pursuing economic development or tourism prospects will similarly be chosen for such a role within the City’s administration. That is, management seeks those who best fill the required roles based largely on their academic preparation and experience complemented by an appreciation of “who fits”.

Similarly, a Council will seek out credible candidates for the role of City Manager based on a profile which to each Council member might seem to be the “ideal” candidate and therefore difficult to find, but worthwhile to pursue. In larger communities particularly, the landscape is plumbed by a professional and experienced search firm and suitable candidates based on the profile are identified and interviews are established. Council reviews all; interviews the recommended list; and makes its choice.

Where does a Council exercise its influence and power? In choosing the “right” person to hold the very important position of City Manager and in delegating (as a result of the MGA and CM Bylaw) the responsibility to find those who will best meet the City’s expectations and core functions.

How does a CM know that the team he selects will be acceptable to Council? Because he has either been a party to developing council’s goals and priorities or is at least fully cognizant of them. He also has had considerable experience in evaluating top-flight talent and understands the need to achieve cohesion and synergy in a management team. Can a poor choice of senior personnel be made? Certainly. No

manager is infallible. Does that warrant an intrusion by a Council or individual Councillors who may feel they have some expertise in this area? No; this is the domain of management and the accountability for decisions needs to rest there (Section 201(2)).

An effective Council understands that its role in governing the organization and community hinges on its ability to set the “goalposts”, the broad parameters and the achievable outcomes and then effect a monitoring system which enables oversight of decisions and results. This is generally achieved through the creation of key plans and bylaws (e.g. Municipal Plan, Land Use Bylaw, Infrastructure Plan, Parks and Facilities Plan) and governance policies.

These plans and governance policies are critical in that their adoption by Council indicates its intent to see results. While one might argue that they are too broadly-based so as to render them incapable of effective monitoring, we would argue the opposite. Such plans and policies should in fact drive budgets which in turn directly impact annual actions.

7.3 The Role of the Mayor

Section 154 (1) states that a mayor has the following responsibilities:

A chief elected official, in addition to performing the duties of a councillor, must

- (a) preside when in attendance at a council meeting unless a bylaw provides that another councillor or other person is to preside, and*
- (b) perform any other duty imposed on a chief elected official by this or any other enactment or bylaw.*

While the role of Mayor places the expectation of leadership on that person, the Mayor is also expected to perform as a member of Council in ensuring that the obligations of Section 153 are discharged. The Mayor is “one of” the council which requires someone who is adept at working with others as opposed to dictating to others. The Mayor leads the discussion of policy options and of the best strategy to achieve certain outcomes. Preferably, the Mayor does not seek to impose his will on his colleagues as much as solicit their ideas and meld them into an action plan or strategy which has the potential of being successful. There is nothing in the Act that

would assure the Mayor that all members of Council are likely to endorse his vision. On the other hand, the fact that the Mayor has been elected as the chief elected official would lead one to believe that the others on Council would be sure to accord the Mayor the respect the office entails and to attempt to work with the Mayor in the pursuit of common goals.

Such leadership requires someone with good ideas, a sound vision, a desire to cooperate with his colleagues and a willingness to be shown a better way. The Mayor's power is informal but it can still be very persuasive. The Mayor may only have one vote on each matter but the office carries with it more prestige and "power" than the vote would signify. Whenever the Mayor speaks, the community presumes that he is uttering the will of the Council. This is both a power and an obligation: a power in that his voice carries more influence than the individual voices of his colleagues; an obligation in that the Mayor must be very careful not to go beyond the parameters of his office and presume that because he speaks, others must fall in line. The Mayor, regardless of how committed to a particular course of action, needs to ensure that all members of Council understand the implications of that course and are willing to endorse the leadership being offered by the Mayor.

It needs to be understood that the ability of the Mayor to be influential on Council is highly dependent on the willingness of the rest of Council to follow the lead of the Mayor. The danger facing the Mayor is to boldly step forward in expressing a viewpoint which is not held by other members of Council. The most logical way to ensure that this does not happen is to develop a policy framework on the key issues such that each member knows what the Council stands for on that topic with sufficient confidence so as to express those views publicly without fear of contradiction.

Due to the preeminent position held by the Mayor in the minds of the public, a Mayor will impact the tone for not only all of Council but often for the term of Council as well. The leadership style practiced by the Mayor will either be conciliatory or abrasive; either proactive or reactive; friendly towards the public or mistrustful; collegial in all circumstances with other members of Council or stand-offish and

perhaps antagonistic. While these traits might be personal to the Mayor, his impact is often so great as to influence the rest of Council as well.

A Mayor's ability to present well and gracefully will impact the view of the public of a Council. If a Mayor is assertive/aggressive and does not trust anyone, that style will be what the public sees. While this type of leadership may produce the odd headline it is unlikely to put wind into the sails of progress on the larger agenda.

We recognize that a Mayor does not set the tone by himself; a Council is a seven person body, each of whom will want to be heard and each will have a somewhat different style. If Councillors are detail-oriented and looking for evidence rather than progress, or are more interested in playing "gotcha", then the business of the City will be in danger of meandering with little sense of forward-thinking direction. (If all members are big picture thinkers they may miss something of significance that a more detail-focused Councillor would be quick to point out).

If the Mayor is serious about helping to create a long term vision and in freeing up the senior management to get at the larger issues of the day, the Mayor is unlikely to tolerate a blinkered fixation on details of administration such that management is buried under a multitude of requests for added reports or more depth in the ones being presented. Someone (i.e. the Mayor) has to be able to lift the collective eyes of Council in order to see the horizon and not the in-basket.

The onus of providing effective leadership is certainly not solely to be assumed by the Mayor. All members of Council are guided by these provisions in the MGA. Decisions are to be rendered based on the perspective of "what constitutes the public will?" Councillors are expected to challenge the Mayor's views on issues as much as they might challenge those of their colleagues. Further, where there is some question as to whether or not a substantial policy change or investment in a major project or some other "community changing event" would be endorsed by the public, it might be expected that members of Council would challenge such an assertion.

A Mayor who sees nothing but blue sky ahead in respect to all issues and potential "soft footing" can expect to be challenged by his Council. That is both predictable and healthy. The Mayor, regardless of personality and perceived clout, is but one vote at the end of the day.

7.4 Role of Councillors

The scope and breadth of the civic bureaucracy is often a reflection of the size, location and complexity of the City; the progressive or fiscally conservative nature of its leadership; the structure of its management team; and the expectations of its Council. In the case of the latter, Council members might understand their role as the “eyes and ears” of all citizens who expect to see good services provided in a timely manner with responsive employees to any public criticism or complaints. This they understand will require in-depth questioning at every meeting and on most reports from the administration. Another Council might see its role as overseers of the system with the responsibility to set a course, review the progress being made in achieving results, and reporting outward to the community. Between those two polar opposite portrayals, another Council might determine that it needs to be closely engaged with the decision-making and oversight of results but through governance policy and plan evaluation. This it might seek to achieve based on a governance model that seeks assurance without detailed involvement.

The legislation, as expected, provides the basic parameters (Section 153, etc.) of what is expected from Councillors and the Mayor and from them functioning together as a whole. These broad strokes seem to imply that Councillors are expected to be:

- generally aware of what is happening in the community and where/how City policies and decisions are impacting the liveability of its residents
- leading the City through a focus on what policies and programs best achieve the results expected and anticipated; understanding the current policy “bank” and what improvements/enhancements might be useful to achieve improved Council goals and direction
- being made aware of key City “programs” (their objectives, ongoing impacts, budgetary requirements, assessment of impact)
- mindful of the interests of the whole community and not focused on decisions/outcomes which would appear to only benefit a small minority
- going to bat for individual citizens who want/need an answer to a question or a complaint

- prepared for engagement in all Council regular, special and committee meetings; understanding what the issues are and what Council's interest and role in those issues might be; prepared for debate on the relative advantages and disadvantages of a particular approach or direction as proposed by management or perhaps an external body
- aware of the value of giving the CM (and his management) the "heads up" on any proposed questions to be asked at a public meeting so as to ensure that the administration is prepared with their answer; requesting through Council resolution a report by the CM on a particular matter of concern; seeking the support of fellow Councillors for such a report (given the impact on the time and resources of the City's administration)
- understanding of the importance of following protocol by directing such requests through the CM and not direct to any other City employee (given that Council has agreed that it will focus and channel its direction through its CM) recognizing that to do otherwise simply undermines the confidence of the organization in their CM and by inference in their own abilities
- mindful of the importance of "confidentiality" in City business and the embargo on releasing such information which has been assigned by Council motion to a closed door session of Council until a resolution (based on legal advice) permits that release of information.

8.0 The Processes and Practices of Governance

The letter from the Minister to the Mayor of St. Albert (December 14th 2016) states that the "inspection may include, but would not be limited to, a review and evaluation of:

- *The structure of council committees;*
- *the process and procedures used to prepare for council meetings;*
- *The conduct of council meetings;*
- *Council's understanding of their roles and responsibilities;*

- *Council’s leadership and effectiveness in working together; and*
- *Council’s policies and procedures.*

The above reflects much of what we would describe as the “core elements of governance”. We describe governance in the context of local government as “the process of decision-making”. In the main, when we refer to governance, we point to decisions which were discussed or finalized at meetings of Council. In some instances, we may make reference to governance being accomplished through delegation to another body/agency/committee which Council has by bylaw delegated (where that is permitted by the Act) or governance being in a particular stage or process such as the hearings on a land matter or the role of a Council committee to review a particular matter prior to its final resolution by Council.

The sum of the governance process refers to all of those elements which impact in some way how a Council makes its decisions. Thus, we would include committees; external agencies which advise Council or which have a direct impact on the business of the City; the role and powers of the City Manager; management reports; Council procedures; rapport on Council between each member; Council’s process of determining what is and is not a priority; what Council deems to be its policies; the processes utilized by Council to make decisions; its norms; the style of how decisions are made and communicated. In our democratic world, governance generally refers to the motions, bylaws or resolutions which provide the clarity of a final decision.

8.1 Criteria of an Effective Governance System

We have articulated criteria before in previous studies but believe it to be useful to re-state these here as they help guide our assessment of whether or not this City Council utilizes a system which should produce good governance results. In our opinion, guided by considerable work with other municipalities, a healthy, useful, results-oriented and well-directed governance system could be said to exist if the following criteria were in evidence:

- **Orientation to Good Governance**
 - Council was fully briefed at the outset of any new term as to its powers and expectations.

- Council members were advised as to how business is normally done in St. Albert; what logistics are critical including meeting schedules, access to parking, submission of expenses, representation at City events and meetings of external agencies, etc.
- **Role Clarity**
 - The respective roles of the Mayor, Councillors, the City Manager (CM) and senior managers were fully explained at the outset of a new term of office for Council members.
 - The CM bylaw and associated legislation was explained to all members of Council.
 - The advisory role of the CM and his administration was clear, comprehensive and respected.
 - The accountability of the CM was outlined at the outset and respected by all parties.
- **Procedural Bylaw**
 - The procedural bylaw was adapted to the preferred governance style of this Council.
 - Council meetings are held on a regular basis; the key issues are discussed and debated; decisions are rendered by Council.
 - Committee meetings are also held as provided for in the bylaw; these are considered useful to Council's decision-making.
- **Council Priority-Setting**
 - Council took the time to establish its goals and priorities at the outset of this (and every) term.
 - Council reassesses its goals and priorities on an annual basis.
 - These goals and priorities set the direction for the City and are referred to regularly by Council and management.
- **Impact of Agencies, Boards and Committees (ABCs)**
 - The terms of reference of special purpose bodies and their relationship to Council was fully explained and understood by all parties.

- The role and authority of Councillors appointed to such bodies was made clear.
- The reporting requirements of ABCs was clear to all Council members.
- **Interface between Council and the Organization**
 - The access of Council members to the administration was clearly outlined and respected.
 - Council's authority to change the organization structure is defined in Council bylaws or policies.
- **Council Decision-Making**
 - Council has sufficient opportunity to reflect on the policy options facing it on key matters and access to the views of the public (where the matter was viewed as quite significant) at that moment in time.
 - The key matters of City business consistently face a rigorous review by the administration before presentation of new or revised policies for Council's consideration.

8.2 What Council Does

When we examine the work of a Council it becomes clear that it has certain functions including: it prepares to meet; it meets; it discusses and debates; it decides; it delegates; it monitors; and it reports out. While this may sound overly simplistic, that is not what is intended. Each of these steps involves a series of actions and choices, many of which are overlaid with political influences and public impacts.

8.2.1 Preparation

Every member of Council is charged with the onerous responsibility of making decisions which impact their fellow residents. Some of these decisions are fairly straight-forward whereas others are very contentious. All require a degree of preparation: reviewing the written background materials prepared and submitted by the CM and administration; reading reports from committees and external agents; being aware of legal and legislative requirements; preparing questions which ought to be answered in a public forum.

8.2.2 Meetings

Decisions of a Council are made in meetings. Some of those are held “in camera” and thus away from the public eye; whereas the vast majority of time in meetings is spent in front of the public (whether in person or through public television or through some other form of electronic communication).

8.2.3 Decision-Making

Each Council is charged with making decisions which it understands are sometimes legally required while at other times they might simply be publicly necessary. Decisions, as mentioned earlier, might be in the form of bylaws, policies or resolutions and must be made at a public meeting.

8.2.4 Delegation

Once a decision is made, it is generally transferred to the CM to ensure that it is properly discharged. Sometimes this is explicit and is conveyed through a motion of Council; in other instances, once the motion/bylaw/resolution is approved it is assumed that the administration will undertake to place that direction in action.

8.2.5 Monitoring

While not always spoken, there is an inherent expectation that Council and the CM will have developed some mechanism for enabling the Council to oversee the outcome of its decision. This can often be in the form of a briefing on a regular basis by the CM wherein the CM advises what is being done, by who and with what anticipated completion date.

8.2.6 Reporting

There is an implied obligation that Council, as the citizens’ collective voice, will ensure that the decisions it makes which are of a significant nature are reported out to the population on a regular and timely basis. This responsibility might fall to a communications officer, a department head or to the Mayor.

8.2.7 Impact of Policy Development

Council establishes its direction through a number of instruments but none more important than its policies. Council’s policies establish “what” a Council feels is the

right thing to do in light of certain circumstances. What adds specificity to the policies are administrative procedures or managerial directives. The former are the prerogative of Council. The latter are the responsibility of management. Where this dichotomy goes off the rails often lies in the inability of a council to refrain from asking “how does this work?” and expecting detailed answers.

Council’s policy framework establishes its understanding of what it expects to see happen. Policies are needed on matters which are either repetitive or major or both. Policies are however a critical piece of governance in that these define what a Council believes to be their resolve on how business is done. A comprehensive and well-thought out policy framework ensures that the views of Council are predominate and will direct the subsequent administrative decisions and actions of staff. If constructed effectively, a policy framework will ensure the Council that the “what” of decision-making will reflect Council’s views and directives whereas the “how” such decisions are implemented will be under the guidance and control of the CM. A Council which attempts to involve itself in how its policies get implemented fails to understand the real messages it is sending, including the basic one of “we do not trust your judgment or ability to accomplish what we just asked you to do. So, we will step in and look over your shoulders to ensure that every action/step aligns with our/my way of thinking”. Such a style effectively undermines any effort at establishing a professional administration and weakens both the leadership and the confidence of senior management and staff in their leader(s).

8.3 How a Council Governs

Councils across Alberta govern through a process of making decisions and ensuring those are implemented. While there are various ways to approach decision-making, the outcome results in a bylaw being created and passed through a “reading” process; a policy being developed and then passed by a Council resolution; or a decision being made which may be neither of such significance or legal basis as to require a bylaw or of a suspected repetitive (or major) nature as to require a policy and thus a simple resolution and vote by Council will suffice. Much of what a Council does falls into the latter “umbrella” (i.e. issues which may require a Council resolution to move them forward or to remove them from any further action). These actions, in effect,

constitute “what” a Council does which would be generally described as “governance”.

It is the “how” a Council governs (which often causes the greater difficulty.

That is:

- Does Council understand what its role is and where it is expected to intervene and make decisions which it will fully expect to be implemented?
- Does Council make use of its decision-making tools including the time for reflection as to the consequences of its decisions?
- Does it make use of meeting procedures which are fair and reasonable for all members so as to enable a good flow of discussion between the members and adequate time for its administration to answer any reasonable and subject-related questions?
- Does the Mayor understand his role sufficiently to guide his colleagues to a decision or does he dominate the discussion and arbitrarily cut off all other speakers?
- Do Council members respect their system of “one employee” to the extent of expecting that one employee (i.e. the City Manager) will speak to all of Council’s questions or to have both the authority and wisdom to re-direct the questions to those of his administration?
- Is the Mayor capable of reining in speakers as a result of having the gavel and the power of a procedure bylaw which states how long any speaker has to make their point(s)?
- Do Council members adhere to certain decision-making principles which ensures that each is on a similar and balanced footing relative to the decision which needs to be made?
- Does each have the relevant information sufficiently in advance to review the matter and ponder the questions which might need to be asked for the clarification of all?
- Do members of Council adhere to agreed procedures relative to how new agenda matters are to be added to an agenda?

- Are any committees which have been developed and approved by Council expected to “weigh in” with their advice on relevant matters?
- Is there evidence that the advice is taken seriously and weighed carefully?

This, in our view, describes much of the essence of what the literature refers to as “good governance”.

8.3.1 Council Procedures

Observers of a Council are most likely to have viewed or sat through one of the many meetings which all Councillors are expected to attend. An aspect that is core to any review of sound governance is the role and impact of Council’s “procedure bylaw”. Section 145 of the Municipal Government Act provides a Council with the authority to pass bylaws regulating “...*the procedure and conduct of council, council committees...*” Each Council does so and uses those procedures to ensure that business is conducted in a fair and even-handed manner. Such bylaws speak to when meetings are to be held; the time of meetings; the role of the presiding chair; the order of business; the role of any committees; the conduct of meetings and of Council members at such meetings; the recording of minutes and so on.

Every procedure bylaw is (or should be) core to how “this” Council wants to govern its way of conducting business. It is not intended to do anything other than establish fair rules of procedure which enable the business of Council to get done. Where key matters are left unsaid then the Council is left with a referral to Robert’s Rules of Order which may do little to clarify what Council wants to achieve (and thus the preferable method of ensuring that the Bylaw is clear on most processes).

The procedure bylaw should also align with the powers granted by Council to its City Manager. That is, procedures should not allow or encourage the Council to over-reach its authority relative to what has been delegated by legislation, bylaw or policy to the CM.

Our assessment is grounded in a belief that a Council’s procedure bylaw is theirs; that is, such procedures ought to be deemed as workable by this Council and senior management with changes made along the way when flaws are reflected in one aspect of how a Council handles its meetings or another.

Council meetings generally reflect the final stage in its review of a matter. Normally, a municipality will establish a series of decision-making processes that enable the members of Council to fully grasp the issues under review, their policy and budget consequences and their potential impact on the public. The Council meeting is simply the forum wherein the decision is finally considered and either approved or denied (or, from time to time, referred back to the administration for additional research on some outstanding question(s)).

We have noted in other reports that “*effective Council meetings reflect:*

- *adherence to the procedural bylaw and agreed upon ‘rules of engagement’*
- *decorum in voicing matters of dispute*
- *respect for the right of others to disagree*
- *respect for the chair*
- *important matters dealt with early on*
- *public input respected and focused*
- *Council questions to and through the CM*
- *administrative comments through the CM*
- *less grandstanding and more substantive discussions*
- *a willingness to refer when it is apparent that there are more questions than answers*
- *reluctance to refer when the primary aim is to avoid making a decision.”*

8.3.2 Model of Governance

The model of governance chosen by the City will impact how Council discharges its responsibilities. That is, the way decisions are made and how they are communicated is a reflection of the process utilized by Council in making those decisions.

While the legislation does not prescribe how governance happens, it is obviously concerned with governance outcomes, as are the citizens. Most of the latter may not be aware of what a Council deliberates in a Council meeting as compared to a committee meeting and why a Council goes in camera typically at the end of a

meeting to discuss matters deemed to be confidential. This does not lessen the importance of Council's decision-making.

Council's model of governance describes its way of making decisions. Does it utilize a process wherein a number of standing committees (which are assigned a segment of Council's mandate to review, assess and report on) advise all of Council on various matters? Does it rely solely on its management to gather together the needed information, formulate that into a report and present it to Council for a decision? Or does it utilize a single standing committee (normally referred to as a committee of the whole) to act as a referral and discussion mechanism for Council to think through issues before determining its course of action? These are all "models of governance" (as are various iterations of these) and refer to decision-making processes.

The key to whether or not committees or boards consisting of members of the public are utilized at all is to ascertain at the outset the answer(s) to the question "how might Council benefit from the additional discussion and added insights which are a reflection of a committee or board's involvement?" This same question could be asked whether or not the committee members are those drawn from the public or those solely from members of Council. Such questions speak to Council's choice of a "governance model".

8.3.2.1 Impact of Council Member Committees

We make a distinction here between a "council-member committee" and an ABC (agency, board or committee). The latter refers to bodies appointed by Council or to which Council appoints members.

A Council member committee may consist of several members of Council or all of Council. The key is to determine in advance their degree of authority as delegated by Council. Does the body make decisions or does it recommend decisions to Council? Is the committee one wherein Council members can reflect on the key issues or is it structured so that a plethora of issues come its way?

In many municipalities, though not all, the best opportunity for debate and discussion occurs at the committee level. The fact that there is less pressure to decide is a blessing not associated with a Council meeting. In addition a committee meeting

often utilizes less stringent rules of procedure or applies the standing procedures with somewhat more flexibility.

Committees often represent the best and the worst of local government decision processes. That is, depending upon the Council's understanding of the mandate of a committee, and its terms of reference, its members may feel that they have power over all members of Council and that whatever they determine will unlikely be open to challenge from other members of Council. A comfortable "quid pro quo" develops such that the members of one committee are deferred to on matters within their mandate in exchange for the same respect from members of other committees.

This is not what is intended by the legislation nor is it in the best interests of the citizens. Rather, the intent of the committee should be to ensure that Council receives the absolute best advice the committee can discern based on its terms of reference and the advice and reports to which it has access.

Council needs to be making decisions from a holistic standpoint and not from the notion that any one committee drives the agenda of the Council. Otherwise, the business of Council will not reflect the whole, but, rather, the consensus of a small segment of Council members who may find themselves led to certain conclusions by either the staff who are attached to serve the committee or by the public who attend such meetings.

As we have written in other similar reports (and which we feel bears repeating here) "***effective committee meetings reflect:***

- *an openness to debate and to other points of view*
- *respect for those presenting reports, whether they be members of the administration or members of the public*
- *administrative reports that have been considered by the office of the CM prior to being circulated to members of the committee for discussion so that the administrative recommendations are subject to a high level of scrutiny and quality control*
- *adherence to the procedural bylaw and etiquette (for Council committees) that ensures that the meetings are conducted in a manner that is sensitive to*

the opinions of others and away from any personal attacks or demeaning commentary

- *a relaxed approach to the rules of discussion in committee so the members are free to discuss policy options, seek the opinion of others without declaring a political position, and think through what others are saying while resisting the urge to jump into the fray as though the matter was being discussed for the last time.”*

8.3.2.2 The Role and Impact of Agencies, Boards and Committees (ABCs)

Every Council makes some use of what are commonly referred to as ABCs (agencies, boards and committees). Some municipalities have few; others are more prone to establish or retain such advisory and at times, decision-making mechanisms. In the main, these consist of groups of local people who have been appointed from the community to serve for a term or more and who are expected to utilize their knowledge or love of the community to advise their Council members on what they see as the best course of action relative to their committee mandate.

Thus, a City like St. Albert might establish committees to act in an advisory capacity on such matters as community planning, recreation, tourism, economic development, transit, audit, etc. In doing so, it would be expected that the administration would assist by advising Council to ensure that each committee is guided by sound terms of reference or a committee charter. Such matters as: term of office, selection of chair, regularity of reporting, confidentiality, access to City staff, location of meetings, and so on would be covered in the charter guiding the activities and purpose of the ABC. In other instances, the ABC may be established externally to the City by a regional body or by the Province and the City's role is limited to appointing members and perhaps contributing to its costs of operating.

8.4 The Public's Impact on Council Governance

City Council functions as the “voice” of the public. It is elected to represent and reflect public views on those matters which come to Council's attention. It does so in many instances without really knowing how a majority of the public would vote on

this or that issue but confident that Council as a whole represents those voices and opinions. An election is the community's prime source of public opinion and their choices. Those elected are presumed to carry the will of the community in each and every decision.

Does that mean that on every decision (bylaw, policy or resolution) a Council's votes will be an accurate reflection of how the public would have voted had they had access to the same degree of briefing and background reports and knowledge of Council? Perhaps not but we would argue that in most circumstances this would likely be true. There is every reason to believe that a Council attempts to reflect what it feels their residents would choose in the same circumstance.

In some instances, an issue might be more important than most and may be identified as potentially impacting the nature or essence of the community (or a portion of the community). On these issues and where Council is required to hold a public hearing, it will be important to gain a clear appreciation of what the public wants the Council to choose. This is why Council is wise to proclaim its intention through a publicly-approved policy (and procedures) vis-à-vis public participation.

9.0 Senior Management

9.1 Council Impacted by Management

Our assignment by the Minister of Municipal Affairs was to conduct a "*limited scope municipal inspection of governance practices*" of the City of St. Albert. We are mindful of that direction and thus our focus has been duly placed on Council's role as the governing body. Having said that, we would be remiss if we did not make reference to the role, functions and impact of senior management on Council's governing style and practices. There is no question in our minds that one does not function without the other nor can either function well on its own.

The capacity of any Council to provide good leadership to the citizens of any community is impacted significantly by the experience, expertise, capabilities and governance awareness exhibited by its administration. While Council governs through its bylaws, resolutions and policies, it only does so with the advice and assistance of

its senior management. This linkage is extremely important to both parties as good governance requires good advice whereas quality management relies on quality leadership by the governing body.

It also needs to be made clear that the role of the administration is not to support the preferences or biases of individual members of Council, regardless of how involved the latter become through questions at meetings, through attendance at boards and committees or via correspondence with senior management between meetings of Council.

Management is to serve the Council as a whole with information being provided to all members of Council concurrently. Questions or requests from individual members of Council are to be referred to the CM or department head to ensure that the question(s) is appropriate and that the response goes out under the name of the department head or CM. The response is intended to reflect what management as a body, as represented by the CM, believes to be the best course of action on any issue. All questions from Council as a whole, the Mayor or other individual members of Council are recognized as coming from a political perspective. The responses of management must be firmly grounded in what makes sense from an administrative perspective.

9.2 What the Administration Impacts

The role and work of the administration is significant to all that a Council does and the impact it will have in this community. If Council is the governance body charged with setting the direction (through determining its goals, objectives, priorities) and making the decisions which seek to determine how that direction will be accomplished (i.e. bylaws, policies, resolutions) then the role of the administration in advising Council on those responsibilities and then implementing its decisions should be understandable.

While perhaps not perceived as a “governance process”, the City’s administration impacts council’s governance in a number of ways including:

- The preparation and guidance which Council members receive as they take office
- Advice as to issues which require the resolution of the Council

- Advice on issues which may not require resolution but which are believed to be “of interest” to members of Council
- Responses to inquiries made of the administration by members of Council before, after and during meetings of Council
- Guidance to the Mayor in terms of how he is to chair a meeting
- Advice on appropriate mechanisms for the Mayor individually and the Council collectively to communicate in an effective manner with the public
- Background research on very technical matters which undergird policy matters being considered by Council.

The sum of these impacts is significant and indeed ongoing throughout the term of a Council. A wise Council understands this and is mindful of the relationship and the need for mutual respect to be shown. This is not a “boss-servant” relationship. It is a relationship between two halves of the same apple, the distinction being that each “half” plays quite a separate role. Where there is mutual respect and a degree of harmony relative to priorities and “agendas”, then the relationship will result in considerable benefit for the community.

Management is not to be viewed as research assistants for members of Council. They are not there to try to educate or inform Council members in the work which they do. They are not expected to occupy their days trying to keep up with a steady diet of Council member “information requests” which may contribute little to any issue resolution but which may rather be intended to feed an insatiable curiosity. Managers have full-time work managing their staff seeking to accomplish the work of the City. Similarly, members of senior management are not to be seen as allies of individual members of Council who have been upset by the comments or questions of a member of the public. The administration is not to be used by the Mayor or Councillors as a sort of “attack posse” which can be used to intimidate those with a lot less resources at their disposal. Similarly, the independence of the RCMP is to be respected by Council and used solely in the discharge of their policing functions, not as instruments of investigation at the pleasure of Councillors.

It is simple yet a truism: Council approves and directs through policy and bylaws; the administration under the guidance of the CM, ensures that these are acted on and that the City is assured of effective and efficient services.

The key to making this system of governance/administration functional is the respect which is required by both parties for the work and role of its counterpart. Council is directed by law (the MGA) to delegate certain functions to its CM. This is a fundamental and very significant separation of powers which is neither clear-cut nor without its challenges. That is, the very nature of local government presents a fluid system through the interactions with the public as well as the interplay of a variety of personalities and agendas. If the system is to function with any degree of success, it requires considerable commitment to ongoing communication and to the respect needed between all parties.

The administration of local government relies on a complex web of structure, roles, responsibilities, plans, policies, reporting systems, performance management, reporting of results, adherence to sound fiscal practices and so on. Our Report outlines some of these basics while focusing primarily on the role played by Council in its governance functions.

While we place considerable focus and importance on the role of the City Manager (CM), we realize that the CM's perceived capabilities and confidence are a direct reflection of the sum of the administration reporting to the CM. That is, while the accountability for results rests in the office of the CM, his ability to deliver Council's direction to the staff and the staff's messages to Council lies in the composite expertise and management styles of the senior management team.

9.3 Impact of the Chief Administrative Officer (City Manager)

Principally sections 207 and 208 of the MGA guide the role of the CM. Section 207 describes the role as follows:

s. 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 functions and exercises the powers assigned to a chief administrative officer.*
- s. 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 CM must also be established by bylaw (see Section 205(1)).

The CM's work is multi-faceted and includes, as is referenced above, the responsibility of all aspects of the administration: the duty of advising the Mayor and members of Council; ensuring a focus on quality customer service; supporting and coaching team members; ensuring sound policies are developed; establishing supporting procedures; participating as a member of the senior management team; supporting effective administration; and working collegially with the Mayor.

As we view it, a CM's ability to carry out these roles depends in large measure on his ability to build relationships with those in the organization (particularly at the senior level) and to develop a strong relationship to Council. This is generally a function of his ability to advise Council regularly and comprehensively such that the latter is able to develop a high degree of confidence in his ability to carry out the tasks involved.

This confidence is an elusive factor and one that dominates the life of each and every CM across Canada. Indeed, every CM that we have ever worked with has commented on the absolute necessity of building a high level of confidence with the Council in order to make the system work as intended.

There are various reasons why we place such a strong emphasis on relationship and confidence building. First, the decisions of Council are often predicated on their confidence in the advice provided by their administration. Where there is a substantial degree of confidence, it may be presumed that Council will accept the

advice and provide their approval by way of resolution, policy or by by-law. This is not to say that there will not be suggestions for change or amendment or questions relative to options that have been presented. There is not, however, any likelihood of hand-wringing over the “what ifs” after the meeting, given that Council feels confident that it has received all of the salient and available information and thus its decisions, regardless of their popularity, are likely sustainable.

Secondly, the decisions being made by a Council on the advice of its CM are assumed to be relatively “high level” and of substantive impact on the delivery of City services. As a result, it is imperative that Council receives the unabridged version of what the CM believes is the essence of the issue and what his best advice is to move forward.

Both Council and the CM will recognize that any perception that decisions have been mishandled or with less than complete objectivity and professionalism, may negatively impact the City. Such decisions may become the matter of lawsuits if not carefully managed and may cost the City not only financially but may also negatively impact its reputation if it is found that the City acted without due caution.

Thirdly, the role and performance of the CM impacts the perception that Council has of its complete administration and particularly those at the senior management level. If the Council has confidence in the ability of its CM to make quality decisions, this transfers as well to his ability to recruit top quality people for senior level positions as well as being able to make prudent decisions relative to their dismissal.

Another significant role played by the CM is that of the administrative team leader responsible for organizing and building the skills and abilities necessary to discharge the functions of a City. According to the position description, he is also responsible for ensuring that there is a strong focus on quality customer service using a team approach. This requires training and coaching senior staff in what the City regards as “quality service”. Further, the leadership must not only encourage all members of the administration to pursue service excellence, the CM and his team must “walk the talk” such that those following can model their performance and attitude in terms of what they see on a daily basis in the lives and management styles of the CM and his subordinates.

A part of this responsibility is to build into the direct reports and through them to the rest of the administration the type of successes that are possible through collaborative efforts. This is never accomplished at once or through an individual effort but over the course of time and through the combined efforts of all senior team members.

The CM also has a delicate balance to maintain in terms of his leadership “at the table”. He needs to be seen as “in charge” with his colleagues without using the powers attached to the role in such a way as to intimidate them. His role, in that setting as meeting chair is to guide discussions, solicit solutions to issues, encourage respect for the Council, and plan administrative response to the Council’s leadership (as expressed through the budget and strategic plan). If the message is one of empowerment and support for a collegial approach, then unilateral decisions should be minimal.

Council also needs to have confidence that its decisions are going to be carried out by the administration immediately (i.e. as soon as realistically possible) after a Council meeting. Thus, regardless of the advice of the CM and administration being deemed acceptable or not, the decision of Council is that which defines the resulting action.

As described, the CM and his senior leadership team is a very important linkage for Council to the administrative organization. Council will understand that the CM will push back on any attempt to undermine his authority to manage his staff and will not tolerate direct interference by the Mayor or any member of Council (Sec. 201 (2)). The CM is the key component in how this system works. That is why confidence and trust in the CM by the Council are so critically important. Without both, undermining and interference become endemic and very difficult to stop.

A CM can delegate much of what the MGA ascribes to his position. Virtually every CM who has sufficient resources delegates both to spread the workload and to respect the fact that subordinate staff will eventually become more of the “subject matter expert” than their boss. What is not delegated is the relationship between the CM and the Mayor and other members of Council.

9.4 The Management Team

We would expect to find considerable evidence that a management team functions in a collegial fashion so that Council can be assured that it is receiving integrated advice on key policy issues. This is fundamental to a growing City and reflective of the fact that City management recognizes that it cannot function in siloes but must ensure that all departments/divisions are functioning as part of a coordinated whole.

In Alberta (and in a growing number of jurisdictions) the Council-management relationship is characterized as a “one employee” model. Such a model relies on the recognition by Council that “one employee” means just that: Council is not expected to provide direction directly to other members of the management team regardless of how responsive or attractive or they present at meetings. The employees do not report to Council (see Sec.210 (4) for possible exceptions to this general rule); as a result they are not expected or at liberty to be directed by Council. Does this model mean that other members of senior management cannot dialogue with members of Council or answer their queries at a Council meeting? No; it means that Councillors ask their questions through the Mayor as chair of the meeting; senior management respond through the City Manager. If a Council member has a question he/she wishes to ask before a meeting, do they go direct to what they presume to be the best source? Not unless the City has a written protocol which states exactly that. Why? Because to do so violates the basic premise that Council members individually and collectively do not direct the work or responses of management below the City Manager.

Such a model places a number of restrictions and obligations on the Council (and the CM) such that authority is devolved to the CM and respect is accorded to the CM; coordination of messages and directives are lodged with the CM; and protocols dictate that the CM is the Council’s “go to” person not everyone else who happens to be in attendance at a meeting of Council. A Council is very likely to fail this test if it has not concerned itself with the development of appropriate protocols.

Management’s role is to provide advice to Council on the best course of action on policy issues; and secondly, carry out the decisions of council in a prompt, efficient and effective manner. Management does not just perform the latter role: rather, the

provision of advice to Council on priorities, policies, services and programs is at least as important (as the role of carrying out the decisions).

It is apparent that a Council must have confidence in its CM and senior management. Such confidence is readily seen at meetings of Council and in committee. Where a report has been developed by management under the direction of the CM, it is (or should be) the presumption of Council that the report reflects a professional opinion and has been properly researched by the department(s) involved. Any questions by Council ought to be in terms of policy issues which may not be clear or which do not seem to have been addressed. Where the discussion strays into the realm of “how does this happen or get done” “how many KMs does \$1000 patch” then the focus clearly becomes one of “I’d love to help you manage this” or, even more of concern, “I do not trust management so I need to see all of your background calculations so I can determine if I would have arrived at the same place”.

Regardless of the inquisitive minds on Council, the Mayor needs to police this level of questioning as it will stray into what the administration has been structured to deliver and at the same time, the questions (albeit perhaps not intended) bring the ability of the department spokesperson or CM into question.

There is little question as to whether or not senior management impacts governance. The real question is whether or not that is for the better or not. Does the work of senior management assist Council in performing its rightful role or does work of management (inadvertently perhaps) enable Council to perform management’s role?

In the case of the latter, management encourages interference or involvement by Council in day-to-day administration through requesting Council to intervene on purely administrative issues and questions or by responding to detailed questions with such extensive detail that even the most curious members on Council would be delighted. Further, management can also inadvertently draw members of a Council into their world by placing items on the agenda as perhaps being “of interest” to members of Council but not because they expect that Council will provide direction on such matters. And then Council does. Or, management can be as complicit as members of Council in over-stepping normal role distinctions by adding in a depth of detail which is “interesting” but not necessary. It is our observation that, regardless

of how interesting such in-depth information might be, such detail is unnecessary to Council's principal role and adds little to any issue resolution.

The key is maintaining the focus on what is important and appropriate to governance: do we extend our utilities in an easterly direction based on that is where we see future development putting the most priority; or, are the water mains at 3 or 3.1 metres?

Management is stable in that while individuals may come and go, the functions remain reasonably consistent. The structure may change; the number of staff reporting to any department head might alter from year to year; the faces will change over time; but the work to be done will largely remain intact at least for considerable periods of time.

Management is also quite aware of what new major capital works are going to be required; at what juncture; and often at what cost. The task of management is to ensure that Council is made aware of impending projected capital project needs and what management sees as their respective priority in comparison to other well-deserving projects. If the Council decides to act on thus and so priority, management will be able to forecast the capital works (and costs) associated.

It is our view that the administration could be presumed to be working reasonably well from a professional management perspective if:

- the administration treats all members of Council with due respect for their positions
- the administration deals with all Council members equally and does not see the need to take this one or that one into their confidence
- the administration is cautioned against speaking ill of any Council member either publicly or in City facilities
- information is provided to all Council members on a concurrent basis
- information is not slanted towards the philosophy/ideology of any particular member or faction on Council
- information is comprehensive and straight-forward recognizing that members of Council are not expected to be local government experts (as that is the role of an informed administration)

- questions of Council which are unexpected and therefore the appropriate response may not be known are politely responded to as “we will take that under advisement”; and not responded to as though the answer was clear cut when it likely is not
- decisions of Council are implemented quickly and according to the context of the Council policy or resolution.

While members of the administration are encouraged to view Councillors as colleagues in the same enterprise as opposed to friends, there is little doubt that some members of both do become quite close or at least develop a measure of trust and respect for one another. Unfortunately, there are problems experienced on both sides of the table whenever these relationships become so intertwined as to blur role clarity. It is extremely difficult for instance, if a member of Council or even the Mayor is so linked to the CM, to a department head, or to the union that any objective assessment of performance or of the issues is likely to be biased.

The work of senior management impacts:

- Council’s understanding of the background to the issues
- the confidence of the Council in handling any complaints from the public
- the confidence of the non-management staff in the decisions being made by Council
- the morale of the organization
- the ethical compass of the organization
- the fairness of decisions
- the ongoing development of professional skills
- the pursuit of funding for special projects
- the professional management of fiscal, physical and human resources.

9.5 Management Practices Impacting Governance

At the end of the day, the challenge to management is two-fold: to add value to the decision-making of Council through the provision of first-rate advice; AND, the effective and efficient direction of subordinate staff in enabling each to understand the task; to ensure they are properly equipped to take it on; and to provide useful guidance that results in the work being completed on budget and on time.

While we were not asked to review managerial practices in the depth which we would in a full-scale Inspection or corporate review, we are cognizant of the fact that much of what the senior management does has an impact on how Council governs. Our commentary in this regard is limited to basic, fundamental management practices and their impacts in this instance.

9.5.1 Impact on the Strategic Framework

Setting a strategic framework is a significant part of ensuring good governance. It is virtually impossible for a Council to govern with any sense of real clarity and purpose if there is little to no concept of what are viewed as the larger issues to be tackled and over what time frame. Senior management has a responsibility to assist Council in determining the corporate vision for the City and the annual and long term priorities. That is, while Council is responsible for providing its sense of what constitutes priorities for the City, the input of administration (on all levels) is no less important as many of the capital works ideas will likely emanate from management.

As well, while management has a direct role in developing administrative priorities and responsibilities in tackling strategic priorities, there is also a role in ensuring that Council is updated on:

- the status of current capital projects and proposed new projects
- budgetary impacts of reports to Council
- prioritization of projects
- changes needed due to a variety of factors
- major changes required due to unforeseen events/changes in elements impacting deadlines and successful completion.

The CM is expected to develop a process whereby the administration is effectively engaged in assisting Council in the development of its priorities. Such a process, preferably facilitated independently, should be used in guiding the development of the business plan, the annual budget and in establishing performance targets. Impact on Council's Policy Framework

Councils govern through a policy (and bylaw) framework. Management's job is to assist Council in developing quality policies and bylaws. Their impact on governance is considerable.

Management will perform better and with less interference if it understands the value of a first rate policy framework. Regardless of how long municipalities have been in existence, this underlying principle is still foreign to many resulting in an inordinate degree of detailed “oversight” by Council. This style is not effective; it is not good for the well-being of management; and it adds little value to any thoughtful decision-making. What it produces is a series of interesting debate points for curious members of Council. On the other hand, a fulsome understanding of what a policy framework looks like and how it can be made to work for both Council and management will have a direct and profound impact on Council’s ability to govern effectively.

Senior management is expected to maintain an awareness of current policy issues and recommend changes as needed. As well, management through the CM should see as one of its related objectives, the need to identify with Council upcoming policy issues and draft statements of new policy. Where staff is involved in developing policies, they are more likely to both understand them and to recognize the importance of adhering to them.

9.5.2 Resource Management

Council’s role is to establish the policy with respect to ensuring an adequate resource base through which to accomplish their objectives; and to approve the funding envelope which determines the budget expended on human resources. It does this based on the case made for any significant changes in HR funding by the CM (and by inference, senior management).

We are not supporters of the notion that Council members ought to be engaged in determining how many staff ought to support which department; what roles they ought to fulfill; what level they should be in the organization; does the system require two of this position and one of the other; or titles. These are functions more logically vested with the CM. Expecting (or enabling) Council members to be engaged in the minutiae of running or staffing departments is not included in anyone’s definition of “good governance”.

Part of the task of the CM and senior management is to ensure that the organization is appropriately staffed to meet the objectives and needs of a Council. One of the mandates of a CM is to assess, on an ongoing basis, current resources and determine

whether or not the community is receiving value for money. Given the significant impact that employees have on the costs of any organization, the council needs to be aware of any change to the overall administrative “burden”; the potential impact of any projected changes as a result of current union negotiations; the addition of any new program areas (or the assumption of the administrative costs incurred due to Council’s decision to take over a formerly not for profit organization which offered local services). Involving a Council in any discussion relative to the number of staff training officers or parks maintenance employees, or water treatment plant operators or whether a function should be staffed by a .5 fte rather than a .4 fte is not a Council governance function. The mere thought of it is anathema to a policy mindset.

9.5.3 The Importance of Trained and Experienced Resources

Council has an important governance role to play in terms of having access to skilled people in the employ of the City. Its development of a policy which speaks to funding the ongoing training program of the City relative to continual improvement of its employees is an important governance message.

The role of the CM, on the other hand, is to ensure that a coordinated, funded program exists which adheres to Council’s policy and which achieves management’s objectives. This requires an administrative “policy” or directive which speaks to the importance of management ensuring that their employees are being directed to the appropriate training and that their skills and work culture is reflective of City standards. This will include a comprehensive program of employee evaluations which will flow from the policy framework created by Council. Council will also model how it views the importance of this by regularly conducting a performance review of the CM and by encouraging ongoing exposure to good training concepts through funding the CM’s attendance at relevant professional institutions. Through this behaviour, Council and the CM establish the appropriate “tone at the top”.

9.5.4 Orientation of Staff

Council’s governance mandate also implies that not only members of Council are subject to a thorough orientation to their respective roles (Sec. 201.1) but also all employees will similarly be oriented to their roles at the direction/delegation of the

CM. If Council is to govern from a base of informed positions, it will require a senior management group which understands Council's primary roles. As a result, we would expect to find a governance policy which speaks to the importance of orientation throughout the organization with the tone being set by members of Council.

9.5.5 Ensuring Communication

Good governance is based on ensuring that the messages of both Council and senior management are effectively designed, developed and delivered. A City the size of St. Albert will be expected to have a robust communication policy and plan which is sufficiently broad and proactive so as to ensure messages are getting to the intended audience.

What is Council's role? Council as the primary governance body can control its communication of messages by developing the guiding policy framework and then relying on their CM and management to develop the plans and strategies which enable the messages to be delivered. Further, Council has a role in ensuring that it is involved in some form of evaluation of the policy and plan's success in achieving their objectives.

The public needs to know what its Council members are doing; what policy ideas they are contemplating; what new projects or programs (or changes to either) are planned. All staff members ought to be aware of council decisions and the issues considered to be significant by management. A part of the task is for the administration, led by its CM and senior management team, to ensure that it has a communications strategy and policies that support the provision of information to the public and that enable the public to gain a feel for what new initiatives or policies are likely to be approved (or have been approved) by Council.

9.5.6 Employee Morale

Employee morale is important to Council and to senior management. Without a relatively harmonious workplace, employee turnover will rise and senior managers will take their services down the road to an organization that places more importance on working conditions and workplace harmony.

Council's objective should be to provide leadership which helps to create and/or sustain a positive, healthy workplace environment. Council's policy governance framework should address this issue by focusing on the relevance of supportive leadership; respect for senior management; adherence to the "one employee" model; and the enhancement of working conditions which make the City a preferred place of employment.

How should a Council be involved? By being made aware of any changes to the morale of the organization; to what changes the CM is making to ensure that the City is keeping pace with other employers in terms of internal directives or "policies" that impact employee retention.

9.5.7 Controls (Checks and Balances)

An often overlooked aspect of good management is the requirement of senior staff members to ensure that the system has the appropriate checks and balances needed for this particular system. Included in this expectation is the importance of management meeting with the external auditor to discuss his/her perceptions on the need for ongoing improvements to fiscal controls; and to ensure that independent audits are performed on key City functions/processes e.g. expense accounts. Follow-up on any recommendations in the annual management letter is an essential component of a sound system of checks and balances.

Is there a Council governance role to play? Absolutely. The auditor is the Council's employee not that of management. Council commissions the retention of the auditor; Council expects to meet at least annually with the auditor to ensure that management letters are being addressed in an effective manner; Council asks questions that are focused on ensuring proactive checks and balances which encourage compliance with Council policies and managerial directives.

Section Three: Observations

10.0 Some Observations from Interviewees

It is useful, we believe, to catch a glimpse of how those we interviewed see the City and the civic organization. These insights form a part of what we will describe and are provided to give the reader an overview of issues and concerns without attributing these comments to any one individual. Where we see a comment or issue as being held by one individual and not necessarily shared by others, we have chosen not to list the observation here.

➤ Orientation

- Management developed and coordinated an orientation program for Council members; several members complimented their efforts in this regard; others not so much
- Much of the orientation was left to individual Councillors affording themselves of the training that was made available; the staff placed considerable reliance on videos on various topics
- Orientation for Council was described as mostly on the job for Councillors; internal processes were described as quite limited; some view that the degree of depth needs to be enhanced so as to achieve a deeper understanding of the key issues and/or responsibilities
- Better instruction/information needed on the importance of a Councillor representing their colleagues in all of their public communication

➤ Procedures

- Councillors expressed that there would be value in a deeper explanation of Council's meeting procedures; in particular, public hearing/public consultation processes need to be thoroughly explained
- Some concerned that there appears to be a "free for all" at end of meetings
- Several commented on their impression that the significant matters might be lost given the number of smaller items on agenda

- Councillors need to be mindful of their commitment to not express confidential matters publicly
- Need time limit on Councillors who want to speak at length on various topics
- Could contact staff for information before meetings; sense that some notices of motion are simply grandstanding
- Some question as to what should be simply a point of discussion vs. a debate
- Reports/agendas far too long
- Procedures not viewed as clear; required too much interpretation by management
- **Vision/Planning**
 - Council very engaged in micro-management; not looking at big picture ideas
 - One day strategic planning in January; staff facilitated
 - Difficult to get a long term vision from Council; often issues identified meant for front page coverage
- **Advice of Management**
 - Council often seems to feel that they know better
 - What advice should be available on possible pecuniary interest decisions
 - Senior Leadership Team (SLT) meets weekly; limited notes; no external eyes; no comment by SLT on reports by other departments; reports are basically good; professional; comprehensive; agenda packages of 3-400 pages
 - Hiring of a former Councillor contributed to loss of confidence in CM
 - Councillors often looking for questions to trip up a member of management
- **Council Relationships**
 - Mayor needs to let go of any grudges; all Councillors to be treated equally

- Attacks over expense accounts were harmful to all of Council; not sure that members understood that
 - Absence of professionalism and common courtesy; inappropriate language used in camera and through social media
 - Negative public commentary never appropriate regardless of who says it; Council needs to police this as a whole and the Mayor particularly
 - Two groups formed early on with no desire to build consensus
 - Councillors who question things should not be bullied
 - Placement on Council committees needs to be balanced and not a question of favourites
 - Councillors avoided the Code of Conduct; no sanctions
 - Anger displayed at in camera meetings
 - Poisoned environment; target was the Mayor
 - Notion of official opposition; slate in last election
- **Leadership**
- No evidence of deliberate illegal behaviour
 - Council measures success by the number of motions made during the budget process
 - Mayor loves policy yet into detail; leads discussion but too soon is into a fixed position
 - Personal agendas often take priority over the City's needs as a whole
 - Difficult to stay at a governance level
 - Turnover of management since 2013; all gone
 - SLT not a true leadership group; lacks collaboration; has a charter which was re-designed a couple of years ago
 - Council actions/statements reflect dysfunctionality; how to expose short of sending e-mails to the media
 - Mayor failed at getting people to work together; polar opposite personalities
 - Lack of positive thoughts by Council; some simply mean-spirited

- Ongoing fight for power
- CM became the flashpoint; could not back down from issues; open warfare
- Need to build a cohesive team
- City needs to realize that it is not a Town; need a bigger City mentality
- **Council-Administrative Relationships**
 - Councillor recommended that Council do a quarterly review of CM
 - Limited level of respect for members of Council
 - What protocol re: connection to lower level staff
 - Councillors very hard on some staff; often express open contempt
 - Responsiveness to e-mails and other forms of correspondence inadequate
 - What degree/type of contact between Councillors and staff is deemed acceptable
 - Degree of disrespect between Council members to staff; unacceptable; charges of illicit, corrupt behaviour; staff very offended
 - Comments made post-General Manager (GM) hiring very inflammatory
 - Questions of staff not professional
 - Frequent requests for more information
 - Councillors not treated the same by all members of staff
 - A number of Council's issues tied to a lack of confidence in management (e.g. internal auditor, whistleblower policy, Municipal Planning Commission, Police Committee, etc.)
- **Action on Council Decisions**
 - If management not supportive then the action may be delayed
 - Code of Conduct needs to be administered fairly; some question who should be expected to do this
 - Staff audited all Councillors' expenses; 38 instances of questionable billings (April 5th 2015)

- **Council Committees**
 - Terms of reference for the Standing Committee of the Whole (SCOW) not well known or understood
 - Need a committee structure that works
 - Everyone wants to be involved in everything; result of no trust
 - Not sure Agenda committee functioning as intended
 - Standing committee of the whole does not meet regularly
 - Need a forum for reflection; no time between meetings or during meetings
 - Recommendations by the Mayor in terms of appointments need to treat all Councillors equally
- **Council Policies**
 - What are they? Need improved definition
 - Debate a three way stop sign; no reliance on experts
 - Councillor pushes one idea; almost forces others to agree to look into the issue
 - Have 100 policies; just do not adhere to them
- **Issues**
 - Need improved Council image; all need to be working on this
 - Lack of trust within Council & between Council & administration
 - Role of an Internal Auditor
 - Code of Conduct
 - Professional development for Councillors
 - Facilitated retreat after election
 - Council participation in CM review
 - Need forward focus to this Report.

11.0 Council Leadership

In order for the reader to appreciate the text which follows and any observations and subsequent recommendations, it would be useful to have a brief description of the context and background relating to some of the issues and allegations giving rise to

the request for this Inspection. Although this background is in summary form, we provide a more specific overview later in this Report.

11.1 Observations

We have refrained from commenting on any issue which is (during the course of our Inspection) before the courts. We were, however, made aware of other issues of a similarly concerning nature which we have assessed in light of our mandate to review and determine if there were matters which might be found to be irregular, improper or improvident. In this regard, we do note that we found a number of instances where the issue or action, if not in this three categories (i.e. irregular, improper, improvident) were at minimum inappropriate to those in public office.

The St. Albert Council is comprised of seven elected members, each with equal standing albeit with the Mayor as the leader. As such, each member is deserving of the respect of that office and ought not to be singled out for negative comments by another member of Council and particularly not by the Mayor. While we would hold that this applies both publicly as well as privately, there is obviously more likelihood for damage to the body politic if any demeaning comments are made in a public gathering. This has been reported to us as having happened and of course it should not.

Further, this same adage applies equally to members of Council. Regardless of what happened at Council the day before or the week of, any vitriol needs to be set aside when members are appearing together in a public context. Whether Council members are speaking at a Chamber luncheon or a church or school classroom, each member ought to speak well of their colleagues and acknowledge their contribution of time, talent and energies to the community.

The Mayor has considerable “perceived” power by virtue of his office. When he speaks (or writes) his audience presumes that the message is that of Council. While the Mayor may not say that is the source of the concern or message the presumption by the public is that it is. Thus, any correspondence by the Mayor needs to be salted with grace and support rather than, for example, calling the competence or civic loyalty of someone into question in a letter to their employer.

Council members have far more tools available to them today than in past years relative to communicating with an outside audience. While this may seem ideal to someone with a lot to say, the key again is to say everything very carefully with the view that those words will likely be made quite public. A casual thought provokes no harm; a comment(s) on a blog can have considerable traction and tenure.

Every Council holds meetings to which all members of Council might be invited. Some of those are a requirement of office (e.g. a regular Council meeting) whereas other meetings (e.g. a corporate planning session for Council) might be encouraged attendance so as to hear the voice and opinion of the Councillor. There is a sort of mutual expectation with such events: the staff member in charge is expected to do his/her best in organizing the event properly so as to gain maximum value; the Councillor is expected to show up without a prior conclusion that this will be a waste of time.

At times decisions of senior management might be questioned by a member(s) of Council. In most instances, the right to make the decision is not questioned as much as the actual decision or in some instances, a recommendation. Simply because one member of management makes a decision to offer a position or to accept one, and that choice is not supported by a Councillor, does not make the system corrupt. The corporate culture can be, in general, of high integrity whereas a particular decision might rankle a member of Council and cause questions to be asked regarding the hiring policy. Such questions should not be the basis of taint or disrepute of the whole system.

Electronic communications are, for the most part, public and those which may not be, can be in the wrong hands. A general rule of thumb is to ensure that what is communicated, say between members of Council, is respectful and truthful. Using e-mails to trash another member of Council or a senior administrator or to threaten with physical discomfort is neither wise nor very often private.

11.2 The Impact of the Mayor on Council's Governance

As we will discuss later, the performance of Council is impacted significantly by that of the Mayor. How the Mayor understands his role and therefore portrays it in his day to day interactions, influences much of what this Council does and how it is and will

be seen. The Mayor has been a member of Council since 2004 and is generally accorded with respect for his knowledge of his role. He is absolutely committed to the betterment of the City and thus whatever negative comments we may make should be understood in light of this opening statement. He has lived and breathed life into his role since taking it on and his devotion to his role is evidenced by the time spent on the job. It is unlikely that anyone could successfully challenge the commitment that the current Mayor has to fulfilling the obligations of the role. Given that the Mayor has a wife and family members, it is altogether likely that they have contributed as well through his selfless service.

The Mayor's style has both positive and negative consequences. His attention to detail results in the administration being aware of the importance of being accurate and comprehensive in all that they report. He understands procedures and maintains a careful watch over Council in terms of ensuring that all the appropriate steps are considered before a decision is rendered. He is interested in the duties of senior management and generally aware of their responsibilities. He is informed on the legislation and any forthcoming changes or recent updates. He maintains a considerable bank of records (e.g. minutes, agendas, reports, and correspondence) and seems able to find (based on our requests) any resolution or discussion which he has been a party to as a member of Council.

The Mayor has also been recognized by his peers in the Edmonton region through his election to the position of Chair of the Capital Region Board. While this is an added burden (albeit somewhat compensated) there are obvious advantages to the City of St. Albert in terms of having its voice heard. (We recognize that the Mayor is not the only voice at that "table" and we respect the involvement of other members of Council as well).

However, as with all in a similar role, the Mayor has had challenges in terms of this role which have impacted his performance as a leader. Council as a whole is a reflection of the Mayor and his leadership. As most observers of local government across Canada will attest, the Mayor has precious few "tools" in his possession which enable him to assert the dominance of his office or to "demand" cooperation and

support from his colleagues. The Mayor's capacity to lead and success in doing so is impacted by:

- The fact that he is possessed with one vote on any topic.
 - He must be able to rally three other supporters for any vote to be carried as the Mayor believes it should.
- The fact that his is a "louder" voice but not the only one.
 - As Mayor, he carries much of the City's population with him in terms of his pronouncements or speeches. Many believe that as the Mayor speaks, so speaks the City. While that is not true in terms of what the legislation says (i.e. the Mayor still needs those other three votes), the population as a whole in municipalities across Canada tends to view the Mayor as "their" voice and their leader.
- He leads but in some measure so too do other members of Council.
 - The Mayor can articulate a vision and speak it forcefully but there is nothing in legislation which compels his colleagues to follow. He can encourage the City Manager and his staff to get key issues in front of Council during a planning session but cannot dictate that these will place any higher than those voiced by someone else at the strategic planning table.
- He can encourage his colleagues to behave in a certain manner towards each other but may face opposition and a determined lack of cooperation.
 - The Mayor can advise members of Council of the impact that their words are or will have on each other and on senior management but can do little to hide their displeasure or lack of confidence.

As we understand it and based on our reading of the e-mail trail, the Mayor has attempted to reach out to all of his colleagues on Council after the election and seek their cooperation as a full Council. This "olive branch" was met in some instances with a firm "no thank you" and/or silence. It became obvious that the divisions which had been expressed prior to and during the election campaign were not soon to be forgotten or smoothed over as simply part of the discourse which accompanies every election. While some Councils may be able to do that, this is not one of them.

The Mayor can frequently be heard to suggest that Council stick to the policy issues only to engage in endless detail. This has little redeeming value and reduces if not negates his influence over others when he tries to police their desire to seek more detail from the administration.

The Mayor has frequently been the first to express his support or opposition to a particular resolution or planned action/response which has had, according to others on Council, the impact of reducing his clout on the issues later in the debate. While this style might be associated in some quarters with leadership, it nullifies the Mayor's range of options to rally his colleagues around an amended resolution. He is very quickly put in the position of defending his stance on the issue rather than waiting to hear the opinions of his colleagues.

The Mayor has also had difficulty resisting the temptation to engage in dialogue with some members of Council which has been described as mean-spirited and spiteful. While this may have been the style utilized by the other member of Council, it behooves the Mayor to rise above the fray and seek to maintain the same style of communication with one member as with all.

When the Mayor became aware of the fact that one of his colleagues was applying for a position in senior management, he did not engage with all of Council immediately and express his opposition to such a course. While we recognize that the then City Manager had the authority to select someone for a senior position as he so determined, the Mayor could have spoken out more deliberately and with the weight of the rest of Council in opposition to the notion. The idea was in violation of the then Code of Conduct for all members of Council and while not illegal, it would appear to be very questionable from an ethical consideration. The Mayor could (and should) have led rather than deferred.

The Mayor is expected to be a close colleague of the CM yet not a friend. The Mayor is to be capable of sharing his views on what the opinion of his colleagues is likely to be on any given topic such that the CM is made aware of the expected support or opposition to his point of view. This would also pertain to the Mayor being able to advise the former CM relative to suing a member of the public and the likelihood of considerable opposition by other members of the public (and likely Council) in doing

so. This counsel of the Mayor would be particularly valuable to the former CM who had not had any prior experience as a municipal manager and thus potentially no real cognizance of what degree of public bashing one (in that role) might expect. While the Mayor may not have been able to dissuade the former CM of taking that course of action, adding both the experience and weight of the Mayor's office could have made a difference.

11.3 Observations

The role of Mayor is both onerous at times and difficult. It requires a tremendous amount of balance in terms of responding to both the plaudits and complaints. The role is not simply "one of" but rather the leader of other community-minded citizens who have their own styles and audiences. The Mayor is expected to lead but has few tools at his disposal to do so. His is a position largely of perceived influence and its success really depends on his ability to maximize that and minimize any discord which would handicap his degree of influence.

The Mayor has been recognized regionally for his leadership and chairmanship abilities and for his devotion to service. These are commendable traits which should have enabled the Mayor to be more successful in pulling his colleagues together as one body. This is however equally if not more so a factor of very limited desire to put the past behind for other members of Council who were not welcoming of any move towards rapprochement by the Mayor. It is our understanding that the negative dialogue experienced in campaigning left a lasting impact and limited the degree of civility and cooperation amongst Council members as a whole. While this Council did not become an intractable 4-3 body, past hurts and grievances (whether real or imagined) brought about at least a loose alignment which impacted both discourse and votes. While unanimity is often less of a desired goal on a Council than some might prefer, being opposed before the debate begins is equally a challenge.

Have there been a number of successes along the way? According to everyone interviewed, this Council has enabled the City to take steps on certain policies and projects which will serve the City well into the future. Have there been challenges and difficult moments? Yes, as will be documented later in this Report (Section 17).

What would be a useful strategy going forward? There is little that can be done if all members of Council are not willing to shelve past hurts and negative personal comments and work towards serving the citizens as best as one can. In that context, we would encourage the 2017-21 Council to meet immediately after this upcoming election likely with an experienced facilitator to discuss how they will develop a workable relationship based on respect and a mutual desire to serve. Further, we believe that there will be merit in Council meeting regularly (at least monthly) as a body to discuss leadership and personal styles and impacts to ensure that any small irritations are promptly addressed before they expand into larger problems and roadblocks.

12.0 Council Member Orientation

12.1 The Impact of Orientation on Governance

The St. Albert Council includes a mix of experienced as well as new elected members. The Mayor is in his 13th year as a member of Council having been Mayor since 2007 and a Councillor prior to that (2004-07); three members of Council have served since 2010 (thus in their second term); two current members are serving their first term of office; and one Councillor has returned to Council in a by-election having served three previous terms.

The City has a role to play in ensuring that each new Council has been equipped with a reasonable background of information as to their roles and expected duties. This is accomplished in several ways:

12.1.1 Pre-Election Information

The City has the opportunity to provide all candidates with information on the roles, duties and time commitments expected of its elected officials. This might be provided in terms of published materials by the City which speak to these roles and which will likely be available on the City website and in City Hall. Candidates (or prospective candidates) can call for and pick up such materials and could find other useful information including agendas, minutes, City reports, list of external agencies, etc.

The second component of pre-election information is the option of holding an “open house” for those who may be contemplating a run for office. In this instance, the City Clerk (Director of Legislative Services) hosted an information session designed to provide useful information to help those contemplating such a decision to ensure that they have access to all the pertinent information which ought to form a part of that important decision.

12.1.2 Post-Election Orientation

The City is also engaged in post-election training of its elected officials. This has historically occurred over the weeks which follow the election. The 2013 orientation schedule reflected the following components:

- Governance
- Legal and legislative
- Planning
- Finance
- Mock Council meeting
- Bus tour
- Divisional presentations

12.1.3 2017 Orientation

According to the administration, the 2017 orientation approach and process is being planned with the following purpose in mind:

- The objectives of the 2017 Council orientation program are to orient newly-elected Councillors to their new roles, further educate returning Councillors, and assist the new Council in establishing priorities for their term. The administration is planning to utilize “subject matter experts” as facilitators to lead various components of the planned orientation.
- The following internal staff members have been identified to attend the 2017 Council orientation program (depending upon module): City Manager, Senior Leadership Team (SLT), Chief Legislative Officer, Director of Legal Services, Manager of Corporate Planning, Director of Finance, Director of Assessment and Taxation, and Administrative staff from the City’s Manager’s Office and

Corporate Services. In some cases, external resources have been identified to assist in presenting orientation information.

We inquired as to what changes have been planned for the 2017 orientation in comparison to that of 2013. We were advised that “The 2013 Council orientation program relied heavily on the development of video modules that could be accessed by Council at their convenience. As a result, there were very few face-to-face orientation modules delivered. The 2017 Council orientation program will not utilize videos as the sole delivery mechanism. Instead, each module will have a face-to-face presentation.

We note that the 2017 orientation approach will focus on Council’s governance responsibilities and the tools which the City makes available to new and returning Councillors. Council members will be briefed on emerging issues in the Capital Region; their own commitments and schedules; the use of the City’s technology (which is made available to all members); relevant policies; the importance of the Council-City Manager relationship; Council’s own code of conduct and their relationships; etc.

We also note that the two provincial municipal associations have determined that they will offer an orientation to interested new Councillors. The AUMA announcement on this topic stated:

AUMA and AAMDC are providing a training course that will fully satisfy the MGA requirement for municipalities to offer training to all new and returning elected officials within 90 days after they have taken the oath of office. The two-day Municipalities 101: The Essentials of Municipal Governance course is part of the modernized Elected Officials Education Program (EOEP), which is a joint venture of AUMA and AAMDC funded by Municipal Affairs. The course consists of Municipal Governance and Legislation; the Elected Official’s Role; Finance; Planning and Development; and Effective Collaboration. CAOs are encouraged to attend the course with their councillors.

12.1.4 Council “In-Term” Training

There is also training available to Councillors during the term. AUMA and AAMDC have combined resources to offer a suite of elected official educational programs. These

courses are listed on their websites but for the purposes of this Inspection they include the following:

- Strategy and Business Acumen Courses
 - Municipal Finance (Required Core)
 - Effective Planning and Strategy (Core)
 - Performance Measurement (Supplementary)
 - Human Resource Planning (Supplementary)
 - Service Delivery (Supplementary)
- Effective Governance and Decision Making Courses
 - Municipal Governance (Required Core)
 - Municipal Leadership (Core)
 - Ethics (Core)
 - Regional Partnerships and Collaboration (Supplementary)
 - Municipal Legislation (Supplementary)
 - Effective Decision Making (Supplementary)
 - Land Use and Development Approval (Supplementary)
- Community Building Courses
 - Community Development Through Citizen Engagement (Core)
 - Community Economic Development (Supplementary)
 - Emergency Preparedness Planning (Supplementary)
 - Addressing Local Infrastructure Issues (Supplementary)
 - Affordable Housing (Supplementary)
 - Sustainability (Supplementary)
- Communication and Interpersonal Skill Courses
 - Communications and Media Relations (Core)
 - Negotiation Skills (Supplementary)
 - Team Building (Supplementary)
 - Executive Coaching (Workshop)

Each Councillor has their own training budget for these kinds of sessions. Their budget is controlled by policy and by the annual approved City budget. The policy(s) are C-CC-03 and C-CC-04. The applicable statement from that policy is as follows:

C-CC-03 Members of Council may claim expenses associated with attending the general meetings and conferences of Alberta Urban Municipalities Association

and the Federation of Canadian Municipalities, as well as to serve on various AUMA, FCM, or CRB board/committee positions, from a specific budget established annually as part of the budgeting process. The funding for these activities is separate from each Council member's Council Development budget. No more than six members of City Council shall attend the AUMA or FCM conferences in a given year, unless a conference is held in the City of Edmonton.

Council members are encouraged to provide a brief, informal report to the other members of Council after they have taken part in a development activity. This will enable other members of Council to share some of the benefits of that development and to better determine if such an activity would be worthwhile given their needs and circumstances.

C-CC-04 Council members will receive and adhere to an annual funded allocation for the purposes of their individual learning and development. Completed Council professional development activities shall be listed by the City Manager on a quarterly basis, with a brief summary on the City of St. Albert website.

12.2 Observations

We note that the City of St. Albert has been proactive in its approach to pre-election orientation of prospective candidates. It provides information through its website and via City Hall and it hosts an evening “information session for prospective candidates”. We commend this initiative as it bodes well for any newly-elected officials who will have had at least some early sense of what their new role will involve. Simply becoming aware of the considerable time commitment as well as the expectation of substantial reading of agenda materials should enable a somewhat less overwhelming beginning to elected life.

The post-election orientation has also been re-thought and changes have been made to previous iterations. The plan appears to be sound and should enable members of Council to begin the new term with some of the steep learning curve having been modified by the City's focus on easing this transition.

The approach to ongoing training also is useful but will need to be as carefully considered as the earlier two elements (i.e. the pre and post-election training). Encouragement to utilize the available funding for ongoing governance training needs to be a greater focus and objective.

13.0 Council Relationships

13.1 The Impact of Relationships on Governance

It is difficult to describe Council's leadership without making note of the fact that the rift on Council between the Mayor and certain Councillors has made any effort at collegial and integrated direction or "speaking with one voice" most unlikely. It seems to take a very concerted effort by the Mayor and his opposition on Council to bury the proverbial hatchet and get on with the business of Council. The degree of disharmony is palpable and while not always apparent at a public Council meeting, some portions of Council, committee and in camera meetings have been anything but civil.

Relationships on Council have been fractured from the beginning; some argue that these were fractious before the start of Council's term based on campaign commentary. An attempt by the Mayor to set aside differences at the beginning of the term was rejected out of hand and thus the stage was set.

This lack of rapport on Council is evidenced in the frequency of disrespectful comments over this term of office. While one could make the argument that this should not be of concern to anyone other than those directly involved, this belies the fact that the animosity spills over to others intersecting with Council including the senior administration. This behaviour is obviously not supportive of a healthy Council-management relationship which is one of the core elements of a successful term of office.

We were advised by most of those we interviewed that Council has gradually evolved into a 4-3 split albeit those numbers do fluctuate; any contentious issue generally reflects such a split and often results in dialogue which is demeaning and damning. We have not described Council as a 4-3 Council because the history of voting during this term and more particularly since the by-election does not always support that

conclusion. We see this degree of unpredictability as one healthy aspect of this Council. Regardless of how this Council is viewed, its members do not always vote as being in certain “camps” but can move back and forth in terms of supporting other points of view.

The opposition to the appointment of the former GM of Planning and Engineering was very personal and a “lightning rod” to other aspects of internal disharmony. This issue simply solidified the view of some that the Mayor was in league with the former City Manager and not supporting the best interests of Council as a whole.

This suspicion has been focused largely at the Mayor and former CM whom the Mayor was viewed as shielding and not demanding a different response vis-à-vis the hiring of the former GM. The Mayor was viewed by some Councillors as not expressing their concerns that the appointment was not within the bounds of Council decency nor in the spirit of the then Code of Conduct.

The splits on Council which do occur along relatively predictable lines result in Council members questioning motives and undermining their own leadership capacity. The apparent edginess to questioning comments made by each other appears in some instances to emanate from the state of interpersonal relationships as opposed to disagreement on the issues. Further, this appears to impact the comments made to senior management by individual members of Council both in person and by e-mail. The tone of those comments detracts from the confidence of management advising Council and creates a level of questioning involving the motive for the questions rather than simply being able to focus on the question itself. As well, and depending on the answer received, Council members continue to seek further explanation and rationale generally at a depth of response that may have little bearing on the policy issues at stake.

It is our view that while unanimity is not a cherished ideal from a Council whose members have been voted in on an individual basis, being able to express any opposition to a motion or to the views of others around the table in a civil manner is. Not only does this impact Council in a significant way, any overt negativity between members of Council serves to undermine confidence in the full body. It also adds an

element of doubt to the administration that is unsure of how settled some decisions of Council are when there does not appear to be solid support from Council.

13.2 Observations

Council members are encouraged to discuss and debate the issues. Being personable should not negate the reasonable expression of differences. The absence of camaraderie on this Council is as it is. The end of this term looms as this Report is written and likely little will change for the present Council as a result. This is not to say, however, that an upturn in civility could not happen as that is always possible and indeed we have been advised that some meetings have witnessed more appreciation of others' views and less edginess to conversations.

Council should recommend to its successors that they approach their term with a solid commitment to working collegially and to pursuing harmony amongst diverse opinions. Perhaps a planned schedule of "governance updates" would be useful wherein one or more governance experts are invited to share a "governance moment" (i.e. based on an accepted governance principle) on a quarterly basis.

14.0 St. Albert's Model of Governance

14.1 Use of Committees

The City's approach to committees is outlined in Policy C-CG-09 (Council Committees, Task Forces and Steering Committees). We note that this policy would need to supplement Council's bylaw relative to the establishment of committees as per the MGA (Sec. 145) which states that:

Bylaws - council and council committees

145 A council may pass bylaws in relation to the following:

- (a) the establishment and functions of council committees and other bodies;*
- (b) the procedure and conduct of council, council committees and other bodies established by the council, the conduct of councillors and the conduct of members of council committees and other bodies established by the council.*

1994 cM-26.1 s145

According to the City Policy (last revised May 26th 2014), the purpose of it is:

To prescribe the use and standards pertaining to Council committees, task forces, or steering committees”.

The policy is stated as follows:

Council committees and/or task forces and/or steering committees may be used to support Council’s decision making, consultation, or review requirements. Committees may assist Council by preparing policy alternatives and implications for Council deliberation. In keeping with Council’s broader governance focus, Council committees will not normally have dealings with or authority over current administrative operations.

The Policy further elaborates by defining the key terms as follows:

’Council Committee’ shall mean a group of people, typically from the composition of a larger group, appointed by Council to consider broad matters for a sustained period of time. A Council committee shall be formed by bylaw and shall have authorities delegated to it by Council.

’Steering Committee’ shall mean a group of people, typically from the composition of a larger group, appointed by Council for a specific purpose over a brief period of time. Steering Committees are ad hoc committees which may be formed by resolution of Council and shall not have specific delegated authorities. Generally, Steering Committees would be established to provide temporary oversight of, or guidance to, an initiative sponsored by Council.

’Task Force’ shall mean a group of people, typically from the composition of a larger group, appointed by Council for a specific purpose over a brief period of time. Task forces are ad hoc committees which may be formed by resolution of Council and shall not have specific delegated authorities. Generally, Task Forces are established to undertake a specific activity or review on behalf of Council, and provide recommendations to Council following the activity or review.

As with each St. Albert policy which reflects its approach to the development of policies, a list of “standards” follows:

- 1. Council committees, task forces, and steering committees shall be structured to assist Council as required, not to assist or advise the City Manager directly.*

2. *Council committees, task forces, and steering committees shall not speak or act for Council, unless explicitly delegated the authority to do so.*
3. *Council committees, task forces, and steering committees shall not exercise authority over the City Manager or other administrative staff, unless explicitly delegated the authority to do so. Because the City Manager is accountable to Council as a whole, he or she will not be required to obtain approval of a Council committee, steering committee or task force before taking an executive action within his/her delegated authority.*
4. *Council committees and/or task forces and/or steering committees may be established in accordance with the City's governance approach. Council may establish various standing Council committees which may meet on a regular and ongoing basis.*
5. *Council committee, task force, and steering committee expectations and authorities will be carefully stated as to avoid any conflict with authority delegated to the City Manager.*
6. *All Council committee, steering committee, and task force meetings shall be open to the public unless part or all of a meeting must be conducted in camera in accordance with the Municipal Government Act and the City's Procedure Bylaw.*
7. *Appointments of members of Council to a Council Committee, steering committee, or task force shall be made in accordance with the City's approved nominating committee process.*
8. *The City Manager shall review this policy, at minimum, every four years from the date of its last revision and recommend to Council revisions as required.*

In Part Two (8.1 Criteria of an Effective Governance System) we referenced two criteria which we believe reflects whether or not the City is being well-served by its own governance system. These included the “impact of ABCs” and “Council Decision-Making”. Based on our experience, we believe that each Council should understand its “special purpose bodies” also referred to as ABCs in terms of their relationship to Council and the authority of Councillors who are appointed to them. Further, a

Council member should be briefed on any reporting requirements. We also noted that in an effective system of governance, the Council would have a time of reflection on the key matters prior to Council being faced with a decision.

14.1.1 Governance System

The model of governance chosen by the City will impact how Council discharges its responsibilities. That is, the way decisions are made and how they are communicated is a reflection of the process utilized by Council in making those decisions. While a Council is directed to make decisions, how it goes about that process is not prescribed (with the exception of a bylaw process).

Like many other cities, the St. Albert governance model has changed over time. What seemed to work for one Council might be replaced by another due to style differences or simply the sense that the governance model does not allow this Council to have the impact it intended. Such choices are expected given the oft-times significant changes in membership of a Council and the concomitant adjustments in governance philosophy. As a result, a City might determine to remove all Council standing committees and deal with matters directly at more frequent Council meetings. Or, a Council might choose to utilize a number of standing committees to approximate the number of departments/divisions reporting to the CM; or a Council might choose to eliminate all standing committees and replace them with some form of “committee of the whole”.

Our Report deals with the time frame covered by the current term of office (2013-17) and thus will not reflect all of the changes which have occurred over say the past decade. It is interesting, however, that there was an effort to adjust the model of governance beginning in 2011 with a governance review which overlapped this Council’s early tenure as well. The Review, completed in 2013, was intended to “...consolidate policies where possible, align the wording of policies to the City’s governance model, and assess opportunities for increased delegation to the City Manager in the spirit of greater organizational efficiency and effectiveness”. (City Council Agenda Report, File No. 246-2, March 24th 2014)

The review culminated in amendment and the approval of Council policy:

- C-CG-01 (Council’s Vision, Mission and Values)

- C-CG-02 (Council’s Goals and Priorities)
- C-CG-03 (Council Governance Approach)
- C-CG-05 (Mayor and Councillor Roles)
- C-CG-06 (Strategic Framework)
- C-CG-08 (Council Members’ Code of Conduct)
- C-CG-09 (Council Committees, Task Forces and Steering Committees)
- C-CAO-01 (City Manager Delegations)
- C-FS-05 (Budget and Taxation Guiding Principles)

Bylaw 30/2002 which established the Finance and Audit Committee was repealed on April 19th 2010 (C215-2010) and replaced with a Standing Committee on Finance (SCOF) with all members of Council as members. This committee was in turn replaced by the Standing Committee of the Whole (SCOW) on May 25th 2015 (Bylaw 20/2015) with the last meeting of the SCOF being held on May 11th 2015 and the first meeting of the SCOW on June 9th 2015.

14.1.2 Agenda Committee

It is clear that not all issues are of similar significance. Some are far-reaching or of long term impact while others affect only the current situation and circumstance.

The purpose of the “**agenda committee**” is to assess agenda items and determine which should be the subject of in-depth debate; identify those which are expected to be quite straight-forward and of a “one off” nature; and thereby parcel together those which could be agreed as part of a composite package (a “consent agenda”). A “consent agenda” is a useful technique in expediting the agenda through removing with one motion those items which may have been previously reviewed (e.g. in committee) or approved by other bodies (e.g. one of Council’s committees). With Council’s expected agreement to the items on the consent agenda, Council members should be able to move forward on the remainder of their agenda without having a member(s) of Council wishing to discuss a matter of little to no consequence or one which has already been exhausted. This technique should help to provide a greater degree of predictability to meeting length. The administration also advises that one of the purposes of the Agenda Committee is to balance out Council committee and regular meeting workloads.

If one of the purposes of a Council meeting is to affirm decisions (for example, those recommended forward to Council by this or that committee) then meetings of the Agenda Committee may add value by simply providing assurance to all of Council that certain issues have effectively been resolved and therefore need no further inquiry or resolution. Further, given the composition of the Agenda Committee (two members of Council with two senior staff acting as advisors) Council as a whole should feel some assurance that these people take their roles seriously and would not try to hide or remove a matter likely to be contentious.

Whether or not all issues on the Council agenda needed to be considered by the Agenda Committee was seldom questioned either due to what seems to be a desire to be briefed on all manner of things or in part because such matters had to be reviewed by the Agenda Committee prior to being distributed to Council as ready for debate. To some, the purpose and functioning of the Agenda Committee was a mystery but no one suggested that it was not needed.

The challenge for the Agenda Committee is to ensure that all items coming before it are “ready” for Council or Standing Committee of the Whole review and are by their nature a matter for the governing body (i.e. Council) to address. Where such issues are not, the Agenda Committee ought to be referring the matter(s) back to the CM for his assessment.

This committee appears to be adding some value to Council’s decision-making but may not be sufficiently focused on its role as more than that of a caretaker or gatekeeper. The Agenda Committee ought to be very engaged with the CM to determine what items are most likely to generate considerable questions and debate and which should therefore be moved directly to the SCOW meeting or to Council with a recommendation to direct the matter to SCOW. Further, we question how discerning the committee has been in terms of pushing back to the CM those matters which could be argued as within his mandate to resolve.

14.1.3 Committee of the Whole

The purpose of the Committee of the Whole is established by Bylaw # 22/2016 which states that:

There shall be a committee of the whole comprising all members of council. The committee "...may consider any matter that council may consider, including but not limited to detailed consideration of the following: budget; audit; transportation issues; development issues; strategic planning; legislative reform; policing matters; policy formulation.

Committee of the whole may: conduct public meetings; receive delegations and submissions; meet with other municipalities and other levels of governments; and recommend annual appointments of members of the public to council committees, other City committees and other bodies on which the City is entitled to have representation. Council may receive briefings in committee of the whole. (Sec.26) (We note that this bylaw conflicts with the purpose of the Nominating Committee (section 27) which assigns the responsibility for recommending appointments to the Nominating Committee).

It was first adopted as a governance process by Council in May 2015 and held its first meeting on June 9th 2015. The standing committee of the whole meets the second Monday of each month at 2pm in City Hall. The attendance generally includes the Council members, City Manager, relevant department heads (General Managers), staff of Legislative Services and any guests. It is open to the public unless or until the committee votes to go in camera. This meeting is chaired by a member of Council other than the Mayor. Both Councillors and administration sit at the same table although there is also a separate table available for any added staff and visitors.

The meeting follows a standard approach with adoption of the agenda, call to order, approval of minutes, new business, in camera, and adjournment. The minutes being approved are those of the prior standing committee of the whole meetings.

The agenda of the Standing Committee of the Whole is determined by the Agenda Committee and is finalized and circulated five (5) days before each SCOW meeting. This is generally perceived by Council to provide sufficient advance time to properly review the agenda matters and thus to be prepared for the meetings. Issues from that meeting are moved forward to the next regular Council meeting.

Meetings of SCOW tend to take about 3-4 hours to complete. The procedures governing such meetings are less formal than those applied to a regular Council

meeting. These procedures are as stated in Procedure Bylaw 22/2016 and the Standing Committee of the Whole bylaw (#9/2010). Any members of the public wishing to speak to SCOW matters can attend and express their intent to speak to any items on the agenda. There is no requirement to book an appointment as a delegation.

While there was order throughout the meetings, the pace and tone appear to be less structured and formal. The issues under review at these meetings are determined by the Agenda Committee and are generally those matters referred to the committee by Council. Some of these matters are a follow-up to questions (Information Requests) raised by Councillors during the previous Council meeting. Other matters under review represent a relatively broad suite of topics (e.g. proposed new policies, capital works plan, multi-year budget discussions, new or proposed development, land matters, personnel matters).

When we conducted our interviews, Council members were mixed in their views on the current system of governance. There was uncertainty as to the purpose of the Standing Committee of the Whole (SCOW) and whether or not it was performing as it should. While there was support for a committee system that had all members of Council entitled to attend (or expected to attend), the value of the Committee was questioned. The need for full Council attendance (we were advised) is based on the absence of trust within Council. Councillors were not able to feel confidence in having certain matters reviewed in greater depth by their colleagues without them also being present. For others, there is a continual desire to know and understand more with respect to how the City functions.

When asked if there is sufficient opportunity to reflect on the key or more significant issues, we received a mixed response. Some felt that by the time an issue had been approved by Council that it had been subject to sufficient assessment through Committee questions and deliberations so as to provide a degree of assurance that such matters were ready for a Council resolution. Others expressed the need for a more fulsome discussion and question and answer period with administration or the public proponents of the matter under review.

14.1.4 Time for Change

It is our assessment that change to the Council's governance structure (i.e. the committee system) is recommended and that the time to do so is now or immediately following the 2017 election. The current approach is not suitable given that:

- The issues on the agenda are often administrative in nature e.g. capital work plan review; hiring of individual/specific temporary (term) positions; methodology and assumptions to determine the internet broadband survey, including how many of the partially completed surveys were more than 50% completed, etc.; funding or not funding individual positions; moving budget dollars between positions; individual motions to make changes to the 10 year capital plan (i.e. moving items from one year to the next with no administrative recommendation on why a particular year made sense); which sidewalks were to be repaired; engineering standards regarding sidewalks; funds for 10 garbage cans be transferred from the 2015 surplus; budget information request as to the pros and cons of using grass seed vs lay down sod to re-sod fields etc.
- The agenda package is extensive (300-900 pages) meaning that the management of it has not been focused on Council's policy roles (the absence of an administrative summary is the responsibility of senior management regardless of whether or not individual Councillors enjoy reading all of the detailed reports)
- The role of the standing committee ought to be to review, to highlight issues of a policy consequence, to ensure that opposing views have been searched and surfaced, and to recommend the matter and a conclusion of it to Council
- There is little to distinguish it from that of a regular Council meeting i.e. its real purpose has been seemingly lost or largely overlooked.

14.1.5 Governance & Priorities Committee

In examining various models of governance, one which we have previously recommended to other clients would be of considerable assistance we believe to the St. Albert Council.

A Governance & Priorities Committee (GPC) would provide a very useful place of reflection and consideration by Council. Not all issues will need to go that route: some issues at the direction of the Agenda Committee should go direct to the next regular Council meeting. These issues are deemed to be fairly straight-forward and thus likely to be resolved in one inning (and possibly by way of a “Consent Agenda”). The main purpose of a GPC committee is to enable members of Council to review upcoming and important issues with members of the administration (and the public where that is appropriate) in a more relaxed environment, where the focus is on understanding the broader policy implications rather than on giving direction or arguing the merits of the issues.

14.1.6 Role and Impact of Agencies, Boards and Committees (ABCs)

St. Albert has a range of ABCs. These include:

- Nominating Committee
- Assessment Review Board
- Community Services Advisory Board
- Environmental Advisory Committee
- Library Board
- St. Albert/Sturgeon County Inter-municipal Affairs Committee
- Homeland Housing (formerly Sturgeon Foundation Board)
- Subdivision and Development Appeal Board
- Alberta Capital Region Wastewater Commission Board of Directors
- Community Engagement Committee
- Sturgeon Foundation Board
- Metro Mayors Alliance
- Capital Region Board (CRB)
- CRB Sub-Committee: Governance, Priorities & Finance
- CRB Transit
- Capital Region Waste Minimization Advisory
- Community Services Advisory Board
- Concerto Network (Alberta Bilingual Municipalities Association)
- Disaster Services Committee

- Edmonton Salutes Committee
- Environmental Advisory Committee
- Library Board
- Quasi-Judicial Standing Committee
- Regional Commuter Service Task Force
- Standing Committee of the Whole
- Sturgeon River Watershed Alliance

14.2 Observations

Like all municipalities, St. Albert's Council makes appointments to its ABCs on a term or annual basis. During this Inspection, we were made aware of the purpose/primary functions of each ABC which are included in the file provided to prospective candidates. In some instances this dossier includes the applicable bylaw where one exists. As well, and in a number of instances, a role statement for prospective board members is included as well as information on the expected workload which would be of considerable value to anyone considering taking on such a task. Applicants complete an "application form" which appears to provide suitable and useful information for committee members to utilize in their interviews with the candidates. Two members of Council are appointed to the task of interviewing prospective candidates for these ABCs. Once the interviews are completed, the SCOW meets to consider its recommendations to Council.

While we did not do a comprehensive review of each ABC, we do find that the list is appropriate to a City of the size of St. Albert. Some of the foregoing are significant from a regional perspective and ensure that St. Albert is at the table when issues of an important regional nature are being discussed.

In summary, the City's approach to and use of its ABCs appears to be sound.

15.0 Governance Practices

15.1 Council Preparation

The flow of Council meetings is influenced by a number of elements including chairmanship, awareness of procedural rules, respect for one another, ability to stick to speaking deadlines, significance and complexity of the issues on the agenda and the degree of preparation of Council members. Preparation for meetings is generally reflected in the understanding of the issues and their history. Some of that preparation can be expressed in the quality and number of questions asked either of the CM or the Mayor.

Although we are not able to offer certainty to our conclusion, it is our opinion that members of Council are generally well-prepared for Council committee and regular meetings. The depth of discussion and the questions asked generally bespeak a level of understanding that is commensurate with a Council which has prepared itself for debate on the issues. While we might question what is being discussed and at what depth, we were confident that Council members were prepared. We believe that we asked sufficient questions during our interviews which would have exposed a lack of understanding. What we did ask included the respondents' opinion as to how ready each felt for Council (or committee) meetings and the unanimous response was "well-prepared". This is not to suggest that each Council member spends the same amount of time in preparing for meetings. Some are very diligent in that regard whereas others may simply scan for the highlights. Some stated that their usual preparatory time for meetings was interrupted from time to time due to unexpected events. On the whole, however, we believe that this Council treats their responsibility to prepare with respect.

15.2 Council Meeting Procedures

Another aspect that is core to any review of sound governance is the role and impact of Council's "procedure bylaw" (see Sec. 145, MGA). Each Council utilizes fairly standard procedures to ensure that its meetings are orderly and aimed at getting the business of Council addressed. A Procedure Bylaw speaks to when meetings are to be

held; the time of meetings; the role of the presiding chair; the order of business; the role of any committees; the conduct of meetings and of council members at such meetings; the recording of minutes and so on.

Council Bylaw # 22/2016 governs the rules of procedure in terms of how a Council meeting is to be managed. The bylaw was last reviewed in late 2016 with third reading approval in January 2017. Thus, Bylaw #22/2016 is current and is generally felt by Council members and administration alike to be reasonable and comprehensive.

Our analysis speaks to how well this document assists Council in its decision-making and thus its governance.

The Bylaw (i.e. #22/2016) provides for certain mechanisms for Council to conduct its work. These include: committee of the whole; consent agenda; code of conduct, agenda committee; notice of motion; nominating committee; information requests; public hearings; public meetings. In addition, the Bylaw provides the Mayor as presiding officer with tools to keep the meeting on track and to rule out of order behaviour which might seek to de-rail the meeting.

There are a number of issues/sections within the Procedure Bylaw which impact how City Council functions. These include:

➤ **Consent agenda:**

According to the “definitions” section of Bylaw 22/2016, the City’s “consent agenda” means that portion of a regular council meeting that contains reports from committees which received unanimous support at the committee prior to forwarding to council; councillor reports; reports that are for information only or part of a process of regular quarterly or annual reporting; or any other business items, other than bylaws, that do not require debate. Items on the consent agenda may be adopted by an omnibus motion.

➤ **Code of conduct:**

Council’s Procedure Bylaw speaks to a Code of Conduct which the City has and is in the process of amending. Our Report speaks to the effort by Council and administration to update/revise this Code.

➤ **Agenda committee:**

According to the Procedure Bylaw, *“There shall be a committee of council called the agenda committee established by bylaw. The agenda committee will be responsible for determination of the content of the proposed agenda for upcoming council meetings”*. (Procedure Bylaw Sec.11.1)

➤ **Notice of motion:**

The definitions section of the Procedure Bylaw states that *“notice of motion” is the means by which a Councillor may bring a topic before Council*”. Generally speaking the purpose of such a motion is to give all members of Council (and the CM) a “heads up” as to the Council member’s intent to bring forward a resolution which can either be supported or defeated or deferred for more information.

➤ **Nominating committee:**

The Procedure Bylaw provides for a Nominating Committee. According to the bylaw, this committee *“shall make recommendations to council on the appointment of members of council to council committees, to other City committees, and to bodies on which the City is entitled to have representation. The nominating committee of council shall be composed of the all members of council. The mayor is the permanent chair of the nominating committee”*. (Procedure Bylaw Sec.27)

➤ **Information requests:**

Council members are allowed to make what are described as “information requests” of the administration. Such requests can be made “at the time designated for information requests on the agenda of a regular council meeting; or during discussion of a matter on the agenda to which the information request is related”. (Procedure Bylaw Section 29) These are generally formal requests at a Council meeting or made in writing to a particular staff member.

15.2.1 Public Hearings:

Council will hold public hearings where people who are affected by a project or proposal wish to address the Council and explain their views. Such hearings are required by the MGA as part of the adoption or amendment process for statutory plans or the land use bylaw. The rules of proceedings will specify how a person can express their opinion, whether in person or in writing. The MGA (sec. 230) outlines how a

public hearing must be held and requires Council to hold a hearing before second reading of a bylaw and before Council votes on its resolution. A bylaw of Council can specify the procedures for public hearings. In St. Albert section 30 speaks to this matter:

The mayor, or the chief administrative officer, shall inform council of any written submissions and the numbers in favour of and opposed to the matter. Any person who claims to be affected by the subject matter of the public hearing shall be afforded an opportunity to be heard by the council in person or through an agent.

Council adopted a policy (C-CC-11) regarding the public hearing process. The policy (which appears to be more of a procedure than policy) essentially states that Council will “*abide by the underlying principles for statutory public hearings*”.

15.2.2 Public Meetings:

Council might also determine to hold a public meeting on a particular topic(s). Such a topic could be viewed as very important to the community as a whole or a particular segment thereof or exceptional in terms of perhaps impacting the normal manner of doing City business.

According to the bylaw:

Council may hold public meetings or non-statutory public hearings to solicit input from the public on issues for which a public hearing is not legislatively required. Public meetings shall be conducted according to the procedures for public meetings established by council in policy. Non-statutory public hearings shall be conducted according to the procedures for statutory public hearings adopted from time to time by council. (Section 31)

15.2.3 Public Involvement and Communication:

The City has identified a number of ways whereby a citizen(s) may participate in Council’s decision-making. This appears to be a significant issue with Council and is confirmed by its decision to approve and continue policy C-CAO-20 Public Participation Policy (approved March 20th 2017) as well as the measures taken to ensure that members of the public can engage Council during their meetings.

With respect to “public engagement” the policy states that:

Purpose

To provide direction to Administration on how to involve stakeholders in providing input into decisions that affect the community.

Policy Statement

Council and Administration recognize that quality public participation is a critical component of good governance and as such, adequate resources will be allocated and the appropriate level of public participation undertaken. The City is committed to public participation activities that are founded on the following principles:

Shared Responsibility and Commitment: *Public participation leads to better decisions and is a shared responsibility of Council, Administration and the community.*

Transparent and Accountable: *The City communicates clearly and openly about public participation opportunities, its processes and provides factual and evidence based information. It shares the outcomes of public participation, including how the information was used in the decision-making process and makes decisions in the best interest of the community as a whole.*

Inclusive and Accessible: *The City endeavours to provide opportunities for public participation that take into account the diversity of needs, abilities and viewpoints of the members of the community.*

Appropriate and Responsive: *Public participation activities need to be appropriate to the stated goals, and reflective of the varied preferences and needs of community members for receiving and sharing information.*

Evaluation and Continual Improvement: *Public participation is a dynamic and evolving process that needs continual evaluation and adjustment to continuously improve and address the changing needs of the community.*

The policy identifies when the public might expect to be engaged by its Council. Section 2 of this policy states that:

The City shall offer public participation opportunities when:

- a. Identifying Council priorities;*

- b. Formulating recommendations to Council regarding the proposed business plans and budgets;*
- c. Gathering community input following the presentation of proposed business plan and budgets;*
- d. Reviewing existing programs, services, and associated service levels;*
- e. Establish a new programs, services and service levels; or*
- f. Otherwise deemed necessary by Council or the City Manager.*

The City has numerous examples of how and where the public has become engaged with the Council and administration. These are substantial and have occurred in instances wherein the matters being addressed are potentially controversial or of considerable impact. For example, the City as a part of its briefing of the next Council has scheduled two days of “public participation” for those wishing to provide input to the City’s 2018-20 business plan and budget.

The City expresses that it is intent on engaging its public in the development of policies and programs. It takes steps to ensure that the public is continually updated as to its decisions through providing mechanisms geared towards ensuring that any member of the public can to the extent he/she wants to become informed as to what decisions the Council is contemplating or has made.

The policy also addresses Council’s responsibilities relative to the policy. These follow:

- **Responsibilities**
 - 1. *City Council shall:*
 - a. Consider public input obtained through public participation activities as part of their decision-making process;*
 - b. Promote public participation activities and provide, where appropriate, Council member representation;*
 - c. Establish consistent practices, processes and timelines for statutory and non-statutory requirements for public participation;*

- d. *Ensure appropriate resources are available to allow for the ongoing implementation of consistent, comprehensive and representative public participation programs and services;*
- e. *Request for information from the City Manager on the scope, timing, appropriate methods and resources required for public participation, prior to directing Administration to undertake a public participation activity on a specific issue or item.*

Council authorized a “Community Engagement Committee” in 2016. This was an outcome of its identification of “public engagement as a key goal in Council Policy C-CG-02 City of St. Albert Strategic Plan: Engage the community to incorporate resident input and improve decision making”. Strategies include:

- *Communicate and engage the community to promote two-way information sharing and provide the opportunity for input into the development of the City's plans, budgets, decisions and implementation of decisions that affect them.*
- *Develop strategies to utilize online public engagement tools, social media and emerging technologies to enhance existing public engagement processes.*
- *Improve access, remove barriers and provide opportunities for the community to get involved in the democratic process.*

15.2.4 Council Briefs:

Council Briefs are short, informal reports provided for members of the community with an overview of the decisions and outcomes of a Council meeting. They are posted on the City website the day after a meeting. A full archive of Council Briefs, back to January, 2012 can be found on the City website at <https://stalbert.ca/cosa/meetings/briefs/>

Council Briefs are provided for the benefit of community members with the intent of giving a short, informal report on what occurred at Council meetings. For the official record, the Adopted Minutes are available on the City website. Webcasts of Council Meetings are available the day following a Council meeting on the City website.

15.2.5 Municipal Planning Commission:

As a result of a September 28th 2016 motion, the administration was directed to “perform a 360 degree review in regards to the implementation of a municipal planning commission...that the development community and the general public be provided an opportunity to provide feedback...” Administration commissioned a consortium of consultants to do the research and draft the report which it ultimately presented to Council on April 24th 2017. The extensive 47 page report outlines the history of St. Albert’s use of an MPC and its use throughout Alberta; an overview of current development permit, subdivision, rezoning and appeal processes; a survey of six other Alberta municipalities (3 with and 3 without an MPC); stakeholder feedback; and key themes/factors to consider. The recommendation of management was that the report be “received as information”.

We note this issue and resulting report here as it is in part based on an expressed desire by some of Council to have more public input to Council’s decision-making process. Whether or not an MPC is a useful mechanism in this regard is not clear.

15.2.6 Schedule of Meetings

The City of St. Albert Council meets each week except where there is a fifth Monday in the month, which is taken by Council as a Monday off. Of the four meetings only the second Monday of the month is a committee meeting. Council meets as follows:

- First Monday 2pm Regular Council meeting
- Second Monday 2pm Committee of the Whole meeting
- Third Monday 2pm Regular Council meeting
- Fourth Monday 2pm Regular Council meeting

This has been the meeting schedule since January 2015 with the only change being the decision to move the meeting time forward from 3pm to 2pm. (The start time of 3pm had been in place since November 2010; prior to that we are advised that meetings started at 4pm). We are not aware of any research being done to determine if the meeting start time would be likely to have any impact on the likelihood of people placing their names forward as candidates given the fact that these start times might curtail the candidacy or otherwise impact those with full-time work

responsibilities. When we asked, we were advised that the start time early on an afternoon is likely to place a burden on anyone working a normal 8-5pm job. This issue should be reviewed by the 2017-21 Council with a determination made as to the optimum time for Council and committee meetings.

15.2.7 Council Meetings

Council meetings are governed by three major influences: the first is the “**book of rules**” which provides direction on how decisions are to be made and how the meetings are to flow. Bylaw 22/2016 has been approved “pursuant to section 145 of the Municipal Government Act, R.S.A. 2000, M- 26” which permits Council to “*adopt bylaws in relation to the establishment and functions of council committees and the procedure and conduct of council and council committees*”. The second influence which impacts a Council meeting is the **willingness of those in attendance to adhere to and comply with the rules of the procedure** and the components of a good meeting. That is, regardless of how thorough and comprehensive the procedure bylaw, its efficacy relies upon the willingness of those in attendance to accept the rules and the person authorized to chair the meeting and enforce those same rules for all members. The third major “influence” on how well meetings are run is **the work of those planning its content**. This is sometimes delegated to the clerk of the municipality as a logistical function when in fact a good agenda ought to be viewed as much more: it is to be viewed as an “itinerary for good decision-making”. This is where an “Agenda Committee” adds value.

In order for there to be a common and predictable flow/sequence to meetings of Council, not only do the procedures of the meeting need to be respected but so too does its intent. The Procedure Bylaw speaks to this when it says:

Sec. 11.4 The order of business at a council meeting shall be the order of the items on the adopted agenda.

This in turn is dependent upon the review and work of the “agenda committee”

Sec. 11.1 There shall be a committee of council called the agenda committee established by bylaw. The agenda committee will be responsible for determination of the content of the proposed agenda for upcoming council meetings.

15.2.8 Public at Council Meetings

As noted earlier, the public is invited to attend the regular meetings of Council as well as the Standing Committee of the Whole. Their participation is guided by City Council Procedure-C-CC-10 (Public Delegations):

2. *The maximum amount of time allotted for public appointments, excluding public hearings, shall be 15 minutes unless: the Mayor, at his/her discretion, extends the amount of time; or Council, by resolution, extends the amount of time.*
3. *An individual or group appointment shall not exceed five minutes unless:*
 - a. *the Mayor, at his/her discretion, extends the amount of time; or*
 - b. *Council, by resolution, extends the amount of time.*
 - c. *Notwithstanding sub-sections 3.a and 3.b, if a group is an advisory committee to Council or invited by Council, ten minutes will be allotted for the appointment.*
 - d. *Individuals representing more than one person will only be allotted one appointment.*

The opportunities for public engagement at these formal portions of Council's decision-making cycle are as follows:

Residents are entitled to meet with their Council at regular meetings and speak to issues. Anyone wishing to do so is instructed to contact a Legislative Officer and make an appointment. Each "delegation" is permitted five (5) minutes to address Council. For those unable for whatever reason to make an appointment in advance of the meeting, they are permitted to sign in to the Speaker's Registration list which is available at the entrance to the public gallery.

St. Albert Council has spoken to its desire to be "open to the public". In this regard, Council has enabled the public who come to a meeting to register their desire to speak to an issue by so noting on a public registry found at the doorway to the public gallery. There are two opportunities to do so: one just after the opening of the meeting (i.e. at close to 2pm) and secondly, at close to the end of the public portion of the meeting (close to 5pm) when Council breaks for dinner. Council policy C-CC-10

calls for a 15 minute time period to be set aside to handle all public questions/statements but this section has not been exercised. We are advised that the second opportunity is seldom utilized.

Some members of the public who wish to speak at a meeting but have not made this desire known to the applicable administration can still do so under the flexible arrangements which the City has adopted in its enthusiasm to be viewed as transparent and open to the public. Those appearing as delegations will have made prior arrangements with the office of Legislative Services indicating their desire to speak. Where there is no “heads up” provided in terms of a written statement made available to the administration in advance, the administration is placed in a very disadvantaged position in that there is little to no awareness of what the matter of concern is.

15.3 Observations on Governance Practices

Based on our attendance at meetings, our discussion with those who were in attendance and our watching of meeting videos, we find the following with respect to Council meetings:

15.3.1 Split Council

We were of course made aware of the fact that Council does not normally function as “one big happy family”. There are “splits” on Council in terms of the level of discourse between individual members and the Mayor and sometimes just between individual Councillors. While there is no sense of unanimity, we also did not find a situation where the split is so defined that Council votes are generally divided along predictable lines. This we would find disconcerting given that all members of Council entered Chambers as individual candidates and not as part of a bloc even though there was some evidence in the run up to the election that certain candidates favoured certain others.

15.3.2 Overall Tone

The fact that there will be matters on which Councillors will disagree with each other is not only predictable but from our perspective, desirable. It suggests that Council members are thinking for themselves and are not stifling their comments in order to

“get along”. It is our view that such dialogue can be very helpful when it is used in a constructive manner. Unfortunately, what has been reported to us by Councillors and management alike is that the tone which the Mayor and Councillors use in expressing their opinions to each other is less than respectful. The comments have tended to become personal quite quickly and that then becomes the ground for snide comments and criticism.

This tone has also spread to the relationships between Councillors and senior management. Where there is a difference of opinion on a policy proposal the matter is not left as a difference but rather takes on new life as a personal comment on the quality of a report or presentation. This tone does nothing for improving Council-management relationships but rather contributes to diminishing overall respect between all parties.

15.3.3 Procedural Matters

For the most part, Council tends to follow a traditional process of introducing a matter; seeking a motion to get it on the floor; debating and then deciding the outcome of the matter. What we found as follows points out our observations and concerns relative to how this process is sometimes abridged.

- We were advised that any briefing as to the upcoming Council meeting only happens as a feature or outcome of the Tuesday afternoon meeting of the Agenda Committee. Whereas the Mayor earlier in his tenure received such a briefing, that is no longer the case. If, on the other hand, the Director of Legislative Services sees a matter which is out of the ordinary and which may cause procedural problems for the Mayor, he will ensure that the Mayor is briefed. Such a briefing involving the CM and the Director should be a regular feature of every Council “day”.
- Council’s current process of encouraging public participation in Council meetings is based on the desire to appear open and transparent. The approach utilized, however, is problematic as it results in very little discipline of the time for such input and it encourages those speaking to believe that their issue(s) will be immediately addressed. If the open microphone style is to continue, the Mayor as chair should brief all in attendance with respect to the “rules of public delegation” which apply.

These should be written and shared with the public as they arrive at Chambers and should include the following:

- Each person who wishes to be recognized shall write their name on the notepad provided in Chambers.
- The Mayor will indicate who is up next on the agenda and who will be “on deck”.
- Each speaker will have a maximum of 5 minutes to make their remarks. These will be free of derogatory statements towards any individual or identifiable group or the Mayor will recess the public presentation portion immediately.
- No speaker shall address the same general issue more frequently than once per year.
- The Mayor will introduce this segment of the agenda advising how many people have asked to speak; the maximum time limits; and the fact that no response to the speaker’s comments or questions will be forthcoming at this meeting unless administration had a copy of the presentation no less than 7 days in advance of the Council (or committee) meeting.
- If a speaker wishes a response, he/she must leave their name and address (e-mail or street address) on their presentation and leave this with the Director of Legislative Services or their delegate in Chambers.
- The fact that those members of the public who indicate their desire to speak but who have not requested time to appear as a delegation and thus have not made any prior contact with the office of Legislative Services indicating their desire to speak or on what topic places Council (and its administration) in a very disadvantaged position in that there is little to no awareness of what the matter of concern is. Yet, it was apparent that Council members attempt to respond to the presentation (some out of being polite; others because of curiosity) and may expect the administration to also weigh in with their information. The Mayor should indicate at the outset that Council is only receiving the comments/questions of the public; it will not be responding to them at this meeting as no advance warning was given. To do otherwise is ill-advised.
- Debate sometimes starts before there are motions on the floor. Requiring the motion to be put on the floor first would definitely improve the focus and relevance of the debate.

- Items on the “consent agenda” should only be placed there at the direction and concurrence of the Agenda Committee. Once placed there, they should only be removed by a majority vote of Council and not at the request of a Councillor (the intent by the Agenda Committee would be to place items on the Consent Agenda based on the fact that these were deemed to be either of a housekeeping nature or so straight-forward that there would be little if any reason to pursue the issue any further). Removing items from the Consent Agenda defeats the purpose of this mechanism of good governance.
- Questions asked by members of Council directly to members of staff other than the CM should immediately be ruled out of order. Questions are to be directed to Council’s employee (i.e. the CM) who will determine if the matter should be passed along to a GM and if so, which one. If the respective GM is not present or if the matter is considered by the CM to be overly political or highly sensitive, the CM has the authority to “take the matter under advisement” and ought to say so.
- Questions which come to the mind of a member of Council as they read the agenda package in the days leading up to a Council meeting should be articulated to the CM (or as designated) so as to provide the administration with a “heads up” and the time to prepare a response which will enlighten the person asking as well as the audience. Questions which are asked on the spur of the moment (i.e. seemingly off the cuff) might be expected as those intended to embarrass as opposed to illuminate.
- Council motions at times get into considerable detail and while they might be described as “policy” directives they are too often highly detail-oriented and largely administrative. The Mayor and CM would do well to continually and consistently focus Council on “what is the policy question here?” Any attempt by members of Council to plumb the administrative depths ought to be repulsed by both the Mayor and CM (and hopefully supported by other members of Council who understand their roles and are focused on those).
- Council members would do well to ensure that there is a common understanding as to what “policy” is and what would more appropriately be

described as an “administrative directive or procedure”. There are a number of examples wherein Council asks for a policy statement on what ought to be a purely administrative function.

- Having individual departments present their annual report might seem like a good thing to some Councillors but has simply led to more detailed questions and thus more reporting back to Council and thus a greater drain on administrative time and resources.
- Matters such as a new draft bylaw ought to be referred to Council’s standing committee of the whole (the GPC) before any referral to Council; similarly any proposed revisions to the public hearing process; or other issues wherein the CM should be asked to see what advice legal counsel might have on the topic.
- While we will discuss this matter in greater detail later in this Report, Council’s process for making changes to a draft budget being brought forward by the administration ought to be completely re-thought; the degree of detailed involvement in administration is quite frankly astounding and debilitating.

On the whole, Council (and committee of the whole) meetings are quite long. According to the records which we have reviewed, the meetings to date in this term of office have averaged the following:

- 2013-14 4.33 hours
- 2015 5.10 hours
- 2016 5.32 hours
- 2017 5.36 hours

The longest meeting recorded was 8 hours 40 minutes; whereas the one of greatest brevity was 1 hour and 18 minutes. The length of Council meetings is, in our experience, influenced by:

- the quality and effectiveness of the chairmanship of meetings; this is generally a reflection of the degree of control exercised by the Mayor (or alternate chairperson) and the extent to which the Mayor/chair has been briefed before the meeting(s)

- the time limits on speakers and whether or not this is enforced consistently and fairly
- the number of public presentations permitted at each meeting; and whether or not there are time limitations and again whether or not these are enforced
- lack of preparation for questions by Council members with management expected to explain issues without having any advance notice as to the substance of those questions
- the type of questions being asked: to what extent are these focused on policy issues vs the depth of detail expected and explored; is the focus of such questions “policed” by the Mayor
- the nature of the issues: that is, are they of significance or basically everyday matters which regularly arise
- the degree to which the City Manager and his associates are prepared for each meeting; their anticipation of the issues/questions which may arise
- the City Manager’s resolve in deferring questions from Council for which the administration (in his opinion) is not ready to answer or has had inadequate opportunity to prepare a complete and accurate response
- the style of reporting used by management; the approved “request for decision” format; the permitted number of attachments to any report
- the extent to which the issues on the agenda are time-sensitive: do they require a response immediately or could they be laid over to a later date?

Management does ensure appropriate follow-up to Council resolutions by use of a “Council Meeting-Action Items” listing. This documents the agenda item, description of the issue, which department will have primary responsibility to respond, and the status of the item (i.e. in progress, complete or no action”).

Management must be held to account by the CM and Mayor for providing reports which are far too detailed, repetitive, long and well beyond the expected involvement of any policy body. While the length of agenda packages might look impressive to the uninformed or to someone brand new to local government, any agenda package beyond say 60-80 pages ought to be questioned immediately by the Agenda Committee as to how much of the information is administrative in nature and what is

actually substantive and based on policy options for Council. Any report of greater than 2-3 pages should be at least initially rejected out of hand by the CM as an invitation to members of Council to become members of administration.

15.3.4 Information requests

As we noted earlier, Councillors can find the answers to their questions related to items on the agenda by stating so during the discussion of the applicable agenda item or when the related matter is being discussed. While this mechanism appears at first blush to be suitable and in some ways expected, the degree to which this is utilized by members of Council has resulted in some unhealthy patterns.

For some Council members, this privilege or service is seldom utilized as the information already being provided by the administration more than satisfies their desire for understanding the matter at hand. And while the CM and senior management attempt to fulfill these ongoing requests, their number requires considerable staff time which means that they are not applying that time to their other duties.

We recognize that Council members need information to do their jobs. What is not as certain is the extent or depth that is required to fulfill that demand. That is, regardless if the agenda package is 50 pages or 911, there are still requests for more information.

The number of those requests is substantial. According to the information we received, the number of requests had historically been dominated by the Mayor until this past term when the number filed by one of the Councillors was considerably higher than that of the Mayor. The Mayor has averaged 29 information requests per year over the past three years whereas the leading Councillor (in terms of number of requests) was 53 per year.

Information requests which directly relate to an agenda item which may have stalled or been referred to the standing committee might be useful as background to the recommendation of senior management if they relate to that matter. In the main, however, based on the requests which we reviewed, many of these requests are unlikely to impact a Council resolution of a matter on the agenda. They would fall mainly into the “I wonder” category and while interesting, are of little consequence.

They do however, generate work. Management place the burden of responding on subordinate staff thereby delegating the responsibility but obviously not removing the cost. Many of these requests show up on subsequent Council or committee meetings and add to what we see as already busy agendas. The CM reports that a new “Councillor Inquiry” system has been initiated (June 2017).

Prior to the new Council email inquiry system there was no process relative to such inquiries which management described as “all over the place”. Further, there was no tracking of the responses. Councillors would send in email questions from themselves or residents to either: the Mayor only; City Manager only; Mayor and City Manager; staff members directly; City Manager and copy Council and no Mayor; Council, Mayor and no City Manager. Responses sometimes would not get routed back through to the Mayor and City Manager and some Councillors would be missed or sometimes even the resident would not get a response back if it went back through the Councillor.

This system will address questions asked by a resident or a fellow Councillor. These will be added to a bank of such inquiries and will be tracked. The records will be checked to see if such a question was previously asked and answered.

The CM advises that:

*The intent of the Council Inquiry System (CIS) is to provide a platform for Council to ask questions to Administration that do not require a formal **Information Request**, while still providing Council a response time of two business days and proper tracking of questions. The CIS will enable us to track all questions, avoid duplication of questions and will provide the City with a database with available answers for future reference.*

Council can submit their question via: councilinquiry@stalbert.ca. The question will then be registered and submitted to the department responsible and the response reviewed/approved by the General Manager. Administration will provide a response to the Council inquiry to the Mayor’s Office (AA/EA) within 2 business days using a standard response form (see example attached). In addition to an emailed response to the inquiring Councillor, all answers will be slotted to Council weekly by the Mayor’s Office. Council will also receive an

updated tracking sheet with all questions in their Council Information Package.

Should a question turn out to be more elaborate and in need of more time and/or resources, Administration will send an email asap to the Mayor's Office and inform them of this. The Mayor's Office will then submit the question to the Council Information Request process through Legislative Services.

15.4 Meeting Chairmanship

The responsibility for chairing Council meetings rests with the Mayor. The Mayor must have a good understanding of both meeting procedures (although he can call on the Clerk for an explanation of a procedural issue) and the issue at hand. This enables the Mayor to understand the arguments in favour and against and the likelihood of more questions. Further, the Mayor's understanding will enable him to determine if the question is pertinent or out of order.

The Mayor is normally expected to be the last to speak to a matter as he surfaces the concerns and questions of others in the first instance. This Mayor is often the first to speak and may give up the chair to present his argument. While that may be an attempt to show leadership, it does limit the Mayor's flexibility in terms of shaping his decision after hearing the views of his colleagues.

The Mayor is a reasonably effective chair. He spends the time necessary to ensure that he is always prepared for each meeting. He tries to keep the meeting focused and speakers on the topic and respectful of time limits. He may be overly flexible with his colleagues and at times with those speaking from the gallery. This has a tendency to prolong the meeting and that does not sit well with other members of Council (who ironically may be one of those with whom the Mayor as chair has been overly flexible). The Mayor is generally well aware of the topic under consideration and seldom has to have someone brief him or members of Council as to the nature or essence of the matter at hand. He allows Councillors to speak directly to the members of administration present rather than requesting them to direct their questions through the CM. This has the tendency to prolong discussion because the staff member may go into far more detail than necessary or perhaps appropriate given the "political" nature of the question.

15.5 CM Role in Council Meeting

The City Manager is the quarterback/head of the senior management team and Council's only employee. This designation requires Council to go through their CM in any approach to other members of the senior administration unless the Council and CM have an agreed upon written protocol which would permit otherwise.

There are a number of reasons for this arrangement and designation not the least of which is the certainty provided to Council that when an answer is given that they hear it from the employee most accountable for its veracity. While Council members might question why they would not simply go to the division/department head most likely to have the answer, the response is "that person does not report to you". The CM needs to be the person who is most accountable and who is likely to understand if the matter is highly politicized and therefore needs to be treated with some delicacy. Out of respect for the position, members of Council will want to treat the CM's role with great respect and therefore will adhere to the protocol of directing queries to him.

This was not what we witnessed in Chambers or via video. Members of Council including the Mayor spoke directly to other staff, mostly at the GM level but some below that level in the organization. Anyone sitting in Chambers seemed to be fair game and might anticipate receiving a question which Councillors might have felt was needed to help justify their attendance. While this might be somewhat useful to the staff member in terms of gaining experience in answering questions in Chambers, it undermines the confidence of the senior management and does little to enhance the image of and mandate of the CM as Council's main linkage to the administration.

When staff presented a major project cost change, increased from the original agenda report, there was no confirmation obtained from the CM that he supported the continued initiation of tendering at the higher estimate. In fact Council did stop the project, and requested that a less difficult site be found. This was something that should have come from the CM, but it was clear (from this instance) that Council is not in the habit of requesting input from the CM.

The CM and the Mayor need to change this behaviour by insisting on respect for the principle of one employee and the need for CM (or as designated) advice on any and

all matters which necessitate (or which should require) administrative input, guidance or direction.

15.6 Illustration of Council Discussion

We observed a number of Council and Committee meetings including the recent June 19th 2017 Committee of the Whole meeting. We believe this meeting illustrates some of the challenges facing both Council and administration.

Council was provided with 911 pages of background material a few days in advance of the meeting. A considerable amount of this material was quite complex and in our view challenging to read. The meeting's public session, which is what we are commenting on, lasted about 4 hours.

One item on the agenda was the Proposed 10 Year Municipal Growth Capital Plan. This plan set out the Capital growth spending over the next ten years in the hundreds of millions of dollars. It took a little over an hour and 10 minutes to go through over 500 pages of material. Issues we noted included:

- This was apparently a new step in the Capital planning process. No meaningful effort was taken to brief Council on how this new step fit in to existing processes. It was obvious from the discussion that Councillors struggled with context.
- The total amount of spending over the 10 years was in the 100's of millions, yet discussion included items of 40 and 50 thousand dollars. Why? No attempt was made in prioritizing the material provided to separate the significant from the less significant.
- Complex material was provided in spreadsheets which were difficult read.
- Some Councillors had difficulty getting to their question; instead they dwelt on material not relevant to the task.
- The attached Project Charters tended to contain jargon making a complex subject more difficult to understand and in at least one case formatting issues seemed to contribute to the misunderstanding.
- In one case the Charter was written by a Councillor and placed in the proposal; this again seemed to create uncertainty in how to handle such an item. (We question the process of allowing this to happen, since this is an

administrative task not a policy or governance matter and contravenes MGA sec.201 (2)).

In summary, we think that Administration invited the detailed level of discussion with the nature of the document provided. First, they asked for Councillors to focus on changes and then presented a document with every item being changed. This is backed up by the charters which are detailed documents for each item. Second, there is no prioritization provided to focus the discussion. We also noted that the staff were well meaning on answering questions, but in some cases added to the confusion. These factors coupled with our already documented view that Council tends to get into detail and administrative matters seemed to inhibit meaningful discussion focused on the significant changes in the plan.

In our view, administration must provide material that is readable and focused. It must help Councillors see the significant items and allow relatively succinct and clear reading/understanding. Also, administration needs to ensure Council understands the context of new steps in an established process. Coupled with these changes, Councillors need to respect the task and respond by way of a disciplined discussion at the policy and governance level.

16.0 Council's Understanding of Its Role

Does this Council understand its role? For that simple yet profound question to be fully answered or even appreciated, the question needs to be asked: "what is the role of a Council?" We outlined what the MGA states (see 5.0 Functions of a Municipality; 7.0 Leadership by Mayor and Councillors). The MGA points out that a Council is responsible for ensuring through the approved policies and programs that the municipality receives good government; that there are necessary or desirable services, facilities or other things; that the municipality is safe and viable; and that the roles of the Council are fully discharged and upheld.

Based on our experience in reviewing municipal Councils across Canada, we believe that a Council's job is both onerous and complex with many aspects and yet could be summarized in a generic fashion in the following broad statements:

- To think through the preferred future of the municipality and identify those policies, decisions or steps necessary to achieving the goals and priorities articulated by and approved by Council
- To ensure that the municipality provides those services and functions deemed useful or necessary to the population of the community in an efficient and effective manner while maintaining a healthy tax base and providing for a sustainable future
- To resolve the issues brought before the Council which lay within its jurisdiction and which requires the judgment of the elected Council
- To support through words and actions the legislation applicable to local governments and to make decisions within that framework.

How does a Council achieve those aims? Again, and while recognizing the complexities involved, our experience underscores the notion that Council is expected to:

- become familiar with its roles and those of its CM as its sole employee
- establish the policy framework (including regular reviews and updates)
- set the priorities (through some process of strategic visioning)
- identify the anticipated results (through requiring regular reporting by the CM)
- approve the necessary resources (through the annual budget process).

The CM and his administration are to provide advice on those requirements as well as the skills/expertise and daily commitment for these to be achieved (see sec. 9).

16.1 The Importance of a Council Orientation

How does a Council learn its roles, responsibilities and key functions? The obvious answer and one which has been recognized by Alberta Municipal Affairs is an orientation. As of July 1st 2017, this is now a mandatory function for all municipalities in this Province to offer orientation training to their members of Council (MGA sec. 201.1). While it was not mandatory at the time of the last election (October 2013) it has been considered by most progressive cities and other municipalities to be one of the fundamentals for any Council and an essential component to an effective and productive term.

Thus it was in St. Albert wherein the administration offered two different types of orientation: one based on how business was conducted in St. Albert including an overview of its basic functions and structure; and one based solely on governance and how Council is expected to conduct its business.

The material presented by its administration to Council was quite comprehensive and included:

- Legislative overview
- Council's committee system
- Council's compensation policy and procedures
- An overview of each department by the respective Director.

The governance seminar provided through contract to the City included:

- Reality of Roles: Who Does What
 - Roles of a Council
 - Roles of the Mayor
 - Roles of the City Manager
- The Meaning and Impact of an Election
- Council's Levers of Power
- Importance of Integrity
- Relationships
 - Council-Council Relationships
 - Council Management Relationships
 - Council-Public Interface
- Governance Model & Principles
- Governance Landmines/Protocols

We note that two members of the current Council either were not available to attend or chose not to attend this latter seminar on the essence of "good governance".

Regardless of any attendance at orientations offered by the administration or external consultants, it is possible for any Council member to gain an understanding of their role by watching their colleagues; paying attention to the issues and how they are presented; reading the legislation; attending relevant conferences; and so on. Whether that gives any new member sufficient understanding is, of course, debatable

and thus the Province has made amendments to the Act (Sec. 201.1) which will require a municipality to offer each Councillor an orientation within 90 days of being elected.

During the course of this Inspection, we:

- Attended Council and committee meetings
- Watched all or portions of recent Council meetings
- Watched portions of meetings which were found in the City's archived section
- Reviewed all Council meeting minutes since October 2013 (i.e. all that pertained to this term of office)
- Assessed the level of discourse between members of Council
- Reviewed the manner in which the meetings were chaired by the Mayor
- Assessed the types of questions asked of the administration.

Based on the totality of these assessments, we find that this Council as a whole has a reasonably sound concept of their roles and responsibilities. That is, Council understands its requirements to prepare for meetings; to meet on a regular basis; to hear competing viewpoints; to debate the various aspects (or sides) to the arguments in favour or in opposition; and then to decide. We find that it is not a lack of awareness to roles that has caused any of the significant concerns on Council, it is the manner in which the roles have been discharged.

In this context, we find that Council:

1. Uses whatever "tools" (e.g. information requests) are available to them to dig deeply into matters normally delegated to the administration
2. Has not embraced or fully appreciated the roles and prerogatives of the City Manager
3. Sees Council meetings as opportunities to pursue individual agendas
4. Goes well beyond any policy framework or questions and is "at home" delving into administrative detail which appears to offer little discernible value to citizens and which undermines administrative confidence

5. Uses questions at Council and committee meetings to challenge administrative readiness for meetings or to reinforce public statements or to embarrass as much as seek understanding.

Where Council focuses on the substance of a report or presentation, it shows evidence that it understands what is being said and why that is important. The general theme of such questions is reasonably sound and the answers sought are potentially helpful to Council's resolution of the matter. Where Council goes past this level of questioning and into administrative detail or questions which appear to offer very little "value-added", the flow of the discussion is disrupted and the focus becomes administrative. While the latter style of questions may be of interest to the questioner, the information sought would do very little in terms of getting Council to a "policy" solution.

If it is the opinion of a majority of Council that the administration needs help in addressing their responsibilities, such a conversation should be held with the City Manager. Instead, individual members of Council appear able to direct senior and mid-level staff to find more answers or additional detail.

16.2 The Importance of Council's Focus on Policy Development

We have identified the importance of effective policy development earlier in our Report. A City the size of St. Albert is not realistically expected to become engaged in the day-to-day running of the City such as the development of programs or overseeing the discharge of individual roles. Such matters are ascribed to the City Manager (see 9.3) and through delegation to his/her direct reports. That is achieved through a combination of processes which includes:

- a clear policy framework (advised by management and established by Council);
- a clear definition of senior level functions and accountabilities;
- a reporting program which ensures that goals are being addressed; policies are being followed; roles are being discharged; performance is being monitored;

- a performance management program and processes which enables the City Manager to determine if, how and when those functions and expectations are being discharged; and
- the delineation of what constitutes policy and what might be described as procedures/regulations/administration with the former being ascribed to Council and the latter to management.

The key for Council in terms of its ability to direct and control the business of the City lies in its understanding of what constitutes “policy” issues. If the matter is likely to be repetitive (i.e. Council can expect to see the same issue again albeit perhaps in a somewhat different flavour) then it ought to be heard asking the question: “what is our policy here?” If the matter is deemed by Council to be significant (i.e. a corridor for wildlife in St. Albert), then the question ought to be asked “what is our policy here?” Where there is none, inconsistency is likely and the time spent at Council meetings is longer. Further, where the matter is a policy issue and there is none to guide the Council, it is our experience that it will not be long before Council members are embroiled in administrative discussions.

16.3 Impact of the Mayor on Policy Governance

The Mayor has a significant role to play as the policy voice of a Council. As the leader of Council, the Mayor is expected to speak to Council’s approved policies and support the positions taken by Council as a whole.

The Mayor needs to be knowledgeable on what constitutes Council’s policy on this or that topic. He is and should be the chief policy spokesman able to articulate the basics of Council’s key policies. Given his access to a proper briefing before a Council meeting, the Mayor should be able to advise Council as to whether or not a particular motion will or will not require a change in current policy.

The Mayor also acts in some ways as Council’s “policeman” when it comes to the ebb and flow of a Council meeting. In this regard, the Mayor is briefed before meetings on the topics and what outcome is expected or perhaps needed by management. The Mayor ought to be briefed on whether or not the recommendation from staff addresses a current policy or if a new draft policy is being developed (Policy C-CC-01). In his role as Council meeting chair, the Mayor is expected to guide Council members

towards the policy issues of the topic as opposed to allowing anyone to wander into territory that has already by bylaw been assigned to the CM (and by delegation to other senior members of management).

Such a role requires of the Mayor focus on the debate and admonition to Councillors who may attempt to probe matters which are quite frankly not the business of Council.

While such a role may be considered less desirable than other roles associated with the Mayor, it is nonetheless critical to how well Council fulfills its decision-making role.

Further, while the Mayor is only one voice and vote on the Council, his role as leader enables his position on issues to be heard with greater volume than that of his colleagues. He has a much stronger position than that of his Council colleagues in terms of suggesting or recommending new policies or revisions to existing policies.

The Mayor is also looked to by the public, colleagues and administration alike as ensuring that all policies apply equally to him. In other words, as the policy leader, the Mayor needs to evidence his support for approved policies by abiding by their dictates and not applying a double standard in their application.

The Mayor also has the benefit of being a policy initiator relative to his colleagues. His leadership position enables the Mayor to suggest areas wherein the City might lack policy and where a new policy initiative would be welcomed. While he cannot of his own accord demand that steps be taken by management to draft such a policy (Policy C-CG-03), he is deemed to be in closer contact with the City Manager and a suggestion by the Mayor is far more likely to be expeditiously acted upon in comparison to that of his colleagues. Generally speaking, this requires the Mayor to use his position of authority carefully and not in such a way as to be seen as being in opposition to the MGA or City policies.

16.4 The St. Albert Approach

The City has a policy “City Council and Administrative Policy Development” (C-CC-01) dated April 18th 2016. This policy’s purpose is as follows:

To establish a consistent approach, through an established format, pre-determined codification system, and clearly articulated definitions, for City

Council and Administrative Policy development in the City of St. Albert. This approach is separate from the approach for governance policy development.

The policy states:

This City Council policy shall establish a consistent approach to, and a philosophical framework for, the development of City Council and Administrative Policies.

The policy statement further clarifies this separation by stating:

Two types of policies are contemplated by this policy: City Council policies, which are approved by City Council; and Administrative policies, which are approved by the City Manager.

Council's commitment to ongoing training in governance matters is conveyed in its policy "Council Learning and Development" (C-CC-04). This policy, most recently revised on September 22nd 2014 states that:

"The Council will invest in its governance capacity".

The policy statement lists as standards

- 1. Council knowledge, skills, and overall competencies will facilitate their capability to govern with excellence. a. Training and retraining will be used to orient new members of Council. b. Training and retraining will be used to maintain and increase existing knowledge and skills of incumbent Council members. c. Learning will be shared with other members of Council.*
- 2. Council members will receive and adhere to an annual funded allocation for the purposes of their individual learning and development.*
- 3. Completed Council professional development activities shall be listed by the City Manager on a quarterly basis, with a brief summary on the City of St. Albert website.*

Council has also identified a series of "Council Governance" policies which arose from the independent Governance Review (which began in 2011). These fundamental policies speak to Council's governance responsibilities and include:

- C-CG-01 Council's Vision, Mission and Values
- C-CG-02 City of St. Albert Strategic Plan
- C-CG-03 Council Governance Approach

- C-CG-05 Mayor and Councillor Roles
- C-CG-06 Strategic Framework
- C-CG-08 Council Members' Code of Conduct
- C-CG-09 Council Committees, Task Forces, and Steering Committees
- C-CG-11 Community Vision and Pillars of Sustainability

The City of St. Albert has a “policy bank” of eighty-eight (88) policies. It also has one hundred and twenty-five (125) “City Manager Directives”. St. Albert schedules a review of its policies and directives on a regular basis; some were reviewed as per the schedule as recently as 2016-17. Of the policies, 45 were reviewed (or will be) within this term of office; 15 are to be reviewed on an annual basis; 7 were reviewed 2014-15; 24 were to have been reviewed in 2016; and 14 will be reviewed in 2017. Of the Directives, 20 are to be reviewed annually; 30 were reviewed in 2015; 10 in 2016; and 63 are slated for review in 2017 and subsequent years. Some are reviewed annually; others every second year; and 9 are in a “pending review” status.

We note that the City had embraced the Carver Governance Model in the early 2000s and adopted a series of policies which were designed by reference to this model. The policies which were adopted on September 24th 2001 were later revised on November 4th 2002. These policies have since been reviewed by both Council and management (in some instances a number of times) and changes have been made to bring these into alignment with the current Council’s vision/values.

Policies ought to be established on an ongoing basis. That is, we do not expect to find that months go by without any policies being thought of or discussed and then a number of key policies are approved at one meeting.

For example:

- Council has an important governance role to play in terms funding the ongoing training program of the City relative to continual improvement of its employees. The role of the CM, on the other hand, is to ensure that a coordinated, funded program exists which adheres to Council’s policy and which achieves management’s objectives.

- We would expect to find a governance policy which speaks to the importance of orientation throughout the organization with the tone being set by members of Council.
- A City the size of St. Albert will be expected to have a robust communication policy and plan which is sufficiently broad and proactive so as to ensure messages are getting to the intended audience. The governance role for Council is to develop a comprehensive policy which indicates Council's expectation that management will ensure that its messages and functions are appropriately coordinated so as to achieve the goals of this Council.

How a Council approaches policy development will also have a significant impact on how well it will govern. The emphasis is not on setting this policy or that but; rather, the Council's mindset which indicates the importance it places on taking a policy viewpoint to any issues which it believes to be either important or likely to be repetitive. Others might prefer a non-policy environment so they can focus on the details.

16.5 Our Observations and Concerns

Our concerns with the City's present approach follows:

1. The policies which we have reviewed are an attempt at governance but are obviously administratively drafted and thus reflect an administrative style and viewpoint. They might look professional but they do not appear (at least in some instances) to capture the perspective of an elected official. This suggests to us that Council members were not sufficiently involved in the review process or that the administration has "owned" the policy review process.
2. Council's policies are not intended to solidify support for the City Manager. They are intended to identify what Council believes to be its direction on a particular matter. (Managerial directives outline where the CM fits within the Council policy; not the reverse).
3. The policies are linked to other statements which might appear to give them more context but in effect limit their impact.

4. The policy statements need to be regularly reviewed in order to ensure that they reflect the current Council and its thinking. Such an ongoing review on a regular basis will determine if they still apply or if the conditions generating the policy have changed.
5. We do note that some of the policies are more administrative in nature and in some regards could be better defined to speak only to the policy rather than a mix of policy and procedure.
6. There needs to be a clear separation of policy from procedure and managerial directives. Where there are administrative “policies” these need to be held within a Council policy framework to ensure that they reflect Council’s policy and are not “stand alone” administrative directions.
7. City policy C-CC-01 needs to be reviewed and revised in order to clearly separate Council’s role and authority from that of the administration. For example, wording such as the following effectively undermines Council’s pre-eminence and authority vis-à-vis policy in relation to the authority accorded the CM.

The City Manager, in accordance with the direction and intent of the City Manager Bylaw and Governance policies, shall determine which policy issues should be brought to City Council for approval as City Council policies, those which should be shared with City Council for information, and those that shall remain strictly within the purview of administration to develop, approve, implement, and monitor.

17.0 The Council-Administration Interface

One of the most difficult aspects of local government leadership is the need to recognize that the roles of the Council and its administration are fundamentally different. These differences, rather than being celebrated, are often viewed as irritants.

The relationship between a Council and its administration is one of delicate balance, respect, confidence and trust. It brings together two distinct entities who are essentially striving to offer their best service to the residents and businesses of their community. The fact that these are “distinct” is, however, often over-looked and yet may account for many of the difficulties which have been experienced in St. Albert as well as numerous other municipalities.

17.1 Acceptance of Role Differences

It has long been accepted that a Council governs whereas the administration manages. That is, a Council is expected to set the course and authorize the necessary resources; management is expected to draw upon their specialized education/training and day to day experience in utilizing the appropriate methodology and Council-approved resources to achieve the desired ends. This formula requires two things: the Council must hold a shared vision of what they see as goals/objectives as well as respect for the administration to achieve the desired ends; and the administration has to apply their combined skills and knowledge to achieving that vision within the time and resources allocated by the Council. These are very difficult to achieve under the best of circumstances and even more so if one or both parties fails to discharge their portion of this relationship or is inclined to take on aspects of the duties assigned to the other party.

So, what does this require in order to work effectively and as intended? From an administrative standpoint, the following are necessary:

- an effective and focused managerial leadership capable of compelling others to join in this grand enterprise through force of personality, perceived knowledge, shared vision, high ethical standards
- a reasonably clear picture of what the desired end looks like
- a clearly-defined concept of timing and available resources
- the belief that the necessary resources will be made available as required and that the “human resource component” will be willing to work together
- benchmarks along the way which are understandable, measurable and achievable

- encouragement from senior management and sheltering from external interference
- safe working conditions; reasonable compensation; opportunity to advance.

From a legislative (elected Council) standpoint, the following are necessary:

- clarity of roles and responsibilities
- an agreed upon statement of preferred Council direction (i.e. vision, goals, priorities)
- Council approval of the budget designating what projects are to be completed or initiated in the current year
- a policy framework which sets the parameters for acceptable achievement and for Council's control over the issues requiring political leadership
- regular updates with respect to progress being achieved
- confidence in the word of the City Manager based on trust in his judgment and the candour of his reporting.

These are the essential components of how a Council impacts the City. Each is critical to its success and ability to be effective representatives of its citizenry.

The quality of the relationship between Council and administration lies at the heart of whether or not the City will be judged as successful by its residents and those external to the City and its corporate body.

17.2 Our Observations

This Council (2013-17) is responsible for what transpires during its term or “on its watch”. It cannot be held to account for what was done previously or what policy choices were made or what new projects were approved prior to this term of office. This Council took office in late 2013 and was immediately faced with approving an operating and capital budget (proposed 2014-16 Municipal and Utility Operating and Capital Budget) which was presented on November 12th 2013.

Like every council in Canada, this Council “inherited”:

- its administration
- its legislative framework (i.e. the policies, bylaws and resolutions)
- its governance framework (i.e. the approach to Council meetings, use of committees, role of external boards and committees)

- its procedures (i.e. its way of conducting its business including the important role of Council meetings).

The intended relationship between Council and administration was seldom if ever reached in this term. How much of this was due to a poor Mayor-Councillor relationship is unclear but certainly that had some impact. It was expressed to us by a majority of Councillors that the enmity between a portion of Council and the Mayor spilled over to the relationship which those same Councillors had with the City Manager. That is, the Mayor was viewed as supportive of the City Manager who in turn had a less than confident, comfortable, amiable relationship to a segment of Council. Criticism of the one was therefore viewed as applying to the other, whether this was fair or not.

The then City Manager was keen to preserve what he saw as his own mandate and contractual authority/obligations and therefore resisted any attempt (as he viewed it) by members of Council to interfere. This resulted in a degree of discomfort and edginess between some members of Council and the City Manager.

That tenuous relationship was further damaged by the decision of the City Manager to hire a member of Council as the Chief Community Development Officer. While we have reviewed this appointment in terms of when certain decisions were made by the individual parties involved and whether or not proper process was followed, two things are clear:

1. the City Manager has the authority to fill the senior management positions in his administration utilizing whatever process he deems most likely to result in good candidates; and
2. the timing of the decision would be expected to bring criticism from both the public and from Council as it gave the appearance (at least to some) of unfair advantage to the former Councillor.

17.2.1 CM Authority

Council's governance is directly impacted by the relationship it has with its City Manager (CM) and by the authority granted to him. The latter is defined by four principal instruments: the Municipal Government Act (MGA) (Sec. 205, 207, 208), the CM bylaw, employment agreement (contract) and by policy. The MGA establishes the

legal foundation to the role of CM and in designating the duties and expectations of that role.

This legislation is supplemented by the duties and responsibilities conveyed to the CM in the bylaw, contract and policy. The bylaw is an historical legal document; the contract fleshes out the working relationship and employment conditions whereas the policy both adds to and limits the matters delegated to the CM.

St. Albert has had a City Manager bylaw dating back to 1974 (Bylaw 7/74). It was subsequently amended in 1980, 1987, 1994, 2002 and most recently 2016. The bylaw (#13/2002) (approved on April 15th 2002) is very extensive and covers a wide range of duties and powers for this position. While it was amended on December 12th 2016, we were advised that the only amendment was as follows:

Bylaw 13/2002 is amended by the replacement of section 9(3) with the following:

(3) The City Manager shall advise Council in advance of implementing major changes to corporate structure, including changes that involve creating new departments or re-allocating departments to different Divisions.

Some of the key duties and authority include:

- *Clause 9 (2) (a) establish administrative policies and procedures...*
- *Clause 9 (2) (b) hire, appoint, suspend, remove or terminate any employee from any position in the City;*
- *Clause 9 (2) (c) direct, supervise and review the performance of the Administration; and*
- *Clause 9 (2) (d) establish the structure of the Administration including creating, eliminating, merging or dividing departments provided that any such reorganization does not result in a decreased level of services to the community.*
- *Clause 10(2) The City Manager may authorize over-expenditures within the operating or capital budgets.*

We note for sake of reference that the subsequent clause 10 (3) clarifies and limits this power by stating that “Notwithstanding Section 10 (2), at no time may the City

Manager authorize cumulative operating and capital expenditures in excess of the approved total operating and capital budgets.”

Also of interest given what we see in this instance is Section 2 which provides for the fact that the City Manager:

- *Is the contact between the administration and Council*
- *Is the conduit of any communication from the administration to Council*
- *Is the advisor to Council on matters pertaining to the operations of the City; the financial state of the City; Council policies and procedures; administrative policies and procedures*
- *Will answer any inquiries from Council.*

The City also enters into an “Employment Agreement” with the incumbent CM subsequent to the Bylaw. The Agreement adds the personal aspects including:

- Term of the agreement
- Renewal arrangements
- Salary and benefits
- Performance reviews
- Vacation entitlement
- Moving allowance
- Residence
- Termination stipulations (with and without cause)
- Confidentiality
- Business activities following employment
- Assistance in recruitment of successor
- Indemnity.

City Council policy (C-CAO-01) (originally approved September 9th 2001 and last revised on December 12th 2016) also impacts the roles of the CM and his relationship to the governance by Council. The purpose of the policy is described as:

To delegate specific authorities and matters to the City Manager, and to establish limits on those delegations where necessary. This Policy provides

additional delegations to the City Manager to supplement the City Manager Bylaw.”

The key clause in what is described as a “policy statement” is as follows:

As authorized by provincial legislation, Council may delegate certain responsibilities and authorities to the City Manager, in the spirit of maintaining Council’s ability to govern the municipality and maximizing the City Manager’s ability to administer the municipality effectively and efficiently.

The policy then describes what are referred to as “service standards/expectations”. These statements outline a wide range of CM duties and add clarity to the authorities granted the CM in such areas as:

- Organizational behaviour
- Resident, client, customer and supplier relations
- Human resources
- Financial planning and budgeting
- Financial conditions and activities
- Emergency succession
- Asset protection
- Compensation and benefits
- Communication and support to Council
- Global Council/City Manager relationship
- Unity of control
- Accountability of the City Manager
- Policy review.

This policy impacts the Council-Manager relationship by extending certain powers to the CM which may not have been clear in the Act, bylaw or contract. While the policy might be viewed as expanding the authority delegated to the CM, we are concerned that other clauses interfere with the expected relationship. That is, and for example, section 11 (a) (i) states that *“only decisions of Council are binding on the City Manager, subject to the following: if authorized by Council, decisions or instructions of individual Council members or committees are binding on the City Manager; in the*

case of Council members or committees requesting information or assistance with Council authorization, the City Manager shall comply with such requests.” Such statements (see also City policy C-CG-05, 2.e) appear to contradict the expected reporting relationship of the CM to Council as a whole and ought to be reviewed by appropriate experienced municipal legal experts to ensure that such statements are consistent with the MGA, bylaw, contract and other policies.

17.2.2 Observations on Role of CM

The CM roles, responsibilities and authorities are outlined in the Act and in the CM Bylaw and Employment Agreement. These are relatively standard documents with some exceptions. We believe that the City and relatively new CM should review the Agreement dated January 2nd 2017 and determine if there any sections which might need to be changed to provide enhanced clarity. For example, we believe that Section 9.4 regarding seeking the advice of the outgoing CM on his replacement is not advisable given that it is Council’s role and duty to retain any subsequent CM and that this ought to be done without the involvement of the outgoing CM regardless of how agreeable that relationship had been.

The foregoing sections and references are cited given the ongoing style of both Council generally and the Mayor specifically to tolerate the flow of questions from members of Council to members of the administration without reference to the City Manager. While this may seem egalitarian, it is also very problematic given that questions are asked at a Council or committee meeting which may be “value-laden” or for which immediate answers are expected whereas no “heads up” was provided by members of Council prior to the meeting(s). Such a style places the CM in the awkward position of not being fully prepared for the line of questions being asked and thus unsure if the questions ought to be interrupted and deferred to a later meeting. If that occurs with any regularity, Council members may sense that their questions are being stonewalled without fully appreciating that any answers they receive may be subsequently corrected or amended by the CM.

Any policy questions are in order provided that: a) they are directed by protocol to the City Manager; and b) that no immediate answer is expected by the Councillor (or

Mayor) asking the question(s). Otherwise, this flow of questioning will be virtually unending and may not always be appropriately intentioned.

This style of governance is impacted by the fact that there are a number of staff present in Chambers for Council meetings, some of whom may be there to make presentations to Council. Each of those presentations ought to be introduced by the City Manager (or as delegated to the applicable General Manager) with an introduction of who the principal presenter will be and what office they occupy. Once the presentation has concluded, the Mayor ought to direct any subsequent questions from Councillors and Mayor to the City Manager, not to a staff member who does not report to Council. While that may sound overly formal, it is not. It is intended to reflect respect for the authority of the City Manager and to ensure that responses are kept at a policy level and do not delve into what has been described as “administrivia” (i.e. interesting perhaps but generally administrative/detailed in nature and consequence).

While we discuss and outline the roles to be played by the City Manager and management relative to what information is presented to Council, there does not appear to be sufficient control (by management) over the type of items which warrant Council’s attention. We question, for example, why a departmental annual report is treated as akin to a major delegation on a substantive matter. While the report which we witnessed being presented (Environment Department) was interesting and well-presented, there are 21 other departments who could expect to be accorded a similar audience with Council and accorded approximately the same amount of time. Annual reports are, in the main, a “look back” and are presented as information on what the body presenting the report has accomplished. If presented, such reports could be delivered in committee if not simply made available as a document for interested Councillors to peruse as time allows.

It is apparent to the Inspector that Council has replaced a fairly controlled environment between Council and City Manager with one that may seem at first glance to be much more open and transparent. Unfortunately, whenever the pendulum swings it seldom lands midway on first try. The ultimate and reasonably predictable result if the current trend continues will be a Council that will seldom be

satisfied with currently-available information; and an administration that will view Council meetings with considerable trepidation. The level of questioning has become focused on a degree of detail that is not and will not be conducive to solid management nor to a desirable degree of role clarity. Further, the level of detail expected in these questions would be very unlikely to add value of any policy consequence.

It is clear that the members of St. Albert's senior leadership team (SLT) have a considerable impact on Council and how well it delivers on its mandate. SLT is (or should be) expected to manage their respective departments in an effective and efficient manner; and in so doing be a tremendous and vital support linkage for the CM. According to the CM's bylaw, he has the authority to choose his own team and will be held accountable for their quality of management. This is not a frivolous statement: it is one which the CM knows to be true. His performance review is a direct reflection of how Council sees the remainder of senior management. These are very important people and are critical to the ability of Council to deliver on its mandate.

17.2.3 CM Performance Management

An annual performance review of the CM is a requirement under the Municipal Government Act (MGA) section 205.1 which states:

205.1 A council must provide the chief administrative officer with an annual written performance evaluation of the results the chief administrative officer has achieved with respect to fulfilling the chief administrative officer's responsibilities under section 207.

The St. Albert CM Employment Agreement (October 21st 2016) requires that the Council conduct an annual performance appraisal and salary review. Such a review is to be conducted by March 31st of each year. As will be the case in other such agreements, the manner of conducting such a review is not prescribed.

The City has a standardized and comprehensive format for conducting such reviews and has utilized the services of its Director of Human Resources to do so. Given that the Director is a City employee reporting indirectly to the CM, this requirement is both inappropriate and unfair. It places the Director in the position of having access

to information which will compromise her independence as a member of senior management and which could jeopardize her relationship to her employer. (We note that the individual in question has been very professional in her approach and our observation/recommendation is based on the principle and not on the person or her competence).

Council should retain external expert assistance in conducting this important review/assessment whenever such a review is being undertaken (presumably on an annual or semi-annual basis). If there is an informal assessment to be done part way through the formal review period, this ought to involve only members of Council or else external assistance should also be sought and employed. This is a reasonable cost of business to the City given the importance of this relationship.

At the regular meeting of St. Albert City Council held in Council Chambers on November 2, 2015 the following motion was passed:

That the City Manager Performance Evaluation Work Plan/Timetable, Attachment 1 to the Agenda Report dated November 2, 2015, include quarterly written performance review from City Council led by the Human Resources Director beginning in Q1 of 2016.

The first quarterly report was completed utilizing a survey tool that incorporated questions agreed upon by Council. The survey was sent by the Director of HR to each of the Council members. The Director received five out of seven possible responses. The survey results were compiled into a report that the Director presented to Council on May 15th 2017. The Director was subsequently instructed by Council on May 15th 2017 to replace the new quarterly review tool that was utilized for January to March 2017, with the performance tool previously utilized for the annual CAO performance review process for the upcoming quarterly review process scheduled to be compiled in July 2017. Essentially, the tools are both survey-based however, the annual process is more comprehensive with additional questions and a wider selection of respondents. The current CM has participated in this process and feels that the format addresses the key matters which ought to be central to such a review. He has had the Q1 review in April and received feedback from the Mayor. The Mayor communicated the general response from his colleagues which was positive. The CM had virtually nothing to do

with the process and received only the output. We were subsequently advised by the Mayor that the latest quarterly performance feedback had been provided to the CM as of late May.

The CM expresses being used to an annual formal process with a check-in every six months. This was described as the norm in the City organization for other employees. The quarterly review becomes very focused on specific results as opposed to a longer term perspective.

With respect to our observations:

1. Ongoing performance feedback from the Council to the CM reflects sound governance practice.
2. The desire to change the annual process to quarterly was in response to a less than satisfactory relationship between members of Council and the previous CM. Whether or not the need for quarterly assessments still holds is questionable and may eventually be viewed by both Council and the CM as excessive. Semi-annual assessments would likely suffice and yet still address the need for Council to stay on top of any outstanding relationship or results issues.
3. The use of the City's Director of HR (now GM of Corporate Services) is concerning and inappropriate. The relationship of the Director as an employee of the CM needs to be respected and the delicacy of a subordinate being a part of or a party to the review of their "boss" is not sustainable as a practice. External assistance should be retained.
4. Moving to a semi-annual review process would be preferable as the focus would likely become more strategic and less tactical. This would be far more likely to be of value to the CM and ultimately to the Council.

17.3 Senior Leadership Team

City Manager Directive (A-SLT-01) outlines the purpose and mandate of the Senior Leadership Team (SLT).

SLT works as a collective body in order to assist the City Manager in:

1. *Working to provide governance advice and guidance to Council as required.*

2. *Ensuring that the direction provided by Council is effectively put into action.*
3. *Overseeing and guiding the administrative governance of the corporation both generally and specifically as it relates to major administrative directives.*
4. *In addressing significant emergent issues or challenges as they arise from time to time that affects the corporation.*
5. *Monitoring and providing leadership guidance as required to maximize the overall following focus areas;*
 - a. *Financial health of the corporation*
 - b. *Talent engagement of the corporation*
 - c. *Safe well-being of the City and the corporation*
 - d. *Operational effectiveness of the corporation*
 - e. *Community satisfaction with service delivery*
 - f. *High corporate emphasis on economic development expectations.*

17.3.1 Observations: SLT

There is a general respect for the important role played by SLT and the importance of the CM in having a group of senior managers whom he respects and trusts. This has also enabled the new CM to make managerial changes without a lot of interference by members of Council. Council's regard for this body has increased with the appointment of the new CM.

The senior leadership team (as the group of four senior managers are referred to) are expected to meet regularly to ensure full communication between them and to ensure that their messages to Council are effectively coordinated. SLT needs the opportunity to meet on its own for holding candid discussions regarding the current state of affairs inside the organization and how it intersects with its Council. These meetings also serve a very important communications function in that the rest of the organization should receive regular briefings on any managerial decisions being taken which impact them and their respective roles.

What is Council's governance interests in these meetings? Simply that such meetings are being held which provides assurance to Council that management is concerned about ensuring that the work of the organization is effectively coordinated.

Is there a governance role for Council in this regard? Certainly, and that is to develop a comprehensive policy which indicates Council's expectation that management will ensure that its messages and functions are appropriately coordinated so as to achieve the goals of this Council. We note that such a statement might be embedded in the communications policy spoken to earlier in this Report.

The CM must ensure that all of the departments are working in a collegial fashion so as to serve the needs of the City rather than simply the perceived needs of departmental employees. Support departments like IT and Human Resources need to work with the operating functions rather than assuming a lead role. Organizations that want to be effective will ensure that this relationship is understood and that "support" functions are there to help other managers make informed decisions accessing the best tools available.

SLT has been generally respected as an advisory body to the CM and Council. We did not find any overt effort to politicize that relationship nor did we find evidence of any personal allegiances between individual members of Council or members of the SLT.

As we noted in the background section of this Report, we expect to find a City which reflects coordinated management so that the advice being received by Council is both integrated and comprehensive. We noted that Council ought to be assured that it is receiving integrated advice on key policy issues.

In this regard we find that City management has structured 13 managerial committees which reflect a varied yet integrated membership serving the needs of each committee e.g. Green Committee, Asset Management Committee, Marketing Committee, Long Term Planning Committee, Organizational Development Committee and so on. If utilized properly, these committees can serve a variety of purposes which will enable both senior management and Council to have access to the best minds in the organization bringing to bear their ideas for the best solutions to challenging topics.

17.3.2 Leadership Team

The City also employs a larger leadership group known as the Leadership Team (City Manager Directive A-LT-01) which meets monthly and which is expected to:

Work as a collective to ensure the progressive and uniform advancement of the City of St. Albert as a corporation in the delivery of services to the community.

The primary focus areas of the Leadership Team shall be:

1. **Organizational Leadership and Culture Charter Advancement** - *the Leadership Team will work to better understand the Charter and its primary focus areas, collaborate to continuously and collectively become stronger in each of the topic areas and to employ activities and initiatives to coach, mentor and lead each respective department's team and operations in continual evolution of each topic area.*
2. **Corporate Sounding Board** - *the Leadership team will act as the primary stakeholder to provide feedback on select corporate initiatives as selected/initiated by the Senior Leadership Team (SLT).*
3. **Corporate Initiative Drivers** - *the Leadership Team will act as the drivers to ensure that key select corporate initiatives, as directed by SLT, are implemented broadly and deeply across the corporation.*

17.3.3 Observations

The Leadership Team (LT) meets monthly. It is comprised of the CM, the Senior Leadership Team (the GMs) and the Directors. The Agenda is set by the CM, but usually in consultation with the Senior Leadership Team. The LT does not keep formal minutes but there are measurable outcomes, such as the recent "Culture of Accountability" one-pager which will be finalized with the Leadership Team and then posted throughout City facilities. The LT is also doing work on prioritization (rolling up core services, Council's priorities, capital, etc.) to prepare a master list as these were done in isolation and were not coordinated in the past and thus not being delivered on well. LT will be focusing on the top priorities going forward to deliver measurable results. The CM is attempting to re-model LT such that its meetings will become interactive and collaborative. He reports that the LT has responded, is

engaged and contributing. As might be expected, nothing from these meetings goes to Council other than the CM advising that he holds meetings from time to time with LT.

18.0 Audit Services & Financial Oversight

St. Albert contracts with a professional accounting firm to provide attest audit service. This is consistent with Section 280(1) of the MGA, which requires municipalities to appoint an external party to audit the annual financial statements of the municipality.

Recently, the City has put in place plans to acquire internal audit services. Such services can be delivered by City staff or through contacting for such services. In this section, we will discuss the state of both audit activities in to the City.

18.1 External Audit

The external auditor's task is to express an opinion on the whether the financial statements conform to appropriate accounting principles (Canadian public sector accounting standard). The goal of the audit is to gather sufficient appropriate evidence to conclude on the financial statements. Also, typically the auditor issues a letter to management which may include recommendations to improve systems. The point of the audit is to provide assurance to the users of the financial statements that they can rely on them for making decisions. As such audits serve governance.

18.1.1 Audit Engagement

When we consider the audit, we think of it in two ways: the first being the relationship with Council and management. The second is the audit itself and its reports.

With respect to Council and management, a critical element is the independence of the auditor. The auditor is required to discuss independence in their plan and final report. Independence starts with contracting with a credible, experienced professional accounting firm that adheres to appropriate standards.

The auditor is appointed by Council. This was the sixth year for the current auditor. With this audit, the contract with the current auditors has been completed. Thus, an RFP will be issued in 2017 for selection and appointment of the next auditor.

Council, as the governing body, must establish a relationship with their auditor. In many organizations, this is done by the Audit Committee of the governing body. In St. Albert, City Council carries out this function as part of its regular meetings. This entails meeting with the auditor at least twice a year, once to review and comment on the audit plan and secondly to review and discuss the results of the audit. Good practice is to include as a regular part of the audit meeting agenda, in at least one of these meetings, an in-camera session which includes just the auditor and Council. It should not occur only on “as requested basis”. Meetings with management and the auditor take place to set up the audit, during the audit and at the end. They can be characterized as execution activities and not as governance.

The auditor reports that there were no issues with management. Meetings, plans and reports are conducted/prepared in accordance with relevant Canadian Audit Standards (CAS).

The plan for the audit engagement sets out the components of the audit. These are:

1. Initial Planning
2. Assessing and responding to engagement risk
3. Developing and executing the audit plan
4. Reporting and assessing performance.

With respect to governance, the audit interfaces with Council when the plan is presented with respect to any questions that may arise during planning and the audit, and then with the presentation of the final report.

18.1.2 Planning

On September 19th 2016, the auditor presented its plan for the December 31st 2016 financial statement audit. The plan presented to Council was prepared in accordance with the CAS 260.15. As is the practice of Council a video of this meeting is available on line. The presentation occurred during a regular Council Meeting and was attended by the audit partner. We noted that there were very few questions or comments by

Council. An in-camera session was not included in the agenda nor was one held. The plan was accepted by Council.

18.1.3 Reporting

The auditor issues three reports at the end of the audit. These are:

- Auditor's report on the financial statements
- Report to City Council on the audit
- Letter to management.

We examined the reports for the fiscal years 2014, 2015 and 2016.

The Auditor's reports on the financial statements were consistent with the relevant audit standards. In all three cases the reports were "clean". That is, they stated that in the auditor's opinion, "the consolidated financial statements present fairly, in all material respects, the financial position of the City of St. Albert as at December 31, 2015, and the results of its operations, changes in its net assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standard."

The Report to Council, which included in an appendix the management letter, set out matters as required by relevant auditing standards. While each had a slightly different form, in substance they were similar. These reports are extensive, reporting back against key risks set out in the plan, commenting on matters such as significant financial statement judgments, audit independence and management cooperation.

For 2014, the report to Council reported back against the plan. In all planned items, the auditor stated that the reached a satisfactory conclusion and there were no difficulties with management.

In the 2015 report, audit risk issues were identified in three cases. In all these cases, the auditor carried out sufficient work to mitigate these risks. The auditor reported positive results in all matters flagged in the plan. In all cases, the auditor stated that they reached a satisfactory conclusion.

The report for the 2016 audit was presented on April 18th 2017. As in the previous years' positive confirmation the auditor reported positively against points set out in the plan. The 2016 report included a section on unadjusted differences. There were three reported:

1. *The City has not accrued for revenue sharing payments to Sturgeon County resulting from the Order of Council dated February 14, 2007. Under the Order, the City is obligated to pay \$80,000 per year from 2009 to 2018. Because of this misstatement, 2015 accrued liabilities are understated by \$240,000 and opening accumulated surplus is overstated by \$240,000; 2016 accrued liabilities are understated by \$160,000 and current year expenses are overstated by \$80,000. This item was included in the management representation letter in 2014 and 2015.*
2. *The City received several contributed assets in form of Land parcels in 2015, and have been accounted for in the current year instead of the prior year. As a result, contributed assets revenue has been overstated by \$2,472,000 and the Accumulated Surplus has been understated by the same amount.*
3. *In 2012, when the City received a contributed asset (150 Carton Drive) it was incorrectly recognized as Contributed Assets as well as Land Held for Resale. Management corrected in 2016 resulting in contributed assets revenue understated by \$641,000 and the Accumulated Surplus has been overstated by the same amount.*

These were individually and in aggregate considered to be immaterial.

The 2016 report was reviewed and accepted by Council on April 18th 2017. The audit partner and a member of the team presented the report. Several questions were raised by Council. No in-camera session was planned or held. Subsequent to the presentation of the audit year-end report, management presented the financial statements.

In each year, several areas of improvement were noted in the management letter. The letter included items cited as new and reported on previously issued recommendations.

In 2014:

- Current year's recommendations:
 - Off-site levy accounting - management agreed
 - Classification on statement of financial position - management agreed

- Reconciliation of deferred revenue listing - management agreed
- Change management policy - management agreed
- Prior year's recommendations:
 - Environmental liability assessment - 2011 - Progress has been made
 - Contributed assets fair value documentation - reported as fully implemented

In 2015:

- Current year's recommendations:
 - Expenses not recorded in correct period - management agreed
 - Account Payable entry not approved before posting - management agreed
 - Reconciliation of restricted surplus reserves - management agreed
 - Timely notification to IT department for terminated employees - management agreed
- Prior year's recommendations:
 - Change Management Policy - shown as in progress
 - Classification on the Statement of Financial Position - 2014 - fully implemented
 - Off-site levy accounting - 2014 - fully implemented
 - Reconciliation of deferred revenue listing - 2014 - fully implemented
 - Environmental liability assessment - 2011 - fully implemented

In 2016:

- Current year's recommendations:
 - Insufficient backup monitoring process - While no express statement of agreement to the recommendation is made it appears from the comment that there is agreement as a change to procedures is proposed.
- Prior years recommendations:
 - Timely notification to Information Technology ("IT") department for terminated employees - an extensive response from management

seems to suggest that management no longer agrees with the recommendation, though they suggest that changes will be made.

- Change Management Policy not implemented - 2011, 2014 and 2015 - Management response was extensive. However, it is not clear if change will occur. It did not seem to address the issue raised by audit which prevented conclusion that it was not fully implemented.
- Expenses not recorded in correct period - 2015 - management response indicated that steps had been taken and that they expect further improvement with a new system to be implemented by 2018.
- Accounts payable entry not approved before posting - 2015 - fully implement
- Reconciliation of restricted surplus reserves - 2015 - fully implemented

We were advised by management that:

“As part of our process, we take an agenda report to Council in the fall to give them an update on the activities we have undertaken in relation to any audit points still outstanding from prior year audits.

18.2 Internal Audit

Council is taking steps to establish an internal audit function within the City. Internal audit differs from external auditor in that the internal auditor can be part of the City organization; and will focus on city systems and programs with a view to identifying issues and pointing to areas of improvement. An internal auditor will not provide assurance to public reports such as financial statements.

Typically, an internal audit function will conform to the standards set by the Canadian Institute of Internal Auditors (IIA). The IIA offers training programs that results in the credential of Certified Internal Auditor (CIA).

Critical to the effective functioning of an internal auditor is its separation from administration. It must be able to operate in an unfettered manner. A committee of the governing body to which the internal auditor reports is the normal mechanism employed. However, this can become just one more process if committee members do not fulfil their role.

A business case on alternative approaches to obtaining audit services was signed on October 16th 2015. It recommended that:

Based on IR: 320.2015 it is recommended that, due to the council motion which ends funding for the internal auditor ending in October 2017, an independent contractor would be the preferred short term option”.

The Internal Auditor and Internal Audit Committee Bylaw was passed on February 6th 2017. The Bylaw amongst other matters provides:

- The internal auditor will be acquired through RFP and subject to a contract
- It will not report to management
- It will work with the Committee to establish its plans
- Council can direct the Internal Auditor to examine a subject area
- Internal auditor will need to respect the FOIP Act in term of requesting information
- The Committee will include public members.

Steps are underway to obtain internal audit services and this is expected to be in place by the end of the year.

18.3 Our Observations

With respect to the external audit we observed that much of the relationship is consistent with good practice; for example:

- The audit is appointed by Council. This makes it clear that the auditor works for Council and not the CM.
- The auditor meets with Council to discuss the plan. This provides Council with an opportunity to suggest areas of concern for the auditor to consider during the execution phase.
- The auditor meets with Council to discuss the result of the audit. This provides Council with an opportunity to gain a deeper understanding of the audit.
- The audit itself seems to follow good practice with appropriate interface with management.
- We were advised that Council will receive a report on progress implementing the recommendation.

18.3.1 Meetings

Meetings regarding the external audit are held at regular Council meetings. While this may be normal practice for municipalities, most organizations employ an audit committee format. Were the City to adopt this practice of a committee briefing, there would be an opportunity for a more in depth discussion and moving to in camera session would be easier.

As noted, there was no in camera session. The Mayor did ask if the auditor wanted one and the auditor declined. This puts the auditor on the spot and does not seem to consider if others on Council may want to discuss any matter with the auditor. Good practice is including an in camera session (relative to the audit) on the agenda and to routinely go into it. We note that the plan is to establish a Council Internal Audit Committee; expanding the role of this Committee to include the external audit may be considered if time is not available to allow routine in-camera meetings at regular Council meetings.

18.3.2 Management Response

In the 2014 and 2015 reports, management's response to audit recommendations expressly stated agreement to the recommendations. This practice was dropped in the 2016 report. Also, some answers seemed to describe the current state rather than what would be changed if anything. This forces Council to try to understand what the response means and to consider what controls might be needed. We note that the Mayor tried to penetrate one such response. These kinds of responses do not serve the Council. A response should clearly state agreement, disagreement or in the unusual event that management is not able to do either then "under study" might be used. If management agrees, then it should state what will change and when it will be done. Given clarity in the response, Council is then able to monitor management's efforts to fix a problem and Council will obtain a more clearly-focused insight into management's commitment to internal control.

18.3.3 Internal Audit

The recently passed bylaw governing the Internal Audit and Internal Audit Committee lays a sound foundation for the role of these two bodies. Of interest is the clause

related to the impact of FOIP Act on the information requested by the auditor. During Council discussion on this matter, it was suggested that the auditor may need to submit a FOIP request and pay the fee on occasion. It was further stated that some parts of the information provided may be redacted. Administration of FOIP requests is under the control of the CM and staff working on FOIP matters. The risk of this situation is that the auditor's ability to complete a project may be constrained by management. In most cases of when an internal audit process is put in place, auditors are provided with relatively unfettered access to information. In St. Albert, the argument for this bylaw provision is that the Internal Auditor would be an external individual and thus the City is required by law to apply FOIP principles to the relationship. We do not comment on the appropriateness of this view; nor can we say that it will become an impediment to the auditor obtaining necessary information. However, we believe that due to the potential risk to the audit process, this matter will need to be monitored once the auditor is in place.

18.3.4 Financial Oversight

Financial governance works only when Council, administration and the auditors fulfill their separate duties. Each role requires a specialized expertise: governance, financial management and audit. None of the parties can effectively perform the work of the other.

Council governs by directing and overseeing administration. According to Council's direction, administration plans, executes and reports financial results. Auditors work on behalf of Council to oversee administration's financial performance by ensuring the financial results are accurately reported, including the budget.

Council's financial direction to administration is provided through the strategic plan and via discussion and additional, specific written direction early in the budget process.

Based on Council's direction, the City Manager is able to give more definitive direction to the management team regarding preparation of the draft budget. The draft budget is reviewed by the senior management team to make sure it fulfills this interim direction of Council and make cuts, as needed. The City Manager makes the final decisions before the budget is presented to Council as "recommended". Council

considers the recommended budget and makes final changes to produce the approved budget; typically taking about 15 hours to consider and approve.

Financial information reported to Council during the year and at year end shows actual results compared to the approved budget. Auditors have the independence, expertise and tools to properly verify the annual financial results. Therefore, the auditor offers assurance on the actual result as reported in the financial statement and that the budget numbers are those approved by Council. While the auditor does not include assurance on the budget or periodic financial reporting during the year, they typically review the comparison of actual to budget as part of the analytic review procedure and may consider the management reporting process in deciding on the degree to which they can rely on internal controls. If during the audit, the auditor observes significant problems with the budget or financial reporting, these would be reported to Council by the auditors as a weakness in internal control.

18.3.5 Governance Oversight

Council's financial oversight should focus on high level matters such as:

- Overall balance of services and affordability
- Current and long term financial position
- Significant concerns of administration and the auditors
- Major variances from budget
- Execution of major programs and projects.

Financial statements provide the appropriate level of detail for governance oversight. Often one further level of financial detail is helpful to explain the financial statements and budget. For example the financial statements and budget would show all revenues for the organization, plus a schedule of user fees which reports utility charges on one line. The statements and schedule are enough detail for oversight, but one more level of detail should be provided for further information. Total revenue from water, wastewater and waste plus the related rates and impact on users is also needed. Line-by-line examination of financial information or debate of minor projects is too detailed.

The budget builds the foundation for the eventual financial statements to facilitate a comparison by Council of actual results to budget. Including too much detail in

regular budgets and reports detracts from the leadership work of senior management and the governance work of Council.

19.0 Irregular, Improper or Improvident

The Inspection requires us to investigate as to whether or not the City is functioning within the guidelines established by the MGA and other relevant Provincial legislation. In particular, the purpose of an Inspection is to determine whether or not the City has been acting in such a manner as to contravene the guidelines of “irregular, improper or improvident conduct by Council” relative to its governance functions, and they are repeated here:

Irregular: Not according to established principles, procedures or law; not normal; not following the usual rules about what should be done.

Improper: Deviating from fact, truth, or established usage; unsuitable; not appropriate; not conforming to accepted standards of conduct.

Improvident: Lacking foresight; taking no thought of future needs; spendthrift; not providing for, or saving for the future; not wise or sensible regarding money.

The task of providing such judgment requires that we rely on our understanding of the MGA and its reference to such conduct (MGA 574 (1)). We also make reference to actions which we believe to be inappropriate and in those instances we rely on our understanding of “generally accepted governance/leadership principles” that one can utilize and which those serving in elected roles in municipalities would support as reasonable and expected.

19.1 Our Findings

On October 27th 2014 Council held two meetings: its organizational meeting as required by the Procedure Bylaw and, once that was completed, Council reverted to a Regular Meeting. During the Regular Meeting, the matter of CRB (Capital Region Board) Expense Claim Audit was listed as an item on the agenda. The minutes make note of the following: Mayor Crouse recused himself due to a pecuniary interest as the

discussion was regarding his finances. The Mayor left Council Chambers. The following motion was presented (see minutes, October 27th 2014):

- That the City Manager be directed to obtain an independent auditor to perform a full audit of Mayor Crouse's expense claims to the City of St. Albert and the invoices submitted to the Capital Region Board through Crouse Developments Inc. from 2012 to 2014 to determine the extent and exact amount of duplicate billing, over billing, or other improper billing that has occurred for expenses and/or per diems to either organization, with the audit to be paid from the stabilization reserve.
- A second motion was presented which spoke to the expenses of all members of Council...The Mayor was advised of its wording by the Chief Legislative Officer and returned to the Chambers and resumed the chair. That motion was moved and voted on.
- A motion was presented to have administration perform an audit of all of Council's expenses (Councillors for 12 months; the Mayor for 36 months) and the Mayor stayed in the chair and voted. Subsequently, a motion was presented requesting the RCMP to determine whether an investigation was warranted. The Mayor stayed in the chair.
- **Finding:** In these instances, we find that the Mayor acted appropriately. The first motion dealt with the Mayor specifically and by name. The Mayor recused himself and left the Chambers as is required in such a circumstance. The subsequent resolutions dealt generically with Council's expenses and the Mayor resumed the chair which appears to be acceptable and appropriate.
- In the minutes of May 25th 2015 the same topic reappears as the matter of the "Council Expense Report Review, Final Report" was on the agenda. Motions C274-2015 and C275-2015 were both presented and all members of the then Council of six members stayed in Chambers and voted on the matter. Later during that same meeting under the heading of "Independent Audit of Council Expense Report" a motion was presented:

That an independent auditor be contracted to perform a 100% forensic audit of Mayor Crouse's expenses to the City of St. Albert and the

Capital Region Board from March 1, 2012 to December 31, 2014 and provide a written evaluation of the city's expense claim review final report and process change recommendations, with funding of up to \$15,000 from the stabilization reserve.

- After a request to split the motion the following motion was presented:
That an independent auditor be contracted to perform a 100% forensic audit of Mayor Crouse's expenses to the City of St. Albert and the Capital Region Board from March 1, 2012 to December 31, 2014.
- The Mayor's ruling was challenged which resulted in motion C287-2015:
That the Mayor's ruling be overturned.
- That motion was approved with all members of Council voting (see minutes May 25, 2015).
- We reviewed the minutes of this meeting and also watched the video of the portion which dealt with this item. It was clear to all of Council what this motion would be about as it had been previously circulated to Council within the past four days. The Mayor stayed in the chair (and thus in Chambers) to chair this discussion and subsequent motion. (May 25th 2015).

After discussing whether or not the motion was procedurally acceptable, Councillor Hughes outlined the background and her concerns with the administrative review conducted by the City's administration.

Finding: In our opinion, that review by the administration should have been separated from any assessment of individual Council member's claims (i.e. Mayor Crouse). This would then have afforded Councillors with the opportunity to review their approach to recording and charging for various expenses/events. The legitimacy of Mayor Crouse's expenses and whether or not a forensic audit was appropriate should have been dealt with separately. This would then have enabled the Mayor to sit in and discuss the process, approach and legitimacy of expense claims and honoraria. All of Council should be involved in such a review.

The discussion in Chambers eventually resulted in the motion of Councillor Hughes being split. The first part of the motion was then over-ruled as having been dealt with

by the October 27th 2014 motion (Sec. 13.2, Procedure Bylaw). (We note that the Mayor recused himself during this portion of the October 27th 2014 meeting).

The second portion of the original motion recommended an independent auditor provide a written evaluation of the expense review final report. This motion to retain an independent auditor was defeated. Council members speaking to this motion acknowledged that the expense policy and procedures needed to be upgraded.

Regardless of intent, the Mayor should have recused himself regarding the first part of the original motion dealing with the forensic audit. This motion as well as the administrative background report identified an individual (Mayor Nolan Crouse) and for that reason he should have declared a pecuniary interest (Sec.170) (1)(a)); 172(1)(a-b) and removed himself from Council Chambers. In this regard and instance, and while we believe this to be a genuine error in judgment we conclude that Mayor Nolan Crouse acted in an irregular manner and thus could be found in violation of Section 172 (1) of the MGA.

Finding: While it could be argued relative to the May 25th matter that the original motion which cited the Mayor by name was deemed to be unacceptable by Council, the Mayor stayed in Chambers and voted on that decision (albeit the motion would not have been altered in its outcome based on the number of those voting in favour and in opposition). The Mayor is to leave the Chambers when he finds himself in a perceived issue of pecuniary interest and only return when the matter has been addressed.

Finding: In the second instance (i.e. limiting the degree of funding for the lawsuit which named the Mayor) there is more certainty as to the Mayor's degree of involvement and thus culpability. The decision to remain in Chambers was not reflective of the Mayor's training, experience and knowledge. In such matters he should have recused himself the moment he knew the substance of the matter being identified by the motion.

We note that the City has both internal legal counsel as well as access to external counsel. There needs to be evidence that these have been requested to comment on any legal action. The bar in terms of whether or not such an action is sound and logical needs to be set at a high level so as to protect the City from ongoing costs and

distractions to their core business and to ensure that the freedom of expression of citizens is upheld.

Finding: We do not believe that there is any **significant** decision or action in this instance which we believe meets the test of “improvident, irregular or improper” however we recognize that the Council could decide to take up this matter with the courts.

Finding: We do believe that there is evidence that some of the statements and actions of some members of Council were foolish and/or reckless in a particular moment and which might be deemed as “improper” or ‘irregular”.

We find it unfortunate to make this assessment because at the same time we found that each member of Council is committed (or expresses their commitment) to the betterment of the City.

We would be remiss if we did not also point out the misuse of public office. These examples, drawn from amongst others, point to Council members who are not restrained by public accountability but who have allowed their personal animosity to trump caution and expected governance behaviour.

Finding: The issues noted as follows are examples of the type of behaviours exhibited by some members of Council which are, in our opinion, quite improper and irregular and thus not in keeping with the roles of Mayor and Councillor:

- A Council member referred in very disparaging language to colleagues on Council in front of a local school audience of Grade 6 children and staff; this set an early and negative tone and reduced the opportunity to build any sense of team cohesion and resulted in a letter from the Principal of the school of January 10th 2014 which speaks to this matter and their concerns.
- At the Chamber of Commerce Gala on February 1st 2014 (about 3 months into this term), the Mayor in his speech observed that it was a pleasure working as a group of five Councillors (including himself as Mayor) whereas the other two were not included in the Mayor’s preferred group (to his credit, the Mayor agreed that his intended humour and comments were inappropriate)
- The Mayor, without the authorization of Council or for any clear policy reason, sent on May 26th 2014 a letter of complaint to the employer of an

individual with whom he had an issue/encounter; this represents, in our opinion, an over-reach of the office of Mayor

- A Council member refuted the value of attending a priority setting session (facilitated by a member of the Corporate Planning staff of the City) with their Council colleagues to develop an understanding of what each sees as the key priorities for the City moving ahead; the stated reaction was that such sessions are not worthwhile and are considered to be more of a distraction and where their only purpose is “public relations” (e-mail September 30th 2015)
- The decision by the then CM to offer a senior management position (letter of offer April 19th 2015) to a former member of Council who stepped down from Council on April 28th 2015 and accepted a position in senior management (Chief Community Development Officer) on May 5th 2015; this action, which may have been legal in terms of the authority of the CM was ill-considered and should have been spoken against by the Mayor and then by all members of Council. The process violated the City’s HR processes and did not involve nor did it meet the agreement of the City’s HR department (memo April 18th 2017). This decision by the former CM was within his authority but as an experienced manager, he would recognize that this would not likely pass public inspection in a highly politicized environment.
 - The questions from Councillors and the public resulting from that decision left the Planning and Engineering department as a whole under a cloud of doubt as staff members struggled to do their jobs in a very toxic situation.
 - The unintended consequences of this action by the former CM resulted in one member of Council expressing that he was so offended that he could not stand to be in the presence of the Councillor now department head and therefore would be unlikely to attend any planning session at which the now staff member would be in attendance (e-mail, September 30th 2015).

- Was this an improper decision? Based on the absence of any clear, definitive restriction to such a decision we would answer “no”. While the City has subsequently addressed the lack of any meaningful policy on this type of situation, there was no prevailing policy at that time which carried with it explicit sanctions to members of Council seeking employment with the City. As a result, it can be legitimately argued that the decision was the City Manager’s to make and he made it.
- Was this an appropriate decision? Based on the appearance of such a decision to members of Council, some members of the administration and some members of the public, we would answer “no”. There was virtually no break between being a member of Council and then a member of the administration. The candidate was not initially a part of the routine search process and only self-identified as a short-list was being formulated. This, in our opinion, was unseemly and resulted in a decision which ultimately impacted the confidence of members of Council and of other members of the administration.
- Given that the principal individuals involved are no longer employed by the City, we do not see the value of further assessing the hiring process or its appropriateness. We do believe that the City has now taken the right steps in ensuring that a similar situation does not happen in the future.
- We have also made our observation that the City’s corporate and senior management structure should be approved by Council as a policy document which would necessitate a Council resolution to change the senior management structure in a direct reporting relationship to the City Manager (i.e. the number of City “divisions” with a General Manager as a direct report to the City Manager). (We note that this recommended restriction on authority would only apply to the number of divisions reporting to the CM and not to the people who hold those positions. Those hiring decisions are the mandate of the CM. This matter has

effectively been addressed by the amendment made on December 12th 2016.

- A Council member writing a blog (September 23rd 2015) which identifies individual members of the administration and which describes their actions and experience in a very demeaning manner
- A Council member in an e-mail of October 29th 2015 referenced the administration and questioned why Council should support a “culture of dishonesty”
- A very aggressive and threatening e-mail from a Councillor to the Mayor using demeaning language unsuited to a member of Council (e-mail November 19th 2015)
- A Councillor offended by the response of management at a Council meeting (August 22, 2016) to the Councillor’s statement that he e-mailed the management employee the next day and threatened him with physical discomfort (e-mail August 23rd 2016).
 - Statements which are purposely derogatory, mean-spirited, and caustic and designed to undermine rather than lift up have no place in a civil forum. These are not the actions/statements of a mature Council. These could be associated with a Council of individuals who are not willing or capable of setting aside personal agendas for the good of the City. The issue is not the fact that 2-3 members are frequently in opposition to the others on Council. The real issue is how that opposition is expressed between all parties on Council.

Where there is fundamental disagreement or where there are questions relative to how decisions are made or who made them, then we would expect those to be verbalized so that both Council members and the public can be privy to them and so that a judgment can be made as to whether or not the issue has merit.

Councillors and the Mayor should be expected to function:

- as though the welfare of the City is paramount;
- as though decisions will be supported or not on their merits and not on the basis of who proposed the idea/resolution; and

- as though this issue was being judged on its merits and not linked with prior statements or areas of disagreement.

We note that we have not addressed all related matters as we understand some are before the courts or have been withdrawn/settled.

19.2 Code of Conduct

The St. Albert Council has had its current “Code of Conduct” since its approval on September 24th 2001 (as amended). It has been referenced by various Council and staff members over the time since its inception in relation to issues which have arisen in terms of conduct issues which were covered by this Code.

This issue again surfaced in reaction to the hiring (date April 19th 2015) by the then CM of an ex-member of Council who had stepped down to take a position with the City in senior management. While the authority to hire and the timing of the hiring took centre stage, the matter of whether or not it was a breach of the current Code of Conduct was also referenced.

This episode led to a series of questions by members of Council with respect to the legitimacy of the hiring in light of the Code and the responsibility for managing the provisions of the Code. There has been an underlying question as to the responsibility of the Mayor to monitor the Code and any potential infractions and to report same to Council. It was presumed by some members of Council that the Mayor knew of a Councillor being interested in the position which had become vacant in senior management and that the Mayor had not seen fit to brief all members of Council. The Mayor advises that he was not made aware until the offer had been extended to the former Councillor and by then it seemed equally inappropriate to be rolling back a decision by the CM which was deemed to be lawful.

In addition to the MGA and the Code of Conduct, the Procedure Bylaw (#22/2016) also speaks to conduct of members of Council. It makes reference to the conduct of Council members generally in relation to their behaviour during meetings of Council whereas the Code of Conduct speaks to their behaviour both in and out of Council Chambers.

Council is aware that it needs to address its internal issues and has sought external legal counsel (Brownlee LLP) in updating its current Code of Conduct. On February 13th 2017 a motion was passed at the Standing Committee of the Whole:

That Administration draft a proposed bylaw to replace City Council Policy C-CG-08 Council Members' Code of Conduct, and draft amendments to any other policies or bylaws based on the discussion held at the February 13, 2017 Standing Committee of the Whole meeting for consideration by Standing Committee of the Whole at the June 2017 Standing Committee of the Whole meeting.

On August 22, 2016 Council passed the following motion:

That Administration open up and bring forward recommendations for appropriate updates to the Council Code of Conduct by June of 2017.

The City advises that the administration met with their counsel (February 1, 2017) to discuss the intended draft which was to be “rules and values based, with sufficient interpretation dialogue to convey the spirit of the Code”. Various applicable models were suggested and discussed. The lawyer and administration agreed to present the Code in two separate sections: the one dealing with the Code and the other with its enforcement. Council’s input/questions were to be factored in to a subsequent presentation at a meeting in mid-June 2017. This will be followed by “a period of public input via a non-statutory public hearing before the bylaw is passed no later than September”. This would enable the bylaw to be approved by this Council which meets for its last regular meeting of this term on September 11th 2017.

We were advised that *Bill 20, the Municipal Government Amendment Act, 2015 (“Amendment Act”), includes changes to the Municipal Government Act that will make it mandatory for all municipalities to adopt a councillor code of conduct, by bylaw, that applies to a members of Council equally. At the time of writing this report, the Amendment Act has received Royal Assent, but has not yet been proclaimed in force and the associated regulation has not yet been passed. The City of St. Albert has proactively undertaken a review of City Council Policy C-CG-08, the Council Members' Code of Conduct, in anticipation of the Amendment Act coming into force. The proposed Council Code of Conduct Bylaw:*

- *Is formatted and presented as a Council bylaw, rather than a policy to meet legislative requirements;*
- *Establishes a series of principles and values that all members of Council shall adhere to;*
- *Sets clear guidelines regarding external communications with the public, the media and other orders of government, including the use of social media by members of Council;*
- *Reinforces the City’s commitment to ensuring a safe workplace free of harassment and discrimination*
- *Outlines rules of engagement between members of Council and staff in City Administration and sets clear boundaries based on their respective roles and responsibilities;*
- *Clarifies what gifts and other benefits members of Council may and may not accept by virtue of their office; and*
- *Establishes a third party process for investigating and reporting to Council on alleged contraventions of the Code of Conduct by a member of Council”.*

19.3 Our Observations on the Code of Conduct

The Code of Conduct in effect when the issues arose earlier in this term of office (C-CG-08) is in our view a useful document as far as it goes in terms of defining what ethical conduct is and what members of Council agree to when they sign the Code as part of their entry into the life of an elected official. The policy is fairly clear:

Council members commit to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as Council members.

Section 4 (b) strikes the reader as fairly clear vis-à-vis taking on a position with the City’s bureaucracy while a member of Council. It states that:

Council members shall not use their positions to obtain employment with the corporation for themselves, family members, or close associates.

While one could argue the differences between stepping down and immediately placing an application into the ongoing search process for a senior staff position and

“...shall not use their positions to obtain employment...” these distinctions have very limited merit. The intent, it seems to us, was clear. The changes being made by the re-writing of the Code will strengthen that distinction and that will be useful.

It is also to be hoped that the “cooling off” period being recommended for the revised/new Code will address any outstanding issues relative to a Councillor taking a staff position with the City.

The revised Code of Conduct will also hopefully be a useful instrument in guiding Council members towards choosing to act towards each other with professionalism and courtesy. This has not been the standard to date. We are aware that in a number of instances it is apparent that Council members do not respect each other and thus their treatment of each other is not at a standard which ought to be expected by all. Further, individual members of Council have verbally attacked members of the administration in public meetings; the level of discourse is not appropriate for a Council to engage in. As well, the type of questioning by some members of Council directed towards the administration often conveys more of a “gotcha” style than simply seeking clarification.

While we commend the Council for undertaking the review and the planned adoption of a new Code, this will be less than successful unless there is an equal and determined effort to focus on the needed and expected respect for roles and a willingness to tolerate differences.

**Section Four:
Conclusions, Findings &
Recommendations**

20.0 Conclusions

This Inspection has been focused on the “governance approach” by the City of St. Albert Council and its senior management. While limited more specifically to Council, it is impossible to conduct an Inspection of this magnitude without considering the influence and impact of the senior management and those who directly interface with this Council. As a result, the reader will see both general and specific references to both components of the municipality i.e. Council and management. Our specific mandate, however, is to advise the Minister as to whether or not the municipality is being managed in an irregular, improper or improvident manner.

There are certain key “basics” which underlie what a Council does and what is expected of it based on the legislation and the principles of “good governance”. These, as we understand them to be, follow:

- The roles expected of Council are both significant and broad. As a body, Council is to reflect the views and aspirations of the citizens of St. Albert and to govern as though those perspectives were at the heart of every decision. This requires considerable preparation and serious discussions with fellow Councillors.
- The Mayor as chair of Council has a significant role in leading his colleagues and in melding them into a collaborative group focused on what is best for the citizens of St. Albert. The visibility of his role in the community is a reflection of the importance attributed to the head of Council and thus the expectations associated with this position.
- Governance refers to the process of decision-making. Each Council determines what mechanisms seem to work best for them and which afford the greatest likelihood of identifying the key issues and determining their consequence and potential outcome.
- Council members are under no obligation to decide issues in a specific manner. They are, however, expected to resolve such issues while being respectful to each other and to their administration.

- While there is considerable latitude in decision-making, the sheer volume of issues of interest to Councillors or which must be resolved by Council can result in a Council sensing that it is frequently rushed into a decision.
- The City Manager and his administration are tasked with two fundamental roles: advising their Council on what the administration believes are the reasonable options to any decision and once a decision is taken by the Council, taking those steps which effectively translate policy into sound actions. While we were not tasked with making any specific observations on their collective ability to do so, we have been impressed with what we see as a renewed commitment to enhanced and effective management.
- One of the implied duties of the Mayor is to draw his colleagues together in a mutual spirit of “what’s in the best interests of our City?” While there is no question as to the Mayor’s sincere desire to serve his fellow residents, and while he has committed a sacrificial degree of time and energy, the ultimate result has been a fractious Council who have displayed disrespect to the Mayor, each other and to members of the administration. This rightly or wrongly lands on the desk of the Mayor.

21.0 Inspection Findings

The principal question at the conclusion of our Inspection is centred on the mandate which we were given at the outset: did we find evidence of whether or not the municipality is being managed in an irregular, improper or improvident manner; and thus are there any recommendations to the Minister to address results of the inspection process. What we found was:

- A Council which is committed to serving what they see as the best interests of the City of St. Albert
- A Council that has recognized its need for change in how it approaches its mandate
- A Council that has struggled mightily with the concepts of collegiality and respect
- A Council which has focused as much on who said what as opposed to what was said

- A Council which paid heed to some aspects of its code of conduct but witnessed some members carrying on as though it only applied to the others
- A Council whose membership included those who chose not to respect the Mayor's leadership roles and expectations choosing rather to oppose based in part on the animosity which arose prior to the election as well as the Mayor's subsequent inability to pull the Council together
- A Council whose membership includes those with an insatiable desire for administrative detail and who do not recognize the downside of their behaviour; this additional time spent on satisfying a Councillor's curiosity is time taken from senior management whose principal task is the management of issues, not explaining in copious detail the inner workings of an administrative issue
- A Mayor who began this term with an expressed desire to cooperate with those he had considerable disagreement with during the campaign and when rebuffed began to focus his goodwill and cooperation on those who he felt were being supportive and collegial
- A Mayor who as the principal "tone-setter" for the Council, has not been able to raise the bar on respectful discourse and debate but rather has been party to issues and decisions which regardless of intent have not healed but divided
- Individual Councillors who acted with considerable disrespect to other members of Council, the staff and in some instances the public
- A Council which developed a deep attachment to details in reports to the extent that administrative reporting became more of the focus than Council's policy role
- A Council that has continued to make decisions and move its agenda forward in spite of the apparent lack of collegiality and respect.

Based on our understanding of the core mandate of this Inspection, and on our experience in assessing a Council's decisions and actions, we found some evidence of the municipality "being managed in an irregular, improper or improvident manner". While there has been a number of instances of what we would describe as inappropriate behaviour (some of which we have described), the examples of irregular, improper or improvident actions are not, in our opinion, substantive but more a factor of disregard and carelessness. While this may appear to some to be less

of a definitive statement than expected, consideration must be accorded to the total picture, the part such decisions played and their resulting impact.

22.0 Recommendations

1. Handling of Report

- a. We recommend that this Report be released to staff of the City and to the public.
- b. We recommend that this Report be considered carefully by Council and that these recommendations be implemented as early as possible; if the recommendations are not fully considered or implemented by this Council that they be recommended forward to the 2017-21 Council.

2. Strategic Planning

- a. We recommend that Council and the City Manager review the current approach to strategic planning with the objective of developing an approach that is strategic and Council-led.
- b. We recommend that an external facilitator be utilized by Council in the development of its Plan; and that senior management be invited to any Council retreats where the Plan is the main item on the agenda.
- c. We further recommend that the Council Policy (C-CG-02) be revised to clearly indicate that the Strategic Plan will reflect Council's responsibility for providing its direction to the organization and City.

3. Policy Development

- a. We recommend that all Council policies be reviewed by a Council sub-committee with access to an external facilitator; that a timeline be established for a prompt review of current policies; and that revisions be brought back to Council for its approval.
- b. We recommend that any policy review ensure that Council's policies are indeed reflective of the governance mandate of the Council.
- c. We recommend that managerial directives be the purview of the City Manager but that they reflect and be directly tied to a Council policy framework.

4. Council Relationships

- a. We recommend that the 2017-21 Council meet as a body within 14 days of the October 2017 election to discuss their leadership/governance style so as to maximize their ability to function as an effective governance team.
- b. We recommend that all Council members ensure that their comments publicly and privately are respectful of each other.
 - i. We further recommend that all members show respect both publicly and privately for the Mayor as the chosen leader of the City and assist where possible the Mayor in his/her duties as the leader of the Council.
- c. We recommend that Council agree to a planned schedule of “governance updates” be scheduled wherein one or more governance experts be invited to share a “governance moment” (i.e. based on an accepted governance principle) on a quarterly basis.

5. Governance Model

- a. We recommend that the Agenda Committee ensure that the issues on its agenda be those which are beyond the purview of the CM’s authority and of significance on a policy level which would result in the matter being referred to the standing committee of Council to review.
- b. We recommend that Council rename the SCOW the Governance and Priorities Committee; and that the proposed terms of reference for this committee be reviewed by Council and approved. The GPC should take effect immediately following the October 2017 election (see Appendix A).

6. Council Procedures

- a. We recommend that the Mayor be briefed by Legislative Services relative to the agenda and what issues might be anticipated or encountered so as to ensure that the Mayor is as well-briefed as possible.

- b. We recommend that those in attendance at a Council or committee meeting be provided access to the “rules of delegation” as noted in Section 16.
- c. We recommend that the Procedure Bylaw be reviewed and revised based on any adjustments/changes required as a result of the adoption of this Report.
- d. We recommend that the Mayor not allow any debate to begin unless there is a motion on the floor. This will improve the focus and relevance of the debate.
- e. We recommend that any items on the “consent agenda” should only be removed by a majority vote of Council and not at the request of a Councillor.
- f. We recommend that questions asked by members of Council directly to members of staff other than the CM should immediately be ruled out of order by the chair.
- g. We recommend that questions which come to the mind of a member of Council as they read the agenda package in the days leading up to a Council meeting should be communicated to the CM (or as designated) so as to provide the administration with a “heads up” and the time to prepare a response which will enlighten the person asking as well as the audience. We recommend that the Mayor or chair of the standing committee exercise increased discretion relative to any proposed motions or requests for additional administrative detail from the CM or his designates. We recommend that a day be set aside early in each new year wherein departments will be asked to present their annual reports to Council, the public and any members of staff eligible/available to attend. This will be an optional day for Council members as this information will also be available electronically.
- h. We recommend that Council members identify their “information requests” at the conclusion of a regular Council meeting; that these be assembled by the CM and brought back to the next committee meeting

of Council for a decision as to which ones Council wishes to task the CM with in terms of gathering a response. Such responses will be sent out to all members of Council.

- i. We recommend that the CM (with the input of the Auditor) recommend to Council the extent to which it should be involved in any detailed budget issues. We further recommend that the CM review the current approach to the development of the capital plan so as to ensure that the administration's recommendations as to priorities are clearly enunciated, are factual and briefly described.
- ii. We further recommend that, as with the recommended approach to other matters on the agenda, that Council focus at a governance/policy level in their discussions and decisions.

7. Review of Agendas

- a. We recommend that the CM do a serious review of agenda packages for committee and Council meetings to ensure that these are clearly written, policy-oriented and succinct.

8. Council-City Manager Relationship

- a. We recommend that Council retain external expert assistance in conducting its performance reviews of the City Manager.
- b. We recommend that Council and the City Manager adopt a semi-annual review process so that the focus becomes more strategic and less tactical.

9. Audit Services

- a. We recommend that Council meet at least annually on a confidential basis with its auditor to ensure appropriate governance oversight of this critical function.

10. Inspection Findings

- a. We recommend that the Minister release this Inspection Report to the Mayor and Councillors of the City of St. Albert and request their

confirmation of specific actions that they intend to take to address the important matters raised herein.

- b. We recommend that the Minister not proceed with respect to any further action on those instances wherein the Inspector made note of actions which may have contravened the definition of “being managed in an irregular, improper or improvident manner”.

Respectfully submitted,



George B. Cuff, FCMC
President

Appendix A:
Governance & Priorities Committee

Terms of reference for the Governance & Priorities Committee

The following are proposed as the appropriate terms of reference for the GPC. The GPC may:

- ✚ Meet to discuss the few significant issues referred to the GPC by the Agenda Committee (i.e. will not discuss items of a routine or administrative nature)
- ✚ Hear from delegations relative to these issues as invited by the GPC
- ✚ Review matters forwarded to it by the CM or by Council via the Agenda Committee
- ✚ Approve matters which it considers are within current policy
- ✚ Refer any matter for approval on to a regular meeting of Council which is not the subject of current policy (including new statements of policy)
- ✚ Meet on the alternate weeks to that of regular Council meetings
- ✚ May determine to meet in-camera on a vote of the committee at the conclusion of a meeting; in-camera matters are limited as per the legislation
- ✚ Meet principally as a forum for discussion rather than as a decision-making arena; enables all of Council to review and discuss key issues without the requirement to decide
- ✚ May refer an item to the CM for more information or clarification but must move the issue forward to Council for its consideration and decision upon receipt of the clarifying information (in other words, the referral process if used is intended to be limited on a normal basis to two weeks)
- ✚ The principal advisor to the Governance & Priorities Committee is the CM. Whether or not other management (or other staff) is in attendance is the prerogative of the CM.

All members of Council are the invited participants of the **Governance & Priorities Committee (GPC)** with the CM (and, at his request, members of the management team) acting in an advisory capacity. The purpose of the Governance & Priorities Committee is to enable members of Council to discuss key and significant agenda issues with the administration in a non-confrontational environment prior to their presentation for action on a Council meeting agenda. This committee is not expected to make policy choices or decisions as that role should be reserved to a regular

meeting of Council. The value of a GPC meeting is its intention to offer Council members and the administration alike a forum to present and discuss key issues which will likely have a broader impact on the overall City agenda (i.e. its priorities) in a setting which lends itself to discussion rather than resolution.

GPC Committee meetings will generally have both a public and private component. Issues in the latter category would largely be restricted to those pertaining to legal matters, confidential City land purchases and sales and personnel issues (or other similar matters incorporated within FOIP legislation and/or as advised by the City's solicitor).

Adopting this model (i.e. the GPC) should ensure that Council members are afforded a **period of reflection** on the key or significant issues which are likely to have a broader impact on all members of Council. Thus, the Councillors as a body would be cognizant of the key issues under review by the administration (or by an external body) insofar as they lead to the need for policy guidance from the Council. The actual day-to-day administrative aspects of the work of the City will continue to be discharged by the administration, under the leadership of the CM. The advantage would be an increased degree of Council involvement in the more significant issues as they percolate forward to Council.

Principles of Operation (Governance & Priorities Committee)

The GPC is not just another committee. It is purposely designed differently so as to make use of Council's time in a judicious manner. This committee will not review and comment on all of the items which will appear on a regular Council agenda. It will not "launder" such items nor act as a clearing house for the minutes or day to day business of any ABCs. It will not be a decision-making body. It will meet regularly and it will be expected to discuss and debate significant Council agenda matters: those which could result in a significant policy change or decision that may have a major impact on how the City does its business. On a GPC agenda there might only be one item deemed of significance by the Agendas Committee or there may be several. The recommendation may be to have a presentation on the topic or to invite spokespersons who are known to hold competing views on the topic. At the end of a discussion, the motion will be "to refer the report on XYZ to the next regular meeting

of Council for its discussion and decision”. In short, the purpose is to encourage a more fulsome discussion and debate on a matter deemed by Council to be of some significance.

- ✦ With the exception of any emergency issues brought to the attention of Council by the CM, new policy issues will be considered by the GPC prior to consideration by Council.
- ✦ Any member of Council may request a matter to be discussed at a GPC meeting; such a request will be discussed by the Agendas Committee as to whether or not such an item will be added; if so, and a decision is made by Council to refer the matter to the Agendas Committee, then the item may be added to the agenda of the next scheduled meeting of the Agenda Committee.
- ✦ GPC meetings will be advisory in nature (unless otherwise designated by Council) with recommendations forwarded to Council.
- ✦ The CM has the liberty to re-draft items submitted by the administration for Council approval based on the feedback received at a GPC meeting.
- ✦ The public has the right to attend any portion of the GPC meeting with the exception of any portion wherein the Committee decides on a majority vote to go in camera.
- ✦ The agenda items will be circulated to all members of Council as per the terms of the Procedure Bylaw.
- ✦ GPC will meet no less than once every 4 weeks except during July, August and December when the GPC may stand adjourned except to meet at the call of the Mayor.
- ✦ The GPC meetings will be chaired by the Mayor unless the Mayor designates otherwise; GPC shall designate which member of Council will serve as Acting Chair in the event that the Mayor is absent.
- ✦ Agencies, boards or committees and/or any Council-appointed task forces and public advisory committees will report direct to the GPC who may, in turn, refer their report with a recommendation to Council or may refer the matter to the CM for comment prior to dealing with the report and or minutes.

- ✚ Requests by delegations will be reviewed by the Agenda Committee, who will determine whether or not the delegation should be heard by the GPC or by Council at its next regularly scheduled meeting; all delegations must comply with the provisions of the Procedure Bylaw with regard to providing briefing materials to Council in advance of any meeting with Council (or with the GPC).
- ✚ Final reports or recommended actions arising out of a GPC meeting or from the CM directly should be placed on the agenda of the regular Council meeting and be subject to the discussion/debate of the Council at that time. We view the regular Council meeting as the principal decision-making forum. This is where the major issues of the day need to be aired, debated and decided. As a result, the regular meetings of Council are recognized as the forum for decision-making.

Quorum

A quorum for a meeting of the GPC should be those members present at a regularly scheduled meeting.

Role of the Administration

The primary role of the CM as always is to act as the policy advisor to Council and to ensure that Council has access to well-rounded information that adds to Council's understanding of the issues. During a GPC meeting, the CAO should be engaged frequently by Council in terms of responding to questions or by directing the questions of the Councillors to other appropriate members of his administration.

When a topic is opened by the Mayor to the table (i.e. to the rest of Council in attendance) for its discussion, the best approach would be for the Mayor to ask the CM if he had any additional or new information to add prior to opening the floor to members of Council (or even to the public). The CM may then re-direct the question to the senior staff member most impacted by the topic or under whose jurisdiction the topic fits. Providing that it is always deemed acceptable for the CM to intervene in an administrative presentation, once he has deferred in his initial remarks to a department head, the members of Council should be permitted to continue their questions to that individual. (This is a departure from the protocol at a regular

meeting of Council where members should be asked to direct all questions of administration to the CM).

Administrative Review of Agenda Issues

While the agenda and tone of a GPC meeting is not as formal as that of a regular meeting, the quality of any debate will depend on the quality of the input. This requires that the CM and department heads as appropriate establish their own timeline such that a meeting of the senior management team occurs several days prior to a GPC meeting in order that the department heads can review/discuss the issues from individual departments that are proposed to go forward to GPC.

Authority of a Council Member to Request Staff Reports

Any member wishing a report from the administration should be presenting such a request to Council as a whole through a motion at a Council meeting or through a request to the Mayor to place such a matter on the Agendas Committee meeting. No member of Council has that authority on his/her own.