

Town of Irricana

Municipal Inspection Report

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Municipal Affairs

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Table of Contents

Executive Summary	1
Municipality Description	3
Purpose of the Inspection.....	4
Governance	5
Council Meetings	7
A Team Approach.....	11
Blog.....	13
Relationship with the Public	14
Bylaws.....	15
Boards and Committees	17
Strategic Planning.....	19
Payment to Council and Committee Members (Remuneration).....	19
Credit Cards	23
Minutes	24
Policies.....	25
Attendance at Conferences or Workshops	26
Job Descriptions/cross training	26
Council/CAO Relationship	27
Finance.....	27
Conclusions.....	28
APPENDIX A.....	31

Town of Irricana

Municipal Inspection Report

2011

Executive Summary

The Minister of Municipal Affairs (Minister) received a sufficient petition from electors of the Town of Irricana (town) in May 2011, requesting that a municipal inquiry be conducted for the town. Section 572 of the *Municipal Government Act (MGA)* allows for an inquiry to examine the affairs of the municipality, and Section 574 of the *MGA* allows the Minister to by order, issue directives to a municipal council or a municipal chief administrative to take certain actions the Minister considers appropriate if the Minister believes the municipality has been managed in an irregular, improper, or improvident manner. The Minister decided to undertake the municipal inquiry as a municipal inspection (Section 571 of the *MGA*), and appointed Ms. Sandra Dohei and Ms. Sarah Ranson as inspectors for the Town of Irricana (see Appendix A).

During the course of the inspection, a number of individuals were interviewed including all members of council, some members of the public, and current members of staff. Also, a meeting was organized by the representative of the petitioners and the inspectors to provide an open forum for sharing of information on items specific to the municipal inspection. The inspectors also observed council meetings and reviewed records, including minutes, bylaws, policies, and financial records. The inspectors completed the field work of the inspection in September and October of 2011.

The inspectors heard the following themes repeatedly through the individual interviews and at the meeting with the petition representative. In no particular order, the comments and concerns expressed by those interviewed included:

- Council is not making decisions and is instead deferring the issues.
- Council is split and do not respect or support one another.

- Some members of council look only for the negative in what administration does.
- Some interviewed expressed concerns about the trustworthiness of a councillor based on past activities.
- Administration has feared for their positions.
- Council's inability to make decisions is a reflection on staff.
- The public appear to "blame" staff for the lack of development and why businesses move out of town.
- The community blog has heightened a negative, infectious attitude and belief as to what really is going on in the municipality.
- Some interviewed questioned who really is the anonymous administrator of the community blog.
- Information obtained at in-camera sessions is not always kept secret.
- What is the use of the committee structure and the value to the decision-makers?
- Why are members of committees and boards referred to as "volunteers" when they are getting paid?
- There is a lack of respect by the public at council meetings.
- There is hypersensitivity in the community about the municipality's public engagement.
- Some citizens feel there is a lack of transparency.
- The method by which councillors are paid promotes inefficient meetings.
- There is a lack of formal planning for the future.
- There has been a noticeable increase in council remuneration.
- Bullying tactics are used by some members of council.

- There is a lack of policy development.

Those interviewed were provided with a brief overview of the review process being undertaken, assured of the confidentiality of the discussion, and given an opportunity to ask questions and clarify any points. They were also provided with the opportunity to provide comment on specific issues and current and past events occurring in the town. Even though the inspectors discussed confidentiality with interviewees, we were advised by some participants that confidentiality had been broken as others were told of information discussed during the interview process.

There appears to be a sense of mistrust amongst some members of council, and between some councillors, administration and a segment of the community.

There are certain aspects of the operation of the municipality that require action, and this report sets out recommendations for the town. The inspectors feel it is important to acknowledge that they believe that the administration are eager and willing to take steps to improve the municipality for the betterment of the community.

Municipality Description

The Town of Irricana has a population of 1,243 residents and is located approximately 2 kilometers northwest of the junction of provincial highways 9 and 567.

In recent times the Town of Irricana experienced controversy with respect to governance, councillor conduct, and some operational matters. Controversies included, but are not limited to:

- allegations of councillor interference in administrative functions;
- chief administrative officer (CAO) turnover and not appointing a new CAO; and
- an apparent split council.

From 2006 to 2009, the Town of Irricana, with grant funding, engaged a consultant to undertake a dispute resolution initiative. During this project, council and administration identified a number of issues that required attention, and subsequent recommendations to make improvements. The issues included a blurred line between council and

administration's responsibility, negative comments and actions impacting relationships between council and administration, and a lack of commitment to positive change. The recommendations to address the issues included a roles and responsibilities workshop for council and administration, a communications workshop for council and administration, approving a council policy for dispute resolution, and a process for dealing with strategic planning. Despite acting upon these recommendations during the project, the town has not collectively worked towards improved relationships as per policy. However, after much controversy, council and administration agreed to work together and hold their strategic planning process in 2011.

The Town has administrative staff consisting of a CAO that reports directly to council, and the CAO manages a complement of nine (9) staff members, which does not include seasonal workers. The town staff unionized in 2006 as the result of a prolonged period where staff feared for their job security.

The Town provides many services to its citizens. These services include road maintenance, snow removal, solid waste management, water (as a member of the Aqua 7 Regional Water Commission), wastewater services, bylaw enforcement, development control, community services and economic development.

Purpose of the Inspection

The inspectors are required to report on the findings of this review and on matters that fall within the guidelines of the *MGA*. If because of an inspection, the minister considers that the Town has been managed in an “irregular, improvident, or improper” manner, the Minister may, by order, direct the town to take any actions he considers necessary.

The terms irregular, improvident, or improper are defined according to Funk and Wagnalls standard dictionary as:

Improvident: 1. Lacking foresight; incautious; rash.

2. Taking no thought of future needs; thriftless.

Improper: 1. Deviating from fact, truth, or established usage.

2. Not conforming to accepted standards of conduct or good taste.

3. Unsuitable.

- Irregular:
1. Not according to established rules or procedure.
 2. Not conforming to accepted standards of conduct.

Governance

The *MGA* states the purpose of a municipality is to provide good government, services, facilities or other things that, in the opinion of council, are necessary or desirable for all or a part of the municipality, and develop and maintain safe and viable communities. To do this, council's principal role is to develop and evaluate policies and programs, make sure that the powers, duties and functions are appropriately carried out, and carry out the powers, duties and functions given to it under the *MGA* or any other act. Essentially, council establishes policy and programs and they monitor these decisions by receiving complete and accurate reporting from administration on how the decisions are carried out.

There is little evidence to show that the previous councils had any formal training on their roles and responsibilities. Some individual councillors have taken advantage of training opportunities, but council as a group has not had a facilitated session on their roles and responsibilities.

Individual councillors have some general legislated duties as stated in section 153 of the *MGA*:

- 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 and 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 CAO or a person designated by the CAO;

- 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 act or by the council.

Alberta's municipal councillors have a strong record of public service to their communities. When councillors are elected to public office, there is an expectation that they will work with the other council members and administration to make decisions that are the best for the community.

Irricana Council members do not appear to be supportive of one another and this is no secret amongst the council, the public, and the administration. Individual emails are sent by some councillors to solicit support on issues, which do not include all members of council. Innuendo about what some councillors have done or said continues to be rampant in the community. Often it is some councillors, as well as members of the public that "keep the flame" lit when another councillor gets in the fire. This was evidenced by the information written on the blog about the previous Mayor's attendance at the Alberta Urban Municipalities Association (AUMA) Conference in Calgary. One could assume that the blog post was intended to portray the Mayor as "missing in action", and that the comments were purposely posted to be malicious.

The inspectors have determined that the municipality's governance processes are at risk. Council is not working together for the good of the community, not making progress with respect to a decision on the hiring of a permanent CAO, and council is excessively claiming for compensation for preparation for meetings in addition to conducting inefficient meetings. These factors demonstrate to the inspectors that the municipality is currently being managed in an irregular, improper, and improvident manner; the current situation of the administration and the council relationship is volatile. The town would benefit from the appointment of an Official Administrator to supervise the municipality and to oversee the council and administration.

1. RECOMMENDATION: That there be an appointment of an official administrator to supervise the municipality and to oversee council and the municipality.

Council Meetings

The inspectors had the opportunity to observe two (2) regular council meetings, September 19, 2011 and October 3, 2011. Regular meetings of council are scheduled for the first and third Monday monthly in the Centennial Hall in the Town of Irricana. The meeting space accommodates council and has adequate space for residents in the gallery. By holding meetings that are outside the “municipal office”, access to information is not readily available at the meeting should a situation arise wherein more information needs to be accessed through municipal files or computerized documents. At both meetings, the CAO and the reporter for the Rocky View Weekly sat side by side at a table, where the reporter was able to view all of the CAO’s materials. The inspectors found the seating arrangement for the CAO and the reporter to be inappropriate as the CAO could have confidential material with him for in-camera sessions, etc. It is advisable that the reporter be given another location in the room at which to sit and observe the meeting. Members of the public were asked to sign a register upon arrival at the meetings, which is inappropriate and not aligned with provincial privacy legislation. Citizens should have the right to attend a public meeting anonymously. The practice of using this register, or sign-in sheet, should be discontinued.

Mayor Taylor presided over the meeting on September 19, 2011 and all councillors were in attendance. Also attending the meeting was the interim chief administrative officer, Alvin Melton. The mayor is responsible to chair regular council meetings and for ensuring meeting efficiencies and this was not always demonstrated as the rules as currently provided in the policy are not always followed.

There were two separate delegations that had requested in advance to address council regarding specific issues. Council members were generally attentive and showed an interest in the information presented. One of the delegations provided an informal petition (lobbying document) to the council about the 6th street drainage issues. During this presentation, the Mayor allowed another person from the gallery, although not registered as part of the delegation, to provide input on the topic under discussion. The comments provided by the person appeared to be derogatory towards council and in no way contributed to an added value comment to resolving the problems of drainage on the

back lane. By allowing members of the gallery to speak or interject in a presentation, the public have a perception that this is accepted and that they are a part of the meeting. The meeting is council's meeting and the role of the public is to observe the proceedings. The Mayor or person presiding at the meeting must ensure that motions are presented and voted on by all members present at the meeting. There was no motion of council to accept the presentation as information as an acknowledgment. In fact, one councillor advised Mayor Taylor that a motion was not needed for this purpose. At times, councillors asked questions directly to administration, rather than directing the question through the mayor or person presiding at the meeting.

Throughout both meetings observed by the inspectors, all members of council voted on motions inconsistently and incorrectly. There are two concerns with this. First, the councillor who put forward the motion must also vote on the motion, as prescribed in the *Municipal Government Act* (Section 183(1)). Failing to do so could result in a councillor being disqualified. Second, the councillors, including the Mayor, should vote at the same time. By voting one after another, a perception exists that the last members to vote could be persuaded to vote based on the votes cast immediately before theirs. The person presiding the meeting should call for a show of hands of all those in favor, and all those opposed for every council vote. Examples of where an incorrect voting procedure occurred include motions 344:11 Committee Reports and 345:11 RFD-Bank Reconciliation, and others (motion numbers indicated in September 19, 2011 approved meeting minutes).

The inspectors want to acknowledge the CAO's efforts to improve the confidentiality of in-camera sessions, which was witnessed at both council meetings attended by the inspectors. There has been an ongoing concern of confidential information being leaked to the public. To reduce this, the CAO implemented a suggestion from the inspectors to number and copy to colored paper, the confidential information circulated to members of council. If a member of council refuses to provide it back to the CAO for destruction, the CAO becomes aware of the copy that was not returned and who might have culpability in leaking confidential information.

Another concern with the town's meeting procedures is the use of a recording device during the meeting. The inspectors have been told that the practice began since

the last election at the request of council. The reliance on the use of the recording for what transpires at meetings appears to be used as a tool for criticism on who said what on the various issues at the meeting. The recordings are used after the meeting to prepare the meeting minutes. Because the statement of the motion isn't always clear, the person responsible for preparing the minutes is having to wordsmith what they believe the motion to be. This also means that no one is taking notes for the purposes of minute-taking during the meeting to capture the actual decisions of council. As observers of the meeting, it was sometimes difficult to know what the actual motion was that council was voting on as the motion was not restated prior to the vote being called. It did appear that some councillors may not have been sure what the motion was either before they voted.

An opportunity exists within the council meetings to provide the decisions of council through the means of a computer, overhead projector, and screen. There are advantages to having the motions/resolutions stated on the screen so that all members of council and the public are provided with the opportunity to view and read the motion/resolution prior to the vote. The town currently has the equipment to implement this process. We understand that administration has begun the process to introduce the use of technology in the meeting.

The meeting of October 3, 2011 was presided by Deputy Mayor Carr as Mayor Taylor was absent without notice. There is a written procedure in the current procedure policy to advise the CAO in the event of a councillor being absent. There is no enforcement or consequences for a member not abiding by this process, however there should be a courtesy call to advise someone in administration if a known absence is to occur. In addition to the voting procedures and audio recording noted previously, the inspectors observed council's inability to make decisions. An issue relating to land and a personnel issue were discussed at length at both the September 19, 2011 and October 3, 2011 council meetings (in-camera).

The issue of concern relates to item H-4 of the October 3, 2011 agenda: Request for Decision on Tax Refund (land issue). At the September 19, 2011 council passed motion 350:11, that instructed that the request be denied and a letter be sent to the tax account holder. On October 3, there was a Request for Decision Report regarding the same tax accounts. Councillor Constantini moved that the recommendation, to refund

\$947.02 to the tax accounts, be implemented and the town seek legal advice for possible implications moving forward (Motion 361:11) – the motion was defeated by the vote of council. Councillor Martin then moved that administration seek out whatever information they can get so council could make a more informed decision – the motion was passed.

The inspectors conclude that the council must strive to have the confidence to make important decisions in a timely manner. Elected leaders are mandated to make decisions in an open, public meeting. Continuously deferring decisions out of fear there is not sufficient information to base the decision on is inefficient and ineffective. Furthermore, when council is receiving remuneration to attend meetings, the reason for the meetings is that there are issues that require decisions. All councillors have a general duty to participate in council meetings. This requires all councillors to present their interests on the issues that are on the agenda and before them at the meeting. There is an expectation that verbal interaction does occur and that councillors do not polarize discussion by simply positioning themselves. In other words, a councillor that does not participate in discussion and then puts forward a written motion is viewed as having a one-sided solution or resolution to a problem based on that person's want, needs and values. This shows an unwillingness to listen to understand what is important to others. Often when communication within the meeting becomes a contest and one is polarized in discussion productivity is destroyed and council relationships erode.

Another area of concern from observations at the meeting relates to the section of council meetings referred to as “Question and Answers” from the gallery to council. While some members of the council and the public feel this is a means to get a sense of the “pulse” of the community, it has turned into a venue, for some, to attack and even belittle some members of council and administration. The inspectors witnessed the person presiding at both meetings attempt to answer questions from the public, or thank the public for their comments, even when those comments were malicious toward town staff. The current set-up of the Question and Answer period left the CAO unsupported by council when there are personal attacks on the CAO. The inspectors acknowledge the importance of listening to the public, but it should not be referenced as a question and answer period. Council and administration risk being caught off guard on what may get

asked, and then they may not have the expertise to answer the question, or may not have complete information available to them on that issue at the time of the question. This further generates negative comment from the public. The council should consider re-formatting the current Question and Answers so that community comments could be accepted with no answers from council immediately given; instead, information regarding the question or comment can be forwarded to the member of the public at a later date. The council could consider renaming this section of their regular meeting agendas as an open forum.

2. RECOMMENDATION: That the town implement, with the use of technology, the process of projecting the decisions of council for viewing by all council members and the public during the regular and special meetings of council.

3. RECOMMENDATION: That council cease the practice of the Question and Answer format at council meetings and incorporate another format in a procedure bylaw.

A Team Approach

An effective team looks for ways to minimize conflict, internal and external, and has the willingness to be open to exchange ideas or perspectives on issues. For a team to work together effectively, team members must have respect for each other's differences and recognize that there are no individual powers. The power and influence of a council member rests on the ability to persuade other members to accept your point of view. This cannot be accomplished if some members only participate in discussion to rebut another councillor's point of view. Therefore each member should participate in discussion and express their views as part of the dialogue. Free exchange of ideas makes for good decisions, but the exchange should focus on the issues at hand. A number of persons interviewed expressed concerns about the conduct of certain councillors during council meetings. For example, several individuals stated that one councillor regularly discusses

agenda items prior to council meetings with a group of citizens who then use the information provided by the councillor to ask questions and make comments at the council meeting in a premeditated attempt to discredit other members of council and town staff.

There are occasions where it appears that councillors have little respect for the knowledge and expertise of staff when it comes to development issues and operational matters, including legislative and legal advice. The message that is being received by the public is that council knows more than staff and the message received by staff is that council does not support their knowledge and experience in the field. With council appearing reluctant to make decisions, this perception can be viewed as a negative impression of staff and be demeaning. There are times when members of council have cast doubt about the information provided by administration and made disparaging innuendos and comments in public meetings.

Personal attacks have no place on council and are a sure way to prevent council from accomplishing its goals. Each member on council must do their part to reduce conflict on council to achieve positive results for the municipality. Again, several individuals expressed shock and in some cases “disgust” about an incident during the question and answer period at a council meeting, wherein a councillor verbally attacked a staff member at length for asking a question. This behaviour does little to support or enable any kind of team building.

The inspectors heard allegations from one council member regarding perceived irregularities within town administration, specifically relating to the assessment and tax rolls as well as the town’s utility accounts. The inspectors reviewed the assessment, tax and utility rolls and found no evidence of improper activity. The inspectors note that continued allegations of fraud without any foundation of evidence are extremely destructive to the ability of council and administration to function effectively as a team.

Council currently has a policy on collaborative relationships/dispute resolution. Although the policy exists, there is no evidence to show that council and administration have embraced the policy to work together as a team.

Blog

The community of Irricana has a short but intense history with community blogs. According to many people interviewed by the inspectors, the community blog has existed under several moderators since 2006. The current blog, titled the “Ratepayers of the Town of Irricana,” is currently hosted by an anonymous moderator. During the course of the inspection, the blog was initially public, then for a period of time was restricted so that only registered users could access the discussion forums, and then once again became public. The identity of the monitor of the blog continues to be a source of speculation throughout the community; several interviewees expressed their suspicions that a current member of council is the monitor of the blog.

The community blog has largely become a forum for the community to complain about town staff. The spirit of many of the postings reviewed by the inspectors is viewed as somewhat malicious, and many postings perpetuate misinformation about the town’s programs, services, and the *Municipal Government Act*, and little seems to be published that offers positive solutions to the problems discussed.

The blog has also contributed to greater friction within council, reducing council’s ability to work together as an effective team. Councillors Carr and Dusome support the use of the blog and post regularly. Because this is a public forum and not sanctioned by the council, councillors should refrain from attaching their municipal title, such as “Deputy Mayor, Town of Irricana” to any of their postings. Furthermore, councillors should recognize that there is a significant difference between providing important information to the public in support of open and transparent government, and expressing personal opinions and speculation about the motives of others that merely serves to undermine the credibility and effectiveness of council. Once council has made a decision by way of resolution or bylaw, council members should refrain from issuing personal opinions and should move forward to support implementation of council’s decision and the effective addressing of the next issues facing the community.

4. RECOMMENDATION: That all council and senior administration attend a workshop or workshops on Roles, Responsibilities & Relationships and Communication.

Relationship with the Public

The Town of Irricana's relationship with the public is strained. There are many factors contributing to this:

- The increase of misinformation and rumor, which in turn has been accepted as fact by many members of the public, council, and administration;
- Council's poor judgment in discussing publicly individuals' termination or expiration of term on council boards and committees;
- An overall lack of respect for council (as a body) and administration by the public;
- Town staff's perception that some councillors do not support their work and employment;
- A lack of long-term capital planning has created a complaint-driven environment where those who complain the most to council seem to benefit from capital replacement (roadways, sidewalks, alleys, etc.);
- A public perception that town administration is anti-development; and
- Hypersensitivity in the community for public engagement.

The inspection is the result of a sufficient petition of the electors, which indicates enough public discontent exists in the community to pursue a formal process for provincial government intervention. The petition representative submitted a list of more than 40 specific concerns with regard to all aspects of the management of the municipality. Several other residents also submitted concerns. The inspectors have found that some of the issues raised by members of the public merit changes, which this reports outlines. Some of the issues raised by members of the public seem to be based on interpersonal conflict and personal interest.

While there are some improvements the town can make to restore its relationship with the public, the public has some responsibility to improve its relationship with the town as well. The inspectors observed personal attacks against town staff and throughout interviews; the inspectors heard accusations of staff lying to council and the public.

The inspectors observed hypersensitivity, by some members of the public and some councillors, for public engagement. In other words, there is an unreasonable

expectation that all council events, meetings, interactions, be in the public. When there are circumstances where council may meet that is not public, there is public outcry that there is no transparency and accountability in council's activities. An example of this was observed at the October 3, 2011 regular meeting of council, wherein the administration was proposing to facilitate a Strategic Planning session with council and council considered this to be a meeting open to the public. Council and the public must realize that when there are open, public meetings, the staff attendance is for their administrative expertise and advice to council. If the planning session was public, the staff would not have participated in discussion. The public need to understand that a productive, effective council has a variety of tools at its disposal to carry out its function to provide good government. Decisions of council must be made in public. Council must strive to communicate as much as possible about current issues facing the municipality. At the same time, council should be able to do regular municipal activities, such as meet with regional neighbors and hold internal brain-storming sessions, away from the public. The public's and some individual councillors' exaggerated concern with public engagement affects the municipality's ability to get municipal business done effectively.

There are several initiatives council and administration can implement to address the current relationship with the public. Most notably, the town needs a strong communications policy that sets out how information will be shared with the public; who is responsible for compiling information; including who is responsible for delivering the message; and what are appropriate methods of communication. The policy should also outline expectations for confidentiality. The town could implement more communications tools such as an annual report, a municipal newsletter, and new releases, to name a few.

5. RECOMMENDATION: That the town implement a comprehensive communications policy for council and administration.

Bylaws

The existing bylaws of the town have been reviewed and generally seem to be satisfactory. However, the inspectors did note some areas where improvements are

necessary. There is a legislated requirement that any rate or fee schedules changes that are attached to bylaws must be changed by another bylaw. For example, in Bylaw No. 6:95, Clearing of Sidewalks, the council did not pass another bylaw to change the front foot rate for snow clearing, but instead passed a resolution to change the rate. This process of passing a resolution to change a bylaw schedule is contrary to the *MGA*. Administration and council must review and amend all bylaws to ensure there is no reference included in a bylaw that states that council may change the schedules for rates and fees by any resolution of council.

The inspectors noted a number of concerns related to the application of the Land Use Bylaw by members of the public and some councillors. A perception exists that the town administration is anti-development, and there was suspicion of inappropriate powers vested in the town's development officer. Upon the review of the bylaw, which was reviewed and amended by council in 2010, the inspectors conclude the bylaw is consistent with other municipal land use bylaws and that the powers vested in the development officer are not extraordinary in nature. It is common practice to vest some discretionary land use approvals in the development authority. The development officer must apply the land use bylaw approved by council, as well as comply with provincial and local land use regulations. If an application is rejected, the development authority must provide reasons for doing so. Applicants also have the opportunity to appeal the development authority's decisions to the Subdivision and Development Appeal Board. The inspectors have no concerns regarding the management of planning and development in the Town of Irricana; however, to mitigate the perceptions that exist regarding the Town's planning and development requirements, the town could do more to educate the public on planning and development processes, such as what to expect in a development application process, a subdivision process, etc.

Although council has a procedure policy, this process should be in the form of a procedure bylaw. This bylaw is to establish the rules for governing council meetings, agenda format, delegations, and use of motions. The importance of such a bylaw is to ensure that the meeting format is consistent and that members and the public attending meetings, including the press, understand the format. It is not uncommon for councils to work with the procedures and over time amend the process to ensure that it fits within the

operation of the town. Some of the areas to be addressed should include definitions that explain the meaning of a word or expression unique to the bylaw, such as the meaning of committee of the whole, whether motions are presented prior to discussion, the delegation process, a description of an open forum portion of the meeting and renaming or removing the question and answer period, applicability of the bylaw to members appointed at large to boards and committees, and the provision for emergent additions to the agenda.

6. RECOMMENDATION: That council ensures that the bylaws passed are enforced in a consistent manner, and that regular reviews of the bylaws are conducted to ensure compliance with legislation.

7. RECOMMENDATION: That council passes a procedural bylaw and rescinds bylaws that are no longer required or enforceable.

Boards and Committees

The Town of Irricana has several municipal boards and committees. Some are required by legislation (such as Assessment Review Board, Library Board, Emergency Advisory Committee), some are voluntary regional municipal partnerships (Calgary Regional Partnership, Rocky View Foundation), and some are established under the discretion of town council. At the beginning of the inspection, the discretionary committees of council included:

- Economic Development and Tourism Committee (EDTC);
- Community Services Board (CSB);
- Hall Advisory Board;
- Public Works Committee; and
- Policy Review Committee.

The Community Services Board publishes an annual report and the Economic Development and Tourism Committee publishes a regular newsletter, which the inspectors wish to highlight as great practices and good communications with the public.

The inspectors were concerned with the number of committees, and how the committee structure affects council's ability to make timely decisions. They observed business items of council deferred to the various boards and committees more than once, and the boards and committees may or may not meet on a regular basis. Two committees in particular, the Public Works Committee, and the Policy Review Committee, seemed unwarranted. This is because: 1) public works is an operational department. The public works personnel report through the organizational structure to the chief administrative officer, who reports to council. Yearly public works capital projects and purchases are determined through the municipal budget process, and procedures are established for the day-to-day maintenance of the town's infrastructure. 2) The Policy Review Committee was comprised of three members of council, and the mayor as ex-officio. In the past when a new policy came before council, they would refer it to the Policy Review Committee for a recommendation before their decision. The Policy Review committee (all of council except for one) would make a recommendation back to council, and council would make a final decision. On occasions, there has been a delay in when the committee would meet, causing further delay to council making a decision about implementing the policy. The inspectors are pleased to note that upon discussion of these concerns with council and the CAO, council decided that these committees were no longer required and removed them from the committee list.

The committees are comprised of members of council and members-at-large that are referred to by the town as "volunteers;" however, they are entitled to an hourly rate of pay for meetings. The title "volunteer" is problematic when the individuals appointed to committees are receiving payment. Currently, it appears the town is not filing the earnings for the members-at-large with the Canada Revenue Agency. If the town plans to continue paying committee members to attend meetings, they must rectify the income tax and Canada Pension Plan implications immediately.

Council should cease the practice of terminating board and committee appointments as well as debating the suitability of specific members of the public for board and committee appointments in the public portion of meetings. Such discussions are personnel matters and should be discussed in-camera. The council has potentially caused harm to individuals who were publically deemed unsuitable for council boards

and committees. The council should set out in a procedure policy that council retains the discretion to make or revoke appointments to a board or committee and establish parameters around the discretionary power.

Section 154(2) of the *MGA* provides that the chief elected official is a member to all committees and bodies to which council has the right to appoint members. This provision has not clearly been understood by the council and should be clarified in the procedural bylaw as to the wishes of council in this regard. While the chief elected official may not attend a board, commission or subdivision or development authority meeting established under the planning provisions, unless appointed, they may attend other committees, unless council provides otherwise in the bylaw.

8. RECOMMENDATION: That if appointments of members-at-large continue to receive remuneration, the applicable filing of earnings be addressed through the Canada Revenue Agency.

9. RECOMMENDATION: Council must provide for a process for appointing and revoking appointments for members at large to boards and committees.

Strategic Planning

Council has agreed that strategic planning would be regularly discussed as part of the planning process. Even though there was resistance from some members of council on the interpretation of whether these sessions were public meetings, the group forged forward and productively managed to work through its first strategic planning session. One of the inspectors was present at the strategic planning session to observe the process. It was an opportunity for council and the staff members present to freely discuss the short, medium and long term goals. Council agreed to prioritize goals and objectives and document the process. Overall, the session was well organized and the information flowed freely between council and administration.

Payment to Council and Committee Members (Remuneration)

The remuneration and expense reimbursement policy has progressed through five (5) amendments since its first adoption in 1998 and has not been reviewed and updated since June 2, 2008. The policy has a definitions section which describes various meetings. It should be noted that councillors are appointed to boards and committees to represent the council and bring back issues of importance or noteworthy items. It does appear that some of the boards and committees further organize sub-committee meetings, which are not approved in the policy for the member attendance. The inspectors question the need for these meetings as most often there are no minutes taken to substantiate the urgency or need for the sub-committee meeting.

The council remuneration budget for 2011 was exceeded by September 2011, which may indicate that the council has been paid significantly more than what was anticipated for the year and may also be a result of more than anticipated meetings for the year. Upon review of the councillor remuneration statements for the year, it is apparent that all members of council are submitting claims for meetings that are not always allowed for in the council remuneration policy. The inspectors observed claims for day-to-day tasks such as coming into the municipal office to approve the agenda for a council meeting and time spent at home preparing a discussion item for a council meeting. All five of the councillors submitted claims for payment to attend interviews with the inspectors.

When members are registered for workshops and conferences they must take their attendance seriously and make every effort to attend.

It is a common practice for all councillors to take their own vehicles when travelling to workshops or meetings other than regular or committee/board meetings.

Setting remuneration rates at an hourly rate may have implications for going beyond the hour and charging another hour. This process is seen by some interviewed as a means to not having efficient meetings so that time may be stretched for further remuneration. Council should give consideration to a flat fee for meeting attendance or a monthly remuneration rate. In determining the most efficient method for remuneration payments, the fair distribution of the workload, (e.g. the number of appointments to boards and committees and time requirements) are factors to be considered.

Currently council has structured the remuneration policy 2.2 so that there is an additional travel time allocated based on a kilometer rate of .30 per kilometer travelled. This rate is in addition to the mileage rate of .50 per kilometer. There appears to be a direct intention to reduce the required declaration of remuneration by paying for “travel time” through the kilometer rate as travel is not included in the Canada Revenue Agency calculation for tax purposes. This process must cease and the “travel time” be included as part of the amount that must be shown for salary purposes. It is not common practice for a municipality to provide travel time to attend meetings and also receive the allocated mileage rate as compensation.

A review of the individual remuneration claims submitted by each councillor has revealed a number of issues. Most notably, the amount of \$825 was paid to Councillor Dusome for reading emails. The town’s current policy for remuneration does not provide for a payment such as the one made to Councillor Dusome. The inspectors were provided with the emails that were sent to all members of council during the period of time for which Councillor Dusome made the remuneration claims. The emails were sent from the previous CAO to all members of council, advising councillors and providing updates on topics such as vandalism of the Centennial Hall, a water break, a power outage, hyperlinks to the online agenda package, and vacation time for the CAO. As provided for in Section 207(c) of the *MGA* the CAO advises and informs the council on the operation and affairs of the municipality. Furthermore, part of the duties of an elected official, as noted in section 153 of the *MGA*, is to obtain information about the operation or administration of the municipality from the CAO or a person designated by the CAO. These emails were not provided to councillors to make decisions via email, but to ensure they were updated on the operations of the town. Councillor Dusome later published a statement on a public discussion forum indicating that he was looking for a way to fund his next vacation by the taxpayers of the Town of Irricana. Although this may have been in jest, this published statement did nothing to enhance ratepayer confidence in council. The inspectors were advised that Councillor Dusome argued that nowhere in the council remuneration policy did it say that he could not claim for time reading emails. The inspectors view this as contrary to the council remuneration policy as the policy does not provide for this payment.

Councillor Carr submitted expense claims for attending meetings at the Rocky View Foundation. Signed claims for these meetings were provided directly to the Foundation, and also to the town. The Rocky View Weekly quoted Councillor Carr as indicating that he was not aware that he was receiving payment from both bodies for meeting attendance. When the overpayment was confirmed, Councillor Carr re-paid the duplicate wages paid to him by the town. The inspectors obtained the signed copies of Councillor Carr's director expense claims from the Foundation to verify the payments.

10. RECOMMENDATION: That council complies with the current Remuneration and Expense Reimbursement Policy and that Councillor Dusome repay \$825 to the Town of Irricana for payment for reading emails.

11. RECOMMENDATION: That the Official Administrator and the Chief Administrative Officer conduct a review of council remuneration claims since the last election and any duplicate or unauthorized amounts shall be repaid to the town by the councillor who made the claim.

12. RECOMMENDATION: That council develops a comprehensive remuneration policy for reimbursement of meetings attended for elected officials and appointed members at large, and council immediately cease claiming for mileage as travel time in addition to the mileage allocation to attend meetings.

Credit Cards

There is currently no policy in place for the use of the town credit cards. A review of the credit card statements has revealed a number of instances where the normal practice of providing original receipts is lacking and therefore the expenditure cannot be verified. Such examples include restaurant charges where the total is provided, but not the detail of what was ordered. To ensure that there are not excessive charges, the original receipt must be provided. The inspectors were informed that meal expenses that were claimed with no receipts have been repaid. Elected officials attending conferences or workshops must not depend on administration to pay for meals or incidentals on the town credit card.

As council revises the current policies and implements new policies, it is recommended that the use of the town credit card be eliminated for any meal purchases. With the proper policies in place, the meal allocations would be a fixed amount. Should the meal exceed the fixed amount, the claimant may claim the amount of the meal with the required, detailed receipt. It is not common practice for a municipality to pay for alcoholic beverages for elected officials or employees, but if the municipality wishes to do so, it should be addressed in a travel and subsistence policy.

13. RECOMMENDATION: That the expense claims be reviewed for councillors and staff, and any claim that has been paid for meals and incidentals that is not supported by a receipt is repaid to the municipality.

Minutes

The minutes are a written record of what transpired at the meeting and an important historical record for the municipality. As the meetings are open to the public, the purpose of the minutes is to record the decisions made, which are the motions or resolutions. Historically, the councils have had an understanding that the minutes include a lengthy summary, and sometimes verbatim discussion. Since the implementation of the recording device, the meeting minutes have evolved into transcript-style documents, rather than traditional meeting minutes, which are to record the decisions of council. The decisions from the meeting must be recorded to stand on their own and address the “who, what, where, when and why” questions. An example of where the motion may not be clear for future reference is:

Motion 362:11

“Moved by Councillor Martin to direct administration to seek out whatever information that they can get for us prior to the next Council meeting so we can make a more informed decision.” The motion needs to stand on its own so that a person not attending a meeting would have a general idea what is required.

It is not the role of the recording secretary to try and decipher what motion or decision council actually voted on. When the motion is not verbally read back prior to the vote, it may be unclear to councillors when the question is called for the vote. Because the person that is typing the minutes is not at the meeting to record (type) the decisions of council, the process to actually type the minutes can take up to three (3) days to transcribe. Listening to discussion on tape recordings is not an effective way to transcribe the minutes and consideration must be given to change this process.

It has been a practice of the town to include the names of the public attending the meeting as part of the minutes. The meeting minutes should include a record of the names of councillors and staff in attendance or absent, and not the names of the public as

they are observers of the meeting. Should there be a delegation to the council, then the names of those presenting at a meeting are recorded.

A review of the minutes from the various boards and committees shows that on occasion the recording secretary's name has not been noted in the minutes, nor has the recording secretary been in attendance and a public member has done the recording of the minutes. The responsibility for recording the minutes is an administrative function and may not be performed by a member of the board or committee.

14. RECOMMENDATION: That the use of a recording device for the purpose of drafting the minutes be discontinued and that the minutes be recorded by a recording secretary without note or comment.

Policies

There have been a few proposed policy revisions that have been submitted as new business in council meeting agenda packages. As one reviews the minutes of the council from the past year, there is minimal work produced by council in the area of policy development. Council has routinely not discussed the policies and has directed that the policies be brought to a meeting of the Policy Review Committee. This committee has not been actively meeting and therefore decisions on policy development and revision have gone by the wayside. During the course of the inspection the council has decided to disband the Policy Review Committee and have now taken ownership of their role in developing policy.

While there is a policy manual, in some cases the policies have not been reviewed for several years and some still reference the "Village" of Irricana. There is an expectation that council makes consistent decisions on issues before them, and policies will provide for continuity in the implementation of decisions for the operation of the town. Throughout the content of this report there are several areas where council must develop and implement policies. To minimize risk, and the potential for claims against a municipality, there should be a policy for inspections of town facilities, roads, sidewalks, parks, signs, etc., and ensure that there is written documentation for the inspections.

To ensure that there is consistency for travel and subsistence claims and payments, a policy must be implemented and applicable to councillors, appointed board or committee members, and staff. In addition, a new policy is required for cellular telephones.

15. RECOMMENDATION: That Council and administration undertake a complete review of the existing policies to ensure that they are meaningful and well-organized, and establish policies for the inspections (of roadways, sidewalks, playgrounds, town facilities, parks, signs), cellular telephone usage, and a travel and subsistence policy.

Attendance at Conferences or Workshops

There is currently no policy for councillors to receive reimbursement for their reservation of accommodations prior to attending conferences or workshops. While it is common to be reimbursed after the attendance at a conference, council may implement the process of having the hotel accommodations reserved by administration on the town credit card. Once council has implemented a travel and subsistence policy, the reimbursement for accommodation, meals and mileage may be made in a timely manner. When a councillor is pre-booked to attend a conference, there is an expectation that they will attend the conference/workshop sessions and represent the municipality accordingly.

Job Descriptions/cross training

The various job descriptions were reviewed for all administrative staff. It was apparent that not all job descriptions are currently reflecting the tasks that are being performed by all employees. It is important that in conjunction with performance reviews, employees also provide input into their current responsibilities and align expected results to be achieved with the goals and objectives set by the municipality.

There are certain aspects of the operation where employees can provide minimal cover-off to positions in the absence of another employee. There are responsibility areas that require comprehensive knowledge and therefore more effort must be made to provide training to cover-off positions in the event that an employee is absent from work. Some employees have implemented “desk top procedures” for some of the administrative

functions that are routinely performed. Currently all staff, with the exception of some public works employees, are all reporting to the interim CAO. As the town is for the most part structured into department areas, there may be an opportunity to realign reporting structures.

16. RECOMMENDATION: That job descriptions be updated to reflect current responsibilities and the CAO ensure cross training is provided.

Council/CAO Relationship

The *MGA* in section 207 describes the Chief Administrative Officer (CAO) as the administrative head of the municipality, who ensures that the policies and programs of the municipality are implemented and provides information and advice to council on matters of operations and other affairs of the municipality. It is important to respect the roles and responsibilities of elected councillors and the CAO. As of the November 21, 2011 meeting, council has not officially hired a CAO. There is much speculation in the community about this, especially since it was reported in the September 13, 2011, edition of the Rocky View Weekly that council decided to hire the interim CAO as the CAO. It is not reasonable for council to expect that the interim CAO can perform the required functions for council and manage the administration of the office at the current allocation of twenty-two (22) hours per week.

17. RECOMMENDATION: That council moves forward to recruit and hire a chief administrative officer.

Finance

One of the most important policy decisions that a council will make each year is the adoption of the budget. Once the budget is approved, council must pass a property tax rate bylaw so that the rates of taxation may be applied to assessed property and property owners pay for the services that are required. A review of the Property Tax Rate Bylaw No. 3:2011 revealed differing tax rates for the education tax for the non-residential

properties. Council must ensure that the rates applied are consistent with the legislation. The correction for over-levy/under-levy must be provided for in the 2012 budget.

Annually the municipality advertises and enters into contracts for the operation of Founders Park and for janitorial services. If council intends that the contracts may be operated or sub-contracted to another person, then the contract must provide the option. Otherwise, the person listed in the contract must provide the service.

Conclusions:

As previously indicated, the inspectors are required to report to the Minister on any matter regarding the operation of the municipality that could be considered irregular, improper, or improvident. Specifically, the inspectors look for the following:

Improper – “Deviating from fact, truth, or established usage; Not conforming to accepted standards of conduct or good taste; Unsuitable”.

Improvident – “Lacking foresight; Incautious; Rash; Taking no thought of future needs; Thriftless”.

Irregular – “Not according to established rules or procedure. Not conforming to accepted standards of conduct”.

The inspectors have concluded the following matters fit into these categories.

- Council is vulnerable at council meetings when they attempt to answer questions from citizens.
- Citizens are being allowed to criticize administration publicly at meetings.
- The meeting procedure rules are not followed.
- Council has made little progress in policy development.
- Councillors are claiming for expenses that are outside the current policy.
- Council has no control on the number of hours that can be charged for meeting attendance.
- Failing to properly claim for travel time.

- Meals and incidentals are not always supported by receipts prior to reimbursement.
- Council is not making a decision on the recruitment and hiring of a CAO.
- Council is not conducting its meetings in an effective or efficient manner.
- The recording of meeting minutes and voting practices are contrary to proper procedure.
- The council and administration are not functioning as a cohesive group and require training on their roles and responsibilities.
- Some instances of non-compliance with the *Freedom of Information and Protection of Privacy Act*.

The inspectors believe the following recommendations should be considered by the Minister to implement as directives:

- 1. That the town implement, with the use of technology, the process of projecting the decisions of council for viewing by all council members and the public during the regular and special meetings of council.**
- 2. That council cease the practice of the Question and Answer format at council meetings and incorporate another format in a procedure bylaw.**
- 3. That all council and senior administration attend together a workshop or workshops on Roles, Responsibilities & Relationships, and Communication and that the public be invited to attend.**
- 4. That the town implement a comprehensive communication policy for council and administration.**
- 5. That council ensures that the bylaws passed are enforced in a consistent manner, and that regular reviews of the bylaws are conducted to ensure compliance with legislation.**
- 6. That council passes a procedural bylaw and rescinds bylaws that are no longer required or enforceable.**

- 7. That if appointments of members-at-large continue to receive remuneration, the applicable filing of earnings be addressed through the Canada Revenue Agency.**
- 8. That council complies with the current Remuneration and Expense Reimbursement Policy, and that Councillor Dusome repay \$825 to the Town of Irriana for payment for reading emails.**
- 9. That the Official Administrator and the Chief Administrative Officer conduct a review of council remuneration claims since the last election and any duplicate or unauthorized amounts shall be repaid to the town by the councillor who made the claim.**
- 10. That council develops a comprehensive remuneration policy for reimbursement of meetings attended for elected officials and appointed members at large, and council immediately cease claiming for mileage as travel time in addition to the mileage allocation to attend meetings.**
- 11. That expense claims be reviewed for councillors and staff, and any claim that has been paid for meals and incidentals that is not supported by a receipt is repaid to the municipality.**
- 12. That the use of a recording device for the purpose of drafting the minutes be discontinued and that the minutes be recorded by recording secretary without note or comment.**
- 13. That Council and administration undertake a complete review of the existing policies to ensure that they are meaningful and well-organized, and establish policies for the inspections (of roadways, sidewalks, playgrounds, town facilities, parks, signs), cellular telephone usage, and a travel and subsistence policy.**

APPENDIX A



ALBERTA
MUNICIPAL AFFAIRS

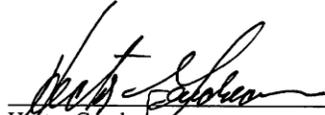
*Office of the Minister
MLA, Dunvegan - Central Peace*

MINISTERIAL ORDER NO. L:209/11

I, Hector Goudreau, Minister of Municipal Affairs, pursuant to section 571 of the *Municipal Government Act*, make the following order:

That Ms. Sandra Dohei and Ms. Sarah Ranson are appointed as inspectors to conduct an inspection of the management, administration and operations of the Town of Irricana.

Dated at Edmonton, Alberta, this 19th day of August, 2011.



Hector Goudreau
Minister of Municipal Affairs

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