

**Final Report  
Organizational Review  
of the Village of Valemount**

***Submitted to*** The Village of Valemount

***By*** **Nichols Applied Management  
Management and Economic Consultants  
Suite 2401, 10104 – 103 Avenue NW  
Edmonton, Alberta T5J 0H8**

June 4, 2015

## Table of Contents

1.	Overview.....	1
1.1	Introduction.....	1
1.2	Organizational Review.....	1
2.	Methodology .....	2
2.1	Introduction.....	2
2.2	Independent Consultant .....	2
2.3	Organizational Review versus Audit.....	2
2.4	Scope of the Review .....	3
2.5	Acknowledgements .....	4
3.	Findings .....	5
3.1	Organizational Capacity.....	5
3.2	CAO Performance .....	8
3.3	Relationship between Council and Administration.....	12
4.	Conclusions and Recommendations .....	14
4.1	Conclusions.....	14
4.2	Recommendations .....	15
4.3	Relationship between Council and Administration.....	17



## 1. Overview

### 1.1 Introduction

The Village of Valemount was incorporated in 1962. It is governed by a five-member council. Its chief administrative officer (CAO) is responsible for advising Council and managing the day-to-day delivery of municipal programs and services.

The current Council was elected in November 2014 to a four-year term. The Mayor has considerable municipal and regional governance experience, having served as mayor for 18 years between 1990 and 2008. Two councillors re-elected in 2014 are now serving their second terms in office. The remaining two councillors, while quite knowledgeable, are new to municipal governance.

The incumbent CAO was hired in September 2012, after serving as interim CAO for three months. She previously served as the Village's Deputy Corporate Officer.

### 1.2 Organizational Review

The idea of an organizational assessment appears to have arisen in response to a broad range of questions and concerns regarding the municipal program and service delivery in Valemount.

Village Council passed a resolution to engage an independent consultant to assess the:

- Village's organizational structure and service levels;
- qualifications and capacities of Village staff;
- performance of the incumbent CAO; and
- relationship which currently exists between the Village's Council and Administration.

This report summarizes the findings of the Organizational Review and presents a series of ten recommendations for Valemount Council's consideration.

## 2. Methodology

### 2.1 Introduction

While the Municipality stumbled somewhat in initiating the Review in early 2015, both Council and Administration should be commended for the decision to engage an independent consultant to undertake the project. The efforts of Administration to ensure that the consultant engagement process was properly conducted were necessary and appropriate.

Both Council and Administration are supportive of the Organizational Review. While individual Members of Council or staff may have differing perspectives on the objectives and scope of the Review, most view it as an opportunity to improve the governance and operations of the Municipality.

### 2.2 Independent Consultant

The Village engaged an independent consultant with a strong background in municipal governance and service delivery to conduct the Review.

Nichols Applied Management is an Edmonton-based management consulting company specializing in the provision of services to municipalities. The firm has been involved in the analysis and assessment of municipal governance and service delivery for over 40 years and is widely recognized for its expertise in these areas.

The firm had not been engaged by the Village prior to this assignment. Its partners and staff have no pecuniary interest in the community.

### 2.3 Organizational Review versus Audit

The Review is often referred to as an audit. It is important to emphasize that this project was never intended to:

- measure or evaluate the financial performance of the Municipality;
- assess its compliance with internal control practices;
- evaluate risk management procedures; or
- detect fraud.

These types of analyses are undertaken as part of the financial audit process Valemount (like all municipalities in British Columbia) is legislatively required to undertake on an annual basis.

## 2.4 Scope of the Review

### 2.4.1 Terms of Reference

The terms of reference for the Review were developed by Council with the assistance of Administration. Recognizing that all of the services identified in the terms of reference could not be accommodated within the Village's \$20,000 budget for the project, the consultant worked with Members of Council and the CAO to redefine the scope of the project.

The redefinition process was designed to ensure that the Review would focus on key priorities, including assessments of:

- the Village's organizational structure, staffing levels, workloads, and commitment to professional development;
- Council's readiness to conduct a formal CAO performance evaluation<sup>1</sup>, including a high-level external assessment of the performance of the incumbent CAO and a recommended CAO evaluation process; and
- the relationship which currently exists between Council and Administration.

It was agreed that the Review would not include detailed service level assessments. The consultant notes that as Valemount (like most small municipalities) has not defined a comprehensive set of service levels or established a comprehensive performance measurement process, a service level review would be impossible to undertake within the terms of this engagement.

It was also agreed that the Review would not include a comparative analysis of the Village's salary, wage and benefit provisions. The consultant notes that the Village recently completed a compensation review, the results of which were incorporated in Council's 2015-2019 Budget deliberations.<sup>2</sup>

The Review included:

- analysis of background information provided by the CAO and Members of Council;
- the review of relevant municipal legislation in British Columbia;
- a working session with Members of Council and the CAO;

<sup>1</sup> While the original terms of reference envisioned a formal CAO performance review, it was agreed that this would be inappropriate at this time.

<sup>2</sup> The consultant notes that compensation levels amongst Valemount employees are materially less than those in similar sized Alberta municipalities.

- one-on-one, in-person interviews with all Members of Council and eight staff members<sup>3</sup>;
- a three-day site visit, including attendance at a regular meeting of Council;
- high-level benchmarking with other municipalities in British Columbia and Alberta; and
- telephone interviews with community representatives<sup>4</sup>.

All interviews were held in confidence.

## 2.4.2 Project Governance

The consultant worked with a Steering Committee comprised of all Members of Council and the CAO to undertake the Review. The Steering Committee reviewed the redefinition of the project scope and approved the list of community representatives.

## 2.4.3 Project Reporting

While the consultant proposed to produce three separate reports on his findings (two confidential and one public), it became very clear during the course of the Review that it would be prudent to produce a single public report.

## 2.5 Acknowledgements

Nichols Applied Management is very appreciative of the time and commitment Members of Council, staff and community representatives committed to the Review.

- Everyone interviewed was frank and professional in their responses to a wide range of difficult questions.
- The CAO spent a considerable amount of time ensuring that the consultant was given access to relevant background documentation. Requests for additional information were dealt with immediately.
- The contributions of community representatives were thoughtful and insightful.

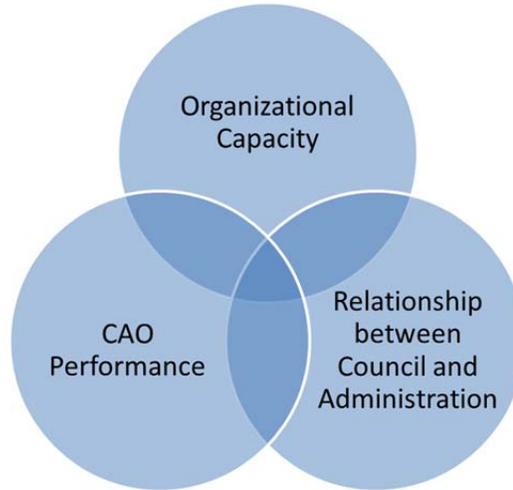
At no time did anyone attempt to obfuscate the review process.

<sup>3</sup> Every Village employee was invited to meet with the consultant. Several were unavailable due to other commitments while others chose not to be interviewed. The consultant notes that it is not uncommon for some staff to choose not to participate in reviews like this.

<sup>4</sup> Members of Council and the CAO were asked to identify two or three community thought leaders. The consultant was successful in reaching 14 of the 18 people identified. The consultant regrets not being able to reach all 18 thought leaders.

### 3. Findings

The Review focused on three areas.



#### 3.1 Organizational Capacity

While the scope of the Review did not allow for detailed analysis of municipal service levels or business processes, enough anecdotal evidence was gathered to suggest that the organization has sufficient capacity at this time to fulfil its current mandate.

##### 3.1.1 Organizational Structure

Organizational structure is not an issue in Valemount.

Organizational responsibilities are well-defined and, more importantly, appropriately integrated. Council and the public have a good understanding of Administration's structure, staff responsibilities and municipal services. The roles and responsibilities of the CAO position are well understood and generally respected by Council.

Reporting relationships are clear and appropriate. The CAO meets with managers on a regular basis (one-on-one and as a management team) to ensure that operations are properly planned and monitored. Interviews with staff repeatedly emphasized the team-based approach to program and service delivery within the organization.

### 3.1.2 Staffing Levels

The consultant was advised at the outset of the Review that concerns had been raised within the community regarding overstaffing at the Village office and within the Public Works Department. Evidence gathered during the Review, including benchmarking data<sup>5</sup>, does not suggest that overstaffing is an issue in Valemount.

Any consideration of staffing levels in Valemount needs to take the following factors into account.

- Several municipal functions are fulfilled by single employees. The Municipality has minimal administrative support staff and limited subordinate resources. This serves to concentrate responsibility and accountability and circumvents redundancies.
- Several municipal employees fulfil multiple responsibilities on an ongoing basis, including the Corporate Officer and Planner, the Economic Development Coordinator (who does IT support work) and the Bylaw Enforcement Officer/Building Inspector. The ability to rely on a single employee to undertake multiple types of work is very cost-efficient relative to alternatives: hiring additional part-time staff or contracting out.
- Several positions within Administration are grant funded. Using grants to finance full- and part-time positions enables the Village to undertake work without using municipal resources.
- With respect to Public Works, it is important to understand that regulatory changes and the need to improve asset management practices has and will continue to require additional staffing.
  - New occupational health and safety requirements dictate that many Public Works functions cannot be undertaken by an employee working on his or her own.
  - Increased monitoring, inspection and maintenance on aging infrastructure are placing new demands on Public Works staff.

While much of this information has been provided to Council and the community through budget documentation and annual reports, certain people (including some Members of Council) continue to be concerned with staffing levels. Administration will need to be diligent in monitoring and reporting on value-for-money in the future.

While not necessarily related to staffing levels, the consultant heard diametrically opposed opinions of Administration within the community. While a number of the community

<sup>5</sup> Benchmarking of staffing complements was done with six British Columbia and seven Alberta municipalities with similar populations and revenue bases to Valemount.

representatives interviewed during the Review described Administration as “unresponsive”, “confrontational” or “slow”, others indicated that Administration is “responsive”, “informed” and “helpful”.<sup>6</sup>

As it is important to focus on customer service and economic development within the community, Administration needs to review and respond to these types of concerns within the community. Its recent efforts to engage citizens and the business community are good practice.

Interestingly, but likely not coincidental, this split in opinion regarding Administration is mirrored within Council.

### 3.1.3 Workloads

The Review did not find that workloads across the organization were excessive. While the demands of providing municipal programs and services are significant, they are currently being managed relatively well.<sup>7</sup> Controls are in place to limit overtime for hourly employees. While salaried employees report that they devote significant time outside of normal work hours, this is relatively common within the municipal sector.

Administration recently completed a staffing review and identified a need for an additional part-time resource in Finance. Council approved the addition of this resource in the 2015-2019 Budget. The findings of the Review corroborate the results of the staffing review.

It should be noted, however, that most employees in the organization report that day-to-day demands on their time make it difficult to address important backlogs of work. While initiatives are underway to address these backlogs, it will take time to assess municipal infrastructure and update community plans, bylaws and policies.

### 3.1.4 Professional Development

Many municipalities, particularly small municipalities like Valemount, struggle to ensure that employees have the requisite professional and technical expertise and qualifications. This is particularly true in the areas of water treatment and distribution, wastewater management and land use planning.

<sup>6</sup> It is important to note that it is impossible to determine whether either of these sets of opinions reflect those of most people in the community.

<sup>7</sup> The consultant emphasizes that Administration has had to devote a significant amount of time to working with Members of Council on a range of issues over the past six months, including: interpretation of conflict of interest situations, legalities of *in camera* Council meetings, and the appropriate commissioning of this Review.

The Review found that the Village meets or exceeds legislative requirements for water and wastewater. The CAO and Public Works Superintendent report that the Municipality is in full compliance with provincial drinking water and wastewater regulations.

Interviews with staff identified multiple instances where employees are pursuing, with (and without) the support of the Village, professional development opportunities. This is a good example of succession planning and should continue.

The consultant was advised in the initial stages of the Review that some Members of Council have concerns with the CAO's credentials. This issue is discussed below.

## 3.2 CAO Performance

The consultant's work in this area was never intended to constitute a formal evaluation of the incumbent CAO. CAO performance evaluation is the job of a council and should never be outsourced or delegated.

The Review was, however, intended to:

- assess Council's readiness to conduct a formal CAO performance evaluation;
- recommend an evaluative process; and
- provide a high-level external assessment of the performance of the CAO.

### 3.2.1 Readiness for an Evaluation

One of the fundamental responsibilities of a municipal council is to conduct regular evaluations of its one employee, the CAO. Unfortunately, as described below, Village Council is not in a good position to do so at this time.

- The incumbent CAO was appointed by the previous Council. While this is very common, it often raises issues for new councils. It is not uncommon for new councils to change CAOs, particularly when the new council has identified a different set of priorities or a new approach to governance. By the same token, it is not uncommon for CAOs to voluntarily "move on" after a municipal election.
- The previous Council was not as diligent as it should have been in delineating expectations of the CAO. The consultant could not find formal documentation of the previous Council's expectations (performance or professional development) of the CAO.
- The CAO's contract is not as comprehensive as it should be. It is missing key elements of what would be considered a leading practice CAO contract.

- The previous Council did not undertake a formal evaluation of the CAO. The CAO has not received a formal evaluation since she was hired in 2012.<sup>8</sup>
- This Council has yet to formally identify a set of expectations for the CAO. This makes it particularly difficult (yet not impossible) for the current Council to now sit down and conduct an evaluation.

It should be emphasized that the lack of a transparent performance evaluation framework is problematic for both Council and the CAO. Council is without a set of standards or benchmarks upon which to measure and assess the performance of the CAO. The CAO is in the position of having to guess at what priorities Council wants her to pursue or what expectations Council has of the CAO position.

### 3.2.2 Recommended Evaluative Process

Council has two options to consider with respect to its CAO. In the simplest of terms, Council may choose to:

- continue to work with the incumbent CAO; or
- dismiss the incumbent CAO.

Both are viable options for Council as the incumbent (see evaluative comments below) is currently fulfilling most of the requirements of the position.

Ultimately, the confidence that Council has in the incumbent CAO will dictate how it chooses to move forward. The level of confidence Council has in the CAO will be determined by its:

- respect for and trust in the CAO, typically based on its collective sense of the CAO's:
  - qualifications,
  - experience, and
  - ongoing performance;
- observations with respect to the quality and comprehensiveness of information and advice provided by the CAO;
- assessment of the CAO's commitment to the community; and
- perception of the CAO's capacity to:
  - help Council define strategic priorities,

<sup>8</sup> It should be pointed out that preliminary (but incomplete) evaluative work from the previous Council was very positive with respect to the work of the incumbent CAO.

- support Council,
- implement Council's decisions, and
- respond to emergencies and critical situations and issues.

Regardless of which decision it makes, Council will need to quickly turn its attention to establishing a formal performance evaluation framework, including the approval of:

- a CAO Bylaw;
- policy and procedures for hiring, evaluating and terminating a CAO;
- an updated CAO job description; and
- a CAO Employment Agreement.

### 3.2.3 CAO Performance

The role of a municipal CAO is often described as one of managing in three directions: up, down and out.

- Managing up involves the working relationship the CAO maintains with Council.
- Managing down involves the leadership the CAO provides Administration.
- Managing out refers to the two-way relationship the CAO maintains with citizens and community stakeholders.

For the most part, the incumbent CAO is doing a good job in the second and third roles.

Managing up has been more difficult since the election of a new council at the end of 2014. While she has attempted to establish a working relationship with the Mayor, the two do not meet on a regular basis. While she implemented an orientation program for the newly-elected Council and has encouraged Council to identify its strategic agenda and priorities, she continues to struggle to gain the confidence of all Members of Council.

It should be emphasized that this is the first time the incumbent CAO has been through a transition of Council. Transitions, especially those which involve the defeat of a sitting mayor or the addition of new councillors (both of which occurred in Valemount in 2014) are particularly difficult. Nonetheless, managing this type of transition is a CAO job requirement.

### 3.2.3.1 Managing Up – Council’s Perspective

There is a fundamental split on Council with respect to the performance of the incumbent CAO. While individual Members of Council are likely very aware of each other’s overall assessment of the incumbent CAO, they have not taken the opportunity to sit down as a team to consider each other’s perspectives in a more nuanced manner. This needs to happen immediately.

There also appears to be a split on Council with respect to the professional experience of the incumbent CAO. Although the amount of experience a CAO has is relevant, this Council has not reached a consensus on this point. It appears that certain members of this Council do not share the perspectives the previous Council held on CAO experience. This Council should clearly define the experience (and academic and professional qualifications) it expects from its CAO.<sup>9</sup>

The relationship between a mayor and a CAO is critical to good governance and efficient municipal program and service delivery. As indicated earlier, Valemount’s Mayor and CAO do not meet on a regular basis, nor have they established a professional working relationship. This results in poor communication between Council and Administration and is leading to a “we versus them” dynamic within the Municipality. This is a significant concern which should be addressed on a priority basis.

### 3.2.3.2 Managing Down - Administrative Perspective

Municipal staff interviewed during the course of the Review spoke very highly of the CAO’s leadership and management style.

Longer-serving employees emphasize that the sense of teamwork and professionalism is higher within Administration today than it has been at any time in the past. They are very appreciative of the commitment of the CAO to Administration and the community.

The consultant’s high-level review of the organization indicated that the incumbent CAO is:

- well-suited to managing a small organization;
- committed to a high standard of customer service, and
- working diligently to develop relationships with other municipalities and CAOs.

<sup>9</sup> It should be noted that there is nothing in legislation with respect to the qualifications or required experience of a CAO. Successful municipal CAOs come from a variety of backgrounds. Many have worked their way up through their municipalities or served as CAOs in other municipalities. Others had little or municipal experience at all when they became CAOs. Some have strong academic and/or technical credentials and others do not.

### 3.2.3.3 Managing Out - Community Perspective

The CAO plays an important role, particularly in a smaller municipality like Valemount, representing the municipality to citizens and stakeholders. As indicated elsewhere in this report, opinion regarding the incumbent CAO amongst the community representatives interviewed during the course of the Review was split. A number of key stakeholders in the community are very dissatisfied with the incumbent CAO. These individuals emphasize that she is not “qualified” for the job and is not as supportive of economic development in the community as she should be. Other stakeholders shared contrary opinions and emphasized that the CAO was very approachable and supportive of community initiatives.

The Review found that Administration does a decent job communicating to the community through budget documents and annual reports and has implemented solid initiatives to engage citizens and businesses in the affairs of the municipality. The CAO deserves credit for managing these efforts.

It is clear from speaking to community representatives – regardless of whether they are supportive of the CAO or not (some are apparently circulating a petition<sup>10</sup> calling for her dismissal) – that the poor relationship between Council and the CAO is diminishing the community’s confidence in both Council and Administration.

## 3.3 Relationship between Council and Administration

It is fundamentally important that a municipal council and its administration serve as a team. While they have distinctly different roles and responsibilities, both need to work together to serve the community. George Cuff, a leading authority on municipal governance in Canada, emphasizes that a lack of clarity regarding the respective roles and responsibilities of elected and appointed officials is at the root of most relationship issues.

The Review found that the relationship between Council and Administration is appropriate. The Mayor and most Members of Council have a relatively good understanding of the principles of municipal governance. They know that policies, bylaws and resolutions of council are the mechanisms which must be used to bring about action. They appreciate that their role is to establish policy and Administration’s role is to implement policy. For the most part, they do not get overly involved in the day-to-day management or delivery of municipal programs and services (interviews with Administration during the course of the Review confirmed this).

<sup>10</sup> It should be emphasized that while citizens have the right to take a position on almost anything, a petition of this nature is highly unusual. All Members of Council should be distancing themselves from this “process” and reiterating with the public that they are addressing the relationship between Council and Administration through the Organizational Review.

Having reached this conclusion, it is clear that the crux of the issue facing Valemount today is not the relationship between Council and Administration, but rather the suboptimal relationship which currently exists between Council and the incumbent CAO.

This is a significant concern as it is already compromising:

- Council's capacity to establish and pursue its strategic priorities and govern the Municipality:
  - the current Council has yet to define its strategic agenda and priorities, and
  - the Council Committee convened to look at utility charges on vacant properties has made very little progress;
- Administration's capacity<sup>11</sup> to efficiently and effectively deliver municipal programs and services (a significant amount of administrative time is being devoted to ensuring that Members of Council are working within the legalities of the Community Charter);
- the public's confidence in both Council and Administration.

It is imperative that the relationship between Council and Administration be improved as soon as possible.

---

<sup>11</sup> It should be noted that the Organizational Review has been a significant distraction within Administration. A number of employees have expressed job security concerns because of the Review.

## 4. Conclusions and Recommendations

### 4.1 Conclusions

The following conclusions are based on the findings of the Review. They address each of the key questions included in the revised terms of reference for the Review.

- The Village of Valemount is appropriately structured, resourced and managed for a municipality of its size. It is very unlikely that significant cost savings could be achieved through changes in organizational structure, management or business processes. There remains a significant backlog of work to be undertaken across the organization as Administration continues its ongoing efforts to improve the delivery of municipal programs and services; respond to increasing demands; meet legislative and regulatory requirements; and address important issues in the future of the community. The Municipality is not overstaffed.
- Village Council lacks established policy and procedures around CAO evaluation. The absence of a transparent performance evaluation framework makes it difficult to assess the ongoing performance of the incumbent CAO. The lack of such a framework is:
  - problematic for both Council and the CAO, and
  - not the direct result of the actions or inactions of the incumbent CAO or this Council.
- The high-level assessment undertaken by the consultant suggests that the incumbent CAO is doing a relatively good job managing staff and ensuring that the Village is appropriately engaging citizens and stakeholders. However, the incumbent CAO is struggling to:
  - develop a professional working relationship with the Mayor;
  - gain the full confidence of Council; and
  - appease specific vocal community stakeholders.
- Concerns with the overall relationship between Village Council and Administration are overstated. Relative to many municipalities, the relationship between Valemount Council and Administration is healthy and appropriate. Members of Council and Administration understand and respect the respective roles of Council and Administration.
- It is the strained relationship between Council and the CAO which is of most concern in Valemount. It is imperative that the relationship be improved as soon as possible as it is currently compromising:

- Council's capacity to establish and pursue its strategic priorities and govern the Municipality;
- Administration's capacity to efficiently and effectively deliver municipal programs and services; and
- public confidence in both Council and Administration.

## 4.2 Recommendations

These conclusions prompt nine recommendations for Council's consideration.

### 4.2.1 Administration

Valemount Administration faces a number of challenges in providing municipal programs and services with limited resources. These challenges are not unique. Administration's approach to addressing these challenges is similar to that which is undertaken in small (and larger) communities across British Columbia and Canada.

While the delivery of programs and services can always be improved, the Review does not make any recommendations in this regard at this time. The structure and resourcing of Village Administration is not the critical issue facing the Village at this time.

### 4.2.2 CAO Evaluation

#### 4.2.2.1 Performance Evaluation Framework

As the key components of a robust performance evaluation framework are not in place, Council is currently not in a good position to undertake a formal evaluation of the incumbent CAO. A framework needs to be established.

Implementation of the following four recommendations will put this and future Councils and CAOs in a much better position.<sup>12</sup>

<b><i>Recommendation 1</i></b>	<b><i>Village Council should adopt a CAO Bylaw.</i></b>
<b><i>Recommendation 2</i></b>	<b><i>Village Council should adopt policy and procedures for hiring, evaluating and terminating a CAO.</i></b>
<b><i>Recommendation 3</i></b>	<b><i>Village Council and the CAO should work together to review and revise the current CAO job description.</i></b>

<sup>12</sup> It should be noted that these recommendations contemplate Council working with its CAO to implement. Depending on how Council decides to move forward, this work may involve the incumbent or a new CAO.

**Recommendation 4**

***Village Council and the CAO should work together to establish a formal CAO Employment Agreement which:***

- identifies the term of the contract;
- describes the duties of the position;
- defines remuneration and benefits;
- delineates performance expectations and processes for regular evaluation;
- includes good faith, fidelity and diligence clauses; and
- describes procedures for contract termination.

### **4.2.2.2 External Assessment of Incumbent CAO**

The Review was intended to provide a high-level external assessment of the performance of the incumbent CAO. In undertaking this assessment, the consultant:

- considered input received from individual Members of Council, staff, community representatives, and the incumbent CAO;
- reviewed background information, including reports, studies, budgets, and Council agenda and minutes; and
- compared and contrasted the work and business practices of the incumbent CAO to other CAOs he has worked with over the past 20 years.

The following two recommendations are intended to assist Council in the immediate term. Both of these recommendations are relevant, regardless of how Council chooses to move forward with respect to the incumbent CAO.

**Recommendation 5**

***Village Council should accept the assessment included in this report as information.***

**Recommendation 6**

***Village Council should use this assessment as one input to any evaluative work it does with the incumbent CAO.***

### 4.3 Relationship between Council and Administration

While the Review was designed to consider the overall relationship between Council and Administration, the consultant has concluded that it is the relationship between Council and the CAO which should be the focus of attention at this time.

Council has two options to consider in this regard.

- It can work with the incumbent CAO to ensure that all of the elements are in place to enhance the relationship on a go-forward basis. This would involve the formal identification of Council's expectations of the incumbent CAO, including professional development which is a concern of several Members of Council.
- Or it could dismiss (without cause<sup>13</sup>) the incumbent CAO and hire a new CAO. In this case, Council would need to work with the new (or an interim) CAO to establish its expectations of the position.

Acceptance of the first six recommendations of this report is imperative under either scenario. Council needs to make a decision regarding its CAO as soon as possible. As emphasized above, the current state of the relationship is having a negative impact on Council and the CAO and is beginning to erode the public's confidence in both.

The three recommendations provided below are intended to assist Council to make a timely decision regarding its CAO.

***Recommendation 7***

***Village Council should seek independent legal and human resources advice to ensure that it fully appreciates the intricacies of both options.***

***Recommendation 8***

***Village Council should immediately convene an in camera meeting with the objective of reaching consensus on:***

- **their expectations of the CAO position;**
- **their expectations of the incumbent CAO, particularly with respect to professional development;**

<sup>13</sup> The consultant emphasizes that he does not have a human resources background or a detailed understanding of British Columbia's *Employment Standards Act and Regulations*. Two key points suggest that dismissal of the incumbent CAO would be without cause. One, as described in this report, the incumbent CAO is doing a relatively good job managing the organization. Two, no concerns were raised during the Review which would constitute "just cause" for dismissal, i.e., fraud, dishonesty, breach of duty, wilful misconduct, etc.

- the performance of the CAO since this Council was elected<sup>14</sup>; and
- the level of confidence they have in the incumbent CAO.

***Recommendation 9***

***Based on the results of the in camera meeting, Village Council should immediately make a decision with respect to retaining or dismissing the incumbent CAO.***

---

<sup>14</sup> The consultant notes that Council is split on a number of areas regarding the incumbent CAO's performance. Members of Council should take every effort to understand each other's perspectives and reach a consensus.