

GOVERNANCE AUDIT – INITIAL REVIEW

**Rural Municipality of Manitou Lake No. 442,
Saskatchewan**

August 2018



Strategic Steps Inc.
Sherwood Park, Alberta
780-416-9255



August 9, 2018

Reeve Ian Lamb and Council
R.M. of Manitou Lake No. 442
P.O. Box 69
Marsden, SK, S0M 1P0

rm442@sasktel.net

Re: Governance Audit – Initial Review

Dear Reeve and Council:

An initial review of a governance audit has been conducted for the R.M. of Manitou Lake No. 442 as requested by the RM Council through a resolution passed on May 3, 2018.

Although this is not a full, broad-scoped governance audit, we trust that the findings and recommendations will be helpful to the local leadership as you work together to fulfill your important governance roles.

Thank you for the opportunity to assist with this process.

Sincerely,

Strategic Steps Inc.

Ian McCormack
President, Strategic Steps Inc.

Shari-Anne Doolaege, MPA, Q.Arb, CLGM
President, Sage Analytics Inc.
Associate, Strategic Steps Inc.

Disclaimer: The content of the following report is prepared for the R.M. of Manitou Lake Council. Strategic Steps Inc. does not authorize or take any responsibility for third-party use of the contents contained herein. Ownership and control of the report contents rests with the R.M. of Manitou Lake No. 442.

Contents

1.	Background	2
2.	Council Meeting Observations	3
2.1.	Attendance	3
2.2.	Decorum	3
2.3.	Agenda	3
2.4.	Minutes	4
2.5.	Finance	5
2.6.	Closed Meeting	5
2.7.	Farm Purchase	6
3.	Document Review	7
3.1.	Code of Ethics Bylaw	7
3.2.	Code of Conduct Policy	7
3.3.	Procedure Bylaw	8
3.4.	Public Notice Policy	8
3.5.	General Bylaw Comments	9
4.	Issue Identification	10
4.1.	Bylaws	10
4.1.1.	Land Use Planning	10
4.1.2.	Master Rates Bylaw	11
4.2.	Policies	11
4.3.	Committee Involvement	12
4.4.	Roles and Responsibilities	15
4.5.	Code of Ethics	16
4.6.	Council Rapport	16
4.7.	Computer/Device Use	17
4.8.	Access to Information	18
4.9.	Ratepayers Meeting Video	18
4.10.	Capital Planning	18
5.	Recommendations	20
5.1.	Land Use Planning	20
5.2.	Master Rates Bylaw	20
5.3.	Policy Review	20
5.4.	Committee Structure	20
5.5.	Strategic Planning	20
5.6.	Capital Planning	20
5.7.	Governance Training	21
5.8.	Council Meeting Agendas	21
5.9.	Annual Financial Statements	21
5.10.	Staff Recommendations	21
5.11.	Mediation	21
5.12.	Governance Audit	21
6.	Conclusion	22

1. Background

The Rural Municipality (RM) of Manitou Lake No. 442 is situated in west-central Saskatchewan (SK) with the administration office situated in the Town of Marsden, SK. Governance responsibilities are carried out by a seven-member Council representing six local divisions, plus a reeve elected at large. The RM has a population¹ of 573 and is one of 296 rural municipalities² in SK. In 2017, the RM reported net financial assets of approximately \$10,000,000, and no long-term debt.

In May 2018 the RM Council contracted Strategic Steps Inc. to conduct an Initial Review for a Governance Audit. Strategic Steps Inc. engaged Shari-Anne Doolaege of Sage Analytics Inc. to lead this project. The review began on July 5, 2018 and concluded with this report provided to the RM Council on August 9, 2018.

The process was initiated by the council on their own accord and will be referred to as a 'review' in this report of findings. This governance audit was not ordered by the province as an audit, inspection, or inquiry under *The Municipalities Act* (s. 395-397), nor was there a petition for an audit (s. 140.1).

The limited scope for this initial review of a governance audit involved interviews with officials, document review and council meeting observation. The intent of this review was to identify issues that impact the ability of the governance body to function effectively.

RM officials were extremely cooperative and participated fully throughout the review process. There was a general sense of internal conflict and distrust among certain council members. One councillor described the environment as "*The work is all getting done, it's not being held up, but it's very painful being a councillor [here] right now.*"

This governance review has a strong focus on policies, committee involvement, and council roles. There are several recommendations provided for council to consider which are intended to strengthen the RM governance by advancing higher level leadership.

¹ Population is based on the 2016 federal census data, accessed from Statistics Canada on July 27, 2018:

<http://www12.statcan.gc.ca/census-recensement/2016/dp-pd/hlt-fst/pd-pl/Table.cfm?Lang=Eng&T=301&SR=2501&RPP=25&S=86&O=A&CMA=0&PR=0#>

² Saskatchewan currently has a total of 776 urban, rural and northern municipalities. Accessed from the Government of Saskatchewan website on August 6, 2018: <https://www.saskatchewan.ca/government/government-structure/local-federal-and-other-governments/your-local-government/about-the-saskatchewan-municipal-system>

*Photos taken in this report were taken by SAGE Analytics Inc. personnel.

2. Council Meeting Observations

The RM council meets regularly once per month and holds special council meetings as required. Ms. Doolaege attended the July 5, 2018 regular council meeting for the RM of Manitou Lake No. 442 and made the following observations:

2.1. Attendance

The following six of seven council members and staff were present at the meeting:

Reeve: Ian Lamb

Councillors: Division 2 – Bob Walde, Division 3 – Norman Wright, Division 4 – Kevin Bossert, Division 5 – Rick Swanstrom, Division 6 – Joe Koch

Division 1 Councillor, Travis Lindsay was absent from the meeting.

CAO Joanne Loy, Public Works Foreman, James Czerniak (attended a portion of the meeting to present his report)

2.2. Decorum

The meeting progressed in an orderly fashion and council worked through all items on the agenda. The decorum was generally respectful, with an occasional emotionally-charged comment.

- Immediately after calling the meeting to order at 9:00 a.m. council members engaged in an open discussion on various topics of interest. This rather random discussion was not an agenda item. By 9:15 the reeve regained order and moved on with the regular meeting.
- Staff were professional and respectful to council at all times.

2.3. Agenda

The agenda was organized and provided to council in advance of the meeting in accordance with the Procedure Bylaw 7-2015 which requires agendas to be provided to council 24 hours prior to the meeting.

- Hard copies of the agenda were not available for the public in attendance, nor were they provided online prior to the meeting.
 - The Procedure Bylaw s. 13.4 states that agendas will be provided to the public 24 hours prior to meetings. Officials confirmed that regular council meeting agendas were typically not provided to the public at

the meetings, or in advance, however, the purpose of special meetings was provided.

- Besides having a bylaw requiring meeting agendas to be provided to the public, it is also a best practice to communicate with the public in this way in order to promote transparency of council activities.
- The content of current business was relevant and meaningful for the municipality, such as road maintenance, agricultural risks and weed control.
- Certain agenda items were more administrative in nature, rather than governance-focused, such as a Human Resources (HR) matter, staff vacation scheduling, and a summer BBQ date.
- Agenda items requiring council action were not accompanied by a written staff recommendation or request for decision format.
 - Officials confirmed that it was a standard practice to verbally present recommendations on agenda items to council and that staff didn't want to be perceived as *"telling council what to do."*
 - As administrative and operational experts, there is great value in providing well-researched staff recommendations to council in a Request for Decision format. It is an administrative duty to 'advise' council, and this is not to be interpreted in any way as 'directing' the council. A prudent council will consider the advice from staff but is not necessarily bound by it. The council will ultimately make a decision that they are comfortable with, and responsible for.
- Council discussed "Assessment Pickups" where each council member is expected to provide information on any new development in their division.

2.4. Minutes

The minutes of the previous meeting were provided to council.

- The CAO took the time to read every word of the minutes prior to council's approval of the minutes. This time-consuming reciting of the minutes appears to be a historical practice and does not appear to be needed since the minutes are provided to council in advance of council meetings. Council could simply pass a resolution approving the meeting minutes "as read" or "as amended" if any edits are required.
- Approved council meeting minutes were available on the RM website:
<https://www.rmmanitou.ca/council.php>

- Draft meeting minutes were not readily available prior to approval. A best practice to increase transparency of council activities is to mark the draft minutes as 'draft' and provide them to the public on the municipal website.

2.5. Finance

Staff presented detailed financial statements which appropriately included a comparison to budget. The CAO read the list of accounts for payment, including invoice details for minor items such as paper clips and drill bits.

Council passed a resolution to approve payment of the bills as presented. Although council approved an annual budget, the local practice was to present all payables to council for approval in accordance with *The Municipalities Act* s. 111(2)(j) which reads as follows:

(j) the funds of the municipality are disbursed only in the manner and to those persons that are directed by law or by the bylaws or resolutions of the council;

Besides the financial information shared at the council meeting, annual financial statements were not readily available to the public online. Officials confirmed that annual financial statements were available to the public upon request, and that an annual synopsis of the RM financial statements is published each year in accordance with legislative requirements.

- It is a best practice to provide the full annual financial statements to the public on the municipal website each year, to improve local transparency on the financial activities of the municipality.

2.6. Closed Meeting

Council closed a portion of the meeting to the public. This portion of the meeting was not listed on the agenda.

- Councillors Swanstrom and Walde also left the meeting during the closed 'in camera' session. Councillor Walde joined the closed portion of the meeting after lunch.
- The draft meeting minutes show that council closed the meeting to discuss human resources and long-range and strategic planning as shown in the following excerpt, but this was not stated to observers at the meeting.

In Camera 18/226 **LAMB:** That the RM of Manitou Lake No 442 Council moves to an in-camera session to discuss human resources and long-range and strategic planning as authorized by the legislative authority of Section 120 of *The Municipalities Act* including the exemptions in Part III of *The Local Authority Freedom of Information and Protection of Privacy Act* at 11:26 am.

Carried

2.7. Farm Purchase

Council passed a resolution authorizing the \$675,000 purchase of a 40-acre farm with outbuildings and a residence owned by one of the RM councillors. This councillor left the meeting during discussion and voting on this matter.

- Although unusual, it appears that council had the authority to make this purchase. Council members shared supportive comments that the land was in a favourable location for gravel stockpiling, the outbuildings could be used for storage of RM equipment, and the residence could be subdivided and sold.
- It appeared that council acted with haste on this land purchase decision. Prior to the meeting, most members were not aware of the councillor's interest in selling his farm property to the RM. This was a fairly large purchase and the decision was made by only four council members present.
- The process lacked transparency and equity. A stronger more open procurement process could have been followed to more broadly consider and receive offers from various properties potentially for sale in the desired area. Stronger due diligence could have been applied prior to making this purchase, such as acquiring a formal property valuation.

3. Document Review

The following key governance documents were examined during the review:

3.1. Code of Ethics Bylaw

The **Code of Ethics Bylaw 2016-02** details the expected standards and values of council members in fulfilling their duties and responsibilities as elected officials. This bylaw fulfills council's obligation to pass a code of ethics bylaw according to *The Municipalities Act*, briefly referenced as follows:

Code of ethics

- 93.1** (1) A council shall, by bylaw, adopt a code of ethics that applies to all members of the council.
- (2) The code of ethics must define the standards and values that the council expects members of council to comply with in their dealings with each other, employees of the municipality and the public.
- (3) No member of council shall fail to comply with the municipality's code of ethics.

Council's Code of Ethics Bylaw specifies a complaints procedure and remedial action (sanctions) if council members breach the principles outlined in the code.

3.2. Code of Conduct Policy

The RM is considering a **Code of Conduct Policy** for council in addition to the Code of Ethics Bylaw. This policy was in draft form at the time of this review. Council has the authority to approve this policy, although it is not legislatively required. Some comments on the draft policy include:

- There should be a good reason to have this policy in place to address gaps or clarify conduct. As it is currently written, the code of conduct policy duplicates a lot of content from the code of ethics bylaw such as promoting ethical standards, upholding confidentiality, accepting gifts, and use of municipal time and assets. In these aspects, the code of conduct policy may be somewhat redundant for the RM.
- The computer use section seems quite basic and may be covered by a general 'Computer Use' policy for the municipality.
- Having the CAO provide advice on interpretation is practical for general matters, however, council members may need to seek their own independent legal counsel if they are dealing with sensitive matters specifically affecting

them. The CAO, as a staff member should not be put in an awkward position of trying to judge a councillor's action or interpretation.

- An additional clause could be added stating that council members will abide by all bylaws and policies of the municipality.
- For ease of reference, a numbering format could be used instead of bullet formatting. It is easier to reference a numbered section rather than reference a paragraph on a page.

3.3. Procedure Bylaw

The **Procedure Bylaw 7-2015** regulates the conduct of council members and delegations during meetings and establishes a procedure for committee appointments. The bylaw seems to be meeting the needs of the council. It has several local preferences, it references *The Municipalities Act*, and it also references Robert's Rules of Order.

- Section 25 refers to the 'Reeve and Councillors Forum' which would be more appropriately called 'Council Reports'.
- Some sections of the bylaw directly repeat sections from *The Municipalities Act*, which is redundant and not necessary. An example is the duplicate wording of the process followed in passing bylaws with three distinct readings.

3.4. Public Notice Policy

The RM council passed **Bylaw 2018-01** to establish a **Public Notice Policy** on May 3, 2018.

One official expressed concern that the public was not notified that the previous RM Public Notice Bylaw 10-2005 was being repealed and replaced with Public Notice Bylaw 2018-01. Upon review, it did not appear that there was a legislative requirement to provide public notice that this overarching public notice bylaw was being considered by council.

RM staff confirmed that the previous 2005 public notice bylaw was updated in 2018 in order to comply with legislative changes, and that this bylaw was based on a solid template provided by the province³.

³ Government of Saskatchewan, Municipal Sample Bylaws: <http://www.saskatchewan.ca/government/municipal-administration/tools-guides-and-resources/bylaw-samples#municipal-sample-bylaws>

3.5. General Bylaw Comments

There were only four bylaws listed online and readily available to the public on the RM website at the time of the review: <https://www.rmmanitou.ca/bylaws.php>

These bylaws referred to property tax incentives and penalties; permits for overweight vehicles travelling on local roads; beavers; and cemeteries. Having broad access to municipal bylaws online is a best practice and it would be helpful to the public and council to have access to these important municipal documents.

4. Issue Identification

4.1. Bylaws

Council followed a proper process for passing bylaws. Additional bylaws should be considered by the RM council for establishing fees and regulating land use.

4.1.1. Land Use Planning

The RM does not have a zoning bylaw or Official Community Plan (OCP), and does not regulate growth and development, or issue development permits prior to building construction. The RM used an informal tracking system referred to as “Assessment Pickups” where local councillors notified the administration office of any new development that they happened to notice in their division.

Regulating land use and development is common in many jurisdictions in an effort to ensure the orderly and efficient use of land and resources. *The Planning and Development Act, 2007* exists to guide SK municipalities in establishing an official community plan and zoning bylaw. Additional resources⁴ are widely available to learn more about the merits of land use planning, and RM officials are advised to educate themselves and local residents on land use planning.

Officials shared stories of land use concerns that are largely unaddressed, such as development too close to the top of a ravine or river bank, or intensive agriculture. Efforts to regulate land use were initiated several years ago, and according to local anecdotes the process was set aside when false and ridiculous rumours circulated in the RM that farmers would no longer be able to have cows on their land. Agriculture is a primary local industry and land use regulations can play a key role in protecting agricultural land for crop production, livestock use and environmentally sensitive areas.



Local Area Photo

⁴ Government of Saskatchewan, Land Use Planning Information: <https://www.saskatchewan.ca/business/agriculture-natural-resources-and-industry/land-management/land-use-planning>

Canadian Institute of Planners: <http://cip-icu.ca/>

4.1.2. Master Rates Bylaw

Council used a single resolution to set fees and charges on occasion, rather than establishing fees by bylaw. The RM has a history of using resolutions to establish various fees and charges, such as custom work and photocopying rates approved by resolution at the January 11, 2018 regular council meeting.

The Municipalities Act s. 8(1)(i) specifies fees to be established by bylaw, as follows:

Jurisdiction to pass bylaws

8(1) A municipality has a general power to pass any bylaws for the purposes of the municipality that it considers expedient in relation to the following matters respecting the municipality:

- (i) services provided by or on behalf of the municipality, including establishing fees for providing those services;

A comprehensive master rates bylaw for the RM should be established, organized by department and reviewed annually.

4.2. Policies

The RM policy manual contained an assortment of council committee appointments, fees, human resources (HR), operational matters, and joint administration items, including an agreement with the Village of Marsden. According to one councillor, *"Staff started working on [a policy manual] and a draft was passed without anyone really looking at it closely."*

A best practice includes having each policy approved by council as a stand-alone document that is individually numbered and organized by department within a policy manual.

Sometimes council direction was unclear on policy matters, such as the following snowplowing resolution 18/021 from the January 11, 2018 regular council meeting, which appears to contradict itself:

Snow-plowing

18/021 KOCH: Whereas liability coverage is only supplied to farmers snowplowing on municipal roads when their equipment is properly flagged, they have flashing orange and blue beacons, and they are authorized by resolution and specifically named in meeting minutes prior to doing any snowplowing; **That council do not authorize any farmers to do snowplowing on municipal roads at this time.**
Carried

In a related effort, council passed a resolution in November 2017 establishing a snow clearing policy, as shown in the excerpt below. A broader, stand-alone policy document should be carefully considered to regulate snow clearing in the RM.

RM OF MANITOU LAKE NO. 442 3

November 9, 2017

Delegate: James Czerniak, Foreman

Snowplow Policy **17/301 WALDE:** That the RM of Manitou Lake Snowplow Policy Be:
That Snowplowing of driveways will be done at a minimum charge of \$30 for up to 20 minutes plus GST with any times over 20 minutes be charged at the rate of \$125 per hour plus GST for the current winter season, with snowplowing to be completed on an on call basis, snowplowing will be completed when the grader goes by, special requests will charged at a rate of \$125 per hour plus GST from the time the grader leaves the shop until it returns, the driveway must have suitable clearance for the grader, and that the RM is not liable for any damages .

Carried

Past efforts to organize the RM policies should be commended, although more work is needed to ensure consistency and order in the RM policies; and to ensure that policies are clearly communicated to the public. Councillor concerns were expressed over the appropriateness of the telecommunications policy, procurement policies, and public notice policy. Policy updates will require legal advice and review in order to protect the RM and its officials.

4.3. Committee Involvement

Council made annual committee appointments at the beginning of the year, such as the following resolution from the January 11, 2018 regular council meeting:

Committees **18/025 LAMB:** That the following committees be established for 2018:
Road Management Committee
Travis Lindsay and Ian Lamb under authority of Bylaw No. 6-2007 concerning road bans.
Road Committee
Council as a whole
Machinery Committee
Kevin Bossert, Norman Wright, and Travis Lindsay
Human Resources Committee
Kevin Bossert, Joe Koch, and Norman Wright
Finance Committee
Council as a whole
5 Year Capital Planning Committee
Council as a whole

Carried

Some committees appeared to elevate council members as operational subject matter experts and brought them fully into the 'weeds' of operational matters and project supervision. The following committees are referenced in the RM policy manual (pgs. 42, 43, 62, 79).

Road Ban Committee

The road ban committee shall consist of the Reeve and one councillor, and Foreman be appointed annually.

Its mandate is to:

Regulate and restrict overweight movement of the Municipal Roads

Under authority of Bylaw 2007-06

Road Committee

The road committee shall consist of the Reeve, 1 appointed Councillor and the Councillor for the specific Division.

Its mandate is to:

Road inspections

Maintenance, construction, repaired or snow plowed

Deal with Gravel issues, concerns and ordering

ROAD CONSTRUCTION POLICY

SUPERVISION OF WORKS

The Road Committee will supervise roadwork in the Division. The Road Committee consists of the Reeve and 1 member appointed by Resolution of Council plus the RM Foreman and the Councillor in whose Division the road work is being done.

The Councillor in whose Division the road work is being done shall be the Supervising Councillor; unless the Division Councillor has by any direct or indirect interest in the adjacent land in question.

All supervision is to be done under the direction of the Reeve.

Machinery Committee

The machinery committee shall consist of the Reeve and three councillors. Its mandate is to:

Inspect equipment that the municipality owns

May be authorized, for emergencies to spend up to up to \$25,000.00

Gravel Committee

The gravel committee shall consist of the Reeve and two councillors. Its mandate is to:

Inspect roads for gravel and advise what is needed where and when.

CATTLE GUARD COMMITTEE:

The Cattle Guard Committee shall be Council as a whole.

DUTIES:

The Cattle guard committee shall inspect all cattle guards in the R.M. annually while doing the annual road inspection, and report any which do not meet specifications to the Council. The Cattle Guard Committee shall

investigate any complaints received regarding cattle guards, and take appropriate action.

If any of the standards are not met, council can order the cattle guard repaired or removed. If the landowner does not comply, R.M. personnel will remove the cattle guard and repair the road site and invoice the owner of the cattle guard for the costs of repair or removal.

The RM committee structure largely enabled council's hands-on involvement in operations and served as a point of contention when councillors disagreed on road project management. In one road project example shared by a councillor, he stated that "*council members were fighting over a road, and neither of them have built a road in their life.*"

The operational-focused committee involvement was a significant overreach of council's governance responsibilities, and often appeared to duplicate the duties of the public works foreman and engineers. Payment for this committee involvement had a budget impact, such as the following policy manual reference to the Road Committee remuneration (p. 62):

All Council members of the Road Committee shall be paid fees and mileage at the rate as set by resolution of Council in January.

Each Council Member shall be responsible to maintain a log stating the date, time, and observation of the road inspected or any other public works supervision conducted.

One third of all payments to the Council members of the Road Committee shall be designated as being paid in respect of expenses in compliance with Revenue Canada Regulations.

Certain committees consisting of all of council would be suitable for a "committee of the whole" structure and a committee of the whole is referenced in the RM policy manual. Officials confirmed that the committee of the whole was not used by the RM council.

Some committees such as the roads committee and HR committee are largely operational/administrative in nature and should be reconsidered to ensure that council remains focused on their high-level governance role, rather than staff management or project supervision.

4.4. Roles and Responsibilities

Council was fairly 'hands-on' in several administrative matters. The policy manual (p. 18) defines the HR committee as follows:

Human Resources Committee

The human resources committee shall consist of the Reeve and three Councillors to be appointed annually. Its mandate is to:

Act as a liaison between the Council and employees;

Negotiate salaries with the employees;

Act as a grievance committee;

Make recommendations to the Council.

To oversee and ensure that all direct policies related to employees; inside and outside staff are followed and practiced

The focus of the HR Committee should be reconsidered since several of its activities fall outside council's governance role. Council's involvement in staff management does not fully allow the RM managers to manage their respective staff. Council involvement in staff management should be limited to approving HR policies and a budget for staff wages. Council also appoints the administrator in accordance with s. 110(1) of *The Municipalities Act*:

Administrator

110(1) Every council shall establish a position of administrator of the municipality.

It is not the council's job to evaluate subordinate staff or to serve as a backdoor option for potentially disgruntled staff to make an end-run appeal to their boss's bosses. There is value and good order in establishing more clear roles and responsibilities for council and letting their qualified managers manage the staff.

The administrator (CAO) is officially council's one and only employee, and council should stay out of the "weeds" and refrain from trying to manage and evaluate subordinate staff. One council member stated that the council has taken training but are not applying it. A mentality exists that *"We do it our way."* Another councillor commented that *"We didn't go to school for this. You learn a lot when you get [elected]."*

Some council members felt that certain council members abused their authority by consuming large portions of administrative time, with very numerous emails and frequent requests for information. According to one councillor *"Staff have been on pins and needles and we have now built up some trust between council and staff."*

4.5. Code of Ethics

Code of ethics complaints were made against two councillors in early 2018 in accordance with the RM's Code of Ethics Bylaw. These complaints investigations were completed by an independent third party in March 2018 and the respondents did not fully participate in the investigation.

4.6. Council Rapport

Besides implementing sanctions against two councillors, the code of ethics complaints seemed to amplify a division on council. According to one council member *"the council was starting to work together well, and then this created more hard feelings."* Councillors felt that council is getting the main business done, but is distracted, dealing with personal relationship issues among the council. Varied councillor comments shared during the review show a division on council, as well as frustration and some optimism:

"It would be nice if people could park their personal [issues] at the door."

"When a council member gets written up with a Code of Conduct complaint, it's a knock to their pride. Here, they are fighting it any way they can."

"A division exists on council where a lot of votes are 5-2. The other councillors are not the Reeve's little minions."

"Council members are reserved at the meetings, scared to put their true opinion out there, as they may get 'crucified' for it or ridiculed in the local coffee shop circles."

"Feel uncomfortable to be alone with council during in camera portions of meetings with no witnesses present."

"The allegations of a code of ethics breach and related sanctions were an effort to squeeze two councillors off of council."

"A 'reset' is needed for the RM leadership."

"The Reeve has councillor support from three divisions. If he makes a statement they back him up."

"The current Reeve is very unselfish. Him and the previous Reeve are all 'for' the RM. They don't want personal benefits."

"Personal issues exist among council members, along with history of offences and hurt feelings."

"It seems that no matter what council does, two councillors criticize. They dwell on things, keep washing issues back up in the 'tide'. You go home from a meeting and the next month it is the same thing. We are all going to make mistakes, we learn from our mistakes. Two councillors and one ratepayer drive the admin staff crazy. This costs the RM money to get interim staff. It ends up costing big bucks, all the time. For what?"

"As a council, we don't seem to be on the same page, you are walking on eggshells. Rumours get spread that council is doing things [wrong]. It is hard to hear. Would like to hear from the other 500 people in the RM who are happy with how things are run. There is a small group that has taken up a large amount of time. Most people in the RM are happy with what we have accomplished."

"People don't need to be friends on council, but you need to be able to work together. I want to believe what people say. You always need a bit of conflict, but there are a few petty things going on. Need to accept if councillors don't win vote support."

"Council is still getting their job done but with added costs and time."

"Something has to change. There are too many hard feelings and you can't repair that. If you lose trust in something, it is hard to repair."

"Hopeful that things can calm down, and can start working in a productive manner, if it is negative we can work to fix it."

4.7. Computer/Device Use

The RM provides electronic devices for council members to use in fulfilling their council duties. In November 2017, new laptops were provided for council. One council member did not return his old iPad to the RM and this became a point of contention among officials.

There was unclear policy direction on the access, ownership and replacement of old computer equipment. Subsequently, council passed a communications policy and telecommunications policy on December 7, 2017. The RM telecommunications policy was further revised and on April 5, 2018 council approved separate telecommunications policies for council and employees.

The RM officials should continue to follow legal advice in managing RM computer/device use and related telecommunications policies to ensure clarity of processes, ownership of equipment, and the appropriate level of privacy and disclosure for electronic communications.

4.8. Access to Information

Council members expressed concerns with both accessing information and keeping sensitive information confidential. One councillor comment indicated that he felt that the RM was hiding behind legislation, as an excuse not to release information. If errors in judgement were made, RM officials appeared to be learning from experiences and any past issues with LAFOIP interpretation.

The Saskatchewan Information and Privacy Commissioner issued two access to information requests regarding the RM of Manitou Lake in 2017. These reports are publicly available at: <https://oipc.sk.ca/reports/?search=manitou>

4.9. Ratepayers Meeting Video

Council members expressed concerns about the authenticity of video footage taken from a 2018 ratepayers' meeting, hosted by the RM. Officials confirmed the authenticity of the video and have indicated that 'editing' was done in order to compress the file size and to merge two consecutive video streams. Based on discussions from the July 5, 2018 regular council meeting, no further RM resources would be spent analyzing this matter.

4.10. Capital Planning

Local leadership in capital planning could have been stronger. The current policy manual contains a loose reference to capital planning for Road Pre-Construction Procedures, stating that:

"Council shall determine and approve all road construction projects by October 1 of each year that are to be done the following year. All construction projects shall be engineered" (p. 62).

A financial planning committee consists of Council as a whole, with a mandate to develop a 5-year policy on a construction, maintenance, capital and financial plan; Review the plan and update it each year; and assist in the budgeting process each year (p. 42).

Additionally, a five-year plan committee consists of the reeve and two councillors with a mandate to *"review and advise of the 5-year plan recommendations, annually prior to the budget being set."*

Despite all the financial planning committees and policy references, long-range capital planning efforts were not progressing in a meaningful way in the RM. It is appropriate for the reeve and council to step away from the engineering aspects of capital planning and engage qualified engineering expertise to work with the CAO and public works foreman in developing a recommended, priority-based capital plan for council's consideration.

Operating with a long-range capital plan will enable a more proactive approach to asset management by identifying and addressing the highest priority projects, such as road construction. This proactive approach should help reduce any reactive, band-aid approach to road maintenance and maximize the useful life of assets and to ensure orderly progress of major construction projects.

5. Recommendations

5.1. Land Use Planning

That council begin a process to explore and educate themselves and the public on the merits of regulating land use and development within the RM.

5.2. Master Rates Bylaw

That council establish a comprehensive master rates bylaw in accordance with *The Municipalities Act* s. 8(1)(i) to authorize fees and charges for various departmental services provided.

5.3. Policy Review

That council authorize a policy review process to organize and update current RM policies.

5.4. Committee Structure

That council seek professional advice in establishing local committees and redefining the RM's committee structure.

5.5. Strategic Planning

That council establish a strategic plan for the municipality, including a public consultation component.

5.6. Capital Planning

That council establish a 5-10-year capital plan for the RM, in consultation with professional engineering services to maximize the useful life of assets and to ensure orderly progress of major construction projects.

5.7. Governance Training

That RM council members participate in roles and responsibilities refresher training to ensure that they are well equipped with knowledge to perform their duties as elected officials.

5.8. Council Meeting Agendas

That RM officials provide council meeting agendas to the public in attendance at council meetings; and that the agendas also be made available on the RM website prior to council meetings.

5.9. Annual Financial Statements

That RM officials provide annual audited financial statements to the public in electronic format through the RM website.

5.10. Staff Recommendations

That council agenda items requiring council decisions be accompanied by a staff recommendation in a written request for decision format.

5.11. Mediation

That council engage mediation services to assist in coaching them on understanding individual perspectives, establishing a more peaceful corporate culture, and ensuring that an atmosphere of respect persists within the RM leadership.

5.12. Governance Audit

That the council complete the above recommendations before considering engaging further governance audit services.

6. Conclusion

The RM leadership has struggled in recent years. Overall, the council had the aptitude and confidence to shine a spotlight on themselves and the overall organization by engaging in this independent initial review of a governance audit. One councillor stated that *"We are not ineffective, we are inefficient."*

The observations and recommendations in this review are intended to assist the municipality to build on existing strengths and to progress towards stronger governance processes.

At times, the actions of certain council members were interpreted as disrespectful and aggressive towards each other and certain staff. Council meetings became a 'painful' process for all involved as personal vendettas and drama played out at the local council table, according to the stories shared by officials.

A collective effort to build trust is needed among officials. Without the 'glue' of trust to hold the organization together, it is prone to fragmentation and dysfunction. Each member of this council brings unique strengths to the council table and to the RM's overall leadership.

There is a need to exercise a high degree of professionalism and political tact when working on a municipal council team. With respectful support of their team, council members can remain persuasive and exercise political traction in their efforts to gain majority vote support. Further, there is a need for officials to accept council actions as the democratic will of the majority of the council.

A stronger understanding of roles and responsibilities for council is needed to ensure that they remain focused on their important governance role and municipal viability by establishing strategic priorities and long-term capital planning.

The central leadership role of elected officials is too important to be left to chance. In a large part, the viability and enjoyment of the municipality rests on the vision, commitment and integrity of local leaders. A deliberate effort is needed to ensure that officials are able to fulfill their duties with proper training as well as ongoing efforts to build trust and learn to work together as a 'whole' council.