



POLICY # 960 - Chief Administrative Officer (CAO) Performance Evaluation Policy

Adopted by Council: February 24, 2025

Resolution No.: 038-2025

Review Date: December 24, 2028

1. PURPOSE

- 1.1. This policy intends to establish a structured and transparent framework for assessing the performance of the CAO in alignment with the strategic goals and objectives of the municipality, to ensure a consistent and thorough evaluation of the CAO's performance with the goal of continual improvement and relationship building between the CAO and Council.
- 1.2. This policy aims to promote accountability, continuous improvement, and effective leadership within the municipal administration by ensuring regular, fair, and consistent evaluation processes. Through this policy, Council can provide constructive feedback, set measurable goals, and recognize achievements, ultimately enhancing the CAO's ability to fulfill their responsibilities effectively and support the municipality's commitment to serving the community.
- 1.3. In accordance with Section 205.1 of the *Municipal Government Act (MGA)*, Council will annually provide the CAO with a written performance evaluation consistent with best practices specific to municipal government.

2. AUTHORITY

- 2.1. The authority for this policy is by resolution of the Council of the Town of Three Hills.
- 2.2. The CAO is authorized to exercise appropriate managerial judgement to take such actions as may be necessary to achieve the intent of this policy.

3. DEFINITIONS

- 3.1. In this policy, unless the context otherwise requires:
 - 3.1.1. "Anniversary Date" means the day the CAO commenced employment with the Town.
 - 3.1.2. "Council Meeting" means a Regular or Special Council meeting or Committee of the Whole meeting.

4. General Principles

- 4.1. All meetings related to the performance evaluation of the CAO will be completed in a closed session of a Council meeting.
- 4.2. Council and the CAO will work together to ensure the review process is completed at a reasonably consistent time annually except in election years when it will be completed before the election.

5. Timelines

- 5.1. Council will ensure that the appropriate amount of time is allocated to ensure the process is completed on or before the CAO's anniversary date. The entire performance evaluation process is to be completed within three (3) months or less.
- 5.2. While not specifically prescribed, the following process and timelines will seek to accomplish the goal of completing a timely performance evaluation:
 - 5.2.1. Three (3) months before the CAO's anniversary date, the CAO will provide Council with the performance evaluation form (Schedule A) in preparation for the performance evaluation process.
 - 5.2.2. At the first Council meeting following the evaluation form being sent to Council, the CAO will present the goals for the evaluation year to Council and discuss the progress on each item.
 - 5.2.3. Within a month and a half of receiving the performance evaluation form, each member of Council will forward their completed evaluation forms to the Mayor, or their designate, for consolidation.
 - 5.2.4. At the next meeting, the Mayor will present the consolidated draft evaluation to Council to ensure mutual agreement with the evaluation before being presented to the CAO.
 - 5.2.5. The evaluation form will be presented to the CAO.
 - 5.2.6. At a meeting after presenting the evaluation to the CAO, the CAO will provide Council with his/her goals for the upcoming year that will support the identified priorities and address any issues that were identified in the evaluation process.
 - 5.2.7. The CAO will provide a professional development plan highlighting the applicable training opportunities the CAO would like to complete in the following year. If Council agrees with the professional development plan, the Council will ensure money is allocated for the training opportunities for the following year.
 - 5.2.8. Any changes to compensation, employment contract, or other terms of employment will also be discussed at this meeting.
 - 5.2.9. Following this final meeting, the evaluation and any approved and agreed upon amendments to the employment contract will be signed by the CAO and Mayor.

6. 360 Performance Evaluation

- 6.1. Once per Council term, during the first full calendar year following an election, Council shall conduct a 360 Performance Evaluation of the CAO to focus on broad organizational issues and not specific staff member issues.
- 6.2. To facilitate the 360 Performance Evaluation of the CAO, Council will allocate resources and funding in the budget to hire a human resources consultant to conduct the 360 performance evaluation of the CAO.
- 6.3. The 360 Performance Evaluation will focus on the following principles:
 - 6.3.1. A human resources consultant, mutually agreed upon by Council and the CAO, will be hired to complete the 360 evaluation within the same timelines as the regular performance evaluation process identified in this policy.

6.3.2.If Council chooses, the human resources consultant may reach out to the other CAOs within the Kneehill County region as a part of this process.

6.3.3.Each member of Council will be interviewed by the human resources consultant to answer the questions contained in the Performance Evaluation Template.

6.3.4.Staff being interviewed by the human resources consultant will be generally limited to the Directors or other positions who report directly to the CAO. However, the human resources consultant may choose to interview a cross-section of the employees throughout the organization. Generally, the questions should focus on the following themes:

- Are there any behaviours of the CAO that are detrimental to the organization?
- Is the CAO aware of staff needs or concerns?
- Does the CAO request feedback from staff on important organizational issues?
- Does the CAO ensure accountability for the policies and processes of the organization?
- Are Directors made aware of organizational priorities including Council priorities affecting specific departments?
- Does the CAO model professional behaviour in the organization?
- How is the CAO perceived in the organization, community, and municipal government sector?

7. Prior Policy

7.1. This policy shall supersede and replace all prior policies, oral or written, regarding the Chief Administrative Officer Performance Evaluation.

Mayor

Chief Administrative Officer

“Schedule A – Performance Evaluation”

CAO Performance Evaluation User Guide

Under Section 205 of the Municipal Government Act (MGA), Council must by bylaw establish the position of Chief Administrative Officer (CAO). Every Council must appoint one or more persons to carry out the powers, duties and functions of the position. In doing so, Council recognizes its fundamental role of setting policy and allowing administration to implement the policy.

The performance of the CAO can have such a direct and lasting impact on the ability of Council to carry out its mandate that a functional and successful relationship should be viewed as essential. It is in everyone's best interests that an atmosphere of trust, respect and transparency develop and characterize this relationship.

A performance appraisal should be expected:

- To formally discuss the relationship between the Municipality and the CAO
- To relate performance to the role, responsibilities, authority and duties as defined by the MGA, the bylaws and policies and the job description.
- To set objectives and criteria for future evaluation.
- To recognize strengths and weaknesses and reward or correct them.
- To serve as a basis for salary adjustment.

Rate each of the following according to your perception of the CAO in the past year. Please provide comments or examples to illustrate the rating.

N/A – Not Applicable

1 – Unacceptable: Consistently fails to meet job requirements

2 – Developing: Shows potential but needs improvement

3 – Proficient: Meets job requirements and performs to expectation

4 – Advanced: Often exceeds job requirements and demonstrates initiative

5 – Expert: Consistently exceeds job requirements and is recognized as a leader

CAO Performance Evaluation: Management and Leadership Effectiveness

- 1) Leadership style fits the Municipality's needs. Rating:

- 2) Obtains and allocates resources consistent with strategic objectives. Rating:

- 3) Demonstrates a good understanding of the major issues facing Council and the Municipality. Rating:

- 4) Exercises good judgement in dealing with major issues. Rating:

- 5) Demonstrates consistent values of high ethical awareness, honesty, fairness and courage. Rating:

- 6) Demonstrates a clear understanding of the local, regional, provincial, national and global issues impacting the Municipality. Rating:

- 7) Provides positive leadership to staff and elected officials. Rating:

- 8) Identifies, assesses and manages the principal risks to the Municipality. Rating:

Category Total: /40

CAO Performance Evaluation Relationship with Council

- 1) Presents matters to Council within appropriate timelines. Rating:

- 2) Acts on Council resolutions/motions and direction in a timely manner. Rating:

- 3) Facilitates Council's governance, decision-making and committee work. Rating:

- 4) Facilitates the orientation and training of Councillors. Rating:

- 5) Keeps Council fully informed on all important aspects of the status and development of the Municipality. Rating:

- 6) Respects the division of authority between Council and the CAO. Rating:

- 7) Maintains a positive working relationship with the Mayor and Council. Rating:

Category Total: /35

CAO Performance Evaluation: Relationship with Staff

- 1) Actively supports and encourages professional development among the staff. Rating:

- 2) Effectively attracts, retains, motivates and leads a team capable of achieving municipal objectives. Rating:

- 3) Ensures staff succession, including long-term development of candidates for the CAO position. Rating:

- 4) Promotes a clear understanding of roles between staff and elected officials. Rating:

- 5) Ensures effective participative process of strategic planning to achieve the vision and mission such that Council and employees feel ownership of the final product. Rating:

- 6) Ensures staff are involved in a meaningful way with decision making. Rating:

- 7) Effectively communicates Council's decisions to staff. Rating:

Category Total: /35

CAO Performance Evaluation: Relationship with the Public and Media

1) Serves as chief administrative spokesperson, communicating effectively with all stakeholders. Rating:

2) Appropriately represents Council's direction. Rating:

3) Appropriately represents the Municipality and Council in the community. Rating:

4) Appropriately represents the Municipality and Council outside of the community. Rating:

5) Ensures the public perceive the Council and the Municipality in a positive light. Rating:

6) Ensures that the Municipality maintains appropriate public engagement. Rating:

Category Total: /30

CAO Performance Evaluation: Objectives and Accomplishments

- 1) Leads the operations of the Municipality and communicates a clear plan that reflects Council vision, mission and strategic plan and that is well understood, widely supported, consistently applied and effectively implemented. Rating:

- 2) Establishes objectives, operating, and financial plans for the Municipality that meet the needs of the public, employees, and the broader community in accordance with legislation and Council Policy. Rating:

- 3) Continuously monitors and evaluates objectives and plans to ensure they are being achieved and takes action as needed. Rating:

- 4) Ensures the municipality meets or exceeds the financial and operating performance goals as set out in the annual plans. Rating:

- 5) Reviews and where appropriate, adjusts the long-term strategies and objectives of the Municipality in consultation with Council. Rating:

- 6) Effectively manages both the short and long-term growth of the Municipality in a manner consistent with the strategic direction adopted by Council. Rating:

Category Total: /30

Evaluation Total: /170

Objectives

These should be developed by the CAO and reviewed by the Mayor and Council.

1)

2)

3)

4)

5)

Overall impression of performance and results achieved.

CAO Performance Evaluation: COMMENTS

- 1) What are the CAO's greatest strengths?

- 2) What are the things that you have most appreciated that the CAO has accomplished so far this year?

- 3) What are specific areas where the CAO needs to turn his attention to in the coming year?

- 4) Are there any specific training opportunities that the CAO should be utilizing?

Signature of CAO (this indicates only that the appraisal has been discussed with you, not that you agree with the ratings).

Mayor or Deputy Mayor

CAO

Date

Date