Report to
Rapport au:

Election Compliance Audit Committee
Comité de vérification de la conformité pour les élections municipales
14 December 2015 / 14 décembre 2015

Submitted on December 7, 2015
Soumis le 7 décembre 2015

Submitted by
Soumis par:
M. Rick O’Connor, City Clerk and Solicitor/Greffier et chef du contentieux

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Ward: CITY WIDE / À L’ÉCHELLE DE LA VILLE
File Number: ACS2015-CMR-CCB-0118

SUBJECT: ELECTION COMPLIANCE AUDIT REPORT FOR CANDIDATE ELI EL-CHANTIRY

OBJET: RAPPORT DE VÉRIFICATION DE LA CONFORMITÉ DES FINANCES DE LA CAMPAGNE ÉLECTORALE MUNICIPALE DU CANDIDAT ELI EL-CHANTIRY

REPORT RECOMMENDATIONS

That the Election Compliance Audit Committee receive the election compliance audit report of the 2014 Municipal Election campaign of Mr. Eli El-Chantiry submitted by Raymond Chabot Grant Thornton.

RECOMMANDATIONS DU RAPPORT

Que le Comité de vérification de la conformité pour les élections prenne connaissance du rapport de vérification de la conformité des finances de la campagne électorale municipale de 2014 de M. Eli El-Chantiry, présenté par Raymond Chabot Grant Thornton.
BACKGROUND

Under Subsection 81(1) of the Municipal Elections Act, 1996 (the “MEA”), “An elector who is entitled to vote in an election and believes on reasonable grounds that a candidate has contravened a provision of this Act relating to election campaign finances may apply for a compliance audit of the candidate’s election campaign finances.”

Section 81.1 of the MEA requires that the municipality establish a committee for the purposes of considering applications for compliance audits. Subsection 81(5) of the MEA requires that the committee “consider the application and decide whether it should be granted or rejected.”

At its meetings of July 10, 2015 and July 15, 2015, the City’s Election Compliance Audit Committee (the “Committee”) considered applications for compliance audits of the election finances of six individual candidates nominated in the 2014 Municipal Election.

On July 10, 2015, the Committee granted applications for a compliance audit of the election campaign finances of Candidate Eli El-Chantiry, West Carleton-March Ward and Candidate Mark Taylor, Bay Ward.

Under subsection 81(7) of the MEA, if the Election Compliance Audit Committee decides to grant an application, it shall appoint an auditor, licensed under the Public Accounting Act, to conduct a compliance audit of the candidate’s election campaign finances.

On July 28, 2015, the Election Compliance Audit Committee appointed Raymond Chabot Grant Thornton (“RCGT”) to perform the compliance audits of the 2014 Municipal Election campaign expenses of Candidates El-Chantiry and Taylor. The Committee delegated the authority to finalize the contract and the audit program to the City Clerk and Solicitor, in consultation with the Deputy City Clerk and the Committee’s independent legal counsel. On August 10, 2015, RCGT was formally retained to conduct the required election compliance audits.

Under section 81 (9) of the MEA, the auditor is responsible for promptly conducting a compliance audit of the candidate’s election campaign finances to determine if the candidate complied with the election campaign finance rules of the Municipal Elections Act, 1996.

Upon completing the compliance audit, the auditor is to prepare a report outlining whether an apparent contravention of the election campaign finance provisions of the
Act occurred. When the auditor has completed his/her report, the report is to be forwarded to the following individuals:

- the Candidate;
- City Council;
- the City Clerk; and
- the Applicant.

The City Clerk received the final compliance audit reports on November 30, 2015. The reports were promptly forwarded to the Election Compliance Audit Committee members the same day. The City is responsible for the auditor’s costs related to performing the compliance audit.

**DISCUSSION**

This report does not comment on the conclusions of a compliance audit nor does it make a recommendation with respect to same.

The City Clerk received the final compliance audit reports on November 30, 2015. The reports were promptly forwarded to the Election Compliance Audit Committee members the same day. A copy of the election compliance audit report of the 2014 Campaign of Mr. Eli El-Chantiry submitted by Raymond Chabot Grant Thornton is attached as Document 1 to this report.

The MEA requires that, within 30 days of receiving the report, the Committee shall hold a meeting for the purposes of considering the auditor’s report. The deadline for the Committee to consider the compliance audit report is December 30, 2015. As part of its consideration of the auditor’s report pursuant to subsection 81(14) of the MEA, the Committee may:

a) If the report concludes that the candidate appears to have contravened a provision of this Act relating to election campaign finances, commence a legal proceeding against the candidate for the apparent contravention; or

b) If the report concludes that the candidate does not appear to have contravened a provision of this Act relating to election campaign finances, make a finding as to whether there were reasonable grounds for the application.
In the event that the auditor concludes that there was no apparent contravention of the election campaign finance rules and the Election Compliance Audit Committee has found that there were no reasonable grounds for the application, City Council is entitled to recover the auditor's costs from the Applicant.

Following its decision, and in accordance with the Committee’s Terms of Reference, the Committee will submit a report to City Council, for information, outlining its findings and decision as a result of the auditor’s report.

RURAL IMPLICATIONS

There are no rural implications associated with this report.

CONSULTATION

This report is administrative in nature and therefore no public consultation was required.

COMMENTS BY THE WARD COUNCILLOR(S)

This is a city-wide report.

LEGAL IMPLICATIONS

There are no legal impediments associated with this report. Under Subsection 81(14) of the Municipal Elections Act, 1996, the Election Compliance Audit Committee shall consider a compliance audit report prepared by the Committee-appointed auditor within 30 days of receipt and may action the matter pursuant to clauses (a) and (b) of that provision.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications associated with this report.

FINANCIAL IMPLICATIONS

The costs of the Election Compliance Audit Committee’s operations and activities will be funded from the Election Reserve Fund.

ACCESSIBILITY IMPACTS

There are no accessibility implications associated with this report.

TERM OF COUNCIL PRIORITIES

This report has no direct impact on the City’s strategic priorities or directions.
SUPPORTING DOCUMENTATION

Document 1 - Election compliance audit report of the 2014 Campaign of Mr. Eli El-Chantiry submitted by Raymond Chabot Grant Thornton

DISPOSITION

The City Clerk and Solicitor, in consultation with the Committee’s independent legal counsel, will take the necessary steps to implement any decision of the Election Compliance Audit Committee and will advise the Candidate and the Applicant accordingly.