



Election Compliance Audit Committee

Minutes 1

Friday, 17 May 2019

9:15 am

Champlain Room, 110 Laurier Avenue West

- Notes:*
- 1. Please note that these Minutes are to be considered DRAFT until confirmed by Committee.*
 - 2. Underlining indicates a new or amended recommendation approved by Committee.*

Present: **Chair: D. Wallace**
Vice-Chair: C. Bédard
Members: C. Bergeron, J. Huang, P. O'Callaghan,
Committee Counsel: Benoit Duchesne, Gowling WLG

DECLARATIONS OF INTEREST

No declarations of interest were filed.

OFFICE OF THE CITY CLERK AND SOLICITOR

1. ELECTION OF CHAIR AND VICE-CHAIR

That the Election Compliance Audit Committee elect a Chair and a Vice-Chair.

Motion No. ECAC 1/1

Moved by Member P. O'Callaghan

BE IT RESOLVED THAT the Election Compliance Audit Committee appoint Douglas Wallace as its Chair and Carmelle Bédard as its Vice-Chair for the 2018-2022 Term of Council.

The Committee CARRIED the motion.

2. ELECTION COMPLIANCE AUDIT COMMITTEE – TERMS OF REFERENCE

ACS2019-CCS-GEN-0039

CITY WIDE

That the Election Compliance Audit Committee receive the Committee's Terms of Reference as outlined in Document 1.

The Committee RECEIVED the Terms of Reference.

3. ELECTION COMPLIANCE AUDIT COMMITTEE – *RULES OF PROCEDURE*

ACS2019-CCS-GEN-0040

CITY WIDE

That the Election Compliance Audit Committee approve the Committee's *Rules of Procedure* as outlined in Document 1.

The Committee APPROVED the *Rules of Procedure*.

4. APPLICATION FOR A COMPLIANCE AUDIT OF THE CAMPAIGN FINANCES OF CANDIDATE GEORGE DAROUZE FOR OSGOODE WARD FOR THE 2018 GENERAL MUNICIPAL ELECTION

ACS2019-CCS-GEN-0037

CITY WIDE

That the Election Compliance Audit Committee consider whether the application for a compliance audit of the finances for the 2018 General Municipal Election campaign of Candidate George Darouze for Osgoode Ward be granted or rejected.

[Note: The 30-day timeline for the Committee to consider and decide on this matter expires on Monday, June 5, 2019.]

The Chair read an opening statement outlining the procedures for and format of the Committee Meeting.

The Applicant, Bruce Faulkner, was in attendance and stated that he did not wish to make oral submissions to the Committee. Mr. Faulkner provided a written submission to the Committee, which is filed with the City Clerk's Office. The Committee had no questions for the Applicant.

The Candidate, George Darouze, was in attendance, along with his Representative, Gregory Meeds, lawyer at Vice & Hunter LLP. Mr. Meeds spoke to the Committee opposing the Application, and provided written submissions to the Committee which are filed with the City Clerk's Office. Mr. Meeds and Candidate Darouze answered questions from the Committee.

The Committee then recessed to deliberate in private and, upon being called to order, considered the following motion:

Motion No. ECAC 1/2

Moved by C. Bergeron.

BE IT RESOLVED THAT upon hearing the representations and reading the

written submissions and documents submitted by the applicant, the candidate, and their representatives (as the case may be), the Committee hereby REJECTS the Application because it was not presented with compelling and credible information which raises a reasonable probability that a breach of the campaign finance provisions of the *Municipal Elections Act, 1996* has occurred. The submissions presented on behalf of the candidate were persuasive and supported by cogent documentation and fully addressed the allegations in the application.

The Committee CARRIED the motion.

5. APPLICATION FOR A COMPLIANCE AUDIT OF THE CAMPAIGN FINANCES OF CANDIDATE JAY TYSICK FOR OSGOODE WARD FOR THE 2018 GENERAL MUNICIPAL ELECTION

ACS2019-CCS-GEN-0038

CITY WIDE

That the Election Compliance Audit Committee consider whether the application for a compliance audit of the finances for the 2018 General Municipal Election campaign of Candidate Jay Tysick for Osgoode Ward be granted or rejected.

[Note: The 30-day timeline for the Committee to consider and decide on this matter expires on Monday, June 5, 2019.]

The Applicant, Bruce Faulkner, was in attendance and stated that he did not wish to make oral submissions to the Committee. The Committee had no questions for the Applicant.

The Candidate, Jay Tysick, spoke to the Committee opposing the Application, and provided a written submission to the Committee which is filed with the City Clerk's Office. Candidate Tysick answered questions from the Committee.

Benoit Duchesne, Committee Counsel, and M. Rick O'Connor, City Clerk and Solicitor, answered questions from the Committee.

The Committee then recessed to deliberate in private and, upon being called to order, considered the following motion:

Motion No. ECAC 1/3

Moved by P. O'Callaghan

BE IT RESOLVED THAT upon hearing the representations and reading the written submissions and documents submitted by the applicant, the candidate and City staff (as the case may be), the Committee hereby **GRANTS** the Application because it was presented with compelling and credible information which raises a reasonable probability that a breach of campaign financing provisions of the *Municipal Elections Act, 1996* has occurred. The Candidate has admitted in writing and orally that he has not complied with the election campaign financing provisions of the Act by failing to file a financial statement under Section 88.25 of the *Municipal Elections Act, 1996*. That failure and admission provides this Committee with credible information from the Candidate himself which raises a reasonable probability of the breach of the *Municipal Elections Act, 1996*.

BE IT FURTHER RESOLVED THAT the Committee directs that the City Clerk and Solicitor's Office, in consultation with the Committee's independent legal counsel, initiate a call-up against the City's Standing Offer for Auditing Services, and provide the Committee with the proposals received of up to three (3) potential auditors. The Committee will speak to the nature of the compliance audit to be carried out at the time of the auditor's appointment.

The Committee CARRIED the motion with Member J. Huang dissenting.

ADJOURNMENT

The meeting adjourned at 11:03 am.

Committee Coordinator

Chair