



TOWNSHIP OF NORTH HURON

REPORT

Item No.

REPORT TO: Reeve Vincent and Members of Council
PREPARED BY: Dwayne Evans, CAO/Clerk
DATE: 04/09/2018
SUBJECT: Establishment of an Election Compliance Audit Committee for the 2018 Municipal Election
ATTACHMENTS: Draft By-law; Terms of Reference

RECOMMENDATION:

THAT the Council of the Township of North Huron hereby receive the report of the CAO/Clerk, dated September 4, 2018 regarding the establishment of an Election Compliance Audit Committee for the 2018 Municipal Election;

AND FURTHER, THAT staff be directed to present a By-Law to establish an Election Compliance Audit Committee and to adopt the attached Terms of Reference at the next regular Council meeting; and

AND FURTHER, THAT the CAO/Clerk be authorized to proceed with the establishment of an Election Compliance Audit Committee in accordance with the *Municipal Elections Act, 1996*.

EXECUTIVE SUMMARY

Subsection 88.37 (1) of the Municipal Elections Act, 1996 (the “MEA”) states that every Council, before October 1 of an election year, shall establish an Election Compliance Audit Committee for the purposes of reviewing and hearing complaints regarding election campaign financing.

Following a meeting of the Huron County Election Working Group and as has been done in past years, a Joint Election Compliance Audit Committee is proposed to be established to serve all member municipalities. This staff report provides background information regarding the establishment of an Election Compliance Audit Committee and recommends staff be directed to present a By-law to establish the Committee and adopt the Terms of Reference at the next regular Council meeting, and the CAO/Clerk be authorized to proceed with the establishment of the Committee.

DISCUSSION

Rationale for Establishing an Election Compliance Audit Committee:

All Candidates and Third Party Advertisers are required to file provincially prescribed financial statements with the Clerk detailing their campaign contributions and expenses. An eligible elector who believes on reasonable grounds that a candidate/third party advertiser has contravened the MEA relating to campaign finances may apply for a compliance audit of the candidate's/third party advertiser's election campaign finances. The application must be made in writing to the Clerk, including the reasons for the elector's belief that the candidate/third party advertiser has contravened the MEA and must be made within 90 days after the filing date of the candidate's financial statements.

As proposed, the Election Compliance Audit Committee would serve the needs of all Huron County member municipalities should an application for compliance audit or apparent contribution contravention report be made. Committee per diems and normal expenses would be paid by the member municipality where an application for audit or apparent contravention contribution is made and the member municipal staff would provide administrative support to the Committee. The term of the Committee is 4 years and would include any applications derived from the 2018 Municipal Election and any subsequent by-elections during the 2018-2022 term.

The powers and functions of the Committee are set out the MEA and include:

- Consider any application from an elector for compliance audit of a candidate's or registered third party's election campaign finances and decide whether it should be granted or rejected;
- If the application is granted, appoint an auditor;
- Receive the auditor's report; and
- Consider the auditor's report and if the report concludes that there are any apparent contraventions of the MEA relating to election campaign finances, may decide to commence legal proceedings (and if so, take all steps necessary).

With respect to reports from Clerks about apparent contribution limit contraventions:

- Receive such reports and decide whether to commence legal proceedings against the contributor (and if so, take all steps necessary).

In carrying out the above described functions, the Committee shall hold its meetings open to the public and, in accordance with the Municipal Elections Act, may deliberate in closed session. When considering requests for compliance audit and when deciding whether or not to commence legal proceedings the committee shall, in accordance with the MEA, give brief written reasons for its decisions.

Note: In accordance with section 88.37 of the MEA, the Committee members cannot be municipal employees or officers, members of council, candidates in the 2018 municipal election or registered third parties in the 2018 municipal election.

Election Compliance Audit Committee Composition:

Election Compliance audit committee members must possess an in-depth knowledge of the campaign finance rules of the *MEA* so they can make independent decisions on the merits of the applications. As the committee will operate as a quasi-judicial committee, prior experience on a committee, task force or tribunal is an asset.

The Committee is to be comprised of three members and one alternate member. Committee members are to be appointed by Council in accordance with the established By-Law and Terms of Reference. Once established, the Committee appoints such executive positions as it deems necessary to ensure its operations but, shall include a Chair. The Clerk of the applicable municipality shall act as Secretary to this Committee. Please refer to the attached the Election Compliance Audit Committee Terms of Reference.

In compliance with the Municipal Elections Act, 1996, an Election Compliance Committee is to be established for the Township of North Huron before October 1, 2018, for the purposes of reviewing and hearing complaints regarding election campaign financing. As per the attached draft by-law, the Committee would be comprised of Jacqui Bishop, Jack McLachlan, Tom Prout and Luanne Phair (alternate member).

FINANCIAL IMPACT

Committee per diems are paid by the member municipality where an application for audit is made.

FUTURE CONSIDERATIONS

N/A

RELATIONSHIP TO STRATEGIC PLAN

Our municipality is fiscally responsible and strives for operational excellence.

A handwritten signature in black ink, appearing to read "Dwayne Evans", is positioned above a horizontal line.

Dwayne Evans, CAO/Clerk