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# HALDIMAND COUNTY

Report CS-CL-08-2018 Joint Municipal Election Compliance Audit Committee  
For Consideration by Council in Committee on June 19, 2018

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## OBJECTIVE:

To outline a coordinated approach for the establishment of a Municipal Election Compliance Audit Committee to act for the City of Brantford, County of Brant, Haldimand County and Norfolk County.

## RECOMMENDATIONS:

1. THAT Report CS-CL-08-2018 Joint Municipal Election Compliance Audit Committee be received;
2. AND THAT the establishment of a joint Municipal Election Compliance Audit Committee amongst the City of Brantford, County of Brant, Haldimand County and Norfolk County, or any combination from amongst the four municipalities, be supported;
3. AND THAT the Terms of Reference for the Municipal Election Compliance Audit Committee, included as Attachment 1 to Report CS-CL-08-2018, be approved.

**Prepared by:** Evelyn Eichenbaum, Clerk

**Respectfully submitted:** Karen General, CPA, CGA, General Manager of Corporate Services

**Approved:** Donald G. Boyle, Chief Administrative Officer

## EXECUTIVE SUMMARY:

In order to meet the legislative requirements regarding the establishment of a Compliance Audit Committee to consider reports and applications related to the 2018 municipal election, County staff have worked with neighbouring municipalities to undertake a coordinated approach to the recruitment of a joint committee to serve the needs of all four municipalities. Staff anticipate that the coordinated approach will result in a more efficient and effective framework for the joint committee to work within, rather than each municipality recruiting its own committee for similar purposes.

## BACKGROUND:

Section 88.37 of the *Municipal Elections Act, 1996*, as amended (Act), requires that a council or local board shall establish a Compliance Audit Committee (Committee) before October 1 of an election year for the purposes of the Act. The original purpose of the Committee, to review and consider an application for a compliance audit of a candidate's election campaign finances is still in effect, and the Act has been amended to also include applications for compliance audits of registered third party election campaign finances.

Additionally, the Act has recently been amended to require that the Clerk review the contributions reported on the financial statements submitted by candidates and registered third parties to determine whether any contributor appears to have exceeded any of the contribution limits under the Act. In the case where a contributor appears to have contravened a contribution limit, the Clerk shall prepare a separate report concerning each apparent contravention and shall forward the report(s) to the

Committee for consideration and decision on whether to commence legal proceedings against the contributor.

## **ANALYSIS:**

Haldimand County appointed a Municipal Election Compliance Audit Committee (MECAC) for both the 2010-2014 and 2014-2018 terms of Council as required through the Act. As the recruitment of interested and qualified candidates to serve on MECAC has proven to be challenging in the past, Haldimand County staff have been working with the Clerks of the City of Brantford, County of Brant, and Norfolk County to develop a coordinated approach which would serve all four municipalities.

Staff from the aforementioned municipalities have held discussions about the merits of establishing one Committee to serve all four municipalities. All four Councils of the proposed participating municipalities will be considering a staff report for support of this initiative prior to the summer recess. In the case where one Council may not support this joint Committee approach, the intent is to move forward amongst the remaining municipalities that are supportive. Once all four Councils have considered these reports, a coordinated advertisement will be prepared for use in all participating municipalities. After the deadline for applications has passed, Clerks from the participating municipalities will collectively review the applications, verify references, etc. Appointments will be approved by a majority vote of the Clerks, and a list of recommended appointees will be presented to each Council for approval at an August or September meeting, in order to meet the October 1<sup>st</sup> deadline. The intent is to ensure that, where possible amongst the five members to be appointed, a minimum of one member shall be a qualified elector from a participating municipality.

A Terms of Reference has been developed outlining the recommended framework that the Committee will function within (included as Attachment 1 to this report), and draft procedures have also been developed, providing some standardized processes while deferring to each host municipality's Procedural By-law etc. The Terms of Reference contemplates all four municipalities supporting the joint committee, and also contemplates successful recruitment of 5 members. Should there be fewer than four municipalities participating in the joint committee, a revised Terms of Reference will be presented to reflect that fact, as part of the staff report presented to recommend appointing members to the Committee. Similarly, should there be difficulty in recruiting five qualified members to the Committee, a revised Terms of Reference would be presented along with recommended appointments.

After the October 22<sup>nd</sup> election, an inaugural meeting of MECAC will be held to provide an educational orientation session and for the Committee members to select a Chair and Vice-Chair to preside over meetings. Thereafter, each Clerk will arrange for meetings as required in each municipality for MECAC to consider a Clerk's report, or an application for a compliance audit of a candidate or registered third party.

## **FINANCIAL/LEGAL IMPLICATIONS:**

Since 2010, the County has paid a per diem of \$125 to each member of its MECAC, with no additional expense reimbursement. The proposed payment for members of the joint MECAC, as of December 2018 will be a per diem of \$150, plus the applicable mileage rate as set by the host municipality for travel to and from the member's home to the meeting location. Costs related to each meeting will be assumed by the host municipality, except the inaugural meeting which will be shared equally amongst all participating municipalities.

The 2018 Municipal Election budget includes expenditures of \$1,000 related to MECAC and the draft 2019 Tax Supported Operating Budget will also include expenditures for anticipated MECAC activity. All expenditures will be offset by funding from the Municipal Election Reserve.

**STAKEHOLDER IMPACTS:**

Not applicable.

**REPORT IMPACTS:**

Agreement: No

By-law: No

Budget Amendment: No

Policy: No

**ATTACHMENTS:**

1. Terms of Reference for the Municipal Election Compliance Audit Committee