

**Subject: Report from the City Clerk with respect to the review of contributions to candidates and registered third party advertiser's supplementary financial statements filed under the *Municipal Elections Act, 1996* for the 2022 Municipal Elections**

**File Number: ACS2023-OCC-GEN-0018**

**Report to Election Compliance Audit Committee on 8 December 2023**

**Submitted on December 1, 2023 by David White, City Solicitor and Interim City Clerk, Office of the City Clerk**

**Contact Person: Krista Bressette, Acting Manager, Municipal Elections and French Language Services, Office of the City Clerk**

**613-580-2424 ext. 23404, krista.bressette@ottawa.ca**

**Ward: Citywide**

**Objet : Rapport du greffier sur l'examen des contributions comptabilisées dans les états financiers supplémentaires des candidats et des tiers annonceurs inscrits en vertu de la *Loi de 1996 sur les élections municipales* pour les élections municipales de 2022**

**Numéro de dossier : ACS2023-OCC-GEN-0018**

**Rapport présenté au Comité de vérification de la conformité pour les élections**

**Rapport soumis le 8 décembre 2023**

**Soumis le 1 décembre 2023 par David White, avocat général et greffier municipal par intérim**

**Personne-ressource : Krista Bressette, gestionnaire intérimaire, Élections municipales et Services en français**

**613-580-2424, poste 23404, krista.bressette@ottawa.ca**

**Quartier : À l'échelle de la ville**

**REPORT RECOMMENDATION**

**That the Election Compliance Audit Committee receive this report for information.**

## RECOMMANDATION DU RAPPORT

**Que le Comité de vérification de conformité des élections prenne connaissance de ce rapport.**

### BACKGROUND

On Wednesday, March 23, 2022, City Council approved the staff report titled "[Update on the 2022 Municipal Elections and Amendments to Election-Related By-laws and Policies](#)" which included recommendations to establish the 2022-2026 Election Compliance Audit Committee (the "Committee"), pursuant to Section 88.37 of the *Municipal Elections Act, 1996* (the "MEA"). The 2022-2026 Committee's term of office began on Tuesday, November 15, 2022, and will end on Saturday, November 14, 2026.

The Committee is an independent, statutory body whose responsibilities and powers are largely prescribed by the MEA. The Committee is responsible for reviewing and making decisions on applications for municipal election campaign finance compliance audits, and on reports from the City Clerk regarding apparent contraventions of contribution limits prescribed by the MEA, resulting from the regular municipal election or any by-election held during the term of office for the City Council for which the Committee was appointed.

Sections 88.34 and 88.36 of the MEA prescribe that the City Clerk is responsible for reviewing the financial statements submitted by candidates and registered third party advertisers to determine whether any contributor appears to have exceeded the contribution limits established by the MEA. More specifically, the City Clerk's review seeks to determine if:

1. A candidate's financial statement(s) shows that a contributor gave more than \$1,200 to a single candidate or more than \$5,000 total to two or more candidates for office on the same council or local board in the 2022 Municipal Elections in accordance with Section 88.9; and
2. A registered third party advertiser's financial statement(s) show that a contributor gave more than \$1,200 to a third party or more than \$5,000 total to multiple third parties registered in the same municipality in accordance with Section 88.13.

In accordance with Subsection 88.34(4) and 88.36(4), the City Clerk's report(s) must be submitted to the Committee as soon as possible following the day that is 30 days after the filing deadlines (March 31, 2023 for initial statements and September 29, 2023 for supplementary statements, with consideration of the 30-day grace periods).

In order to assist the City Clerk with fulfilling this statutory duty, and as noted in staff's report titled "[Office of the City Clerk's 2022 Annual Report](#)", the Elections Office has hired a licensed Auditor from Raymond Chabot Grant Thornton ("RCGT") in accordance with the City's procurement process who has completed the above-noted review. The Auditors were tasked with reviewing the financial statements and submitting two reports, one report for the initial financial statements and a second report for supplementary financial statements.

### **Summary of the City Clerk's review of contributions made to candidates and third party advertisers: Initial financial statement review**

RCGT completed their review of initial financial statements filed by candidates and third party advertisers in the 2022 Municipal Elections and submitted their report, attached as Document 2, on November 22, 2023. The Auditor's report found two Contributors that appear to have contravened the contributions limits under the MEA. As such, the City Clerk has prepared a report for each Contributor for the Election Compliance Audit Committee's consideration at the December 8, 2023, meeting.

### **City Clerk's review of contributions made to candidates and third party advertisers: Supplementary financial statement review**

Three candidates filed a [Notice of Extension of Campaign Period - Form 6](#) and subsequently filed a supplementary financial statement by September 29, 2023 at 2 pm, as required by the MEA. No third party advertisers extended their campaign period; therefore, a review of contributions made to third party advertisers was not applicable in this instance.

RCGT completed their review of the supplementary financial statements filed by candidates in the 2022 Municipal Elections on November 24, 2023, and found that no contributors appear to have exceeded the contribution limits established by the MEA. As such, there are no contributor reports for the Committee to consider on this matter. RCGT's report on supplementary financial statements is attached as Document 1 for the Committee's information.

### **City Clerk's review of contributions made to candidates for School Board Trustee**

In accordance with Subsection 88.34(5), should the City Clerk's review of contributions to candidates indicate that there are apparent contraventions by contributors to candidates for a local board (i.e., school boards), the City Clerk shall forward the report(s) to the secretary of the local board, and within 10 days of receiving the

report(s), the secretary of the board will forward the report(s) to their respective compliance audit committee for their consideration.

The City Clerk's review found no contributors with apparent contraventions of contribution limits with respect to contributions to School Board Trustee candidates. As such, on November 27, 2023, the City Clerk issued memos to the four school boards to advise them accordingly.

## **DISCUSSION**

As the Auditor's report attached as Document 1 finds no apparent contraventions of the candidate contribution limits established by Section 88.9 of the *Municipal Elections Act, 1996*, for supplementary financial statements filed in the 2022 Municipal Elections, there are no contributor reports for the Committee to consider on this matter.

This report has been prepared by the City Clerk for the Committee's information only.

## **FINANCIAL IMPLICATIONS**

In accordance with Subsection 88.37(7) of the *Municipal Elections Act, 1996*, the City of Ottawa shall pay all costs in relation to the Election Compliance Audit Committee's operation and activities. These costs will be funded from the Tax Stabilization Reserve.

## **LEGAL IMPLICATIONS**

Under Subsection 88.34(8) of the *Municipal Elections Act, 1996*, within 30 days after receiving a report under Subsection 88.34(4), the Election Compliance Audit Committee (the "Committee") shall consider it and decide whether to commence a legal proceeding against a contributor for an apparent contravention. Where the Committee issues a decision to commence such a proceeding, the City Clerk will carry out the required steps pursuant to Subsection 88.37(6) to retain an independent, arm's length, external prosecutor to review the records related to this matter and determine next steps. The City Clerk may provide updates to the Committee on the status and/or resolution of the legal proceedings.

## **COMMENTS BY THE WARD COUNCILLOR(S)**

This is a Citywide report.

## **CONSULTATION**

This report is required under the *Municipal Elections Act, 1996* and is administrative in nature, therefore no public consultation was required.

### **ACCESSIBILITY IMPACTS**

There are no accessibility implications associated with this report.

### **RISK MANAGEMENT IMPLICATIONS**

There are no risk management implications associated with this report.

### **RURAL IMPLICATIONS**

There are no rural implications associated with this report.

### **TERM OF COUNCIL PRIORITIES**

This report has no direct impacts on the 2023-2026 City Strategic Plan and Term of Council Priorities.

### **SUPPORTING DOCUMENTATION**

Document 1: Report prepared by Raymond Chabot Grant Thornton dated November 24, 2023

Document 2: Report prepared by Raymond Chabot Grant Thornton dated November 22, 2023

### **DISPOSITION**

There are no disposition requirements as this report is prepared for the Committee's information only.