Document 2

2024 Report on the Elections Office

BACKGROUND

On behalf of the City Clerk, the Elections Office prepares for and administers municipal elections, by-elections, and appointment processes to fill City Council vacancies that occur during a term of Council. The City Clerk and the Elections Office ensure that the municipal elections, by-elections and appointment processes fully comply with the responsibilities, requirements and principles set out in the <u>Municipal Act, 2001</u> and the <u>Municipal Elections Act, 1996</u> (MEA). More specifically, Subsection 11(2) of the MEA provides that the City Clerk's responsibility for conducting an election includes the following:

- (a) preparing for the election;
- (b) preparing for and conducting a recount in the election;
- (c) maintaining peace and order in connection with the election; and
- (d) in a regular election, preparing and submitting the report described in Subsection 12.1(2) [relating to the identification, removal and prevention of barriers that affect electors and candidates with disabilities].

The City Clerk also has a duty to administer elections in a manner consistent with the principles of the statute as determined by the courts. These principles include but are not limited to:

- The secrecy and confidentiality of the voting process
- To be accessible to all voters
- To be undertaken in a fair and non-biased fashion
- Maintaining integrity of the process throughout an election

The Elections Office is also responsible for conducting election-related legislative reviews on behalf of the City Clerk, and implementing any changes required for future elections.

DISCUSSION

As previously noted, the Elections Office is required to prepare for and administer municipal elections and by-elections in accordance with the <u>Municipal Elections Act</u>, <u>1996</u> (MEA). This includes executing associated deliverables as required throughout the four-year election cycle (before, during and after voting events) in accordance with the MEA.

In the City of Ottawa, preparations for general municipal elections begin years in advance because of the City's vast geographic area and large population, with over 722,000 eligible electors in 2022. Moreover, Ottawa provides bilingual and accessible services throughout the election process and at all voting places.

In 2024, the Elections Office continued preparations and planning for future municipal elections, including the 2026 Municipal Elections that will take place on October 26, 2026, and any by-elections that may occur during the 2022-2026 Term of Council, as further described in this report.

Further, this report provides an update on the remaining deliverables for the 2022 Municipal Elections, including supporting the Election Compliance Audit Committee and administering the Contribution Rebate Program.

Preparations for future municipal elections

Changes to the preliminary list of electors and voter registration system

As previously described in the <u>2023 Report on the Elections Office</u> (Document 2 to the <u>Office of the City Clerk 2023 Annual Report</u>), Bill 204, the <u>Helping Tenants and Small Businesses Act</u>, <u>2020</u>, received Royal Assent on October 1, 2020. The Bill, in part, provided that beginning in 2024, the Province's Chief Electoral Officer is responsible for preparing the preliminary list of electors for municipal elections as well as establishing and maintaining a permanent register of electors. This responsibility was previously with the <u>Municipal Property Assessment Corporation</u> (MPAC). In an election or by-election cycle, the preliminary list of electors is provided to the City Clerk to prepare the final voters' list for voting day. As required by current legislation, MPAC remains responsible for collecting information about electors' school support.

As of January 1, 2024, individuals may use Elections Ontario's <u>Voter Registration tool</u> to verify, amend, add or remove their voter information for municipal and provincial elections in Ontario. In addition, eligible 16- and 17-year-olds can join the <u>Ontario Register of Future Voters</u> to automatically be added to the Permanent Register of Electors for Ontario when they turn 18.

To make residents aware of the opportunity to update their voter information for provincial and municipal elections using the Voter Registration tool, the Elections Office added information on https://docs.python.org/decomposition-street-color: blue to the 2026 Municipal Elections, and Elections Office staff remain available to assist electors and answer questions they may have regarding this process.

In 2024, the Elections Office continued to engage with Elections Ontario to further refine the voter registration system, the quality of the data, and the integration points with internal systems. This work will continue in the lead-up to the 2026 Municipal Elections.

Staff will ensure that communications strategies are executed to assist residents in updating their information with Elections Ontario and MPAC in future municipal elections.

Procurement of vote tabulation system

Section 42 of the MEA provides municipalities with the option of passing a by-law to authorize the use of vote-counting equipment. The City of Ottawa has relied upon automated vote tabulators to count votes in all municipal elections and by-elections since 1997. This equipment ensures the consistent and accurate counting of votes and the timely production of unofficial election results. The City's By-law No. 2003-275 authorizes the use of vote-counting equipment and continues to be in effect for any regular elections or by-elections.

As described in the <u>2022 Report on the Elections Office</u> (Document 2 to the <u>Office of the City Clerk 2022 Annual Report</u>), the City's existing contract with Dominion Voting Systems Corporation for both hardware (i.e., vote tabulators) and software (i.e., votecounting software) is in effect for any by-elections that may occur during the 2022-2026 Term of Council, but will expire at the end of the term. As such, the Elections Office is working with Supply Services, in collaboration with Information Technology Services (ITS), to source a vote tabulation system for future municipal elections.

In 2024, staff worked to develop a procurement strategy, timelines and identify requirements for the vote tabulation system to prepare a Request for Proposal (RFP). The RFP was issued on January 10, 2025, and closed on January 31, 2025, in accordance with the City's *Procurement By-law* (By-law No. 2000-50) and procurement processes. The proposals received are being reviewed and considered in accordance with established procurement processes. It is anticipated that a vote tabulation system contractor will be selected by end of Q2 2025. After the selection, the Elections Office will work with ITS and other partners to implement and test the system in preparation for the 2026 Municipal Elections. The Elections Office will report on the outcome of this process in future election-related reports to City Council in advance of the 2026 Municipal Elections.

Public consultation and Anti-Racism Strategy

The Elections Office conducted a public consultation on the electoral experience in Ottawa's municipal elections from September 5 to October 3, 2024. Specifically, the public consultation sought feedback on several election-related topics including residents' experience participating in the 2022 Municipal Elections (if applicable), election-related communications, accessibility, and voting methods for future municipal elections.

The public consultation was conducted by way of an online survey on the City's Engage Ottawa platform. Participants who did not wish or could not fill out the survey electronically were able to provide their feedback to the Elections Office by email, mail, or by phone.

The Elections Office, with support from Public Information and Media Relations, executed a communications strategy to inform residents about the consultation process. Communications were issued through a variety of different media including a Public Service Announcement, social media posts, newspaper advertisements, digital screens in City facilities, online advertisements, and the City's relevant eSubscription lists. The Elections Office also worked with internal stakeholders including Gender and Race Equity, Inclusion, Indigenous Relations and Social Development Services (GREIIRSDS), French Language Services, and the Accessibility Office, to provide information about the consultation to their networks.

Staff received 466 responses to the online survey, as well as four emails with feedback related to the consultation. The Elections Office is reviewing the responses received and will use the feedback to help inform processes and procedures for future municipal elections, and to help address the election-related action items outlined in the City's Anti-Racism Strategy as follows:

- 1. Identify the cost and feasibility of multi-lingual election-related communication materials and voting tools and make recommendations as part of the 2026 Elections report, where permitted by the *Municipal Elections Act.* 1996.
- 2. Engage with Indigenous, Black and other racialized communities to identify barriers to participate in the municipal election process and, make recommendations to address barriers through the 2026 Elections report.

The Elections Office continues to consult with internal and external stakeholders through different avenues to address the above-noted action items in advance of the 2026 Municipal Elections. This includes, in part, working with GREIIRSDS to identify next steps for engagement with racialized communities regarding barriers to participating in the municipal elections process.

Results of the public consultation and the outcome of the election-related action items from the Anti-Racism Strategy will be summarized in future election-related reports to City Council in advance of the 2026 Municipal Elections.

Preparing for potential by-elections throughout the 2022-2026 Term of Council

The Elections Office must conduct by-elections as required, in accordance with Section 65 of the MEA. As by-elections must be conducted as much as possible in the same way as regular elections, but within compressed timelines compared to a regular

election, the Elections Office ensures it is "by-election ready." This includes but is not limited to working with internal stakeholders to maintain election and vote tabulation systems; identifying potential voting places and staffing needs; preparing election worker supply kits; and identifying areas of improvement in policies and procedures.

Ward 20 (Osgoode) vacancy

On February 27, 2025, Councillor George Darouze was elected as a Member of Provincial Parliament for the riding of Carleton. Pursuant to Subsection 258(1)(3) of the *Municipal Act, 2001*, "a Member of the Assembly as provided in the *Legislative Assembly Act* or of the Senate or House of Commons of Canada" is not eligible to hold office as a Member of Council.

In anticipation of Councillor Darouze's resignation, City Council held a Special Council meeting on March 5, 2025, and approved Motion No. 2025-53-01 to, in part, direct the City Clerk to report back to City Council with information on a by-election model at the March 26, 2025, City Council meeting.

On March 14, 2025, George Darouze provided the City Clerk with written notice of his resignation from the Office of City Councillor for Ward 20 (Osgoode), effective that same day, in accordance with Subsection 260(1) of the *Municipal Act, 2001*.

Following George Darouze's resignation, City Council is required to declare the Office of City Councillor for Ward 20 (Osgoode) "vacant" at its next meeting (being the regularly scheduled City Council meeting on March 26, 2025), in accordance with Section 262 of the *Municipal Act*, 2001. Within 60 days of the declaration of vacancy, City Council is also required to:

- fill the vacancy by appointing a person who has consented to accept the office if appointed; or
- pass a by-law requiring a by-election to be held to fill the vacancy in accordance with the *Municipal Elections Act*, 1996.

As required by the above-noted motion, a report outlining City Council's options to fill the Ward 20 (Osgoode) vacancy, including information about a by-election model, will be brought forward for City Council's consideration on March 26, 2025.

The City Clerk will implement the direction of City Council and conduct a by-election or appointment process to fill the vacancy in accordance with the MEA and the *Municipal Act*, 2001.

Election Compliance Audit Committee

As required by Section 88.37 of the MEA, the 2022-2026 Election Compliance Audit Committee was established on August 25, 2022. The committee's term began on

November 15, 2022, and will end on November 14, 2026.

The Election Compliance Audit 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 received from eligible electors and reports from the City Clerk regarding apparent contraventions of contribution limits prescribed by the MEA. These apparent contraventions may result from a regular municipal election, or any by-election held during the term of office for the City Council for which the committee was appointed.

In 2024, the Elections Office provided administrative support to the Election Compliance Audit Committee, Committee Coordinator, and City Clerk by supporting two committee meetings that took place on <u>August 28</u> and <u>September 16</u>.

The Elections Office will continue to provide support throughout the committee's mandate and the 2022-2026 Term of Council, as required.

Election compliance audit applications

In accordance with the MEA, any eligible elector who believes that a candidate or third party advertiser has contravened the campaign finance rules of the MEA may apply for a compliance audit even if the candidate or third party advertiser has not filed a financial statement. The periods to apply for a compliance audit of a candidate or third party advertiser's campaign finances in the 2022 Municipal Elections ended in 2023.

The Election Compliance Audit Committee received three election compliance audit applications for initial financial statements that were considered at its meeting on <u>July 31, 2023</u>. The committee granted two compliance audit applications and rejected one.

At its meeting on <u>December 8, 2023</u>, the committee appointed external licensed auditor Raymond Chabot Grant Thornton (RCGT) (now OXARO Inc.), to commence the compliance audit of the campaign finances for candidate Doug Thompson. The committee also appointed external licensed auditor BDO Canada LLP to commence the compliance audit of the campaign finances for third party advertiser Horizon Ottawa.

The audit report from BDO Canada LLP titled, "<u>Auditor's Report – Election compliance</u> audit of the campaign finances of Third Party Advertiser Horizon Ottawa from the 2022 <u>Municipal Elections</u>," was considered by the Election Compliance Audit Committee at its meeting on <u>August 28, 2024</u>, where the committee decided to commence a legal proceeding against third party advertiser Horizon Ottawa. This matter was referred to an independent prosecutor for action and remains ongoing. The Elections Office and Legal Services will continue to monitor the above-noted legal proceedings and will report back to City Council as required.

The audit report from Raymond Chabot Grant Thornton (RCGT) (now OXARO Inc.) titled, "Auditor's Report – Election compliance audit of the campaign finances of Candidate Doug Thompson of Ward 20 Osgoode from the 2022 Municipal Elections," was considered by the committee at its meeting on September 16, 2024, where the committee decided not to commence a legal proceeding against candidate Doug Thompson. This matter is now closed.

Appeals

As previously described in the <u>2023 Report on the Elections Office</u> (Document 2 to the <u>Office of the City Clerk 2023 Annual Report</u>), the City of Ottawa was notified that three of the Election Compliance Audit Committee's decisions from its <u>July 31, 2023</u>, meeting were appealed to the Superior Court of Justice in accordance with the MEA. One appeal was discontinued after filing.

At the writing of this report, staff can provide the following updates regarding the two appeals heard by the Superior Court of Justice:

- On January 30, 2025, the appeal related to the <u>committee's decision</u> to order a compliance audit of the campaign finances of candidate Doug Thompson was considered and rejected. As such, all election compliance matters related to candidate Thompson's campaign finances are now closed.
- On February 20, 2025, the appeal related to the <u>committee's decision</u> to reject the application for a compliance audit of candidate Shawn Menard's campaign finances was considered and granted. The Superior Court of Justice reversed the decision of the committee and ordered the committee appoint an auditor to conduct a compliance audit. The Office of the Clerk will implement the decision of the court and provide administrative support to the committee and auditors to ensure that the audit is conducted in accordance with the court's direction and within MEA requirements and timelines. The City Clerk will report back to City Council on this matter as required.

Costs of the 2022-2026 Election Compliance Audit Committee

In accordance with Subsection 88.37(7) of the MEA, 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.

As approved by City Council through the report titled, "<u>Update on the 2022 Municipal Elections and Amendments to Election-Related By-laws and Policies</u>," the 2022-2026 Committee members are paid the same honorarium and per diem as established for the previous three Election Compliance Audit Committees, as follows:

A \$600 annual retainer

\$175 an hour, up to a maximum of \$1,250 a day

In addition to costs associated with the members of the committee, the City pays for the following services as required:

- An external legal counsel assigned to assist members of the committee in performing their quasi-judicial duties, including costs for any appeals.
- An independent auditor to conduct compliance audits granted by the committee.
- An independent prosecutor to review the case and decide whether to proceed with prosecution.

As the previously mentioned compliance audit matters and legal proceeding remain ongoing, the costs are not known at this time. Staff will report back to City Council regarding the final costs of the 2022-2026 Election Compliance Audit Committee once proceedings have concluded.

Contribution Rebate Program

Section 88.11 of the MEA provides that a municipality may pass a by-law to allow for the payment of rebates to individuals who contribute to candidates for the Office of Mayor or City Councillor and may establish conditions under which such a rebate is paid.

City Council first established the Contribution Rebate Program for the 2003 Municipal Elections, and the City's *Contribution Rebate Program By-law* (By-law No. 2022-76) remains in effect for any regular election or by-election that may occur in the City of Ottawa.

The Contribution Rebate Program By-law authorizes the payment of rebates to individuals who make contributions to candidates for the Office of Mayor or City Councillor who participate in the program. Participation in the Contribution Rebate Program requires candidates to submit a Contribution Rebate Program Application form by the close of the nomination period for the relevant election and meet the requirements of the Contribution Rebate Program By-law. Campaign contributions from individuals are only eligible for a rebate if both the contributor and candidate meet the requirements of the by-law.

Payments or rebates to contributors

As previously described in the <u>2023 Report on the Elections Office</u> (Document 2 to the <u>Office of the City Clerk 2023 Annual Report</u>), contributors were required to submit their contribution rebate applications for the 2022 Municipal Elections by 2 pm on November 28, 2023. Following this, the Elections Office reviewed the applications to ensure that the contributor and candidate were compliant with the requirements of the program.

A total of 105 candidates participated in the Contribution Rebate Program for the 2022 Municipal Elections and at the writing of this report:

- 63 candidates were confirmed to have met the requirements of the Contribution Rebate Program. The compliance of one candidate is still under review, pending the outcome of an ongoing election compliance audit matter.
- 41 candidates did not meet the requirements of the Contribution Rebate Program.
 - o Nine candidates were in default under the *Municipal Elections Act, 1996*.
 - o 32 candidates did not file a financial statement with an auditor's report attached, as required by the *Contribution Rebate Program By-law*.

Rebates were issued to eligible contributors in February 2024. Rebate applications for a participating candidate with ongoing election compliance audit-related matters are being held pending resolution to ensure compliance with the *Contribution Rebate Program By-law*.

At the writing of this report, the cost of the Contribution Rebate Program for the 2022 Municipal Elections is approximately \$149,602. Funding for the Contribution Rebate Program comes from the Tax Stabilization Reserve.