

# Municipality of Lakeshore – Report to Council

## Strategic & Legal Affairs

### Civic Affairs



**To:** Mayor & Members of Council

**From:** Brianna Coughlin, Division Leader – Civic Affairs

**Date:** July 15, 2022

**Subject:** Election Compliance Audit Committee

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### Recommendation

Direct the Clerk to read By-law 73-2022, to adopt the terms of reference for the 2022-2026 Election Compliance Audit Committee, during the 'Consideration of By-laws'; and

Direct the Corporate Leader – Strategic & Legal Affairs to commence the selection process for members to be appointed to the 2022-2026 Election Compliance Audit Committee, all as presented at the August 9, 2022 Council meeting.

### Background

The *Municipal Elections Act, 1996* (MEA) requires a municipality to establish a compliance audit committee prior to October 1<sup>st</sup> of an election year. The committee must be composed of not fewer than three and not more than seven members and shall not include:

1. employees or officers of the Municipality;
2. members of Council;
3. any persons who are candidates in the election for which the committee is established; or
4. any persons who are registered third parties in the municipality in the election for which the committee is established.

Section 88.33 of the MEA permits an elector who believes on reasonable grounds that a candidate has contravened a provision of the MEA relating to election campaign finances to apply for a compliance audit of the candidate's election campaign finances. The committee's mandate is to determine whether a request for a compliance audit should be granted or rejected. If the committee grants the application, then the committee is obliged by the MEA to appoint an auditor to conduct the compliance audit of the candidate's election campaign finances. The appointed auditor is obliged to audit the candidate's campaign finances in order to determine whether the candidate has

complied with the provisions of the MEA relating to campaign finances and provide a report to the committee stating the auditor's conclusions.

The MEA sets out the term of office for the committee and its members which is concurrent with the term of the incoming Council.

## **Comments**

The MEA requirement for a compliance audit committee was introduced in 2010 and continues. The Lakeshore Election Compliance Audit Committee was established for the 2010, 2014 and 2018 elections and Committee members were appointed each time. No applications were received for compliance audits of candidate election campaign finances.

Administration recommends that, as required by the MEA, Council establish the 2022-2026 Election Compliance Audit Committee which will operate pursuant to the Terms of Reference attached as Schedule A to draft By-law 73-2022. The Committee would be composed of 4 members selected by the Corporate Leader – Chief Financial Officer and the Corporate Leader – Strategic & Legal Affairs based on the following criteria (with a preference given to those persons who have demonstrated experience in public accounting, auditing, legal and the application of campaign finance rules):

- Analytical and decision making skills;
- Experience working on committees, task forces or similar working groups;
- Availability and willingness to attend meetings; and
- Excellent oral and written communications skills.

Upon establishment of the Committee, Administration will proceed with the recruitment of the members in accordance with the committee recruitment provisions set out in the Procedural By-law. It should be noted that while the Procedural By-law contemplates committees being appointed during the late fall, this Committee is required to be established and appointed prior to October 1<sup>st</sup> in the year of a regular election. As such recruitment cannot be conducted along with all of the other Lakeshore committees.

## **Financial Impacts**

The costs incurred for advertising are included in the 2022 election budget. Otherwise, there are no immediate financial impacts resulting from the recommendations contained in this report. However, if the Committee is required to convene due to receipt of an application for a compliance audit, then the following costs are anticipated:

- \$125 per diem for each Committee member for each meeting attended;
- legal advice for the Committee where necessary; and
- if the Committee grants an application for an audit, costs will be incurred for the services of an auditor.

## Report Approval Details

Document Title:	Election Compliance Audit Committee.docx
Attachments:	
Final Approval Date:	Aug 4, 2022

This report and all of its attachments were approved and signed as outlined below:

Prepared by Brianna Coughlin

Submitted by Kristen Newman

Approved by Justin Rousseau and Truper McBride