



Municipality of Port Hope

Staff Report

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Report Title: Joint Municipal Election Compliance Audit Committee

Report to: Corporate Services Committee

Date of meeting: April 19, 2022

Report Author:

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Department responsible:

Corporate Services

Report Number: CS-06-22

Recommendation:

1. That a by-law be presented to Council to adopt the draft Terms of Reference for the Joint Municipal Election Compliance Audit Committee as shown in Attachment #1 of Report CS-06-22; and
2. That a by-law to appoint individuals to the Joint Municipal Election Compliance Audit Committee as per the draft Terms of Reference be presented to Council upon the successful completion of recruitment.

Highlights:

- Section 88.37 of the Municipal Elections Act (MEA) requires the establishment of a Joint Elections Compliance Audit Committee (JECAC) before October 1st of an election year.
- The JECAC shall have the same four (4) year term as council, commencing on November 15, 2022 and concluding on November 14, 2026 or until such time that the JECAC has disposed of any remaining matters in accordance with the MEA.
- Seven local Northumberland municipalities (Alnwick-Halimand, Brighton, Cramahe, Cobourg, Hamilton Township, Trent Hills and Port Hope) have partnered to propose the coordinating of resources for the selection and recruitment of individuals who would be eligible to serve on a JECAC for each participating municipality.

Background:

In accordance with the MEA, candidates and third party advertisers are bound by specific election campaign finance rules and must file provincially prescribed financial statements with the Clerk outlining their financial activities. The role of the JECAC is to consider applications from an elector who is entitled to vote and who believes on

reasonable grounds that a candidate or registered third party has contravened a provision of the MEA relating to election campaign finances. The Committee will either grant or reject the elector's application, and if granted, appoint an auditor licenced under the Public Accounting Act to conduct an audit. If the audit identifies an apparent contravention, the JECAC shall decide whether to commence a legal proceeding against the candidate or third party advertiser.

The MEA also requires the Clerk to prepare reports dealing with apparent campaign contributions in excess of the permitted limits. Should the Clerk determine that a contributor has exceeded the limits, the Clerk must prepare a report and forward it to the JECAC. The JECAC will consider the Clerk's report and decide whether to commence a legal proceeding against a contributor for an apparent contravention.

Discussion:

Northumberland municipalities have successfully established a JECAC during the 2018 Municipal Election. As such, staff will be proceeding with a JECAC for the 2022 Municipal Election as well. The Municipality of Port Hope has spearheaded the effort to bring the seven local municipalities together to establish a Joint Municipal Elections Compliance Audit Committee and will be leading the recruitment process. By working together, the seven local municipalities will streamline the administrative processes involved with the recruitment and training of JECAC members. The joint recruitment effort will also provide a wider pool of qualified applicants to choose from.

A selection committee comprised of the Clerk, or designate, from each of the participating municipalities will identify qualified candidates eligible to serve on the Committee. The following six criteria shall be assessed:

- demonstrated knowledge and understanding of municipal election campaign financing rules;
- proven analytical and decision-making skills;
- experience working on a committee, task force or similar setting;
- demonstrated knowledge of quasi-judicial proceedings;
- availability and willingness to attend meetings; and
- excellent oral and written communication skills.

Preference will be given to candidates who have experience related to compliance audit activities or investigative or adjudicative processes. All applicants will be required to submit a letter of interest and a resume outlining their qualifications and experience and may be required to submit to further screening and an interview. Upon identification of the successful applicants, each municipal clerk will bring forward a by-law to their respective Council to approve the roster of individuals who will be eligible to serve on the JECAC.

The Clerk will establish administrative practices and procedures for the Compliance Audit Committee, making best efforts to maintain consistency with those established by the partner municipalities.

Financial Considerations:

The seven partner municipalities will share the cost for recruitment advertising.

The partner municipalities will share the costs for retainers for eligible Committee members, and for training. It is proposed that the retainer for members be \$600 and the stipend be \$150 per meeting plus mileage.

The MEA requires the municipality to pay all costs related to the operation and activities of the Compliance Audit Committee, including the auditor's costs of performing a compliance audit, and the cost of any external legal counsel for the Committee. It is not possible to determine with any certainty what the costs could be if a compliance audit is conducted.

Communication and Public Engagement:

The recruitment of members to the JECAC will be done collectively by the partner municipalities with the central intake of applications being the Municipality of Port Hope.

Conclusion:

Section 88.37 of the Municipal Elections Act (MEA) requires the establishment of a Joint Elections Compliance Audit Committee (JECAC) before October 1st of an election year. The Municipality of Port Hope has led the effort to partner with local municipalities to recruit and/or train individuals, which will reduce costs for the Municipality.

Attachments:

Attachment #1 – Draft By-law - Terms of Reference – Joint Municipal Election Compliance Audit Committee