

# The Corporation of the Municipality of Meaford

## By-law Number 2018-46

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### **Being a by-law to establish a Joint Compliance Audit Committee and adopt Terms of Reference**

**Whereas**, Section 5(3) of The Municipal Act S.O. 2001, C.25 as amended provides that powers of every Council are to be exercised through by-law unless specifically authorized to do otherwise; and

**Whereas**, Section 88.37 of the Municipal Elections Act, S.O. 1996, c.32 provides that Council shall establish a compliance audit committee before October 1 of an election year; and

**Whereas**, the Councils of each of the lower-tier municipalities in Grey County have agreed to establish a joint compliance audit committee; and

**Whereas**, Council of the Municipality of Meaford wishes to define the terms of reference for the joint compliance audit committee; and

**Whereas**, the Council of the Corporation of the Municipality of Meaford deems it expedient and necessary to establish the Grey County Compliance Audit Committee and adopt Terms of Reference;

### **The Council of The Corporation of the Municipality of Meaford enacts as follows:**

1. That the Grey County Compliance Audit Committee is hereby constituted.
2. That the Terms of Reference, attached as Schedule A and forming part of this by-law, are hereby adopted.
3. That the Clerk of the Municipality is hereby delegated the authority to appoint the members of the Compliance Audit Committee, following recommendations from the Selection Committee defined in the Terms of Reference.
4. That this by-law shall come into force and take effect upon being passed by Council.

**Read a first, second and third time and finally passed this 9th day of July, 2018.**

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**Barb Clumpus, Mayor**

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**Matthew Smith, Clerk**

# Grey County Compliance Audit Committee Terms of Reference

## 1. Definitions

- 1.1 “Act” means the *Municipal Elections Act, 1996*, S.O. 1996, c.32, as amended from time to time;
- 1.2 “Applicant” means an eligible elector who makes an application under Section 88.33(1) of the Act;
- 1.3 “Application” means an application for a compliance audit of a candidate or registered third party, accepted by the Clerk pursuant to Subsection 88.33(2) of the Act and using a form prescribed by the Clerk pursuant to the authority granted by Subsections 88.37(6), 12(1) and 12(2) of the Act;
- 1.4 “Auditor” means a Grey County Compliance Audit Committee-appointed auditor pursuant to Subsection 88.33(10) of the Act;
- 1.5 “Auditor’s Report” means a report prepared by an auditor regarding the findings of an audit into the election campaign finances of a candidate or registered third party advertiser;
- 1.6 “Candidate” means the Candidate whose election campaign finances are the subject of an Application;
- 1.7 “Clerk” means the Municipal Clerk or designate;
- 1.8 “Clerk’s Report” is the report of the Clerk to a Sitting Committee that identifies each contributor to a candidate or registered third party who appears to have contravened any of the MEA contribution limits.
- 1.9 “Council” means the Council of each of the member municipalities;
- 1.10 “GCCAC” means the Grey County Compliance Audit Committee being a roster of no more than seven individuals recommended by the Selection Committee and appointed by each Member Municipality;
- 1.11 “Host Municipality” means the Member Municipality who convenes a Sitting Committee to consider a Clerk’s Report or Application;
- 1.12 “Member Municipalities” means all or some of the lower tier municipalities in Grey County participating in the GCCAC;
- 1.13 “Registered Third Party” means the individual, corporation or trade union whose notice of registration has been certified by the Clerk;
- 1.14 “Selection Committee” means the Grey County Clerk, and the Clerks of three Member Municipalities;

1.15 “Sitting Committee” means the three members of the GCCAC convened to consider a particular Clerk’s Report or Application.

**2. Mandate**

2.1 The Sitting Committee when appointed has full authority pursuant to sections 88.33, 88.34, 88.35, 88.36 and 88.37 of the Act to receive and make decisions on Applications and Clerk’s Reports respecting the 2018 municipal election and any municipal by-elections held during the 2018 to 2022 Council term.

**3. Scope of Responsibilities**

3.1 The Sitting Committee shall:

	<b>Timeline/Section of the Act</b>
Consider Applications for Candidates and/or Registered Third Parties and decide whether they should be granted or rejected.	Within 30 days after receipt of the Application - s. 88.33(7), s. 88.35(4)
Provide written reasons for the decision to grant or reject the Applications.	s. 88.33(8) s. 88.35(4)
If an Application is granted, appoint an Auditor to conduct a compliance audit of the Candidate’s and/or Registered Third Parties election campaign finances.	s. 88.33(10) and (11) s. 88.35(4)
Receive the Auditor’s Report.	Within 10 days after receiving the report, the clerk of the Host Municipality shall forward to the Sitting Committee - s. 88.33(14), s. 88.35(4)
Once the Auditor’s Report is received, consider if it contains a conclusion of apparent contravention of the Act, and decide whether to commence a legal proceeding against the candidate and/or Registered Third Party for the apparent contravention.	Within 30 days of receipt of the Auditor’s Report - s. 88.33(17), s. 88.35(4)

	<b>Timeline/Section of the Act</b>
Receive a Clerk's Report identifying any contributor to a Candidate or Registered Third Party who appears to have contravened established contribution limits.	s. 88.34(4) s. 88.36(4)
Once the Clerk's Report is received, consider the Report and decide whether to commence a legal proceeding against the Contributor for the apparent contravention.	Within 30 days of receipt of the Clerk's Report - s. 88.34(8), s. 88.36(5)

#### **4. Composition**

- 4.1 The GCCAC shall be comprised of a roster of up to seven (7) members.
- 4.2 When a Member Municipality receives either a Clerk's Report or an Application, the Clerk (of the Host Municipality) shall, within 10 days, arrange for three GCCAC members to convene a Sitting Committee to consider the Clerk's Report or Application. The selected GCCAC members shall be required to participate in all Sitting Committee meetings and any other proceedings pertaining to the Clerk's Report or Application.

#### **5. GCCAC Selection Criteria**

- 5.1 To the greatest extent possible, the GCCAC membership will be drawn from the following groups:
- accounting and audit – accountants or auditors, preferably with experience in preparing or auditing the financial statements of municipal candidates;
  - academic – college or university professors with expertise in political science or local government administration;
  - legal; and
  - other individuals with knowledge of the campaign financing provisions of the Act or experience with a formal hearing process.

#### **6. Appointment Process**

- 6.1 All applicants will be required to submit an application outlining their qualifications and experience with a cover letter and resume or curriculum vitae.

- 6.2 The Selection Committee shall meet to review all applications received based upon the membership selection criteria and may request interviews with applicants.
- 6.3 The Selection Committee, following the review of applications and any necessary interviews, shall make recommendations for appointment to the Clerk of each Member Municipality. The GCCAC roster shall be appointed by each Member Municipality based on those recommendations.

## **7. Remuneration**

- 7.1 Those persons appointed to the GCCAC will be paid a retainer of \$1,000, prorated (\$250 to be paid annually to each GCCAC member), over the term of their appointment (costs will be shared equally by the Member Municipalities). The retainer shall cover attendance at a mandatory training session and review of periodic updates or information supplied by the Clerk of a Member Municipality. Payment of the retainer does not denote membership on any Sitting Committee.
- 7.2 A rate of \$150 for meetings under 4 hours, \$250 for meetings over 4 hours, plus mileage at the applicable County rate per kilometer will be paid to GCCAC members convening as a Sitting Committee. The per meeting rate shall cover review of background or agenda materials as required in preparation for a meeting (costs will be borne by the Host Municipality).

## **8. Meetings**

- 8.1 All individuals appointed to the GCCAC will be required to participate in a training session as a condition of their appointment.
- 8.2 Meetings shall only be held as needed, according to the following:
  - When a Member Municipality is in receipt of either an Application or Clerk's Report, the Clerk of the applicable Member Municipality shall contact GCCAC members for availability. Three members of the GCCAC will be selected to convene a Sitting Committee.
  - The meetings will be held in a location to be determined by the Clerk of the Host Municipality.
  - Subsequent meetings of the same matter will be held at the call of the Clerk.
  - The Clerk from the Host Municipality shall contact the Sitting Committee members to ensure all are available to attend the said meeting.
  - All time frames established in the Act and regulations shall be adhered to.

## **9. Rules of Procedure**

9.1 Meetings of a Sitting Committee shall be conducted in accordance with the Administrative Practices and Procedures that are established jointly by the Clerks of the Member Municipalities.

## **10. Costs**

10.1 All Member Municipalities shall jointly share all costs in relation to the GCCAC operation.

10.2 The Host Municipality shall pay all costs in relation to a Sitting Committee, including, but not limited to general costs associated with convening the Sitting Committee, remuneration for the Committee Members, costs of any audit, legal costs as may be required, and any legal proceeding as may be applicable.

## **11. Conflict of Interest**

11.1 To avoid a conflict of interest, any auditor or accountant appointed to the GCCAC must not have assisted any candidate or registered third party as a volunteer or for compensation, in the 2018 municipal election or any by-elections during Council's term for any of the Member Municipalities.

## **12. Records**

12.1 The records of Sitting Committee meetings shall be retained and preserved by the Host Municipality in accordance with the Act and that municipality's records retention rules.