



City of  
**Peterborough**

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TO: The Chairman And Members Of Committee Of The Whole

FROM: Nancy Wright-Laking, City Clerk

MEETING DATE: January 9, 2006

**SUBJECT: Report FACLK06-004  
Compliance Audit Committee (Municipal Elections Act)**

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## **PURPOSE**

A report to recommend to Council that a Compliance Audit Committee under the Municipal Elections Act be formulated to process any Compliance Audit requests that arise from the Financial Statements submitted by candidates in the 2006 Municipal Election.

## **RECOMMENDATIONS**

That Council approve the recommendations outlined in report FACLK06-004, dated January 9, 2006, of the City Clerk as follows:

- a) That Council form a Compliance Audit Committee under the Municipal Elections Act, to be composed of three individuals, to review applications for campaign compliance audits submitted for the 2006 Municipal Election;
- b) And that this Committee will be delegated the authority under the Municipal Elections Act to direct that a compliance audit be undertaken, to appoint an auditor, to commence legal proceedings and to recover costs of such proceedings.

## **BUDGET AND FINANCIAL IMPLICATIONS**

There are no budget and financial implications in this recommendation.

## BACKGROUND

Section 81 of the *Municipal Elections Act, 1996 as amended* prescribes that a compliance audit can be requested by an elector who is entitled to vote in an election and believes, on reasonable grounds, that a candidate has contravened the Act. The application is to be considered and a decision by the Council must be made within thirty days after receipt of the application.

Section 81(2) has been amended to permit a Council to establish a committee to delegate its powers under Section 81 of the Act to review requests for campaign compliance audits. The committee would have the authority to direct that a compliance audit be undertaken, to appoint an auditor, to commence legal proceedings if there is any apparent contravention of a provision of the Act, and to recover costs. If a Compliance Audit Committee is formed, the committee cannot include employees or officers of the municipality or members of Council. The Council must make a delegation to a Committee prior to Voting Day.

For municipalities that have received requests for compliance audits, local Councils who retain this authority to approve requests may be placed in a very difficult position. The request for a compliance audit could relate to a member of the Council who would consider the request and thus place the members of the Council in the position of having to proceed with legal proceedings, if warranted, against a fellow Council member.

It is recommended that Council appoint a Compliance Audit Committee that shall have the delegated responsibility, in the event that an application for a Compliance Audit is requested, to direct that a compliance audit be undertaken, to appoint an auditor, to commence legal proceedings if required and to recover costs of such proceedings. The Committee should be composed of three individuals who have an accounting/audit background or previous municipal election administration experience. As the Committee must be appointed prior to Voting Day, recommendations of candidates to sit on the Committee for Council consideration will be provided by staff in a future report.

All of which is respectfully submitted.

Nancy Wright-Laking, BA, CMO, CMMIII  
City Clerk

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