

Municipality of Chatham-Kent

Community Development

Municipal Governance

To: Mayor and Members of Council
From: Judy Smith, Director Municipal Governance/ Clerk
Date: July 17, 2018
Subject: Appointments to the 2018-2022 Compliance Audit Committee (CAC)

Recommendation

It is recommended that:

1. The following names be appointed to the Compliance Audit Committee (CAC) for the same term of office of Council (December 1, 2018 to November 15, 2022).
 - i. Mike Lowther
 - ii. Mike Phipps
 - iii. Daniel Whittal
 - iv. Paul Watson

Background

Council approved at the October 26, 2009 meeting, a report from administration that recommended a Compliance Audit Committee (CAC) be established and that all of Council's powers and functions under the *Municipal Elections Act, 1996* (Act) with respect to compliance audit applications, be delegated to the Committee.

The *Municipal Elections Act, 1996*, c.32 Section 88.37 provides that a council or local board shall, before October 1st of an election year, establish a committee for the purpose of the Act.

The role of the Compliance Audit Committee is to receive and make decisions on applications for compliance audits of candidates' and registered third party election campaign finances during a Council's term. The CAC is also responsible for reviewing reports submitted by the Clerk with respect to any contributor who appears to have contravened any of the contribution limits to a candidates' election campaign or to a registered third party election campaign.

Comments

Compliance Audit Committee members should possess an in-depth knowledge of the campaign financing rules of the Act. If not, they will not be in a position to reach an independent decision of the merits of the application and may look to administration for guidance. This would put administration in a conflict situation, particularly if the application concerned a member of Council.

Ideally, the Committee's composition would include auditors, accountants, lawyers, and other individuals with knowledge of the campaign financing rules of the Act. To avoid a conflict of interest, care must be taken that any auditors or accountants appointed to the Compliance Audit Committee do not audit or prepare the financial statements of any candidate running for office on Council.

A recruitment ad was posted on the Municipal Website for the months of March, April and May seeking interest from auditors, accountants, lawyers, academics and other individuals with knowledge of the campaign financing rules of the Municipal Elections Act, 1996. In addition, the Executive Management Team and Senior Management Team forwarded the information to colleagues in similar professional organizations to encourage individuals to sit on the committee.

Three submissions have been received and reviewed in the July 16, 2018 Closed Session of Council.

Areas of Strategic Focus and Critical Success Factors

The recommendation in this report supports the following areas of strategic focus:

Economic Prosperity:

Chatham-Kent is an innovative and thriving community with a diversified economy

A Healthy and Safe Community:

Chatham-Kent is a healthy and safe community with sustainable population growth

People and Culture:

Chatham-Kent is recognized as a culturally vibrant, dynamic, and creative community

Environmental Sustainability:

Chatham-Kent is a community that is environmentally sustainable and promotes stewardship of our natural resources

The recommendation in this report supports the following critical success factors:

Financial Sustainability:

The Corporation of the Municipality of Chatham-Kent is financially sustainable

Open, Transparent and Effective Governance:

The Corporation of the Municipality of Chatham-Kent is open, transparent and effectively governed with efficient and bold, visionary leadership

Has the potential to support all areas of strategic focus & critical success factors

Neutral issues (does not support negatively or positively)

Consultation

No other departments were consulted at this time.

Financial Implications

There is no financial impact related to this report.

Reviewed by:

Reviewed by:

Judy Smith, CMO
Director
Municipal Governance/Clerk

John Norton
General Manager
Community Development

p:\rtc\community development\2018\municipal governance\august_13 appointment of compliance audit committee.doc