

**Notice of Decision
Town of Ajax
Compliance Audit Committee**

established under Section 88.37 of the *Municipal Elections Act, 1996*

IN THE MATTER OF an application for compliance audit under section 88.33(1) of the Municipal Elections Act, 1996;

AND IN THE MATTER OF the Town of Ajax's 2022 Municipal and School Board Election Joint Compliance Audit Committee Administrative Practices and Procedures in accordance with section 88.37(1) of the Municipal Elections Act, 1996;

Candidate:	Arthur Augustine
Applicant:	Brian Johnson
Application Number:	CAC-2023-01
Meeting Date:	August 3, 2023
Meeting Location:	Council Chambers, Town Hall 65 Harwood Ave. S. Ajax ON L1S 2H9

DECISION

Purpose of Meeting

The purpose of the meeting was to consider an application from Brian Jonnson for a compliance audit of the campaign finances of Arthur Augustine, a candidate for Mayor in the Town of Ajax's 2022 Municipal Election.

This meeting was held in accordance with the provisions of the Town of Ajax's 2022 Municipal and School Board Election Joint Compliance Audit Committee Administrative Practices and Procedures (the "Procedures").

Delegations

Both the Applicant and Candidate appeared and made delegations to the Committee.

Decision

After reviewing the documentation submitted by both the Applicant and the Candidate and also hearing oral submissions from both the Applicant and the Candidate, it is the decision of this Compliance Audit Committee that the matter of CAC-2023-01 proceed to audit. The basis for this decision is a review of the materials filed by the parties and the submissions of the applicant and respondent. Specifically, a number of financial questions remain regarding the accuracy of the expenses incurred by the Candidate with respect to signs used by the Candidate during the election and the manner in which they were accounted for within the financial statement filed with the Clerk; and a lack of clarity on the part of the Candidate respecting the total number and fair market value of signs brought forward from previous elections for use in the 2022 Municipal Election.

Reasons

The reasons for the decision are as follows:

The Applicant alleges, *inter alia*, that the Candidate failed to properly account for contributions made and expenses incurred in his Financial Statement dated March 31, 2023. In his application, the Applicant noted that the Financial Statement contained generic details respecting expenses incurred in the course of the Candidate's campaign and failed to record any contributions, from either the Candidate, their spouse or eligible contributors which would offset the expenses incurred by the Candidate. Additionally, the Applicant highlighted the Candidate's apparent use of election signs from a previous campaign which were not identified on the Financial Statement.

In his written submissions, the Applicant noted the absence of information in the Candidate's Financial Statement required by the public to determine if the Candidate had complied with the requirements of the Act, including a comprehensive breakdown of all contributions accepted and all expenses incurred during the campaign. Further, the Applicant submitted photographic evidence of the Candidate's apparent use of election signs from a previous campaign and subsequent failure to assign and document on the Financial Statement a value for these signs, as required by the Municipal Elections Act.

In his written submission to the Committee, the Candidate provided a revised Financial Statement identifying contributions made and expenses incurred in the course of his campaign for office. Included in the revised Financial Statement was a listing of contributions made by the Candidate to his campaign and a fair market value for signs purchased during a previous campaign and reused in the 2022 Municipal Election. Additionally, the Candidate produced receipts for some of his advertising expenses; however these did not fully account for all advertising costs associated with the Candidate's campaign.

In his delegation, the Candidate acknowledged that he made errors in completing the Financial Statement filed with the Town Clerk on March 31, 2023, but that these errors

were unintentional on his part. Further, he noted that all expenses were directly offset by contributions he made to his own campaign and that no other contributions were received.

In response to questions from the Committee, the Candidate indicated that he ran for public office in 2014, 2018 and 2022 and that he reused 50 signs from previous elections in support of his 2022 candidacy. In his revised Financial Statement he reported that he reused 500 signs from previous elections. He further advised that to assist in assigning a fair market value to these signs, the Candidate enlisted the support of a local firm; however he could not provide to the Committee evidence of the work undertaken to assign a value. Further, when questioned by the Committee, the Candidate acknowledged that he did not open a campaign account and that all expenses were paid for using a personal credit card.

The Committee plays a 'gatekeeper' function and is tasked with determining whether it is appropriate for an audit of the Candidate's campaign finances to occur. The Committee does not determine at this meeting whether the Candidate has, in fact, contravened the *Municipal Elections Act, 1996*.

To that end, after reviewing the written submissions provided by the Applicant and Candidate and hearing delegations from each respective party, the Committee continues to have many questions about, *inter alia*, the Candidate's adherence to the requirements to file a full and complete Financial Statement identifying all expenses incurred and all contributions made to the Candidate's campaign.

Dated this 9th day of August, 2023.

Kelly Gravelle

Kelly Gravelle (Aug 9, 2023 13:15 EDT)

Kelly Gravelle, Chair

K.Y. Chapman

K.Y. Chapman (Aug 9, 2023 13:14 EDT)

Kalli Chapman, Member

Wm. J. Paul Jones

Wm. J. Paul Jones (Aug 9, 2023 17:17 EDT)

Paul Jones, Member