



July 9, 2019

Decision of the Compliance Audit Committee

Established under section 88.37 of the *Municipal Elections Act, 1996*, as amended

In relation to a Compliance Audit Request submitted by B. Bawcutt, M. Bawcutt, L. Brisbane, D. Farmer, L. Farmer, G. Hawtin, C. Hollis, J.S. Kelley, T. Smart, E. Tihane, C. Wallace, and C. White, regarding the campaign finances of Shaun Collier, candidate for the office of Mayor, Town of Ajax, in the Ajax 2018 Municipal and School Board Elections. The Committee met to deliberate the matter on June 28, 2019.

Background & Summary of Issues

B. Bawcutt, M. Bawcutt, L. Brisbane, D. Farmer, L. Farmer, G. Hawtin, C. Hollis, J.S. Kelley, T. Smart, E. Tihane, C. Wallace, and C. White (“the applicants”), raised four arguments, which they believed presented reasonable grounds to order a compliance audit of the campaign finances of Mr. Shaun Collier. These can be summarized as follows:

1. On April 16th, 2018, before Mr. Collier’s nomination was filed and approved, Mr Collier announced his intention to become a candidate for the office of Mayor, Town of Ajax. He made this announcement at the G Centre in Ajax. The applicants believe that the use of the G Centre was a donation of services received outside of the election campaign period.
2. The applicants believe that the costs recorded in Mr. Collier’s Financial Statements for what they labelled a campaign launch on October 6th, 2018 were excessive. Further, in their prepared statement, they suggested that the event did not meet the definition of a fundraising event and that the expenses may have been recorded incorrectly under fundraising events to avoid campaign spending limits.
3. The applicants highlighted several contributions recorded in the Financial Statements where the named individuals had given corporate addresses. The applicants suggested that these may be corporate contributions contrary to Section 88(4) of the Municipal Elections Act. They also highlighted contributions that they believed could be corporate contributions that were made through named employees and family members.

4. The Applicants identified two individuals, James Van Dusen and Susan Hum Poon, who had made donations in excess of the legislated donation limit.

Material Facts and Reasons for Decision

In making its decision, the Committee considered the following:

- The Compliance Audit Request, dated May 30th, 2018
- Mr. Collier's audited Financial Statements
- A written submission from Mr. Collier
- Delegations from Mr. Collier and Ms. Ceciley White
- A printed copy of the prepared statement that was read by Ms. White
- Documents submitted by Mr. Collier
- A video of Mr. Collier's announcement of his intention to run for mayor

With respect to each argument in the application:

1. Mr. Collier stated that the announcement on April 16th, 2018 took place in the foyer of the G Centre, which is owned by his friend, Mr Rana. The foyer is not available to rent and has no fee assigned to it. The announcement was attended by a small number of invited family, friends and journalists. He stated that he used the space for approximately 30-45 minutes and all other resources required for the announcement were brought by him personally.

Ms. White stated that the Town of Ajax had recently paid the G Centre \$339 to use the foyer for an afternoon event. It is the view of the Committee that any rental value that could be attributed to the use of this space for 30-45 minutes would therefore be minor.

The video of Mr. Collier's announcement confirmed that the gathering had taken place in the foyer. In respect to the first argument in the application, the committee was satisfied that the purpose of the event was for Mr. Collier to make his announcement and did not constitute election campaigning.

With respect to the first argument in the application, after reviewing the evidence, the Committee did not find reasonable grounds to order a compliance audit.

2. Mr. Collier stated that the event on October 6th was a fundraiser. He presented tickets and advertising materials to the Committee to support this statement. He also provided copies of an invoice from the event planner and a rental agreement for the G Centre to support a significant part of the fundraising expenses recorded in the Financial Statements.

With respect to the second argument in the application, after reviewing the evidence, the Committee did not find reasonable grounds to order a compliance audit.

3. Mr. Collier brought the contribution cheques for the Committee to review. He stated that he did not involve himself in the financials of the campaign and all contributions were handled by staff under the supervision of his accountant and campaign manager. Upon receiving a contribution, campaign staff confirmed that contributors were qualified to donate. Mr. Collier stated his campaign staff knew that contributions could be accepted only from individuals who reside in Ontario. Campaign staff obtained addresses from all contributors and recorded the address that was supplied. After reviewing the cheques, the Committee was satisfied that the contributions highlighted by the applicants were made by individuals on personal cheques.

With respect to the third argument in the application, after reviewing the evidence, the Committee did not find reasonable grounds to order a compliance audit.

4. The apparent over contribution of James Van Dusen and Susan Hum Poon had already been addressed by the Committee in the June 6th, 2018 meeting.

With respect to the fourth argument in the application, the Committee did not find reasonable grounds to order a compliance audit.

Decision of the Committee

The Committee has considered the application requesting a compliance audit, as well as any delegations and written submissions presented to the Committee with respect to this matter, and has taken into account all of the information provided;

In light of the circumstances and information provided, the Committee has decided to reject the application for a compliance audit of the campaign finances of Mr. Shaun Collier.

Prepared by:

Amanda Downs, Member, Compliance Audit Committee
Shaun Young, Chair, Compliance Audit Committee
Margot Poepjes, Member, Compliance Audit Committee