

## **Reimbursement of Legal Expenses Incurred by Candidates due to Election-Related Campaign Finance Court Proceedings**

<b>Date:</b>	April 30, 2008
<b>To:</b>	Executive Committee
<b>From:</b>	City Solicitor
<b>Wards:</b>	All
<b>Reference Number:</b>	

### **SUMMARY**

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The purpose of this report is to remind the Executive Committee of my previous advice which relates to a communication which is currently before the Executive Committee.

### **FINANCIAL IMPACT**

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This report has no financial implications.

### **ISSUE BACKGROUND**

A communication from Councillor Moscoe to the Executive Committee and dated April 21, 2008 recommends that City Council authorize payment of Councillor Sandra Bussin's legal expenses incurred in defending herself against alleged violations of the campaign finance provisions of the *Municipal Elections Act, 1996*.

A similar recommendation was before City Council in July of 2007, and I prepared a report (<http://www.toronto.ca/legdocs/mmis/2007/cc/bgrd/ex13.1e.pdf>) dated November 9, 2007 regarding the matter. The report advised Council of court decisions which suggest that Council is prohibited from making grants to reimburse councillors for costs, including legal costs, incurred in relation to the compliance audit process.

## **COMMENTS**

The advice in my report of November 9, 2007 pertains to the recommendation in Councillor Moscoe's communication of April 21, 2008.

## **CONCLUSION**

The courts have held that a municipal council lacks the authority to reimburse a member of council for legal costs incurred for activity outside of the office of councillor such as activity relating to the individual's candidacy for that office. The Executive Committee may wish to consider this report when addressing Councillor Moscoe's motion.

If the Committee wishes to consider reimbursing Councillor Bussin it should do so solely on the basis of the exceptional circumstances of her situation such as the fact that the information was laid by an elector well outside of the compliance audit process, the inappropriateness of which was already established by case law. I recommend that the Committee also consider the intent of Council's indemnification policy for members of Council.

## **CONTACT**

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## **SIGNATURE**

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Anna Kinastowski  
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