

Quintin Johnstone

**Related to the Matter Before
The City of Toronto
Compliance Audit Committee
Monday November 18, 2019**

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Quintin Johnstone



Compliance Audit Committee
City of Toronto
City Hall, 10th Floor
100 Queen Street West
Toronto, Ontario, M5H 2N2

Dear Committee Members

RE: REPORT FOR ACTION - MUNICIPAL ELECTION VIOLATION (Quintin Johnstone)

I am in receipt of documents that, as a result of an external auditor's report regarding campaign contributions during the last Municipal election, it is alleged that I over contributed to candidate for City Counsel, Mr. Norm Gardner, Ward 18, Willowdale.

I will attend an in person hearing on Monday November 18, 2019 to provide testimony; however, in the interests of clarifying this matter, I am submitting the following in answer to this allegation.

I am a retired Detective Sergeant from the Toronto Police Service having completed over thirty years service to the community. I retired in 2009. In 2009 I created three companies that engage in security guard, risk identification and mitigation, and training services in Toronto. I retain over one hundred employees.

I have known Norm Gardner since my time on the Toronto Police Service. Mr. Gardner has always been an ethical and straightforward person not only in my view, but the view of many others. I do not know Mr. Gardner personally, only professionally.

Mr. Gardner decided to run in the last Municipal election in the Ward of Willowdale. I approached Mr. Gardner offering my volunteer assistance. He agreed. During my time assisting Mr. Gardner I was involved in assisting in marketing, canvassing and proof writing material. I also introduced a marketing manager to Mr. Gardner, Ms. Samantha Wharton for marketing services and Mr. Andrew Coll for office furniture rental and delivery/pick-up.

At no time did I ever receive any direct or indirect benefit from anyone during or after the campaign. At no time have any of my companies received any direct or indirect benefit during or after the campaign. I have no personal conflict of interest related to my work with Mr. Gardner or his campaign. There is no conflict of interest for any of my companies prior to or after the campaign.

During the campaign I contributed Five Hundred Dollars (\$500) through the on line account through Mr. Gardner's website. Other than this amount, I did not contribute any other money.

The following are e-mails that demonstrate the apparent administrative error that has resulted in allegations of over contribution to Mr. Gardner's campaign.

E-mail Evidence

During the campaign Mr. Ari Moghimi, Mr. Gardner's Campaign Manager discussed the work involved by myself, Ms. Wharton and Mr. Coll to be, "Invaluable". Mr. Moghimi advised that Mr. Gardner contemplated an, "In Kind" contribution so that the three of us would receive some monetary remuneration for all the time involved. I advised Mr. Moghimi that if this were appropriate, I would agree. On October 16, 2019 I e-mailed Ms. Wharton with the news (Quintin Johnstone E-mail dated Tuesday October 16, 2018 refers).

I heard nothing more about this until I received an e-mail from Mr. Gardner on April 6, 2019. Mr. Gardner outlined the research he conducted on, "In Kind" contributions and that these did not apply to the work that Ms. Wharton, Mr. Coll and I were involved in. (Norm Gardner E-mail dated Saturday April 6, 2019 refers).

I replied the same day and advised Mr. Gardner that I was not interested in any remuneration of any kind. I asked Mr. Gardner to consider paying Ms. Wharton directly for all her work as she was out of pocket for some items. Mr. Gardner agreed to follow up with Ms. Wharton. (Quintin Johnstone E-mail dated Saturday April 6, 2019 refers).

On April 10, 2019 Mr. Gardner followed up with another e-mail to me regarding the, "In Kind" contributions indicating that he believed that they had been voided and he considered the matter closed (Norm Gardner E-mail dated Wednesday April 10, 2019 refers).

Statements

Mr. Ari Moghimi

I have been able to obtain a statement from Mr. Moghimi, Mr. Gardner's Campaign Manager. Mr. Moghimi is out of town but advises that he is willing to appear on any subsequent date to provide further evidence is necessary (E-mail statement of Mr. Moghimi dated November 7, 2019 refers).

Mr. Norm Gardner

Mr. Gardner submitted an e-mail to the Committee on October 9, 2019 providing clarification on what appears to be an administrative error (Marked as, "Appendix "A", an e-mail dated Wednesday October 9, 2019).

Additional Documents

- ⇒ City of Toronto 2018 Municipal Elections, "List of all contributions over \$100"
- ⇒ City of Toronto letter to Quintin Johnstone dated November 1, 2019
- ⇒ Report For Action dated October 31, 2019 – Quintin Johnstone

I hope that the aforementioned and the attachments are useful to the Committee in rendering your conclusions. I am available at any time for further consultation regarding this matter.

Sincerely,

Quintin Johnstone

From: Johnstone, Quintin <[REDACTED]>
Date: Tue, Oct 16, 2018 at 10:47 AM
Subject: In-Kind Contribution
To: Samantha Wharton <[REDACTED]>
Cc: Ari Moghimi Norm Gardner Campaign <[REDACTED]> Norm GARDNER
[REDACTED]

Good morning Sam.

Norm and I spoke this morning and he was under the assumption that you were invoicing your time.

I advised that you are volunteering like me.

Norm wants to give you an In-Kind Contribution.

We need you home contact information please.

Many thanks.

Quintin Johnstone
President | CEO
Samsonshield Inc. | *Rethinking Urban Concierge*
[REDACTED]

Web: www.samsonshield.com

N GARDNER <[REDACTED]>

Sat, Apr 6, 2019 at 6:12 PM

To: "Johnstone, Quintin" <[REDACTED]>

Q

The donations in kind do not receive any rebates since there was no actual financial contribution. They wind up being added to the candidates contribution list but do not receive compensation.

Look forward to touching base with you and I certainly appreciated the support you delivered.

Best wishes

Norm

Johnstone, Quintin <[REDACTED]>

Sat, Apr 6, 2019 at 6:30 PM

To: N GARDNER <[REDACTED]>

Thanks for the reply Norm.

I respect you and will always help you given your long-standing commitment to TPS front-line people. A debt that needs to be repaid in my opinion and some people (on the policing side) often forget !

The issue remains on the table that, at the very least, Samantha should get paid.

I don't care about my remuneration albeit I spend an inordinate amount of time helping that was not originally contemplated but was happy to help.

Hope can we accomplish this but keeping Samantha and I out of the obvious feud between the two of you is an absolute must.

I think given all the work Samantha did (even you recognized this to me) Samantha needs to get paid.

In such matters it's often better to know, "What can be done", instead of hearing, "Why it can't be done".

Lemme know where you stand please.

If nothing can be done, I will pay her out of my own pocket because it's the right thing to do.

Many thanks Norm.

Quintin Johnstone

N GARDNER

To: "Johnstone, Quintin"

Sat, Apr 6, 2019 at 10:37 PM

Quinton

I did sign some cheques for Samantha and gave them to Ari to give to her. I do not have possession of the audit and will speak to the auditor next week.

I just returned from Florida so I have not had a chance to meet with him but my daughter had picked up the rebate forms from him and I wanted to get them out asap.

If there is any amount outstanding please let me know and I will look after it personally. The cheques I signed were for amounts Ari gave me.

Thanks for bringing this to my attention.

If you prefer I speak to Samantha that is ok with me as I am embarrassed that it was not done prior to the filing of the audit.

If you think I should speak to Sam please forward me her number.

Please advise so I can look after this promptly.

Greatly appreciated.

Norm

Johnstone, Quintin

To: Norm GARDNER

Sat, Apr 6, 2019 at 10:46 PM

Will do.

Quintin Johnstone
President / CEO
Samsonshield Inc.

N GARDNER <[REDACTED]>

Wed, Apr 10, 2019 at 12:42 PM

To: "Johnstone, Quintin" <[REDACTED]>

Quinton

I have asked the auditor to get me the forms for the in kind contributions.

I saw a copy of them and they were marked void so I junked them in the believe that they were in fact void.

Andrew received over \$1400 in fees so you should be aware of this.

You and Samantha are the only ones I have left to deal with, sorry but I am not a techy and outside of the technical problems that I had to deal with (which is what I hired Ari to do and where I felt let down and abandoned) since I didn't have the passwords and the auditor was not aware of the in kind contributions registered by Ari which caused him extra work after the audit was completed by him.

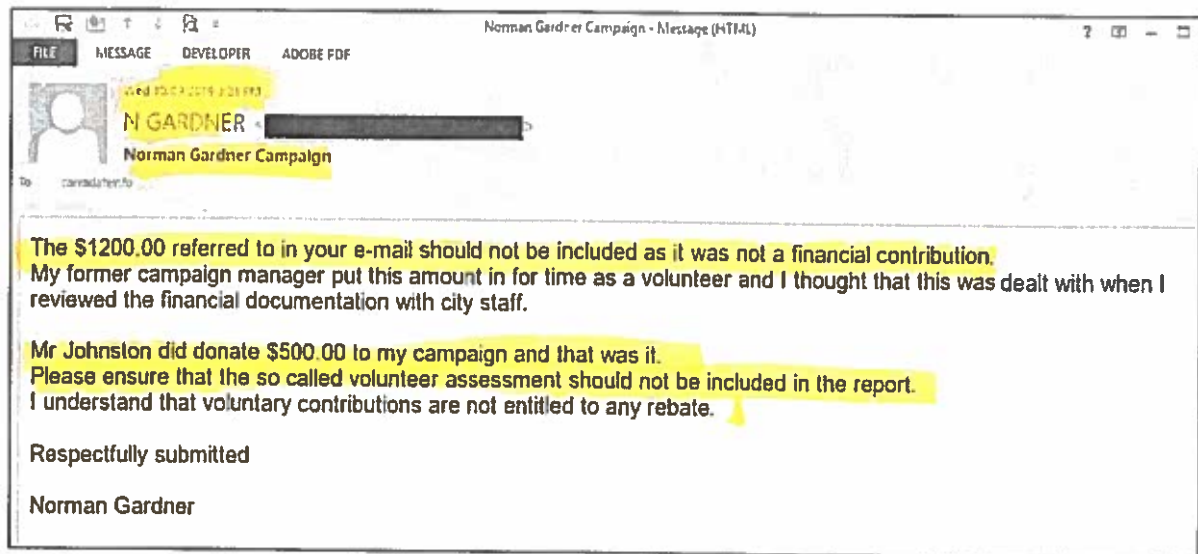
I hope to pick up the forms tomorrow and if there is a problem that requires your assistance then it is appreciated by myself and will let you know.

I certainly appreciated your efforts on my behalf and that of those who you brought into the campaign.

Best wishes

Norm

Appendix "A"





2018 Municipal Election (25 Wards)

You are in a secure site

Welcome, Ari Moghimi. You are signed in as Designate.

Candidate: Norman Gardiner
Campaign: Councillor - Active
Ward: 18
Participating in the Rebate Program: Yes

CONTRIBUTOR REPORT

Ward 18

List of all contributions over \$100

Select Options

List of all contributions over \$100

Contributor Last Name	Contributor First Name	Contributor Email	Contributor Address	City	Postal Code	Amount	Type	Relationship
Aschew	Quach			Newmarket	L3Y 1S8	\$1,200.00	Individual	
Aschew	Quach			Toronto	M5C 3A1	\$1,200.00	Individual	
Aschew	Quach			Toronto	M5E 0A7	\$1,200.00	Individual	

EXPORT REPORT

Select Options

List of all contributions over \$100



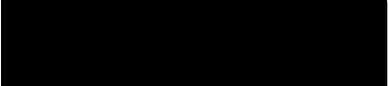
City Clerk's Office

Ulli S. Watkiss
City Clerk

Secretariat
Julie Amoroso
Compliance Audit Committee
City Hall, 10th Floor, West
100 Queen Street West
Toronto, Ontario M5H 2N2

Tel: 416-392-4666
Fax: 416-392-1879
e-mail: complianceaudit@toronto.ca
Web: www.toronto.ca/council

November 1, 2019

Quintin Johnstone


Dear Quintin,

In accordance with section 88.34 of the Municipal Elections Act, 1996 ("Act"), I am writing to give you notice that the Compliance Audit Committee will consider an auditor's report that the City Clerk is sending to the Committee on contributions you have made to a candidate for the office of Councillor during the 2018 Municipal Election which appear to have exceeded contribution limits under section 88.9 or 88.9.1 of the Act. The City Clerk's covering report and the auditor's report which will be considered by the Committee is attached to this letter for your reference.

In accordance with section 88.34(8), the Compliance Audit Committee shall consider the reports and decide whether to commence a legal proceeding against you for an apparent contravention.

The Compliance Audit Committee is scheduled to meet:

**Monday November 18, 2019 at 9:00 a.m. or as soon as possible thereafter
Committee Room 2, City Hall – 100 Queen Street West, Toronto, Ontario**

Please note that as a party to this item, the following apply:

- You may submit a written statement to be distributed to Committee members;
- You or your agent may speak about the report at the meeting;
- The Compliance Audit Committee will proceed in the absence of the contributor and/or the relevant candidate(s) without further notice to either party.

To register to speak, submit a written statement or for more information, contact the Committee Administrator: Julie Amoroso at 416-392-4666 or complianceaudit@toronto.ca.



Ulli S. Watkiss
City Clerk

Attachment.

Quintin Johnstone - A contributor in the 2018 Municipal Election who appears to have contravened Contribution Limits under Section 88.9 of the Municipal Elections Act

Date: October 31, 2019

To: Compliance Audit Committee

From: City Clerk

Wards: All

SUMMARY

The City Clerk is sending an external auditor's report to the Compliance Audit Committee for consideration. The auditor completed its review of initial financial statements filed and identified two individuals named Quintin Johnstone as having the same name but different address, and, if they are the same contributor, appear to have exceeded the contribution limits in the Municipal Elections Act, 1996 (Municipal Elections Act). Within 30 days of receiving this report, the Compliance Audit Committee is required to decide whether to: (1) commence legal proceedings against the contributor for an apparent contravention; or (2) not to commence legal proceedings against the contributor for an apparent contravention. The Committee must also provide brief written reasons for its decision.

The Municipal Elections Act requires the City Clerk to review all contributions reported in financial statements submitted by candidates and registered third party advertisers in the 2018 municipal election and to prepare a separate report for each contributor who appears to have exceeded any of the contribution limits. The City Clerk retained an external auditor, BDO Canada LLP, through a competitive procurement process, to review all candidates and registered third party advertisers' financial statements and report on each apparent over-contribution.

RECOMMENDATIONS

The City Clerk recommends that the Compliance Audit Committee consider the auditor's report from BDO Canada LLP, attached as Appendix "B" to this report, and decide whether to commence a legal proceeding against Quintin Johnstone for an apparent over-contribution.

FINANCIAL IMPACT

There is no financial impact associated with adopting the recommendation in this report.

DECISION HISTORY

There is no relevant decision history associated with this report.

COMMENTS

The City Clerk is sending to the Compliance Audit Committee for consideration the auditor's report entitled – Quintin Johnstone – A Contributor Who Appears to have Contravened Contribution Limits under Section 88.9 of the Municipal Elections Act, 1996 and as attached as Appendix "B". The Municipal Elections Act requires that within 30 days of receiving this report, the Compliance Audit Committee must decide whether or not to commence legal proceedings against the contributor for an apparent contravention and provide brief written reasons for its decision.

For the 2018 municipal election, every candidate and third party advertiser is required to file an initial financial statement reflecting their campaign finances from the date they filed their nomination paper or had a notice of registration paper certified, respectively, up to December 31 of the election year. The financial statement captures campaign finance information, including expenses incurred and contributions received. Contributors who contributed more than \$100 to a candidate and/or third party advertiser must be listed on the financial statement, including the contributor name, address, and amount of contribution(s).

The City Clerk is required to review the list of contributions on all candidate and third party advertiser financial statements and prepare a report identifying each contributor who appears to have contravened any of the contribution limits set out in section 88.9 of the Municipal Elections Act.

The City Clerk hired an external auditor, BDO Canada LLP, to review the financial statements and report on each apparent over-contribution. The City Clerk provided the auditor with all relevant City records, including copies of every filed financial statement filed and contribution data extracted from the City of Toronto's Electronic Financial Filing System for the initial campaign period. The Electronic Financial Filing System is an in-house developed online application that allows candidates and third party advertisers to, among other things, electronically complete contribution receipts, track total amount of contributions received, and generate financial statements.

In compliance with the City Clerk's responsibilities under sections 88.34 and 88.36, the external auditor has:

- Reviewed official copies of candidate and third party advertisers' financial statements, as filed with the City Clerk, for the initial campaign period

(supplementary financial statements for candidates who extended their campaign will be considered at a later time); and/or

- Utilized contribution data extracted from the Electronic Financial Filing System, as necessary, to assist with the audit process; and
- Established data cleansing processes related to identifying information duplications, transposition errors, and similar/same names.

The auditor identified individuals with similar first or last names listed at the same address (e.g., M. vs. Mike vs. Michael) or same names listed at different addresses to determine any potential over-contributions. The auditor provided its preliminary findings to the City Clerk's Office, who performed its own due diligence by contacting the candidate to ask them to provide supporting documentation to help the City Clerk determine whether or not the contributors were the same individual.

The candidate, Norman Gardner, confirmed via e-mail, as attached as Appendix "A", that Quintin Johnstone is one contributor. This contributor therefore appears to have exceeded the contribution limits in the Municipal Elections Act.

CONTACT

Fiona Murray, Deputy City Clerk, Election Services, 416-392-8019,
fiona.murray@toronto.ca.

SIGNATURE

Ulli S. Watkiss
City Clerk

ATTACHMENTS

A. E-mail sent from candidate Norman Gardner, dated Wednesday, October 9, 2019, related to this matter.

B. BDO Canada LLP Report – Quintin Johnstone – A Contributor Who Appears to have Contravened Contribution Limits under Section 88.9 of the Municipal Elections Act, 1996.