



CITY OF TORONTO

FINAL REPORT ON APPARENT OVER-CONTRIBUTIONS IN THE 2021 CITY OF TORONTO MUNICIPAL BY-ELECTION – WARD 22 SCARBOROUGH-AGINCOURT COUNCILLOR

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OBJECTIVE AND SCOPE

The objective of this review was to conduct an independent evaluation of the financial statements submitted by candidates in Toronto’s 2021 municipal by-election for Ward 22 Scarborough-Agincourt Councillor, in order to:

1. Determine whether any contributions to candidates appeared to have exceeded the contribution limits as defined in the Municipal Elections Act, 1996 ("the Act"); and
2. Prepare a report to the City Clerk in respect to each contributor who appeared to have contravened any of the contribution limits outlined in the Act.

BACKGROUND

General Election Information

In accordance with the Act, the City Clerk administered Toronto’s municipal by-election for Ward 22 Scarborough-Agincourt Councillor on January 15, 2021. There were 27 certified candidates whose names appeared on the ballot.

Reporting Requirements under the Municipal Elections Act

Under section 88.25(1) of the Act, all candidates who filed a nomination paper must also file a financial statement reflecting their election campaign finances from the date they filed their nomination up to 45 days after voting day.

In accordance with section 88.34 of the Act:

“88.34 (1) The clerk shall review the contributions reported on the financial statements submitted by a candidate under section 88.25 to determine whether any contributor appears to have exceeded any of the contribution limits under section 88.9.”

The Act defines campaign contributions as money, goods, or services that are given to a candidate for use in their campaign, including money and goods that a candidate (or spouse) contributes to their own campaign.

In reviewing these contributions listed on the financial statements, the City Clerk is to determine whether the following contribution limits appear to have been exceeded:

*“Maximum contributions to candidates
88.9 (1) A contributor shall not make contributions exceeding a total of \$1,200 to any one candidate in an election.*

More than one office

(2) If a person is a candidate for more than one office, a contributor's total contributions to him or her in respect of all the offices shall not exceed \$1,200.

Exception, mayor of City of Toronto

(3) Despite subsections (1) and (2), for the purposes of those subsections the maximum total contribution that a contributor may make to a candidate for the office of mayor of the City of Toronto is \$2,500.

Multiple candidates

(4) A contributor shall not make contributions exceeding a total of \$5,000 to two or more candidates for office on the same council or local board.

Exception, candidates and spouses

(5) This section does not apply to contributions made to a candidate's own election campaign by the candidate or his or her spouse."

Maximum contributions to a candidate's own election campaign

"88.9.1 (1) A candidate for an office on a council and his or her spouse shall not make contributions to the candidate's own election campaign that, combined, exceed an amount equal to the lesser of,

(a) the amount calculated by adding,

(i) in the case of a candidate for the office of head of council of a municipality, \$7,500 plus 20 cents for each elector entitled to vote for the office, or

(ii) in the case of a candidate for an office on a council of a municipality other than the office of head of council, \$5,000 plus 20 cents for each elector entitled to vote for the office; and

(b) \$25,000."

APPROACH

To perform this review, the Election Services unit of the City Clerk's Office provided BDO Canada LLP (“BDO”) with PDF scans of all financial statements filed by candidates.

Election Services also provided BDO with a data extract containing all contributions entered into the Electronic Financial Filing System, which is an online application developed by the City of Toronto and provided to candidates for entering and keeping track of their campaign finance information. If a candidate did not use the Electronic Financial Filing System, Toronto Elections staff entered the information listed on the candidate's financial statement into the system on their behalf.

To ensure the completeness of the financial statements, BDO performed the following:

- ▶ Compared the candidates for whom BDO did not receive financial statements to the candidates identified as being in default of the Municipal Elections Act to confirm that these financial statements had not been submitted.
- ▶ Compared candidates who listed \$0 in contributions on their financial statements to the list of candidates identified by Elections Services staff as having no expenses or contributions.

To ensure the completeness and accuracy of the data extract from the Electronic Financial Filing System, BDO performed the following:

- ▶ Compared the total value of contributions from each candidate's financial statement to the total value of contributions for the candidate in the Electronic Financial Filing System data extract to confirm completeness and ensure there were no duplicate entries in the data extract.
- ▶ Compared, on a line-by-line basis, each contribution from the candidate's financial statement with the Electronic Financial Filing System data extract in order to confirm the completeness and accuracy of the contributor names, addresses, and contribution values.
- ▶ Identified and corrected any variances between the candidates' financial statements and the Electronic Financial Filing System data extract, utilizing the candidate's financial statement as the source data.

Once BDO was confident in the completeness and accuracy of the data, the following procedures were performed to identify any contributors that had contributed to candidate(s) in excess of the contribution limits set out in the Act:

- ▶ Compared the contributions per contributor to the single candidate limits (\$1,200 for Councillor).

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- ▶ Compared the contributions per contributor to the two or more candidates for an office limits (\$5,000).
 - ▶ Compared contributions made by the candidate or their spouse to their own campaign to the self-contribution limits.

BDO also performed the following procedures to identify any potential additional over-contributors:

- ▶ Identified any 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.
- ▶ Combined the total value of the contributions for any contributors identified with similar or same names and conducted the procedures noted above.

REVIEW RESULTS

After examining the initial financial statements, BDO did not identify any contributors who appeared to have exceeded the contribution limits as outlined in the Municipal Elections Act, 1996.

Upon being provided with the supplementary financial statements for candidates that extended/re-opened their campaigns, BDO integrated the contributions into the existing data from the initial financial statements. Once the data was complete, BDO performed the same procedures noted above. As part of this review, BDO did not identify any additional contributors who appeared to have exceeded the contribution limits as outlined in the Municipal Elections Act, 1996.