



**CITY OF VAUGHAN
COMPLIANCE AUDIT COMMITTEE
AGENDA**

Monday, September 16, 2019

3:00 p.m.

Committee Room 245

Vaughan City Hall

	Pages
1. STATEMENTS FROM COMMITTEE MEMBERS	
2. CONFIRMATION OF AGENDA	
3. DISCLOSURE OF INTEREST	
4. COMMUNICATIONS	
5. CONSIDERATION OF ITEMS REQUIRING DISCUSSION	
1. APPOINTMENT OF EXTERNAL PROSECUTOR	2
Report of the City Clerk / Returning Officer with respect to the above.	
6. ADJOURNMENT	

Compliance Audit Committee Report

DATE: Monday, September 16, 2019

WARD(S): ALL

TITLE: APPOINTMENT OF EXTERNAL PROSECUTOR

FROM:

Todd Coles, City Clerk and Returning Officer

ACTION: DECISION

Purpose

To identify suitable external legal counsel for appointment by the Compliance Audit Committee for the purposes of commencing legal proceedings against two persons having made financial contributions to candidates at the 2018 Municipal Election in the City of Vaughan and whose contributions appear to have contravened provisions of the *Municipal Elections Act, 1996*.

Report Highlights

- Three options for external legal counsel have been identified by the City Clerk, in consultation with the City Solicitor, for appointment as external counsel
- Legal proceedings must be commenced against two contributors as determined by the Compliance Audit Committee at its meeting on June 6, 2019

Recommendations

1. That the Compliance Audit Committee appoint as external counsel to commence legal proceedings against contributors Peter Cipriano and Adam Starkman; and
2. That the Committee be authorized to direct and consult external counsel through email communications, assisted as necessary by the City Clerk or their designate.

Background

At its meeting on Thursday, June 6, 2019 the City of Vaughan Compliance Audit Committee received and considered four reports from the City Clerk regarding contributors who appeared to contravene section 88.9 of the *Municipal Elections Act, 1996* (“the Act”), prepared in accordance with section 88.34 of the Act. The Compliance Audit Committee decided to commence legal proceedings against two of the four contributors, Adam Starkman and Peter Cipriano.

The Committee now has the responsibility to appoint external counsel to conduct the legal proceedings on their behalf in accordance with the procedures set out for York Region’s Joint Compliance Audit Committee.

Previous Reports/Authority

[Clerk’s Report on Contributions to Candidates – Adam Starkman](#)

[Clerk’s Report on Contributions to Candidates – Peter Cipriano](#)

Analysis and Options

In consultation with the Office of the City Solicitor and Legal Services, three options for external counsel have been identified for the Committee’s consideration. To assist in providing direction and consultation with the appointed external counsel, it is also recommended that the Committee authorize future discussions between the Committee and said counsel be permitted through email communication, with the assistance of the City Clerk or their designate.

Financial Impact

The City of Vaughan is responsible for all costs associated with the operations and activities of the Compliance Audit Committee. These costs will be paid for using funds made available by the City’s Election Reserve.

Broader Regional Impacts/Considerations

There are no regional impacts associated with this report.

Conclusion

Staff have identified three options for the Committee’s consideration, once appointed the external counsel will commence legal proceedings against the contributors noted in this report for apparent contraventions of section 88.9 of the Act.

For more information, please contact: Evan Read, Manager, Elections and Special Projects, 8241

Attachments

1. Compliance Audit Committee Decision – Peter Cipriano, Compliance Audit Committee, June 6, 2019
2. Compliance Audit Committee Decision – Adam Starkman, Compliance Audit Committee, June 6, 2019

Prepared by

Evan Read, Manager, Elections and Special Projects, 8241

Todd Coles, City Clerk and Returning Officer, 8281

Compliance Audit Committee Decision

Meeting Date: Thursday, June 6, 2019 **Meeting Time:** 7:00 p.m.

Meeting Location: Committee Room 242/243, Vaughan City Hall

Item No. 4 **Report Name:** Clerks' Report on Contributions to Candidates – Peter Cipriano

IN THE MATTER OF the City of Vaughan Clerk's Report dated May 13, 2019 – Clerk's Report on Contributions to Candidates – Peter Cipriano;

WHEREAS, pursuant to section 88.34(1) of the *Municipal Elections Act, 1996*, as amended, (the *Act*), 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;

WHEREAS, Section 88.9 of the *Act*, states that a contributor shall not make contributions exceeding a total of \$1,200 to any one candidate in an election;

WHEREAS, Section 88.9 of the *Act*, states that a contributor shall not make contributions exceeding a total of \$5,000 to two or more candidates for office on the same council;

WHEREAS, Section 88.34(2) of the *Act* requires the Clerk to prepare a report identifying each contributor to a candidate for office on a council who appears to have contravened any of the contribution limits under Section 88.9;

WHEREAS, pursuant to Section 88.34(8) of the *Act* states that within 30 days after receiving a report under subsection (4) or (7), the Compliance Audit Committee shall consider it and decide whether to commence a legal proceeding against a contributor for an apparent contravention;

WHEREAS, a meeting of the Compliance Audit Committee was held on **Thursday, June 6, 2019 at 7:00 p.m. at Vaughan City Hall** to review the reports of the City Clerk;

[Continued on Page 2]

THEREFORE, the decision of the Compliance Audit Committee is as follows:

THAT the City of Vaughan Compliance Audit Committee **moves to commence** legal proceedings against Peter Cipriano, for an apparent contravention of the contribution limits set out in Section 88.9 of the *Municipal Elections Act, 1996*.

The Committee has made this decision for the reasons below.

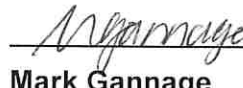
The contributions appeared to exceed the contribution limits set out in subsection 88.9(4), which reads:

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.

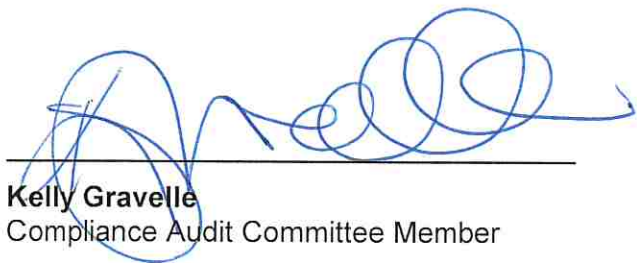
The contributor's counsel, Gerard Borean, acknowledged that the contributions summarized in the Clerk's Report exceeded the \$5,000 limit. In fact, Mr. Cipriano contributed \$1,200 to each of seven candidates for a total of \$8,400. This exceeds the permissible limit by \$3,400.



Ron Colucci
Compliance Audit Committee Member



Mark Gannage
Compliance Audit Committee Member



Kelly Gravelle
Compliance Audit Committee Member

Compliance Audit Committee Decision

Meeting Date: Thursday, June 6, 2019 **Meeting Time:** 7:00 p.m.

Meeting Location: Committee Room 242/243, Vaughan City Hall

Item No. 3 **Report Name:** Clerks' Report on Contributions to Candidates – Adam Starkman

IN THE MATTER OF the City of Vaughan Clerk's Report dated May 13, 2019 – Clerk's Report on Contributions to Candidates – Adam Starkman;

WHEREAS, pursuant to section 88.34(1) of the *Municipal Elections Act, 1996*, as amended, (the *Act*), 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;

WHEREAS, Section 88.9 of the *Act*, states that a contributor shall not make contributions exceeding a total of \$1,200 to any one candidate in an election;

WHEREAS, Section 88.9 of the *Act*, states that a contributor shall not make contributions exceeding a total of \$5,000 to two or more candidates for office on the same council;

WHEREAS, Section 88.34(2) of the *Act* requires the Clerk to prepare a report identifying each contributor to a candidate for office on a council who appears to have contravened any of the contribution limits under Section 88.9;

WHEREAS, pursuant to Section 88.34(8) of the *Act* states that within 30 days after receiving a report under subsection (4) or (7), the Compliance Audit Committee shall consider it and decide whether to commence a legal proceeding against a contributor for an apparent contravention;

WHEREAS, a meeting of the Compliance Audit Committee was held on **Thursday, June 6, 2019 at 7:00 p.m. at Vaughan City Hall** to review the reports of the City Clerk;

[Continued on Page 2]

THEREFORE, the decision of the Compliance Audit Committee is as follows:

THAT the City of Vaughan Compliance Audit Committee moves to commence legal proceedings against Adam Starkman, for an apparent contravention of the contribution limits set out in Section 88.9 of the *Municipal Elections Act, 1996*.

The Committee has made this decision for the reasons below.

Mr. Gino Rosati's agent provided to the Committee copies of two cheques from the joint bank account of Mr. Adam B. Starkman and Miss Sharonne Dana Starkman and made out to Gino Rosati Campaign 2018.

The first cheque, number 283 in the amount of \$1,000 and dated September 18, 2018, has the name Ms. Sharonne Dana Starkman crossed out. This cheque matches a signed Declaration from the Gino Rosati 2018 Campaign dated September 19, 2018.

The second cheque, number 302 in the amount of \$1,200 and dated November 20, 2018, has the name Adam B. Starkman crossed out. The handwriting and signature on both cheques appears to be by the same person. The signatures on the cheques also appear to be the same as that in the Declaration.

No Declaration was presented matching the \$1,200 contribution. The contributor and Miss Starkman did not attend the meeting to make submissions. Notice of the meeting was sent by registered mail to the contributor as required by subsection 88.33(5) the *Act*.

Based on the evidence, the Committee is not satisfied that the contributions identified in the Clerk's Report are in fact contributions made by two *different* contributors as stated in Communication C4 (Michelle Liscio's May 30, 2019 letter to Evan Read).

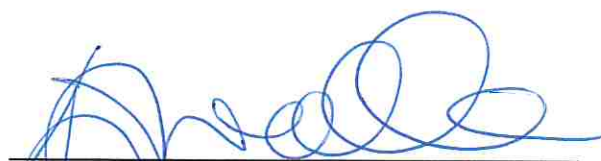
Thus, the contributor's contributions appear to exceed the \$1,200 limit provided in subsection 88.9(2).



Ron Colucci
Compliance Audit Committee Member



Mark Gannage
Compliance Audit Committee Member



Kelly Gravelle
Compliance Audit Committee Member