Interim Report of the
Campaign Expenses and Contributions Officer

2018 CIVIC ELECTION

AUDITED FINANCIAL STATEMENTS

Office of Mayor
Office of Councillor

Submitted to the Senior Election Official
The City of Winnipeg

March 2019

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Mr. Marc Lemoine
Senior Election Official
City of Winnipeg
510 Main Street
Winnipeg, Manitoba
R3B 1B9

Dear Mr. Lemoine:

Interim Report of the Campaign Expenses and Contributions Officer:
2018 Civic Election - Audited Financial Statements

In accordance with By-law No. 45 /2018, passed by Council on April 26, 2018, I was engaged to fulfil the duties and obligations of Campaign Expenses and Contributions Officer for the City of Winnipeg.

In this regard, I am pleased to submit herewith an interim report to Council on the filing of audited financial statements by registered Mayoralty and Councillor Candidates in the 2018 Civic Election in accordance with Section 3(2)(c) of the Campaign Expenses and Contributions By-law No.10/2010.

This interim report identifies the eight registered candidates who, in accordance with the by-law, were required to submit audited financial statements by December 24, 2018 in compliance with Section 21(2)(b) of the Campaign Expenses and Contributions By-law No.10/2010. Six of the eight candidates have filed their audited financial statements, with two candidates failing to file by the required deadline. In keeping with our discussions, it is my understanding that you will provide copies of this report to all inquiries.

Later this year, in July 2019, I will be submitting my full report to Council in accordance with requirements of the Campaign Expenses and Contributions By-law No.10/2010.

I would like to take this opportunity to acknowledge and thank you and the City Clerk's Department for your on-going assistance during the 2018 Election.

Richard Kachur
Campaign Expenses and Contributions Officer

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2018 Civic Election - Audited Financial Statements

Section 34(f) of *The City of Winnipeg Charter* requires Council to designate, by by-law, a person to assist registered candidates to comply with by-law and statutory provisions relating to campaign expenses and contributions, to examine audited statements filed by registered candidates, and to report to Council on certain matters including any apparent failure of a registered candidate to comply with provisions relating to campaign expenses and contributions. The City of Winnipeg's Campaign Expenses and Contributions By-law No. 10/2010 establishes the position and duties of a Campaign Expenses and Contributions Officer.

On April 26, 2018, Council adopted Item No. 2 of the Report of the Governance Committee of Council dated April 4, 2018, recommending the appointment of Mr. Richard Kachur, as the Campaign Expenses and Contributions Officer and passed By-law No. 45/2018 in this regard.

In accordance with By-law No.10/2010, the campaign period for the Office of Mayor commenced on May 1, 2018, while the campaign period for the Office of Councillor commenced on June 30, 2018. The campaign period for the Offices of both Mayor and Councillor will end on March 31, 2019.

In accordance with Section 35 of *The City of Winnipeg Charter*, if a candidate was not nominated, or nominated but withdrew, each candidate is required to file not later than December 24, 2018.

The Campaign Expenses and Contributions Officer has examined and submitted to the Senior Election Official audited financial statements for candidates who filed by December 24, 2018. These statements are available for inspection by the public. Copies can be purchased from the City Clerk's Department in accordance with the Fees and Charges Policy adopted by Council.

INTERIM FINDINGS: OFFICE OF MAYOR and OFFICE OF COUNCILLOR

Registration for Mayoralty candidates commenced on Tuesday, May 1, 2018 and closed at 4:30 p.m. on Nomination Day, Tuesday, September 18, 2018.

Registration for Councillor candidates commenced on Saturday, June 30, 2018 and closed at 4:30 p.m. on Nomination Day, Tuesday, September 18, 2018.

During this period, eight (8) candidates withdrew or were not nominated. Four (4) candidates withdrew, and four (4) candidates were not nominated for the race for which they initially registered. .

Two of the eight registered candidates who withdrew or were not nominated failed to file an audited financial statement by the required deadline, as shown below.

OFFICE	CANDIDATE	AUDITED STATEMENT
Councillor	Filippo Palmisani	**Not Nominated, Did Not File**
Councillor	Chad Panting	**Not Nominated Did Not File**
Councillor	Sandeep Kumar Sharma	Withdrew from the Elmwood-East Kildonan Ward, Filed
Councillor	Geof Langen	Withdrew, Filed
Councillor	Kurt Morton	Withdrew from the River Heights Fort-Garry Ward, Filed
Councillor	Maurice Yvon Williams	Withdrew, Filed
Mayor	Desmond Thomas	Registered, Not Nominated, Filed
Mayor	Christopher Clacio	Registered, Not Nominated, Filed

VIOLATIONS OF THE BY-LAW: Filing of Audited Financial Statements

Section 21 of the By-law states as follows:

> "21(1) **Each registered candidate** in an election **must** file with the Campaign Expenses and Contributions Officer an **Audited Financial Statement**…"

There are two filing dates, December 24, 2018 and May 22, 2019. The following information was included in the 2018 Civic Election Campaign Expenses and Contributions Guide:

> "A registered candidate who does not file a Nomination Paper, or who files a Nomination Paper and withdraws, must file their audited financial statement with the Campaign Expenses and Contributions Officer by **December 24, 2018 at 4:30pm**.
>
> A registered candidate who files a Nomination Paper must file their audited financial statement with the Campaign Expenses and Contributions Officer by **May 22, 2019 at 4:30pm**."

Copies of the above mentioned guide were posted online at the City's Election website and paper copies of the guide were provided to each candidate personally upon registration. Each candidate met with a City Official who advised verbally of the need to file an audited financial statement once he / she became a registered candidate, regardless of whether they became an official candidate or not. Finally, the City of Winnipeg required each candidate to personally read and sign a statement acknowledging that they understood that by becoming a registered candidate, they would be required to file an audited financial statement or face prosecution for violation of the by-law and provincial legislation. Further, each candidate was provided additional reminder notices by registered mail and electronic mail, from the Senior Election Official and the Campaign Expenses and Contributions Officer, of the statutory requirement to file an audited statement.

The following list shows those candidates who **DID NOT FILE** an Audited Financial Statement by **the required date of December 24, 2018**.

CANDIDATE
Filippo Palmisani (Office of Councillor)
Chad Panting (Office of Councillor)

The filing of an audited statement is critical to the election process. The statement shows funds collected and how they were spent and is prepared by a professional accountant able to undertake audits in Manitoba.

It is recommended that prosecution proceed for these violations.