



The Corporation of the Town of Milton

Report To: Council

From: Meaghen Reid, Director, Legislative & Legal Services/Town Clerk

Date: June 22, 2026

Report No: CORS-013-26

Subject: 2026-2030 Joint Municipal Election Compliance Audit Committee

Recommendation: **THAT** the 2026-2030 Joint Municipal Election Compliance Audit Committee report be received for information.

AND THAT Council approve the Town's participation in a Joint Municipal Election Compliance Audit Committee with the lower-tier municipalities in Halton Region for the 2026-2030 Term of Council;

AND THAT the Terms of Reference for the Joint Municipal Election Compliance Audit Committee, attached as Appendix A to this report, be approved.

EXECUTIVE SUMMARY

The Municipal Elections Act, 1996 (MEA) requires that all municipalities appoint a Compliance Audit Committee prior to October 1st in an election year.

Staff recommend that the Town of Milton participate in a Joint Municipal Election Compliance Audit Committee with the Town of Oakville, City of Burlington, and Town of Halton Hills for the 2026-2030 Term of Council.

The joint model provides access to a broader pool of qualified Committee member candidates, promotes consistency in decision-making across Halton Region, and is a cost-effective and efficient approach.

This report also seeks Council approval of the Terms of Reference for the Committee, attached as Appendix A.

REPORT

Background

Section 88.37 of the Municipal Elections Act, 1996 requires all municipalities to establish a Compliance Audit Committee for each term of Council prior to October 1 in an election year.

A Compliance Audit Committee is an independent, arm's length, quasi-judicial body that operates separately from Council and municipal staff. It is responsible for reviewing applications from eligible electors who believe, on reasonable grounds, that a candidate or registered third party has contravened the campaign finance provisions of the Act. Applications are submitted to the Clerk, who forwards them to the Committee for consideration. The Committee determines whether an audit is warranted and, where applicable, appoints an auditor. Upon receipt of the auditor's report, the Committee determines whether a contravention has occurred and whether legal proceedings should be commenced.

The Committee's mandate aligns with the Term of Council and must be re-established following each regular municipal election.

Discussion

Based on the effectiveness of the joint model used in previous terms staff recommend that the Town of Milton participates in a Joint Municipal Election Compliance Audit Committee with the Town of Oakville, City of Burlington, and Town of Halton Hills for the 2026-2030 Term of Council.

The Committee operates independently of the Council and staff in its decision-making and performs its functions in accordance with principles of administrative law, including procedural fairness.

The joint model has been used successfully in previous terms and offers several benefits, including:

- **Broader expertise and qualified applicant pool:** Recruitment across four municipalities increases access to individuals with specialized expertise in accounting, auditing, law, and administrative decision-making.
- **Consistency and fairness:** A shared Committee helps ensure that applications and audit decisions are considered consistently across Halton Region, supporting equitable treatment of candidates and third-party advertisers

Discussion

- **Administrative efficiency:** Resources, including recruitment, training, and administrative processes, are shared, reducing duplication of effort.
- **Cost-effectiveness:** Joint procurement and shared retainer costs minimize financial impacts, while individual municipalities remain responsible only for costs associated with matters initiated within their jurisdiction.

The Town of Oakville is serving as the lead municipality in coordinating the recruitment and establishment of the Committee on behalf of the participating municipalities. Recruitment of Committee members will be undertaken jointly, with Clerks from each participating municipality forming a selection panel to review applications and appoint members in accordance with the approved Terms of Reference.

The proposed Terms of Reference, attached as Appendix A, establish a clear governance framework for the Committee, including its mandate, composition, roles and responsibilities, procedures, and cost-sharing arrangements. The Terms of Reference reflect current legislative requirements, incorporate best practices identified through previous Committee terms, and have been reviewed in consultation with legal counsel.

The Terms of Reference have been approved by two of the participating municipalities, with the remaining municipalities currently seeking approval.

Under the joint model, when a compliance audit application is received, the Clerk of the municipality in receipt of the application will convene the Committee and provide administrative support. That municipality will be responsible for all costs associated with the meeting, including auditor and legal expenses, while shared costs such as member retainers will continue to be distributed among all participating municipalities.

Participation in the Joint Municipal Election Compliance Audit Committee ensures that the Town of Milton fulfills its statutory obligations under the *Municipal Elections Act, 1996* while supporting a transparent, independent, and procedurally fair process for the review of municipal election campaign finance compliance matters.



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Financial Impact

Any costs related to the Joint Municipal Election Compliance Audit Committee will be charged through the Legislative and Legal Services Division operating budget.

Costs associated with the Committee's operation, including member retainers, are shared among participating municipalities. The municipality that receives a compliance audit application is responsible for any costs related to the Committee's activities for that matter, including audit and legal expenses.

The Town budgets for the fixed retainer associated with the Joint Municipal Election Compliance Audit Committee. Other potential costs related to compliance audits are variable, difficult to predict, and may not materialize. These costs are managed in accordance with Budget Management Policy No. 113.

Respectfully submitted,

Kristene Scott
Commissioner, Corporate Services

For questions, please contact: Greta Susa, Manager, Legislative & Legal Services/Deputy Clerk Phone: Ext. 2164

Attachments

Appendix A - Terms of Reference for the Joint Municipal Election Compliance Audit Committee

Approved by CAO
Andrew M. Siltala
Chief Administrative Officer

Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.

Joint Municipal Election Compliance Audit Committee **Terms of Reference**

1. Mandate

As prescribed by Section 88.37 of the *Municipal Elections Act, 1996* (the “Act”), Town of Oakville Council has approved the establishment of the Joint Municipal Election Compliance Audit Committee (the “Committee”). Participating Municipalities include the Town of Oakville, City of Burlington, Town of Halton Hills, and Town of Milton.

The Committee serves as an independent and impartial body and is responsible for reviewing and making decisions on applications for municipal election campaign finance compliance audits and on reports from the Clerk respecting apparent contraventions of contribution limits.

2. Roles and Responsibilities

The Committee is responsible for the following:

- Participating in the selection of an Auditor through a request for proposal process led by staff from the Participating Municipalities.
- Determining timelines for the completion of each compliance audit.
- Requesting or arranging for external legal counsel, coordinated by the Clerk, to provide independent legal advice and support to the Committee.
- Reviewing compliance audit applications for candidates and/or registered third parties and deciding whether to grant or reject the application within 30 days of receipt (s. 88.33(7); 88.35(1) and (4)).
- Providing written reasons for decision (s. 88.33(8); 88.35(4)).
- Where an application is granted, appointing an Auditor to conduct a compliance audit of the candidate’s campaign finances (s. 88.33(10–11) ; 88.35(4)).
- Providing instructions to the selected Auditor regarding the scope of each compliance audit, as required.
- Receiving and considering the Auditor’s report (s. 88.33(14) ; 88.35(4)).
- Where the Auditor’s report identifies an apparent contravention of the Act, determining whether to commence legal proceedings against the candidate within 30 days of receipt of the report (s. 88.33(17) ; 88.35(4)).
- Receiving a Clerk’s report identifying contributors who appear to have exceeded contribution limits (ss. 88.34(4), 88.36(4)).
- Determining whether to commence legal proceedings against a contributor identified in the Clerk’s report within 30 days of receipt of the report (ss. 88.34(8), 88.36(5)).

3. Membership

The Committee will be comprised of not fewer than three (3) and not more than seven (7) members, jointly selected by the Participating Municipalities.

Joint Municipal Election Compliance Audit Committee - Terms of Reference

Committee membership will be drawn from accounting and audit professionals, academics (e.g., professors with expertise in political science or local government administration), legal professionals, and other individuals knowledgeable in the Act's campaign financing provisions. Members may be selected based on demonstrated understanding of these provisions, experience in administrative law, strong analytical and decision-making abilities, prior committee or task force experience, availability to attend meetings, effective communication skills, and any additional criteria prescribed under the Act.

The following are not eligible to sit on the Committee:

- Employees or officers of a Participating Municipality;
- Members of Council;
- Candidates of the municipal election for which the Committee is established; or
- Registered Third Parties in the municipality in the election for which the Committee is established.

An individual is ineligible to be a member of the Committee if they prepare the financial statements of, or have any other form professional, advice-providing relationship with, any candidate running for office on Council, or any third-party advertiser during the term for which the Committee has been established.

If appointed, members must agree in writing that:

- they will not provide legal or financial advice to, or prepare or audit the election financial statements of any candidate or third party advertiser in the Participating Municipalities; or
- become a candidate in the municipal election and any by-elections of the participating municipalities during the term of Council that corresponds to the term of the committee.

4. **Costs**

The costs associated with advertising, selection, and the retainer and training fees for the Committee are divided by the participating municipalities.

When a Participating Municipality receives an application for a compliance audit, that municipality will be solely responsible for administering the Committee's meetings and covering all associated costs, including any audit expenses, as well as external legal counsel coordinated by the Clerk.

Each member appointed to the Committee will receive a retainer of \$500 for the term. This cost will be shared by each Participating Municipality. Should a meeting of the Committee be requested, each member will be paid a per meeting fee of \$300 by the Participating Municipality requiring the Committee's services, plus mileage at the current rate of the Participating Municipality, where applicable.

5. Meetings

The Clerk will provide administrative support to the Committee, including coordinating meetings and preparing and distributing agendas and minutes. The Committee operates independently and conducts its meetings separately from the municipality's regular committee structure. Committee proceedings are governed by the Act and general principles of administrative law, including the principles of procedural fairness.

The Committee will meet as necessary for the purposes of reviewing an application for a compliance audit, appointing an auditor, reviewing a report from an auditor, or reviewing a report from the Clerk regarding apparent contraventions of contribution limits set out in the Act. The Committee may also meet as necessary to organize and plan its work.

Meeting dates, start times, and locations shall be set by the Clerk. Meeting notices and agendas will be communicated through the municipality's website. Where applicable, electronic participation may be conducted by way of telephone or other electronic means, following instructions provided by the Clerk, in order to ensure that the meeting may proceed in the most transparent and successful manner under the circumstances.

The Chair and Vice-Chair shall be elected at the Committee's first meeting. As the rules of procedural fairness require that both parties (applicant and candidate) have the opportunity to fully present evidence, Members of the Committee must be present throughout a hearing. A member of the Committee who arrives after a hearing has commenced will not be permitted to join the proceedings in progress and will not be able to render a decision on the matter.

6. Term

Members of the Committee shall serve the same term of office as the Council that takes office following a regular municipal election. Each new Committee shall be appointed by October 1 of a regular municipal election year. The 2026-2030 term will commence on November 15, 2026, and end of November 14, 2030.

7. Practices and Procedures

The Clerks of the Participating Municipalities shall establish administrative practices and procedures and any other documents required for the Committee in accordance with Section 88.37(6) of the Act and shall carry out any other duties required under the Act to implement the Committee's decisions.

The Clerks of the Participating Municipalities may make administrative changes to these Terms of Reference that may be required from time to time due to legislative changes, or if, in the opinion of the Clerks, the amendments do not change the intent of the Terms of Reference.