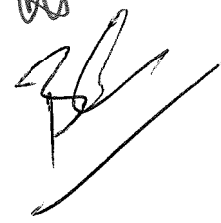


Received on June 25, 2024
at 2:59 p.m. *AT*



Submission to the Election Compliance Audit Committee

Re: Allegations of Campaign Finance Violations

Submitted by: Bill Leduc, Councillor, Ward 11, City of Greater Sudbury

Date: July 3, 2024

Introduction

Dear Members of the Election Compliance Audit Committee, as a dedicated public servant and Sudbury Ward 11 Councillor, I, Bill Leduc, have always strived to serve my community with integrity and transparency.

Recent allegations regarding my campaign finances have raised concerns, and I wish to address these issues comprehensively. It is important to note that the Election Compliance Audit Committee (ECAC) is empowered only to determine whether the KPMG report merits recommendations to the council that legal action be pursued against me. The committee cannot make findings about whether the event was a campaign finance event or any other determinations that would conclude that I committed any offences, as only a judge can make those determinations. I have included references to the Municipal Elections Act and my position regarding them simply to assist the committee in making its determination about whether to recommend legal action be pursued against me. I reserve the right to avail myself of these and any other relevant arguments before the court should such legal proceedings be commenced.

Procedural Irregularity

I understand that the applicant, Anastasia Rioux, is permitted to respond to my submission and make a presentation to the committee on July 3rd. However, I take the position that this is a procedural irregularity. Her application was already fully dealt with as it was for the commission of the audit report and not for a determination as to the pursuit of legal action against me. As such, she is no longer an "applicant" and should have no standing other than as a member of the public before the committee at this point. Further, she is no more affected by the outcome than any other citizen and so is not specially or uniquely positioned to make such a presentation. Nor does she, as a layperson, possess any special skill set that would assist the committee in making the determination it is charged with. It is my position that her submission will color the proceeding and be for no purpose other than to besmirch my good name and thereby cause me irreparable harm regardless of the committee's decision, creating an unfairness to me that cannot be rectified.

Allegations and Audit Findings

The audit conducted by KPMG LLP, commissioned by the City of Greater Sudbury, identified several potential breaches of the Municipal Elections Act, 1996. The key points of contention include:

1. Event Was Not a Campaign Function

Historical Context:

The Grandparents' Day event has been a long-standing community tradition, held for years before my candidacy. It was not specifically organized as a campaign event. Other Ward 11 candidates were also present, distributing literature, which suggests it was a community event rather than a campaign rally.

Role as Councillor:

As a councillor, I was charged with liaising closely with the Minnow Lake Community Action Network and took it upon myself to be the driving force behind the event. This included speaking with the Fire Chief to arrange for fire and EMS services to be present, which is something that they are prohibited from doing for campaign events. This demonstrates my commitment to community service rather than campaign promotion.

Relevant Sections:

Section 88.15: This section defines what constitutes campaign expenses and the rules surrounding them. It is my intent to argue that the expenses related to the Grandparents' Day event were not campaign expenses but rather community service expenses if this matter proceeds to court.

Media Statements:

I have consistently stated to the media that the Grandparents' Day event was not a campaign event, but a community event aimed at bringing people together. This event has been held for years, and its primary purpose is to foster community spirit and engagement, especially for seniors who have been isolated during the pandemic.

Relevant Sections:

Section 88.23: This section outlines the penalties for contraventions of the Act but also provides for defenses such as acting in good faith or making an honest mistake.

Section 88.27: This section allows for the rectification of errors in financial statements. If I have taken steps to correct any financial discrepancies once they were identified, this could serve as a defense.

Media Statements:

I have described the allegations as part of a smear campaign by my political opponents. I believe that the accusations are politically motivated and intended to tarnish my reputation rather than address any genuine concerns about campaign finance violations.

With respect to the KPMG Findings outlined in Section 5, Page 18**5.1.1 Cash contribution exceeding \$25**

1. Pursuant to subsection 88.8(8) of the MEA, "A contribution of money that exceeds \$25 shall not be contributed in the form of cash and shall be contributed in a manner that associates the contributor's name and account with the payment or by a money order signed by the contributor."
2. The MEA clearly stipulates that any single contribution of money that exceeds \$25 shall not be contributed in the form of cash. The act states that this applies to "A contribution", which means a single contribution.
3. Mr. Norm Bouffard provided a single contribution of \$1,000 that consisted of a combination of a \$500 cheque and five \$100 bills, as shown in the KPMG Report on Pages 19 and 20.
4. Mr. Bouffard's contribution has been contributed in a manner that associates his name and account with the payment, and as such, is compliant with the MEA. The cheque and cash combined consisted of a single contribution, as indicated on the financial statement, shown on Page 18.
5. To be clear, Mr. Bouffard made a single contribution totalling \$1,000. He did not make two contributions totalling \$1,000.
6. Mr. Bouffard will be providing an Affidavit to confirm the above if it is necessary to do so at the Superior Court of Justice.
7. Therefore, there is no contravention of the MEA on this matter.

5.1.2 Payments for contributions apparently from a single payor, Page 21

8. Pursuant to subsection 88.8(8) of the MEA, "A contribution of money that exceeds \$25 shall not be contributed in the form of cash and shall be contributed in a manner that associates the contributor's name and account with the payment or by a money order signed by the contributor."

9. In this case, Anna Villano purchased three bank drafts. One was for herself, and the other two were for Mike Villano and Frank Villano.
10. Anna Villano was simply making the purchased for Mike and Frank, as referenced to on the face of the respective bank drafts. This was done out of convenience.
11. Mr. Leduc accepted the three separate donations of bank drafts from the three individuals and recorded the donations in his financial statement.
12. This was never intended to be a single donation from Anna Villano. There was never any intention that Anna Villano was donating the entire \$3,000. It is absurd to conclude that the MEA would mean for the language to be taken so literally.
13. The Villano's are prepared to submit individual Affidavits, if necessary, attesting to the fact that they each made separate donations to Mr. Leduc's campaign and that they had asked Anna Villano to purchase the bank drafts for them.
14. There is no contravention of the spirit of the MEA on this matter.

5.1.3 Campaign expenses apparently not paid from campaign bank account; Page 24

15. Pursuant to subsection 88.22(1), paragraph (d) of the MEA, "A candidate shall ensure that all payments for expenses are made from the campaign accounts."
16. In this case, the expenditures shown on Page 25, identify small amounts that were purchased by Mr. Leduc.
17. Contributions to a campaign can be made in the form of cash or goods and services.
18. In this case, Mr. Leduc included the \$307.14 in his "candidate or spouse" contribution. He was merely showing that a portion of his contribution was in the form of "goods" and provided the receipts to verify the amounts.
19. There was no bad will in this regard and Mr. Leduc's intention was to include receipts for all expenditures. It was a matter of convenience to pay by cash or debit and include it in his candidate or spouse total.
20. There is no contravention of the MEA in this regard.

5.2.7 Apparent contraventions of the MEA in relation to Grandparent's Day 2022, Page 41

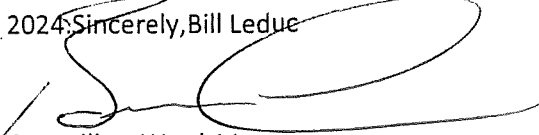
21. The section on Grandparent's Day is the longest part of the KPMG Report, but the majority of the content seems to deal with the argument as to whether or not Mr. Leduc promoted his election campaign during the event which he was mainly responsible for organizing.
22. In order for there to have been any contravention of the MEA with respect to a "by-law passed by a municipality under the Act", a person must have begun court proceedings against Mr. Leduc with an Application for a declaration that Mr. Leduc contravened a provision under the By-Law. In This case that would have been By-Law 2024-62.
23. Only the court can decide whether Mr. Leduc is guilty of committing an offence under By-Law 2024-62 and only the court can determine the penalty.
24. The KPMG Audit prefaces all of it's conclusions with respect to the "apparent contraventions of the MEA in relation to Grandparent's Day 2022 with the phrase, "If it was determined that Mr. Leduc promoted his election campaign..."
25. Since only the court can make that determination, and since there has been no application to that effect made in the courts, the Audit Compliance Committee cannot assume that there has been any contravention with respect to campaign finances.

26. If any application is made to the court alleging contraventions of the By-Law 2022-62, Mr. Leduc is prepared to provide affidavits and exhibits which will exonerate him from any such allegation.
27. At this point, there is no reason for the Audit Compliance Committee to assume reasonable grounds for believing that Mr. Leduc has contravened any provisions of the MEA with regard to election finances in the matter involving Grandparent's Day.

Conclusion

In conclusion, I, Bill Leduc, am committed to serving my community with integrity and transparency. The allegations regarding my campaign finances are taken seriously, and I have taken steps to address any discrepancies. I believe that the issues raised were honest mistakes made in good faith, and I am confident that my actions demonstrate a commitment to compliance with the Municipal Elections Act

I look forward to addressing these matters more fulsomely before the committee when it convenes on July 3, 2024. Sincerely, Bill Leduc



Councillor, Ward 11
City of Greater Sudbury
[Email: bill.leduc@sudbury.ca]