

## Report to 2022 Municipal Election Compliance Audit Committee

**To:** Chair and Members  
2022 Municipal Election Compliance Audit Committee  
**From:** Michael Schulthess, City Clerk  
**Subject:** 2022 Municipal Election Clerk's Contribution Report - Sil Palumbo  
**Date:** August 2, 2023

### Recommendation

That, on the recommendation of the City Clerk, the report dated June 26, 2023, and entitled "2022 Municipal Election Clerk's Contribution Report - Sil Palumbo" providing notice of an apparent contravention of the campaign contribution limits with respect to the 2022 Municipal Election, BE RECEIVED for information.

### Analysis

#### 1.0 Background Information

The purpose of this report is to identify to the 2022 Municipal Election Compliance Audit Committee an apparent contravention by Sil Palumbo of the campaign contribution limits under section 88.9 of *The Municipal Elections Act, 1996* (the "Act").

Section 88.9 of the Act directs the following regarding campaign contributions to candidates for council in a municipal election:

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

88.9 (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.

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

Under section 88.34 of the Act, the City Clerk is directed to review the above-mentioned contributions to candidates and to report on any apparent contraventions to contribution limits:

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.

88.34 (2) As soon as possible following the day that is 30 days after the filing date or supplementary filing date, as the case may be, under section 88.30, the clerk shall 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 and,

- (a) if the contributor's total contributions to a candidate for office on a council appear to exceed the limit under section 88.9, the report shall set out the contributions made by that contributor to the candidate; and
- (b) if the contributor's total contributions to two or more candidates for office on the same council appear to exceed the limit under section 88.9, the report shall set out the contributions made by that contributor to all candidates for office on the same council.

88.34 (3) The clerk shall prepare a separate report under subsection (2) in respect of each contributor who appears to have contravened any of the contribution limits under section 88.9.

88.34 (4) The clerk shall forward each report prepared under subsection (2) to the compliance audit committee.

## **2.0 Discussion and Considerations**

### **2.1 Campaign Contributions Analysis – Sil Palumbo**

Subsequent to the above, a review of the contributions reported on the financial statements submitted by candidates under section 88.25 of the Act has identified an apparent contravention to the contribution limits under section 88.9 by contributor **Sil Palumbo**.

The attached (Appendix 'A') is a copy of the financial statement (Form 4) of Khalil Ramal to whom Sil Palumbo contributed \$1,495.00 during the 2022 Municipal Election.

Based on this financial statement it appears that Sil Palumbo has contributed a total of \$1,495 to a candidate for office on the same council during the 2022 City of London Municipal Election. This total is \$295 in excess of the \$1,200 limit, thereby constituting an apparent contravention of section 88.9 of the Act.

## **3.0 Conclusion**

### **Next Steps of 2022 Municipal Election Compliance Audit Committee**

Upon receiving this Report identifying an apparent contravention of campaign contribution limits from the Clerk, the 2022 Municipal Election Compliance Audit Committee is directed under the Act to undertake the following:

88.34 (8) 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.

88.34 (9) Reasonable notice of the meetings of the committee under subsection (8) shall be given to the contributor, the applicable candidate and the public.

88.34 (9.1) The meetings of the committee under subsection (8) shall be open to the public, but the committee may deliberate in private.

88.34 (11) The decision of the committee under subsection (8), and brief written reasons for the decision, shall be given to the contributor and to the clerk of the municipality or the secretary of the local board, as the case may be.

**Prepared by:** Jeannie Raycroft, Manager, Elections, Strategic Integration & Policy

**Submitted by:** Sarah Corman, Deputy City Clerk

**Recommended by:** Michael Schulthess, City Clerk

**Appendix 'A'**

**Candidates' Financial Statements – Form 4**  
*(To be provided with public agenda)*

All 2022 Municipal Election Financial Statements may be found online at  
[www.london.ca/elections](http://www.london.ca/elections)

**Instructions**

All candidates must complete Boxes A and B. Candidates who receive contributions or incur expenses must complete Boxes C, D, Schedule 1 and Schedule 2 as appropriate. Candidates who receive contributions or incur expenses in excess of \$10,000 must also attach an Auditor's Report.

All surplus funds (after any refund to the candidate or their spouse) shall be immediately paid to the clerk who is responsible for the conduct of the election.

For the campaign period from (day clerk received nomination) 

YYYY	MM	DD
2 0 2 2	0 6	2 7

 to 

YYYY	MM	DD
2 0 2 2	0 9	2 4

Initial filing reflecting finances from start of campaign to December 31 (or 45 days after voting day in a by-election)

Supplementary filing reflecting finances from start of campaign to end of extended campaign period

**Box A: Name of Candidate and Office**

Candidate's name as shown on the ballot		
Last Name or Single Name Ramal	Given Name(s) Khalil	
Office for Which the Candidate Sought Election Mayorship	Ward Name or Number (if any)	
Municipality London		
Spending Limit General \$ 243,898.60	Parties and Other Expressions of Appreciation \$ 24,389.86	Contribution Limit Contributions from Candidate and Spouse \$2,583.92 2500

I did not accept any contributions or incur any expenses. (Complete Boxes A and B only)

**Box B: Declaration**

I, khalil Ramal, declare that to the best of my knowledge and belief that these financial statements and attached supporting schedules are true and correct.

\_\_\_\_\_  
Signature of Candidate

2023/03/30  
\_\_\_\_\_  
Date (yyyy/mm/dd)

Date Filed (yyyy/mm/dd) 2023 03 31	Time Filed 10:54am	Initial of Candidate or Agent (if filed in person) K.R	Signature of Clerk or Designate taking Affidavits and Oaths, Middlesex County, while a deputized Clerk of The Corporation of the City of London.
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**Box C: Statement of Campaign Income and Expenses**

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**LOAN**

Name of bank or recognized lending institution	Amount borrowed
_____	\$ _____

**INCOME**

Total amount of all contributions (from line 1A in Schedule 1)	+ \$ 15,228.92	
Revenue from items \$25 or less	+ \$ 90.00	
Sign deposit refund	+ \$ _____	
Revenue from fundraising events not deemed a contribution (from Part III of Schedule 2)	+ \$ 190.00	
Interest earned by campaign bank account	+ \$ _____	
Other (provide full details)		
1. Senior Rebate	+ \$ 6.74	
2. _____	+ \$ _____	
3. _____	+ \$ _____	
4. _____	+ \$ _____	
5. _____	+ \$ _____	
6. _____	+ \$ _____	
<b>Total Campaign Income (Do not include loan)</b>		<b>= \$ 15,515.66 C1</b>

**EXPENSES** (Note: Include the value of contributions of goods and services)**1. Expenses subject to general spending limit**

Inventory from previous campaign used in this campaign (list details in Table 2 of Schedule 1)	+ \$ _____	
Advertising	+ \$ 8,353.23	
Brochures/flyers	+ \$ 2,260.00	
Signs (including sign deposit)	+ \$ 19,775.00	
Meetings hosted	+ \$ 750.00	
Office expenses incurred until voting day	+ \$ 3,000.00	
Phone and/or internet expenses incurred until voting day	+ \$ _____	
Salaries, benefits, honoraria, professional fees incurred until voting day	+ \$ _____	
Bank charges incurred until voting day	+ \$ 214.81	
Interest charged on loan until voting day	+ \$ _____	
Other (provide full details)		
1. miscellaneous expenses	+ \$ 7,368.97	
2. _____	+ \$ _____	
3. _____	+ \$ _____	
4. _____	+ \$ _____	
5. _____	+ \$ _____	
6. _____	+ \$ _____	
<b>Total Expenses subject to general spending limit</b>		<b>= \$ 41,722.01 C2</b>

**2. Expenses subject to spending limit for parties and other expressions of appreciation**

1. _____	+ \$ _____	
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2.	_____	+ \$	_____
3.	_____	+ \$	_____
4.	_____	+ \$	_____
5.	_____	+ \$	_____
<b>Total Expenses subject to spending limit for parties and other expressions of appreciation</b>		= \$	<u>                    </u> <b>C3</b>

**3. Expenses not subject to spending limits**

Accounting and audit		+ \$	_____
Cost of fundraising events/activities (list details in Part IV of Schedule 2)		+ \$	<u>842.47</u>
Office expenses incurred after voting day		+ \$	<u>3,000.00</u>
Phone and/or internet expenses incurred after voting day		+ \$	<u>150.00</u>
Salaries, benefits, honoraria, professional fees incurred after voting day		+ \$	_____
Bank charges incurred after voting day		+ \$	<u>145.43</u>
Interest charged on loan after voting day		+ \$	_____
Expenses related to recount		+ \$	<u>69.38</u>
Expenses related to controverted election		+ \$	_____
Expenses related to compliance audit		+ \$	_____
Expenses related to candidate's disability (provide full details)			
1.	_____	+ \$	_____
2.	_____	+ \$	_____
3.	_____	+ \$	_____
4.	_____	+ \$	_____
5.	_____	+ \$	_____
Other (provide full details)			
1. Steel		+ \$	<u>2,034.00</u>
2. Steel		+ \$	<u>339.00</u>
3.	_____	+ \$	_____
4.	_____	+ \$	_____
5.	_____	+ \$	_____
<b>Total Expenses not subject to spending limits</b>		= \$	<u>6,580.28</u> <b>C4</b>

**Total Campaign Expenses (C2 + C3 + C4)** = \$ **48,302.29** **C5**

**Box D: Calculation of Surplus or Deficit**

Excess (deficiency) of income over expenses (Income minus Total Expenses) (C1 – C5)		+ \$	<u>-32,786.63</u> <b>D1</b>
If there is a surplus, deduct any refund of candidate's or spouse's contributions to the campaign		- \$	_____
Surplus (or deficit) for the campaign		= \$	<u>-32,786.63</u> <b>D2</b>

If line D2 shows a surplus, the amount must be paid in trust, at the time the financial statements are filed, to the municipal clerk who is responsible for the conduct of the election.

## Schedule 1 – Contributions

### Part I – Summary of Contributions

Contributions in money from candidate and spouse	+ \$	2,583.92	
Contributions in goods and services from candidate and spouse (include value listed in Table 1 and Table 2)	+ \$	250.00	
Total value of contributions not exceeding \$100 per contributor • Include ticket revenue, contributions in money, goods and services where the total contribution from a contributor is \$100 or less (do not include contributions from candidate or spouse).	+ \$		
Total value of contributions exceeding \$100 per contributor (from line 1B; list details in Table 3 and Table 4) • Include ticket revenue, contributions in money, goods and services where the total contribution from a contributor exceeds \$100 (do not include contributions from candidate or spouse).	+ \$	12,595.00	
<b>Less:</b> Ineligible contributions paid or payable to the contributor Contributions paid or payable to the clerk, including contributions from anonymous sources exceeding \$25	– \$	200.00	
	– \$		
<b>Total Amount of Contributions (record under Income in Box C)</b>	<b>= \$</b>	<b>15,228.92</b>	<b>1A</b>

### Part II – Contributions from candidate or spouse

**Table 1: Contributions in goods or services**

Description of Goods or Services	Date Received (yyyy/mm/dd)	Value (\$)
papers ,plates cups and cutleries	2022/09/11	50.00
Chairs	2022/09/11	100.00
Tables	2022/09/11	100.00
<b>Total</b>		<b>250.00</b>

Additional information is listed on separate supplementary attachment, if completed manually.

**Table 2: Inventory of campaign goods and materials from previous municipal campaign used in this campaign  
(Note: Value must be recorded as a contribution from the candidate and as an expense.)**

Description	Date Acquired (yyyy/mm/dd)	Supplier	Quantity	Current Market Value (\$)
<b>Total</b>				

Additional information is listed on separate supplementary attachment, if completed manually.

### Part III – Contributions exceeding \$100 per contributor – individuals other than candidate or spouse

**Table 3: Monetary contributions from individuals other than candidate or spouse**

<b>Name</b>	<b>Full Address</b>	<b>Date Received (yyyy/mm/dd)</b>	<b>Amount Received (\$)</b>	<b>Amount Returned to Contributor or Paid to Clerk (\$)</b>
Mohamad AdulHamid	N/A	2022/10/23	300.00	
Wajde Darwish	N/A	2022/10/22	1,200.00	
Micheal Loebach	N/A	2022/10/22	100.00	
Kamal Rammal	N/A	2022/10/21	250.00	
Abdollah Abosharia	N/A	2022/10/21	100.00	
Hassan Noureddine	N/A	2022/10/20	1,200.00	
Salem Ghanem	N/A	2022/10/20	200.00	
Hussam Mohamad	N/A	2022/10/17	1,000.00	
Youssef Khochaba	N/A	2022/10/13	100.00	
Micheal Loebach	N/A	2022/10/02	100.00	
Mohamed Elsayed	N/a	2022/09/25	100.00	
Sobhi Elsayed	N/A	2022/09/25	200.00	
Sandra Miller	N/A	2022/09/22	100.00	
George Zouki	N/A	2022/09/12	200.00	
Claud Cortas	N/A	2022/09/11	300.00	
Hanan Al Aridi	N/A	2022/09/11	100.00	
Mohammed Al-Sahli	N/A	2022/09/11	500.00	
Lukasz Piskozub	N/A	2022/09/11	1,200.00	
hassan Hiadar	N/A	2022/09/11	100.00	
Sam Mokbel	N/A	2022/09/11	1,200.00	
Jaafer Hiadar	NA	2022/09/09	500.00	
Arshad Gondal	N/A	2022/09/09	250.00	
Robert Robah	N/A	2022/09/08	100.00	
N/A		2022/09/08	200.00	



Name	Full Address	Date Received (yyyy/mm/dd)	Amount Received (\$)	Amount Returned to Contributor or Paid to Clerk (\$)
Sil Palumbo		2022/10/18	1,495.00	
N/A		2022/10/19	1,000.00	
Mohammad Ramal		2022/11/22	500.00	
<b>Total</b>			<b>12,595.00</b>	

Additional information is listed on separate supplementary attachment, if completed manually.

**Table 4: Contributions in goods or services from individuals other than candidate or spouse  
(Note: Must also be recorded as Expenses in Box C.)**

Name	Full Address	Description of Goods or Services	Date Received (yyyy/mm/dd)	Value (\$)
<b>Total</b>				

Additional information is listed on separate supplementary attachment, if completed manually.

**Total for Part III – Contributions exceeding \$100 per contributor  
(Add totals from Table 3 and Table 4 and record the total in Part 1 – Summary of Contributions)      \$ 12,595.00 1B**



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**Auditor's Report – Municipal Elections Act, 1996 (Section 88.25)**

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A candidate who has received contributions or incurred expenses in excess of \$10,000 must attach an auditor's report.

Professional Designation of Auditor

CP

Municipality woodbridge	Date (yyyy/mm/dd) 2023/03/31
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**Contact Information**

Last Name or Single Name Hassan	Given Name(s) Salah	Licence Number 2086643
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Address

Suite/Unit Number	Street Number 24	Street Name gallant
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Municipality Woodbridge	Province Ontario	Postal Code L4H 3W6
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Telephone Number 647-674-4242	Email Address smmh19@yahoo.com
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The report must be done in accordance with generally accepted auditing standards and must:

- set out the scope of the examination
- provide an opinion as to the completeness and accuracy of the financial statement and whether it is free of material misstatement

Report is attached

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Personal information, if any, collected on this form is obtained under the authority of sections 88.25 and 95 of the *Municipal Elections Act, 1996*. Under section 88 of the *Municipal Elections Act, 1996* (and despite anything in the *Municipal Freedom of Information and Protection of Privacy Act*) documents and materials filed with or prepared by the clerk or any other election official under the *Municipal Elections Act, 1996* are public records and, until their destruction, may be inspected by any person at the clerk's office at a time when the office is open. Campaign financial statements shall also be made available by the clerk in an electronic format free of charge upon request.

**Date: March 31, 2022**

**From: Salah Hassan**

**24 Gallant Place, Woodbridge, Ontario L4H 3W6**

**To; City of London, Ontario**

**Hi,**

**I am Salah Hassan a Chartered Professional Accountant Licensed by Professional Accountants of Canada, license number 2086643. According to the information provided by Mr. Khalil Ramal the Mayoral candidate for the City of London, Ontario for the year 2022 election, after examining the bank statement, donation expenses and Form 4, it appears to me that all the information are correctly entered in the Financial Statement – Auditor’s Report candidate – Form 4n.**

**Best regards,**

**Salah Hassan, CPA**