

July 19, 2019

Compliance Audit Committee
Township of Muskoka Lakes
1 Bailey St
Port Carling, Ontario
POB 1J0

Attention: Cheryl Mortimer – Township Clerk

Dear Ms. Mortimer

**Re: Request for Compliance Audit by Heather Bonnet dated June 27, 2019
Subsection 88.33(1) of the Municipal Elections Act, 1996
Frank Jaglowitz – Candidate for District and Township Councilor
Representing Township of Muskoka Lakes Ward C**

I am responding to the allegations made by the law firm representing Ms Bonnet in the above-mentioned request. This is my first campaign and my first filing of a Financial Statement and I did my best to comply with the reporting requirements.

1. Expenses incurred for website design costs or hosting fees.

At the beginning of my campaign I subscribed to a professional campaign software package, Campaign Partner, that included a prebuilt web site, donor management with links to Mail Chimp and Stripe credit card processing. The cost was \$181.23 for approximately four months service and was included under phone and internet in my Financial Statement. Content and images were inserted in the templates with the assistance of non-professional campaign volunteers. I have attached as Exhibit A information regarding this product and its features and cost.

2. Identical income and expenses declared.

I kept a very close account of donations received and planned to utilize the full amount of contributions and not be in a position of turning over surplus funds to the Clerk. I had a surplus of approximately \$300.00 and used it to purchase six \$50.00 gift certificates as an expression of appreciation for my campaign committee members.

3. Confirmation of a separate bank account.

As required, I operated a separate bank account number 0086447380 at Simplii Financial. This account had been opened before the campaign, but was unused.

4. Funding of campaign expenses in advance of receiving any cash contributions.

I advanced \$3000.00 to the campaign account in two amounts on August 6 and 14, 2018 and these amounts were repaid on September 21 and 24, 2018. In this regard, I relied on the 2018 Candidates Guide, which states at page 21 under the heading "Refunding unused contributions" that: "If your campaign ends with a surplus, you can withdraw the value of the contributions that you and your spouse made from the surplus. "

It is my understanding that other candidates did the same. However, if the Committee decides that these were, in fact, contributions, page 3 of my financial statement should be revised to show the contribution and repayment. This adjustment would not change the total of my campaign contributions of \$8,993.96 or cause my spending limit of \$10,234.65 to be exceeded.

I have attached as Exhibit B revised pages 4 and 5 of my Financial Statement reflecting that change, if necessary.

5. Personal contributions to my campaign.

I did not make any contributions to my campaign other than what is disclosed herein.

6. Contribution of \$1,200.00 from Oliver Bock.

Mr. Bock made this online contribution through my web site using a credit card. These online contributions were recorded by Campaign Partner and deposited to my campaign account by Stripe (a credit card processor linked to Campaign Partner).

I received an email notice from Campaign Partner support that I had received a contribution in the amount as \$1,200.00, his phone number as Toronto (416), his email at a business and a Vancouver address. I assumed, that since he provided a Toronto phone number and a business email, the Vancouver address was a business address. He is the CEO of a worldwide company.

At the time he made the contribution, I believed that he was an eligible contributor as he was residing at a property in the Township of Muskoka Lakes. His wife was listed as the owner of that property on the voters list for ward C. It was pointed out to me on July 2, 2019 that this may be an ineligible contribution, I did research and emailed him on July 8, 2019, he replied that he was not normally resident in Ontario and I returned the contribution to him on July 9, 2019.

I have attached as Exhibit C, a copy of the repayment and have attached as Exhibit B revised pages 4 and 5 of my Financial Statement to reflect that repayment.

A candidate has an obligation not to keep an ineligible contribution and return it to the contributor as soon as the candidate becomes aware of it. See Section 88.22(1)(o) of the Municipal Elections Act (MEA) and Lancaster v. St. Catharines (City) 2013 ONSC 7631 and related cases.

I have attached as Exhibit D an excerpt from the MEA and the Lancaster decision.

This was unintentional and through inadvertence on my part and the monies have been repaid. As per Lancaster, an audit of this would serve no useful purpose.

7. Meet and Greet Benefit of \$50.00.

On August 19, 2018 George Booth and Joan Hickey organized a meet and greet for another candidate and I and other candidates were invited to attend. The event took place on a Sunday afternoon and light refreshments and snacks were provided by the hosts. I was advised that the value was \$300.00 and my share was calculated at \$50.00, so I reported this contribution as did several other candidates. I have attached as Exhibit E correspondence that I received regarding this event.

8. Legal fees for LPAT appeal ought to be ascribed to the campaign and disclosed.

I have been interested in sustainable and responsible waterfront development for more than a decade. That is why I filed this appeal on August 28, 2017, as was my right to do, and a year before I started a campaign.

I certainly did not contemplate running for office when I commenced the application. I have attached as Exhibit F a copy of the reasons for my appeal for your information.

Mr. Annibale refers to my repeated references to the appeal during my campaign. While I recall mentioning the appeal a couple of times, it was always in the broader context of waterfront development issues, including resort development and redevelopment.

If what Mr. Annibale is saying is that you must discontinue any litigation you are involved in if you run for public office or not disclose it or discuss it during the campaign or face the prospect that any legal and other fees incurred in prosecuting the litigation will be considered campaign advertising and must be included as campaign contributions, then that cannot be right.

I have filed OMB (now LPAT) appeals in the past and have always represented myself without engaging professionals and this appeal is no exception. In any event, I did not incur or pay any fees for legal or planning services in connection with this appeal. Furthermore no one else has incurred or paid legal or planning fees on my behalf. There is also a co-applicant in this appeal and I am unaware of any costs that they may be incurring.

Please note that Mr. Annibale and his firm represents both Touchstone Resort (the resort owner/ developer who is the respondent on the appeal) and Ms Bonnet.

9. Robocall using the voice of Martin Short in support of a number of candidates.

I did not coordinate with individuals who organized robocalls. My campaign manager arranged a couple of robocalls directly with the First Contact (Ontario 1999) Inc. This company provided guidance and some names and my campaign provided additional names. The cost of these calls is recorded under advertising in my Financial Statement. I understand that others may have also commissioned robocalls, but I or my campaign did not coordinate with anyone.

Mr. Short and others volunteered to assist with my campaign.

The 2018 Candidates Guide, on page 18, under the heading "Things that are not contributions" states that: "If you have volunteers working for your campaign, the value of their volunteer labour is not considered to be a contribution."

I also refer you to Section 88.15(4)1. of the Municipal Elections Act and *Lyras v. Heap*, 2008 ONCJ 524. In *Lyras*, the court states that "Under the MEA, the level of expertise that a volunteer has in the area in which they elect to provide volunteer services is an irrelevant consideration in the definition of what is a "contribution." It is also clear that the rules about valuing "contributions of goods and services" add nothing to the specific statutory definitions of what is or is not a "contribution."

The MEA is very clear that "the value of services provided by voluntary unpaid labour" is not to be considered a contribution, and makes no distinction between free professional services and free services for other campaign assistance.

I have attached as Exhibit I, an excerpt from that Ontario Court of Justice decision.

10. Sign expense not accurate and higher than the \$2,326.81 reported.

At the start of the campaign I ordered 100 signs from KKP in Bracebridge for a cost of \$1,716.61. These signs had two different sides. After my campaign committee was formed one of the members discovered a source for inexpensive signs in Brampton as long as they were paid for and personally picked up. He arranged for 100 signs with no images from Print 1 for a total cost of \$610.20. I have attached as Exhibit G copies of both receipts totaling \$2,326.81 and I have no connection to either company and paid the asking price

Summary

In my opinion the request for a compliance audit is mainly based on speculation.

The standard of review, as I understand it, is that the Committee (not the Applicant), after reviewing all the written and oral submissions and asking and having received answers to all of its questions today, must have "an objective belief based on compelling and credible information which raises the "reasonable probability" of a breach of the statute." See Lyras.

I believe I have satisfactorily responded to all the allegations made and that there is no compelling or credible evidence to the contrary.

As for the two technical contraventions, I promptly returned the money for the possible ineligible contribution and I have explained my campaign contributions and submit that it would make no difference to the end result of my Financial Statement. Per Lancaster, it is open for the Committee to conclude that an audit of these matters is not necessary, in the circumstances.

The caselaw confirms that these are not strict liability offences. In Lancaster, at para. 82, in referring to another decision, the Court noted that: "the Ontario Court of Justice rejected a strict liability approach to the completion of Form 4 and seems to have concluded that it was reasonable for the Committee to have viewed unintentional errors as not being contraventions of the Act."

For your information, I had one opponent in my campaign for District Councilor for TML Ward C and the results were 2578 to 517 in my favor. I have attached as Exhibit H the official election results from the web site of the Township of Muskoka lakes.

I understand that you have until July 27, 2019 to make a decision and ask that you review my responses carefully, consult with your legal counsel and exercise your discretion to dismiss this request for a compliance audit.

I also request that you include my response as part of the public record.

Thank You



Frank Jaglowitz

Exhibits attached to the response of Frank Jaglowitz to

**Request for Compliance Audit by Heather Bonnet dated June 27, 2019
Subsection 88.33(1) of the Municipal Elections Act, 1996
Frank Jaglowitz – Candidate for District and Township Councilor
Representing Township of Muskoka Lakes Ward C**

- Exhibit A Information about services and costs of Campaign Partner**
- Exhibit B Revised Municipal Elections Act Form 4, page 4 and 5**
- Exhibit C Details of repayment of contribution from Oliver Bock**
- Exhibit D Lancaster v. Compliance Audit Committee et al, 2013 ONSC 7631**
- Exhibit E Meet and Greet correspondence**
- Exhibit F OMB appeal request for Touchstone Resort Condominium File C2016-5**
- Exhibit G Invoices / Receipts for sign expense**
- Exhibit H 2018 TML election results**
- Exhibit I Lyras v. Heaps. 2008 ONCJ 524**

We make Campaign Websites easy!

Accept Online Donations, Manage Volunteers and More



Easy to Use

If you can use email and browse the web, then you've got all the skills you need to create and manage your own campaign website using Campaign Partner. It's a snap to add pages, videos, create photo galleries, post news and events, and manage volunteers and contributors through our easy-to-use control panel.

You're in Control

You'll never have to wait for *someone else* to make updates to your campaign website. You can post campaign updates, blog about important issues and manage every aspect of your site from any computer with internet access, 24 hours a day.



Political Campaign Website Features

With Campaign Partner, you can launch your own political website in less than a minute. You won't need an army of volunteers, graphic designers or programmers to have a professional website, accept online donations, and mobilize your volunteers and contributors. We've included everything you need to win!

Candidate First Name	Candidate
Office Sought (optional)	Election C MM/DD/YY

Simple Setup

You'll be up and running in seconds. Our simple setup process creates sample pages for your site that you can begin editing right away. You can update your website at your convenience with our easy-to-use website editor. There's no limit to the number of pages you can add to your site, or the number of times you can make updates.



Professional Appearance



Choose from more than 30 professionally-designed political website themes. Have existing campaign colors? No problem! We'll be happy to match them. If you have an existing yard sign or logo, we'll be happy to reformat it to fit your site.

CONTRIBUTION AMOUNT
 \$10 \$25 \$50 \$100
 \$250 \$500 Other Amount \$:

Accept Online Donations

You'll be able to accept online donations from the moment you launch your site. Best of all - we don't take a dime of your hard-earned donations. Use our online contribution form to accept payments by mail, through Stripe, PayPal or Authorize.net, or link your donation button to any third-party payment processor.

[View a Sample Contribution Form Here](#)

Birth Date: 5/5/1964
Party Affiliation: Independent
Vote Confidence: ★★★★★
Virginia's 8th con
Virginia State Ser
Virginia State Ho
Alexandria Count

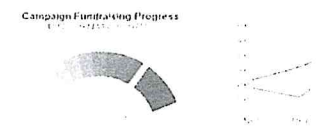
Manage Volunteers & Donors

Campaign Partner makes it easy to mobilize and organize your volunteers thanks to the integrated volunteer signup form and [contact management system](#). Need a list of everyone who's volunteered for phone banking? No problem! You can quickly and easily sort and export your volunteers based on their signup preferences. You can import your existing contacts, and export contacts for use with almost any software.

today
October Events
30
C Staff Meeting Campaign Fundraiser

Schedule Events

Schedule and manage campaign events. Creating an event is as simple as [clicking a date in the calendar](#). Create recurring events, add driving directions and an interactive map just by clicking a button. [View a Sample Event Here](#)



Track Donations & Site Traffic

Set and monitor campaign contribution goals, site visitors, page views and other key metrics.

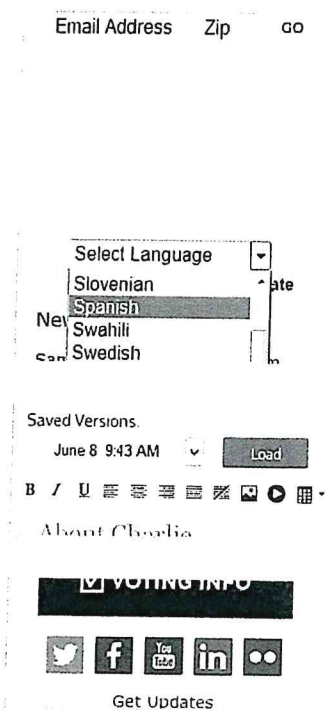
Editable Edit Images Add Image
Gallery Title: Campaign Photos
Photos from our ca
on June 16 at the

Create Photo Galleries

Upload photos, [create galleries](#), and add captions through the control panel. Campaign Partner automatically creates slideshows from your photos. [View a Sample Photo Gallery Here](#)

Get Updates

Build Your Supporter Database



Volunteers, contributors and email subscribers are automatically added to your supporter database. Campaign Partner even integrates with the email newsletter service MailChimp, enabling subscribers to be added directly to your email lists.

Instant Translations

Instant translations from Google make your content accessible to all prospective voters.

Automatic Backups

With our automatic page backups, you can easily undo changes and revert to previous versions of your pages.

Social Media Integration

Connects to your Facebook, Twitter, and other social media accounts, and provides one-click access for visitors to share your website with their friends and family through Twitter, Facebook, and email. Easily add your own Facebook and Twitter feed.

Plans & Pricing

Pick the plan that's right for you. You can change your plan or cancel at any time. Best of all, our plans are all-inclusive - there are no additional fees!

<p>Advanced \$64/month For Larger Campaigns</p> <ul style="list-style-type: none"> Free Domain Name Website & Hosting Free HTTPS/SSL Certificate Online Donations Mobile Ready Unlimited Admin Accounts Up to 60,000 Database Contacts Automatic Backups 30+ Professional Themes Mailing Address Validation <p>Select Plan</p>	<p>Complete \$49/month For Most Campaigns</p> <ul style="list-style-type: none"> Free Domain Name Website & Hosting Free HTTPS/SSL Certificate Online Donations Mobile Ready Five Admin Accounts Up to 25,000 Database Contacts Automatic Backups 30+ Professional Themes Mailing Address Validation <p>Select Plan</p>	<p>Simple \$29/month For Smaller Campaigns</p> <ul style="list-style-type: none"> Free Domain Name Website & Hosting Free HTTPS/SSL Certificate Online Donations Mobile Ready One Admin Account Up to 7,500 Database Contacts 30+ Professional Themes <p>Select Plan</p>
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Exhibit B-1
 * Aug 16 Advanced
 and repaid
 to me

Schedule 1 - Contributions

Part I - Summary of Contributions

Contributions in money from candidate and spouse + \$ 3,000.00

Contributions in goods and services from candidate and spouse (include value listed in Table 3 and Table 4) + \$ _____

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 on page 5; list details in Table 1 and Table 2)

• 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). + \$ 6,793.96 *

Less: Contributions returned or payable to the contributor - \$ 1,800.00 *
 Contributions paid or payable to the clerk, including contributions from anonymous sources exceeding \$25 - \$ _____

Total Amount of Contributions (record under Income in Box C) = \$ 8,993.96 1A

Part II - Contributions exceeding \$100 per contributor - individuals other than candidate or spouse

Table 1: Monetary contributions from individuals other than candidate or spouse

Name	Full Address	Date Received	Amount Received \$	Amount \$ Returned to Contributor or Paid to Clerk
John & Mary Jaglowitz	2 Hillside Ave, Delhi, Ontario, N4B1Y1	2018/08/08	127.00	
Lisa Grogan-Green	133 Mildenhall Road, Toronto, Ontario, M4N3H4	2018/08/24	1,000.00	
Bob Nash	986 Line 5, Niagara-on-the-Lake, Ontario, L0S1J0	2018/08/30	100.00	
Bill Etherington	701-118 Yorkville Avenue, Toronto, Ontario, M5R1H5	2018/09/08	250.00	
Oliver Bock	3378 Radcliffe Ave, Vancouver, V7V1G6	2018/09/10	1,200.00	1,200.00
Sloan Mandel	234 St. Leonards Ave, Toronto, Ontario, M4N1L1	2018/09/11	100.00	
Kevin Green	19 Lesmill Road, Suite 101, Toronto, M3B2T3	2018/09/12	1,200.00	
Michael Griffin	4167 Deer Run Court, Mississauga, Ontario, L5C3P2	2018/09/13	250.00	
Total carried forward from supplementary attachment Page 2			4,500.00	
			Total	8,727.00

Additional information is listed on separate supplementary attachment

Table 2: 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 \$
Bob Nash	986 Line 5, Niagara-on-the-Lake, Ontario, L0S1J0	T-Shirts	2018/09/05	216.96
Joan Booth and Jean Hickey	1466 Peninsula Rd, Port Sandfield, Ontario, P0B1J0	Meet and Greet benefit	2018/08/18	50.00
			Total	266.96

Additional information is listed on separate supplementary attachment

Total for Part II - Contributions exceeding \$100 per contributor
 (Add totals from Table 1 and Table 2 and record the total in Part 1 - Summary of Contributions)

7,193.96 *
\$ 8,993.96 1B

Part III – Contributions from candidate or spouse

Table 3: Contributions in goods or services

Description of Goods or Services	Date Received (yyyy/mm/dd)	Value \$
		Total

Additional information is listed on separate supplementary attachment

Frank Jaglowitz
281-1805 Peninsula Rd RR 2
Port Carling ON POB 1J0

July 9, 2019
33472 88545-21

1200.00

Mr. Oliver Bock
3378 Radeliffe Ave.
West Vancouver, BC
V7V 1G6



MAPLE STREET
PORT CARLING ON POB 1J0

SOLD TO _____
ADDRESS _____

322235

PAY TO ORDER OF MR. OLIVER BOCK

SUM OF EXACTLY 1,200 DOLLARS

TO:
ANY BRANCH OF
THE BANK OF NOVA SCOTIA



DATE 2019 07 09
CANADIAN DOLLARS

\$ 1,200.00

COMMISSION

AUTH NO. 1
AUTH NO. 1
AUTHORIZED OFFICER
AUTHORIZED OFFICER

DETACH AND RETAIN: IN THE EVENT OF THE LOSS OF THE CORRESPONDING
DRAFT, REFER TO THE CONDITIONS NOTED ON THE REVERSE.

CUSTOMER RECEIPT

CUSTOMER RECEIPT PAGE 01/01

JUL 09 2019 ID FWDXQ

PORT CARLING

TR40832

4536XXXXXX318800 PIN *Y*
OFFICER ID: 614

DRAFT 322235
33472 88545 21

\$1,200.00

Payee
MR. OLIVER BOCK

PACKAGED ACCOUNT SAVED YOU

\$7.50

Account Balance:
33472 88545 21 \$8,322.27

Thank You
Have an excellent day

certificate setting out the estimated amount as of the day of the calculation and

- (b) once the calculation under subsection (6) is made, give the individual who filed the registration a certificate setting out the amount calculated under subsection (6). 2016, c. 15, s. 59.

Exhibit D-1

Calculations final

- (17) The clerk's calculations are final. 2016, c. 15, s. 59.

Section Amendments with date in force (d/m/y) [+]

DUTIES OF CANDIDATES AND REGISTERED THIRD PARTIES

Duties of candidates

88.22 (1) A candidate shall ensure that,

- (a) no contributions of money are accepted or expenses are incurred unless one or more campaign accounts are first opened at a financial institution exclusively for the purposes of the election campaign;
- (b) all contributions of money are deposited into the campaign accounts;
- (c) all funds in the campaign accounts are used exclusively for the purposes of the election campaign;
- (d) all payments for expenses are made from the campaign accounts;
- (e) contributions of goods or services are valued;
- (f) receipts are issued for every contribution and obtained for every expense;
- (g) records are kept of,
 - (i) the receipts issued for every contribution,
 - (ii) the value of every contribution,
 - (iii) whether a contribution is in the form of money, goods or services, and

(iv) the contributor's name and address;

- (h) records are kept of every expense including the receipts obtained for each expense;
- (i) records are kept of any claim for payment of an expense that the candidate disputes or refuses to pay;
- (j) records are kept of the gross income from a fund-raising function and the gross amount of money received at a fund-raising function by donations of \$25 or less or by the sale of goods or services for \$25 or less;
- (k) records are kept of any loan and its terms under section 88.17;
- (l) the records described in clauses (g), (h), (i), (j) and (k) are retained by the candidate for the term of office of the members of the council or local board and until their successors are elected and the newly elected council or local board is organized;
- (m) financial filings are made in accordance with sections 88.25 and 88.32;
- (n) proper direction is given to the persons who are authorized to incur expenses and accept or solicit contributions under the direction of the candidate;
- (o) a contribution of money made or received in contravention of this Act or a by-law passed under this Act is returned to the contributor as soon as possible after the candidate becomes aware of the contravention;
- (p) a contribution not returned to the contributor under clause (o) is paid to the clerk with whom the candidate's nomination was filed;
- (q) an anonymous contribution is paid to the clerk with whom the candidate's nomination was filed; and
- (r) each contributor is informed that a contributor shall not make contributions exceeding,
 - (i) subject to subsection (2), a total of \$1,200 to any one candidate in an election, and
 - (ii) a total of \$5,000 to two or more candidates for offices on the same council or local board. 2016, c. 15, s. 60; 2017, c. 10, Sched. 4, s. 8 (13).

Candidate for mayor, City of Toronto

- (2) A candidate for the office of mayor of the City of Toronto shall ensure that each of his or her contributors is informed that a contributor shall not make contributions exceeding a total of \$2,500 to any one candidate for the office of mayor of the City of Toronto. 2016, c. 15, s. 60.

Exclusion of certain expenses

- (3) Expenses described in paragraph 2 of subsection 88.19 (3) are not expenses for the purpose of clause (1) (a). 2016, c. 15, s. 60.

Contributions paid to clerk

- (4) Contributions paid to the clerk under clause (1) (p) or (q) become the property of the local municipality. 2016, c. 15, s. 60.

Section Amendments with date in force (d/m/y) [+]

Effect of default by candidate

- 88.23 (1)** A candidate is subject to the penalties listed in subsection (2), in addition to any other penalty that may be imposed under this Act,

not in receiving contravening contributions, but in keeping them.

[94] I found that the wording of s. 69(1)(m) was clear and unambiguous. One could not read into the language of that provision anything beyond the ordinary and natural meaning of the words used; and there was nothing elsewhere in the *Act* to contradict or even cloud that meaning. Exhibit D-3

[95] I saw no error in the handling of the fourth ground by the Ontario Court of Justice.

[96] I would add that I agreed with Mr. De Lisio in his argument that candidates must undertake corporate searches “of all non-individual contributors” or “make inquiries” of those contributors where “there exists a compelling reason to do so”: see *Chapman v. Hamilton (City)*, [2005] O.J. No. 1943, at para. 51. Here, compelling reasons were present. The need for inquiry was obvious.²⁴

[97] The fifth ground of appeal alleged that the Ontario Court of Justice erred in:

(e) finding that the obligation of a candidate is simply to return a contribution of money made in contravention of the *Act* as soon as possible after the candidate becomes aware of the contravention and that if he does, the candidate is not contravening the *Act*;

[98] The fifth ground was largely an extension or restatement of the fourth ground. Receiving illegal campaign contributions cannot sensibly be construed to contravene any provision of the *Act*. As others have correctly commented, if this were not so, a contributor could sabotage the election of a candidate merely by making an illegal donation. Consequently, the only obligation upon a candidate is

²³ One might rightly query whether a donation by cheque – only contributions of \$25 or less may be in cash: see s. 70(8) – is “received” when physically received or only when deposited in a bank account. To avoid that problem, candidates should scrutinize all cheques and perform their due diligence before depositing the cheques. Other questions arise as to the implications where the cheques are received and deposited by a campaign worker and not by the candidate personally. But I digress.

²⁴ I think that any one of the corporate circumstances in this case was sufficient, on its own, to call for inquiry or investigation: (1) common President or Business Manager; (2) common Cheque Signatory; (3) common Address; and, (4) family relationship evident from (1) and/or (2).

to return the contravening contribution as soon as possible. Had the excess campaign contributions here not been returned, the *Act* would have been breached and an audit appropriate.

[99] The final ground of appeal stated that the Ontario Court of Justice erred in:

(f) finding that the contravention of the *Act* by councillors Stack and Dorsey and Siscoe did not constitute a contravention of the *Act*.

[100] This ground was curiously worded. However, I understood Lancaster to be alleging that the *Act* was contravened and, after some prodding, it came out during

Exhibit E-1

Subject: Fwd: Meet and Greet for Ward C candidates
From: Barb Bridgeman <bridgeman.barb@gmail.com>
Date: 2018-10-27 8:19 AM
To: Phil Harding <phil@philharding.ca>, Susan Mazan <susan.mazan@rogers.com>, Peter Kelley <peterkelley@bell.net>, Gordon Roberts <gjrmuskoka@gmail.com>, Frank Jaglowitz <frank@jaglowitz.com>

Good morning future Mayor and Councillors!

I closed out my campaign account yesterday, and realized I had not forwarded this on to all of you.

The Meet and Greet is a donation in kind from Joan Hickey. I believe it is important that we all disclose this, as last election the financial filings were scrutinized by other candidates and a complaint filed against one candidate.

We all have \$50 to disclose. As stated below, Joan did not have the receipts, so we estimated on the high side to ensure that we are within the "law".

Great results last week!! I look forward to our 4 years together.

Barb

----- Forwarded message -----

From: Joan R Hickey <joanrhipkey@gmail.com>
Date: Thu, Oct 18, 2018 at 8:02 PM
Subject: Re: Meet and Greet for Ward C candidates
To: Barb Bridgeman <bridgeman.barb@gmail.com>

Close enough! Really have no idea . Want to be semi accurate but no big deal! Not much drinking. Everybody quite abstemious ! Driving you know !
This ok?

Joan

On Oct 18, 2018, at 6:35 PM, Barb Bridgeman <bridgeman.barb@gmail.com> wrote:

Hi Joan,

I know you are heading off tomorrow for Berlin, so thought I would try and catch you before then. We talked about the lovely Meet and Greet you hosted at your home. About 40 people came. I know you did not keep receipts.

In terms of audit procedures, the 6 candidates there need to declare the event as a "contribution in kind" (take the cost and divide by 6 and declare it on our fundraising

statement).

Attending: Phil Harding, Frank Jaglowitz, Barb Bridgeman, Peter Kelley, Susuan Mazan, and Gord Roberts.

I know you do not have receipts, but we talked about the cost being \$300, maximum. It was unbelievable hot, so water won!! I have over estimated to ensure we are disclosing everything:)

wine 6 x 20.00 =	\$120.00
water 60 bottles = 60 x1.60 =	\$ 96.00
munchies (chips etc) =	\$ <u>84.00</u>
Total	\$ 300.00

divided by 6 = \$50 disclosure per candidate

Could you simply reply with "I agree with the costing of the event", and I will send on to every candidate there for their campaigning accounting.

Thanks Joan,
Barb

--

Barb Bridgeman
(416) 605-3207
(705) 765-3597

Barb Bridgeman
(416) 605-3207
(705) 765-3597



440 Ecclestone Drive #7, Bracebridge, ON P1L 1Z6
T: 705.645.8781 • F: 705.645.1385
info@muskoka.kkpcanada.ca
www.muskoka.kkpcanada.ca

No. 1145
Exhibit G-1
Date 2018-08-08

Walk In - Frank

P.O. No.

Customer Phone

Invoice

JOB DESCRIPTION	AMOUNT
100, 18 x 24, election signs	1,519.12

*received cheque # 076
for payment in full.
John Hughes*

Subtotal \$1,519.12

HST \$197.49

Balance Due \$1,716.61

Net 30 Days. Please Pay From This Invoice.
Interest @ 2% Per Month will be added to outstanding accounts
HST# 87076 0717 RT0001

Thank you for your order

From Concept To Completion

We can help you with all your printing and copying requirements. Contact us at...
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October 6, 2018

Send Money

Step: 3

Your transfer has been sent

Your contact will receive an email within approximately 30 minutes.

Your Interac e-Transfer® Details

From: frank@jaglowitz.com

To: Bob Nash
bobnash1@hotmail.com

Amount: \$610.20

From Account: No Fee Chequing Account (0086447380)

Account Balance: \$1,717.79

Message to Recipient: Payment for signs Print1

Security Question: What was the password I gave you?

Response: *****

Expiry Date: Nov 5, 2018

Reference Number: 1043015457

Submitted: **October 6, 2018 at 3:28 p.m. ET.**

Exhibit G-3



2565 Steeles Ave E Unit 21 Brampton
Office: 905-454-7666 Cell: 416-878-2622

DESIGNING
S _____ E

Ready For Pick Up

Order Form

Picked Up

Shipped on _____

Date: 12 Sep / 2018

Tel no: 905-809-1992

Name: Ral Nash

PRINT 1

2565 STEELS AV EAST UNIT
BRAMPTON ON

Email:

CARD 3813
CARD TYPE MASTERCARD
DATE 2018/09/18
TIME 4035 22:28:20
RECEIPT NUMBER
M84069034-001-947-023-0

PURCHASE
TOTAL

\$129.95

APPROVED

AUTH# 04623B 01-027
THANK YOU

CARDHOLDER WILL PAY
CARD ISSUER ABOVE AMOUNT
PURSUANT TO CARDHOLDER
AGREEMENT

CARDHOLDER COPY

IMPORTANT - RETAIN THIS
COPY FOR YOUR RECORDS

DESCRIPTION OF JOB

SIZE - COLOURS - STOCK

Table with 1 column and multiple rows for job description details.

PRINT 1

2565 STEELS AV EAST UNIT
BRAMPTON ON

CARD 3813
CARD TYPE MASTERCARD
DATE 2018/09/17
TIME 4045 15:19:20
RECEIPT NUMBER
M84069034-001-946-030-0

PURCHASE
TOTAL

\$480.25

APPROVED

AUTH# 07620B 01-027

Signs 480.25
Stamps 129.95
610.20

COST

Table with 4 columns: Quantity, Description, Unit, Price. Includes items like '100 24" x 18" ...' and '100 H-stamped ...'.

CREDIT
 VISA M/C AMEX
 DEBIT CASH INTERAC NAME/PASS

C.C.# 5446 1601 8222 2713 EXP. 09/20

By Signing the bottom, I do confirm my order as stated above, and do acknowledge that it is my personal and Business's (that I am representing) sole responsibility to pay the remaining balance in Full. And do hereby authorize Print1 to charge goods and services to my credit card. I agree to use the above information for future purchases and /or any overdue amounts on account for which payment has not been received. And do agree to the terms and conditions of Print1.

Name:
Signature:
Date:

Pick Up / Del. Name:
Signature:

Summary table with rows: DESIGNING ~ CHARGE CAN CHANGE DEPENDING ON TIME INVESTED \$, SUB-TOTAL \$410.25, TAXES \$, TOTAL \$480.25, DEPOSIT (min 50%) \$, BALANCE \$.

Frank J. Jaglowitz CPA, CA
Licensed Insolvency Trustee

1805 Peninsula Rd, Unit 281
Port Carling, Ontario, P0B 1J0
Telephone: 519 624 4357
Fax: 519 624 0266

August 28, 2017

Ontario Municipal Board
655 Bay Street, Suite 1500
Toronto, Ontario
M5G 1E5

Dear Sirs:

I am writing regarding my appeal of the approval of a condominium description for the Mist Opportunities - Touchstone Resort, Condominium File No. C2016-5 by the District Municipality of Muskoka.

This property is in the Township of Muskoka Lakes, in the District of Muskoka and as such must comply with the Official Plan of both the Township and the District and the Zoning Bylaw of the Township.

I have written the Municipality regarding my concerns with this approval and believe that it has the potential of setting a dangerous precedent for other similar properties in the District and in particular for Lakeside Lodge (Legacy Cottages), 1046 Peninsula Road, Minett, on Lake Rosseau. This resort is less than five minutes from where I live. Legacy Cottages is also in the Township of Muskoka Lakes, in the District of Muskoka and is currently selling 43 cottages and intends to apply to the District for a Condominium approval similar to this approval.

I am appealing the following conditions contained in the "Area Municipality Agreement" section of the Certificate of Conditional Approval:

Section 12 iv)

Section 12 iv) states "The obligation for each resort accommodation unit owner to place their unit(s) in the mandatory rental program for a minimum of eight (8) cumulative but not necessarily consecutive weeks each and every year, of which a minimum of two (2) weeks shall be in the period between the Victoria Day long weekend in May and September 30th"

The unit owner is only required to place his unit in the rental pool for eight weeks in a year and only two in the summer season. Muskoka is basically a summer resort area and two weeks in this season does not make the unit "available to the travelling public".

Chartered Professional Accountant Chartered Accountant

My concern is that this does not meet the requirement as set out in the District and the Township Official Plans.

Section C.29 b) of the Muskoka Official Plan states "Regardless of the form of tenure, accommodation units within a resort development WILL be made available to the travelling public, be operated under central management on location for profit, and will provide ongoing services and recreational facilities normally provided in a commercial setting".

This property is in the Township of Muskoka Lakes and its official plan in Section B 11.10 states "The use of units shall remain commercial and be available to the travelling public through a centrally managed rental pool.

The Webster dictionary definition of "available" is "present or ready for immediate use".

The two weeks in the summer and eight for the year does not meet any of these tests. The owner should have to put the unit in the rental pool for the entire year and only use it as any other member of the travelling public does, for a limited vacation period.

Section B 11.10 further states "It is the policy of the Township that residential condominiums are not permitted within the waterfront designation or the waterfront commercial zone.

A requirement to only place the unit in a rental pool for eight weeks a year and two in the summer also does not meet this test.

Section 12 i)

Section 12 i) states: "That the resort accommodation units SHALL remain as a tourist commercial accommodation use available to the travelling and vacationing public, as an integral part of the operation of a tourist commercial resort, not constitute the unit owner's primary or permanent residence, and that all sales documents and agreements confirm that the units cannot be occupied as a residence".

Once again, a requirement to only place the unit in a rental pool for eight weeks a year and two in the summer does not meet this test, and seems incongruous to the statement above.

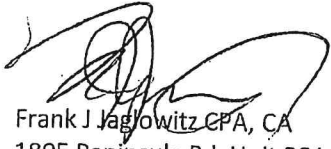
It has been determined, by talking to personal in the sales offices of this and similar resorts in the same resort designation, that units are being sold on the basis that the owner can occupy the unit at all times that it not in the rental pool and actually rented. In other words the owner is told he can occupy for all but the eight weeks.

This also does not meet the requirements of the District and Township Official Plan.

In summary, this condominium is in a waterfront resort commercial designation and the owner should have to put the unit in the rental pool for the entire year and only use it as any other member of the travelling public does, for a limited vacation period.

I have enclosed a money order payable to Minister of Finance in the amount of 300.00.

Thank You

A handwritten signature in black ink, appearing to read 'Frank J. Jaglowitz', written over a horizontal line.

Frank J. Jaglowitz CPA, CA
1805 Peninsula Rd, Unit 281
Port Carling, Ontario. POB 1J0



CERTIFICATE OF ELECTION RESULTS

Municipal Elections Act, 1996 s. 11(4)3, 55(4.1)1

I, Cheryl Mortimer, Clerk of the Corporation of the Township of Muskoka Lakes, in the District Municipality of Muskoka, hereby certify that during the municipal election held on Monday October 22, 2018, and extended to 8:00 pm on October 23, 2018, for the offices listed below, the certified candidates received the votes that follow their respective names:

OFFICE	NAME OF CANDIDATE	NUMBER OF VOTES
Mayor 1 to be elected	Donald Furniss	1236
	Phil Harding	5324
	Terry Ledger	344
District and Township Councillor Ward A/1 1 to be elected	Gord Carlton	349
	Brian Mayer	79
	Ruth-Ellen Nishikawa	1142
Township Councillor Ward A/1 2 to be elected	Sandy Currie	314
	Donelda Hayes	1171
	Glenn Zavitz	1221
District and Township Councillor Ward B/2 1 to be elected	Allen Edwards	1765
	Larrie MacRae	296
Township Councillor Ward B/2 2 to be elected	Linda Barrick-Spearn	347
	Jason Harnett	357
	Susan Mazan	1602
	Gordon Roberts	1536
District and Township Councillor Ward C/3 1 to be elected	Jean-Ann Baranik	517
	Frank Jaglowitz	2578
Township Councillor Ward C/3 2 to be elected	W. Ron Brent	407
	Barb Bridgeman	2532
	Peter Kelley	2502
	Jeff Mole	202
Trillium Lakelands District School Board Trustee (Georgian Bay, Gravenhurst, Muskoka Lakes) English – Public 1 to be elected	Johnny Ahsome	1208
	Louise Clodd	3923
Simcoe Muskoka Catholic District School Board Trustee (Ward 4) English – Separate 1 to be elected	Carol Corriveau-Truchon	ACCLAIMED
Conseil scolaire public du Nord-Est de l'Ontario (Sector A) French – Public 1 to be elected	Denis Boyer	ACCLAIMED
Conseil scolaire catholique MonAvenir (Region of Simcoe-Muskoka) French – Separate 1 to be elected	Ryan Malenfant	1
	Claire Thibideau	5

Dated this 24th day of October 2018

Cheryl Mortimer, Clerk

ONTARIO COURT OF JUSTICE

B E T W E E N :

JOHN LYRAS

Applicant (Appellant in Appeal)

— AND —

ADRIAN HEAPS and COMPLIANCE AUDIT COMMITTEE OF THE CITY OF TORONTO
Respondents (Respondents in Appeal)

2008 ONCJ 524 (CanLII)

Ronald J. Walker, Charles A. Toth counsel for the appellant John Lyras
 Paula Boutis counsel for the respondent Adrian Heaps
 Kalli Y. Chapman counsel for the respondent Compliance Audit
 Committee of the City of Toronto

REASONS FOR JUDGMENT

LANE, J.:

This is an appeal pursuant to section 81 (3.3) of the *Municipal Elections Act, 1996*, S.O. 1996, c. 32, Sched. (the “MEA”) from the decision of the Compliance Audit Committee of the City of Toronto (the “Committee”) dated July 16, 2007. The Committee rejected Mr. Lyras’ application for a compliance audit of the election campaign finances of Adrian Heaps, now Municipal Councillor for Ward 35, incurred during the 2006 Toronto municipal elections. The appellant seeks an order setting aside the decision of the Committee and requiring a compliance audit of Mr. Heaps’ election campaign finances.

The Legislative Framework

This appeal is based on the statutory provisions set out in Section 81(1) to (4) of the MEA. An elector who believes on reasonable grounds that a candidate has contravened a provision of the MEA relating to election campaign finances may apply in writing for a compliance audit of those finances. Within thirty days of receiving the application, the council or local board must consider the application and decide whether it should be granted or rejected. Under s. (3.1), the council may establish a committee and delegate its powers and functions with respect to applications received in relation to an election for which it was

comprehensiveness of the thirty-page website, Mr. Lyras asserted that “it was implausible that it was designed and created, as well as hosted for a three-month period, by a professional webmaster” with such experience for a cost of only \$120. Mr. Lyras obtained two quotes for the design, creation and hosting of websites similar to that operated by Mr. Heaps during the campaign, one was for more than \$5,965.00, the other for \$2,800.00. In his view, even the lower of these costs would have caused Mr. Heaps to exceed his campaign spending limits.

Mr. Heaps replied that the cost of developing the website was not reported as it was not “paid for”, but rather obtained through “voluntary unpaid labour,” a specific exemption from the definition of “contribution” under section 66(2)2.i of the MEA. He indicated to the Committee that the work was done “on volunteer time,” took approximately 10-14 hours, and was done by Peter Diplaros, himself, his wife, his son and others who contributed volunteer time to the content and upkeep of the site.

In his written submissions to the Committee in support of his application, counsel for Mr Lyras asserted that the “voluntary unpaid labour” provision of the MEA does not apply to the contribution of services by those who are in the business of providing such services, i.e. that the MEA distinguishes between voluntary unpaid labour and the contribution of professional services. He also submitted that “allowing candidates to evade the application of the election spending limits to professional services obtained on a no-charge basis would result in inequality and unfairness among candidates.”

There is no dispute that the cost of producing a website is not distinguishable from the cost of producing other campaign literature or advertising. Mr. Heaps submits, however, that to the extent that a brochure, website or other advertising is produced by “voluntary unpaid labour,” these are not “contributions” under the MEA and need not be declared as such. Unless something is a “contribution,” then the rules for the valuation of the goods and services dealt with in s. 66(3) of the MEA do not apply.

I agree with counsel for the Committee that Mr Lyras has misinterpreted and misapplied the provisions of the MEA. Section 66(2)1.iii specifies that “if goods and services used in a ... campaign are purchased for less than their market value, the difference between the amount paid and the market value” are considered a “contribution.” Section 66(2)2.i provides that “the value of services provided by voluntary unpaid labour” ... are not contributions.” Section 66(3) describing how to value goods and services only applies to “goods and services provided as a contribution.” (my underlining)

Under the MEA, the level of expertise that a volunteer has in the area in which they elect to provide volunteer services is an irrelevant consideration in the definition of what is a “contribution.” It is also clear that the rules about valuing “contributions of goods and services” add nothing to the specific statutory definitions of what is or is not a “contribution.” The MEA is very clear that “the value of services provided by voluntary unpaid labour” need not be considered a contribution, and makes no distinction between free professional services and free services for other campaign assistance.