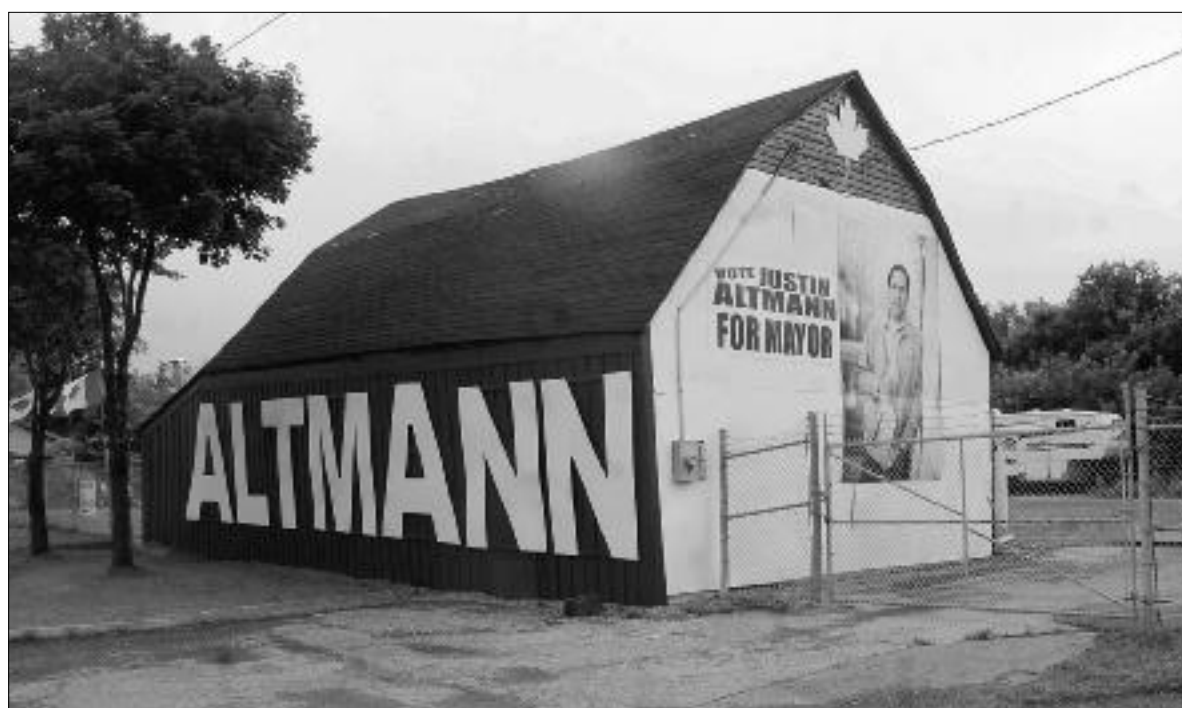




TOM WINTERS: Council candidate part of residents' group asking for audit of mayor's finances.



SUN-TRIBUNE FILE PHOTO

Barn at Hwy. 48 and Main Street was used by Justin Altmann during his successful mayoralty campaign in 2014.



JUSTIN ALTMANN: Mayor says there is no substance to claims being made against him from 2014.

Sour grapes from 'old boys' club,' mayor says

From page 1.

He also claims the compliance audit is nothing but sour grapes because he defeated "the old boys' club candidate."

He did not identify that candidate.

Not so, according to Tom Winters, who supports Hilton's request. He also noted there were a number of other people backing the request, male and female.

Winters ran for Ward 5 councillor in the last election. Iain Lovatt won the ward.

Winters believes Altmann's financial statements are off by \$8,000 to \$10,000.

"I just find difficulty with the way the man does business," Winters said.

Among the issues questioned in the application was Altmann's campaign headquarters at Main Street and Hwy. 48. It was "... instead fraudulently used as a cover for breaking the sign bylaw so as to use the building as a billboard."

The exterior of the barn had a large image of Altmann on it with "Vote Justin Altmann for Mayor" beside it. On the side of the barn, in giant letters was "Altmann."

BARN BILLBOARD

"There is no definition in the bylaw as to what constitutes a 'campaign office'. The 'campaign office' exception permits a candidate to 'demarcate his or her home base' through signage at an earlier date than the date upon which election signs may otherwise be displayed for campaign purposes," Michele Kennedy, clerk for the Town of Whitchurch-Stouffville told The Sun-Tribune via email in July 2014.

"It is not for us to determine whether or not phone lines have been installed, staff hired, or whatever else one might think is needed to 'demarcate a home base'. If a registered candidate chooses a specific building as his/her home base or campaign headquarters, that's fine with me," Kennedy said last year via email.

In July 2014, Altmann told The Sun-

Tribune the barn was outfitted with electricity, water and bathroom facilities.

Last week, the mayor told The Sun-Tribune the only hydro was outside and it was used for the spotlight.

A big door at the back of the barn was opened for light, he said, adding it was really "just a meeting spot" for him and his volunteers before hitting the campaign trail.

'I just find difficulty with the way the man does business.'

The forensic audit request claims Altmann's real campaign headquarters was his farmers' market, just south of the barn on Hwy. 48.

"It was never a campaign office," Altmann said.

The application also questions the barn's rent - \$1,200 total - which was noted in Altmann's financial statements. Hilton wants the rate "checked against a bonafide appraisal of market value of such rent for a property of this size".

Altmann's Internet and cellphone expenses are also in need of investigation, according to the application.

There were no expenses for those line items, according to Altmann's financial statements.

"It is hard to imagine that there could be no cellphone or landline phone costs incurred," Hilton wrote in the application. "These costs have been deliberately omitted."

Only about 15 people would have called his cellphone and there were not a lot of emails because it was a meet-the-people kind of campaign, according to Altmann. He also said volunteers used their cellphones.

Other items in the application Hilton requests further scrutinization on via

the forensic audit include: fundraising events/activities; unaccounted for in-kind contributions provided by professionals/volunteers; unaccounted for inventory for his previous campaign and unreported cash donations.

The hearing takes place July 20, 10 a.m. in the Whitchurch-Stouffville council chambers, 111 Sandiford Dr. It is open to the public.

Stouffville-based chartered accountant James L. Wilson audited Altmann's financial statements.

In his report, he wrote, in part: "Due to the nature of the types of transactions inherent in an election campaign, it is impracticable through auditing procedures to determine that the accounting records include all donations of goods and services and receipts and disbursements."

OPEN TO PUBLIC

"Accordingly, my verification of these transactions was limited to ensuring that the financial statements reflect the amounts recorded in the accounting records of Justin K. Altmann, candidate, in accordance with the accounting procedures established by the Municipal Elections Act, 1996 and I was not able to determine whether any adjustments might be necessary to income and expenses, assets or liabilities and surplus/deficit."

"In my opinion, except for the effect of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself as to the completeness of the records as described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the registrant's election campaign as at December 31, 2014 and the income and expenses for the campaign period from April 15, 2014 to December 31, 2014 in accordance with the accounting treatment prescribed by the Municipal Elections Act, 1996."

WHAT'S A JOINT COMPLIANCE AUDIT COMMITTEE?

The Joint Compliance Audit Committee was created in 2009 as per the Municipal Elections Act amendment, which requires municipalities and school boards to appoint compliance audit committees to hear and decide on applications for compliance audits, according to Isabel Leung, deputy clerk for the Town of Whitchurch-Stouffville.

Mayor Justin Altmann is the first Whitchurch-Stouffville politician to have his campaign's financial statements brought before the committee, according to Leung.

An application to the committee can be brought forward by an eligible Whitchurch-Stouffville elector who "believes on reasonable grounds that a candidate for municipal office has contravened the Municipal Elections Act, with respect to municipal campaign finances," according to the town's website.

Committee members review the application and decide to grant the audit or reject it.

If one is granted, an auditor licensed under the Public Accounting Act, 2004 is appointed.

The auditor will submit a report to the Town of Whitchurch-Stouffville clerk, candidate, town council and applicant.

Once the report is received, the committee has 30 days to meet and consider it. The committee will decide whether or not to start legal proceedings against the candidate.

If the report reveals no apparent wrongdoing and the committee finds no reasonable grounds for the application, town council is entitled to recover the cost of the audit from the applicant.

For the 2014 municipal election, the Joint Audit Committee was established for the municipalities of Aurora, East Gwillimbury, Georgina, King, Richmond Hill, Whitchurch-Stouffville and Vaughan.

The committee members are: Terry Alderson, Janet Andrews, Ron Colucci, Robert Freedman, Mark Gannage, Kelly Gravelle, Paul Jones, Karen Leung and Jason Nice.

Source: Town of Whitchurch-Stouffville website, Joint Compliance Audit Committee