



Financial Statement - Auditor's Report
Candidate - Form 4

Municipal Elections Act, 1996 (Section 88.25)

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 paid immediately over to the clerk who is responsible for the conduct of the election.

For the campaign period from (day candidate filed nomination) 2 0 1 8 / 0 4 / 2 6 to 2 0 1 8 / 1 2 / 3 1

- Initial filing reflecting finances to December 31 (or 45 days after voting day in a by-election)
Supplementary filing including finances after December 31 (or 45 days after voting day in a by-election)

Box A: Name of Candidate and Office

Candidate's name as shown on the ballot
Last Name or Single Name: MERLINO
Given Name(s): RICH
Office for which the candidate sought election: CITY COUNCIL
Ward name or no. (if any)
Municipality: NIAGARA FALLS
Spending Limit - General: \$ 56,052.70
Spending Limit - Parties and Other Expressions of Appreciation: \$

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

Box B: Declaration

I, RICH MERLINO, 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

March 29, 2019
Date (yyyy/mm/dd)

Table with 4 columns: Date Filed (2019/03/29), Time Filed (12:04 P.M.), Initial of Candidate or Agent, Signature of Clerk or Designate.

**Box C: Statement of Campaign Income and Expenses**

**LOAN**

Name of bank or recognized lending institution \_\_\_\_\_

Amount borrowed \$ \_\_\_\_\_

**INCOME**

Total amount of all contributions (from line 1A in Schedule 1)	+ \$	21,108.34
Revenue from items \$25 or less	+ \$	_____
Sign deposit refund	+ \$	_____
Revenue from fundraising events not deemed a contribution (from Part III of Schedule 2)	+ \$	_____
Interest earned by campaign bank account	+ \$	_____
Other (provide full details)		
1. _____	+ \$	_____
2. _____	+ \$	_____
3. _____	+ \$	_____
4. _____	+ \$	_____
5. _____	+ \$	_____
<b>Total Campaign Income (Do not include loan)</b>	<b>= \$</b>	<b>21,108.34 C1</b>

**EXPENSES (Note: include the value of contributions of goods and services)**

**Expenses subject to general spending limit**

Inventory from previous campaign used in this campaign (list details in Table 4 of Schedule 1)	+ \$	1,291.68
Advertising	+ \$	8,088.97
Brochures/flyers	+ \$	141.13
Signs (including sign deposit)	+ \$	11,154.74
Meetings hosted	+ \$	_____
Office expenses incurred until voting day	+ \$	23.32
Phone and/or internet expenses incurred until voting day	+ \$	_____
Salaries, benefits, honoraria, professional fees incurred until voting day	+ \$	_____
Bank charges incurred until voting day	+ \$	18.90
Interest charged on loan until voting day	+ \$	_____
Other (provide full details)		
1. <b>GOODS AND SERVICES</b>	+ \$	309.60
2. <b>CANDIDATE REGISTRATION</b>	+ \$	100.00
3. _____	+ \$	_____
4. _____	+ \$	_____
5. _____	+ \$	_____
<b>Total Expenses subject to general spending limit</b>	<b>= \$</b>	<b>21,108.34 C2</b>

**EXPENSES**

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

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

**Expenses not subject to spending limits**

Accounting and audit	+ \$	
Cost of fundraising events/activities (list details in Part IV of Schedule 2)	+ \$	
Office expenses incurred after voting day	+ \$	
Phone and/or internet expenses incurred after voting day	+ \$	
Salaries, benefits, honoraria, professional fees incurred after voting day	+ \$	
Bank charges incurred after voting day	+ \$	
Interest charged on loan after voting day	+ \$	
Expenses related to recount	+ \$	
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.	+ \$	
2.	+ \$	
3.	+ \$	
4.	+ \$	
5.	+ \$	
<b>Total Expenses not subject to spending limits</b>	<b>= \$</b>	<b>C4</b>

**Total Campaign Expenses (C2 + C3 + C4) = \$ 21,108.34 C5**

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

Excess (deficiency) of income over expenses (Income minus Total Expenses) (C1 - C5)	+ \$	0.00	D1
Eligible deficit carried forward by the candidate from the last election (applies to 2018 regular election only)	- \$		D2
<b>Total (D1 - D2)</b>	<b>= \$</b>		
If there is a surplus, deduct any refund of candidate's or spouse's contributions to the campaign	- \$		
<b>Surplus (or deficit) for the campaign</b>	<b>= \$</b>		<b>D3</b>

If line D3 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	+ \$ 18,048.74
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).	+ \$ 959.60
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).	+ \$ 2,100.00
<b>Less:</b> Contributions returned or payable to the contributor	- \$ _____
Contributions paid or payable to the clerk, including contributions from anonymous sources exceeding \$25	- \$ _____
<b>Total Amount of Contributions (record under Income in Box C)</b>	<b>= \$ 21,108.34 1A</b>

**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
JOE GILLEN	510 QUEENS QUAY WEST TORONTO, ON M5V0K6	2018/10/09	200.00	
GERALD STOKER	7425 HEXIMER AVENUE NIAGARA FALLS, ON L2G4T7	2018/09/06	200.00	
WALTER GRANT HARDY	3939 RAINBOW LANE VINELAND, ON L0R2C0	2018/05/12	500.00	
ERNIE BAGNULO	4725 DORCHESTER ROAD NIAGARA FALLS, ON L2E0A8	2018/08/26	500.00	
HARRY OAKS	4980 CLIFTON HILL NIAGARA FALLS, ON L2E6SB	2018/10/16	500.00	
RUTHANN NIEUWESTEEG	8883 NIAGARA RIVER PKWY NIAGARA FALLS, ON L2E6S6	2018/11/01	200.00	
			<b>Total</b>	<b>2,100.00</b>

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 \$
LINDA VESPOLI	311 QUEENSTON STREET ST CATHARINES, ON L2P2X6	CAMMPAIGN BUTTONS	2018/09/12	9.60
DIAMONDS AND CAVIAR PHOTOGRAPHY	5368 MENZIE STREET NIAGARA FALLS, ON L2E2V8	CAMPAIGN PHOTOS	2018/09/06	300.00
<input type="checkbox"/> Additional information is listed on separate supplementary attachment			<b>Total</b>	<b>309.60</b>

**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) **\$ 2,409.60 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 \$
<input type="checkbox"/> Additional information is listed on separate supplementary attachment		<b>Total</b>

**Table 4: 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 \$
WOOD STAKES	2014/10/01	VARIOUS	184	325.68
METAL STAKES	2014/10/01	VARIOUS	322	966.00
<input type="checkbox"/> Additional information is listed on separate supplementary attachment			<b>Total</b>	<b>1,291.68</b>

**Schedule 2 - Fundraising Events and Activities**

**Fundraising Event/Activity**

Complete a separate schedule for each event or activity held

Additional schedule(s) attached

Description of fundraising event/activity \_\_\_\_\_

Date of event/activity (yyyy/mm/dd) \_\_\_\_\_

**Part I - Ticket revenue**

Admission charge (per person)

(If there are a range of ticket prices, attach complete breakdown of all ticket sales)

Number of tickets sold \_\_\_\_\_

X \$ \_\_\_\_\_ 2A  
\_\_\_\_\_ 2B

Total Part I (2A X 2B) (include in Part 1 of Schedule 1)

= \$ \_\_\_\_\_

**Part II - Other revenue deemed a contribution**

(e.g. revenue from goods sold in excess of fair market value)

Provide details

1. \_\_\_\_\_ + \$ \_\_\_\_\_  
2. \_\_\_\_\_ + \$ \_\_\_\_\_  
3. \_\_\_\_\_ + \$ \_\_\_\_\_  
4. \_\_\_\_\_ + \$ \_\_\_\_\_  
5. \_\_\_\_\_ + \$ \_\_\_\_\_

Total Part II (include in Part 1 of Schedule 1)

= \$ \_\_\_\_\_

**Part III - Other revenue not deemed a contribution**

(e.g. contribution of \$25 or less; goods or services sold for \$25 or less)

Provide details

1. \_\_\_\_\_ + \$ \_\_\_\_\_  
2. \_\_\_\_\_ + \$ \_\_\_\_\_  
3. \_\_\_\_\_ + \$ \_\_\_\_\_  
4. \_\_\_\_\_ + \$ \_\_\_\_\_  
5. \_\_\_\_\_ + \$ \_\_\_\_\_

Total Part III (include under income in Box C)

= \$ \_\_\_\_\_

**Part IV - Expenses related to fundraising event or activity**

Provide details

1. \_\_\_\_\_ + \$ \_\_\_\_\_  
2. \_\_\_\_\_ + \$ \_\_\_\_\_  
3. \_\_\_\_\_ + \$ \_\_\_\_\_  
4. \_\_\_\_\_ + \$ \_\_\_\_\_  
5. \_\_\_\_\_ + \$ \_\_\_\_\_  
6. \_\_\_\_\_ + \$ \_\_\_\_\_  
7. \_\_\_\_\_ + \$ \_\_\_\_\_  
8. \_\_\_\_\_ + \$ \_\_\_\_\_

Total Part IV Expenses (include under Expenses in Box C)

= \$ \_\_\_\_\_

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

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

Professional Designation of Auditor

**CERTIFIED PUBLIC ACCOUNTANT (CPA)**

Municipality <b>ANCASTER</b>	Date (yyyy/mm/dd) <b>2019/03/28</b>
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Contact Information

Last Name or Single Name <b>MOFFATT</b>	Given Name(s) <b>C. BRAD</b>	Licence Number <b>1-11638</b>
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Address		
Suite/Unit No. <b>211</b>	Street No. <b>911</b>	Street Name <b>GOLF LINKS RD</b>

Municipality <b>ANCASTER</b>	Province <b>ON</b>	Postal Code <b>L9K 1H9</b>
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Telephone No. (including area code) <b>(905) 527-0000</b>	Email Address <b>b.moffatt@gwmca.com</b>
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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

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.



# Guyatt + Moffatt

Chartered Professional Accountants

Michael B. Guyatt Professional Corporation  
C. Brad Moffatt Professional Corporation  
Douglas M. Guyatt Professional Corporation

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Ancaster, Ontario L9K 1H9  
(905) 527-0000  
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## INDEPENDENT AUDITOR'S REPORT

### To Rich Merlino – Candidate

We have audited the Statement of Campaign Income and Expenses and the calculation of Surplus or Deficit of Rich Merlino, candidate, for the campaign period from April 26, 2018 to December 31, 2018 relating to the election held on October 22, 2018. This financial information has been prepared by Rich Merlino, candidate based on the financial reporting provisions of the Municipal Elections Act, 1996.

### Qualified Opinion

In our opinion, except for the effects of matters described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of the candidate's election campaign as at December 31, 2018 and the income and expense for the campaign period from April 26, 2018 to December 31, 2018 and the determination of surplus or deficit and the disposition of surplus in accordance with the financial reporting provisions prescribed by the Municipal Elections Act, 1996.

### Basis of Qualified Opinion

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 goods and services, and receipts and disbursements. Accordingly, our verification of these transactions was limited to ensuring that the financial statement reflect the amount recorded in the accounting records of Rich Merlino, candidate, in accordance with the accounting procedures established by the Municipal Elections Act, 1996 and we were not able to determine whether any adjustments might be necessary to income and expenses, assets or liabilities and surplus/deficit. We are independent of the Candidate in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Candidate's Responsibility for the Financial Statements**

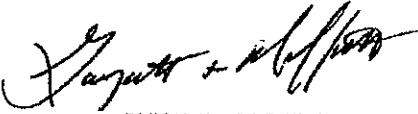
Rich Merlino, candidate is responsible for the preparation and fair presentation of this financial information in accordance with the financial reporting provisions of the Municipal Elections Act, 1996 and for such internal control as the candidate determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Basis of Accounting and Restriction on Distribution**

Without modifying our opinion, we draw attention to the basis of accounting, the Municipal Elections Act, 1996 does not require us to report, nor was it practical for us to determine, that contributions reported include only those which may be properly retained in accordance with the provisions of the Municipal Elections Act, 1996. This financial information, which has not been, and was not intended to be, prepared in accordance with Canadian generally accepted accounting principals is solely for the information and use of the City Clerk, Niagara Falls, for complying with the Municipal Elections Act, 1996. This financial information is not intended to be, and should not be, used by anyone other than the specified user or for any other purpose.

Ancaster, Ontario  
March 26, 2019

  
GUYATT + MOFFATT  
Chartered Professional Accountants  
Licensed Public Accountants

## Heather Ruzylo

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**From:** Rich Merlino <onerich@cogeco.ca>  
**Sent:** Friday, March 29, 2019 12:04 PM  
**To:** Bill Matson  
**Cc:** Heather Ruzylo  
**Subject:** Candidate Financial Statements  
**Attachments:** [Untitled].pdf

Hi Bill.  
Please find attached my form 4 and Auditors report.  
Please confirm receipt of this email.  
Thank you.  
Rich Merlino

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