

# The Sudbury Star

## Uncontrolled spending

Mon Dec 19 2011  
Page: A1  
Section: News  
Byline: MIKE WHITEHOUSE, THE SUDBURY STAR

It's safe to say Greater Sudbury is the only municipality in Ontario that allows its elected officials to direct taxpayers' money to their employers, friends and associates without oversight or consequence.

By any standard, that's a stunning revelation. Except that it's standard practice at Tom Davies Square. It happens every month of every year and when it's challenged -- as it has been twice in the past year -- councillors bare their teeth and defend their slush funds like a gorilla would her young.

Each year, councillors pull \$34,000 each out of the city's leisure services budget to spend on pretty much whatever they want in their ward. That adds up to \$410,000 annually.

In 2011, some of this money was spent on Sudbury Wolves tickets and apparel, on tickets for fundraising dinners or TVs or gift cards donated as prizes for community events. And each councillor spent money outside his or her own ward.

And always, the potential for conflict is obvious.

In 2010, just before leaving council, Russ Thompson, then Ward 7 councillor, saved up his funds over a two-year period so he could donate \$40,000 to the Rainbow District School Board to purchase SMART boards for Northeastern Elementary School. He agreed to partner with the board -- which also contributed \$40,000 -- and install them.

If that's the one area in his large ward the councillor determined needed investing in the most, so be it. Every councillor makes these decisions every year. It's the responsibility they've accepted.

Except that Thompson is a teacher with Rainbow schools. Indeed, he's a teacher at Northeastern.

He freely acknowledged the perception of impropriety, but made clear he broke no rules. The city's guidelines allowed it, so he did it, he told The Sudbury Star at the time. Neither did he disagree with the argument the city shouldn't be buying equipment for public schools. But that, too, is allowed. Ward 9 Coun. Doug Craig -- a retired teacher -- did it again in 2011.

Thompson said he welcomed any effort to tighten up spending guidelines for the funds, though he was exiting council as he said it.

Not long after, staff urged councillors to do exactly that, if for no other reason than to give the funds greater purpose and direction.

In other words, to remove any hint of impropriety. It was a favour councillors tersely rebuffed.

Instead, they changed the name of the funds in a vain attempt to distance themselves from their growing notoriety. With leisure services staff no longer on board, councillors took the funds out of that department and hired a new secretary to help administer them directly on their behalf.

Shortly after that, at budget chair Terry Kett's urging, councillors voted to increase the funds to \$50,000 per ward. Starting in 2012, a year in which taxpayers will likely face a 3% tax hike, the funds will top \$600,000, a \$190,000 increase over 2011.

To be sure, the overwhelming majority of the projects, programs and groups these funds are directed to are valuable to the communities each councillor represents. And who better than a ward councillor to identify these things?

"(Councillors) are tight with our communities, we know our communities and this is valuable to our communities," one councillor said this week.

That's true, but it's what happens next that's troublesome. Spending money unilaterally and in secret on a project when there is no context for the councillor's interest in it is difficult for taxpayers to swallow.

"A municipal conflict of interest arises where it would be apparent to a reasonable observer that the exercise of a councillor's public duty is being influenced not by what he considers to be in the public interest, but rather by his own personal interest, either in whole or in part," Barnet H. Kussner, a partner in WeirFoulds LLP, wrote in an Ontario Bar Association briefing on the Ontario's Municipal Conflict of Interest Act in 2009.

"Courts have repeatedly emphasized that the public interest in ensuring that members of council do not act in their own self interest demands no less."

The premise of the law is simple and time-tested: No person can serve two masters. Where they conflict, a councillor must acknowledge it and choose.

Despite being given every opportunity to do so, this council has not chosen and the potential for conflict continues unabated.

Look at it this way.

Last week, councillors approved \$53,550 worth of grants to 42 neighbourhood associations, groups of volunteers who run parks, playgrounds and outdoor rinks throughout the city.

No association asked for more than \$1,300 and most needed it for snowblower repairs, playground equipment or to defray the costs of winter carnivals organized by volunteers. These associations are supported by the city's leisure services department and their requests vetted by staff.

It doesn't get any more grassroots than Sudbury's neighbourhood associations. Or accountable.

A similar structure is in place to direct funds to dozens of arts and cultural groups throughout the city. There's no hint of impropriety or favouritism in the handling of these funds. If anything, these groups need more money, not regulation.

By this standard, then, councillors' slush funds are an anomaly within the city. Money, councillors have lots of -- it's accountability they're refusing.

[mwhitehouse@thesudburystar.com](mailto:mwhitehouse@thesudburystar.com)

© 2011 Osprey Media Group Inc. All rights reserved.