

The following are the requirements under the *Municipal Elections Act, 1996*, for the financial reporting for all candidates.

It is the responsibility of all nominated candidates to file, with the City Clerk, a financial statement on the prescribed form by **5:00 p.m., Monday, April 2, 2007**.

If you were a candidate for more than one office at any time during the campaign period, you are required to file a financial statement for **each** of the offices you were nominated for.

The financial statement is to be filed with Ulli S. Watkiss, City Clerk, City of Toronto, 100 Queen Street West, 1<sup>st</sup> floor, North. The *Municipal Elections Act, 1996* requires election documents to have original signatures; therefore, these documents cannot be faxed to the Clerk's office. Please note that both forms require the candidate to take a declaration before a commissioner for taking oaths, city staff are available to provide this service at Toronto City Hall, 1<sup>st</sup> floor North, Monday to Friday, 8:30 a.m. to 4:30 p.m.

The financial statement is a public document and may be inspected by any person in the Clerk's office. In addition, all candidates' financial information will be posted on the City of Toronto's web site. This information includes a list of all contributors who contributed over \$100 to a candidate's campaign.

#### **Financial Statement (Form 4):**

If a candidate's total contributions and total expenses are **each** less than \$10,000 and the candidate does not wish to participate in the City's contribution rebate program, the candidate may file a Financial Statement (Form 4).

The Form 4 is a straightforward declaration requiring candidates to list contributors who donated more than \$100 and provide a summary of the campaign period income and expenses.

#### **Financial Statement & Auditor's Report (Form 5).**

If a candidate's total contributions **or** total expenses are greater than \$10,000 or if the candidate wishes to participate in the City's contribution rebate program, the candidate must file a Financial Statement & Auditor's Report (Form 5). The *Municipal Elections Act, 1996* requires that the auditor must be licensed under the *Public Accounting Act, 2004*.

Please refer to the Financial Reporting and Disclosure section of the Candidate's Guide for guidance in completing this form.

#### **Contribution Rebate Program**

The City of Toronto has a contribution rebate program for contributors to candidates running for the office of Mayor or Councillor. In order for the contributors to receive a contribution rebate, a candidate must:

- file a paper copy of the Financial Statement & Auditor's Report (Form 5);
- attach copies of all campaign expense invoices; and
- for those candidates not participating in the Electronic Financial Filing System (EFFS), attach pink copies of all contributions receipts.

The required documents must be attached to the Form 5 at the time the form is filed in order for the contributors to receive a rebate. These will not be accepted after 5:00 p.m., Monday, April 2, 2007.

### **Campaign Period**

The financial statement is to report on the activity of the candidate's election campaign finances from the date the candidate filed their nomination paper until the end of the campaign period (Tuesday, January 2, 2007). If a candidate withdraws their nomination paper the end of the campaign period is the date of the withdrawal.

**If a candidate has a deficit and wants to extend their campaign period, they must file a Notice of Extension of Campaign Period (Form 6) by 5:00 p.m. Tuesday, January 2, 2007 at Toronto City Hall, 1<sup>st</sup> floor North.** This will extend the campaign period to December 31, 2007. Failure to do so will mean the campaign period will end on January 2, 2007 and the candidate will not be able to raise additional monies to eliminate the deficit.

### **Surplus/Deficit**

If a candidate has a surplus over \$500 at the end of the campaign period, the surplus must be turned over to the Clerk at the same time the financial statement is filed (the cheque must be made payable to the Treasurer, City of Toronto). If the total surplus is \$500 or less, the candidate is not required to pay that amount over to the Clerk. Prior to paying over any surplus monies to the Clerk, the candidate is entitled to refund any contributions made to the campaign by the candidate or the spouse of the candidate.

If a candidate has a deficit at the end of the campaign period, the candidate's campaign may continue for a maximum of one additional year in order to erase the deficit. Even if the campaign period is continuing, the candidate must still file their first financial statement by 5:00 p.m., Monday, April 2, 2007.

### **Supplementary Reporting**

If the campaign period is continuing to erase a deficit, there are two supplementary reporting periods.

- Date the nomination paper is filed to July 3, 2007
- Date the nomination paper is filed to December 31, 2007

A candidate must file supplementary financial statements to reflect the activity of the campaign during these supplementary reporting periods by 5:00 p.m., September 4, 2007 and 5:00 p.m., February 29, 2008 respectively.

The supplementary financial statements are to update the previously filed financial statements to reflect the changes to the candidate's total election campaign finances, i.e., the candidate is to add any new contributions/income and expenses to those reported on the previous statement to give new totals. **The supplementary financial statements are not meant to reflect only the campaign activity during the supplementary reporting period.**

### **Penalties**

There are penalties applicable to candidates who fail to meet the disclosure and reporting requirements of the *Act*. **Please note that the courts do not have the authority to waive the penalties for non-compliance.**

If a candidate fails to pay over a surplus to the Clerk or exceeds their election spending limit, the candidate forfeits any office they may have been elected to and the candidate is ineligible to run for, or to be appointed to, any office in Ontario until after the 2010 election.

If a candidate fails to file a financial statement by the filing date (April 2, 2007), the candidate has an additional 90 days in which to file. If the candidate has not filed the financial statement by the 91<sup>st</sup> day, the candidate forfeits any office that they may have been elected to and is ineligible to run for, or be appointed to, any office in Ontario until after the 2010 election. In addition, if a candidate was elected, they are suspended without pay from office until they file their financial statement.

A candidate may make an application to the Ontario Court of Justice prior to the 91<sup>st</sup> day to extend the time for filing the financial statement. If the court is satisfied that the circumstances justify a later date for filing, an extension may be granted. The candidate must bring the document extending the filing date into the Clerk's office. If the candidate fails to file the financial statement by the extended date, the above-noted penalties will apply.

Please refer to the Enforcement & Penalties section of the Candidate's Guide for the complete Notice of Penalties.