



Report to: General Committee

Meeting Date: February 6, 2017

SUBJECT: Municipal Election Candidate Contribution Rebate Program
PREPARED BY: Martha Pettit, Deputy City Clerk, extension 8220
Kiran Saini, Acting Manager, Access & Privacy, extension 2082
Matthew Vetere, Senior Financial Analyst, extension 2463

RECOMMENDATIONS:

- 1) That the report entitled “Municipal Election Candidate Contribution Rebate Program” be received; and,
- 2) That Markham’s Municipal Election Candidate Contribution Rebate Program be discontinued; and,
- 3) That should Markham City Council wish to maintain the Municipal Election Candidate Contribution Rebate Program, the Program be revised to:
 - a) Only allow eligible electors in Markham to be permitted to receive a contribution rebate from the City; and,
 - b) Amend the formula for calculating a contribution rebate as follows:
 - i. The minimum contribution qualifying for a contribution rebate shall remain as \$50; and,
 - ii. The contribution rebate shall be 75 percent of the contribution to a maximum \$150 regardless of the number of contributions made by any individual eligible contributor; and,
 - c) Require all campaign contributors to apply to the City of Markham for the issuance of a contribution rebate and the deadline for all contributors to apply be 90 days after the candidate’s financial filing deadline; and,
 - d) Confirm that all contributions made to a candidate between the date on which a candidate files a nomination form and the end of the candidate’s campaign period eligible for a contribution rebate; and,
- 3) That the remaining deficit of \$116,766 from the 2014 Municipal Election Candidate Contribution Rebate Program be funded from the Corporate Rate Stabilization Reserve; and further,
- 4) That staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

Markham's Municipal Election Candidate Contribution Rebate Program ("CCRP") was first implemented prior to the 2003 Municipal Election. To date, the City has issued over \$1.5 million in contribution rebates to campaign contributors and more than half of these contribution rebates have been issued to non-Markham residents.

Markham's CCRP has grown from \$157,275 to \$546,363 between the 2003 and 2014 Municipal Elections (247% increase) and from \$368,435 to \$546,363 between the 2006 and 2014 Municipal Elections (48% increase) and is expected to continue to grow.

The recommended changes or revisions to the rebate program for the 2018 Municipal Election, should they be endorsed, will require the following budget adjustments as detailed in this report:

Option 1: Maintain current program (status quo)

If the CCRP remains unchanged for the 2018 Municipal Election, the projected Program cost would be \$635,400 and would require a \$106,400 funding increase in the 2018 budget to address the budget shortfall.

Option 2: Discontinue program

This report provides Council with the option of discontinuing the Program, which would result in a 2018 budget reduction of \$153,000.

Alternatively, if Council believes that the Program is meeting its intended objectives, this report provides suggested amendments to ensure that the CCRP is financially sustainable for future electoral events.

Option 3: \$150 maximum contribution rebate and Markham voters only

If the Option 3 proposed amendments are endorsed, they would result in a 2018 budget reduction of \$78,000.

In this report, staff used the following three questions as a basis for a review of the Program: 1) Is the CCRP meeting its original objectives? 2) What are the CCRP's administration costs? and, 3) What are the costs of the CCRP?

PURPOSE:

The purpose of this report is to seek Council direction on either the discontinuation of the CCRP or revisions to it.

BACKGROUND:

The Municipal Elections Act, 1996, provides that Ontario municipalities may enact a by-law to allow for the payment of contribution rebates to individuals that make contributions to candidates for office on municipal councils. Municipalities that establish CCRPs determine the conditions of entitlement to issue a contribution rebate and fund the Programs through the municipal tax base.

Markham City Council first authorized a CCRP prior to the 2003 Municipal Election, with the passage of By-law 2003-25. The CCRP permitted eligible contributors to receive a maximum contribution rebate of \$75 if \$100 or more was contributed to the candidate’s campaign.

The policy objectives of the CCRP were to: 1) Encourage non-incumbents and women to run for municipal office; and, 2) Reduce developer contributions. The popularity of Markham’s CCRP amongst candidates has demonstrated that it has also assisted municipal candidates in their fundraising efforts while offering an incentive to campaign contributors.

In 2005, City Council approved a change in the formula used to calculate contribution rebates – this was in place for the 2006 Municipal Election and has been for all subsequent electoral events in Markham. Under the revised CCRP, individuals can make contributions to more than one candidate; however, the maximum contribution rebate a contributor will receive is \$350. **Table 1** below shows a timeline of how contribution rebates have been issued by the City.

Table 1 - A Timeline of How Contribution Rebates have been Issued by the City

| Municipal Election Year | Contribution to Candidate’s Campaign | Formula to Calculate Contribution Rebate |
|----------------------------------|--------------------------------------|---|
| 2003 | Between \$100 and \$750 | A \$75 contribution rebate is issued. |
| 2006 - 2014 (Current Program) | Between \$50 and \$300 | 75% of contribution to a maximum contribution rebate of \$225. |
| | Between \$300 and \$550 | \$225 plus 50% of contribution between \$300 and \$550 to a maximum contribution rebate of \$350. |
| | Between \$550 and \$750 | A \$350 contribution rebate is issued. |
| Proposed revision for 2018 | Between \$50 and \$750 | 75 % of the contribution to a maximum contribution rebate of \$150. |

Only 7 out of Ontario’s 444 municipalities (or 1.6% of all Ontario municipalities) have adopted CCRPs. These municipalities are Ajax, Markham, Oakville, Ottawa, Toronto, Vaughan and Whitby. The details of these Programs are outlined in **Appendix “A”**.

There has been very limited academic research conducted on the benefits and challenges associated with municipal CCRPs. In fact, York University Professor Robert MacDermid’s research papers entitled, Funding Municipal Elections in the Toronto Region, Funding City Politics and If It’s Broke, Fix It appear to be the only academic papers written about municipal campaign finances in Ontario.

In terms of Markham’s CCRP, in the absence of a comprehensive and independent statistical analysis, there is no conclusive data to support that the CCRP is meeting its intended policy objectives. As such, this report focuses on the financial aspects of the City’s CCRP and makes recommendations to either discontinue the Program or revise the Program to ensure it is financially sustainable for future elections.

DISCUSSION:

Staff has identified the following concerns with respect to Markham's current CCRP:

1. Administrative Impact

Markham's current CCRP process requires a significant amount of staff time and resources to administer. The process begins with the candidate providing staff with an electronic spreadsheet with their contributor's information at the time of their financial statement filing. Staff are then required to combine all individual spreadsheets into one consolidated document and then conduct a review of the information provided. This review is described below:

Step 1 - Staff must ensure that the campaign contributor meets the eligibility criteria to qualify for a rebate.

Step 2 - Staff review the contributors' information to ensure that contributors are only receiving one contribution rebate from the City. This step is quite time-consuming as staff must identify contributors that have the same name and address to ensure only one contribution rebate is issued. For example, Joy Smith at 123 Main Street and Joe Smith at 123 Main Street could both appear as contributors; however, a decision must be made as to whether this is a typo or two different people at the same address. For a situations like these, staff request contribution receipts from the candidate(s) to determine the case, as it may be.

It is estimated that staff (from both Legislative Services and Finance) spent 90 hours for the 2014 Municipal Election from the time the spreadsheets were received from the candidates and reviewed by staff until the time that the contribution rebates were issued.

These steps are repeated, although on a much smaller scale, for contributions received during a candidate's supplementary financial filing period. The administration of the City's CCRP does not conclude with the issuance of contribution rebates. There is a significant amount of staff time spent following up with contributors who have lost their contribution rebate, have not received their contribution rebate or do not remember if they have already received their contribution rebate. In the 2014 Municipal Election, there were approximately 50 contribution rebates that were required to be reissued because the original contribution rebate was either lost or the contributor's information was incorrect.

It is estimated that staff (from both Legislative Services and Finance) spent 100 hours (i.e. a grand total of 190), in the 2014 Municipal Election, in following up with contributors and candidates with regards to contribution rebates.

It is expected that, if the number of contributors continues to increase, the amount of staff time and resources used in administering the Program will continue to grow.

2. Budget Impact

Since the creation of the CCRP in 2003, the number of campaign contributors participating in the Program has continued to increase. This has resulted in an increase in the number of contribution rebates issued by the City for each Municipal Election. Since 2003, the City has issued over \$1.5 million in contribution rebates.

As shown in **Table 2** below, the CCRP has continued to unfavourably impact the Election Rebate Reserve and the number of contribution rebates issued has continued to grow with each Municipal Election.

Table 2 - Total Contribution Rebates Issued by Markham, Associated Budget & Cost from 2003-2014 & Projected 2018 Budget & Cost

| Municipal Election Year | Number of Contribution Rebates Issued | Actual (\$) | Budget (\$) | Variance (\$) Favourable/ (Unfavourable) |
|-------------------------|---------------------------------------|------------------|-------------|--|
| 2003 | 1,996 | 157,275 | 210,000 | 52,725 |
| 2006 | 2,229 | 368,435 | 220,000 | (148,435) |
| 2010 | 2,583 | 459,181* | 280,000 | (179,181) |
| 2014 | 2,781 | 546,363** | 280,000 | (266,363) |
| 2018*** | 3,057 | 635,400 | 529,000 | (106,400) |
| Total | 12,646 | 2,166,654 | | |

* Includes the 2009 By-Election

** Actuals are as of January 2017

*** Projected figures

The deficits experienced in the 2006 and 2010 Municipal Elections were offset through a favourable variance in the General Election Expense Reserve. In 2014, the General Election Expense Reserve was favourable by \$149,597, which was used to partially offset the unfavourable Election Rebate Reserve. The remaining deficit of \$116,766 (\$266,363 - \$149,597) is recommended to be funded from the Corporate Rate Stabilization Reserve.

Markham’s CCRP has grown from \$157,275 to \$546,363 between the 2003 and 2014 Municipal Elections (247% increase) and from \$368,435 to \$546,363 between 2006 and 2014 Municipal Elections (48% increase) and it is anticipated that it will grow.

In 2016, the City increased the annual transfer to the Election Rebate Reserve from \$70,000 to a base budget of \$153,000 (increase of \$83,000) with the goal of achieving a budget of \$529,000 for the 2018 Municipal Election (2015: \$70,000, 2016: \$153,000, 2017: \$153,000, 2018: \$153,000). The increased annual transfer was due to the increased participation in the CCRP. However, should the number of contribution rebates issued by the City continue to increase, by an average of 260 for each Municipal Election, and there is no change to the criteria to qualify for a contribution rebate, the annual transfer will not be sufficient to cover the 2018 Municipal Election or future elections.

If the CCRP remains unchanged for the 2018 Municipal Election, the projected Program cost would be \$635,400 versus the current budget of \$529,000 (detailed as Option 1 in the financial section of this report).

The shortfall would need to be addressed in the 2018 budget through a \$106,400 funding increase which would achieve the \$635,400 required (2015: \$70,000; 2016: \$153,000; 2017: \$153,000; 2018: \$259,400).

| | Amount |
|---|--------------------|
| Projected 2018 Municipal Election cost | \$635,400 |
| Current Election Rebate ramp up | \$529,000 |
| Funding shortfall, required 2018 Budget increase | (\$106,400) |

Given the above-noted financial and administrative concerns associated with Markham’s current CCRP, staff recommends that Markham City Council consider discontinuing the Program (option 2 in the financial section).

This would result in a 2018 budget reduction of \$153,000 (annual contribution to the Election Rebate Reserve) and a projected 2018 Municipal Election cost avoidance of \$635,400. Should Council choose to discontinue the CCRP, By-law 2009-198 would be rescinded.

| | Amount |
|--|--------------------|
| Projected 2018 Municipal Election cost | \$0 |
| 2018 Budget reduction | (\$153,000) |

Proposed revisions to Markham’s CCRP

If Markham City Council chooses to maintain the Program, staff propose the following amendments to the CCRP to reduce the Program’s impact on the City’s budget and to address the above-noted administrative issues:

1) Restrict eligible rebate recipients to eligible Markham voters only

Chart 1 in **Appendix “B”** shows a breakdown of the number of contribution rebates issued to Markham residents and non-residents since the Program began in 2003. During a previous E3 exercise, staff recommended that the criteria to qualify for a contribution rebate be restricted to eligible Markham voters only – however, the recommendation was not adopted. The City’s CCRP is funded through the Markham tax base; however, over half of the contribution rebates issued in the 2014 Municipal Election were issued to non-Markham residents.

Limiting rebates to Markham voters only (persons would need to be listed on the Voters’ List) would significantly reduce the financial impact to the Election Rebate Reserve.

2) Decrease the maximum contribution rebate to \$150

The current formula to calculate contribution rebates is complicated and results in confusion. It is calculated as follows:

- i. The minimum contribution qualifying for a contribution rebate shall be \$50;
- ii. If the contribution is \$300 or less, the contribution rebate is 75 percent of the

contribution;

- iii. If the contribution is greater than \$300, the contribution rebate is 75 percent of \$300 plus 50 percent of the difference between the total contribution and \$300, to a maximum contribution rebate of \$350 regardless of the number of contributions made by any individual eligible contributor.

It is recommended that the maximum contribution rebate be decreased from \$350 to \$150 and the formula to calculate a contribution rebate be simplified as follows:

- i. The minimum contribution qualifying for a contribution rebate shall be \$50;
- ii. The contribution rebate is 75 percent of the contribution to a maximum contribution rebate of \$150 regardless of the number of contributions made by any individual eligible contributor.

Of all York Region municipalities surveyed, Markham currently has the highest allowable maximum contribution rebate. Further, the City of Ottawa, which has an electoral population of 632,385 (more than 3 times the electoral population of Markham) has a maximum contribution rebate of only \$75 (see **Appendix “A”**). Based on the average maximum contribution rebate in Vaughan, a municipality which is comparable to Markham, given its electoral population, it is recommended that the maximum contribution rebate be reduced from \$350 to \$150.

Revisions 1 and 2 above would have a combined 2018 Municipal Election cost projection of \$218,800 versus the current CCRP cost projection of \$635,400 (a projected cost avoidance of \$416,600) (detailed as Option 3 in the financial section of this report). To date, there is sufficient funding of \$223,000 (2015: \$70,000, 2016: \$153,000) in the Election Rebate Reserve to fund the projected cost from these amendments for the 2018 Municipal Election.

If revisions 1 and 2 were made, the 2022 Municipal Election is projected to cost \$300,000 which has an annual budget requirement of \$75,000 (4 year ramp up), with a potential 2018 Budget reduction of \$78,000 (Base budget: \$153,000 – Required: \$75,000).

| | Amount |
|--|-------------------|
| Projected 2018 Municipal Election cost (Sufficient funding currently in Election Rebate Reserve) | \$218,800 |
| Projected 2022 Municipal Election cost | \$300,000 |
| 2018 Budget reduction to fund projected 2022 Municipal Election cost (Base budget: \$153,000 - \$75,000 required) | (\$78,000) |

- 3) Introduce a requirement for contributors to apply to the City for a contribution rebate by a specified date**
Given the concerns previously raised with the overall administration of the CCRP, it is recommended that all contributors be required to apply directly to the City for

the issuance of a contribution rebate. This would assist in the administration of the Program by allowing Markham staff to communicate directly with the campaign contributor in the event there is a question about their application and to confirm that the contributor meets the criteria to qualify for a contribution rebate. Further, this requirement would assist in reducing the number of cancelled and/or reissued cheques due to incorrect campaign contributor information. It would also eliminate the candidate's role in following up on behalf of their campaign contributor since contributors would be required to apply directly to the City and is a considered a customer service enhancement in this respect. If Council approves this amendment, an online submission tool would be developed in order to facilitate the application process.

Five of the six municipalities surveyed require contributors to apply directly to the municipality for a contribution rebate within a specified timeframe while the City of Markham currently has no specified deadline (see **Appendix "A"**). It is recommended that the deadline for all contributors to apply to the City for a contribution rebate be 90 days after the candidate's financial filing deadline (this would not prevent contributors from applying before this deadline). This application deadline is consistent among other municipalities with CCRPs.

4) Timeframe for contribution to be made and qualify for a contribution rebate

It is also recommended that the criteria for contributions to qualify for a contribution rebate be amended to contributions made to a candidate between the date of the candidate's nomination filing and the end of their campaign period. This amendment would result in contributions made to candidates after the end of a candidate's campaign period ends being ineligible to receive a contribution rebate. While this is currently the practice in Markham, the By-law does not explicitly state this timeframe. For transparency and clarity (both for candidates and contributors alike) it is recommended that this amendment be made to the By-law.

A copy of the proposed By-law reflecting the above outlined revisions has been included as **Appendix "C"** - the amendments are indicated by **bold** and underline for new text and ~~strikethrough~~ for deleted text.

CONCLUSION:

Given the data currently available to staff, it is extremely difficult to determine whether or not Markham's CCRP is meeting its original policy objectives. What is clear, however, is that the CCRP will continue to cost more with each election. It is therefore appropriate to review the Program to determine whether or not it should be discontinued or revised to ensure its financial sustainability. Should Council adopt the revisions as outlined in this report, staff will prepare the required implementing By-law for consideration at a future Council meeting.

FINANCIAL CONSIDERATIONS:

The remaining deficit of \$116,766 from the 2014 Municipal Election Candidate Contribution Rebate Program is recommended to be funded from the Corporate Rate Stabilization Reserve.

The recommended changes or revisions to the rebate program for the 2018 Municipal Election, should they be endorsed, will require the following budget adjustments as detailed in the report:

Option 1: Maintain Current Program (status quo)

| | Amount |
|--|--------------------|
| Projected 2018 Municipal Election cost | \$635,400 |
| Current Election Rebate ramp up | \$529,000 |
| Funding shortfall, require 2018 Budget increase | (\$106,400) |

Option 2: Discontinue Program

| | Amount |
|--|--------------------|
| Projected 2018 Municipal Election cost | \$0 |
| 2018 Budget reduction | (\$153,000) |

Option 3: \$150 Maximum Contribution Rebate and Markham Voters Only

| | Amount |
|--|-------------------|
| Projected 2018 Municipal Election cost (Sufficient funding currently in Election Rebate Reserve) | \$218,800 |
| Projected 2022 Municipal Election cost | \$300,000 |
| 2018 Budget reduction to fund projected 2022 Municipal Election cost (Base budget: \$153,000 - \$75,000 required) | (\$78,000) |

HUMAN RESOURCES CONSIDERATIONS:

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

This report and submission of staff's recommendations to revise the existing CCRP aligns with Council's strategic priorities in stewardship of money and resources.

BUSINESS UNITS CONSULTED AND AFFECTED:

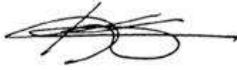
The Finance Department was consulted in the preparation of this report.

RECOMMENDED BY:

27/01/2017

27/01/2017

X



Kimberley Kitteringham
City Clerk

X



Trinela Cane
Commissioner, Corporate Services

APPENDICES:

Appendix "A" - Municipal Election Candidate Contribution Rebate Programs in Ontario

Appendix "B" - Markham's Municipal Election Candidate Contribution Rebate Program - Total Contribution Rebates Issued by Markham from 2003-2014

Appendix "C" - Proposed Revisions to Markham's CCRP By-Law

Municipal Election Candidate Contribution Rebate Programs in Ontario

The following table outlines the scope and financial impact of Municipal Election Candidate Contribution Rebate Programs across Ontario for the 2014 Municipal Election.

| | Ajax | Oakville | Ottawa | Markham | Toronto | Vaughan | Whitby |
|--|--|--|---|------------------|---|---|--|
| Electoral population in 2014 | 74,891 | 125,722 | 632,385 | 195,805 | 1,813,915 | 190,724 | 87,406 |
| Criteria for contributor to qualify for contribution rebate | Ajax voter | Oakville voter & resident | Ontario resident | Ontario resident | Ontario resident | Vaughan voter & resident | Whitby voter |
| Corporation or trade union eligible | No | No | No | No | No | No | No |
| Contributor must apply for contribution rebate directly to the municipality | Yes | Yes | Yes | No | Yes | Yes | No |
| Cut off date to apply for contribution rebate | 12 noon Dec. 1 the year following an election | 90 days after financial filing deadline | 4:30 pm on the 90th day after the last financial filing deadline | Not applicable | December 31 the year following an election | December 31 the year following an election | Not applicable |
| Timeframe for a contribution to be made & qualify for a contribution rebate | Between candidate's nomination filing and Voting Day | Between candidate's nomination filing and final financial filing | Between candidate's nomination filing and supplementary period, if applicable | No restriction | Between candidate's nomination filing and supplementary period, if applicable | Between candidate's nomination filing and supplementary period, if applicable | Between candidate's nomination filing and Voting Day |
| Program excludes candidate, spouse or children of candidate | Yes | Yes | Yes | No | No | Yes | Yes |
| Audited statement required | No | No | Yes | Yes | Yes | Yes | No |
| Formula used to calculate contribution rebate | 75% | 50% | See below | See below | See below | 75% | 25% |
| Minimum contribution eligible for a contribution rebate | \$50 | \$100 | \$25.01 | \$50 | \$25 | \$50 | \$25 |
| Maximum allowable contribution rebate | \$200 | \$375 | \$75 | \$350 | \$1000 | \$150 | \$150 |
| Number of contribution rebates issued* | 89 | 263 | 2,166 | 2,781 | 16,543 | 341 | 43 |
| Total contribution rebates issued* | \$12,266 | \$40,402.65 | \$105,185 | \$546,363 | \$4,005,376 | \$48,615 | \$3,750 |
| CCRP cost per elector* (Total contribution rebates issued / Electoral population) | \$0.16 | \$0.32 | \$0.17 | \$2.79 | \$2.20 | \$0.26 | \$0.04 |
| Number of candidates eligible to use Program | 21 | 46 | 148 | 51 | 423 | 31 | 35 |
| Number of candidates that used Program | 10 (48%) | 22 (48%) | 117 (79%) | 44 (86%) | 181 (43%) | 28 (90%) | 12 (34%) |
| Number of candidates elected who used Program | 4 of 7 | 11 of 13 | 24 of 24 | 12 of 13 | 45 of 45 | 9 of 9 | 5 of 8 |

* These numbers are as of April 2016.

Ottawa Formula:

- Contribution between \$25.01 and \$100, rebate is 50% of the contribution
- Contribution between \$100.01 and \$200, rebate is \$50 plus 25% of the amount by which the contribution exceeds \$100

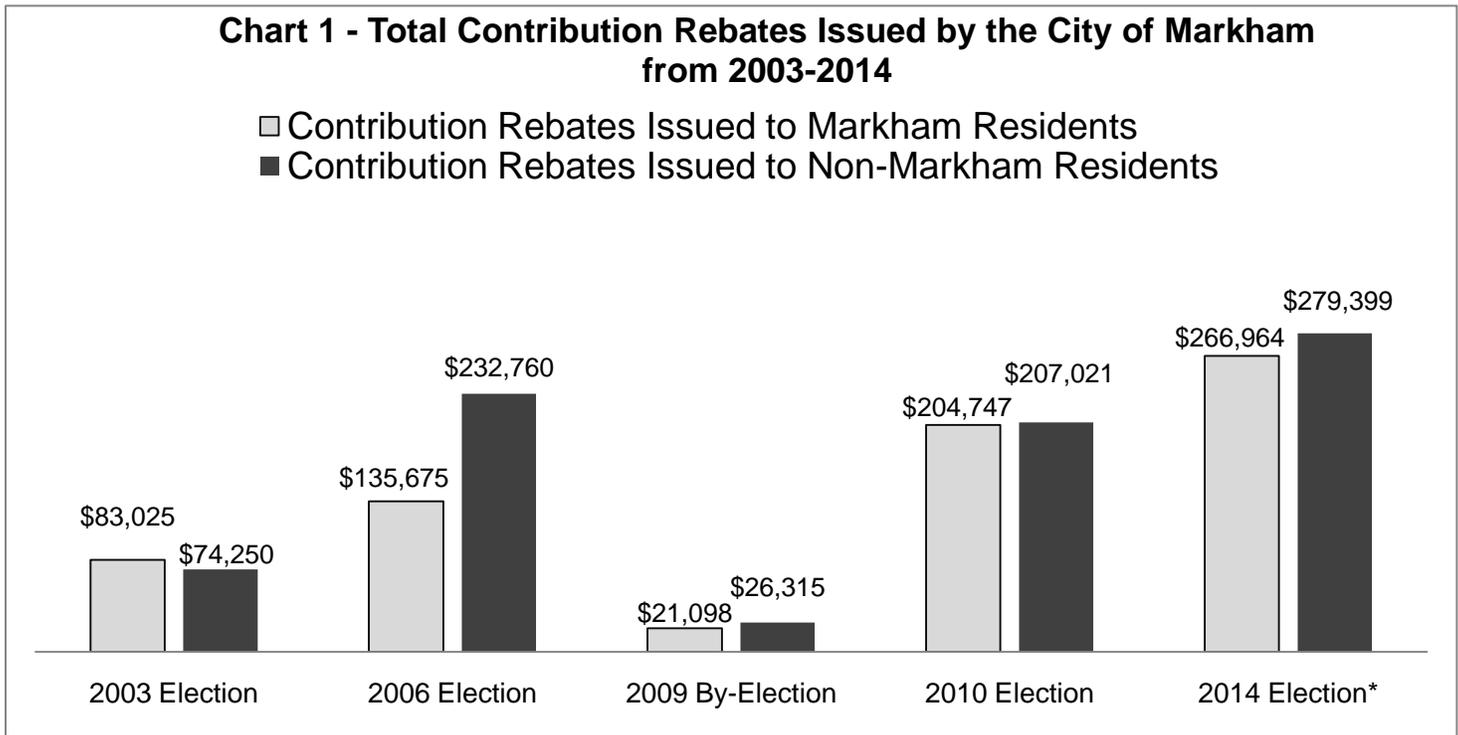
Markham Formula:

- Contribution between \$50 and \$300, rebate is contribution x 75%
- Contribution between \$301 and \$550, rebate is \$225 + 50% of contribution between \$300 and \$550

Toronto Formula:

- Total contributions between \$25 and \$300, rebate is contribution x 75%
- Total contributions over \$300 but not more than \$1,000, rebate is contribution - \$300 x 50% + \$225
- Total contributions more than \$1,000, rebate is contribution - \$1,000 x 33 1/3% + \$575

Markham’s Municipal Election Candidate Contribution Rebate Program



* This is as of April 2016.

Proposed Revisions to Municipal Election Candidate Contribution Rebate Program By-Law

By-Law 2017-xxx

A By-law to authorize the payment of rebates to eligible individuals who make contributions to candidates for an office on the City of Markham municipal council.

Whereas subsection 82(1) of the Municipal Elections Act, 1996, as amended (“the Act”) provides that a municipality may, by by-law, provide for the payment of rebates to persons who make contributions to candidates for an office on the municipal council;

Therefore The Council of The Corporation of The City of Markham enacts as follows:

1. The payment of rebates to individuals who are **eligible voters** residents in the ~~Province of Ontario~~ **City of Markham** who make financial contributions to candidates for an office on the municipal council is authorized.
2. Notwithstanding section 66 of the Act, the following are not eligible for a contribution rebate:
 - a) contribution of goods and services; and
 - b) a candidate’s contribution of inventory from a prior election.
3. Notwithstanding section 66 of the Act, only the net contribution from a fundraising event shall qualify for a rebate.
4. The application for rebate shall be in the form established for that purpose by the Clerk, which shall include a receipt in the form provided by the Clerk that is signed by, or on behalf of, the candidate **and signed by the contributor**.
5. A candidate for an office on the municipal council who participates in the rebate program:
 - a) shall comply with subsections 78(1) to (4) of the Act; and
 - b) shall include with the documents filed under subsection 78(1) or (2) of the Act, as the case may be:
 - a copy of the receipt issued for the contribution, if requested by the Clerk;
 - a copy of all campaign expense invoices incurred as part of the campaign, if requested by the Clerk;
 - an electronic file containing a list of **all campaign** contributors of \$50.00 or more, ~~including the net contribution amount to fundraisers~~ in the format prescribed by the Clerk;
 - a separate list of contributors to fundraising events, **in the format prescribed by the Clerk**; and,
 - an auditor’s statement that the auditor has verified all contributions against a bank statement for the campaign account.

6. A candidate who is not participating in the rebate program shall notify their contributors and obtain their consent, in writing, that their contribution will not be submitted for a rebate.

7. The Clerk shall pay the contributor a rebate in accordance with section 8, if the following conditions are met:
 - a) the application complies with the provisions of this By-law;
 - b) the eligible contributor applies for the rebate by the date determined by the Clerk and using the method prescribed by the Clerk;**
 - c) the candidate has complied with the provisions of the Act and has filed a financial statement and auditor's report in accordance with section 78(1) of the Act;
 - d) the Clerk is satisfied with the receipt filed by the candidate, if requested to be provided;
 - e) the Clerk is satisfied with the campaign expense invoices submitted by the candidate, if requested to be provided;
 - f) the Clerk is satisfied that the candidate has filed the documents required by section 78 of the Act by the relevant filing date, and that no such document shows on its face that the candidate has incurred expenses exceeding what is permitted under ~~section 76~~ of the Act;
 - g) the Clerk is satisfied that the candidate has paid any campaign surplus to the Corporation;
 - h) the candidate has agreed to participate in the rebate program established by this By-law;
 - i) the time for an application for a compliance audit under section 81 of the Act has expired;** and,
 - j) the contributor made a contribution between the date of the candidate's nomination filing up to and including the end of the candidate's campaign period.**

8. The rebate shall be calculated as follows:
 - a. the minimum contribution qualifying for a rebate shall be \$50.00; and,
 - b. the rebate is 75 percent of the contribution to a maximum rebate of \$150.00 regardless of the number of contributions made by any individual eligible contributor.**
 - ~~c. if the contribution is \$300.00 or less, the rebate is 75 per cent of the contribution;~~
 - ~~d. if the contribution is greater than \$300.00, the rebate is 75 percent of \$300.00 plus 50 percent of the difference between the total contribution and \$300.00, to a maximum rebate of \$350.00 regardless of the number of contributions made by any individual eligible contributor.~~

- 9. The Clerk may establish forms and procedures for the administration of this Municipal Election Candidate Contribution Rebate Program.**

Read a first, second, and third time and passed on XX XX , 2017.

 Kimberley Kitteringham
 City Clerk

 Frank Scarpitti
 Mayor