



Township of Scugog

2022 Municipal Election

Third Party Advertisers Handbook

This handbook has been prepared by the Township of Scugog Clerk's Department to assist you, a potential third party advertiser, in your preparations for the upcoming Municipal Election. It is provided for convenience only. For complete and accurate reference, review of the applicable legislation should be conducted.

This document is available in alternate formats upon request.
Please contact the Clerk's Department at 905.985.7346.

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Document Change Tracker

Change Date	Affected Section(s)
April 27, 2022 (Original)	N/A

Note

This Handbook has been prepared for registered Third Party Advertisers in the upcoming municipal election. The contents of this document are intended only as a guide to certain relevant information and it is not meant to cover all information required by a third party advertiser in a municipal election. It includes information on legislative requirements, key dates, procedures regarding registration, election expenses and qualification requirements.

Third Party Advertisers' should refer directly to the Municipal Elections Act, 1996 for specific provisions and additional details. An online version of the Municipal Elections Act, 1996, can be found here:

<https://www.ontario.ca/laws/statute/96m32>

Third Party Advertisers' should also refer to the **2022 Third Party Advertisers' Guide for Ontario Municipal and School Board Elections**, published by the Ontario Ministry of Municipal Affairs. This guide is available at the following website:

www.ontario.ca/municipalelections

For more information please contact the Ministry of Municipal Affairs at mea.info@ontario.ca.

As the campaign progresses, registered Third Party Advertisers' will receive additional information from the Clerk's Office. Therefore, it is imperative that you notify the Clerk of any contact information changes. The primary mode of communication from the Municipal Clerk to Third Party Advertisers' will be via **email** unless notice is required to be sent via registered mail. It is important that you claim your mail.

We encourage you to visit the Township of Scugog website at www.scugog.ca/election on an ongoing basis for 2022 municipal election information.

We hope that you find the information contained in this Handbook to be useful in your planning process. Clerk's Department Staff will be pleased to assist you with any questions you may have concerning matters related to the municipal election. Please contact our office at one of the numbers listed on the following pages or through e-mail.

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Part 1 - Introduction

1.1 Clerk's Department Election Resource Staff

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All municipal election related emails should be sent to election@scugog.ca.

Township of Scugog Municipal Office

181 Perry Street, P.O. Box 780

Port Perry, ON L9L 1A7

Municipal Office Business Hours - Monday to Friday, 8:30AM to 4:30PM., excluding statutory holidays.

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1.2 Key Dates

This is a schedule of important dates relating to the campaign. Third party advertisers will be notified by the Clerk of any changes.

<p>Third Party Advertiser Information Session Wednesday, April 13, 2022, at 7PM</p>	<p>Presentation from the Ministry of Municipal Affairs on general election rules and procedures to be held at the Region of Durham Headquarters, 605 Rossland Road East, Whitby</p>
<p>Third Party Advertiser Information Session Wednesday, April 20, 2022, at 7PM</p>	<p>Presentation from the Ministry of Municipal Affairs on general election rules and procedures to be held at the Uxbridge Seniors Centre, 75 Marietta Street, Uxbridge</p>
<p>Third Party Advertiser Registration Monday, May 2, 2022, to Friday, October 21, 2022</p>	<p>Third party advertisers may register at any time when the Clerk's Office is open (Monday to Friday, 8:30AM to 4:30PM)</p> <p>*an appointment with the Clerk is required to register.</p>
<p>Campaign Period Monday, May 2, 2022, to Tuesday, January 3, 2023.</p>	<p>The campaign period begins on May 2, 2022, or whenever a third party advertiser files a notice of registration, whichever is later and ends on January 3, 2023, unless the third party advertiser extends their campaign and is continuing to campaign after January 3, 2023, to erase a deficit.</p>
<p>Election Signs September 12, 2022 (Private Property)</p>	<p>Election signs may be displayed on Private Property as of September 12, 2022. Signs shall be removed by no later than 8 p.m. on Thursday, October 27, 2022.</p>
<p>Certificate of Maximum Campaign Spending Limits Monday, September 26, 2022</p>	<p>The Clerk shall provide the Certificate of Maximum Campaign Spending Limits to all registered third-party advertisers.</p>
<p>Advanced Voting Period Monday, October 17, 2022 – Sunday, October 23, 2022</p>	<p>Traditional In-Person Paper Ballot Voting will be available at certain locations during the advanced voting period.</p> <p>Internet voting will be continuously available during the Advanced Voting Period</p>

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<p>Voting Day Monday, October 24, 2022</p>	<p>Internet Voting will only be available on Voting Day. Ballots must be received by 8PM.</p>
<p>Official Results Tuesday, October 25, 2022 – Friday, October 28, 2022</p>	<p>The Clerk will publicly declare to be elected, the candidates having the highest number of votes for each office, as soon as possible after Voting Day.</p>
<p>End of Campaign Period Tuesday, January 3, 2023</p>	<p>The end of the campaign period is Tuesday, January 3, 2023, unless the third party advertiser is continuing their campaign to erase a deficit. Third party advertisers may not raise funds or incur expenditures beyond this date, unless they have a deficit and have notified the Clerk of the extension to the campaign period.</p>
<p>Notification to the Clerk of a Deficit and Continuation of Campaign Period Tuesday, January 3, 2023.</p>	<p>If a third party advertiser has a deficit on January 3, 2023, and wishes to continue fundraising to eliminate the deficit, the third party advertiser shall notify the Clerk on the prescribed form on or before January 3, 2023. Failure to do so will mean that the campaign period ends on January 3, 2023.</p>
<p>Notice of Penalties and Filing Fee to Third Party Advertisers Wednesday, March 1, 2023</p>	<p>Clerk to provide written notice to registered third party advertisers.</p>
<p>Deadline for Filing of Financial Statements Friday, March 31, 2023, at 2PM</p>	<p>This is the final date by which all third-party advertisers shall file their financial statements by 2PM</p>
<p>Filing of Financial Statement 30 Day Grace Period Monday, May 1, 2023 at 2PM</p>	<p>Third party advertisers can file their financial statement by Monday, May 1, 2023, at 2PM provided they pay a \$500 late filing fee.</p> <p>A third party advertiser who fails to file a financial statement or apply for an extension and does not pay a \$500 late filing fee is subject to penalties.</p>
<p>Clerk's Report Monday, May 1, 2023</p>	<p>The Clerk will release a public report indicating whether each third party advertiser has filed a financial statement and any violations of financial limits as soon as possible after April 30, 2023.</p>

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<p>Deadline for Filing of Supplementary Financial Statements Friday, September 29, 2023 at 2PM</p>	<p>This is the final date by which all third party advertisers shall file their supplementary financial statements by 2PM.</p>
<p>Clerk's Report Monday, October 30, 2023</p>	<p>The Clerk will release a public report indicating whether third party advertisers who requested an extension filed a supplementary financial statement and violations of financial limits as soon as possible after October 29, 2023.</p>

1.3 Definitions

1. **“Corporation”** – means a firm that meets certain legal requirements to be recognized as having a legal existence, as an entity separate and distinct from its owners. Corporations are owned by their stockholders (shareholders) who share in profits and losses generated through the firm's operations. A legal entity has legal capacity to enter into agreements or contracts, assume obligations, incur and pay debts, sue and be sued in its own right, and to be held responsible for its actions.

A Corporation may include a numbered company, a co-op, an incorporated company, an association, a partnership, a proprietorship (excludes sole-proprietorship as it's not a legal entity), trust, etc. A legal entity cannot vote, only an individual (a person) can vote.

Test – if someone tripped and fell on your property who would they sue? You as the person or your company?

What is a Sole Proprietorship?

Income and losses are taxed on the individual's personal income tax return. The **sole proprietorship** is the simplest business form under which one can operate a business. The **sole proprietorship** is not a legal entity. It simply refers to a person who owns the business and is personally responsible for its debts.

What is a Co-op?

A business or organization that is owned and operated by the people who work there or the people who use its services.

2. **“Fund-raising function”** means an event or activity held by a registered third party or under its direction for the purpose of raising funds in relation to third party advertisements.

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3. **“Registered Third Party Advertiser”** means an individual who is normally a resident in Ontario, a corporation that carries on business in Ontario or a trade union that holds bargaining rights for employees in Ontario, and who’s Notice of Registration for Third Party Advertiser has been certified by the Clerk of the Township of Scugog.
4. **“Restricted Period for Third Party Advertisements”** begins on the earliest day that an individual, corporation or trade union is permitted to file a notice of registration as a registered third party advertiser and ends at the close of voting on Voting Day.
5. **“Third Party Advertisement”** means an advertisement in any broadcast, print, electronic or other medium that has the purpose of promoting, supporting or opposing a candidate, or a “yes” or “no” answer to a question on the ballot. It does not include the following:
 - An advertisement by or under the direction of a candidate;
 - Where there are no expenses incurred by the person/entity in relation to the advertisement; or,
 - When given or transmitted to employees, by a corporation to its shareholders, directors, members or employees or by a trade union to its members or employees of the registered third party advertiser.
6. **“Trade Union”** means a trade union as defined in the *Labour Relations Act, 1995* or the *Canada Labour Code* (Canada) and includes a central, regional or district labour council in Ontario.

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Part 2 – Election Process

2.1 Voting Methods

The use of an alternate form of voting is authorized by section 42 of the Municipal Elections Act, 1996, as amended and adopted by by-law. Under Section 42 of the Municipal Elections Act, 1996, Council authorized **By-law 31-21**, allowing for the use of an alternative voting method and the use of vote-counting equipment such as optical scanning vote tabulators.

The two methods of voting in the 2022 Municipal Elections are traditional paper ballots cast in-person at a voting location or internet voting from anywhere, anytime. An Advanced Voting Period will take place from October 17, 2022 to October 23, 2022. Voting day will occur on October 24, 2022.

Traditional In-Person Paper Ballot Voting will be available at certain locations during the Advanced Voting Period only. Dates and times will be specified at a later date.

Internet voting will be continuously available during the Advanced Voting Period and on Voting Day. Internet voting is a complement to traditional paper ballots and voters will have the ability to cast their ballots online from anywhere during the voting period from their personal smart phone, computer, or tablet.

In addition, the Clerk is required to prepare detailed procedures to accommodate this method of election which are prepared and maintains the spirit of the Act. **These procedures, approved by the Municipal Clerk, shall be available to the public by Monday, May 2, 2022 and provided to each candidate.** Amendments to such procedures, if required, are prepared and approved at the sole discretion of the Municipal Clerk and not subject to Council approval.

2.2 Registration Qualification

Third party advertisers must be qualified on the day they file their registration.

2.3 Who can be a third party advertiser

Registration as a third party advertiser shall be restricted to the following persons and entities:

- An individual who is normally a resident of Ontario;
- A corporation that carries on a business in Ontario;
- A trade union that holds bargaining rights for employees in Ontario.

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If two or more corporations are owned or controlled by the same person or people, or if one corporation controls another, they are considered to be a single corporation. If the same person or people own or control multiple corporations, only one of those corporations may register to be a third party advertiser in a municipality.

2.4 Who cannot be a third party advertiser

The following persons and entities are not eligible to register as a third party advertiser:

- A candidate whose nomination has been filed under section 33 of the Municipal Elections Act;
- Groups, associations or businesses that are not corporations are not eligible to register and may not spend money on third party advertising in municipal elections. For example, neighbourhood associations, clubs or professional associations cannot register and cannot make contributions to third party advertisers. Members may register as individual third party advertisers and may contribute individually.
- A federal political party registered under the Canada Elections Act (Canada) or any federal constituency association or registered candidate at a federal election endorsed by that party;
- A provincial political party, constituency association, registered candidate or leadership contestant registered under the Election Finances Act;
- The Crown in right of Canada or Ontario, a municipality or local board.

2.5 Who Does Not Need to Register

Individuals or entities that **do not incur costs or raise funds** during their campaign do not need to register. Generally speaking, this is applicable to free communications via the internet and social media platforms. If web and social media advertisements will incur costs, or if funds are raised during the campaign period to pay for such costs, registration is necessary.

Individuals and entities that intend to advertise during a municipal election regarding matters of public policy (e.g. special interest groups) **do not need to register**. Registration is only required if the advertisement pertains to support or opposition for a candidate or question/by-law on the ballot.

2.6 Registration for Regional Chair Races

Third Party Advertisers that support or oppose a regional chair candidate or question/by-law on the ballot posted by the Region of Durham, must register separately in each lower-tier municipality that they intend to advertise within. Registered third party

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advertisers will have a separate expense limit in each municipality based on the number of electors within the municipality that they intend to advertise. Each registration will require corresponding submission of financial statements for contributions and expenses to each municipality after the campaign period has concluded.

For example, if a registered third party advertiser intends to support a candidate for regional chair by advertising in Scugog, Uxbridge and Brock, they must register in each of those municipalities separately, and will be issued separate expense limits by each municipality for advertisements within their boundaries. The registered third party advertiser will be required to submit financial statements for their campaign activities to each municipality in which they registered, reflecting their campaign expenses and contributions within that municipality.

For more information see "Registering in more than one municipality" on page 4 of the Ministry of Municipal Affairs, 2022 Guide for third party advertisers.

2.7 Registration Form

Registrations shall be filed with the Clerk commencing on Monday, May 2, 2022, to Friday, October 21, 2022, at such hours as the Clerk's Office is open. A third party advertiser shall be registered prior to placing any advertisements as well as raising campaign funds or incurring expenses.

Third party advertisers must file the prescribed form, with proof of identity and must include a declaration of qualification signed by the individual or by a representative of the corporation or trade union.

A third party advertiser or agent of the third party advertiser must file the registration form in person. The declaration section **shall** be signed.

If an agent is filing the registration form on behalf of a third party advertiser, the third party advertiser's declaration of qualification must be signed prior to the agent filing the registration form with the Clerk's Office. The agent must also provide an original of the third party advertiser's identification, if an individual or original identification of the representative of the corporation or trade union, as well as providing their own original identification. If either the registration form, or the declaration of qualification is not signed prior to filing, the Clerk **shall not** accept the documentation.

A notice of registration may only be filed with the Clerk of a local municipality.

Faxed or other electronically transmitted registrations cannot be accepted, as an original signature is required on registration forms.

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2.8 Certificate of Registration Notice

The Clerk will review each notice of registration and, if satisfied that the individual, corporation or trade union is qualified, will certify the registration. Should the Clerk determine that notice of registration does not qualify, the notice will be rejected.

Upon accepting a Notice of Registration the Clerk will add the third party advertiser's name, official representative's name, contact information and the date that the registration was certified to the Township website along with any additional personal information permitted by the third party advertiser (individual).

2.9 Advertisements

The restrictions applied to third party advertisements apply from Monday, May 2, 2022, and ends on Voting Day, Monday, October 24, 2022, at 8 p.m. Third party advertisers cannot incur any expenses or receive any contributions during this period without first having registered with the Clerk.

This applies to any third party advertisement published during the election, regardless of format, including but not limited to Election signs, radio, newspaper, or television advertisements, social media and web content. However, Section 1(2) of the Act provides that an advertisement is not considered to be a third party advertisement if no expenses are incurred by the person or entity that has caused it to be published. Therefore, if an advertisement is published by the third party advertiser to a social media platform or website and does not incur any expense to do so, the advertisement is not considered a third party advertisement.

Pursuant to section 88.6 (6) of the *Municipal Elections Act, 1996*, **third party advertisements shall not be under the direction of a candidate who has filed their nomination**. Registered third party advertisers and election candidates should not coordinate their activities and are expected to operate independently from one another.

2.10 Mandatory Information

All advertisements placed must include the following information:

- The name of the registered third party advertiser;
- The municipality where the registered third party advertiser is registered;
- A telephone number, mailing address or email address at which the third party advertiser may be contacted regarding the advertisement.

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2.11 Mandatory Information for Publisher / Broadcaster, etc.

A registered third party advertiser must provide the following information to a broadcaster or publisher in writing before the broadcaster or publisher can run the requested advertisement:

- The name of the third party advertiser;
- The name, address and telephone number of the individual who deals with the publisher / broadcaster under the direction of the third party advertiser; and
- The municipality where the third party advertiser is registered.

No broadcaster or publisher shall cause a third party advertisement to appear if the information set out above has not been provided.

2.12 Obligations to Publishers / Broadcasters

The publisher and / or broadcaster of a third party advertisement shall maintain records containing the following information for a period of four (4) years after the date the advertisement appears and shall allow the public to inspect such records during normal business hours:

- The name of the third party advertiser;
- The name, address and telephone number of the individual who deals with the publisher / broadcaster under the direction of the third party advertiser;
- The municipality where the third party advertiser is registered;
- A copy of the advertisement or the means of reproducing it for inspection; and
- A statement of the charge made for its appearance.

2.13 Use of Corporate Resources for Election Purposes

The Municipal Elections Act, 1996, as amended, prohibits a municipality from making a contribution to a registered third party advertiser. The Act also prohibits the registered third party advertiser, or someone acting on the registered third party advertiser's behalf, from accepting a contribution from a person who is not entitled to make a contribution. Since contributions may take the form of money, goods or services, any use by a registered third party advertiser of the municipality's resources for the election campaign would be viewed as a contribution and therefore, a violation of the Act. Information made available to the public on the Township's website does not constitute a contribution to a registered third party advertiser. This information may include the phone number,

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address and email address provided by the registered third party advertiser on their registration form.

All Township of Scugog facilities are to be free from any form of campaigning or campaign material. This includes anything that is considered to be election signage and/or communications for the purpose of soliciting electors. This prohibition is extended to both the internal and external areas associated with the property of the Township of Scugog. The Municipal Election Act, 1996, mandates that while a voter is in a voting place, no one shall attempt to, directly or indirectly, influence how a voter votes, and that no campaign material or literature may be displayed. Election Officials and Municipal Law Enforcement Officers have been instructed to remove or ask to be removed all campaign materials (including buttons, pamphlets, posters, signs, vehicles etc.) from all Township Facilities.

For more information, please refer to the Township's Use of Corporate Resources for Election Purposes Policy.

Part 3 – Campaign Finances

The Municipal Elections Act, 1996 imposes limitations on the expenses for registered third party advertisers in municipal elections and also imposes requirements on the registered third party advertiser to report the contributions received and the funds expended. The registered third party advertiser should become familiar with these provisions.

The onus of responsibility is on registered third party advertisers to satisfy themselves, through their own determination, or with professional assistance, of the various legal and financial requirements relating to their activities. The Township Clerk and/or Election Staff may assist by pointing registered third party advertisers to pertinent provisions within the Municipal Elections Act, but are not obliged to interpret the provisions of the Municipal Elections Act regarding these matters.

3.1 Record Keeping

You are responsible for keeping records of the financial activities related to your campaign. The Municipal Elections Act, 1996 does not require you to use any specific accounting system. You may want to consult with an auditor or an accountant early in your campaign to make sure that you are using a bookkeeping and accounting system that will suit your needs.

You should also review the Campaign Financial Statement (Form 8) that you will be required to file to make sure that you are keeping records of all the information that must be included on the statement.

You are required to keep all of your campaign financial records until November 15, 2026, when the next council takes office.

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A third party advertiser shall keep the following campaign records:

- The receipts issued for every contribution including when the contribution was accepted and the date the receipt was issued (receipts must also be issued to the third party advertiser for any contributions made to their own advertising campaign)
- The value of every contribution, whether it is money, goods or services and the contributor's name and address
- All expenses, including the receipts for each expense
- Any claim for payment of an expense that the third party disputes or refuses to pay
- The funds raised and expenses incurred from each separate fundraising event or activity
- The terms of any loan received from a bank or other recognized lending institution.

3.2 Campaign Period

You are only allowed to accept contributions or incur campaign expenses during your campaign period.

Your campaign begins on the day you file your registration.

In most cases, your campaign will end on Tuesday, January 3, 2023. Exceptions are if you have extended your campaign to pay down a deficit, the end date for the extended campaign period will be the earliest of:

- The day you notify the Clerk in writing that you will be ending your campaign and not accepting any more contributions;
- You no longer have a deficit; or
- June 30, 2022.

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3.3 Bank Account

Once you have filed your registration form, you are required to open a separate bank account for your campaign. Even if you are planning a very small campaign, you are not permitted to use your personal bank account for campaign finances.

All contributions – including contributions you make yourself (if you are an individual) – must be deposited into the campaign bank account. All expenses must be paid for from the campaign account.

3.4 Contributions

Campaign contributions are any money, goods or services that are given to and accepted by an individual, corporation or trade union in relation to third party advertisements or given to and accepted by another person who is acting under the direction of the individual, corporation or trade union, including money, goods and services that the registered third party advertiser gives themselves.

The following amounts are contributions:

- An amount charged for admission to a fund-raising function.
- If goods and services are sold for more than their market value at a fund-raising function, the difference between the amount paid and the market value. However, if the amount received for the goods or services is \$25 or less, the amount is not a contribution.
- If goods and services used in the person's election campaign or in relation to third party advertisements are purchased for less than their market value, the difference between the market value and the amount paid.
- Any unpaid but guaranteed balance in respect of a loan.

The following amounts are not contributions:

- The value of services provided by voluntary unpaid labour.
- The value of services provided voluntarily, under the direction of the person or the individual, corporation or trade union, by an employee whose compensation from all sources for providing the services does not exceed the compensation the employee would normally receive for the period the services are provided.
- An amount of \$25 or less that is donated at a fund-raising function.

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- The amount received for goods and services sold at a fund-raising function, if the amount is \$25 or less.
- The amount of a loan.
- The value of political advertising provided without charge on a broadcasting undertaking as defined in section 2 of the Broadcasting Act (Canada), if,
 - It is provided in accordance with that Act and the regulations and guidelines made under it, and
 - It is provided equally to all candidates for office on the particular council or local board.

3.4.1 Contribution limits

There is a \$1,200 limit that applies to each contributor who contributes to the campaign. If a contributor makes more than one contribution (e.g. contributes money, contributes goods, and purchases a ticket to a fundraising event), the total value of all the contributions cannot exceed \$1,200. The maximum total amount that a contributor can give to registered third party advertisers in the same electoral jurisdiction is \$5,000.

These limits do not apply if the contribution is made by the registered third party itself, and if the registered third party is an individual, by his or her spouse provided the overall spending limit is not exceeded.

Only a contribution that is \$25 or less can be made in cash. All contributions above \$25 must be made by cheque, money order, or by a method that clearly shows where the funds came from.

Registered third party advertisers are required to inform contributors of contribution limits. Registered third party advertisers could consider including on their receipts the contribution limits as noted above.

3.4.2 Contributions from yourself and your spouse

If your campaign ends with a surplus, you can withdraw the value of contributions that you and your spouse made from the surplus. If you still have a surplus once you have withdrawn your contributions, the surplus remaining must be returned to the Clerk.

You are not permitted to refund contributions made by anyone other than yourself or your spouse.

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3.4.3 When you can Receive Contributions

You can only accept contributions after you have filed your registration form with the municipality where you intend to publish advertisements, and you cannot accept contributions after your campaign period has ended (the time at which the registration is filed up until January 3, 2023, barring any applications to extend the campaign period by the registered third party advertiser). Any contributions received outside the campaign period must be returned to the contributor. If you cannot return the contribution to the contributor, you must return it to the Township Clerk. Registered third party advertisers must make reasonable efforts to satisfy themselves that a contributor is entitled to make contributions.

3.4.4 Who can make a Contribution

You can accept contributions from:

- An individual who is normally a resident in Ontario;
- A corporation that carries on business in Ontario;
- A trade union that holds bargaining rights for employees in Ontario; and
- The registered third party advertiser and, if the registered third party advertiser is registered by an individual, the individual's spouse (subject to Section 88.12 (5) of the Municipal Elections Act, if the spouse of an individual who is registered as a registered third party advertiser is not normally a resident in Ontario, the spouse may make contributions only to the registered third party advertiser's campaign).

3.4.5 Who cannot make a Contribution

The following individuals and organizations are not allowed to make contributions to municipal and school board campaigns:

- a federal political party, constituency association, or a registered candidate in a federal election
- a provincial political party, constituency association, or a registered candidate or leadership contestant
- The Crown in right of Canada or Ontario, a municipality or local board.

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3.4.6 Returning ineligible contributions

You are required to return any contribution that was made or accepted in contravention of the Act as soon as you learn that it was an ineligible contribution. If you cannot return the contribution, you must return it to the Clerk.

Contributions should be returned or paid to the Clerk if the contribution is:

- made outside your campaign period;
- from an anonymous source (except for donations of \$25 or less at a fundraising event);
- from an ineligible source (e.g. someone who doesn't live in Ontario, a business that is not a corporation, etc.);
- greater than the \$1200 individual limit or the \$5000 total limit;
- a cash contribution greater than \$25; or
- from funds that do not belong to the contributor who gave them to you.

3.4.7 Contribution receipts

You must issue a receipt for every contribution you receive. The receipt should show who made the contribution, the date, and the value. If the contribution was in goods or services, you must determine the value of the goods or services and issue a receipt for the full value. Registered third party advertisers should consider including the contribution limits on the bottom of the receipts.

If you receive a cheque from a joint personal account, the receipt must be issued only to the person who signed the cheque. The contribution can only come from one person.

You are required to list the names and addresses of every contributor who gives more than \$100 total to your campaign in your financial statement. You should keep a record of the names and addresses of every contributor, regardless of the value of their contribution, because the same contributor may make multiple contributions that end up totaling more than \$100.

Note: Contribution receipts are not tax receipts. Contributions to municipal and school board campaigns cannot be claimed against provincial or federal income taxes.

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3.4.8 Fundraising

Fundraising functions are events or activities held by you or on your behalf for the primary purpose of raising money for your campaign. If you hold an event to promote your campaign and you happen to receive some contributions or ask people to consider contributing to your campaign, this would not qualify as a fundraising event.

Similarly, if you have a sentence in your campaign brochure asking people to make a contribution or giving them information about how to contribute, this would not be a fundraising brochure since its primary purpose is to promote your campaign, not to raise money.

Fundraising events and activities can only be held during your campaign period. You must record the gross income (including ticket revenue and other revenue) and the expenses related to each event and activity on your campaign financial statement.

If tickets are sold to the event, the ticket price is considered to be a contribution to the campaign and a receipt must be issued to each person who purchases tickets. If the ticket price is higher than \$25, tickets cannot be paid for in cash.

If the ticket price is more than \$100, these contributions must be included in Table 1 on the campaign financial statement (Form 8). If the ticket price is less than \$100 and a person who buys a ticket makes other contributions, making their total contribution more than \$100, these contributions – including the cost of the ticket – must be recorded in Table 1.

For more information and examples see “Campaign income” on page 13 of the Ministry of Municipal Affairs, 2022 Guide for Third Party Advertisers.

3.5 Spending Limit

There are limits on the amount a registered third party advertiser may spend on expenses during the period commencing on the date the registered third party advertiser is registered under Section 88.6 of the Act and ending at the close of polls on voting day. The spending limit for a registered third party advertiser is calculated based on the number of electors who are eligible to vote in the municipality and is the greater of the number of eligible electors on September 18, 2018 and September 15, 2022.

The following chart illustrates the **preliminary** maximum spending limit based on the number of eligible electors on September 18, 2018. The formal certificate of maximum campaign spending limits will be provided to all third party advertisers on or before **September 26, 2022**.

Township of Scugog	Formula	Spending Limit
Registered Third Party Advertiser	\$5,000 + \$0.05 per elector	\$5,832.20

3.6 Spending Limit for Parties after the Close of Voting

Expenses related to parties and other expressions of appreciation after the close of voting are not subject to the spending limit established for the election campaign. However, the Act now contains a maximum spending limit for this item which is equal to 10% of the overall spending limit established for the campaign. For example, if your spending limit is \$6,800, the maximum eligible for parties and other expressions of appreciation would be \$680.

3.7 Expenses

Campaign expenses are the costs that you incur (or that a person such as your campaign manager incurs on your behalf) during your campaign.

You can only incur expenses during your campaign period, except for expenses related to the preparation of an auditor's report. If a third party advertiser is required to include an auditor's report with their financial statement, they may incur these expenses after the advertising campaign period has ended. These expenses must also be reported on the financial statement.

Goods and services that are contributed to your campaign are also expenses. They should be treated as if the contributor gave you money and you went out and purchased the goods and services at fair market value – you must record both the contribution and the expense.

Expenses must be paid from the campaign bank account. If a credit card is used to pay for purchases, the third party advertiser should keep clear records showing that the expense on the credit card was reimbursed from the campaign account.

Any taxes such as HST paid on purchases should be included in the amount of the expense.

If you are given a special discount on a good or service that you are purchasing for your campaign, you should record the expense as if you were not given the discount (since the value of the discount is considered to be a contribution of the good or service to your campaign).

3.8 Types of Expenses

The following amounts are expenses:

- Replacement value of goods retained from any previous election and used in the current election.
- The value of contributions of goods and services.

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- Audit and accounting fees.
- Interest on loans.
- The cost of holding fundraising functions.
- The cost of holding parties and other expressions of appreciation after the close of voting.
- Expenses related to a compliance audit.
- Expenses incurred by a registered third party who is an individual with a disability that are directly related to the disability and would not have been incurred if not for the election.
- Cost of third party advertisements.

The cost of holding fundraising functions does not include costs related to promotional materials in which the soliciting of contributions is minimal.

The following expenses are not subject to the spending limit:

- Audit and accounting fees.
- Expenses related to holding a fundraising function.
- Expenses related to parties and other expressions of appreciation after the close of voting (subject to limits explained below).
- Expenses relating to a compliance audit.
- Expenses incurred by an individual with a disability that are directly related to the third party advertiser's disability and would not have been incurred if not for the election.

3.9 When the spending limit applies

Your spending limit covers expenses that you incur between the time of registration and Voting Day. Expenses that you incur between the day after Voting Day and the end of your campaign are not subject to the spending limit except for parties or other expressions of appreciation.

Note: If you incur an expense before Voting Day, but do not pay for it until after Voting Day, it would still be subject to the spending limit.

3.10 Campaign inventory

Expenses include the value of any goods held in inventory by a registered third party advertiser from a previous campaign (not applicable for 2022) for use in an election campaign period.

If you have inventory left at the end of your campaign it becomes your personal/corporate property. If you wish to store materials such as signs for use in another election, any costs related to storage are personal/corporate costs, not campaign expenses.

A note to accountants: the value of all goods must be recorded as an expense regardless of whether the campaign ends with used or unused goods in inventory. Do not deduct the value of unused goods from the campaign expenses, as this will result in the campaign having a surplus on paper that the third party advertiser does not actually have.

Part 4 – Campaign Financial Statement

It is your responsibility as a registered third party advertiser to file a **complete** and **accurate** financial statement (Form 8) **on time** and **in person** at the municipal office.

The filing deadline is **2PM on March 31, 2023**.

If you have a bookkeeper or accountant to complete the financial statement for you, you are still responsible for ensuring that it is complete, accurate, and filed on time.

If you filed a registration form, you must file a financial statement (Form 8).

If a third party advertiser did not receive any contributions or incur any expenses, they are only required to fill out the first page of the financial statement and sign it.

If a third party advertiser received contributions or incurred any expenses, they must complete the relevant parts of the financial statement.

If your campaign contributions (including contributions from yourself) or campaign expenses are greater than \$10,000 you must have your financial statement audited and include the auditor's report when you submit your financial statement to the Clerk.

Once filed, should you discover an error in the submitted financial statement, you may withdraw the statement and submit a corrected statement prior to the filing deadline.

If you think that you will be unable to file your financial statement by the deadline, you may apply to the Superior Court of Justice for an extension before **March 30, 2023**.

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If you do not file the financial statement or apply for an extension by the deadline, you may file it by **2PM on May 1, 2023**, provided you pay a **late filing fee of \$500**.

If, at **2PM on May 1, 2023**, you have not given the Clerk your financial statement or written notice that you have applied to the court for an extension, you will be ineligible to register as a third party advertiser until after the 2026 municipal election has taken place.

If a third party did not file a financial statement by the end of the 30-day grace period, they may still file it for the purposes of having their finances on the record. The Clerk will accept the financial statement and make it available to the public. The penalty will still apply.

4.1 Extended campaigns

Your campaign period ends on Tuesday, January 3, 2023. However, if your campaign has a deficit, you can extend your campaign in order to do some additional fundraising. If you want to extend your campaign, you must notify the Clerk using the Notice of Extension of Campaign form on or before January 3, 2023. Your campaign may be extended until June 30, 2023.

If you extend your campaign you must file two financial statements:

- a financial statement reflecting your campaign until December 30, 2022 (due at 2PM on March 31, 2023)
- a supplementary financial statement which includes the information from your primary statement and adds financial information from your extended campaign (due at 2PM on September 29, 2023)

4.2 Surplus and Deficit

If the advertising campaign ends with a surplus, the registered third party advertiser can withdraw the value of contributions that they made to their own campaign. If the third party advertiser is an individual, they can also withdraw the value of contributions made by their spouse. If there is still a surplus once these contributions have been withdrawn, it must be turned over to the Clerk when the financial statement is filed. The surplus will be held in trust, and the third part advertiser can use it if they incur expenses related to a compliance audit. If the surplus is not needed for these expenses, it becomes the property of the municipality.

A third party advertiser cannot refund any other unused contributions.

If your campaign expenses are greater than your campaign income, your campaign will be in deficit. You are not allowed to carry forward this deficit to your next campaign if you register as a third party advertiser in a subsequent election.

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Note: if the financial statement reports that the advertising campaign ended with a deficit, this is a deficit on paper only. The third party advertiser is still obligated to pay any vendors they owe money to. Ending the campaign with a deficit may result in questions being raised about how those vendors were paid.

4.3 Auditor's Report

If your campaign expenses or the contributions you received total more than \$10,000 you must have an auditor review your financial statement and provide a report.

The auditor's report must be prepared by an auditor licensed under the Public Accounting Act, 2004. Before you hire someone to prepare the report, you should ensure that they are properly qualified.

4.4 Clerk's Report / Compliance Audit Committee

The Clerk will prepare a report addressing whether each registered third party advertiser has complied with the requirement to submit a financial statement and shall make the report available to the public as soon as possible after **May 2, 2023**.

In addition, the Clerk also has the responsibility to review the source of all contributions to ensure that no contributor has exceeded the \$1200 spending limit for each Third Party Advertiser and the aggregate spending limit (\$5000) is not exceeded. In the event that any of these amounts are exceeded, the Clerk will report same and automatically refer the matter to the Compliance Audit Committee. The Compliance Audit Committee shall consider the report and decide whether to initiate legal proceedings against the contributor.

4.5 Compliance and Enforcement

4.5.1 Automatic Penalties

There are three contraventions of the Act where penalties apply automatically:

1. if you fail to file a financial statement or apply to the court for an extension by the filing deadline;
2. if you fail to turn over your surplus to the Clerk when you file your financial statement; and
3. if your financial statement shows that you exceeded your spending limit.

The penalty is that you become ineligible to register as a third party advertiser until **after** the 2026 election.

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4.5.2 Compliance Audits

Each municipality and school board must appoint a compliance audit committee.

If an eligible elector believes that you have contravened the election finance rules, they may apply for a compliance audit of your campaign finances even if you fail to submit a financial statement by the deadline. The application must be in writing, and must set out the reasons why they believe you contravened the rules.

An application for a compliance audit must be submitted to the Clerk who conducted the election within 90 days of the deadline to file the campaign financial statement.

The compliance audit committee will consider the application and decide whether to grant or reject the application. You may appeal the committee's decision to the Superior Court of Justice within 15 days after the decision is made.

If the committee grants the application, they will appoint an auditor to conduct a compliance audit of your campaign finances. The auditor is entitled to have access to all of the financial records related to your campaign. The auditor will produce a report, which you are entitled to receive.

The compliance audit committee will meet to consider the auditor's report. If the report concludes that there is an apparent contravention of the Act, the committee will decide whether to commence legal action.

The compliance audit committee does not have any authority to set penalties. Only the court can decide if you actually contravened the Act and, if so, which penalties should apply.

A person who does not want to or who is not able to apply for a compliance audit may decide to commence legal action on their own.

4.5.3 Penalties

If you are convicted of an offence, you may be subject to the following penalties:

- a fine of up to \$25,000 (individual) and \$50,000 (corporation or trade union)
- ineligibility to register as a third party advertiser until after the next general election (2022)
- up to six months in prison
- ineligibility to vote or run in the next regular election (in the case of conviction for bribery or other corrupt practices).

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If you are convicted of exceeding the spending limit, you may also be fined the amount by which you exceeded the limit.

Prior to Voting Day, the Clerk shall provide each registered third party advertiser a notice advising of penalties related to election campaign finances and the date the financial statement is required.

Part 5 – General Information

5.1 Election Signs

For information regarding election signs on Township of Scugog property and Regional roads please refer to the Scugog Election Sign By-law 22-22. For rules relating to election signs on provincial roads see the Ministry of Transportation Election Sign Policy.

5.2 Voters' List

Third party advertisers are not eligible to receive a copy of the voters' list.