

Filing your Financial Statement Auditor's Report – Form 4 **Frequently Asked Questions**

Q1. Who is required to submit a Financial Statement Auditor's Report – Form 4 ("Financial Statement")?

- A. If you filed a nomination form to run for council or trustee, you must file a financial statement. This includes candidates who withdrew their nomination, candidates who were not certified by the Clerk (ie. did not appear on the ballot) and candidates who were acclaimed.

Q2. Are Registered Third Party Advertisers required to submit a Financial Statement?

- A. Yes. Registered third party advertisers must file a separate statement in each municipality where they are registered. Registered Third Party Advertisers must complete a [Financial Statement Auditor's Report - Form 8](#) and NOT a Form 4. Form 4s are for candidates only.

Q3. How do I complete my Financial Statement?

- A. If you are participating in the Contribution Rebate Program, you must use your Candidate Portal to complete your Financial Statement. Using the Candidate Portal will assist in administering this program and ensure contributors receive their rebate as soon as possible.

If you are NOT participating in the Rebate Program, you can complete your Financial Statement via the Ministry's fillable PDF or by filing out a hard copy of the Financial Statement by downloading the form here [Financial Statement Auditor's Report - Form 4](#)

If you require any assistance with completing your Financial Statement, please contact the Ministry of Municipal Affairs at 416-585-7041 or mininfo@ontario.ca or seek your own legal/ accounting advice.

Q4. When is the deadline to file my Financial Statement?

- A. Financial Statements must be submitted by March 29, 2019 by 2 pm. You can file your campaign financial statement after you have ended your campaign and once you have closed your bank account.

Q5. How do I submit my Financial Statement?

- A. You can submit your Financial Statement the following ways:
- via email to election.office@mississauga.ca; or
 - in person Monday to Friday, 8:30 am to 4:30 pm in the Office of the City Clerk, Civic Centre, 2nd Floor, 300 City Centre Drive.

Q6. When does my campaign period begin and end?

- A. You may accept contributions or incur campaign expenses during your campaign period only. Your campaign begins on the day you file your nomination.

In most cases, your campaign will end on December 31, 2018. Exceptions are if you:

- withdrew your nomination, your campaign ends on the date you completed your Withdrawal of Nomination Form
- were not certified as a candidate and your name did not appear on the ballot, your campaign ends on nomination day (July 27, 2018)
- know you will not have any more financial activity, you can end your campaign at any time after voting day and before December 31.

Q7. Can I extend my campaign period beyond December 31, 2018?

- A. If your campaign has a deficit, you can extend your campaign period in order to do some additional fundraising. Starting in 2018, the *Municipal Elections Act* does not permit candidates to forward a deficit to their next campaign.

To extend your campaign, you must complete a [Notice of Extension of Campaign Period - Form 6](#) and submit it to the Clerk no later than January 2nd 2019. Once you file a Form 6, you will be allowed to continue to raise money up until June 30, 2019.

The Notice of Extension of Campaign Period - Form 6 can be submitted in the Office of the City Clerk, Monday to Friday, 8:30 am to 4:30 pm up until January 2, 2019. Please be advised that City of Mississauga Offices are closed as of noon on December 24, 2018 until January 2nd 2019.

Q8. If I extend my campaign, do I still have to submit a Financial Statement by March 29, 2019?

- A. Yes. If you extend your campaign to continue to raise money after December 31, 2018 by filing a Notice of Extension of Campaign Period - Form 6, you are still required to file a Financial Statement by 2pm on March 29, 2019.

The Financial Statement filed on March 29, 2018 must reflect your campaign finances between the time you filed your Nomination Form and December 31, 2018.

You will then be required to file a supplementary Financial Statement by 2pm by September 27, 2019. This supplementary statement must include the information from your initial statement and financial information from your extended campaign to reflect the changes to the candidate's campaign finances during the supplementary reporting period.

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;
- June 30, 2019

Q9. What do I do with a surplus from my campaign?

- A. If your campaign ends with a surplus, you are permitted to withdraw the value of contributions that you and your spouse made before filing your Financial Statement.

If you have withdrawn the permitted contributions and your Financial Statement still indicates that there is any remaining surplus, the candidate shall pay the surplus to the Clerk when the Financial Statement is filed. If a candidate then decides to extend their campaign period, the Clerk shall release the surplus back to the candidate. A surplus can be used towards the costs incurred related to a compliance audit.

Q10. Do I have to include an Auditor's Report with my Financial Statement?

- A. You must have an auditor review your Financial Statement and provide a report if:
- your campaign expenses exceed \$10,000, or
 - the contributions you received (including contributions from yourself) exceed a total of \$10,000, or
 - both your expenses and your contributions exceed \$10,000 each.

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, ensure that they are properly qualified.

You can incur expenses relating to the auditor's report after December 31. These expenses do not count toward your spending limit. Include these expenses on the Financial Statement that you are filing.

Q11. If I withdrew my Nomination from one office and filed a new Nomination Paper for another office am I required to file two separate Financial Statements?

- A. If you filed a nomination and then changed your mind and filed a nomination for a different office, you are required to file a separate Financial Statement for each campaign (ie. move from mayor to councillor, trustee to mayor ect). The rule of thumb is you must file a Financial Statement for every Nomination Fee that you paid.

If you decide to run for a different office on the same council or school board, and both offices are elected at large (i.e. councillor Ward 3 to councillor Ward 8), everything (contributions, expenses, etc.) from your first campaign is simply transferred to your second campaign and you only need to file one Financial Statement.

Example:

You file your nomination to run for mayor on May 7, 2018. During the summer you decide to run for councillor in ward 1 instead and file your second nomination form on June 29, 2018.

- Your first nomination for mayor is deemed to be withdrawn, and your campaign for mayor ends. You may not transfer any contributions or expenses from your mayoral campaign to your ward councillor campaign.
- You must pay a separate nomination fee when you file your nomination for ward councillor.

- You must file a campaign financial statement covering your campaign for mayor (May 7 to June 29) – your first nomination fee will be refunded if you file this financial statement by the filing deadline.
- You must file a separate campaign finance statement covering your campaign for ward councillor (June 29 to December 31) – your second nomination fee will be refunded if you file this financial statement by the filing deadline.

If you decide to run for office on a different council or school board, then you must keep the two campaigns separate.

Example:

You file your nomination to run for councillor on May 7. During the summer you decide to run for school trustee instead, and file your second nomination form on June 29, 2018.

- Your first nomination for ward councillor is deemed to be withdrawn.
- You are required to pay a nomination fee when you file your nomination for school trustee.
- Your campaign for ward councillor ends. You may not transfer any contributions or expenses from your ward councillor campaign to your trustee campaign.
- You must file a campaign financial statement covering your campaign for ward councillor (May 7 to June 29) – your first nomination fee will be refunded if you file this financial statement by the filing deadline.
- You must file a separate campaign finance statement covering your campaign for school trustee (June 29 to December 31) – your second nomination fee will be refunded if you file this financial statement by the filing deadline.

Q12. Can I make a change to my submitted Financial Statement?

- A. Yes. If you file your Financial Statement early and then discover that there is an error, you can submit a corrected statement at any time before the filing deadline on March 29, 2019. Your original Financial Statement is deemed to be withdrawn when you file the corrected statement. You cannot withdraw a financial statement without submitting a corrected one at the same time.

Q13. Will the Clerk help me complete my Financial Statement?

- A. No. The Clerk/ City of Mississauga staff cannot provide any advice about campaign finances or completing your Financial Statement as the Clerk, in accordance with section 88.34 and 88.36 of the *Municipal Elections Act, 1996*, is required to review your final Financial Statement and report to the Election Campaign Finances Committee on any possible contribution contraventions.

For advice or clarification regarding your Financial Statement and/or campaign finances, you must contact the Ministry of Municipal Affairs and Housing at 416-585-7041 or mininfo@ontario.ca or seek your own legal/ accounting advice.

Q14. Am I entitled to a refund of my Nomination filing fee if I submit my Financial Statement by the filing deadline?

- A. Yes. A candidate is entitled to receive a refund of the nomination filing fee if the Financial Statement and Auditor's Report (if required) is filed by 2pm on March 29, 2019. Once received, the Elections Office will make a cheque requisition through Accounts Payable in the name of the candidate.

You will not receive a refund if you file your Financial Statement during the 30 day grace period as outlined below.

Q15. Once submitted, is my Financial Statement available for public review?

- A. Yes. The Clerk is required to make Financial Statements available to the public according to section 88(9.1) of the *Municipal Elections Act*. Once submitted, all Financial Statements will be posted at www.mississaugavotes.ca

Q16. Will the Clerk review the content of my submitted Financial Statement?

- A. Yes. As required by section 88.34(1) and 88.36(1), the Clerk will review all Financial Statements to determine whether any contribution appears to have exceeded any of the contribution limits as set out in the Act. No further review will take place by the Clerk.

Q17. Can I receive an extension on the March 29, 2019 deadline to file?

- A. If you are unable to submit your financial statement by the deadline of 2 pm on March 29, 2019, you can exercise a 30 day grace period by paying a non-refundable \$500 fee to the Clerk. This grace period ends at 2pm on Monday April 29, 2019.

Alternatively, in accordance with section with 88.23(6) and 88.27(3) of the *Municipal Elections Act, 1996*, on or before March 28, 2019, you may apply to the Ontario Court of Justice located at 7755 Hurontario Street in Brampton for an extension of time to file your Financial Statement. This must be done on or before March 28, 2019, before the last day for filing you Financial Statement. If you make an application to the Court, you must inform the Clerk in writing before 2pm on March 29, 2019.

You are responsible for contacting the Court and making the arrangements. Due to the nature of the process and the role of the Mississauga Elections Office, the Clerk/ City of Mississauga staff is unable to assist with this process.

Q18. What are the relevant contraventions and penalties with respect to my Financial Filings?

- A. In accordance with section 88.23(2) and 92(1) of the *Municipal Elections Act*, if a candidate fails to file their Financial Statement by the legislated deadline, fails to pay an surplus to the Clerk, has incurred expenses that exceed what is permitted, fails to file any required documents, they are subject to the following penalties:
- The candidate forfeits any office to which he or she was elected and the office is deemed to be vacant; and
 - Until the next regular election has taken place, the candidate is ineligible to be elected or appointed to any office to which this Act applies
 - is guilty of an offence and on conviction is subject to any penalty under the Act.

In accordance with section 88.27(1) and 92(4) of the *Municipal Elections Act*, if a registered third party advertiser fails to file their Financial Statement by the legislated deadline, fail to pay any surplus to the Clerk, incurred expenses that have exceeded what is permitted, fails to file any required documents, they are subject to the following penalties:

- you will not be eligible to register as a third party advertiser in the municipality until after the 2022 election.
- is guilty of an offence and on conviction is subject to any penalty under the Act.

Q19. How long do I have to keep my financial records associated with my Financial Statement?

- A. You are required to keep all of your campaign financial records until November 15, 2022 when the next council or school board takes office.

For more information on completing campaign finances, contact the Ministry of Municipal Affairs and Housing at 416-585-7041 or mininfo@ontario.ca

If you are filling out the Financial Statement Auditor's Report – Form 4 on the Candidate's Portal, please refer to the Ministry's version of the form when you contact the Ministry for advice: [Financial Statement Auditor's Report - Form 4](#)

The information in this document is provided as a courtesy only. You, as a candidate are responsible for ensuring you know and follow the rules and comply with all timelines in the *Municipal Elections Act, 1996*. For more information please see the Ministry of Municipal Affairs and Housing's [Candidates Guide for Municipal and School Board Elections](#)

EXCERPT FROM THE MINISTRY'S CANDIDATE GUIDE

The following is an excerpt from the Ministry of Municipal Affairs and Housing's [Candidates Guide for Municipal and School Board Elections](#) intended, by the Ministry, to help you complete your Financial Statement Auditor's Report – Form 4.

For more information on completing your Financial Statement Auditor's Report – Form 4 contact the Ministry of Municipal Affairs and Housing at 416-585-7041 or mininfo@ontario.ca or seek your own legal/ accounting advice.

If you are filling out the Financial Statement Auditor's Report – Form 4 on the City of Mississauga's Candidate's Portal, please refer to the Ministry's version of the form when you contact the Ministry for advice: [Financial Statement Auditor's Report - Form 4](#)

A – Z Tips for Completing Form 4

Anonymous contributions

You may keep anonymous contributions that do not exceed \$25 each that are received at a fundraiser (e.g. collected by passing the hat or having a tip jar). Report the total amount of money received from these donations in Schedule 2 for that fundraiser. All other anonymous contributions must be turned over to the clerk.

If the anonymous contribution is \$100 or less, include it in the total value of contributions not exceeding \$100 per contributor. If the anonymous contribution is more than \$100, include it in the total value of contributions exceeding \$100 per contributor, and include it in Table 1 (listing "anonymous" as the name of the contributor). You will then subtract the contribution as paid or payable to the clerk to arrive at the Total for Part II Contributions.

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.

Campaign deficit

At the top of Box D, you must subtract the total amount of your campaign expenses from the total amount of your campaign income. If your expenses are greater than your income, your campaign is in deficit.

If you ran for office on the same council or school board in the previous election, and that campaign also had a deficit, you may include this amount to arrive at the total deficit for your campaign.

If you have extended your campaign in order to fundraise, you must still file a financial statement reflecting your campaign finances to December 31, 2018.

Campaign period

Your campaign period begins on the date you file your nomination paper with the clerk. In most cases, the end date will be December 31, 2018. Exceptions are:

- if you withdrew your nomination, the date you withdrew is the end date
- if you were not certified as a candidate, nomination day (July 27, 2018) is the end date.

Note: if you have extended your campaign in order to fundraise to eliminate a deficit, you must file an initial statement reflecting your campaign finances as of December 31, and a supplementary statement which includes any contributions or expenses incurred after December 31.

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; or
- June 30, 2019.

Campaign surplus

At the top of Box D, you must subtract the total amount of your campaign expenses from the total amount of your campaign income. If your income is greater than your expenses, your campaign has a surplus.

If you ran for office on the same council or school board in the previous election, and that campaign had a deficit, you may subtract this amount from your surplus.

You are entitled to recoup contributions made by yourself or your spouse out of the surplus. For example, if the surplus was \$500 and you contributed \$400 to your campaign, you may deduct that \$400, leaving your campaign with a surplus of \$100. If the surplus was \$500 and you contributed \$600, you may deduct \$500 of your contribution, leaving your campaign with \$0. You may not deduct more than the value of the surplus.

If, after deducting contributions made by yourself or your spouse, the campaign still has a surplus, these funds must be turned over to the clerk.

Contributions from yourself and/or your spouse

If you are running for municipal council, you and your spouse are subject to limits on how much you can contribute to your campaign. This limit applies to contributions of money, goods and services, as well as the value of any inventory from a previous campaign that you have used in your current campaign.

Record these amounts on the lines provided in Schedule 1. Do not include them in the tables of contributions (Table 1 or Table 2). The other reason to identify the contributions from you and your spouse is because those contributions can be recouped by you and your spouse if the campaign ends with a surplus.

Contributions totalling more than \$100

If a contributor makes one or more contributions totalling more than \$100 (including the value of goods and services and the cost of tickets to fundraising events), you must record all of these contributions in the tables provided.

Contributions totalling \$100 or less

If the total amount contributed (including the value of goods and services) from a single contributor is \$100 or less, you do not need to provide details on the form. Simply indicate the total value of all such contributions on the line provided.

Note: it is the total amount contributed that matters – if an individual buys a ticket to a fundraising event for \$50, and then later in the campaign contributes \$75, each of these contributions must be recorded in Table 2 because the total exceeds \$100.

Corporations

Corporations are not permitted to make contributions to candidates. If you have accepted a contribution from a corporation, you must return it.

Declaration

By signing the form, you are declaring that the information recorded in the financial statement is true and accurate. If your financial statement was prepared by someone else, you as the candidate are still responsible for its accuracy.

Expenses

Your campaign expenses include the value of any goods or services that have been contributed to your campaign (it is as if the contributor gave money to the campaign, which the campaign then spent on acquiring the goods or services).

The general spending limit applies only to expenses incurred until the end of voting day. Expenses incurred after voting day are not subject to the spending limit.

Note: An expense subject to the general spending limit that was incurred prior to voting day but not paid for until after voting day is still subject to the limit.

Some types of expenses are not subject to the general spending limit even if they are incurred prior to voting day.

Fundraising events/activities

The cost of holding fundraising events or activities is not subject to the spending limit. However, in order to be considered a fundraising cost, the primary purpose for the expense must be related to fundraising rather than promoting the candidate. Incidental fundraising that happens to occur during a promotional event is not sufficient to make it a fundraising event. Similarly, a line at the bottom of a campaign brochure asking people to donate does not make the production of the brochure a fundraising expense.

If you have included costs of fundraising events/activities as an expense in Box C, you must provide details of these events and activities in Schedule 2.

Contributions received at a fundraising event may include:

- the price of the ticket
- if goods or services are offered for sale, any amount of money paid that exceeds their market value (e.g. if a \$100 item is sold for \$175, the purchaser has made a \$75 contribution to the campaign)
- personal cheques collected from contributors at the event.

If contributors have donated goods or services for the fundraising event, these must be recorded as contributions and as expenses.

These contributions must be recorded in Schedule 1, and where the total from a contributor exceeds \$100, be detailed in the appropriate tables.

The fundraising event may also generate income that is not considered to be a contribution:

- donations of \$25 or less
- if goods or services are offered for sale, the market value of those goods and services sold (e.g. if a \$100 item is sold for \$175, \$100 is income)
- if goods or services are offered for sale for \$25 or less, the money paid is campaign income.

Goods and services

Eligible contributors may donate goods and services to the campaign. These must be recorded as a contribution and as an expense (as if the contributor donated money, which the campaign then spent on the goods and services).

Corporations and trade unions are not permitted to make contributions to candidates. This includes contributions of goods and services.

Income

Your campaign income includes all contributions received from yourself, your spouse and other eligible contributors. This includes the value of contributions of goods and services. Income also includes any refunds of deposits, interest earned by your campaign bank account, and revenue from fund-raising events or activities that is not deemed a contribution (for example, if you sold refreshments at market value).

Ineligible contributions

Only individuals normally resident in Ontario may contribute to your campaign. Trade unions, corporations, other businesses and groups are not permitted to make contributions to candidates.

Spouses are not permitted to make a joint contribution. If a contribution comes from a joint account, you must determine which individual is actually making the contribution. A contributor is only permitted to contribute up to \$1,200 to your campaign in total (\$2,500 if you are running for mayor in Toronto). This includes the value of goods and services. If a contributor has made a number of separate contributions to your campaign, ensure that the total does not exceed the limit.

Only contributions of \$25 or less may be made in cash.

You must return an ineligible contribution as soon as you become aware that it is not permitted under the Municipal Elections Act, 1996. If you are not able to return it to the contributor, you must turn it over to the clerk.

Inventory from previous campaign

Any inventory from a previous campaign that you are using again is a contribution in goods that you make to your campaign, and counts towards your self-funding limit. You must calculate the current market value (for example, if you have 100 signs left over from 2014 and use them again, you must calculate how much it would cost to purchase those same signs in 2018) and record it in Table 1. This inventory must also be recorded as a campaign expense.

Loan

You are permitted to get a loan only from a bank or other recognized lending institution in Ontario, and it must be paid directly into your campaign bank account. You may not receive a loan from family members or from any corporate accounts that you may have access to.

The loan is not considered to be campaign income, and paying it back is not a campaign expense. However, if you or your spouse guarantee the loan and the campaign does not repay all of it, the remaining balance is considered to be a contribution (since the guarantor is basically providing the campaign the means to repay the loan). This amount counts towards your self-funding limit.

Any interest that the campaign pays on the loan is a campaign expense.

Spending limit

The clerk is required to issue you two spending limit estimates – one when you file your nomination, and one in September. The higher of the two is your final spending limit.

Trade unions

Trade unions are not allowed to make contributions to candidates. If you have accepted a contribution from a trade union, you must return it.

Volunteers

The value of services provided by volunteers is generally not considered to be a contribution. If a professional (e.g. accountant, lawyer, etc.) volunteers to provide services for which they would normally be paid, the market value of the service must be recorded as a contribution by the volunteer, and as a campaign expense.