Audit and Administration Direction:
At its meeting of September 9, 2009, Committee directed staff to report back outlining criteria and options for a municipal election contribution rebate program in Hamilton as well as a process for public consultation.

Information:
Upon consideration of Information Report CL09004(a), entitled Trade Union Contributions to Municipal Election Campaigns, Committee asked for possible formulas to be considered if a contribution rebate program were introduced.

It is critical to understand that a definitive cost for a rebate program cannot be determined. All total figures that are given are estimates and may not reflect actual costs.

The accompanying chart (Appendix “A”) outlines five scenarios either recommended by Committee or formulated by staff.

Financial papers from the 2006 Municipal Election do not identify contributors of $100 or less. To produce as accurate a figure for total expenses as possible, $25 was used as the minimum threshold to entitle a contributor to a rebate.

Maximum rebate totals extended from the $187.50, currently used by the City of Ottawa, to $450, as recommended by Councillor Jackson.
Dependant upon the formulas that were suggested, estimated program costs ranged from $170,394.00 to $301,922.75. Donation statistics from the 2006 Hamilton Municipal Election were used in determining these amounts.

After consultations with municipalities that currently use a rebate program it is estimated that administration costs are approximately $25.00 for each rebate issued.

If adopted for the 2010 Municipal Election, a determination of actual costs for this program would not be finalized until all contributors’ requests have been compiled.

Determination of these costs is based upon a number of factors, which include:

- the number of candidates opting into the program,
- the total number of contributors,
- the total contributions from each contributor, and
- administrative costs such as staffing, software, cheques, postage, etc.

When considering public consultation, there are a number of options available for receiving public input.

There is the more formal route, where the issue is listed on a Committee Agenda, with any supporting materials. It is noted as a public meeting and the public are invited to attend and provide their input. With this option advertising in local papers to inform the public and media is recommended.

The more informal route is to host a public information session, usually held in the evening, again inviting the public to attend. At this session we would have information available for review, as well as someone there to speak to the issue and provide answers to questions. At this type of session however, we will need to develop some kind of feedback mechanism. We could provide an opportunity to residents who attend to review materials, ask their questions, and then complete a response paper to provide their opinion. They can either complete their response paper at the meeting or mail/fax/email it back to us. This should also be advertised in the local papers.

We also have the option of providing input via the City’s website. Again, providing the information on-line and then having some type of document that they could complete and submit online.

To adopt a rebate program for the 2010 Municipal Election a by-law would need to be in place as of December 31, 2009.

Kevin C. Christenson  
City Clerk  
Corporate Services
## Proposed Rebate Formulas

<table>
<thead>
<tr>
<th></th>
<th>Minimum Contribution for Rebate</th>
<th>Maximum Rebate Per Contributor</th>
<th>Formula One</th>
<th>Formula Two</th>
<th>Estimated Rebate Cost</th>
<th>Estimated Administration Cost</th>
<th>Estimated Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$25.00</td>
<td>$450.00</td>
<td>Contribution of $300.00 or less, rebate is 75%</td>
<td>Contribution greater than $300.00, rebate is 75% of $300.00 plus 50% of the difference between the total contribution and $300.00</td>
<td>$195,908.50</td>
<td>$53,250.00</td>
<td>$249,158.50</td>
</tr>
<tr>
<td>B</td>
<td>$25.00</td>
<td>$200.00</td>
<td>Contribution of $25.00 or more, rebate is 50%</td>
<td>NA</td>
<td>$117,908.50</td>
<td>$53,250.00</td>
<td>$170,394.00</td>
</tr>
<tr>
<td>C</td>
<td>$25.00</td>
<td>$187.50</td>
<td>Contribution between $50.00 and $150.00, rebate is 75%</td>
<td>Contribution greater than $150.00, rebate is 75% of $150.00 plus 50% of the difference between the total contribution and $150.00</td>
<td>$147,272.25</td>
<td>$53,250.00</td>
<td>$200,522.25</td>
</tr>
<tr>
<td>D</td>
<td>$25.00</td>
<td>$220.00</td>
<td>Contribution of $200.00 or less, rebate is 75%</td>
<td>Contribution greater than $200.00, rebate is 75% of $200.00 plus 50% of the difference between the total contribution and $200.00</td>
<td>$155,742.25</td>
<td>$53,250.00</td>
<td>$208,992.25</td>
</tr>
<tr>
<td>E</td>
<td>$25.00</td>
<td>$300.00</td>
<td>Contribution of $25 or more, rebate is 75%</td>
<td>NA</td>
<td>$300.00</td>
<td>$53,250.00</td>
<td>$301,922.75</td>
</tr>
</tbody>
</table>