

Office of the Lobbyist Registrar

2017 Preliminary Operating Budget and 2017-2026 Preliminary Capital Budget and Plan

Presentation to Budget Committee

December 20, 2016

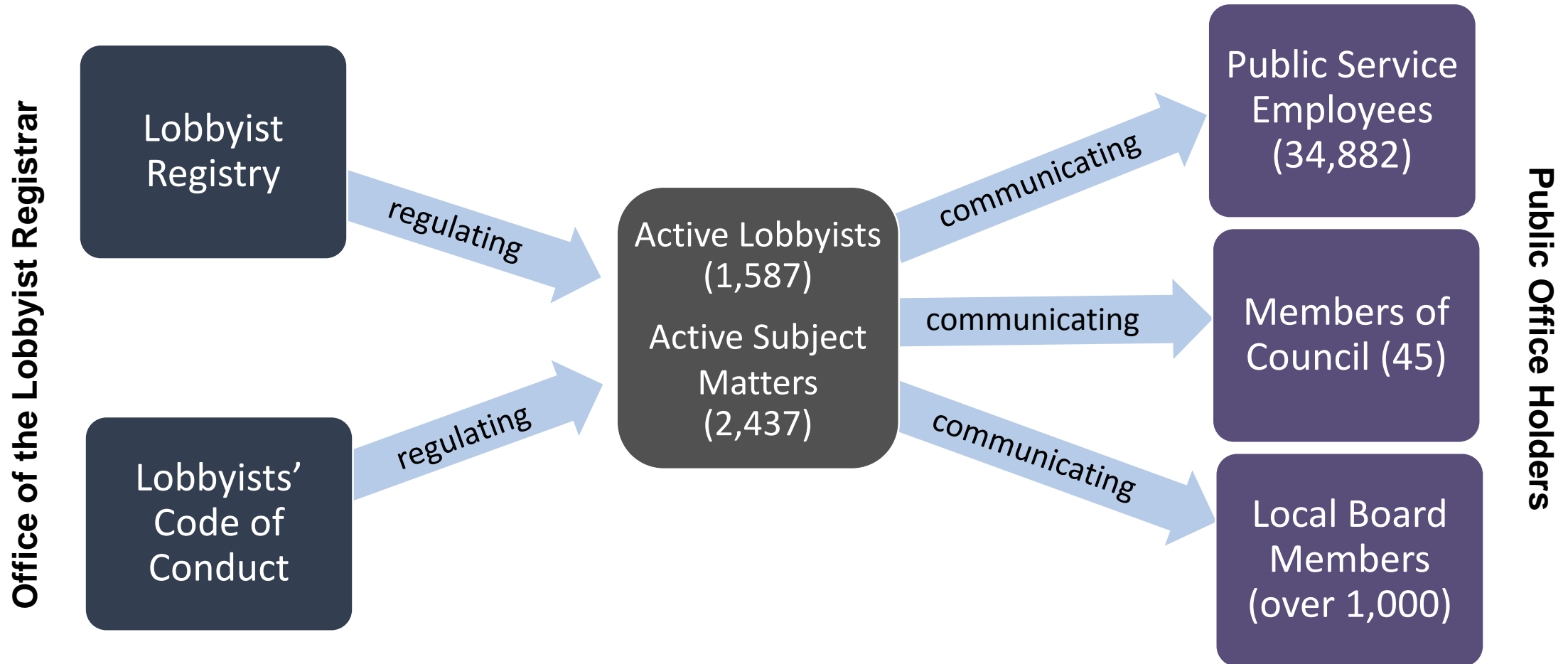
What is the Office of the Lobbyist Registrar's Role?

- To promote and enhance the transparency and integrity of City government decision-making through public disclosure of lobbying activities and regulation of lobbyists' conduct.
- Two important tools in the By-law are:
 - An Online Registry; and
 - A Lobbyists' Code of Conduct

Why is the Oversight of the Lobbying By-law Important?

1. It builds the public's confidence in City government.
2. Provides a view of City government working with its citizens to solve problems.
3. The public knows who is meeting with whom and about what.

Regulating Lobbying Activities in the Public Interest



Legislative Framework

- *City of Toronto Act, 2006* (COTA)
- Chapter 140, Toronto Municipal Code (the Lobbying By-law)
- Chapter 3, Toronto Municipal Code (Accountability Officers)

Council's Approved Strategic Actions for 2013 to 2018

- Strategic Theme: Good Governance
- Strategic Actions:
 - Open Government by Design
 - Engage the Public
 - Strengthen Public Service Governance
 - Improve Customer Service

The Public Registry and Good Governance

Good Governance:

- Registry is an instrument for civic engagement
- Registry is a lens of transparency

Open Government:

- Registry guarantees transparency, participation, accountability and accessibility
- Registry provides open data, open information and open engagement

How does the Office of the Lobbyist Registrar (OLR) Operate?

1. Lobbyist Registry
2. Outreach and Education
3. Investigations and Enforcement

Functions of the OLR –

1. Lobbyist Registry

- Maintains the Lobbyist Registry
- Regulates lobbyists' conduct
- Provides advice and interpretation
- Conducts registry searches regarding compliance issues
- Enforces the Lobbying By-law
- Monitors, reviews, verifies, approves, refuses, suspends and revokes registrations

Functions of the OLR –

2. Education and Outreach

- Provides information, advice, interpretation bulletins, newsletters and FAQs
- Maintains OLR website: registry, reports, interpretation bulletins and newsletters
- Utilizes social media, including Twitter
- Increases public awareness of the Lobbying By-law and the Lobbyists' Code of Conduct
- Conducts outreach sessions for lobbyists and public office holders
- Provides media outreach
- Delivers training sessions for lobbyists
- Provides reports and communications regarding advice and compliance

Functions of the OLR –

3. Inquiries, Investigations & Enforcement

- Receives and assesses requests for inquiries into alleged breaches
- Conducts inquiries and investigates alleged breaches of Lobbying By-law
- Reports on inquiries to Council
- Prosecutes charges under *Provincial Offences Act* for breaches of Lobbying By-law

Functions of the OLR –

3. Inquiries, Investigations & Enforcement

New Enforcement Powers in the Lobbying By-law:

1. Consultant lobbyists must disclose their ultimate client.
2. The Registrar may impose certain conditions on new and existing registrations when a lobbyist has been found in breach of the By-law.
3. The Registrar may impose a temporary ban against a lobbyist who has been found in breach of the By-law.

Functions of the OLR –

3. Inquiries, Investigations & Enforcement

Bill 68: New Proposed Amendments to COTA

- Bill 68 “Modernizing Ontario’s Municipal Legislation Act”, tabled by the Province of Ontario, proposes to grant City Council’s request to amend COTA to:
 - Allow for extensions to the statutory limitation period for prosecutions under the *Provincial Offences Act* for breaches of the By-law from 6 months to 2 years; and
 - Provide authority to the Lobbyist Registrar to impose administrative monetary penalties.

Impact of the New Enforcement Powers

- The Lobbyist Registrar uses various strategies to require and enforce compliance with the By-law, including advice and training, reports to Council and prosecutions under the *Provincial Offences Act* (POA).
- These enforcement tools will be utilized in the public interest on an escalating scale depending on the facts of the case and the seriousness of the breach.

Impact of the New Enforcement Powers

- Resources are required by the OLR in order for it to employ these tools to guarantee that it can meet its mandate.

Registrations

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 (11 months Actual) | 2016* (Year-end Projections) |
|----------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------------------|------------------------------------|
| Lobbyist Registration Transactions | | | | | | | | |
| New Lobbyists Submitted | 229 | 331 | 444 | 450 | 515 | 680 | 555 | 605 |
| Lobbyist Updates Submitted | 306 | 514 | 677 | 1,018 | 1,511 | 1,132 | 1,287 | 1,404 |
| Lobbyist Registrations Closed | 32 | 168 | 199 | 347 | 591 | 241 | 252 | 275 |
| <i>Lobbyist Registrations Processed</i> | <i>567</i> | <i>1,013</i> | <i>1,320</i> | <i>1,815</i> | <i>2,617</i> | <i>2,053</i> | <i>2,094</i> | <i>2,284</i> |
| Subject Matter Registration Transactions | | | | | | | | |
| New Subject Matters Submitted | 458 | 886 | 879 | 936 | 820 | 1,218 | 1,143 | 1,247 |
| Subject Matter Updates Submitted (reports of lobbying activities) | 1,072 | 2,626 | 3,920 | 4,705 | 4,546 | 5,478 | 5,973 | 6,516 |
| Subject Matters Withdrawn | 71 | 185 | 167 | 153 | 162 | 112 | 124 | 135 |
| Subject Matters Closed | 275 | 415 | 595 | 574 | 871 | 572 | 718 | 783 |
| <i>Subject Matter Registrations Processed</i> | <i>1,876</i> | <i>4,112</i> | <i>5,561</i> | <i>6,368</i> | <i>6,399</i> | <i>7,380</i> | <i>7,958</i> | <i>8,681</i> |
| TOTAL Registration Transactions Processed | 2,443 | 5,125 | 6,881 | 8,183 | 9,016 | 9,433 | 10,052 | 10,965 |
| Active Lobbyists | 1,047 | 1,137 | 1,278 | 1,279 | 1,028 | 1,299 | 1,455 | 1,587 |
| Active Subject Matters | 1,424 | 1,653 | 1,726 | 1,870 | 1,556 | 1,997 | 2,234 | 2,437 |

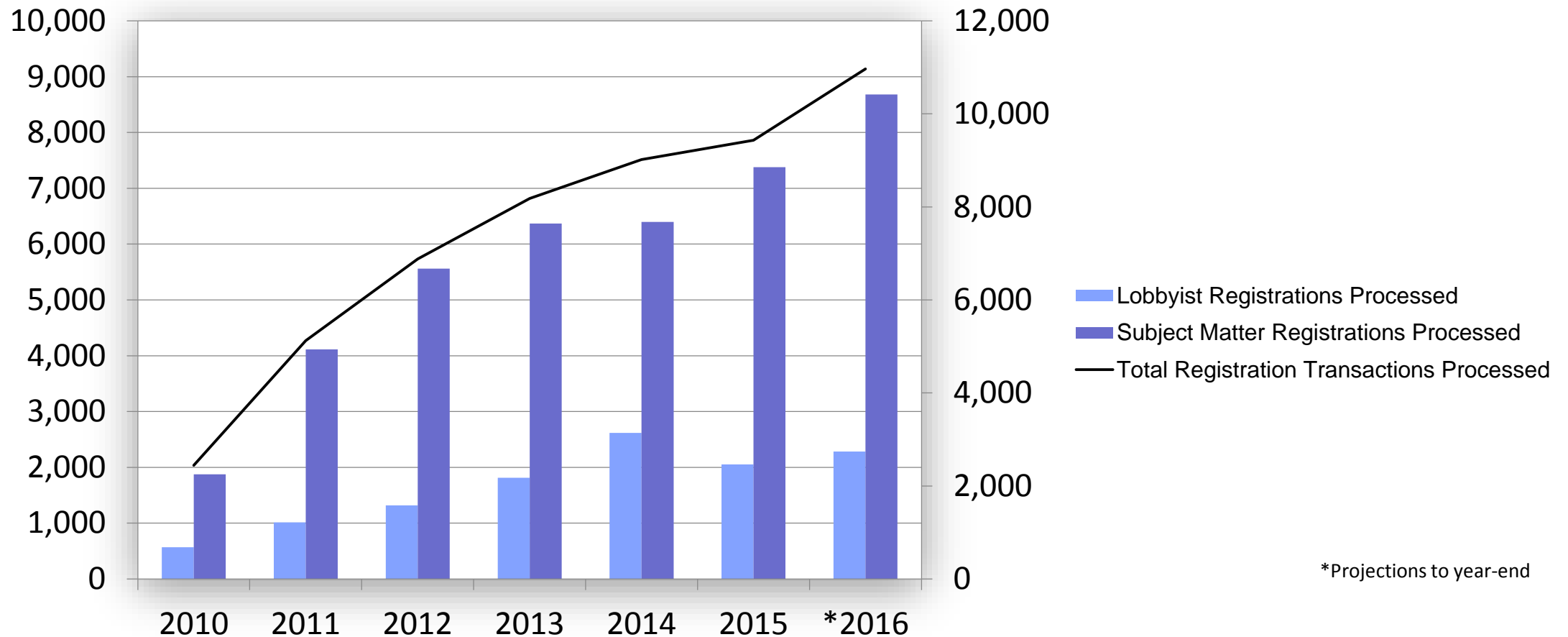
*Projection for December

Registrations, Website Visits and Telephone Inquiries

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 (Actual at November 30) | 2016* (Projections to year-end) |
|--------------------------------------------|--------|--------|--------|--------|--------|--------|------------------------------------|---------------------------------------|
| Active Registrations at December 31 | | | | | | | | |
| Active Lobbyists | 1,047 | 1,137 | 1,278 | 1,279 | 1,028 | 1,299 | 1,455 | 1,587 |
| Active Subject Matters | 1,424 | 1,653 | 1,726 | 1,870 | 1,556 | 1,997 | 2,234 | 2,437 |
| Website Visits | 13,466 | 16,988 | 18,999 | 18,039 | 14,686 | 17,105 | 17,022 | 18,569 |
| Telephone Inquiries | 1,257 | 1,630 | 2,038 | 2,410 | 2,623 | 2,803 | 2,471 | 2,696 |

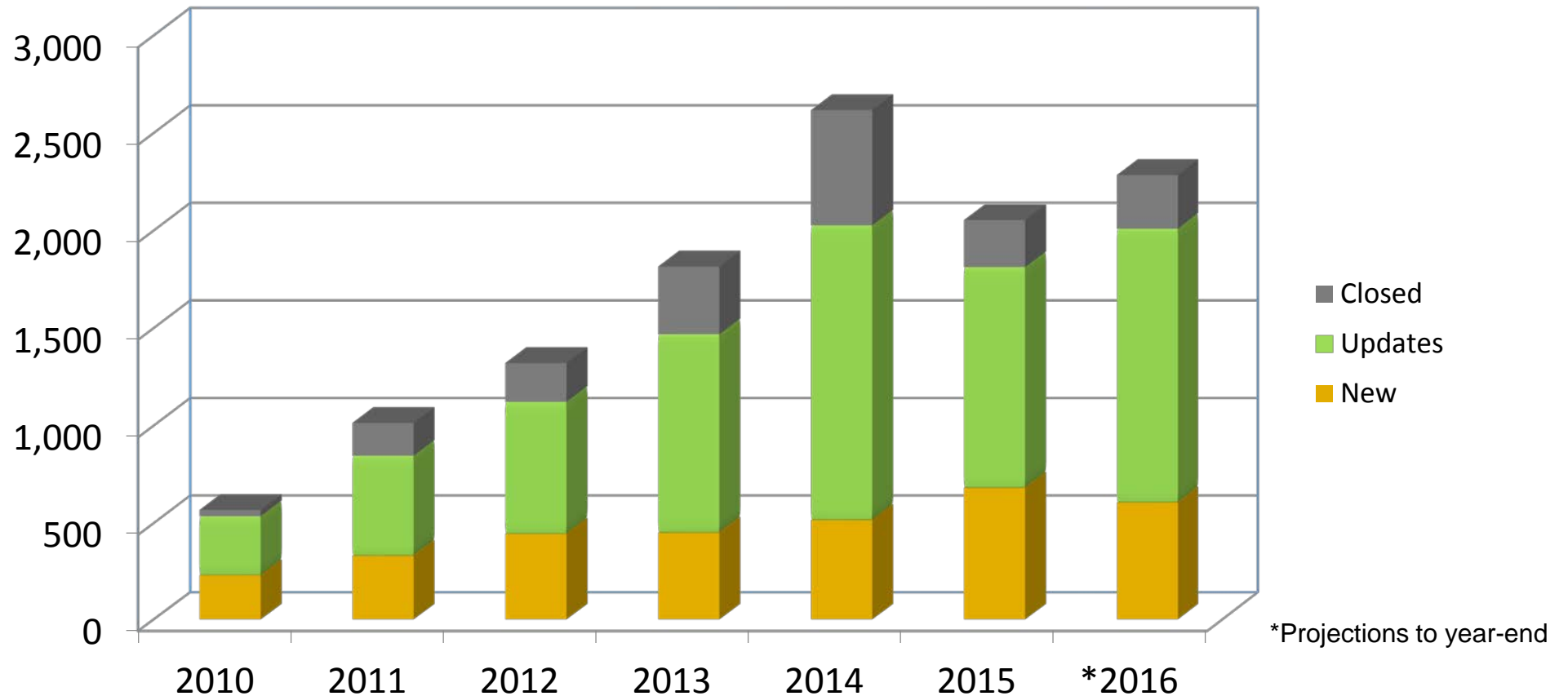
*Projection for December

Registration Transactions Processed



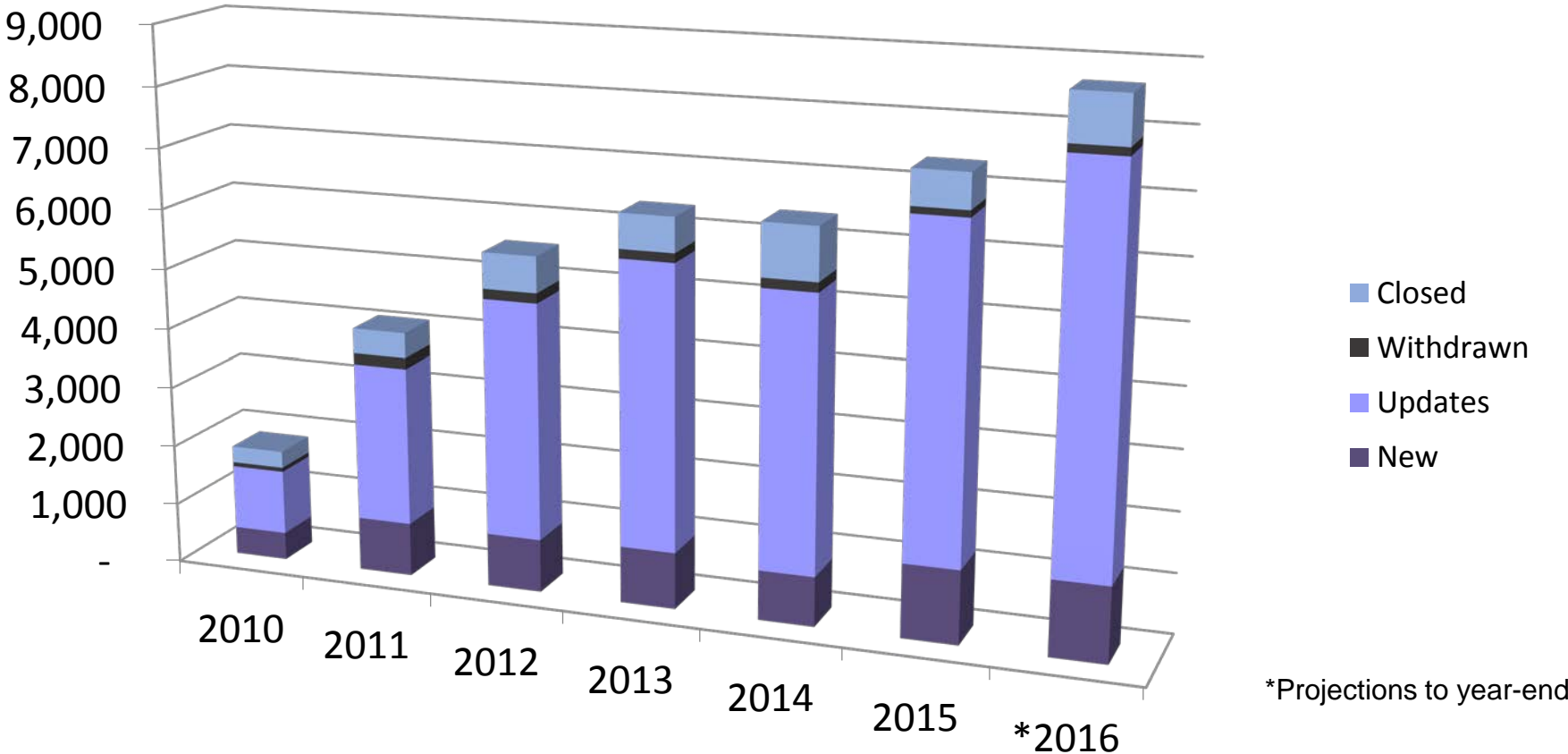
*Projections to year-end

Lobbyist Registrations Processed

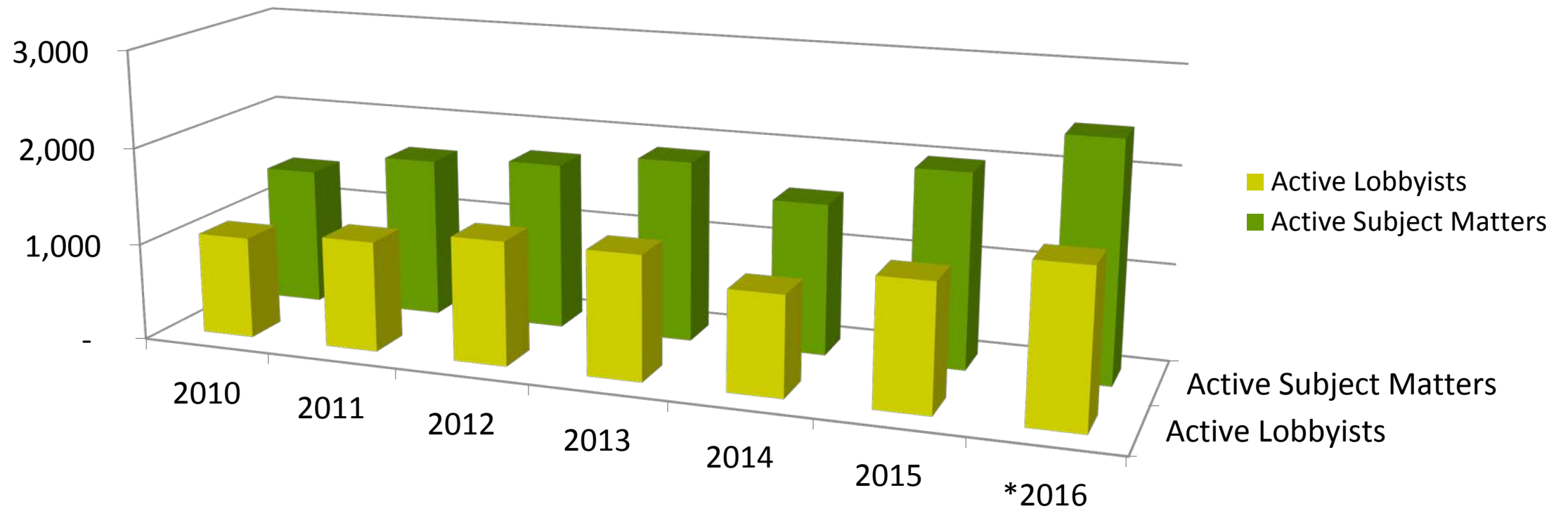


*Projections to year-end

Subject Matter Registrations Processed

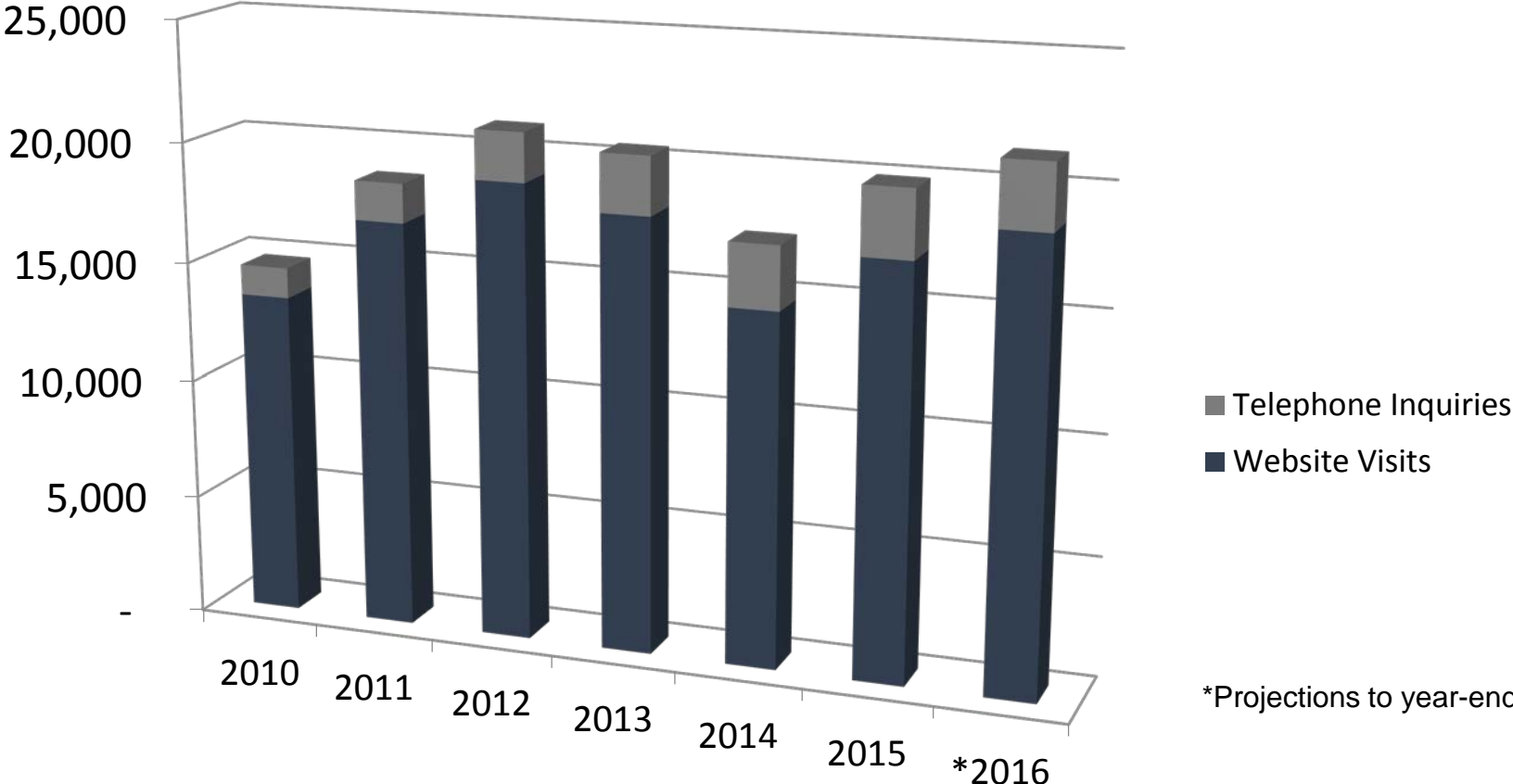


Active Registrations at Year-end



*Projection for December

Website Visits and Telephone Inquiries

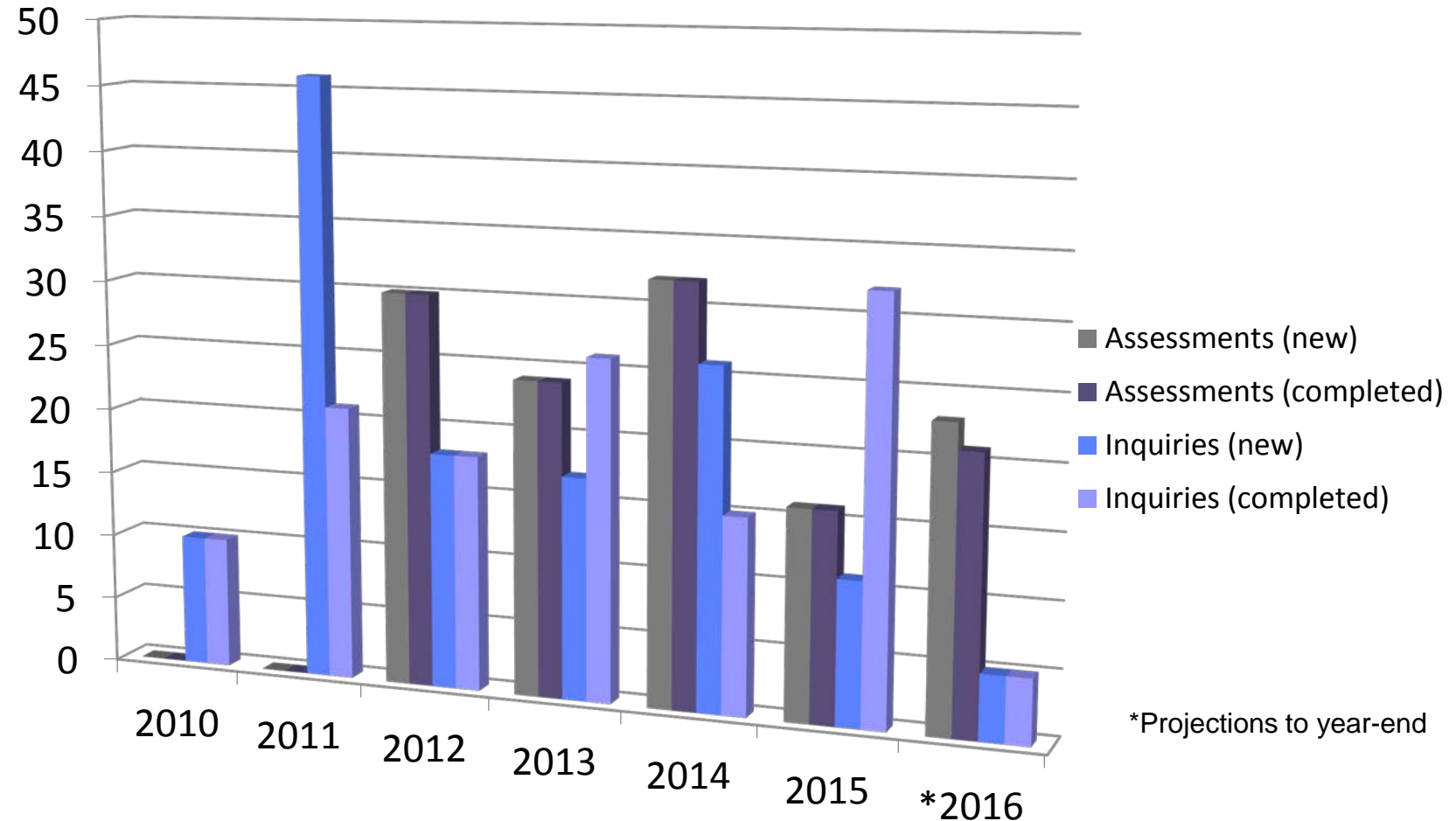


Assessments, Inquiries, Prosecutions and Inquiry Reports to Council

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016* |
|----------------------------|------|------|------|------|------|------|-------|
| Assessments (new) | N/A | N/A | 30 | 24 | 32 | 16 | 23 |
| (completed) | N/A | N/A | 30 | 24 | 32 | 16 | 21 |
| Inquiries (new) | 10 | 46 | 18 | 17 | 26 | 11 | 5 |
| (completed) | 10 | 21 | 18 | 26 | 15 | 32 | 5 |
| Prosecutions (new) | 0 | 0 | 1 | 0 | 2 | 0 | 0 |
| (completed) | 1 | 0 | 0 | 1 | 1 | 1 | 0 |
| Inquiry Reports to Council | 0 | 1 | 5 | 6 | 7 | 4 | 1 |

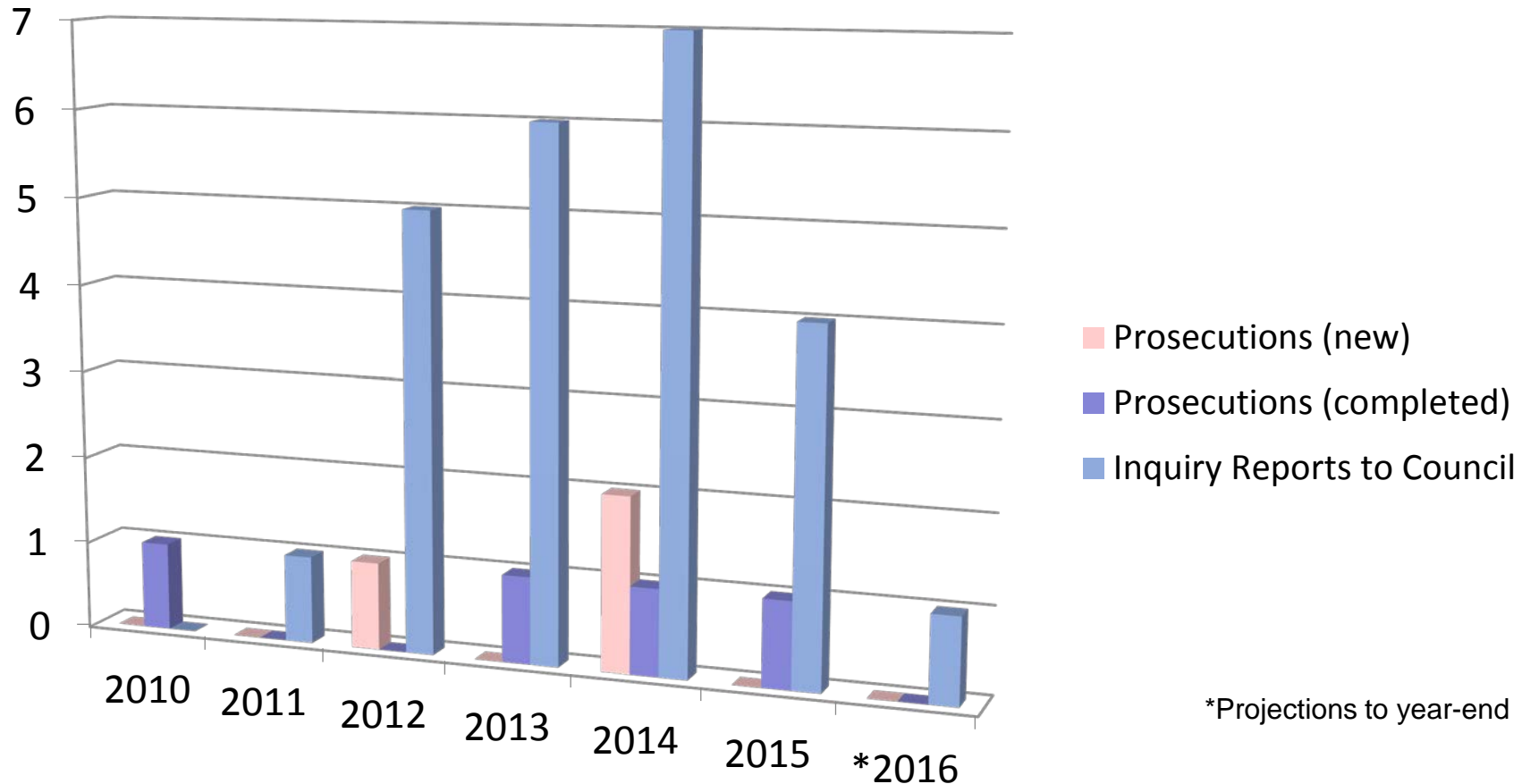
*Projections to year-end

Assessments and Inquiries



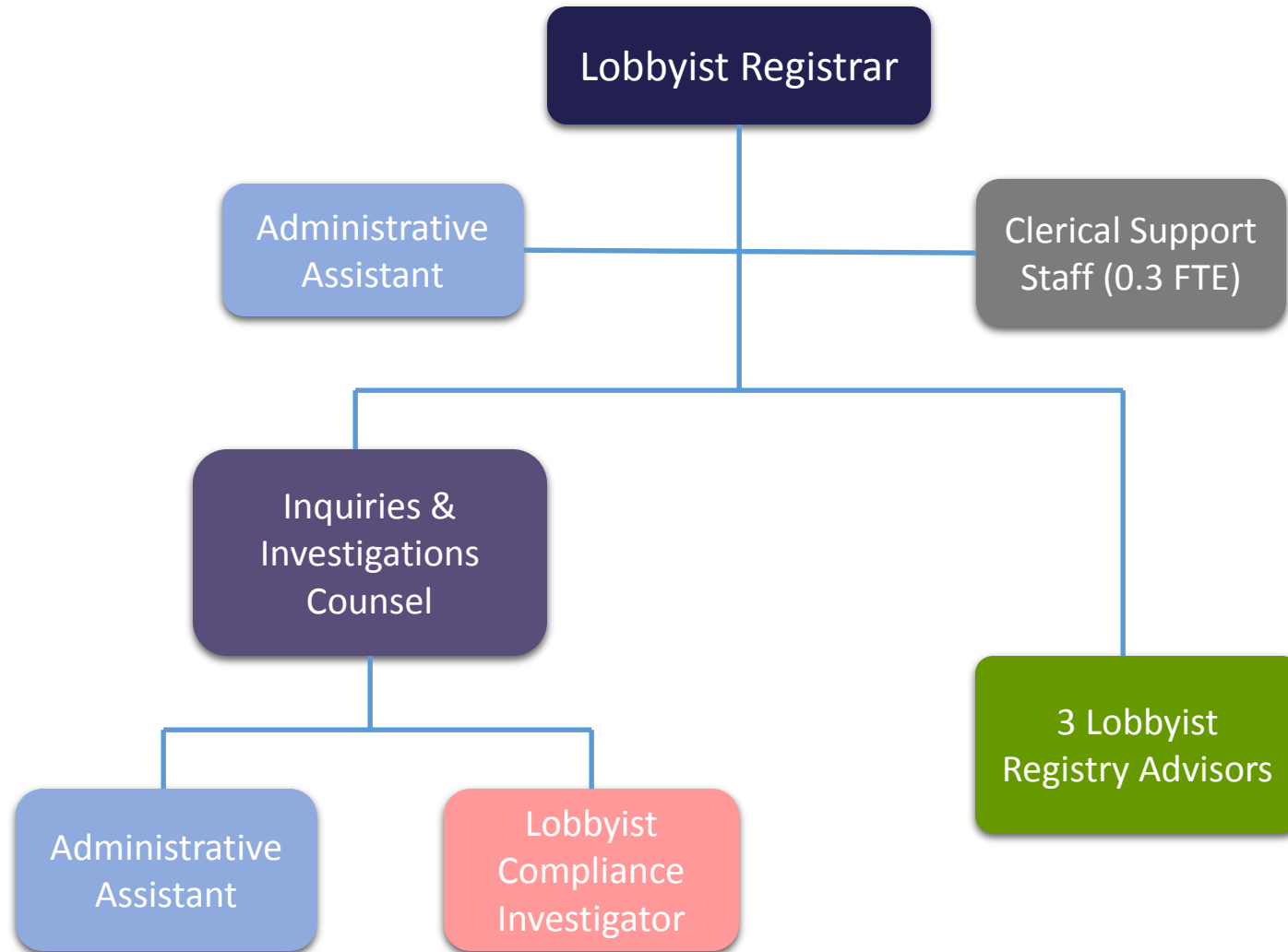
*Projections to year-end

Prosecutions and Inquiry Reports to Council



OLR Staff Organization Chart

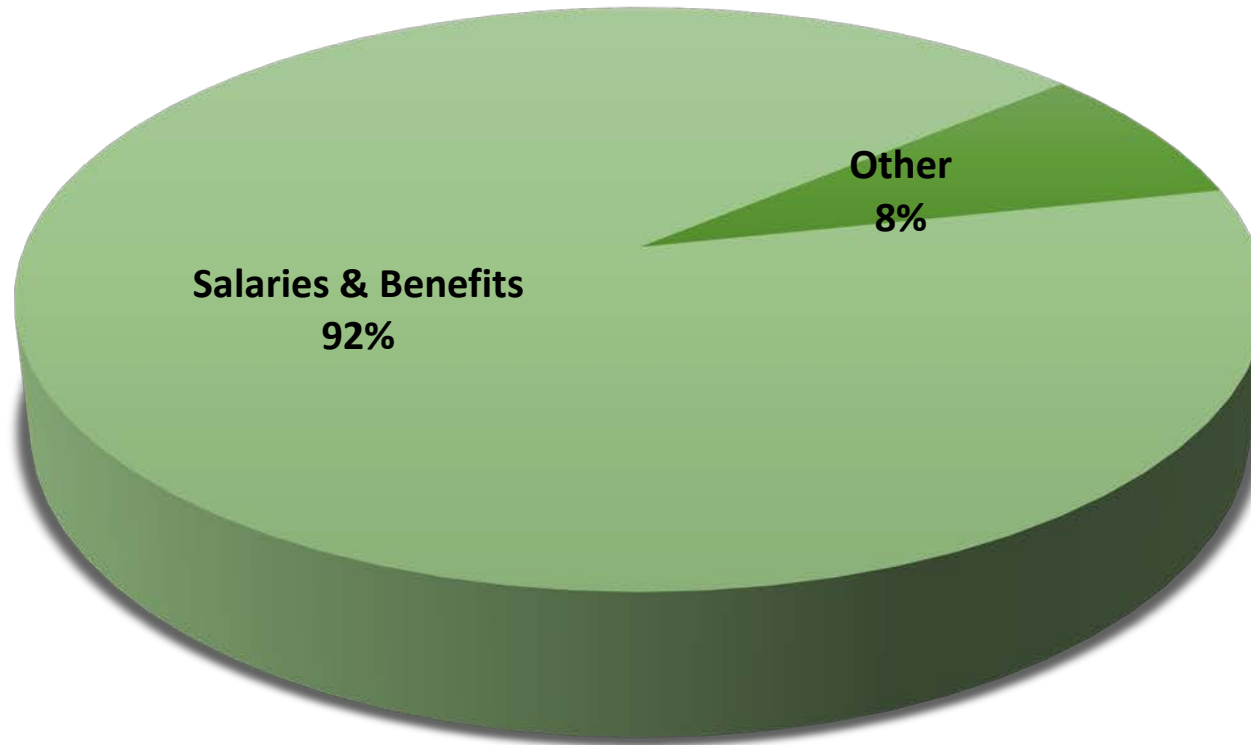
8.3 FTE



2017 Operating Budget Summary

| (In \$000s) | 2016 Approved Budget | 2017 Operating Budget Request | | | | 2017 Request vs. 2016 Budget Changes | |
|---------------------------|----------------------------|-------------------------------|-------------------|--------------------------|---------------------------|--------------------------------------------|--------|
| | | 2017 Base | 2017 Reduction | 2017 New/ Enhanced | 2017 Budget Request | | |
| | \$ | \$ | | \$ | \$ | \$ | % |
| Gross Expenditures | 1,156.3 | 1,168.7 | (14.7) | 0.0 | 1,154.0 | (2.3) | (0.2%) |
| Revenue | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Net Expenditures | 1,156.3 | 1,168.7 | (14.7) | 0.0 | 1,154.0 | (2.3) | (0.2%) |
| Approved Positions | 8.3 | 8.3 | 0.0 | 0.0 | 8.3 | 0.0 | 0.0% |

2017 Operating Budget by Expenditure Category



■ Salaries & Benefits ■ Other

Other includes: Services & Rents, Materials & Supplies, Capital Transfers and Interdivisional Charges

2017 Key Cost Drivers

| (In \$000s) | Total Base Changes | |
|----------------------------------------------|--------------------|------------|
| | \$ | Position |
| Gross Expenditure Changes | | |
| Prior Year Impacts | | |
| Salary Budget to Actual Adjustments | (21.2) | 0.0 |
| Economic Factors | | |
| Non-payroll | 1.5 | 0.0 |
| COLA and Progression Pay | | |
| COLA and Progression Pay | 28.3 | 0.0 |
| Benefit Adjustments | 3.8 | |
| Total Gross Expenditure Changes | 12.4 | 0.0 |
| Revenue Changes (Increase) / Decrease | 0.0 | 0.0 |
| | | |
| Total Revenue Changes | 0.0 | 0.0 |
| Net Expenditure Changes | 12.4 | 0.0 |

2017 Budget Reduction

- Accommodating Council's 2017 operating budget direction and recognizing the City's fiscal constraints, the Office of the Lobbyist Registrar submitted a budget reduction of \$14.7 thousand net:
 - 2017 budget is 0.2% below the 2016 budget
 - \$14.7k reduction is 1.3% of the 2016 Approved Budget
- The reduction is one-time, comprising:
 - gapping of a 0.25 temporary administrative position
 - reduction in office supplies and outreach related expenses

2017-2026 Capital Plan Highlights

- State of Good Repair (SOGR) of the Lobbyist Registry in 2017 and 2023
 - To enable the registry to continue to function
 - To comply with statutory obligations
 - To meet requirements of users
 - To conform to City and industry technological standards

2017-2026 Capital Plan Highlights

2017

- \$0.171 million in previously approved cash flow to be carried forward from 2016

2023

- \$0.700 million in future year cash flow