



Office of the
Lobbyist Registrar

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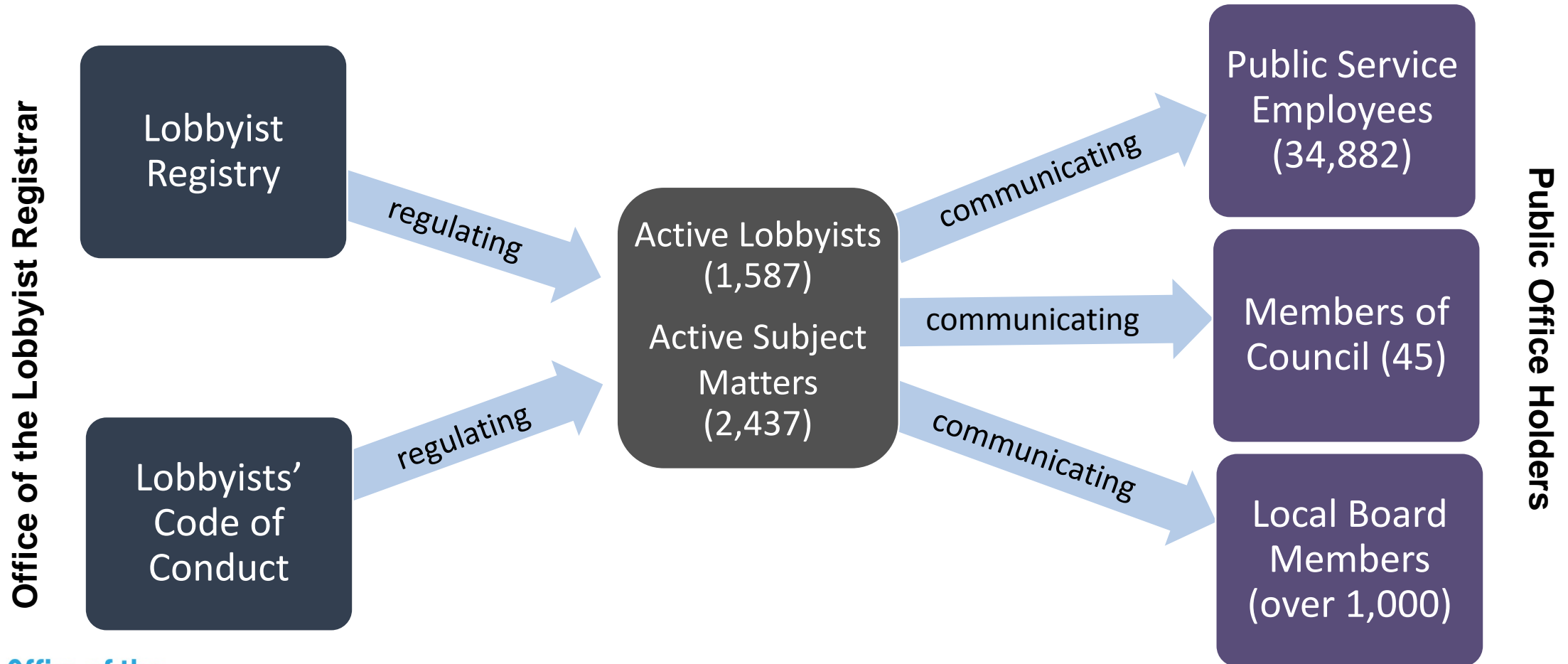
2018 Preliminary Operating Budget and 2018-2027 Preliminary Capital Budget and Plan Presentation to Budget Committee

December 14, 2017

Role of the Office of the Lobbyist Registrar

- 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.

Lobbying Oversight at the City of Toronto



Legislative Framework for Lobbying Oversight

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

The Public Registry, Good Governance and Council's Approved Strategic Actions

The Registry is both a transparency tool and an instrument for civic engagement which supports:

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

Functions of the Office of the Lobbyist Registrar (OLR)

1. Lobbyist Registry – compliance through disclosure of lobbying activity
2. Outreach and Education – compliance through stakeholder engagement
3. Inquiries, Investigations and Enforcement – compliance through accountability

Enhancement Requests:

Enhancement requests are to support:

- A. Outreach and Education, and
- B. Investigation Functions.

The enhancement requests are:

1. Full time Education and Outreach position - (Enhancement Request #1),
2. Statutory Investigation and Legal Requirements:
 - Junior Counsel position - (Enhancement Request #2), and
 - External Legal and Investigation Costs \$250,000 - for external legal costs (\$125,000) and investigation costs (\$125,000) - (Enhancement Request #3).

Enhancement Request #1: Statutory Education and Outreach Requirements

Current Challenges to Service Level:

1. OLR is operating without a staff resource allocated to Outreach and Education.
2. There has been year after year increases to Registry activity, but the staff complement has not changed since 2009:
 - Registration transactions processed annually have increased by 432% from 2,443 in 2010 to 12,990 in 2017.
 - The number of registered lobbyists has increased by 60% from 1,047 in 2010 to 1,677 in 2017.

Enhancement Request #1: Statutory Education and Outreach Requirements

Current Challenges to Service Level (continued):

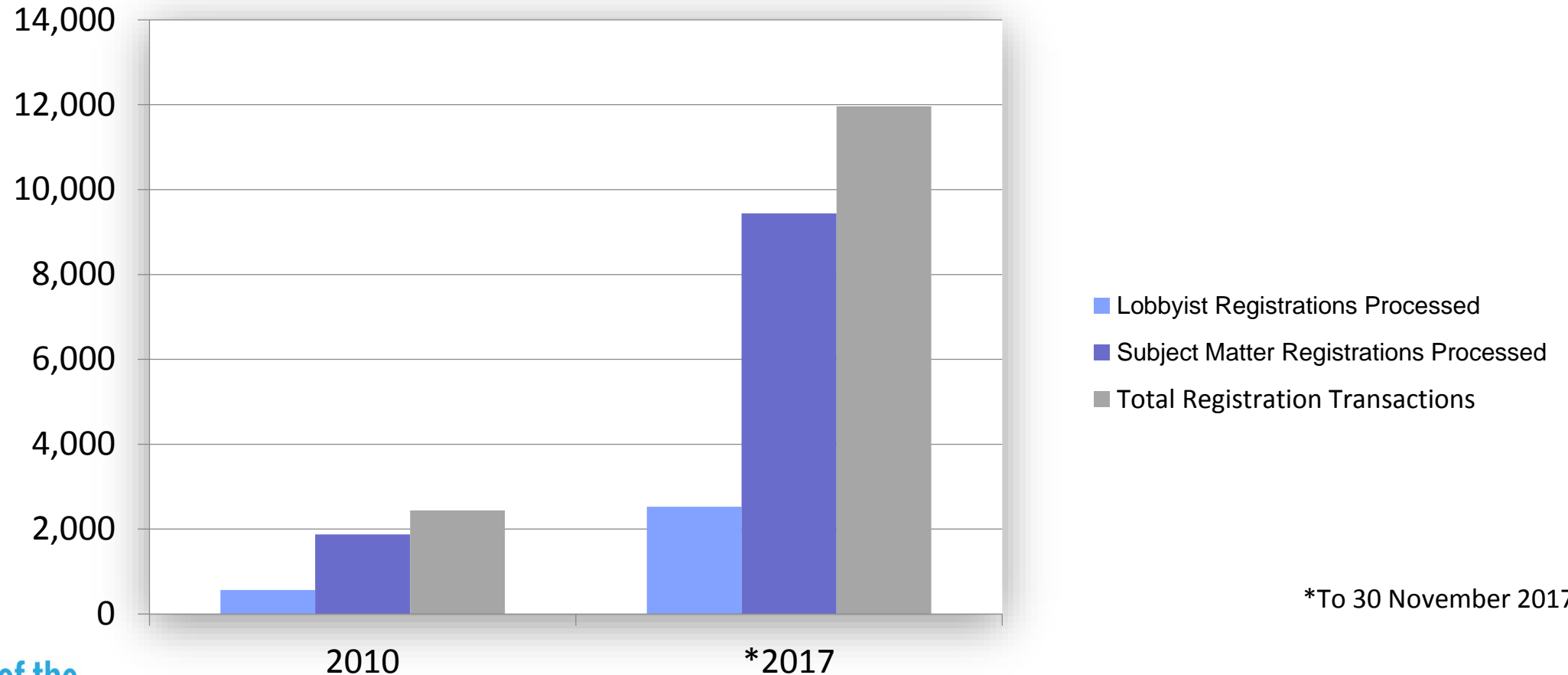
- The number of active subject matters has increased by 84% from 1,424 in 2010 to 2,614 in 2017.
- 3. The increase in Registry activity volume is putting the delivery of timely and accurate service at risk.

Enhancement Request #1: Statutory Education and Outreach Requirements (continued)

Current Challenges to Service Level (continued):

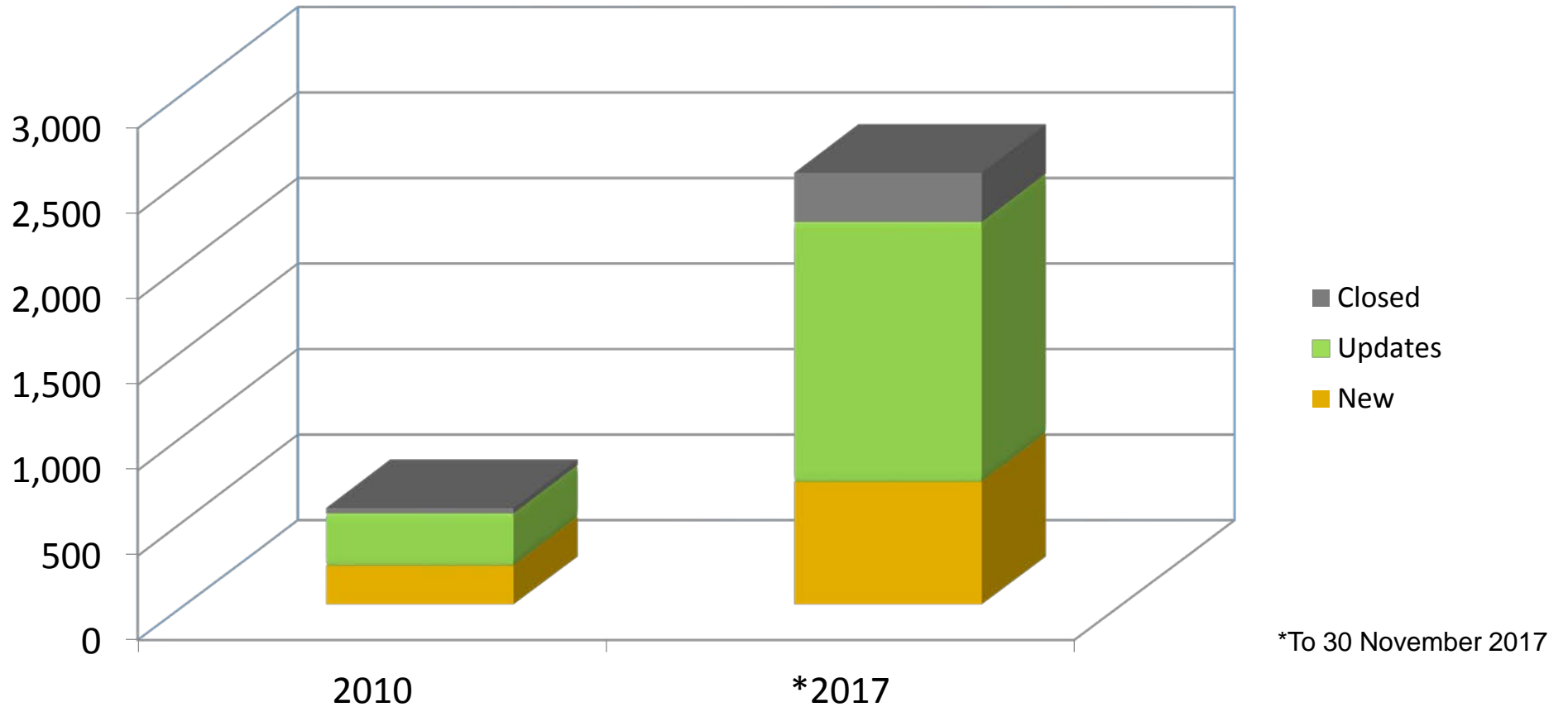
4. Impact of the State of Good Repair Project (SOGR):
 - a. Staff resources are required to deliver the upgrade and to provide training to the public, City staff and lobbyists.
 - b. On a go-forward basis, resources are required to manage and support the Registry's technology platform.
 - c. The intended outcome of increased transparency and ease of use from the SOGR is expected to increase the volume of activity.

Registration Transactions Processed



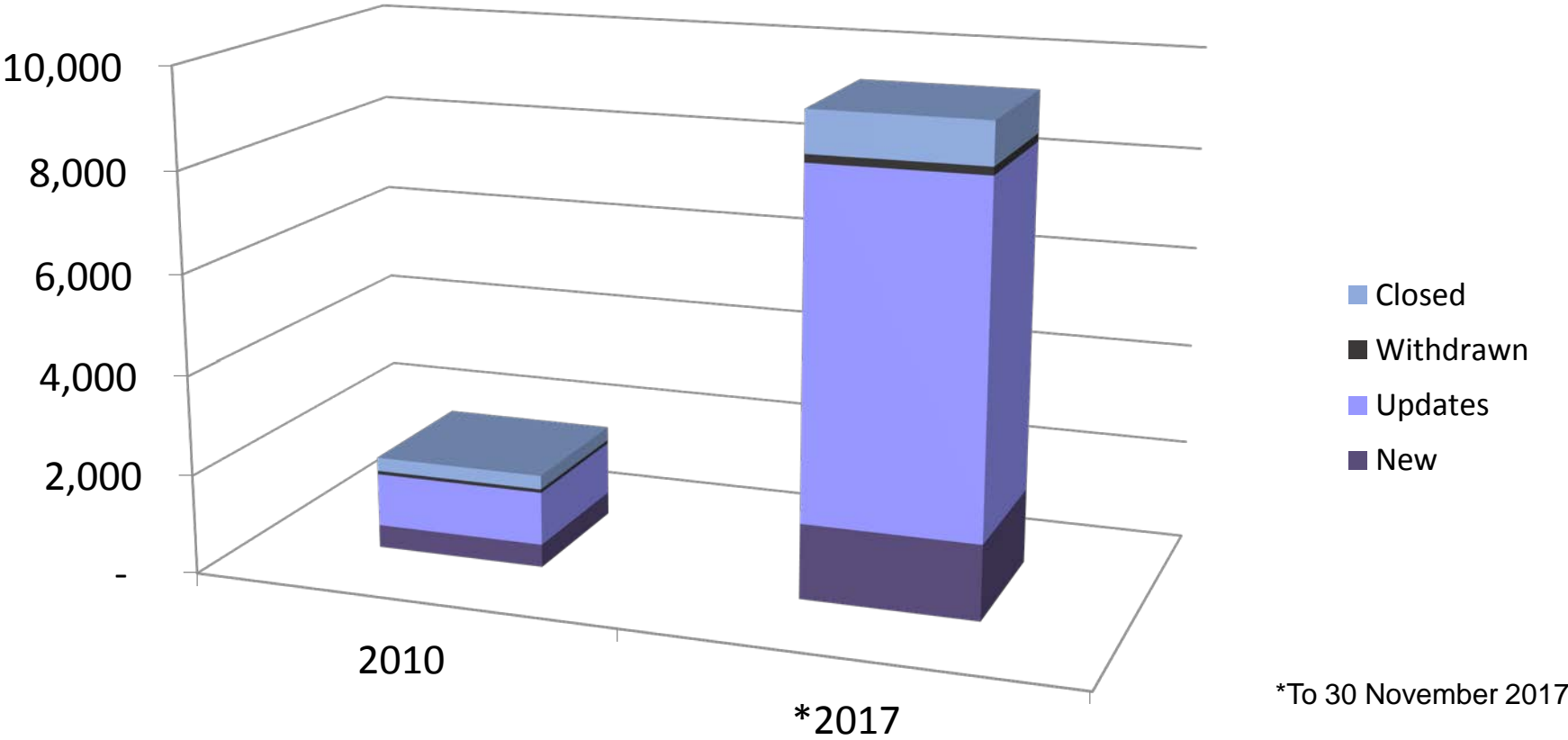
*To 30 November 2017

Lobbyist Registrations Processed



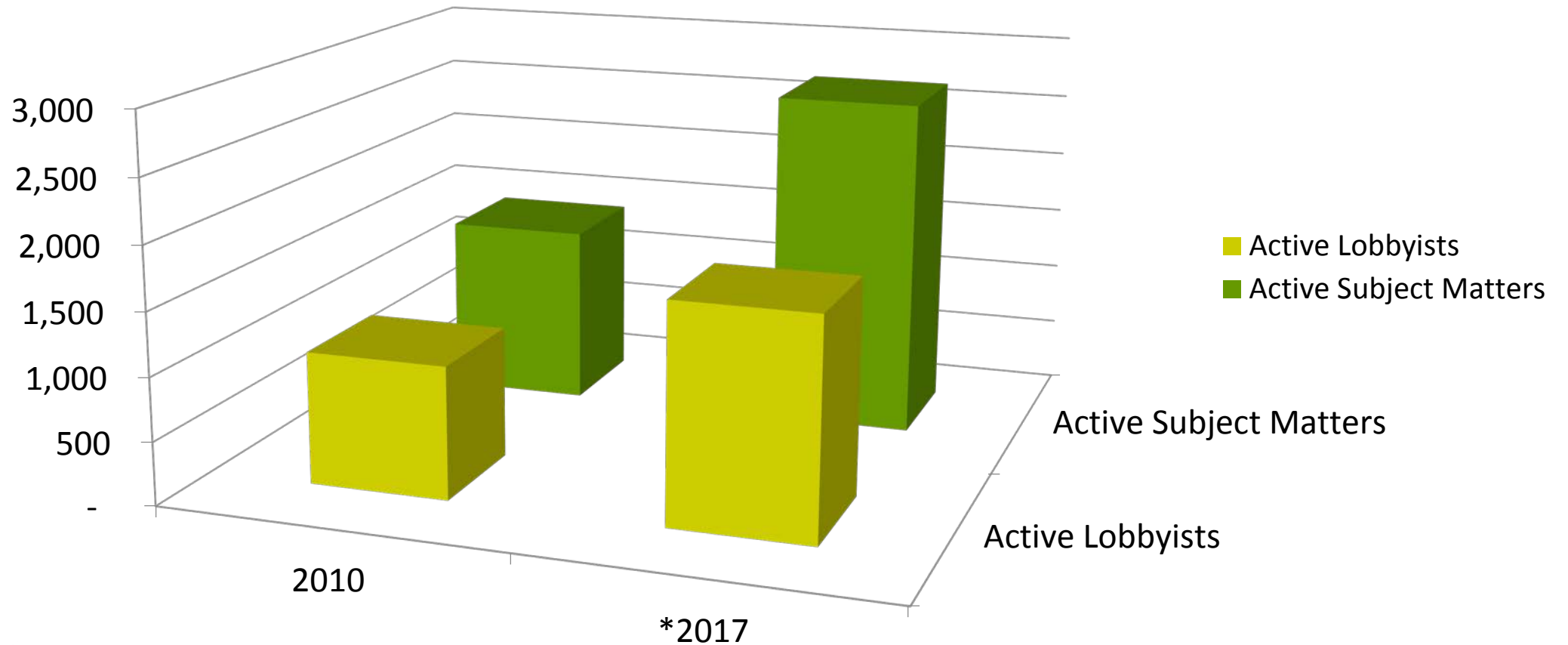
*To 30 November 2017

Subject Matter Registrations Processed

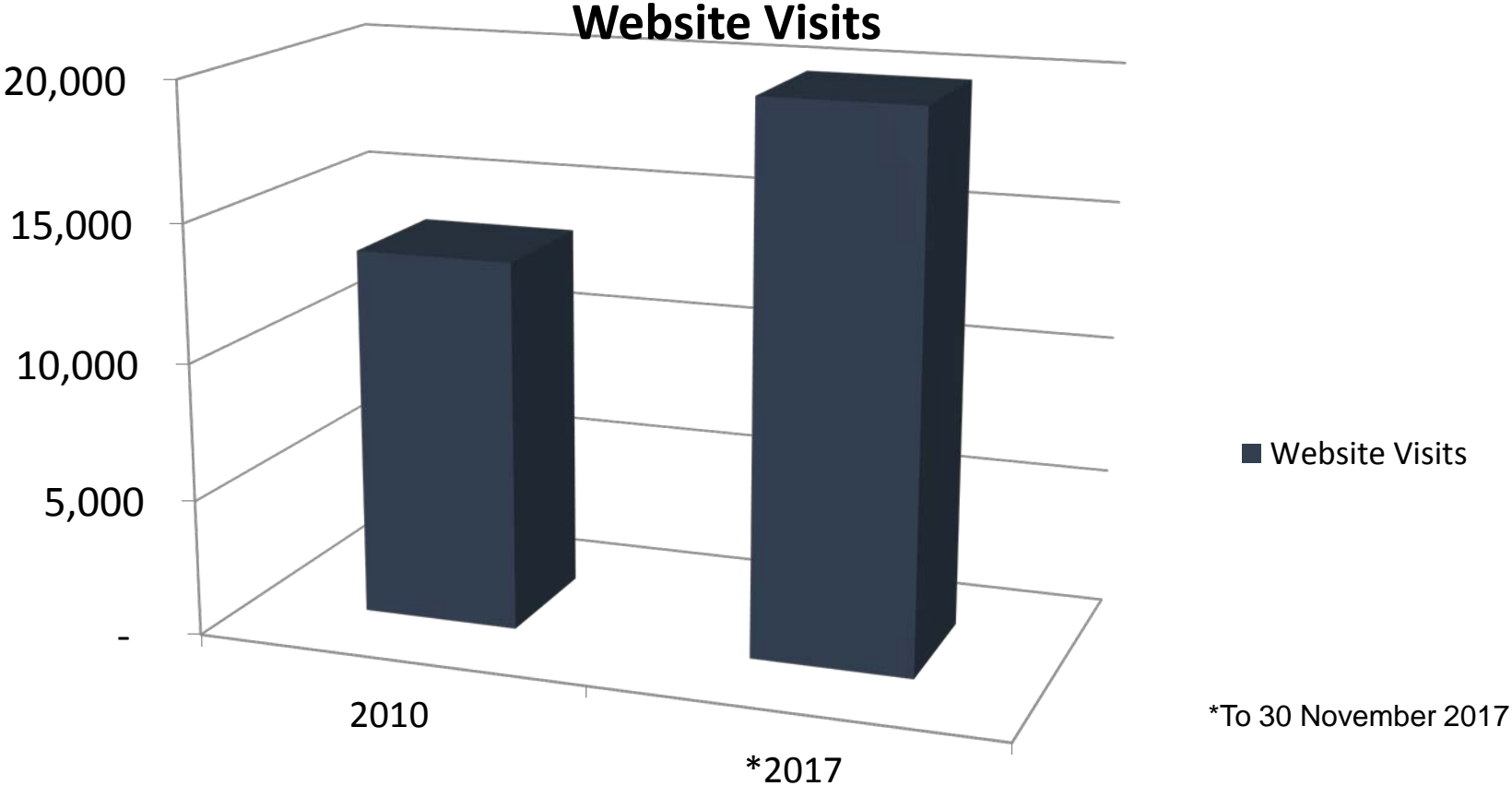


*To 30 November 2017

Active Registrations at Year-end



Website Visits



Enhancement Requests #2 and #3: Statutory Investigation and Legal Requirements

Current Challenges to Service Level:

1. Under resourcing has resulted in delays in the length of the investigation processes and restrictions on capacity to take on new matters.
2. Increases in the number of outreach initiatives undertaken by this Unit are putting further strain on already limited resources.
3. While the number of formal inquiries has decreased due to the success of early resolution initiatives, the complexity of the matters has increased. The fact scenarios and evidentiary issues require the assistance of outside legal counsel and forensic auditors to complete.

Enhancement Requests #2 and #3: Statutory Investigation and Legal Requirements

Current Challenges to Service Level (continued):

4. Monies for possible litigation related to inquiries must be readily available.
5. External legal advice will be required above and beyond internal resources, including the requested Junior Counsel position. Because of the contentious nature of the inquiries and the possibility of judicial review, due diligence must be taken.

Enhancement Requests #2 and #3: Statutory Investigation and Legal Requirements

Current Challenges to Service Level (continued):

6. A. Impact of New Legislative Changes:

1. Increase in volume of investigations,
2. Possible legal challenges, and
3. Revenue allocation to implementation of new enforcements.

B. Recent Legislative Changes Adopted:

1. Increase to the limitation period (Bill 68; New Amendments to COTA,)
2. Ability to impose administrative sanctions and penalties (Bill 68; New Amendments to COTA), and
3. New powers to impose temporary bans and conditions (Council 2016).

Education and Outreach Activities 2017

- OLR hosted 14 training sessions attended by 245 members of the public and lobbyists
- OLR has given 21 presentations to City staff for 388 City employees
- OLR has given 6 presentations to external organizations to 102 attendees
- OLR has posted 2,315 communications on social media regarding best practices and Lobbying By-law compliance

Education and Outreach Activities 2017 (continued)

- Outreach at Social Procurement Networking Event; reaching approximately 80 to 100 different vendors.
- Lobbyist Registrar has held 108 meetings with City public office holders
- Lobbyist Registrar had held 11 meetings with public office holders in other levels of government

Registry Activity 2016 and 2017

	2016 Jan - Nov	2017 Jan - Nov	Variance	
Lobbyist Registration Transactions				
New Lobbyists Submitted	555	720	165	30%
Lobbyist Updates Submitted	1,287	1,519	232	18%
Lobbyist Registrations Closed	252	288	36	14%
<i>Lobbyist Registrations Processed</i>	<i>2,094</i>	<i>2,527</i>	<i>433</i>	<i>21%</i>
Subject Matter Registration Transactions				
New Subject Matters Submitted	1,143	1,507	364	32%
Subject Matter Updates Submitted (reports of lobbying activities)	5,973	6,935	962	16%
Subject Matters Withdrawn	124	162	38	31%
Subject Matters Closed	718	834	116	16%
<i>Subject Matter Registrations Processed</i>	<i>7,958</i>	<i>9,438</i>	<i>1,480</i>	<i>19%</i>
TOTAL Registration Transactions Processed	10,052	11,965	1,913	19%

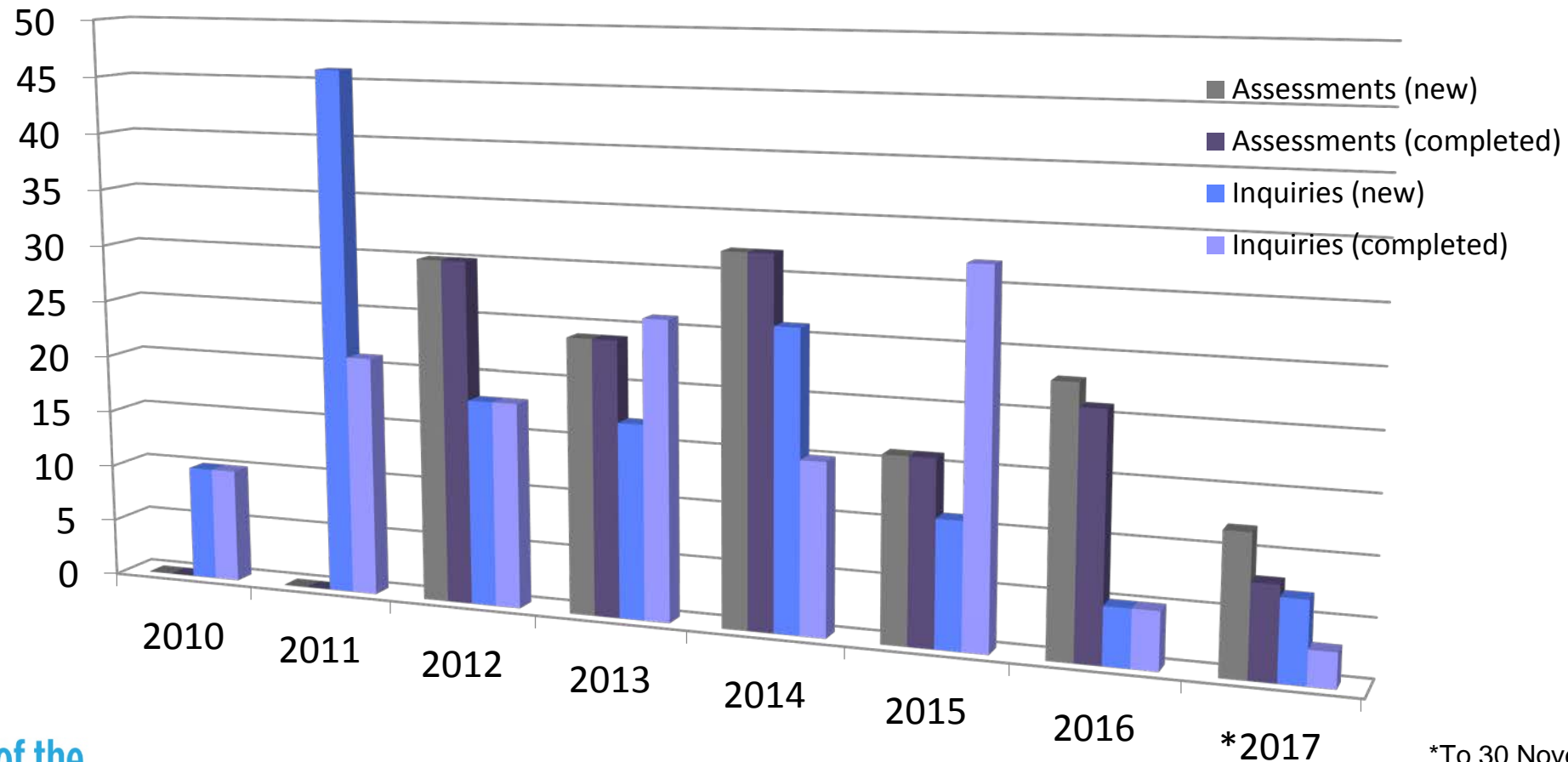
Registry Activity 2016 and 2017

	2016 Jan to Nov	2017 Jan to Nov	Variance	
Active Registrations at Nov 30				
Active Lobbyists	1,455	1,717	262	18%
Active Subject Matters	2,234	2,693	459	21%
OLR Website Visits	17,022	19,818	2,796	16%
Registry Search Page Visits	5,519	6,244	725	13%

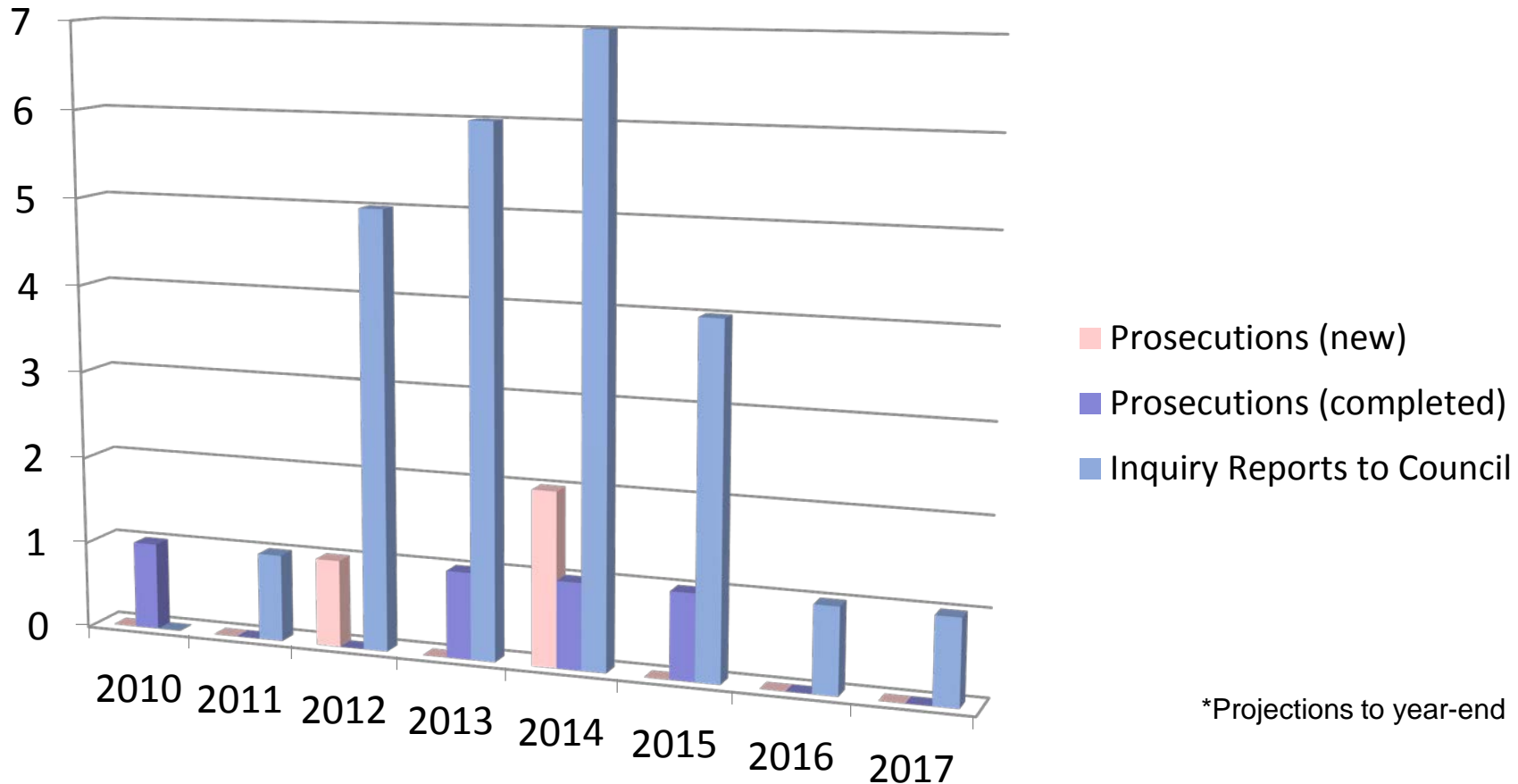
Assessments, Inquiries, Prosecutions and Inquiry Reports to Council

	2010	2011	2012	2013	2014	2015	2016	2017*
Assessments (new)	N/A	N/A	30	24	32	16	23	12
(completed)	N/A	N/A	30	24	32	16	23	8
Inquiries (new)	10	46	18	17	26	11	5	7
(completed)	10	21	18	26	15	32	6	3
Prosecutions (new)	0	0	1	0	2	0	0	0
(completed)	1	0	0	1	1	1	0	0
Inquiry Reports to Council	0	1	5	6	7	4	1	1

Assessments and Inquiries

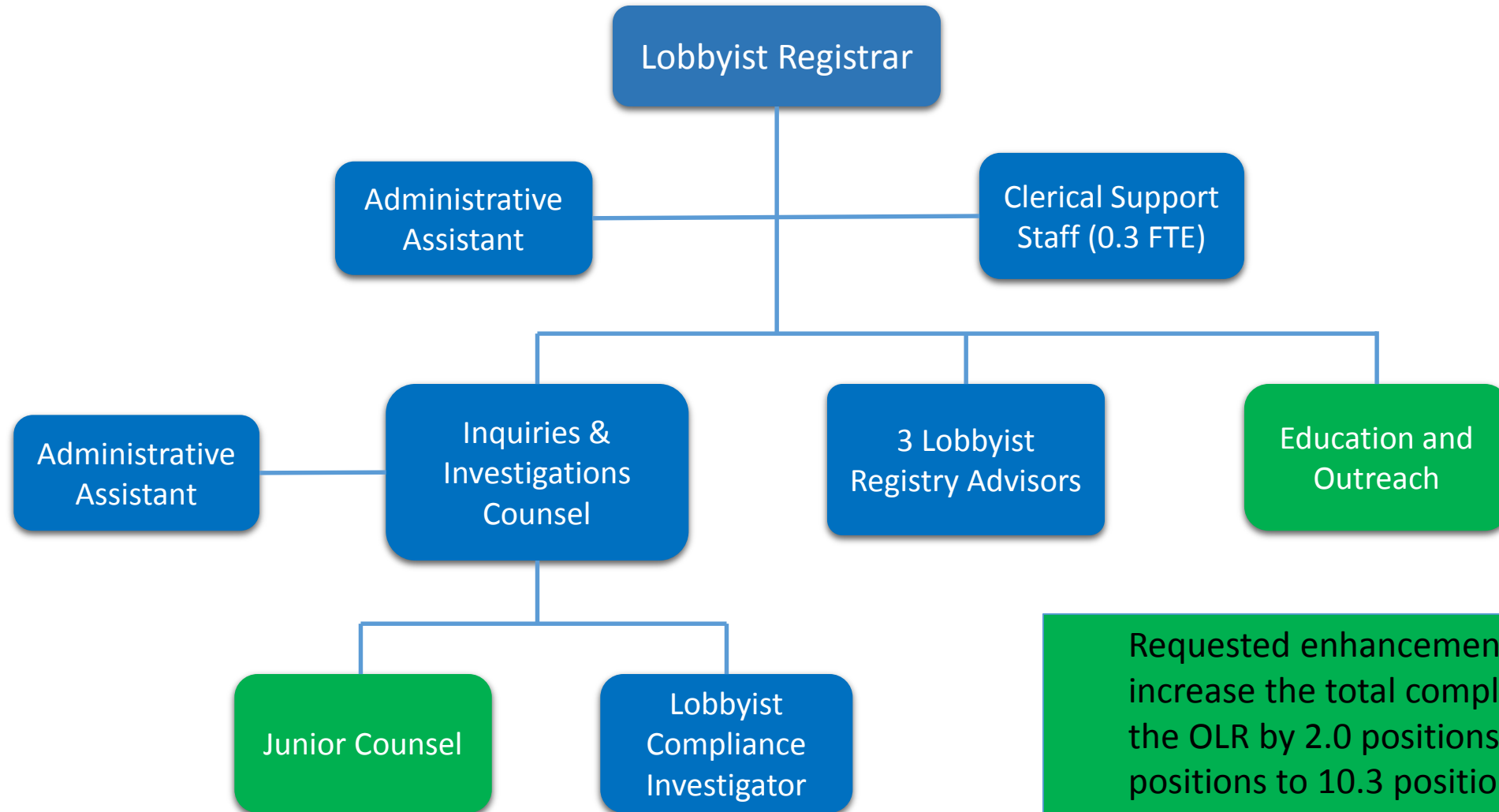


Prosecutions and Inquiry Reports to Council



OLR Staff Organization Chart with Enhancements

10.3 FTE



Requested enhancements will increase the total complement of the OLR by 2.0 positions from 8.3 positions to 10.3 positions.

Services At Risk Without the Requested Enhancements:

1. The Registry Unit's ability to deliver timely, accurate and efficient service.
2. The Investigations and Inquiry Unit's ability to keep pace with complex investigations.
3. Decrease in compliance with the disclosure requirements.
4. Public may lose confidence in the OLR's ability to provide service.

Services At Risk Without the Requested Enhancements (continued):

5. Negative impact on Open Government, Citizen Engagement, Governance and Customer Service.
6. OLR cannot guarantee that the objectives of better enforcement and higher compliance that underlie the new legislative changes will be met.
7. OLR cannot guarantee it will meet its mandate.

2018 Operating Budget Summary

(In \$000s)	2017		2018 Operating Budget Request			2018 Request vs. 2017 Budget Change		Incremental Change			
	Budget	Projected Actual	Base	New/Enhanced	Total Budget	\$	%	2019 Plan		2020 Plan	
	\$	\$	\$	\$	\$	\$	%	\$	%	\$	%
Gross Expenditures	1,154.1	1,142.1	1,189.6	454.5	1,644.0	490.0	42.5%	98.0	6.0%	40.2	2.3%
Revenue							-				
Net Expenditures	1,154.1	1,142.1	1,189.6	454.5	1,644.0	490.0	42.5%	98.0	6.0%	40.2	2.3%
Approved Positions	8.3	8.3	8.3	2.0	10.3	2.0	24.2%				

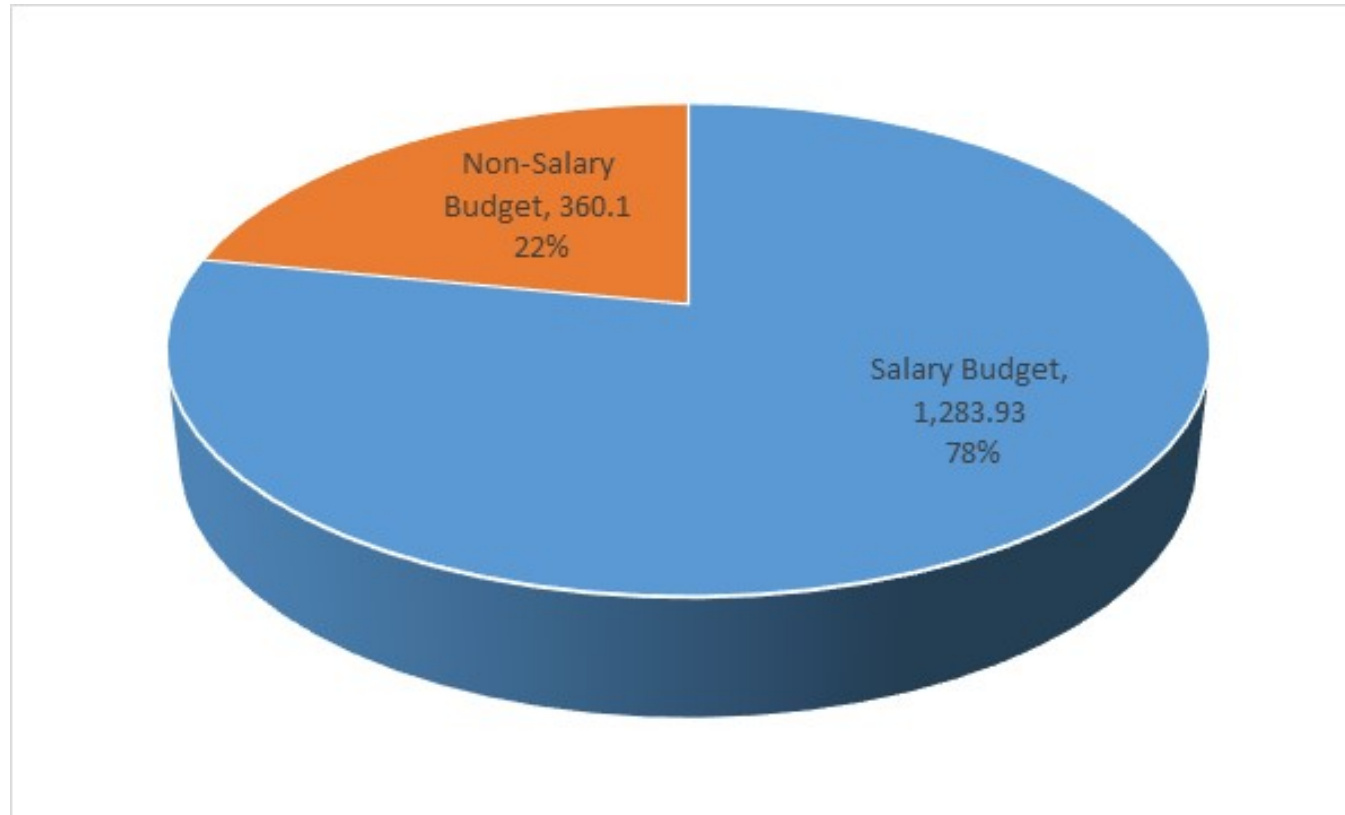
2018 Key Cost Drivers

(In \$000s)	Total Base Changes	
	\$	Position
Gross Expenditure Changes		
Prior Year Impacts		
Reversal of one-time non payroll reduction	14.7	
Salary Budget to Actual Adjustment	(6.6)	
Salaries and Benefits		
Salary and Benefits changes	16.5	
Economic Factors		
Non Salary economic factors	1.8	
Other Base Changes		
Hardware maintenance costs	9.0	
Total Gross Expenditure Changes	35.5	
Total Revenue Changes		
Net Expenditure Changes	35.5	

2018 Budget Request

- The Office of the Lobbyist Registrar submitted a budget request of \$1,644.0 thousand gross and net:
 - Increase of \$490.0 thousand net from the 2017 Approved Operating Budget
 - Majority of the request is salaries and benefits

2018 Operating Budget by Expenditure Category



Non-salary budget includes Services & Rents, Materials & Supplies, Contribution to Insurance Reserves and Interdivisional Charges

2018-2027 Capital Plan Highlights

- State of Good Repair (SOGGR) of the Lobbyist Registry 2018 - 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

2018-2027 Capital Plan Recommendations

2018 - 2023

- \$0.700 million Capital Budget and Plan, for the Lobbyist Registry State of Good Repair Project (SOGR)