2022 Budget Notes

Toronto Lobbyist Registrar

Description

The Toronto Lobbyist Registrar (TLR) regulates lobbying activity in the public interest. The TLR is an independent office of the City and reports directly to City Council. The TLR has a legislative mandate to ensure the public disclosure of lobbying activities and adherence to the Lobbyists' Code of Conduct. The disclosure requirement ensures that lobbying activities at the City are transparent. The Code of Conduct sets out the high ethical standards that are expected of lobbyists when they communicate with Toronto Public Office Holders (POH).

Why We Do It

- The *City of Toronto Act, 2006* and the Toronto Municipal Code Chapter 140, Lobbying, i.e. the Lobbying By-law (the By-law) require the City to regulate lobbying activities.

- POH and the public should be able to know who is attempting to influence City government.

- Ethical and transparent lobbying is a central component to a responsive City government which encourages civic engagement and open democratic processes.

- The regulation of lobbying is the cornerstone to building public trust in City government decision-making processes.

The City of Toronto aims to deliver these outcomes equitably, efficiently and with excellent customer service to help improve the lives of Torontonians and work to earn their trust and confidence.

Toronto Lobbyist Registrar:

Cristina De Caprio

Lobbyist Registrar

Tel: (416) 338-5865

Email: Cristina.DeCaprio@toronto.ca

What Service We Provide

Who We Serve: Lobbyists, public, and POH

What We Deliver: Publicly searchable online Lobbyist Registry of lobbying activities; outreach and education; and Investigations and Enforcement of the By-law**.**

How Much Resources (gross 2022 operating budget): $1.257 million

Budget at a Glance

2022 OPERATING BUDGET

$Million	2022	2023	2024
Revenues	$0.0	$0.0	$0.0
Gross Expenditures	$1.3	$1.2	$1.2
Net Expenditures	$1.3	$1.2	$1.2
Approved Positions	8.3	8.3	8.3

2022 - 2031 10-YEAR CAPITAL PLAN

$Million	2022	2023-2031	Total
Gross Expenditures	$0.0	$1.4	$1.4
Debt	$0.0	$1.4	$1.4

Note: Includes 2021 carry forward funding

How Well We Are Doing – Behind the Numbers

**Projected No. of
Registration Transactions Processed
in 2021**
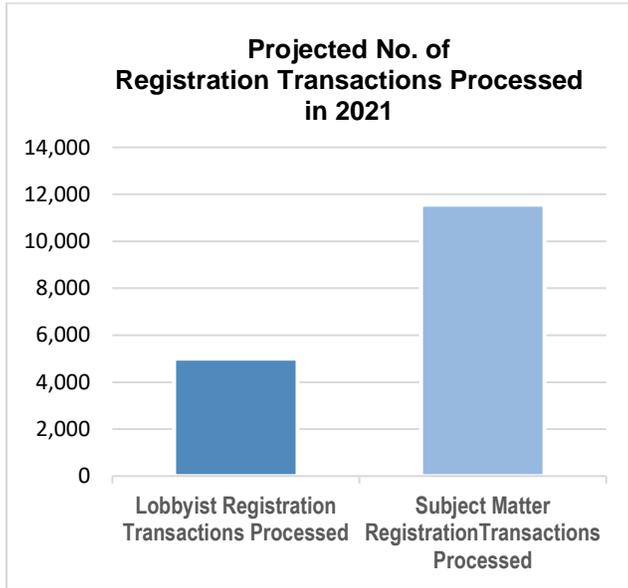
The TLR's significant outreach and education activities and enforcement activities have contributed to the continuous increase in the Register's registration. By the end of 2021,

- the total number of registration transactions proceed by the TLR is estimated to be 15,071;

- The number of lobbyist registration transactions proceed is estimated to be 3,460

- The number of subject matter registration transaction processed is estimate to be 11,611

Projected No. of Lobbying Communications Reported Across All Categories of Public Office Holders in 2021
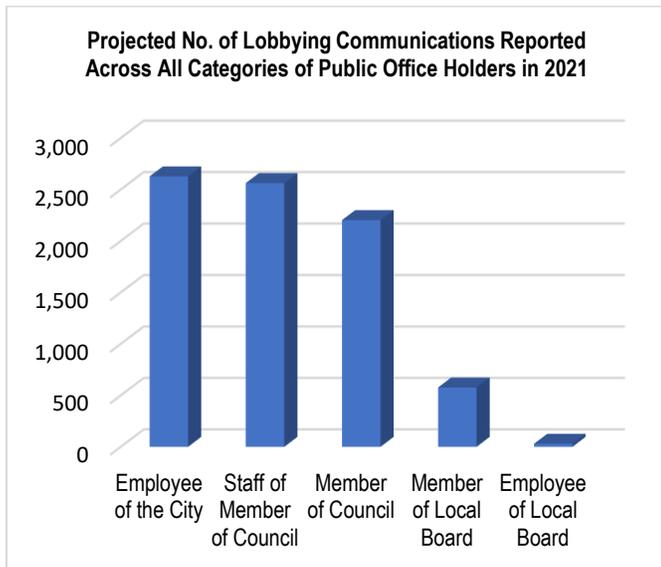
The total number of Lobbying communications reported with the all the City's public holders are estimated to be 9,000 by the end of 2021.

How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Maintain an online Registry of lobbyists and lobbying activities that may be searched by anyone at anytime	• Provide service within 24 hours for inquiries related to registrations, clarification of the By-law and Registry searches to lobbyists and the members of the public	95%	95%	95%	95%	●	95%	95%
	• Provide online publicly available Lobbyist Registry (no. of visits to TLR website)	18,310	20,800	N/A	22,690	N/A	N/A	N/A
Continue improving audit processes of the data in the Registry to ensure the Registry contains clean and accurate data	Percentage of data reviewed	75%	75%	75%	75%	●	75%	75%
Provide investigation reports	• Bring public reports to Council to fulfill enforcement duties • Ensure required transparency in lobbying activity	Ongoing	Ongoing	Ongoing	Ongoing	●	Ongoing	Ongoing
Investigate complaints regarding allegations of breaches of the By-law	• Early resolution of less egregious matters • Prevention and deterrence of breaches of the By-law	Ongoing	Ongoing	Ongoing	Ongoing	●	Ongoing	Ongoing
Provide registration advice and support compliance	• Registered lobbying communications	6,379	8,269	9,500	10,000	●	10,500	10,500
	• Efficacy of the By-law's lobbying transparency requirements	Ongoing	Ongoing	Ongoing	Ongoing	●	Ongoing	Ongoing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Service Level Measures								
Maintain an online Registry of lobbyists and lobbying activities that may be searched by anyone at anytime	Provide service within 24 hours for inquiries related to registrations, clarification of the By-law and Registry searches to lobbyists and the members of the public	95%	95%	95%	95%	●	95%	95%
Other Measures								
Provide guidance, opinions and interpretation of the By-law to anyone who needs it (Registry Unit)	Provide customer service with 24 hours	95%	95%	95%	95%	●	95%	95%
Provide advice to stakeholders on the By-law (Inquiries and Investigations Unit – "the Investigations Unit")	Piece of advice	280	300	300	300	●	300	300
Deliver educational outreach presentations and meetings to public office holders, lobbyists and external organizations	No. of sessions	108	108	108	108	●	120	120

COVID-19 IMPACT AND RECOVERY

2022 Impact and Recovery

Operating Budget Impact

- There are no significant budget impacts expected in 2022 related to COVID-19.

- The TLR is expected to continue with the business transformation required to modernize the operations of both its Registry and Investigations Units. The Registry Unit will continue to support the implementation of the new Lobbyist Registration System, which will include improving the audit of its data to ensure clean, current and accurate Registry information, and will continue streamlining the registration processes. The Investigations Unit anticipates a gradual return to pre-COVID investigation practices with the City's and the greater business community's return to the workplace. However, the echo of COVID-19 and the ever-present danger of new variants necessitate that the modernization of investigation and enforcement practices, begun before the pandemic but accelerated in its wake, continue to be the focus of the Investigations Unit.

- The TLR is expected to continue the services required to fulfill its mandate.

Service Level Changes

- No changes to service levels.

EXPERIENCES, CHALLENGES AND PRIORITIES

Our Experience and Success

- An estimated 119,120 registration transactions have been processed by our office since 2010. An estimated 57,062 lobbying communications have been reported on the Registry since 2010.

- We provide ongoing presentations and training sessions to members of the public, lobbyists, external organizations and City public office holders. In 2021, an estimated 108 educational outreach sessions to stakeholders have been facilitated to share best practices in lobbying regulation and provide advice and interpretation about the By-law.

- In 2021, the Investigations Unit has provided:
    - 300 estimated consultation/pieces of advice to stakeholders
    - 13 full advance legal opinions
    - 17 investigations were commenced
    - 4 inquiries were closed

- A total of 26 inquiry reports were submitted to City Council since 2010.

- The By-law's requirements for public disclosure of lobbying activities on the Registry extend to indirect lobbying. Communicating with government officials by indirect lobbying is known as "grass-roots" lobbying. An estimated 536 grass-roots lobbying campaigns have been registered since 2010.

Key Challenges and Risks

- In 2022, the TLR will undertake: the expansion of its mandate through the addition of administrative monetary penalties to enhance its enforcement powers; the continued oversight of an anticipated increase in lobbying registration transactions; and ongoing business transformation initiatives to support the continued modernization of the operations of its Registry and Investigations Units.

- In Since 2020, the TLR underwent modernization of both its Registry and Investigations Units, through the implementation of the newly upgraded Lobbyist Registration System, and the implementation of a new case management system for its Investigations Unit. The ongoing business transformation that occurred with these projects will continue into 2022, and, the TLR will be required to maximize opportunities for innovation, and for streamlining its processes, in the delivery of its mandate, as the full integration of these two new systems into the TLR's operations will continue throughout 2022.

- The total number of registration transactions processed annually by our office has increased by approximately 509% since 2010. However, the current staff complement has not changed since 2009.

- Outreach activities, the provision of advanced opinions and consultations are being performed using limited resources that would otherwise be available to complete formal investigations.

- The Investigations Unit's capacity to take on new matters is restricted which is extending the length of the investigative process.

- The increased complexity of legal issues and anticipated expansion of the TLR's enforcement powers will require adequate resources.

- Implementing and administering the expected Administrative Monetary Penalty (AMP) system will continue to divert time and resources from the work of the Investigations Unit, including the development of an AMP revenue collection process.

- Ongoing threat of judicial review of inquiries and enforcement options.

- Supporting the full implementation of the newly acquired Lobbyist Registration System into 2022 and ensuring any further improvements can be facilitated will require permanent dedication of Lobbyist Registry staff resources.

- The Investigation Unit has identified the upcoming municipal election as the focus of the 2022 breach prevention exercise. As in 2018, education and outreach in advance of the election will be a feature of this initiative; this will include a joint training session with our provincial colleagues regarding the application of our regimes to our respective elections. A key part of this training will be an invitation to stakeholders to contact the Unit regarding their potential election-related endeavors with a view to providing advanced opinions as to whether an action could contravene the By-law.

- Ongoing resources are required to ensure that the TLR can meet its mandate and maintain the public's confidence in the TLR's ability to provide oversight.

Priority Actions

- Implementing and administering the anticipated Administrative Monetary Penalty (AMP) system, including levying AMPs and collecting associated revenues.

- Continuous improvement to the Lobbyist Registration System. The TLR remains committed to ensuring the new Registry does not become obsolete. The TLR recognizes that continuous upgrades will be required to guarantee that the Registry will continue to meet the demands of rapidly changing new technologies and heightened standards of data integrity.

- Continuous management of the Lobbyist Registry data and oversight of its functions and operations.

- Ongoing business transformation required to modernize the operations of both its Registry and Investigations Units.

- Providing education and outreach sessions to public office holders, including other levels of government, members of the public and lobbyists.

- The TLR is committed to service within 24 hours for registrations inquiries and Registry searches.

RECOMMENDATIONS

The Lobbyist Registrar recommends that:

1. City Council approve the 2022 Operating Budget for the Toronto Lobbyist Registrar of $1.257 million gross and net:

	Gross Expenditures ($000s)	Revenue ($000s)	Net Expenditures ($000s)
Total Office Budget	**1,256.6**	**0.0**	**1,256.6**

2. City Council approve the 2022 staff complement for Toronto Lobbyist Registrar of 8.3 positions.

3. City Council approve the 2023-2031 Capital Plan for Toronto Lobbyist Registrar totalling $1.350 million in project estimates as detailed by project in Appendix 6b.

2022 LOBBYIST REGISTRAR - RECOMMENDED OPERATING BUDGET

2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget

(In $000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	$	$	$	$	$	$	$	%
Revenues								
Toronto Lobbyist Registrar								N/A
Total Revenues								**N/A**
Expenditures								
Toronto Lobbyist Registrar	1,164.9	1,234.2	1,234.2	1,256.6		1,256.6	22.4	1.8%
Total Gross Expenditures	**1,164.9**	**1,234.2**	**1,234.2**	**1,256.6**		**1,256.6**	**22.4**	**1.8%**
Net Expenditures	**1,164.9**	**1,234.2**	**1,234.2**	**1,256.6**		**1,256.6**	**22.4**	**1.8%**
Approved Positions**	**8.3**	**8.3**	**N/A**	**8.3**		**8.3**	**N/A**	**N/A**

*2021 Projection based on Q3 Variance Report
**YoY comparison based on approved positions

COSTS TO MAINTAIN EXISTING SERVICES

Total 2022 Base Budget expenditures of $1.257 million gross reflecting an increase of $0.022 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Salary and benefit adjustments related to benefit adjustment, filling of vacancies in 2022, and realignment of budget to actual.

- Economic factor adjustment for non-payroll items.

EQUITY IMPACTS OF BUDGET CHANGES

No significant equity impacts: The changes in the Toronto Lobbyist Registrar's 2022 Operating Budget do not have any significant equity impacts.

2022 OPERATING BUDGET KEY DRIVERS

The 2022 Operating Base Budget for Toronto Lobbyist Registrar is $0.022 million gross or 1.8% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category.

Table 2a: 2022 Operating Budget by Revenue / Expenditure Category

Category (In $000s)	2019 Actual $	2020 Actual $	2021 Budget $	2021 Projection* $	2022 Budget $	2022 Change from 2021 Projection $	%
Provincial Subsidies							
Federal Subsidies							
Other Subsidies							
User Fees & Donations							
Licences & Permits Revenue							
Transfers From Capital							
Contribution From Reserves/Reserve Funds							
Sundry and Other Revenues							
Inter-Divisional Recoveries							
Total Revenues							
Salaries and Benefits	1,140.0	1,103.3	1,129.5	1,027.1	1,150.2	123.1	12.0%
Materials & Supplies	6.8	5.5	7.1	6.7	7.2	0.5	6.7%
Equipment	1.2	10.4		14.6		(14.6)	(100.0%)
Service and Rent	44.2	43.6	97.6	185.8	99.3	(86.5)	(46.6%)
Contribution To Capital							
Contribution To Reserves/Reserve Funds	1.8	1.8					
Other Expenditures							
Inter-Divisional Charges	3.5	0.4					
Total Gross Expenditures	**1,197.5**	**1,164.9**	**1,234.2**	**1,234.2**	**1,256.6**	**22.4**	**1.8%**
Net Expenditures	**1,197.5**	**1,164.9**	**1,234.2**	**1,234.2**	**1,256.6**	**22.4**	**1.8%**

*2021 Projection based on Q3 Variance Report

Key Base Drivers:

Salaries & Benefits:

• Realignment of budget to actual based on the current mix of staff and the filling of vacancies in 2022.

Equipment:

• The decrease is due to one-time purchase of computer hardware and software and office equipment in 2021.

Services and Rent:

• Decrease due to projected higher spending in 2021. The 2022 budget will provide the Office the capacity to meet its statutory responsibilities including undertaking investigations and inquiries as well as render opinions.

• Economic factor adjustments.

2023 & 2024 OUTLOOKS

Table 3: 2023 and 2024 Outlooks

($000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues				
Gross Expenditures	1,234.2	1,256.6	1,237.6	1,248.5
Net Expenditures	**1,234.2**	**1,256.6**	**1,237.6**	**1,248.5**
Approved Positions	**N/A**	**8.3**	**8.3**	**8.3**

Key drivers

The 2023 Outlook with total gross expenditures of $1.238 million reflects an anticipated $0.019 million or 1.5% decrease in gross expenditures below the 2022 Operating Budget; The 2024 Outlooks expects an increase of $0.011 million or 0.9% above 2023 gross expenditures.

These changes arise from the following:

- Benefit rate adjustments and realignment of budget to actual.
- Economic factor adjustments for non-payroll items

2022 – 2031 LOBBYIST REGISTRAR - RECOMMENDED
CAPITAL BUDGET AND PLAN

2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview
($000)
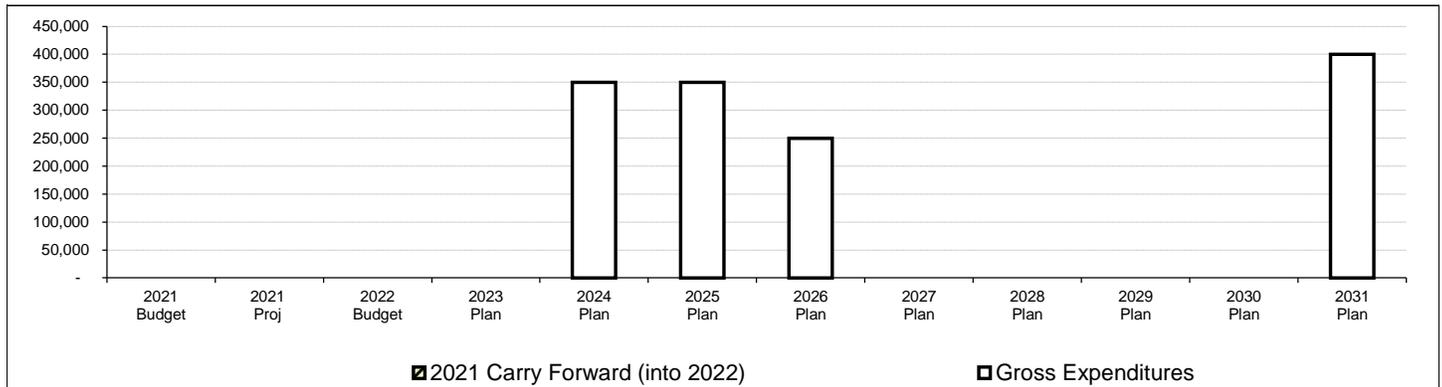
In $000's	2021		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Year Plan
	Budget	Projected Actual											
Gross Expenditures by Project Category:													
Health & Safety & Legislated													
SOGR					350	350	250					400	1,350
Service Improvement & Growth													
Total by Project Category					**350**	**350**	**250**					**400**	**1,350**
Financing:													
Debt					350	350	250					400	1,350
City Buidling Fund													
Reserves/Reserve Funds													
Development Charges													
Provincial													
Federal													
Debt Recoverable													
Other Revenue													
Total Financing					**350**	**350**	**250**					**400**	**1,350**

Changes to Existing Projects
($0.0 Million)

New Projects
($1.350 Million)

The 2022-2031 Capital Budget and Plan includes new projects. Key projects are as follows:

- *Lobbyist Registry System SOGR Replacement and Upgrade* in 2024 and 2025 ($0.7M) and 2031 ($0.4M)

- *TLR Investigation Case Management System SOGR Replacement and Upgrade in 2026 ($0.3M).*

Capital Needs Constraints
($0.0 Million)

Note:

For additional information, refer to Appendix 6 for a more detailed listing of the 2022 and 2023-2031 Capital Budget & Plan by project.

2022 – 2031 CAPITAL BUDGET AND PLAN

$1.4 Million 10-Year Gross Capital Program

Information Technology
$1.4 M   100%
• *TLR Investigation Case Management System SOGR*   • *Lobbyist Registry System SOGR*

How the Capital Program is Funded

City of Toronto		Provincial Funding	Federal Funding
$1.4 M **100%**		**$0.0 M** **0%**	**$0.0 M** **0%**
Debt	$1.4 M		

APPENDICES

Appendix 1

COVID-19 Impact and Recovery

N/A

Appendix 2

2022 Balancing Actions

N/A

Appendix 3

Summary of 2022 Service Changes

N/A

Appendix 4

Summary of 2022 New / Enhanced Service Priorities Included in Budget

N/A

Appendix 5

Summary of 2022 New / Enhanced Service Priorities Not Included in Budget

N/A

Appendix 6

2022 Capital Budget;
2023 - 2031 Capital Plan Including Carry Forward Funding

Project Code	(In $000s)	2022 Budget	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2022 - 2031 Total		Health & Safety & Legislated	SOGR	Growth & Improved Service
LR001	Lobbyist Registry System SOGR			350	350						400	1,100			1,100	
LR002	TLR Investigation Case Management System SOGR					250						250			250	
	Total Expenditures (including carry forward from 2021)			350	350	250					400	1,350			1,350	

Appendix 6a

2022 Cash Flow and Future Year Commitments Including Carry Forward Funding

N/A

Appendix 6b

2023 - 2031 Capital Plan

Project Code	(In $000s)	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2023 - 2031 Total		Health & Safety & Legislated	SOGR	Growth & Improved Service
LR001	Lobbyist Registry System SOGR		350	350						400	1,100			1,100	
LR002	TLR Investigation Case Management System SOGR				250						250			250	
	Total Expenditures		350	350	250					400	1,350			1,350	

Appendix 7

Reporting on Major Capital Projects: Status Update

N/A

Appendix 8

Summary of Capital Needs Constraints

(In $ Millions)

N/A

Appendix 9

2022 User Fee Changes

(Excludes User Fees Adjusted for Inflation)

Table 9a - New User Fees

N/A

Table 9b – Fees Above Inflation

N/A

Table 9c - User Fees for Discontinuation

N/A

Table 9d - User Fees for Technical Adjustments

N/A

Table 9e - User Fees for Transfers

N/A

Table 9f - User Fees for Rationalization

N/A

Appendix 10

Inflows and Outflows to/from Reserves and Reserve Funds

2022 Operating Budget

N/A

2022 – 2031 Capital Budget and Plan

N/A

Appendix 11

Glossary

Approved Position: Permanent or temporary positions that support the delivery of City services and service levels as approved by Council.

Actuals: An actual financial amount paid (or received) for the delivery of City services (these exclude any commitments to be paid in the future).

Capital Budget: A Capital Budget is the City's plan to acquire / build assets or extend the useful life of existing assets; an example of a capital expenditure is the construction of a new community centre.

Complement: Positions that support the delivery of City services and service levels as approved by Council.

New / Enhanced: New and enhanced service changes resulting in an increase in service levels from what was previously approved by Council.

Operating Budget: An Operating Budget is the City's annual plan to provide services to the residents of Toronto; the budget includes all revenues and expenses needed to provided services; an example of an operating cost would be the cost to run the TTC subways.

Recommended Operating / Capital Budget: An operating or capital budget recommended by Accountability Officer to City Council for consideration and approval.

State of Good Repair (SOGR): The cost of maintaining assets to ensure they are able to support the delivery of City services and meet service outcomes