

# 2023 Budget Notes

## Office of the Integrity Commissioner

Budget submissions from the Accountability Officers (Auditor General, Integrity Commissioner, Lobbyist Registrar and Ombudsman) have not been the subject of an administrative review and have not been submitted to the City Manager or Chief Financial Officer and Treasurer for review, approval or recommendation prior to submission to the Budget Committee as set out in Chapter 3 of the Toronto Municipal Code, "Accountability Officers."

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at 416-392-3826 or [integrity@toronto.ca](mailto:integrity@toronto.ca).

### Description

The Office of the Integrity Commissioner is responsible for providing advice, education, policy recommendations, and complaint resolution to City Council, local boards, their members, and the public on the application of the City's Codes of Conduct, *Municipal Conflict of Interest Act* (MCIA), bylaws, policies and legislation governing ethical behaviour.

### Why We Do It

The *City of Toronto Act, 2006* and Chapter 3 of the Toronto Municipal Code require that City Council appoint an Integrity Commissioner. The Commissioner, as one of the City's four Accountability Officers, helps foster public confidence in the City's government and serves the public, City Council, local boards and their members by:

- **Increasing stakeholder awareness** about the rules in the elected and appointed members' Codes of Conduct and the *Municipal Conflict of Interest Act (MCIA)* so they understand the high standards of conduct members are required to meet.
- **Giving proactive advice** to elected and appointed members to help them perform their duties in a way that best serves the public and protects and maintains the City of Toronto's reputation and integrity.
- **Resolving complaints fairly and impartially** to ensure that allegations of member misconduct are evaluated, investigated, and concluded in a timely manner so that, if there is found to be misconduct, it can be reported to the court, City Council, or local board to impose a penalty or order remedial action.
- **Providing Council and City Staff with expert policy advice** about matters dealing with ethics and integrity to improve the City of Toronto's public administration and governance.

The Integrity Commissioner may also be assigned additional duties respecting ethical matters by City Council to promote public trust, good governance, and to protect and maintain the City of Toronto's reputation and integrity.

*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.*

#### Office of the Integrity Commissioner:

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Integrity Commissioner

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## What Service We Provide

### Increasing Stakeholder Awareness

**Who We Serve:** The public, members of Council, members of local boards (restricted definition), staff in elected members' offices, staff of boards, and City staff who want to understand the standards of conduct and the obligations of members.

**What We Deliver:** The Office maintains a webpage with the Commissioner's reports, public statements, interpretation bulletins, as well as legislative updates, information about best practices, and a searchable database of advice. The Office regularly responds to inquiries from the public and the media. Additionally, the Commissioner makes reports and presentations to City Council, local boards, City staff, and external organizations about integrity and accountability at the City of Toronto and in government.

### Giving Proactive Advice to Appointed and Elected Members

**Who We Serve:** Members of Council and members of local boards (restricted definition) who request confidential advice about how to comply with the standards of conduct they are expected to meet.

**What We Deliver:** The Commissioner gives expert and timely advice about the interpretation and application of the applicable Code of Conduct, the MCIA, and any other relevant legislation and policies to ensure members are given the guidance they need to perform their duties in a way that protects and maintains the City of Toronto's reputation and integrity.

### Resolving Complaints Fairly and Impartially

**Who We Serve:** The public, members of Council, members of local boards (restricted definition), City Council, City staff, staff in elected member's offices, and staff of boards who believe that a member of Council or local board (restricted definition) has contravened the Code of Conduct and/or MCIA.

**What We Deliver:** The Office receives complaints about alleged violations of the Code of Conduct and/or the MCIA by elected and appointed members. The Office has adopted comprehensive Complaint and Application Procedures to ensure complaints are assessed, investigated, and reported fairly and impartially. The procedures protect both the public interest and the rights and interests of complainants and respondents. The Commissioner's findings are of public significance as the issues concern whether the City of Toronto's elected and appointed officials have met the high standards of conduct required of them in performing their duties. In order to uphold the principles of transparency and accountability, the Commissioner's findings of misconduct are reported to Council or the local board and MCIA proceedings are publicly open and held in court. Far beyond the penalties and remedial action that Council, a local board, or a judge may order, the outcomes are crucial for upholding the principle of democratic accountability.

### Providing Council and City Staff with Expert Policy Advice

**Who We Serve:** City Council and City staff seeking expert guidance to ensure policies are relevant and reflective of the highest standards of integrity.

**What We Deliver:** The Commissioner gives advice and makes recommendations to senior leaders in the City administration. The Commissioner also makes reports to Council, to ensure that the City of Toronto is a national leader in promoting high standards of conduct for government officials.

## Budget at a Glance

2023 OPERATING BUDGET			
\$Million	2023	2024	2025
Revenues	\$0.1	\$0.1	\$0.1
Gross Expenditures	\$0.8	\$0.8	\$0.8
Net Expenditures	\$0.7	\$0.7	\$0.7
Approved Positions	3.0	3.0	3.0

## How Well We Are Doing – Behind the Numbers (As of October 24, 2022)

### Increasing Stakeholder Awareness

- In respect of revising the City's three Codes of Conduct, the Commissioner:
  - met with the 21 of 26 members of Council who wished to be consulted (April/May 2022);
  - conducted a stakeholder/public consultation that included an online survey (May/June 2022);
  - wrote to the City BIAs (May 2022); and,
  - held an online townhall with members of Local Boards and Adjudicative Boards (June 2022).
- The Commissioner presented at an online seminar hosted by the Society of Ontario Adjudicators and Regulators (SOAR), in conjunction with the provincial Integrity Commissioner, about election-year requirements for public servants (April 2022).
- The Office responded to 135 inquiries from the public, City staff, the media and Ombudsman Ontario.
- The Commissioner sent 3 letters to members of Council providing advice and information about:
  - Environment Days, unsolicited requests, and how to accept donations (March 2022).
  - Requirements during the 2021 Provincial Election (February 2022).
  - Municipal election period FAQs (September 2022).
- The Commissioner issued 3 new interpretation bulletins for members of Council on:
  - Rules before Leaving Office and Post-Service Obligations (April 2022).
  - 2022 Municipal Election Requirements (March 2022).
  - Use of Social Media by Members of Council (March 2022).
- The Commissioner issued 2 new interpretation bulletins for members of local boards on:
  - Political Activity Rules (April 2022).
  - Use of Social Media and Websites (April 2022).
- The Commissioner wrote to the City BIAs regarding their obligations during the municipal election (May 2022).
- The Commissioner participated in 1 meeting of the Municipal Integrity Commissioners of Ontario (MICO) and the Office posted 16 investigation reports from MICO to the CanLII database.
- The Office continued to partner with the Community Research Partnerships in Ethics (CRPE) program at the University of Toronto. The Office is working with a student for the 2022/23 academic year.
- The Commissioner responded to 8 media inquiries.

### Giving Proactive Advice to Appointed and Elected Members

- The Commissioner gave advice on 84 questions from members of Council and 25 questions from members of local boards.
- The Office received and processed 3 travel declaration forms.

### Resolving Complaints Fairly and Impartially

- Under Codes of Conduct, the Commissioner submitted:
  - 1 report to Council having found no misconduct about a member of Council (February 2022).
  - 1 report to a local board dealing with complaints about 3 members. One complaint was dismissed but two complaints were upheld (August 2022).
- The Commissioner dismissed one application under the MCIA.
- The Commissioner terminated 6 complaints and 1 application in advance of the municipal election.
- Of the complaints received in 2022, 82% were closed following a review and/or investigation.
- The average and median number of days to complete an investigation are 276 and 251, respectively.
- The average and median number of days to close a complaint at the intake stage are 42 and 29 respectively.

### Providing Council and City Staff with Expert Policy Advice

- In March 2022, the Commissioner's annual report included recommendations for legislative reform to address harassment by elected officials.
- In June 2022, Council approved the Commissioner's report to Council that updated and redrafted the Codes of Conduct for: Members of Council; Members of Local Boards; and, Members of Adjudicative Boards.
- In July 2022, the Commissioner submitted a letter to Council with respect to the City's municipal election year policies and the rules restricting the publication and distribution of newsletters.

## How Well We Are Doing

Service	Measure	2020 Actual	2021 Actual	2022 Target	2022 Projection	Status	2023 Target	2024 Target
<b>Outcome Measures</b>								
Increasing Stakeholder Awareness	Yearly meetings/presentations to members of Council and their staff	23 (88%)	22 (100%)	26 (100%)	26	N/A	26 (100%)	26 (100%)
Giving Proactive Advice to Appointed and Elected Members	Provide advice to members of Council within two business days	74%	75%	75%	80%	●	75%	75%
Giving Proactive Advice to Appointed and Elected Members	Provide advice to members of local boards within two business days	52%	75%	75%	68%	●	75%	75%
Resolving Complaints Fairly and Impartially	Complaints closed in same year received	76%	75%	75%	82%	●	75%	75%
Providing Council and City Staff with Expert Policy Advice	Provide relevant and timely policy recommendations	1	1	TBC	3	●	TBC	TBC
<b>Service Level Measures</b>								
Increasing Stakeholder Awareness	Number of inquiries responded to	191	180	180	150	●	150	150
Giving Proactive Advice to Appointed and Elected Members	Amount of advice provided to members of Council	74	100	100	90	●	100	100
Giving Proactive Advice to Appointed and Elected Members	Amount of advice provided to members of local boards	27	35	35	35	●	35	35

Service Level Measures								
Resolving Complaints Fairly and Impartially	Average number of days to complete an investigation	282	270	270	276	●	270	270
Resolving Complaints Fairly and Impartially	Median number of days to complete an investigation	249	240	240	251	●	240	240
Resolving Complaints Fairly and Impartially	Average number of days to close a dismissal case	52	50	50	42	●	50	50
Resolving Complaints Fairly and Impartially	Median number of days to close a dismissal case	32	30	30	29	●	30	30

**2022 Projection to 2022 Target Comparison**  
 ● 80% - 100%    ● 64 - 79%    ● 63% and Under

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## COVID-19 IMPACT AND RECOVERY

### 2023 Impact and Recovery

#### Operating Budget Impact

- There are no significant budget impacts expected in 2023 related to COVID-19.

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#### Service Level Changes

- Not applicable
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## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success (As of October 24, 2022)

- Provided 109 pieces of advice for 84 questions from members of Council and 25 questions from members of local boards.
- Provided advice to members of Council within two days or less 92% of the time.
- Provided advice to members of local boards within two days or less 68% of the time.
- Processed 3 travel declarations.
- Concluded 82% of complaints received in 2022.

### Key Challenges and Risks

- Concurrent and/or complex requests for advice result in delay.
- Concurrent and/or complex investigations impact the conclusion of other investigations.
- MCIA investigations must be completed within tight/mandatory timelines.
- The MCIA requires the Commissioner to begin legal proceedings if misconduct is found.
- Witnesses who refuse to comply with summonses cause delay and hamper investigations; enforcing summonses requires external legal resources.
- Complex and/or large investigations may require external legal/forensic resources for completion.
- Investigations and reports may be subject to legal challenge.
- Without the flexibility to retain specialized external legal/forensic resources on a temporary basis, the capacity of the Office to provide advice and complete investigations on complex/numerous matters is compromised.
- Policies need to be reviewed and updated.
- Training and outreach for members and staff needs to be continually updated and provided.

### Priority Actions

- Provide timely advice and updated training to members and staff.
- Develop virtual training opportunities for board members and staff.
- Create easy to use forms and easy to understand educational materials for stakeholders.
- Maintain the capacity of the Office to deal with concurrent or complex investigations and matters under the Code of Conduct and MCIA.

## RECOMMENDATIONS

The Integrity Commissioner recommends:

1. The 2023 Operating Budget for the Office of the Integrity Commissioner of \$0.760 million gross, \$0.100 million revenue and \$0.660 million net:

	<b>Gross Expenditures (\$000s)</b>	<b>Revenue (\$000s)</b>	<b>Net Expenditures (\$000s)</b>
<b>Total Office Budget</b>	<b>759.6</b>	<b>100.0</b>	<b>659.6</b>

2. The 2023 staff complement for the Office of the Integrity Commissioner of 3.0 positions.



# **2023 OPERATING BUDGET**

## 2023 OPERATING BUDGET OVERVIEW

Table 1: 2023 Operating Budget

(In \$000s)	2021 Actual	2022 Budget	2022 Projection*	2023 Base Budget	2023 New / Enhanced	2023 Budget	Change v. 2022 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Office of the Integrity Commissioner	22.5	100.0	98.1	100.0		100.0	1.9	2.0%
<b>Total Revenues</b>	<b>22.5</b>	<b>100.0</b>	<b>98.1</b>	<b>100.0</b>		<b>100.0</b>	<b>1.9</b>	<b>2.0%</b>
<b>Expenditures</b>								
Office of the Integrity Commissioner	662.2	761.6	774.5	759.6		759.6	(14.9)	(1.9%)
<b>Total Gross Expenditures</b>	<b>662.2</b>	<b>761.6</b>	<b>774.5</b>	<b>759.6</b>		<b>759.6</b>	<b>(14.9)</b>	<b>(1.9%)</b>
<b>Net Expenditures (including COVID-19)</b>	<b>639.7</b>	<b>661.6</b>	<b>676.5</b>	<b>659.6</b>		<b>659.6</b>	<b>(16.9)</b>	<b>(2.5%)</b>
<b>Required COVID-19 Support</b>								<b>N/A</b>
<b>Net Budget (excluding COVID-19 supports)</b>	<b>639.7</b>	<b>661.6</b>	<b>676.5</b>	<b>659.6</b>		<b>659.6</b>	<b>(16.9)</b>	<b>(2.5%)</b>
<b>Approved Positions**</b>	<b>3.0</b>	<b>3.0</b>	<b>N/A</b>	<b>3.0</b>		<b>3.0</b>	<b>N/A</b>	<b>N/A</b>

\* 2022 Projection based on 9 Month Variance

\*\*YoY comparison based on approved positions

### KEY COST DRIVERS – FUNDING PRIORITIES

**Total 2023 Budget** expenditures of \$0.760 million gross reflecting a decrease of \$0.015 million in spending below 2022 projected year-end actuals, predominantly arising from:

- Decrease in the overall services and rents budget mostly due to the reversal of one-time requirement in 2022 related to the digitization of the archival records to increase efficiency, reduce space and support the hybrid working arrangements.
- Decrease in salaries and benefits to align budget to projected actual.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in the Office of the Integrity Commissioner's 2023 Operating Budget do not have any significant equity impacts.

## 2023 OPERATING BUDGET KEY DRIVERS

The 2023 Operating Budget for the Office of the Integrity Commissioner is \$0.760 million gross or 1.9% lower than the 2022 Projected Actuals. Table 2 below summarizes the key cost drivers for the 2023 Budget.

**Table 2: 2023 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2020 Actual	2021 Actual	2022 Budget	2022 Projection*	2023 Budget	2023 Change from 2022 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies							
Federal Subsidies							
Other Subsidies							
User Fees & Donations							
Licences & Permits Revenue							
Transfers From Capital							
Contribution From Reserves/Reserve Funds		22.5	100.0	98.1	100.0	1.9	2.0%
Sundry and Other Revenues							
Inter-Divisional Recoveries							
<b>Total Revenues</b>		<b>22.5</b>	<b>100.0</b>	<b>98.1</b>	<b>100.0</b>	<b>1.9</b>	<b>2.0%</b>
Salaries and Benefits	504.7	552.4	528.2	543.0	535.4	(7.6)	(1.4%)
Materials & Supplies	0.7	1.1	0.7		0.7	0.7	
Equipment	0.9	0.7	0.3	0.2	0.3	0.2	103.3%
Service and Rent	7.8	17.9	142.4	141.3	133.2	(8.1)	(5.7%)
Contribution To Capital							
Contribution To Reserves/Reserve Funds	101.4	90.0	90.0	90.0	90.0		
Other Expenditures							
Inter-Divisional Charges							
<b>Total Gross Expenditures</b>	<b>615.5</b>	<b>662.2</b>	<b>761.6</b>	<b>774.5</b>	<b>759.6</b>	<b>(14.9)</b>	<b>(1.9%)</b>
<b>Net Expenditures</b>	<b>615.5</b>	<b>639.7</b>	<b>661.6</b>	<b>676.5</b>	<b>659.6</b>	<b>(16.9)</b>	<b>(2.5%)</b>

\*Projection based on 9 Month Variance

### Key Base Drivers:

#### Salaries & Benefits:

Decrease in salaries and benefits of \$0.008 million in gross expenditures is related to the realignment of budget to projected actual. The 2022 actual includes Council-approved COLA and other salary adjustments with offsetting funding reflected in Corporate accounts. The 2023 budget excludes COLA and salary adjustments per Corporate budget guidelines.

#### Services and Rents:

Decrease in services and rents of \$0.008 million is due to the reversal of one-time requirement in 2022 to digitize archival records to increase efficiency, reduce space and support the hybrid working arrangements, partially offset by increases related to economic factor adjustments. The services and rents budget includes base operational funding for legal and expert/forensic investigative expenses to ensure the Office has the capacity to meet appropriate service levels, deal with concurrent and/or complex matters, and meet statutory time limits.

#### Contribution from Reserve:

Increase in contribution of \$0.002 million from the OIC External Legal and Investigative Expense Reserve fund is to maintain the budgeted contribution levels to ensure that there is adequate reserve balance to support statutory and operational requirements. The reserve fund was approved by Council in 2020 to ensure the Office has the capacity and independence to: (1) manage, on an as-needed basis, concurrent and complex cases by retaining expert/forensic investigative services and external legal services; and, (2) retain legal counsel to represent the Office in any judicial reviews or other proceedings in which legal representation is required.

## 2024 &amp; 2025 OUTLOOKS

Table 3: 2024 and 2025 Outlooks

(\$000s)	2023 Budget	2024 Incremental Outlook	2025 Incremental Outlook
<b>Revenues</b>			
Revenue Changes			
<b>Total Revenues</b>	<b>100.0</b>		
<b>Gross Expenditures</b>			
Salaries and Benefits		4.9	(0.9)
Inflationary Impacts		3.3	3.4
<b>Total Gross Expenditures</b>	<b>759.6</b>	<b>8.2</b>	<b>2.5</b>
<b>Net Expenditures</b>	<b>659.6</b>	<b>8.2</b>	<b>2.5</b>
<b>Approved Positions</b>	<b>3.0</b>		

## Key drivers

The 2024 Outlook with total gross expenditures of \$0.768 million reflects an anticipated \$0.008 million or 1.08% increase in gross expenditures above the 2023 Operating Budget. The 2025 Outlooks expects a further increase of \$0.002 million or 0.32% above 2024 gross expenditures.

These changes arise from the following:

- Salary and benefit adjustments related to two additional working days in 2024 and one additional working day in 2025 compared to 2023.
- Economic factor adjustments for non-payroll items

# APPENDICES

**Appendix 1**

**COVID-19 Impact and Recovery**

**N/A**

**Appendix 2**

**2023 Affordability Measures**

**N/A**

**Appendix 3**

**Summary of 2023 Service Changes**

**N/A**

**Appendix 4**

**Summary of 2023 New / Enhanced Service Priorities Included in Budget**

**N/A**

**Appendix 5**

**Summary of 2023 New / Enhanced Service Priorities Not Included in Budget**

**N/A**

**Appendix 6**

**2023 Capital Budget;  
2024 - 2032 Capital Plan Including Carry Forward Funding**

**N/A**

**Appendix 6a**

**2023 Cash Flow and Future Year Commitments Including Carry Forward Funding**

**N/A**

**Appendix 6b**

**2024 - 2032 Capital Plan**

**N/A**

**Appendix 7**

**Reporting on Major Capital Projects: Status Update**

## **Appendix 8**

### **Capacity to Spend Review**

**N/A**

## **Appendix 9**

### **Summary of Capital Needs Constraints**

**N/A**

### **2023 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 2023 Operating Budget

#### Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2023	2024	2025
		\$	\$	\$
<b>Beginning Balance</b>		<b>159.6</b>	<b>149.6</b>	<b>139.6</b>
OIC External Legal and Investigative Expense RF	XR1415			
<i>Withdrawals (-)</i>		(100.0)	(100.0)	(100.0)
<i>Contributions (+)</i>		90.0	90.0	90.0
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>149.6</b>	<b>139.6</b>	<b>129.6</b>
<b>Balance at Year-End</b>		<b>149.6</b>	<b>139.6</b>	<b>129.6</b>



## 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).

**Complement:** Positions that support the delivery of City services and service levels as 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.

**Tax Supported Budget:** Budget funded by property taxes.