

**Presentation to the Audit Committee
on February 12, 2026
Agenda Item AU11.1**



Auditor General's 2025 Annual Report

Demonstrating the Value of the Auditor General's Office

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Auditor General

AUDITOR GENERAL --- TORONTO



Presentation Overview

- A. 2025 Highlights
- B. Key Performance Indicators
 - 1. Add Value to the City
 - 2. Make a Positive Difference
 - 3. Show Leadership
- C. Recap and Final Remarks

2025 Highlights

12 Reports with **81** Recommendations

\$9.7 Return for Every Dollar Invested

Knighton Award Winner



Cybersecurity

Governance and
Resource Planning



Community
Services

Procurement and
Contract Management



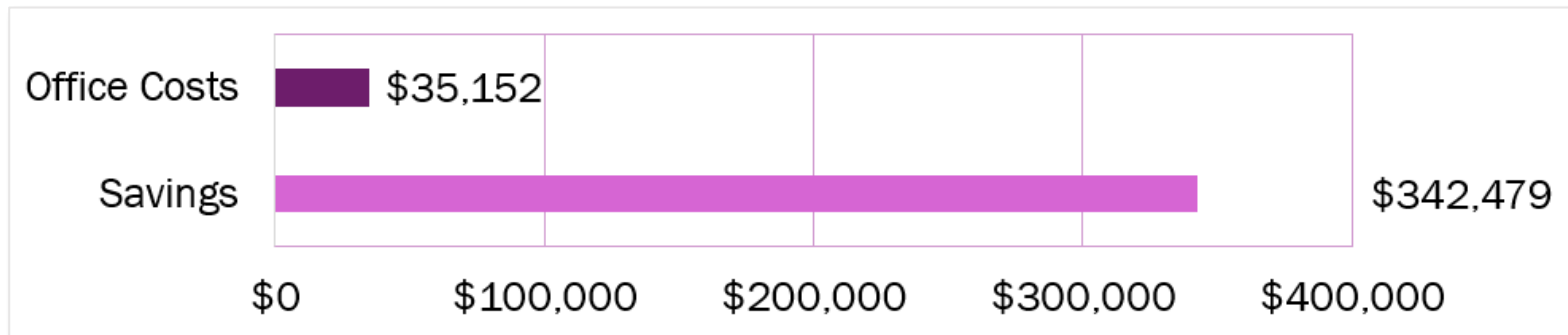
1. Add Value to the City

Total Cumulative Estimated Savings: \$342 Million

Return on Investment of AGO: \$9.74

Table 1: Cumulative One-Time and Annual Recurring Savings Projected Over a Five-year Period (in \$000s), Auditor General's 2021 to 2025 Annual Reports

Year of Savings	Year of Annual Report					
	2021 (in \$000s)	2022 (in \$000s)	2023 (in \$000s)	2024 (in \$000s)	2025 (in \$000s)	Total (in \$000s)
2021	\$90,998					\$90,998
2022	\$9,882	\$3,058				\$12,940
2023	\$9,944	\$2,922	\$42,439			\$55,305
2024	\$9,432	\$2,922	\$23,592	\$11,557		\$47,503
2025	\$9,180	\$2,379	\$19,392	\$2,570	\$36,558	\$70,079
2026	\$4,563	\$1,879	\$18,908	\$2,570	\$8,977	\$36,897
2027		\$1,454	\$18,413	\$2,570	\$3,177	\$25,614
2028			\$11	\$2,533	\$466	\$3,010
2029				\$10	\$77	\$87
2030					\$46	\$46
Total	\$133,999	\$14,614	\$122,755	\$21,810	\$49,301	\$342,479



One-time and Annually Recurring Savings Projected Over Five-Year Period (in \$000s), 2025

Table 2: One-Time and Annual Recurring Savings Projected Over a Five-year Period (in \$000s) Recognized in 2025, Auditor General's Office

		One-Time/ Retro/ 2025 (in \$000s)	2026 (in \$000s)	2027 (in \$000s)	2028 (in \$000s)	2029 (in \$000s)	2030 (in \$000s)	Total (in \$000s)	Annual Report Pg #	Budget Impact See Legend
Savings Realized from Prior Year Reports										
1	Fleet Services Operational Review, 2019 (3 reports)	6,188	2,494	2,494	364			11,540	35	PY/IY OS NP
2	Review of Urban Forestry - Permit Issuance and Tree By-law Enforcement Require Significant Improvement, 2018	1,667						1,667	36	IY
3	Review of Urban Forestry – Ensuring Value for Money for Tree Maintenance Services, 2019-2021 (2 reports)	3,060	610					3,670	37	IY AC
4	Review of the Green Lane Landfill Operations – Management of Contracts Needs Improvement, 2018	5,500						5,500	37	PY/IY
5	Audit of Water Billing and Collection – Phase II: Part 1 – Incorrect Vacant Land Status Properties Reduces City's Property Tax Revenue, 2016	1,730						1,730	38	IY NP
6	Part 2 of the Audit of Emergency Shelters: Lessons Learned from Hotel Operations, 2022	6,928	5,195					12,123	39	IY AC OS
7	Improving Controls Over Property Tax Assessments and Payment in Lieu of Taxes, 2015	9,700						9,700	40	IY NP
Savings from Fraud & Waste Hotline Program										
	2025 Recoveries and Avoided Costs	59	103	108	102	77	46	495	23	IY / AC
8	Installation and Maintenance of Traffic Signs Contract - Follow up on Complaints Received, 2022	1,726	575	575				2,876	41	IY AC OS
Total One-time and Recurring Savings		36,558	8,977	3,177	466	77	46	49,301		

Quantifiable Financial Impact – Example

\$11.5 Million in combined one-time and annually recurring savings projected over five years

Fleet Services (together with divisions across the City) has taken actions to address our 2019 audit recommendations about:

- better managing and reducing underutilized vehicles
- improving City vehicle use, thereby reducing the need for employees to use personal vehicles, and related kilometrage reimbursement costs



Examples of Additional Potential Future Financial Benefits Included in the City's 2025 Budget Notes



- Toronto Transit Commission

- Technology Services



- Pension, Payroll, and Employee Benefits

The potential savings and non-quantifiable benefits identified in 2025 and 2026 Budget Notes are not yet verified as realized, and therefore not yet reflected in our saving calculations.

2. Make a Positive Difference

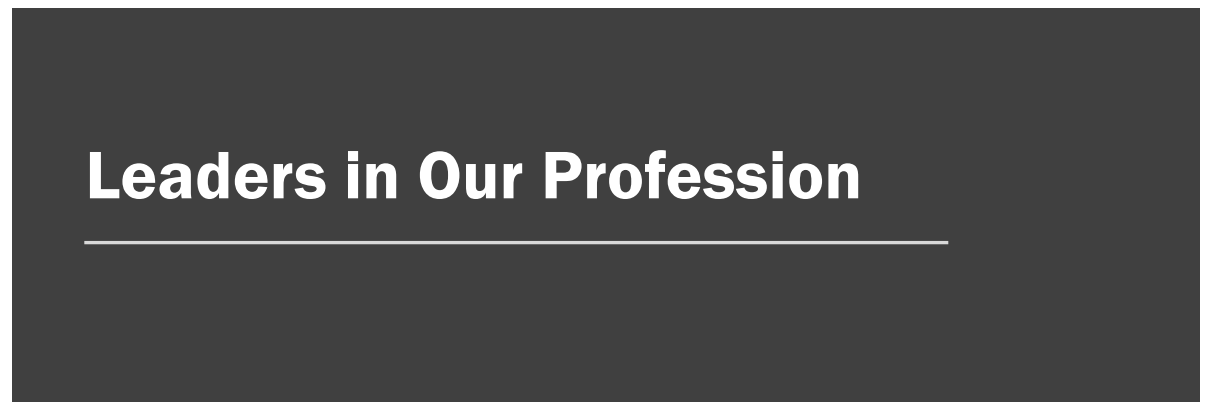
In 2025, we made impactful recommendations that also had non-financial benefits to:



3. Show Leadership

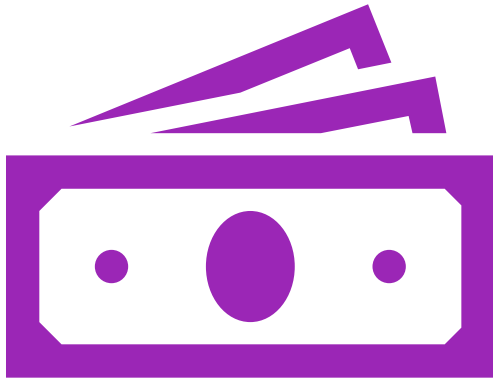
Knighton Award – Recognizing Excellence in Performance Auditing



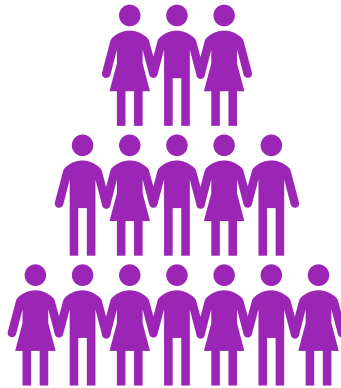


Recap:

1. Add Value to the City
2. Make a Positive Difference
3. Show Leadership



\$342M Cumulative
Estimated Savings
\$9.74 Return on
Investment



Improving program
outcomes for
Torontonians



Leaders in our Profession

Our Team

Our diversity strengthens the Office and enriches the work we do



**AUDITOR
GENERAL**

TORONTO