



REPORT FOR ACTION

Auditor General's 2025 Annual Report - Demonstrating the Value of the Auditor General's Office

Date: January 29, 2026

To: Audit Committee

From: Auditor General

Wards: All

SUMMARY

This report provides information about the Auditor General's Office 2025 activities and the financial and non-financial benefits achieved by the City through its implementation of Auditor General report recommendations.

In 2025, the Auditor General's Office completed 12 impactful audit, investigation, and other subject matter reports, containing 81 recommendations, as well as our 2025 follow-up reports.

Every year we share the measurable financial impact of our work through a quantified return on investment. The City has achieved cumulative one-time and annually recurring savings projected over a five-year period totaling over \$342 million (as reported in our 2021 to 2025 Annual Reports) by implementing our recommendations. The cumulative cost of operating the Auditor General's Office from 2021 to 2025 was approximately \$35.2 million. Based on these numbers, for every dollar invested in the Auditor General's Office there was a return of \$9.74.

Equally important are the non-financial benefits that arise from our work. These include improvements to the effectiveness of City programs, systems, processes, and controls. Our recommendations also help to ensure City resources are used efficiently to deliver services and programs that improve life for Torontonians.

RECOMMENDATIONS

The Auditor General recommends that:

1. City Council receive this report for information.

FINANCIAL IMPACT

There is no financial impact resulting from the adoption of the recommendation in this report.

DECISION HISTORY

The Auditor General's legislated responsibilities, powers and duties are established in Section 178 of the *City of Toronto Act, 2006* (the Act). Under Section 178(1) of the Act, the Auditor General is responsible for assisting City Council in holding itself and City administrators accountable for the quality of stewardship over public funds and for achievement of value for money in City operations. The Auditor General conducts performance audits, investigations, cybersecurity assessments, and other work to fulfill this mandate.

The Toronto Municipal Code requires that the Auditor General report annually to City Council on the activities of the Office, including the savings achieved. Accordingly, the Auditor General has consistently provided annual reports on the benefits of the work completed by the Office.

COMMENTS

The Auditor General's report entitled "Auditor General's 2025 Annual Report – Demonstrating the Value of the Auditor General's Office" is attached as Attachment 1.

The report includes an overview of major activities of the Auditor General's Office in 2025, and the financial and non-financial benefits resulting from the implementation of recommendations made previously by the Auditor General.

CONTACT

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SIGNATURE

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Auditor General

ATTACHMENTS

Attachment 1: Auditor General's 2025 Annual Report – Demonstrating the Value of the Auditor General's Office