



**2018-19
Annual
Report**





October 2019

The Honourable Nathan Cooper
Speaker of the Legislative Assembly
352 Legislature Building
10800 - 97 Avenue NW
Edmonton, AB T5K 2B6

Dear Speaker Cooper:

The Alberta Ombudsman's office is pleased to present its 52nd Annual Report to you and through you, to the Legislative Assembly.

The Report has been prepared in accordance with section 28(1) of the *Ombudsman Act* and covers the activities of the Alberta Ombudsman's office for the period April 1, 2018 through March 31, 2019.

Respectfully,

Marianne Ryan
Alberta Ombudsman

/lja

www.ombudsman.ab.ca

Calgary Office: 801 - 6 Avenue, Suite 2560 Calgary, AB T2P 3W2 | P: 403.297.6185 F: 403.297.5121
Edmonton Office: 9925 - 109 Street NW, Suite 700 Edmonton, AB T5K 2J8 | P: 780.427.2756 F: 780.427.2759
Toll free: 1.888.455.2756 | Email: info@ombudsman.ab.ca

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Message from the Ombudsman

Albertans expect the highest standards for public service. At the Alberta Ombudsman's office, we understand that public service organizations may, however, go through periods of highs and lows – times where they are not at their best and their products and services fail to meet expected standards. In the public service, this often shows up to those relying on government programs – the people pursuing services that impact key elements of their lives. These are people who are not subject-matter experts and do not have the time, ability or resources to deal with unfair treatment. However, it is still reasonable and appropriate for these everyday Albertans to expect fair treatment for issues and decisions affecting their lives.



"I'm proud to say that our Ombudsman staff make it their mission to ensure people are treated fairly and to help make things right. We can look deeper into an issue while acting independently of the two opposing parties. Our focus is not on advocating for one side or the other but for the fairness of the situation."

For example, we may call for a government ministry to revisit a situation and explain the reasons for their decision more fully. Or we may determine a provincial or municipal body acted fairly and so will channel our efforts into helping the complainant better understand their position.

These concepts are at the heart of the Alberta Ombudsman's work and I have the great pleasure of presenting them by way of our office's 2018-19 annual report: *Leading in Fairness*.

Our theme this year centres on our first year executing on the changes to the *Ombudsman Act*, to include municipalities. As expected with this addition, the body of organizations we have the authority to investigate nearly doubled in size, bringing about the busiest year since the office first opened 52 years ago. In this year's report, our feature article about municipalities, *Building the Relationship and Finding Common Ground – one case at a time* tells the story of our first year open to these complaints, along with notable observations, trends and statistics.

In 2018-19, we received over 5,000 complaints of unfair treatment by provincial government authorities, municipalities, the Patient Concerns Resolution Process of Alberta Health Services, health professions and other designated professional organizations. Despite the increase in volume, the rate at which we have been able to bring cases to a close remained

strong. This year, we present our statistics in a fresh new way to engage audiences more effectively while continuing to demonstrate the good work of the office.

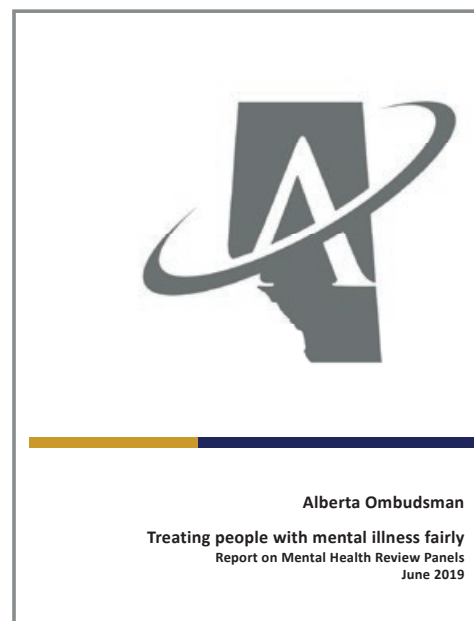
Perhaps most importantly, through our report, we tell the story of the people who make use of our services — the grandmother seeking visitation with grandchildren in protective services, the municipal taxpayer penalized for late payment, the cancer survivor with unique needs and the city chief administrative officer who, upon hearing from us, went the extra mile to help a flooded homeowner fully understand his situation.

Complaints can also be a catalyst for learning and to inspire administrative improvements. For example, late in 2018-19, we concluded an own motion investigation into broad areas of unfairness with Alberta's Mental Health Review Panels. We launched the investigation because previous recommendations our office made to the panels in 2014 had not been fully implemented. One of my main concerns was the review panels were not ensuring patients with mental illness were receiving access to their medical records which would explain the reasons for their detention or forced treatment. After the investigation, we made 9 recommendations for improvement and later released a report to our website, titled: *Treating people with mental illness fairly – a report on Mental Health Review Panels*. We continue to monitor the implementation of these recommendations as we monitor fair treatment for other vulnerable groups prone to falling through the gap between need and affordable, accessible services.

As an independent and neutral third party, we take seriously our role in collaborative resolution and as a driver for positive change. With a look ahead, we will continue to bring to the attention of organizations and authorities these examples of unfairness and systemic maladministration. We will continue to report on what is working well and provide the opportunity for education, growth and advancements to fair processes.

In closing, I would like to thank the entire Ombudsman team for their agility approaching change this past year, for the strong foundation of trust they are building with municipalities and their dedication to leading fairness across all of our sectors, one case at a time.

Marianne Ryan
Alberta Ombudsman





Our **Vision** is equitable treatment for all

Serving Albertans

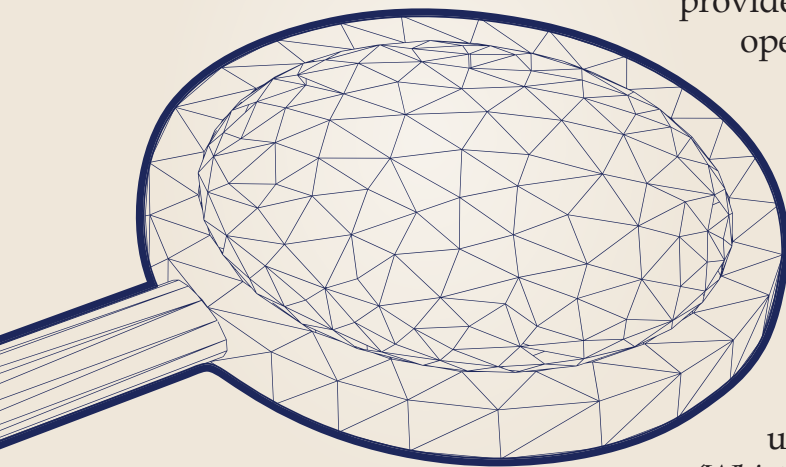
Each year, our office hears from thousands of people, looking for help in resolving complaints about unfair treatment. We are the office of last resort and our work begins after all other complaint processes, including any available mechanisms for appeal, have been exhausted. By the time the complaint is ready for us, people are often frustrated and overwhelmed with having tried to resolve their issues directly with the department, organization or municipality. They are ready for someone to take the lead, help answer their questions, decode the complexity and determine if the perceived unfairness is real.

It is a responsibility we take seriously and with that in mind, we have titled this year's annual report: *Leading in Fairness*.

Our **Mission** is to provide oversight to ensure fair treatment through independent investigations, recommendations and education for all Albertans

Who We Are

The Alberta Ombudsman's office was established on September 1, 1967 with the passage of the *Ombudsman Act*. This legislation provides us with the authority and mandate to operate.



Our office is made up of three teams of investigators and their managers, corporate staff members, general counsel and executive managers. All are responsible for playing a valuable role in the day-to-day operations.

The Ombudsman is also Alberta's Public Interest Commissioner, acting under the *Public Interest Disclosure (Whistleblower Protection) Act* to facilitate a safe avenue for public service employees to report wrongdoing. The Commissioner, along with the Deputy, oversees this investigative team in conducting fair, impartial investigations into serious and significant matters of wrongdoing that may be unlawful, dangerous to the public or injurious to the public interest.

The two offices maintain separate investigative operations but do share corporate services and executive management.

Our Values

Integrity. Respect. Accountability. Independence

What We Do

Our role is to safeguard people's rights to fair treatment and under the *Ombudsman Act*, we have the jurisdiction to investigate any administrative decision, recommendation, act or omission of a jurisdictional authority. In other words, we investigate to determine if the delivery of public services has been consistent with the relevant legislation, policies and procedures of the organization.

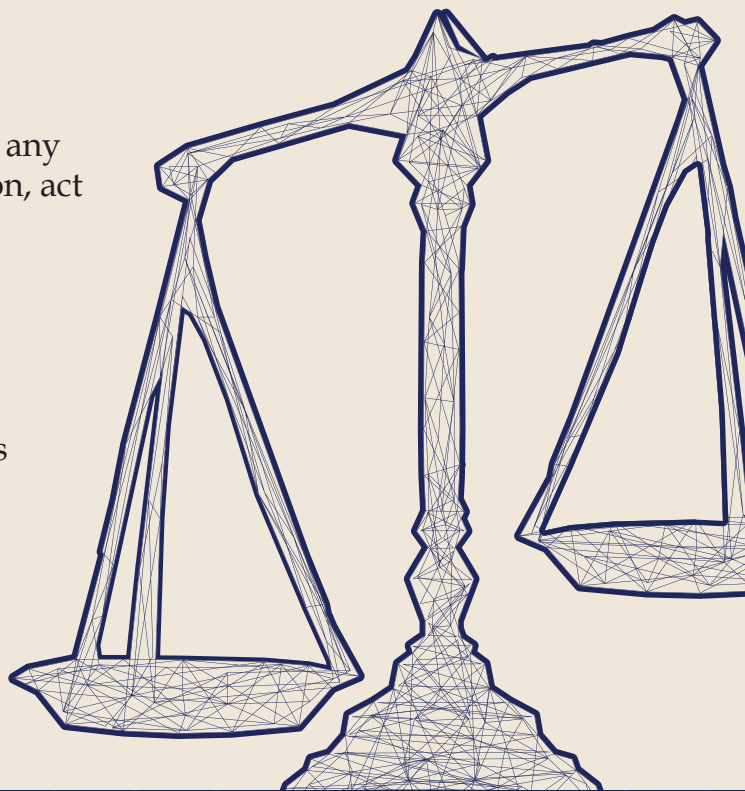
The duty to act fairly describes the general manner in which decisions should be made when a person's rights, interests and privileges are at stake. Our office uses guidelines rooted in administrative law to determine whether an authority has provided its services in a procedurally fair manner. The Ombudsman considers it highly likely that a decision-maker who follows a fair procedure will reach a fair outcome.

There are many steps to our process and fair resolution is the goal. Our services are available to all Albertans and we deliver them at no expense and without taking sides.

Who We Investigate

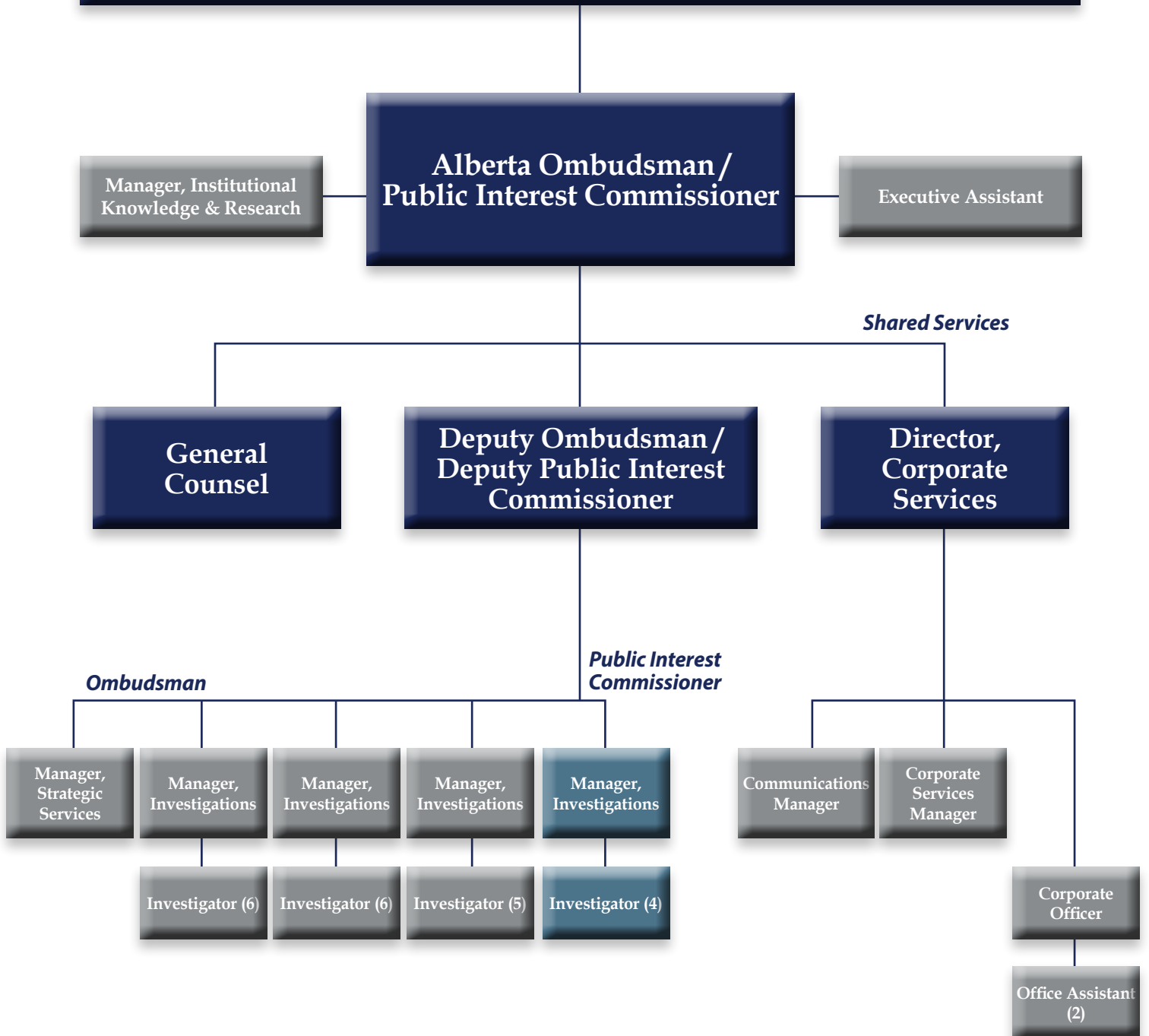
Our jurisdiction allows us to investigate any administrative decision, recommendation, act or omission of:

- Alberta provincial government departments, agencies, boards and commissions
- Alberta municipalities
- Patient Concerns Resolution Process of Alberta Health Services
- Self-regulated health professions proclaimed under the *Health Professions Act*
- Other designated professional authorities



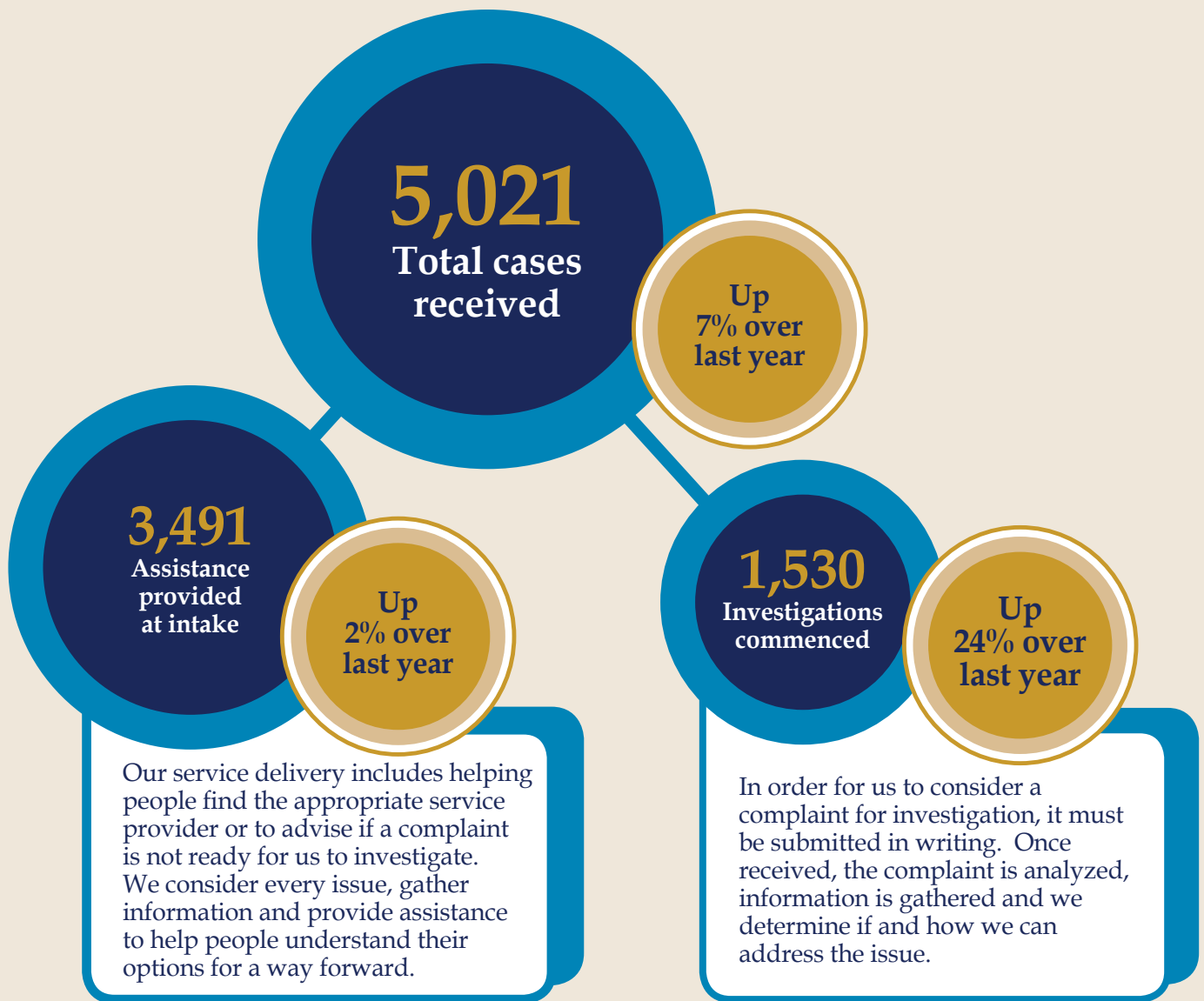
LEGISLATIVE ASSEMBLY OF ALBERTA

STANDING COMMITTEE ON LEGISLATIVE OFFICES



Year at a Glance

Our 2018-19 statistics



Not all written complaints are eligible for investigation and not all investigations find unfair treatment. However, if an investigation does reveal an unfair process or decision, the Ombudsman will work to improve the situation, communicate the findings and when needed, make formal recommendations to the authority.

Year at a Glance

Our 2018-19 statistics

Fiscal year time line for investigations



Investigations closed



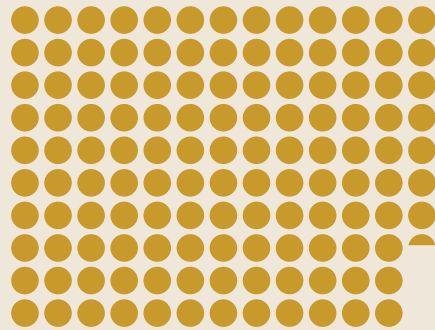
Year at a Glance

Our 2018-19 statistics

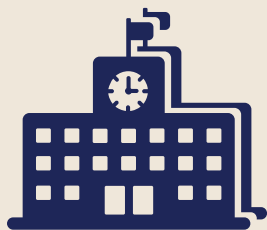
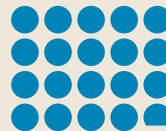
Investigations by sector



Government
Departments
1,274



Municipalities
198



Professional
Colleges
58

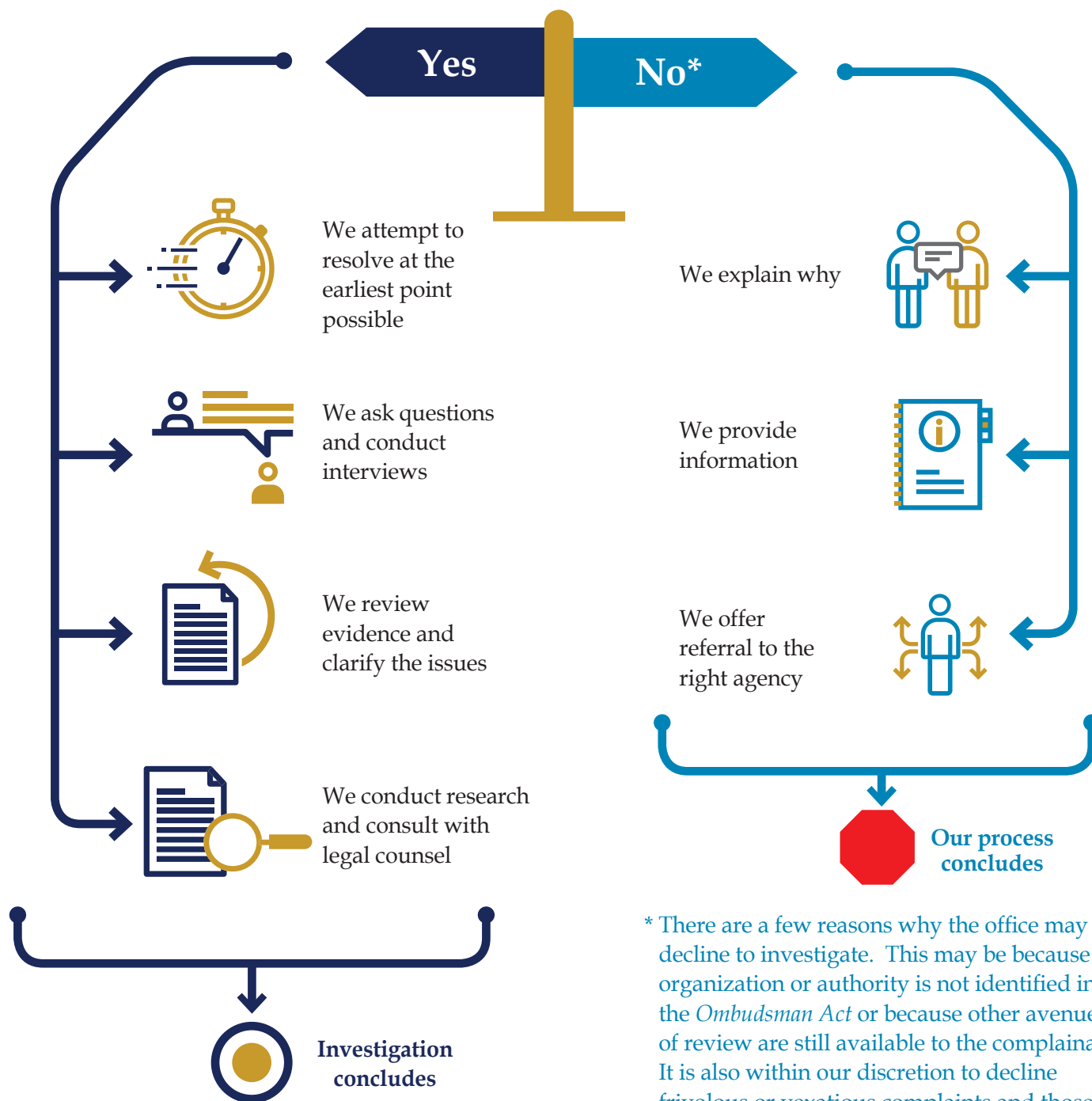


Our Written Complaint Process

The office has received a complaint. What happens next?

Upon receipt, investigators analyze all written complaints to determine if the Ombudsman has jurisdiction and if the complainant has exhausted all available appeals or reviews.

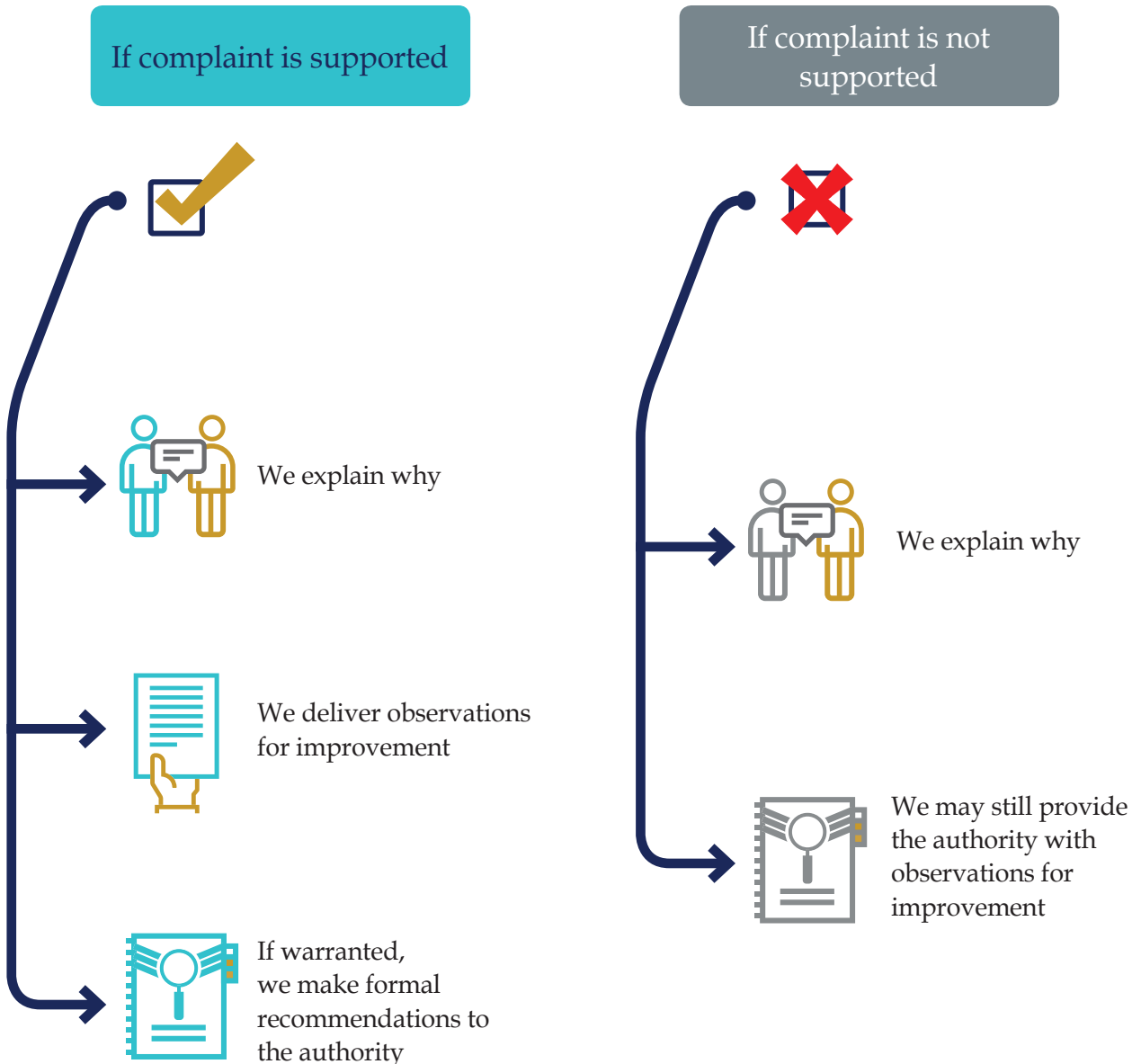
Will the Ombudsman investigate?



* There are a few reasons why the office may decline to investigate. This may be because the organization or authority is not identified in the *Ombudsman Act* or because other avenues of review are still available to the complainant. It is also within our discretion to decline frivolous or vexatious complaints and those older than 12 months.

Our Written Complaint Process

 The office has determined an outcome in the case.
Now what?



Building Relationships and Finding Common Ground

One case at a time

Upon assuming responsibility on April 1, 2018, to investigate complaints about Alberta's municipalities, the primary task of the Alberta Ombudsman has been to instill confidence in both municipalities and complainants that involving the Ombudsman is a fair and effective way to resolve complaints.

In recognition that municipalities might find oversight from a third party an adjustment, the education process started before April 1, 2018. The Ombudsman worked with the Alberta Municipal Affairs ministry to inform chief administrative officers and senior officials about what to expect when contacted by the Ombudsman. The Ombudsman and her staff met civic leaders at meetings of municipal associations and through direct contact. The Ombudsman continues to accept invitations to gatherings of municipal leaders. Building relationships is a prerequisite allowing the Ombudsman to effectively help parties resolve issues in a timely manner.

After going live on April 1, 2018, theory became practice. Municipalities began hearing from the Ombudsman as a result of complaints received from citizens about their municipality. The first consideration by an Ombudsman investigator is to ensure the citizen has completed the review and appeal processes within the municipality. If not complete, the Ombudsman's involvement is premature and the complainant will be referred back to the jurisdiction with advice on how to proceed to the next step.

If all avenues of appeal are exhausted, the next step is to attempt to resolve the matter collaboratively.

Although some municipalities are more receptive to that approach than others, most municipalities have embraced the opportunity to resolve matters efficiently.

Where reluctance has been encountered, experience with our office tends to lead towards greater acceptance. For example, a mid-sized Alberta city expressed skepticism when first contacted by the office about a complaint against a city-appointed board. The investigator concluded the person designated by the city to work with our office suspected an intention

to force change on the city without respecting its circumstances and ways of doing things. That suspicion appeared confirmed when the investigator asked to see the city policy which dealt with the composition and decisions of city boards. The designated official explained the city takes the position that blindly following policy is secondary to the requirement that employees think for themselves.

Anyone with experience in a bureaucracy sympathizes with the official's point of view to a degree, because policy can be applied too rigidly. On the other hand, without written guidance it becomes difficult to show decision-making is consistent and principled.

The official seemed surprised the investigator didn't actually disagree with the decision itself, but wanted to recommend ways the city could demonstrate to the complainant that the city's actions were not arbitrary, rather they were consistent with fairness principles. Applying predetermined guidelines to the situation at hand is an obvious way to accomplish that.

The official saw the goal of the investigator was not to find fault, but to resolve the complaint for both the city and the citizen.

Later, when discussion turned to a somewhat more routine matter dealing with damage to a car from a pothole, the same official could see the wisdom of having a standard operating procedure so that the motorist could be assured he was treated like anyone else based on fair principles, even if he wasn't getting the benefit he sought.

Addressing the complaint, rather than laying blame, has been the common approach in the first year of the Ombudsman's jurisdiction dealing with municipalities. Typically, when the Ombudsman becomes involved, investigators ask for and receive key documents from the municipality, including the decision itself and applicable policy. Investigators ensure the actions and policy are congruent with the *Municipal Government Act* (MGA). The investigator engages in conversations with the complainant and designated municipal official to gain a full understanding of the issue. Some complaints are settled at this point. Often it is found the municipality acted with good reasons and within its prescribed authority, but when the official is asked if the town has provided the same information to the complainant, the answer is often "no". Even when the municipality has attempted to explain, misunderstandings can occur. In almost all cases, when asked to offer a better explanation to the citizen, the official agrees. In many cases, at this point, the complainant finally understands the actions taken.

The investigator asks the citizen to consider the new information and advises that if they still believe the situation is unfair they may write back to the Ombudsman explaining what they believe is unfair, and why. Based on their informed complaint, the Ombudsman will then consider a full investigation. Most complainants do not write back, presumably because they are satisfied with the outcome. Another common result from the collaborative approach is once all the cards are on the table, the investigator can refer the citizen to another level of review. Another possibility is the municipality may agree to consider new information from the complainant and rethink a portion of its decision or offer some compromise. In our view, the informal resolution approach has worked well because it has been necessary to proceed to full investigation in only nine occasions in the first year of this new jurisdiction.

The willingness to work with the Ombudsman is not related to the type or size of the municipality. Some of the smallest villages express relief when afforded the opportunity to consult with a third party on how to resolve complaints, particularly chronic or persistent complaints. At the other end of size spectrum, one city initially resisted the idea of early resolution and wanted all complaints opened for full investigations, a more time consuming and labour intensive alternative for them, as well as the Ombudsman and the complainant. Later in the year the city relaxed this position and in some cases accepted a more informal approach to resolve complaints.

The Ombudsman initially prepared to take on the new responsibilities by consulting with other provinces and the Municipal Affairs ministry. Municipal Affairs continues to be a valuable resource for Ombudsman investigators.

One of the insights gained from the consultation process with the key stakeholders was municipalities across the province vary greatly in how they exercise their responsibilities. Now that we are operational, our experience confirms and reinforces that insight.

Obviously, the cities of Edmonton and Calgary operate differently than a small village or rural county, but even towns of the same size vary widely in approach. One difference can be the role of mayor and council. In some towns, the administration might render a final decision on an issue while in other towns the issue might be advanced to the council for a final review. The Ombudsman does not comment on the political decisions of elected officials as doing so would usurp the prerogative of the voters, but when council acts as a level of administrative appeal, it does not mean the Ombudsman is excluded from investigating the actions of the municipality. Separating political from administrative decisions is a matter of judgment and continues to challenge the Ombudsman's office.

Determining jurisdiction can be a struggle. For example, a citizen complained about a board whose members were appointed by several local municipalities, but not controlled by any one town or county. The Ombudsman's authority over each board needs to be evaluated individually. Likely, the Ombudsman had jurisdiction in this instance, but no determination was necessary because the investigator referred the complainant to another effective external appeal mechanism offered by the Alberta government.

The Ombudsman's office has 52 years of experience in the traditional mandate of investigating the provincial government and understands that structure very well. Government departments vary, but are organized in a consistent fashion. This not true at the municipal level. They operate with considerable leeway, as long as their organization is congruent with the MGA and related regulations. One of the mild surprises is even small Alberta municipalities have demonstrated a high awareness of the MGA and the need to operate within it. This is no mean feat since the MGA contains over 700 sections.

During the Ombudsman's first year of jurisdiction over municipalities, 461 complaints were received (263 inquiries and 198 in writing). Identifying trends may be risky this early, but development issues were prominent including zoning, building permits and decisions of the Subdivision and Development Appeal Boards.

Several complaints involved quality of life issues, such as barking dogs, fences, excess noise, industrial odours and dust, junk or actions of neighbours. Because these matters affect people every day in their homes, the complainants take them personally. They expect a municipal solution which is often hard to achieve. Addressing the source of strong odours one day, doesn't guarantee they won't reoccur next week.

To date, most of the effort to educate parties about the Ombudsman's role has been directed at the municipal side because their understanding of the process was seen as a requirement for the effective resolution of complaints. Going forward, more focus will be placed on informing the public of the Ombudsman's municipal jurisdiction.



Case Summaries

Every Albertan has the right to be treated fairly in the provision of public services. The Ombudsman objectively investigates complaints to determine whether a public agency in question has acted fairly and reasonably, and whether their actions and decisions were consistent with relevant legislation, policies and procedures. Our office aims to resolve matters of unfairness at the earliest possible opportunity so concerns are addressed in a timely manner and authorities are not burdened with full investigations unnecessarily.

Assisting at intake....

Serving Albertans beyond the 'bear' minimum

Navigating through the government bureaucracy can be confusing, perhaps intimidating, for people who don't work in the environment. Steering callers through the complaint process is an everyday service provided by Ombudsman investigators when a complaint is received through our intake process.

A complainant from northern Alberta worried about bears wandering through his yard every night. He was concerned for the safety of his small children. The local Fish and Wildlife officer appeared disinterested in his calls, implying the problem was garbage related, even though the complainant said he took his garbage to town every day.

The Ombudsman expects complainants take reasonable steps to resolve issues before involving our office, but what if Albertans don't know the next step? They are welcome to call the Ombudsman to ask for advice. In this case the investigator on the intake line advised the man to advance his complaint to the Fish and Wildlife officer's manager. The investigator checked the department organizational chart, which is public record, and supplied contact information for the manager. Further, the man was told that if, in his view, the manager did not respond fairly, the man could write a formal complaint to the Ombudsman.

Last year, our office received over 5,000 cases, almost 3,500 of which were concluded at intake with assistance provided. In these cases, our service delivery identified where the caller was in the complaints process and provided them the necessary information to advance their complaint in the right direction.

Sympathetic manager resolves impasse

Alberta Works provides extended health benefits for children in low-income families. A father ordered glasses for his son from the optical department of a chain store using the benefits provided by Alberta Works. Although two-week delivery was promised, the glasses had yet to arrive a month later. The father was unwilling to continue waiting for the glasses to arrive because his son was experiencing headaches in school. He no longer trusted the chain store and so he cancelled the order. The chain store agreed to a refund, but when the father went to another optical supplier, he found the chain store had not cancelled the order after all. As a result the benefit provider refused to cover the cost of the new glasses.

The father attempted to resolve the issue. First, he called Alberta Works, who confirmed the chain store was still charging for the undelivered glasses. Then he called the chain

store, who claimed the order was in fact cancelled. Another call to Alberta Works found their records unchanged. As far as Alberta Works was concerned, the chain store had not cancelled the order. As a result, the father could not purchase the glasses his son required.

In our experience Alberta civil servants are conscientious and look for practical solutions. When the Alberta Ombudsman's office brought this to the authority's attention, a sympathetic Alberta Works manager intervened and agreed to call the benefit provider in order to resolve the impasse.

Pursuing resolution at the earliest point possible....

Unique need activates medical product list review

In exceptional circumstances, Ombudsman intervention can result in an alternate solution when a complainant is denied a benefit.

A woman needed nephrostomy bags following cancer surgery. The woman's condition was considered unusual in that her need for the bags was likely to be permanent. She applied to Alberta Aids to Daily Living for assistance. Alberta Aids to Daily Living provides similar bags for conditions such as incontinence, but the bags that met the woman's needs weren't on the approved product list. The organization's approved products are aimed at permanent conditions. Nephrostomy bags are normally a short term need. For that reason, nephrostomy bags were not on the list.

The Ombudsman investigator talked with Alberta Aids to Daily Living managers. Based on the medical evidence before them, they could not find a way to make nephrostomy bags fit the approved product list. The investigator traced the parameters of the program from the foundational legislation, through policy to the approved products list and concluded the organization's decision was consistent with its legislated mandate. Alberta Aids to Daily Living managers were not without sympathy, however, they researched the possibility the bags could be supplied by Alberta Health Services. Their findings weren't conclusive, but the investigator called the Patient Concerns Resolution Process which handles complaints from patients about Alberta Health Services (AHS) including hospitals and other health care facilities run by AHS.

The Patient Concerns Officer and a Patient Concerns Consultant reviewed the case. A suggestion was made that the woman document her need for the bags by providing a specialist's report. The information was provided and Alberta Health Services agreed to fund the bags.

As a result of the complaint, Alberta Aids to Daily Living and Alberta Health Services decided to conduct a review to see if nephrostomy bags should in the future be added to Alberta Aids to Daily Living's approved product list. When the Ombudsman comes calling, sometimes authorities adjust to unusual circumstances and find an alternative solution to a complainant's need.

Town acts fairly and offers compromise

In a small municipality, where residents encounter the village managers in the local grocery, it may seem unlikely these people have real power. A property owner in rural Alberta found that when a manager operates within the authority of the *Municipal Government Act* (MGA) strong action can be taken.

A village served notice on the property owner that her yard should be cleaned up to meet the standards established in bylaw. When there was no response, a notice of entry was also mailed to the property owner and for good measure a copy of the notice was posted on the fence surrounding the yard. When the property owner remained unresponsive, the village hired a crew and sent it into the property owner's yard. The property owner was responsible for the costs. When the bill was eventually sent out, it exceeded \$1,500.

The property owner took the position she never received notice until she returned home one day to find a crew in her yard. In her complaint to the Ombudsman, she reported that she asked the crew to leave, but it refused. The fact that she asked the crew to leave immediately is disputed by the village. Regardless, the property owner claimed the cleanup crew damaged some of her property.

On receipt of the complaint, the village administrators willingly cooperated with the Ombudsman investigator. The investigator asked for and obtained the village bylaws and notices sent out. The investigator also consulted the complainant and reviewed the MGA. The investigator found no reason to believe the village exceeded its authority. Even a question of whether the notice on the fence was a privacy breach was considered, but the village had consulted a privacy consultant who advised the notice could be posted. In the end, the investigator found no evidence that the village had exceeded its authority.

As the office reflects on its first year working through municipal complaints, cases such as this one demonstrate the benefits a neutral third party may provide to the conflict resolution process.

The Ombudsman's activities did not solve the complaint for the complainant, but she did gain in at least two ways. The village administrators explained much more fully to the property owner why it acted as it did and where its authority came from. Ideally, the explanations are provided prior to the Ombudsman's involvement since sometimes thorough explanations forestall complaints, but whether it would have made a difference will never be known. The village was receptive to considering compensation for any property damaged in the yard. The property owner said she had photographs and she was invited to submit them.

CAO's letter removes confusion for flooded homeowner

A thorough explanation can go a long way to satisfying a complainant, even when the resolution may not fully correct the underlying problem. The homeowner had lived in his home for many years when he began to experience flooding. He suspected it was caused by infill redevelopment in his neighbourhood.

When the homeowner first contacted the Ombudsman, inquiries showed the city had investigated and had asked some of his neighbours to take corrective action. The case was closed as action was being taken. Some work was in fact completed, but not exactly what the homeowner expected. He made inquiries again with the city, but by then it was winter. The city said it would send an inspector in the spring if he experienced flooding again. Not satisfied with the city's response, the homeowner once again contacted the Ombudsman. The Ombudsman investigator suspected better communication might help. The city had tried to address the situation, but its explanations lacked clarity. The investigator met with a city official who offered to give a better explanation to the complainant about the city's investigations of the flooding and its conclusions.

In late spring the city manager wrote to the complainant making the following points:

- an engineering consultant hired by the city found the homeowner's backyard was the low point in the neighbourhood
- the infill property was not the cause of the flooding as it had been graded in accordance to the bylaw
- the city had required other adjacent landowners to take steps to ensure they were in compliance with the grading bylaw
- an inspection showed a potential problem on a third property was not contributing to the flooding

The city manager said the solution was for the homeowner to regrade his lot to bring it into compliance with grading bylaw, or possibly seek another engineering solution.

The complainant thanked the Ombudsman for working with the city. He understood the city's position at last. He now knew his neighbours had acted in compliance with the bylaw. At that point he still did not know if the corrections made by his neighbours had fixed the flooding for good, but he was in a better position to consider his options. The CAO also made a point to thank the Ombudsman investigator for her work in resolving the complaint.

Forthright letter moves case forward

Opting to apply the Ombudsman's early resolution process is more than expedient. Quicker, less formal intervention may help restore relationships. In the case of Children's Services, there can be several stakeholders: children, parents, extended family, custodial parents and Children's Services itself.

A grandmother termed the treatment she received from the local Children's Services office *"insulting and unprofessional."* Her grandchildren had been apprehended from her daughter and son-in-law. No one, including the grandmother, questioned the reasons for the apprehension, but the grandmother did object when the Children's Services office imposed a restriction that her visits with the grandchildren be supervised. The grandmother also complained that she was having trouble communicating with the Children's Services office.

The investigator recognized this sort of 'service complaint' might be resolved by encouraging communication. She started by calling the office manager who explained from the Children's Services point of view, the caseworkers wished to work with grandmother, but they had reasons for requiring supervised visits.

The office manager offered to explain to the grandmother why Children's Services required supervised visits. After the grandmother spoke to the office manager on the phone, she refused the meeting and wanted written reasons. While face-to-face meetings often restore trust, a request for written reasons was not unreasonable. The investigator encouraged the office manager to comply. The investigator didn't raise these points with the office manager as they might have sounded coercive, but the investigator had a responsibility to advance the complaint. If the manager had not been willing to respond, the alternatives for the investigator would have been to contact a more senior official in Children's Services to attempt resolution, or to ask the Ombudsman to open a formal investigation. A formal investigation could have taken months. It would have required a formal written response from the deputy minister, or deputy minister's delegate. This would have resulted in Children's Services asking for documents, probably followed by the investigator inspecting the Children's Services files and questioning the Children's Services staff.

The office manager wrote a direct and forthright letter. She said Children's Services wanted to ensure the visits were positive for the children. Supervision was needed because Children's Services wanted to avoid further negative comments about the home

the children were staying in as well as Children's Services itself. The manager said the supervisor during the visits would only be an observer and if a number of visits went well, the requirement for a supervisor could be dropped.

Before closing the Ombudsman's case, the investigator reviewed where things stood with the grandmother in writing, followed by a phone call explaining the situation.

Our office often receives complaints from people in the midst of difficult circumstances. Pursuing the speediest resolution possible brings both the complainant and the organization responsible for the delivery of services together, working in a positive way.

Small town council reviews tax penalty

When can the Ombudsman investigate decisions of elected councilors?

When political issues are voted on by elected councilors, an appointed official like the Ombudsman must respect the democratic process and allow those decisions to proceed unchallenged. A political decision might be approving the budget or passing a bylaw to bring in photo radar. At that level it is the responsibility of town's voters, not the Ombudsman to evaluate council's performance.

Administrative decisions apply the bylaws passed by council and these decisions are usually made by employees of the town. Sometimes municipal councils consider the application of bylaws. In such cases, the Ombudsman may investigate the fairness of council's decision. Distinguishing between political and administrative decisions has been a challenge for Ombudsman investigators since the office received jurisdiction over municipalities on April 1, 2018.

A relatively straightforward example comes from a small Alberta town where a resident was five minutes late paying his yearly property taxes, but still received a charge of almost \$2,000 for being in arrears. The taxpayer wrote to the Ombudsman: *"I emailed my plight to (the) mayor."* The mayor took the case directly to council. In a city or large county, appeals about tax arrears would never make it to council. In very small municipalities, council involvement might be the only alternative. A principle of administrative fairness is all decisions should be subject to review. If a village only has a handful of employees, there may be no one else to review decisions. However, nothing forbids council from acting as a review body.

The taxpayer was able to make his case before council. He pointed out he had a record of paying on time and he put his payment into the town's drop box only minutes after the town office closed. He also argued other municipalities in the region would have forgiven the arrears. While there was a dissenting vote, the majority of council ruled it had to apply its bylaw consistently. The deadline had been published on tax notices and in advertisements. The arrears were applied consistent with the town bylaw and the arrears were not forgiven.

The Ombudsman investigator reviewed the notices, advertisements, town bylaw and concluded the town acted within its authority. Following the council decision, the taxpayer tried to appeal the council decision back to the chief administrative officer who refused to reconsider a decision of council. The Ombudsman would have expected a review at a lower level if the request had been made prior to consideration by council, but not afterwards.

It has been a year since the Ombudsman's office began accepting and acting on complaints about municipalities. Small municipalities are responsible for operating under the same legislative requirements as larger municipalities but with less staff and resources. Employees and council must take on a wider range of roles. This requires some agility in the Ombudsman's approach when working with small municipalities because the application of administrative fairness will be different than in large cities.

Advancing to full investigation....

Applying all relevant considerations ensures fairness

The Ombudsman exists to help balance the rights of individual citizens against the power of a large bureaucracy. In performing this task, the Ombudsman accepts a secondary function, equal to or nearly equal to the first, to improve the systemic fairness of government.

An individual complained she was required to pay back a \$7,150 overpayment made by the Assured Income for the Severely Handicapped (AISH) program. The ensuing full investigation led the Ombudsman to recommend a fundamental change in the way requests to waive overpayments are considered. Another recommendation increased the expectation that Appeal Panels act more fairly by ensuring they have the authority to decide on an issue, explaining fully how they reached their conclusion, and ensuring the evidence before them is sufficient to allow a conclusion.

The complainant incurred the overpayment when federal authorities altered the approval date for her Canada Pension Plan – Disability (CPP-Disability) benefits to an earlier date, resulting in retroactive payments. This meant her AISH benefits had been overpaid. She also received a retroactive payment from Canada Pension Plan – Survivor (CPP-Survivor) when it was reassessed. The complainant argued she was unaware of the change in the calculations of her CPP benefits and should not be responsible. She maintained she was confused about how AISH calculated the overpayment and repayment would be hardship affecting her mental and physical well-being. She argued she was taxed on the CPP-Disability benefits and it would take years for her to repay, affecting her monthly living allowance.

Requests to waive AISH overpayments are considered by an executive director of AISH administration. In this case, the executive director correctly stated the province had the right to recover the overpayment. The executive director said the complainant had not demonstrated “*appropriate circumstances*” to justify waiving the overpayment, although she did offer that the complainant could negotiate the amount of the monthly repayment with her AISH worker. The Ombudsman investigation noted the executive director is guided by AISH policy to review the “*totality*” of an applicant’s situation including factors such as: administrative error; client’s role and awareness of the mistake being made; impact on the client’s disability or medical condition; client’s financial situation; and whether the client benefited from the error. The Ombudsman concluded when policy instructs a decision-maker to consider the “*totality*” of the situation, all of the identified factors should be addressed. For example, in this case the complainant clearly outlined it would be difficult for her to repay and consequently her mental and physical health might be affected. The decision letter, limited to saying “*appropriate circumstances*” had not been met, did not demonstrate the identified factors had been addressed.

Although decisions of the executive director are not appealable, the deputy minister accepted the Ombudsman’s recommendation that the request from the complainant should be reconsidered and a new decision issued. On a systemic level, it was accepted that future requests to waive overpayment must consider the “*totality*” of a client’s situation. The executive director did reconsider but came to the same conclusion not to waive the overpayment.

The investigation also reviewed a decision made by the AISH Appeal Panel (the Panel). We determined the Panel exceeded its authority when it ruled the complainant must repay the overpayment because the authority to waive or not waive an overpayment lies with the executive director. The Panel was tasked with deciding if the overpayment was fairly calculated. The Panel concluded the calculations were fair. However, the Ombudsman investigation reviewed the evidence presented to the Panel by the AISH administration and concluded the Panel could not have made an informed decision as the evidence was insufficient to allow such a conclusion.

The Ombudsman recommended the matter be reheard, and that AISH administration provide a detailed calculation of the overpayment to the Panel rehearing the matter. The recommendation was accepted. At this point, the Panel has granted the complainant a rehearing. Prior to the hearing the complainant will receive a copy of the more detailed calculation of the overpayment.

After all the considerations are completed, the overpayment to the complainant may or may not stand. Whatever the benefit to the complainant, the investigation advanced important principles that will ensure administrative fairness for future AISH clients.

Calculating fairness – with interest

In order to ensure a decision is fair, government authorities should be able to explain it.

A man complained Court Services in Alberta Justice and Solicitor General paid inadequate interest on \$5,000 he was required to deposit into a court trust fund as security. The money was deposited in the 1990s. When his case was dismissed twenty years later, Court Services paid out \$2,007 in interest. The complainant believed the interest should be more than three times that amount. As an aside, any amount of money ordered by a court of law cannot be investigated by the Ombudsman, but this was purely an administrative calculation applied by public servants and not ordered by a judge.

Understanding how 20 years of interest was calculated did not lend itself to the Ombudsman's early resolution process. A full investigation was opened. The investigator tried to reproduce the way Court Services calculated the interest, but couldn't. Court Services only had policy and procedures for how interest should be calculated dating back to the final two or three years of the 20 year period. An examination of the rates used in this case did not match comparable bank rates over the same time period. Court Services could not show that changes in bank rates were applied on a timely basis to the complainant's security deposit.

The authority accepted the Ombudsman's recommendation the interest rates should be recalculated. Eventually the man received another \$1,231. In addition, Alberta Justice and Solicitor General revised its policies on paying interest when funds are held in trust by the courts.

At the conclusion of this investigation the Ombudsman's recommendations brought about both a short- and long-term gain, demonstrating the benefit of neutral oversight to improve fair processes for all Albertans.

Education and Awareness

A key element of the Ombudsman's mission is to ensure fair treatment by educating Albertans about our role and by promoting standards of fairness. Some of the ways we achieve this is by providing an understanding of our services by engaging subject-matter experts to deliver a first-hand account of the work we do.

In 2018-19, we participated in 47 awareness initiatives including presentations, panel forums, trade shows, and education sessions to students in classrooms.



Informing people is only one element of our education and awareness program. In every setting, we listen and learn about the issues that affect everyday Albertans.

Our online presence is an important channel for information and may be the first exposure people have about us before they engage our services. In 2018-19, we promoted our office via Twitter, reorganized and redesigned our website and developed new promotional products, available in both print and online friendly formats.



Looking ahead, we will continue to promote standards of fairness and look for innovative ways to effectively deliver information to those who need it most.



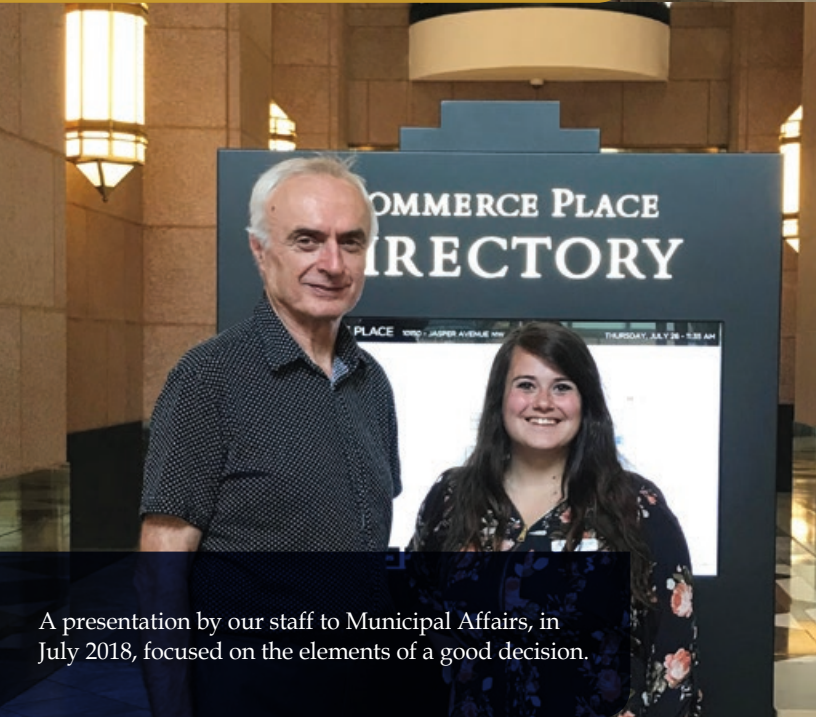
In 2018-19, we met with the Alberta Seniors' Advocate, attended the Seniors' Health and Wellness Forum and presented through the Calgary Public Library as part of a 50+ lecture series.



The Alberta Ombudsman and her staff host an education session at the Alberta Urban Municipality Association's annual fall convention.



At the Rural Municipalities of Alberta's spring convention, we discussed the role of the Ombudsman and shared municipal case examples with our audience.



A presentation by our staff to Municipal Affairs, in July 2018, focused on the elements of a good decision.



Staff travel to Wood Buffalo and present on the role of the Ombudsman and principles of administrative fairness.



Reaching students is important to us. In 2018-19, we attended a forum hosted by the Alberta Network of Ombuds in Higher Education, presented at Correctional Services Induction Training and to Administrative Law Students at MacEwan University.



Office of the Ombudsman

Financial Statements

March 31, 2019

OFFICE OF THE OMBUDSMAN
FINANCIAL STATEMENTS
Year Ended March 31, 2019

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Change in Net Debt

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Salary and Benefits Disclosure

Schedule 2 – Allocated Costs

Independent Auditor's Report



To the Members of the Legislative Assembly

Report on the Financial Statements

Opinion

I have audited the financial statements of the Office of the Ombudsman (the Ombudsman), which comprise the statement of financial position as at March 31, 2019, and the statements of operations, change in net debt, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Ombudsman as at March 31, 2019, and the results of its operations, its changes in net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Ombudsman in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the *Annual Report*, but does not include the financial statements and my auditor's report thereon. The *Annual Report* is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Ombudsman's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless an intention exists to liquidate or to cease operations, or there is no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Ombudsman's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ombudsman's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Ombudsman's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Ombudsman to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

[Original signed by W. Doug Wylie, FCPA, FCMA, ICD.D]
Auditor General

July 3, 2019
Edmonton, Alberta

OFFICE OF THE OMBUDSMAN

STATEMENT OF OPERATIONS

Year ended March 31, 2019

	2019		2018
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Prior Year Expenditure Refunds	\$ -	\$ 1,651	\$ 1,623
	-	1,651	1,623
Expenses - Directly Incurred (Notes 2(b), 3 and Schedule 2)			
Salaries, Wages, and Employee Benefits	3,854,000	3,476,558	2,993,559
Supplies and Services	387,000	366,489	423,736
Amortization of Tangible Capital Assets	12,000	21,965	13,725
	<u>4,253,000</u>	<u>3,865,012</u>	<u>3,431,020</u>
Less: Recovery from Support Service Arrangements with Related Parties	<u>(448,000)</u>	<u>(387,376)</u>	<u>(313,614)</u>
Program - Operations	<u>3,805,000</u>	<u>3,477,636</u>	<u>3,117,406</u>
Net Cost of Operations	<u>\$ (3,805,000)</u>	<u>\$ (3,475,985)</u>	<u>\$ (3,115,783)</u>

The accompanying notes and schedules are part of these financial statements.

OFFICE OF THE OMBUDSMAN

STATEMENT OF FINANCIAL POSITION

As at March 31, 2019

	2019	2018
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 88,358	\$ 85,923
Accrued Vacation Pay	289,737	268,552
	<u>378,095</u>	<u>354,475</u>
Net Debt	<u>(378,095)</u>	<u>(354,475)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 4)	102,787	124,752
Prepaid Expenses	13,068	6,557
	<u>115,855</u>	<u>131,309</u>
Net Liabilities	<u>\$ (262,240)</u>	<u>\$ (223,166)</u>
Net Liabilities at Beginning of Year	\$ (223,166)	\$ (303,296)
Net Cost of Operations	(3,475,985)	(3,115,783)
Net Financing Provided from General Revenues	3,436,911	3,195,913
Net Liabilities at End of Year	<u>\$ (262,240)</u>	<u>\$ (223,166)</u>

The accompanying notes and schedules are part of these financial statements.

OFFICE OF THE OMBUDSMAN

STATEMENT OF CHANGE IN NET DEBT

Year ended March 31, 2019

	2019		2018
	Budget	Actual	Actual
Net Cost of Operations	\$ (3,805,000)	\$ (3,475,985)	\$ (3,115,783)
Acquisition of Tangible Capital Assets		-	(86,715)
Amortization of Tangible Capital Assets (Note 4)	12,000	21,965	13,725
(Increase)/Decrease in Prepaid Expenses		(6,511)	2,079
Net Financing Provided from General Revenue		3,436,911	3,195,913
(Increase)/Decrease in Net Debt		\$ (23,620)	\$ 9,219
Net Debt at Beginning of Year		(354,475)	(363,694)
Net Debt at End of Year		<u>\$ (378,095)</u>	<u>\$ (354,475)</u>

The accompanying notes and schedules are part of these financial statements.

OFFICE OF THE OMBUDSMAN

STATEMENT OF CASH FLOWS

Year ended March 31, 2019

	<u>2019</u>	<u>2018</u>
Operating Transactions		
Net Cost of Operations	\$ (3,475,985)	\$ (3,115,783)
Non-Cash Items included in Net Operating Results:		
Amortization of Tangible Capital Assets	21,965	13,725
(Increase)/Decrease in Prepaid Expenses	(6,511)	2,079
Increase/(Decrease) in Accounts Payable and Accrued Liabilities	<u>23,620</u>	<u>(9,219)</u>
Cash Applied to Operating Transactions	<u>(3,436,911)</u>	<u>(3,109,198)</u>
Capital Transactions		
Acquisition of Tangible Capital Assets	<u>-</u>	<u>(86,715)</u>
Cash Applied to Capital Transactions	<u>-</u>	<u>(86,715)</u>
Financing Transactions		
Net Financing Provided from General Revenues	<u>3,436,911</u>	<u>3,195,913</u>
Changes in Cash	<u>-</u>	<u>-</u>
Cash at Beginning of Year	<u>-</u>	<u>-</u>
Cash at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

The accompanying notes and schedules are part of these financial statements.

OFFICE OF THE OMBUDSMAN

Notes to the Financial Statements

Year ended March 31, 2019

NOTE 1 AUTHORITY AND PURPOSE

The Office of the Ombudsman (the Office) operates under the authority of the *Ombudsman Act*.

The Office promotes fairness in public administration within the Government of Alberta, designated professional organizations, the patient concerns resolution process of Alberta Health Services, and Alberta municipalities (effective April 1, 2018).

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards, which use accrual accounting.

The adoption of PS3430 Restructuring Transactions effective April 1, 2018, has no impact on the Office's financial statements; therefore no further notes or schedules have been included.

As the Office does not have any transactions involving financial instruments that are classified in the fair value category, there are no re-measurement gains and losses.

(a) Reporting Entity

The reporting entity is the Office of the Ombudsman, which is a legislative office for which the Ombudsman is responsible.

The Office's annual operating and capital budgets are approved by the Standing Committee on Legislative Offices.

The net cost of the operations of the Office is borne by the General Revenue Fund (the Fund) of Alberta, which is administrated by the President of Treasury Board, Minister of Finance.

OFFICE OF THE OMBUDSMAN

Notes to the Financial Statements

Year ended March 31, 2019

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(a) Reporting Entity (Cont'd)

All cash receipts of the Office are deposited into the Fund and all cash disbursements made by the Office are paid from the Fund.

Net financing provided from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Expenses

Directly Incurred

Directly incurred expenses are those costs the Office has primary responsibility and accountability for, as reflected in the Office's budget documents

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets;
- pension costs, which comprise the cost of employer contributions for current service of employees during the year; and
- a valuation adjustment which represents the change in management's estimate of future payments arising from obligations relating to vacation pay.

Incurred by Others

Services contributed by other entities in support of the Office's operations are not recognized but disclosed in Schedule 2.

OFFICE OF THE OMBUDSMAN

Notes to the Financial Statements

Year ended March 31, 2019

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Valuation of Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Liabilities

Liabilities are present obligations of the Office to external organizations and individuals arising from past transactions or events, the settlement of which is expected to result in the future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amounts.

Non-Financial Assets

Non-Financial assets are acquired, constructed, or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

- (a) are normally employed to deliver the Office's services;
- (b) may be consumed in the normal course of operations; and
- (c) are not for sale in the normal course of operations.

Non-financial assets of the Office are limited to tangible capital assets and prepaid expenses.

Tangible Capital Assets

Tangible capital assets are recorded at historical cost and are amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$250,000 and the threshold for major system enhancements is \$100,000. The threshold for all other tangible capital assets is \$5,000. Amortization is only charged if the tangible capital asset is put into service.

OFFICE OF THE OMBUDSMAN

Notes to the Financial Statements

Year ended March 31, 2019

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(c) Net Debt

Net debt indicates additional cash required from the Fund to finance the Office's cost of operations to March 31, 2019.

NOTE 3 SUPPORT SERVICES ARRANGEMENTS

The Public Interest Disclosure (Whistleblower Protection) Act appoints the Ombudsman to also be the Public Interest Commissioner. The Office of the Public Interest Commissioner is a separate Legislative Office physically located with the Office of the Ombudsman.

The Offices of the Ombudsman and Public Interest Commissioner have a formal support services agreement (the agreement) for provision of shared services.

The Office of the Ombudsman's employees provide general counsel, communications, and corporate (finance, human resources, information technology, administration) services to the Office of the Public Interest Commissioner. The salaries and benefits costs of these Ombudsman employees are allocated to the Office of the Public Interest Commissioner based on the percentage of time spent providing the shared services.

The agreement authorizes allocation of other office services (i.e. photocopier fees, etc.) paid by the Office of the Ombudsman to be allocated, on a usage basis, to the Office of the Public Interest Commissioner.

The shared services allocation is included in the voted operating estimates and statement of operations as a cost recovery for the Office of the Ombudsman and as a supplies and services expense for the Office of the Public Interest Commissioner.

For 2018-19, the Office's cost recovery from the Office of the Public Interest Commissioner was \$387,376 (2018 \$313,614).

OFFICE OF THE OMBUDSMAN

Notes to the Financial Statements

Year ended March 31, 2019

NOTE 4 TANGIBLE CAPITAL ASSETS

2019				
	Useful Life (yrs)	Cost	Accumulated Amortization	Net Book Value
Computer hardware and software	3	\$ 111,408	\$ 111,408	\$ -
Leasehold Improvements	5	33,220	7,739	25,481
Office equipment and furnishings	5 or 10	115,803	38,497	77,306
		<u>\$ 260,431</u>	<u>\$ 157,644</u>	<u>\$ 102,787</u>

2018				
	Useful Life (yrs)	Cost	Accumulated Amortization	Net Book Value
Computer hardware and software	3	\$ 111,408	\$ 111,408	\$ -
Leasehold Improvements	5	33,220	1,092	32,128
Office equipment and furnishings	5 or 10	115,803	23,179	92,624
		<u>\$ 260,431</u>	<u>\$ 135,679</u>	<u>\$ 124,752</u>

In 2018-19, there were no tangible capital asset additions (2018 \$86,715) or disposals (2018 \$9,224).

OFFICE OF THE OMBUDSMAN

Notes to the Financial Statements

Year ended March 31, 2019

NOTE 5 DEFINED BENEFIT PLANS (IN THOUSANDS) (Cont'd)

The Office participates in the multi-employer Management Employees Pension Plan and Public Service Pension Plan. The Office also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$355 for the year ended March 31, 2019 (2018 - \$335).

At December 31, 2018, the Management Employees Pension Plan had a surplus of \$670,700 (2017 surplus \$866,006), the Public Service Pension Plan had a surplus of \$519,218 (2017 surplus \$1,275,843) and the Supplementary Retirement Plan for Public Service Managers had a deficit of \$70,310 (2017 deficit \$54,984).

The Office also participates in the multi-employer Long Term Disability Income Continuance Plan. At March 31, 2019, the Management, Opted Out and Excluded Plan had a surplus of \$24,642 (2018 surplus \$29,805). The expense for this plan is limited to the employer's annual contributions for the year.

NOTE 6 RELATED PARTY TRANSACTIONS

The Office shares information technology (IT) with other Legislative Offices. In 2019 the Office of the Child and Youth Advocate upgraded the capital IT infrastructure. The Office receives ongoing benefit from the use of the new infrastructure but incurred no cost.

NOTE 7 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Ombudsman.

OFFICE OF THE OMBUDSMAN

Salary and Benefits Disclosure

Year Ended March 31, 2019

	2019				Restated 2018
	Base Salary	Cash Benefits ⁽¹⁾	Non-Cash Benefits ⁽²⁾	Total	Total
Senior Official ^{(3) (4) (5) (8)}					
Ombudsman/Commissioner	\$ 237,646	\$ 42,095	\$ 10,697	\$ 290,438	\$ 236,862
Executive ^{(6) (7)}					
Deputy Ombudsman / Public Interest Commissioner	\$ 102,989	\$ -	\$ 29,319	\$ 132,308	\$ 85,861

- (1) Cash benefits are pension-in-lieu payments, vacation payout and vehicle allowance.
- (2) Non-cash benefits include the Office's share of all employee benefits and contributions or payments made on behalf of employees including pension plans, CPP/EI employer premiums, extended health care, dental coverage, group life insurance, long-term disability premiums, parking, health spending account and WCB premiums.
- (3) For 2018-19, the Ombudsman/Commissioner was not provided an automobile and did not receive a taxable benefit at December 31, 2018 (2017 \$4,925).
- (4) The position functions as the Ombudsman and the Public Interest Commissioner and does not receive additional remuneration for the role of Public Interest Commissioner. This salary and benefits disclosure schedule represents 100% of the senior official's total salary and benefits received in 2018-19 and 2017-18.
- (5) Note 3 on the Notes to the Financial Statements provides information regarding allocation of shared services costs for financial statement presentation.
- (6) The Deputy Ombudsman/Commissioner commenced on August 8, 2018.
- (7) The Director, Public Interest Commissioner was also acting Deputy Ombudsman, for the period April 1, 2018 to June 22, 2018.
- (8) The 2018 Total was restated to include the Non-cash benefits for parking, health spending account and WCB premiums.

OFFICE OF THE OMBUDSMAN

Allocated Costs

Year Ended March 31, 2019

Program	Expenses ⁽¹⁾	2019 Expenses - Incurred by Others			Total Expenses	2018
		Accommodation ⁽²⁾	Telephones ⁽³⁾	Business Services ⁽⁴⁾		Restated Total Expenses ⁽⁵⁾
Operations	\$ 3,477,636	\$ 316,901	\$ -	\$ 32,000	\$ 3,826,537	\$ 3,458,082

(1) Expenses - directly incurred as per Statement of Operations.

(2) Accommodation - expenses allocated by the total square meters occupied by the Office.

(3) Telephones - effective November 1, 2017, the Office of the Ombudsman commenced direct payment for all telephone related expenses. Service Alberta is no longer responsible for the Office's telephone services (2018 \$6,617).

(4) Business Services - costs include charges for finance services (accounts payable, pay and benefits), IT support, and IMAGIS allocated by the Ministry of Service Alberta.

(5) Total Expenses, 2018 – a restatement of prior year financial statements, costs include \$29,000 of Business Services Costs.





Edmonton office

9925 – 109 Street NW, Suite 700
Edmonton, Alberta T5K 2J8

Phone: 780.427.2756

Fax: 780.427.2759

Calgary office

801 – 6 Avenue SW, Suite 2560
Calgary, Alberta T2P 3W2

Phone: 403.297.6185

Fax: 403.297.5121

Throughout North America call toll free 1.888.455.2756

Email: info@ombudsman.ab.ca

Online complaint form available at www.ombudsman.ab.ca



@AB_Ombudsman