



—ALBERTA—
OMBUDSMAN

2022-23
ANNUAL
REPORT





To the Honourable Speaker
of the Legislative Assembly

The Alberta Ombudsman's office is pleased to present its 56th 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, 2022 through March 31, 2023.

Respectfully,

A handwritten signature in black ink, appearing to be 'KB', enclosed within a large, loopy oval shape.

Kevin Brezinski
Alberta Ombudsman

September 2023
Edmonton, Alberta

The mandate for the Alberta Ombudsman extends across the province and our work takes place on traditional Indigenous lands. We respectfully acknowledge the traditional and ancestral territory of the many First Peoples that call this land home. We also acknowledge the many First Nations, Métis and Inuit who have traveled, lived on, and cared for these lands for generations. We are committed to listening and learning as we journey together towards meaningful reconciliation.





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MESSAGE FROM THE OMBUDSMAN

The 2022-23 fiscal year brought change for all of us. My predecessor, Marianne Ryan, completed her five year appointment the same way she started her term, with grace and purpose. On behalf of this office and the Albertans she served, I would like to thank Marianne for her invaluable contributions and efforts. I would also like to recognize Peter Sherstan, who was Acting Ombudsman between Marianne's departure and my appointment, for his dedicated leadership through the transition. Coming out of the pandemic, the Ombudsman's office undertook significant change in staffing and structure. I am confident that these changes will make our office more effective and efficient to meet the needs of all Albertans.

I was humbled to be appointed as Alberta's 10th Ombudsman, and it is my great honour and privilege to serve the people of Alberta in this important role.

The Ombudsman is independent from government, promotes standards of fairness and treats complainants and authorities fairly and with respect. The purpose of our office's work is to investigate complaints of unfair treatment and recommend solutions that are fair for both the complainant and authority. Where able, we thoroughly investigate complaints to ensure authorities are following fair and transparent processes. Sometimes authorities are found to have acted fairly and no further action is required. However, when unfairness is found, our office can make recommendations to resolve the situation.



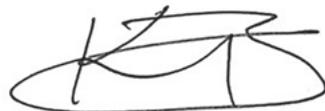
I attended my first Canadian Council of Parliamentary Ombudsman meeting in Toronto with my esteemed counterparts to discuss the important work being done by Ombudsman across Canada. I am encouraged by the level of passion and experience of my colleagues and look forward to sharing best practices with them in the years to come.

High quality investigations remain critical to the vision and mission of our office, and we take seriously our commitment to efficient, timely, and thorough investigations. As the province began its recovery from the pandemic through 2022, the government

reported substantial economic and fiscal improvements. This was tempered with an awareness that many Albertans continue to face inflationary pressures, high interest rates and rising household expenses. Population growth means good things for the labour market but comes with increased pressure on service requirements (education, healthcare, housing, and other spending pressures). We continue to hear from everyday Albertans concerned with how they are being treated when accessing public services or programs.

Alberta led the country in having the largest interprovincial migration in 2022 and these numbers continue to grow. All Albertans deserve to know and understand the public services available to them, including how our office protects their rights to fair treatment. Outreach to newcomers, as well as Alberta's vulnerable communities, is an important priority of this office.

Late in 2022, our office contracted Leger, the largest Canadian-owned market research and analytics company, to undertake an awareness survey. The purpose of the survey was to provide an understanding of current levels of awareness amongst Albertans and establish a baseline measurement from which to grow. The survey found that many Albertans are unfamiliar with the mandate of the Ombudsman; my provincial counterparts report receiving similar survey results. Given this recent survey, the Ombudsman's office is developing strategies and goals to reach out to and educate newcomers and vulnerable Albertans. I look forward to working with my dedicated and talented team towards not only maintaining our office's high standards, but also ensuring all Albertans know when and how they can reach out to us for help.



Kevin Brezinski
Alberta Ombudsman

RECOMMENDATIONS TO ACTION

Good News for Foster Parents

When a government department accepts the Ombudsman's recommendations, our investigators periodically check in to monitor progress. On June 15, 2022, the *Child, Youth and Family Enhancement Act* (the Act) was amended following recommendations the Ombudsman made to correct a gap in the legislation.

First reported on in our 2020-21 Annual Report, the story *Paving the Way for Future Foster Parents* related to a complaint the Ombudsman received when Children and Family Services (formerly Children's Services) cancelled the residential facility license for foster parents who had provided approved childcare for 11 years. The investigation focused on a narrow interpretation of appeal provisions in the Act which prevented the foster parents from accessing the Child, Youth and Family Enhancement Appeal Panel.

The relevant sections of the Act were vague and open to interpretation, and the Ombudsman recommended



that the Act be amended to remove any confusion. The recommendations were accepted, and the Act was amended providing foster parents with a clear right of appeal regarding licensing decisions.



VISION

Equitable treatment for all

MISSION

To provide oversight to ensure fair treatment through independent investigations, recommendations and education for all Albertans

VALUES

Integrity

Respect

Accountability

Independence



“ If I’m being honest, I wasn’t sure if there would be any beneficial outcome from reporting my issues, especially since we had hit so many dead ends already. I was thrilled to see several recommendations approved by the Ombudsman that will aid in preventing this scenario from happening again. ”

– A member of the public

GUIDED BY PURPOSE

The Office of the Ombudsman is the trusted and independent voice of fairness for all Albertans. Everyone, regardless of their background or circumstance, has a right to a fair process and equitable treatment when accessing government-funded services and programs within our jurisdiction.

AT THE OMBUDSMAN'S OFFICE, WE:

- Listen to and investigate complaints about unfair treatment by provincial government authorities, municipalities, the Patient Concerns Resolution Process of Alberta Health Services, health professions and other designated organizations.
- Assist callers through our live intake line and based on their unique circumstances, help them understand their rights to fairness.
- Work collaboratively with both complainants and authorities to resolve issues at the earliest point possible.
- Conduct independent, impartial investigations and make recommendations to ensure Albertans have access to fair processes and decision making.
- Address systemic issues through self-initiated, large-scale investigations called Own Motions.
- Provide education to the public and the authorities under our jurisdiction to enhance awareness of our office and the services we provide.
- Are committed to working with organizations that support vulnerable Albertans to identify gaps and issues with government services.
- Strive to create an inclusive environment where people feel respected, heard, and understood.

HOW WE HELP

The fundamental purpose of the Ombudsman is to investigate Albertans' complaints of unfair treatment. We conduct confidential and impartial investigations at no cost to the complainant. Investigation of a specific complaint may identify isolated examples of unfairness, or it may identify a systemic issue which, when set right, creates better government services for all citizens.

While we receive a wide range of complaints, general themes do arise. These include complaints of administrative or procedural errors; service-related issues such as unnecessary or unreasonable wait times; barriers created by a lack of transparency; disputes arising from denied benefits; or discriminatory treatment and/or abuses of power.

Our role is to bring meaningful change through straightforward solutions. The benefits of an impartial, independent investigation by the Ombudsman may include:

- A better explanation or clearer reasons for a decision;
- Changes to policy, procedures and sometimes to legislation;
- Training for employees;
- Fair access to an appeal;
- A commitment to follow policy in the future;
- A refund or reimbursement of expenses; and/or
- A new hearing or reconsideration of a decision.

The Supreme Court of Canada has described the role of the Ombudsman in democratic systems of government as follows:

...The Ombudsman represents society's response to these problems of potential abuse and of supervision. His unique characteristics render him capable of addressing many of the concerns left untouched by the traditional bureaucratic control devices. He is impartial. His services are free, and available to all. Because he often operates informally, his investigations do not impede the normal processes of government. Most importantly, his powers of investigation can bring to light cases of bureaucratic maladministration that would otherwise pass unnoticed. The Ombudsman "can bring the lamp of scrutiny to otherwise dark places, even over the resistance of those who would draw the blinds."¹ On the other hand, he may find the complaint groundless, not a rare occurrence, in which event his impartial and independent report, absolving the public authority, may well serve to enhance the morale and restore the self-confidence of the public employees impugned.²...

“ Thanks to the Ombudsman for getting them to listen to my case. The Ombudsman department was a life saver! Much appreciated! ”

— A member of the public

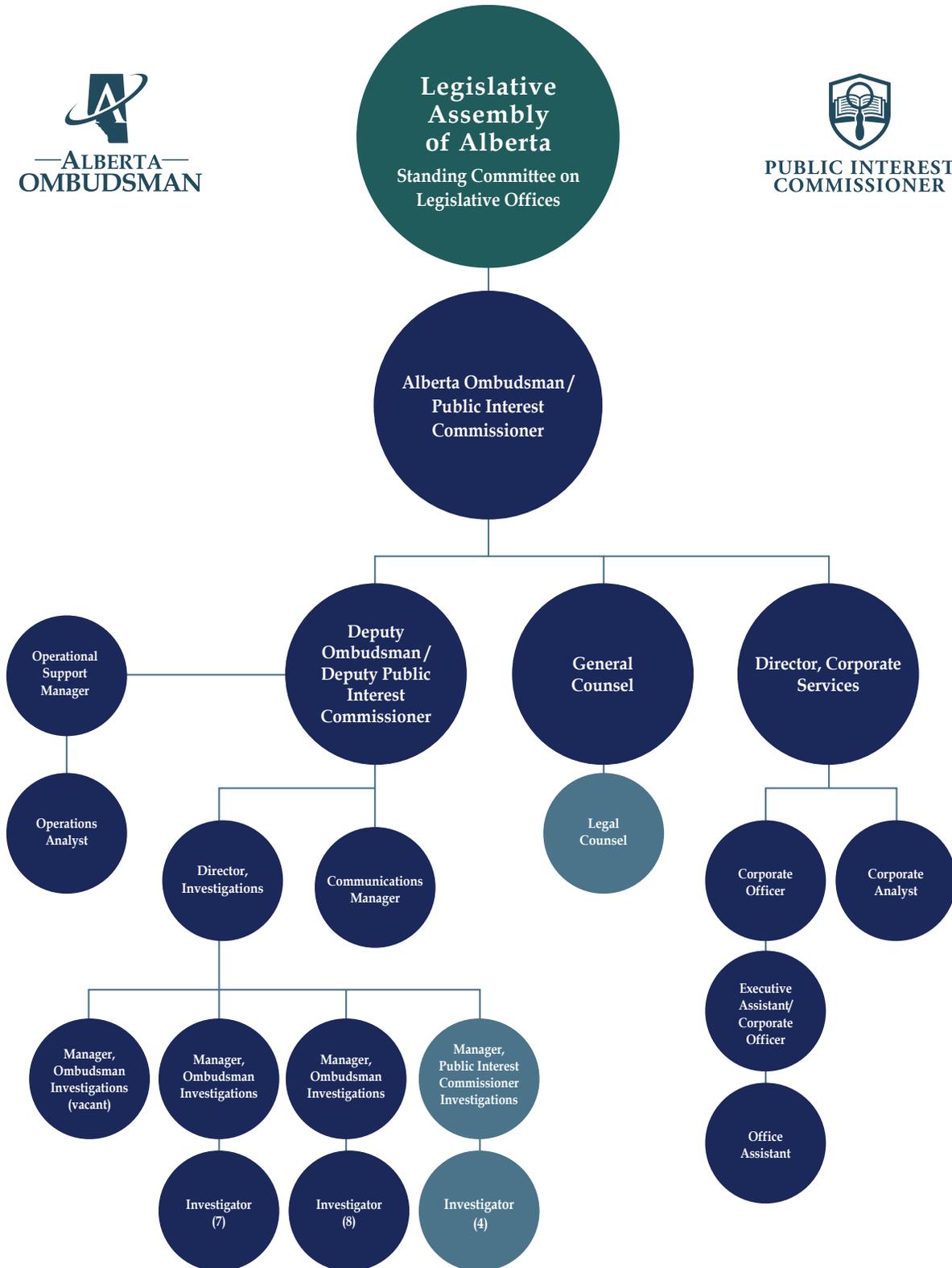
¹Re *Ombudsman Act* (1970), 72 W.W.R. 176 (Alta. S.C.), per Milvain C.J., at pp. 192-93

²Supreme Court of Canada, *British Columbia Development Corporation v. Friedmann* (Ombudsman), [1984] 2 S.C.R. 447 at pp. 461

ORGANIZATION CHART



PUBLIC INTEREST
COMMISSIONER





NATIONAL AND INTERNATIONAL ASSOCIATIONS AND PARTNERS

Around the world, heads of organizations in the Ombudsman profession may be called Ombudsperson, Ombud, Ombudswoman, Citizen's Representative, Protecteur du citoyen or other variation. While specific mandates may differ, all Ombuds value independence, the rule of law, inclusion, and open government. We are proud to collaborate with Ombuds organizations across the globe in sharing best practices and promoting our collective efforts for the greater good of the communities in which we work.

Our office is a member of the International Ombudsman Institute (IOI). We join over 200 independent Ombudsman institutions from more than 100 countries, unified in the pursuit of fairness. The IOI connects Ombuds globally and along with its members, promotes the protection of people against the abuse of powers, unfair decisions, and maladministration.

The Canadian Council of Parliamentary Ombudsman is a council comprised of provincial and territorial Ombuds whose mandate is to ensure people are being treated fairly in the delivery of public services. The council members, along with their offices, work together to enhance the services their offices provide to all Canadians.

Formed in 2000, the Forum of Canadian Ombudsman includes a diverse range of Ombuds from parliamentary ombudsman to those working in government, colleges and universities, private industry and other types of institutions and organizations. The Alberta Ombudsman's office joins over 450 private and corporate members in sharing knowledge and best practices associated with Ombuds' work.

Along with its members, the United States Ombudsman Association (USOA) fosters the establishment and professional development of public sector ombuds offices throughout the world. A foundational purpose of the organization is to operate exclusively for educational, scientific, and charitable aims. The USOA is the oldest ombudsman organization in North America.

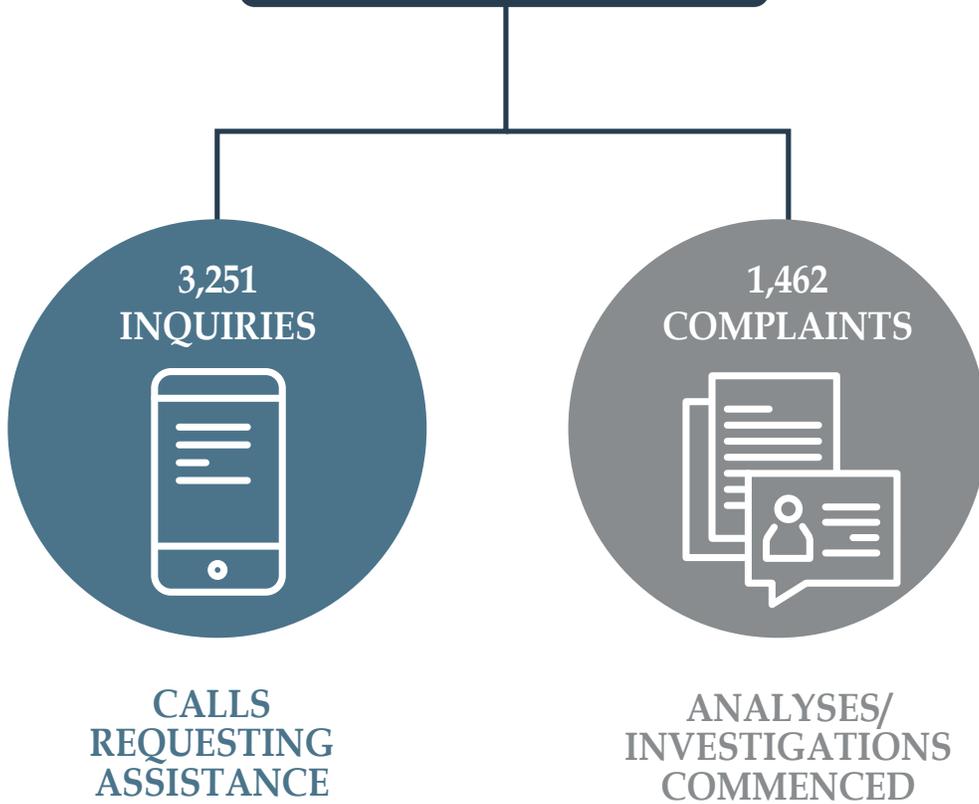




2022-23 YEAR AT A GLANCE

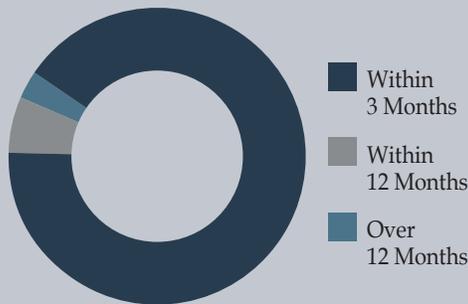


TOTAL CASES RECEIVED
4,713

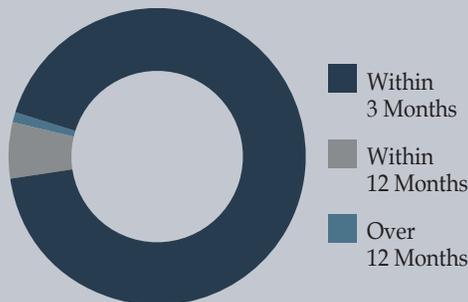


THREE-YEAR COMPARISON OF TIME TAKEN TO CLOSE WRITTEN COMPLAINTS

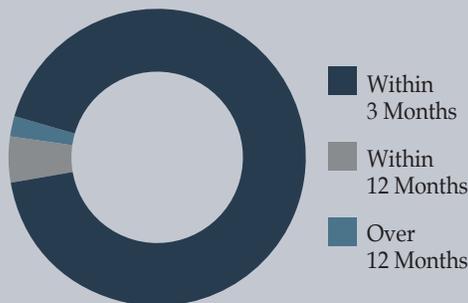
2022-23 1,531 Cases Closed



2021-22 1,641 Cases Closed



2020-21 1,536 Cases Closed



BUSINESS PLAN HIGHLIGHTS

The 2022-23 fiscal year brought dynamic change at all levels offering new perspectives, ideas, and projects. The performance results in this report is evidence of our commitment to ensuring fair treatment for the people of Alberta. Here are some of our achievements:

GOAL 1

The Ombudsman will continue to develop best practices to ensure efficient, timely and thorough investigations.

Over the 2022-23 fiscal year, we aimed to contribute within the Ombudsman community and remain at the forefront of innovative investigative practices. Having polled the interests of our staff and colleagues across Canada, we worked to enhance the availability of advanced courses in key areas of interest. The Raise the Bar project brought together investigators from provincial and territorial parliamentary Ombuds offices like ours. Further details of the project can be found on page 33.

Our office provides continuing education and investigative training as part of our regular professional development.

The work we do is dynamic and each year brings a variety of complaints reflective of the issues people encounter. We diligently track and monitor trends that could indicate systemic issues. During 2022-23, two significant Own Motion investigations were carried out and will be reported on upon completion.

A comparison of the time taken to close written complaints shows closure rates (see page 14) over the past three years.

Looking ahead, we will continue to explore strategies that ensure we remain efficient, timely and thorough in our investigations and operational practices. This includes enhancements to our intake processes, improving case management systems, and exploring innovations in IT.

GOAL 2 **Fairness is promoted to Albertans and authorities through education and awareness.**

We strive to achieve this goal through outreach by embracing new ideas, technologies and leveraging the experiences and talents of our staff. In 2022-23, our education and awareness efforts included presentations, trade shows, webinars, community partnerships, and other marketing projects.

Our website plays a key role in communicating what we do by providing information including new educational content, case-related news, and details of promotional events. In 2022-23, our website was accessed by 33,410 visitors and 167,340 pages were viewed.

Likewise, our communication through social media provided a cost-efficient way to increase visibility of our outreach efforts, as well as real-time updates on our activities and accomplishments.



In 2022-23, we contributed to improving awareness of our services through the following initiatives:

- | | | | | | |
|---|---|---|---|---|--|
|  | Presentation, the African Canadian Civic Engagement Council (ACCEC) |  | Tour, Blackfoot Crossing Historical Park |  | Article Series, Collaboration with Rural Municipalities of Alberta, and Alberta Municipalities |
|  | Webinar, Correctional Services Induction Training |  | Exhibitor, Anza Black Youth Entrepreneurs Event |  | Presentation, Delegation from Nigeria |
|  | Presentation, School at the Legislature |  | Webinar, Canadian Council of Parliamentary Ombudsman |  | Bi-annual Meeting, Custody Operations Branch |
|  | Exhibitor, Rural Municipalities of Alberta Trade Show |  | Exhibitor, Alberta Municipalities Trade Show |  | Webinar, Municipal Capacity and Sustainability Branch, Municipal Services Division |
|  | Webinar, Office of the Ombudsman of Thailand |  | Op-ed by Alberta Ombudsman staffer Daniel Johns, Edmonton Journal |  | Presentation, Patient Relations Executive Leadership Team (AHS) |
|  | Webinar, Fairness for Newcomers Office, Labour and Immigration |  | Podcast and Video Release, "No" is Never a Complete Sentence |  | Instructor, Osgoode Essentials for Ombuds Program, York University |

GOAL 3

The Ombudsman will ensure the relevant legislation is meeting the needs of Albertans and his office has the ability to fulfill its roles and responsibilities.

Alberta was the first province to establish a parliamentary Ombudsman's office in 1967.

While there have been incidental changes to the *Ombudsman Act* over the years, including expansion of our jurisdiction, our office continues to engage with stakeholders and legislators for a full, meaningful review. We continue to advocate for modernization of our governing legislation to ensure it

reflects best practices and keeps pace with the ever-changing needs of Albertans. We have forwarded our concerns to the Ministry responsible and it has committed to reviewing our proposed amendments and is considering options for advancing them. It is our hope that the Ministry will work with our office in a timely fashion and assist us with proposed changes to the legislation.

ASSISTANCE AT INTAKE

The Ombudsman’s office exists for all Albertans. We aim to provide a welcoming and accessible avenue for callers to voice their concerns, seek advice, and obtain information. Each inquiry is unique, and requires an empathetic, resourceful approach.

HOW WE RESPOND



Listen to the Concern



Seek to Understand



Provide Information



Explain Our Role



Refer to Other Offices



Confirm Jurisdiction



Inquire with the Authority



Informally Resolve the Situation



Request a Written Complaint

WHY THIS MATTERS

People who contact our office often feel stuck and uncertain where to go with their concerns. We do our best to ensure they feel heard and strive to provide the information and resources to resolve their concerns.

Many of the systemic issues raised by complainants are flagged through intake services for the Ombudsman’s attention. In 2022-23, we received 3,251 requests for assistance—an 8% increase compared to the previous year.

BREAKDOWN OF TOTAL INQUIRIES

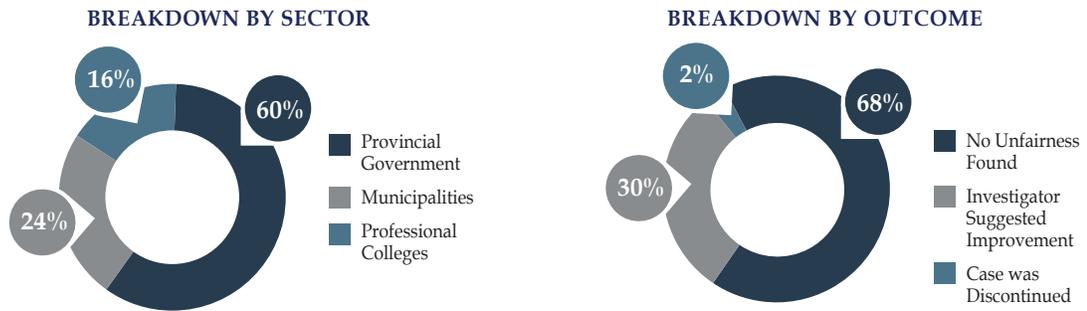


INVESTIGATIONS

The Ombudsman's office is often contacted by citizens who feel they have been treated unfairly – perhaps the outcome of a decision did not go as expected or necessary information was not fully communicated. Investigations can take a variety of forms which we track throughout the fiscal year.

The following breakdown of jurisdictional cases closed includes results for early resolution cases, full investigations, and recommendations from the 2022-23 fiscal year.

EARLY RESOLUTION CASES



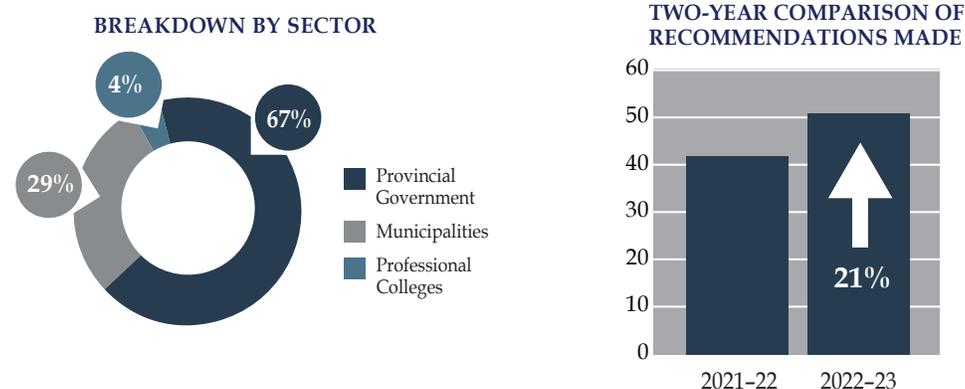
WHY THIS MATTERS

Frustration is reduced for all parties when a fair resolution is reached at the earliest point possible. We call these early resolution cases. The intent of early resolution is to isolate the core issue of the complaint and facilitate a fair solution in an informal and efficient way. In 2022–23, we closed 247 early resolution cases – 30% of which the investigator suggested and verified the implementation of improvements.

FULL INVESTIGATION CASES

The Ombudsman may open a full investigation when the issues are complex, systemic in nature or other factors are discovered that make the case unsuitable for early resolution. Once a full investigation is concluded, the Ombudsman will communicate his findings, and if necessary, any recommendations for improvement. We closed 33 full investigations across all sectors this fiscal year, a 120% increase compared to 2021–22.

RECOMMENDATIONS



WHY THIS MATTERS

In 2022–23, we made 21% more recommendations than the previous year and all 51 were accepted by the authorities we investigated. This demonstrates that public entities take complaints and the Ombudsman’s recommendations seriously and shows a willingness to improve.



ALBERTA OMBUDSMAN

CALL TO THE OMBUDSMAN CLEARS THE AIR IN EDMONTON'S WEST END

In Alberta, it is easy to take for granted the beautiful environment we live in – that is, until it comes under threat. For residents living in west Edmonton, enjoyment of the outdoors was greatly reduced when foul odours from a nearby composting facility persisted for years.

The residents in west Edmonton complained of headaches, migraines, and feeling sick to the stomach because of the smells. The situation was reported in the media, with people from the community describing an unmistakable, overpowering stench that drove them indoors. Sarah Hunter, a west Edmonton resident, became involved after the longstanding odour issues affecting the community went unresolved for more than a decade. A Facebook page allowed residents to keep in touch regarding enforcement actions and updates. Ms. Hunter wrote to elected officials, acted as a community ambassador between

municipal and governing bodies, and collected over 2,000 signatures for a petition to stop the offensive odours. When she felt she had nowhere else to turn to for help, Ms. Hunter came to the Ombudsman.

Ms. Hunter complained to the Ombudsman in 2020 and a preliminary analysis of her complaint found that Cleanit Greenit had been the subject of an enforcement order by Alberta

Environment and Parks (now Environment and Protected Areas or the EPA/the Department) since December 2011. The enforcement order contained several conditions intended to bring the facility into compliance including the imposition of deadlines that had long since passed. When we asked representatives at the EPA about the outstanding order, they explained the matter was still under investigation and refused to provide our office with any information about the complaints.

Given that it did not appear the 2011 enforcement order had ever been followed up on, our office launched an investigation.

“ I contacted the Alberta Ombudsman's office roughly two years after becoming involved with the odour issues surrounding Cleanit Greenit Composting. At the time all avenues for resolution had been exhausted. Residents had gone many years without an update on enforcement actions and we felt that this situation had reached a stalemate. ”

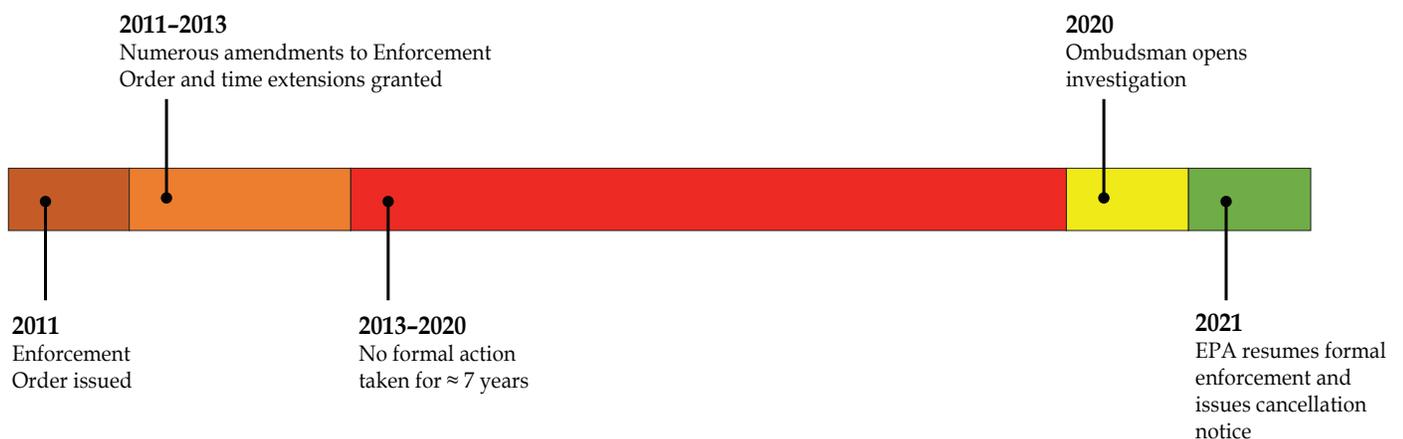
THE ENFORCEMENT ORDER

The Department conducted an on-site inspection in 2011 and determined that Cleanit Greenit was in violation of the *Waste Control Regulation* and Code of Practice for Compost Facilities. An enforcement order was issued, requiring the company to immediately cease accepting all waste. The *Waste Control Regulation* outlines specific rules for operating a compost facility, including regulations governing the emission of odours and the control of run off/run on water. Between December 13, 2011, and September 12, 2013, eight amendments to the enforcement order were issued, in most cases extending deadlines.

The Department advised our office that it was actively investigating Cleanit Greenit and working with the company to bring them into compliance. However, when we opened our investigation, we found no formal action had been taken by the Department for a period of seven years and seven months.

Anytime Ms. Hunter contacted the Department, it advised it could not comment further because the matter was under investigation. Instead, she and others were directed to complain to Cleanit Greenit itself. Ms. Hunter was one of hundreds of west Edmonton residents affected by the odours from the facility. The community also had serious concerns about potential environmental issues listed in the enforcement order including the contamination of soil and surface water.

TIMELINE OF ENFORCEMENT



OUR FINDINGS AND RECOMMENDATIONS

Our investigation determined the Department did not meet its own policy for timely, fair, and firm enforcement nor did it stop activities at Cleanit Greenit that may have been harmful to the environment. Further, the Department incorrectly told Ms. Hunter, and our investigators, that the company was under investigation, when for much of the time it was not.

The Ombudsman recommended the Department establish an internal review process to ensure enforcement actions meet the principles of administrative fairness, comply with the Department's own policy and are consistent and lawful. The Ombudsman also recommended the Department provide Ms. Hunter with accurate information about its enforcement proceedings, within the scope of its legislation and policy, and immediately stop requiring complainants to complain directly to Cleanit Greenit.

The Department accepted the Ombudsman's recommendations and committed to making the requested improvements. Our office will be following up with Environment and Protected Areas to track its progress.

WHY THE CASE MATTERS

Shortly after the Ombudsman opened this investigation, enforcement action was taken by EPA. In March 2021, EPA issued a cancellation of the Cleanit Greenit registration to operate as a compost facility, which was effective June 2022. In addition, the EPA issued two amendments to the enforcement order, the first in April and the second in June 2021, amending due dates for scientific reports from Cleanit Greenit's consultants.

When we contacted Ms. Hunter about her experience with the Ombudsman's office, she had this to say,

“ *I felt the report was extremely validating and provided closure to residents who had felt unheard for so long. Seeing the EPA accept the recommendations from the Ombudsman's office gives the community a great deal of hope that this situation will not happen again, and that EPA will have a better set of guidelines for completing their administrative process fairly and with transparency for all Albertans.* ”

In closing the case, the Ombudsman recognized the EPA's progress in its enforcement actions with Cleanit Greenit. At the time of this report, the work to improve internal regulatory processes meant to address sustained noncompliance remains ongoing. As completion of the Ombudsman's recommendations is not anticipated until the latter part of 2024, our office will continue to monitor the EPA's progress to ensure it has satisfactorily implemented its goal of a fair and transparent enforcement process.



EARLY RESOLUTION CASE PROMPTS MAKEOVER OF CITY BYLAW

WHAT HAPPENED?

An Albertan complained that a large municipality overcharged him when he applied for a permit to complete renovations on his basement suite. The City advised that it charged the penalty because the complainant did the work without first obtaining the necessary permits and approvals.

WHAT DID THE OMBUDSMAN'S OFFICE DO?

Our investigator determined that the individual had not done any work prior to the permits he specifically applied for; however, historically his suite did not have the proper permits in place. The investigator found that the individual had applied for the correct permits, but the City charged him a penalty under the permit bylaw for an oversight that happened many years ago when he was not the owner. Rather than proceed directly to a full investigation, the investigator worked with the City to try and resolve this issue.

WHAT WAS THE OUTCOME?

The City agreed to reimburse the individual for the penalty and send him a letter explaining what happened. The City also agreed to review its bylaw and, in the meantime, change how it was enforcing the bylaw to ensure that no new penalties would be issued when a person applies for a permit in the proper manner.

WHY DOES IT MATTER?

Typically, when an investigator sees a systemic issue, like the unfair application of a bylaw across a City, it leads to a substantial and lengthy investigation. In this situation, the City was willing to engage and take proactive steps to address our office's concerns. Our investigators conduct thorough, comprehensive analyses of complaints but we also recognize the value of efficient resolutions. With the City's cooperation, we achieved a more administratively fair process quickly and effectively by engaging our early resolution process.

SECURING FAIR APPEAL PROCESSES FOR SENIORS 65 AND OVER

WHAT HAPPENED?

Our office received a complaint from a senior who was denied assistance to fund a dental procedure. At the time, he was receiving benefits through a program called the Dental Assistance for Seniors Program, or DASP. The individual, who was familiar with the Ombudsman's office, believed the denial was unfair because he was not given an explanation for the denial of benefits, he was not offered alternative dental care suggestions, and he was not able to appeal the decision.

WHAT DID THE OMBUDSMAN'S OFFICE DO?

The investigator learned that the decision was made and written by the Alberta Dental Service Corporation (ADSC), but that it is Alberta Health which administers DASP. She first engaged in an early resolution investigation, which resulted in Alberta Health working with ADSC to modify its denial letters. Eventually, we determined that a full investigation was necessary. The Ombudsman recommended Alberta Health create an appeal mechanism for seniors who apply for dental procedures through DASP. The Ombudsman also asked Alberta Health to ensure its public information is more transparent and that the delegation of its decision-making power to ADSC complies with legislation.

WHAT WAS THE OUTCOME?

Alberta Health acknowledged the Ombudsman's recommendations and agreed to review both its appeal mechanism and legislative authority. It agreed to update its denial and approval template letters to seniors, use plain language, and provide more transparent information about the program to the public. Our office is satisfied that the letters are much clearer, and Alberta Health has updated its public information. The Ministry acknowledged the importance of an appeal process and making decisions within its legislative authority; it is working on implementing the recommendations made by the Ombudsman.

WHY DOES IT MATTER?

Albertans 64 years old or younger who are denied assistance with dental costs through programs like Income Support and Assured Income for the Severely Handicapped have the right to appeal. Once an individual turns 65, they lose the right to appeal. This is inconsistent and unfair to seniors across the province. Alberta Health acknowledges this and is working towards rectifying this unfairness. The program has demonstrated its commitment to a fairer process, with better letters and public information that is easier to understand. Our office is monitoring developments and looking forward to seeing the changes the Ministry will make to ensure age is not a barrier to an administratively fair appeal process.

A FRIENDLY, KNOWLEDGEABLE VOICE ON THE LINE

WHAT HAPPENED?

An individual called the Ombudsman's intake line with questions about her recently deceased mother's estate. Her mother did not have a will and the bank was suggesting she proceed with a court process that would allow her to make decisions for the estate. The caller had little knowledge of court systems and she felt overwhelmed by the amount of information available on the internet, so she called us.

WHAT DID THE OMBUDSMAN'S OFFICE DO?

The investigator on intake knew that the Ombudsman cannot investigate decisions made by the court and that we cannot provide legal advice. But the investigator also knew that often people call our office because they do not know where to turn to for help. The investigator did her own quick research and found that Court and Justice Services can help individuals navigate the court system, while finding solutions for legal issues at no cost. She shared this information with the caller.

WHAT WAS THE OUTCOME?

The caller expressed appreciation for the information and shared that she was grateful for the direction.

WHY DOES IT MATTER?

This single telephone call may have saved the individual hours of stress and confusion as she worked her way through online information trying to figure out the next steps. The Ombudsman's office may not always be the right place to raise your concerns. We can investigate many things but there are situations that will be outside of our mandate. That said, we will always answer your call. We will listen to your concerns and, as trained investigators, we will endeavour to point you in the best direction. We will do our best to help; give us a call!

INVESTIGATION INTO CODE OF CONDUCT COMPLAINTS LEADS TO RECOMMENDATIONS

WHAT HAPPENED?

A municipality found three councillors to be in violation of the Code of Conduct. In response, the councillors submitted that the municipality improperly passed the Code of Conduct Complaint Process Manual (the Manual) as well as the Complaint Form and Guide (the Guide). These last two documents were passed by a council resolution; however, the *Code of Conduct for Elected Officials Regulation* states they must be passed through a bylaw. The councillors also argued that the overall process the municipality used to investigate and impose sanctions was unfair and biased.

WHAT DID THE OMBUDSMAN'S OFFICE DO?

After reviewing the complaints and determining the complexity of the issue, the Ombudsman opened three full investigations – one related to each councillor. We conducted interviews with the complainants, the municipality's administrative staff and other councillors. We also reviewed the relevant legislation, policies and bylaws and conducted a file review of the applicable documentation. Through these steps, we assessed the decision maker's process and decision against our office's **Administrative Fairness Guidelines**. It is an important reminder that the Ombudsman investigates processes, not people.

WHAT WAS THE OUTCOME?

In this case, the investigator found that the municipality did not meet six of the eight Administrative Fairness Guidelines. She

found shortcomings in the municipality's overall investigative process, how it issued the decisions and how the Guide and Manual were passed. The municipality's Council unanimously agreed to accept the Ombudsman's findings and recommendations and referred the matter to its legal counsel to oversee implementation. At the conclusion of the investigation, the municipality requested a presentation from our office. Two of our investigators organized a webinar with the municipal Council and presented on the Ombudsman's role, the Administrative Fairness Guidelines, and case studies specific to our recent interactions with municipalities across Alberta.

The work between the municipality and the Ombudsman's office is ongoing; the municipality has updated its bylaw and agreed to provide more information on how it is working to implement the recommendations.

WHY DOES IT MATTER?

The change in legislation requiring municipalities to develop a code of conduct bylaw is relatively new. Every Albertan should have access to a fair process. This is true if you are a resident, an employee of a municipal administration or an elected official. The process should be transparent, and individuals should have the opportunity to participate. There should be a meaningful consideration of the matter and the decision, with reasons, should be clearly communicated. This is the essence of the Administrative Fairness Guidelines, and we acknowledge the municipality's ongoing effort to make its process fairer for its residents and councillors alike.

MUNICIPALITY RESTRICTS COMMUNICATION IN A FAIR WAY

WHAT HAPPENED?

An individual complained to the Ombudsman about a trespass order he received from a small rural municipality after he lost his temper and yelled at a Council meeting. In response, Council discussed the matter privately. It then issued a trespass order, banning the individual from physically attending Council meetings for 60 days.

WHAT DID THE OMBUDSMAN'S OFFICE DO?

After receiving this complaint, the investigator spoke with the individual and explained the Ombudsman's role and jurisdiction. She shared that while our office cannot investigate Council decisions, including the decision to restrict the complainant, we can consider whether Council moved in and out of the public meeting correctly, if the trespass order was issued in accordance with legislation, and whether the order was administratively fair. The investigator then reviewed the trespass order, the *Municipal Government Act* (MGA), the *Trespass to Premises Act*, and the municipality's relevant procedural bylaw.

WHAT WAS THE OUTCOME?

Based on her review, the investigator concluded that Council followed the MGA when it moved in and out of the closed meetings. She determined that Council had the ability to issue the trespass order and restrict the individual from attending meetings in person. She also determined Council followed an administratively fair process and the trespass order was written and delivered according to the relevant legislation.

WHY DOES IT MATTER?

While access to local government and participation in public affairs may be considered a democratic right, these rights may sometimes be restricted.

For this individual, the outcome was not what he wanted but, importantly, the Ombudsman's office determined the process was fair to him. The complainant still had the ability to attend meetings virtually and the investigator affirmed what is often our primary question—what do the rules say and did the decision maker follow them?

UNREASONABLE FEE NO LONGER A BARRIER TO A FAIR APPEAL

WHAT HAPPENED?

An Alberta resident raised concerns when a summer village approved a development permit for their neighbour's property. As an affected party, the resident submitted an appeal to the Subdivision and Development Appeal Board (SDAB). The individual learned that because of a recent bylaw change, the fee to submit the appeal had increased to \$2,000. The summer village set the fee for the SDAB appeal, and placed the burden of hearing costs on the individual appealing and not on all taxpayers.

WHAT DID THE OMBUDSMAN'S OFFICE DO?

The investigator reviewed the complaint and determined that the fee of \$2,000 was significantly higher than any other fee our office had previously seen and it was a substantial increase from what the summer village used to charge. The Ombudsman determined the fee was an unreasonable barrier to access the appeal process and the relevant bylaw did not offer any alternatives to waive or lower the fee to ensure the appeal process was accessible.

WHAT WAS THE OUTCOME?

At the conclusion of a full investigation, the Ombudsman recommended the summer village create and implement a fair process for applicants to appeal the SDAB application fee. Further, the Ombudsman observed it may be helpful to the process for the summer village to keep records for the enforcement of its bylaws as well as provide a process to waive additional fees. The summer village accepted the Ombudsman's findings, changed its bylaw, and reduced the fee.

WHY DOES IT MATTER?

When reviewing complaints, our investigators use our office's [Administrative Fairness Guidelines](#). One of those guidelines speaks to the duty of fairness. Legislation requires municipalities to provide access to a review process through the creation of SDABs. It is administratively unfair to be prevented from accessing a mandated review process because of an unreasonable cost. The Ombudsman recognizes the summer village for working with our office and making a more administratively fair process for its residents.

INTAKE MOMENT BRINGS MEANINGFUL CONNECTION

WHAT HAPPENED?

An individual came to our office in person looking for help to find housing for herself and her daughter on Treaty Six territory. She shared they were leaving an abusive situation. She also raised concerns about a bank scam and fraudulent charges she was trying to resolve.

WHAT DID THE OMBUDSMAN'S OFFICE DO?

The investigator on intake took the time to meet with the mother. He knew our office would not be able to provide housing options or resolve the individual's concerns about fraud, but he also recognized that individuals who contact our office are looking for someone to listen. The investigator created an opportunity for the individual to share her concerns and be heard. He directed her to community resources for individuals in abusive situations and 211 for information about affordable housing. He also shared his knowledge of the Canadian Anti-Fraud Centre and the Ombudsman for Banking Services and Investments.

WHAT WAS THE OUTCOME?

Although we are not advocates, our investigators strive to ensure people who get in touch with our office are provided resources to help navigate whatever challenge they may be facing. The individual left our office with the information she needed to begin trying to find affordable housing and to pursue her banking concerns. She shared she was grateful for the assistance and to have the opportunity to speak with someone.

WHY DOES IT MATTER?

This individual was a senior who was looking for information outside the digital world. She wanted to meet with someone face to face, to have that human connection, and get the help she needed. During the health pandemic, many office doors closed. We still connected with people on the telephone and did our best to provide information, but for some, those in-person interactions were desperately missed.

We are here to listen, explain the Ombudsman's role, and try to help you find the information you need to move forward.



ANIL K. GONDU / SHUTTERSTOCK



EDUCATION AND AWARENESS

Outreach and education initiatives play a vital role in connecting with individuals and understanding communities. It also serves an important role in educating Albertans that they are entitled to receive fair treatment. This focus on two-way dialogue demonstrates inclusivity, and shows we remain responsive to the needs of the people we serve.



In 2022–23, we focused on an active online presence, collaborated with colleagues across borders, and provided administrative fairness training to government agencies. We have listed several examples of the people and organizations we connected with on page 16. Other significant projects are listed below.

RAISE THE BAR

Beginning in the fall of 2021, our office worked alongside our national Ombudsman counterparts to develop a high-level training program for experienced Ombudsman investigators across Canada. In the fall of 2022, the inaugural Raise the Bar course was delivered. This innovative program tapped into the significant body of expertise that exists amongst our collective offices and created a training platform for delivery of this knowledge to investigators from every parliamentary Ombudsman office in Canada.

OSGOODE HALL LAW SCHOOL, YORK UNIVERSITY

For the third year in a row, a senior investigator from the Alberta Ombudsman presented at the [Essentials for Ombuds](#) program, a five-day professional development program for new Ombuds staff held in Toronto, Ontario. The focus of our presentation was Complaint Analysis, Investigation Plans, and Interviewing. The program is a collaboration between the Forum of Canadian Ombudsman and Osgoode Professional Development.

pipikwan pêhtâkwan

Building on our commitment to gain a deeper understanding of Indigenous Peoples and the issues they face, we welcomed presenters from pipikwan pêhtâkwan to our staff development days. The presentation and workshop explored land acknowledgments, Indigenous engagement approaches, and protocol when working with Indigenous Peoples. We were grateful for the opportunities to ask questions and engage in open discussion with their knowledgeable and helpful staff.



DELEGATION FROM NIGERIA



Building relationships both nationally and internationally remains an important priority for our office. This year, we had the opportunity to host international colleagues from Nigeria to discuss similarities in our work. The delegation, led by Distinguished Senator (Dr.) Patrick Ayo Akinyelure, attended various presentations by our office during their one-week visit to the Alberta Legislative Assembly. The open exchange of best practices focused on early resolution strategies, investigative processes, promoting effective whistleblower legislation and public engagement strategies.

ONLINE LECTURE FOR THE THAILAND OMBUDSMAN OFFICE

We received a request from the Office of the Ombudsman of Thailand for permission to translate materials developed for the Essentials for Ombuds course. When our esteemed colleagues from across the globe followed up with a request for our office to provide an online seminar, we gladly agreed. Over 60 investigations and legal officers in Thailand participated in our virtual seminar, and we are thankful for the opportunity to share expertise and learn from our international colleagues.



On behalf of the Ombudsman of Thailand, I would like to express my sincere appreciation to you and your staff for the recent training on Complaint Analysis, Investigations & Interviews on January 20, 2023. Our officers have derived valuable insights from this well-organised and successful training session.



**- Mr. Somsak Suwansujarit
Chief Ombudsman**



PRESENTATION TO USOA

For over a decade, our office has presented key learnings to our Ombudsman counterparts in the United States. At the 2022 United States Ombudsman Association's annual conference, we shared our insights into recent systemic investigations that involved some of our most vulnerable populations. We focused on identification of systemic issues, developing collaborative relationships with authorities, and creating meaningful changes through our work.

Office of the Ombudsman

Financial Statements

March 31, 2023

OFFICE OF THE OMBUDSMAN
FINANCIAL STATEMENTS
Year Ended March 31, 2023

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

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, which comprise the statement of financial position as at March 31, 2023, 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 Office of the Ombudsman as at March 31, 2023, 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 Office 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 Office of 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 Office of 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 Office 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 Office of 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 Office of 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 10, 2023
Edmonton, Alberta

OFFICE OF THE OMBUDSMAN

STATEMENT OF OPERATIONS

Year ended March 31, 2023

	<u>2023</u>		<u>2022</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Surplus sales	\$ -	\$ 1,425	\$ -
	-	1,425	-
Expenses - directly incurred			
(Notes 2(b), 3 and schedule 2)			
Personnel	3,706,000	3,549,647	3,403,739
Supplies and services	313,000	361,756	269,602
Amortization of tangible capital assets	16,000	13,455	25,493
	<u>4,035,000</u>	<u>3,924,858</u>	<u>3,698,834</u>
Less: recovery from support services arrangements with related parties	<u>(414,000)</u>	<u>(375,492)</u>	<u>(401,047)</u>
Program - operations	<u>3,621,000</u>	<u>3,549,366</u>	<u>3,297,787</u>
Net cost of operations	<u><u>\$ (3,621,000)</u></u>	<u><u>\$ (3,547,941)</u></u>	<u><u>\$ (3,297,787)</u></u>

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

OFFICE OF THE OMBUDSMAN

STATEMENT OF FINANCIAL POSITION

As at March 31, 2023

	<u>2023</u>	<u>2022</u>
Financial assets		
Accounts receivable	\$ 4,073	\$ -
	<u>4,073</u>	<u>-</u>
Liabilities		
Accounts payable and other accrued liabilities	32,865	134,699
Accrued vacation pay	432,952	413,390
	<u>465,817</u>	<u>548,089</u>
Net debt	<u>(461,744)</u>	<u>(548,089)</u>
Non-financial assets		
Tangible capital assets (Note 4)	28,358	41,814
Prepaid expenses	10,680	3,408
	<u>39,038</u>	<u>45,222</u>
Net liabilities	<u>\$ (422,706)</u>	<u>\$ (502,867)</u>
Net liabilities at beginning of year	\$ (502,867)	\$ (495,918)
Net cost of operations	(3,547,941)	(3,297,787)
Net financing provided from General Revenues	3,628,102	3,290,838
Net liabilities at end of year	<u>\$ (422,706)</u>	<u>\$ (502,867)</u>
Contractual obligations (Note 7)		

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, 2023

	2023		2022
	Budget	Actual	Actual
Net cost of operations	\$ 3,621,000	\$ (3,547,941)	\$ (3,297,787)
Loss on disposal of tangible capital assets		-	9,773
Amortization of tangible capital assets (Note 4)	16,000	13,456	25,493
(Increase)/decrease in prepaid expenses		(7,272)	135
Net financing provided from General Revenues		3,628,102	3,290,838
Decrease in net debt		\$ 86,345	\$ 28,452
Net debt at beginning of year		(548,089)	(576,541)
Net debt at end of year		\$ (461,744)	\$ (548,089)

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

OFFICE OF THE OMBUDSMAN

STATEMENT OF CASH FLOWS

Year ended March 31, 2023

	<u>2023</u>	<u>2022</u>
Operating transactions		
Net cost of operations	\$ (3,547,941)	\$ (3,297,787)
Non-cash Items included in net cost of operations:		
Amortization of tangible capital assets	13,456	25,493
Loss on disposal of tangible capital assets	-	9,773
Valuation adjustment - increase in vacation accrual	19,562	47,988
	<u>33,018</u>	<u>83,254</u>
(Increase)/decrease in accounts receivable	(4,073)	18,096
(Increase)/decrease in prepaid expenses	(7,272)	135
Decrease in accounts payable and other accrued liabilities	<u>(101,834)</u>	<u>(94,536)</u>
Cash applied to operating transactions	<u>(3,628,102)</u>	<u>(3,290,838)</u>
Capital transactions		
Proceeds on disposal of tangible capital asset	<u>-</u>	<u>-</u>
Cash provided by capital transactions	<u>-</u>	<u>-</u>
Financing transactions		
Net Financing Provided from General Revenues	<u>3,628,102</u>	<u>3,290,838</u>
Changes in cash	-	-
Cash at beginning of year	-	-
Cash at end of year	<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, 2023

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.

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.

As the Office does not have any transactions involving financial instruments that are classified in the fair value category, there is no statement of 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 the Province of Alberta, which is administered by the President of Treasury Board, Minister of Finance.

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.

OFFICE OF THE OMBUDSMAN

Notes to the Financial Statements (Cont'd)

Year ended March 31, 2023

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

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting.

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.

Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets are financial claims such as advances to and receivables from other organizations, employees, and other individuals.

OFFICE OF THE OMBUDSMAN

Notes to the Financial Statements (Cont'd)

Year ended March 31, 2023

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

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

Financial Assets (Cont'd)

Accounts Receivable

Accounts receivable are recognized at lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

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 Asset

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

OFFICE OF THE OMBUDSMAN
Notes to the Financial Statements (Cont'd)

Year ended March 31, 2023

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

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

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.

(c) Prepaid Expenses

Prepaid expenses are recognized at cost and amortized based on the terms of agreement.

(d) Net Debt

Net debt indicates additional cash required from the Fund to finance the Office's cost of operations to March 31, 2023.

OFFICE OF THE OMBUDSMAN Notes to the Financial Statements (Cont'd)

Year ended March 31, 2023

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 the 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 2022-23, the Office's cost recovery from the Office of the Public Interest Commissioner was \$375,492 (2021-22 \$401,047).

OFFICE OF THE OMBUDSMAN
Notes to the Financial Statements (Cont'd)

Year ended March 31, 2023

NOTE 4 TANGIBLE CAPITAL ASSETS

	Furniture & Equipment ⁽¹⁾	Computer Hardware	Leasehold Improvements	2023 Total	2022 Total
Estimated useful life	5-10 yrs	3-5 yrs	5 yrs		
Historical cost					
Beginning of year	\$ 73,137	\$ 5,655	\$ 33,220	\$ 112,012	\$ 216,273
Additions	-	-	-	-	-
Disposals	-	-	-	-	(104,261)
	<u>73,137</u>	<u>5,655</u>	<u>33,220</u>	<u>112,012</u>	<u>112,012</u>
Accumulated Amortization					
Beginning of year	39,502	3,016	27,680	70,198	139,193
Amortization expense	6,785	1,131	5,540	13,456	25,493
Effect of disposals	-	-	-	-	(94,488)
	<u>46,287</u>	<u>4,147</u>	<u>33,220</u>	<u>83,654</u>	<u>70,198</u>
Net Book Value at March 31, 2023	<u><u>\$ 26,850</u></u>	<u><u>\$ 1,508</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 28,358</u></u>	
Net Book Value at March 31, 2022	<u>\$ 33,635</u>	<u>\$ 2,639</u>	<u>\$ 5,540</u>		<u>\$ 41,814</u>

⁽¹⁾ Equipment includes office equipment and furniture.

NOTE 5 DEFINED BENEFIT PLANS (IN THOUSANDS)

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 \$334 for the year ended March 31, 2023 (2022 \$313).

At December 31, 2022, the Management Employees Pension Plan had a surplus of \$924,735 (2021 surplus \$1,348,160), the Public Service Pension Plan had a surplus of \$4,258,721 (2021 surplus \$4,588,479) and the Supplementary Retirement Plan for Public Service Managers had a deficit of \$25,117 (2021 deficit \$20,982).

The Office also participates in the multi-employer Long Term Disability Income Continuance Plan. At March 31, 2023, the Management, Opted Out and Excluded Plan reported a deficit of \$1,962 (2022 surplus \$7,494 restated). The expense for this plan is limited to the employer's annual contributions for the year.

OFFICE OF THE OMBUDSMAN

Notes to the Financial Statements (Cont'd)

Year ended March 31, 2023

NOTE 6 BUDGET

The budget shown on the statement of operations is based on the budgeted expenses that the all-party Standing Committee on Legislative Offices approved on January 27, 2022. The following table compares the office's actual expenditures, excluding non-voted amounts such as amortization, to the approved budgets:

	<u>Voted budget</u>	<u>Actual</u>	<u>Unexpended</u>
Operating expenditures	\$ 4,019,000	\$ 3,911,403	\$ 107,597
Capital investment	-	-	-
	<u>\$ 4,019,000</u>	<u>\$ 3,911,403</u>	<u>\$ 107,597</u>

NOTE 7 CONTRACTUAL OBLIGATIONS

Contractual obligations are obligations of the Office to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	<u>2023</u>
Obligations under operating leases, contracts and programs	35,877

Estimated payment requirements over the next four years are as follows:

Obligations under Operating leases, contracts and programs

2023-24	\$ 8,969
2024-25	11,959
2025-26	11,959
2026-27	<u>2,990</u>
	\$35,877

NOTE 8 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Senior Financial Officer and the Ombudsman.

OFFICE OF THE OMBUDSMAN

Salary and Benefits Disclosure

Year Ended March 31, 2023

	2023			2022	
	Base Salary	Cash Benefits ⁽¹⁾	Non-Cash Benefits ⁽²⁾	Total	Total
Senior Official ^{(3) (4) (5)}					
Ombudsman /					
Public Interest Commissioner	\$ 124,713	\$ 12,370	\$ 20,893	\$ 157,976	\$ 293,269
Executive ^{(3) (5)}					
Deputy Ombudsman / Deputy					
Public Interest Commissioner	\$ 183,370	\$ -	\$ 39,725	\$ 223,095	\$ 192,891
	<u>\$ 308,083</u>	<u>\$ 12,370</u>	<u>\$ 60,618</u>	<u>\$ 381,071</u>	<u>\$ 486,160</u>

- (1) Cash benefits are pension-in-lieu payments, vehicle allowances and a vacation payout of \$1,327 (2022 \$0). There were no bonuses paid in 2023 (2022 \$0).
- (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, extended medical and dental plans, group life insurance, long-term disability, health spending account, parking and WCB.
- (3) The former Ombudsman/Public Interest Commissioner retired on June 30, 2022. From July 1-December 29, 2022, the Executive was appointed acting Ombudsman/Public Interest Commissioner. The current Ombudsman/Public Interest Commissioner was appointed for a five-year term effective December 30, 2022.
- (4) The current Ombudsman/Public Interest Commissioner was provided with an automobile effective January 11, 2023. For 2022-23, the Office paid automobile operating costs of \$523 (2022 \$0). The former Ombudsman/Public Interest Commissioner was not provided with an automobile.
- (5) The Senior Official is both the Ombudsman and the Public Interest Commissioner, and the Executive is both the Deputy Ombudsman and the Deputy Public Interest Commissioner. These positions do not receive additional remuneration for their Public Interest Commissioner roles. This schedule represents 100% of total salary and benefits for the Senior Official and the Executive for fiscal years 2022-23 and 2021-22.
- (6) Note 3 on the Notes to the Financial Statements provides information regarding allocation of shared services costs for financial statement presentation.

OFFICE OF THE OMBUDSMAN

Allocated Costs

Year Ended March 31, 2023

Program	2023			Total Expenses	2022 Total Expenses
	Expenses ⁽¹⁾	Accommodation ⁽²⁾	Business Services ⁽³⁾		
Operations	\$ 3,549,366	\$ 318,637	\$ 39,444	\$ 3,907,447	\$ 3,639,666

(1) Expenses –directly incurred per the Statement of Operations.

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

(3) Business Services - costs include charges allocated by Service Alberta for finance services (accounts payable, pay and benefits), 1GX - the financial and human resources system and GOA Learning Center training fees.



—ALBERTA—
OMBUDSMAN

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

