

budget

—2019—



BUDGET NOTE



Ombudsman
Toronto

Listening. Investigating. Improving City Services.

What We Do

Ombudsman Toronto is an independent and effective voice for fairness at the City of Toronto. We identify problems, find practical solutions and make recommendations for how the City can improve services and administration.

We:

- listen to the public's complaints and identify areas of concern
- investigate by asking questions, gathering information and analyzing evidence
- explore ways to resolve individual cases without taking sides
- shine a light on problems, recommend system improvements, show what fair service requires

Why We Do It

Mandated by the *City of Toronto Act 2006*, Ombudsman Toronto works to build a culture of fairness at the City of Toronto with every case it handles. For a decade, we have been an independent bridge between people and their municipal government. We enhance public trust and confidence in Toronto's government.

- Our **complaints resolution and investigative work** result in concrete and lasting improvements to systems and programs for better service to the public.
- Our **consultation and education with City staff** informs them what fair service to the public requires and how to deliver it.
- Our **outreach to the public** helps people to understand their rights and to hold their City government accountable.

Our Experience & Success in 2018

- Published **7 reports** with **56 formal recommendations**
- Handled **2,111 cases (28% more than in 2017)** using new, more efficient processes
- Consulted with City staff on **12 projects**
- Held approx. **100 stakeholder outreach sessions**

Key Challenges

- **Volume of complaints has increased** over the last few years without any increase in funding for staff
- **Complexity of complaints has increased**, making casework more difficult and time-consuming
- Case volume and complexity leave **little time for proactive ombudsmanship** including consultations and outreach

Priority Actions

- **Listen to and resolve complaints as effectively and quickly as possible** to ensure public trust in the City of Toronto
- **Consult with City staff** to help build equitable and fair systems and services
- **Continue expanding our outreach** to the public, City Council and City staff to inform them of our role and our services

Budget at a Glance

OMBUDSMAN'S RECOMMENDED OPERATING BUDGET				OMBUDSMAN'S RECOMMENDED 10-YEAR CAPITAL PLAN			
\$Million	2019	2020	2021	\$Million	2019	2020-2028	Total
Gross Expenditures	\$2.2	\$2.3	\$2.3	Gross Expenditures	\$0.0	\$0.7	\$0.7
Revenues	\$0.0	\$0.0	\$0.0	Debt	\$0.0	\$0.7	\$0.7
Net Expenditures	\$2.2	\$2.3	\$2.3				

Our Key Service Levels

- Equitable access to our services
- Comprehensive complaints management protocols, including communication: we keep complainants informed about what is happening with their complaint and why
- Translation services available in over 100 languages
- We return phone calls in one business day
- We respond to emails and letters in two business days

Key Service Deliverables

- Every case is resolved as quickly and as informally as possible
- We are aware of - and focused on - the important issues facing people in Toronto: we launch our own Enquiries and Investigations as needed, even without a complaint
- Our recommendations result in concrete systemic improvements, making City services fairer (some 2018 examples include Respite services for the homeless and TCHC Priority Transfer process)
- City staff understand our role and how to work with our office
- City staff trust and respect us as we support their efforts to ensure fair and effective service delivery
- Members of the public are aware of the services they should be receiving and know how to access our office when needed

Who We Serve

Complaints + Investigative Work

- Public

Beneficiaries

- Public
- City Divisions, Agencies, Corporations and Boards

Consultation

- City Staff

Beneficiaries

- Public
- City Divisions, Agencies, Corporations and Boards

Outreach

- Public and City Staff

Beneficiaries

- Public
- City Divisions, Agencies, Corporations and Boards

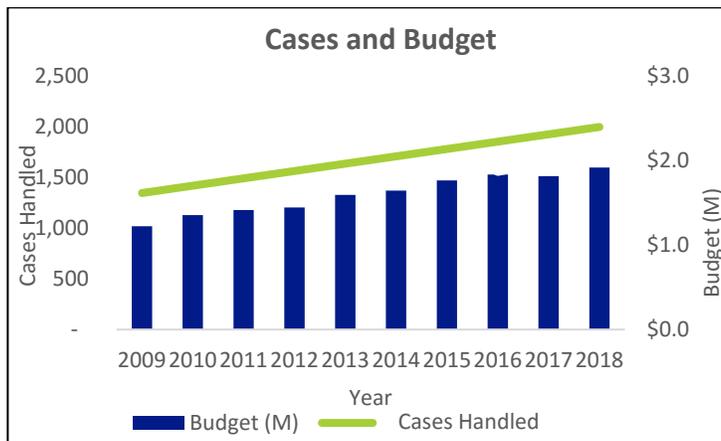
How Well We Are Doing

With a **very small staff of 12 and no staff budget increase since 2015**, Ombudsman Toronto continues to serve the public and City staff to an exceptionally high standard. Despite having the lowest *per capita* budget of any Ombudsman office in Canada, Ombudsman Toronto is recognized across the country as a leader in providing fair, impartial, accessible and effective service to members of the public and City of Toronto staff.

To maintain this high level of service and deliver on our mandate in a timely way, however, we require more staff for casework, which has significantly increased in volume and complexity.

Performance Measures

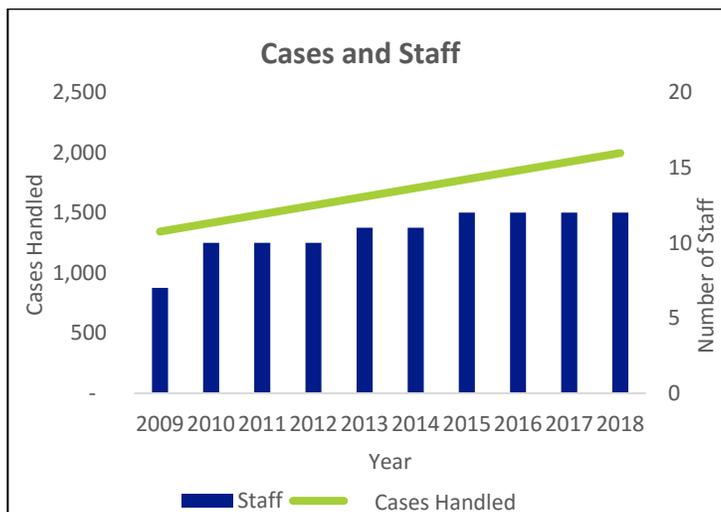
Year	Cases handled	Cases handled % change	Budget (M)	Budget % change
2017	1,646	Increase of 7% from 2016	\$1.81	Decrease of 1.3% from 2016
2018	2,111	Increase of 28% from 2017	\$1.93	Base budget increase of 6.7% from 2017



In the past year, Ombudsman Toronto's cases handled have increased by 28%.

Corresponding staff funding increase: 0%.

More staff is urgently needed.



Service Efficiency:

92% of cases handled in 2018 were closed in 2018.

60% were closed within 30 days.

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RECOMMENDATIONS

RECOMMENDATIONS

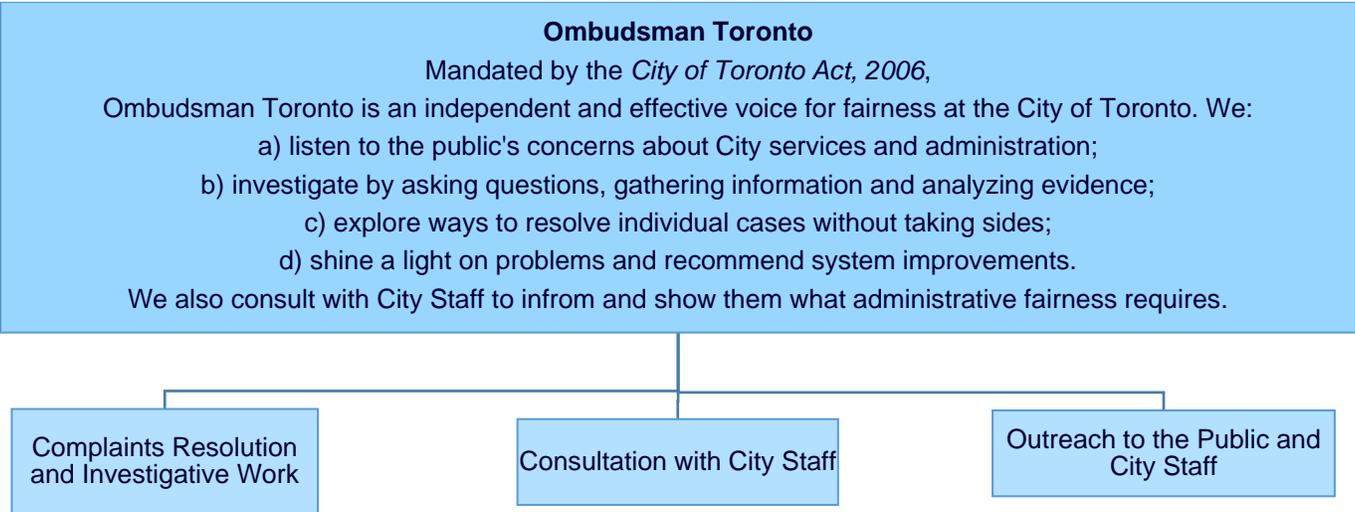
The Ombudsman recommends that:

1. City Council approve the 2019 Ombudsman-recommended Base Operating Budget for Ombudsman Toronto of \$2.158 million gross and net and associated staff complement of 14 positions.
2. City Council approve the 2019 - 2028 Office-Recommended Capital Plan for Ombudsman Toronto with a total project estimate of \$0.700 million, comprising of \$0.350 million for 2024 and \$0.350 million for 2025.



2019 OMBUDSMAN-RECOMMENDED OPERATING BUDGET

OFFICE MAP



2019 OPERATING BUDGET HIGHLIGHTS

2019 Ombudsman-Recommended Operating Budget \$2.2M

By Service



By Funding Source



11.7% budget increase over the 2018 Approved Net Operating Budget to maintain existing service levels and meet additional service demands.

- **\$0.167M** enhanced funding to increase intake, complaints analysis, investigative and consultation capacity by adding two staff to perform casework.
- **2020/2021** Increases primarily for known adjustments for salaries and benefits, and inflationary adjustments for non-payroll items.

2019 OPERATING BUDGET OVERVIEW

Table 1: 2019 Ombudsman-Recommended Operating Budget and Plan

(In \$000s)	2018		2019			Changes		Incremental Change	
	Budget	Projected Actual*	Base	New / Enhanced	Total Ombudsman-Recommended Budget			2020 Plan	2021 Plan
Gross Expenditures	1,931.7	1,921.7	1,990.9	167.2	2,158.1	226.3	11.7%	103.6	35.0
Revenue			0.0		0.0	0.0	-	0.0	0.0
Total Net Expenditures	1,931.7	1,921.7	1,990.9	167.2	2,158.1	226.3	11.7%	103.6	35.0
Approved Positions	12.0	12.0	12.0	2.0	14.0	2.0	16.7%	0.0	0.0

* Year-End Projection Based on Q3 2018 Variance Report

Base Changes

(\$0.059M Gross and Net)

- Salary & benefit adjustment related to progression pay, COLA and benefit adjustments.
- Economic factor adjustments for non-payroll items.
- Other base changes related to computer software licenses and maintenance.

New/Enhanced Service Priorities

(\$0.167M Gross and Net)

- Enhancements to Intake, Complaints Analysis, Investigative and Consultation Capacity by adding 1.0 permanent Ombudsman Investigator position and 1.0 permanent Ombudsman Complaints Analyst position.

Future Year Plan

- Salaries and benefits adjustments and inflationary adjustment for non-payroll items.
- Annualization costs in 2020 related to the enhancement requests in 2019.

EQUITY IMPACTS

Positive equity impact: Pursuant to its legislative mandate, Ombudsman Toronto works to ensure that the City treats people fairly and equitably. Increasing Ombudsman Toronto's staff directly enhances equity at the City of Toronto.

2019 Ombudsman-Recommended Operating Budget Changes

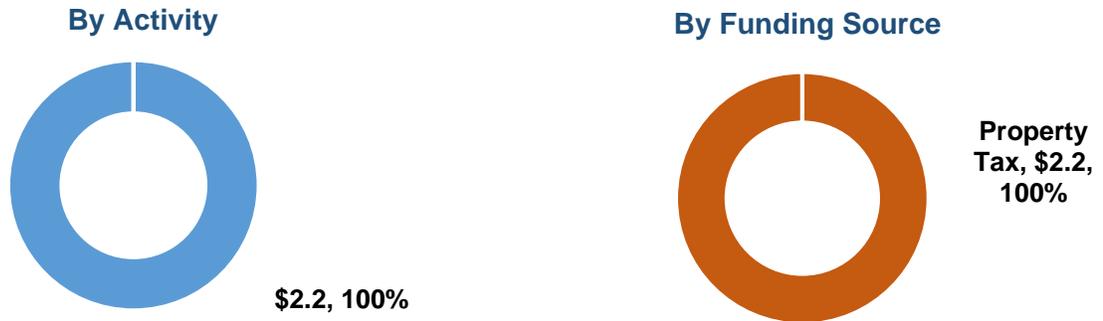
The 2019 Ombudsman-Recommended Operating Budget for Ombudsman Toronto is \$2.158 million gross and net, 11.7% higher than the 2018 Council Approved Operating Budget. Table 2 below summarizes the key cost drivers to maintain current service levels and to provide needed resources for enhanced capacity for intake, complaints analysis, investigation and consultations to meet increased demand.

Table 2: 2019 Ombudsman-Recommended Operating Budget Changes

(In \$000s)	Total	
	\$	Positions
2018 Council Approved Operating Budget (Net)	1,931.7	12.0
Base Expenditure Changes		
Prior Year Impacts		
Other Prior Year Impacts	(5.5)	
Economic Factors		
Divisional Economic Factors	5.6	
Salaries and Benefits		
COLA	16.7	
Progression Pay	26.9	
Benefits Adjustments	4.5	
Other Base Expenditure Changes		
Other Base Changes	10.9	
Total Base Changes	59.2	
New & Enhanced Services		
Enhanced Service Priorities		
Enhancements to Intake, Complaints Analysis, Investigative and Consultation Capacity	167.2	2.0
Sub-Total New & Enhanced Services	167.2	2.0
Total 2019 Ombudsman-Recommended Operating Budget (Net)	2,158.1	14.0

Ombudsman Toronto enhances public confidence and trust in Toronto's local government. It saves the City money by resolving disputes before they become expensive litigation and by recommending systemic improvements that help avoid complaints.

2019 Ombudsman-Recommended Operating Budget \$2.2M



2018 OPERATING PERFORMANCE

2018 Service Performance

Ombudsman Toronto accomplished the following in 2018:

- Published 7 reports with 56 formal recommendations to improve City services, resulting in broad systemic changes (examples include improved service and communication of Respite services for the homeless and a fairer priority transfer process at TCHC)
- Handled 2,111 cases (28% more than in 2017) using new, more efficient processes
- Consulted with City staff on 12 projects
- Held approx. 100 stakeholder outreach sessions

2018 Financial Performance

Table 3: Budget vs. Actual by Category of Expenditures and Revenues

Category (In \$000s)	2017 Actual	2018 Budget	2018 Projected Actual *	2019 Total Ombudsman- Recommended Budget	2019 Change from 2018 Approved Budget	
	\$	\$	\$	\$	\$	%
Salaries and Benefits	1,636.5	1,655.5	1,715.7	1,865.4	209.8	12.7%
Materials & Supplies	4.2	5.2	8.7	5.2	0.1	1.3%
Equipment	9.6	4.3	38.4	4.4	0.1	2.2%
Service and Rent	99.7	256.5	147.6	272.6	16.1	6.3%
Contribution To Reserves/Reserve Funds	2.2	2.2	2.2	2.2		
Inter-Divisional Charges	6.0	8.0	9.0	8.2	0.2	2.6%
Total Gross Expenditures	1,758.2	1,931.7	1,921.7	2,158.1	226.3	11.7%
Total Revenues	0.0	0.0	0.0	0.0		
Total Net Expenditures	1,758.2	1,931.7	1,921.7	2,158.1	226.3	11.7%
Approved Positions	12.0	12.0	12.0	14.0	2.0	16.7%

* Year-End Projection Based on Q3 2018 Variance Report

Ombudsman Toronto is projecting a surplus of \$0.01 million at year-end, primarily due to lower spending in services and rents, partially offset by higher salaries and benefits due to the hiring of temporary staff to meet operational requirements.

For additional information regarding the 2018 Q3 operating variances and year-end projections, please refer to the attached link for the report entitled "Operating Variance Report for the Nine-Month Period Ended September 30, 2018", considered by City Council at its meeting on December 13, 2018.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.CC1.7>



2019 – 2028 OMBUDSMAN-RECOMMENDED CAPITAL BUDGET AND PLAN

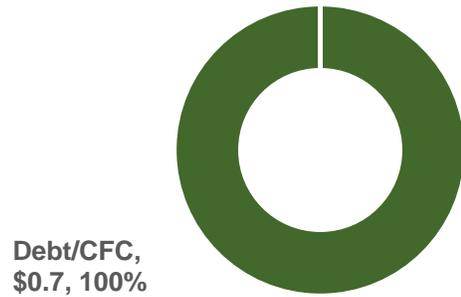
10-YEAR CAPITAL PLAN HIGHLIGHTS

2019-2028 Ombudsman-Recommended Capital Plan \$0.700 M

By Project Category



By Funding Source

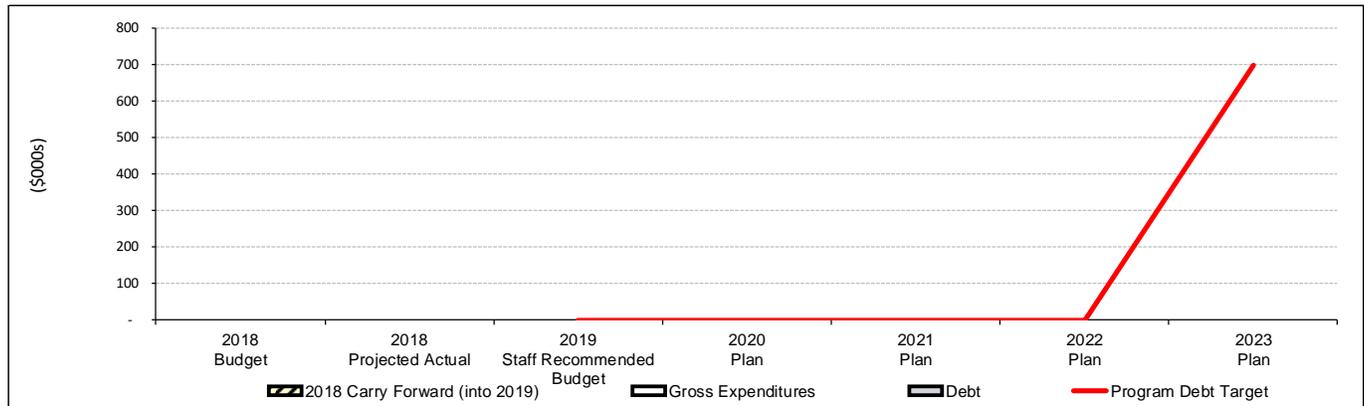


10
YEARS

- **\$0.7M** State of Good Repair project for Ombudsman Toronto Case Management System replacement and upgrade in 2024 and 2025 to meet corporate and industry standards and allow for added functionality using new technology.

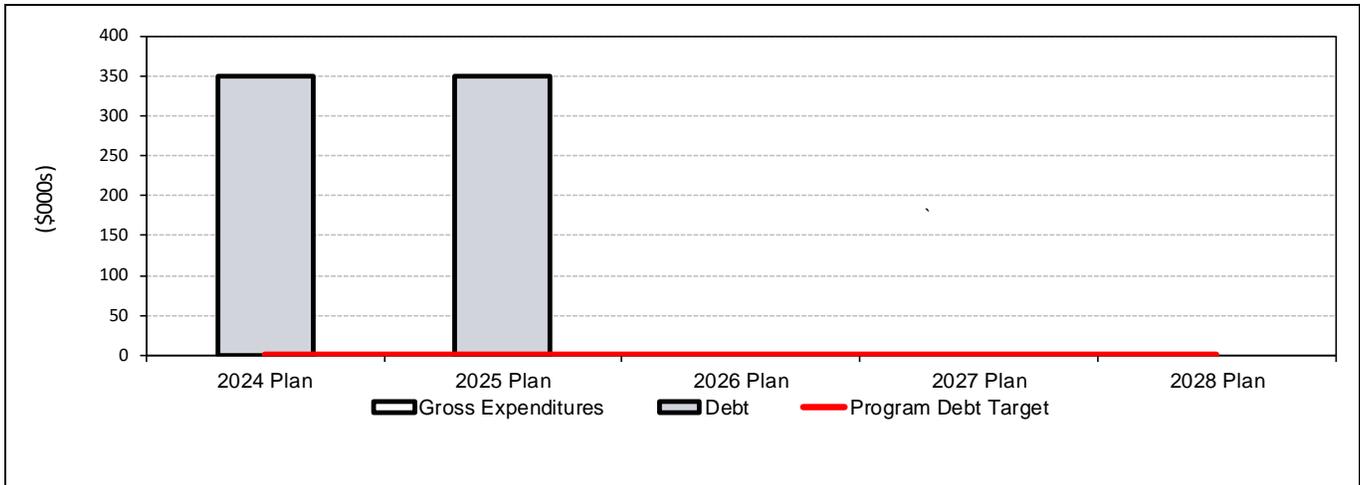
2019 – 2028 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview



		2019 Staff Recommended Capital Budget and 2020 - 2023 Capital Plan								
		2018		2019	2020	2021	2022	2023	2019 - 2023	5-Year Total Percent
		Budget	Projected Actual							
Gross Expenditures by Project Category:										
Health & Safety		-		-	-	-	-	-	-	
Legislated		-		-	-	-	-	-	-	
SOGR		-		-	-	-	-	-	-	
Service Improvement		-		-	-	-	-	-	-	
Growth Related		-		-	-	-	-	-	-	
Total by Project Category		-		-	-	-	-	-	-	0.0%
Program Debt Target				-	-	-	-	700	700	
Financing:										
Debt		-		-	-	-	-	-	-	
Reserves/Reserve Funds		-		-	-	-	-	-	-	
Development Charges		-		-	-	-	-	-	-	
Provincial/Federal		-		-	-	-	-	-	-	
Debt Recoverable		-		-	-	-	-	-	-	
Other Revenue		-		-	-	-	-	-	-	
Total Financing		-		-	-	-	-	-	-	0.0%
By Status:										
2018 Capital Budget & Approved Future Year (FY) Commitments		-	-	-	-	-	-	-	-	
Changes to Approved FY Commitments				-	-	-	-	-	-	
2019 New/Change in Scope & FY Commitments				-	-	-	-	-	-	
2020 - 2023 Capital Plan Estimates				-	-	-	-	-	-	
2-Year Carry Forward for Reapproval				-	-	-	-	-	-	
1-Year Carry Forward to 2019				-	-	-	-	-	-	
Total Gross Annual Expenditures & Plan		-	-	-	-	-	-	-	-	0.0%

Chart 2: 10-Year Capital Plan Overview (Continued)



	2024 - 2028 Staff Recommended Capital Plan							10-Year Total Percent
	2024	2025	2026	2027	2028	2019 - 2028		
Gross Expenditures by Project Category:								
Health & Safety	-	-	-	-	-	-	-	
Legislated	-	-	-	-	-	-	-	
SOGR	350	350	-	-	-	700	100.0%	
Service Improvement	-	-	-	-	-	-	-	
Growth Related	-	-	-	-	-	-	-	
Total by Project Category	350	350	-	-	-	700	100.0%	
Program Debt Target	-	-	-	-	-	700		
Financing:								
Debt	350	350	-	-	-	700	100.0%	
Reserves/Reserve Funds	-	-	-	-	-	-	-	
Development Charges	-	-	-	-	-	-	-	
Provincial/Federal	-	-	-	-	-	-	-	
Debt Recoverable	-	-	-	-	-	-	-	
Other Revenue	-	-	-	-	-	-	-	
Total Financing	350	350	-	-	-	700	100.0%	
By Status:								
2018 Capital Budget & Approved Future Year (FY) Commitments	-	-	-	-	-	-	-	
Changes to Approved FY Commitments	-	-	-	-	-	-	-	
2019 New/Change in Scope & FY Commitments	-	-	-	-	-	-	-	
2024 - 2028 Capital Plan Estimates	350	350	-	-	-	700	100.0%	
2-Year Carry Forward for Reapproval	-	-	-	-	-	-	-	
Total Gross Annual Expenditures & Plan	350	350	-	-	-	700	100.0%	

Ombudsman-Recommended 10-Year Capital Plan by Project Category

Table 4: Summary of Capital Projects by Project Category

(In \$000s)	Total App'd Cash Flows to Date*	2019 Budget	2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2019 - 2028 Total	Total Project Cost
Total Expenditures by Category													
State of Good Repair													
<i>Ombudsman Case Management System SOGR</i>	-	-	-	-	-	-	350	350	-	-	-	700	700
Sub-Total	-	-	-	-	-	-	350	350	-	-	-	700	700
Total Expenditures by Category (excluding carry forward from 2018)	-	-	-	-	-	-	350	350	-	-	-	700	700

*Life to Date approved cash flows are provided for multi-year capital projects with cash flow approvals prior to 2018, excluding ongoing capital projects (i.e. Civic Improvement projects)

2019 - 2028 Key Capital Projects

The capital project funded in the 10-Year Ombudsman-Recommended Capital Plan will support Ombudsman Toronto in fulfilling its legislative mandate.

State of Good Repair (SOGR)

SOGR projects account for \$0.7 million or 100% of the total 10-Year Ombudsman-Recommended Capital Plan.



ISSUES FOR DISCUSSION

ISSUES IMPACTING THE 2019 BUDGET

2019 Budget Overview

Operating:

Ombudsman Toronto's 2019 Operating Budget of \$2.158 million gross and net includes \$0.167 million gross and net to enhance the intake, complaints analysis, investigative and consultation capacity of the Office. This enhancement will increase the office's total approved staff positions by two positions from 12 in 2018 to 14 in 2019.

This staff increase is essential for Ombudsman Toronto to keep up with increased complaints volume and complexity and to conduct "proactive ombudsmanship" by providing consultation to City staff on the requirements of administrative fairness.

10-Year Capital Plan:

- The 2019 - 2028 Capital Plan provides investments of \$0.7 million for Ombudsman Case Management System SOGR.

In fulfilling its mandate under the *City of Toronto Act, 2006*, Ombudsman Toronto investigates complaints from the public about the administration of City government, including its agencies and corporations. Further, it conducts Enquiries and formal Investigations on its own motion into issues with broad systemic implications, and recommends improvements to City administration. Finally, it provides proactive consultation to City staff on the requirements of administrative fairness.

The Case Management System (CMS) is Ombudsman Toronto's essential tool for managing its caseload, and for capturing and storing all complaints-related information, as well as information concerning own-motion Enquiries and Investigations. The information in the CMS is used to track complaints, Enquiries, Investigations and consultations, to identify trends, to provide referral information to staff, to generate reports (e.g., time required to resolve complaints, method of resolution, divisions/programs complained about, issues investigated, recommendations made, etc.), to assist with the investigation of systemic issues, and to assist with management of the day to day handling of complaints.

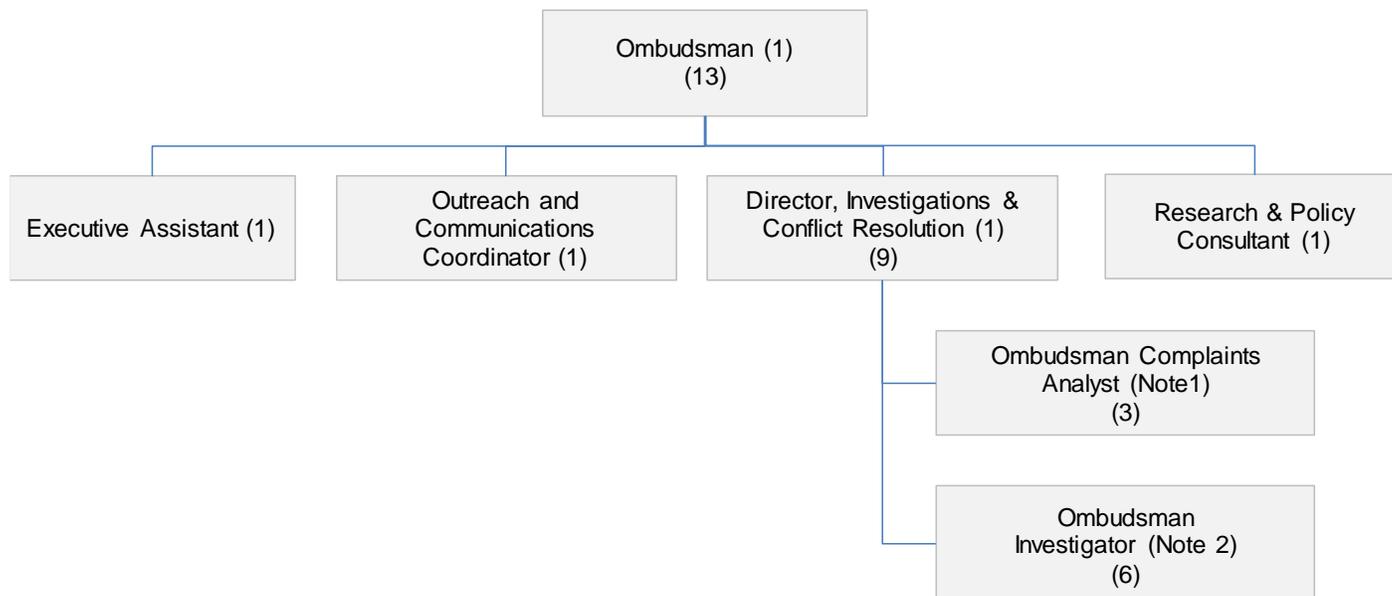
The current CMS was upgraded in 2017. It will need to be refreshed in 2024 to ensure that it is in a state of good repair, that it meets corporate and industry standards, and that it reflects new technology standards



APPENDICES

Appendix 1

2019 Organization Chart



Notes:

1. One new Ombudsman Complaints Analyst in 2019
2. One new Ombudsman Investigator in 2019

The 2019 total staff complement has 14 positions and all are operating positions as summarized in the table below.

2019 Total Complement

	Category	Senior Management	Management with Direct Reports	Management without Direct Reports/Exempt Professional & Clerical	Union	Total
Operating	Permanent	1.0	1.0	12.0	-	14.0
	Temporary			-	-	-
	Total Operating	1.0	1.0	12.0	-	14.0
Capital	Permanent			-	-	-
	Temporary			-	-	-
	Total Capital	-	-	-	-	-
Grand Total		1.0	1.0	12.0	-	14.0

Appendix 2

Inflows and Outflows to/from Reserves and Reserve Funds

2019 Operating Budget

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2019	2020	2021
		\$	\$	\$
Insurance Reserve Fund	XR1010			
<i>Withdrawals (-)</i>				
<i>Contributions (+)</i>		2.2	2.2	2.2
Total Reserve / Reserve Fund Draws / Contributions		2.2	2.2	2.2

* Based on 9-month 2018 Reserve Fund Variance Report