
BUSINESS PLAN

2021-22



The Condominium Management Regulatory Authority of Ontario (CMRAO) is the regulatory body that sets standards and enforces the mandatory licensing of condominium managers and condominium management provider businesses.

The 2021–22 business plan outlines the strategic priorities that will guide the CMRAO as we continue to deliver our mandate in a manner that is effective, fair, and transparent.



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BUSINESS PLANNING OVERVIEW

The CMRAO is committed to sound business planning to effectively deliver its consumer protection mandate. This plan outlines the priorities for the current fiscal year, while the upcoming Annual Report will outline the achievements of the CMRAO in the fiscal year ended March 31, 2021.

Strategic planning is an integral part of the business-planning process and as such, in 2018, the Board of Directors approved the CMRAO's first strategic plan for the period 2019–22. As part of this exercise, the Board established the CMRAO's vision, mission, and values and provided strategic directions to guide the organization's business planning. In 2021, the CMRAO board will participate in a strategic planning exercise to develop a new three-year plan (2022–25).

Going forward, the CMRAO will strive to continuously improve and strengthen linkages between strategic planning, business planning, and annual reporting.

STRATEGIC DIRECTION

The CMRAO's three-year strategic plan guides the operations of the organization towards achieving our goal of enhanced consumer protection through modern and effective regulatory activities.

Mandate

The Condominium Management Regulatory Authority of Ontario (CMRAO) is the regulatory body that sets standards and enforces the mandatory licensing of condominium managers and condominium management provider businesses.

Mission

To enhance consumer protection through modern and effective regulation of the condominium management sector.

Vision

Public confidence that the assets of condominium communities are well managed and protected.

Values

Building Trust by carrying out our mission with integrity, accountability, and a commitment to fairness.

Protecting the Public by using modern regulatory practices that enhance confidence in the professionalism of condominium management services.

Service Excellence through our commitment to responsiveness, respect, and results in all our interactions with the public, the regulated community, and our partners.

SECTOR OUTLOOK

There are approximately 1.6 million people living in condominiums in Ontario and more than 50% of new homes being built in the province are condominiums. There are currently more than 880,000 condo units in Ontario.

As of March 1, 2021, there were 3,411 licensed condominium managers in Ontario, including 1,879 General Licensees, 464 Transitional General Licensees, and 1,068 Limited Licensees.

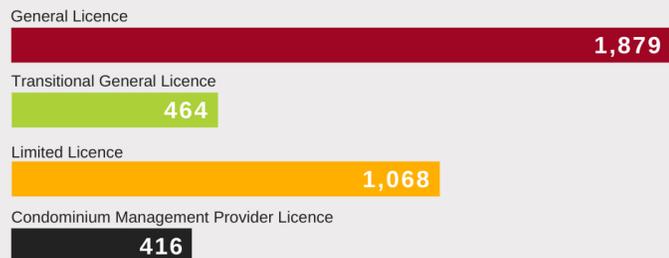
Condominium managers and management provider businesses provide services across the province, with heavier concentrations in Toronto and Central Ontario, where there are more condominiums relative to the rest of the province.

There are 416 licensed condominium management provider businesses in Ontario, of which 161 employ a single condominium manager, representing 5% of condominium managers in Ontario. The three largest companies employ 100 or more condominium managers each and represent 24% of condominium managers in Ontario.

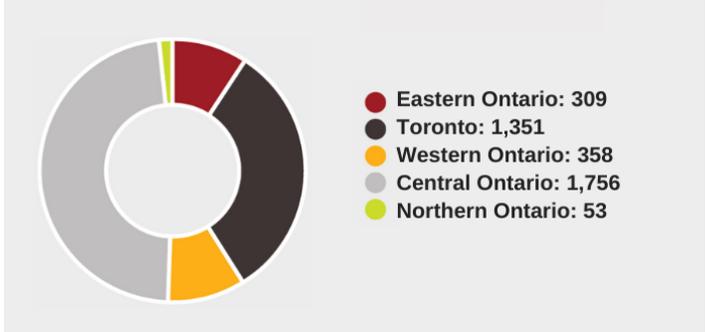
Over the past two years, the CMRAO has seen consistent growth in the condominium management sector. As of March 1, 2021, there was a net increase of 468 additional condominium managers compared to the start of CMRAO's first full licensing year, July 1, 2019. The CMRAO received an average of 68 new Limited Licence applications per month in the first eight months of the 2020–21 licensing year. The increased number of new entrants into the profession is encouraging for the CMRAO and suggests that the condominium management profession is growing in a way that is commensurate to growth in the condominium sector.

Active Licences*

Total Number of Active Licensees: 3,927
As at March 1, 2021



Regional Distribution of Licensees*



* as at March 1, 2021

CORPORATE STRUCTURE

Established by the *Condominium Management Services Act, 2015* (CMSA), the CMRAO is a non-profit corporation governed by an independent Boards of Directors accountable through the Board Chair to the Ontario Minister of Government and Consumer Services for the performance of the authority.

Corporate Governance

An independent Board of Directors composed of four elected members and three ministerial appointees has the mandate to oversee and guide the operations of the CMRAO. Collectively, the CMRAO board directors possess a wide range of skills, including expertise in condominium management, law, administrative authority governance, regulations, strategic planning, communication, risk management, and public policy.

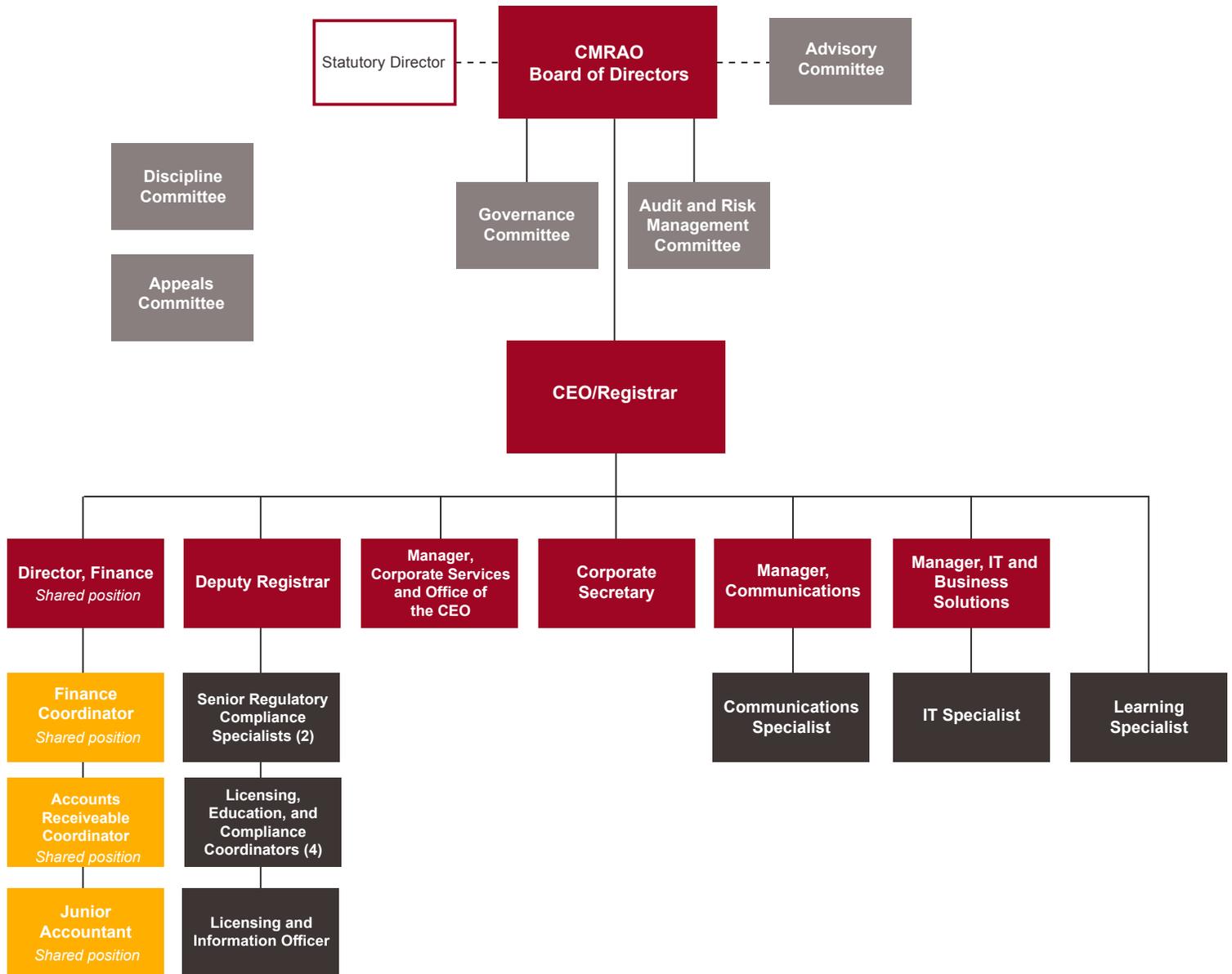
The CMRAO has developed a skills and competency matrix to assist with recruiting new directors. Consideration is also given to diversity and regional representation of the board.

Organizational Structure

The CMRAO operates with a lean, committed, and diverse team of full-time staff, including a dedicated team of licensing and compliance staff, information technology, communications, and education specialists. Under the leadership of the Deputy Registrar, the licensing and compliance staff evaluate licensing applications and are available to handle complaints from the public or the licensed sector.

The CMRAO shares Finance personnel with the Condominium Authority of Ontario (CAO) to achieve organizational efficiencies.

Organizational Structure



STAKEHOLDERS

The CMRAO's stakeholders are:

The Public

The CMRAO is a non-profit organization dedicated to protecting the public and condominium communities and building trust in condominium management services. As a regulator, the CMRAO strives to improve how Ontario's condominiums are managed through licensing, education, and promoting compliance with the Code of Ethics.

In 2019, the CMRAO established an Advisory Committee of volunteer members from the Ontario condominium community, including owners, board members, condominium managers, and other participants. The Advisory Committee was instrumental in developing the competency profile, education roadmap, and course blueprints for condominium managers, a key part of the CMRAO's education initiative. This committee will continue to provide input to the CMRAO on issues of importance to consumers and licensees, participate in consultations, and provide feedback on proposed policies and educational materials.

Condominium Management Sector and Industry Associations

The CMRAO works with industry stakeholders to ensure that its rules and regulations support a competitive industry. The organization is also dedicated to promoting awareness of the regulatory system for condominium management.

The CMRAO has an active and engaged relationship with industry associations such as the Association of Condominium Managers of Ontario (ACMO), the Canadian Condominium Institute (CCI), the Community Associations Institute (CAI), and the newly formed Condo Owners Council, and actively participates in events organized by these partners.

Ontario Ministry of Government and Consumer Services (MGCS)

The CMRAO is an administrative authority designated under the *Condominium Management Services Act, 2015* (CMSA). The CMRAO is accountable to the Minister of Government and Consumer Services and the government for administration of the delegated provisions of the CMSA. The CMRAO operates in accordance with the provisions of the CMSA and an administrative agreement with the Minister of Government and Consumer Services.

Other Administrative Authorities

The CMRAO is part of an administrative authority community and shares best practices and consults with different organizations on licensing and regulatory matters. In 2018, the CMRAO entered into a Memorandum of Understanding (MOU) with the Condominium Authority of Ontario (CAO) in order to collaborate in areas of interest to both authorities.

The CMRAO and the CAO also have a data-sharing agreement to enhance information accuracy and assist in enforcement activities of the CMRAO.

SERVING CONDOMINIUM COMMUNITIES ACROSS ONTARIO

Since November 2017, the CMRAO has provided the following services:

- Administering a mandatory licensing system for all condominium managers and management providers. The CMRAO licensing team verifies that only qualified individuals who meet the training and education requirements hold a licence.
- Providing prior learning assessment for applicants.
- Maintaining an online registry of licensed condominium managers and condominium management provider businesses. The Public Registry contains information about licensees, including the status of their licence, conditions, suspensions, and revocations, as well as any disciplinary actions, and it is accessible to the public on the CMRAO website.
- Promoting and enforcing compliance with the licensing requirements outlined in the CMSA and its regulations, including the Code of Ethics regulation. The CMRAO continues to develop resources to ensure that licensees make informed decisions and understand the conditions and requirements of their licence.
- Handling complaints about licensees by assisting in issues resolution, ensuring compliance with the Code of Ethics, and undertaking enforcement activities where deemed necessary.
- Promoting public awareness of the regulatory system for condominium managers by actively engaging with condominium communities.

A Discipline Committee and an Appeals Committee have been established to hear cases where licensees are alleged to have failed to comply with the Code of Ethics regulation.

Effective November 1, 2021, the CMRAO Registrar will assume responsibility for designating education requirements for condominium manager licence applicants. In the past two years, the CMRAO has established a competency profile for condo managers and has developed the roadmap and course blueprints for a Limited Licence and a General Licence. The new education program will be implemented this year and the CMRAO will communicate any updates to all its stakeholders as information becomes available.

COMPLAINTS PROCESS

The CMRAO accepts complaints through the online complaints portal available on the CMRAO website at www.cmrao.ca/complaints. The CMRAO's complaints process provides an impartial assessment of concerns regarding condominium management services. Pursuant to section 57 of the CMSA, in handling complaints, the Registrar may do any of the following, as appropriate:

- attempt to mediate or resolve the complaint
- give the licensee a written warning that if the licensee continues with the activity that led to the complaint, action may be taken against the licensee
- require the Principal Condominium Manager of the licensee to take further educational courses if the licensee is a provider of condo management services
- require the licensee to take further educational courses if the licensee is a condominium manager
- refer the matter, in whole or in part, to the Discipline Committee
- approve a licence or the renewal of a licence with conditions
- apply conditions to a licence at any time
- take further enforcement actions as is appropriate in accordance with this Act

FRENCH LANGUAGE SERVICES

As outlined in section 26 of the CMSA, the CMRAO publicly provides and makes its services available in French and has a fully bilingual staff member to offer the highest level of French-language customer service possible. The CMRAO publishes e-newsletters to licensees and stakeholders, social media updates, and other corporate reporting documents in French. In addition, the majority of the CMRAO's public-facing communications, including the website, are available in French.

STRATEGIC OBJECTIVES AND ACTIVITIES

The objectives set out in the strategic plan inform the CMRAO's activities. Each strategic objective is supported by concrete actions with measurable outcomes. The CMRAO will report on the outcomes of these actions and the achievement of its strategic objectives in the annual report.



Modern Regulator



Service and Operational Excellence



Efficiency and Value for Money



Culture of Performance



Communication and Stakeholder Engagement

1. Modern Regulator

Modern regulation focuses on finding the right regulatory balance: A risk-based proactive approach (prevention, education, inspections, and compliance)

Priorities for 2021–22

- Implement the new education program for condominium managers
- Enhance CMRAO's compliant tracking and reporting system to monitor actions taken and outcomes for all complaints
- Leverage data-sharing agreement with the CAO to identify additional cases of unlicensed practice, and take enforcement actions
- Develop CMRAO policy for a risk-based, proactive inspection program

2. Service and Operational Excellence

The CMRAO has established itself as an agile and responsive organization that aims to continually improve its approach to delivering services to high standards of excellence, and evolving its use of modern technologies that make it easy for the public and the regulated community to access and engage.

Priorities for 2021–22

- Complete investigation of all potential unlicensed practices identified in the Auditor General's report
- Introduce CMRAO's new website aimed to simplify how consumers and licensees access the CMRAO's services
- Continue to monitor the consistent application of policies and procedures
- Improve the quality and integrity of data, and streamline the data collection process for the CMRAO's case-management system

3. Efficiency and Value for Money

As a not-for-profit corporation, the CMRAO is committed to being transparent and accountable for the efficient use of its resources to effectively carry out our mandated responsibilities as a sector regulator.

Priorities for 2021–22

- Review and refine internal controls/policies and monitor compliance
- Implement business practices to be lean and cost effective and manage fiscal resources
- Report annually on activities and operations in the annual financial statements, which are audited by external auditors
- Undertake an annual review of licensing fees

4. Culture of Performance

The CMRAO is committed to building on our high-performing organizational culture. This requires an ongoing effort to ensure a competent and diverse Board of Directors and leadership team, as well as staff who are committed to professionalism, innovation, a strong work ethic, and delivering results.

Priorities for 2021–22

- Engage in a strategic planning exercise and develop a new three-year strategic plan
- Review CMRAO's performance management system to ensure alignment with the new strategic plan and business plan commitment
- Review and consider the recommendations of the recent board evaluation report

5. Communication and Stakeholder Engagement

The CMRAO will focus on increasing public awareness and enhancing its communication with stakeholders. Another area of focus will involve communicating lessons learned from the CMRAO's regulatory activities to provide effective guidance on achieving compliance.

Priorities for 2021–22

- Launch a new website to improve the CMRAO's online presence and public access to information
- Enhance communication of regulatory decisions to the general public and stakeholders
- Embrace digital tools to engage stakeholders in the virtual environment

Addressing the Auditor General of Ontario's Recommendations

On December 7, 2020, the Auditor General released its 2020 Annual Report, which included results on the effectiveness and efficiency of policies and programs related to condominium oversight in Ontario. The report made recommendations for the CMRAO in four key areas:

1. Sharing data with the Condominium Authority of Ontario (CAO) to support proactive identification of unlicensed individuals or companies providing condominium management services and bringing them into compliance
2. Enhancing the CMRAO's complaints handling and resolution process
3. Enhancing the CMRAO's inspection program by conducting proactive, risk-based, standardized inspections
4. Setting targets and publicly reporting on key activities within the CMRAO's legislated mandate

The CMRAO is committed to ensuring the integrity of our regulatory system and compliance with the *Condominium Management Services Act, 2015*, and has developed an action plan to implement the recommendations, which is available on the [CMRAO website](#).

OUTCOMES AND PERFORMANCE MEASURES

The CMRAO sets strategic priorities, objectives, and performance measures in its annual business plan. Performance outcomes are then reported in the corresponding annual report. Setting these targets enables the CMRAO to maintain transparency and accountability to the public and its stakeholders.

The performance measures are based on the strategic priorities of the organization and includes measures related to service delivery standards, efficiency, and value for money, and the CMRAO's organizational culture. In addition, the CMRAO will publicly report on key measures related to its regulatory mandate, customer service, and stakeholder engagement.

In 2019, a baseline for key performance measures was established. As the organization moves forward, a year-over-year comparison will be reported in the CMRAO's annual reports.

Performance Measure	Target
Successful development and implementation of the CMRAO's new education program	All courses are developed by November 1, 2021 Course delivery system in place by November 1, 2021
Percentage of licensees who report satisfaction with the level of service they have received from the CMRAO ¹	80%
Consumer satisfaction rating for the CMRAO's complaint-handling process ²	85%
Percentage of complete applications for a licence processed within service level standards: <ul style="list-style-type: none"> Limited Licence within 5 business days General Licence within 10 business days Management provider businesses within 30 business days 	95% 95% 90%
Percentage of complaints processed within published service level standards: <ul style="list-style-type: none"> Initial Assessment – 10 business days (including initial contact with complainant within 5 business days) Information Gathering – 30 business days Review and decision – 20 business days 	80%

¹ This performance measure is based on the results of the annual satisfaction survey sent to all licensees.

² This performance measure is based on results from the survey of complainants about the complaint filing process, their interaction with CMRAO staff, and their opportunity to provide information related to their complaint.

RISK MANAGEMENT

The CMRAO aims to identify, assess, and manage any risks that may affect its ability to achieve its objectives, including protecting and serving its stakeholders.

In 2019, the Board established an Audit and Risk Management Committee to provide oversight of the CMRAO's risk management activities and advise the Board on risk management practices.

The CMRAO has established a Risk Management Plan and a Risk Register as a tool to record risk occurrences, significance, and mitigation actions. By recording the risks that the CMRAO faces, a risk profile of the organization is created. Risk profiles are dynamic and change over time in step with the changes within the organization and its external context.

The CMRAO monitors and reports to the Audit and Risk Management Committee on the risks that could have potential impact on its strategic objectives and its reputation as a regulatory and consumer protection organization. The categories of risk monitored are as below:

Risk Category	Strategic Objective Threatened
Finance	Service and operational excellence
Information Technology	Modern regulator Service and operational excellence
Operational and HR	Modern regulator Service and operational excellence Culture of performance
Governance	Culture of performance
Stakeholder Communications	Communications and stakeholder engagement

CONTINUITY OF OPERATIONS PLAN

The Continuity of Operations Plan outlines the strategies, capabilities, and procedures for CMRAO staff to implement in the event of a significant disruption to its day-to-day business operations. The scope of this plan covers all CMRAO departments. The plan is applicable in the event that the office is physically inaccessible, or in response to local or regional interruptions to operations, including:

- long-term building or wide area power failure
- nearby catastrophic event (such as gas leaks, train derailments, and chemical spills)
- severe weather events
- transit strike
- epidemic or pandemic events (infectious disease or other serious public health threat declared by health officials to be a public health emergency)

Plan Objectives

The objective of the Continuity of Operations Plan is to facilitate the resumption of critical business operations, functions, and technology in a timely and organized manner so that the CMRAO can continue as a viable and stable business entity.

The CMRAO's Management Team is responsible for the activation and implementation of the plan, which includes roles, responsibilities, and procedures to ensure continuity of business operations, address systems connectivity requirements, maintain communications with employees, and deliver a high level of service to our licensees and stakeholders.

COVID-19 (Coronavirus Pandemic)

All CMRAO staff have been working remotely since March 2020 as prescribed by emergency orders from the government and at the advice provided by public health officials. The CMRAO has maintained normal business operations by ensuring staff have the necessary office equipment and access to all online resources to fully function from home. Staff who on occasion need to work from the office follow policies and processes that have been implemented to keep them safe, such as maintaining physical distancing, recording attendance, and completing screening forms. Overall, the CMRAO was minimally impacted by the pandemic and the organization was able to adapt to the new reality with no interruption of service to stakeholders.

The CMRAO will continue to conduct all staff, external, and board meetings virtually. All communications and services continue to be provided to licensees and stakeholders without any significant disruption to service levels.

The CMRAO monitors official government and public health information to adapt to the evolving situation. It is expected that these measures in response to the pandemic will largely remain in place during this year.

CORPORATE RESOURCES

Financial Resources

As a not-for-profit corporation that is funded solely through regulatory fees charged to our licensed businesses and individuals, the CMRAO is committed to the prudent management of our financial resources to ensure we provide value for money. The CMRAO is committed to being transparent and accountable for the efficient use of these fees that allow us to effectively carry out our mandated responsibilities as the regulator of the condominium management sector. As such, we aim to undertake the following commitments:

- **The CMRAO will be transparent about operating cost structures and financial position:**
 - Adhering to expense and procurement policies that meet the spirit and intent of provincial government practices. Audited financial statements are prepared and made publicly available every year, and three-year financial forecasts are published in every business plan.
- **The CMRAO will develop and adapt its business practices to remain lean and cost effective:**
 - Approving annual allocation of funds and reviewing financial reports at quarterly Board meetings. Through its engagement in financial planning the Board ensures that the CMRAO's activities for the subsequent year(s) are adequately resourced
 - Ensuring strict control on spending within budget; a quarterly Budget vs Actual report will be prepared and presented to the Board
 - Reviewing its business activities on an ongoing basis, focusing on cost drivers to ensure the cost-effective utilization of resources
 - Embracing technology and outsourcing in pursuit of the most cost-effective way of doing business
 - Implementing a Reserve Fund policy and ensuring that a portion of revenue will be contributed to the reserve fund

Human Resources

The CMRAO is committed to creating a work environment of collaboration where employees are treated fairly and with respect, and where the principles of diversity and inclusion are embraced. Guided by the strategic pillars of **Service and Operational Excellence** and **Culture of Performance**, the CMRAO aims to:

- Attract and retain a high-performing workforce with the technical and professional skills needed to achieve the CMRAO's mission
- Foster a results-oriented culture of innovation and ethical behaviour
- Support an organizational culture that encourages an inclusive workforce
- Ensure that all human resources processes, policies, and practices are evaluated, and that implementation is monitored

In 2020, the CMRAO was certified as a **Great Place to Work** (GPTW) by the Great Place to Work Canada Institute, a research and management consultancy. The institute is the global authority on building, sustaining, and recognizing high-performing workplace cultures, and has over 30 years' experience in recognizing award-winning organizational cultures across a variety of industries.

To obtain a GPTW certification, a company's trust index score must exceed the threshold of 70%. CMRAO staff completed a trust index survey used to assess the employee experience (the survey measures employee perceptions of credibility, respect, fairness, pride, and camaraderie), and the result was a trust index of 89%, an increase from the previous year's survey result.

The COVID-19 pandemic has created unprecedented psychological, social, and physical challenges for staff and the workplace environment. Although the CMRAO was prepared for a relatively smooth transition to remote working, the virtual environment has had an impact on management and staff, and on the way the organization operates. For a small organization with a close-knit team, the most obvious impact has been the shift in the organization's workplace culture. In March 2021, the CMRAO conducted a staff survey to assess the level of work-related stress and to gauge general staff well-being. Based on the results, the CMRAO will take the necessary steps to support its employees and services it provides.

Information Technology (IT) Resources

The CMRAO aims to continually evolve its use of technology to support its service delivery model and provide easy access for the public and the regulated community. Data quality is critical for the CMRAO's decision making as a modern regulator, and data management is always a central focus of information technology. The CMRAO uses its IT resources to:

- Provide effective solutions to protect the integrity of personal data
- Support the implementation of the Auditor General's recommendations
- Implement a new data sharing protocol to monitor and identify unlicensed practice, a process that will enhance the CMRAO's capacity for proactive enforcement and confidence in the professionalism of condominium management services
- Refine the current licence application process to meet new business requirements for Transitional General Licensees
- Improve the organization's awareness related to cybersecurity

The CMRAO continuously monitors its IT assets and assigns internal controls, as well as policies related to their use.

FINANCIAL OUTLOOK

The CMRAO establishes a detailed operating budget before the beginning of each fiscal year. Financial projections are based on anticipated revenues and planned expenditures for a three-year period (2021–2024). This outlook will be reviewed and updated as required.

Budget for the Period April 1, 2021 to March 31, 2024

	<u>2021–22</u>	<u>2022–23</u>	<u>2023–24</u>
Revenues:			
Licensing Fees	3,035,867	3,169,941	3,262,040
Other Income	20,397	25,000	25,000
Total Revenues	3,056,264	3,194,941	3,287,040
Expenditures:			
Human Resources/Board	1,817,274	2,027,274	2,087,274
Operating	1,010,738	965,538	965,538
MGCS oversight fee	198,002	198,002	198,002
Total Expenditures	3,026,014	3,190,814	3,250,814
Restricted Reserve Fund	–	–	25,000*
Net Surplus/(Deficit) for the period	30,250	4,127	11,226

* interest income on the cash balance in the operational checking account

The above budget assumes that any costs incurred for delivering educational programs will be recovered through corresponding program fees.



Meeting Standards. Creating Trust. Building Confidence.

CMRAO
Condominium Management
Regulatory Authority of Ontario
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