



Condominium Management
Regulatory Authority of Ontario

Business Plan

2023–2024

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Business Plan

2023–2024

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Corporate OVERVIEW

About the CMRAO

The CMRAO is designated under the *Condominium Management Services Act, 2015* (CMSA), and began operations on November 1, 2017, to provide stronger consumer protection for Ontarians living and investing in condominiums. Through effective regulation, the CMRAO strengthens the condominium management profession and helps protect consumers in Ontario's complex and rapidly growing condominium sector.

The CMRAO is a not-for-profit corporation funded primarily through licensing fees from condominium managers and condominium management services provider companies. The organization is governed by an independent Board of Directors and operates under an administrative agreement with the Minister of Public and Business Service Delivery (MPBSD).

From the day it started operations, the CMRAO has been a digital-first organization, offering online services such as licence application and complaint submission through our web portals.

Services

In the five years since inception, the CMRAO has established itself as an effective regulator to bring increased oversight and professionalism to the condominium management sector. This strong foundation is essential to effectively deal with the ever-increasing size and complexity of Ontario's condominium market.

The CMRAO protects the public interest by:

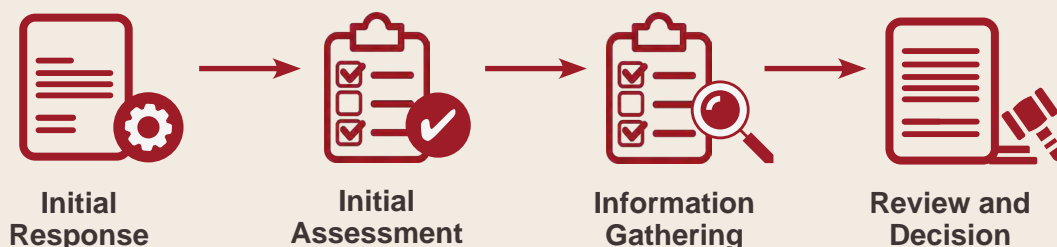
- **Administering a mandatory licensing system** for all condominium managers and management provider businesses and ensuring only qualified individuals with the appropriate training and education hold a licence;
- **Maintaining an online public registry** of licensed condominium managers and condominium management provider businesses. The public registry provides information about licensees, including conditions, suspensions, revocations, and disciplinary actions;
- **Promoting and enforcing compliance** with the *Condominium Management Services Act, 2015* (CMSA) and its regulations, licensing requirements, and the Code of Ethics;
- **Addressing complaints** by conducting inspections and investigations, assisting in issues resolution, holding discipline hearings, and taking corrective actions;
- **Establishing education requirements** for condominium managers; and
- **Promoting awareness** of the regulatory system.

French Language Service

As outlined in section 26 of the CMSA, the CMRAO makes its services available in French and publishes e-newsletters to licensees and stakeholders, and provides social media updates as well as other corporate reporting documents in French. In addition, the majority of the CMRAO's public-facing communications, including the website, are available in French. Currently, the CMRAO employs one bilingual staff member.

Complaints Resolution Process

The CMRAO works in the public interest to build trust in condominium management services across Ontario. Handling complaints is an integral part of consumer protection. The CMRAO's complaints process examines instances and circumstances when licensees are alleged to have violated the CMSA, including the Code of Ethics regulation. The CMRAO works diligently to administer a fair and transparent complaints process.



The CMRAO handles complaints against condominium managers and condominium management provider businesses pursuant to the CMSA. The CMRAO does not have jurisdiction over the decisions or conduct of the condominium corporation, other people or businesses (such as the board of directors, administrators, security guards or others) unless they are providing condominium management services illegally without a licence or otherwise violating the CMSA.

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; or
- take further enforcement actions as is appropriate in accordance with this Act.

Business Planning OVERVIEW

Sound business planning is important for the CMRAO to effectively deliver its consumer protection mandate. This Business Plan outlines the priorities for the current year. The Annual Report will highlight the organization's activities and achievements for the year ending on March 31, 2023. The two documents should be used together to assess the organization's performance and achievements moving forward. Although the present plan focuses on the 2023–24 fiscal year, it uses a three-year planning horizon, which is in line with the CMRAO's strategic plan.

In 2021, the Board of Directors engaged in a strategic planning exercise to guide our operations for the next three years (2022–25). As part of this exercise, the Board re-affirmed CMRAO's general direction, mandate, mission, and vision, and made adjustments to align with the realities of a growing organization. The CMRAO's Strategic Plan guides the operations of the organization towards achieving our goal of enhanced consumer protection through modern and effective regulatory activities.

Mandate

To set standards and enforce the mandatory licensing of condominium managers and condominium management provider businesses.

Mission

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

Vision

To build public confidence that the assets of condominium communities are well managed and protected.

Values

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

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

Diversity and inclusion by incorporating the principles of diversity and inclusion in all aspects of our work and services that we provide.

Learning organization by focusing on education and sharing knowledge with our stakeholders through a variety of training methods.

The CMRAO strives to continuously improve and strengthen linkages between strategic planning, business planning, and annual reporting.

Sector OUTLOOK

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 now more than 12,000 condominium corporations¹ in the province and over 800,000 condominium units² owned by residents or investors. It is estimated that, in Ontario, 1.5 million people live in a condominium and 50% of new home enrollments are condominiums. Although residential condominiums predominate, the CMRAO provides oversight of the whole condo management sector, which includes services to all types of freehold and leasehold condominium corporations.

As of March 1, 2023, there were 4,076 licensed condominium managers in Ontario, an increase of 5% from the same period in 2022, including 2,500 General Licensees, 9 Transitional General Licensees, and 1,567 Limited Licensees. The CMRAO received an average of 105 new applications per month in the first eight months of the 2022–23 licensing year.

The Transitional General Licence expired in May 2022. However, the CMRAO offered accommodations to a number of Transitional General Licensees based on a thorough analysis of requests submitted.

There are 407 licensed condominium management provider businesses in Ontario. One hundred thirty-eight employ a single condominium manager, representing 3% of condominium managers in Ontario. The three largest companies employ 100 or more condominium managers each and represent 21% of condominium managers in Ontario.

Active Licences*

Total Number of Active Licensees:

General Licence

2,500

Transitional General Licence

9

Limited Licence

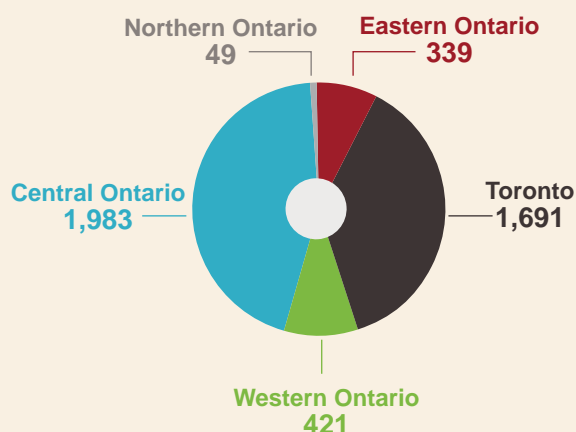
1,567

Condominium Management Provider Licence

407

*As at March 1, 2023

Regional Distribution of Licensees*



1 Data from the Condominium Authority of Ontario Annual Report 2020–21

2 Data from the Condominium Authority of Ontario Annual Report 2020–21, refers to voting units

STAKEHOLDERS

Ontario Ministry of Public and Business Service Delivery (MPBSD)

The CMRAO is an administrative authority designated under the CMSA. The CMRAO is accountable to the Minister of Public and Business Service Delivery through the administrative agreement signed with the Minister.

The Public

As a regulator, the CMRAO strives to improve how Ontario's condominiums are managed through licensing, education, and complaints resolution. The CMRAO engages with the public through a variety of communications channels, including its website and various social media platforms. The CMRAO participates in industry events, conferences, and webinars and publishes the **CMRAO Quarterly**, a subscription-based quarterly newsletter that is open to the public.

In 2018 the CMRAO established an Advisory Committee of volunteer members from the Ontario condominium community, including owners, board members, condominium managers, and other participants such as condominium lawyers and auditors. This Committee continues to provide input to the CMRAO on issues of importance to consumers and licensees, participate in consultations, and provide feedback on proposed policies and initiatives, such as the mandatory Continuing Education Framework and Program.

Condominium Management Sector, Industry Associations, and Educational Institutions

The CMRAO works with industry stakeholders to ensure that its regulatory work supports 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 the Association of Condominium Managers of Ontario (ACMO) and other professional associations, such as the Canadian Condominium Institute (CCI) and the Community Associations Institute (CAI), and participates in events organized by these partners.

As education is an important part of our mandate as a regulator, the CMRAO works in partnership with Humber College to further professionalize the condominium management sector, and successfully prepare condominium managers for the essential role they play in the sector.

Other Administrative Authorities

The CMRAO is part of an administrative authority community and shares best practices 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.

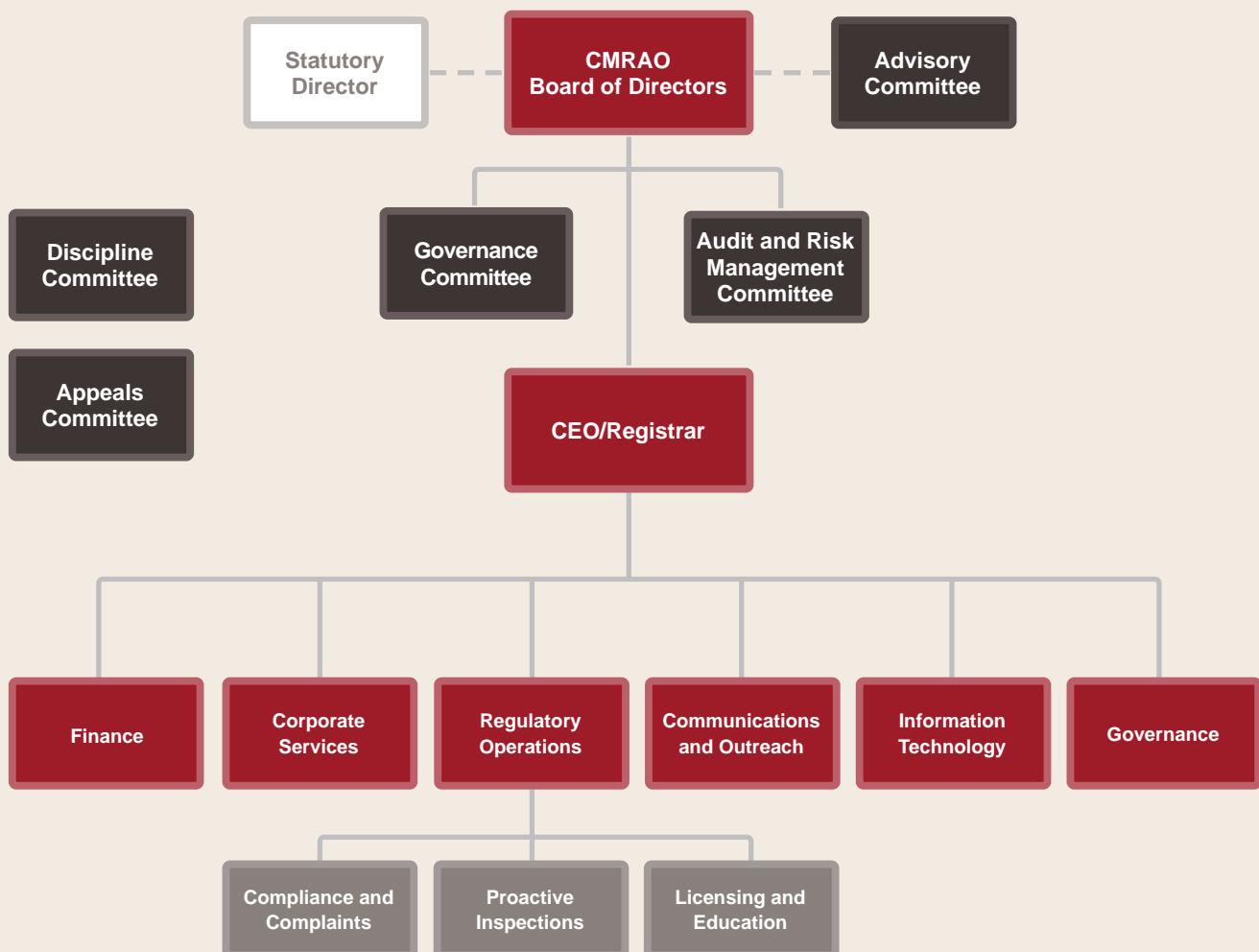
The CMRAO and the CAO also have a data-sharing agreement to enhance information accuracy and assist in enforcement activities of the CMRAO.

Corporate STRUCTURE

To achieve its consumer protection mandate, the CMRAO operates with a lean, committed, and diverse team of staff. The CEO/Registrar of the CMRAO is appointed by the Board of Directors and leads a diverse team of twenty employees across six departments.

The senior management team of the CMRAO is focused on ensuring that appropriate resources are available to deliver the full suite of services that now includes continuing education and a proactive inspections program.

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



Strategic OBJECTIVES and ACTIVITIES

The CMRAO Strategic Plan sets clear outcomes and measures to ensure that the organization continues to fulfill its consumer protection mandate in the coming years. The plan integrates our operational priorities, with a focus on regulatory excellence, targeted engagement, and organizational efficiency — themes that guide our daily operations.

This Strategic plan identifies five overarching strategic priorities:



1. Operate as a Modern Regulator



2. Focus on Service Excellence



3. Promote Strategic Stakeholder Engagement



4. Deliver Value for Money



5. Foster Operational Excellence

This Business Plan identifies activities, outcomes, and measures related to the achievement of these strategic priorities.



STRATEGIC OBJECTIVE 1

Operate as a Modern Regulator

Modern regulation requires promoting compliance through education, training, and licensing; continually monitoring and assessing compliance through proactive and reactive approaches; and responding to non-compliance by enforcement measures.

Priorities for 2023–24:

- Ensure implementation of the proactive inspection program in line with the Auditor General's recommendations beginning on April 1, 2023;
- Implement the mandatory Continuing Education Program for General Licensees;
- Continue to refine and evolve the education program for General Licensees, including the regulatory examinations as the complexities of condominiums and the profession increase; and
- Enhance the CMRAO's capacity to function as a digital-first organization through enhancing IT systems, resources, and processes such as improved data protection and cybersecurity.



STRATEGIC OBJECTIVE 2

Focus on Service Excellence

In the past five years, the CMRAO has established itself as a lean, agile, and responsive organization. We will strive to continually improve our approach to delivering services to the highest possible standards of excellence.

Priorities for 2023–24

- Monitor service levels and ensure established standards are met for handling complaints;
- Monitor service levels and ensure established standards are met for processing licence applications; and
- Implement a self-reporting portal for continuing education and establish a policy and processes for auditing, including penalties for fraudulent reporting.



STRATEGIC OBJECTIVE 3

Promote Strategic Stakeholder Engagement

The primary focus will involve expanding awareness of the CMRAO's new education program, consumer protection mandate, and other regulatory activities.

Priorities for 2023–24

- Assess the public's awareness of our organization and our mandate through in-house and third-party surveys of our stakeholders;
- Provide audience-specific resources to reach diverse communities and establish our value as a regulatory body committed to consumer protection;
- Increase engagement with stakeholders through participation in external events; and
- Develop and provide access to resources related to specific programs on the CMRAO website on an ongoing basis, and use social media campaigns, e-newsletters, and other initiatives throughout the year to raise awareness and boost engagement with our licensees and consumers.



STRATEGIC OBJECTIVE 4

Deliver Value for Money

As a not-for-profit corporation that is funded through regulatory fees, the CMRAO must ensure that the organization provides value for money. The CMRAO is committed to being transparent and accountable for the efficient use of funds to allow us to effectively carry out our mandated responsibilities as the condominium management sector regulator.

Priorities for 2023–24

- Ensure financial sustainability through responsible use of resources, including reserve funds, to meet the long-term needs of the organization;
- Continue to review and refine internal controls, policies, and processes to ensure compliance with best practices for non-profit organizations; and
- Continue to report annually on activities and operations in the annual financial statements, which are audited by external auditors.



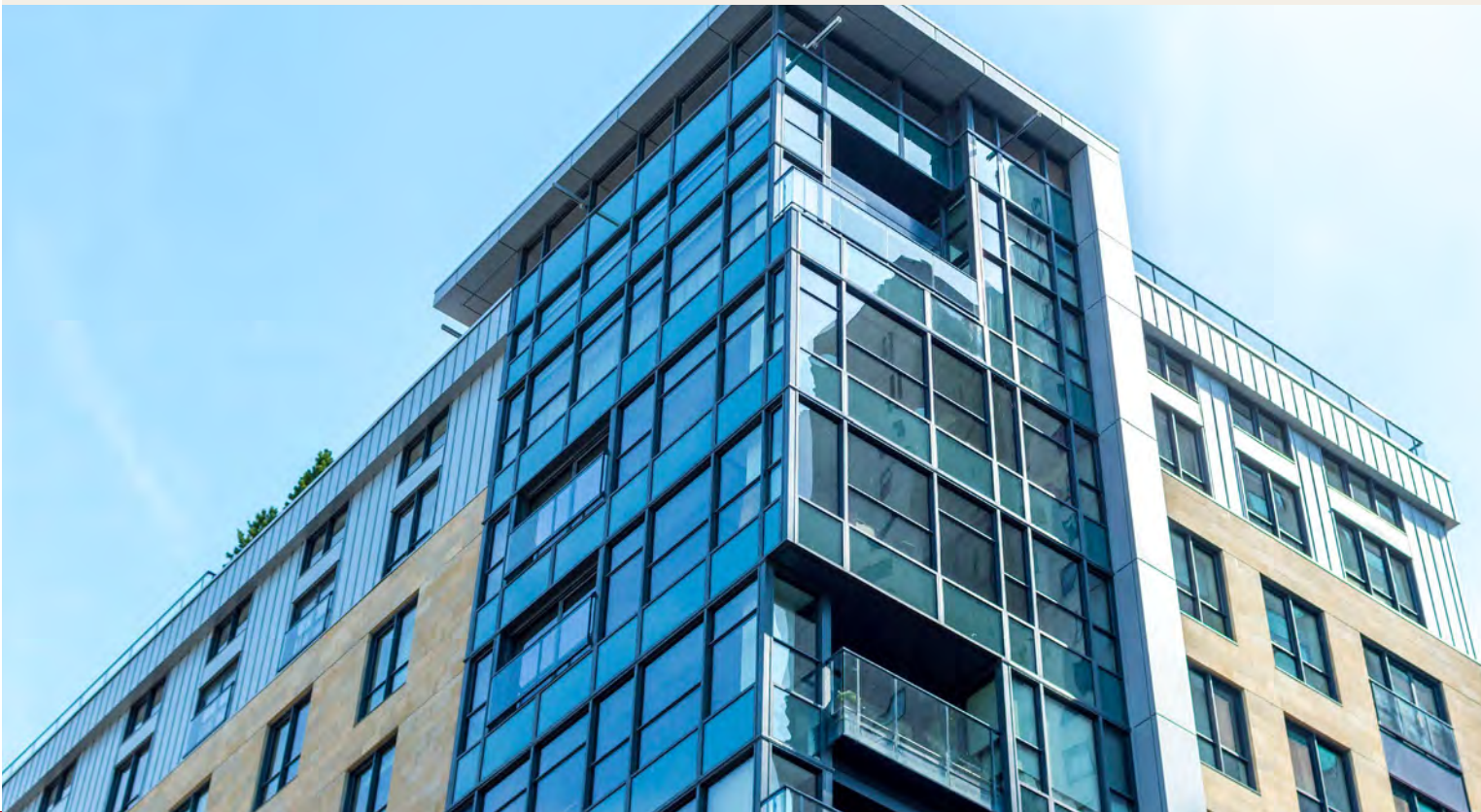
STRATEGIC OBJECTIVE 5

Foster Operational Excellence

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

Priorities for 2023–24

- Implement recommendations from the organizational review conducted in 2022, including a job evaluation and pay equity plan;
- Maintain Great Place to Work certification to improve employer brand and ability to attract top talent;
- Ensure effective governance of IT services and implement recommendations of the data privacy and cyber-security assessment project;
- Ensure access to professional development activities for staff, management, and the Board by actively encouraging and facilitating participation in educational activities; and
- Support the CMRAO Board and its committees to ensure effective oversight of the organization.



Outcomes and Performance MEASURES

The CMRAO sets strategic priorities, objectives, and performance measures in its annual Business Plan. Achievements against the targets are then reported in the corresponding Annual Report. Setting these goals 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 include internal measures related to service delivery standards, efficiency, and value for money, and the CMRAO's organizational culture. In addition, the CMRAO publicly reports on key measures related to our regulatory mandate, customer service, and stakeholder engagement.

PERFORMANCE MEASURE	TARGET
Implementation of the plan to carry out proactive inspections of condominium managers and management service provider businesses	Conduct 30 proactive inspections by March 31, 2024
Implementation of a Continuing Professional Education Program for new and existing General Licence holders	Successful implementation of the program by July 1, 2023
Percentage of licensees reporting satisfaction with service levels	80%
Consumer satisfaction rating for the CMRAO's complaint handling process	80%
Percentage of complete applications for a licence processed within service standards: <ul style="list-style-type: none"> ■ Limited Licence within 5 business days ■ General Licence within 10 business days ■ Management Provider Licence within 30 business days 	95% 95% 95%
Percentage of complaints assessed within published service standards (60 business days): <ul style="list-style-type: none"> ■ Initial Response within 5 business days 	80% 95%

Corporate RESOURCES

Human Resources

For the last five years, the CMRAO has been operating with lean and efficient human resources and has maintained a high level of staff engagement as evidenced by the Great Place to Work™ certification for consecutive years.

It is the goal of the CMRAO to gradually strengthen teams to ensure services are delivered at a high level even during periods of uncertainty. The focus in the upcoming fiscal year will include fostering an environment of communication and support for teams working in a hybrid environment while ensuring services are delivered within published standards.

Financial Resources

As a non-profit organization funded primarily by regulatory fees, the CMRAO is committed to prudent financial management, ensuring value for money, transparency, and accountability. As in previous years, the CMRAO will continue to monitor its cost drivers to ensure effective utilization of its financial resources. Furthermore, the CMRAO will continue to adapt its business practices to remain lean and cost-effective by continuing to ensure that spending is kept within budget, focus on cost drivers to ensure effective utilization of resources, and continue to use technology in pursuit of efficiencies.

A financial outlook for the period 2023–26 is set out in [Appendix A](#).

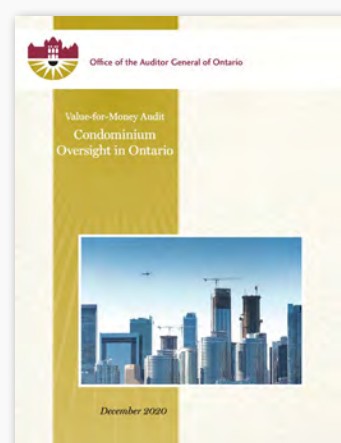


Auditor General of Ontario RECOMMENDATIONS

Implementation

The 2020 Annual Report *Value-for-Money Audit Condominium Oversight in Ontario* released by the Auditor General included recommendations for the CMRAO in four key areas:

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



The CMRAO has since fully implemented three out of the four recommendations.

In 2023–24 the remaining recommendation related to proactive inspections will be fully implemented. A current status report is available on the [CMRAO website](#).



RISK MANAGEMENT

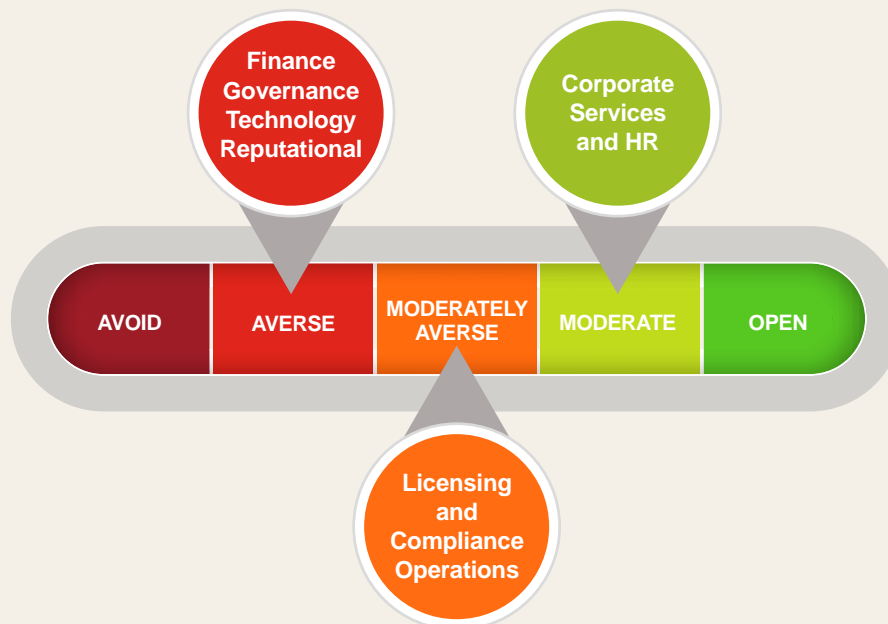
The CMRAO has a process to identify, assess, and manage risks that may affect its ability to achieve its objectives, including protecting and serving its stakeholders and the public. The CMRAO is committed to ensuring that all risks identified will be proactively controlled and kept to an acceptable level.

The Board established an Audit and Risk Management Committee to provide oversight of the CMRAO's risk management program and advise the Board on risk management activities. The Committee meets quarterly to review the Risk Register and consider other matters that may pose a threat to the organization's operations and its financial resources.

In 2021, the Board adopted a Statement of Risk Appetite (Figure 1) detailing the level of risk considered acceptable for each of the business areas of the organization. The Board considers reputational risk as a high strategic business risk and as such will be prepared to accept only low levels of risk with a preference for very safe or prudent options when dealing with matters that could impact the reputation of the CMRAO.

Statement of Risk Appetite

Figure 1



The CMRAO monitors and reports quarterly to the Audit and Risk Committee on the risks that could have a potential impact on its strategic objectives. The categories of risks monitored, and the most common mitigation strategies are as below:

CATEGORY	STRATEGIC OBJECTIVE IMPACTED	MITIGATION STRATEGIES
Financial risk resulting from possible reduction in revenues, or potential for internal fraud	Deliver Value for Money	<ul style="list-style-type: none"> ■ Maintenance of an operational surplus ■ Creation and maintenance of a restricted reserve fund ■ Regular reporting to the Board and the Audit and Risk Management Committee ■ Segregation of duties in the Finance department and Insurance in place with coverage for fraud
Licensing and Compliance Operations risk related to inspections, investigations, and education programs	Operate as a Modern Regulator	<ul style="list-style-type: none"> ■ Refine risk-based inspection framework based on sector feedback ■ Conduct pilot program of proactive inspections ■ Regular consultations with legal counsel on all regulatory matters related to enforcement ■ Annual reporting by the Director of Investigations and Enforcement to the Board on enforcement activities ■ Update the Education program and ensure a Continuing Education program is in place for all licensees
Corporate Services and HR risk related to possible loss of HR capacity and continuity of operations in case of emergency	Foster Operational Excellence Focus on Service Excellence	<ul style="list-style-type: none"> ■ Proactive workforce planning, including implementation of succession plans at staff and leadership levels ■ Corporate and HR policies in place are reviewed regularly ■ Implementation of a Continuity of Operations Plan and additional monitoring of performance against service standards
Governance risk related to board composition	Operate as a Modern Regulator Focus on Service Excellence Deliver Value for Money	<ul style="list-style-type: none"> ■ Board terms staggered to avoid complete turnover and negative impact on membership ■ Close collaboration with MPBSD to ensure continuity of directors appointed by the Minister ■ Succession plan in place for Chair and Directors

CATEGORY	STRATEGIC OBJECTIVE IMPACTED	MITIGATION STRATEGIES
Technology risk related to cybersecurity data protection	Operate as a Modern Regulator Focus on Service Excellence	<ul style="list-style-type: none"> ■ Implementation of E5 Microsoft licenses that come with advanced security and information protection for all users ■ Two-factor authentication procedure implemented across all platforms ■ Role-based secure access to portals and platforms ■ Cyber liability insurance in place ■ Critical business data being backed up continuously by cloud provider (with backups being retained up to 28 days)
Reputational and Stakeholder Communications risk related to awareness of the organization as a trusted regulatory body	Promote Strategic Stakeholder Engagement	<ul style="list-style-type: none"> ■ Close collaboration with MPBSD and regular two-way communications on emerging issues ■ Regular two-way engagement with the public and condominium sector through an established Advisory Committee ■ Close monitoring of CMRAO's social media presence to ensure fast response to emerging issues ■ Regular communications with stakeholders through the quarterly newsletter, weekly industry news digests, and participation in industry events

APPENDIX

Financial Outlook for 2023–26

The current financial outlook assumes an annual 6% growth in the number of licensees.

REVENUES:	2023–24	2024–25	2025–26
Licensing Fees	3,622,486	3,839,835	4,070,225
Education Related Fee	72,000	76,320	80,899
Other Income	120,094	118,177	122,351
TOTAL REVENUES	3,814,580	4,034,332	4,273,475
EXPENDITURES:			
Human Resources/Board	2,552,403	2,740,928	2,929,453
Operating	1,040,175	1,071,402	1,122,020
MPBSD oversight fee	198,002	198,002	198,002
TOTAL EXPENDITURES	3,790,580	4,010,332	4,249,475
Restricted Reserve Fund	24,000	24,000	24,000
Net Surplus/(Deficit) for the period	–	–	–



Meeting Standards. Creating Trust. Building Confidence.



Condominium Management
Regulatory Authority of Ontario

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