



Saskatchewan Real Estate Commission

2022 - 2023

Annual General Meeting

Electronic copies of the Annual Report can be viewed and downloaded from the Commission's website homepage

www.srec.ca



Saskatchewan Real Estate Commission

Annual Report

2022-2023



The Commission

The Saskatchewan Real Estate Commission (the “Commission”), is an independent, non-governmental agency, responsible for the regulation of the real estate industry in Saskatchewan. It is established by, and derives its authority from, *The Real Estate Act*, and undertakes the day-to-day administration of all aspects of real estate legislation.

In conjunction with the Financial and Consumer Affairs Authority (FCAA), the Commission co-regulates the real estate industry. The Superintendent of Real Estate is responsible for the Commission in Saskatchewan.

Mission

To protect the public interest by ensuring that registrants act within a professional framework that promotes ethical conduct and integrity and strengthens consumer trust and confidence.

Mandate

The Commission is responsible for the regulation of the real estate industry to ensure protection of the public.

Vision

To have earned consumer confidence and be recognized as a highly professional, self-regulating organization that is effective and efficient in establishing and maintaining high standards of practice in the real estate profession.

Elected Members

Cameron (Cam) Bristow	07/01/19 – 06/30/25
Tim Hammond	07/01/21 – 06/30/24
Clifford (Cliff) Iverson	05/04/18 – 06/30/26
Alberta Mak	11/09/20 – 06/30/24
Kayla McQueen	07/01/22 – 06/30/25
Lori Patrick	07/01/17 – 06/30/26

Public Appointed Members

Anne Parker	05/17/17 – 05/16/23
Dean Staff	09/14/18 – 09/13/24
Robert (Bob) Volk	05/17/17 – 05/16/23

SREC Appointed Members

Carla Browne	12/07/22 – 12/06/25
Micheal Hurman	01/03/23 – 01/02/25



Message from the Chair

It has been my privilege to serve the Saskatchewan Real Estate Commission as Chair for the past year. We continue to move forward in numerous areas as we look to improve the delivery of education, compliance and governance, while always looking to fulfill our mandate.

In the area of brokerage inspections, we have external auditors contracted to assist Commission staff with the inspection of approximately 250 brokerages in the province. We look to complete an inspection of each brokerage once every five years. Along with Virtus group, we have now brought a number of the smaller brokerage inspections in house to be completed by our staff which will help us meet this goal. In the compliance area, increasing sanction amounts are a reality, however, we look to include education as part of the process and become more pro-active to alleviate the number complaints.

In education, we meet regularly with the UBC Sauder School of Business to discuss the annual continuing professional development requirements and pre-licensing courses and are moving forward to renew our education contract as of December 31, 2023. UBC has proven to be flexible and responsive to industry concerns by staggering exam dates between the examination centers, and allowing students to purchase more than one course at a time so the exams may be completed in a more timely fashion. We look forward to additional changes to education programming coming in 2024.

At our regular Commission committee meetings, each committee is tasked at looking at their workplans and how we can continue to streamline and refine our governance structure. The emphasis will be on assessing risks and protection of the consumer. There are some lively and productive discussions at the committee level that are taken forward to our Commission meetings for further discussion and decisions.

As part of our strategic planning, we realize that communication is key to the success of any organization. Admittedly, more work is needed in this regard with the public, industry members, and the FCAA. Our full complement of staff will continue to make communications a priority. We meet with SRA on a semi-annual basis for meaningful discussion, have met with REIX to discuss items of mutual interest, and look forward to further discussions with all of our stakeholders. In the near future, we will be visiting various locations in the province to meet with registrants to address any concerns or questions that may arise.

I would like to welcome Wayne Bernakevitch from Regina as a new public appointee for the upcoming term and would like to thank the Commission members for their commitment and look forward to continued progress. Additionally, we recognize and thank Janette Seibel with the FCAA, who is a valuable contributor with her input at our meetings. Lastly, we thank Aaron Tetu and our staff who provide the background and information we need when making decisions.

Respectfully submitted,
Cliff Iverson
Commission Chair



Registration

The Registrar of the Commission is responsible for the registration of industry professionals and for maintaining a databank of secured information on those registered to trade in real estate pursuant to *The Real Estate Act*.

Registration Statistics:

	2021/2022	2022/2023
Brokerages Opened	12	15
Brokerages Closed	15	8
Branch Office Opened	10	4
Branch Office Closed	6	1
New Registrants	195	277
Registrants Terminated	255	213
Registrants Re-instated	86	78
Registrants Transferred	56	69
New Professional Corporations	52	32
Prof. Corp.'s Renewed	247	286
Prof. Corp.'s Not Renewed	13	13
Dollars Held in Trust	635M	591M
Real Estate Transactions	29,818	25,708
Property Management Clients	4,008	4,082
Salespeople	1,329	1,446
Brokers	235	239
Associate Brokers	171	173
Branch Managers	25	28
Total Registrants	1,760	1,886



Compliance

The Compliance Department is responsible for all legal and compliance functions of the Commission, which includes working with the public, external agencies, and registrants to ensure compliance with *The Real Estate Act*, its *Regulations*, and the Commission's Bylaws.

The department is made up of the Legal & Compliance Manager, Compliance Officers, and a Legal Assistant.

More Information:

The Commission, as part of its mandate, is charged with investigating all complaints and handling discipline through a hearing process set out in *The Real Estate Act*. Consistent with the Commission's regulatory mandate, the complaint process is intended to deal with the actions and conduct of real estate registrants (brokerages, brokers, branch managers, associate brokers and salespeople), to ensure the public interest is served and protected.

The Importance of Making a Complaint:

Reporting your complaints and concerns helps the Commission to protect the public and allows us to improve education and practice guidelines for registrants. The complaint and investigation process, as well as how to submit a complaint, is set out on the Commission's website:

<http://www.srec.ca/coninfoinv.asp>

New hearing decisions are posted to CanLII.org, <https://www.canlii.org/en/sk/skrec/>, where they will remain indefinitely. SREC has complete coverage on CanLII from 1998.

Compliance Statistics:

	2021/2022	2022/2023
New Complaint Files Opened	70	86
Complaint Files Closed	83	55
Ongoing Complaint Files	32	68
Consent Orders Approved	9	10
Total Sanctions Ordered	\$31,750	\$32,000
Suspensions Ordered	0	0



Financial Information

For the Year Ended June 30, 2023

	<u>2022</u>	<u>2023</u>
Revenue		
Registration	\$827,120	\$855,255
Education	418,825	394,400
Administrative & Other	164,959	65,200
Sanction	24,250	32,000
Interest and Investments	(239,244)	155,946
	<hr/> \$1,195,910	<hr/> \$1,502,771
Expenditures		
Compliance	\$283,774	\$332,737
Administration	180,475	182,688
Registration	167,683	166,351
Education	155,835	195,577
Brokerage audits	147,993	67,181
Building	138,028	143,470
Other	112,044	108,884
	<hr/> \$1,185,832	<hr/> \$1,196,888
Excess of revenue over expenditures	<hr/> \$10,078	<hr/> \$305,883

A complete audited financial report is available at:

<http://www.srec.ca/pdf/SRECAudited2023Financials.pdf>



Commission Committees

Section 9 of *The Real Estate Act* allows for the establishment of committees as the Commission deems necessary, including a mandatory Selection Committee in charge of the selection process for Commission members.

Committees are made up of members of the Commission, Commission staff and other registrants as required. The Commission Chairperson and Executive Director/Registrar are ex-officio members of all committees.

The Commission may also establish ad-hoc committees or task forces to address specific issues, usually within a specified time frame.

The following are the Commission Committees:

Audit Finance and Risk Committee:

Chair: Dean Staff

Members: Carla Browne, Bob Volk

Purpose: The Audit, Finance and Risk Committee is a standing committee established by the Commission and is responsible for performing the duties set out in its Terms of Reference to enable the Commission to fulfill its responsibilities to provide oversight to:

- The reliability of the accounting principles and practices
- Ensure a risk management program is implemented and reviewed annually
- Effective and reliable IT systems and cybersecurity

Compliance Committee:

Chair: Dean Staff

Members: Carla Browne, Bob Volk

Purpose: The Compliance Committee is a standing committee established by the Commission and is responsible for performing the duties set out in its Terms of Reference to enable the Commission to fulfill its responsibilities to ensure brokerages and registrants comply with the regulations set out in *The Real Estate Act*, its Regulations, and the Commission Bylaws.

Education Committee:

Chair: Lori Patrick

Members: Tim Hammond, Cliff Iverson, Alberta Mak

Purpose: The Education Committee is a standing committee established by the Commission and is responsible for performing the duties set out in its Terms of Reference to enable the Commission to fulfill its responsibilities to regulate, develop and set standards for the real estate registration education as stated in the Bylaws and *The Real Estate Act*.

Committees continued...

Governance Committee:

Chair: Anne Parker

Members: Cam Bristow, Tim Hammond

Purpose: The Governance Committee is a standing committee established by the Commission and is responsible for performing the duties set out in its Terms of Reference to enable the Commission to fulfill its responsibilities to:

- Sustain a high-performing, strategy-focused Board
- Ensure Commission and Committee effectiveness
- Effectively report to the FCAA as outlined in the SRO Oversight Policy
- Revise Bylaws and recommending changes to legislation
- Develop and implement a succession plan for the positions of Chair and Vice- Chair

Human Resources and Compensation Committee:

Chair: Cam Bristow

Members: Tim Hammond, Anne Parker

Purpose: The Human Resources and Compensation Committee is a standing committee established by the Commission and is responsible for performing the duties set out in its Terms of Reference to enable the Commission to fulfill its responsibilities by providing oversight and policy direction on all Human Resource issues as it pertains to the Commission.

- Monitor and oversee executive succession and development practices;
- Complete the selection and performance evaluation of the Executive Director/Registrar;
- Recommend the total compensation package for the Registrar/Executive Director to the Commission for approval;
- Oversee and approve effective human resources policies; and,
- Ensure appropriate management and staff retention practices are in place for the Commission.

Investigation Committee:

Members: Brad Gilbert, Mack MacDonald, Vern McClelland, Anne Odishaw, Bill Pain, Jason Rumpel, Marlene Williamson

Mandate: To review and/or investigate complaints brought to the Commission and make recommendations on changes to *The Real Estate Act*, its Regulations, and the Commission's Bylaws.

Hearing Committee:

Hearing Committee Chairs: David Chow, Jeff Reimer, Randy Touet

Members: Cam Bristow, Carla Browne, Tim Hammond, Micheal Hurman, Cliff Iverson, Alberta Mak, Kayla McQueen, Anne Parker, Lori Patrick, Dean Staff, Bob Volk

Mandate: To consider complaints requiring disciplinary action.

IBTA Projects & REAF Report

IBTA Projects

The Commission established, as one of its mandates, the improvement in professionalism and education of all registrants. In accomplishing this long-term objective, the Commission developed projects that fell within the parameters of Section 72 of *The Real Estate Act* allowing the utilization of interest accumulated through interest bearing trust accounts (IBTAs), or accounts held in trust by brokerages on behalf of a client's real estate transactions. The IBTA projects for 2022-2023 are as follows:

Inspection of Trust Accounts:

In order to satisfy its mandate, the Commission continues the brokerage inspection process. Partially outsourced, the two-step process adds a higher level of efficiency to the project.

The first step of the process is to perform an inspection of the brokerage's financial records. This initial function is outsourced to an accounting firm. A full report to the Commission is made together with electronic copies of randomly selected samples of real estate transaction documents.

The second step of the process involves the Commission's Compliance department conducting an in-depth review and analysis of the completed real estate documents provided. The Compliance department in turn presents a report of its findings and results to the broker. Correspondence to the brokerage is prepared, which includes a copy of the reports noting any necessary corrective action or any recommendations for future practices.

The request for funding the Inspection of Trust Accounts project, pursuant to sections 72(a) and (d) of *The Real Estate Act*, was \$60,000 for the fiscal year.

Practice Advisor:

Creating a practice advisor service allows the Commission to provide brokers with guidance and advice on a number of practice issues. The advisor provides confidential consultation and advice to registrants on a without prejudice basis; conversations cannot be used against the registrant in any further proceedings.

This service has been implemented in other jurisdictions with great success. It is provided at no cost to the brokerages, with the intention that there will be greater use by brokers when they can access advice without drawing the attention of the Commission's compliance department.

The request for funding the Practice Advisor project, pursuant to sections 72(a) and (b) of *The Real Estate Act*, is \$40,000 for the fiscal year.



IBTA & REAF continued...

Stakeholder Engagement: Research & Surveys:

The Commission has identified stakeholder engagement as a priority in its strategic plan. Research and surveys into the practice areas (farm, commercial, property management, and residential), performed on an annual basis will help the Commission become proactive in addressing issues of importance to the industry and all stakeholders.

Currently, obtaining information through the formal complaint process is the most common means of discovering industry issues and trends. By seeking out feedback from stakeholders, the Commission is looking to identify issues and trends prior to the public being harmed, thereby better addressing its mandate of public protection. The Commission looks to address a different area of practice each year. The annual cycle will include in-person interviews to identify issues, followed by the creation of stakeholder surveys and feedback analysis by Commission Committees. Committees will make recommendations to the Commission to address problem areas.

This project provides the ability for the Commission staff members to perpetually conduct research and provide timely continuing education needs to registrants on new and emerging issues. The request for funding for Stakeholder Engagement, pursuant to sections 72(a) and (b) of The Real Estate Act, was \$15,000 for the fiscal year.

REAF Report

Pursuant to Part V of *The Real Estate Act*, the Commission is responsible for the administration of the Real Estate Assurance Fund (REAF).

The REAF was established to provide financial protection to consumers where they have suffered a loss as a result of a deficiency in the money held in trust by a brokerage in connection with a trade in real estate. The REAF is funded by an annual levy to each registrant, as well as revenue from the investment of the REAF account.

The maximum claim under the REAF is \$25,000. The maximum of the aggregate of claims for one brokerage is \$50,000. Where the aggregate of all valid claims against one brokerage exceeds \$50,000, the claims are paid on a pro-rata basis. A claimant has two years from the date of the deposit with the brokerage to make a claim with the Commission. The Commission may make payment to a consumer from the REAF for a valid claim. If a claim against a brokerage is disputed by the brokerage, the claimant must obtain a judgment against the brokerage.

There were no claims made against the fund over the 2022-2023 fiscal year.



Commission Contact Information

Staff

Bill Craik	Legal and Compliance Manager
Richard Cote	Accountant / Controller
Nina Criddle	Deputy Registrar
Crystal Jamieson	Compliance Officer
Amanda Kimpinski	Compliance Officer
Allie Lang	Legal Assistant
Lynnell Reid	Administrative Assistant
Aaron Tetu	Executive Director / Registrar
Jason Weiler	Systems Administrator
Bernie Weinbender	Practice Advisor

Location

104 - 210 Wellman Crescent
Saskatoon SK S7T 0J1

Office Hours

Monday to Friday 8:30-12:00 & 1:00-4:30
Closed weekends and statutory holidays

Contact Information

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