

LTSA ANNUAL REPORT: GOVERNANCE

2017/2018



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BOARD ACTIVITIES AND FUNCTIONS

This Governance Report is prepared in compliance with the *Land Title and Survey Authority Act* [Section 26(4)(b), (e) and (f)] and provides information on Board activities and functions for the 2017/2018 fiscal year.

LTSA Bylaws and Operating Agreement

In 2017/18, the Board undertook the following Bylaw amendment:

- Directors' Remuneration and Reimbursement – amendments to Part 5 of the LTSA Bylaws at February 16, 2018 Board meeting to be in effect April 1, 2018 to authorize a 2.6% increase to all Director compensation amounts and an \$850 increase to the annual Director fees.

No changes were made to the Operating Agreement between the Province of BC and the Land Title and Survey Authority of BC.

Board Education and Orientation

Directors participated in the following LTSA educational session during 2017/18:

- June 8, 2017: Blockchain in the Real Estate Industry

Board Compensation

The Board Chair, Committee Chairs and Board Directors are compensated for their time by way of annual honorariums. For the period April 1, 2017 to March 31, 2018, annual honorariums for Board Directors were as follows:

- Board Chair: \$62,271 per annum
- Committee Chair: \$21,367.50 per annum
- Board Director: \$12,454.20 per annum

Other than the Board Chair, the Directors are additionally entitled to meeting fees; during 2017/18 the rate for a full-day meeting was \$778.39/day. There are normally between ten and thirteen Board and Committee meeting days per year.

BOARD ACTIVITIES AND FUNCTIONS CONTINUED

Summary of Compensation Paid to Directors of the Board

Board Activities and Functions	Name	Position	2017/2018			2016/2017
			Honorarium	Meeting Fee	Total	Total
Summary of Board and Committee Meetings and Outcomes	Atkinson, Brent	Director, Governance and HR Committee	12,454	8,173	20,627	19,841
	Blackall, O'Brian	Director, Audit and Finance Committee	12,454	7,006	19,460	19,841
	Cannan, Ron	Director, Audit and Finance Committee	12,454	7,784	20,238	19,841
	Comeau, Janice	Board Chair	62,271	—	62,271	27,854
	Cottick, Bill	Chair, Governance and HR Committee	21,368	7,784	29,152	19,841
	Friedman, Diane	Chair, Audit and Finance Committee	21,368	7,784	29,152	28,236
	Hol, Gordon (Bert)*	Director, Governance and HR Committee	14,683	8,673	23,356	19,841
	Klein, Eugen	Director, Audit and Finance Committee	12,454	7,784	20,238	19,078
	Kuhl, Victoria	Director, Governance and HR Committee	12,454	8,173	20,627	19,841
	Smythe, Scott	Director, Governance and HR Committee	12,454	8,173	20,627	N/A
	Wesley, Angela**	Director, Governance and HR Committee	6,227	3,892	10,119	N/A
	<i>Naknakim, Roderick</i>	<i>Deceased March 9, 2017</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>17,950</i>
	<i>Plant, Geoff***</i>	<i>Term Expired March 31, 2017</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>61,050</i>
	Total		200,641	75,226	275,867	273,214

*Chair, 2017/18 Director Nomination Review Task Group (December 1, 2017 to February 28, 2018) and Special Meeting Fees to lead the Replacement Director Appointment process for the First Nation Summit nominees.

**Replacement Director term appointed October 1, 2017 – March 31, 2018.

***Board Chair for 2016/17.

SUMMARY OF BOARD AND COMMITTEE MEETINGS AND OUTCOMES¹

In addition to quarterly reviews of financial statements, risk reports, communications outreach, regulatory administration and compliance, general governance oversight items and quarterly updates on new business initiatives (ParcelMap BC; Project ACE; business development), the following outcomes resulted from Board and Board Committee [Audit and Finance (AF), Governance and Human Resources (GOVHR), 2017/18 Director Nomination Review Task Group (DNTG) and Board (BD)] deliberations:

Date & Type	Outcomes	
June 8–9, 2017 [AF, GOVHR, BD]	<p>Reviewed:</p> <ul style="list-style-type: none"> • CEO’s Report on Senior Management Performance Planning (GOVHR) • CEO Performance Plan 2017/18 (reviewed) (GOVHR) • Benefit and Pension Plans (GOVHR) • Director and Officer Code of Conduct Annual Disclosures (GOVHR) • Board Evaluation Process (approach determined for 2017) (GOVHR) • Replacement Director Process (nominee of the First Nations Summit) (status) (GOVHR) • Board Renewal Process: <ul style="list-style-type: none"> — Board Skills and Experience Profile – Schedule A of LTSA Bylaws (confirmed) (GOVHR/BD) — Board Composition Assessment (approach determined for 2017/18) (GOVHR/BD) • Collective Bargaining (approach) • Board Operations - Consent Agenda Approach (approach determined for pilot) (GOVHR) • External Audit Report for 2017/18 (AF) • Annual Assurance Fund Claims Report (AF/BD) 	<p>Approved:</p> <ul style="list-style-type: none"> • LTSA Audited Consolidated Financial Statements for 2016/17 (AF/BD) • LTSA Annual Report for 2016/17 (AF/BD) • Executive Compensation Review Report (accepted) (GOVHR/BD) • CEO Performance Evaluation Report 2016/17 (accepted) (GOVHR/BD) • CEO Performance – Compensation (approval) (GOVHR/BD)

¹ As required by Section 26(4)(f) of the *Land Title and Survey Authority Act*.

SUMMARY OF BOARD AND COMMITTEE MEETINGS AND OUTCOMES CONTINUED

Date & Type	Outcomes	
June 27, 2017 [BD]	Conducted: <ul style="list-style-type: none"> • LTSA Board Strategic Planning Session 	Approved: <ul style="list-style-type: none"> • Authorization for CEO to enter into a Lease Agreement for the New Westminster Land Title Office at the Anvil Centre (BD) • Authorization to increase the 2017/18 Annual Operating and Capital Plans in support of space planning and acquisitions for the New Westminster Land Title Office premises (BD) • Authorization for temporary Fee Exemption for City of Greenwood aligned with Province's action for similar exemption from Land Title fees for the purposes of updating historical error in the records respecting titles that should be vested in the City of Greenwood (BD) • CEO Performance Plan 2017/18 (approved) (GOVHR/BD)
June 28, 2017 [BD]	Conducted: <ul style="list-style-type: none"> • Annual Meeting of LTSA Board, Stakeholder Advisory Committee and Executive • LTSA Annual General Meeting 	
August 9, 2017 [GOVHR]	Reviewed: <ul style="list-style-type: none"> • Replacement Director – First Nations Summit (nomination review) (GOVHR) 	
September 7, 2017 [AF, GOVHR, BD]	Reviewed: <ul style="list-style-type: none"> • Selection of External Auditors 2017/18 (confirmed approach) (AF) • LTSA Insurance (confirmed approach for renewal) (AF) • LandSure Office Lease (confirmed proceeding with expansion of lease space) (AF/BD) • Board Composition – Assessment of Board against the Approved Skills and Experience Profile (GOVHR) • Board Renewal Process – confirmed approach for Nomination Requests (GOVHR) • LTSA Code of Business Conduct and Ethics – annual compliance report (AF/GOVHR) • LTSA Strategic Plan 2018/19 to 2020/21 – draft reviewed (BD) 	Approved: <ul style="list-style-type: none"> • LTSA Annual Operating Plan – authorization to increase in support of business development activities (AF/BD) • Replacement Director Appointment – effective October 1, 2017 Angela Wesley, First Nations Summit (GOVHR/BD) • Committee Appointment for New Replacement Director Appointment (approved) (GOVHR/BD) • Board Operations – Consent Agenda Pilot (approved proceeding) (GOVHR/BD)

SUMMARY OF BOARD AND COMMITTEE MEETINGS AND OUTCOMES CONTINUED

Date & Type	Outcomes	
September 28, 2017 [BD Consent Resolution]		Approved: <ul style="list-style-type: none"> • Authorization for CEO to enter into a Lease Expansion Agreement for the LandSure Office Facility (BD)
November 16–17, 2017 [AF, GOVHR, BD]	Reviewed: <ul style="list-style-type: none"> • Annual Fee Review for 2018/19 Fees – proposed approach of no fee increase - confirmed (AF/BD) • LTSA Business Plan – outline for 2018/19 – 2020/21 (AF/BD) • LTSA Cyber Security Program (reviewed) (AF/BD) • Annual Governance Review (2017/18) (approach determined) (GOVHR) • Board Chair Selection Process (approach confirmed) (GOVHR/BD) • Report on Review of Recently submitted Conflict of Interest Disclosure Statements (GOVHR) • CEO Report on Annual Management Succession Plan (GOVHR/BD) • CEO Performance Targets 2017/18 – mid-year review (GOVHR/BD) • CEO Succession Plan – annual review (GOVHR/BD) • Statement of Executive Compensation Philosophy 2018/19 (reviewed) (GOVHR) • CEO Compensation Package 2018/19 – approach determined (GOVHR/BD) • Collective Bargaining (status update) (GOVHR) • LTSA Board Evaluation 2017 – results reported (GOVHR/BD) • Biennial Employee Engagement Survey - results reported (GOVHR) • LTSA Assurance Fund Actuarial Review Report (reviewed) (BD) 	Approved: <ul style="list-style-type: none"> • LTSA Strategic Plan for 2018/19 to 2020/21 (approved) (BD) • Appointment of External Auditor for 2017/18 Fiscal Year (approved) (AF/BD) • LTSA Investment Policy (approved) (AF/BD) • 2017/18 Director Nomination Review Task Group Terms of Reference (approved) (GOVHR/BD) • Temporary Authorization for Designated Staff to Execute Crown Grants for period 2017-12-01 to 2018-03-30 (GOVHR/BD) • Annual Governance Review – Amendments to Tab 22 (AF Committee Terms of Reference [recommended] (AF); Amendments to Tabs 2A (5-Yr Mtg Calendar), Tab 2B (Annual Activity Calendar) and Tab 25 (SAC Terms of Reference) (approved) (GOVHR/BD)
January 17, 2018 [GOVHR, DNTG]	Reviewed: <ul style="list-style-type: none"> • Board Chair Selection Process – results reported/next steps confirmed (GOVHR) • Board Renewal Process – Nominations Reviewed (DNTG) 	Approved: <ul style="list-style-type: none"> • Annual Governance Review – recommended amendments to Governance Manual Tabs 2B (Annual Activity Calendar), Tab 3 (BOD Terms of Reference), Tab 10 (Statement of Powers and Delegation), Tab 18 (Director Compensation and Expenses), Tab 22 (AF Terms of Reference), Tab 23 (GOVHR Terms of Reference) and Tab 28 (Guidelines for Subsidiary Companies) (GOVHR)

SUMMARY OF BOARD AND COMMITTEE MEETINGS AND OUTCOMES CONTINUED

Date & Type	Outcomes	
<p>February 15–16, 2018 [AF, DNTG, GOVHR, BD]</p>	<p>Reviewed:</p> <ul style="list-style-type: none"> • LTSA Annual Report 2017/18 – confirmed approach/outline (AF) • LTSA Business Plan 2018/19-2020/21 – draft text (AF/BD) • Public Service Pension Plan – 3 Year Actuarial Valuation Report (AF) • LTSA Annual Operating and Capital Plans 2018/19 – draft (AF/BD) • LTSA Insurance – schedule of coverage (AF) • External Audit Plan for 2017/18 (AF) • Committee Membership and Chairs and Vice Chair Selection (2018/19) – approach confirmed (BD) • New Director Orientation – annual review (2018/19) (GOVHR) • Annual Summary of Complaints and Administrative Reviews Compliance Report (2017) (GOVHR) • CEO Performance Evaluation – approach confirmed for evaluation of 2017/18 (GOVHR) • CEO Performance Planning 2018/19 (GOVHR) • CEO Compensation – approach determined for annual review (GOVHR) • Collective Bargaining (status update) (GOVHR) • Target Operating Model (status) (GOVHR) • Labour Market (presentation) (GOVHR/BD) • Crown Land Tools Modernization, Province of BC (presentation) (BD) 	<p>Approved:</p> <ul style="list-style-type: none"> • LTSA Strategic Plan 2018/19-2020/21 (amendment approved) (BD) • Authorization of Appropriation of Retained Earnings for the LTSA Assurance Fund at \$6 million as at March 31, 2018 (AF/BD) • Authorization for CEO to Execute contract to complete the Anvil Centre/New Westminster Office Leasehold Improvements (AF/BD) • LTSA Investment Policy (approved minor amendment) (AF/BD) • Annual Corporate Communications Plan Summary (2018/19) (BD) • Board Renewal Process - Board Director Appointments effective April 1, 2018 (Angela Wesley, First Nations Summit; Shawna Farmer, Society of Notaries Public of BC (DNTG/BD) • Board Chair Appointment – Janice Comeau appointed as Board Chair for one year term effective April 1, 2018 (GOVHR/BD) and Tab 21A (Board Chair Appointment Record) of the Board Governance Manual approved (GOVHR/BD) • LTSA Bylaws – amend Part 5 (Directors Remuneration and Reimbursement) to effect 2.6% increase to all Board compensation amounts and an increase to annual Director fees of \$850 effective April 1, 2018 (GOVHR/BD) • Authorization for Persons who may Execute Crown Grants (approve) (GOVHR/HR) • Statement of Executive Compensation Philosophy (approved) (GOVHR/BD) • Annual Governance Review 2017/18 – Amendments to Governance Manual Tabs 2B (Annual Activity Calendar), Tab 3 (BD Terms of Reference), Tab 10 (Statement of Powers and Delegation), Tab 18 (Director Compensation and Expenses), Tab 22 (AF Terms of Reference), Tab 23 (Governance and HR Terms of Reference) and Tab 28 (Guidelines for Subsidiary Companies)(GOVHR/BD)

SUMMARY OF BOARD AND COMMITTEE MEETINGS AND OUTCOMES CONTINUED

Date & Type	Outcomes	
February 27, 2018 [BD Consent Resolution]		<p>Approved:</p> <ul style="list-style-type: none"> Board Renewal Process - Board Director Appointment effective April 1, 2018 (Patrick Julian, Law Society of BC) (BD)
March 16, 2018 [AF]	<p>Recommended:</p> <ul style="list-style-type: none"> L TSA Annual Operating and Capital Plans for 2018/19 – recommend to Board (AF) L TSA Business Plan (2018/19 to 2020/21) – recommend to Board (AF) 	
March 28, 2018 [BD]	<p>Reviewed:</p> <ul style="list-style-type: none"> L TSA Annual Report for 2017/18 – review draft (BD) L TSA Code of Business Conduct and Ethics Policy – updated version (BD) Public Service Pension Plan – notice of changes (BD) Collective Bargaining – status update (BD) 	<p>Approved:</p> <ul style="list-style-type: none"> L TSA Annual Operating and Capital Plans for 2018/19 (BD) L TSA Business Plan (2018/19 to 2020/21) (BD) Committee Memberships, Chairs and Vice Chair Appointments for 2018/19 (BD) Authorization for extension of temporary Fee Exemption for City of Greenwood aligned with Province’s action for similar exemption from Land Title fees for the purposes of updating historical error in the records respecting titles that should be vested in the City of Greenwood (BD)

STAKEHOLDER ADVISORY COMMITTEE

The CEO chairs the LTSA's Stakeholder Advisory Committee (SAC), designed to ensure effective two-way communications with stakeholders and customers. This advisory body, which includes a senior representative from the Province with legislative responsibility for the related enactments, meets with the LTSA three times a year, and:

- Provides the CEO with views on the LTSA's strategic and business planning frameworks, operating and capital plans, communications plan and risk management, and meets annually with the Board of Directors.
- Communicates the specific needs and concerns of their organizations as they pertain to LTSA activities and shares LTSA announcements and information with their members/colleagues.
- Receives quarterly reports on LTSA operations and performance, major initiatives, historic records conservation projects, information technology systems improvements, customer service and service function enhancements, and the LTSA's regulatory and policy initiatives.

The views of the Stakeholder Advisory Committee members were considered respecting:

Corporate	Operations
<ul style="list-style-type: none"> • Strategic Direction Overview • Remarks from Minister (Honourable John Rustad, MFLNRO) • Stakeholder Perspectives – Presentations from Canadian Bar Association, Real Property Subsection and BC Real Estate Association • LTSA Business Plan • LTSA Stakeholder Survey Results • Communication/Consultation Highlights • LTSA Annual Report • LTSA Board of Directors Renewal Process • Annual Fee Review Results • SAC Terms of Reference Annual Review 	<ul style="list-style-type: none"> • ParcelMap BC Awareness and Adoption • Project ACE • Operational Performance Reports • IT Systems Availability • Business Continuity Planning and Alternate Filing Procedures • Network and Technology Upgrades • Land Title Form and Property Transfer Tax Form Updates • Land Title Practice Information (Availability) • Highlights from Land Title Conferences (National and International)

STAKEHOLDER ADVISORY COMMITTEE CONTINUED

Members are nominated by the organizations that support the LTSA in the performance of its statutory functions, in consultation with the CEO. Included are entities that make nominations for Board of Director appointments.

2017–2018 Stakeholder Advisory Committee Membership as at March 31, 2018:

Stakeholder Entity	Representative
Land Title and Survey Authority	Connie Fair, Chair
Association of British Columbia Land Surveyors	Chad Rintoul
BC Assessment Authority	Jason Grant [from Jan 2018]; Gerhard Brosch [to Dec 2017]
BC Association of Professional Registry Agents	Grant McLaney
BC Historical Federation	Jacqueline Gresko
BC Real Estate Association	Cameron Muir [from May 2017]; Robert Laing [to Apr 2017]
Canadian Bankers Association	Emiko Ando
Canadian Bar Association, BC Branch	Sanda L. King
Central 1 Credit Union	Marilyn Loewen Mauritz
First Nations Summit	Howard Grant
Law Society of British Columbia	Edward Wilson
Province of British Columbia	Dave Pederson
Society of Notaries Public of British Columbia	John Mayr [from Sep 2017]; Wayne Braid [to Aug 2017]
Union of BC Municipalities	Glen White

We would like to acknowledge the contributions of Stakeholder Advisory Committee members both at their meetings with the LTSA and as disseminators of important information from the LTSA to their respective organizations.

LTSA-PROVINCE ONGOING COLLABORATION

To support ongoing collaboration between the Province and the LTSA, the LTSA establishes and supports a regular meeting schedule with the Minister and provincial government staff. Additionally, and as required, LTSA participates in legislation planning meetings. The LTSA makes itself available to, as required, to support ongoing collaboration on key issues pertaining to the operation and delivery of land title and survey systems and review progress on key strategic and operational matters.