



REGULAR MEETING OF THE REAL ESTATE COUNCIL OF ALBERTA

9:30 am, Wednesday, July 18, 2018

Nakiska Boardroom, Calgary, AB

MINUTES

In Attendance: Brian Klingspon, Chair
 Krista Bolton
 Bonny Clarke, Chair Elect
 Bobbi Dawson
 Amina Deiab
 Ramey Demian
 Bill Kirk *(by conference call)*
 Warren Martinson, RECA Corporate Secretary
 Phil McDowell
 Stan Mills
 Robyn Moser
 Bob Myroniuk, RECA Executive Director
 Rob Telford
 Christine Zwozdesky, Past Chair

Recording Secretary: Rina Hawkins

1. Call to Order

The Chair, called the meeting to order at 9:41 am.

***MOTION:** I move that all nominations from industry members or the public received by RECA under section 6(1)(e) of the Real Estate Act in 2018 be distributed, together with any attached resumes to each member of Council by 10:30 am today.*

Robyn Moser / Defeated

***MOTION:** I move that the members of Council appointed under clauses (b) and (c) of section 6(1) of the Real Estate Act jointly appoint REDACTED and REDACTED as members of Council under section 6(1)(e) of the Real Estate Act.*

Robyn Moser / Tabled

***MOTION:** To table the motion made above.*

Krista Bolton / Carried

2. Chair Report

The Council Chair provided Council with his report.

- The Chair referred to the new agenda format. This is the first time using this new format.
- The Chair received email correspondence from the AREA President last evening (July 17, 2018). Due to the timing of this correspondence, the Chair has not yet reviewed it.
- The Chair spoke to the Edmonton Real Estate Board. Subjects included the RMS discussions and recommendations.
- On July 6, 2018, the Chair met with the Service Alberta Deputy Minister and others to discuss the friction between RECA and AREA. This informal meeting lasted approximately 45 minutes. The Minister's office will facilitate a mandate meeting in an attempt to clarify the mandate of RECA, the role of RECA, the role of stakeholders, and the role of Council.

3. Strategic Issues

- **2016-2020 Business Plan Quarterly Report**

The Director of Strategic Initiatives and External Relations provided Council with a commentary of the RECA Business Plan Quarterly Report between April 1, 2018 and June 30, 2018.

- **New Strategic Issues**

- **Legalization of Recreational Use of Cannabis**

The executive director highlighted an article "Real Estate and Cannabis: Small-scale Home Cultivation" by Matt Anderson.

From an internal perspective, Administration has concluded this is an important issue for RECA and they will focus on providing information to industry members moving forward.

4. Business Requiring Council Attention

- **Finance & Audit Committee**

The Finance & Audit Committee (FAC) Chair provided an update on the activities of the FAC. The FAC met on May 16, 2018 and July 10, 2018.

Approval of 2018-2019 Budget

The Director of Corporate Services presented the 2018/2019 budget to Council.

MOTION: Council approves the 2018/2019 Operating and Capital Budget annual licence fees for 2018/2019 as presented:

	Real Estate	Mortgage Broker	Real Estate Appraiser
Brokerage	\$450	\$450	
Broker*	\$475	\$475	
Associate Broker or Associate*	\$475	\$475	
Appraiser or Candidate*			\$475
REP Course Fee	\$0	\$0	\$0
Re-registration	\$55	\$55	\$55

- *Effective July 1, 2019 to September 30, 2019, RECA reduces the licensing fee for each individual class of licence to \$275
- Waiver of Assurance Fund levy on renewal of licence

Krista Bolton / Carried

REGULAR MEETING
OF THE REAL ESTATE
COUNCIL OF
ALBERTA

Minutes of Meeting

July 18, 2018

Amendment to Policy Section 7.3 re: Signing Authorities

The Director of Corporate Services reviewed the proposed amendment to Policy Section 7.3 Signing Authorities.

The amendment lists the specific management and Council positions with signing authority, and a clause that prohibits signatories from signing any cheque issued to them or someone related to them.

MOTION: Council approves the amendment to Policy Section 7.3 Signing Authorities as presented.

Ramey Demian / Carried

Amendment to Policy Section 7.5 re: Depreciation

The Director of Corporate Services reviewed the proposed amendment to Policy Section 7.5 Depreciation.

The amendment outlines specific depreciation methods for the new RECA office building.

MOTION: Council approves the amendment to Policy Section 7.5 Depreciation as presented.

Amina Deiab / Carried

Amendment to Policy Section re: 7.7 Investment of Assurance Fund and 7.8 Investment of Council Operating Fund

The Director of Corporate Services reviewed the proposed amendment to Policy Section 7.7 Investment of Assurance Fund and Policy Section 7.8 Investment of Council Operating Fund.

***MOTION:** Council approves the amendment to Policy Section 7.7 Investment of Assurance Fund and Policy Section 7.8 Investment of Council Operating Fund as presented.*

Stan Mills / Carried

ACTION: Council requests the FAC examine the concept of ethical investing and the possible development of a policy.

Appointment of Auditors for the year ending September 30, 2018

The Director of Corporate Services requested approval of RECA's external auditors.

***MOTION:** Council approves the appointment of MNP LLP as RECA's external auditors for the year ended September 30, 2018.*

Rob Telford / Carried

Increase Limit of Executive Director to Approval Real Estate Assurance Fund (REAF) Payments

The Director of Corporate Services requested approval to increase the executive director signing limit for REAF compensation payments.

***MOTION:** Council approves the executive director's signing limit for Real Estate Assurance Fund compensation payments be increased from \$5,000 to \$35,000 per application and to continue to report to Council on such payments.*

Phil McDowell / Carried

- **Governance Committee**

The Governance Committee Chair provided an update on the activities of the Governance Committee. The Committee met on June 1, 2018 and July 11, 2018.

The Governance Committee Chair highlighted the establishment of two subcommittees of the Governance Committee, to address a number of the Watson Advisor recommendations:

- The "Orientation Subcommittee" will consist of three (3) Council members; Ramey Demian (Committee Chair), Bonny Clarke, and Rob Telford
- The "Policy Subcommittee" will consist of three (3) Council members; Amina Deiab (Committee Chair), Stan Mills, and Bobbi Dawson

Section 2(1), Real Estate Act Bylaws and Council Policies 4.3, 4.4 re: Procedure for Appointment of Non-AREA and Public Council Members

The executive director provided information and background on the Council appointment procedures for Non-AREA and Public members of the RECA Council.

MOTION: Council approves the proposed amendment to Section 2(1) of the Real Estate Act, Bylaws. Replace the current wording in section 2(1) with the following:

"The procedure for the appointment of members under section 6(1)(e) of the Act shall occur as outlined in the policies established by Council from time to time for such purposes."

Phil McDowell / Carried

MOTION: Council approves replacing the current section 4.3 of the Council policies, "Appointment of the Public Member to Council and Public Appointments to Council Committees", with the revised wording in the attached two policies:

- 4.3 Appointment of a Member of the Public at Large to Council (Attached as Schedule A)***
- 4.3.1 Public Appointments to Council Committees (Attached as Schedule B)***

[Note: The wording in section 4.3.1 in Schedule B is the same as the current section 4.3 that applies to appointment of public members to Council i.e. no changes].

Council approves replacing the current section 4.4 of the Council policies, "Appointment of a Non-AREA Member to Council" with the wording in the revised section 4.4, Appointment of a Non-AREA Member to Council, attached as Schedule C.

Rob Telford / Carried

ACTION: The Governance Committee Policy Subcommittee will review these policies, adding clarity and more detail.

A Council member attempted to make a number of substantive typewritten motions. Given the length of the agenda, the Chair indicated that Council would proceed with the matters on the existing agenda.

The Council Chair indicated he has appointed the nominating committee for the Non-AREA and Public members of Council:

- Phil McDowell (Chair)
- Krista Bolton
- Bobbi Dawson
- Amina Deiab
- Ramey Demian

Council Diversity (Policy)

The Governance Committee Chair presented Policy Section 4.15 Council Diversity Policy to Council. Council made amendments including changes to the specified categories.

MOTION: Council approves the Policy Section 4.15 Council Diversity Policy as amended during the meeting.
Phil McDowell / Carried

Council Member Skills Matrix

The Governance Committee Chair presented the draft Council Competency Matrix Tool to Council. Council amended the policy to ensure consistency of terms (competency versus skills).

MOTION: Council approves the draft Council Competency Matrix Tool as presented and amended at the meeting.
Krista Bolton / Carried

ACTION: When Administration sends the Council Competency Matrix Tool to stakeholders, the Council Diversity policy will be included, along with a cover letter to ensure diversity is adequately considered.

Clarification of Roles

Council Terms of Reference

Council reviewed Policy Section 4.13 Council Terms of Reference. Council reordered a number of bullet points.

MOTION: Council approves Policy Section 4.13 Council Terms of Reference as presented and amended at the meeting.
Krista Bolton / Carried

Council Position Description - Chair

Council reviewed Policy Section 4.1.1 Council Chair Position Description. Council made some amendments to the document.

ACTION: Administration will incorporate gender-neutral language in this policy.

***MOTION:** Council approves Policy Section 4.1.1 Council Chair Position Description as presented and amended at the meeting.*

Bonny Clarke / Carried

ACTION: The new Policy Subcommittee will review all policies and incorporate gender-neutral language.

Council Position Description – Council Member

Council reviewed Policy Section 4.1.4 Council Member Position Description. Council made some amendments to the document.

ACTION: Administration will incorporate gender-neutral language in this policy.

***MOTION:** Council approves Policy Section 4.1.4 Council Member Position Description as presented and amended at the meeting.*

Amina Deiab / Carried

RECA Authority Matrix

Council reviewed Policy Section 4.14 RECA Authority Matrix. Council made some amendments to the document.

ACTION: Administration will incorporate gender-neutral language in this policy.

***MOTION:** Council approves Policy Section 4.14 RECA Authority Matrix as presented and amended at the meeting.*

Phil McDowell / Carried

Agenda Design (Policy)

Council reviewed Policy Section 4.11 Council Agenda Design.

***MOTION:** Council approves Policy Section 4.11 Agenda Design as presented.*

Phil McDowell / Carried

Agenda Setting Procedure (Policy)

Council reviewed Policy Section 4.12 Council Agenda Setting Process. Council made some amendments to the document.

***MOTION:** Council approves Policy Section 4.12 Council Agenda Setting Process as presented and amended at the meeting.
Ramey Demian / Carried*

Procedure for Approval of Minutes (Policy)

Council reviewed Policy Section 7.24 Approval and Posting of Council Meeting Minutes.

***MOTION:** Council approves Policy Section 7.24 Approval and Posting of Council Meeting Minutes as presented.
Bobbi Dawson / Carried*

Due to time constraints of this Council meeting, the Governance Committee Chair indicated that Tab 17 Council Members as RECA Instructors, and Tab 18 Electronic Communications Policy will be tabled to the October 2018 Council meeting.

REGULAR MEETING
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Minutes of Meeting

July 18, 2018

- **Governance Manual**

A Council Member reviewed the briefing note on a proposed Governance Manual with Council.

***MOTION:** Council approves the development of a Governance Operating Manual for Council's use and reference, including the recommended key components: oversight, committee authorities and responsibilities, authority, and organizational design and reporting structure.*

Robyn Moser / Carried

- **Hearings Committee**

The Hearings Committee Chair provided an update on the activities of the Hearings Committee. In June 2018, the Hearings Committee conducted interviews for Hearing Panel and Appeal Panel Roster members.

***MOTION:** Council appoints the following individuals to the Hearing Panel or Appeal Panel Roster effective November 1, 2018:*

Re-appointment to the Hearing Panel Roster for a second three (3) year term:

- 1. Michael Brodrick*
- 2. Gordon Reekie*

New Appointments to the Hearing Panel Roster

- 1. Susan Rabbitte*
- 2. Bill Ramsey*
- 3. Margaret Geall*
- 4. Anthony (Tony) Lamb*

Re-appointment to the Law Society/Public Appeal Panel Roster for a second three (3) year term:

1. Rita Aggarwala
2. David Hicks
3. Julia Jones

New Appointments to the Law Society/Public Appeal Panel Roster for a first three (3) year term:

1. Tammy McCorkell (Public)
2. Kathryn Oviatt (Law Society)
3. Kevin P. Kelly (Law Society)
4. Christopher Williams (Law Society)
5. Arlene K. Blake (Law Society)

*New Appointments to the Hearing Panel Roster (effective **November 1, 2019**)*

1. Nes Davison (residential real estate sector)
2. Junaid Malik (residential real estate sector)
3. Bill Sturgeon (residential real estate sector)
4. George Pelechaty (residential real estate sector)

Rob Telford / Carried

ACTION: Council will review and deal with any outstanding applications to the Hearing Panel Roster at a later date.

***MOTION:** Council approves the re-appointment of Krista Bolton to the Hearing Panel Roster for a final three (3) year term:*

Rob Telford / Carried

- **RMS Working Group**

The executive director provided Council with an update on the activities of the RMS Working Group. The group last met on May 30, 2018.

***MOTION:** Council tables the RMS Working Group Meeting report to the October 2018 Council meeting.*

Stan Mills / Carried

- **Legislation Review Committee**

The Chair of the Legislation Review Committee, provided an update on the activities of the Legislation Review Committee. The Committee last met on June 12, 2018.

MOTION: Council directs Administration to consult on the proposed Real Estate Act Rule 96 and 97 amendments, and report consultation results to the Legislation Review Committee. The Legislation Review Committee will report to Council and make recommendations, as appropriate.
Bonny Clarke / Carried

5. Business by Council Consent

- **Approval of Minutes – April 11, 2018 Regular Meeting**
Council approved the April 11, 2018 Regular Council Meeting minutes by email vote completed on May 17, 2018.

MOTION: Council ratifies the April 11, 2018 Regular Council Meeting minutes.

Robyn Moser / Carried

- **Approval of Minutes – May 25, 2018 Special Meeting**
MOTION: Council approves the May 25, 2018 Special Meeting of Council as presented.
Christine Zwozdesky / Carried

Opposed: Amina Deiab, Ramey Demian, Bill Kirk, Stan Mills, and Robyn Moser.

- **Approval of Minutes – June 5, 2018 Special Meeting**
MOTION: Council approves the June 5, 2018 Special Meeting of Council as presented.
Krista Bolton / Carried

Opposed: Amina Deiab, Ramey Demian, Bill Kirk, Stan Mills, and Robyn Moser.

- **Approval of Minutes – June 6, 2018 Special Meeting**
MOTION: Council approves the May 25, 2018 Special Meeting of Council as amended at the meeting.
Krista Bolton / Carried

Opposed: Amina Deiab, Ramey Demian, Bill Kirk, Stan Mills, and Robyn Moser.

- **Real Estate Assurance Fund Pay-Outs**
Council reviewed details of the Real Estate Assurance Fund (REAF) pay-out applications.

RECA's General Counsel explained that each of the 20 compensation pay-outs identified require Council approval, as the amounts exceed RECA's executive director signing authority.

Council member Bonny Clarke stated a conflict of interest and was excused from voting on the above motion.

*MOTION: Council approves payment of compensation from the Real Estate Assurance Fund to 20 applicants totalling \$455,978.94.
Bobbi Dawson / Carried*

6. In-Camera

Council went in-camera at 5:05 pm. The following motion was ratified during the in-camera session.

*MOTION: Council hereby amends its bylaws to provide at section 36(4) that if Council has resolved to apply to the Court for an order declaring a member of Council to be disqualified from membership on Council, that member shall not be eligible for appointment to hearing or appeal panel.
Rob Telford / Carried*

7. Adjournment

The meeting adjourned at 6:35 pm.

8. Next Meeting(s)

- October 17, 2018 (9:30 am) Regular Council Meeting

Approved at Calgary, Alberta on _____, 2018

Brian Klingspon, Chair

Bonny Clarke, Chair-Elect