

## RECA Board of Directors Special Meeting 10:00 am – 1:00 pm, Friday, September 24, 2021 Virtual Teams Meeting

### MINUTES

**In Attendance:** Patricia McLeod, Chair  
Paul Bojakli  
Bill Briggs  
Jai Parihar  
Carrie Plett  
Laura Sharen

**Guests:** Lois Flynn, *ED, Consumer Services, Service Alberta (item #5 Red Tape Reduction)*

**Staff Resource:** Russ Morrow  
Warren Martinson  
Charles Stevenson  
Joseph Fernandez  
Stacy Paquin

**Recording Secretary:** Stacy Paquin

#### 1. Preliminary Matters

The meeting began at 10:00 am.

No conflicts of interest were declared.

#### 2. Consent Agenda

The RECA Board of Directors ("Board") reviewed the consent agenda, including the minutes from the July 29, 2021 Regular Meeting of the Board.

*MOTION: The RECA Board of Directors approves the consent agenda, including the minutes of the July 29, 2021 Regular Meeting as presented.  
Jai Parihar / Carried*

#### 3. Committee Reports / Recommendations

- Governance & HR Committee

### Election Policy & Process

After consultation with all four of RECA's Industry Councils, the proposed Election Policy and Process documents were presented to the Board for review and consideration. The Board discussed including a paragraph in the Election Process to clarify that the Board will engage, pursuant to the proposed new *Real Estate Act* bylaws, an online voting platform and appoint a qualified person or firm as an Election Officer to supervise, validate and certify the results of the Industry Council members nominations and elections.

***MOTION:** After consultation with RECA's four Industry Councils and on the recommendation of the Governance & Human Resources Committee, the RECA Board of Directors approves the "Industry Councils' Elections Policy" and "Election Process" as presented in "TAB 6.1" of the meeting materials and as further amended at this meeting.*

*The "Industry Councils' Election Policy" and "Election Process" will come into effect upon the approval of the new Real Estate Act bylaws by the Minister of Service Alberta.*

*Carrie Plett / Carried*

### Board & Industry Council Communication Protocol

After consultation with all four of RECA's Industry Councils, the proposed Board and Industry Council Communication Protocol was presented to the Board for review and consideration. RECA Management advised that all the Industry Councils were in support of the proposed protocol.

***MOTION:** After consultation with RECA's four Industry Councils and on the recommendation of the Governance & Human Resources Committee, the RECA Board of Directors approves the "Communication Protocol for Board & Industry Council members" as presented in "TAB 6.2" of the meeting material, to be effective immediately subject to implementation time needed for email addresses.*

*Laura Sharen / Carried*

### COVID Corporate Strategy/Return to Office

RECA Management discussed that a return to the office for employees has been put on hold due to the fourth wave of COVID-19. In the meantime, Management has been gathering feedback from employees as it develops a return to the office strategy that can be implemented when it is safe to do so. The Board discussed that traditional workplace environments are changing because of the

pandemic and given this, organizations are working to manage expectations of employees.

RECA hearings continue to be conducted virtually, not in-person. RECA's office is closed to all walk-in visitors.

#### Salary Announcement/Holidays

The CEO confirmed with the Board that the salary freeze for all RECA staff will continue into the 2021-2022 fiscal year.

Management advised that for the upcoming holiday season the RECA offices will have limited services/staff available between Christmas and New Year's and only urgent matters will be dealt with during this time.

#### 4. Industry Council Activities

- **Industry Chairs Roundtable**

The Industry Chairs Roundtable Action Register was presented for information purposes. The Board Chair discussed that participants of the Roundtable agreed that the forum should continue into 2022 as it is providing value by ensuring collaboration and effective communication between the Board and Industry Councils.

- **Residential Real Estate Broker Industry Council**

The Board member from the Industry Council advised that RECA's recent clarification on the disclosure of conditional offers has been viewed as a positive resolution on this issue.

- **Commercial Real Estate Broker & Commercial Property Manager Industry Council**

There were no matters to update the Board on at this time.

- **Mortgage Broker Industry Council**

The Board member from the Industry Council advised that the Industry Council Chair, Mr. Gord Appel, has stepped down from the chair position for personal reasons, but will remain as a regular member of the Industry Council. A new chair for the Industry Council was appointed, Mr. Clarence Lee.

- **Residential Property Manager Industry Council**

#### Conditional Licensing for Condominium Managers Update

The Board member from the Industry Council advised that concerns were raised about the two-year experience requirement for condominium managers, as a prerequisite for conditional

licensing. This has created a lot of concern from stakeholders as many condominium managers would not qualify for a conditional licence. The experience requirement has now been amended to 75 days to qualify for a conditional condominium manager licence.

#### Condominium Manager Rules

The Residential Property Manager Industry Council requested the Board transmit the recent proposed amendments to the Condominium Manager Rules to the Minister of Service Alberta, with supporting documentation on the consultation process undertaken in the fall of 2020.

**ACTION:** On the recommendation of the Residential Property Manager Industry Council, the Board directs RECA Management to transmit to the Minister of Service of Alberta additional proposed amendments to the previously submitted *Real Estate Act* Rules with respect to the licensing of condominium managers.

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## 5. Strategic Matters

- **Red Tape Reduction**

Ms. Lois Flynn, Executive Director of Consumer Services attended the Board meeting to provide a briefing on the government's red tape reduction initiative and the status of the *Real Estate Act* going forward.

- **Approval of RECA Bylaws**

The proposed new *Real Estate Act* bylaws were presented to the Board for review, consideration, and approval. The Board discussed that there has been extensive consultation on the proposed bylaws with the Industry Councils, Governance & Human Resources Committee and Service Alberta.

**MOTION:** *After consultation with Service Alberta, RECA's four Industry Councils and on the recommendation of the Governance & Human Resources Committee, the RECA Board of Directors approves, and directs RECA management to submit, the new proposed Real Estate Act bylaws as presented in "TAB 13" of the meeting materials to the Minister of Service Alberta for final approval.*

*Carrie Plett /Carried*

- **Education Divestment Update**

#### Approval of Education Policy Changes

RECA Management reviewed the proposed changes to the Education Policies, as recommend by the four Industry Councils, to facilitate the education transition process. The changes are consistent with the Pre-Licensing Education Philosophy previously accepted by the Board on the recommendation of the Industry Councils.

*MOTION: On the recommendation of RECA's four Industry Councils, the RECA Board of Directors approves the amendments to the "Education Policies" as presented in "TAB 14.1" of the meeting materials.*

*Bill Briggs /Carried*

#### Approval Course & Course Provider Recognition Process

RECA Management advised that a Course and Course Provider Recognition process was developed as a result of feedback from the Education Framework Discussion Group. The four Industry Councils had also discussed the proposed Course and Course Provider Recognition process in anticipation of the feedback from the corresponding consultation process with potential course providers and trade associations.

Management advised that the consultation process indicated support for the Course and Course Provider Recognition process with a few exceptions which RECA Management reviewed and discussed with the Board.

*MOTION: In consultation with RECA's four Industry Councils, the RECA Board of Directors approves the "Course & Course Provider Recognition Process" as presented in "TAB 14.2" of the meeting materials.*

*Bill Briggs/Carried*

#### Approval of Education Transition Plan

In the spring of 2021, the Minister of Service Alberta requested that the Board prepare an education transition plan which would outline the process for RECA to divest itself of education programs. RECA management completed extensive consultation with all four Industry Councils and Service Alberta on the proposed plan.

*MOTION: In consultation with Service Alberta and RECA's four Industry Councils, the RECA Board of Directors approves, and directs RECA management to submit, the "Education Transition Plan" as presented in "TAB 14.3" of the meeting materials to the Minister of Service Alberta for approval.*

*Paul Bojakli / carried*



## 6. Strategic Planning

RECA Management provided an update on the status of the strategic planning process. A request for proposals was sent out and submissions received. Following the selection of a facilitator, a definitive plan for strategic planning sessions in early 2022 will be finalized.

The Board discussed the need to ensure that RECA Industry Councils are also provided with the opportunity to be involved in joint strategic planning sessions with the Board.

## 7. Enterprise Risk Management

RECA's Senior Management has met with MNP who will be assisting with the development of the Enterprise Risk Management ("ERM") program. The initial working sessions have been positive, and the project is on track as outlined in the proposal. The Board discussed that the ERM program will assist and feed directly into the strategic planning and budgeting processes.

## 8. Real Estate Assurance Fund Report

A report on the status of the Real Estate Assurance Fund has been prepared as per a request from the Minister of Service Alberta.

The Board Chair, RECA's CEO and Management met with REIX on the draft report and obtained feedback. The Board discussed the feedback received and agreed to incorporate comments into the report prior to submission to the Minister of Service Alberta.

**ACTION:** RECA Management will provide a briefing note and coordinate a discussion with the Board regarding oversight and governance accountabilities of REIX pursuant to the *Real Estate Act* and bylaws.

Mr. Bill Briggs abstained from voting on the motion given he is a dual member of both the RECA and REIX Board of Directors.

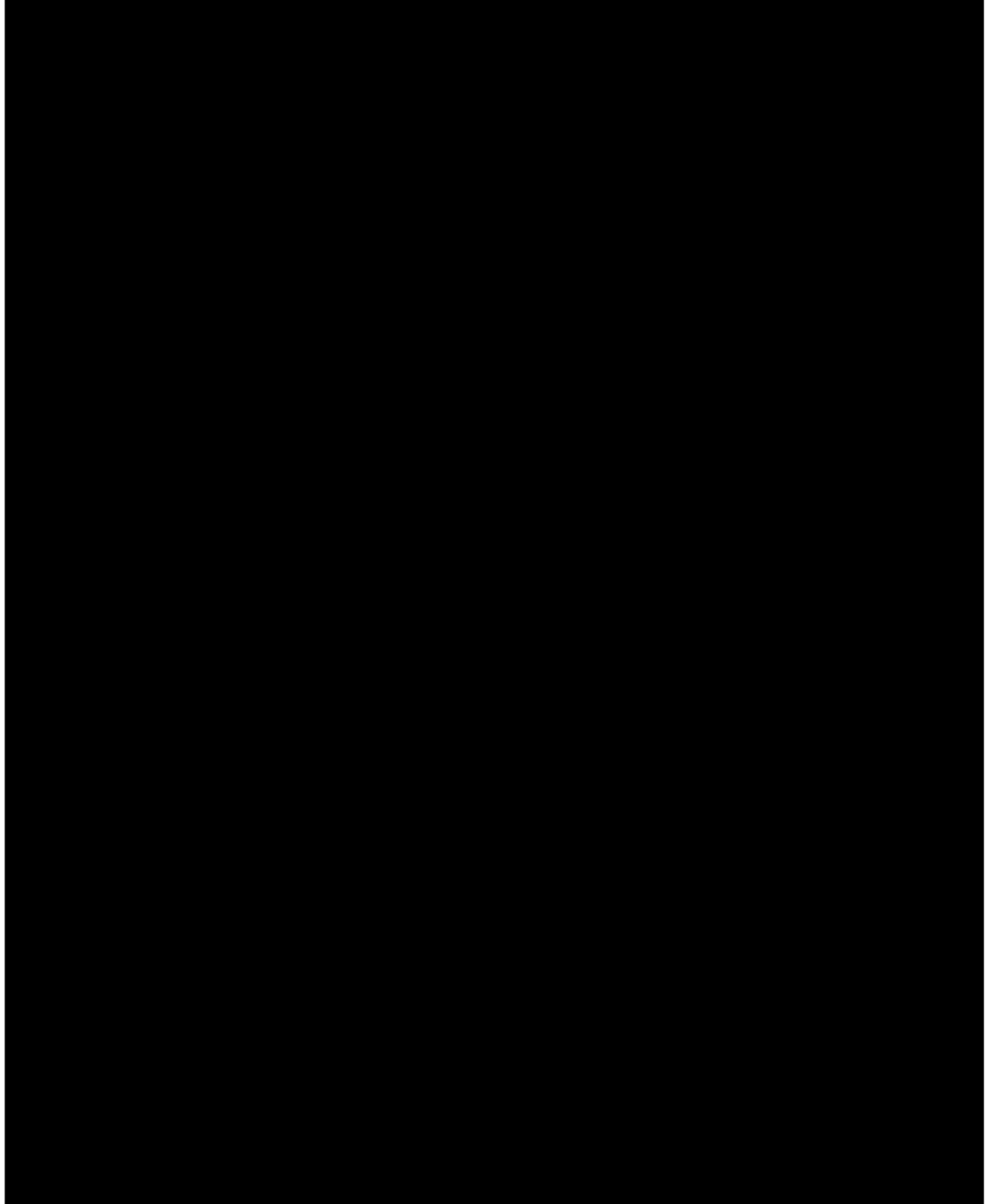
**MOTION:** *The RECA Board of Directors approves the Real Estate Assurance Fund report as presented in "TAB 17" of the meeting materials and further amended as discussed at the meeting and directs RECA management to submit the report to the Minister of Service Alberta.*

*Laura Sharen / Carried*

9. Litigation Update (Privileged)

The Board met with RECA's General Counsel for a litigation update.

*The following minutes from this discussion are confidential and protected by litigation privilege.*



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10. In-Camera Session

The Board went in-camera.

**11. Next Meeting**

- Wednesday, November 10, 2021

**12. Adjournment**

The meeting adjourned at 1:15 p.m.

Approved at Calgary, Alberta on November 10, 2021

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Patricia McLeod, Q.C., Board Chair

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