



## **RECA Board of Directors Regular Meeting**

**9:00 am – 4:00 pm, Wednesday, May 11, 2022**

**Nakiska Boardroom, RECA Office / Virtual Teams Meeting**

### **MINUTES**

**In Attendance:** David James, Chair  
Paul Bojakli  
Bill Briggs  
Jai Parihar (*attended virtually*)  
Carrie Plett  
Laura Sharen (*attended virtually*)  
Greg Walter (*attended virtually*)

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

**Guests:** Bryan Douey, *Communications & Connections Manager*  
Barbara Young, *Credentialing Manager*  
Susan Kushneryk, *Kushneryk Morgan LLP*

**Recording Secretary:** Rina Hawkins

#### **1. Preliminary Matters**

The meeting began at 9:03 am.

On April 1, 2022, Honourable Nate Glubish, Minister of Service Alberta, accepted the resignation of Patricia McLeod, Q.C. as Board Chair of the Real Estate Council of Alberta ("RECA"). To ensure continued leadership as the government works to identify and appoint a new Chair, Honourable Glubish appointed Mr. David James, the Deputy Minister of Service Alberta, as the Interim Chair effective April 1, 2022.

The RECA Board of Directors ("Board") thanked Ms. McLeod for her outstanding service to Albertans and recognized her for the many accomplishments under her leadership of the RECA Board.

The RECA Interim Board Chair ("Chair") asked if there were any conflicts of interest to declare. Board member, Mr. Bill Briggs, declared a conflict of interest with agenda item #19, *Real Estate Act Bylaws & Rules*. Mr.

Briggs indicated he will abstain from voting on any motions with respect to this item.

The Chair provided opening comments, noting he has been engaging with Management, the Industry Council Chairs, and the industry since his appointment.

The Board reviewed the meeting agenda.

*MOTION: The RECA Board of Directors approves the May 11, 2022, meeting agenda as presented.*

*Motioned by Carrie Plett*

*Seconded by Bill Briggs*

*Carried*

The Board moved in camera at 9:08 am.

The Board came out of camera at 9:22 am.

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## 2. Consent Agenda

The Board reviewed the consent agenda, including the minutes from the January 21, 2022, Regular meeting and February 11, 2022, Special meeting of the Board.

*MOTION: The RECA Board of Directors approves the consent agenda, including the January 21, 2022, and February 11, 2022, RECA Board of Director meeting minutes, the Board Action Item Register, and the Non-Budgeted Expenditure resolution 2022-1, as presented at this meeting.*

*Motioned by Jai Parihar*

*Seconded by Laura Sharen*

*Carried*

## 3. Applications to the Board

- **Real Estate Act Section 46**

The Registrar reviewed section 46 of the *Real Estate Act* with the Board and an Admission of Conduct submission for the Board's consideration. The Registrar addressed the Board's questions on the submission.





- **Real Estate Act Section 79**  
For this information item, the Board has received an application pursuant to section 79 of the *Real Estate Act* for an extension of time.

The Board agreed to convene a special meeting to hear this application. Management will canvas the Board for their availability in June 2022.

#### 4. Committee Reports / Recommendations

- **Finance & Audit Committee**  
The chair of the Finance & Audit Committee (“FAC”) provided an update on the activities of the FAC.

##### Approval of Q2 Unaudited Financial Statements

Management presented the Q2 financial update to the Board, including revenue and expense forecasts. Management noted higher than expected education revenues and operating expenses are below budget in most categories.

***MOTION:** On the recommendation of the Finance & Audit Committee, the RECA Board of Directors approves the Unaudited Financial Statements for Q2 as at March 31, 2022 as presented at this meeting.*

*Motioned by Paul Bojakli*

*Seconded by Bill Briggs*

*Carried*

##### Financial Report / Budget Update – March 2022

Management provided an analysis on the budget update for the Board’s information.

##### Approval of Financial Stewardship Policies

With the recent change in governance leadership, RECA is required to update its banking signing authorities.

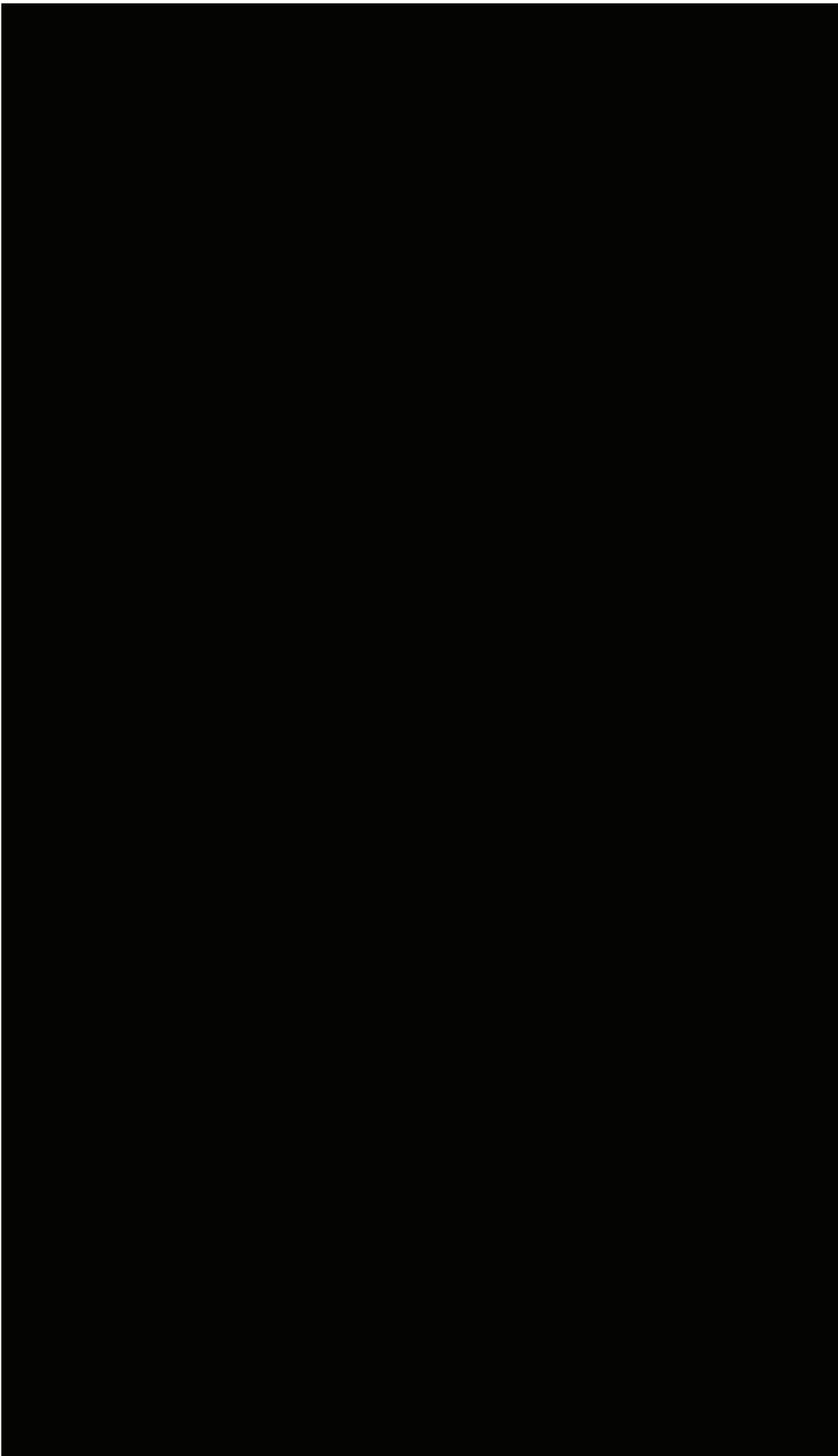
***MOTION:** The RECA Board of Directors approves the following banking resolution with respect to new Directors and officers and signing authorities:*



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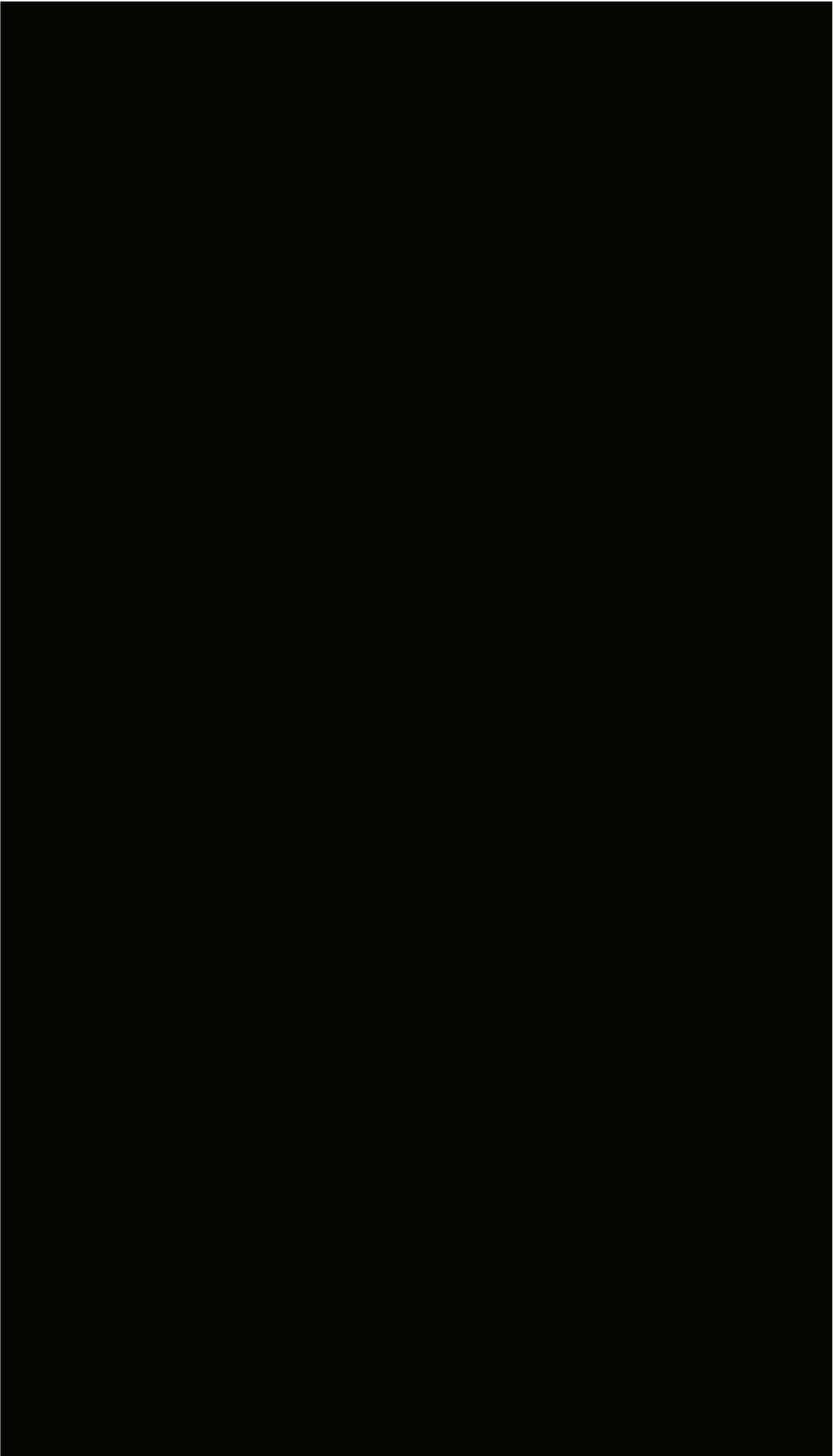
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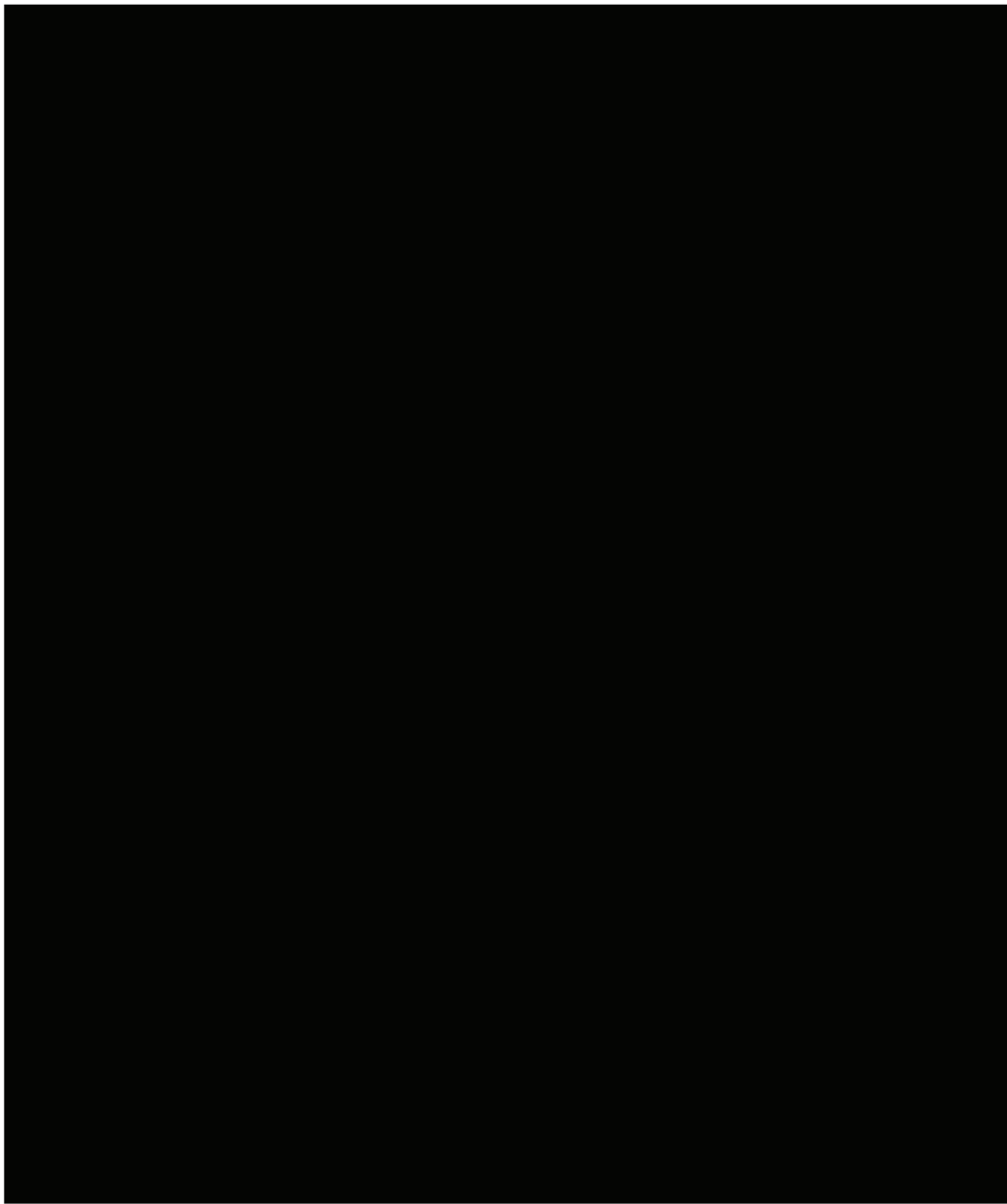
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*Motioned by Carrie Plett  
Seconded by Paul Bojakli  
Carried*

Management discussed and proposed amendments to the nomenclature of the *Signing Authorities Policy* to align with titles in the current governance structure.

*MOTION: On the recommendation of the Finance & Audit Committee, the RECA Board of Directors approves the amendments to the "Signing Authorities" policy as presented in TAB 6.4.1C & D of the meeting material.*

*Motioned by Carrie Plett*

*Seconded by Bill Briggs  
Carried*

Management presented the *Unbudgeted Expenditure Policy* for the Board's consideration. This policy further clarifies how RECA shall authorize and verify unbudgeted expenditures.

*MOTION: On the recommendation of the Finance & Audit Committee, the RECA Board of Directors repeals the "Non-Budgeted Expenditure Policy" and approves the "Unbudgeted Expenditure Policy" as presented in "TAB 6.4.2B" of the meeting materials.*

*Motioned by Paul Bojakli  
Seconded by Laura Sharen  
Carried*

Management presented the *Procurement Policy* for the Board's consideration. This policy will guide procurement at RECA.

*MOTION: On the recommendation of the Finance & Audit Committee, the RECA Board of Directors approves the "Procurement Policy" as presented in "TAB 6.4.3B" of the meeting materials and further amended at this meeting.*

*Motioned by Paul Bojakli  
Seconded by Carrie Plett  
Carried*

#### Enterprise Risk Management ("ERM") Update

For this information item, Management provided an update on the ERM plan.

#### Update on Auditor Request for Proposal ("RFP") Process

Management provided an update on the RFP process for a new auditor. The FAC will review the responses and make a final recommendation to the Board at its July 2022, meeting.

- **Governance & Human Resources Committee**

The chair of the Governance & Human Resources Committee (GHR) provided an update on the activities of the committee. The minutes from the April 21, 2022, GHR meeting were provided to the Board for information purposes.

#### Annual performance review process and timeline for the CEO and Registrar positions

The GHR has reviewed and approved the annual performance process and timeline for the CEO and Registrar positions.

### Human Resources Report Update

The GHR requested Management provide information on RECA's turnover rates and sick time. Management will prepare a report and provide it to the Board as part of the quarterly Management Report.

### Professional Development Options for Board and Industry Council Members

The GHR has reviewed and recommends the Board approve the proposed list of *Professional Development Options for Board and Industry Council Members*.

***MOTION:** Upon the recommendation of the Governance & Human Resources Committee, the RECA Board of Directors approves the approved list of Professional Development Options for Board and Industry Council Members as presented in TAB 7.4B of the meeting material.*

*Motioned by Greg Walter*

*Seconded by Bill Briggs*

*Carried*

### Annual Code of Conduct & Statutory Prohibition Acknowledgement for Board and Industry Council Members

The GHR has reviewed and recommends the Board approve an *Annual Code of Conduct & Statutory Prohibitions Acknowledgement for Board and Industry Council Members*.

***MOTION:** Upon recommendation of the Governance & Human Resources Committee, the RECA Board of Directors approves the Annual Code of Conduct & Statutory Prohibitions Acknowledgement for Board and Industry Council Members, as presented in TAB 7.5B of the meeting material and directs that all Board and Industry Council members complete the acknowledgement annually.*

*Motioned by Carrie Plett*

*Seconded by Laura Sharen*

*Carried*

***ACTION:** The Board directed the Annual Code of Conduct & Statutory Prohibition Acknowledgement for Board and Industry Council Members, be signed by all Board and Industry Council members by the end of June of each year.*



## Compensation Review

The Board discussed the compensation review currently being undertaken. The Board requested Management coordinate with GHR and FAC on the timing of this review.

## Alberta Real Estate Foundation ("AREF") Appointments

The legislation governing the structure of AREF is outlined in section 2 of the *Real Estate Act (Ministerial) Regulations*. The relevant legislation and process for appointments to the AREF Board of Governors by RECA's Board are provided for in current policy.

RECA's Board has two appointments to the AREF Board of Governors. Mr. Anand Sharma was appointed on October 1, 2021, and Mr. Scott Bollinger, whose term is set to expire on October 31, 2022, has recently resigned.

The GHR discussed RECA's appointments to the AREF Board of Governors. The GHR recommends revisions to the "*Appointment to AREF Board of Governors Policy*" to remove any requirement for a RECA Council member to sit on the AREF Board of Governors, and that appointees can be public members and/or licensees. In addition, RECA may consult with AREF on desired skills and qualifications of new appointees.

***MOTION:** The RECA Board of Directors approves the amendments to the AREF Board of Governors Appointment Policy, as presented in TAB 7.6B & C of the meeting material.*

*Motioned by Bill Briggs*

*Seconded by Paul Bojakli*

*Carried*

Management provided a list of potential candidates for the Board's consideration.

**ACTION:** The Board directs Management to consult with AREF on the desired skills and qualifications for the new appointee and Management will come back to the Board with a recommendation and seek approval.

## Governance Policy Manual

Management discussed they are working on an updated governance manual for Board and Industry Council members. The governance manual should be complete and in place by year end.

- **Hearings Committee**

The chair of the Hearings Committee provided an update on the activities of the committee. The minutes from the April 6, 2022, Hearings Committee meeting were provided to the Board for information purposes.

The chair of the Hearings Committee advised that recruitment for new Hearing Panel roster members is underway.

#### Hearing Roster Panel Member Fees & Expenses

The previous RECA Council had approved an Honoraria Policy for Council and Committee members and Hearing Panel Roster members. The Honoraria Policy is now outdated, and not applicable given Board and Industry Council members are now compensated pursuant to the *Remuneration and Reimbursement Policy* approved by the Board.

Management has updated the Honoraria Policy, so the policy only addresses fees and expenses paid to Hearing Panel Roster members and recommends the name of the policy be changed to *Hearing Panel Roster Member Fees & Expenses Policy*. There are no adjustments being proposed to the fees at this time. The Hearings Committee has reviewed the changes and recommends to the Board for approval.

*MOTION: Upon recommendation from the Hearings Committee, the RECA Board of Directors:*

- *approves the "Hearing Panel Roster Member Fees & Expenses Policy" as presented in TAB 8.2C of the meeting material; and*
- *repeals the "7.2 Honoraria Policy".*

*Motioned by Bill Briggs*

*Seconded by Carrie Plett*

*Carried*

#### Conflict of Interest Recommendation

Current RECA policy requires new appointees to RECA's Hearing Panel roster resign from any industry association or conduct-related boards, panels or committees before being appointed to RECA's Hearing Panel roster. Due to a concern from an industry stakeholder, the Hearings Committee discussed this topic in detail and is proposing revised policy around conflicts of interest for Hearing Panel roster members.

*MOTION: Upon the recommendation of the Hearings Committee, the RECA Board of Directors approves the following conflict of interest rules for Hearing Panel roster members:*

- 1) Licensed appointees to the RECA Hearing Panel roster cannot concurrently hold any position on an industry board, association, committee or panel that supports or funds licensee appeals against RECA; and
- 2) Licensed appointees to the RECA Hearing Panel roster are not required to resign from their positions on an industry board, association, committee, or panel, but cannot sit on a RECA Hearing Panel if the matter at issue has or has the potential to come before the licensee's board, association, committee or panel for consideration.

*Motioned by Carrie Plett*

*Seconded by Jai Parihar*

*Tabled*

*MOTION:* *The RECA Board of Directors directs the Hearings Committee to revisit the conflict-of-interest tabled motion and bring back to the Board for further discussion at its next meeting.*

*Motioned by Paul Bojakli*

*Seconded by Laura Sharen*

*Carried*

## 5. Industry Council Activities

- **Industry Chairs Roundtable**

The Industry Chairs Roundtable action register was provided to the Board for information. The next meeting of the Industry Chairs Roundtable is scheduled for May 18, 2022. A draft agenda was provided to the Board for information.

- **Residential Real Estate Broker Industry Council**

The Residential Real Estate Broker Industry Council Board appointee provided an update on the activities of the Industry Council. The Residential Measurement Standards (RMS) Committee has met and commenced its work.

The Industry Council minutes from the December 7, 2021, and February 8, 2022, meetings were provided for information purposes.

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

The Commercial Real Estate Broker & Commercial Property Manager Industry Council Board appointee provided an update on the activities of the Industry Council.

The Industry Council minutes from the December 10, 2021, and December 22, 2021, meetings were provided for information purposes.

- **Mortgage Broker Industry Council**

The Mortgage Broker Industry Council Board appointee provided an update on the activities of the Industry Council.

The Industry Council minutes from the December 16, 2021, meeting was provided for information purposes.

- **Residential Property Manager Industry Council**

The Residential Property Manager Industry Council Board appointee provided an update on the activities of the Industry Council.

The Alberta Condominium Management Education Consortium (“ACMEC”), a Canadian non-profit organization whose founders and members are CCI North Alberta, CCI South Alberta, and the Alberta Real Estate Association, that offers condominium management education for industry professionals, has reached out to RECA with concerns regarding exam pass rates and education competencies. RECA and ACMEC have met and will continue to meet to discuss these matters.

The Industry Council minutes from the December 14, 2021, and March 15, 2022, meetings were provided for information purposes.

## 6. Operational Matters

- **Management Reports**

RECA Quarterly Management Report

The CEO reviewed the activities of the Management team over the last quarter.

Stakeholder Engagement Report

RECA’s Communications & Connections Manager reviewed the Stakeholder Engagement Report with the Board.

RECA’s Strategic Priorities consultation has begun. The deadline for stakeholders to provide feedback is June 9, 2022. To date, RECA has received 126 responses with 75-85% of respondents in support of the proposed Strategic Priorities.

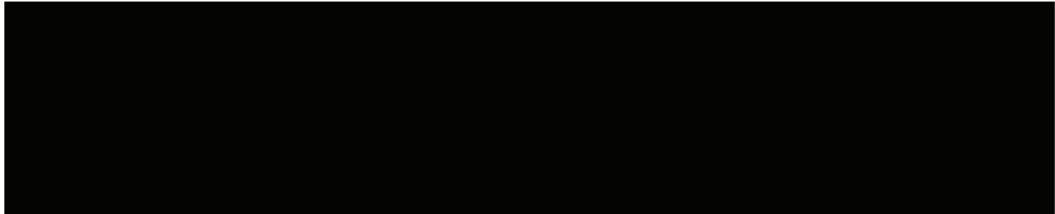
Upcoming Stakeholders Engagement sessions have begun and will continue to take place throughout the month of May.

RECA Broker Forums for residential, mortgage, commercial, property management and condominium management are set to take place between May 16 and 26.

## 7. Strategic Matters

- **Request for Proposal (RFP) for a Regulatory Performance Review**  
The Board had indicated its interest in completing a regulatory performance review of RECA in the 2021-2022 fiscal year. Management presented an RFP for the Board's consideration.

Management advised that there is no budget allocated for such a review in the 2021/2022 fiscal year, and the Board will need to approve the allocation of reserve funds to complete the proposed regulatory performance review.



***MOTION:** The RECA Board of Directors approves the content and structure of the "Request for Proposal for a Regulatory Performance Review" ("RFP") document as outlined in TAB 15B of the meeting material and directs the Governance and Human Resources Committee send the RFP to the Proponents listed in the Briefing Note (TAB 15A).*

*Motioned by Paul Bojakli  
Seconded by Jai Parihar  
Carried*



- **Strategic Planning Update**  
Management provided an update on RECA's strategic planning activities.

Initial stakeholder consultation regarding RECA's strategic planning process resulted in the creation of three (3) strategic priorities. RECA is currently surveying stakeholders for their input on these priorities. Consultation to date has been encouraging and robust.

RECA is also consulting with stakeholders by engaging in discussions with real estate boards and associations. To date, two associations

have reached out the RECA to arrange meetings to discuss the strategic priorities, and RECA looks forward to connecting with others.

Management discussed that five (5) Broker Forums have been planned for May 2022, and the four (4) Industry Councils will be holding their Spring Stakeholder Engagement sessions in May. Strategic priorities will be a discussion item at these sessions.

**ACTION:** Following this round of consultation, the Board discussed holding a “roundtable” session prior to the July Board meeting with all those that provided feedback, to discuss what RECA heard and how it is moving forward.

- **Examinations & Course Providers Update**  
RECA’s Credentialing Manager provided the Board with a presentation on understanding the exam development and review process.
- **Real Estate Act Rules Review Discussion**  
Management discussed three potential options on how to proceed with the *Real Estate Act* Rules review, for the Board’s consideration.

Following discussion, the Board agreed to create a *Real Estate Act* Rules review committee, drawing primarily on the Industry Councils to facilitate the composition of the committee. This committee will provide critical feedback into the Rules review.

**MOTION:** *The RECA Board of Directors directs and approves RECA Management to proceed with RECA Rule Review Process Option #2 as presented in TAB 18 of the meeting material.*

*Motioned by Carrie Plett  
Seconded by Greg Walter  
Carried*

**ACTION:** This unbudgeted expense will require Board approval to incur these costs in the current fiscal year. Management will prepare a cost summary and will present it to the Board for approval through secretarial resolution.

- **Real Estate Act Bylaws & Rules**  
Management discussed that changes to the *Real Estate Act* Bylaws and Rules are being proposed in the following areas:
  - Administrative Penalties (housekeeping)
  - Fees
  - Real Estate Insurance Exchange

In April 2022, Industry Council members participated in a working session on the proposed changes and are fully supportive of the changes. The Board stressed that good communication with respect to fees is critical.

*MOTION: After consultation with Service Alberta and RECA's four Industry Councils, the RECA Board of Directors approves the amended Real Estate Act Bylaws as presented in "TAB 19B" of the meeting material and directs RECA Management to submit the amended Real Estate Act Bylaws to the Minister of Service Alberta for final approval.*

*Motioned by Laura Sharen*

*Seconded by Jai Parihar*

*Carried*

*Board member, Mr. Bill Briggs, did not vote due to conflict of interest being declared.*

*ACTION: Upon confirmation of approval by the relevant Industry Councils, the Board directs Management to transmit amendments to the Real Estate Act Rules to the Minister of Service Alberta for final approval.*

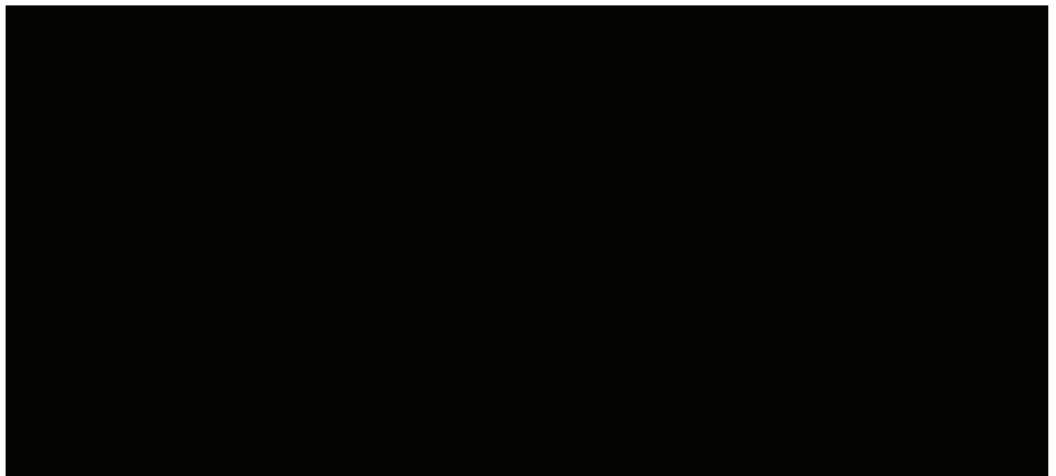
- **Stakeholder Communication**

For this information item, the Board discussed communications received from a stakeholder.

- **Legal Matters**

General Counsel provided a quarterly litigation update report for the Board's review.

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





8. In-Camera Session

The Board moved in-camera.

The Board came out of in-camera.

9. Next Meeting

- Wednesday, July 20, 2022

10. Termination

The meeting terminated at 3:34 pm.

*MOTION: That the RECA Board of Directors meeting of May 11, 2022, be terminated.*

*Motioned by Carrie Plett*

*Seconded by Bill Briggs*

*Carried*

Approved at Calgary, Alberta on July 20, 2022

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David James, Board Chair