

RECA Board of Directors Regular Meeting
9:00 am – 3:00 pm, Wednesday, July 20, 2022
Nakiska Boardroom, RECA Office / Virtual Teams Meeting

MINUTES

In Attendance:	David James, Chair Paul Bojakli <i>(attended virtually)</i> Bill Briggs Jai Parihar <i>(attended virtually)</i> Carrie Plett Laura Sharen <i>(attended virtually)</i> Greg Walter <i>(attended virtually)</i>
Staff Resource:	Janice Harrington Warren Martinson Russ Morrow Stacy Paquin Charles Stevenson
Guests:	Mark Blessing, <i>Finance & Administration Manager (item 7)</i> Bryan Douey, <i>Communications & Connections Manager (item 9)</i>
Recording Secretary:	Rina Hawkins

1. Preliminary Matters

The Real Estate Council of Alberta ("RECA") Board Chair ("Chair") called the meeting to order at 9:02 am.

The RECA Board of Directors ("Board") reviewed the meeting agenda. The Board adjusted the order of the agenda.

***MOTION:** The RECA Board of Directors approves the July 20, 2022, meeting agenda as amended.*

Motioned by Bill Briggs

Seconded by Carrie Plett

Carried

2. Conflicts of Interest Declared

The Chair asked if there were any conflicts of interest to declare.

Board member, Mr. Bill Briggs declared a conflict of interest related to the *Real Estate Act* section 46 agenda item, noting that the matter in question occurred at Mr. Brigg's brokerage. Mr. Briggs also indicated a conflict of interest with respect to any decisions related to the Real Estate Insurance Exchange (REIX). Mr. Briggs indicated he would abstain from voting on any motions related to these items.

3. Chairs Comments

The 2022/2023 Board & Industry Council meeting calendar was provided to the Board for feedback and information.

4. Information Items

The Chair noted the correspondence of June 24, 2022, from the Minister of Service Alberta to the chairs of the Residential Real Estate Broker Industry Council and the Residential Property Manager Industry Council, related to Residential Measurement Standards (RMS) and trust account audits. This correspondence was provided to the Board for information purposes.

9:06 am – Board Member, Parihar joined the meeting

5. Consent Agenda

The Board reviewed the consent agenda, including the minutes from the May 11, 2022, Regular meeting and June 27, 2022, Special meeting of the Board.

***MOTION:** The RECA Board of Directors approves the consent agenda, including the May 11, 2022, and June 27, 2022, RECA Board of Director meeting minutes, the Board Action Item Register, and the following consent resolutions previously approved by the Board and as presented at this meeting.*

- *RMS Ad-Hoc Committee (Resolution 2022-2)*
- *AREF Board Appointment (Resolution 2022-3)*
- *Rescinding of REIX Real Estate Act Bylaw Amendments (Resolution (2022-4))*

Motioned by Jai Parihar

Seconded by Bill Briggs

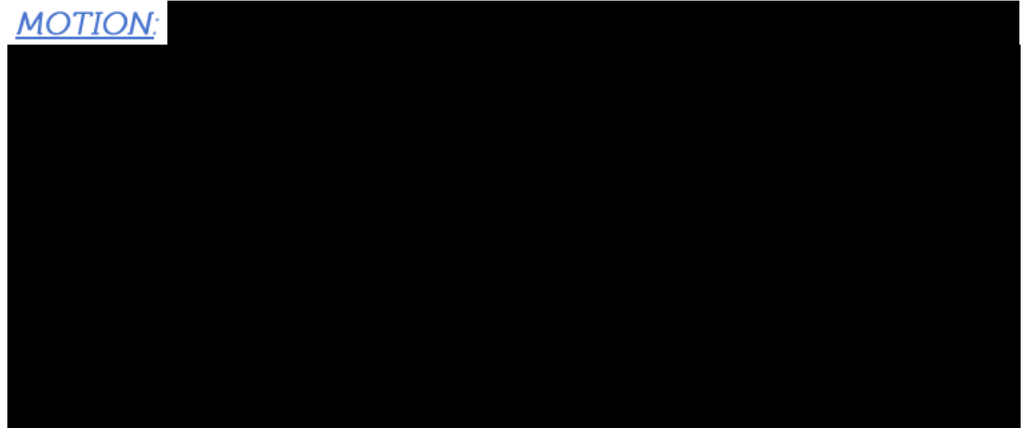
Carried

6. Applications to the Board

- *Real Estate Act Section 46*

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

MOTION:



RECA Board of
Directors – Regular
Meeting

Minutes of Meeting

July 20, 2022

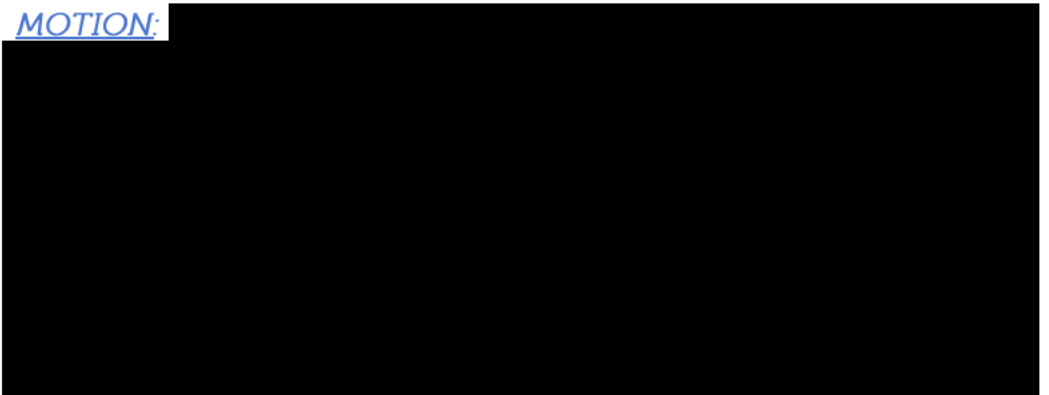
9:23 am – RECA's Registrar was excused from the meeting

- **Real Estate Act Section 79**

RECA's General Counsel discussed that on June 27, 2022, the Board heard an application by [REDACTED] pursuant to section 79 of the *Real Estate Act*, to extend the time to appeal an administrative penalty previously issued by RECA. The hearing was held virtually, and the Board heard written and oral submissions from [REDACTED] and Counsel for the Registrar.

At the June 27, 2022, meeting, the Board agreed to issue a written decision on this matter.

MOTION:



9:28 am – RECA's Registrar re-joined the meeting

9:28 am – RECA's Finance & Administration Manager joined the meeting

7. Committee Reports / Recommendations

- **Finance & Audit Committee**

The chair of the Finance & Audit Committee ("FAC") provided an update on the activities of the FAC. The minutes from the April 26,

2022, and July 7, 2022, FAC meetings were provided to the Board for information purposes.

Financial Report

Management presented the Q3 financial update to the Board, including revenue and expense forecasts.

***MOTION:** The RECA Board of Directors approves the Unaudited Financial Statements for Q3 as at June 30, 2022 as presented at this meeting.*

*Motioned by Jai Parihar
Seconded by Laura Sharen
Carried*

2022/2023 Budget and Financial Plan

RECA Board of
Directors – Regular
Meeting

Minutes of Meeting

July 20, 2022

9:47 am – RECA staff Harrington, Hawkins, Paquin, and Stevenson were excused from the meeting

The Board, CEO, Director, Corporate Services, and Finance & Administration Manager moved in-camera.

The Board, CEO, Director, Corporate Services, and Finance & Administration Manager came out of in-camera.

12:30 pm – RECA staff Harrington, Hawkins, Paquin, and Stevenson re-joined the meeting

***MOTION:** On the recommendation of the Finance & Audit Committee, the RECA Board of Directors approves the following:*

- The 2022/23 Operating and Capital Budget and Business & Financial Plan as amended*
- Annual Licence Fees for 2022/2023 to remain unchanged*

	Real Estate	Mortgage Brokerage	Condo Mgmt Brokerage
Brokerage	\$450	\$450	\$450
Broker *	\$475	\$475	\$475
Associate Broker or Associate *	\$475	\$475	\$475
Re-registration	\$55	\$55	

- Effective July 1, 2023, to September 30, 2023, RECA reduces the licensing fee for each individual class of licence to \$275*
- Waiver of Assurance Fund levy on renewal of licence*

*Motioned by Jai Parihar
Seconded by Paul Bojakli
Carried*

Auditor Appointment

The FAC discussed that it had issued a Request for Proposal (RFP) for RECA's external auditor and advisory services for the upcoming fiscal year.

As a result of that RFP process, the FAC is recommending the appointment of BDO Canada LLP as RECA's external auditors for the year ending September 30, 2022.

MOTION: On the recommendation of the Finance & Audit Committee, the RECA Board of Directors approves the appointment of BDO Canada LLP as RECA's external auditors for the year ending September 30, 2022.

Motioned by Bill Briggs

Seconded by Carrie Plett

Carried

Approval of Financial Stewardship Policies

The FAC presented proposed amendments to the *Investment of Assurance Fund Policy*, for the Board's consideration. The amendments address nomenclature amendments, specifically changing the reference from the Executive Director to Chief Executive Officer (CEO).

MOTION: On the recommendation of the Finance & Audit Committee, the RECA Board of Directors approves the amended Investment of Assurance Fund policy, as presented in TAB 6.5A of the meeting material.

Motioned by Jai Parihar

Seconded by Laura Sharen

Carried

The FAC presented proposed amendments to the *Investment of Council Operating Fund Policy*, for the Board's consideration. The amendments address nomenclature amendments, specifically changing the reference from the Executive Director to Chief Executive Officer (CEO).

MOTION: On the recommendation of the Finance & Audit Committee, the RECA Board of Directors approves the amended Investment of Council Operating Fund policy, as presented in TAB 6.5B of the meeting material.

Motioned by Carrie Plett

Seconded by Paul Bojakli

Carried

Enterprise Risk Management (ERM) Update

For this information item, the FAC provided an update on the ERM program.

The Board discussed that Management needs to ensure that the key risks in the Business Plan align with the ERM program.

1:11 pm – RECA's Finance & Administration Manager was excused from the 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, June 13, 2022, and July 12, 2022, GHR meetings were provided to the Board for information purposes.

Annual Policy Review

- Professional Development Policy

The GHR discussed that it completed its annual review of the *Professional Development Policy* and is not recommending any amendments at this time.

- Board & Industry Council Remuneration & Reimbursement Policy

The GHR presented proposed amendments to the *Remuneration & Reimbursement Policy for Board & Industry Council Members*, for the Board's consideration.

There are currently two policies including the *Remuneration & Reimbursement Policy for Board & Industry Council Members* and the *Reimbursement of Expenses Policy*. There is some duplication of procedures within these two policies. To rectify this duplication, the GHR proposes that all references to reimbursement of expenses provisions be removed from the *Remuneration & Reimbursement Policy for Board & Industry Council Members*, and this policy be renamed as the *Remuneration Policy*.

MOTION: *Upon the recommendation of the Governance & HR Committee, the RECA Board of Directors approves the amendments to the Remuneration & Reimbursement Policy for Board & Industry Council members, including renaming the policy to Remuneration Policy for Board & Industry Council Members, as presented in TAB 7.2B1 & B2 of the meeting material.*

Motioned by Bill Briggs

Seconded by Jai Parihar

Carried

- Stewardship Policy

The GHR presented proposed amendments to the *Stewardship Policy*, for the Board's consideration. The proposed amendments will ensure the policy adequately addresses the content of the annual stewardship report.

***MOTION:** Upon recommendation of the Governance & Human Resources Committee, the RECA Board of Directors approves the amendments to the Stewardship Policy, as presented in TAB 7.2C1 & C2 of the meeting material.*

Motioned by Paul Bojakli

Seconded by Greg Walter

Carried

- Redaction & In-Camera Policy

The GHR presented proposed amendments to the *In-Camera Policy*, for the Board's consideration. The proposed amendments ensure the policy aligns with RECA's current governance structure. Included in the proposed amendments is the addition of a redaction section to assist the Board and Industry Councils when redacting meeting minutes for publication to the RECA website, to ensure confidential information is protected.

***MOTION:** Upon recommendation of the Governance & Human Resources Committee, the RECA Board of Directors approves the amendments to the In-Camera Policy, including renaming the policy to "In-Camera and Redaction Policy", as presented in TAB 7.2D1 & D2 of the meeting material.*

Motioned by Paul Bojakli

Seconded by Jai Parihar

Carried

New Policy Review

- Social Media Policy

The GHR presented a proposed *Social Media Policy*, for the Board's consideration.

***MOTION:** Upon recommendation of the Governance & Human Resources Committee, the RECA Board of Directors approves the Social Media Policy, as presented in TAB 7.3A of the meeting material.*

Motioned by Bill Briggs

Seconded by Laura Sharen

Carried

- RECA Board of Directors Chair Position Description
The GHR presented a proposed *RECA Board of Directors Chair Position Description*, for the Board's information and feedback.
- Industry Council Chair Position Description
The GHR presented a proposed *Industry Council Chair Position Description*, for the Board's information. This will be presented to the Industry Councils during their September meeting cycle for feedback. The GHR will then review and provide a recommendation to the Board at their November 2022 meeting.

Regulatory Performance Review RFP Update

The Board discussed that the Regulatory Performance Review has been deferred due to budget considerations.

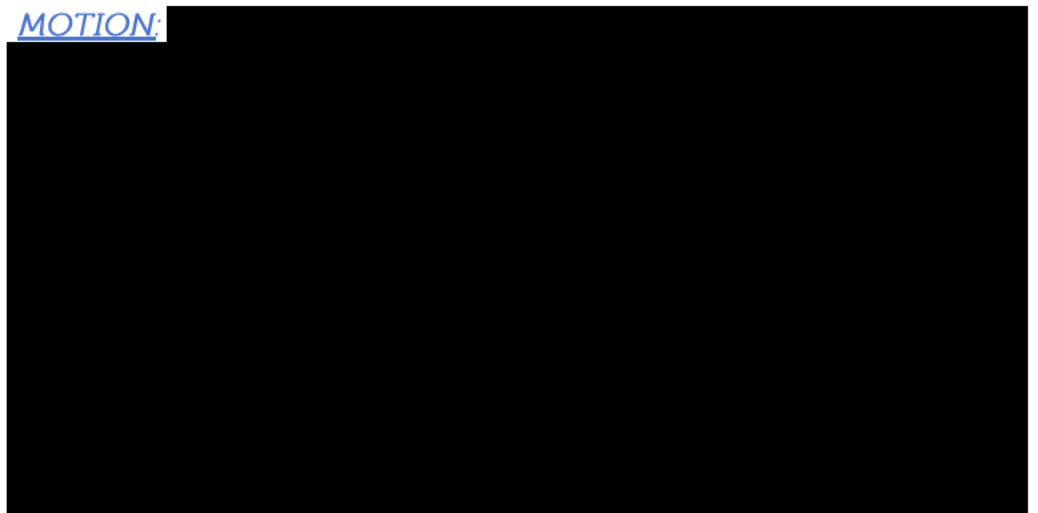
Human Resources Report Update

The GHR provided the Board with a Human Resources Report for Q3 2021/22, highlighting staff attrition and sick time. This item was received by the Board for information purposes.

Rules Review Steering Committee Chair

At a Special meeting of the Board on June 27, 2022, the Board approved the establishment of the Rules Review Steering Committee and its terms of reference. The terms of reference direct that the Committee Chair be a public member, appointed by the Board, and not a RECA Board or Industry Council member. The GHR recommended [REDACTED] candidates for the Committee Chair position, for the Board's consideration.

MOTION:



- **Hearings Committee**
The chair of the Hearings Committee provided an update on the activities of the committee. The minutes from the June 24, 2022,

Hearings Committee meeting were provided to the Board for information purposes.

Hearing and Appeal Practice and Procedures Guidelines

The Hearings Committee presented amendments to the *Hearings and Appeal Practice and Procedures Guidelines*, for the Board's consideration. The proposed amendments address whether an appeal can be heard by written submissions only, or by an oral hearing, or by both. Housekeeping amendments were also proposed.

***MOTION:** Upon the recommendation from the Hearings Committee, the RECA Board of Directors approves the changes to the Hearing and Appeal Practice and Procedure Guidelines as presented in TAB 8.2B of the meeting material.*

Motioned by Bill Briggs

Seconded by Paul Bojakli

Carried

Conflict of Interest Recommendation

At the Regular meeting of the RECA Board on May 11, 2022, the following motion was tabled by the Board and a separate motion was passed to refer the topic of conflicts of interest for Hearing Panel Roster members to the Hearings Committee for further discussion.

***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

The Hearings Committee revisited the discussion of conflicts of interest for Hearing Panel Roster members.

***MOTION:** The RECA Board of Directors moves to take from the table the motion relating to conflict-of-interest rules for licensed Hearing Panel Roster members, as referred to the RECA Hearings Committee for further consideration, amendment, and recommendation to the*

Board.

Motioned by Carrie Plett

Seconded by Bill Briggs

Carried

The Hearings Committee is now recommending a similar motion with a minor insertion (the change of which is bolded below), for the Board's consideration.

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 **hearings or 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 Bill Briggs

Seconded by Carrie Plett

Carried

ACTION: Management to prepare a communication plan to external parties around conflicts of interest for Hearing Panel Roster members.

Approval of Hearing Panel Appointments

The Hearings Committee presented Hearing Panel Roster reappointment and new appointment recommendations for the Board's consideration.

MOTION: Upon the recommendation of the Hearings Committee, the RECA Board of Directors approves the reappointment of the following Hearing Panel Roster members for a second, three-year term, commencing November 1, 2022:

- 1. George Pelechaty (residential real estate)*
- 2. Jennifer Rocker (appraisal)*
- 3. Junaid Malik (residential real estate)*
- 4. Lynn Martin (property management)*
- 5. Trent Gelmici (appraisal).*

Motioned by Bill Briggs

Seconded by Laura Sharen

Carried

MOTION: Upon the recommendation of the Hearings Committee, the RECA Board of Directors approves the following appointments to the Hearing Panel Roster for a three-year term, effective November 1, 2022:

Residential Real Estate

1. Darcy Torhjem (real estate) – first term
2. Thomas (Stan) Leece (real estate) – first term
3. Heather Yates (real estate) – first term

Condominium Management

1. Abbie Thurgood (condominium management) – first term
2. Cassandra Nowak (condominium management) – first term
3. Robyn Brown (condominium management) – first term

Mortgage

1. Craig Steinberg (mortgage) – first term
2. Brian Gentles (mortgage) – first term
3. Jason Dodd (mortgage) – first term

Motioned by Bill Briggs

Seconded by Paul Bojakli

Carried

RECA Board of
Directors – Regular
Meeting

Minutes of Meeting

July 20, 2022

8. Industry Council Activities

- **Industry Chairs Roundtable**

The Industry Chairs Roundtable action register was provided to the Board for information. The Roundtable met on July 15, 2022, to discuss publication of administrative penalties prior to the expiry of the 30-day appeal period. More discussion is required with the Industry Councils on this topic.

The next meeting of the Industry Chairs Roundtable is scheduled for September 7, 2022.

- **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.

- **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.

- **Mortgage Broker Industry Council**

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

- **Residential Property Manager Industry Council**

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

At their June 11, 2022, Industry Council meeting, the Industry Council approved the extension of condominium manager associate conditional licences from November 30, 2022, to March 31, 2023. Management will communicate the details on that extension date to the industry.

Industry Council members Brown and Plett attended a condominium expo in Edmonton on June 11, 2022, where they provided a brief presentation and answered questions.

The Board discussed condominium governance training and whether RECA can or should offer governance education targeted to condominium boards, unit holders, and consumers. The Board agreed that more information is required before a decision can be made.

ACTION: Management to schedule a meeting with the Canadian Condominium Institute (CCI) Alberta chapters to further discuss condominium governance education.

9. Operational Matters

- **Management Reports**

RECA Quarterly Management Report

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

ACTION: Management will provide a count of the current investigative files and the length of time they have been in the system.

Stakeholder Engagement Report

Management provided a Stakeholder Engagement Report to the Board for information.

2:13 pm – RECA's Communications & Connections Manager joined the meeting

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

2:22 pm – RECA's Communications & Connections Manager was excused from the meeting

Employee Engagement Survey Update and Presentation

Management provided an update on RECA's Employee Engagement Survey that was conducted in April 2022, resulting in an 89% staff participation rate.

RECA has established a structure whereby the organization will address the survey results in a meaningful way. An Engagement Steering Committee has been established made up of managers and staff. They will start working with Action Plan Teams to form an engagement plan. This initiative will be monitored through the Governance & Human Resources Committee.

10. Strategic Matters

- **Strategic Plan**

Management presented the revised 2022-25 Strategic Plan for the Board's consideration. Feedback from stakeholders has been incorporated into the revision.

Taking the Strategic Plan into account, the Board agreed to take a deeper dive into the Business Plan and provide feedback to Management. The Strategic Plan will be approved by the Board prior to the end of August 2022.

Pursuant to *Real Estate Act* legislation, the business and financial plan must be delivered to the Minister of Service Alberta prior to August 2, 2022. The Board will address this delay directly with the Minister of Service Alberta.

- **Publication Guidelines (Appeals)**

The Board discussed stakeholder concerns regarding the publication of individual names on sanctions within the 30-day appeal period. It was noted that the Industry Chairs Roundtable met on July 15, 2022, to discuss this issue but did not reach a consensus. The Board agreed that further review is required. The Industry Councils and the Industry Chairs Roundtable will revisit this again in September 2022.

- ***Real Estate Act* Bylaw Amendments**

In June 2022, the Board submitted to the Minister of Service Alberta, proposed amendments to the *Real Estate Act* Bylaws and Rules, with respect to Administrative Penalties, fees and the Real Estate Insurance Exchange (REIX). On July 12, 2022, the Board passed an electronic resolution rescinding the proposed amendments to the *Real Estate Act* Bylaws affecting REIX, to allow REIX and RECA to consult on further potential policy changes affecting the Bylaws and Rules.

After consulting with the relevant Industry Councils, RECA Management recommended that the RECA Board set fees by way of resolution. The Minister of Service Alberta has since advised that fees must be set out as a schedule to the *Real Estate Act* Bylaws.

Given this direction, Management is recommending further changes to the Bylaws and the insertion of fees in Schedule 3 to the Bylaws.

***MOTION:** The RECA Board of Directors approves further changes to the proposed Real Estate Act Bylaw section 11.3 and approves the addition of Schedule 3 – Fees to the Real Estate Act Bylaws, as presented in TAB 19B of the meeting materials and amended at this meeting. The RECA Board of Directors directs Management to resubmit the proposed Bylaw to the Minister of Service Alberta.*

Motioned by Paul Bojakli

Seconded by Greg Walter

Carried

RECA Board of
Directors – Regular
Meeting

Minutes of Meeting

July 20, 2022

- **Education Divestment Update**

Management discussed that in the absence of some third-party course providers, RECA continues to accept enrolments in the existing RECA courses to mitigate any potential gaps in course availability. RECA will discontinue accepting enrolments in a course once at least one third-party course provider is available for a particular course.

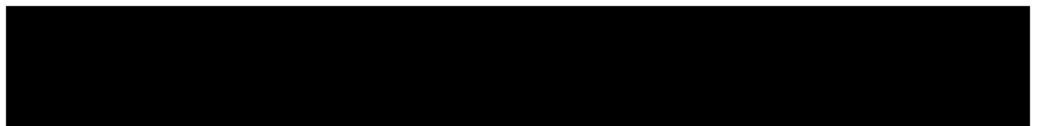
The Board discussed that it is necessary to extend the education delivery deadline beyond December 1, 2022, to facilitate a reasonable time for learners to complete their course work. RECA currently provides a six-month window for learners to complete any RECA course.

ACTION: The Board agreed that Management should explore the process by which the Board might request the Minister extend the period during which RECA may continue to provide education services until such time as at least one course provider is established for a course.

- **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.



RECA Board of
Directors – Regular
Meeting

Minutes of Meeting

July 20, 2022

11. In-Camera Session

The Board moved in-camera at 3:33 pm.

The Board came out of in-camera.

12. Next Meeting

- Thursday, November 24, 2022

13. Termination

The meeting terminated at 3:40 pm.

MOTION: That the RECA Board of Directors meeting of July 20, 2022, be terminated.

Motioned by Carrie Plett

Seconded by Laura Sharen

Carried

Approved at Calgary, Alberta on November 24, 2022

RECA Board of
Directors – Regular
Meeting

Minutes of Meeting

July 20, 2022

Elan MacDonald, Board Chair