

RECA Board of Directors Regular Meeting
9:00 am – 3:00 pm, Thursday, January 26, 2023
In-Person Banff, Alberta & Virtual Teams Meeting

MINUTES

- In Attendance:** Elan MacDonald, Chair
Paul Bojakli
Bill Briggs
Jai Parihar *(attended virtually)*
Carrie Plett
Laura Sharen *(attended virtually)*
Greg Walter
- Staff Resource:** Russ Morrow
Janice Harrington
Warren Martinson
Stacy Paquin
- Guests:** Susan Kushneryk, *Kushneryk Morgan LLP (Item #9)*
Mark Blessing, *Finance & Administration Manager (Item #7)*
Bryan Douey, *Communications & Connections Manager (Item #12)*
- Recording Secretary:** Rina Hawkins
1. **Call to Order**
The Real Estate Council of Alberta ("RECA") Board Chair ("Chair") called the meeting to order at 9:00 am.
 2. **Approval of Agenda**
The RECA Board of Directors ("Board") reviewed the meeting agenda.

The Board adjusted the order of the agenda, moving all decision items to the beginning of the agenda, so that all Board members could be present.

***MOTION:** The RECA Board of Directors approves the January 26, 2023, meeting agenda as amended.*
Motioned by Bill Briggs

*Seconded by Paul Bojakli
Carried*

3. Conflicts of Interest Declared

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

No conflicts of interest were declared.

4. Chairs Comments

The Chair provided introductory remarks, commenting on the session with the Honourable Gary Mar that was held on the evening of January 25, 2023.

5. Information Items

The Board discussed two (2) information items included in the meeting materials, the RECA Board workplan, and the Board calendar for 2022/2023.

The Board discussed and agreed to move the May 17, 2023, Board meeting from Edmonton to Calgary, and the November 22, 2023, Board meeting from Calgary to Edmonton.

6. Consent Agenda

The Board reviewed the consent agenda.

MOTION: The RECA Board of Directors approves the consent agenda, including the November 24, 2022, and December 19, 2022, RECA Board of Director meeting minutes, and accepts for information purposes the Board Standing Committee minutes, and the Board Action Item Register, as presented at this meeting.

*Motioned by Carrie Plett
Seconded by Greg Walter
Carried*

7. Committee Reports / Recommendations

• **Finance & Audit Committee**

9:11 am – RECA's Finance & Administration Manager joined the meeting

The chair of the Finance & Audit Committee ("FAC") provided an update on the matters addressed at its January 16, 2023, FAC meeting.

Approval of Audited Financial Statements

The FAC reviewed and discussed RECA's financial statements and notes for the year ended September 30, 2022. This included a high-level review of revenue, expenses, reserves and capital resources and liquidity.

The FAC recommended the Board approve the audited financial statements as presented.

MOTION: Upon the recommendation of RECA's Finance & Audit Committee, the RECA Board of Directors approves RECA's Audited Financial Statements as of September 30, 2022, as presented in TAB 5.1A of the meeting material.

*Motioned by Paul Bojakli
Seconded by Greg Walter
Carried*

Audit Findings Report & Management Letter

The FAC reported that representatives from BDO Canada attended the January 16, 2023, FAC meeting to discuss and review RECA's Audit Findings Report.

Approval of Unaudited Q1 Financials

Management presented the Q1 financial update as at December 31, 2022, to the Board, including revenue and expense forecasts.

MOTION: The RECA Board of Directors approves RECA's Unaudited Q1 Financials as at December 31, 2022, as presented in TAB 5.3 of the meeting material.

*Motioned by Paul Bojakli
Seconded by Carrie Plett
Carried*

CEO Expenses Summary

The FAC reviewed the expenses of the CEO for the year ended September 30, 2022, and Q1 2023 at its committee meeting. The expense summary was provided to the Board for information.

Approval of Unbudgeted Expense Policy

The FAC discussed proposed amendments to the Unbudgeted Expenditure Policy. Amendments include allowing the CEO more discretion to move items between budget lines, and an increase to the CEO discretionary authority for unbudgeted expenditures. The FAC recommended the Board approve these amendments as presented.

*MOTION: On the recommendation of the Finance & Audit Committee, the RECA Board of Directors approves the amendments to the **Unbudgeted Expenditure Policy** as presented in TAB 5.5 of the meeting material.*

Motioned by Bill Briggs

Seconded by Carrie Plett

Carried

Enterprise Risk Management (ERM) Update

For this information item, the FAC provided an update on the ERM program. Management noted they are working to continually improve risk reporting and will be introducing a new visual at the next Board meeting. Management also reported that the data/cyber security risk has been minimized with the implementation of increased security measures.

9:35 am – RECA's Finance & Administration Manager left the meeting

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8. Operational Matters

- **Approval of 2021-2022 RECA Annual Report**

Management reviewed the highlights of the 2021-2022 Annual report. The Board discussed the content of the Annual Report and recommended minor edits.

MOTION: The RECA Board of Directors approves the 2021-2022 Annual Report in substantially the form presented in TAB 15B of the meeting material, and as amended at this meeting. Pursuant to Real Estate Act section 16(1), the RECA Board of Directors directs Administration to deliver a copy of the Annual Report and Financial Statements to the Minister of Service Alberta no later than January 28, 2023.

Motioned by Greg Walter

Seconded by Carrie Plett

Carried

9. Strategic Matters

- **Legal Matters**

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

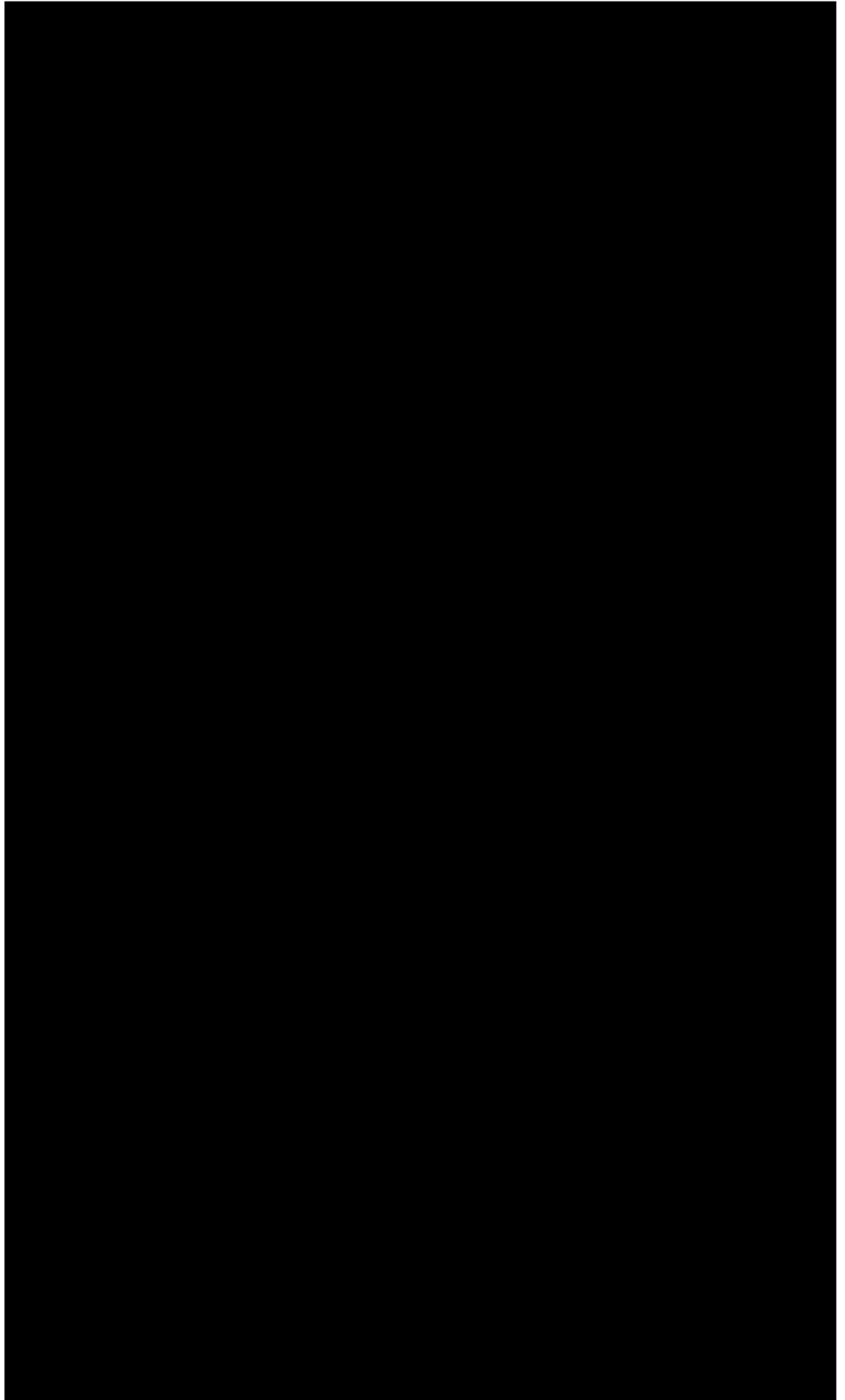
The following minutes are confidential and protected by litigation privilege.



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11:04 am – The Board moved in-camera
11:15 am – The Board came out of in-camera
11:15 am – Board member, Jai Parihar, left the meeting

10. Committee Reports / Recommendations Continued

- **Governance & Human Resources Committee**

The chair of the Governance & Human Resources Committee (GHR) provided an update on the activities of the committee at its meeting on January 20, 2023.

Annual Evaluation for Board & Standing Committees Feedback

The GHR reviewed the results of the annual evaluation for Board & Standing Committees that was conducted in December 2022. A summary was provided to the Board for information purposes.

2021-2022 Stewardship Report

The GHR reviewed the 2021-2022 Stewardship Report. This report was provided to the Board for information purposes.

Compensation Systems

The GHR had discussions with respect to RECA's compensation consultant and system. Management will continue to explore tools to supplement the information RECA is currently being provided.

Quarterly Human Resources Report

The GHR provided the Quarterly Human Resources Report to the Board for information purposes.

- **Hearings Committee**

The chair of the Hearings Committee provided an update on the activities of the committee.

The Hearings Committee advertised for applications for public members to sit on RECA's hearing panel roster. Several applications have been received and interviews are slated to begin the week of January 30, 2023. The Hearings Committee is hoping to add three (3) public members to the roster for the coming year.

Management is working with an external provider to customize a decision making and writing course for existing RECA hearing panel roster members.

11. Industry Council Activities

- **Industry Chairs Roundtable**

The Industry Chairs Roundtable action register was provided to the Board for information.

The Board discussed proposed agenda items for the February 1, 2023, Industry Chairs Roundtable.

Management provided an update on the Whistleblower Policy. An external service to receive whistle-blower complaints is expected to be in place prior to the May 2023 Board meeting.

- **Board & Industry Council Communication Process Discussion**

The Board discussed the communications process between the Board and Industry Councils.

ACTION: Management will provide an update on the joint message issued by the Minister of Service Alberta and Red Tape Reduction and the Board Chair on condominium licensing at the next Industry Chairs Roundtable meeting.

- **Residential Real Estate Broker Industry Council**

The Residential Real Estate Broker Industry Council (RREBIC) Board appointee provided an update on the activities of the RREBIC.

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

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

- **Mortgage Broker Industry Council**

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

At their November 28, 2022, meeting, the MBIC reappointed Mr. Clarence Lee to the position of Chair of the MBIC for a term of two (2) years, effective December 1, 2022.

- **Residential Property Manager Industry Council**

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

Condominium Manager Licensing Update

Management provided an update on condominium manager licensing. RECA met with course providers as a group in December

2022 and discussed ongoing dialogue. RECA committed to meeting with the course providers on an individual basis to provide guidance around condominium manager examination questions.

Tiered Licensing Update

With the assistance of several brokerages, Management is developing a tiered licensing framework for condominium managers. The framework will be presented to the relevant Industry Councils for consideration.

12. Operational Matters Continued

- **Management Reports**

RECA Quarterly Management Report

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

Discipline File Outcomes Fiscal 2021/2022

Management reviewed complaints and discipline outcomes from the 2021/2022 fiscal year.

1:20 pm – RECA's Communications & Connections Manager joined the meeting

Communications Audit Presentation

RECA's Communications & Connections Manager discussed the Communications Audit results and next steps. Key recommendations include conducting consumer awareness research, undertaking a branding exercise, targeting communications to diverse audiences, and ensuring RECA has the necessary resources.

Publication Guidelines

RECA's Communications & Connections Manager discussed RECA's Publication Guidelines ("Guidelines") with the Board. Proposed changes to the Guidelines were drafted based on input and discussion from all four (4) Industry Councils as well as RECA stakeholders. The Guidelines will be presented in the next edition of the Regulator.

2:04 pm – RECA's Communications & Connections Manager left the meeting

Stakeholder Engagement Report

Management discussed that the stakeholder engagement update is now included in the Quarterly Management Report.

RECA will be engaging a public relations firm with the objective of ensuring RECA's perspectives are included in conversations about self-regulation.

13. Strategic Matters Continued

- **Quarterly Strategic & Business Plan Update**
Management provided an update on RECA's strategic and business plan progress.
- **Red Tape Reduction Measures**
The Board discussed red tape reduction measures and the need to review and streamline policies, processes, and forms. The Board will share information about these efforts with the Service Alberta ministry.
- **Rules Review Steering Committee Update**
Management provided an update on the Rules Review Steering Committee. The committee met twice in late 2022 and developed a three-phase consultation process that will be rolled out shortly.

14. In-Camera Session

The Board went in-camera.

15. Next Meeting

- Wednesday, May 17, 2023, Calgary, Alberta

16. Final Adjournment

The meeting adjourned at 2:52 pm.

MOTION: The RECA Board of Directors approves the final adjournment of the January 26, 2023, meeting.

Motioned by Bill Briggs

Seconded by Carrie Plett

Carried

Approved at Calgary, Alberta on May 17, 2023

Elan MacDonald, Board Chair