

RECA Board of Directors Regular Meeting
9:00 am – 3:00 pm, Wednesday, November 22, 2023
Westin Hotel, Edmonton / Virtual Teams Meeting

MINUTES

In Attendance: Elan MacDonald, Chair
Bill Briggs
Jai Parihar
Carrie Plett
Laura Sharen
Greg Walter (*virtually*)

Absent: Paul Bojakli

Staff Resource: Russ Morrow
Janice Harrington
Warren Martinson
Stacy Paquin

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 amended the agenda, adding an update on the Alberta Real Estate Association ("AREA") Government Liaison Days, and a discussion on the licensing framework process.

***MOTION:** The RECA Board of Directors approves the November 22, 2023, meeting agenda as amended.*

Motioned by Jai Parihar

Seconded by Laura Sharen

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. The terms for the current Board members expire on December 1, 2023, and the Chair thanked everyone for their work over the last three (3) years.

The Board discussed the importance of Industry Councils developing annual workplans to ensure focus on specific priorities. It was suggested that Management prepare a proposed process and template for consideration to assist the Industry Councils.

ACTION: The Chair will raise the concept of Industry Council workplans at the next Industry Chairs Roundtable meeting. Management will prepare a draft template and process for the workplans for the Industry Council's consideration which will include environmental scans, stakeholder engagement, resourcing, and a communications mechanism.

The Chair provided an update on the November 20, 2023, RECA presentation to the Government of Alberta UCP Caucus. The session was a positive step forward in RECA's government relations efforts.

A Board member provided an overview of AREA's 2023 Government Liaison Days that took place on November 20 & 21, 2023.

5. Information Items

The Board discussed information items included in the meeting materials, the RECA Board Workplan and 2023/2024 Board & Industry Council Calendar.

6. Consent Agenda

The Board reviewed the consent agenda.

MOTION: *The RECA Board of Directors approves the consent agenda, including the July 19, 2023, RECA Board of Director meeting minutes, and accepts for information purposes the Board Committee minutes, and Quarterly External Whistleblower Report, as presented at this meeting.*

Motioned by Carrie Plett

Seconded by Bill Briggs

Carried

7. Board Action Item Register

The Board reviewed the action register.

8. Committee Reports / Recommendations

9:48 am – Kyle Schaub, RECA Finance & Administration Manager, joined the meeting

- **Finance & Audit Committee**

The chair of the Finance & Audit Committee ("FAC") provided an update on the matters addressed at its November 7, 2023, meeting.

Preliminary Financial Report Year Ended September 30, 2023 & Preliminary Summary of Revenue & Expenses

The FAC discussed the draft year-end financial statements as of September 30, 2023. The year-end audited financial statements will be presented at the January 2024 RECA Board meeting.

ACTION: With a projected surplus, Management will present options at the January 2024 Finance & Audit Committee and Board meetings.

ACTION: Management will prepare an annual report card on Red Tape Reduction, for communication to the Minister of Service Alberta and Red Tape Reduction. This report card will be publicly available on the RECA website.

Operating Reserve Transfer

The Board discussed the proposed transfer of \$3,115,500 from the Unrestricted Council Operating Fund to the Internally Restricted Operating Reserve to build up the operating reserve balance to ensure the stability of the mission, programs, employment, and ongoing operations of the organization.

MOTION: *Upon the recommendation of the Finance & Audit Committee, the RECA Board of Directors authorizes Management to transfer \$3,115,500 from the Unrestricted Council Operating Fund into the Internally Restricted Council General Reserve for the year ended September 30, 2023.*

Motioned by Bill Briggs

Seconded by Carrie Plett

Carried

Review of Financial Policies

The FAC discussed proposed amendments to the *Reimbursement of Expenses Policy*, for the Board's consideration.

MOTION: *The RECA Board of Directors approves amendments to the Reimbursement of Expenses Policy, as presented in TAB 6.2A of the meeting material.*

Motioned by Laura Sharen

Seconded by Bill Briggs

Carried

ACTION: Management will communicate approved amendments to the *Reimbursement of Expenses* policy to the Board & Industry Councils.

Finance & Audit Committee Terms of Reference

The FAC reviewed their terms of reference, and no changes were proposed.

10:24 am – Kyle Schaub, RECA Finance & Administration Manager, left the meeting

10:24 am – The meeting recessed

10:32 am – The meeting reconvened

- **Governance & Human Resources Committee**

The chair of the Governance & Human Resources Committee (“GHR”) provided an update on the matters addressed at its October 18, 2023, meeting.

Approval of Amended Terms of Reference

The GHR reviewed the terms of reference for the GHR and Hearings Committee. The GHR recommended minor amendments to their terms of reference. No changes were proposed to the Hearings Committee terms of reference.

MOTION: *On the recommendation of the Governance & Human Resources Committee, the RECA Board of Directors approves the amended terms of reference for the Governance & Human Resources Committee, as presented in TAB 7.1B of the meeting material.*

Motioned by Bill Briggs

Seconded by Carrie Plett

Carried

Approval of Standing Committee Appointments

The GHR reviewed and discussed appointments/reappointments to the Board standing committees. Appointments to the standing committees will take place in December 2023, following new Board and Industry Council appointments.

Annual Evaluation for Board

The GHR reviewed the Board annual evaluation results.

The Board discussed the annual evaluation process and agreed to review the process to ensure it provides effective feedback.

The Board discussed suggested Board priorities for the coming year.

ACTION: Management will prepare a Board Priority Report for presentation and discussion at the January 2024 Board meeting.

Board Competency Matrix Review

The GHR discussed the Board Competency Skills Matrix. Management will circulate the matrix to the Board for update and completion in December 2023.

Governance Training

The Board discussed that governance training for all Board and Industry Council members will take place in the April/May 2024. Management will canvass all Board and Industry Council members for availability once new members are appointed/elected.

New/Amended Policies

In October 2023, Management reviewed and updated the RECA Authority Matrix ("Matrix") based on RECA's new governance structure that was implemented in December 2020.

The GHR presented the updated Matrix for the Board's consideration and approval.

MOTION: *Upon the recommendation of the Governance & Human Resources Committee, the RECA Board of Directors approves the RECA Authority Matrix, as presented in TAB 7.6B of the meeting material.*

*Motioned by Laura Sharen
Seconded by Jai Parihar
Carried*

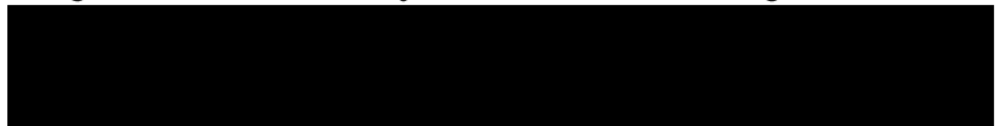
Quarterly Human Resources Report

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

CEO 2024 Performance Plan

The CEO reviewed his 2023/2024 performance objectives with the Board.

ACTION: Management will include the following objectives on the CEO 2024 Performance Plan. The Board requested the additions be brought back to the January 24, 2024, Board meeting for review:



***MOTION:** The RECA Board of Directors approves the Chief Executive Officer (CEO) performance plan for the 2023/2024 fiscal year, as presented in TAB 7.8 of the meeting material, with three (3) additions to be brought to the January 2024 meeting for review.*

Motioned by Bill Briggs

Seconded by Jai Parihar

Carried

- **Hearings Committee**

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

The Hearings Committee met on September 7, 2023, and October 19, 2023, to discuss proposed amendments to the *Hearing and Appeal Practice and Procedure Guidelines* with respect to Section 40 Complainant Appeal Process.

The Hearings Committee recommends the following amendments to the *Hearing and Appeal Practice and Procedure Guidelines*:

1. Conduct the initial review of the complainant appeal by written submissions to the hearing panel (with an option for complainant to apply to the hearing panel and request oral hearing if necessary). The Licensee will also be given the opportunity to provide written submissions if they wish to participate. This is to improve efficiency of the appeal process at the initial stage and decrease costs and delays.
2. Registrar does not participate in the initial review of the complainant appeal. The complainant appeal is a de novo hearing. The complainant and licensee provide written submissions to the hearing panel, who reviews them along with the investigation materials and decides on whether there is sufficient evidence to warrant a hearing.
3. If the hearing panel determines there is sufficient evidence to warrant a hearing, a different hearing panel will be assigned to conduct the subsequent Conduct Hearing dealing with the merits of the complaint.
4. In the subsequent Conduct Hearing, the Registrar's role is limited to providing the investigation evidence to the panel and they will take no position on whether conduct deserving of sanction has been proven or not.

MOTION: On the recommendation of the Hearings Committee, the RECA Board of Directors approves the proposed amendments to the Hearing and Appeal Practice and Procedure Guidelines, with respect to the Section 40 Complainant Appeal Process, as presented in TAB 8.1B and TAB 8.1C of the meeting material.

Motioned by Bill Briggs

Seconded by Carrie Plett

Carried

9. Industry Council Activities

- **Industry Chairs Roundtable**

The Industry Chairs Roundtable action register and the draft agenda for the November 29, 2023, Industry Chairs Roundtable meeting, was provided to the Board for information.

The Board discussed the additions to the November 29, 2023, Industry Chairs Roundtable agenda including Industry Council workplans, activities of the Condominium Property Management Education Competencies Ad-hoc Committee and Rules Review update.

- **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.

Residential Real Estate Education Advisory Committee.

At the request of the Residential Real Estate Education Advisory Committee (RREEAC), the RREBIC is recommending that the term, deliverables, and timelines for the RREEAC, be extended to March 31, 2024.

MOTION: On the unanimous recommendation of the Residential Real Estate Education Advisory Committee ("Committee") and the Residential Real Estate Broker Industry Council, the RECA Board of Directors approves amendments to the Residential Real Estate Education Advisory Committee Terms of Reference, including extending the Committee's term to March 31, 2024, as presented in TAB 10B of the meeting material.

Motioned by Jai Parihar

Seconded by Bill Briggs

Carried

- **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.

- **Residential Property Manager Industry Council**

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

The RPMIC is considering potential topics for residential property management relicensing education.

The Condominium Property Management Education Competencies Ad-Hoc Committee, which was established to review the condominium property management competencies, is close to completing their work. Any recommendations will be presented to the RPMIC.

10. Strategic & Operational Matters

- **Quarterly Business Plan/Management Report**

The CEO reviewed the activities of the Management team over the last quarter, and highlighted the work completed on consumer awareness benchmarking and key learnings, and Red Tape Reduction initiatives. Some of the Red Tape Reduction initiatives implemented by RECA over the last fiscal year, include:

- Certified Criminal Record Checks (CCRC) will be replaced with online criminal record checks. This will reduce red tape, reduce costs for new licensees and make the process simpler.
- RECA's Registration Services team conducted a survey during the licence renewal process about areas of practice. The data provided by licensees will be used to better predict the potential impact of Industry Council decisions for any proposed licensing structure.
- Server storage can now be anywhere the brokerage chooses. Brokers will still need to comply with the Personal Information Protection Act (PIPA) or the Personal Information Protection and Electronic Document Act (PIPEDA) as applicable.
- Changes that were within RECA's influence have been made to the Real Estate Insurance Exchange (REIX) governance. These changes improve REIX governance appointments and supports their red tape reduction efforts.

- **Annual Registrar's Report: Licensing & Renewals**
Management presented RECA's licence renewal results for 2023 for the Board's information.
- **Annual Real Estate Assurance Fund Report**
Management presented the Real Estate Assurance Fund ("Assurance Fund") Report for fiscal year 2022/2023 for the Board's information. The report provides a summary of pay-outs from the Assurance Fund.
- **Rules Review Steering Committee Update**
Management provided an update on the progress of the Rules Review Steering Committee ("RRSC").

The RRSC met over the summer to determine the proposed Rule changes for Part 1-Licensing. Consultation with licensees on the Part 1-Licensing proposals began in September 2023 and will be completed on November 30, 2023. The accompanying survey was developed after a third-party market research firm conducted preliminary consulting with random licensees to determine the best way to present the consultation information and ask the most meaningful questions. As of November 11, 2023, more than 1,250 licensees have completed the survey. An online town hall was held on November 2, 2023, as part of the consultation. Discussions are also occurring at brokerage visits when staff engage with brokers.

The RRSC met on November 1, 2023, to review the early survey feedback for Part 1-Licensing and to approve proposed Rule changes for the next round of consultation Part 2-Industry Standards of Practice.

The Board discussed licensing structure and fees.

ACTION: Management will complete a preliminary analysis of the potential impact of the rules review on the budget.

- **Regulatory Review RFP**
The Board reviewed the Regulatory Review RFP process and agreed to extend the deadline for RFP submissions.

ACTION: Management will advise all the Regulatory Review RFP proponents that the project timeline has been extended.

- **Election Update**
Management provided an update on the Board & Industry Council election process. Voting opened on November 22, 2023, and will

close on November 27, 2023. RECA's election provider, MNP LLP, will work with voting platform Simple Voting, to provide RECA with a letter confirming the election results. MNP LLP will contact all successful candidates. Communication to licensees will be distributed by November 28, 2023.

2:22 pm – RECA Staff, Harrington and Martinson, left the meeting

- **Legal Matters**

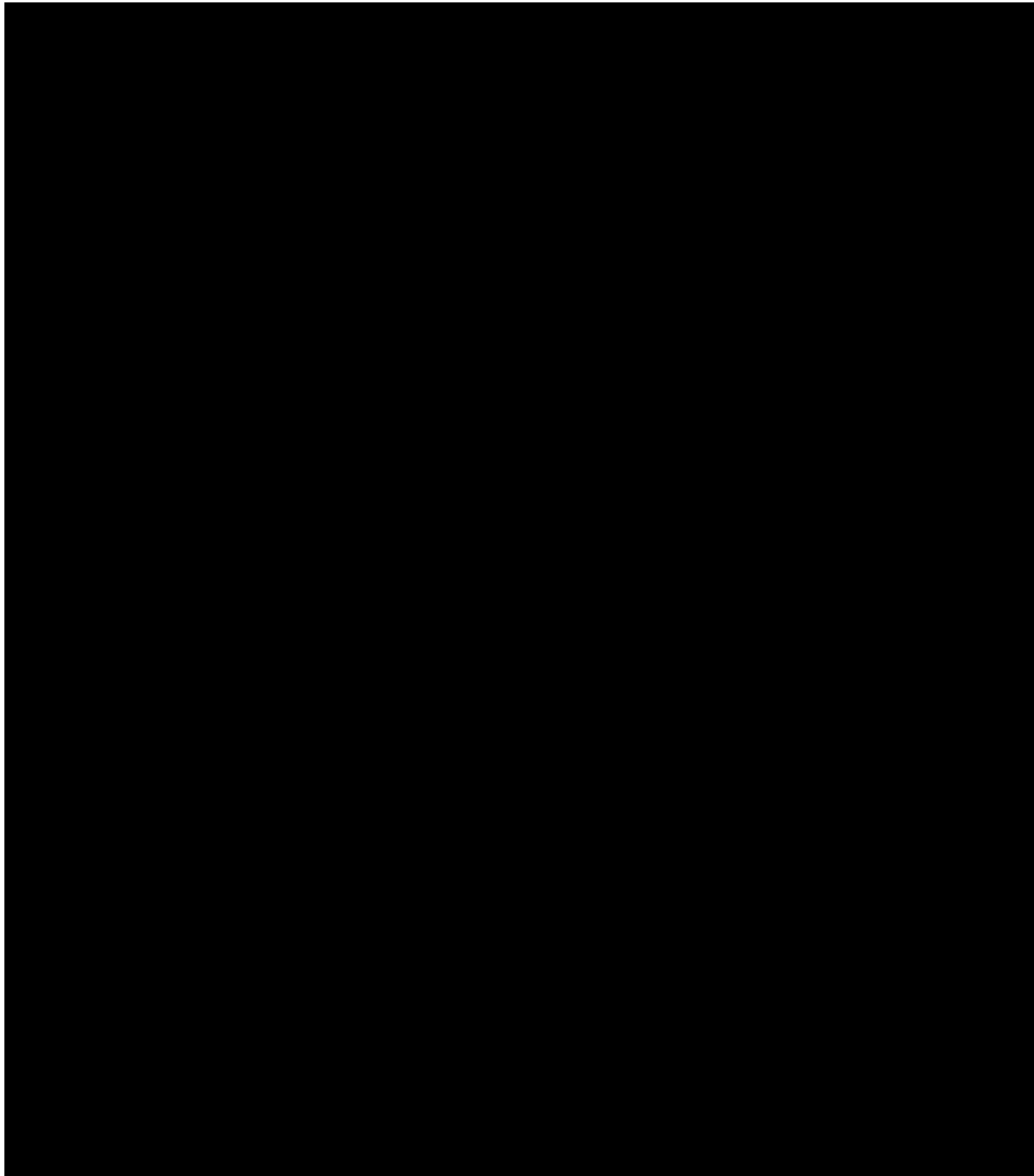
General Counsel provided a quarterly legal report for the Board's review.

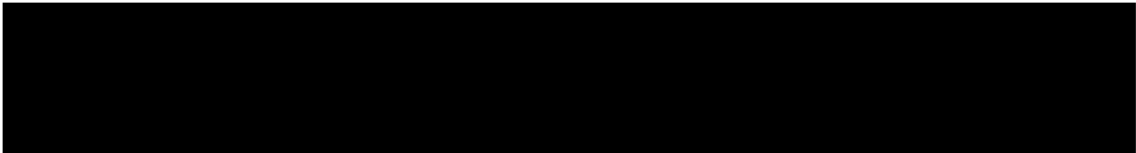
The following minutes are confidential and protected by litigation privilege.

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2:39 pm – RECA Staff, Hawkins and Paquin, left the meeting

11. In-Camera Session

The Board moved in-camera at 2:39 pm. Following the in-camera session the Board passed the below motion:

MOTION: The RECA Board of Directors approves the CEO Performance Evaluation for the fiscal year ended September 30, 2023, as presented in TAB 21 of the meeting material, and as further discussed at this meeting.

Motioned by Carrie Plett

Seconded by Bill Briggs

Carried

12. Next Meeting

- Wednesday, January 24, 2024 (Calgary)

13. Final Adjournment

The meeting adjourned at 3:12 pm.

MOTION: The RECA Board of Directors approves the final adjournment of the November 22, 2023, meeting.

Motioned by Carrie Plett

Seconded by Jai Parihar

Carried

Approved at Calgary, Alberta on January 24, 2024

Elan MacDonald, Board Chair

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