

RECA Board of Directors Regular Meeting
9:00 am – 3:00 pm, Tuesday, May 27, 2025
Nakiska Boardroom, RECA Office, Calgary, Alberta

MINUTES

In Attendance: Elan MacDonald, Chair
George Bamber
Jai Parihar
Carrie Plett
Laura Sharen (*virtual*)
Elena Russell

Absent: Greg Walter

Guests: Darren Rawson, *Ozone Advisory Group*
Michael Solberg, *Partner, New West Public Affairs*
Matt Solberg, *Partner, New West Public Affairs*
Keith Gardner, *Senior Consultant, New West Public Affairs*

Staff Resource: Stacy Paquin
Janice Harrington
Warren Martinson

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.

MOTION: The RECA Board of Directors approves the May 27, 2025, meeting agenda as presented.

Motioned by George Bamber

Seconded by Elena Russell

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 delivered opening remarks, acknowledging the resignation of Residential Real Estate Broker Industry Council member, Mr. Jason Bamlett, effective May 15, 2025.

5. Information Items

The Board discussed the following information items from the meeting materials: RECA Board Workplan, Board & Industry Council calendar for 2024/2025, email from the Minister of Service Alberta & Red Tape Reduction ("Minister") dated April 26, 2025, regarding the RECA Regulatory Review and Action Plan, and the letter from the Minister dated April 10, 2025, regarding RECA's 2024 Annual Report.

6. In-Camera Session

The Board moved in-camera at 9:07 am.

The Board moved out of in-camera at 9:59 am.

7. Consent Agenda

The Board reviewed the consent agenda.

MOTION: The RECA Board of Directors approves the consent agenda, including the:

- *January 22, 2025, RECA Board of Directors meeting minutes*
- *April 4, 2025, RECA Board of Directors Special meeting minutes*

The following consent resolutions:

- *CEO Executive Search Consultant Appointment*
- *Offer to Lease – [REDACTED]*
- *Private Lending Relicensing Course & Course Provider Requirements*

And accepts for information purposes the:

- *Board Committee minutes*
 - *Quarterly External Whistleblower Report*
 - *Board Litigation Report – April 2025*
 - *Board Priority Report*
 - *Quarterly Regulatory Scorecard*
 - *Red Tape Reduction Briefing*
- Motioned by Jai Parihar*
Seconded by George Bamber
Carried

8. Board Action Item Register

The Board reviewed the action register.

9. CEO Report

RECA's Acting Chief Executive Officer ("CEO"), Ms. Stacy Paquin, provided an update on Management's top three priorities over the past quarter. These priorities included the review of the *Real Estate Act* Rules and licensing structure, development of the upcoming budget and associated fee structure, and ongoing stakeholder engagement efforts.

10. Quarterly 2022-2025 Strategic & Business Plan Report

The Board received the May 2025 Strategic Plan Progress Report. Management remarked that the 2022-2025 Strategic Plan is approaching completion, and any unfinished items have been incorporated into the 2025-2028 Strategic Plan. This includes the *Real Estate Act* Rules Review and psychometric testing.

11. Approval of 2025-2028 Strategic Plan

The Board reviewed and discussed the 2025-2028 Strategic Plan ("Plan") and requested two (2) amendments.

ACTION:

- Under the "An Effective and Trusted Regulator" pillar, add a bullet specifically about working with associations to increase professionalism and practice-readiness.
- Under the "Sustainable" pillar, the first bullet should speak about operational and financial sustainability.

MOTION: *The RECA Board of Directors approves RECA's 2025-2028 Strategic Plan as presented in TAB 14B of the meeting materials, and as amended at this meeting.*

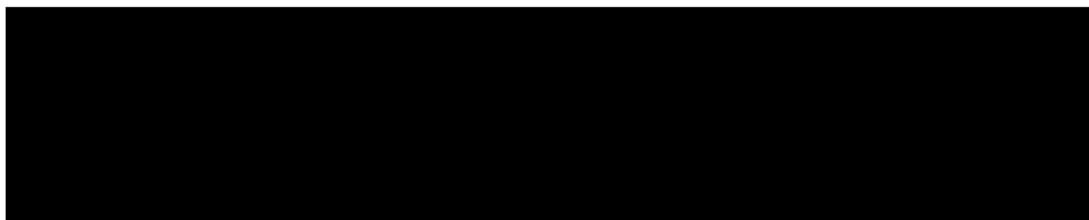
Motioned by Carrie Plett

Seconded by George Bamber

Carried

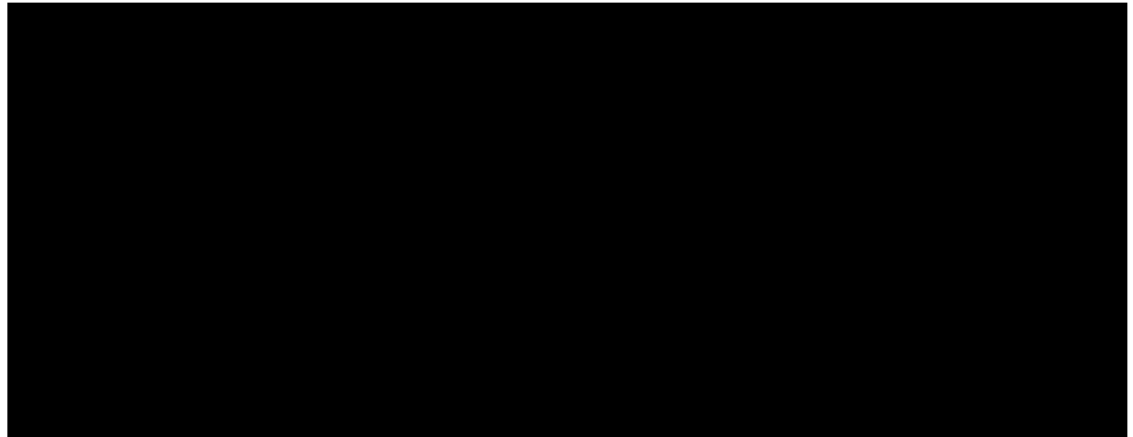
12. Applications to the Board

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.





The Registrar reviewed, for the Board's consideration, an application pursuant to section 79 of the *Real Estate Act* from [REDACTED] requesting the Board extend [REDACTED] licensing eligibility and allow [REDACTED] to complete the final administrative steps without re-examination.



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13. Hearings Committee Update

The Chair of the Hearings Committee ("Committee") provided an update on the activities of the Committee.

The Committee is currently seeking Hearing Panel Roster members from the residential real estate sector. The Committee will meet in June 2025 to conduct interviews and will make recommendations on reappointments and new appointments to the Hearing Panel roster at the Board's July 2025, meeting.

14. Industry Chairs Roundtable

The Board Chair provided an update on the activities of the Industry Chairs Roundtable.

15. 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.

The next meeting of the RREBIC is scheduled for June 10, 2025

Practice of Residential Real Estate 2025 Competency Exam Blueprint

The RREBIC approved the residential real estate competencies at their April 25, 2025, meeting, and recommends, in accordance with the *Real Estate Act* and *Real Estate Act Bylaws*, that the RECA Board of Directors approve the *Practice of Residential Real Estate (PRRE) 2025 Competency*

Exam Blueprint provided for in the meeting material, to enhance consumer protection.

***MOTION:** In consultation with and upon the recommendation of the Residential Real Estate Broker Industry Council, pursuant to Real Estate Act Bylaw 11.1, the RECA Board of Directors approves the Practice of Residential Real Estate (PRRE) 2025 Competency Exam Blueprint ("Exam Blueprint"), as presented in TAB 18B of the meeting material. This Exam Blueprint will be effective December 1, 2025.*

Motioned by George Bamber

Seconded by Carrie Plett

Carried

16. 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.

The next meeting of the CIC is scheduled for July 9, 2025.

17. Mortgage Broker Industry Council

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

The next meeting of the MBIC is scheduled for June 5, 2025.

18. Residential Property Manager Industry Council

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

The next meeting of the RPMIC is scheduled for June 12, 2025.

19. Approval of Fundamentals of Real Estate 2025 Competency Exam Blueprint

In accordance with the *Real Estate Act* and *Real Estate Act Bylaws*, the Residential Real Estate Broker Industry Council, the Commercial Real Estate Broker and Commercial Property Manager Industry Council, and the Residential Property Manager Industry Council (the "Industry Councils"), reviewed and approved amendments to the competencies within the *Fundamentals of Real Estate (FRE) 2025 Competency Exam Blueprint* at their special meetings in April and May 2025. The Industry Councils recommend that the RECA Board of Directors approve the *Fundamentals of Real Estate (FRE) 2025 Competency Exam Blueprint*, as provided for in the meeting material, to enhance consumer protection.

MOTION: *In consultation with and upon the recommendation of the Residential Real Estate Broker Industry Council, the Commercial Real Estate Broker and Commercial Property Manager Industry Council, and the Residential Property Manager Industry Council, pursuant to Real Estate Act Bylaw 11.1, the RECA Board of Directors approves the **Fundamentals of Real Estate (FRE) 2025 Competency Exam Blueprint** ("Exam Blueprint"), as presented in TAB 22B of the meeting material. The Exam Blueprint will be effective December 1, 2025.*

Motioned by George Bamber

Seconded by Elena Russell

Carried

20. Real Estate Act Rules Review Update

Management provided an update on the *Real Estate Act Rules* ("Rules") Review.

On May 22, 2025, Management met collectively with the Industry Councils to discuss ongoing consultation regarding amendments to the Rules. Each Industry Council will convene in June/July 2025 to provide Management with final guidance on the licensing structure and relevant areas affecting each Industry Council. Management expects the Industry Councils to give final approval of the amended Rules in early September 2025, after which they will be submitted to the Minister for final approval.

21. Regulatory Review Action Plan Update

The Board reviewed the *Regulatory Review Action Plan* developed by Management in response to *The Regulator's Practice* Regulatory Review Report of RECA.

A Status Report ("Status Report") has been prepared to monitor the progress of the *Regulatory Review Action Plan*. The Status Report will be included in the consent agenda for upcoming Board meetings.

22. Government of Alberta (GOA) 5-Year Review of RECA

In November 2024, the Minister announced that there will be a 5-year review of RECA's governance and operational policies, processes, and practices to ensure its efficacy as an industry regulator. The Board reviewed the final scope of the review, which is expected to begin in July 2025 and take approximately six (6) months to complete.

11:00 am – The Board recessed

11:11 am – Mr. Darren Rawson, from Ozone Advisory Group joined the meeting

11:11 am – The Board reconvened

23. Risk Workshop

Mr. Darren Rawson of Ozone Advisory Group attended the meeting. RECA has engaged Mr. Rawson to facilitate a risk workshop with the Board, focused on how high-performing boards develop robust risk management processes and define an appropriate risk appetite for the organization.

12:00 pm – Mr. Darren Rawson, from Ozone Advisory Group left the meeting

24. Enterprise Risk Management (ERM) Report

For this information item, Management provided an update on RECA's Enterprise Risk Management program.

12:20 pm – Representatives from New West Public Affairs joined the meeting

25. Government Relations Presentation

Michael Solberg and Matt Solberg, Partners, along with Keith Gardner, Senior Consultant from New West Public Affairs, attended the meeting to provide insights on their consulting work for RECA.

1:24 pm – Representatives from New West Public Affairs left the meeting

26. Governance & HR Committee

Management provided an update on the matters addressed at the May 20, 2025, GHR meeting.

Annual Code of Conduct & Statutory Prohibitions Acknowledgment

The GHR reviewed the *Annual Code of Conduct & Statutory Prohibitions Acknowledgement for Board and Industry Council Members* ("Code of Conduct") and had no recommended changes. The Code of Conduct has been sent to all Board and Industry Council members for their annual review and signatures by June 30, 2025.

Governance Policy Review

The Board reviewed proposed amendments to the *Industry Council's Elections Policy* ("Policy") and the *Industry Council's Elections Process* ("Process"). The Policy and Process were established in 2021, in accordance with *Real Estate Act* section 11(1)(a.3) and sections 3.2 & 3.4 of the *Real Estate Act* Bylaws.

The Policy, in addition to the *Real Estate Act* Bylaws, outlines the eligibility requirements a licensee must meet to qualify as an election candidate for the purposes of elections under *Real Estate Act* section 7.1(2)(b). The Process outlines the administrative steps that must be followed during the Industry Council elections.

As the terms of elected Industry Council members will collectively expire on November 30, 2025, the Industry Councils reviewed proposed amendments to the Policy and Process at their respective meetings in March and May 2025.

Following Industry Council consultation, Management presented the proposed amendments to the Board for their approval.

***MOTION:** The RECA Board of Directors approves amendments to the Industry Council's Elections Policy and Industry Council's Elections Process as presented in TAB 28.2B and TAB 28.2C of the meeting material.*

Motioned by Carrie Plett

Seconded by George Bamber

Carried

Additionally, the Board reviewed the draft *Industry Council's Elections Calendar* ("Calendar") which coincides with the Process amendments. The Calendar allows more lead-time between the completion of the election and the commencement of the successful candidate's term, allowing new Industry Council members to participate in six-weeks of onboarding.

Quarterly Human Resources Report

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

Quarterly RECA Staff and Services Complaint Report

In November 2024, the Board established a complaints management process with respect to RECA staff and services. The GHR reviewed the quarterly report and directed Management to provide this report to the GHR on an **annual** basis, unless there is a matter of significance that the GHR/Board needs to be made aware of in a timely manner.

Staff Resourcing Proposal

The COO led the Board through the proposed salary budget assumption and staffing proposal for the 2026 fiscal year. The Board provided further direction to Management which will be incorporated into the upcoming budget presentation in July 2025.

27. Appointment of Industry Council Election Officer

On November 30, 2025, the terms of all elected Industry Council members collectively expire, and RECA is required to hold Industry Council Elections.

Additionally, with the May 15, 2025, resignation of RREBIC member, Mr. Jason Bamlett, the RREBIC is required to fill the vacancy on the Industry Council within 90 days of the resignation.

In accordance with the *Real Estate Act* section 7.1 and the *Real Estate Act* Bylaws section 3.5, the Board shall appoint an Election Officer. Management is recommending the appointment of MNP LLP as the Election Officer for both the by-election and the all-Industry Council member general election.

MOTION: The RECA Board of Directors appoints MNP LLP as the Election Officer for the purpose of the 2025 RECA Residential Real Estate Broker Industry Council By-Election and the 2025 RECA All Industry Council member general elections, pursuant to Real Estate Act section 7.1 (2)(b), the Real Estate Act Bylaws, and the Industry Councils' Election Policy and Process.

Motioned by Carrie Plett

Seconded by Elena Russell

Carried

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28. Appointment to Alberta Real Estate Foundation ("AREF") Board of Governors

Section 2(1)(b) of the *Real Estate Act* Real Estate (Ministerial) Regulation provides that the AREF Board of Governors shall consist of, among others, two (2) persons who are appointed by the RECA Board.

Ms. Cheryl Schindel, one of RECA's appointees, will complete her term on June 1, 2025. She is eligible for reappointment. The AREF Board of Governors has asked that Ms. Schindel be reappointed for a second and final, three-year term.

MOTION: The RECA Board of Directors approves the reappointment of Ms. Cheryl Schindel to the Alberta Real Estate Foundation (AREF) Board of Governors for a second and final 3-year term, effective June 1, 2025.

Motioned by Carrie Plett

Seconded by George Bamber

Carried

29. Finance & Audit Committee

The chair of the Finance & Audit Committee ("FAC") provided an update on the matters addressed at its January 13, 2025, meeting.

Approval of Q2 Unaudited Financial Statements

Management presented the Q2 financial update to the Board, including revenue and expense forecasts.

MOTION: On the recommendation of the Finance & Audit Committee, the RECA Board of Directors approves RECA's Unaudited Q2 Financial Statements as at March 31, 2025, as presented in TAB 31.1 of the meeting material.

*Motioned by Elena Russell
Seconded by George Bamber
Carried*

Budget 2024/2025 Update

Management provided an update on the 2024/2025 budget for the Board's information.

The Board reviewed the revenue from eligibility and other licensing fees to date, noting that it is significantly below the budgeted amount. The Chief Operating Officer (COO) explained that this shortfall resulted from an error during the budget preparation process, which was primarily handled by a single individual. The COO assured the Board that the budgeting process will be revised to incorporate additional oversight and controls to prevent similar errors in the future.

Approval of Restricted Operating Reserve Request

Pursuant to the *Financial Reserves Policy*, the Board discussed the proposed transfer of \$1M from the Restricted Operating Reserve to the Unrestricted Operating Fund to cover the expected cash flow deficit.

MOTION: On the recommendation of the Finance & Audit Committee, the RECA Board of Directors authorize Management to transfer \$1,000,000 from the Restricted Operating Reserve to the Unrestricted Operating Fund to address the projected operating deficit in fiscal 2024/2025.

*Motioned by Jai Parihar
Seconded by Elena Russell
Carried*

Professional Services Expenditure Review

The FAC reviewed the types of transactions accounted for under the Professional Services expense line on the income statement. Professional Services include expense items largely defined by services provided by vendors external to the organization.

Fiscal Year 2026 Preliminary Budget and Major Budget Assumptions

The COO reviewed Fiscal Year 2026 Preliminary Budget and Major Budget Assumptions, with the Board. The finalized budget will be presented to the Board in July 2025.

Review of Financial Policies

The FAC completed its annual review of the *Investment Policy for Assurance Fund* and the *Investment Policy for Council Operating Fund*, and no changes are being recommended.

Appointment of Auditor for 2025/2026

The FAC recommends the reappointment of BDO Canada LLP as RECA's external auditors for the year ending September 30, 2025.

***MOTION:** On the recommendation of the Finance & Audit Committee, the RECA Board of Directors approves the reappointment of BDO Canada LLP as auditor for the year end September 30, 2025, and authorizes the Acting CEO/Executive Director to sign the audit engagement letter.*

Motioned by Laura Sharen

Seconded by Carrie Plett

Carried

Fee Review Update

The Finance and Audit Committee (FAC) discussed RECA's fee structure, and the Board has directed Management to further explore and present additional fee structure scenarios at its July 2025 Board meeting, when the budget will be reviewed.

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30. RECA Tenant Lease Discussion

In keeping with past practice, Management discussed RECA's tenant leases with the Board. The Board confirmed that the management of tenant leases is appropriately handled at Management's discretion, provided it remains within the authority limits outlined in policy. Management will continue to provide regular updates to the Board to ensure transparency and oversight.

31. Stakeholder Update Briefing

For this information item, Management provided a briefing on RECA's strategic activities concerning consumers, licensees, government, associations and boards.

32. Licensee Perception Survey Presentation

For this information item, Management provided a briefing on the results from the 2025 Licensee Perception Survey, conducted between February 26 and March 18, 2025, by Janet Brown and Trend Research. 1,100 RECA licensees were surveyed, including 800 with real estate professionals, 100 with commercial and agribusiness professionals, 100 with mortgage brokers, 50 with property managers, and 50 with condominium managers.

The Licensee Perception Survey reveals that the high levels of awareness, engagement, and confidence in RECA's regulatory oversight continue. Customer service ratings are excellent, and confidence in regulatory oversight remains steady. One area for improvement is for RECA to clarify their distinct role and expand communications to help improve licensee understanding of that role.

33. In-Camera Session

The Board moved in-camera at 3:45 pm with the Acting CEO.

The Board then moved in-camera with the Board only at 3:55 pm.

34. Next Meeting

- Wednesday, July 23, 2025, Virtual

35. Final Adjournment

The meeting adjourned at 3:59 pm.

MOTION: The RECA Board of Directors approves the final adjournment of the May 27, 2025, meeting.

Motioned by George Bamber

Seconded by Carrie Plett

Carried

Approved at Calgary, Alberta on July 23, 2025

Elan MacDonald, Board Chair