



## **RECA Board of Directors Regular Meeting** **9:00 am – 3:00 pm, Wednesday, May 15, 2024** **Banff, Alberta / Virtual Teams Meeting**

### **MINUTES**

**In Attendance:** Elan MacDonald, Chair  
Bill Briggs  
Jai Parihar  
Carrie Plett  
Elena Russell  
Greg Walter (*attended virtually*)

**Absent:** Laura Sharen

**Guests:** Harry Cayton, *The Regulator's Practice*  
Kevin McCarthy, *The Regulator's Practice*  
Matt Solberg, *Partner, New West Public Affairs*  
Michael Solberg, *Partner, New West Public Affairs*

**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 Board reviewed the meeting agenda.

***MOTION:*** *The RECA Board of Directors approves the May 15, 2024, meeting agenda as presented.*

***Motioned by Bill Briggs***

***Seconded by Jai Parihar***

***Carried***

### 3. Conflicts of Interest Declared

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

### 4. Chairs Comments

The Chair provided introductory remarks.

As part of the RECA Board of Directors ("Board") approved Regulatory Review, Mr. Harry Cayton, Senior Advisor and Mr. Kevin McCarthy, VP, Advisory Services of *The Regulator's Practice* ("TRP"), joined the meeting to observe how the Board operates.

The Board discussed the May 13 and 14, 2024, Governance Training Retreat that Board and Industry Council members participated in. The Board agreed that the sessions were meaningful and productive. The Board discussed that semi-annual meetings between the Board and Industry Councils, would be valuable.

9:07 am – Board member, Greg Walter, joined the meeting

The Board discussed learnings from the Governance Training Retreat, including the Board's duty of oversight and its key responsibilities. The Board will consider restructuring its meeting agendas to ensure it focuses on those key responsibilities.

**ACTION:** Management will create a mock agenda template, for the Board's review at the next meeting.

### 5. Information Items

The Board discussed two (2) information items included in the meeting materials, the RECA Board workplan and the Board calendar for 2024.

A draft Board calendar for 2024/2025 will be presented at the July 2024, Board meeting for the Board's consideration.

### 6. In-Camera Session

The Board moved in-camera at 9:14 am.

The Board came out of in-camera at 9:29 am.

### 7. Consent Agenda

The Board reviewed the consent agenda.

**MOTION:** *The RECA Board of Directors approves the consent agenda, including the January 24, 2024, RECA Board of Director meeting minutes, and accepts for information purposes the Board*

*Committee minutes, Quarterly External Whistleblower Report, and the following consent resolutions, as presented at this meeting.*

- *1Q 2023-2024 Unaudited Financial Statements (Resolution 2024-1)*
- *Condominium Property Management Education Competencies Ad-Hoc Committee Terms of Reference Extension (Resolution 2024-2)*
- *Residential Real Estate Education Advisory Committee Terms of Reference Extension (Resolution 2024-3)*
- *Appeal to Hearing Panel - Jason Michael Duncan*

*Motioned by Bill Briggs  
Seconded by Carrie Plett  
Carried*

## 8. Discussion Items

### Board Action Item Register

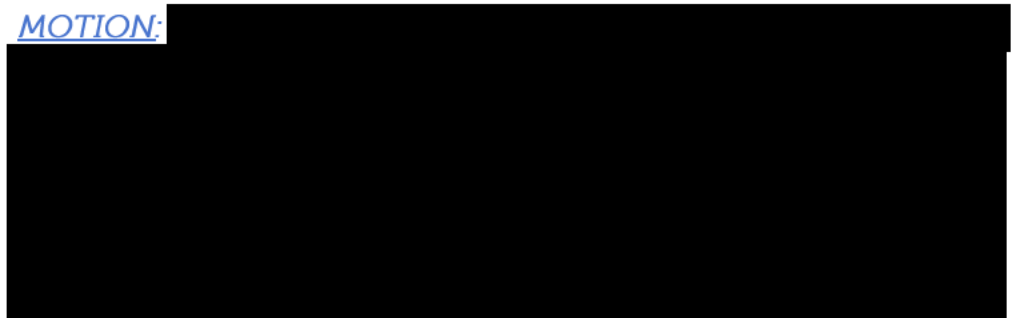
The Board reviewed the action register.

## 9. 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* ("REA"). The Registrar addressed the Board's questions on the submission.

**MOTION:**



- **Real Estate Assurance Fund Claim**

General Counsel discussed that [REDACTED] a consumer who applied for compensation from the Real Estate Assurance Fund ("the Fund") pursuant to the *REA* and the Real Estate (Ministerial) Regulation, was granted a default judgment during a pre-trial conference in October 2023.

General Counsel is of the opinion that the Claim for which default judgment was granted to [REDACTED] is based on fraud. General Counsel recommends the Board approve payment to [REDACTED] from

the Fund in the amount of [REDACTED] subject to [REDACTED] completing and providing an irrevocable assignment of judgment to RECA which will complete the application process.

*MOTION: The RECA Board of Directors approves and directs payment of [REDACTED] in compensation from the Real Estate Assurance Fund to [REDACTED] in accordance with section 60(4)(b) of the Real Estate Act, subject to [REDACTED] completing and providing an irrevocable assignment of judgment to the Real Estate Council of Alberta.*

*Motioned by Bill Briggs  
Seconded by Carrie Plett  
Carried*

## 10. Committee Reports / Recommendations

RECA Board of  
Directors – Regular  
Meeting

Minutes of Meeting

May 15, 2024

- **Finance & Audit Committee**

The chair of the Finance & Audit Committee (“FAC”) provided an update on the matters addressed at its April 29, 2024, meeting.

### Approval of Q2 Unaudited Financial Statements

Management presented the Q2 financial update as of March 31, 2024, 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, 2024, as presented in TAB 10.1 of the meeting material.*

*Motioned by Elena Russell  
Seconded by Bill Briggs  
Carried*

### Appointment of Auditor for 2023/2024

The FAC recommends the reappointment of BDO Canada LLP as RECA’s external auditors for the year ending September 30, 2024.

*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, 2024, and authorizes the CEO/Executive Director to sign the audit engagement letter.*

*Motioned by Carrie Plett  
Seconded by Bill Briggs  
Carried*

### Financial Report / Budget Update

Management provided an analysis on the budget update for the Board's information. Management confirmed that it has retained an external service provider to assist RECA in the budget forecasting process.

### Review of Financial Policies

The FAC completed its annual review of financial investment policies. Management is not proposing any changes to the *Investment Policy for Assurance Fund* and the *Investment Policy for Operating Fund*.

### Analysis of Potential Impact of Rules Review on the Budget

At the January 24, 2024, Board meeting, Management was asked to complete additional analysis of the potential impact of the Rules Review on the budget (specific to licensing fee structure).

The Industry Councils have approved, in principle, for further consultation, a new licensing framework that will align licensing with the governance model implemented by legislation on December 1, 2020. While any decision on licence structure rests with the Industry Councils, the Board is responsible for RECA's finances and operations, so the Board must be prepared for how any change to licensing structure will impact RECA's resourcing and revenues.

Once the Rules Review process is completed, the proposed licence structure framework will go to the Industry Councils for their final approval. A further update will be provided to the Board at its next meeting in July 2024.

- **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 April 22, 2024.

### 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 will be sent to all Board and Industry Council members for their signoff by June 30, 2024.

### Governance Manual Review Timetable

The GHR have been working to create and develop a new Governance Manual. Management, with the support of the GHR, is recommending that a timetable be established for the review of the various policies, procedures, and processes contained in the Governance Manual.

**MOTION:** *On the recommendation of the Governance & HR Committee, the RECA Board of Directors approves the Governance Manual Review Timetable as presented in TAB 11.2B of the meeting materials.*

*Motioned by Elena Russell*

*Seconded by Bill Briggs*

*Carried*

#### Review and Repass Bylaws (Pursuant to the REA)

As outlined in the REA and REA Bylaws ("Bylaws"), the Bylaws are reviewed by the GHR, in consultation with the Industry Councils, at least once every three (3) years and the GHR will recommend revisions to the Board for approval as necessary. At this time, the GHR is not recommending any changes to the current Bylaws.

As well, any Bylaws made regarding the conduct of Board and Industry Council members and the roles and responsibilities of Board and Industry Council members, and the Executive Director and Registrar, must be reviewed at least once every three (3) years and must be repassed in its present or an amended form by the Board. Management anticipates that in November 2024, it will be recommending the Board repass those Bylaws in their present form.

#### Quarterly Human Resources Report

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

Management noted that several former employees have returned to RECA, as positions have become vacant.

- **Hearings Committee**

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

The Hearings Committee has received applications for both public and licensee members to sit on RECA's hearing panels. The Hearings Committee will be conducting interviews in June 2024 and will bring recommendations to the Board in July 2024 for new appointments and reappointments.

**ACTION:** Management will circulate the Hearing Panel Public Member advertisement to the Board.

† □ □

## 11. Industry Council Activities

- **Industry Chairs Roundtable**

The Board discussed the proposed agenda for the June 12, 2024, Industry Chairs Roundtable ("Roundtable") and additional agenda items, including feedback on the May 13 & 14, 2024, Governance Training retreat.

The Board discussed Industry Council workplans. The Industry Councils will be reviewing their workplans during the June 2024 meeting cycle. The Board suggested that Industry Councils discuss how to incorporate stakeholder engagement into their workplans.

- **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 RREBIC next meets on June 11, 2024. One of the items of focus is Residential Measurement Standards ("RMS").

Residential Real Estate Education Advisory Committee Update

RECA's Residential Real Estate Education Advisory Committee (RREEAC) consultant has prepared a final report on the review of the residential real estate education competencies. The report is currently with RECA's Credentialing department, who are reviewing the recommendations. The final report will go to the RREBIC for review.

A final meeting of the RREEAC is scheduled for May 21, 2024.

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

The Commercial Real Estate Broker & Commercial Property Manager Industry Council (CIC) next meets on June 21, 2024.

- **Mortgage Broker Industry Council**

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

The MBIC next meets on June 6, 2024. One of the items of focus is a discussion on FINTRAC's new mortgage broker reporting requirements.

On behalf of RECA, the MBIC Board appointee will be attending the Mortgage Professionals Canada conference in June 2024.

- **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 regular meeting of the RPMIC is scheduled for June 4, 2024.

#### Condominium Property Management Education Competencies Ad-Hoc Committee (CPMECAC) Update

In April 2024, the RPMIC received the final report of the CPMECAC. Since that time, the RPMIC has been meeting to review the recommendations. The RPMIC expects to complete its review on May 23, 2024. Once approved, the implementation of the new competencies will be effective January 1, 2025.

## 12. Strategic & Operational Matters

RECA Board of  
Directors – Regular  
Meeting

Minutes of Meeting

May 15, 2024

- **Strategic Spotlight**  
Management reviewed RECA’s Trust & Confidence strategic priority, and the activities RECA has engaged in. This strategy focuses on protection and outreach and collaboration and engagement. Highlights include:
  - Consumer guide translations to several languages
  - Consumer awareness for vulnerable consumers
  - Stakeholder engagement plans
  - Regulatory road trips
  - New broker check-ins
  - Rules review consultation
  - Increased connections with the Government of Alberta

#### Strategic Activities

The Board discussed consumer awareness initiatives.

RECA’s Registration Services department recently hosted an information session on the licensing application process in which over 400 people attended.

In April 2024, RECA hosted the Mortgage Broker Regulators’ Council of Canada and the Real Estate Regulators of Canada conferences in Banff. The conferences are attended by regulators from across the country to discuss latest developments and joint initiative opportunities.

RECA continues to meet regularly with stakeholders from across the province, including RECA CEO meetings with brokers and large group Broker Forums in Calgary and Edmonton. RECA will be hosting an association summit with Executive Officers, Executive Directors, and CEOs at the end of May 2024. RECA will also participate in



upcoming association events (i.e. AMBA AGM, CREB and RAE Housing forecast, and the RAE partner's breakfast).

Monthly meetings with Service Alberta officials and quarterly meetings with the Minister of Service Alberta and Red Tape Reduction ("Minister") continue.

- **Quarterly Strategic Plan/Management Report**

2024 Quarterly Strategic Plan Progress Report

The May 2024 Strategic Plan Progress Report was provided to the Board for information.

Quarterly Management Report

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

Red Tape Reduction

In late March, Registration Services launched a host of updated web content and curated step-by-step eligibility and licensing guides. The layout of these materials on the 'Getting Licensed' page was also significantly revamped. This initiative improves applicants access to information that is clear, transparent, and easy to navigate.

A new digital criminal background check system for new and reinstating licensees was implemented. This initiative streamlines the criminal record check application process and reduces processing time for applicants. It also reduces the review and processing burden on Registration Services as criminal background check results are now delivered online instead of through the mail.

Stakeholder Engagement

The Board reviewed the recently developed internal Alberta Real Estate Association ("AREA") Engagement Plan. Management noted that representatives from AREA will be meeting with the Rules Review Steering Committee on May 28, 2024, to provide feedback on Phase 2 Part 3 of the Rules Review consultation.

*1:15 pm – Representatives from New West Public Affairs joined the meeting.*

Government Relations

Matt and Michael Solberg, Partners with New West Public Affairs, RECA's public relations firm, joined the meeting to discuss RECA's engagement with government.

RECA Board of  
Directors – Regular  
Meeting

Minutes of Meeting

May 15, 2024

**ACTION:** RECA will convene annual meetings with the Board Chair, four Industry Council Chairs and the Minister, as well as any additional meetings requested by the Board Chair.

1:45 pm – Representatives from New West Public Affairs left the meeting.

#### Board Priority Report

Management discussed the Board Priority Report. Management will continue to update report for discussion at each quarterly Board meeting.

- **Regulatory Review Update**

TRP is currently conducting a regulatory review of RECA. Once the review is completed in September 2024, TRP will present the results to the various stakeholders (i.e. RECA Board, Industry Councils, and government).

- **Rules Review Steering Committee Update**

Management provided an update on the progress of the Rules Review Steering Committee.

***MOTION:** The RECA Board of Directors approves the extension of RECA's Rules Review Steering Committee to November 30, 2024, as presented in the terms of reference in TAB 21B of the meeting materials.*

*Motioned by Carrie Plett*

*Seconded by Elena Russell*

*Carried*

- **Legal Matters**

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

#### **13. In-Camera Session**

The Board moved in-camera at 2:05 pm.

#### **14. Next Meeting**

- Wednesday, July 17, 2024, Virtual

#### **15. Final Adjournment**

The meeting adjourned at 2:54 pm.

***MOTION:** The RECA Board of Directors approves the final adjournment of the May 15, 2024, meeting.*

*Motioned by Bill Briggs*

*Seconded by Carrie Plett  
Carried*

Approved at Calgary, Alberta on July 17, 2024

---

Elan MacDonald, Board Chair

RECA Board of  
Directors – Regular  
Meeting

Minutes of Meeting

May 15, 2024