

Meeting Minutes

Minutes of the meeting of the Real Estate Council of British Columbia held at 9:00a.m on Monday, May 13, 2019 in the **Douglas Fir Room, RECBC Offices, 900-750 West Pender St, Vancouver, B.C..**

Present: E. Duvall (Chair), R. Gialloreto, M. Bond, M. Chan, B. Chisholm, L. Allen, K. Ameyaw, M. Chan, S. Heath, L. Hrycan, C. Ludgate, E. Mignosa, S. Sidhu, N. Nicholson, M. Walker

Support Staff: L. Holst, M. Peters, E. Seeley, P. Skinner, D. Avren, N. Liddell, M. Mullarkey

Regrets: R. Hanson

Guest: Bradley Chisholm, Chief Officer - Strategy and Governance, BC College of Nursing Professionals

PROCEEDINGS

The Chair welcomed everyone including observers from the Fraser Valley Real Estate Board, acknowledging the land on which we gather today is the traditional, ancestral, and unceded Indigenous territories of the ʷməθkʷəy̓əm (Musqueam), sḵw̓x̓w̓7mesh (Squamish), and sel̓ílwitulh (Tsleil-Waututh) First Nations.

PROCEEDINGS

The Chair convened the open meeting at 9:04 a.m.

CONSENT AGENDA

The Chair inquired if Council members had questions about the consent agenda items, or any disclosure of conflicts of interest.

Blair Chisholm joined at 9:11a.m

UPON MOTION IT WAS RESOLVED TO:

Approve the Consent Agenda items, as follows:

1. The Meeting Agenda for May 13, 2019, as presented, be approved; and
2. The Minutes of the March 11, 2019 Council meeting, as presented, be approved.

NEW BUSINESS

Executive Officer's Report

E. Seeley, Executive Officer, directed Council members to the presentation on Tab 6 of the agenda package for information and congratulated Linda Allen and Neal Nicholson on their reappointment to council.

The Executive Officer provided an update on RECBC operations and operational dashboard for the fiscal year ending March 31, 2019, as well as a brief update on the Federal and Provincial Anti Money Laundering working group. Two reports were released on May 9th which are related to money laundering: the expert panel report commissioned by the Ministry of Finance and part two of the report by Peter German commissioned by the Ministry of Attorney General.

Legal and Compliance Audit Response

D. Avren, Director, Legal Services and Compliance, referred Council members to Tab 8 of the material for information and provided an update on the full written audit report, plus a report capturing incidental comments on leadership and management. It was noted that all but one of the recommendations from the lawyer have been adopted, many were already understood and underway prior to the report being received.

It was queried if the full audit report could be distributed to Council. Staff confirmed that it will be uploaded to BoardVantage after the Council meeting.

It was queried how is it determined by staff where a complaint goes to prosecution, without involvement of Complaints Committee. Staff confirmed that the normal process will be: files will be investigated; an investigation assessment report is prepared and sent to a lawyer (Pat Poyner) in compliance who prepares a checklist and rating on a scale from 1(minor) to 4 (major/ethical issue). If the lawyer recommends that it go to legal for discipline proceedings, it goes forward to the Manager of Compliance for approval and then to either the Director or Manager of Legal for approval; If it is confirmed for further discipline proceedings, Compliance staff prepares for Legal a legally privileged briefing of the key documents.

It was queried what the intended process is to keep Council informed of how complaints are disposed of and whether there would be a regular report? Staff advised that starting in July or September an additional report will be provided to Council on the matters that have moved into legal for a discipline process. It will necessarily be “high level” in order to ensure Council members are not privy to specific case information, given they could eventually be sitting on discipline committees in the matter.

It was queried if it would be possible to update Council on the nature of complaints that don’t make it to a discipline process. The answer is yes, and this will be part of the same regular reporting on matters approved for discipline proceeding. Staff also advised that there is a project starting shortly to go through existing complaint files to classify and categorize them as this wasn’t done in the past. Going forward this will be embedded statistically, and a summary of categorization will be provided to Council for the September meeting.

It was requested that going forward an effort should be made to ensure there is a minimum of one real estate licensee on the Complaint and Consent Order Review Committee panels.

Compliance and Legal Dispositions

D. Avren, Director, Legal Services and Compliance, referred Council members to Tab 7a, 7b and 7c of the material for information and provided an update on the statistics for complaints, investigations and dispositions for the fiscal year April 1, 2018 to March 31, 2019.

Administrative Monetary Penalties

D. Avren, Director, Legal Services and Compliance, referred Council members to Tab 9 of the material for information and gave an overview of the work of RECBC, Office of the Superintendent (OSRE) and representatives of the provincial government on potential amendments to the administrative monetary penalty regime under the Real Estate Services Act (RESA).

It was queried whether the penalty amounts are the maximums or are they absolutes. Staff responded they are fixed amounts to ensure efficiency of the process and avoid any legal dispute over improper delegation to establish penalty amounts.

It was also queried whether RECBC’s enforcement expenses amounts should be raised. This is something set by regulation, so would ultimately be a decision for Cabinet. It was noted that the current amount of \$1,500 have been unchanged since 2005.

It was suggested, to general assent, that if changes were made to the administrative monetary penalty regime by way of Superintendent's rules, which require a 30-day comment period, that more than 30 days be allowed for comment. It was also suggested that the word "administrative" should be qualified or explained: it suggests minor "traffic ticket" type penalties and process, not the more serious penalties that are being contemplated, though it was noted that this is the term used in RESA.

It was queried if there was research completed outside of the real estate industry to compare penalty amounts to others. Staff confirmed that yes, research was undertaken by OSRE as part of the administrative penalty review work to review across a variety of industries.

REPORT FROM EDUCATION AND LICENSING COMMITTEE

S. Heath, Chair of the Education and Licensing Committee provided an overview of the agenda items and minutes from the Committee meeting on April 23, 2019.

Meeting Package and Draft Meeting Minutes from April 23, 2019.

S. Heath referred Council members to Tab 10 and 11 of the material for information. She also provided a brief update on the status of negotiations with the BC Real Estate Association (BCREA) for the transition of Legal Update and the Applied Practice Course development and delivery to RECBC.

REPORT FROM GOVERNANCE COMMITTEE

R. Gialloreto, Chair of the Governance Committee provided an overview of the agenda items from the Committee meeting on April 24, 2019.

Meeting Package and Draft Meeting Minutes from April 24, 2019.

R. Gialloreto referred Council members to Tab 10 and Tab 11 of the material for information. He referenced the agenda items that were discussed by the committee for information, including new Crown reporting obligations under the Public Sector Employers Act and the Financial Information Act. A lengthy discussion on new employee policies and review of a memo summarizing a pension review report, which staff will bring back to the Committee and to Council with a recommendation for decision at a later meeting date.

REPORT FROM FINANCE AND AUDIT COMMITTEE

E. Mignosa, Chair of the Finance and Audit Committee provided an overview of the agenda items and a motion summary from the Committee meeting on May 10, 2019.

L. Holst, Director, Accounting and Audit provided a comprehensive overview of the Financial Statements and referred to the hard copies circulated. The Committee Chair confirmed that the Committee had reviewed the financial statements in detail with the auditor, Donna Diskos and staff from Grant Thornton, and passed along appreciation to Lisa and the accounting team for their work preparing for the audit and completing the financial reporting requirements on such a short timeline.

2018/19 Audited Financial Statements

UPON MOTION IT WAS RESOLVED TO:

1. Approve setting aside \$854,088 of the accumulated operating surplus in an Education Fund to be used for expenses related to the development and delivery of post-licensing education programs (Note 8(d) of the financial statements); and,
2. Approve the draft audited consolidated financial statements for the year ending March 31, 2019 as presented. (Abstention: R. Gialloreto)

Website Redevelopment Contract

UPON MOTION IT WAS RESOLVED TO:

Approve contracting Camp Pacific for the web redevelopment project to maximum cost of \$150,000 for 2019/20. The Executive Officer may approve a parallel contract with Camp Pacific for related services including branding updates and social media marketing services, which could be accommodated with the current Council-approved budget and would not exceed delegated authority of \$50,000.

Licensing File Retention and Destruction

UPON MOTION IT WAS RESOLVED TO:

Approve a request for a single expenditure of up to \$125,000; or an expense of up to \$18,000 per year for 6-7 years, to a maximum of \$125,000. This is an unbudgeted expense for this fiscal year, so the funds will be drawn from the accumulated surplus.

The Council also approved delegating contract approval for the expenditure to the Executive Officer

Staff will continue with costing and due diligence on approach and choose best option for RECBC to meet timelines, business requirements and within the budget approved.

PROCEEDINGS

IN CAMERA SESSION

UPON MOTION IT WAS RESOLVED TO:

move the meeting business to *in-camera* at 11:03a.m and limit it to Council members and staff.

PROCEEDINGS

The Chair returned the proceedings from *in-camera* and reconvened the open meeting at 12:00 p.m.

L. Allen departed the meeting at 12:20 p.m.

GUEST SPEAKERS

The Chair and Executive Officer introduced the guest speaker who provided a brief presentation to Council members:

1:00 pm – 2:00 pm

Bradley Chisholm, Chief Officer - Strategy and Governance, BC College of Nursing Professionals

PROCEEDINGS

IN CAMERA SESSION

UPON MOTION IT WAS RESOLVED TO: move the Council meeting business to *in-camera* at 1:55 p.m. and limit it to Council members and the Executive Officer.

PROCEEDINGS

The Chair returned the proceedings from *in-camera* and convened the open meeting at 2:42p.m.

Next Meeting: July 15, 2019

ADJOURNMENT

There being no further business to transact, the meeting was adjourned at 2:50p.m.

Motion Summary

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