

# Renewal: Annual Report 2002—03



BRITISH COLUMBIA  
REAL ESTATE  
ASSOCIATION

# Board of Directors 2002-03

## Officers



**President**  
Dennis Wilson



**Vice President**  
David Herman



**Past President**  
Liz Tutt



**Executive Officer**  
Robert Laing

## Directors

### Region I

BC Northern REB  
Northern Lights REB  
**Dave Barclay**

### Region II

Kamloops & District REA  
Kootenay REB  
Okanagan Mainline REB  
South Okanagan REB  
**Carolyn Boles**  
**Don Selby**

### Region III

Powell River Sunshine Coast REB  
Vancouver Island REB  
Victoria REB  
**Marie Blender**  
**John Tillie**

### Region IV

REB of Greater Vancouver  
**Dick Coates**  
**Don Pearce**  
**Andrew Peck**

### Region V

Chilliwack & District REB  
Fraser Valley REB  
**Kelly Lerigny**  
**Gordon Maroney**

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**Mission Statement**

**The British Columbia Real Estate Association**

**represents the interests of the real estate boards**

**and their licensees on all provincial issues.**

# President's Report

The real estate profession and the British Columbia Real Estate Association (BCREA) have faced significant opportunities and challenges over the past few years, and the political and economic environments created by these situations set the stage for the renewal of BCREA.

The Board of Directors has taken a great deal of time this year to redefine the purpose of the Association in light of several factors, including the provincial government's announcement to review the *Real Estate Act*, the positive economic impact of the real estate profession and the need for a stronger advocacy role at the provincial level.



To articulate our vision, we adopted a new strategic planning process. The first step was to create a three-year Long-Range Plan, which we will review annually. The 2002-05 Long-Range Plan consists of seven broad principles focusing on BCREA's main areas of service: communications, education, member services and government relations.

Out of the Long-Range Plan, the Board of Directors and staff developed a one-year Strategic Plan, which the Association began implementing in May 2002, but with the majority of the action taking place after January 1, 2003, when the dues increase took effect. The committee and task force reports that follow detail the progress made on the 2002-03 Strategic Plan, but I feel I must draw attention to several high points.

## Staff Changes

To carry out the Long-Range and Strategic Plans, provisions had been made to create the Manager of Government Relations position, to be shared by government relations and communications. After conducting an organizational review and the hiring of a new Executive Officer, half of whose time will now be spent on high-level government relations, further restructuring was necessary and two more positions were created: Director of Member Services and Office Assistant.

## Communications

We established a new commitment to communications, recognizing this as the basis of everything BCREA does.

Enhanced internal communications, including a return to paper issues of the *Bulletin* and *Legally Speaking*, ensure that member boards and REALTORS are informed of important industry developments. To communicate on a personal level, as President I visited the member boards' boards of directors near the beginning of my term to explain our plan for the year, and then followed up by attending annual general meetings near the end of my term to report on our accomplishments.

External communications strategies, such as developing media relationships and working closely with the government relations team, promote the professionalism of REALTORS in the minds of consumers and the economic impact of real estate with the provincial government.

## Member Services

We believe a proactive and sustained approach to assisting the member boards will result in REALTORS receiving the best service possible. A large part of this approach involves a facilitation role for BCREA, similar to the one we took in the development of the Pledge of Cooperation.

One of the strides we have taken is to offer greater assistance to coordinating meetings among the presidents of the member boards. The presidents and executive officers meet monthly by conference call, and BCREA has also agreed to fund one face-to-face meeting per year. These meetings are invaluable opportunities for member boards to share ideas and discuss industry issues.

## Education

BCREA has a long-standing reputation for high-quality education products, and the Long-Range and Strategic Plans continue to support those programs. With changes constantly occurring in legislation and business practices, it is more essential than ever that REALTORS keep abreast of these changes and maintain high standards. All of BCREA's education offerings, from the post-licensing Applied Real Estate Course to cpe seminars such as the popular *Legal Update*, have been designed to promote high industry standards and enhance the professionalism of our industry.

Over the past year, the Education Action Team has examined the way real estate education is developed and delivered by various organizations throughout the province to see if there is a more cost-effective way to provide education. The findings of the Education Action Team will be published in a report this spring.

## Government Relations

In the summer of 2002, when the provincial government announced its intention to review the *Real Estate Act*, the Association went into high gear. This is the industry's chance to influence the direction of our profession, and we intend to make the most of it.

Between September and December we met with REALTORS to gather input for a new draft Act. The government relations team and the Legislative Task Force, chaired by Liz Tutt, have worked hard to ensure the industry was widely canvassed on this issue.

Broad consultation with stakeholders and over 1,600 REALTORS in 63 meetings was necessary to ensure BCREA's recommendations consider the government's deregulation agenda, offer protection for the public and result in a flexible regulatory system that can respond quickly to our dynamic industry.

## Economic Impact

In 2002, sales on the Multiple Listing Service® in BC hit a record at over \$19 billion, more than \$4 billion higher than 2001. Real estate is among the top five economic sectors in BC, based on residential sales alone. Every home sold means additional spending on retail goods and home renovations. We have clearly been undervalued for too long, and BCREA is determined to get you the recognition you deserve from the public, the business community and the provincial government.

This has been an exciting year for BCREA and real estate as a whole. Cooperation, trust and accountability are the cornerstones of BCREA's success. Thank you to all member boards, volunteers and REALTORS for your past, present and future contributions.

Dennis Wilson

President

### Long-Range Plan principles:

- > building membership relations
- > responding to communication needs
- > provincial leadership status as an advocate for the profession
- > excellence in education services
- > enhanced service options for member boards
- > non-dues revenue development
- > equitable fee structure

# A Tribute to Past President Liz Tutt

Liz Tutt has left her mark on BCREA. A Director since 1992, she has witnessed a great deal of change within the organization and throughout the industry.

As President, Liz guided the Association through a difficult time. When BCREA's purpose was questioned, her diplomacy, tact and attention to detail made her the right person at the right time. Without question, Liz has been a key player in moving BCREA forward.

Liz has been a valued volunteer with organized real estate for 17 years and counting. Before joining BCREA's Board of Directors 11 years ago, Liz was involved with the Association's Legislative and Government Liaison Committee, which became the Legislative Task Force (LTF) in 2000. She also attended the first BCREA Government Liaison Days 15 years ago, and nearly every one since. With her unique background and commitment to government relations, Liz has been the ideal leader for the *Real Estate Act* reform process as Chair of the LTF.

Though losing a team member is never easy, knowing that Liz is still in the game makes a difference. Liz Tutt will serve as the BC/Yukon Regional Director to The Canadian Real Estate Association for 2003-05.

Liz, thank you for your contributions, your wit and your ready smile. We look forward to a long-standing and continuing relationship.



# Committees and Task Forces

Everyone who serves on BCREA's committees and task forces is a volunteer. They give valuable time from their own businesses and personal lives to serve the wider interests of REALTORS.

Rewarded not only with experience and friendships, these volunteers have the satisfaction of knowing they have made a difference. BCREA sincerely thanks them for their service to the greater good we all seek.

BCREA also uses task forces as part of its decision-making process. This method provides for focused research and quick action.

Committee and task force reports are organized by program area:

- > member services
- > education
- > communications
- > government relations
- > finance and systems

# Member Services

## Arbitration Committee

*Carolyn Boles, Chair*

*Dennis Wilson*

*(Ex Officio),*

*Sharon Billey (KREB),*

*Diana Devlin (VREB),*

*Marianne Elshof (NLREB),*

*Gregg Hart (VIREB),*

*Ann Hayes (SOREB),*

*Guy Johnson (CADREB),*

*Joe Mastrodonato*

*(PRSCREB),*

*Joe Pearson (OMREB),*

*David Peerless (REBGV),*

*David Peressini (KADREA),*

*Corry Perret (REBGV),*

*David Rishel (FVREB),*

*Jake Siemens (FVREB),*

*Bea Smith (SOREB)*

**Staff:**

*Borg U. Jorgensen,*

*Robert Laing*

When interboard commission disputes arise, BCREA's arbitration system saves thousands of dollars in legal fees for those involved. This cooperative agreement among the member boards results in the low-cost settlement of commission disputes by REALTORS.

In 2002, over 80,000 residential transactions were recorded on the Multiple Listing Service®, compared with approximately 65,000 sales in 2001. Despite the increased activity, the number of interboard transactions referred for arbitration in 2002 totalled only seven, down from 11 in 2001. Of these, three were mediated, three were arbitrated and one was carried forward to arbitration in 2003. Another case from 2000 is still awaiting the outcome of a court case.

## Standard Forms Committee

*Dave Barclay, Chair*

*Dennis Wilson (Ex Officio),*

*Doug Ashton (SOREB),*

*Ray Blender (VREB),*

*Fred Brown (SOREB),*

*Steve Hamilton (REBGV),*

*Jim McCaughan (FVREB),*

*Brian Taylor (REBGV),*

*Maureen Taylor (SOREB),*

*Brigitta Waller (FVREB),*

*Edward L. Wilson*

*(Canadian Bar Association*

*- BC Branch)*

**Observers:**

*Larry Buttress (Real Estate*

*Council of BC),*

*Harvey Exner (REBGV),*

*David Moore (UBC),*

*Rob Stevens (Real Estate*

*Errors and Omissions*

*Insurance Corporation),*

*Ernie Vance (FVREB)*

**Staff:**

*Wendy Dennill,*

*Robert Laing,*

*June Piry,*

*Kim Spencer*

The Standard Forms Committee has evolved since it was first convened as the Standard Listing Contract Task Force in May 1998. It now comprises ten members and eight observers representing a wide variety of industry stakeholders, including experienced REALTORS from across the province, the Real Estate Council of British Columbia, the Real Estate Errors and Omissions Insurance Corporation, the University of British Columbia Real Estate Division and the Canadian Bar Association - BC Branch. The committee has benefited from the wide experience of its members, many of whom have served for five or more years.

The committee's mandate is to develop the basic real estate forms necessary to put together a real estate transaction in a consistent manner anywhere in BC. REALTORS can have confidence that their standard forms are managed by dedicated representatives of the industry and legal community. Good forms are the simplest and most effective means of assuring a confirmed sale and keeping members at the centre of the real property transaction.

The past year was a busy one for the Standard Forms Committee. Notable accomplishments include:

- > Considering and responding to questions, requests and suggestions for changes to wording from member boards and REALTORS.
- > Developing two new forms Fee Agreement and Limited Dual Agency Agreement.
- > Continued standard forms work with member boards and *WebForms*.
- > Considering privacy and proceeds of crime legislation, lawyers' undertakings in conveyancing and recent dual agency court cases as they may affect standard forms wording.
- > Removal of the urea formaldehyde foam insulation (UFFI) clause from the Property Disclosure Statement.

### Standard Forms

The standard forms developed by the committee include:

- > Property Disclosure Statements:
  - o Residential
  - o Strata Title Properties
  - o Farms and Acreage
- > Contract of Purchase and Sale
- > Multiple Listing Contract
- > Fee Agreement
- > Limited Dual Agency Agreement
- > Exclusive Buyer's Agent Contract
- > Residential Agency Disclosure pamphlet
- > Commercial Agency Disclosure pamphlet
- > Commercial lease forms

REALTORS can access standard forms in three ways:

1. Printed forms available from member boards.
2. Electronic forms available through several member board approved third-party software providers.
3. Online forms available at no charge through *WEBForms* via REALTOR Link™. *WEBForms* provides 24-hour access to secure, confidential standard forms from Internet-enabled and connected computers anywhere, anytime.

### Non-Standard Forms

Despite the best efforts of the committee to ensure that standard forms are adopted by each member board, there are legitimate reasons as to why this cannot always be so. For example, differences in conveyancing practices used in Vancouver and Victoria have resulted in slight variations to the REBGV Multiple Listing Contract and the VREB Contract of Purchase and Sale. These changes accommodate the conveyancing practices prevalent in those areas, but do not change the overall utility and comfort provided to REALTORS and consumers by these forms. REALTORS from other areas who may be unfamiliar with these forms should ensure that they thoroughly understand their differences before attempting to assist members of the public.

In the coming year, the Standard Forms Committee will work hard to become as responsive as possible by holding more meetings and creating sub-committees when necessary. In addition, upcoming provincial privacy legislation, existing federal money laundering legislation, recent court decisions and recent unusual conveyancing practices will all impact the evolution of standard forms in 2003-04.

# Education

## Education Committee

<i>David Herman, Chair</i>	<i>Al Mottishaw (NLREB),</i>	<i>Pauline Gomez (The Real</i>	<i>Council of BC),</i>
<i>Dennis Wilson</i>	<i>Gabby Osborne (VIREB),</i>	<i>Estate Foundation of BC),</i>	<i>Patti Wenman (VIREB)</i>
<i>(Ex Officio),</i>	<i>Barbara Sivorot (KREB),</i>	<i>Denise Johnson (FVREB),</i>	
<i>Kathy Bowes (PRSCREB),</i>	<i>Maureen Vogt (CADREB),</i>	<i>David Moore (UBC),</i>	<b>Staff:</b>
<i>Colin Cheng (FVREB),</i>	<i>John Weiss (KADREA)</i>	<i>Mike Sampson (VREB),</i>	<i>Wendy Dennill,</i>
<i>Lisa Godlinski (BCNREB),</i>	<b>Observers:</b> <i>Rosemary</i>	<i>Rob Stevens (Real Estate</i>	<i>June Piry,</i>
<i>Joan Konfederak (SOREB),</i>	<i>Barnes (REBGV),</i>	<i>Errors and Insurance</i>	<i>Kim Spencer</i>
<i>Gary McInnis (VREB),</i>	<i>Charlotte Ciok (Real Estate</i>	<i>Corporation),</i>	
<i>Shirlee Middleton (REBGV),</i>	<i>Institute of BC),</i>	<i>Caroline Tanner (Real Estate</i>	

This year's Education Committee was chaired by BCREA Vice President David Herman whose objective was to help BCREA achieve its strategic goals for education:

- > Maintain BCREA's valued reputation as a respected developer and provider of education services for the real estate sector.
- > Strengthen member boards' understanding of BCREA's education products and remedy the perception that there is a duplication of products and services.
- > Keep abreast of new developments in real estate education.
- > Continue to meet the educational needs of BCREA's member boards by providing practical, cost-effective seminars in a timely manner.
- > Make online courses available to BC REALTORS.
- > Maintain the relevancy of the post-licensing course for new licensees and ensure that courses are available within the time frame established by the Real Estate Council.
- > Maintain high standards for both the quality of course content and the quality of instructors.
- > Operate on a reasonable and responsible financial basis.

### Continuing Professional Education (cpe)

Seminar attendance increased 16 per cent in 2002 with 2,966 registrations compared with 2,555 in 2001. Two new cpe seminars were introduced this year: *Project Marketing for the Leading Edge Professional* and *Legal Update 2002-2003*. The annual *Legal Update* seminar continues to be the best attended of all the cpe seminars. *Professionalism-It Pays! Be Safe or Be Sued* has been updated and *Professionalism-It Pays! The Manager's Course* has been totally rewritten. Watch for the many new seminars that are planned for 2003.

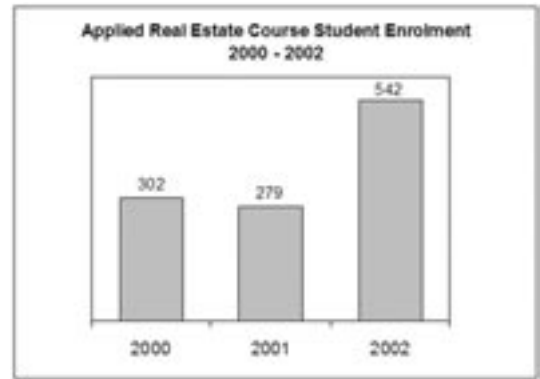


Project marketing seminar,  
Nanaimo

BCREA thanks The Real Estate Foundation and the Real Estate Errors and Omissions Insurance Corporation for their continued financial support of BCREA's education programs.

### Applied Real Estate Course

The Real Estate Council entered into an agreement with BCREA, which gives BCREA a three-year contract to administer the Applied Real Estate Course on behalf of the Council. Enrollment increased significantly in 2002 with 542 students registered compared with 279 the previous year. As a result of the large increase in registration, Council approved a \$100 rebate to students who had paid the \$800 tuition fee. The tuition has subsequently been reduced to \$700.



The revised course was introduced this year following instructor training sessions, which were held in several locations throughout the province. The revised course focuses on areas that are problematic for most new licensees, such as agency disclosure, Contract of Purchase and Sale, risk management and foreclosures.

BCREA thanks The Real Estate Foundation for funding the revisions to this important, mandatory course for new licensees.

### Publications

*The Condominium Manual: A Comprehensive Guide to the Strata Property Act* was a best seller. Since it was first published in December 2001, 3,653 copies have been sold to REALTORS, real estate companies, real estate organizations and the public. This publication has been a significant source of non-dues revenue for BCREA.



*The Real Estate Encyclopedia*, Canadian Edition, published by the Alliance for Canadian Real Estate Education, of which BCREA is a member, was introduced to the industry in January 2003. It is a 677-page compendium of real estate-related information with detailed discussion, charts, illustrations and sample forms on every conceivable topic. It comes with an interactive CD.

BCREA's goal is to get a copy into every real estate board, real estate office and library in British Columbia.



BCREA is actively promoting both publications to REALTORS, brokers and industry and external groups through a coordinated promotional campaign that includes, news releases to the media, targeted flyer and cover letter mailings, advertising in the BCREA *Bulletin* and Education Department newsletter *Spectrum*, BCREA website promotion and a request that BCREA Directors and cpe and Applied Course instructors promote these publications when the opportunity presents itself.

## Education Action Team

<i>Barry Brown-John, Chair</i>	<i>David Herman (BCREA),</i>	<i>Insurance Corporation),</i>	<b>Observers:</b> <i>Charlotte Ciok</i>
<i>Rosemary Barnes (Real Estate Council of BC),</i>	<i>Paul La Branche (Building Owners and Managers Association of BC),</i>	<i>Glenn Temes (The Real Estate Foundation of BC),</i>	<i>(The Real Estate Institute of BC),</i>
<i>John Bower (Professional Association of Managing Agents),</i>	<i>Shirlee Middleton (REBGV),</i>	<i>Kevin Thom (Strata Property Agents of BC),</i>	<i>Tim Pringle (The Real Estate Foundation of BC),</i>
<i>Paul Cowhig (FVREB),</i>	<i>David Moore (UBC),</i>	<i>Bob Wallace (REBGV),</i>	<i>Caroline Tanner (Real Estate Council of BC)</i>
<i>Robert Fawcett (Real Estate Council of BC),</i>	<i>Chris Stanley (Institute of Real Estate Management),</i>	<i>Judi Whyte (The Real Estate Institute of BC),</i>	<b>Staff:</b> <i>June Piry</i>
<i>Phil Hall (The Canadian Land Centre),</i>	<i>Rob Stevens, Real Estate Errors and Omissions</i>	<i>Roger Williams (Professional Association of Managing Agents)</i>	

The Education Action Team (EAT) was formed in February 2002 to investigate whether a new model of education could deliver real estate education more efficiently and cost effectively on a province-wide basis. Representatives from a wide cross-section of the industry were invited to participate in this project.

Specialists in education modeling were hired to conduct the education assessment and recommend a new model for the development and delivery of real estate education. The consultants' report was presented to the Education Action Team and BCREA's Board of Directors in May 2002. In their report, the consultants concluded that many issues need to be resolved before a new real estate education model could be recommended. As a result of the consultants' recommendations, three specific issues to be resolved were identified:

1. What education/training should be required for entry into the BC real estate industry today, and how should it be organized and provided to be cost effective? (e.g., admission/entry requirements, content, emphasis, delivery)
2. Who should develop, and who should deliver, continuing professional education so that it will be of high quality and cost effective?
3. How can real estate education/training resources, information and databases be pooled cost effectively, shared and made broadly available within the industry?



*EAT Chair Barry Brown-John and consultants Marvin Lamoureux and Paul Gallagher, BCREA Board of Directors' meeting, May 2002*

During the winter, three issue groups met to discuss resolutions to each of the three issues. The results of these meetings will be published in the consultants' final report in April 2003.

BCREA thanks The Real Estate Foundation of BC for its support of this important industry initiative and, in particular, for the grants provided, the Real Estate Institute of BC for administering Phase II of this project on behalf of the Education Action Team, and the Real Estate Council and the Real Estate Board of Greater Vancouver for providing meeting rooms and refreshments. A special thanks is given to the following stakeholders who made financial or other contributions:

Real Estate Council of BC	\$2,400
Real Estate Errors and Omissions Insurance Corporation	2,000
Real Estate Division, UBC	2,400
The Canadian Land Centre	200
Barry Brown-John (one day's consulting fee)	350

# Communications

*Dick Coates, Chair*

*Dennis Wilson (Ex Officio)*

*Staff: Kimberly Mason,  
Norma Miller,  
Steve Olmstead*

Communications figures prominently in the 2002-05 Long-Range Plan. The Board of Directors recognized the key role this program area plays in all aspects of the Association's mandate, and allocated the resources necessary to accomplish the following strategic goals for 2002-03:

- > Communicate BCREA's activities and accomplishments to member boards and REALTORS in its key program areas of government relations, education, communications and member relations.
- > Improve two-way communication with members.
- > Enhance the professional image of REALTORS in the media.
- > Position BCREA as the leading source of guidance on provincial real estate issues.
- > Inform potential licensees of the benefits of membership in organized real estate.

## **BC Communications Group**

The Communications Advisory Committee was dissolved in 2002-03 in favour of the BC Communications Group, which consists of one staff representative from each member board, one representative from CREA, BCREA Communications Chair Dick Coates and BCREA staff members. This informal group meets monthly by conference call to discuss communications-related issues.

This year, the BC Communications Group has proven instrumental in distributing information about the reform of the *Real Estate Act*.

## **New Corporate Identity**

To reflect BCREA's renewed vision, the Board of Directors adopted a new logo, which will be used on all communications material.

The new logo retains the core elements of mountains, buildings and water, presenting them in an updated, modern way. The flowing lines imply a body of water, suggest motion and add dynamic direction. These wave elements can also be read as plow furrows in an undulating hill; the buildings symbolize the various residential and commercial development sectors.



## **Publications**

In January 2003, the Association expanded its communications strategy to include print newsletters for the first time since 1999. Thanks to the distribution network of the member boards, the *Bulletin* and *Legally Speaking* are delivered to real estate offices monthly, and are also available online through opt-in e-mail lists on REALTOR Link™.

BCREA once again distributed its popular “Who to Call” brochure, which concisely summarizes the services available to REALTORS. The brochure was distributed by BCREA to all real estate offices.

Through increasingly strong media relations, President Dennis Wilson and other BCREA representatives appeared in newspaper articles and on television and radio newscasts 17 times in 2002-03. Among the topics covered in the media were the election of President Dennis Wilson, features on *The Condominium Manual* and record provincial MLS® sales in 2002 of over \$19 billion.

#### **Banff Western Connection V**

This conference, jointly hosted and planned by the Alberta, British Columbia, Manitoba and Saskatchewan real estate associations, continues to get bigger and better.

Held in January 2003, the Banff Western Connection V set new attendance records with 327 delegates for the Leadership session and 467 delegates for the REALTOR conference. Highlights included an opening address by Canadian commentator Rex Murphy, a panel discussion on threshold rights and hands-on technology sessions.



*President Dennis Wilson and wife Margaret, Banff Western Connection V*

# Government Relations

## Legislative Task Force

*Liz Tutt, BCREA Past  
President, Chair*

*Dennis Wilson  
(Ex Officio),  
Janet Cunningham  
(REBGV),  
Steve Nicoll (OMREB),  
Paul Penner (FVREB),*

*Patrick Skillings (VREB),  
Jim Stewart (VIREB),  
Mary Sutherland  
(REBGV),  
Gerry Thiessen (BCNREB),  
Trish Widdershoven  
(VIREB),  
Barb Wightman (FVREB)*

**Observers:**  
*Roger Cheng (The Real  
Estate Institute of BC),  
Maureen Enser (Urban  
Development Institute),  
Robert Fawcett (Real Estate  
Council of BC),  
Teresa Murphy (REBGV),  
Rob Stevens (Real Estate*

*Errors and Omissions  
Insurance Corporation)*

**Staff:**  
*Robert Laing,  
Kim Mason,  
Norma Miller,  
Steve Olmstead*

The Legislative Task Force (LTF) is the focus of BCREA's efforts to develop and maintain a proactive government relations program. The LTF identifies government initiatives and legislative and regulatory developments that will impact the real estate profession or the public's use and enjoyment of real estate, and directs BCREA's lobbying activities on these matters.

The LTF is mandated by the BCREA Board of Directors to meet the following strategic goals:

- > To be recognized by the provincial government, media and the public as the professionals behind one of the key sectors driving the provincial economy.
- > To be recognized as the primary source of guidance and representative viewpoint with respect to all real estate-related legislation and policy proposals.
- > To bring the voice of real estate to the provincial government.
- > To promote a principled and rational approach to protecting, preserving, and enhancing BC's environment.
- > To communicate the Association's position on property rights issues.

### TASK FORCES, SUB-COMMITTEES AND OTHER ORGANIZATIONS

The LTF was represented by Mary Sutherland on the *Streamside Protection Regulation (SPR) Working Group*, made up of government and industry representatives. When the work of this committee was completed, BCREA, Urban Development Institute and other real estate organizations lobbied the government to move from a set-back approach to a science-based approach to protecting fish habitats. We believe this effort has been successful and expect a promising announcement to that effect in 2003.

BCREA's LTF was also represented on the business task force reviewing and recommending changes to the proposed *Community Charter*. The current *Local Government Act* gives specific powers to municipalities, but also limits those powers to ensure balance and protect business interests. The proposed *Community Charter* has given extremely broad powers to municipalities, and substantially removes the limits without creating general protections to offset the broad powers.

BCREA continues to be concerned about the powers being given to local governments and will closely examine the legislation as it is introduced.

## BRIEFS AND SUBMISSIONS TO THE PROVINCIAL GOVERNMENT

### Government Liaison (GL) Days 2002

GL Days returned in 2002 after being cancelled in 2001 due to the provincial election. The two-day event brings together REALTORS from across the province to lobby MLAs on issues of importance to the real estate industry. During the 2002 event, strong submissions were made on two issues:

- > BC Assessment bulk name data – The profession has been without the bulk name data, information that is required to ensure the accuracy and efficiency of real estate transactions, since December 2000. BCREA recommended a legislative change to the *Assessment Act* allowing for the name data to once again be made available to BCREA. Stan Hagen, the minister responsible for the *Assessment Act*, has requested that such an amendment be put on the legislative agenda for 2003. However, the Privacy Commissioner is not expected to support such an amendment.
- > Balancing the needs of society with the rights of property owners – BCREA stated its concerns that buyers are often unaware of use restrictions on properties they consider for purchase, and the impact on existing owners when new legislation adversely affects the values of their properties. Several general recommendations were made as well as recommendations on current legislation. Government action on many of the recommendations has begun.



Liz Tutt and Premier Gordon Campbell, Government Liaison Days 2002

### Government Liaison Days 2003: *Real Estate Act Reform – One Profession, One Voice*

During the summer of 2002, the provincial government advised BCREA that it was looking to introduce legislation reforming the *Real Estate Act*. The *Real Estate Act* has not been significantly revised since it was introduced some 45 years ago. This is remarkable given the changes in the business of real estate and the Act's role as the single most important piece of legislation affecting working REALTORS in BC.



Therefore, the LTF focused on drafting a new Act for the government's consideration – a project that will not be completed until 2004. Operating under the theme of One Profession, One Voice, 63 face-to-face meetings with over 1,600 REALTORS took place, facilitated by the BCREA government relations department and members of the LTF, to ensure the profession's wishes were reflected in the submission to government.

The submission will consist of a brief, including BCREA's response to the government's discussion paper released March 14, 2003, and draft legislation to replace the current *Real Estate Act*.

The LTF has made the reform of the *Real Estate Act* the only issue to be discussed at GL Days April 7-8, 2003.

### Pre-Budget Submission 2003

The annual pre-budget submission was prepared under the direction of the LTF and contained recommendations dealing with affordable housing, the need to put limits on development cost charges and the elimination or phasing out of the Property Transfer Tax.

**Private Sector Privacy Submission**

In anticipation of a new provincial statute dealing with private sector legislation, a submission was presented stressing BCREA’s recommendations that such legislation be easy to understand and implement, and as REALTOR-friendly as possible in terms of cost and administration.

**VICTORIA MEETINGS**

Each month that the Legislature was in session, visits were made to Victoria for one or two days to meet with government bureaucrats, associated organizations, MLAs and cabinet ministers. These meetings allowed BCREA representatives to verbally present the profession’s positions on issues, thereby reinforcing written submissions. Over the last year, BCREA conducted over 60 meetings in Victoria. This is one of the best ways to understand the government’s philosophies and how those philosophies are translated into policy and legislation.

# Finance and Systems

**Audit Committee**

<i>Don Selby, Chair (David Herman, BCREA Vice President and Acting Chair)</i>	<i>Dennis Wilson (Ex Officio)</i>	<i>Dave Barclay (BCNREB), Gordon Maroney (FVREB)</i>	<b>Staff:</b> <i>Borg Jorgensen, Robert Laing</i>
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The Audit Committee met twice with BDO Dunwoody, the Association’s external auditor, to evaluate the prior year’s recommendations and to review the 2002 audited statements.

The functions of the committee are, at a minimum, to:

- > review the annual financial statements before presentation to BCREA’s Board of Directors and members boards at the Annual Meeting;
- > if requested, or if the committee deems appropriate, meet with the auditors when matters of concern are raised that should be reported to the Board of Directors or member boards; and
- > ensure the activities and business practices followed by management are in compliance with the Association’s policies.

The committee can report that an unqualified audited report has been received from BDO Dunwoody.

# Audited Financial Statements (Excerpt)

This excerpt from BCREA's 2002 Audited Financial Statements includes the Statement of Financial Position and the Statement of Operations and Changes in Fund Balances. The complete 2002 Audited Financial Statements are available on BCREA's REALTOR Link™ homepage or by contacting the BCREA office by phone at 604-683-7702.

## British Columbia Real Estate Association

## Statement of Financial Position

December 31	Operating Fund	Capital Fund	Applied Course Fund	2002	2001
<b>Current Assets</b>					
Cash (Note 1)	\$ 564,827	\$ -	\$ 52,135	\$ 616,962	\$ 489,250
Accounts receivable	58,368	-	-	58,368	61,489
Dues from (to) other funds	(129,434)	-	129,434	-	-
Grants receivable	77,653	-	-	77,653	24,959
Prepaid expenses and supplies	53,098	-	-	53,098	29,566
Investment at cost (Note 2)	349,518	-	-	349,518	345,167
	974,030	-	181,569	1,155,599	950,431
<b>Capital assets (Note 3)</b>	-	72,575	-	72,575	40,414
	\$ 974,030	\$ 72,575	\$ 181,569	\$ 1,228,174	\$ 990,845
<b>Current Liabilities</b>					
Accounts payable	\$ 333,000	\$ -	\$ -	\$ 333,000	\$ 40,286
Western Province Conference deferred revenue	-	-	-	-	50,171
Deferred revenue	12,034	-	63,000	75,034	10,875
	345,034	-	63,000	408,034	101,332
<b>Contingency reserve</b>	-	-	6,203	6,203	6,203
<b>Tenant improvement reserve (Note 4)</b>	113,467	-	-	113,467	160,000
	113,467	-	6,203	119,670	166,203
<b>Fund balances</b>					
Operating	515,529	-	-	515,529	682,896
Equity in capital assets	-	72,575	-	72,575	40,414
Applied course fund	-	-	112,366	112,366	-
	515,529	72,575	112,366	700,470	723,310
	\$ 974,030	\$ 72,575	\$ 181,569	\$ 1,228,174	\$ 990,845

## Statement of Operations and Changes in Fund Balances

December 31	Operating Fund	Capital Fund	Applied Course Fund	2002	2001
<b>Revenue</b>					
Members' assessments	\$ 1,032,398	\$ -	\$ -	\$ 1,032,398	\$1,044,005
Members' initiation fees	76,950	-	-	76,950	41,400
Other income	13,972	-	-	13,972	23,390
Leadership receipts	41,240	-	-	41,240	-
Course fees	-	-	384,631	384,631	199,809
Interest income	16,524	-	607	17,131	38,857
Continuing professional education					
- fees	92,670	-	-	92,670	74,324
- grants	165,422	-	-	164,422	129,601
- Condominium manual sales	105,931	-	-	105,931	-
Long distance share group	82,321	-	-	82,321	82,785
	<b>1,627,428</b>	<b>-</b>	<b>385,238</b>	<b>2,012,666</b>	<b>1,634,171</b>
<b>Expenses</b>					
Leadership expenses	39,968	-	-	39,968	-
Continuing professional education					
- costs	20,812	-	-	20,812	35,323
- grants	165,422	-	-	165,422	129,601
- Condominium manual costs	56,947	-	-	56,947	-
Committee (Schedule 1)	87,548	-	-	87,548	79,866
Directorate and other (Schedule 2)	277,297	-	-	277,297	311,954
Administrative (Schedule 3)	1,123,678	-	-	1,123,678	920,396
Amortization	-	39,688	-	39,688	43,044
Applied course (Schedule 4)	-	-	270,679	270,679	299,749
	<b>1,771,679</b>	<b>39,688</b>	<b>270,679</b>	<b>2,082,039</b>	<b>1,749,933</b>
<b>Excess (deficiency) of revenue over expenses for the year</b>	<b>(144,244)</b>	<b>(39,688)</b>	<b>114,559</b>	<b>(69,373)</b>	<b>(115,762)</b>
<b>Fund balances, beginning of year</b>	<b>682,896</b>	<b>40,414</b>	<b>-</b>	<b>723,310</b>	<b>843,114</b>
<b>Interfund and reserve transfers</b>					
Transfers to capital fund	(69,656)	71,849	(2,193)	-	-
Utilization of tenant improvement reserve (Note 4)	46,533	-	-	46,533	-
Transfer from applied course contingency reserve (Note 4)	-	-	-	-	27,958
Transfer to tenant improvement reserve (Note 4)	-	-	-	-	(32,000)
	<b>\$ 515,529</b>	<b>\$ 72,575</b>	<b>\$ 112,366</b>	<b>\$ 700,470</b>	<b>\$ 723,310</b>

# Member Boards

<b>Board</b>	<b>President</b>	<b>Executive Officer</b>	<b>Number of Members</b>	<b>Total Value of 2002 MLS® Transactions</b>
BC Northern Real Estate Board	Carol Barry	Dorothy Friesen FRI(E), RI (BC), CAE	313	\$344,142,710
Chilliwack and District Real Estate Board	Ian Meissner	Sharon Labiuk	181	\$336,592,189
Fraser Valley Real Estate Board	Patti Flostrand	Ken MacKenzie CAE, FRI, RI (BC)	1,818	\$3,257,828,667
Kamloops & District Real Estate Association	Peter Oswell	Cathy Boer (Office Manager)	165	\$268,812,554
Kootenay Real Estate Board	Scott Veitch	Irene Cook (Manager)	249	\$295,316,096
Northern Lights Real Estate Board	Lloyd Smith	Marie Chilton	20	\$27,358,012
Okanagan Mainline Real Estate Board	Ann Petrone	Janice Myers (Executive Director)	724	\$1,157,007,354
Powell River Sunshine Coast Real Estate Board	Joe Mastrodonato	Geri Powell (Board Administrator)	25	\$33,274,460
Real Estate Board of Greater Vancouver	Stephanie Corcoran	Bob Wallace	6,711	\$10,250,050,917
South Okanagan Real Estate Board	Janice Barclay	Maureen Taylor	189	\$253,711,185
Vancouver Island Real Estate Board	Susan McGougan	Bill Benoit	693	\$1,127,567,138
Victoria Real Estate Board	Allan Trelford	Glenn Terrell	934	\$1,701,561,632



BRITISH COLUMBIA  
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ASSOCIATION

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