



BCrea

British Columbia
Real Estate Association

ANNUAL REPORT | 2018–2019

BCREA Board of Directors

To our 2018-2019 Board of Directors, thank you for your dedication, guidance and tireless service to BCREA.

Over the past year, the Board of Directors steered BCREA through considerable internal and industry change. In addition to serving on the board, they also served on numerous committees essential to the success of BCREA. Our achievements over the past year would not have been possible without the dedication and tenacity of our Board of Directors.

To Past President Jim Stewart, thank you for your many years of service and commitment to BCREA; your countless contributions are deeply appreciated.

To outgoing President James Palanio, thank you for your steadfast leadership during the many changes we faced this year, and for your ongoing commitment to BCREA.

To incoming President Michael Trites, we look forward to the year to come under your leadership, and the continued experience and dedication you bring to BCREA.

We would also like to thank the volunteers who donate their time and expertise to our operational committees. These committees are made up of member board staff and leadership, licensees and external experts who are essential to the delivery of our core services.



Past President Jim Stewart



President Elect Michael Trites



Anthony Bastiaanssen



Ray Harris



Dan Morrison



Cory Raven

OFFICERS

REALTOR® DIRECTORS

* Kyle Hislop not pictured



Katherine Rutherford

PUBLIC DIRECTORS



Kam Raman



Mark Sakai



Message from the President & CEO

This past year will be remembered as one to be proud of at the British Columbia Real Estate Association.

We faced a 38 per cent budget cut, a move to more cost-efficient offices, significant changes to our staffing structure at all levels, and a complete rebranding during a time of huge industry change. Through it all, we were guided by a renewed commitment to our values: member board vitality, REALTOR® success and professionalism, public trust and Quality of Life in our communities.

This commitment has inspired everyone at BCREA—from staff to board members to committee volunteers—to bring more dedication, innovation and determination to their work than ever before. The result has been stronger relationships between BCREA and member boards, REALTORS® and other stakeholders in government and organized real estate.

These relationships will be fundamental to our success in 2019 and beyond. We look forward to continuing to strengthen them through collaboration, transparent communications and an unwavering commitment to getting the job done, no matter what the circumstances.

Finally, we'd like to offer our gratitude to member boards and REALTORS® for their support and trust. We have learned and grown so much both at the staff level and as an association over the last 12 months thanks to their feedback.

This input will remain vital to BCREA successfully fulfilling its mission of empowering real estate boards so REALTORS® are trusted, respected and proud of their profession.

With thanks,

Darlene Hyde
CEO

James Palanio
President

President James Palanio and BCREA Chief Executive Officer Darlene Hyde

Operations

CHIEF OPERATING OFFICER, CORINNE CALDWELL

What were the Operations team's overarching accomplishments this past year?

First and foremost, we hired great people. This infusion of fresh perspectives allowed us to improve how we deliver our core services and better align us with real estate board needs. We also increased engagement with the real estate boards, which has helped pave a clear path to redefining BCREA's role in serving them.

I'm proud to say each department met its targets for 2018! It's exciting to see the amount of cohesiveness and collaboration within and across departments that resulted in this accomplishment.

As a team lead, what team achievement were you most proud of this past year?

It was a big year of change for BCREA—we've been able to go through what would typically paralyze an organization, and instead produce a list of accomplishments that's miles long for each department.

What is one thing you learned this past year that surprised you?

When I took on the role of Chief Operating Officer in 2018, I knew the learning curve was going to be steep and filled with surprises! The amount that I have learned since taking on this role is attributable to my team's willingness to share their extensive range of expertise, and patience with answering my constant flow of questions.

What are the Operations team's top priorities for the coming year?

A key priority is continuing to operationalize and execute our strategic goals. In 2018, the leadership team did a great job aligning their teams' accomplishments with the strategic plan—and I can't wait to see more of this magic happen! Now that we have a greater understanding of the strengths and needs of each team, another priority is embracing more collaboration between departments and with stakeholders to achieve these goals.

We will also continue to take every opportunity to find new ways to strengthen our relationships with the boards. Every board has something to share and is coming up with great ways to connect with their members. We'll continue to share our innovative ideas, and hopefully, the boards will too. While never losing sight that BCREA serves them, this kind of knowledge sharing has the potential to add greater value to the sector and to REALTORS®.

What opportunity are you most excited about in the coming year?

Moving into 2019, we have the opportunity to deliver our core services in an even more impactful way. I'm excited to see what contributions we will make for real estate boards and, by extension, for REALTORS®!



Standard Forms

Standard Forms are an important part of what we do at BCREA. Our biggest accomplishment in 2018 was updating the forms to reflect the many legislative changes that impacted the sector. From the *Real Estate Services Act* Rule changes and legalization of cannabis to the speculation and vacancy tax, the Standard Forms Committee met often to consult on these changes and how the new forms should be rolled out.

BCREA is forever grateful for the time the Standards Form Committee devoted—as they are volunteers—to updating and revising the forms to ensure they are workable for REALTORS® and consumers.

After 18 years of outstanding delivery and support, Fraser Valley Real Estate Board (FVREB) will pass WEBForms® to the Canadian Real Estate Association in 2019. We look forward to supporting the transition and thank FVREB for such a long tenure in enhancing the Canadian real estate sector.

Strategic Plan 2018–2020

Building
our future



GOAL

1

Build/rebuild relationships with member boards and other key stakeholders to drive trust, profile and collaboration.

- ⌘ Improve stakeholder communication and transparency.
- ⌘ Enhance the profile of BCREA among all stakeholders.
- ⌘ Strengthen peer-to-peer relationships (e.g., president to president; director to director).



GOAL

2

Lead a collective voice on advocacy and focus on strategic external relationships to ensure REALTORS® are heard.

- ⌘ Formalize processes and key stakeholder relationships in a long-term advocacy plan.
- ⌘ Use the Quality of Life framework to enhance BCREA's advocacy efforts.
- ⌘ Develop and manage strategic external relationships.
- ⌘ Make provincial advocacy efforts and results visible to REALTORS®.
- ⌘ Work as a team with member boards to reinforce their advocacy efforts and raise the public profile of REALTORS®.



GOAL

3

Support REALTOR® professionalism through a relevant, adaptable approach to education.

- ⌘ Work with member boards to develop a PDP framework that meets member board expectations and REALTOR® needs and drives REALTOR® professionalism.
- ⌘ Using the PDP framework, develop timely and accessible education programming.
- ⌘ Ensure a seamless, productive process to transition mandatory licensing education to the Real Estate Council of British Columbia.



GOAL

4

Deliver core services that enhance the professionalism of REALTORS®.

- ⌘ Through collaboration with member boards, develop and manage core services: Communications, Economics, Education, Government Relations and Standard Forms.
- ⌘ Innovate and streamline delivery of all core services.
- ⌘ Produce valuable economic insights that are accessible and used by member boards, REALTORS® and other stakeholders.
- ⌘ Raise the profile of core services through enhanced communications.

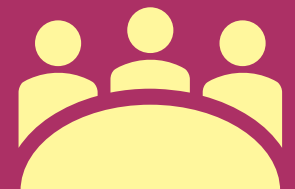


GOAL

5

Deliver excellence through an engaged BCREA staff.

- ⌘ Create an organizational culture built on shared values: respect and trust, collaboration, adaptability and impact.
- ⌘ Prioritize excellent customer service among BCREA staff, with member boards and key stakeholders.



Advocacy

GOVERNMENT RELATIONS MANAGER, NORMA MILLER

What were the Government Relations team's overarching accomplishments this past year?

There are many to choose from as it was an eventful year! An important accomplishment was the Long-Term Advocacy Plan we drafted with the real estate boards. It shows how far we've come over the last year in rebuilding relationships and articulates how we work with the boards for the good of REALTORS®. Another was getting the Minister of Finance to review BC's real estate regulatory structure. We had the opportunity to provide input to the review and the resulting recommendations echoed many of our concerns.

Overall, we built stronger relationships with elected officials, government staff and key stakeholders. Government relations is all about relationships and we invested a lot in that foundation this past year.

As a team lead, what team achievement were you most proud of this past year?

I'm proud of the increased trust and confidence from the boards. It's so important, because we can't be successful at the provincial level without the support of the boards—I can't stress that enough.

What is one thing you learned this past year that surprised you?

Despite all our advocacy efforts and the evidence supporting it, we ended the year with only three REALTORS® on the Council. Of 16 members, I'm shocked that more REALTORS® weren't appointed. In 2019, we're continuing to advocate for a better balance.

What are the Government Relations team's top priorities for the coming year?

A top priority is ironing out issues related to last year's Rule changes. We'll do everything we can to help improve the forms the Council introduced, and work on getting a meaningful response on the negative impacts of the limited dual agency ban. Another is identifying anti-money laundering actions we can take to better support REALTORS®. Our approach is to look at both sides of the coin where we represent the interests of REALTORS® in the government's reviews, while helping REALTORS® bridge gaps in compliance.

We will also contribute to consultations on the new regulatory structure. While we won't have a new structure in 2019, we expect to see steps toward it and will continue to be clear with the Minister of Finance and current regulators that an essential element is a strong REALTOR® voice.

What opportunity are you most excited about in the coming year?

Our team is receiving the gift of fresh perspective in the form of the new Vice President of Government Relations and Stakeholder Engagement, Trevor Hargreaves. This adds depth to our organization, strengthens how we advocate, changes whom we approach and how we build relationships—and, well, shakes things up!



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– Norma Miller
Government Relations Manager

Education

EDUCATION MANAGER, JOANNA PEDERSEN

What were the Education team's overarching accomplishments this past year?

A huge accomplishment was the delivery of Legal Update 2018. Council mandated significant changes to the course and implementing and coordinating these changes with the member boards required a tremendous amount of work for all parties. I'm proud to say the course went on to win the 2018 ARELLO® Education Award for its innovative curriculum design! When it came time to develop Legal Update 2019, we were able to further improve on the course by incorporating lessons learned during the 2018 course development, and feedback from learners and instructors.

Another accomplishment was making substantial revisions and edits to the Applied Practice Course and many of the Professional Development Program courses after the June 15 Rule changes. The team accomplished this quickly and efficiently, and our awesome instructors invested a great deal of time ensuring they were up to speed on the revised material.

As a team lead, what team achievement were you most proud of this past year?

There were many changes in 2018, including changes to staff, leadership and the structure of the association. Expectations of us as a department—what we do, how we do it and with what resources—shifted immensely. I am proud of how adaptive and successful the team was in this fast-changing environment.

What is one thing you learned this past year that surprised you?

I started at BCREA in 2018 and I was surprised—and continue to be—by how fast things change! We have many stakeholders, so we must continually gather feedback to ensure our stakeholders' needs are heard, and to anticipate what's coming next.

What are the Education team's top priorities for the coming year?

Our top and biggest priority for the year is refreshing the Professional Development Program (PDP). It is currently under review and the framework will likely be changing later this year to allow for new and innovative learning opportunities for REALTORS®!

What opportunity are you most excited about in the coming year?

I am very excited about the opportunity to refresh the PDP. A lot has changed in education over the last ten years. We know much more about adult learning and professional development and have access to incredible technology to support and deliver learning. A new framework that will allow for more creativity and innovation, and account for differences in learning preferences, will better position us to meet REALTOR® needs. It's an exciting opportunity that I'm sure will be challenging but incredibly rewarding.



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– Joanna Pedersen
Education Manager

Communications

COMMUNICATIONS MANAGER, APRIL VAN ERT

What were the Communications team's overarching accomplishments this past year?

Seventy-five per cent of our team is new, so I think one of our biggest accomplishments was the amount of learning we all did in such a short time. We also all came on board during a time of unprecedented change for the industry. Riding that learning curve and making meaningful contributions to BCREA at the same time was really rewarding.

While we were all getting to know each other and the challenges facing REALTORS® and member boards, we were also working hard behind the scenes to launch BCREA's new brand. Our fresh new look and feel has been a catalyst to start thinking differently about what BCREA—and communications—can bring to the table in terms of serving BCREA's mission.

As a team lead, what team achievement were you most proud of this past year?

I'm proud of how dedicated my team is to bringing out the best in each other for the benefit of BCREA and the people we serve. Everyone on the team is committed to growing professionally and personally—it's really inspiring. This commitment, combined with the diverse skillsets and talents we all offer, put us in a really good position to have a meaningful impact on BCREA in the coming months and years.

What is one thing you learned this past year that surprised you?

I was surprised by the complexity of the real estate industry and how easy it is to become personally invested in REALTOR® success. Coming into this role, I was unaware of all the complexities around real estate legislation and professional practice. The combination of a complex, fast-changing environment and professionals who are passionate about what they do makes my work really gratifying—and challenging!

What are the Communications team's top priorities for the coming year?

A big priority is the launch of the new BCREA website coming in late spring 2019. BCREA is a content-driven organization, and our current website is holding us back from reaching our full potential. Our new website will showcase all our content, whether written or visual, and be easier to navigate and manage.

Another priority is to amplify the impact of BCREA's core services. This will mean taking the lead in reducing silos and helping connect the dots between core services and our overarching strategic goals.

What opportunity are you most excited about in the coming year?

There's a real willingness for better collaboration and cross-pollination internally among BCREA's core services. This makes for great opportunities to unlock BCREA's value to member boards and REALTORS® in a way that's never been done before. It's an exciting time to be part of BCREA.



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– April van Ert
Communications Manager

Economics

CHIEF ECONOMIST, CAMERON MUIR

What were the Economics team's overarching accomplishments this past year?

Earlier in 2018, we met a Bank of Canada Deputy Governor to discuss the economy and housing market in BC. We also took part in the International Monetary Fund's (IMF) 2018 Article IV consultation with Canada. The IMF is an organization that monitors the economies and housing markets of countries around the world, and we met with their North American team to discuss the economy and housing market in BC. Finally, we delivered on our ongoing commitment to the BC government's Economic Forecast Council and provided forecasting for the government to use in their budget process.

As a team lead, what team achievement were you most proud of this past year?

I am proud of our consistent delivery of timely and relevant economic forecasts and reports that provide value for REALTORS®, consumers and the public.

What is one thing you learned this past year that surprised you?

These Annual Report questions are certainly much different than ever before!

What are the Economics team's top priorities for the coming year?

It will be a transition year in the Economics department, with Brendon moving into the role of Chief Economist and the onboarding of a new economist. Our top priorities will be to ensure a smooth transition over the course of the year, provide support for expanded government relations capacity and continue to deliver first-class economic forecasting and reporting.

What opportunity are you most excited about in the coming year?

It will be exciting to see Brendon take on his new role as Chief Economist and how the department will evolve under his leadership. As always, it will be interesting to see how the BC housing market reacts to economic conditions both in British Columbia and in Canada.



I am proud of our consistent delivery of timely and relevant economic forecasts and reports that provide value for REALTORS®, consumers and the public.

– Cameron Muir
Chief Economist

CORE PURPOSE

We are the voice of BC's REALTORS®. Working with the province's 11 real estate boards, we provide market analysis, standard forms, professional education and advocacy so that REALTORS® are trusted, respected and proud of their profession.

CORE VALUES

- Member board vitality
- REALTOR® success
- REALTOR® professionalism
- Quality of Life
- Public trust

Audited Financial Statements

This excerpt from BCREA's 2018 Audited Financial Statements includes the Statement of Financial Position and the Statement of Operations.

The complete 2018 Audited Financial Statements, including notes, are available on BCREA's public website (bcrea.bc.ca) or by contacting the BCREA office by phone at 604.683.7702.

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31	OPERATING FUND	COUNCIL FUND	2018	2017
Assets				
Current				
Cash	\$ 3,801,903	\$ 353,719	\$ 4,155,622	\$ 4,020,370
Investments	3,238,481	252,137	3,490,618	3,501,153
Restricted cash	168,623	-	168,623	168,623
Accounts receivable	399,768	39,547	439,315	199,008
Due from Banff Western Connection	63,816	-	63,816	11,113
Due from (to) other funds	(164,310)	164,310	-	-
Grants receivable	-	-	-	60,000
Prepaid expenses	143,477	-	143,477	178,250
Total Current Assets	7,651,758	809,713	8,461,471	8,138,517
Capital assets, net	546,820	-	546,820	79,463
Intangible assets, net	502,019	-	502,019	447,107
	\$ 8,700,597	\$ 809,713	\$ 9,510,310	\$ 8,665,087
Liabilities and Net Assets				
Current				
Accounts payable and accrued liabilities	\$ 1,182,143	\$ 30,789	\$ 1,212,932	\$ 1,179,095
Restricted conference funds payable	168,623	-	168,623	168,623
Deferred revenue	119,561	340,975	460,536	195,125
Total Current Liabilities	1,470,327	371,764	1,842,091	1,542,843
Deferred capital contributions	376,667	-	376,667	283,008
Total Liabilities	1,846,994	371,764	2,218,758	1,825,851
Commitments				
Net Assets				
Unrestricted	3,333,407	-	3,333,407	3,306,644
Invested in capital and intangible assets	1,048,841	-	1,048,841	526,573
Internally restricted	2,471,355	-	2,471,355	2,431,355
Externally restricted reserves	-	437,949	437,949	574,664
Total Net Assets	6,853,603	437,949	7,291,552	6,839,236
	\$ 8,700,597	\$ 809,713	\$ 9,510,310	\$ 8,665,087

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31	OPERATING FUND	COUNCIL FUND	2018	2017
Revenue				
Members' assessments	\$ 3,860,702	\$ -	\$ 3,860,702	\$ 5,198,138
Members' initiation fees	1,058,311	-	1,058,311	1,274,595
Course fees	569,485	4,551,850	5,121,335	3,227,140
Other income	463,398	840	464,238	105,933
Event revenue	22,033	-	22,033	-
Investment income, net	45,552	984	46,536	162,931
Grant income	-	-	-	60,000
	6,019,481	4,553,674	10,573,155	10,028,737
Expenses				
Education				
Course development and production	46,343	296,528	342,871	308,121
Salaries, benefits and training	299,124	698,683	997,807	760,665
Cost of sales course material	35,560	47,570	83,130	177,478
Consulting fees	90,651	279,065	369,716	334,333
Travel and meetings	86,897	172,639	259,536	216,672
Revenue-sharing	24,831	12,258	37,089	89,327
Instructor fees and training	1,696	701,854	703,550	415,788
Council administration fees	-	263,000	263,000	52,850
Collaboration platforms	91,500	825,913	917,413	802,596
General department	89,371	976,576	1,065,947	311,075
Communications	471,553	-	471,553	438,633
Government Relations	765,374	-	765,374	556,149
Economics	387,382	-	387,382	360,816
Operations	-	-	-	553,007
Standard Forms	106,912	-	106,912	-
Governance	412,575	-	412,575	578,655
Strategic Plan	-	-	-	145,587
Banff Western Connection, net	24,921	-	24,921	(54,986)
Administration and overhead costs				
Amortization of capital assets	100,392	-	100,392	138,594
Amortization of intangible assets	267,601	-	267,601	263,420
Audit and accounting	30,615	-	30,615	19,115
Salaries, benefits and training	744,079	-	744,079	1,720,200
Rent	172,858	47,523	220,381	237,139
Legal	75,105	-	75,105	60,600
Travel and meetings	73,521	-	73,521	171,655
Other overhead costs	255,158	13,509	268,667	326,848
	4,654,019	4,335,118	8,989,137	8,984,337
Council overhead allocation	355,271	(355,271)	-	-
Excess (deficiency) of revenue over expenses				
before restructuring costs	1,720,733	(136,715)	1,584,018	1,044,400
Restructuring costs	(1,131,702)	-	(1,131,702)	-
Excess (deficiency) of revenue over expenses for the year	\$ 589,031	\$ (136,715)	\$ 452,316	\$ 1,044,400

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