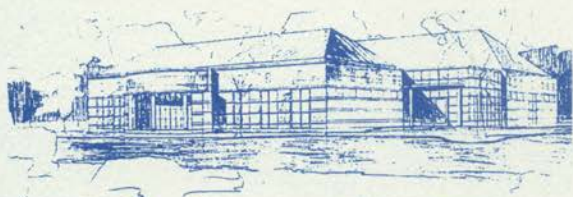


# ANNUAL GENERAL REVIEW 1997



**The London and St. Thomas**

**REAL ESTATE BOARD**

The London and St. Thomas Real Estate Board

# ANNUAL REVIEW

1997

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# AGENDA

## 1998 Annual General Meeting

Paddock Lounge, Western Fair Grounds

Tuesday, March 17, 1998

**Please turn pagers off for the duration of the meeting**

- |            |   |
|------------|---|
| 10:30 AM   | Registration  |
| 11:00 AM   | Call to order<br>Welcome by Nancy McCann, 1998 President  |
| 11:10 AM   | Approval of March 20, 1997 AGM minutes<br>Adoption of 1997 Annual General Review<br>AND audited financial statement<br>AND appointment of Board's 1998<br>auditors and solicitors<br>Remarks of 1997 President<br>Presentation to 1997 President<br>Presentation to 1997 retiring directors<br>Address of 1998 President<br>Remarks of 1997 Marketing Division President<br>Presentation to 1997 Marketing Division President<br>Remarks of 1998 Marketing Division President |
| 11:45 AM   | Other business<br>Cheque presentation to Mission Services<br>Special presentation<br>Introduction of guest speaker, David Higgins, CEO,<br>Real Estate Council of Ontario<br>Thanks to guest speaker  |
| 12:00 Noon | Networking (bar opens)  |
| 12:30 PM   | Grace and toast to Queen<br>Luncheon and adjournment  |

# Minutes

## ANNUAL GENERAL MEETING

*Thursday, March 20, 1997*  
*Paddock Lounge, Western Fair Grounds*

1.) Call to Order and Welcome

Following lunch, 1997 President Vince Bogdanski welcomed Members and called the meeting to order at 1:20 PM.

2.) Introduction of Head Table Guests

Vince introduced the head table and invited guests and asked that 1997 Marketing Division Directors, Past Presidents, Honourary Members and Board staff be recognized.

3.) Approval of Minutes

Prior to approval/adoption of the following items, the President pointed out that all Members, with the exception of Honourary Members, invited guests and Board staff, had the right to vote at Annual General Meetings.

MOTION

that the Minutes of the March 27, 1996 Annual General Meeting be approved.

CARRIED

4.) Adoption of 1996 Annual General Review

MOTION

that the 1996 Annual General Review, which contains the 1996 Committee Reports, be adopted.

CARRIED

*(minutes continued)*

- 5.) Adoption of Audited Financial Statement for the Year Ended December 31, 1996

MOTION

that the Statement of Revenue and Expenditures for the year ended December 31, 1996, as contained in the Annual General Review, be adopted.

CARRIED

- 6.) Appointment of 1997 Board Auditors and Solicitors

MOTION

that Ford, Keast Chartered Accountants continue to be the Board's Auditors for 1997.

CARRIED

MOTION

that the law firms of Berg, Kennedy, Morrissey, Cleaver & Broad AND Mervin Burgard, Q.C. continue to act as the Board's Solicitors for 1997.

CARRIED

- 7.) Remarks of 1996 President

Dennis Broome then gave his Past President's address (a copy is attached in the Minute Book), following which he presented a cheque in the amount of \$4,000.00 to representatives from Mission Services -- bringing the Board's total donation to that organization in at just over \$40,000.00.

- 8.) Presentation to 1996 President

After thanking Dennis Broome for all the time and effort he put

*(minutes continued)*

into his presidency, Vince commented that he himself was just beginning to realize exactly how much time and effort the president actually expends and stated that Dennis had "guided us along the road towards our communal future with intelligence, goodwill and a firm hand on the throttle." Then, on behalf of the membership, he presented Dennis with a plaque, scrapbook and gift (golf club) for a job well done.

9.) Presentation to 1996 Retiring Directors

Vince then asked retiring Directors (as noted below) to come to the podium to receive their Directors' plaques in recognition and appreciation of their efforts during their terms of office.

1996 Past Presidents - Debbie Collins & Peter Hoffman

1994/1995/1996 Director - Ben Kristensen

(Carroll Sturgeon & Costa Pouloupoulos were not in attendance to receive their plaques.)

10.) Address of 1997 President

1997 President Vince Bogdanski addressed the membership (a copy of which may be found in the Minute Book), subsequent to which he called upon 1996 Marketing Division President Richard Haddow to say a few words.

11.) Remarks of the 1996 Marketing Division President

Richard Haddow then stated that his outgoing speech could be found in the Annual Review (on pages 15 to 18) and asked all members to stand, shake hands and congratulate the person beside them for being a REALTOR. Richard commented that he had made many friends in the industry as well meeting many

*(minutes continued)*

dedicated Board members with great visions. He said that 1996 had been a bit of a milestone for him personally (turning 50, having his first grandchild, etc.) and closed by thanking everyone who assisted him throughout the year.

12.) Presentation to 1996 Marketing Division President

Following Richard's remarks, 1997 Marketing Division President Dorothy Howell thanked Richard for all of his hard work during 1996 and, on behalf of the membership, presented him with his President's plaque and token gift of appreciation (travel voucher).

13.) Remarks of 1997 Marketing Division President

Dorothy then gave her incoming President's address (a copy of which is attached in the Minute Book) and, in closing, she stated "We must continue to grow. We can ... and we will ... and we will do it in the best way possible -- by communication, co-operation and by consensus and with the tools that are at our disposal".

14.) Other Business

Presentation of Outstanding Service Awards

Following an outline of their accomplishments and service to organized real estate, Vince stated it was with great pleasure that he recognized two members, who, through their hard work and dedication to the industry, had earned our prestigious Outstanding Service Awards -- namely Bill Warder and Rose Leroux. He advised that unfortunately Bill Warder was not in attendance but called upon Rose Leroux to come forward and

receive her plaque.

Guest - CREA Director-At-Large Kevan O'Connor

Following introductions, the President turned the podium over to Kevan O'Connor who not only brought greetings from CREA but also updated the members on happenings at our Canadian Association.

Kevan then called on membership staff liaison Liana McLachlan to assist him in presenting our 25 year plus members with Certificates of Recognition from CREA.

Vince then thanked Kevan for attending and presented him with a token gift of appreciation.

Guest - OREA Past President Richard Wood

After being introduced, Richard too brought greetings from OREA and updated the members on matters of importance at our Ontario Association.

Richard then advised members that he would be showing OREA's newest video entitled "MLS Interconnectivity" and that he would be pleased to answer questions afterwards.

As there were no questions from the audience after the video, Vince thanked Richard for attending and presented him with a token gift of appreciation.

#### 15.) Adjournment

As no further business was raised, the President declared the meeting adjourned at 2:40 p.m.





## BOARD OF DIRECTORS

Front row (left to right) Gerry Weir, Bill Bickley, Nancy McCann, Dennis Broome, Richard Haddow, Mike Hines. Back row (left to right) Larry Wilcocks, Rick Odegaard, Vince Bogdanski, Glen Gordon, Harry Johnston, Greg Anthony, Dorothy Howell.  
(Missing: Len Fowler.)

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## 1997 BOARD OF DIRECTORS

### PRESIDENT

Vince Bogdanski

### PAST PRESIDENT

Dennis Broome

### VICE-PRESIDENT

Nancy McCann

### SECOND VICE-PRESIDENT

Gerry Weir

### DIRECTORS

Greg Anthony  
Bill Bickley  
Len Fowler  
Glen Gordon  
Richard Haddow  
Michael Hines  
Dorothy Howell  
Harry Johnston  
Rick Odegaard  
Larry Wilcocks



## MARKETING DIVISION BOARD OF DIRECTORS

Front row (from left to right), Victoria Clive, Dorothy Howell, Richard Haddow, Harry Johnston. Back row (from left to right), Paul Gomes, Joe Hough, Dennis Sonier, Mike Carson, Pat Cooper. (Missing from photo: Tom Dampsey, Doris Granger, Ian Paterson and Jim Smith.)

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**1997 MARKETING DIVISION  
BOARD OF DIRECTORS**

**PRESIDENT**

Dorothy Howell

**PAST PRESIDENT**

Richard Haddow

**VICE-PRESIDENT**

Harry Johnston

**SECOND VICE-PRESIDENT**

Pat Cooper

**SECRETARY TREASURER**

Tom Dampsy

**DIRECTORS**

Mike Carson

Victoria Clive

Paul Gomes

Doris Granger

Joe Hough

Ian Patterson

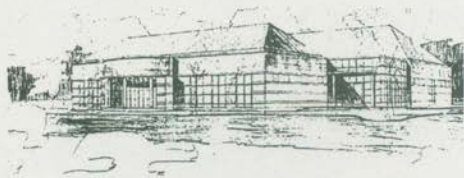
Jim Smith

Dennis Sonier

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## MISSION STATEMENT

The London and St. Thomas Real Estate Board is an association of REALTORS committed to providing its members with the structure and services to ensure a high standard of business practices and ethics so that they might serve effectively the real estate needs of the community.



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## PRESIDENT'S REPORT

I predicted that we would finish up 1997 about the same way we began it, and, as luck would have it, we did. Sales were down 7.4%. However, 6,269 homes exchanged hands in 1997, which compares very favorably with the eight-year average of 5,974. More move-up buyers entered the market in 1997, pushing the average house price up 2.6%.



Vince  
Bogdanski

In fact, move-up buyers dominated the market in May and October and split it with first-time buyers right down the middle in February, July and August, something we haven't seen for many years. Since a healthy, vibrant economy is one characterized by activity in all its sectors, this renewed interest on the part of move-up buyers spells good news for REALTORS and the economy alike. There is another factor which must be taken into consideration when looking at market performance over the past year: the boom in housing starts. 1997 was a phenomenally busy year for builders and, because our MLS® statistics don't reflect those new homes sold by REALTORS as exclusives, our "sales" figures are necessarily skewed.

Canadians have long been fond of observing, "If you don't like the weather, wait five minutes." Well, the same might be said of our industry. Change is constant and, like the Energizer Bunny, it just keeps going on and on and on. Being a REALTOR these days is like

riding a bucking bronco—you've got to hang on tight and ride the brute if you don't want to get thrown. To my way of thinking, one of the best rationales for organized real estate is that it helps mediate and, to a great extent, facilitate change. Our national website, mls.ca, is a great example of just that. CREA saw the writing on the wall and realized that it was in code . . . hypertext markup language to be precise . . . and before most of us even knew we needed a national website, all of our listings were on it. And the same can be said about our local association, which has earned the reputation of being one of the most forward-thinking and proactive boards in Canada.

Our horizons are expanding. Remember when data was like gold and, rather than trade it freely, we tried to hoard it? Those days are long gone. Easy access to more information is better for all REALTORS and artificial and arbitrary barriers in a global economy are not only silly, they're counterproductive. In 1997 LSTREB added to the list of Boards with whom we have access agreements all the Vandat Boards, Huron, Woodstock-Ingersoll and Perth. We also numbered among the very first Boards to sign the OREA Data Sharing Agreement, taking a giant step into a future when provincial access to MLS information will be the norm.

In addition, we tried on a new hat, that of MLS® provider to the Tillsonburg Board. So far the hat fits, thanks to a lot of hard work on Betty and her staff's part. The task was a formidable one, but, now that it has been successfully accomplished, both Boards can count themselves

riding a bucking bronco—you've got to hang on tight and ride the brute if you don't want to get thrown. To my way of thinking, one of the best rationales for organized real estate is that it helps mediate and, to a great extent, facilitate change. Our national website, mls.ca, is a great example of just that. CREA saw the writing on the wall and realized that it was in code . . . hypertext markup language to be precise . . . and before most of us even knew we needed a national website, all of our listings were on it. And the same can be said about our local association, which has earned the reputation of being one of the most forward-thinking and proactive boards in Canada.

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big winners. LSTREB is also in the process of offering various other services to outlying Boards, such as our outstanding Fax-on-Demand system, which got off the ground in 1997, the electronic lock box system and education courses. The London and St. Thomas Real Estate Board is fast becoming a kind of regional hub . . . an evolutionary process from which everyone stands to benefit.

In October the Directors struck a strategic plan which should take us up to the year 2,000. Given the diversity of opinions around the table, not to mention the difference between various Directors' agendas, this planning exercise was among the most grueling I've ever attended. However, after two difficult days we managed to hammer out a blueprint for future growth and development which should stand our organization in good stead in the couple of years to come.

On a more personal note, when I came to Canada as a boy after World War II, it was as a Polish D.P. — a Displaced Person. Well, you know what REALTORS always say the most important thing is : location, location, location. (Appraisers say this too.) Thanks to Canada, I have had the opportunity to work hard and achieve. I am located; I am a placed person, with roots sunk deep in this good Ontario earth. To me, being President of this fine Board represents the pinnacle of all I could have hoped or dreamed for myself as a young boy setting foot on Canadian soil. I worked hard for the privilege, but take the honour no less lightly for that. Thank you for the opportunity to be your President. It means more to me than I can possibly express.

In conclusion, I would like to thank my Board of Directors, the Board staff, and, most particularly, our Executive Officer Betty Doré, whose efficiency and diligence made my job as President far less arduous than it might have been. Finally, I would like to thank my wife Patty, without whose companionship and support, my year as President and, indeed, my life, would have been far less pleasant.

Vince Bogdanski

President

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## MARKETING DIVISION PRESIDENT'S REPORT

Assessing my tenure on the Marketing Division, I find that 1997, my term as President, stands out as the most challenging, illuminating and — yes — gratifying of all the years I have devoted to representing the salesperson members of this Board. When our division and its Board were created, its function was largely

that of a programming committee: we were the group in charge of organizing motivational sessions, educational meetings and tradeshows. We also served on or chaired committees and organized the Children's Christmas Party and other social events. Although we still fulfill that role (and fulfill it very capably indeed!), we have also grown into a well-informed, well-educated group of salespersons and associate brokers in the process, concerned about and involved in the operation of our Board. The result, not surprisingly, has been a shift in outlook and attitude: the Marketing Division has become more political than it was twenty years ago. We view this as a positive development, as a sign of growth.



Dorothy Howell

After discussion and with the consensus of the entire Marketing Division Board of Directors, our first act upon taking office at the beginning of 1997 was to take the pulse of the salespeople we represent, particularly as regards the Voting Structure. We thought it vital that all Members be made aware of the proposed changes to democra-

tize the Voting Structure defeated on the Floor of a Firm Members' Meeting in the summer of 1996 and we needed to know how those we represented felt about the issue. We polled our Membership and held an Information Session and the results clearly indicated that, as far as salespersons were concerned, the matter of equity was still a high priority.

Accordingly, the Marketing Division requested that the Board of Directors reconstitute the Voting Structure Task Force and ask it to review and revise the model sent to the Floor in June 1996 in order to make it more palatable to the entire Membership. Two changes to the model were recommended: direct billing was removed; and, because small brokers were concerned that larger ones would dominate the Board, a proviso was added that 5 out of the 8 Firm Member Directors of the Board must have 12 or fewer employees. The Board of Directors approved the revised model and it will come to the Floor once the appropriate By-Laws are rewritten.

The proposed model does not level the playing field for salespeople. It is not one member-one vote on all issues, but it *does* give salespersons a direct vote for the Board of Directors and the right to serve on the Board of Directors if elected and to stand for higher office. It is a good compromise and, we believe, a win-win solution to a problem which has concerned this organization for too many years. As of 1998, we hope that LSTREB will join all the other real estate boards in Ontario in implementing these important changes. It is time to

move on.

Our first information barbecue at the Board was well-received by those in attendance. We intend to make this an annual event.

As for our Golf Day in Union, it was, as always, both memorable and enjoyable, with many of our Members taking advantage of the opportunity to visit our sister City of St. Thomas and learn a little more about Elgin County's economic development, courtesy, this year, of Past President of the Board of Directors Dennis Broome, at the same time as they get in a good game of golf in very pleasant surroundings.

Our Region One Salesarama was a splendid success this year, featuring speakers of the calibre of Warren Evans, P.J. Wade and comedian David Broadfoot. The theme was *Canadian Real Estate . . . Our Journey Continues*, and the event was attended by over 600 area REALTORS. With over sixty excellent exhibitors, our trade show rivals those of larger organizations, like OREA.

Finally, there was our Children's Christmas party — a million chills, thrills and spills, as always, and a wonderful way to welcome in the holidays.

Along the way we did have some downturns. One of these was the loss of our Staff Liaison Heather Gregg who has moved back to her native Kingston to take up a new and challenging position there. We

thank her for all her hard work on behalf of the Marketing Division and wish her the best. Fortunately she has left her Marketing Division responsibilities in the very capable hands of veteran LSTREB staff member Wendy Murray, whose expertise in special events coordination should come in very handy in the upcoming year.

In closing, I would like to thank my Board of Directors for all their support and hard work. It has not been an easy year, but we have accomplished our goals and have advanced the cause both of our Members and of this Board, for, indeed, those causes are synonymous. I would also like to thank my dear husband, Jim, for his constant love and irreplaceable support. Thank you all, once more, for an amazing year.

Dorothy Howell  
President, Marketing Division

## EXECUTIVE OFFICER'S REPORT

With the exception of getting the Tillsonburg Board on line (a very big job), 1997 has been a year to tie up loose ends and get our corporate house in order. Given the whirlwind of change that has ripped through all of our lives in the last decade, there was a lot of mopping up, catching up and just plain consolidation to do.



E.L. (Betty)  
Doré

On the staff side, our extensive fax-on-demand system swelled to include 350 documents in 1997 and our website at [www.lstreb.com](http://www.lstreb.com) expanded to include over 75 articles of interest to consumers. We upgraded the Board's computers so that we could furnish the Members with services like home page construction, Teraview® and OIS. We also put in a very user-friendly voice mail system which has reduced caller frustration by making it much easier for Members to communicate with staff.

For my part, I served on OREA's Interconnectivity Task Force, which was responsible for developing an Ontario Access Agreement in 1997, as well as its Provincial Access Task Force. I also worked with the other Vandat Boards to develop a Windows-based Broker Load and to investigate possible Intranet applications for future delivery of MLS®.

I also served as a Director for CREA's Association Executives Council. This experience has increased my networking (and brainstorming) opportunities enormously and added immeasurably to my store of knowledge and understanding of current trends and developments in the real estate industry, as has the opportunity to attend important conferences, such as NAR and CREA's annual conference.

The real estate industry stands in the centre of a busy intersection between the past and the future, survival and extinction. You don't have to take my word for it. Every industry expert is singing the same song, sending the same message. The staff of the London and St. Thomas Real Estate Board are committed to ensuring the survival of organized real estate into the twenty-first century. However, this is, first and foremost, a volunteer-driven organization. Our best efforts will not succeed without your cooperation and assistance. Keep moving. Stay alert. Listen. And when you encounter change, embrace it. Change is one enemy you can't afford to make.

E.L. (Betty) Doré, CIM, CAE  
Executive Officer





## BOARD STAFF

Front row (left to right): Melissa Hardy-Trevenna, Lyn Coupland, Connie Calis, Colleen Daniak and Tammie Daigneault. Back row (left to right): Gwen Bodaly, Janice Freeman, Brenda Dubois, Liana McLachlan, Mary McIntyre, Wendy Murray, Corey Coughtrey, Janice Kiernan and Thelma Finch. Missing: Betty Doré.

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## COMMITTEE REPORTS

### ARBITRATION

The mandate of the Arbitration Committee is to arbitrate disputes over commission entitlement between Firm Members.

During 1997 four claims were processed — two were settled at Conciliation meetings, one was ruled as being “outside of the Committee’s jurisdiction” and an Official Hearing was held in respect to the other claim. The Hearing Panel granted the Claimant’s Claim and the Defendant appealed the decision to the Ontario Real Estate Association’s Appeal Panel. OREA upheld the decision handed down by our Panel and kept the Defendant’s \$750 filing fee to defray partially the costs of the Hearing.

#### CHAIRMAN - DAVID ROBY

Bing Anrep  
Bev Bosveld  
Ron Falck  
Lew Lint  
Ruth McNab  
Grant Monteith  
Dick Nywening  
Ray Porter  
Bernie Sheridan

*Staff Liaison - Lyn Coupland*

### BY-LAW

The mandate of the By-Law Committee is to conduct an ongoing review and, when deemed necessary, to revise the By-Law.

#### CHAIRMAN - BILL BICKLEY

Marje Crowder  
Clete Dalton

Michael Hines  
Harry Johnston  
Gilles Rancourt  
Lynda Yungblut

*Staff Liaisons - Betty Doré and Lyn Coupland*

## COMMUNITY RELATIONS

The mandate of the Community Relations Committee is to raise the profile of the Board within the community and to enhance the image of REALTORS through promotional vehicles and community service.

In 1997 the Community Relations Committee continued to provide focussed support in the area of shelter, benefitting Mission Services of London through 50/50 draws, clothing drives, a Christmas donation, the sale of *Homes for Hope*® pins and an OREA Foundation grant. (It is the Committee's responsibility to direct those grants which the OREA Foundation makes available to the Board.) As of the 1997 Annual General Meeting, when a cheque made out year-end to Mission Services will be presented, the Board will have donated a total of over \$50,000 to the charity since the *Homes for Hope*® project was initiated in 1992. To enable LSTREB to continue its support of Mission Services, a new fundraiser was organized in 1997 — the *Homes for Hope*® Funspiel. The first bonspiel, which is open to the public, will be held in January 1998 and it is hoped that this event can be repeated annually.

Area women's shelters Women's Community House and Violence Against Women Services Elgin County received OREA Foundation Grants of \$1,000 and \$500 respectively and Christmas donations of \$500 each. Stevenson Children's Camp received a \$500 OREA Foundation Grant and a \$500 Christmas donation.

In addition, the Board made donations or participated in fundraising for the London Area Food Bank, Fanshawe Pioneer Village, Crimestoppers, the E.A.G.L.E. Awards Program, Junior Achievement, the Brain Tumor Foundation, the Rotary Auction and the Corporate Challenge (both of which raise money for a number of

charities), as well as cultural institutions Orchestra London and the Grand Theatre. In addition, it made a \$1,000 donation to the Elgin County Fire Safety House, a mobile unit used to teach both children and adults principles of fire safety.

The Board's Homerunners raised over \$3,375 for the area's teaching hospitals in the 1997 Labatt's 24-Hour Blue Light Relay and Committee Members were able to donate \$2,315 to the OREA Foundation raised through the Silent Auction held at Salesarama.

The 1997 Community Service Award was given to Carol Barnard, for her ongoing and enthusiastic support of the Board's charitable endeavours and, for the first time, to an office, Re/Max Centre City, which has raised over \$30,000 for the Western Ontario Children's Hospital over the past six years.

As of 1998, the Community Relations Committee will no longer exist, not because there is no longer a need for its services, but, rather, because it has done such a good job over the past years in establishing a balanced donation schedule that the routine work connected with charitable giving can be administered by staff. Instead, an advisory group has been established to deal with the designation of beneficiaries of OREA Foundation Grants, the awarding of the Community Service Award and any matters with similarly undetermined outcomes.

#### CHAIRMAN - SUSAN NICKLE

Pat Broome  
Shari Fulmer  
Dana Garrett  
Glen Gordon  
Jim McFadden  
Douglas Paul  
Jim Smith  
Barbara Zurek

*Staff Liaison: Melissa Hardy-Trevenna*

## COMPUTER

The mandate of the Computer Committee is to monitor the Board's MLS® computer programs and their usage, recommend to the Directors any additions, deletions or changes deemed appropriate and to make recommendations regarding hardware, software and computer education.

After deliberation the Committee recommended to the Directors that the Board enter into a subscription agreement with Teranet. To deal with the volume of traffic, it also increased the number of phone lines coming into the computer by five and changed the policy regarding the expired listing archive, which will now hold up to five years' of expired listings rather than two, as previously.

The Committee also organized and held the annual Computer Fair, which, unfortunately, was not as well attended in 1997 as in previous years, and manned a booth at Salesarama in order to demonstrate WinIDS 2.5. It is currently in the process of testing the next version of this program, WinIDS 3.0, for 1998 release and has recommended to the Directors that listing forms be computerized, *via* a windows-based listing load.

In 1998, as part of a restructuring process mandated by the Board of Directors in their 1997 Strategic Plan, the Computer Committee and the MLS® Committee will be merged to form the MLS® Systems Committee.

### CHAIRMAN - STEPHEN ORD

John Dunbar  
Ken Harper  
Joe Hough  
Jim Straughan

*Staff Liaison: Tammie Daigneault*

## DISCIPLINE

The mandate of the Discipline Committee is to act as judge and jury in cases of alleged violations of the Code of Ethics, Standards of Business Practice, MLS® Rules & Regulations, the By-Law and Policies and, based on the evidence presented at a Hearing, to render a finding of guilty or innocent. The Discipline Committee deals with complaints referred to it from the Professional Standards Committees. If a Respondent is found guilty, the Discipline Hearing Panel imposes appropriate disciplinary action.

Five Hearings were held in 1997 (with two more scheduled for early in 1998), which is a decrease of 46% from 1996. Out of the five Hearings, the Respondents in three cases were found guilty as charged and the other two were found not guilty. Penalties ranged from a reprimand — to a \$250 fine — to the retaking of the Real Property Law Course with an accompanying fine of \$4,000.

## CHAIRMEN - BETTY MALLETTE AND WARREN SHANTZ

Paula Bodkin  
Bill Bouris  
Yvonne Collyer  
Pat Cooper  
Tom Dampsy  
Joe Melnick  
Helen Miller  
Harry Mohaupt  
John Sandor

*Staff Liaison - Lyn Coupland*

## EDUCATION

The Education Committee's mandate is to facilitate professional development through seminars and resource acquisition.

The Committee offered 9 seminars throughout the year, which included:

- Environmental Solutions;
- Professional Standards for Realtors;
- Attitude for Profit;
- CMHC Seminar;
- Teraview Townhall;
- Fundamentals of Commercial Real Estate Investment Analysis (2 separate sessions);
- Effective Salesperson Business Planning; and
- Sale of New Condominium Units.

Computer courses continue to be offered through Productivity Point at substantially reduced prices (which are also available to members of the Tillsonburg Board now that their MLS® is provided through LSTREB). These are offered in a Level I and Level II format and include:

- Windows 3.1 and Windows 95;
- Word 6.0;
- Internet training;
- Top Producer;
- Excel 5.0; and
- WordPerfect 6.0.

Given that there is less hands-on work for the Education Committee than previously, it has been dissolved as part of a general governance restructuring mandated by the 1997 Strategic Plan. Beginning in 1998, its discretionary functions will be taken over by a Training/Education Advisory Group.

#### CHAIRMAN - PAT POPE

Mike Carson

Jim Gill

Paul Gomes

Dana Herbert

Sharon McMillan

*Staff Liaison: Liana McLachlan*

## EXECUTIVE

The mandate of the Executive Committee is to act on urgent matters on behalf of the Board of Directors; to examine and review the policies of the Board and recommend to the Directors any additions, deletions or changes, to conduct the performance review of the Executive Officer and make other recommendations for approval; and to perform such other duties as the Directors may delegate.

### CHAIRMAN - VINCE BOGDANSKI

Dennis Broome  
Dorothy Howell  
Nancy McCann  
Gerry Weir

*Staff Liaisons: Betty Doré and Lyn Coupland*

## FINANCE

Please refer to page 46 for the Finance Committee Report.

## IC&I

The mandate of the IC&I Committee is to investigate and recommend ways of assisting REALTORS specializing in the sale of industrial, commercial and investment properties in terms of professional development and in the actual conducting of their business.

The Committee is presently working on changing the way commercial leases are reported in order to make them more useful to IC&I practitioners. Still pending is a determination of how information might be stored permanently in the database as opposed to temporarily on the printed notice sheet.

Two of the items discussed in 1997 and budgeted for in 1998 were to have the on-line changed to allow searches by square foot and to tighten up the price search to accomodate leases, i.e. 4.00 to 10.00 — presently the search goes as high as \$9,999.



The Committee also invited a representative of the Ontario Investment Service down to demonstrate the updated version of that interactive, on-line service and discussed the possibility of FTPing data and pictures to its database, pending the Hamilton's success at that endeavour.

#### CHAIRMAN - KEVIN MACDOUGALL

Greg Anthony  
Richard Haddow  
Randy Hanke  
Mike Jakupi  
Michael Morrish  
Rick Odegaard  
Ian Paterson

*Staff Liaison: Tammie Daigneault*

#### MEMBER SERVICES

The mandate of the Member Services Committee is to investigate ways of making Board membership value-added through volume discounts or any other means at its disposal.

The 1997 Committee reviewed and established a policy that a floral arrangement be sent to new Firm Members upon the approval of their membership application.

In addition, the Committee investigated the possibility of the Board's participation in a value-added membership card program which would not only provide Members with a top quality Membership card but also access to many discounted services and products. A Discount Card Task Force has been struck in order to continue their investigation in 1998.

Applications for LSTREB's third annual scholarships were received and Ethan Adeland and Jennifer Rossini awarded the \$750 bursaries.

In accordance with governance restructuring mandated by the Directors in their 1997 Strategic Plan, the Member Services Committee

will not be filled in 1998 and its work will be carried on by appropriate advisory groups and task forces.

**CHAIRMAN - SANDY KRUEGER**

Carol Barnard

Victoria Clive

Lorraine Cornelius

Jill Fowler

Libby Seabrook

Ken Tupholme

*Staff Liaison: Liana McLachlan*

**MLS®**

The mandate of the MLS® Committee is to oversee the operation of the MLS® and the business arising from it, such as negotiating appropriate contracts.

The Committee altered the picture replacement policy, setting the fee at \$20, if the Board's photographer takes the photograph, and \$5 if the Member provides it. It also separated the listing forms into 2 parts so that the data input page can be generic (no Board specified by name) and distinct from the contract page.

Finally, the Committee investigated a consumer catalogue, which it then recommended to the Directors. The catalogue project will be implemented in 1998.

In 1998, as part of a restructuring process mandated by the Board of Directors in their 1997 Strategic Planning, the MLS® and the Computer Committees will be merged to form the MLS® Systems Committee.

**CHAIRMAN - DOROTHY HOWELL**

Pat Cooper

Len Fowler

Helen Miller

Alton Ross  
Helen Tomlinson  
Larry Wilcocks

*Staff Liaison: Tammie Daigneault*

## NOMINATION

The Nomination Committee meets for the purpose of developing a slate of officers upon which the Firm Members might vote, as was done in the Autumn of 1997.

### CHAIRMAN - DENNIS BROOME

Pat Batticuore  
Vince Bogdanski  
Debbie Collins  
Peter Hoffman  
Dennis Oliver  
Joe Pinheiro  
Ron Rossini

*Staff Liaisons - Betty Doré and Lyn Coupland*

## ORIENTATION COMMITTEE

The function of the Orientation Committee is to develop and deliver a comprehensive orientation to new members. New members are introduced to the policies and procedures of the Board and to a review of the CREA Code of Ethics and Standards of Business Practice.

The Committee held seven Orientation sessions in 1997, attended by 160 members. It also undertook a revision of the program with a view towards incorporating a self-running presentation into the session. Work on this will be continued in 1998 by Orientation instructors. In accordance with governance restructuring mandated by the Directors' 1997 Strategic Plan, the Orientation Committee, *per se*, will cease to exist as of 1998 and its functions will be taken over by designated Orientation instructors instead.

## CHAIRMAN - COSTA POULOPOULOS

Pat Broome  
Dana Herbert  
Gerald Luska  
Pat Pope  
Steve Parker  
Jim Smith  
Carroll Sturgeon

*Staff Liaison: Liana McLachlan*

## POLITICAL ACTION

The mandate of the Political Action Committee is to maintain an active and open channel of grass roots communication with our MPs and MPPs concerning REALTOR and REALTOR-impacting issues. These are defined as issues that have far-reaching impact on members of organized real estate and which have significant negative or positive impact on a sizeable group of members. PAC must also seek to enhance awareness of and build support for OREA and CREA positions within the Board and the community. Working in tandem with OREA PAC and CREA PAC, it is empowered to advise the Directors on political affairs on the provincial and national level. On the local level it may advise the Directors concerning municipal matters.

The Committee regularly hears reports from Members of the Committee who sit on the London Housing Advisory Council and the Chamber of Commerce's Municipal Affairs Committee. The activities of the St. Thomas City Council are also reported on.

This year the Committee continued the National Debt Reduction Campaign begun in 1995 and strove to drive home the message to area politicians at the local, provincial and federal level that cutting expenditures was preferable to raising taxes.

PAC Chair Nancy McCann attended both CREA and OREA PAC Days, accompanied by Board staff. CREA issues included the proposed

Seniors Benefit, residential mortgage prepayment and GST/PST harmonization. These issues were discussed with federal candidates and their positions determined through a questionnaire. OREA issues included REBBA reform, deficit reduction and the reform of the Occupational Health and Safety Act. Constituency visits were set up with those MPs and MPPs who were unavailable during PAC Days.

In August the Chair presented OREA's position on Bill 96, which deals with residential tenancies, to a government commission. Later, she presented CREA's pre-budget submission to area MPs and the Committee lobbied MPs regarding giving consumers improved disclosure of mortgage prepayments as well as allowing RRSP funds to be invested in commercial real estate.

The Committee also reviewed a report on downtown revitalization sent to it by the Mayor's Downtown Action Team and published a Letter to the Editor of the London Free Press about the City's need to invest in infrastructure.

#### CHAIRMAN - NANCY MCCANN

Mike Carson

Douglas Cassan

Bob Eaton

Peter Kalogirou

Marg Petznick

Dennis Sonier

Richard Thyssen

*Staff Liaison: Melissa Hardy-Trevenna*

#### PROFESSIONAL STANDARDS (1) and (2)

The mandate of the Professional Standards Committees is to examine and investigate the conduct of any member of the Board. This conduct is analyzed against four objective standards. These are:

- the CREA Code of Ethics
- the CREA Standards of Business Practice

- the By-Law of this Board
- the MLS® and other Rules, Regulations and Policies of this Board.

1997 saw a 10% decrease in the number of complaints processed (36 in 1997 versus 40 in 1996).

Upon the advice of the Ontario Real Estate Association and recommendation of the Committees, the Board of Directors approved the passing of a new policy in 1997 and, while the Board still does not advise the Complainant of the original Charges laid, it now does advise the Complainant of the exact section of the Code of Ethics, Standards of Business Practice, by-law or rule or regulation that was breached.

#### PSC (1) CHAIRMAN - SANDY MCGREGOR

Steven Horvath

Joe Hough

Donna Koenen

Peter Loyens

John Simpson

Linda Wilson

#### PSC (2) CHAIRMEN - DOUG WORKMAN/ JENNIFER MURRAY

Dave Bowring

Donna Czach

Ruth Ann Drozd

Marc Guindon

Bill Hyman

Costa Pouloupoulos

*Staff Liaison - Lyn Coupland*

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## TASK FORCE REPORTS

### BUILDER/REALTOR TASK FORCE

The mandate of the Builder/REALTOR Task Force is to forge stronger ties and foster better communication and co-operation between LSTREB and the London Home Builders Association. Representatives from both organizations sit on the task force; only REALTOR Members are listed below.

Presently talks are proceeding at the provincial level between OREA and HBA-Ontario regarding a Builder/REALTOR Council, perhaps based on the British Columbian model. Among its other duties, such a council might administrate some kind of Builder/REALTOR dispute resolution process. The Task Force has volunteered to provide input or to participate in these discussions.

Ideas discussed by the Task Force include advertising support; joint community service projects; and meaningful linkage between the Board and the Builders' Internet sites. Co-op educational projects were also planned. The Builders put together a course for REALTORS on selling new condominiums; this was successfully premiered in December 1997. They are currently working on developing a course on New Homes Construction targeted at REALTORS. For its part, LSTREB is designing a seminar for Builders focussing on Agency, particularly Buyers' Agency, since a number of Builders have experienced complications as a result of customers either not knowing or not acknowledging that they were contractually bound to a Buyer's Agent when they entered into discussions with that Builder.

The wisdom of developing Cooperation Guidelines was discussed and the Builder Members of the Task Force decided to take the recommendation to their association.

### CHAIRMAN - NANCY MCCANN

Peter Hoffman

Elliot Laxer

Chester Pawlowski  
Gerry Weir

*Staff Liaison: Betty Doré and Melissa Hardy-Trevenna*

## **COMMITTEE 2,000+**

The mandate for Committee 2,000+ is to investigate and recommend ways of expanding and enhancing MLS® to the benefit of both REALTORS and their clients and customers.

In 1997 Committee 2,000+ registered the Board's domain as www.lstreb.com, made adjustments to the mapping used on mls.ca, particularly in regard to subdivisions, and had addresses removed from listings displayed on the Internet. They continued to review REILink® reports and to look at Internet alternatives, such as the Toronto Real Estate Board's site, operated by HomeSelect, as well as other pertinent technologies.

Since the purpose of this task force has been largely served by mls.ca, www.lstreb.com and REILink®, it was dissolved at the end of 1997, to be replaced with a task force whose mandate will be to investigate an Intranet for MLS®.

## **CHAIRMAN - LEN FOWLER**

Pat Batticuore  
Bill Bickley  
Harry Johnston  
Rick Odegaard  
Darlene Reidy

*Staff Liaisons: Betty Doré, Melissa Hardy-Trevenna and Tammie Daigneault*

## **ELECTORAL PROCEDURES TASK FORCE**

The mandate of the Electoral Procedures Task Force was to reform the Board's electoral procedures with a view towards ensuring an outcome which is both credible and genuinely representative of the



wishes and intent of the voting membership.

After an exhaustive review of the issues and investigation into other Boards' voting procedures, the Task Force recommended to the Board of Directors that the number of proxies an individual might hold be restricted to one. The motion was approved by the Directors and passed at the Floor.

In 1998, the Task Force will make further recommendations regarding polling, advance polls, elections and voting in general.

**CHAIRMAN - LARRY WILCOCKS**

Darlene Reidy

Jim Rowcliffe

Warren Shantz

Crystal Wettstein

*Staff Liaisons: Betty Doré and Melissa Hardy-Trevenna*

**MEMBERSHIP PLUS TASK FORCE**

The mandate of the Membership Plus Task Force is to increase membership and generate non-dues revenue through the provision of services, including MLS®, to other Boards.

The Membership Plus Task Force oversaw the provision of MLS® to the Tillsonburg Board and determined the terms under which REALFax and the Electronic Keybox System might be offered to other Boards. Strategic allies were identified and approached regarding affiliate membership. An investigation into initiation fees was also undertaken.

**CHAIRMAN - PAT BATTICUORE**

Peter Hoffman

Rose Leroux

Rick Thyssen

*Staff Liaisons: Betty Doré and Melissa Hardy-Trevenna*

## VOTING STRUCTURE TASK FORCE

The Voting Structure Task Force's mandate was to develop a challenges/opportunities strategy regarding an alternate voting structure and the merging of the two Boards of Directors.

The Task Force, which was disbanded in 1996 following the rejection of the alternate voting structure model they had put forward, was reconvened in 1997, under the Chairmanship of Peter Hoffman, in order to analyze the reasons for that rejection and to make changes to it which might make it more palatable to the Firm Members. Direct billing was removed entirely from the proposal and a quota of five out of the eight Firm Member Directors was established. The revised model was sent to the Directors, approved and will go to the Floor in 1998, pending revisions to the appropriate By-Law.

### CHAIRMAN - PETER HOFFMAN

Greg Anthony  
Jack Lane  
Bob Lauckner  
Lew Lint  
Carroll Sturgeon  
Bruce Sworik

*Staff Liaison: Melissa Hardy-Trevenna*

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## Special Events Reports

### BONSPIEL

This Committee's mandate is to organize the *Homes for Hope*® Funspiel, a bonspiel open to the public, to be held annually as a fundraiser for Mission Services of London. The first funspiel will take place on January 24, 1998 at the Ilderton Curling Club.

#### CHAIRMAN - GLEN GORDON

Eric Campbell  
Barb Ginson  
Ken Harper  
Bill Hyman  
Carol Ireland  
Bob Lauckner  
Gail McMahan  
Jerry Robinson

*Staff Liaison: Wendy Murray*

### CHRISTMAS PARTY

The mandate of the Christmas Party Committee is to organize the Christmas gala held annually for Board Members. This year's party was held on December 5, 1997 at the London Convention Centre and featured the Music Express Video Road Show. There were 550 attendees.

#### CHAIRMAN - RICHARD THYSSEN

Sharon Allison-Prelazzi  
Dora Dannecker  
Doris Granger  
Jack Lane  
Dan McFadden  
Costa Pouloupoulos

*Staff Liaison: Wendy Murray*

## GOLF

The Golf Committee held a very successful tournament on June 9, 1997 at the Fanshawe Golf and Country Club. National Trust (Sid Kemp and Scott Ridell) served as the tournament's Corporate Sponsor. Over \$2,700 was raised for Habitat for Humanity London and 216 golfers took part in the event.

### CHAIRMAN - ROB DILORETO

Jack Barrett  
Stella Galan  
Joe Melnick  
Larry Robinson  
Greg Shore  
Bob Tyrrell  
Gord Vandervooren  
Linda Wilson

*Staff Liaison: Wendy Murray*

## SLO-PITCH

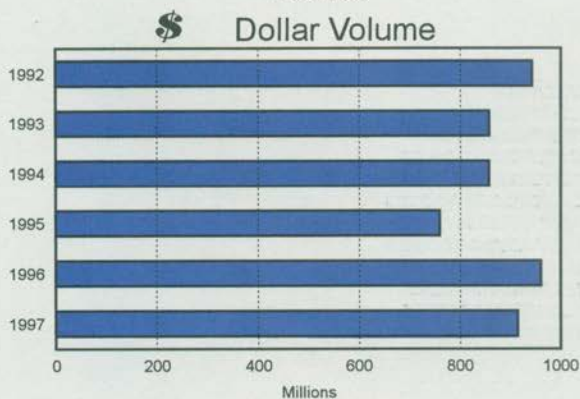
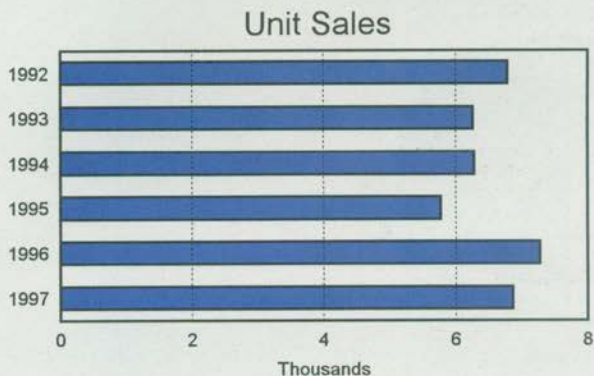
The Slo-Pitch Committee was established to organize an annual ball tournament for Board members. Ten teams participated in this year's event, which took place on August 16 at Dreamers. Toronto Dominion Bank (Jeff Kriefer) was the tournament's Corporate Sponsor. A volleyball tournament was held between games. Realty World Landex took first place again this year, with Coldwell Banker Community placing second.

### CHAIRMAN - John DeBlock

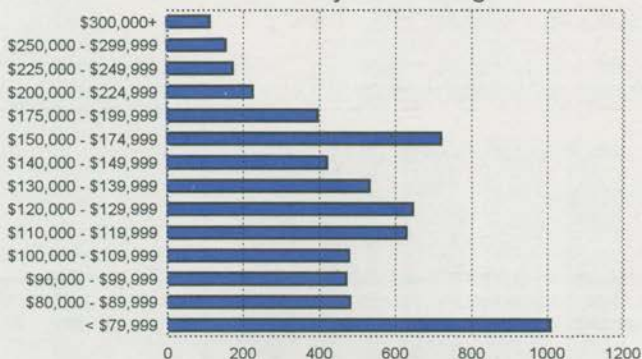
Bob Eaton  
Bob Tyrrell

*Staff Liaison: Wendy Murray*

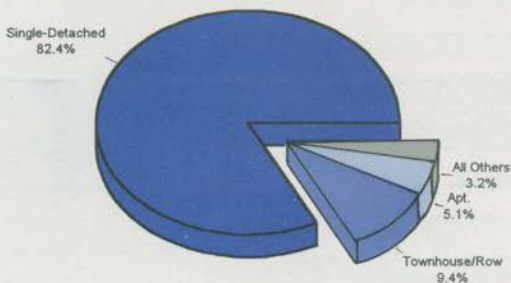
## STATISTICAL GRAPHS 1997



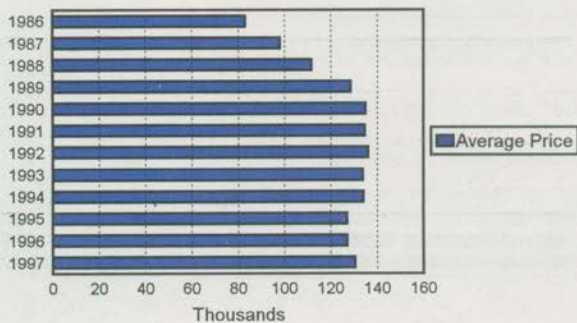
## MLS Residential Sales by Price Range



## MLS Residential Sales By Category



## Over the Years!



## SPECIAL PRESENTATION

1998 marks Lyn Coupland's twenty-fifth year at the London and St. Thomas Real Estate Board, making her tenure the longest of any LSTREB staffperson presently employed by the association.

Lyn began her long career as Executive Officer Michael Campbell's secretary, continued under his successor, Elizabeth Condie, and now acts as Betty Doré's very capable Executive Assistant. As such, Lyn assists Betty with any matters concerned with the Board of Directors as well as the By-Law, Executive and Nomination Committees. She also organizes and takes the minutes of all Firm Member Meetings and the Annual General Meeting.

In addition, she is the Professional Standards Officer, liaising with the Professional Standards Committees as well as the Discipline and Arbitration Committees and the public. Lyn's efficiency, expertise, consistency, conscientiousness and discretion in these matters has been of great service to the Board over the years.

Recently Lyn took over the duties of Personnel Officer from an increasingly busy Betty Doré. She is now the person responsible for dealing with staff and human resources issues.

Over the last quarter of a century, Lyn has become not merely a fixture at the Board, but a valued friend. The Members have come to trust her and her colleagues to depend on her. For this reason, the Board of Directors has elected to make a special presentation to Lyn Coupland at the 1998 Annual General Meeting in commemoration of 25 years of devoted service to this Board, its Members and organized real estate.



Lyn Coupland

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## FINANCE COMMITTEE REPORT

The mandate of the Finance Committee is to review regularly and report to the Directors on the financial position of the Board. It approves all accounts for payment and presents any recommendations to the Directors relating to finances, including, but not limited to, needed changes in the financial operation of the Board and/or fees paid by the Members; the management of all assets and investments of the Board; and the annual revenue and expense budget, including adjustments.

In 1997 the Finance Committee tendered out the photography contract for an annual savings of \$42,000, the exterior maintenance contract for a savings of \$4,000 and the delivery contract for a savings of \$16,500.

The Auditor's Report which follows completes the Finance Committee's Report for 1997.

### CHAIRMAN - GERRY WEIR

Vince Bogdanski  
Tom Dampsy  
Peter Hoffman  
Dorothy Howell  
Joe Pinheiro  
Ron Rossini

Staff Liaisons: *Betty Doré and Connie Calis*



**THE LONDON AND ST. THOMAS  
REAL ESTATE BOARD**

Financial Statements

Year ended December 31, 1997

## AUDITORS' REPORT

To the Members of  
The London and St. Thomas Real Estate Board

We have audited the balance sheet of The London and St. Thomas Real Estate Board as at December 31, 1997 and the statements of revenue and expenditures, surplus and changes in cash resources for the year then ended. These financial statements are the responsibility of The London and St. Thomas Real Estate Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the The London and St. Thomas Real Estate Board as at December 31, 1997 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

London, Ontario  
January 29, 1998

*Ford Keast*  
Chartered Accountants

# THE LONDON AND ST. THOMAS REAL ESTATE BOARD

Balance Sheet as at December 31, 1997

	1997	1996 Restated
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 73,349	\$ 36,112
Accounts receivable	57,967	110,968
Inventory of resale supplies	72,484	25,573
Prepaid expenses	13,034	14,504
	<hr/>	<hr/>
	216,834	187,157
<b>KEY TRUST FUND</b>	<hr/>	<hr/>
	106,600	99,600
<b>INVESTMENTS (Note 2)</b>		
General reserve	651,638	660,596
Computer reserve	148,424	66,411
Habitat for Humanity reserve	4,907	1,265
Government debt reduction reserve	24,283	15,954
	<hr/>	<hr/>
	829,252	744,226
<b>CAPITAL ASSETS (Note 3)</b>	<hr/>	<hr/>
	3,406,657	3,404,633
	<hr/>	<hr/>
	\$ 4,559,343	\$ 4,435,616

# THE LONDON AND ST. THOMAS REAL ESTATE BOARD

Balance Sheet as at December 31, 1997

	1997	1996 Restated
<b>LIABILITIES AND SURPLUS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 81,754	\$ 104,846
Habitat for Humanity	4,907	1,265
	<u>86,661</u>	<u>106,111</u>
<b>KEY TRUST FUND LIABILITY</b>	<u>106,600</u>	<u>99,600</u>
<b>DEMAND MORTGAGE PAYABLE (Note 4)</b>	<u>298,171</u>	<u>404,251</u>
<b>Surplus</b>		
Unappropriated surplus	135,080	82,311
Appropriated surplus	3,932,831	3,743,343
	<u>4,067,911</u>	<u>3,825,654</u>
	<u>\$ 4,559,343</u>	<u>\$ 4,435,616</u>

# THE LONDON AND ST. THOMAS REAL ESTATE BOARD

## Statement of Surplus

Year ended December 31, 1997

	Unappropriated Surplus	Appropriated Surplus	Total	
			1997	1996 Restated
SURPLUS, Beginning of year				
As previously reported \$	82,311	\$ 3,859,714	\$ 3,942,025	\$ 3,705,803
Adjustment for accounting policy change (Note 5)	-	(116,371)	(116,371)	(83,847)
	82,311	3,743,343	3,825,654	3,621,956
Net revenue over expenditures for the year	188,333	53,924	242,257	203,696
Transfer of surplus	(135,564)	135,564	-	-
<b>SURPLUS, End of year</b>	<b>\$ 135,080</b>	<b>\$ 3,932,831</b>	<b>\$ 4,067,911</b>	<b>\$ 3,825,652</b>

### APPROPRIATED SURPLUS COMPRISED AS FOLLOWS:

Capital assets	\$ 3,406,657	\$ 3,404,633
General reserve investments	651,638	660,596
Government debt reduction reserve investments	24,283	15,954
Computer reserve investments	148,424	66,411
	4,231,002	4,147,594
Deduct:		
Mortgage payable	298,171	404,251
	<b>\$ 3,932,831</b>	<b>\$ 3,743,343</b>

# THE LONDON AND ST. THOMAS REAL ESTATE BOARD

## Statement of Revenue and Expenditures Year ended December 31, 1997

	1997	%	1996 Restated	%
<b>REVENUE</b>				
Monthly Assessments	\$ 1,796,102	85.8	\$ 1,743,596	86.2
Initiation fees	178,000	8.5	166,000	8.2
Annual dues	72,439	3.5	72,326	3.6
M.L.S. charges	19,171	0.9	18,204	0.9
Interest	16,517	0.8	19,143	0.9
Member charges	10,129	0.5	3,401	0.2
	<u>2,092,358</u>	100.0	<u>2,022,670</u>	100.0
<b>EXPENDITURES</b>				
M.L.S. - Schedule 1	755,691	36.1	764,537	37.8
Committees - Schedule 2	77,980	3.7	70,314	3.5
Professional Development - Schedule 2	85,768	4.1	73,368	3.6
Administration - Schedule 2	563,440	26.9	540,924	26.7
Operations - Schedule 3	226,609	10.8	222,103	11.0
Occupancy - Schedule 4	194,537	9.3	203,229	10.0
	<u>1,904,025</u>	91.0	<u>1,874,475</u>	92.7
<b>NET REVENUE OVER EXPENDITURES ON GENERAL OPERATIONS</b>				
	188,333	9.0	148,195	7.3
<b>OTHER INCOME</b>				
Investment income earned on reserves	53,924	2.6	55,501	2.7
<b>NET REVENUE OVER EXPENDITURES FOR THE YEAR</b>				
	<u>\$ 242,257</u>	11.6	<u>\$ 203,696</u>	10.1

# THE LONDON AND ST. THOMAS REAL ESTATE BOARD

Statement of Changes in Cash Resources  
Year ended December 31, 1997

	1997	1996 Restated
<b>Cash provided by (used in):</b>		
<b>OPERATING ACTIVITIES</b>		
Net revenue over expenditures for the year	\$ 242,257	\$ 203,696
Add (deduct) non-cash item:		
Depreciation	95,931	84,396
Change in non-cash working capital items related to operations		
Accounts receivable	53,001	(1,284)
Inventory of resale supplies	(46,911)	16,555
Prepaid expenses	1,470	3,924
Accounts payable and accrued liabilities	(23,092)	41,217
	<u>322,656</u>	<u>348,504</u>
<b>INVESTING ACTIVITIES</b>		
Acquisition of capital assets	<u>(97,955)</u>	<u>(51,872)</u>
<b>FINANCING ACTIVITIES</b>		
Mortgage principal repayments	<u>(106,080)</u>	<u>(101,482)</u>
<b>INCREASE IN CASH DURING THE YEAR</b>	118,621	195,150
Cash, beginning of year	<u>779,073</u>	<u>583,923</u>
<b>CASH, END OF YEAR</b>	<u>\$ 897,694</u>	<u>\$ 779,073</u>
<b>REPRESENTED BY:</b>		
Cash	\$ 73,349	\$ 36,112
General reserve investments	651,638	660,596
Computer reserve investments	148,424	66,411
Government debt reduction investments	24,283	15,954
	<u>\$ 897,694</u>	<u>\$ 779,073</u>

# THE LONDON AND ST. THOMAS REAL ESTATE BOARD

## Schedule of Expenditures

Year ended December 31, 1997

	1997	%	1996 Restated	%
<b>M.L.S.</b>			<b>Schedule 1</b>	
Information				
Catalogues and dailies	\$ 474,222	22.7	\$ 457,281	22.6
Photographer	108,202	5.2	152,920	7.6
	<u>582,424</u>	<u>27.8</u>	<u>610,201</u>	<u>30.2</u>
Services				
Delivery	79,433	3.8	70,762	3.5
Land registry	768	0.0	600	0.0
	<u>80,201</u>	<u>3.8</u>	<u>71,362</u>	<u>3.5</u>
Computer				
Hardware	856	0.0	10,727	0.5
Repairs, maintenance and service	19,842	0.9	19,028	0.9
Software and support service	29,016	1.4	19,740	1.0
Supplies	3,528	0.2	2,714	0.1
Telephone	21,342	1.0	18,021	0.9
	<u>74,584</u>	<u>3.6</u>	<u>70,230</u>	<u>3.5</u>
General				
Directors' liability insurance	4,277	0.2	4,296	0.2
Key pads	6,982	0.3	2,208	0.1
Computer	6,927	0.3	6,006	0.3
Conversion	296	0.0	234	0.0
	<u>18,482</u>	<u>0.9</u>	<u>12,744</u>	<u>0.6</u>
	<u>\$ 755,691</u>	<u>36.1</u>	<u>\$ 764,537</u>	<u>37.8</u>



# THE LONDON AND ST. THOMAS REAL ESTATE BOARD

Schedule of Expenditures  
Year ended December 31, 1997

	1997	%	1996 Restated	%
<b>Schedule 2</b>				
<b>COMMITTEES</b>				
By law	\$ 1,486	0.1	\$ 896	0.0
Christmas party	8,061	0.4	6,984	0.3
2000 +	736	0.0	5,049	0.2
Community relations	13,530	0.6	12,872	0.6
Computer	774	0.0	150	0.0
Directors	7,409	0.4	1,170	0.1
Education	(253)	0.0	4,599	0.2
Executive	2,329	0.1	2,063	0.1
ICI	-	0.0	1,628	0.1
Marketing division	29,421	1.4	19,686	1.0
Membership services	5,263	0.3	5,593	0.3
Membership affinity	2,491	0.1	1,500	0.1
MLS	-	0.0	1,673	0.1
Orientation	1,377	0.1	1,022	0.1
PAC	4,090	0.2	4,761	0.2
Professional standards	1,298	0.1	627	0.0
Slo pitch	(32)	0.0	41	0.0
	<u>\$ 77,980</u>	<u>3.7</u>	<u>\$ 70,314</u>	<u>3.5</u>
<b>PROFESSIONAL DEVELOPMENT</b>				
Association dues (net of recoveries)	\$ 610	0.0	\$ -	0.0
Other	3,423	0.2	3,243	0.2
CREA conference	26,554	1.3	11,109	0.5
Honorarium	5,000	0.2	10,536	0.5
OREA conference	22,687	1.1	20,880	1.0
General meetings	18,345	0.9	17,051	0.8
NAR conference	9,149	0.4	10,549	0.5
	<u>\$ 85,768</u>	<u>4.1</u>	<u>\$ 73,368</u>	<u>3.6</u>
<b>ADMINISTRATION</b>				
Salaries	\$ 473,001	22.6	\$ 456,790	22.6
Pension and benefits	59,657	2.9	56,123	2.8
Payroll assessment	30,782	1.5	28,011	1.4
	<u>\$ 563,440</u>	<u>26.9</u>	<u>\$ 540,924</u>	<u>26.7</u>

# THE LONDON AND ST. THOMAS REAL ESTATE BOARD

## Schedule of Expenditures

Year ended December 31, 1997

	1997	%	1996 Restated	%
<b>OPERATIONS</b>				
			<b>Schedule 3</b>	
Equipment				
Repairs, maintenance and copier charges	\$ 9,741	0.5	\$ 11,235	0.6
General				
Bad debts	4,241	0.2	-	0.0
Business tax	33,674	1.6	31,995	1.6
Depreciation	54,309	2.6	41,707	2.1
Employee training	9,925	0.5	8,065	0.4
Member life insurance	54,782	2.6	52,279	2.6
Miscellaneous	3,691	0.2	2,362	0.1
Postage and courier	5,547	0.3	5,594	0.3
Resale forms (net of recoveries)	(9,451)	(0.5)	315	0.0
	<u>156,718</u>	<u>7.5</u>	<u>142,317</u>	<u>7.0</u>
Professional Fees				
Audit and related services	6,000	0.3	6,000	0.3
Consultant	12,000	0.6	12,000	0.6
Legal - general	14,350	0.7	24,875	1.2
	<u>32,350</u>	<u>1.5</u>	<u>42,875</u>	<u>2.1</u>
Stationery				
Letterhead	1,117	0.1	1,289	0.1
Stationery and supplies	6,773	0.3	7,803	0.4
	<u>7,890</u>	<u>0.4</u>	<u>9,092</u>	<u>0.4</u>
Telephone	19,910	1.0	16,584	0.8
	<u>\$ 226,609</u>	<u>10.8</u>	<u>\$ 222,103</u>	<u>11.0</u>

# THE LONDON AND ST. THOMAS REAL ESTATE BOARD

Schedule of Expenditures  
Year ended December 31, 1997

	1997	%	1996 Restated	%
<b>OCCUPANCY</b>			<b>Schedule 4</b>	
Building				
Janitorial	\$ 12,936	0.6	\$ 13,834	0.7
Repairs and maintenance	11,406	0.5	8,804	0.4
Yard, sewer and elevator charges	15,913	0.8	15,779	0.8
	<u>40,255</u>	<u>1.9</u>	<u>38,417</u>	<u>1.9</u>
General				
Depreciation	41,622	2.0	42,689	2.1
Insurance	3,833	0.2	4,872	0.2
Mortgage interest	16,980	0.8	28,250	1.4
Property taxes	69,611	3.3	66,139	3.3
Utilities	22,236	1.1	22,862	1.1
	<u>154,282</u>	<u>7.4</u>	<u>164,812</u>	<u>8.1</u>
	<u>\$ 194,537</u>	<u>9.3</u>	<u>\$ 203,229</u>	<u>10.0</u>

# THE LONDON AND ST. THOMAS REAL ESTATE BOARD

Notes to Financial Statements  
December 31, 1997

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## 1. ACCOUNTING POLICIES

The accompanying financial statements are prepared in accordance with accounting principles generally accepted in Canada. The significant accounting policy is summarized below.

### Capital Assets

Capital assets are recorded at acquisition cost. Depreciation is provided on the declining balance method over the estimated useful lives of the assets at the following annual rates:

Building	2.5 %
Personal computers and software	33.33 %
HP computer and software	20 %
Equipment and furniture	20 %

## 2. INVESTMENTS

The investments for general, computer, government debt reduction and Habitat for Humanity reserves are recorded at cost and are comprised of cash, Government of Canada Bonds, Provincial Bonds, Bell Canada Bonds, Canada Mortgage and Housing Corporation Bonds, Ontario Hydro Bonds, and Canada Trust Private Canadian Money Market Fund. Market value as of December 31, 1997 for the investments - \$930,063 (1996 - \$765,373).

# THE LONDON AND ST. THOMAS REAL ESTATE BOARD

Notes to Financial Statements  
December 31, 1997

## 3. CAPITAL ASSETS

	Cost	Accumulated Depreciation	Net	
			1997	1996
Land	\$ 1,583,000	\$ -	\$ 1,583,000	\$ 1,583,000
Building	1,938,004	314,748	1,623,256	1,664,878
Personal computers and software	45,625	28,729	16,896	10,127
HP computer and software	327,465	181,214	146,251	115,581
Equipment and furniture	61,364	24,110	37,254	31,047
	<u>\$ 3,955,458</u>	<u>\$ 548,801</u>	<u>\$ 3,406,657</u>	<u>\$ 3,404,633</u>

## 4. MORTGAGE PAYABLE

First mortgage of \$298,171 which is being repaid in monthly instalments of \$10,221 including interest at the National Trust Company's prime demand rate of interest. The mortgage payable is secured by the property 338-358 Commissioners Road and is due on demand. National Trust has given the London and St. Thomas Real Estate Board the assurance that it will not demand the mortgage within the next fiscal period therefore the mortgage has been reclassified as long term.

# THE LONDON AND ST. THOMAS REAL ESTATE BOARD

Notes to Financial Statements  
December 31, 1997

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## 5. CHANGE IN ACCOUNTING POLICY

During the year, the Board has retroactively adopted the policy whereby capital assets are recorded at acquisition cost and depreciated using the methods and rates described in Note 1. Prior to this, the Board's policy was to expense outlays for building improvements, furniture, equipment and computer equipment in the year incurred. In addition, the original cost of the building had been recorded as a capital asset at cost but was not being depreciated.

As a result of this change, surplus as at December 31, 1995 was reduced by \$83,847, capital assets were increased by \$284,627 and accumulated depreciation was increased by \$368,474.

The effect of this policy change for the year ended December 31, 1997 has been to increase depreciation expense by \$95,931 and decrease capital assets expensed by \$97,955. For the year ended December 31, 1996, depreciation expense has been increased by \$84,396 and capital assets expensed has been decreased by \$51,873.

## 6. CONTINGENCY

An action has been commenced against the Board for the alleged wrongful termination of a member of the Board. The Board is defending this claim and has also filed a claim against the board's insurance company naming them as a third party.

At the current time, the amount of loss to the Board, if any, is not determinable.

