

Annual General Meeting
9:00 am, Friday, April 26, 2024
Four Points Sheraton, Moncton, NB

Item	Action
1. Welcome and Introduction of Board Members	
2. Introduction of Guests	
3. Introduction of Parliamentarian	
4. Moment of Silence in Honour of deceased members and former members	Beverly Doyle Claude Miller
5. Approval of Agenda/Proxies	MOTION: To approve the agenda, as circulated
6. Approval of Minutes of the April 27, 2023 Annual General Meeting and November 3, 2023 Special Meeting	MOTION: To approve the minutes of the April 27, 2023 Annual General meeting, as circulated MOTION: To approve the minutes of the November 3, 2023 Special meeting, as circulated
7. Greetings from AIC	
8. Greetings from CNAREA	
9. Report from Louis Poirier, P.App, AACI— New Brunswick Board Member of the Appraisal Institute of Canada	
10. President’s Report— Louis Poirier, P.App, AACI	
11. Finance	
11.1. Treasurer’s Report – Sheila Fitzpatrick, P.App, AACI	MOTION: To adopt the audited financial statements as circulated
11.2. Annual Fees—2024	MOTION: To approve a \$50 increase in in annual fees for 2024/25

<p>11.3. Appointment of the Auditors 11.3.1.</p>	<p>MOTION: To appoint Shannon & Buffet as Auditors for the 2023 fiscal year</p>
<p>12. Committee Reports</p> <p>12.1. Complaints Committee Fred McAvoy, P.App, CRA</p> <p>12.2. Education Committee Kim Tucker, P.App, CRA</p> <p>12.3. Discipline Committee</p> <p>12.4. Committee of Examiners Andrew Leech, P.App, CRA</p> <p>12.5. Membership and Public Relations Committee Joel LaPointe, P.App, AACI Roxanne Wood, P.App, CRA</p> <p>12.6. Committee to Review the Act Joel LaPointe, P.App, AACI</p> <p>12.7 NBAREA advocacy - new Real Estate Board</p>	<p>Committee reports, once presented, will be entered in to NBAREA records.</p>
<p>13. Report from Registrar & Executive Director Carolyn Lordon, MSc., MA</p>	
<p>14. Nominations, Elections & Special Awards</p> <p>14.1. Report of the Chair of Nominations, Elections & Special Awards Committee, Melissa McCartney, P.App, CRA</p> <p>14.2. 2024 Elections</p>	
<p>15. Swearing in of New President Sarah Leech, AIC Candidate</p>	
<p>16. Your New Board of Directors for 2024–2025</p> <p>President: Sarah Leech, Candidate</p> <p>Past President: Louis Poirier, P.App, AACI</p> <p>Vice President: vacant</p>	

Secretary:	Miranda Burnett, P.App, AACI
Treasurer:	Sheila Fitzpatrick, P.App, AACI
New Brunswick Board Member of AIC:	Louis Poirier, P.App, AACI
Lieutenant Governor Appointee:	Barbara McFarlane
Fundy Region Representative:	Mike Mason P.App, CRA
North Shore Region Representative:	Fred McAvoy, P.App, CRA
Saint John River Valley Region Rep:	Allan Currie, P.App, CRA
Southeast Region Representative:	Michel Babineau, P.App, CRA
17. Congratulations to those members who received AIC membership recognition certificates and pins	

Annual General Meeting
1:30 pm, April 27, 2023
Kingswood Lodge, Fredericton, NB

Item	Action
1. Welcome and Introduction of Board Members	The meeting was called to order at 1:33 pm.
2. Introduction of Guests	Suzanne de Jong, P.App, AACI - AIC Board President Andre Hannoush, Director Public Affairs
3. Introduction of Parliamentarian	Adam Dickinson was introduced as the Parliamentarian for the meeting
4. Moment of Silence in Honour of deceased members and former members	Members observed a moment of silence in honour of Douglas Wort and Shawn Dubé
5. Approval of Agenda/Proxies	MOTION: To approve the agenda, as circulated Moved: Miranda Burnett Seconded: Charles Dubé Motion carried
6. Approval of Minutes of the April 28 Annual General Meeting	MOTION: To approve the minutes of the April 28, 2022 Annual General meeting, as circulated Moved: Kari McBride Seconded: Mary Norrad Motion carried
7. Greetings from AIC	Susanne DeJong brought greetings on behalf of the Appraisal Institute of Canada
8. Greetings from CNAREA	In a recorded message, Kevin Lonsdale brought greetings on behalf of the Canadian National Association of Real Estate Appraisers
9. Report from Adam Dickinson, P.App, AACI— New Brunswick Board Member of the Appraisal Institute of Canada	
10. President’s Report—Kim Tucker, P.App, CRA	
11. Finance 11.1. Treasurer’s Report submitted by Kim Tucker, P.App, CRA on behalf of Jerry Iwanus 11.2. Annual Fees—2023	MOTION: To adopt the audited financial statements as circulated Moved: Michel Babineau Seconded: Dominique Paquet Motion Carried MOTION: To waive the compliance/contingency fee for 2023/24 Moved: Kim Tucker Seconded: Kari McBride Motion Carried

<p>11.3. Appointment of the Auditors 11.3.1.</p>	<p>MOTION: To keep all other dues fees unchanged for the 2023/24 fiscal year Moved: Kim Tucker Seconded: Sabrina Savoie Motion Carried</p> <p>MOTION: To appoint Shannon & Buffet as Auditors for the 2023 fiscal year</p>
<p>12. Committee Reports</p> <p>12.1. Complaints Committee Julie Clarke, P.App, AACI</p> <p>12.2. Education Committee Julie Clarke, P.App, AACI</p> <p>12.3. Discipline Committee Harold Moore, P.App, AACI</p> <p>12.4. Committee of Examiners Kim Polk, P.App, CRA</p> <p>12.5. Membership and Public Relations Committee Martins Aina, Candidate</p> <p>12.6. Committee to Review the Act Joel LaPointe, P.App, AACI on behalf of Jerry Iwanus</p>	<p>Committee reports were received and entered in to NBAREA records.</p>
<p>13. Report from Registrar & Executive Director Carolyn Lordon, MSc., MA</p>	

<p>14. Nominations, Elections & Special Awards</p> <p>14.1. Report of the Chair of Nominations, Elections & Special Awards Committee, Sheila Fitzpatrick, P.App, AAIC</p> <p>14.2. 2023 Elections and Declaration of Newly Elected/Appointed Members to the Board of Directors</p> <p>The new members of the Board are as follows: Sarah Leech, Candidate Vice Allan Currie—Saint John River Valley Region Representative</p>																							
<p>15. Swearing in of New President Louis Poirier, P.App, AACI</p>																							
<p>16. Your New Board of Directors for 2023–2024</p> <table> <tr> <td>President:</td> <td>Louis Poirier, P.App, AACI</td> </tr> <tr> <td>Past President:</td> <td>Kim Tucker, P.App, CRA</td> </tr> <tr> <td>Vice President:</td> <td>Sarah Leech, Candidate</td> </tr> <tr> <td>Secretary:</td> <td>Miranda Burnett, Candidate</td> </tr> <tr> <td>Treasurer:</td> <td>Sheila Fitzpatrick, P.App, AACI</td> </tr> <tr> <td>New Brunswick Board Member of AIC:</td> <td>Louis Poirier, P.</td> </tr> <tr> <td>Lieutenant Governor Appointee:</td> <td>TBD</td> </tr> <tr> <td>Fundy Region Representative:</td> <td>Mike Mason P.App, CRA</td> </tr> <tr> <td>North Shore Region Representative:</td> <td>Fred McAvoy, P.App, CRA</td> </tr> <tr> <td>Saint John River Valley Region Rep:</td> <td>Allan Currie, P.App, CRA</td> </tr> <tr> <td>Southeast Region Representative:</td> <td>Michel Babineau, P.App, CRA</td> </tr> </table>		President:	Louis Poirier, P.App, AACI	Past President:	Kim Tucker, P.App, CRA	Vice President:	Sarah Leech, Candidate	Secretary:	Miranda Burnett, Candidate	Treasurer:	Sheila Fitzpatrick, P.App, AACI	New Brunswick Board Member of AIC:	Louis Poirier, P.	Lieutenant Governor Appointee:	TBD	Fundy Region Representative:	Mike Mason P.App, CRA	North Shore Region Representative:	Fred McAvoy, P.App, CRA	Saint John River Valley Region Rep:	Allan Currie, P.App, CRA	Southeast Region Representative:	Michel Babineau, P.App, CRA
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<p>17. Congratulations to those members who received AIC membership recognition certificates and pins:</p> <p>30 years Stephanie Anglehart-Paulin, P.App, AACI John Carter, P.App, CRA Luc Michaud, P.App, AACI</p> <p>20 years Julie Clarke, P. App, AACI</p>	
<p>18 Motion to Adjourn Moved: Michel Babineau 2:25 pm</p>	

**Special Meeting NBAREA
1:00 pm, November 3, 2023
Four Points by Sheraton, Moncton, NB**

Item	Action
1. Welcome and Introduction of Board Members	The meeting was called to order at 1:05 pm NBAREA President welcomed members in person and online to the special meeting
2. Approval of Agenda/Proxies	MOTION: To approve the agenda, as circulated Moved: Miranda Burnett Seconded: Fred McAvoy Motion Carried
	The Secretary confirmed that 149 NBAREA members were eligible to vote under the provisions of the NBAREA by-laws. Of those: <ul style="list-style-type: none"> • 37 members were present in person • 25 members were participating in the meeting via zoom • 27 members had submitted proxies
3. Discussion/Review of Report from Committee to Review the Act and Recommendation to Pursue Repeal of the Act.	<p>NBAREA President, Louis Poirier, provided a summary of Board’s rationale for initiating the review of the Act. The Board struck a committee to review the Act in May 2021, in response to concerns expressed by members that the Act is out of date. The Committee was directed to review the Act to identify any issues/concerns, and to make a recommendation for how to address any concerns identified.</p> <p>The Committee’s report was presented to the NBAREA board in August 2023. In their report, the Committee identified three main issues:</p> <ul style="list-style-type: none"> • The Act is out of date, • The profession is too small to sustain the current regulatory scheme in keeping with best practices in professional regulation, and • NB’s regulation of the profession is out of step with the rest of the country. Only NS and NB regulate appraisers in this way. <p>After consideration of several options, the final recommendation of the Committee was to pursue repeal of the Act. The NBAREA Board received the committee’s report in August 2023. The Board then voted to pursue repeal of the Act and to convene a special meeting of the membership to determine whether the membership supports this direction.</p>

The full report of the Committee was circulated to members on September 28, 2023, along with the notice of the special meeting.

Members had the opportunity to ask questions about the rationale for proposing repeal of the Act and what would happen if repeal was successful.

The President reminded members that the Act is current NB law. This means that only the NB government can repeal the law. So even if members vote in favour of the motion to pursue repeal, the Act would remain in effect until the NB government passes a bill to repeal the Act. This process could take anywhere from a few months to several years. Unless and until the government repeals the Act, NBAREA must continue to administer the Act.

If the Act is repealed, NBAREA would no longer exist. The Board's intention is to create a new provincial association, which would serve as the NB provincial affiliate for AIC, but which would also continue to welcome non-AIC members (e.g. CNAREA members or assessors who are not AIC members).

Several members spoke in favour of the motion, citing many of the issues addressed in the Committee report, including the declining membership, difficulty finding volunteers for the board and committees, and a sense that AIC/CNAREA provide sufficient protection to the public through their complaints resolution processes. Other members expressed that they were proud and supportive of the Act when it was passed in 1994, but they feel it time for change.

Other members spoke against the motion. Several speakers reminded members of how difficult it was to get the Act passed and warned that if it is repealed, it is unlikely that government would pass a new Act if members decided to pursue regulation again in the future. Several other members expressed significant concern that repealing the Act would result in unqualified or underqualified individuals engaging in the practice of the profession in NB, putting the public at risk.

Members also asked questions about the process for repealing the Act, how the work would be funded, what a new provincial association might look like.

The President reviewed the resolution and voting process.

	<p>The Board is seeking a “clear mandate”. There is no set number or threshold to define “clear mandate”, but it would be higher than 51% of those voting at the special meeting. The Board’s decision about whether to pursue repeal of the Act will be based on all of the information, including the information gathered from the discussion at the meeting, the outcome of the vote, and the proportion of the membership who voted either by proxy or in attendance at the meeting,</p>
<p>4. Member Vote:</p>	<p>Members were asked to vote on the following Resolution, which was circulated to members in advance of the meeting:</p> <p><i>Do you support the Board’s decision to pursue repeal of the New Brunswick Association of Real Estate Appraisers Act, as recommended by the Committee to Review the Act?</i></p>
	<p>The Secretary and scrutineers counted votes cast in person, by proxy, and electronically (for those attending via zoom). They reported that votes were cast by 88 members (59.7% of the total membership) as follows:</p> <ul style="list-style-type: none"> • 67 (76.1%) in favour • 21 (23.9%) opposed
<p>5. Discussion of Next Steps</p>	<p>The Board will consult with legal counsel to begin the work to have the Act repealed by government. The board will also strike a committee to support the establishment of a new provincial association to replace NBAREA when the Act is repealed.</p>
<p>6. Adjournment</p>	<p>The meeting was adjourned at 3:03 pm</p>

11.2 Annual Fees – 2024-25

BACKGROUND

NBAREA's annual fees were last increased in 2019. The increase included a \$100 increase in the annual dues, and an additional "contingency fee" of \$25. The contingency fee was intended to help replenish NBAREA's operating reserves, which had been depleted due to an increase in complaints and discipline activities.

In 2021, the NBAREA Board approved a new reserve fund policy. The new policy created two separate reserve funds;

- an operating reserve with a target set at 9 months worth of operating expenses (currently \$75,000), and
- a discipline reserve – with a target of \$100,000 and restricted to expenses related to activities related to the complaints and discipline processes

The creation of a separate discipline reserve was intended to provide additional protection to the organization in the event of increased expenses due to complaint/discipline activities.

These two reserve funds were fully funded by April 2022, due to budget surpluses. The 2020 and 2021 surpluses were largely the result of decreased activity due to the COVID-19 pandemic and the 9-month vacancy in the Registrar & ED position. Decreased spending was maintained in 2022 and 2023 fiscal years, resulting from process improvements and efficiencies and a decision by the board to meet virtually for all meetings except the annual general meeting. As a result, the \$25 contingency fee has been waived since 2021.

In the fall of 2023, the NBAREA membership approved a motion to pursue repeal of the NBAREA Act, as recommended by the Board and the Committee to Review the Act. The expected costs related to pursuing repeal of the Act are likely to exceed the Association's income under the current fee structure. The 2024 budget, approved by the NBAREA board, projects a deficit of approximately \$25,000, which will be funded from the Association's reserves.

In order to replenish the reserves, the Board is proposing a \$50 increase in NBAREA fees for the 2024-25 renewal year, as follows:

- Regular, Candidate, and Temporary members - \$685 plus HST
- Associate members (Service New Brunswick Employees) - \$435 plus HST

Under NBAREA Bylaws (Part XV, s. 1), any changes to the annual fees proposed by the Board must be approved by the membership at the annual general meeting.

MOTION

To approve a \$50 increase in the annual fees for 2024/25

NEW BRUNSWICK ASSOCIATION OF
REAL ESTATE APPRAISERS
FINANCIAL STATEMENTS
DECEMBER 31, 2023

NEW BRUNSWICK ASSOCIATION OF

REAL ESTATE APPRAISERS

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Shannon & Buffett, LLP

Chartered Professional Accountants

GARRY L. ARMSTRONG, CPA, CA CLAUDE LEGER, CPA, CA
RON W. SAUNTRY, CPA, CA

March 12, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of New Brunswick Association of Real Estate Appraisers:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of New Brunswick Association of Real Estate Appraisers (the Association), which comprise the statement of financial position as at December 31, 2023, and the statements of revenue and expenses, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Shannon & Buffett LLP
Chartered Professional Accountants

NEW BRUNSWICK ASSOCIATION OF

REAL ESTATE APPRAISERS

STATEMENT OF FINANCIAL POSITION - DECEMBER 31, 2023

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
Current:		
Cash (note 3)	\$ 77.911	\$ 137.309
Short-term investments (note 4)	193.824	111.200
Accounts receivable	9.755	4.883
Prepaid expenses	<u>1.844</u>	<u>1.074</u>
	<u>283.334</u>	<u>254.466</u>
Long-term investments (note 4)	<u>33.600</u>	<u>44.800</u>
Capital assets (note 5)	<u>3.290</u>	<u>1.396</u>
	<u>\$ 320.224</u>	<u>\$ 300.662</u>

LIABILITIES

Current:		
Accounts payable and accrued liabilities (note 6)	\$ 18.479	\$ 26.875
Revenue received in advance	<u>75.900</u>	<u>77.900</u>
	<u>94.379</u>	<u>104.775</u>
total liabilities	<u>94.379</u>	<u>104.775</u>

NET ASSETS

Unrestricted	50.845	25.887
Discipline Reserve - Internally restricted (note 8)	100.000	100.000
Operating Reserve - Internally restricted (note 8)	<u>75.000</u>	<u>70.000</u>
	<u>225.845</u>	<u>195.887</u>
	<u>\$ 320.224</u>	<u>\$ 300.662</u>

Approved by the Board:

Director _____

Director _____

NEW BRUNSWICK ASSOCIATION OF
REAL ESTATE APPRAISERS
STATEMENT OF REVENUE AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>2023</u>	<u>2022</u>
Revenue:		
Professional dues	\$ 104.689	\$ 99.346
Courses, exam fees and annual conference	26.455	21.107
Interest	3.810	2.135
Miscellaneous	<u>4.500</u>	<u>2.156</u>
	<u>139.454</u>	<u>124.744</u>
Expenses:		
Amortization	952	423
Board of Directors	5.864	980
Committees:		
- Discipline	250	500
- Complaints	-	35
- Other	530	-
Computer services and supplies	2.914	3.620
Courses, exam fees and conferences	9.007	11.333
Credit card and AIC processing fees	3.996	4.410
Insurance	2.841	2.717
Interest and bank charges	301	232
Legal - Complaints and discipline	13.461	6.298
Office supplies	3.157	3.540
Professional development	1.368	300
Professional services	12.890	16.900
Rent	7.404	7.258
Salaries and employee benefits	41.974	48.395
Staff travel	1.675	1.429
Telephone	<u>912</u>	<u>1.300</u>
	<u>109.496</u>	<u>109.670</u>
Excess of revenue over expenses for the year	<u>\$ 29.958</u>	<u>\$ 15.074</u>

NEW BRUNSWICK ASSOCIATION OF
REAL ESTATE APPRAISERS
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Unrestricted</u>	<u>---Internally Restricted---</u>		<u>2023</u> <u>Total</u>	<u>2022</u> <u>Total</u>
		<u>Discipline</u> <u>Reserve</u>	<u>Operating</u> <u>Reserve</u>		
Balance, beginning of year	\$ 25.887	\$ 100.000	\$ 70.000	\$ 195.887	\$ 180.813
Excess of revenue over expenses for the year	29.958	-	-	29.958	15.074
Transfers	<u>(5.000)</u>	<u>-</u>	<u>5.000</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 50.845</u>	<u>\$ 100.000</u>	<u>\$ 75.000</u>	<u>\$ 225.845</u>	<u>\$ 195.887</u>

NEW BRUNSWICK ASSOCIATION OF
REAL ESTATE APPRAISERS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>2023</u>	<u>2022</u>
CASH GENERATED FROM (USED IN):		
OPERATING ACTIVITIES:		
Excess of revenue over expenses for the year	\$ 29,958	\$ 15,074
Amortization, not requiring a cash outlay	<u>952</u>	<u>423</u>
	30,910	15,497
Net change in current assets and liabilities other than cash and short-term investments (note 9)	<u>(16,038)</u>	<u>10,428</u>
	<u>14,872</u>	<u>25,925</u>
INVESTING ACTIVITIES:		
(Increase) decrease in short-term investments	(82,624)	49,800
(Increase) decrease in long-term investments	11,200	(44,800)
Additions to capital assets	<u>(2,846)</u>	<u>-</u>
	<u>(74,270)</u>	<u>5,000</u>
INCREASE (DECREASE) IN CASH, in the year	(59,398)	30,925
CASH, beginning of year	<u>137,309</u>	<u>106,384</u>
CASH, end of year	<u>\$ 77,911</u>	<u>\$ 137,309</u>

NEW BRUNSWICK ASSOCIATION OF
REAL ESTATE APPRAISERS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. The Association:

The Association is a professional organization for real estate appraisers in New Brunswick to regulate and promote the profession and related activities. The Association is a non-profit organization for income tax purposes.

2. Significant accounting policies:

(a) Basis of accounting -

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and are in accordance with Canadian generally accepted accounting principles.

(b) Cash -

Cash includes cash on hand and cash balances with a bank.

(c) Revenue -

The Association follows the deferral method of accounting for revenue. Professional dues are billed on an October 1 to September 30 annual basis and are recognized as revenue in the period to which they correspond. Revenue from courses, exam fees and the annual conference are recognized when the event takes place. Other revenues are recognized when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

(d) Investments -

Investments are recorded at cost. The corresponding accrued interest receivable is recorded at cost and combined with accounts receivable. The aggregate of these two amounts approximates the fair value of the investments. Investments maturing within one year are classified as short-term investments. Investments maturing after one year are classified as long-term investments.

NEW BRUNSWICK ASSOCIATION OF
REAL ESTATE APPRAISERS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

2. Significant accounting policies (continued):

(e) Use of estimates -

The preparation of financial statements, in conformity with Canadian accounting standards for not-for-profit organizations, requires management to make estimates and assumptions that affect the amounts reported in the financial statements. By their nature, these estimates are subject to measurement uncertainty and actual results could differ.

(f) Capital assets -

Additions to capital assets are recorded at cost. Provision for amortization is made utilizing the declining balance method at the following rates:

Office equipment	-	20%
Computers	-	45%

One half of annual rates are applied for current year additions.

3. Cash:

The amount includes \$14,762 internally restricted at December 31, 2023 to fund the Operating Reserve.

4. Investments:

Short-term -

Guaranteed investment certificates, interest rates ranging from 1.20% to 4.25%, maturity dates ranging from May 2024 to December 2024. \$100,000 is internally restricted to fund the Discipline Reserve and \$26,638 is internally restricted to fund the Operating Reserve.

\$ 193,824

Long-term -

Guaranteed investment certificates, interest rates ranging from 2.24% to 3.04%, maturity dates ranging from May 2025 to May 2027. \$33,600 is internally restricted to fund the Operating Reserve.

\$ 33,600

NEW BRUNSWICK ASSOCIATION OF
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DECEMBER 31, 2023

5. Capital assets:

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2023 Net Book Value</u>	<u>2022 Net Book Value</u>
Office equipment	\$ 17.727	\$ 16.715	\$ 1.012	\$ 1.265
Computer equipment	<u>6.033</u>	<u>3.755</u>	<u>2.278</u>	<u>131</u>
	<u>\$ 23.760</u>	<u>\$ 20.470</u>	<u>\$ 3.290</u>	<u>\$ 1.396</u>

6. Accounts payable and accrued liabilities:

	<u>2023</u>	<u>2022</u>
Payroll remittances payable	\$ 921	\$ 888
HST payable	6.266	7.843
Other payables	<u>11,292</u>	<u>18.144</u>
	<u>\$ 18,479</u>	<u>\$ 26,875</u>

7. Commitments:

The Association leases premises under an operating lease that expires in 2024. Minimum lease payments (excluding HST) are approximately \$5,000 for 2024.

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8. Internally restricted net assets:

\$100,000 of net assets has been internally restricted by the Board of Directors to create a "Discipline Reserve" for potential expenses arising from complaints, compliance, and the disciplinary process. This amount is funded by a \$100,000 guaranteed investment certificate.

\$75,000 of net assets has been internally restricted by the Board of Directors to create an "Operating Reserve" for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in revenue, or uninsured losses. This amount is funded by \$75,000 in cash and guaranteed investment certificates.

9. Net change in current assets and liabilities other than cash:

	<u>2023</u>	<u>2022</u>
(Increase) in accounts receivable	\$ (4,872)	\$ (4,705)
(Increase) in prepaid expenses	(770)	(112)
Increase (decrease) in accounts payable and accrued liabilities	(8,396)	9,113
Increase (decrease) in revenue received in advance	<u>(2,000)</u>	<u>6,132</u>
	<u>\$ (16,038)</u>	<u>\$ 10,428</u>

10. Financial instruments:

Measurement of financial instruments -

The Association initially measures its financial assets and financial liabilities at fair value. The Association subsequently measures all its financial assets and financial liabilities at amortized cost except investments which are measured at market value. Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down (reversal) is recognized in the excess of revenue (expenses) for the year in the Statement of Revenue and Expenses. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously.

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10. Financial instruments (continued):

Credit risk -

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Association is exposed to credit risk from customers and members. An allowance for doubtful accounts is established based upon factors surrounding the credit risks of specific accounts, historical trends and additional information. The Association has a significant number of customers/members which minimizes concentration of credit risk.

Liquidity risk -

Liquidity risk is the risk that the Association will not be able to meet a demand for cash or fund its obligations as they come due.

The Association mitigates its liquidity risk by preparing an annual budget for operations, anticipating investing and financing activities and holding assets that can be readily converted into cash. The Association has also established internally restricted Operating and Discipline Reserves.



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Committee Name Complaints Committee
Committee Mandate To consider and investigate complaints related to the conduct or competence of members of the Association, and to determine whether the matter should be referred to the Discipline Committee for a hearing.
Committee Members <ul style="list-style-type: none">• Julie Clarke, chair (until April 28, 2023)• Fred McAvoy, chair (from April 28, 2023)• Kim Polk• Daniel Babineau• Andy Leech (alternate)• Joel LaPointe (alternate)
Number of meetings 3 virtual meetings (April 5, Sept 13, and Nov 10) 0 in-person meetings
Business/Issues Addressed <ul style="list-style-type: none">• The committee reviewed and approved changes to the Complaints and Discipline Manual• Orientation of new committee chair• 2 complaints were received in 2023. Both matters were referred to the Discipline Committee for hearing.
Planning for Next Year <ul style="list-style-type: none">• Review complaints as they are received.• Prepare for eventual repeal of the Act and how complaints will thereafter be handled.
Overall Assessment/Comments As in the case of many NBAREA committees, the chair (Fred McAvoy) has to excuse himself due to a possible conflict of interest with the respondent.



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Committee Name Education Committee
Committee Mandate <ul style="list-style-type: none">• Mandate - To provide NBAREA members with continuing education opportunities within the province.
Committee Members <ul style="list-style-type: none">• Committee members:<ul style="list-style-type: none">○ Kim Tucker (chair)○ Julie Clarke (to April 28, 2023)○ Mary Norrad (to April 28, 2023)○ Michael Mason (from April 28, 2023)○ Michel Babineau○ Fred McAvoy○ Allan Currie <p>Thank you to Julie and Mary for all of your work during the years you served on this committee.</p>
Number of meetings <ul style="list-style-type: none">• Meeting dates in 2023<ul style="list-style-type: none">○ Jan 18○ Feb 8○ Feb 22○ Dec 13• Meeting dates 2024 YTD<ul style="list-style-type: none">○ Jan 3○ Jan 5○ February 7
Business/Issues Addressed <ul style="list-style-type: none">• Our main focus has been on the 2024 AGM and conference and we have worked hard to offer informative, and interesting topics to the membership, In addition this year we are offering the CUSPAP session as part of our conference. With the changes to CuSPAP we thought this would be the perfect opportunity to add this to our sessions.• Appraising in NB has been offered this year as well.
Planning for Next Year <ul style="list-style-type: none">• To look at the conference for 2025• Other opportunities for education sessions,
Overall Assessment/Comments <p>We invite all feedback with regards to the sessions at the conference as well as any sessions that you might find informative or of interest, Sincerely, Kim Tucker , chair</p>



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Committee Name Discipline Committee
Committee Mandate To establish, maintain, and administer processes for: <ul style="list-style-type: none">• hearing and making determinations regarding allegations of professional misconduct or incompetence against a member of the Association• determining whether to impose sanctions or penalties in situations where members are found guilty of professional misconduct or incompetence in accordance with the provisions of the Act and current best practices in professional regulation.
Committee Members <ul style="list-style-type: none">• Harold Moore (chair), resigned Dec 31, 2023• Edwin O'Donnell• Conrad Babineau• Luc Michaud• Kerry Atkinson (Lay representative)
Number of meetings 1 virtual meeting 0 in-person meetings
Business/Issues Addressed <ul style="list-style-type: none">• Bullet point list of work/accomplishments during the year
Planning for Next Year <ul style="list-style-type: none">• Two new matters (received in 2023) have been referred from the Complaints Committee for hearing. The Registrar is working with legal counsel to set hearing dates.• Harold Moore retired at the end of 2023 and resigned as Chair of the Discipline Committee. The new Chair (effective January 1, 2024) had to resign in March 2024 due to personal reasons.
Overall Assessment/Comments In 2023, there were two matters held over from previous years – one matter was dropped on recommendation of legal counsel (due to issues related to procedural fairness); the hearing for the second matter was held on August 31. The discipline committee accepted a joint submission from the Association and the member, in which the member admitted to professional misconduct.



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Committee of Examiners

Fiscal year 2023 Annual Report

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Committee Mandate

The purpose of the Committee of Examiners is to establish and maintain by-laws, policies, and processes for determining whether a person is eligible for registration under the Act and to hear appeals related to registration decisions made by the registrar.

Committee Members

Kim Polk (Chair until April 2023)
Andy Leech (Chair effective April 2023)
Eric Nowlan
Conrad Babineau
Adam Dickinson (from April 2023)

Number of meetings

1 virtual meeting
0 in-person meetings

Business/Issues Addressed

The Committee reviewed one application referred by the Registrar & ED. The application was accepted.

Planning for Next Year

- Several policies in need of review.

Planning for Next Year/Overall comments

It is hard to anticipate the workload of this committee as it depends on the volume of applications requiring review and the nature of those applications. Regular review of the policies and procedures will be important to ensure the Committee's practices are in line with NBAREA's Act and By-laws, as well as current best practices in professional regulation.

Report of the Past Committee (Past) to Review The Act (CTRA) presented to the Annual Meeting of the New Brunswick Association of Real Estate Appraisers (NBAREA), April 26, 2024

The CTRA presented its final report to the Board of NBAREA on August 15, 2023.

The details of the Committee's work, its members, and conclusions have been highlighted in its final report. The following excerpts are from that report:

Terms of Reference - Committee for Review of the Act

Purpose

The purpose of the Committee for Review of the Act is to undertake a detailed review of the Act to incorporate the New Brunswick Association of Real Estate Appraisers, 1994 (the Act), and make recommendations to the Board regarding possible amendments.

Scope

The Committee's scope is to undertake a review of the Act for the purposes of identifying and clarifying issues related to the provisions and/or administration of the Act, and preparing recommendations for addressing any issues or concerns identified. In addition to recommending changes to the Act, it is within the scope of this committee to consider and recommend alternative approaches for addressing identified issues (for example, through the development or amendment of by-laws, rules, and/or policies).

Functions

The Functions of the Committee to Review the Act are:

- *To investigate and understand the processes involved in amending an Act of Legislature in the province of New Brunswick.*

- *To critically review the Act with respect to:*

o Intended objective of the legislation

o Provisions that may be outdated as a result of:

- *Changes in the practice of the profession*
- *Changes in the education standards/requirements*
- *Changes in the standards of practice*
- *Changes to laws or best practices in professional regulation (administrative justice)*

o Provisions that are considered to be unfair, or unduly complex

o Provisions that are ineffective or inefficient

- *To consult with members and other stakeholders as required*

Authority

The Committee is established by the Board under sections 6(r), 6(s), 10(4), 12(1) and 12(2) of the Act, and Article VIII (sections 1-4) of the bylaws. The authority of the committee is to review and consult for the purpose of developing recommendations for the Board's consideration in the form of a written report.

Committee Membership

Joel LaPointe, P.App, AACI, (member since May 2021; Chair from March 2023)

Jerry Iwanus, P.App, AACI (member and Chair from May 2021 to March 2023)

David Babineau, P.App, AACI

Miranda Burnett, Candidate (from April 2022)

Julie Clarke, P.App, AACI

A. Budd Lynch, P.App, AACI

Louis Poirier, P.App, AACI

Roxanne Wood, P.App, CRA (from May 2021-April 2022)

The Committee (CTRA) wishes to acknowledge Executive Director Carolyn Lordon's invaluable knowledge, support, and contribution to the work of this Committee.

Respectfully Submitted,

Joel W. LaPointe, P.App., AACI

Past Chair of the CTRA



NEW BRUNSWICK ASSOCIATION OF REAL ESTATE APPRAISERS ASSOCIATION DES ÉVALUATEURS IMMOBILIERS DU NOUVEAU-BRUNSWICK

2023 Year in Review

Recruitment and retention of volunteers for both the board and committees continues to be a challenge significantly impacting the work of the Registrar and the Association.

Achievements from 2023 included the following:

General Administration

- Introductory meetings with the new CEO's from AIC and CNAREA
- Revised Complaints and Discipline Manual
- Planned and implemented complete overhaul of the NBAREA website

Risk Management

- Reviewed and updated policies for succession planning (in the event of unplanned absence of the Registrar & ED)

Financial Management

- Reviewed and updated the investment policy to permit investment of operating funds into cashable GICs, while maintaining liquidity of funds.

Member Services

- 2023 saw an increase in applications, largely from out of province members (20 applications in 2023 compared to typical volume of 12-15). This increase may be partly the result of increased reporting of potential unauthorized practice.

Support for the Board, Executive, and Committees

- Supporting the Committee to review the Act in the research and preparation of their report and recommendations
- Supported the Board in planning and organizing the Special Meeting
- A discipline hearing was conducted in August 2023.
- Meetings with the ED for the new NB Real Estate Board regarding the fee structure for appraisers

Conference and Education

- Revised Terms of Reference for the Education Committee
- Supported the planning and organizing of the first in-person conference since 2019 and Appraising in NB.



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Committee Name Nominations, Elections, and Special Awards
Committee Mandate The mandate for this committee is to actively solicit names of members to fill vacancies for all positions of the BOD and to acknowledge members who have contributed significantly by volunteering or promoting the appraisal profession within NB.
Committee Members <ul style="list-style-type: none">• Sheila Fitzpatrick, chair (until April 28, 2023)• Melissa McCartney, chair (from April 28, 2023)• Martins Aina (until April 28, 2023)• Joel LaPointe (from April 28, 2023)
Number of meetings 2 virtual meeting (January 5 and March 6, 2023) 0 in-person meetings
Business/Issues Addressed It continues to be a challenge to recruit members to serve in key positions on the NBAREA board and committees. Although many administrative tasks have been delegated to the Registrar & ED, there are still many functions that must be completed by the Board and/or NBAREA committees. Unless and until the Act is repealed, NBAREA must continue to regulate the profession according to the provisions of the Act. This work requires volunteer members to serve on the board and committees. Please consider donating your time to assist in the regulation of the profession.
Planning for Next Year <ul style="list-style-type: none">• Continue to recruit members for vacant board and/or committee positions.
Overall Assessment/Comments The Committee would be pleased to receive any suggestions from members about how to recruit members to these important positions.



NEW BRUNSWICK ASSOCIATION OF REAL ESTATE APPRAISERS ASSOCIATION DES ÉVALUATEURS IMMOBILIERS DU NOUVEAU-BRUNSWICK

Report - 2024 Elections

The available positions this year include:

- Vice President
- Secretary
- Treasurer
- Southeast Regional Representative
- North Shore Regional Representative

Communication was sent to the membership January 25 and February 14, 2024; the deadline for receiving nominations and letters of acceptance was noon on February 26, 2024. Communication was also sent on February 14 for nominations for the Honorary Membership Award.

BOD Positions

As of the February 26, 2024, deadline,

- Nominations, and acceptances by the nominees, were received from **Miranda Burnett (Secretary), Sheila Fitzpatrick (Treasurer), and Fred McAvoy (North Shore Regional Representative)**.

However, after the formal nomination deadline, the expression of interest was received from :

- Michel Babineau (Southeast Regional Representative)

According to the provisions set out in NBAREA's By-laws, the following have been declared elected by acclamation:

- Miranda Burnett, Secretary
- Sheila Fitzpatrick, Treasurer
- Fred McAvoy, North Shore Regional Representative

Under the Act, where a position on the board becomes vacant, the board may appoint a replacement. Michel Babineau's name will be submitted to the board for appointment at the April 26 meeting. As of March 14, no candidates have been identified for the position of Vice President. Once a candidate has been identified, their name will be provided to the board for appointment.

SPECIAL AWARDS (as of the date of this report, March 14, 2024):

The deadline for nominations for Honorary Member was March 4, 2024. No nominations or submissions were received as of the deadline date.