

Year in Review
2002 • 2003

The Association of Professional Engineers and Geoscientists of British Columbia

CONTENTS



APEGBC Administration Contacts	3
President's Report	4
Executive Director and Registrar's Report	5
Professional Practice Committee	7
Registration Committee	8
Geoscience Committee	9
Communications Committee	10
Minutes of the 83 rd Annual General Meeting	11
2002 Annual General Meeting Motions: Actions Taken by Council	13
Audited Financial Statements as at June 30, 2003	14
Notes to Financial Statements	19
Program Statements (Unaudited)	22

The *Year in Review 2002/2003* includes reports from APEGBC's line committees that report directly to Council. An online companion document containing the reports of all working committees, boards and task forces that report to the line committees, along with Division and Branch reports, is available at www.apeg.bc.ca



Cover

Delcan International recently completed a seismic analysis and evaluation contract for Public Works and Government Services Canada for the Macdonald-Cartier Bridge, a five-span, six-lane, 620 m long lifeline crossing between Ottawa and Hull. The bridge comprises two massive, variable-depth, fabricated box girders supporting transverse floorbeams and stringers, which support a two-way concrete deck. Retrofit options include traditional strengthening as well as more elegant base isolation. Original photo courtesy of Vic Anderson PEng of Delcan.

APEGBC ADMINISTRATION CONTACTS (as of September 2003)

THE ASSOCIATION OF PROFESSIONAL ENGINEERS AND GEOSCIENTISTS OF BRITISH COLUMBIA

#200 – 4010 Regent Street
Burnaby, BC V5C 6N2

Tel: (604) 430-8035 Fax: (604) 430-8085

E-mail: apeginfo@apeg.bc.ca

Web: www.apeg.bc.ca

EXECUTIVE

Executive Director and Registrar

Anne Garrett PEng agarrett@apeg.bc.ca

Special Projects

John Bremner PEng jbremner@apeg.bc.ca

FINANCE AND CORPORATE SERVICES

Director

Fred Wylie CGA CMA CHRP fwylie@apeg.bc.ca

Deputy Director, Finance and Information Technology

Peter So CMA ps@apeg.bc.ca

Accounting Supervisor

Susan Still ssstill@apeg.bc.ca

Accounting Assistant

Kathryn Dunster kdunster@apeg.bc.ca

E-Business Analyst

Steve Johnston sjohnston@apeg.bc.ca

Office Services Administration Clerk

Erica Pawliuk epawliuk@apeg.bc.ca

COMMUNICATIONS

Director and Editor

Wayne Gibson PEng wgibson@apeg.bc.ca

Manager, Professional Development

Janet Guscott jguscott@apeg.bc.ca

Manager, Member and Public Affairs

Glenn Martin gmartin@apeg.bc.ca

Managing Editor/Publications Coordinator

Jennifer White jwhite@apeg.bc.ca

Communications Assistant

Sandra Lee slee@apeg.bc.ca

Member Communications Coordinator/Web Master

Dale Lessoway dlessoway@apeg.bc.ca

Professional Development Coordinators

Tracy Frazer tfrazer@apeg.bc.ca

Oliver Esprez oesprez@apeg.bc.ca

Student Program Coordinator

Shelley Lebar slebar@apeg.bc.ca

Innovation Advertising Representative

Gillian Cobban gcobban@shaw.ca

PROFESSIONAL PRACTICE AND ETHICS

Director

Ross Rettie PEng rrettie@apeg.bc.ca

Deputy Director, Professional Practice

Peter Mitchell PEng mitchell@apeg.bc.ca

Deputy Director, Professional Ethics

Harry McBride PEng hmcbride@apeg.bc.ca

Assistant to the Director

Carol Lee cllee@apeg.bc.ca

Practice Review Coordinator

Lina Bowser lbowser@apeg.bc.ca

Senior Secretary

Maria Seifert mseifert@apeg.bc.ca

REGISTRATION

Director

Gillian Pichler PEng gpichler@apeg.bc.ca

Deputy Director

Elvis Riou PEng eriou@apeg.bc.ca

Assistant to the Director

Megan Begley mbegley@apeg.bc.ca

Interview Facilitator

Caroline Westra cwestra@apeg.bc.ca

SER Program Coordinator

Angie Freedman afreedman@apeg.bc.ca

Registration Coordinators

Claire Archibald carchibald@apeg.bc.ca

Jeanine Goodison goodison@apeg.bc.ca

Jeanette Voon jvoon@apeg.bc.ca

2002/2003 COUNCIL

President

Dick Fletcher PEng

Vice President

Bill Gilmartin PEng

Past President

John Watson PEng

Councillors

Claudio Arato PEng

O'Brian Blackall BCLS

Lindsay Bottomer PGeo

David Chwinklinski PEng

Jeff Holm PEng

Herman Hui PEng

Nicole Kohnert PEng

Margaret Li PEng PhD

Hiromi Matsui MSc

James Provan PEng PhD

Tony Salway PGeo PhD

Tim Smith PGeo

Michael Tkachuk PEng

CCPE DIRECTORS

Colin Smith PEng

John Watson PEng

CCPG DIRECTOR

Steve Sibbick PGeo

PRESIDENT'S REPORT



Dick Fletcher PEng

It's hard to believe that I've nearly completed the mandate as President accorded to me by you, my fellow professionals. Together with Council and staff, I've had the distinct privilege of addressing some significant challenges facing our professions. While every Council is faced with challenges during their term, this Council has made "watershed decisions" on your behalf that I'm confident will strengthen our professions and the Association for the future.

The most significant event has been the strong endorsement of APEGBC members for the proposal to merge our regulatory and member service functions with those of the Applied Science Technologists and Technicians of BC. This merger, which has been talked about in one way, shape or form for years, will finally bring together all members of the engineering and geoscience team under one organization so we can speak with a unified voice and act as a unified team.

The visioning undertaken by so many members of APEGBC and ASTTBC over the years clearly demonstrated that a single regulatory body will best serve the professions' members at all levels, and the public we serve. The statesmanship shown by current and past APEGBC and ASTTBC Councils throughout this process is testament to the professionalism of our two bodies. Without it we would not have been able to move forward. I thank all those who have helped to further this initiative and encourage you to stay the course as we move through the legislative, administrative and operational changes necessary to make the merger a reality.

Last year we made a conscious effort to position ourselves to engage with govern-

ment. This year we made a significant investment in this initiative, spending considerable time meeting with ministers, politicians and senior ministry officials. Our timing was good, as were our messages, which emphasized the value of our professions to the province. A major part of our success was the strong support and assistance from members who are close to government. We must continue to invest in keeping government and the public aware of our value.

On the sustainability front, the Association has made excellent progress helping members to address sustainability issues in their practices through introducing two new Sustainability Primer modules, continuing the *Sustainability Now* newsletter, and hosting a workshop that examined how the Association can be most effective in this important area.

Serving as President of a comprehensive organization such as APEGBC affords one the opportunity to travel around the province and Canada and to meet with members, affiliated professionals, industry and government. From my interactions with individuals from all of these groups, it is clear that our professions have considerable "value added" to offer to our customers whether they be from industry, government or the public at large. APEGBC members have the ingenuity and creativity to find the right solution to the right problem. I cannot begin to thank all the APEGBC professionals who have shown me such courtesy this past year as we expanded the two-way dialogue between members and the Association.

This year marks the conclusion of John Bremner's seven-year tenure as our Executive Director and Registrar. John has served us well in this capacity, garnering great respect for our professions from those he has encountered within BC, nationally and indeed internationally. Having led the search committee that found John in 1996, it has been my privilege to have the opportunity to work closely with John this year and see first hand what a "class act" he is. Thanks from us all, John.

I also had the pleasure of serving on the most recent search committee that located and hired Anne Garrett, and am confident that her dynamic vision for our professions in a changing world, along with her broad operations, marketing and sales experience within the high-tech industry, will be the

right mixture of skills to take us forward for many years to come. Anne's background will be of great benefit in improving our connections to the newer engineering and geoscience disciplines. We look forward to her capable assistance and guidance as we tackle the professions' future challenges.

It is important for members to recognize that it is really Council, collectively, that has guided the course for my term — we attacked our challenges as a team with the greatest of respect. Our debates were spirited but, as the time for decision came, we made decisions based on the best interests of the professions. The spirit of Council has been exemplary and they are all to be congratulated.

My thanks also go out to the committee and task force volunteers, along with APEGBC staff, for their hard work and dedication to this fine organization. Their selfless contributions drive the engine that keeps our professions running smoothly and ensures our ongoing value and relevance to the membership as a whole and the public we serve. You have made my term extremely rewarding and I have been honoured to serve you.

Finally, I would like to thank my partners and staff at Urban Systems, and my wife Joanie and family, for their tremendous support and understanding of my APEGBC commitments.

EXECUTIVE DIRECTOR AND REGISTRAR'S REPORT



E John Bremner PEng

Another unbelievable year has drawn to a close and there is much to report. I will touch on a few of the issues and invite you to read the reports of the President and line Committee Chairs included in this report, as well as the online reports of the working Committees, Task Forces, Boards, Divisions and Branches at www.apeg.bc.ca.

Financial 2002/03

The final year end figures for this fiscal year show a slight improvement over the budgeted figures. This is a result of additional revenues generated by the annual dues increase approved by members through the 2002 bylaw amendment ballot. Council adopted a 2002/03 budget with a projected deficit of \$112,000; final year end figures show a deficit of \$99,519.

Revenues

Annual dues are the primary source of monies collected, amounting to approximately 66% of the Association's revenues. The \$30 fee increase approved by the membership in 2002 was a necessary and welcome addition. This was the first dues increase in nine years and, while not fully meeting the level of inflation over that period, it has allowed us to continue with program priorities as currently established.

We continue to keep a very close eye on "other" revenues to ensure they keep up with inflation. As much as possible, revenue derived from the Annual Conference, professional development, advertising, affinity programs and other general fees are set on a "pay as you go" basis.

Expenditures

Expenditures exceeded forecasts in several

areas: legal services, Directors' and Officers' insurance, and travel. In addition, the Executive Director recruitment expense was not provided for and bank credit charges exceeded budget as a result of the high usage of the online dues payment option, the only negative to this program.

Financial 2003/04

The budget adopted by Council for the 2003/04 fiscal year shows a bottom line surplus of \$85,400. Revenues reflect the full year benefit of last year's \$30 dues increase and continued moderate growth in membership of approximately 2%.

This year's work plan provides for a continuation of programming that supports the overall strategic plan and Council priorities. Expenditures are projected to decline slightly as a result of completion of the Pilot Project for Internationally Trained Engineers and a reevaluation of the Structural Engineer of Record program. One area of increase relates to the CCPE per capita assessment, which increases approximately 28%, or \$2.40 per capita, to support national programs. This is the first CCPE assessment increase in over 10 years.

Annual Dues

Members are being asked again through the ballot process to grant Council some latitude in establishing annual dues. A bylaw amendment is proposed to allow Council to raise fees by a maximum of 5% annually, slightly more than the current rate of inflation. If approved, this will allow Council to establish fees based on current long-range forecasts that will provide for the accrual of a modest unrestricted reserve fund.

Prudent management dictates that a minimum three months' operating reserve should be attained to provide for unexpected/unplanned expenditures and the normal variations that occur in an otherwise balanced budget scenario. With this level of fee increase, it is forecast that this level of reserve could be achieved over an approximate five to six year period.

2002/2003 in Review

The past year has been a very busy one for staff, our President and Council, and the many volunteers who give so generously of their time. The overall activity at APEGBC can perhaps best be described as "frenetic." It seems everyone has been going flat out all

year on a multitude of initiatives; I'll single out a few for comment.

APEGBC/ASTTBC Merger

In May, following a very active year of communications with members through *Innovation*, the APEGBC web page and two dozen public meetings, a referendum was held that asked the question "Do you support or do you oppose the proposal to integrate engineering and geoscience technology practice under amended APEGBC legislation?" 72% of respondents supported the proposal and 28% opposed it.

Council then directed that we seek legislative changes to enable the integration initiative. We are currently in discussion with our Ministry and are hopeful that the necessary amendments will be on the agenda for the spring 2004 sitting of the legislature.

By way of an aside, this referendum gave us an opportunity to test online voting. More than half of the 6,000 responding voters cast their ballots online, clearly demonstrating that this method of voting is an effective and cost efficient way of conducting ballots. As a consequence we have amended the language in the proposed *Act* to permit online voting for the official ballots of the Association.

Government Relations

Our government relations initiatives commenced last year under Dick Fletcher's leadership and, with the able assistance of Glenn Martin, Manager, Member and Public Affairs, the program continued with a vengeance this year. Numerous meetings have been held with Ministers, MLAs and senior staff of the most relevant ministries.

Our general message has been that we have a highly skilled, diverse professional membership that can provide advice on technical matters to assist in the development of public policy. We have been invited to serve on a number of task forces reviewing various regulations and practice codes, have been requested to identify appropriate members for appointment to several provincial boards, and have been contracted by government to directly undertake a number of tasks. These include preparation of Terrain Stability Assessment Guidelines, preparation of guidelines for qualified professionals under the *Waste Management Act*, and detailed review of a proposal to create a contaminated sites Licensed Environmental Professional program.

EXECUTIVE DIRECTOR AND REGISTRAR (continued)

We have also provided input on new legislation relating to the Community Charter, *Waste Management Act*, *Safety Standards Act*, National and BC Building Codes, a mining task force chaired by MLA Ralph Sultan PEng, and the Attorney General's Civil Liability Review. Concerning the latter, we have strongly urged the AG to consider amending civil law to introduce a 10 year ultimate limitation period; changing the laws of negligence with respect to joint and several liability to proportional liability; and implementing a Certificate of Merit process that would require a review of the merits of a case before naming a myriad of defendants in a lawsuit (the current "shotgun" approach).

Secondary Professional Liability Insurance

The passage of the related bylaw amendment on last year's ballot paved the way for our participation in the national SPLI program. It commenced April 1, 2003 and has provided benefits to engineers and geoscientists across the country and specifically in BC. In fact, the first person to utilize the program was a retired BC engineer named in a suit as a consequence of work he did some years previously. This member, who had a very minor role in a commercial building project, became a named defendant following the building's destruction by fire. The program successfully defended the member, incurring some \$15,000 in legal expenses in the process. Needless to say, the member's \$10 premium paid a rather handsome dividend!

Online Activities

This year, thanks to the superlative work of our Finance and IT department, members were afforded the opportunity to pay their annual dues online. It would appear this was a welcome addition to our member services as more than 53% chose this payment option.

This success led us to identify a way to offer an online referendum vote for the APEGBC/ASTTBC merger. The primary concerns facing us were twofold: ensuring we "captured" all members and doing it in a way that ensured anonymity. Again we had success, with a similar percentage choosing to vote online. In the future, we will pursue greater usage of these tools in the general election ballot.

Continuing Professional Development

Our professional development activities saw

a significant increase over the past year and the coming year will see a continuation of this trend. Workshop and seminar opportunities, many designed specifically to suit needs identified by members, will continue to expand in both content and delivery. Janet Guscott, Manager of Professional Development, will continue to seek ways to offer as broad an array of programs as possible. Working with the Branches, APEGBC will continue to offer various opportunities throughout the province.

Two very successful seminars — Law and Ethics and Non-Structural Seismic Restraints — were committed to CD format and are available for purchase.

Mobility

Mobility continued to occupy a priority position on two fronts, nationally within Canada and between Canadian and US jurisdictions. I'm pleased to report that headway has been made in both areas. A study was commenced to quantify the interest and potential cost implications of providing an "automatic" way of becoming registered within multiple jurisdictions in Canada. The preliminary results are positive and work is ongoing.

Discussions between Canada and US jurisdictions — primarily involving the State Board representatives of the Pacific Northwest and Alberta, BC, and the Yukon — continued through several venues. The result was a unanimous resolution at the recent Pacific NorthWest Economic Region (PNWER) annual meeting in Calgary to support initiatives directed towards labour mobility within the region.

The resolution encourages licensing authorities within POWNER to issue a license to a person from another jurisdiction — where, in the opinion of the Board or Council, the licensure requirements of the home jurisdiction are substantially equivalent to those required by the host jurisdiction — and to introduce any legislative amendments required to facilitate such agreements. The intent is to recognize the equivalency of PEng = PE to ease reciprocity/comity within these jurisdictions.

Professional Liability Insurance

An issue of very considerable concern rose to the fore this year relating to the cost and, perhaps more importantly, the continued availability of E&O insurance for professionals. Several consulting firms have had

renewal of their coverage either denied or renewed with exclusions that severely limit its coverage. As a result individual members are recognizing that, in effect, their own professional liability may be the only recourse available to clients or third parties who suffer damage and decide to sue. We are attempting to address this problem jointly with the Consulting Engineers of BC and the Architectural Institute of BC as it affects members of both organizations. There are no answers as yet, but considerable effort will be put into this issue in the coming year.

In Closing

It has been an extremely busy year but one with many successes. It has been a real pleasure to work with President Dick Fletcher and Council, and the hundreds of volunteers who give so freely of their time. I would especially like to single out Dick for recognition; the role of President is extremely demanding on one's time. This, coupled with carrying on a practice and the additional travel as a result of residing in Kelowna, has meant that Dick has been on the go almost 24/7. He has gone well beyond the call of duty and our Association owes Dick a great deal of gratitude.

I must also single out our appointed Councillors, Hiromi Matsui MSc and O'Brian Blackall BCLS, whose roles have been particularly demanding this year and who have contributed greatly to our professions with no thought of reward. As we are short two appointees, Hiromi and O'Brian have been called upon to do double and triple duty. In addition to their "normal" responsibilities on Council and line Committees, Hiromi has served on the Strategic Planning and Executive Committees as well as the Executive Director Search Committee; O'Brian serves on the Audit Committee. Thank you both for bringing so much to our professions.

And finally, to my own closing; this is my last opportunity to report to the membership. The past seven years with APEGBC have passed in a heartbeat. The role of Executive Director has afforded me the opportunity to meet some truly wonderful people and to experience some great events.

I've said it before, but it bears repeating: APEGBC is in great shape; an excellent staff, and volunteers too numerous to count, all put their heart and soul into this organization. Dedication and professionalism are the guiding principles. Thank you all for your support — it's been a blast!

PROFESSIONAL PRACTICE COMMITTEE



Claudio Arato PEng, Chair

This report summarizes the key activities of volunteer committees and task forces that report to the Professional Practice Committee. Their individual reports can be found on the Association website.

The Act Rewrite Task Force has completed drafting the new *Engineering and Geoscience Professions Act*, which is now in the hands of the government's legislative drafters. The proposed merger with the Applied Science Technologists and Technicians of BC (ASTTBC), and the demonstrated support of the membership to proceed, resulted in much activity for the Task Force over the past year as they made provisions within the draft *Act* to facilitate the merger. The anticipated timing for enactment of the new *Act* is the spring 2004 sitting of the Legislature.

The Building Envelope Committee has been actively involved in many difficult issues in that sector including:

- professional liability insurance, from both an exclusion and availability basis;
- general liability insurance, mainly for contractors/builders as required by warranty programs and the *Homeowner Protection Act*, for projects to start or continue to completion;
- building envelope performance problems on highrise buildings; and
- durability aspects of construction and its relationship to "green" buildings.

Work is underway to develop a standard of practice document for professional engineers who practise in this sector. Preliminary discussions are also underway with the Architectural Institute of BC regarding future professional interactions.

The Building Codes Committee's major effort this past year has been the review of

Committee Members

Claudio Arato PEng, *Councillor and Chair* • Herman Hui PEng, *Councillor* • Tony Salway PGeo PhD, *Councillor* • Mike Tkachuk PEng, *Councillor* • Michel de Spot PEng, *Chair, Sustainability* • Bill Donald PEng, *Chair, Environment* • Andrew Harmsworth PEng, *Chair, Building Codes* • Steven Keyes PEng, *Co-Chair, Consulting Practice* • David Magnusson PEng, *Chair, Practice Review* • Bob Martin PEng, *Chair, Act and Bylaws* • Bill McQueen PEng • Phil Sunderland PEng, *Chair, Building Envelope*

Staff

Ross Rettie PEng, *Director, Professional Practice and Ethics* • Peter Mitchell PEng, *Deputy Director, Professional Practice* • Harry McBride PEng, *Deputy Director, Professional Ethics* • Carol Lee, *Assistant to the Director, Professional Practice and Ethics*

proposed changes to the National Building Code and its subsequent incorporation into the BC Building Code and Vancouver Building Bylaw, given the move from traditional "prescriptive" codes to "objective-based" codes. Draft *Guidelines for Fire Protection Engineering* have been developed and will be finalized following review by other committees and approval by Council.

The Seismic Risk Task Force has completed its work and submitted recommendations to the provincial government. The indications are that the recommended requirements will be incorporated into the current BC Building Code together with other urgent amendments later this year.

Activities of the Environment Committee this year have included:

- planning, and providing assistance for, a major climate change adaptation conference held by CCPE in conjunction with the federal government;
- technical review and comments on a regulatory streamside protection proposal, several *Waste Management Act* discussion papers for the Ministry of Water, Land and Air Protection and proposed provincial storage tank regulations;
- review of Section 39 of the *Water Act* for the Director of the Water Management Branch to ensure consistency with the *Engineers and Geoscientists Act*;
- review of the Ministry of Health's proposed sewage regulation and communicating our concerns to the Ministers of Water, Land and Air Protection and Sustainable Resource Management as well as Ralph Sultan PEng MLA; and
- review of the GVRD's Ashcroft Ranch Landfill Project.

Since the implementation of APEGBC's practice review program in 1994, some 854 reviews of members' practices have been

completed. This past year, the Practice Review Committee adjudicated 156 practice review files and has initiated a further 192 practice reviews. The majority of problems associated with members' practices continue to be lack of adherence to Bylaw 14(b) Quality Management, together with a lack of appropriate details in both technical designs and technical reports.

During the past year, the Committee participated in the development of an Organization Practice Review as an alternative to Certificates of Authorization. The Organization Practice Review is a voluntary program where an organization (firm or other group entity) can undergo practice review as a whole, examining the organization's resources, quality management policies and procedures, and the entity's employee engineers and geoscientists. This program will help to alleviate the periodic intrusion generated by the random selection of individual employee practice reviews.

Sustainability issues are being introduced into the practice review process on the basis of APEGBC's *Guidelines for Sustainability*, in place since 1995. The Sustainable Management System (SMS) for the Association is on track and the third Sustainability Researcher has now been selected for an October start.

Activity in the investigation and discipline areas has increased somewhat over the previous year, reversing the trend reported last year. Enforcement actions have also increased and are a result of members' diligence in reporting observed infractions.

All members are again reminded that they should report to the Association any apparent practice of engineering or geoscience, or inappropriate use of titles or designations, by non-members that they encounter during the course of their professional work.

REGISTRATION COMMITTEE



Jeff Holm PEng, Chair

This past year saw programs and operations growing to keep the licensing process relevant and effective to the registration of professional engineers and professional geoscientists. Highlights are included here; further details can be found in the Geoscience Committee report and on the Association website in the reports of the Employment Standards Task Force, Registration (EIT/GIT) Task Force and Structural Qualifications Board.

Approximately half of our new applicants for registration are members from other provinces or territories and are registered under the terms of the Inter-Association Mobility Agreement, which allows expedited registration. A further 25% of applicants do not have degrees that are recognized as accredited, and require detailed examination of academic qualifications. The remaining applicants are generally assessed through the Engineer- and Geoscientist-in-Training programs.

The Pilot Project for Internationally Trained Engineers was launched in 2002, in cooperation with the Ministry of Community, Aboriginal and Women's Services, to address the challenges faced by immigrant engineers, employers, government agencies and community service providers as they assist overseas trained engineers in their efforts to become integrated into the engineering workplace and registered as professionals. Key results of this program are:

- Registration staff completely redesigned the registration website and hard copy documents, and developed a free online tool to help individuals pre-assess their qualifications. A Pilot-specific website was also launched as a

Committee Members

Jeff Holm PEng, *Chair and Councillor* • Lindsay Bottomer PGeo, *Councillor* • Nicole Kohnert PEng, *Councillor* • Margaret Li PEng PhD, *Councillor* • Hiromi Matsui MSc, *Councillor* • Leon Bell PEng, *Structural Qualifications Board* • Neil Brazier PEng • Neil Creighton PEng • Bernard Dewonck PGeo • Eric Lalli PEng • Peter Mussallem PEng • George Prince PEng, *Registration Task Force* • Ray Raychoudhury PEng • Troy Vassos PEng PhD

Staff

Gillian Pichler PEng, *Director, Registration* • Elvis Riou PEng, *Deputy Director, Registration* • Caroline Westra, *Interview Facilitator* • Jeanette Voon, *Registration Coordinator*

lasting resource for internationally trained engineers, service providers, employers and others.

- To address one of the much-publicized obstacles to becoming registered as a professional engineer — the requirement for one year of Canadian engineering work experience — APEGBC members will soon vote on a new category of membership, Provisional Member. If approved, APEGBC will recognize individuals who fulfill all requirements for registration except the engineering work experience in a Canadian environment.

APEGBC is also participating in a national steering committee for a project with a similar focus undertaken by the Canadian Council of Professional Engineers in partnership with Human Resources Development Canada.

The Engineer- and Geoscientist-in-Training program experienced fundamental change with the April launch of an online reporting and review system that allows EITs and GITs to report experience in six-month increments and to have it reviewed online, receiving credit for experience that meets APEGBC's criteria. The system has also been extended to allow third- and fourth-year student (MAPS) members to report and receive credit for co-op and summer experience.

The Law and Ethics seminar became mandatory on January 1, 2003 except for qualified applicants who apply from another Canadian jurisdiction under the Inter-Association Mobility Agreement. The seminar is also intended as a refresher for registered members and its availability in CD format makes it accessible to all members and applicants. APEGBC also addressed member concerns regarding the Professional Practice Examination by working with the national provider to review and revise the question bank and body of knowledge,

and to set up a steering committee of participating provinces to guide the exam's future development.

In association with our colleagues from the Applied Science Technologists and Technicians of BC, and with representatives of college, institute and university programs in engineering, trades and technology, the Association is studying a bridging model that will allow working technologists to gain the education they need to qualify as professional engineers. Feedback from career counsellors, educational institutions, and APEGBC and ASTTBC members have indicated that a formalized laddering from trades through technology to engineering qualification can only benefit the professions by allowing practical access to education for working candidates.

Three allied qualification programs are administered by Registration. The first Structural Engineers of Record (SER) obtained their qualification in April 2003 and to date 10 members have qualified as SERs. The one-year trial period to pilot and consult on the program ended in April, with a resulting recommendation to change the designation to Designated Structural Engineer (StructEng). This recommendation will be included in a proposed bylaw change this September.

APEGBC is now accepting applications for a variety of disciplines for the Canadian Asia Pacific Economic Cooperation (APEC) Register of Professional Engineers. This is the first step in developing protocols to allow engineers from the Canadian APEC Register to practise throughout the APEC economies. Currently there are 11 APEGBC members on the Register.

Finally, on behalf of the Ministry of Land, Water and Air Protection, the Association continues to provide management of and administrative support to the Contaminated Sites Roster Steering Committee. The

Committee establishes qualification requirements and evaluates applicants for the Roster of Professional Experts in contaminated sites management. APEGBC recently received funding in trust for use by the Roster Steering Committee to develop infrastructure, board tools, examinations and administration for an independent Board of Licensed Environmental Professionals (LEP) to review contaminated site submissions on behalf of the Ministry.

The Registration Committee is currently examining some aspects of the registration process — notably, the process and policy for assigning technical screening examinations, the EIT/GIT program, the appeals process, treatment of pregraduation experience, and development of clear guidelines for qualifying experience in specific engineering disciplines.

We are privileged to be able to call upon the expertise of hundreds of APEGBC mem-

bers and other colleagues who support the work of the Registration Committee and associated task forces. Their interest and support allow us to maintain true self-governance of our professions. This, combined with a dedicated staff at APEGBC, has resulted in many achievements and innovations during the past year. We extend our sincere thanks to all who have made this possible.

GEOSCIENCE COMMITTEE



Jenna Hardy PGeo, Chair

In the last few years, the Geoscience Committee's role within APEGBC has evolved from that of simple reviewer of membership applications to one of policy advisor to Council on issues relating to geoscience and joint engineering/geoscience practice. Geoscience Committee members now sit on most line committees and geoscientists are now well represented within APEGBC due to this cross-fertilization at the committee level.

Since its inception the Committee has made a concerted effort to be a proactive, effective and energetic voice for geoscientists within the Association. In 2003, internal restructuring continued as we defined several short-term task forces (headed by Committee members, but also including non-Committee members to provide more informed/focused consultation) with dedicated missions to advance developing areas of interest.

While we have spent time getting our house in order, we have also focused on en-

couraging change and effecting positive outcomes within and outside the Association in areas where we may have influence. The Committee's long-term goal is to become the "one window" point of entry for all aspects relating to geoscience within APEGBC, making it possible for issues to be quickly considered for input and decision making.

The Committee continues to forge stronger relationships with the Division of Engineers and Geoscientists in the Forest Sector, the BC & Yukon Chamber of Mines and the Mineral Exploration Group. Key areas of focus have been securities legislation/regulatory reform, particularly as it relates to National Instrument 43-101; definition of the new BC syllabus that sets out academic requirements for geoscience registration; and fostering enhanced levels of understanding among all stakeholder groups. We are particularly proud that Lindsay Bottomer PGeo, Councillor and Geoscience Committee member, is chairing the Mining Task Force set up by the BC government.

For the 2003/2004 budget year, the Committee obtained APEGBC funding on a line budget basis for an hourly contract position reporting back to Geoscience. This will support evaluation and liaison work to keep the BC syllabus current as well as provide input to academic institutions that are developing geoscience programs.

Our near term goal is to define formalized procedures and protocols that support a guiding set of principles and goals for geoscience practice. The result will be increased transparency and accountability within both APEGBC on issues relating to geoscience and within the Geoscience Committee itself. Although the pace of change is not always as fast as we would like, we are proud of what we have achieved this year.

I would like to thank the people who have been positive forces in these changes — both Geoscience Committee members as well as various "friends of the Geoscience Committee" who have helped to clarify and solidify our direction.

Committee Members

Jenna Hardy PGeo, *Chair* • Lindsay Bottomer PGeo, *Councillor* • Tony Salway PGeo PhD, *Councillor* • Tim Smith PGeo, *Councillor* • Mike Bovis PGeo PhD • Brian Butterworth PGeo • George Cavey PGeo • Jennifer Clarke PGeo • Steve Cook PGeo • Bernard Dewonck PGeo • Bruce Downing PGeo • Ivor Elliott PGeo/PEng PhD • Kay Fletcher PGeo/PEng PhD • Jules Lajoie PEng PhD • James Moors PGeo • John Perry PGeo • Jim Robertson PGeo • Steve Sibbick PGeo • Glen Singleton PGeo PhD • Brent Ward PGeo PhD • Susan Wilkins PGeo • Paul Wojdak PGeo

Staff

Elvis Riou PEng, *Deputy Director, Registration* • Claire Archibald, *Registration Coordinator* • Tanya Stewart, *Registration Coordinator*

COMMUNICATIONS COMMITTEE



Tim Smith PGeo, Chair

The strategic and operational plans developed over the years by the working committees that report to Communications have ensured that APEGBC's communication and member service efforts continue to produce high quality results for the professions and Association members. While the Committee was not required to deal with many policy issues during 2002/2003, operationally the year produced numerous successes for APEGBC.

The Association's increased government relations efforts continue to bear fruit as we are now regularly called upon to help guide various government ministries as they introduce new or revised legislation/regulations that affect professional engineers and geoscientists. Our improved presence in Victoria will help to ensure that issues affecting our professions will be higher on the priority list in the future.

At the time of publication, APEGBC was contracted by the Ministry of Forests to develop Guidelines for Terrain Stability Assessments in the Forest Sector, and is working with the Ministry of Energy and Mines on a Mining Review Task Force and with the Ministry of Community, Aboriginal and Women's Services on a review of BC's Safety Standard Regulations. Glenn Martin, Manager, Member and Public Affairs has been instrumental in helping APEGBC to initiate and maintain these connections.

In addition to the steady production of informative member communication through *Innovation*, Branch/Division newsletters and greater use of e-mail and web messaging, APEGBC's Communications Department achieved a number of notable program milestones: the delivery of

Committee Members

Tim Smith, PGeo, *Councillor and Chair* • O'Brien Blackall BCLS, *Councillor* • David Chwacklinski PEng, *Councillor* • Michael Farnsworth PEng, *Chair, Member Services* • Hugh Fraser PEng, *Chair, Mentoring* • David Harvey, PEng, *Division of Structural Engineers* • Vijay Kallur PEng, *Chair, Continuing Professional Development* • Lianna Mah PEng, *Chair, Editorial Board* • Daniel St Pierre PEng, *Chair, Career Awareness* • Bruce Thomson PGeo, *Division of Engineers and Geoscientists in the Forest Sector* • Susan Wilkins PGeo, *Geoscience* • Terry Wong PEng, *Chair, Public Relations*

Staff

Wayne Gibson PEng, *Director, Communications* • Dale Lessoway, *Member Communications Coordinator*

over 50 continuing professional development seminars to over 1,500 participants throughout BC; the launch of APEGBC's first two distance education CDs; the enrollment of the entire UBC engineering undergraduate class in APEGBC's student member program; and the launch of four new member services providing financial savings on products and services regularly used by Association members and their families.

The growth and success of CPD efforts are testament to the value of the Association's CPD team, headed by Janet Guscott, Manager, Professional Development. The team has increased APEGBC's CPD revenues by over 365% in a one-year period. Almost 20% of the seminars and courses offered this year were located outside the Lower Mainland to help improve education accessibility for all members. CD delivery of APEGBC's Law and Ethics seminar for new registrants, and completion of the Non-Structural Seismic Restraints multimedia distance conference, signals a new era in APEGBC's ability to deliver high quality distance education to members.

The efforts of APEGBC's Member Services Committee have resulted in the launch of many new affinity programs for members including financial investment services through Berkshire Securities, RESP programs through Allianz, fuel discounts of 4.5% through Esso and accommodation savings through the Choice Hotels network of inns, lodges and suites across Canada. Member service programs not only generate valuable savings for APEGBC members but regularly generate affinity revenues for the Association as well.

The Public Relations Committee and staff continue to promote business and public awareness of the diversity and value of the professions. The group makes effective use of

the Association's limited advertising budget by focusing on targeted, repeat messaging in key business publications such as *BC Business* and *Business in Vancouver*, and through the development of value-added media products such as our National Engineering and Geoscience Week inserts in Victoria, Kelowna, Prince George and the Lower Mainland. NEGW 2003 saw the launch of a new ad campaign challenging viewers to imagine, in a humorous way, a world without the products and services created by professional engineers and geoscientists.

Finally, in addition to the traditional workloads shouldered by Communications staff and volunteers, the team managed two special member communication initiatives: the successful September 2002 annual fee bylaw vote and the spring 2003 APEGBC/ASTTBC referendum. Congratulations to Wayne Gibson PEng and his team for their delivery of the concise and pertinent information that permitted Association members to make an informed vote on these two key issues, and their dedicated work to successfully carry out APEGBC's many communications programs throughout the year.

Minutes of the 83rd Annual General Meeting

The meeting was held at the Victoria Conference Centre in Victoria, BC on October 26, 2002. There being a quorum of members present, President John Watson PEng convened the meeting at 9:00 am.

President Watson welcomed all those present and commented on the expected proceedings for the meeting. He commented that in the afternoon a number of very important and timely issues would be presented and discussed: an update on the discussions underway between APEGBC and ASTTBC regarding a new proposal for the regulation of the Engineering and Geoscience Team under one organization; and a report on alternatives to APEGBC's proposed Certificate of Authorization for the registration of companies practising engineering and geoscience in BC.

Minutes of 82nd Annual General Meeting

President Watson noted that the minutes of the 82nd AGM were published in the *Year in Review 2001/2002* insert in the September 2002 issue of *Innovation*, and he called for a motion to approve the minutes. It was moved by George Cavey PGeo that the minutes of the 82nd Annual General Meeting be adopted as printed. The motion was carried.

Election and Bylaw Results

President Watson announced the results of the election of the 2002/2003 Council and introduced the new Council to the assembly:

- President Dick Fletcher PEng
- Vice President Bill Gilmartin PEng
- Councillors elected for a two-year term: Lindsay Bottomer PGeo, Jeff Holm PEng, Margaret Li PEng PhD, Tony Salway PGeo PhD and Mike Tkachuk PEng
- Councillor elected for a one-year term to fill the vacancy left by Bill Gilmartin: David Chwaklinski PEng
- The following Councillors continue for the 2002/2003 Council year: John Watson PEng, Past President; Councillors Claudio Arato PEng, Herman Hui PEng, Nicole Kohnert PEng and Tim Smith PGeo
- Appointed by Council for a one-year term as a member of a Faculty of Applied Science, Engineering or Geoscience in BC: Jim Provan PEng PhD of the University of Victoria Department of Mechanical Engineering
- In addition, the 2002/2003 Council includes the following Government lay appointees: O'Brian Blackall BCLS, Jack Croll MBA FCA (until December 31, 2002) and Hiromi Matsui MSc

President Watson then announced the results of the Bylaw ballots:

- On the first ballot proposing a full professional member fee increase of \$30: For 67.3%; Against 32.7% (Passed)
- On the second ballot assigning Council authority to set future professional fees after January 2003: For 44.6%; Against 55.4% (Failed)
- On the third ballot authorizing a mandatory secondary professional liability insurance program: For 78.7%; Against 21.3% (Passed)

It was moved by Richard Hancock PEng that the ballots for election to Council and the Bylaw ballots be destroyed at the end of three months. The motion was carried.

Recognition of Deceased Members

President Watson asked the members' indulgence for a moment of silence in respect for our departed colleagues as the Executive Director read their names aloud.

President's Report

President Watson presented his report for the 2001/2002 term, which

was published in the *Year in Review 2001/2002* insert in the September 2002 issue of *Innovation*.

Introduction of Special Visitors and Guests

President Watson introduced numerous invited guests from the CCPE constituent associations across Canada, our colleagues from across the border in Washington State, and our related BC professional associations and government. He thanked the guests for taking time out from their busy schedules to be with us this weekend.

Canadian Councils of Professional Engineers and Geoscientists

President Watson called upon Hollis Cole PEng, President of the Canadian Council of Professional Engineers, and George Cavey PGeo, Chair of the Canadian Council of Professional Geoscientists, to highlight a number of issues from the national perspective.

Reports of Committees, Task Forces, Boards, Divisions and Branches

President Watson introduced the Chairs of the Committees, Task Forces, Boards, Divisions and Branches. He commented that their reports are published in the *Year in Review 2001/2002* insert in the September 2002 issue of *Innovation* and invited questions on the reports.

It was moved by Bill Royds PEng that the reports of the Committees, Task Forces, Boards, Divisions and Branches be received as printed in the *Year in Review 2001/2002 report*. The motion was carried.

Audited Financial Statements

It was moved by Dick Fletcher PEng, Vice President that the report of the Executive Director and the Audited Financial Statements for the 12 months ending June 30, 2002, be approved. President Watson invited questions on the motion following which the question was called and the motion was carried.

Appointment of Auditors for 2003

It was moved by Dick Fletcher PEng that the firm of PricewaterhouseCoopers, Chartered Accountants, be appointed by Council as the Association Auditors for the fiscal year ending June 30, 2003. The motion was carried.

Banking Resolutions

It was moved by Dick Fletcher PEng that, in accordance with established policy, the signing officers for the transaction of the Association's banking business shall be:

- a) For the signing of cheques, borrowing of money, etc — any one of the following four people together with John Bremner PEng, Executive Director, or Gillian Pichler PEng, Director, Registration:
 - Colin Smith PEng, Past President
 - John Watson PEng, immediate Past President
 - Dick Fletcher PEng, President
 - Bill Gilmartin PEng, Vice President
- b) For depositing, etc:
 - John Bremner PEng, Executive Director
- c) For access to the safety deposit box:
 - John Bremner PEng, Executive Director alone, or
 - Gillian Pichler, PEng, Director, Registration together with Dick Fletcher PEng, President

The motion was carried.

Minutes of the 83rd Annual General Meeting (continued)

It was moved by Dick Fletcher PEng that the motion be amended as follows:

a) For the signing of cheques, borrowing of money, etc — any two of the following people:

- Colin Smith PEng, Past President
- John Watson PEng, immediate Past President
- Dick Fletcher PEng, President
- Bill Gilmartin PEng, Vice President
- John Bremner PEng, Executive Director & Registrar
- Gillian Pichler PEng, Director, Registration
- Fred Wylie CGA CMA CHRP, Director, Finance & Corporate Services

b) and c) as approved.

The amending motion was carried. The motion as amended was carried.

2003 Annual Conference

President Watson was pleased to announce that the 2003 Annual Conference will be held in Penticton, BC on October 16, 17 and 18, with the 2003 Annual General Meeting scheduled for Saturday, October 18 [subsequently rescheduled to October 23, 24 and 25, with the Annual General Meeting scheduled for Saturday, October 25].

Faculty and Student Representatives

President Watson introduced faculty from the Faculty of Applied Science, University of British Columbia; the School of Engineering Science, Simon Fraser University; and the Faculty of Engineering, University of Victoria. He also introduced student representatives of the universities' undergraduate societies.

Branch Representatives

President Watson introduced the representatives of each of the Association's Branches.

New Business

President Watson called for motions from the floor:

Motion 1. Whereas:

- members of APEGBC have called upon the profession to do more to recognize the achievements of its members;
- annual awards recognition, while certainly prestigious, tends to be limited to recipients and their families, coworkers and immediate colleagues, with some extended augmentation through paid advertising;
- other professions (and learned societies) have developed a more enduring form of recognition through the designation of fellow (eg, FCA, FCMA, FCGA, FStructE, etc);

it is moved and seconded that Council give consideration to establishing the designation of Fellow as a new grade of membership and striking a task force to develop criteria for Council to confer this designation on members of APEGBC. The motion was **defeated**.

Motion 2. In order to provide Council and APEGBC's membership with a more definitive understanding about how its Bylaw initiatives are supported on a regional basis, it is moved and seconded that Council give consideration to establishing at least three polls (eg, Vancouver Island, Lower Mainland and balance of BC) for the purpose of tallying Bylaw returns on a regional basis prior to their aggregation into a province-wide total. The motion was **carried**.

Motion 3. It is moved and seconded that Council give consideration to reconsidering its position with respect to the Employment Standards

Act, considering the serious consequences this could have on private sector firms employing engineers, particularly with respect to the working hours provisions. The motion was **defeated**.

Motion 4. It is moved and seconded that Council give consideration to undertaking a ballot of the general membership to demonstrate consensus for the final draft of the Engineers and Geoscientists Act. The motion was **carried**.

Motion 5. Whereas it is difficult to get broad representation on committees that reflects both small firms and the regions, it is moved and seconded that Council give consideration to requiring that all proposals from committees be sent out for review to at least four individuals selected at random from the affected members representing both small firms and the regions, with their comments to be included in the submission to Council. The motion was **defeated**.

Motion 6. It is moved and seconded that Council give consideration to taking a leadership role across the Associations that currently use the PEng/PGeo Professional Practice Exam by striking a task force to review questions and answers on the multiple choice section of the exam to ensure that questions are unambiguous, relevant to engineering and geoscience practice, and adequately covered by the suggested study materials and the Professional Practice Seminar. The motion was **carried**.

Motion 7. It is moved and seconded that Council give consideration to taking a leadership role across the Associations that currently use the PEng/PGeo Professional Practice Exam by striking a task force to review implementing a computerized examination process that would allow direct entry of multiple choice answers as well as completion of the essay question. The motion was **carried**.

Motion 8. Whereas good communications is essential, it is moved and seconded that Council give consideration to requiring all committees to answer questions that member pose unless it violates the Freedom of Information and Protection of Privacy Act. The motion was **defeated**.

Motion 9. Whereas there is a perception that the Association has not fully considered all the issues, it is moved and seconded that Council give consideration to requiring that all programs and recommendations to deal with a problem include the following background information:

- a clear statement of the problem or problems including the extent and likely consequences of the problem;
- possible causes of, or contributing factors to, the problem;
- estimates of the percentage of each possible cause and how that estimate was obtained;
- identification of possible methods for remediating all or part of the problem including those requiring the cooperation of others;
- where these methods exist in other jurisdictions, an indication of how successful they have been, problems with them, their key elements and how this information was obtained;
- for the various methods, an estimate of the range of effectiveness in dealing with the problem;
- the recommendations and reasons behind them; and
- the recommended methods for monitoring the effectiveness of the recommendations and how effective they are likely to be.

The motion was **defeated**.

Motion 10. It is moved and seconded that Council give consideration to recording the individual votes of Councillors who cast for and against each motion, publishing them in Innovation and posting them to the website. The motion was **defeated**.

Motion 11. Whereas good communications is essential, it is moved and seconded that Council give consideration to requiring that any staff member or Councillor who attends a Branch meeting submit a written

brief to Council, with a copy to the Branch, on the issues and concerns discussed at the meeting. The motion was **defeated**.

Motion 12. It is moved and seconded that Council give consideration to requiring all reports submitted to Council to include dissenting opinions. The motion was **defeated**.

Motion 13. Whereas there is a surplus of engineers in some disciplines, it is moved and seconded that Council give consideration to writing to the Minister of Immigration expressing our concerns over trying to meet the demand for engineers at the top of the economic cycle as the surplus of engineers in the slower phases of the economic cycle has a severe negative impact on safety. The motion was **defeated**.

Motion 14. It is moved and seconded that Council give consideration to adding, to the Oath of Office for all elected officers and members of Council, the concluding phrase "so help me God." The motion was **defeated**.

Motion 15. It is moved and seconded that Council give consideration to directing APEGBC's representative on the Vancouver International Airport Authority Board to lobby vigorously for the reduction or elimination of the Airport Improvement Fee now that the improvements are mostly complete. The motion was **carried**.

Induction of President

The President introduced the President of the 2002/2003 Council, Dick Fletcher PEng. Mr Fletcher read aloud, then signed, the Declaration of Office.

President-elect Fletcher expressed thanks for the opportunity for a few remarks as President for 2002/2003.

President Watson called on the newly elected Councillors to recite the Declaration of Office.

President-elect Fletcher then presented the Gold Foil Life Member disc to John Watson PEng. Closing remarks and announcements followed and the meeting adjourned at 11:40 am.

Key Issues Forum and Adjournment

The meeting reconvened at 2:15 pm for the Key Issues Forum to discuss the following issues: APEGBC/ASTTBC merger, Certificates of Authorization options and Government Relations update.

The President declared the meeting adjourned at 4:20 pm.

2002 Annual General Meeting Motions: Actions Taken by Council

Please refer to the text of the AGM motions included in the preceding Minutes. Only motions that were considered by Council are discussed here.

Motion 2. Ballots for Council election and bylaw amendments will be counted by regional poll beginning with the 2003 vote.

Motion 4. The *Act* is government legislation and, as such, is bound by government process. The Association submits proposed *Act* changes to our Ministry (Ministry of Advanced Education), but ultimately the Ministry decides which changes are included and how they are specifically worded. APEGBC's experience has been that legislative drafting of *Act* changes occurs right up until the time of their introduction in the Legislative Assembly, which precludes any opportunity for a member ballot on the final draft. Conversely, Association bylaws are under the control of Council and, as established within the *Act*, amendments are subject to a member vote before being submitted to government for ratification.

Council considered the intent of Motion 4 and, because of the legal process required for *Act* changes, determined that an alternate approach was needed to accommodate member input. Council decided that general discussion and input on the *Act* should occur as part of the consultation process on the APEGBC/ASTTBC merger issue. This was achieved by posting the proposal on the Association website and inviting member comments. Numerous member suggestions were subsequently considered and implemented into the draft *Act* by the Act Rewrite Task Force.

Motion 6. The Registration Task Force has reviewed the National Professional Practice Examination question bank and has set a BC-only examination for the July and October 2003 sessions. The examination incorporates existing, modified and new questions from the NPPE ques-

tion bank. The Task Force is also currently developing an expanded body of knowledge for both the examination and the Law and Ethics seminar as well as a closer correlation between the two.

In addition the Task Force has drafted and distributed, to the associations that participate in the NPPE, terms of reference for a National Steering Committee whose mandate includes: 1) establishing the goals and objectives of the NPPE including determining, defining and revising the body of knowledge to be tested by the NPPE; 2) establishing and developing the curriculum, materials and programs used to convey the body of knowledge to be tested by the NPPE; and 3) establishing policies and guidelines governing the development, supply and delivery of the NPPE and the curriculum, to ensure that the goals and objectives of the NPPE are met and the appropriate body of knowledge is tested.

Motion 7. See Motion 6 above. The Registration Task Force is currently studying delivery options for the Professional Practice Examination, including the incorporation of online testing to allow flexibility of time and location for candidates.

Motion 15. A letter requesting information on the status of the Airport Improvement Fee (AIF) was sent to the Vancouver International Airport Authority Chair of the Board. The reply indicated that the Airport Authority will be reviewing the AIF as it approaches the date at which the International Terminal Building and North Runway capital projects are expected to be paid off, anticipated to be 2006. The Authority is examining alternatives to the AIF that will allow it to remain competitive in the global economy while meeting the demands of air travellers, and maintaining a manageable debt load and reasonable fees and charges to the air carriers at the same time.

Financial Statements of the Association of Professional Engineers and Geoscientists of the Province of British Columbia

As at June 30, 2003

Management's Responsibility

The financial statements of the Association of Professional Engineers and Geoscientists of the Province of British Columbia have been prepared by management in accordance with generally accepted accounting principles in Canada and have been approved by Council. The statements include amounts based on informed judgments and estimates of the expected effects of current events and transactions.

To meet its responsibility for preparing reliable financial information, management maintains and relies on comprehensive internal accounting, operating and system controls. These controls are designed to provide reasonable assurance that the financial records are reliable for preparing financial statements and safeguarding the assets of the organization.

Council has appointed an Audit Committee, comprising five members of Council (two non-elected members of Council and three members of Council who are not on the Executive Committee), that has reviewed the statements with management and the external auditors in detail.

PricewaterhouseCoopers LLP have been appointed by the membership as independent auditors to examine and report on the financial statements. They have had full and free access to the records of the Association, management staff and the Audit Committee. Their report appears at right.



E John Bremner PEng
Executive Director and Registrar



Fred Wylie CGA CMA CHRP
Director, Finance and Corporate Services

Auditors' Report

To the Members of the Association of Professional Engineers and Geoscientists of the Province of British Columbia

We have audited the balance sheet of the Association of Professional Engineers and Geoscientists of the Province of British Columbia as at June 30, 2003 and the statements of changes in net assets, revenue and expenditures and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian 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 Association as at June 30, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants
August 1, 2003

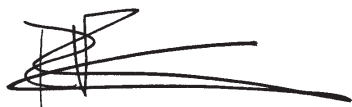
Balance Sheet

As at June 30, 2003

	2003 \$	2002 \$
ASSETS		
Current assets		
Cash and cash equivalents	234,662	272,640
Short-term investments	2,332,465	1,904,591
Accounts receivable (note 3)	144,754	106,966
Interest receivable	40,983	19,598
Prepaid expenses	38,210	151,394
Inventory	44,114	32,119
	2,835,188	2,487,308
Property and equipment (note 4)	3,603,252	3,730,584
	6,438,440	6,217,892
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	253,749	111,276
Deferred fees	1,884,860	1,631,177
Deferred revenue	123,115	44,967
Mortgage (note 6)	165,653	154,237
	2,427,377	1,941,657
Mortgage (note 6)	742,063	907,716
	3,169,440	2,849,373
Net assets (note 2)		
Net assets invested in capital assets	2,689,183	2,662,278
Appropriated for capital asset replacement	299,472	299,472
Appropriated for legal and insurance	180,000	260,000
Unrestricted net assets	100,345	146,769
	3,269,000	3,368,519
	6,438,440	6,217,892

Commitments (note 7)

APPROVED ON BEHALF OF THE COUNCIL



Dick Fletcher PEng, *President*



Bill Gilmartin PEng, *Vice President*

Statement of Changes in Net Assets

For the Year Ended June 30, 2003

					2003	2002
	Invested in capital assets \$	Capital asset replac- ement \$	Legal and insurance reserve \$	Unre- stricted \$	Total \$	Total \$
Net assets — Beginning of year	2,662,278	299,472	260,000	146,769	3,368,519	3,505,948
Excess (deficiency) of revenue over expenditures	(230,683)	—	—	131,164	(99,519)	(137,429)
Investment in property and equipment	103,351	—	—	(103,351)	—	—
Repayment of mortgage principal	154,237	—	—	(154,237)	—	—
Appropriations	—	—	(80,000)	80,000	—	—
Net assets — End of year	2,689,183	299,472	180,000	100,345	3,269,000	3,368,519

Statement of Revenue and Expenditures

For the Year Ended June 30, 2003

	2003 \$	2002 \$
REVENUE		
Fees		
Annual membership fees	3,663,660	3,263,457
Application and registration fees	284,582	284,271
Certification programs — annual fees	20,970	22,256
Professional and academic examinations	155,882	116,027
	4,125,094	3,686,011
Other		
Annual conference	145,646	106,480
Grant revenue	274,528	93,987
Innovation magazine and other advertising	206,880	226,259
Investment income	63,212	61,178
Miscellaneous	154,674	143,599
Premises revenue	185,677	127,301
Professional development revenue	363,507	93,735
	1,394,124	852,539
Total Revenue	5,519,218	4,538,550
EXPENDITURES		
Advertising	69,817	87,587
Amortization	230,683	211,370
Annual conference — facilities and meals	113,537	93,087
Canadian Councils of Professional Engineers and Geoscientists	144,864	140,030
Certificates and stamps	21,424	19,712
Contract and consulting services	682,440	514,140
Examinations and examination books	80,439	52,752
Grants and awards	38,888	54,993
Innovation magazine printing	176,554	163,625
Interest on mortgage	71,062	81,692
Legal	287,796	285,509
Meetings and special events	220,344	121,622
Miscellaneous	24,840	35,814
Office and general	286,078	260,327
Premises and operating costs	178,457	197,718
Printing, publication and distribution costs	371,319	250,732
Salaries and employee benefits	2,167,762	1,897,461
Secondary professional liability insurance premiums	164,213	—
Telecommunications	43,659	45,128
Travel	244,561	162,680
Total Expenditures	5,618,737	4,675,979
Deficiency of Revenue over Expenditures for the year	(99,519)	(137,429)

Statement of Cash Flows

For the Year Ended June 30, 2003

	2003 \$	2002 \$
Cash flows from operating activities		
Deficiency of revenue over expenditures	(99,519)	(137,429)
Item not affecting cash — Amortization	230,683	211,370
	131,164	73,941
Changes in non-cash working capital items		
Accounts receivable	(37,788)	(13,284)
Interest receivable	(21,385)	65,364
Prepaid expenses	113,184	(111,404)
Inventory	(11,995)	(32,119)
Accounts payable and accrued liabilities	142,473	(244,191)
Deferred fees	253,683	13,194
Deferred revenue	78,148	20,467
	647,484	(228,032)
Cash flows from financing and investing activities		
Purchase of property and equipment	(103,351)	(182,684)
(Increase) decrease in short-term investments	(427,874)	518,963
Mortgage repayments during the year	(154,237)	(143,607)
	(685,462)	192,672
Decrease in cash and cash equivalents	(37,978)	(35,360)
Cash and cash equivalents — Beginning of year	272,640	308,000
Cash and cash equivalents — End of year	234,662	272,640

Notes to Financial Statements

June 30, 2003

1. Mandate

The Association of Professional Engineers and Geoscientists of the Province of British Columbia (the Association) is incorporated under the provisions of the *Engineers and Geoscientists Act*. The Association's mandate is to protect public safety, health and well-being through the application of engineering and geoscience, as well as to ensure the responsible self-governance and vitality of the professions.

2. Significant Accounting Policies

These financial statements include the financial activities of the Association exclusive of the net assets of the Association of Professional Engineers and Geoscientists Foundation and Engineers and Geoscientists Benevolent Fund (note 9). The Association also collects funds on behalf of member-supported branches and divisions that are considered separate entities from the Association. Therefore, the operations of these branches and divisions are not included in these financial statements.

Donated services

The Association and its members benefit from donated services in the form of volunteer time for various committees. Donated services are not recognized in these financial statements.

Cash and cash equivalents

Cash and cash equivalents consists of cash on deposit with banks and money market deposits having a term of less than 90 days.

Short-term investments

Short-term investments consist of federal and provincial government bonds, T-bills and financial institution guaranteed securities consistent with the Association's investment policy.

Revenue recognition

The Association follows the deferral method of accounting for annual fees and other revenues which are received, but for which services have not yet been performed. Membership and other fees are billed and received in advance on a calendar-year basis. Accordingly, a portion of these fees received prior to June 30 have been deferred for financial reporting purposes and will be recognized as revenue over the remainder of the current calendar year.

All other revenues are recognized when receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Amortization

Amortization is recorded by using the following annual rates calculated on a straight-line basis:

Building	3.3%
Computer	20% - 33.3%
Furniture and fixtures	10%

Net assets

"Net assets invested in capital assets" relates to funds invested in the Association's building and other capital assets, net of unretired mortgage financing. The account is increased for annual capital additions including repayment of mortgage principal and reduced by capital amortization.

"Appropriated for capital asset replacement" represents an appropriation by Council, which serves the long-term objective of setting aside funds each year in a rational manner to ensure adequate resources are available to replace all capital assets. Council will review the method and the amount appropriated each year to ensure that the appropriation provides a reasonable basis for capital asset replacement. All capital acquisitions are approved by Council as part of the annual budgeting process.

"Appropriated for legal and insurance reserve" relates to an appropriation by Council to set up a legal and insurance reserve to allow for extraordinary cases and situations over and above annual expectations. This allows the Association to be prepared for future realistic contingencies. The amount appropriated for legal and insurance will be reviewed by Council annually.

"Unrestricted net assets" represents the funds that are generally available for the Association's program delivery and administrative activities.

Controlled funds

The Association of Professional Engineers and Geoscientists Foundation (the Foundation)

The Foundation provides financial support to fund, facilitate and promote activities and programs related to education in engineering and

Notes to Financial Statements (continued)

geoscience. The Foundation was incorporated on May 11, 1993 under the *British Columbia Society Act* and is a registered charity under the *Income Tax Act*.

The Association controls the operations of the Foundation through its ability to appoint the Trustees, who direct all activities of the Foundation. The Association does not consolidate the financial results of the Foundation.

Engineers' and Geoscientists' Benevolent Fund (the Benevolent Fund)

The Benevolent Fund provides financial assistance to members of the Association and their dependants who qualify for assistance. The Benevolent Fund is a registered charity under the *Income Tax Act*.

The Association controls the operations of the Benevolent Fund through its ability to appoint the Trustees, who direct all activities of the Benevolent Fund. The Association does not consolidate the financial results of the Benevolent Fund.

Financial information for the controlled funds is provided in note 9.

3. Accounts Receivable

The accounts receivable balance of \$144,754 (2002 - \$106,966) does not include the balance of full annual fees of \$88,506 (2002 - \$69,037) from members who qualify for reduced fee status (those unemployed, on parental leave, attending university full time). Should these members not qualify for reduced fee status at any time during the year, the balance of the full annual membership fee becomes receivable by the Association.

4. Property and Equipment

	2003		2002	
	Cost	Accumulated amortization	Net	Net
	\$	\$	\$	\$
Land	874,011	—	874,011	874,011
Building	3,251,166	866,383	2,384,783	2,493,211
Computer	836,587	622,311	214,276	198,221
Furniture and fixtures	407,917	277,735	130,182	165,141
	<u>5,369,681</u>	<u>1,766,429</u>	<u>3,603,252</u>	<u>3,730,584</u>

5. Assets Held in Trust

At June 30, 2003, the Association is holding \$700,000 received from the Ministry of Water, Land and Air Protection in trust for the use by the Roster Steering Committee for the development of infrastructure, board tools, examination and administration for an independent Board of Licensed Environmental Professionals (LEP) for review of contaminated site submissions on behalf of the Ministry. These funds are not included in the financial statements of the Association.

The Association is responsible for providing management and administrative support services to the Roster Steering Committee for the operation of the current Contaminated Sites Roster of Professional Experts and for the transitional management and administrative support to the LEP Board development project.

6. Mortgage

	2003	2002
	\$	\$
Current (including accrued interest)	165,653	154,237
Non-current	742,063	907,716
	<u>907,716</u>	<u>1,061,953</u>

The mortgage bears interest at 7.27% for the current five-year term ending October 2005. A general security agreement, demand collateral mortgages and an assignment of rents have been provided as collateral for the loan.

Estimated principal repayments, assuming the loan is renewed on similar terms, are as follows:

	\$
2004	165,653
2005	177,915
2006	191,085
2007	205,229
2008	167,834
	<u>907,716</u>

7. Commitments

The Association has operating lease commitments for office equipment for the next four years, computer application software service contract for the next two years and a property management fee for fiscal 2004 requiring the following annual minimum payments:

	\$
Year Ending June 30, 2004	85,228
2005	57,414
2006	44,772
2007	9,631
	<u>197,045</u>

Notes to Financial Statements (continued)

8. Pension Plan

The Association has established a defined-contribution pension plan for its employees, under which the Association matches annually the amount contributed by the employees up to 5% of qualifying employees' gross earnings. Pension expense for the year was \$75,547 (2002 - \$65,684).

9. Controlled Funds

The Association controls the operations of the Benevolent Fund and the Foundation. Summary financial information on each of the controlled funds is as follows:

	2003	2002
	\$	\$
Benevolent Fund		
Total assets	182,155	175,228
Total liabilities	1,050	1,030
Net assets	<u>181,105</u>	<u>174,198</u>
Revenue — contributions and investment income	<u>20,931</u>	<u>21,270</u>
Expenses and grants	<u>14,024</u>	<u>8,630</u>
Foundation		
Total assets	158,767	151,845
Total liabilities	16,550	16,530
Net assets	<u>142,217</u>	<u>135,315</u>
Revenue — contributions and investment income	<u>54,927</u>	<u>41,499</u>
Expenses and grants	<u>48,025</u>	<u>48,006</u>

Information on cash flows from operating, financing and investing activities for the year ended June 30, 2003 for the Benevolent Fund and the Foundation has not been presented as it would not provide any additional meaningful information that is not already provided in the information disclosed above.

10. Financial Instruments

The Association has various financial instruments including cash and cash equivalents, short-term investments, accounts receivable, interest receivable, prepaid expenses, accounts payable and accrued liabilities, and mortgage. The estimated fair values of these financial instruments approximate their carrying values as the amounts are short term in nature. The fair value of the mortgage approximates the value presented.

11. Merger

In the May 2003 referendum, APEGBC members strongly supported the proposed merger of the Applied Science Technologists and Technicians of British Columbia (ASTTBC) into the Association. APEGBC is conducting an ongoing assessment of the financial impacts of the proposed merger.

12. Comparative Figures

Certain of the comparative figures have been reclassified to conform with the current year's presentation.

Program Statements (UNAUDITED)

June 30, 2003

	2004 Budget \$	2003 Actual \$	2003 Budget \$
REVENUE			
MEMBERSHIP AND FEE REVENUE			
Annual Membership Fees	3,803,520	3,663,660	3,309,819
Application and Registration Fees	336,981	284,582	329,375
Certification Programs — Annual Fees	42,650	20,970	50,000
Professional and Academic Examinations	166,138	155,882	412,544
	4,349,289	4,125,094	4,101,738
OTHER REVENUE			
Annual Conference	134,000	145,646	119,770
Grant Revenue	50,000	274,528	148,076
Innovation Magazine and Other Advertising	230,000	206,880	245,000
Investment Income	50,000	63,212	58,000
Miscellaneous	142,000	154,674	142,000
Premises Revenue	175,959	185,677	173,500
Professional Development Revenue	425,000	363,507	270,000
	1,206,959	1,394,124	1,156,346
TOTAL REVENUE	5,556,248	5,519,218	5,258,084
EXPENDITURES			
COMMUNICATIONS			
Annual Conference	199,703	231,374	195,282
Awards	32,191	27,668	29,152
Branches/Divisions	89,111	91,263	85,284
Career Awareness	20,146	16,550	26,348
Compensation Survey	11,322	6,027	6,190
Government Relations	30,222	—	—
Innovation Magazine	359,054	361,131	361,259
Member Services	65,658	63,256	59,544
Opportunity Fund	6,000	5,150	10,000
Professional Development	422,536	321,815	281,854
Public Relations	117,373	148,413	143,637
Student Grants/MAPS	54,996	44,010	39,877
Web Site	26,898	23,872	27,786
Non-Program Specific	113,000	104,484	96,833
	1,548,210	1,445,013	1,363,046
COUNCIL/EXTERNAL AFFAIRS			
Canadian Councils of Professional Engineers & Geoscientists	277,088	408,147	223,647
Council/Executive	455,590	374,928	269,212
ASTTBC Merger	20,000	40,956	35,000
Non-Program Specific	58,482	50,471	57,971
	811,160	874,502	585,830
FINANCIAL AND CORPORATE			
Annual Invoicing	108,433	121,692	113,485
Building Financing and Operations	263,386	267,288	266,545
Computer System	219,535	234,374	246,270
Freedom of Information	20,559	18,642	18,287
Non-Program Specific	514,885	514,328	489,544
	1,126,798	1,156,324	1,134,131

Program Statements (UNAUDITED)

June 30, 2003

	2004 Budget \$	2003 Actual \$	2003 Budget \$
EXPENDITURES (continued)			
PROFESSIONAL PRACTICE AND ETHICS			
Act & Bylaws	22,043	14,818	13,922
Certification Programs	2,726	8,172	10,972
Discipline	171,482	189,403	131,934
Enforcement	56,395	36,758	31,564
Investigations	86,996	89,057	82,749
Liaison with Authorities	43,503	31,534	31,165
Practice Review	213,600	246,638	227,967
Professional Practice	146,198	145,256	150,640
Sustainability Management Systems	72,750	57,402	30,124
Non-Program Specific	145,687	148,206	156,229
	961,380	967,244	867,266
REGISTRATION			
Applications/Registration	225,872	264,068	258,495
Contaminated Sites Roster	36,116	27,062	22,836
CCPE APEC Engineer Register	7,316	5,043	11,622
EIT/GIT Certification	78,525	91,149	100,714
Internationally Trained Engineer Program	2,553	175,930	109,581
Geoscience Committee and Outreach	20,500	—	—
Limited License	9,427	17,764	20,866
Professional and Academic Examinations	129,371	128,421	141,240
Structural Engineer of Record	45,856	55,095	302,526
Non-Program Specific	178,228	169,470	162,944
	733,764	934,002	1,130,824
SPECIAL PROGRAMS			
Benevolent Fund	5,544	5,207	5,243
Foundation	5,992	5,762	5,744
Contingency	50,000	—	50,000
	61,536	10,969	60,987
TOTAL EXPENDITURES BEFORE AMORTIZATION			
	5,242,848	5,388,054	5,142,084
Amortization	228,000	230,683	228,000
TOTAL EXPENDITURES			
	5,470,848	5,618,737	5,370,084
Excess (Deficiency) of Revenue Over Expenditure for the Year			
	85,400	(99,519)	(112,000)

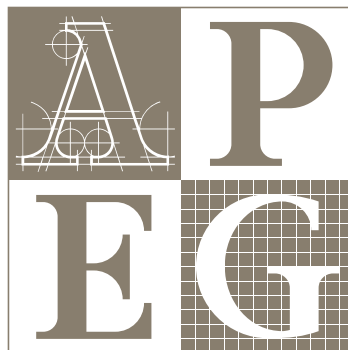


VISION

BC's Professional Engineers and Professional Geoscientists enhance and protect the quality of life and are recognized and respected by Industry, Government and the Public.

MISSION

To advance and support a professional membership dedicated to protecting the public and the environment, and creating economic value through innovation and ingenuity.



Professional Engineers
and Geoscientists of BC

www.apeg.bc.ca