



PARA Marine Search & Rescue

MEMBER OF THE CANADIAN COAST GUARD AUXILIARY

c/o 682 Hillview Crescent, Pickering, Ontario, L1W 2R7

email: info@para.volunteerrescue.org

Charity BN/ Registration # 86802 0843 RR0001



MINUTES OF ANNUAL AND SPECIAL MEETING

WEB MEETING

April 21, 2022 at 18:30

1. **Call to Order** – As Chair, Bill McLean called the meeting to order at 18:37.
2. **Declaration of Quorum Present and Notice of Meeting Sent Out** – Bill McLean confirmed we had a quorum. There were 27 members present with no proxies.
3. **Introductions** – Bill McLean thanked the members for attending and all they do during the year and that he was proud to have been the Chairman. He had hoped that this year the meeting would have been held in person as originally planned but due to the current situation it was felt that for the safety of our members the online was more appropriate.
4. **Review and Acceptance of Minutes of the past Annual General Meeting, April 29, 2021** – Bill McLean asked for a motion to accept the minutes of the 2021 AGM as printed. Rob Anderson moved and Gary Endicott seconded the motion. The motion carried.
5. **Reports** –

A. Commodore: Colin Thomson

Colin thanked the membership for their support over another difficult year. He stressed that safety is one of our core values and every member contributes to the safety of the organization by maintaining the vessel, themselves and their knowledge and skills. – complete report attached

Rob Anderson moved, Gary Endicott seconded that the Commodore report be accepted as read. The motion carried.

B. Secretary Treasurer:

Report was distributed prior to meeting, highlighted improved financial savings, draft -audited financial statements presented, final statements attached.

Colin Thomson moved, Ivan Barsby seconded that the Financial statements be approved as distributed. The motion carried.

6. **Change to the Bylaws** - Rob Anderson presented the proposed changes to the bylaws to increase the number of board members. Gary Endicott moved, Colin Thomson seconded that the change to

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SERVING PICKERING, AJAX AND WHITBY***



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the bylaws be adopted as distributed. There being no questions from the membership or objections the motion carried.

7. **Election of Commodore** – Gary Endicott moved, Ivan Barsby seconded that Colin Thomson be nominated as Commodore Bill McLean asked Colin Thomson if he was willing to stand again as Commodore, Colin agreed then Bill asked if there were any other nominations from the floor, there not being any other nomination – Colin was acclaimed as Commodore.
8. **Election of the Board of Directors** – Jennifer McGuinty presented the nominees for positions on the Board of Directors who all had indicated their willingness to assume or continue in the position, Bill McLean had previously noted his intention to retire as Chair and Board member.
The nominees are

Keenan Watters
Colin Thomson
Rob Anderson
Shaun Collier
Gary Endicott
John Rycroft
Rhonda Mulcahy
Mark Poray
Samuel Cummings
Maurice Brenner

Ivan Moved, Kevin Gibbs seconded that the slate be acclaimed as the Board. The motion carried.

9. Jennifer McGuinty's recommendation was to continue with Mike Evans as Auditor for the organization. Rob Anderson moved, Jason Brown seconded that Mike Evans be appointed as auditor for 2022. - The motion carried
10. **Other Business** – Bill McLean thanked the membership for the work they do in the community and on the water and that he believes that they are Hero's in our community. He has been continually impressed with the professionalism of our members and has been proud to serve as our Chairman.

There being no further business the meeting was closed at 19:11 upon a motion from Rhonda Mulcahy and seconded by Rob Anderson. The membership was asked to stay online for the presentation of Awards.

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Annual Awards - Although in the past the membership at large was asked to vote on these awards, during this period the Committee felt the membership has not had the exposure to all members as it normally would and decided to make the decisions within the Committee again this year – but that this was due to extenuating circumstances not a change in policy. Ivan Barsby related the Executive Committee's struggle with awarding the Rookie of the Year award as there were so many outstanding Rookies again last year, despite the operating restrictions because of COVID. However, after considerable reflection it was decided that there were 2 deserving candidates. Ivan was pleased to announce the award will go to Emily Cullen and Lorenzo Pistrutto.

The Lifetime Achievement award, will not be presented this year.

Ivan also reported that when the Executive Committee reflected upon the Above and Beyond award candidates for the past season there was one who rose above and beyond. His participation in many aspects of the organization brought him to the forefront. This year's Above and Beyond is awarded to Justin Tumino.

Attendees:

Adam Chan	Eleonore Edwards	Justin Tumino
Alan Macdonald	Emily Cullen	Kevin Gibbs
Jessica Siebert	Francois Gauthier	Samuel Cummings
Maurice Brenner	Gary Endicott	Mark Poray
Clint Scott	Ivan Barsby	Michael Galita
Rhonda Mulcahy	Jason Brown	Paul Darnbrough
Colin Thomson	Jason Goodyear	Jennifer McGuinty
Craig Newell	Bill McLean	Rob Anderson
Cyril (CJ) Wellman	Jillian Gobrecht	Sandra Karakolis
Duane Judd	Rob Klassen	Sofronio Garrucho

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AGM 2022 Commodore Report

Tuesday, 19 April 2022 4:21 pm

Good evening everyone.

Thank you for attending the 2022 PARA Marine Search and Rescue AGM.

2021 was a continuation of 2020 with respect to COVID-19 restrictions although by end of the season we were able to start training and patrols again. That said, our tasking numbers maintained the 2020 levels (mid 30s). These statistics are reflected in the annual region report which can be found on our website([Annual Report to Durham Region | PARA Marine Search & Rescue \(paramarinesar.ca\)](#))

However on a more somber note, we started last season with a safety event which we need to reflect on. As one of our core values, safety is something we need to ensure is always top of mind in our activities. We regularly conduct risk management mitigations to reduce the probability and impact of an accident occurring. These activities includes:

- a. Maintaining our vessel readiness,
- b. Ensuring we have the most current equipment,
- c. Understanding vessel standing instructions that outline rules of operation,
- d. Practicing standard operating procedures for evolutions,
- e. Consistent and constant training for our members

Every member has a responsibility to ensure you are confident in your skills and to perform the task that is being asked of you. You will be seeing a revised continuous training program (the personal progression log formerly known as "the orange books") rolled out this year. Lastly, our operational risk management paradigm, GAR, is a team discussion to ensure we are risk aware and make risk informed decisions. Learn it, leverage it, discuss it and mitigate accordingly. Don't forget the SAPP protocol from your phase training. Stop, Access, Plan and Proceed.

Looking at the upcoming season, COVID-19 protocols remain the same. Our patrols will start as normal on the May long weekend. Training is already underway for our new members however we will be deferring any large indoor events till the COVID situation is more acceptable for those types gatherings. We will be taking a conservative approach before relaxing our protocols to ensure the availability of the vessel and its crew.

As indicated last year, we are starting to look at the needs of a replacement vessel and a possible secondary vessel for near shore operations. More to follow on this in the coming months. During COVID, we also rolled out our new brand and will be demonstrating our community involvement in public events including a hopeful return of the Waterfront festival. We will also be the charity of choice in business community events. Many great things are happening in the local communities around us which increase the awareness and support our mandate.

Many thanks to the membership for their dedication, the executive for their support and execution of our strategy and the board for their guidance. Lastly I would like to thank our chairman, Bill Mclean. Since 2015, Bill has provided us with the community leadership to expand our board, increase community awareness and develop relationships that will take us forward. Bill is stepping down from the board. Fair winds and following seas. Best wishes on your retirement.

In closing, as the season starts please remain focused on the 3 values: Safety, Community and Teamwork. Lets bring the brand of "Safe and trusted" to life this year.

Yours aye

Colin Thomson
Commodore PARA Marine SAR

PARA MARINE SEARCH & RESCUE
Financial Statements
Year Ended December 31, 2021

PARA MARINE SEARCH & RESCUE

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Year Ended December 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Members of PARA Marine Search & Rescue

Qualified Opinion

I have audited the financial statements of PARA Marine Search & Rescue (the Association), which comprise the statement of financial position as at December 31, 2021, and the statements of changes in net assets, revenues and expenditures and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of my report, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-profit Organizations (ASNPO)

Basis for Qualified Opinion

In common with many charitable organizations, the Association derives revenue from donations the completeness of which is not susceptible of satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the Association and I was not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets. My audit opinion on the financial statements for the year ended December 31, 2020 was modified accordingly because of the possible effects of this limitation of scope.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Association in accordance with ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit 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 ASNPO, 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
(continues)

process.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

Pickering, Ontario
April 10, 2022

CHARTERED PROFESSIONAL ACCOUNTANT
Licensed Public Accountant

PARA MARINE SEARCH & RESCUE

Statement of Financial Position

December 31, 2021

	2021	2020
ASSETS		
CURRENT		
Cash and term deposits	\$ 47,064	\$ 55,489
Marketable securities (Note 3)	204,407	124,814
Accounts receivable	38,666	41,238
Prepaid expenses	11,011	4,519
	301,148	226,060
CAPITAL ASSETS (Note 4)	135,030	135,771
	\$ 436,178	\$ 361,831
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 4,453	\$ 10,035
DEFERRED INCOME (Note 5)	111,358	71,362
	115,811	81,397
NET ASSETS		
General fund	320,367	280,434
	\$ 436,178	\$ 361,831

ON BEHALF OF THE BOARD

Director

Director

PARA MARINE SEARCH & RESCUE

Statement of Changes in Net Assets

Year Ended December 31, 2021

	2021	2020
NET ASSETS - BEGINNING OF YEAR	\$ 280,434	\$ 213,075
Excess of revenues over expenditures	39,933	67,359
NET ASSETS - END OF YEAR	\$ 320,367	\$ 280,434

PARA MARINE SEARCH & RESCUE**Statement of Revenues and Expenditures****Year Ended December 31, 2021**

	2021	2020
REVENUES		
Region of Durham	\$ 63,480	\$ 59,850
Donations	28,897	28,053
Contributions	25,566	58,600
Unrealized gain on investment	13,536	6,268
Investment income	1,079	2,293
Gain on disposal of capital asset	995	-
	133,553	155,064
EXPENDITURES		
Repairs and maintenance	26,813	23,447
Insurance	11,050	9,764
Fuel	8,757	2,585
Office	7,576	15,562
Storage	5,261	4,233
Professional fees	3,200	4,688
Advertising and promotion	1,324	742
Training	1,131	802
Amortization	28,508	25,882
	93,620	87,705
EXCESS OF REVENUES OVER EXPENDITURES	\$ 39,933	\$ 67,359

PARA MARINE SEARCH & RESCUE**Statement of Cash Flows****Year Ended December 31, 2021**

	2021	2020
OPERATING ACTIVITIES		
Excess of revenues over expenditures	\$ 39,933	\$ 67,359
Items not affecting cash:		
Amortization of capital assets	28,508	25,882
Unrealized gains and investment income	(14,593)	(8,553)
Gain on disposal of capital asset	(995)	-
	52,853	84,688
Changes in non-cash working capital:		
Accounts receivable	2,572	(7,034)
Accounts payable and accrued liabilities	(5,584)	6,220
Prepaid expenses	(6,492)	(591)
	(9,504)	(1,405)
Cash flow from operating activities	43,349	83,283
INVESTING ACTIVITIES		
Purchase of capital assets	(29,270)	(32,973)
Proceeds on disposal of capital assets	2,500	-
Purchase of marketable securities	(65,000)	(28,596)
Cash flow used by investing activities	(91,770)	(61,569)
FINANCING ACTIVITY		
Deferred income	39,996	(15,045)
INCREASE (DECREASE) IN CASH FLOW	(8,425)	6,669
Cash - beginning of year	55,489	48,820
CASH - END OF YEAR	\$ 47,064	\$ 55,489

PARA MARINE SEARCH & RESCUE

Notes to Financial Statements

Year Ended December 31, 2021

1. DESCRIPTION OF BUSINESS

PARA Marine Search & Rescue (formerly Pickering Auxilliary Rescue Association) was incorporated on January 21, 1997 without share capital. Its purpose is to maintain, equip and operate an emergency marine rescue vessel. It also provides programs to educate and create public awareness of marine safety for the general public. The Association was designated as a not-for-profit organization on November 17, 1998, effective January 1, 1998 and is exempt from tax.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-profit Organizations (GAAP).

Capital assets

Capital assets are stated at cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Vessel	11 years	straight-line method
Vessel improvements	10 years	straight-line method
Storage containers and trailers	10 years	straight-line method

Revenue Recognition

The majority of the Association's revenue is derived from the reimbursement of operating expenses by the Regional Municipality of Durham. This revenue is recognized as the reimburseable expenses are incurred.

The Association follows the deferral method of accounting for contributions. Funding related to the purchase of capital assets is recorded as revenue in the same period the related capital assets are charged to operations through amortization.

Contributed materials and services

Because of the difficulty in determining their fair market value, contributed materials and services are not recognized in the financial statements.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

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PARA MARINE SEARCH & RESCUE

Notes to Financial Statements

Year Ended December 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

3. MARKETABLE SECURITIES

	2021	2020
Marketable Securities - fair market value	\$ 204,407	\$ 124,814
Marketable Securities - cost	178,596	113,596

4. CAPITAL ASSETS

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Vessel	\$ 110,000	\$ 110,000	\$ -	\$ -
Vessel improvements	274,101	146,924	127,177	128,090
Storage containers and trailers	10,975	3,122	7,853	7,681
	\$ 395,076	\$ 260,046	\$ 135,030	\$ 135,771

5. DEFERRED CONTRIBUTIONS

	2021	2020
Deferred contributions, beginning of year	\$ 71,362	\$ 86,407
Cash received from deferred contributions during the year	65,484	2,500
Less: deferred contributions recognized in income during the year	(25,488)	(17,545)
Deferred contributions, end of year	\$ 111,358	\$ 71,362

Substantially all of the deferred contributions at year end are comprised of funding for the betterment of the vessel.

6. ECONOMIC DEPENDENCE

The Association receives the majority of its funding from The Regional Municipality of Durham which, in the current year amounted to \$63,480 or 48% of total revenue (2020 - \$59,850 or 39%). The ongoing success of the Association is dependent upon continued funding from the Region.

PARA MARINE SEARCH & RESCUE

Notes to Financial Statements

Year Ended December 31, 2021

7. FINANCIAL RISKS

The association is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the association's risk exposure and concentration as of December 31, 2021.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The association is exposed to this risk mainly in respect of its continued receipt of funds from its main source of revenue, the Regional Municipality of Durham.

Proposed Change to PARA Marine SAR Bylaws

A change to PARA Marine Bylaws is being proposed which will

- increase the number of Directors on the Board to ten from the current maximum of nine, and
- provide clarity in terms of the qualification of Directors and the ability of the Board to fill vacancies on the Board.

To be approved, there must be a 2/3 majority vote in favour of the changes to the Bylaws by the members present and voting at a general meeting of PARA Marine SAR. This proposal will be considered at the 2022 AGM dated April 21st, 2022.

Why are Bylaws Changing?

PARA Marine has benefitted greatly from the advisory role provided by local government and marine industry representatives from the surrounding communities, including a representative of the Frenchman's Bay Yacht Club where PARA Marine has been based for many years. The Board has increased in size beyond its traditional representation principally based only in Pickering and Ajax, so an increase in the number of Directors is both appropriate and beneficial.

Also, the CCGA has mandated that all Board members for a CCGA unit shall be CCGA members (serving in an administrative role, versus qualifying to serve aboard a SAR vessel). In essence, Board members that may have been previously "appointed" Directors of PARA Marine SAR, now apply for CCGA membership. Nevertheless, it should be possible for the Board's elected Directors to fill a vacancy with a non-member of PARA Marine SAR who can immediately participate in Board deliberations and decisions while the non-member's acceptance as a PARA Marine SAR and CCGA member may be pending. With the number of appointees set at a maximum of three, and the minimum number of elected Directors also set to three, appointed Directors will never form a majority on the Board.

Specific Changes

The specific changes proposed to the wording of the Bylaws is shown below. Words to be deleted appear struck-through and in red text. Words to be added appear in **bold green text**.

4 BOARD OF DIRECTORS

The affairs of the Association shall be managed by a Board of Directors (herein referred to as "the Board" or as "the Directors")

that shall not be fewer than three nor more than ~~nine~~ **ten** in number. ...

6.1 The Board shall be composed of up to ~~nine~~ **ten** Directors, of which:

- i) ~~Six~~ **All elected Directors** shall be members in good standing as described in Articles 7 and 11. One of whom shall be the Commodore, and the others shall be elected by the members at the Annual General Meeting.
- ii) Up to three ~~shall~~ **Directors may** be appointed by the elected Directors in office from non-members outside the Association, chosen for their knowledge, experience and skills of a nature to be of benefit to the Association.

9 VACANCIES ON THE BOARD OF DIRECTORS

In the event of there being a vacancy on the Board of Directors, this vacancy may be filled by the remaining **elected** Directors appointing a member of the Association or a non-member appointee, in accordance with Article 6. The appointment will last no longer than the next Annual General Meeting, at which time the normal election or appointment procedure shall apply. Alternatively, the remaining **elected** Directors may decide to leave the position vacant until the Annual General Meeting, so long as a minimum of three elected Directors remain in office.