



A

THE NEW MARINE CENTRE SOCIETY

Notice of the 2020 Annual General Meeting – November 24th, 2020

The meeting will take place virtually via the Zoom video conferencing platform

The 2020 AGM is to be held on **Tuesday November 24th, 5:30 by Zoom** and is open to all current, voting members of the Society.

To participate, please e-mail ed@salishseacentre.org with your membership number by 5pm, Monday November 23rd.

The Zoom Link and Meeting Materials for Tuesday's meeting will then be provided by e-mail.

The business meeting will be followed by an engaging presentation

Sea Otters: A Survival Story by filmmaker, author and science communicator Isabelle Groc.

EVENT OVERVIEW

5:30-6:15 Business Meeting

6:15-6:45 *Sea Otters: A Survival Story* (20min presentation with 10min Q & A)

6:45-7:00 Prizes & Thanks

BUSINESS MEETING AGENDA

1. Call to order and confirm that a quorum is present – Chair, Janine Morris
2. Approval of the Agenda – Secretary, Stuart Culbertson
3. Approval of the Minutes of the 2019 AGM – Secretary, Stuart Culbertson
4. Overview 2019/2020 Year for the Society: President's Report – Chair, Janine Morris
5. Finance Report by the Society Treasurer – Treasurer, Janine Morris
6. Questions
7. Appointment of Auditor – Treasurer, Janine Morris
8. Staff Report – Executive Director, Pauline Finn
9. Nominations and Elections – Vice President, Anita Blakley

Members wishing to nominate themselves should provide the Executive Director (ed@salishseacentre.org) with a short bio indicating how they think they can best contribute to the work of the Board and Society by Nov 10, 2020. All nominees should be aware that they will be required to provide written consent to being a director and confirm in writing that they are not disqualified from being a director.



NEW MARINE CENTRE SOCIETY

Minutes of the Annual General Meeting

October 29th, 2019

1. The meeting was called to order by the Society President at 6.30 pm. It was determined that there was a quorum, there being 26 members present.
2. Acceptance of the agenda was proposed by Graham Debling, seconded by Susan Simosko and approved unanimously.
3. Acceptance of the minutes of the 2018 AGM was proposed by Anita Blakley, seconded by Bill Cooke and approved unanimously.
4. **Overview 2018/2019 Year for the Society: President's Report – Chair Graham Debling** (full report appended to minutes).

Graham reported on the successes and improved financial situation since the 2018 AGM, focusing the contributions from the Town and new management team. Graham thanked all the members of the Board and staff for their support and hard work during this past year.

5. **Finance Report by the Society Treasurer – Treasurer, Janine Morris** (full financial report appended to minutes)

The finances have been reviewed by Chris Cowland CGA, and he has confirmed that all appears to be in order.

Janine Morris presented the financial statements, the Treasurer's report.

Acceptance of the financial report was proposed by Janine Morris, seconded by Robyn Quinn and approved unanimously.

6. Appointment of Auditor – Treasurer, Janine Morris

Treasurer Janine Morris proposed Chris Cowland CGA be re-appointed to conduct a review engagement of the New Marine Centre Society financial statements for the upcoming year and to serve until the next Annual General Meeting with services provided and fees to be determined by the Finance Committee. Seconded by Peter Lloyd and carried unanimously.

7. Staff Report: Executive Director Report, Pauline Finn and Centre’s Senior Management Team, Leah Thorpe, Kit Thornton, Tina Kelly, Deanna Matthewson and Hugues Toupin.

Senior staff prepared a presentation (~3-minutes each) capturing highlights of the past year from their associated functional areas (see appended PDF PowerPoint document).

Pauline Finn – Executive Director

Leah Thorpe – Director of Operations

Kit Thornton – Chief Aquarist

Tina Kelly – Director of Learning

Deanna Matthewson – Director of Volunteer and Business Development

Hugues - Engineering Systems Technician

8. Nominations and Elections – Executive Director, Pauline Finn

Our Bylaws specify the Board membership should be between 7 and 13 members.

Three members of the current Board were elected at the 2018 AGM and thus have a further year to serve. Each had indicated a commitment to continue: Janine Morris, Robyn Quinn, and Stuart Culbertson.

The Bylaws reserve one place on the Board for a member who is on the register of current volunteers in the Centre and who is to be elected by volunteers in the Centre who are also members of the Society. David Pape had been elected in 2017 and has completed his two years. Volunteer, Lesley Wood, was nominated by the volunteers to join the Board.

This left up to 10 vacancies on the Board.

Five current members of the Board whose term would be completed at the end of this AGM indicated to the Nominations Committee that they wanted to offer themselves for nomination: Anita Blakley, Chris Straub, Dan Tulip, Dennis Carlsen and Sarah Cook.

Three current members are stepping down from the Board: Graham Debling, Nancy Shears and Colleen Craig.

In addition, the Nominations Committee was happy to propose three additional nominees: Travis Gerwing, Allan Lane, and Nick Poushinsky.

The Executive Director noted that short bios for each nominee had been included in the papers for the meeting. Pauline then called for additional nominees from the floor three times. There being none she declared the nominees elected by acclamation.

9. Any other Business – Graham Debling

Reminder to board members that there is a short meeting to confirm or elect officers of the Society after the AGM.

10. The meeting was adjourned at 7:25 pm

Anita Blakley

Secretary (11 Nov 2019)

2019 Board Nominations



2019 AGM BOARD NOMINATIONS



Lesley Wood - Lesley has been a weekly volunteer at the Centre for three years now. Being an Oceaneer is a good fit with her former career as a community engagement specialist with BC Hydro. She enjoys learning new things and sharing her knowledge with, and learning from, our visitors. While she has not formally studied marine biology, her family encouraged her interest in natural history, including marine animals, from a very young age. Lesley is totally in love with a number of our animals, especially the wolf eels and the hooded nudibranchs! She also loves the size and "feel" of our Centre...where

it's not hard to quickly become comfortable talking about the animals. There is always something new to learn, and it's easy to get to know the Aquarists and other staff.

Lesley also volunteers at the Royal B.C. Museum and the Abkhazi Gardens, and is President of the Board of the Friends of Abkhazi Garden Society.



Nick Poushinsky - Nick has lived in British Columbia for quite a few years. Initially, he came to Victoria to teach at the University of Victoria in 1976. This Tenure Track appointment followed similar appointments at Dalhousie University and Rutgers University in New Jersey. After teaching stints at these Universities he moved through a number of careers (Cabinet Secretary, Deputy Minister, business owner, Executive in a Multi-National publicly traded company and Board Member of a TSE Listed Company) elsewhere in Canada and returned to Victoria in 2001. He has resided in Victoria and more recently on the Saanich Peninsula since returning to the West Coast.

Now retired, Nick is focused on 'giving back'. Whether doing a medical drive for Beacon Community Services or mentoring an indigenous business person through CESO, Nick is keen to 're-pay' the many people who supported his growth and development. Having at points in his life been a sustainable fisher (lobstering on the East Coast, Salmon Trolling on the west or raising Arctic Char in Whitehorse) the opportunity to participate in the 'life' of the Salish Sea fits perfectly.



Allan Lane – Allan had the good fortune to meet and raise a family with a special woman from “Sidney by the Sea”. It was through this relationship that his prairie roots found affinity with the ocean. Although his professional life as RCMP/WCB Investigator necessitated significant movement around the country, Allan and his family returned annually to vacation in Sidney. Each of his three children now have a lifelong love, fascination and respect for the ocean that was established by exploring Sidney’s beaches. In 2018 a longstanding dream for Allan and his wife became a reality when they anchored permanently in Sidney.

As an outdoor enthusiast, Allan passionately believes that the wonderment of nature – particularly the ocean – has a positive influence for individuals as well as the broader community. In an initial visit to the Shaw Centre for the Salish Sea, Allan immediately recognized its infinite value as an educational resource and pillar of environmental stewardship. Allan has resided in and supported nine different communities with various volunteer pursuits including youth sport coaching, Ducks Unlimited, emergency disaster management, and Special Olympics. He enthusiastically provides a unique set of professional and interpersonal skills for the betterment of the community, which now includes the Shaw Centre of the Salish Sea and community of Sidney.



Travis G. Gerwing - Originally from Fr. Nelson British Columbia, Travis grew up amongst the grandeur of the northern Rocky Mountains. It is no surprise that he ended up at UNBC and obtained a BSc from the Ecosystem Science and Management program and an MSc in Natural Resources and Environmental Studies – Biology, graduating *magna cum laude*. He earned his PhD from the University of New Brunswick and subsequently completed a two year Mitacs Elevate Post-Doctoral Fellowship at the UVIC and was appointed an Adjunct Professor at the UNBC and UVIC.

Travis currently lives and works in Sidney. At LGL, Travis is an ecologist who specializes in the use of multivariate/univariate statistical analyses to model how biological systems change through space and time. His particular area of expertise is modelling how environmental change (natural or anthropogenic) influences, is correlated with, biological communities. Using such methods, Dr. Gerwing has accumulated over a decade of experience working in intertidal, estuary, and riparian systems from British Columbia to New Brunswick, Canada. During this time at LGL, he has worked as part of large multidisciplinary teams, assessing and restoring ecosystems.

Travis is also an invertebrate zoologist, and is keenly interested in how invertebrate community composition varies between healthy and disturbed ecosystems. Such information can then be used to assess ecosystem health, as well as make recommendations for land use management.

2019 President's Report

NEW MARINE CENTRE SOCIETY

President's Annual Report, October 28th 2019

I am pleased to be able to report that the year since the 2018 AGM has been the most successful for many years and the *Centre's future looks a lot more certain*. This confidence stems in part from the experience and commitment demonstrated by the core management of the Centre. Pauline Finn, who was appointed Executive Director on August 1st 2018 has provided superlative leadership within the Centre for both staff and volunteers.

Pauline has been very ably and enthusiastically supported by:

- our deputy executive directors, Deanna Mathewson and Leah Thorpe;
- our director of Education Tina Kelly;
- our Chief Aquarist Kit Thornton, who joined us on September 1st 2018;
- Nicole Doe, who was the Centre's Retail and Visitor Experience Manager for much of the year moving the Centre's Shop to a new and more financially successful local artisan focus;
- and our Systems and Maintenance Technician, Hugues Toupin, more about whom I will speak later.

Members may recall that, in November 2017, the Society sought additional ongoing funding from the Town of Sidney having had to call on reserves in order to balance the books in seven of the eight preceding years. Additionally we were fast approaching a time when there would have to be further and ongoing investment in plant and equipment that had been operating 24 hours a day, every day, for eight years, but the reserves for this had been severely depleted to offset operational losses.

At the time of last year's AGM, we were well advanced in the preparation of the ten-year plan asked for by the Town of Sidney so that they could better consider our request for additional funding. The Plan, supported by substantial background information, was submitted soon after the last AGM, in December 2018 and was considered by the Mayor and Council as part of their 2019 budget deliberations. It was conservative in projecting income, assuming any increase would only reflect growth in the Greater Victoria population and in the number of tourists who visited the area.

Following the November 2018 municipal elections only two members of the council who had requested the Plan remained and so the submission had to be further supported by the provision of wide ranging additional information and clarification. This required considerable additional attention from Board members, our Executive Director, and her team.

The outcome was that the Council approved the funding sought: this was an additional sum of \$60,000 in the 2019 budget and increasing to an additional \$140,000 from 2020. 'Additional' because the Town already provided annual funding of \$65,000 and the building space in which the Centre is located. This is support for which we are extremely grateful and without which the Centre could not continue. At its maximum, \$205,000 a year, it equates to about 20% of the Centre's operational cost. While very generous, it is worth noting that a Federal survey of museum and learning centres from across the country suggested that support in the order of 70-80% is more typical.

Members may also recall that, in 2018, the Town provided us with an additional \$60,000 of restricted support to enable us to commission market research and an Engineering Condition Evaluation to inform the requested plan, and to address some of the critical engineering problems that were then being experienced. This, and the additional funding provided in February of this year, has enabled the Centre staff to not only address all of the matters identified in the Engineering Condition Report but also to put into effect a number of upgrades to our plant and equipment. These upgrades have considerably enhanced its operation and significantly reduced internal stresses within the system.

We were particularly fortunate at the end of 2018 to secure the services of Hugues Toupin as our Systems and Maintenance Technician. Hugues is a widely experienced and highly qualified marine engineer, who had recently retired from the Canadian Navy. Hugues has impressed us with his maintenance and engineering skills and knowledge, and as a team member willing to put his hand to anything, being committed to the success of the Centre and the quality of the visitor experience.

Since he joined us, Hugues has been able to explore in more detail the matters of concern identified in the Engineering Condition Report which was based solely on a visual inspection. Recently we were pleased to be able to advise the Town that all of the matters identified in the report had been addressed. Further, Hugues, in partnership with Kit Thornton, our Chief Aquarist, has identified and implemented a number of modifications to our life support system which have enhanced its operation both in terms of effectiveness and efficiency.

As you will hear from our Treasurer in a minute, thanks to the additional support from the Town and the hard work of the Centre's staff, in the financial year 2018-19 we virtually balanced the books. AND, in addition, as I've just described, our life support system is in good condition

and operating in many ways more efficiently and effectively than it has since the Centre was opened.

I should also mention that, while I have no reason to question the validity of the Society's previous annual financial reports, for the first time since I joined the Board in 2014, this year we and our Executive Director have been able to have a lot more confidence in the monthly financial data thanks to a lot of hard work by both staff and Board member Dan Tulip to enhance our business systems.

Looking forward, having in mind that since 2013 we have had annual deficits in the order of \$40,000 and more, the additional operational funding from the Town means that we will not only be able to balance the books and maintain the plant and equipment, but also invest in marketing and enhancing what the Centre has to offer its visitors.

The current financial year June 1st 2019- May 31st 2020 has been characterized as a foundation year. For many years trying to reduce the deficit and then, since 2017, also preparing an authoritative 10-year plan for the Town has dominated the work of the Board, the Executive Director and Centre staff. Further, the financial situation had increased the scale of deferred maintenance; as a result the consideration of other matters relevant to the future success of the Centre have been given little attention.

Since the confirmation of the additional financial support from the Town in February of this year the focus has been on stabilizing the Centre and the foundational work that will be essential to moving forward in the future. I am pleased to be able to report that the Centre has had a great summer, financial projections have been met and the revitalization of the Centre is well underway.

However, not all of the challenges that we face are internal. Too many people in the community still appear to believe the Centre is closed or is closing. We all have a role in ensuring that people understand nothing could be further from the truth.

Some in the marine and environmental protection community have in recent years reported the Centre of being too inward looking. While this is not surprising given that we were fighting for economic survival, we have already begun the process of looking outwards, but there is much ground to be covered. And while young people and their care givers, school communities, and tourists value and love the Centre and what it has to offer, more thought needs to be given to identifying other markets and designing products attractive to them.

This is the end of my two-year term as President and I am stepping down from the Board. Also my predecessor as president, Colleen Craig, completes her full term of 6 years on the Board and so cannot stand again for twelve months. Colleen joined the Board in 2013, when it began to address the substantial deficits that, in the previous years had been and were being experienced. She has lived through the stress and uncertainty and played a leading role in trying to find a survival strategy that might work. Colleen, the Society and Centre will forever be in your debt, many, many thanks.

I must also proffer my thanks to my colleague directors, both past and present. This has not been an easy time and I think the Society and the Centre have been well served by your commitment and wise council. Nancy Shears recently resigned having moved overseas with her family. David Pape, our volunteer representative, has completed his two years and so stands down. Janine Morris, (our Treasurer), Robyn Quinn and Stuart Culbertson have served one of their current 2-year terms and so will continue on the Board. Anita Blakley (our Secretary), Chris Straub, Sarah Cook, Dennis Carlson, and Dan Tulip are completing a two-year term and are offering themselves for re-election to the Board.

Last but not least I must offer thanks to Pauline Finn, our Executive Director, the Centre staff and our 150+ volunteers. The fact that the Centre is loved and valued by all who visit it and is so well placed to move forward is a reflection of your dedication and hard work.

To all of you I offer my profound thanks for your contributions, commitment and support.

Graham Debling

October 2019

2019 Treasurer's Report

The New Marine Centre Society Year Ended May 31, 2019 Treasurer's Report

As some of you may remember, looking back at this time last year, things were looking up for the Centre. We had just come through a year of significant change, and with Pauline at the helm and a super strong management team in place, we were all eagerly optimistic for what lay ahead. Having said that, I'm pleased to report that this year's operating results on track with our expectations and we are confident at this point that we are continuing to move forward in a positive direction.

With a solid financial plan in place combined with close oversight of our monthly income and expenditures, we were able to make informed decisions this year to ensure we remained on track with our budget as the year progressed. If you flip to page 3, you'll note that this year we are showing positive net income before amortization of \$48,000. While this looks really great, it is a little deceiving and I'll explain why. Each year we get an annual operating grant from the TOS of \$65,000. Because this income is unrestricted, meaning we can spend it as we see fit, for accounting purposes it is recognized as income when it is received or becomes receivable. This year, the Centre received this money in mid-April, although for internal budgeting purposes, we've allocated it to be spent in the 2020 fiscal year end. Therefore, from an internal perspective, we view the year-end net income as a loss of \$17,000. While this initially may appear concerning, you'll recall we finished the prior year with net income before amortization of over \$14,000, so there's really only a net loss of less than \$3,000 between the two years, which is very much in line with our expectations. The other thing you may notice is that both revenues and expenses are significantly higher than last year and there are two main reasons for this. The first being that last year was the first year we switched to a May 31 year end resulting in the prior period being only 8 months. The second being that we received significant restricted funds during the year, primarily from the TOS to enable us to take on and complete many significant maintenance projects that were very much needed, and from other various bodies as well allowing us to complete other miscellaneous projects and initiatives around the Centre.

If you flip page to page 2, the Statement of Financial Position, you'll see that the Centre's current assets are up by approximately \$68,000 whereas total liabilities are only up by just under \$29,000, putting the Centre ahead of last year cash flow wise by approximately \$39,000, highlighting that the Centre has improved its financial position over the prior year. As there were no new assets purchased this fiscal year, the decrease that you see in the property, plant and equipment line is strictly due to the annual amortization expense, which for those of you who aren't sure, is simply an accounting entry done to expense what we consider to be the current year's portion of past capital items purchased, as these are expensed over time rather than the full purchase cost being expensed in the year of acquisition. Our goal going forward is to secure enough annual funding each year to allow us to show an annual profit so that we can start building up a cash reserve to help us fund major capital expenditures that will be vital to the longevity of the Centre, especially as it ages.

On that note, I will wrap things up by saying that Centre's accountant, Chris Cowland, has given the Centre a clean review engagement report, stating that, "Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material

respects, the financial position of the Society, and the results of its operations and its cash flows for the period then ended in accordance with Canadian generally accepted accounting principles.”

At this time, I welcome any questions from the floor and put forward a motion “That the financial statements, the treasurer’s report and the auditor’s review report, be accepted and approved by the membership.”

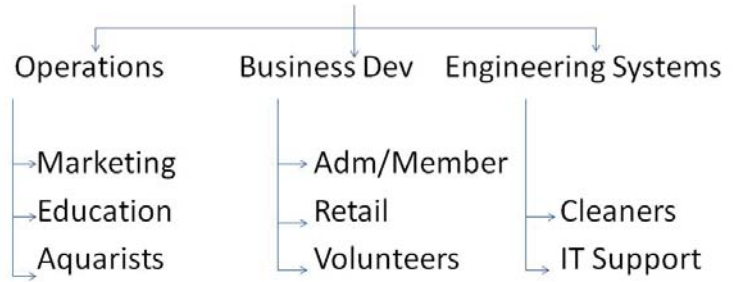
2019 Staff Report

Staff Report - Highlights & Priorities



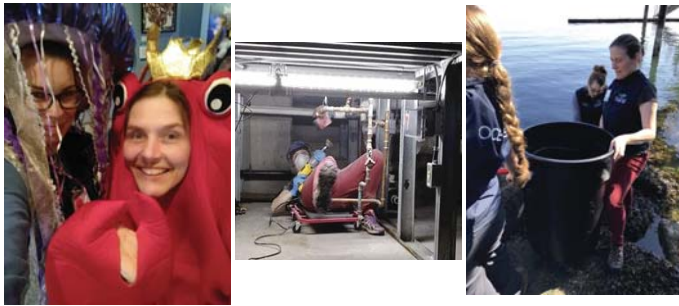
Our Organization

Executive Director



Highlights

- Completed over \$100K in needed project work
 - Focus on Engineering & Life Support Systems
 - Some Visitor Experience improvements
 - Energizing Staff & Volunteer Engagement



Pauline Finn, Executive Director



Moving Ahead

- Strategic planning
 - Community
- Financial management
 - Contributed revenue
 - Earned revenue



Leah Thorpe, Director of Operations



Highlights

Rafting the Pacific

Tsunami species survival on the high seas



Moving Ahead



2020



Marketing

Brochures



10 year anniversary campaign

other 2018/2019 advertisements

Island Parent Kid's Guide



Sidney Visitor's Centre



Peninsula News Review



coupons & partnerships



Marketing Campaigns

1. Membership Drive
2. Christmas Campaign – Give the Gift of Experience
3. General Awareness Campaign



Kit Thornton, Chief Aquarist



Highlights

- Independent habitat venting upgrade reduces supersaturated gases which provides improved quality of life for fish
- All exhibits have received an LED lighting upgrade
 - Species appropriate
 - Mimics a natural photo period (reduces stress)



Highlights

- Established a strong relationship with a highly reputable & published veterinarian
- New team promptly established themselves as leaders in the field of mini aquariums as seen at the Community Aquarium Conference



Moving Ahead

- All Aquarists working in our Center are in the process of achieving AZA Accreditation
- Investigating hosting the Community Mini Aquarium Conference for FY 20/21
- Investigating the feasibility of adding a Jellyfish touch tank





Tina Kelly , Director of Learning

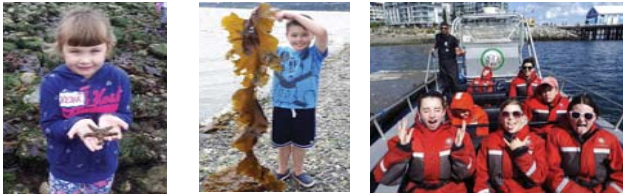


Highlights



Highlights

- Another fun-ccessful Summer Camp Season



"Hands down, the best summer camp on the island."

"My son loved attending the Barnacle Buddies camp over the summer. He learnt a lot and had such a fun week. He came home with lots of facts and stories. Thank you to all of the camp leaders who made this so fun and educational. We will definitely make these camps a summer tradition."

Highlights

Regular Programming	Special Events
Tot Tuesday	World Oceans Day
Senior Sessions	Science Sea Day
Floating Ideas Lecture Series	Watershed Wonders
Sea Shirt Sunday	SCIENCE ODYSSEY
Microscope Monday	



Highlights

- Showcases current and relevant science and conservation taking place in the Salish Sea.
- Features land, freshwater ecosystems, wildlife, and Indigenous culture.



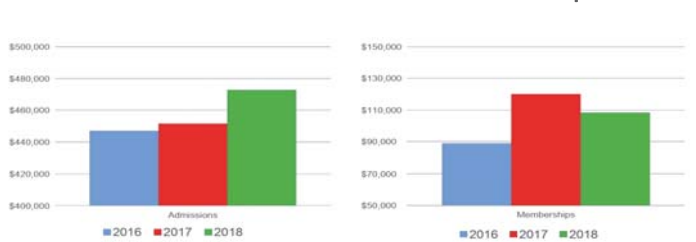
Moving Ahead

- Teacher Open House
- Implementing updated curriculum-connected school programs
- New special events both in the Centre and in the community (i.e. Science Literacy, Cephalopod Celebration, Low-tide Exploration)



Highlights

Attendance Revenue (POS) - Jun 1 - May 30

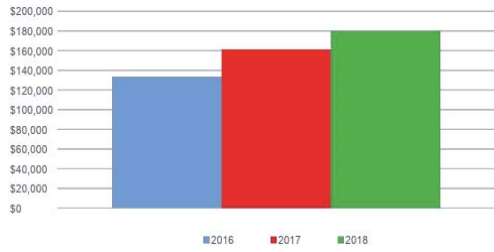


Deanna Mathewson, Director, Volunteer & Business Development



Highlights

Retail (Net Sales) Revenue: June 1- May 30



Salish Sea Store: sustainable, local, educational, fair-trade...



...handmade, organic, nurdle-free, feel-good shopping!



Highlights

Introduced readable, re-loadable Gift Cards in time for holiday shopping (beginning 2018)



Volunteers + ❤️ = Oceaneers



Hugh Toupin, Engineering Systems Technician



Highlights - 11 months in a nutshell

- We destroyed all deficiencies identified in the Center's Engineering Condition Report prepared for the TOS.
- Reactivated the Circular tank in the Ocean's Heartbeat as a living, vibrant exhibit
- Life Support System shutdown & restart historically took 4 hrs now we only require 15 min



Keeping the water flowing

- Spare parts & redundancies
- Life cycling of components
- Regular, planned & preventative maintenance routines



THE NEW MARINE CENTRE SOCIETY

Financial Statements

For the Year Ended May 31, 2020



Baker Tilly Victoria Ltd
Chartered Professional
Accountants
T: 250.386.0500
F: 250.386.6151
bakertilly.ca

Downtown:
645 Fort St
Suite 540
Victoria, BC
V8W 1G2

Westshore:
967 Langford Pkwy
Suite 218
Victoria, BC
V9B 0A5

Sidney:
9764 Fifth St
Unit 7
Sidney, BC
V8L 2X2

INDEPENDENT PRACTITIONERS' REVIEW ENGAGEMENT REPORT

To the Members of The New Marine Centre Society

We have reviewed the accompanying financial statements of The New Marine Centre Society (the "Society") that comprise the statement of financial position as at May 31, 2020 and the statement of revenues and expenditures, changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Accounting Standards for Not-For-Profit Organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioners' Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.



Baker Tilly Victoria Ltd
Chartered Professional
Accountants
T: 250.386.0500
F: 250.386.6151
bakertilly.ca

Downtown:
645 Fort St
Suite 540
Victoria, BC
V8W 1G2

Westshore:
967 Langford Pkwy
Suite 218
Victoria, BC
V9B 0A5

Sidney:
9764 Fifth St
Unit 7
Sidney, BC
V8L 2X2

INDEPENDENT PRACTITIONERS' REVIEW ENGAGEMENT REPORT (continued)

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Basis of Qualified Conclusion

In common with many charitable organizations, the Society derives revenue from donations, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to donations revenue, deficiency of revenues over expenses, and cash flows from operations, and current assets and net assets as at May 31, 2020. Our review conclusion on the financial statements for the year ended May 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of The New Marine Centre Society as at May 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-For-Profit Organizations .



Baker Tilly Victoria Ltd
Chartered Professional
Accountants
T: 250.386.0500
F: 250.386.6151
bakertilly.ca

Downtown:
645 Fort St
Suite 540
Victoria, BC
V8W 1G2

Westshore:
967 Langford Pkwy
Suite 218
Victoria, BC
V9B 0A5

Sidney:
9764 Fifth St
Unit 7
Sidney, BC
V8L 2X2

INDEPENDENT PRACTITIONERS' REVIEW ENGAGEMENT REPORT (continued)

Other Matter

The financial statements of the New Marine Centre Society for the year ended May 31, 2019 were reviewed by another practitioner who expressed an unmodified conclusion on October 23, 2019.

Baker Tilly Victoria Ltd.

CHARTERED PROFESSIONAL ACCOUNTANTS

Victoria, B.C.

November 24, 2020

The New Marine Centre Society

Statement of Financial Position

As at May 31, 2020

	2020	2019
	\$	\$
Assets		
Current Assets -		
Cash and short term deposits	281,287	262,925
Restricted cash (note 3)	27,216	34,934
Accounts receivable	17,304	60,265
Inventory	63,147	62,105
Goods and services tax recoverable	629	-
Prepaid expenses	1,256	1,227
	390,839	421,456
Property, Plant and Equipment (note 5)	2,320,268	2,429,504
	2,711,107	2,850,960
Liabilities		
Current Liabilities -		
Accounts payable and accrued liabilities	31,490	61,223
Goods and services taxes payable	-	1,822
Provincial sales taxes payable	106	813
WCB payable	2,960	661
Deferred contributions (restricted) (note 6)	27,216	34,934
Deferred revenue (unrestricted)	12,486	23,688
	74,258	123,141
Amounts Held In Trust	9,590	8,365
Canada Emergency Business Account Loan (note 7)	30,000	-
	113,848	131,506
Net Assets		
Operating Fund	188,322	289,950
Equity in Capital Fund	2,320,268	2,429,504
Capital Reserve Fund	88,669	-
	2,597,259	2,719,454
	2,711,107	2,850,960

SIGNED ON BEHALF OF THE BOARD:

Director

The New Marine Centre Society

Revenues and Expenditures

For the Year Ended May 31, 2020

	2020	2019
	\$	\$
Revenue		
Admissions and rentals	421,931	508,520
Donations and grants	211,667	70,396
Gift shop sales, net of cost	61,661	80,120
Memberships	92,048	111,012
Operating grant - Town of Sidney	85,417	179,774
Other revenue	18,188	34,771
	890,912	984,593
Expenditures		
Accounting and legal	13,416	14,881
Aquarium costs	23,945	34,289
Credit card charges	11,581	13,133
Education costs	8,375	26,693
Fundraising costs	1,316	134
Insurance	16,920	17,143
Interest and bank charges	2,683	2,728
Maintenance costs	84,435	134,044
Marketing	20,846	21,083
Oceaner expenses	3,358	16,288
Office	12,465	16,616
Special projects	4,850	5,001
Telephone and utilities	80,931	84,488
Travel and automotive	2,211	2,243
Wages and benefits	615,258	547,763
	902,590	936,527
Excess (Deficiency) of Revenues Over Expenses from Operations	(11,678)	48,066
Other Expenses -		
Amortization	110,517	148,197
Deficiency of Revenues Over Expenses	(122,195)	(100,131)

The New Marine Centre Society

Statement of Changes in Net Assets

For the Year Ended May 31, 2020

	Operating Fund	Capital Reserve Fund	Equity in Capital Fund	2020 \$	2019 \$
Net Assets - Beginning of Year	289,950	-	2,429,504	2,719,454	2,826,736
Amortization	110,517	-	(110,517)	-	(148,197)
Purchase of Property, Planet and Equipment	-	(1,281)	1,281	-	-
Excess (Deficiency) of Revenues Over Expenses	(122,195)	-	-	(122,195)	48,066
Transfer (note 8)	(89,950)	89,950	-	-	(7,151)
Net Assets - End of Year	188,322	88,669	2,320,268	2,597,259	2,719,454

The New Marine Centre Society

Statement of Cash Flows

For the Year Ended May 31, 2020

	2020	2019
	\$	\$
Cash Provided from (Used for):		
Operating Activities		
Deficiency of revenues over expenses	(122,195)	(100,131)
Item not affecting cash:		
Amortization	110,517	148,197
Transfer out of endowment fund	-	(7,151)
	(11,678)	40,915
Changes in non-cash working capital:		
Accounts receivable	42,961	35,133
Inventory	(1,042)	173
Prepaid expenses	(29)	-
Accounts payable and accrued liabilities	(29,733)	13,550
Deferred contributions	(7,718)	(9,130)
Deferred revenue	(11,202)	21,347
Goods and services tax payable (recoverable)	(2,451)	159
Provincial sales tax payable	(707)	183
WCB payable	2,299	(180)
Amounts held in trust	1,225	2,749
	(18,075)	104,899
Investing Activities		
Purchase of capital assets	(1,281)	(1,280)
Financing Activities		
Proceeds from Canada Emergency Business Loan	30,000	-
Net Increase in Cash	10,644	103,619
Cash - Beginning of Year	297,859	194,240
Cash - End of Year	308,503	297,859
Cash Consists of:		
Cash and cash equivalents	281,287	262,925
Restricted cash	27,216	34,934
	308,503	297,859

The New Marine Centre Society

Notes to Financial Statements

For the Year Ended May 31, 2020

1 Purpose of the Society

The New Marine Centre Society is a not-for-profit organization incorporated in British Columbia under the Societies Act and is a registered charity under the Income Tax Act. The Society is a non-taxable entity. The Board is comprised of a wide spectrum of community educators, scientists and business people. The purposes of the Society are to operate a unique public facility or facilities to foster an appreciation of the Salish Sea Bioregion, be a valued community organization and undertake such other activities which from time to time may be deemed appropriate in pursuing the aforementioned purposes.

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 (ASNFPO).

Cash and short term deposits

Cash and short term deposits consists of cash on hand, bank balances and investments in short term, cashable GIC's.

Financial instruments

The Society initially measures its financial assets and liabilities at fair value, except for certain non arm's length transactions. The Society subsequently measures its financial assets and financial liabilities at amortized cost, except for securities quoted in an active market, which are subsequently measured at fair value.

Financial assets measured at amortized cost include cash and short term deposits and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Inventory

Inventory is valued at lower of cost and replacement value with cost being determined on a first-in, first out basis.

The New Marine Centre Society

Notes to Financial Statements

For the Year Ended May 31, 2020

2 Summary of Significant Accounting Policies (Continued)

Fund accounting

The Operating Fund reports the revenue and expenses related to the operation of the Shaw Ocean Discovery Centre.

The Equity in Capital Fund reports the capital assets of the Society less amortization.

The Capital Reserve Fund reports income from non-operating activities and holds funds for future capital purchases less any capital replacement expenditures.

Revenue recognition

The New Marine Centre Society follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenues from rentals are recognized when the rental takes place.

Revenues from admissions, gift shop sales and memberships are recognized when received.

Volunteers contribute many hours per year to the Society (Note 8). Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Donations in kind are recorded at their fair market value when the goods are received.

The New Marine Centre Society

Notes to Financial Statements

For the Year Ended May 31, 2020

2 Summary of Significant Accounting Policies (Continued)

Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost less accumulated amortization. Property, plant and equipment is amortized over its estimated useful life at the following rates and methods:

Ocean Discovery Centre Facility	5-30 years straight-line method
Furniture and fixtures	20% declining balance method

There is no amortization being taken on artwork.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the 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.

Management estimates relate to the useful lives of capital assets and the collectability of accounts receivable. Actual results could differ from these estimates, although management does not generally believe such differences would materially affect the financial statement in any individual year.

3 Restricted Cash

Cash in the amount of \$27,216 is externally restricted for use, as indicated in Note 6.

4 Financial Instruments

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Society's main credit risk relates to its accounts receivable. Concentrations of credit risk with respect to accounts receivable are limited due to the large number of members. The Society has evaluation and monitoring processes in place and writes off accounts when they are determined to be uncollectable.

The New Marine Centre Society

Notes to Financial Statements

For the Year Ended May 31, 2020

4 Financial Instruments (Continued)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Society is exposed to interest rate risk on its fixed rate term deposits, although the extent of such risk is considered minimal.

It is management's opinion that the Society is not exposed to significant market currency, liquidity, or other price risks arising from these financial instruments.

5 Property, Plant and Equipment

	Cost	Accumulated amortization	2020 Net	2019 Net
	\$	\$	\$	\$
Ocean Discovery Centre Facility	4,215,990	1,911,727	2,304,263	2,412,130
Furniture and fixtures	33,605	22,363	11,242	12,611
Artwork	4,763	-	4,763	4,763
	4,254,358	1,934,090	2,320,268	2,429,504

There is no amortization taken on artwork.

The New Marine Centre Society

Notes to Financial Statements

For the Year Ended May 31, 2020

6 Deferred Contributions

Deferred contributions represent externally restricted funding received in the current period. Changes in the deferred contributions balance are as follows:

	Opening Balance \$	Received \$	Expenditures \$	Closing Balance \$
BC Animal Care Facilities Initiative	-	17,304	17,304	-
BC Gaming: Learning Enrichment	11,545	-	11,545	-
Mountain Equipment Co-op: Curriculum Review & Upgrade Project	921	-	-	921
NSERC: World Oceans Day	14,372	-	14,369	3
Saanich Peninsula Foundation	-	1,100	-	1,100
Salish Weave Foundation & Town of Sidney: Coast Salish Project	8,080	-	-	8,080
Town of Sidney	-	102,500	85,416	17,084
Town of Sidney: Research & Capital	2	-	-	2
Victoria Foundation (Fowlow Fund): Octopus & Animal Care	-	6,277	6,251	26
Willowgrove Foundation: Staff & Volunteer Engagement	14	15,000	15,014	-
	34,934	142,181	149,899	27,216

The Town of Sidney grant has been reflected as restricted cash on the statements this year, with the 2020 annual amount being allocated on a monthly basis, in-line with the calendar year.

The New Marine Centre Society

Notes to Financial Statements

For the Year Ended May 31, 2020

7 Canada Emergency Business Account Loan Payable

	2020
	\$
CEBA Loan Received	40,000
Forgivable portion of loan included in revenue	(10,000)
	<u>30,000</u>

The Society received the Government's Canada Emergency Business Account (CEBA) loan in response to the COVID-19 global pandemic. The loan is held at TD Canada Trust. It bears no interest and is due to be paid December 31, 2022. Should the loan not be paid back, it will be converted to a term loan with an annual interest rate of 5% payable in monthly instalments and due December 31, 2025.

8 Interfund Transfer

On June 1, 2019 the Society transferred \$89,950 from the surplus in the Operating Fund to the Capital Reserve Fund. These funds are internally restricted for future capital purchases and capital replacement expenditures.

9 Volunteer Hours

The ongoing operations of the Society are greatly assisted by the generous donation of time by around 139 listed volunteers. The value of this donation of time at a conservative rate of \$13.85 per hour would be \$86,646 (2019 - \$92,045 at \$12.65 per hour).

The New Marine Centre Society

Notes to Financial Statements

For the Year Ended May 31, 2020

10 Victoria Foundation Endowment

During the 2012 fiscal year, the Society was invited to establish a permanent endowment fund with the Victoria Foundation. The Ocean Discovery Fund will be held in perpetuity by the Foundation and a portion of the income earned by the fund will be returned to the Society to support activities as determined by the Board. An initial contribution of \$7,500 from funds already held by the Society for endowment purposes was transferred to the Victoria Foundation and matched equally by the Foundation. In 2013 & 2014, the Society made a further contribution of \$2,500 in each year and a further \$5,000 in 2018, to which the Foundation provided matching contributions. The market value of the endowment funds held by the Foundation at June 30, 2020, including earned interest, is \$45,829. These funds are not included on the Statement of Financial Position. Future donations designated to this permanent fund to support the Society will be welcomed by the Victoria Foundation.

11 Premises Lease

The Society has a lease agreement (dated September 1, 2007) with the Town of Sidney for use of town-owned space in The Sidney Pier Hotel and Spa (approximately 10,000 square feet), at a rate of \$5.00 for 20 years.

12 Subsequent Events

As a result of the COVID-19 global pandemic, the Society has experienced a significant decline in its revenues. To address the negative financial impact on the Society, the Society has applied for and received the Canada Emergency Business Account loan and the Canada Emergency Wage Subsidy for every eligible period in addition to successfully seeking and applying for various other grants and donations.

The ongoing financial situation of the Society is being monitored very closely and forecasts are being updated each month to reflect the most current estimates based on the most recent facts and assumptions. Earned revenues have been steadily increasing since the Centre reopened in June 2020, with visitor numbers, in comparison to the prior year, increasing from 20% in June 2020 vs. June 2019 up to 50% in September 2020 vs. September 2019.

The New Marine Centre Society

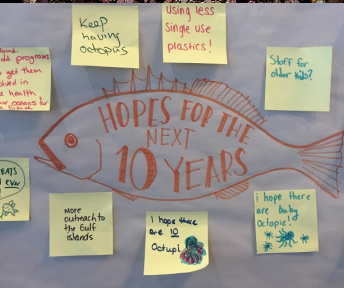
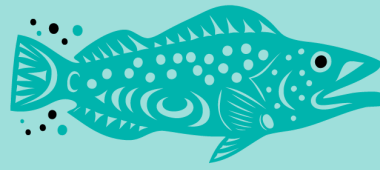
Notes to Financial Statements

For the Year Ended May 31, 2020

13 Prior Period Adjustment

The allocation of Net Assets in the Operating Fund and Equity in Capital Fund have been restated to represent the values held in these funds at the end of the previous fiscal year. The following adjustments were made by the Society to correct the comparative figures:

	\$
Operating Fund as at May 31, 2019, as previously reported	(317,436)
Adjustment as at May 31, 2019	<u>607,386</u>
Operating Fund as at May 31, 2019, as restated	<u><u>289,950</u></u>
Equity in Capital Fund as at May 31, 2019, as previously reported	3,036,890
Adjustment as at May 31, 2019	<u>(607,386)</u>
Equity in Capital Fund as at May 31, 2019, as restated	<u><u>2,429,504</u></u>



2019/2020 Performance Report

June 1, 2019 - May 31, 2020

2019/20 PERFORMANCE REPORT FOR THE SHAW CENTRE FOR THE SALISH SEA 2019/20 (JUN 1-MAY 31)

Executive Summary

This report provides an overview of the Centre's performance against the key metrics established for the fiscal year ending May 31, 2020. Results are summarized on page 2 and are supported by the detailed report (pages 3-13). Prior improvements made to our infrastructure, business systems and the organization-wide culture shift from surviving to thriving created a strong foundation for the year.

The 2019/2020 year operating plan was created as a breakeven plan with growth in revenue and investment in workforce, marketing, maintenance & facility initiatives. Performance for the year was focused on achieving our **Financial Projections**. Critical to this outcome is the ability to meet the targets and monitor areas categorized under **Community Impact (Attendance, Community Outreach and Digital Reach)** and **Maintenance and Facility Investment**. Activity updates in the areas of **Strategic Plan Development** and **Animal Care & Conservation** are also provided.

The Centre was initially on track to achieve, and in some cases surpass planned targets for the 2019-2020 fiscal year. With less than three months remaining, the global pandemic required a massive and immediate shift in operations, deep cuts to expenses, and creative strategies to ensure the continued viability of the Centre.

The Centre was closed to the public from March 16th through June 8th. The timing of this closure (during our traditionally busy spring season) exacerbated the loss of earned revenue. Steady performance in the first three quarters of the year combined with significant expense reduction and repeated success in securing emergency funds helped to offset the loss. Details around the complexities of how the pandemic unfolded and how our organization responded is summarized the [COVID-19 Initial Response Report](#) submitted to the Town of Sidney on November 12, 2020.

Despite COVID-19, our fiscal year-end loss was only \$12K.

Four pillars have been critical to our fiscal year results:

- having entered the pandemic in a favourable financial position
- enhanced funding from the Town of Sidney
- access to federal and provincial emergency response grants and loan
- the dedication and resolve of the team, including the Board of Directors

For each of these pillars, we are very grateful.

Prior to, and in some cases, in spite of, the pandemic, the Centre and its role within the community, both locally in Sidney, and regionally on southern Vancouver Island, continues to develop with focus on our mission and mandate.

Enhancements to public and school programming, partnership development, community outreach and free programs, on-site exhibits, accessibility, inclusivity, professional development, conservation research, and facility improvements have been rolled out throughout the year. While some projects were necessarily and appropriately put on hold, progress is evidenced by the continued support from across our community.

Ongoing support from members, volunteers, board leaders and partner groups has fueled our resilience and confidence in the importance of our contribution to this community and commitment to serve for years to come.

2019/20 PERFORMANCE REPORT FOR THE SHAW CENTRE FOR THE SALISH SEA 2019/20 (JUN 1-MAY 31)

Performance Snapshot

1. Financial Performance ('000)

a. Income

PERIOD	pre COVID			COVID		
	first 9 months Jun-Feb			final 3 months Mar-May		
	actual	plan	%	actual	plan	%
earned revenue	649	641	1%	20	242	-92%
contributed revenue	99	201	-51%	170	69	146%
expenses	774	869	-11%	178	284	-37%
NET INCOME	-25	-27		12	27	

- breakeven plan with growth in revenue & investment in workforce, marketing, maintenance & facility initiatives
- pre-COVID, expenses & revenues managed to plan
- closure resulted in a **\$222K loss** in earned revenue
- losses were managed & offset by **\$106K** or **\$37%** reduction in expenses (operating & investment initiatives) & new revenue from government programs
- despite COVID, year-end loss was only **\$12K**

b. Net Assets

Net Assets	2019	change	2020
Operating Fund	200	-12	188
Capital Reserve Fund	90	-1	89
Equity in Capital Assests	2,430	-109	2,320
	2,719	-122	2,597

- long term plan to maintain an Operating Fund balance of **\$200K** and gradually grow the Capital Reserve Fund
- the challenges of the pandemic this year led to an Operating Fund decrease of **\$12K**

2. Community Impact

a. Attendance

Attendance Results at END of Q4 (Jun 1 2019 to May 31 2020)				
	actual	plan	var	%
Attendance AT Centre	50,068	71,600	-21,532	-30%
Outreach & Partner Events	2,721	not set		
TOTAL REACH	52,789	71,600	-18,811	-26%

b. Community Impact Overview

- 121 volunteers donating **6,217 hours** of time
- 26 events/activations with **2,721** participants

c. Digital Engagement

- **13,000+** Newsletter Subscribers
- **5,000** Facebook Followers
- **3,000** Twitter Followers
- **1,900** Instagram Followers

3. Animal Care & Conservation

Successfully manage current conservation programs

- salmon release (Jul)
- giant Pacific octopus release (Jul & Mar)

Contribute (as resources permit) to research & conservation

- Chinook Salmon & Rockfish Studies (UVIC)
- Animal Health Observation Study (WCVM)
- Moon Jelly study (UBC)

4. Maintenance & Facility Investment

Completion of key recommendations in the 2018 Engineering Condition Assessment Report

- all work identified as critical completed (Jul)

Sand filter replacement project

- 60% of work completed (May)

5. Strategic Plan Development

Next 10 Years Strategic Plan developed with community input

- A Draft Strategic Plan & detailed Community Engagement Plan was prepared by a new working group & endorsed by the Board of Directors
- Community Engagement work towards plan completion was paused due to the pandemic (Mar)

Performance Report for the 2019/20 Fiscal Year: Jun 1st 2019 – May 31st, 2020

1. Financial Performance - Performance for the fiscal year is highlighted in the following tables. The year is made up of two very distinct periods, the first 9 months (Q1-Q3) and the final 3 months (Q4) with the onset of COVID-19.

a. Income

SCSS 2019 Fiscal Year Results (Jun 2019 to May 2020)

Operating Plan SCSS 2019/20 Fiscal Year ('000)	FULL YEAR RESULTS 2019/20 Jun 1 2019 - May			FIRST 9 MONTHS (Q1, Q2+ Q3 Jun-Feb)			FINAL 3 MONTHS (Q4 Mar-May)			
	attendance >>	50	72	-22	47	54	-7	3	17	-14
	actual	plan	var	actual	plan	var	actual	plan	var	
OPERATING										
REVENUE										
Attendance/Visitors to Centre	528	693	-164	513	502	12	15	191	-176	
Retail - Salish Sea Store	141	190	-49	136	139	-3	5	51	-46	
Sub-Tot Operating Revenue	670	883	-213	649	641	9	20	242	-222	
			-24%			1%			-92%	
EXPENSES										
Labour (all associated costs)	598	749	-151	472	564	-93	127	185	-58	
Non Labour General & Admin Costs all	344	392	-48	296	295	1	48	96	-49	
Sub-Tot Operating Expenses	942	1,141	-199	767	860	-92	175	281	-107	
			-17%			-11%			-38%	
NET OPERATING INCOME	-272	-258	-14	-118	-219	101	-154	-39	-115	
CONTRIBUTED REVENUE (unrestricted/ops focused)										
Grants Various (includes TOS and Wage Subsidy F	238	205	32	80	162	-82	157	43	114	
General Donations & Sponsorship	32	65	-33	19	39	-20	13	26	-14	
Sub-Tot Contributed Revenue	269	270	-1	99	201	-102	170	69	101	
			0%			-51%			146%	
NET INCOME (after fundraised contributed revenue)	-3	12	-15	-19	-18	-1	16	30	-14	
INVESTMENT INITIATIVE EXPENSES										
Infrastructure Investment & Visitor	9	12	-3	6	9	-3	3	3	0	
			-21%			-31%			8%	
NET INCOME	-12	0	-13	-25	-27	2	12	27	-15	

Overview of Year - The 2019/2020 plan was designed as a growth plan to strengthen operations and strengthen the foundation for future success. The approved budget was struck as a break even plan with anticipated growth in revenue to support investment in workforce, marketing, maintenance and modest, small scale facility investment initiatives.

- For the first 9 months of the year (Q1, Q2 & Q3), prior to COVID, expenses and revenues were carefully managed in line with plan
- Throughout the final 3 months of the year (Q4), closing the Centre resulted in \$222K loss in earned revenue
- These losses were offset by careful business continuity management prepared in March with implementation kicking off in April. Significant energy and effort was directed to prepare applications to all relevant, emergency funding programs. These efforts, combined with substantial expense reduction made it possible to maintain a modest team of staff to appropriately care for the facility and animal ambassadors and mobilize to reopen with safety planning and necessary experience modifications when it was deemed safe to do.
- A comprehensive report, the *COVID-19 Initial Response Report*, detailing the complexities of how the pandemic unfolded and how our organization responded was prepared and shared with Town Council & our Centre's Board of Directors on November 12, 2020. Business Continuity Milestones included:

- o securing \$58K of federal (Canada Emergency Wage Subsidy) and \$19K of provincial (Animal Care Initiative Fund) government support through to the end of the fiscal year
- o securing a \$40K Canada Emergency Benefit Account (CEBA) loan, \$10K of which is treated as income this year
- o detailed preparation of facility modifications and associated Safety Plan for Centre reactivation (with gradual reopening beginning for members only on Jun 8, World Ocean's Day)
- o \$106K or a 37% reduction in expenses (combined operational and investment initiatives expenses)
- o compassionately directing all staff affected by the necessary, temporary layoffs to government programs
- o stewarding ongoing connections with all team members throughout the layoff periods
- o recalling staff when possible in line with visitor return and financial recovery

Earned Operating Revenue - Earned Operating Revenue of \$883K was planned for the year including Attendance (Admissions, Membership, Programs) and Retail Sales. Prior to the pandemic, Earned Operating Revenue performance was tracking to plan. The required, full closure of the Centre was a serious blow to our 4th and final quarter performance finishing \$222K, or 92% below plan for that quarter. The effects of the closure were exacerbated by the fact that spring break is traditionally a very busy time for admissions and retail sales, and the spring months typically include a large number of membership renewals and school group visits. The net effect for the year was that Operating Revenue finishing \$213K or 24% below plan.

Operating Expenses - Prior to the pandemic, Operating Expenses were tracking 11% better than planned. This positive variance was largely due to staffing costs coming in below plan. This was achieved by developing an internal, junior team member to step into a leadership role for the duration of a leave, combined with the fact that two planned, part time positions were not realized (summer outreach coordinator and maintenance support).

Within weeks of the Centre's pandemic closure, a business continuity plan was activated including substantial expense reduction (staff and operating expenses). This work resulted in Q4 operating expenses finishing \$107K or 38% below plan. These efforts improved our position at the end of the year resulting in Operating Expenses finishing \$199K or 17% better than plan.

Contributed Unrestricted Revenue - This important source of revenue includes the Town of Sidney (TOS) operating grant, government grants for operating projects and wage subsidy programs (regular and pandemic related), community grants, private donations and sponsorship.

Planned revenue for 2019/20 of \$270K was based on a number of assumptions with regard to the TOS funding and to the timing of new fundraising initiatives. Ongoing discussions with the TOS during the first 9 months of the year, followed by the onset of the pandemic in the last quarter, resulted in several variances from plan. The following table and supporting commentary summarizes the major changes that occurred as the year unfolded:

Contributed Revenue Summary (\$000)	
Plan	270
Town of Sidney Grant	-40
Grants & Wage Subsidies	72
Donations & Sponsorship	-33
Actuals	269

The TOS operating grant of \$125K for 2019 was initially planned to be recognized monthly by the Centre over its 2019/20 fiscal year. However, the full amount was recorded as revenue at the end of the 2018/19 fiscal year. The timing effect of this was to report a surplus in that year, which essentially offsets the shortfall from plan reported in 2019/20. Importantly,

with the TOS grant now confirmed at \$205K annually, the Centre's funding recognition in its financial statements will be consistent with the TOS treatment.

Prior to the pandemic, the vital support from the TOS had been secured. With that assurance, the Centre focused significant effort in securing available emergency funding to allow a core staff to care for the facility and animals during the initial closure. The favourable variance of \$72K reflects the result of these efforts to May 31.

The third major variance from plan related to donations and sponsorships, which was largely planned to materialize during the latter part of the fiscal year. Considering the loss of life, hardship and uncertainty our community was facing during the first wave of the pandemic, the decision was made to pause initially planned fundraising efforts for a more appropriate time.

Despite these significant variances from plan over the 12-month period, the Centre was able to secure \$269K in contributed revenue, only \$1K less than plan.

Facility Investment Initiatives - The primary investment project planned this fiscal year was the corrective maintenance of sand filters. Key materials and equipment was acquired and the project was 60% completed at year end. With the onset of the pandemic the completion of this project was deferred to the fall of 2020 to direct resources to animal care and work required for reopening to the public when safe to do so.

While the pandemic required our organization to temporarily adjust plans, the long-term plan remains to build up adequate reserves to A) ensure sufficient redundancy equipment (pumps, motors, chillers etc.) are on hand, and B) allow re-investment work to be completed both when strategically planned (i.e. systems, exhibit and visitor experience updates), and when unplanned (i.e. equipment failures or unique opportunities, such as travelling exhibits or guest speakers relevant to our mission/community).

Our response, so far, to the pandemic has further proven our resilience and ability to adapt and respond to changing environment and business needs.

Restricted Funds

\$27K in Restricted Funds was secured and utilized for the following specific projects and activities:

Federal Sources

- \$14K for World Ocean's Day and additional Educational Programming (NSERC)

Provincial Sources

- \$6.6K for Public Programs (BC Gaming)

Non-Government Sources

- \$5.8K for Giant Pacific Octopus Program and Animal Care (Fallow Fund)
- \$671 for Staff and Volunteer Engagement (Willowgrove Foundation)

b. Net Assets

To formalize and measure the need to build a Capital Reserve, our fund account balances were clarified with targets set. Long term, the plan is to build up financial assets to maintain a consistent Operating Fund balance of **\$200K** while reinvesting future surplus into the Capital Reserve Fund.

This long-term plan will be further defined, in the years ahead to formalize the Society's commitment to managing facility infrastructure as a part of our organization's future.

Net Assets	2019	change	2020
Operating Fund	200	-12	188
Capital Reserve Fund	90	-1	89
Equity in Capital Assets	2,430	* -109	2,320
	2,719	-122	2,597

* change reflects amortization of Capital Assets for the fiscal year

The challenges of the pandemic led to an Operating Fund decrease of **\$12K**. No Capital Reserve Fund investment was planned or achieved this fiscal year.

2. Community Impact Overview

This year, **121 volunteers** donated **6,217** hours of their valued time making it possible for our Centre to welcome **50,068** guests. An additional **2,575** people were engaged with the Centre through **26 events** that included activations from Sidney to Cadboro Bay, Metchosin and Pender Island.

Attendance

Attendance Results at END of Q4 (Jun 1 2019 to May 31 2020)				
	ACTUAL	PLAN	VAR	
Attendance AT Centre	50,068	71,600	-21,532	-30%
Outreach & Partner Events	2,721	not set		
Tot Reach	52,789	71,600	-18,811	-26%

The total number of visitors to the Centre as of the end of the year was 21,532 people or 30% below plan. The associated revenue was 24% below plan. The difference is due to the mix of members and paid admission visitors.

In addition, while community outreach and partner event attendance targets were not explicitly set this year, those activities reached an additional 2,721 people. These specific activities are described below.

Community Impact Detail

The vibrancy and energy required to fuel success and contribute to the health of our community can be difficult to capture with quantitative data alone. This community impact section aims to capture the highlights of activities outside of our core, facility program offerings included in general admission to the Centre. These activities allow people to go deeper into specific content areas, increase access, generate awareness and goodwill, provide opportunities for citizens to connect with each other, and strengthen relationships with other community organizations. All activities are designed to further our mission to inspire people to learn about, connect with, and conserve the Salish Sea Bioregion.

Partnership & Programs Highlights

- o Parks Canada interpreters engaged visitors 6 days/week throughout the season with hands-on activities inspiring people to get out into nature and experience the Salish Sea Bioregion (specifically our nearby Gulf Islands National Park Reserve, including Sidney Island) first hand.
- o Salish Sea Summer Camps - 124 children participated in Barnacle Buddies, Salish Sea School and Ocean Advocates camp programs. These unique, facilitated experiential learning programs combine unique Centre-based learning experiences with outdoor education experiences (140 spaces).

- Beacon Family Services, WSÁNEĆ School District & Raincoast Conservation Groups facilitated the distribution of 400 passes to families, adults and youth.
- Raincoast Conservation - Salish Sea Stewards event celebrated the work of the 2018 cohort of high school students from across the Salish Sea communities. This event hosted at the Centre featured professional mentors from academic and environmental groups with Bioregion expertise (Jun 5)
- Access Awareness Day - The Access Awareness in Sidney Committee awarded our Centre the 2019 Jeanette Hughes Accessibility Award (Jun 7)
- SAFE PLACE – The Centre received this designation from the RCMP for LGBTQ victims of crime or harassment in advance of international #LGBTQSTEM day and Victoria's Pride activities (Jul 3).
- Sidney by the Sea 5K / 8K / Walk 2019 - The Centre hosted hands-on Humbolt Squid hat making station and our portable touch pool in Beacon Park. The Centre was also opened free to all participants (Sep 22)
- Floating Ideas Lecture Series - The Dragons of Inaction: What are they and How to Slay Them with Dr. Robert Gifford of the University of Victoria (Oct 17)
- Cephalopod Celebration - Enhanced programming for this non-instructional day for all school districts (Oct 25)
- Saanich Peninsula Chamber of Commerce Morning Mixer - Hosted at the Centre including behind the scenes tour (Nov 5)
- Floating Ideas Lecture: Urban Biodiversity with Dr. Val Schaefer of the University of Victoria (Nov 17)
- Teacher Open House - Free Open House for teachers providing sampling of new school program offerings and sharing of resources including the First Nations Education Steering Committee (FNESC) First People's Principals of Learning (Nov 21)
- The Sidney Merchant Open House - Featuring "Santa in the Submarine" delighting 264 families and children with photos with Santa Claus in the Centre's submarine (Nov 23)
- Floating Ideas Lecture: Chiixuu Tll iinasdll: A Story of People Nurturing Seafood to Grow with Dr. Lynn Lee of Parks Canada and the University of Victoria (Dec 11)
- Sidney Sparkles Parade and the Festival of Trees - The Centre participated in these Sidney-wide holiday events (Nov/Dec)
- Gwaii Haanas National Park Reserve Orientation event for boaters - Hosted at the Centre in collaboration with Parks Canada (Mar 8)

Community Outreach

- World Ocean's Day Event / 10th Anniversary Celebration - The Centre hosted 19 community organizations, an opening from Sidney's Town Crier, free admission to the Centre and birthday cake for all (Jun 2)
- Sidney Annual Sidewalk Sale - Our Centre participated with a newly developed photo-op activation in collaboration with the team at Departure Travel (Jun 30)
- Sidney Night Market (Jul 4 and 18) - In collaboration with the Sidney BIA, this activation was designed to raise awareness about our Centre and gather ideas about community members':
 - Memories of the last 10 years, and hopes for the next 10 years.
- Marine Day at Witty's Lagoon - SeaChange Marine Conservation Society divers provided the critters and our educators introduced visitors to intertidal and sub-tidal organisms (Jul 6)
- Low Tide Day - Free public programming along the Sidney Waterfront with 50 attendees (Aug 1)
- Tide Pool School at Oak Bay's Kitty Islet – This activation provided ocean education activities for dozens of families (Aug 3)
- Nuit Blanche - This annual Parks Canada outreach event on Pender Island highlighted nature nightlife to locals and island visitors; the Centre's staff and volunteers represented expertise on bioluminescence and all things marine (Aug 9)
- Cadboro Bay Festival - This activation provided ocean education activities for thousands of people in attendance (Aug 11)
- Great Canadian Shoreline Cleanup - Collaboration with UVIC Project Serve youth leaders to clean up Sidney's Glass Beach (Sep 14)
- National Science Literacy Week Outreach Programs:

- Marine Science Morning, Vancouver Island Regional Library, Sidney Branch (Sep 21)
- Make a Splash, Hillside Mall and World Fisheries Trust (Sep 22)
- Volunteer Fairs - Throughout the year, Centre staff (and seasoned volunteers) present our mission and promote volunteer opportunities in partnership with the University of Victoria (Sep 26), Camosun College (Feb 12), and St. Michaels University School and Volunteer Victoria (Sep 11)

3. Animal Care & Conservation

Currently, the Centre manages two animal conservation programs, our Giant Pacific Octopus (GPO) program, and our Chinook Salmon program (in conjunction with Goldstream Hatchery).

Kit Thornton, our Chief Aquarist joined the team in Aug 2019. As a Registered Veterinary Technologist with specialized skills working with marine animals in research settings, her unique skill set and experience has enabled our Centre to collaborate with researchers from post-secondary institutions to further the base of scientific knowledge. Our Centre is now equipped to provide researchers with controlled, accessible populations of animals and highly specialized staff.

The skills and expertise of our aquarist team ensures that ethical research can be conducted. While animals from our collection are used for various studies, our team maintains full management over the impact on them, their habitats and integration of such activities into the overall visitor experience. This year our Engineering Systems Technician, Hugues Toupin, designed and produced an effective self-contained life support system to provide a suitable habitat for animals participating in any research programs.

A summary of the studies and partner institutions our Centre contributed to is provided.

- Chinook salmon study - In collaboration with University of Victoria, our Chinook salmon participated in research to evaluate the impacts on salmon behaviour and physiology as a result of underwater noise generated by ships during nautical activities.
- Rockfish study - Our population of rockfish provided research associates from University of Victoria with the opportunity to study the sounds produced by rockfish and create an acoustic catalogue of rockfish vocalization.
- Animal Health Observation study - In collaboration with Dr. Craig Stephen, our veterinarian consultant, and the Western College of Veterinary Medicine, our team contributed to a holistic study of the perceived benefits of how community aquariums promote conservation of Pacific Northwest fish and invertebrates.
- Moon Jelly study - In collaboration with the University of British Columbia, samples of genetic material were provided from our Moon Jelly collection to investigate how gelatinous zooplankton is a key source of nutrition within the food web for a variety of animals.

4. Maintenance & Facility Investment

Engineering Conditional Assessment Follow-up - The December 2018 detailed submission to the Town of Sidney included an Engineering Condition Assessment Report for the Centre's 10-year-old facility. This was the first of its kind in the history of our Centre. Work to address the recommendations in this report has been a significant area of focus. An Engineering Update Report outlining the successful completion of all major, critical engineering issues identified by that visual inspection was presented to and received by the Town of Sidney Council at the August 12th 2019 meeting. This work and the update report represented a major milestone for our team.

Maintenance Activity

Quarter 1 - This quarter included necessary corrective maintenance and repairs, ongoing, preventative activities, as well as several required annual inspections.

- o important cross-training with the Aquarist team
- o notable corrective maintenance and repairs included emergency repairs to the store HVAC, repairs to the PK closed system habitats and replacement of the #1 Life Support pump motor

Quarter 2 - This quarter activity included replacement of skimmer supply pump assembly, revamp and replacement of aquarist sink and cast iron drain pipes and fitting wet lab with a new sand filtration system.

Quarter 3 - Visitor experience enhancements this quarter included the installation of two automatic doors to improve accessibility in two key areas as well as the creation of a new living exhibit/donation box and production of a new, pocket, museum exhibit on The Lone Wolf of the Salish Sea.

Quarter 4 - Significant energy and effort this quarter was devoted to expense reduction, minimizing risk and ensuring our animal and Centre remain viable. In addition, deep cleaning, habitat and modest exhibit enhancements were effectively completed without daily visitors during the COVID closure period.

Infrastructure Investment - The primary infrastructure investment project planned this fiscal year was a sand filter and multi-port selector valve replacement project.

Quarter 1 & 2 - The initial timeline was to begin this work in Q1. However, given other maintenance priorities requiring attention, this work was deferred. The project began in late September of 2019. To minimize disruption to the animals and people, the work was scheduled when time permits, one filter at a time during the early morning hours, before visitors and the majority of our animal care volunteers and staff begin their work. As of November 30th, 45% of the work on this project was completed.

Quarter 3 & 4 - Further work on this project in Q3 and Q4 resulted in 60% completion as of May 31st. In light of the pandemic, the timeline for full completion was extended to May 31st, 2021.

Adjustments to plans continue to be made regularly considering actual, real time performance of the life support and facility infrastructure and available resources.

5. Strategic Plan Development

Unique to this year, our organization initiated development of a new **Strategic Plan** to guide our organization for the next 10 years.

Quarter 1 & 2 - Analysis of preliminary data collected in the spring and summer (2019) was the primary activity in Q1. In Q2, a Strategic Planning Working Group was created to include three experienced board members and the Executive Director. A schedule prepared and endorsed by our board.

Quarter 3 & 4 - The Group prepared a preliminary, draft Strategic Plan and supporting Community Engagement Plan and prepared to present this work for input and review at a dedicated, day-long board retreat in March. This retreat was initially planned as a face to face workshop supported by an external facilitator. In light of the pandemic, the retreat was condensed and held through video conference with a significant portion of the time repurposed for business continuity planning. The board agreed that further work in this area of strategic planning would need to be paused. "Shelf ready" plans would be revisited when the community and Centre team are able to invest and engage in this work safely.



Shaw) CENTRE FOR THE
SALISH SEA

www.salishseacentre.org