

SHALOM COUNSELLING SERVICES INC.

Agenda of the Annual Meeting for 2021/2022

Wednesday, February 22, 2023 5:00 p.m.

Erb St. Mennonite Church Fellowship Hall and Zoom

AGENDA

1. Welcome, confirm quorum and call the meeting to order – Allan Sauder
2. Approval of the minutes of the last AGM – February 23, 2022
3. Chairperson's Report – Allan Sauder
4. a. Treasurer's Report – Brent Zorgdrager
- b. Auditor's Report
- c. Audited Financial Statements
- d. Budget Approval (2022/2023): Operating budget
- e. Appointment of Auditors for 2022/2023
5. Committee Reports 2021/2022
6. Appointment of:
 - a. Officers
 - b. Directors
7. Motion to Endorse 2021/2022 Board Actions
8. Other business
9. Adjournment

MOTIONS

for the Annual Meeting of
SHALOM COUNSELLING SERVICES INC.

Wednesday February 22, 2023

2. Motion: To approve the minutes of February 23, 2022
3. Motion: To accept the Chairperson's Report as printed
- 4a. Motion: To accept the Treasurer's Report as printed
- 4b. Motion: To accept the Auditor's report
- 4c. Motion: To accept the audited financial statements of SCS Inc.
- 4d. Motion: To accept the Operating Budget for 2022/2023 as presented
- 4e. Motion: To appoint auditors for 2022/2023
5. Motion: To accept the Committee Reports as printed
- 6a. Motion: To appoint the Officers (Chair, Vice Chair, Secretary and Treasurer) as presented.
- 6b. Motion: To appoint all new and continuing Directors
7. Motion: That all acts, contracts, by-laws, proceedings, appointments, elections and payments exacted, made, done, and taken by the Directors and Officers of the Corporation, referred to in the minutes of the Board of Directors of the Corporation, be and the same are hereby approved, ratified and confirmed.
8. Motion regarding other business as presented
9. Motion to Adjourn

3. CHAIR'S REPORT

Fiscal year 2021-2022 was once again a year marked by both transition and continuity amidst the ongoing global pandemic. While our operations are becoming more normalized, the mental health impact of the pandemic in our communities, along with associated economic, housing and healthcare challenges, will continue to drive increased need for Shalom's services for years to come.

Last year saw Wanda Wagler-Martin's departure from the position of Executive Director (a position she had held for 23 years). Upon the recommendation of the Search Committee, Susan Schwartzenruber was selected into this role in May 2021, initially on probationary status, and following an extremely positive review this year, the Board of Directors confirmed her position as of May 30, 2022.

This year, following Steven Reesor Rempel's departure from the position of Business and Operations Director for a position at Rockway Mennonite Collegiate, we were fortunate to hire Greg Chandler Burns into this role as of September 6, 2022. Greg has proven adept at responding to the various information technology, financial and other operational needs of Shalom.

The Board continued to fulfill its responsibilities as outlined in the Board policy. It met six times during the 2021-2022 fiscal year. While the Board continued to monitor the goals and objectives of the 2017-2022 Strategic Plan, planning was initiated to develop our next five-year strategic plan, with work scheduled to commence in November 2022, assisted by the team at Credence and Co.

Scheduled compliance reports were received from the Executive Director on areas of organizational performance including maintenance of professional standards, asset protection, and service activity. The Board also received updates on program and staffing, pandemic planning, service initiatives, and Shalom's involvement with the Counselling Collaborative (a partnership of six counselling agencies in the Region of Waterloo). The Board received, considered, and approved the annual budget, quarterly financial statements, and the annual financial audit. Committees reported to the Board, bringing recommendations arising from their deliberations for consideration and approval.

One of the major initiatives undertaken this year was a compensation review which established new and more coherent job categories, pay scales comparable to other organizations in the sector, and increased coverage of extended health care benefits. The Finance Committee and staff worked with an external consultant and the Board approved the recommended changes in April.

Each year, there are some changes to the composition of the Board. At the beginning of the fiscal year, we were excited to welcome Leanne Lobe, Paul Fast, Helen Eby and Brent Zоргdrager to the Board. Each of these individuals brings a diverse wealth of experience and they are already making an impact. We also met Katie Steckly, who will be joining the Board next fiscal year.

Sadly, we also bid farewell to Kaye Rempel in September 2022 as she completed her nine years on the Shalom Board, the last three serving as Chair. Kaye, you are missed. Your steady hand and impressive

attention to doing it right in Board and Executive meetings are skills we much appreciated. You served us very well at a challenging time, with a change of leadership in the organization and unprecedented uncertainty wrought by the global pandemic. Thank you!

The mission and values of Shalom have always remained foundational to our work. Board directors and staff alike are motivated by the impact we witness in the lives of our clients. This year at the Spring Brunch we were delighted to hear from Shalom counsellors as they related stories at our tables (with careful attention to confidentiality) from clients who have seen tangible benefits in their lives because of the counselling they received from Shalom, often at subsidized rates geared to their income. Staff also initiated a client satisfaction survey for the first time this year. With some 96 responses, we were given fresh insight and motivation from what clients told us. As you will note in our Annual Stewardship Report 2021/2022, we were blessed with the opportunity to serve 916 individuals this year, with 63% of counselling sessions provided at subsidized rates.

We are grateful for your continued support of Shalom and its mission, “helping people grow toward peace and wholeness”. With your support, I am confident that Shalom will continue to be strong, flexible, and resilient in the years to come and will make a difference where it matters most in our communities.

Respectfully submitted,

Allan Sauder, Board Chair

4a. TREASURER'S REPORT

Once again Shalom Counselling received strong financial support during its October 1, 2021 to September 30, 2022 fiscal year from a combination of supporter donations, client fees, and grants. This allowed Shalom to increase its budget in response to ever growing needs for counselling services, and to achieve the financial stability that will help to ensure these services will be available in the future.

Following are the key numbers for Shalom's Operating, Reserve and Capital Funds. Please see our Annual Stewardship report which provides a breakdown of the amounts for the major categories of income and expenses. Complete audited financial statements are available upon request.

Operating Fund: The General Operating fund (for Shalom's staffing and programming) ended the fiscal year with a surplus of \$13,350. This result is an excellent outcome in light of the reality that the funding Shalom had been receiving from the Canada Emergency Wage Subsidy (CEWS) declined in the fiscal year 2021-2022 by \$134,355 due to the cessation of this program.

Revenue from all sources was \$824,155 (down 4.5% from last year). The revenue decline was entirely the result of the formerly described decline in the CEWS funding but this decline was significantly offset by growth in supporter donations (up 14.7%), client fees (up 5.3%), grants (up 15.9%) and fundraising (up 65.6%). Total expenses were \$810,805 (an increase of 9.5% over last year primarily due to the expansion of staffing). With this year's surplus we ended the fiscal year with net assets of \$273,551 in our Operating fund and \$225,754 in our Reserve fund. Shalom continues to be well positioned to accommodate any major unexpected fluctuations in day-to-day cash flows and/or uncertainties regarding further economic impact from the pandemic. The combined net asset totals of these two funds amounts to \$499,305 (a 3.45% increase from last year) and provides Shalom with a solid financial base for the coming years.

Capital Fund: The Capital Fund reflects resources externally restricted for capital purposes: revenue, expenses, assets and liabilities associated with the office equipment and leaseholds held by Shalom. No significant income or costs occurred during this past fiscal year beyond the annual amortization of leasehold improvements (\$89,058). This fund ended the year with a healthy reserve of \$92,029 to cover future capital related expenditures.

Thank you for your generous and consistent financial support that allows Shalom to carry out its mission to those in need! Thank you to Shalom's staff for their careful stewardship of these donations, the Development Advisory Committee for their fundraising work and Erb Street Mennonite Church for their generous support as Shalom's landlord. And continued thanks to Ed Simon of the accounting firm, E.M. Simon, CPA, Professional Corporation, for his assistance throughout the year and preparation of our audited financial statements.

Brent Zorgdrager
Board Treasurer

5. COMMITTEE REPORTS 2020/2021

The following excerpt, from the Shalom Policy and Procedures manual outlines the role and function of board committees:

BOARD COMMITTEES

The purpose of the Board Committees is to facilitate the work of the Board by providing focus on specific areas of SCS Inc. activities. Board Committees are sub-committees of the board with specific agendas. Members of a Committee are available to reference with the Executive Director as needed. Meetings may be set at the discretion of the Executive Director and members of each Committee. Committees report to the Board at each Board meeting, and between meetings as needed.

The Board of Directors will be responsible for appointing its members to the various committees (except for the Executive Committee which is made up of the Board officers) and the Committee members may select their Chairperson and Secretary. Each committee will appoint a Chair. The Executive Director may draft an agenda for meetings and will have this approved by the Chair prior to circulating to the Committee. Meeting minutes will be recorded by the Executive Director or designate.

EXECUTIVE COMMITTEE

The Executive Committee shall consist of the Chair, Vice-Chair, Secretary, and Treasurer. It has been the practice that, when possible, the immediate past Chair or Vice-Chair also serves on the Executive Committee to assist in the transition to new leadership. The purpose of the Executive Committee is to handle Board matters that arise in between regular Board meetings. The Committee shall report all its interim actions in writing to the next regular meeting of the Board.

In addition, the Executive Committee shall assist the Chair in developing and coordinating the agenda for the meetings of the Board. This agenda, however, should be developed under the advice of the entire Board. The Executive Committee will invite Board Directors to take on a role within one of the Committees. The Executive Director is an ex officio member of, and primary staff contact for this Committee.

The Executive Committee will regularly and formally review the status of the corporation. In brief, its task is to serve as a functional and ongoing link between intention and performance. In this capacity the Executive Committee will have five basic functions:

- 1) Review of Executive Director's Performance:
 - a) Every three years a full performance review will be led by the Executive Committee in accordance with the prescribed format, including input from staff and Board directors.
 - b) Annual review of SCS Inc. program and Executive Director's goals to determine whether goals are being achieved, whether projections are in line with mission, whether implementation is effective, etc.
 - c) Annual review and approval of Executive Director's salary.

- 2) Strategic Planning:
 - a) Every five years a strategic plan will be developed to set strategic priorities and long-term plans for SCS Inc.
 - b) The Executive Committee will ensure that the board has opportunity to review progress on strategic priorities at each meeting.
- 3) Board Self-Evaluation: Lead annual self-assessment according to the prescribed format.
- 4) Policy 1 By-Laws: Review on behalf of the Board every two years.
- 5) Nominate new Board directors as required.

Members of the Executive Committee 2021-2022: Kaye Rempel (Chair), John Lougheed (Vice-Chair), Allan Sauder (Treasurer), and Margaret Andres (Secretary) Staff: Susan Schwartzentruber (Executive Director, ex officio).

Highlights of the Executive Committee 2021-2022: The Executive Committee met four times in the fiscal year.

In keeping with our Board Governance goal in our 2017-2022 Strategic Plan, the Executive Committee administered the annual Board Self-Evaluation, with a summary of results shared with the Board in June. One of the highlighted recommendations was the need for ongoing board education on such topics as: legal and fiduciary responsibility of Directors, the Carver governance model, counselling sector awareness, and diversity and inclusion. It was agreed that time will be committed at most meetings for input on a specific topic.

The Executive Committee serves as a sounding board and reference for the Executive Director. The Executive Committee also serves the function of identifying and recruiting potential Board members and bringing these nominations to the Board, along with developing a slate of officers. The Executive Committee is committed to ensuring there is a full range of skills on the Board, and that the members bring a commitment to the foundational values that guide the work of Shalom. These appointments are first approved by the Board and then formally adopted at the Annual General Meeting. In addition, the Executive Committee provided oversight to the appointment of members to the standing committees and reviewed succession plans for the officers of the corporation.

This year the Executive Committee led the process of developing a more specific job description for the Vice-Chair role. After a year of testing the recommended responsibilities, these will be brought to the Board for policy approval. The Executive Committee also worked with the Search Committee to ensure that their recommendations for future search processes are embodied in the Board approved policies.

Thank you to all members of the Committee for your diligence, wisdom and sharing.

FINANCE COMMITTEE

The Finance Committee is responsible to oversee SCS Inc. administrative and financial activities. This includes responsibility for financial management, audit, budget, and insurance matters. The Treasurer will be a member of the Finance Committee. The Executive Director and Business & Operations Administrator are the primary staff contacts for this committee. The Finance Committee meets at a minimum three times per year.

Members of the Finance Committee 2021-2022: Allan Sauder (Chair), Brent Zorgdrager and Helen Eby Staff: Susan Schwartzentruber and Steven Reesor Rempel (until August 2022) then Greg Chandler Burns

Highlights of the Finance Committee 2021-2022:

The Finance Committee had its first meeting of this fiscal year on November 10, 2021. The purpose of this meeting was to plan for a staff salary review to be undertaken. Various alternatives were discussed as to how this work could be completed, who would be involved in the process and what the objectives were of this undertaking. At the conclusion of this meeting, it was decided that we would recommend to the board that the salary review be undertaken with the assistance of The Resource Group and the project should be completed by February 2022 for presentation at the board meeting that month.

The next Finance Committee met was held on December 8, 2021, with the Auditor, Ed Simon of E.M. Simon, CPA, Professional Corporation. Ed reviewed the audit process (which takes a largely substantive approach) and the draft audited financial statements to September 30, 2021. He did not identify any concerns with the financial controls at Shalom. Ed indicated that he had no concerns with the audit and that Shalom provided great documentation for his work. He thanked Shalom staff for their assistance in completing the audit. Ed pointed out that the substantial general fund surplus for the year was principally the result of the Canada Employment Wage Subsidy amounts received by Shalom. The draft audited 2020-2021 financial statements were recommended for approval by the Board at its January 2022 meeting.

During the March 24, 2022 meeting of the finance committee we reviewed the documents from The Resource Group. One of the observations was that relative to the peers evaluated, the portion of Shalom staff benefits funded by the company was low and so a recommendation is coming forward to the executive committee and then the board to increase the company portion of benefits costs to 75%. Furthermore, it was recommended that Shalom should position itself at the 50th percentile of the comparable agencies.

At its May 25, 2022, meeting, the Committee reviewed operational and capital fund finances year-to-date and discussed initial considerations for the preparation of the upcoming 2022/2023 budget. Discussions also included a discussion related to the cost-of-living increases that were deemed appropriate in light of the current policy on this matter but the extremely high short-term inflation that is being experienced. It was decided that the policy be recommended to be revised to reflect that the cost-of-living adjustment should be established within a range of 1 – 5%. In light of the current 6.9% inflation, it was recommended that the cost-of-living adjustment be established at the 5% level. Discussions also took place regard to the investment mix of the funds invested with Abundance Canada be shifted to be 2/3 equity and 1/3 income and this was then recommended for action.

At its meeting on September 7, 2022, the Committee reviewed year-end projections and the proposed budget for the upcoming fiscal year, which was recommended to the Board for approval. It was noted that only a portion of the funds budgeted to come from Wanda's Counselling Care Fund (WCCF) in 2021/2022 would be required because the projected operating results for the year appeared strong. A motion was being recommended to the executive committee and then the board that the portion of the WCCF to be released in fiscal 2021/2022 be established at \$45K. It was recommended that the duration of Wanda's Counselling Care Fund be extended.

POLICY AND PROFESSIONAL STANDARDS COMMITTEE

This committee maintains a regular schedule throughout the year to review the Board's Organizational, and Human Resources policies. Our mandate is to keep policies up to date, to assess the need for changes to policies or to recommend the addition of new policies. In addition, this committee oversees the professional standards for Shalom Counselling Services (SCS) and advises the board of any such matters.

Shalom Counselling Services, carries four distinct governing policies. Each year, two of the four policies are reviewed thoroughly, alternating the following year.

Policy 1: Board Policies

Policy 2: Management of Executive Director

Policy 3: General Organizational Policies

Policy 4: Human Resources Policies

In addition, this committee is also available to support and advise on non-scheduled reviews of the policies as the need arises. This past year has been an exciting year of change and growth for Shalom. The existing policies and procedures have guided the process, as well as informing SCS, of necessary changes, additions or redundancies.

Members of the Policy and Professional Standards Committee 2021-2022: Margaret Andres, Paul Fast, Dena Moitoso (Chair) Staff: Susan Schwartzenruber, Steven Reesor Rempel (until August 2022) then Greg Chandler Burns.

Highlights of the Policy and Professional Standards Committee scheduled reviews for 2021/2022:

Policy 2.

- Changes to this policy include, inclusive language, updating terms to reflect database and computer processes.
- Policy 2.3 *Monitoring Executive Director's Compliance*, has been moved to policy 1.20.1.
- Policy 2.1 *Recruitment and selection of an Executive Director* was updated to reflect the recent search and successful employment of our new E.D.
- Policy 2.4 *Executive Director's Limitations* was updated to reflect changes in the management of expenditures and transparencies.
- Appendix III received edits to reflect the updated compliance review.

Policy3.

- Changes to this policy include, inclusive language, updating of terms to reflect database and computer processes as well as updating titles for BOD and Office Coordinator.
- Policy 3.1 *Maintenance of Professional Standards* received several procedural updates to reflect standards set out SCS and the governing colleges.
- Policy 3.1.11 received adjustment to reflect the availability of remote counselling.

This committee has also been asked to review and offer input into the following non-scheduled policies updates:

- Policy 4.3, 4.4 and 4.8 reflect updates to salaries and other employment logistics.
- Policy 1.13 reflect updates to board orientation.

Policies 1 and 4 are scheduled to be reviewed in the months of February and March of 2023. This committee will meet in May to conclude the edits and will make further recommendations to the board for an overall review of the policy manual in June, 2023.

We are grateful for the wisdom, collaboration and guidance of the administrative staff and the board in ensuring our policies remain a true reflection of the Vision, Mission and Values of SCS Inc.

ADVISORY COMMITTEES

The Board of Directors may from time to time establish a temporary or standing Committee for the purpose of investigating, reporting on or otherwise dealing with specific areas of interest and concern of the SCS Inc. Such Committees shall be appointed by the Board of Directors and shall operate within such terms and references provided by the Board.

DEVELOPMENT ADVISORY COMMITTEE

Purpose: The role of the Development Advisory Committee (“DAC”) is to generate ideas, build relationships and advise the Board of Directors on church relations, marketing, communications, and fundraising.

Accountability: The Development Advisory Committee reports to the Board of Directors. The DAC is chaired by a member of the Board of Directors who is appointed by the Board and acts as a liaison between the DAC and the Board. The Business and Operations Administrator is the primary staff contact for this committee. These meetings are also attended by the Executive Director.

Committee Composition: In addition to the chair, other members of the Board of Directors may be appointed to the DAC at the discretion of the Board. Other members will be solicited from the faith community. People with skills in the areas of marketing, communications, and fundraising will be recruited. All those serving on the DAC must be appointed by the Board of Directors.

Members of the Development Advisory Committee 2021-2022: Amanda Geiger (chair), Laverne Brubacher, Jim Erb, Ed Nowak, Leanne Lobe, John Lougheed (end September 2022) and Kaye Rempel (end September 2022) **Staff:** Steven Reesor Rempel (until August 2022) then Greg Chandler Burns, and Susan Schwartzenruber (Executive Director)

Highlights of the DAC in 2022:

In 2022 the DAC continued to bring guidance, creativity, and expertise to Shalom's development and donor relations. The team met four times on Zoom to discuss Shalom's operations and annual fundraising activities, including the Spring Breakfast and 10,000 Steps walk. Throughout the year the committee received updates regarding Shalom's operations and financial situation, as well as that of the broader counselling landscape in the Region of Waterloo. With events returning to in-person, the DAC considered ways in which to continue to connect with donors and the public at large.

The annual Spring Breakfast fundraiser was once again held in person on May 7, 2022. Instead of having one guest speaker as has been the case in years past, Shalom's counsellors interacted directly with breakfast attendees at their tables to give them a sense of their work and Shalom's clientele. This was a wonderful opportunity for reconnection and for guests to gain a deeper understanding of the inner workings of Shalom.

The annual 10,000 Steps event took place on September 17, 2022, and on the DAC's recommendation, proceeded as a hybrid event, occurring virtually and on Zoom. The event had 52 participants and raised an impressive \$37,779.41. The event was not only an overwhelmingly successful fundraiser, but also a lovely opportunity to gather and engage with Shalom supporters.

DAC members participated in Shalom's strategic planning process facilitated by Credence and Co. in fall of 2022. Their participation in this process was invaluable as the group took time to dream and plan about Shalom's future. This was especially timely in light of Shalom's 40th anniversary in 2023.

This year the DAC said goodbye to beloved members Kaye Rempel, John Lougheed, and Steven Reesor Rempel as they moved on to new ventures and welcomed Greg Chandler Burns and Katie Steckly to the committee. The DAC looks forward to adding their energy, thoughtfulness and creative insights to the group!