

SHALOM COUNSELLING SERVICES INC.

Agenda of the Annual Meeting for 2022/2023

Wednesday, February 21, 2024 5:00 p.m.

Shalom office 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 22, 2023
3. Chairperson’s Report – Allan Sauder
4. a. Treasurer’s Report – Brent Zorgdrager
b. Auditor’s Report
c. Audited Financial Statements
d. Budget Approval (2023/2024): Operating budget
e. Appointment of Auditors for 2023/2024
5. Committee Reports 2022/2023
6. Appointment of:
 - a. Officers
 - b. Directors
7. By-law amendments
8. Motion to Endorse 2022/2023 Board Actions
9. Other business
10. Adjournment

MOTIONS

for the Annual Meeting of
SHALOM COUNSELLING SERVICES INC.

Wednesday February 21, 2024

2. Motion: To approve the minutes of February 22, 2023
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 2023/2024 as presented
- 4e. Motion: To appoint auditors for 2023/2024
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: To accept the amended by-laws as printed
8. 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.
9. Motion regarding other business as presented
10. Motion to Adjourn

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3. CHAIR'S REPORT

Fiscal year 2022-2023 was a year marked by a return to more normal operations following the uncertainties wrought by the global pandemic. However, the mental health impact of the pandemic in our communities, along with associated economic, housing and healthcare challenges, continued to drive increased demand for Shalom's services. The year saw 13% more individuals seeking counselling at Shalom, and nearly a 9% increase in the average number of sessions attended by clients.

At the same time, the economic pressures of inflation and rapidly escalating housing costs resulted in a growing number of clients requiring subsidized services. In seeking to fulfill Shalom's mission to *provide inclusive and accessible counselling services, supporting people to grow towards peace and wholeness*, 70% of counselling sessions were subsidized this year, compared to 63% last year. Of course, these trends put considerable pressure on Shalom's budget, and will continue to do so in the years ahead.

Fortunately, Shalom was able to increase its subsidized services thanks in significant part to the Wanda Counselling Care Fund. By accessing some \$44,000 from this reserve fund, Shalom was able to increase the percentage of subsidized sessions and reduce fees for clients in the three lowest income bands. Although Shalom still had a budgeted deficit for the year, the Wanda Counselling Care Fund made it possible to offer counselling sessions to many individuals and families who would have otherwise been unable to afford these services.

In response to the increased demand for counselling, Shalom has been able to round out its staffing levels at nine full-time equivalent positions. The Board is extremely proud of the wonderful team at Shalom and is grateful that the management group has been able to attract a highly competent, committed, and caring staff, even as several long-term staff members have moved to retirement or other pursuits.

The Board continued to fulfill its responsibilities as outlined in the Board policy. It met formally six times during the 2022-2023 fiscal year and participated in several meetings to develop our next five-year strategic plan, assisted by the team at Credence and Co. The final strategic plan report, with updated statements of vision, mission, and values, was approved in February 2023 and the strategic workplan was approved in April 2023. Key priorities in the new five-year workplan include discerning Shalom's identity in a changing world, fostering a diverse, inclusive and affirming culture, expanding the fundraising strategy and reviewing and right-sizing capacity to service counselling needs.

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, service initiatives, and Shalom's involvement with the Counselling Collaborative (a partnership of five counselling agencies in the Region of Waterloo). The Board received, considered, and approved the annual

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budget, quarterly financial statements, and the annual financial audit. Committees reported to the Board, bringing recommendations arising from their deliberations for consideration and approval.

Each year, there are some changes to the composition of the Board. At the beginning of the fiscal year, we were excited to welcome Katie Steckly, and we also met Carla Santomero who will be joining the Board next fiscal year. Each of these individuals brings a diverse wealth of experience and they are already making an impact.

Sadly, we also bid farewell to John Lougheed and Dena Moitoso in September 2023. John and Dena, you are missed. You both brought a caring attitude, deep experience in the social and counselling sectors and much wisdom. Thank you!

To ensure that board directors have the best opportunity to utilize their talents, an annual board self-evaluation is conducted in June, with the results compared to the previous year and shared among directors and management. One of the outcomes of the most recent evaluation was the introduction of ongoing board education at each board meeting, with topics specific to themes identified in the evaluation.

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. As you will note in our Annual Stewardship Report 2022/2023, we were blessed with the opportunity to serve 944 individuals this year.

We are grateful for your continued support of Shalom and its vision of creating “a community of peace and wellness where all can thrive”. We were particularly grateful that you helped us celebrate Shalom’s 40th Anniversary with record-breaking donations of over \$56,000 during the 10,000 Steps for Mental Health event. 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, 2022, to September 30, 2023, fiscal year from a combination of supporter donations, client fees, and grants. This allowed Shalom to increase its expense budget (up 12% over the prior year and nearly 23% over the past two year) in response to ever growing needs for our counselling services. While revenues in the most recent fiscal year did not attain the same level of growth as expenses did to support of our

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clients, we are grateful for the wisdom and foresight of past boards and staff that established surplus general funds to be utilized at times like these. Going forward we are redoubling our efforts to strategize on how we can grow our grants, client fees and supporter donations with a view that they would be fully sufficient to meet the support needs of those we are called to serve.

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 net deficit of \$29,501. This deficit was easily absorbed by the general fund surplus which we started the year with of \$273,501.

Revenues and interest from all sources were \$878,039 (up by \$53,884 or 6.5% from the prior year). The revenue growth was supported by commencing the release of \$44,237 of the Wanda Counselling Care Fund which was collected from our generous donors in 2018 – 2021. This fund was established to ensure that Shalom could continue its legacy of subsidizing the fees to those clients we serve who are most financially challenged. Projections indicate that this fund can continue to support this need for all the new fiscal year and much of the year to follow that. Revenues also benefited from the strong fundraising activities of the year, especially the 10,000 Steps for Mental Health event which broke all previous records. Thanks again for your support of Shalom in the past, the current year and we hope into the future.

Total expenses were \$907,540 (an increase of 11.9% over the prior year) principally because of the significant expansion in our counselling staff complement.

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. The only significant cost occurred during this past fiscal year was the annual amortization of leasehold (\$88,089). This fund ended the year with a healthy reserve 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 Zоргdrager, Board Treasurer

5. COMMITTEE REPORTS 2022/2023

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.

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- 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 2022-2023: Allan Sauder (Chair), Helen Eby (Vice-Chair), Brent Zorgdrager (Treasurer), Margaret Andres (Secretary), and John Lougheed (Past Vice-Chair). Staff: Susan Schwartztruber (Executive Director, ex officio).

Highlights of the Executive Committee 2022-2023:

The Executive Committee met five times in the fiscal year.

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 should be committed during most meetings for input on a specific topic.

In September 2023, the Executive Committee met to review proposed changes to the Shalom By-laws as required by the new legislation under the Ontario Not-for-Profit Corporations Act. Organizations need to comply with the changes by October 2024.

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.

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

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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 2022-2023: Brent Zorgdrager (Chair), Paul Fast, and John Lougheed. Staff: Susan Schwartzentruber and Greg Chandler Burns.

Highlights of the Finance Committee 2022-2023:

The Finance Committee had its first meeting of this fiscal year on December 7, 2022. The purpose of this meeting was primarily to meet with Shalom's external 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, 2022. He did not identify any concerns with the financial controls at Shalom. Ed indicated that he had no concerns with the audit and that Greg in his second year at Shalom had provided great documentation to support Ed's audit work. He thanked Shalom staff for their assistance in completing the audit. We discussed with Ed that given the deficit in the general fund if it was appropriate for Shalom to transfer the interest earned by the Operating Reserve Fund and Capital fund to the general fund. Ed said that there was no reason this could not be done and so this idea was acted upon. At this meeting the committee also discussed the proposal as to how to responsibly start to use the Wanda Care Counselling Fund (WCCF).

At its May 31, 2023, meeting, the Committee reviewed operational and capital fund finances year-to-date and discussed initial considerations for the preparation of the upcoming 2023/2024 budget including usage of the WCCF. Generally operating costs were exceeding revenue resulting in an operating deficit that we hoped would be eliminated by the fiscal year end. The meeting also included a discussion related to the staff cost of living increases that were deemed appropriate in light of the current policy on this matter but the high short term inflation that is being experienced. After much discussion and discernment, it was decided that the cost of living adjustment be established at the 3% level. Finally, it was discussed that Ed Simon has been the Shalom auditor for many years now and so this committee should do a more comprehensive review of this situation in the 2024 year to ensure we are seeking to fulfill our governance responsibilities for SCS Inc.

At its meeting on September 18, 2023, the Committee reviewed year-end projections and the proposed budget for the upcoming fiscal year, which was recommended to the Board for approval. The organization is reporting a large operating deficit which should improve by year end due to various adjustments but that the organization will still be reporting an operating deficit for 2022/23. One of the expected adjustments was related to proposed amendments that

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will be implemented to the way in which the WCCF is released in both the fiscal 2022/23 year and the upcoming budget for fiscal 2023/24. We were all reassured that SCS Inc. had established reserves in the prior years to cushion the impact of this operating deficit. It was also identified that over the last couple years, Shalom has expanded its counselling capacity to meet the growing counselling need in the region (through additional staffing) but that revenues have not expanded at the same rate of change leading to a “systemic operating deficit” for the organization. We will raise this matter at the board and work together with staff and the DAC to raise the revenue levels over the next couple years as the staffing levels and associated costs have for the most part plateaued.

POLICY AND PROFESSIONAL STANDARDS COMMITTEE

This committee maintains a schedule to regularly review Board, Organizational, and Human Resource policies. Our mandate is to keep the policies up to date, assess the need for changes to the policies, or recommend the addition of new policies. In addition, this Committee oversees the professional standards for Shalom Counselling Services and advises the Board on matters related to any professional standards or policies.

Members of the Policy and Professional Standards Committee 2022-2023: Margaret Andres, and Dena Moitoso (Chair). Staff: Susan Schwartzentruber and Greg Chandler Burns.

Highlights of the Policy and Professional Standards Committee 2022-2023:

Shalom Counselling Services holds four distinct governing policies:

- Policy 1: Board Policies
- Policy 2: Management of Executive Director
- Policy 3: General Organizational Policies
- Policy 4: Human Resource Policies

Each year, two of the four policies undergo an in-depth review, alternating the following year. In addition, this committee is also available to support and advise on non-scheduled reviews of policies as need arises.

The governing documents also include the by-laws which are included as an Appendix within Policy 1. The responsibility for reviewing the by-laws lies with the Executive Committee and is scheduled for spring every other year.

This past year, this Committee’s work deviated from the normal schedule of tasks. Though Policies 1 and 4 were scheduled for review, they were deferred to 2023-2024. Instead, the Policy and Professional Standards Committee was tasked with assisting the Executive Committee by reviewing the existing by-laws due to the new legislation Ontario Not-for-Profit Corporations

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Act (ONCA). Organizations, like Shalom, need to be in compliance with ONCA by October 2024.

To better understand the changes required by ONCA, Susan attended a workshop organized by Family Service Ontario and presented by Community Legal Education (CLEO). CLEO also provided a workbook that guided our review of our existing by-laws.

Highlights of the updates to our by-laws include:

- Membership – Admission to membership and what it means to be a member; Member rights as they pertain to access to the membership list;
- Voting – Proxy voting and consideration of voting through electronic means;
- Directors – Eligibility of who might become a director and the development of consent form to becoming a director;
- Officers – Eligibility of who might be appointed to be Board chair, Vice-Chair, Secretary and Treasurer;
- Committee powers – Limitation of Board powers that cannot be delegated to committees.

Shalom Counselling Services has employed legal services to assist with these updates to ensure that our By-Laws are ONCA compliant. The proposed changes are scheduled to be brought to the Board for approval and confirmation by membership at the Annual General Meeting in February of 2024.

It was both an enlightening and informative year to be a part of the Policies and Professional Standards Committee as we took a deep-dive into the language and structure of our existing By-Laws. We look forward to spring of 2024 when we anticipate reviewing Policies 1 and 4. The one-year deferral of review of these policies allows us to make any changes required as a result of our By-Law revisions, while also including results from our Equity, Diversity and Inclusion work planned for fall/winter of 2023-24.

We are grateful for the wisdom and guidance of the administrative staff, along with their commitment to ensuring our policies support our Mission of providing “Inclusive and Accessible counselling services, supporting people to grow towards Peace and Wholeness.”

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 Director 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 2022-2023: Amanda Geiger (chair), Laverne Brubacher, Jim Erb, Ed Nowak, Leanne Lobe, and Katie Steckly. Staff: Susan Schwartzenruber and Greg Chandler Burns.

Highlights of the Development Advisory Committee 2022-2023:

In 2022-2023 the DAC continued to bring guidance, creativity, and expertise to Shalom’s development and donor relations. The team met every few months 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. The DAC considered ways in which to connect with donors, new and old, and with the public at large.

The annual Spring Brunch fundraiser was held on May 6th at Shantz Mennonite Church. Attendees enjoyed a lovely meal and listened to the reflections of panel members Wanda Wagler Martin (previous ED), Melody LeClair (therapist), and Paul Fast (current board member). The morning was a wonderful opportunity for connection, learning, and celebration of Shalom’s 40 years of service.

The annual 10,000 Steps for Mental Health fundraiser walk took place on September 16th. The walk was another opportunity to celebrate Shalom’s 40th anniversary and the event included live music at the pre-walk program, and food and treats in Shalom’s parking lot at the end of the walk. With the support of the DAC, the ambitious fundraising goal of \$40,000 for 40 years of service was set. The event had almost 90 participants, and a record breaking \$56,786 was raised. The event was not only an overwhelmingly successful fundraiser, but also a lovely opportunity to gather Shalom’s supporters and spread awareness.