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**MISSION STATEMENT**

*Esperanza de Guatemala works to create life-changing opportunities in rural Guatemalan communities.*

**2020 Annual Report**

**January 27, 2021**

**PRESIDENT’S REPORT** *(submitted by Medora Hix)*

The impact of the COVID-19 pandemic cannot be underestimated on Esperanza’s mission for 2020, nor on everyone as individuals, whether here in the United States or in Guatemala. When the year began, we were considering and gathering information about incorporating as a non-governmental organization in Guatemala which would require a second trip to the country. Early in the year, we learned that trenches were being dug (by the local citizens) and water piping was being laid. This gave us great hope for the success of everyone getting water, but it was uncertain what direction that would take; we looked forward to connecting with the water committees and ascertaining the best route for assistance. We were examining the current usage of the library and the computer lab and exploring further ways to assist the local elementary school.

Then all that changed. The whole world went into lock-down. Of course, that included our Board, so like so many other organizations and groups, we began meeting virtually on the Zoom platform. This presented us with an opportunity for Board members to meet with our staff in Guatemala on several occasions, something we had not done previously, and was helpful for information-sharing and for relationship building. Staying at home also allowed some of us to be able to participate in a webinars to help us as a nonprofit. When the North Carolina government allowed small groups to meet, we held a socially distant significant planning event in person to redo our mission, vision, and value statements (see elsewhere in the Annual Report). We also began the process of creating a new website on another platform.

With no trips to Guatemala, the pandemic caused us to entirely reorient our service to the people of Nimasac. It became clear that the pandemic was creating hunger and further poverty. You can read from the specific reports about Esperanza’s shift to direct food and pandemic relief assistance, as well as the major contribution of funds so that all households in Nimasac now have running water, a major goal of ours.

We are grateful for the responses to the Giving Tuesday Now fundraising effort in the spring of 2020 and to the reallocation of granted funds to be able to help hundreds of people in the village in 2020. We were able to meet our ambitious goal of $10,000 in the Giving Tuesday 2020 campaign in December! It should be noted that we now have several sustainable monthly financial gifts and plan to continue to develop such in 2021.

With appreciation and regret, the Board accepted the resignation of Director Sarah Troiano, who also served as Secretary. Sarah will continue to serve Esperanza in other ways. Director Rhonda Carlile was elected Secretary. In November, the Board unanimously approved the appointment of Josetta Mclaughlin as a new Board member. The Board also began consideration of having Advisors to the Board in different work areas such as education and organization. Our former social media intern, Yelitza Maldonaldo, left us early in the year. In the fall, Kim Lange volunteered to assist with social media and does some consulting about marketing.

As 2021 begins, we are not certain when we will be able to go to Guatemala. While most people in the United States may be vaccinated for the coronavirus by mid-year, we are not yet hopeful about when people in a rural Guatemala village will be able to receive it, and we cannot anticipate the state of the virus in that country during 2021. We will continue to do our work by engaging with the community as able and continue to research and act on the provision of clean water and better education. Shortly, the Board will be engaged in long range planning, goal setting for 5 years and projecting out for 10 years, considering how to sustain the mission of Esperanza de Guatemala well into the future.

**PROJECT UPDATES**

***Water Access/Purification*** *(submitted by Duane Hix)*

The 2020 work of the water committee actually began with our annual visit in October of 2019. At that time, we were able to meet with representatives of Engineers Without Borders in Quetzaltenango, and appreciated their willingness to work with us on providing an assessment of the water situation in Nimasac. More importantly, we gathered a large contingent of local leaders and members of the two existing water committees in Nimasac, explaining our interest in helping and ascertaining how best to do so. In a meeting of scholarship students and church families, we explained how to use bucket filtration systems for households and distributed 21 systems. In late November of 2019, representatives from EWB met with water committee leaders, evaluated the overall situation, and recommended strongly that a unified, guided approach was imperative, that the local committees needed to stop competing with one another, and one comprehensive committee should be formed. EWB reps did not receive much positive response to that suggestion at the time.

In January of 2020, we received some pictures from church members that showed amazing progress in digging trenches for pipes, and statements that nearly the whole town could have piping in place soon. We do not know who initiated this rapid advance in infrastructure, but we are grateful that the townspeople took this on themselves. We understand our visit spurred the activity.

With the piping in place, in May and June we assisted a large percentage of villagers in obtaining the meters needed for each family to measure, and pay for, the water being pumped to them from the wells and pumps systems at the top of the mountain. We struck a cooperative agreement that we would purchase the meters if local families would pay for the plumbers needed for the installation. Now nearly all family units (which are often extended family compounds) have a spigot and meter allowing water to be piped to their home. Precarious water levels at springs and streams during droughts no longer threaten the townspeople, and the backbreaking labor of carrying buckets from springs to homes has been eliminated.

Our next goal is to distribute hundreds of bucket-filtration systems throughout the town. However, we have learned that the families who originally received them have not been using them as often or as effectively as instructed. Therefore, the purchase of these systems will wait until an effective information and motivational campaign can ensure that recipients use the systems if purchased. Our final initiative in 2020 has been an attempt to get a government or private inspector to visit Nimasac to assess the quality of the well water that is now being pumped into homes. Although it would be a rarity in Guatemala, if the quality of water requires an at-source filtration system rather than individual units, that may lead to a new initiative requiring years of effort and funding.

***COVID Relief*** *(submitted by Sherry Bradsher)*

The Esperanza de Guatemala Board of Directors has been very engaged with staff and the Nimasac, Guatemala community since the onset of COVID 19 and its wrath on the world. Like all countries, Guatemala has been hard hit. With an economy built around agriculture and manufacturing, the country nearly shut down. Due to the working conditions in fields and plants, workers cannot physically distance themselves to be safe at work. For much of 2020, the government limited travel between communities and resources in and out of the country came to a near halt. In order to promote community isolation and prevent the spread of the virus, roads were closed. Rural communities such as Nimasac were being totally cut off from city centers where aid might be available.

In April, Guatemala staff who support Esperanza reached out to ask what assistance might be available to the community. With less than two weeks to plan, Esperanza was able to participate in the *Giving Tuesday Now* campaign, a global day of giving and unity, set up to provide an emergency response to the unprecedented need caused by COVID-19. Through this campaign we raised over $3,000. We were able to help 90 families in Nimasac including: all the scholarship students' families, all Mt. Sinai church members, past and present, and 62 families in the greater Nimasac community.  Each family received face masks, hand sanitizer, rice, beans and cooking oil. With the support of Esperanza staff members in Guatemala, Estefani Jacobs (business manager), Martin Maldonado (IT manager), and Mario Mejia (translator), these care packages were delivered in late May.

Through the support of a Cary Presbyterian Memorials and Endowments grant of $3,500, Esperanza was able to provide a second round of relief to Nimasac families in mid-September. This time Esperanza was able to distribute over 4,000 pounds of food (corn, rice, beans, sugar, cereal and oil) and two washable, reusable masks to 102 families. The purchase and distribution of supplies was managed by two Esperanza staff members in Guatemala: Estefani Jacobs, business manager, and Martin Maldonado, IT manager.  The face masks were made by Martin Sop, Esperanza’s mission trip manager.  The local coordination of the distribution of supplies was managed by Francisco Cux Tuy, a member of the Nimasac community.

***While much was accomplished through the COVID Relief efforts, other projects ceased.*** ***The Esperanza Board determined it was longer logistically viable nor was it in the best interest of the community to continue implementation of two programs.*** *(submitted by Sherry Bradsher)*

***Library/Literacy***

The library program was halted. The library opened in 2019 (sharing space with the community computer lab) with shelving and a beginning inventory of children’s books. Lending policies and procedures were adopted. With the permission of the grantor, the remainder of the book funding was reallocated to the water project. The current library continues to be closed.

***Women’s Economic Development***

The Women’s Sewing Project was also suspended. In 2019, sewing machines and beginner supplies were purchased to support a community cooperative learning effort to advance women’s trade opportunities. For similar reasons, it was no longer prudent to continue the expansion of this program. The remaining funding for this program was also redirected to the water project. The Esperanza Board will work with the community and staff to reevaluate the viability of these projects at a later, appropriate time.

**STRATEGY** *(submitted by Rhonda Carlile)*

During the fall of 2020, the board developed and adopted the following:

***Mission Statement***

*Esperanza de Guatemala—creating life changing opportunities in rural Guatemalan communities.*

***Vision Statement***

*Esperanza de Guatemala envisions a vibrant Guatemala where all people can thrive.*

***Values Statement***

*Esperanza de Guatemala values**its partnership with the people of Guatemala****.*** *We work together collaboratively, respecting each other’s voices and ideas.  We believe more is accomplished together.  We learn from each other and as we learn together, we adapt our work for the greater good.  We embrace the journey ahead of us and see it for the many opportunities it presents.*

*We give thanks for those who support and share in our vision. Whether you provide expertise, financial resources, or volunteer with us in Guatemala or in the US, we are grateful for your contributions. We welcome new partners to go with us on this journey.*

*Thank you:*

*Cary Presbyterian Church, Cary and Apex NC Rotary clubs and Quetzaltenango Rotary Club, Nimasac Community School Leaders, Mayor and other Nimasac officials, Engineers Without Borders, Nimasac Community Water Committee #1 and #2, Agua Viva International, Servants Hearts Ministries and numerous individual donors.*

**COMPLIANCE** *(submitted by Rhonda Carlile)*

***By-Law Changes adopted by the board in 2020:***

* Language changes throughout the document:
	+ “his” to “their”
	+ “State of North Carolina” to “United States of America”
	+ “he” to “they”
	+ “him” to “them”
* Added Section 3, Article V – Electronic Meetings
* Section 4, Article V – changed five days to twenty-four hours
* Section 8, Article V – changed immediately to within forty-eight hours

**FINANCIAL REPORT** *(submitted by Barbara Carew)*

Esperanza finished the year with total gifts of $31,079.  We had minimal operating expenses (3.5%), and project/program expenses of $9,292, resulting in net income of $20,678.  The majority of the net income will be reserved for our on-going water project.  At the end of 2020, we had total designated and undesignated reserves of $50,033.

See Addendums #1 and #2 for year-end financial statements.

**OTHER**

* Guide Star rating upgraded to silver.
* Renewed Benevity certification.
* New Google drive set up to store and maintain all official records.

**ADDENDUM #1 – FINANCIAL STATEMENTS – Balance Sheet as of 12/31/2020**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |
| **ASSETS** |  |  |  |  |  |  |  |
|  | **Current Assets** |  |  |  |  |  |  |
|  |  | **Checking/Savings** |  |  |  |
|  |  |  | **10100 · Checking - Wells Fargo** | 45,332.74 |  |  |
|  |  | **Total Checking/Savings** | 45,332.74 |  |  |
|  | **Total Current Assets** |  | 45,332.74 |  |  |
|  | **Other Assets** |  |  |  |  |  |  |
|  |  | **18700 · Prepaid Expenses** | 5,000.00 |  | Note 1 |
|  | **Total Other Assets** |  |  | 5,000.00 |  |  |
| **TOTAL ASSETS** |  |  |  |  | **50,332.74** |  |  |
| **LIABILITIES & EQUITY** |  |  |  |  |  |  |
|  | **Liabilities** |  |  |  |  |  |  |
|  |  | **Current Liabilities** |  |  |  |
|  |  |  | **Other Current Liabilities** |  |  |  |
|  |  |  |  | **20001 · Accounts Payable - other** | 299.32 |  |  |
|  |  |  | **Total Other Current Liabilities** | 299.32 |  |  |
|  |  | **Total Current Liabilities** | 299.32 |  |  |
|  | **Total Liabilities** |  |  |  | 299.32 |  |  |
|  | **Equity** |  |  |  |  |  |  |
|  |  | **30200 · Reserve for Incorporation** | 5,000.00 |  |  |
|  |  | **30300 · Designated - Grant** |  |  |  |
|  |  |  | **30330 · Water Project** | 3,559.90 |  | Note 2 |
|  |  |  | **30340 · COVID-19 Relief** | 153.50 |  |  |
|  |  | **Total 30300 · Designated - Grant** | 3,713.40 |  |  |
|  |  | **32000 · Retained Earnings** | 20,642.14 |  |  |
|  |  | **Net Income** | 20,677.88 |  |  |
|  | **Total Equity** |  |  |  | 50,033.42 |  |  |
| **TOTAL LIABILITIES & EQUITY** |  |  |  | **50,332.74** |  |  |
|  |  |  |  |  |  |  |  |
| ***Note 1: Prepaid expenses and the corresponding Reserve*** |  |  |  |
| ***for Incorporation represent funds set aside for incorporating*** |  |  |  |
| ***as a non-governmental organization in Guatemala*** |  |  |  |
|  |  |  |  |  |  |  |  |
| ***Note 2: The Designated Grant for the Water Project*** |  |  |  |
| ***includes funds reallocated from the Women's Economic*** |  |  |  |
| ***Development Project and the Library/Literacy Project*** |  |  |  |

**ADDENDUM #2 – FINANCIAL STATEMENTS – Income Statement January – December, 2020**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |
|  | **Income** |  |  |  |  |  |  |  |  |
|  |  | **40000 · Gifts** |  |  |  |  |  |  |
|  |  |  | **40010 · General** | 17,154.49 |  |  |  |  |  |
|  |  |  | **40020 · Giving Tuesday** | 14,250.00 |  |  |  |  |  |
|  |  |  | **40005 · Credit Card fees** | -335.39 |  | Note 3 |  |  |  |
|  |  | **Total 40000 · Gifts** | 31,069.10 |  |  |  |  |  |
|  |  | **40300 · Fundraising** |  |  |  |  |  |  |
|  |  |  | **40320 · City BBQ** | 10.00 |  |  |  |  |  |
|  |  | **Total 40300 · Fundraising** | 10.00 |  |  |  |  |  |
|  | **Total Income** |  | 31,079.10 |  |  |  |  |  |
|  | **Expense** |  |  |  |  |  |  |  |  |
|  |  | **65000 · Operations** |  |  |  |  |  |  |
|  |  |  | **65020 · Postage** | 27.50 |  |  |  |  |  |
|  |  |  | **65040 · Supplies** | 31.80 |  |  |  |  |  |
|  |  |  | **61200 · IT** | 600.03 |  |  |  |  |  |
|  |  |  | **61500 · Insurance** | 450.00 |  |  |  |  |  |
|  |  | **Total 65000 · Operations** | 1,109.33 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  |  | **63000 · Projects** |  |  |  |  |  |  |
|  |  |  | **63200 · Water** | 6,051.46 |  | Note 4 |  |  |  |
|  |  |  | **63300 · Elementary School** | 78.33 |  |  |  |  |  |
|  |  |  | **63400 · COVID-19 Relief** | 3,162.10 |  | Note 5 |  |  |  |
|  |  | **Total 63000 · Projects** | 9,291.89 |  |  |  |  |  |
|  | **Total Expense** | 10,401.22 |  |  |  |  |  |
| **Net Income** |  |  | **20,677.88** |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| **Note 3: Credit card fees represent fees associated with all online gifts received.** |  |  |  |
| **Note 4: The Water Project represents the purchase of 119 water meters distributed to Nimasac families.** |  |
| **Note 5: The COVID-19 Relief represents the first round of food and other relief supplies distributed to the Nimasac community. This was funded by the gifts from May's Giving Tuesday Now campaign.** |