

# iQue Pasa! ANNUAL REPORT

## It's all about hope

In February we received 4 siblings— let's call them the Ramos children—a teenage girl and her 3 brothers, ages 10, 8, and 5. They arrived with extremely poor hygiene. They originally appeared to have something wrong with their skin, with areas of brown matting and flaking. The children were very uncomfortable with showers. The littlest Ramos boy was so upset we started him with baths.

Persistent hygiene neglect can lead to skin conditions that look like scales or brown lesions. The appearance can be worrisome, but it can be resolved with consistent cleaning with soap, water, and scrubbing. It may take a few weeks to a couple of months to clear the 'matting.' Once gone, the skin is normal underneath.

First responders. That's what we can be for neglected children brought to us. Our home is a safe and loving place where we look after children's needs. We start with the basic physical requirements—like food, shelter, and medical care. Then we deal with their other necessities—emotional, psychological, educational, and spiritual.

Our motto is "a family and a future for wounded children". For kids brought to us, we offer hope. But it is not an easy task. There is a high cost to protecting what is precious to God. This year the financial cost of raising



**Nataly, Ramses and Jorge** support each other. (Ramos kids not shown here.)

children has been steep. We are relying on God's promise in Psalm 31:24, "Be strong and take heart, all you who hope in the Lord."

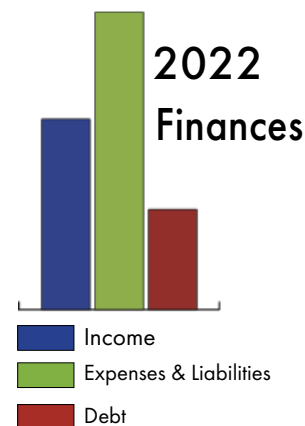
### Be strong...

After two weeks at our home, the Ramos children started to be excited for their hot showers. It became their favorite time of day, although they used to be afraid of them. Even the littlest Ramos boy began enjoying showers. Their skin began clearing.

Slowly our number of kids has been growing, up from

2021. We have two groups of children— those whose families need help and bring their kids to us, and those who come from the government, DIF. DIF brings us children who have gone through some form of neglect. One of DIF's goals has been to place children with their immediate or extended families. DIF has been using our home like a temporary shelter. Last year, one of the children from DIF stayed only one day before DIF placed him with family. A few others have remained a short time.

We have a busy home. Our kids attend 6 different schools, the closest of which is 15 minutes away. This makes for a lot of driving time for school runs. It has also been a bustling cold and flu season, with many



*Be strong + take heart all you who hope in the Lord.*  
psalm 31:24

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doctor visits. We rely on God to stay strong with the busyness of the day-to-day care for our large family.

## ... Take heart ...

March 3<sup>rd</sup> was the first day the Ramos children attended their new schools—middle school for the girl and elementary for two of the boys. The youngest one is waiting to get into kindergarten. Previously they only sporadically attended school. One of the boys is struggling adapting to school rules. He is sensitive. We are careful correcting him because he takes discipline hard and cries. We are especially gentle with him.

As we look at our finances, we remember God tells us to take heart. The Message translates Psalm 31:24 as "Be brave. Be strong. Don't give up. Expect God to get here soon." We are grateful that our financial support has gone up over the last two years. Thank you for your faithful giving!

Not surprisingly, with global inflation "high and getting higher,"<sup>1</sup> our expenses have gone up also. One example of this is the rising price of corn tortillas in Mexico. (See page 5.)

***"Food price inflation, especially for tortillas, is straining household budgets in Mexico with the poor bearing the brunt because it eats up a bigger slice of their income."***<sup>2</sup>

Unfortunately, inflation is causing our debt to grow. Another factor affecting our debt were two mandatory minimum wage raises in 2022 and 2023. (See page 5.) These hikes not only affect the salary we pay our staff, but also increase the government's employee taxes. In our 56 years, we have not dealt with a financial challenge quite like this. We are actively seeking God's direction as we grapple with the increase in debt.

## ... All you who hope in the Lord

The Ramos kids are happy and well-adjusted. Several of our children are picky and won't eat if they don't like what is served. Not the Ramos siblings. They like to eat, and eat a lot. Before each meal, three times a day, they pray with the other children for their food and recite a Bible verse. They have also attended church several times since arriving.

There is a lot that we are hopeful for. We thank God for the blessing of every child He brings to us. We are joyful to see the expectant look on a child's face as they learn Scripture or their curiosity grows as they hear about God. These things are precious to experience.

We are also grateful for the intriguing and creative ways God provided last year. On page 6, see how the Valle restaurant fundraiser contributed almost \$10,000. You can also read how you, our creative donors, got matching gifts from your workplaces, bringing in an impressive 10% of our year's giving!

**1. Pray**  
**2. Visit**  
**3. Give**

Will you continue to join us as we wait on God? There are three vital ways that you can participate—pray, visit, and give.



**Bryana and Eduardo** enjoy playing a memory game on a sunny afternoon.

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## Our Busy Home

### Our Kids and Staff

<b>Current staff</b>	10
<b>Our current children</b>	25
Children in our Home	15
• DIF (government placed)	6
• Private placement	9
Staff children	10
<b>Schooling</b>	21
Kindergarten	1
Elementary	11
Middle school	6
High school	1
Post high-school education	2
Young kids not in school yet	4

1. **Pray** for wisdom and guidance as we face the challenge of our finances. Pray that we continue to make an eternal impact on the children who stay with us—even if they are only in our Home for a few short days.
2. **Visit** us. (See page 7.) Our children thrive on the attention and kindness they receive when you visit. You can play with them, make food, teach Bible stories, host crafts, or work on one of our many work projects.
3. **Give** as God leads you to. Whether that is through finances, running a Facebook fundraiser, hosting a yard sale, or whatever creative idea God gives you, donate how you can. (Email [patty.meadows@elsauzal.org](mailto:patty.meadows@elsauzal.org) if you have questions.)

Muchas gracias for your care and support of our children!

1. <https://www.pewresearch.org/fact-tank/2022/06/15/in-the-u-s-and-around-the-world-inflation-is-high-and-getting-higher/>

2. <https://www.aljazeera.com/economy/2021/7/28/soaring-tortilla-prices-hit-struggling-mexican-households-hard>

be strong

25 current children

6 different schools

20+ visits to the doctor



Melanie is very proud of her solar system project. Although she struggles with learning disabilities, she is progressing well with help.

38 kids in our care last year

9% more kids than 2021

700 school drop-offs & pickups

1050 Bible verses recited per child each year

## Financial Report

### Home's Expenses/Paid Out 2022

Indirect Home Expenses	MXN Pesos
Employee Expenses	1,247,248.00
Taxes	623,967.39
Electricity & Propane	182,675.33
Miscellaneous	92,070.46
Repairs & Maintenance	29,674.10
Telephone & Internet	80,087.34
Automotive Fuel	179,603.20
Water	101,917.67
Travel	53,593.46
Operations License	71,586.79
Car repair, mntnce & licenses	46,813.75
Office	15,505.63
Bank Charges	15,978.83
Insurance	7,837.90
<b>Total Indirect Expenses</b>	<b>2,748,559.85</b>
<b>In Dollars (USD)</b>	<b>\$ 136,691.01</b>

Direct Home Expenses	MXN Pesos
Food	482,636.10
Medical	111,940.85
Hygiene, Personal	35,768.98
Education Expenses	172,625.41
Special Events	---
Clothing & Shoes	14,927.61
<b>Total Direct Expenses</b>	<b>817,898.95</b>
<b>In Dollars (USD)</b>	<b>\$ 40,675.91</b>

**TOTAL EXPENSES** Pesos **3,566,458.80**  
**US Dollars (USD)** **\$ 177,367.81**

Average exchange rate  
 over 2022  
 20.1077 MXN/1 USD



Young **Bryana and Jorge** are siblings who came to live with us in October. These kids need a safe, loving place.

### Home's Debt/ Still Owed 2022

- 2% Accountant
- 18% Employee expenses
- 36% Utilities
- 25% Debt to Espinozas
- 19% Debt to Foundation



\* the dollar amount computed using the exchange rate at the close of the year, not the average

## take heart

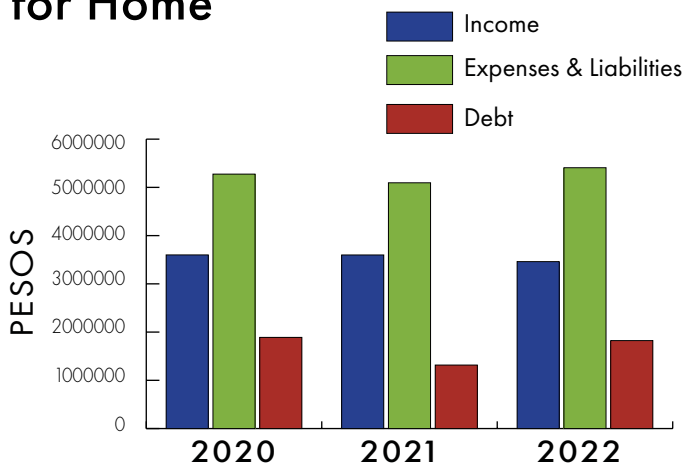
### Mandatory wage hike influences our debt

In the last two years, the minimum wage in Mexico went up by about 50%. This is equal to a monthly salary of \$489 USD in the Northern Border Zone, the border states. These mandatory raises also resulted in an increased tax burden on employers, as payroll taxes amount to approximately 50% of salaries paid. The result is a total increased cost to employers of about 75% for employee salaries. This is especially tough for micro and small businesses; 85 percent of businesses in Mexico are this size. Some shops are not implementing the salary bumps. For those that do, the raised costs are forcing a need to fund budgets elsewhere. We are glad our staff is receiving salary hikes. However, these wage increases have affected our debt growth. (See below.)



**Omar helping with acts of service**, carrying donated food. He and his sister have lived with us since 2020. They may spend the rest of their childhoods in our home.

### Year End Closing Balances for Home



**Corn tortilla prices** have risen 47% in Baja California since 2020. Baja California has some of the highest tortilla costs, second only to Sonora. They are used in many traditional Mexican dishes including tacos, enchiladas, burritos, tostadas, chilaquiles, quesadillas, and more.

## The scoop on 12 Chefs



Valle's elegant and delectable benefit dinner raised over \$9,500! We are extraordinarily grateful to Chef Roberto Alcocer and all who helped make this dazzling event happen.



Scan code to watch video

## Foundation Expenses

5.9% for Admin & Fundraising  
\$10,892.24 USD

94.1% to Home  
\$174,582.83  
USD



all you who  
hope in the  
Lord

## Power up your gifts

10% of giving  
came from corporate  
matching gifts

Corporate generosity is when businesses encourage their employees to donate funds and time by giving to the nonprofits employees care about. Last year, our Home received \$19,500 in matching gifts from the businesses our donors work for. That was 10% of our income, an impressive amount of “free” money.

There are three ways companies support generosity:

1. Matching benefits: Businesses match donations their employees make. Last year we received matching gifts from Microsoft, Boeing, Salesforce, and Illinois Tool Works Foundation.
2. Retiree matching benefits: Some companies also match their retirees’ donations! Boeing and Illinois Tool Works have given to us this way.
3. Volunteer grant programs: Companies donate an amount per hour based on the number of hours an employee volunteers. Boeing and Microsoft offer this.

Does your company match? If so, you can double your donations. Email [patty.meadows@elsauzal.org](mailto:patty.meadows@elsauzal.org) for more information.

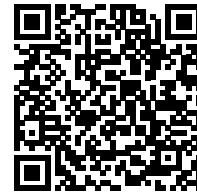
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## Donors at Giving Levels



Total Giving in USD	No. of Donors
\$10,001 - \$25,000	4
\$5,001 - \$10,000	8
\$2,501 - \$5,000	4
\$1,201 - \$2,500	9
\$601 - \$1,200	19
\$0.01 - \$600	100

1. Pray 2. Visit 3. Give



Scan code to give online



## Come visit us

It has been several years since we have had regular visitors. Our kids would love to meet you! Some things you could do on your visit include:

1. Play with the kids. They love soccer, basketball, and all kinds of games.
2. Prepare tasty food for our children.
3. Run a VBS or other Bible lessons.
4. Bring craft projects for the kids.
5. Perform work projects. Our home is in need of paint and TLC. There are plenty of opportunities for you to help—low-skilled to high-skilled, low-investment to high. Some projects include:
  - Painting – everywhere, including the red and white rocks.
  - Kitchen – new flooring, formica on tables and countertops
  - Back patio – terracing in the landscaping
  - Boys' dorm – walk-in closet for bedroom



**Stop by and visit Nataly and Polar.** Our kids adore guests. There are many work projects that you can help with—including painting the red and white bricks.

# ANNUAL REPORT



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**El Sauzal Foundation, Inc.**



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**3. Give**

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