

December 18th, 2010
Meeting called to order at 9:30am

Board Members Present

David Austin
Tom Friedman
Dave Craig
Sue Clauson

Administrative Staff Present (by phone)

Gary Teale

Volunteer Appreciation

Prior to Gary joining the meeting: Discussion of stipend/bonus for Ann and Gary.
Determined \$500 each would be the right amount.

Long term compensation discussion (including Gary) followed with the decision not to pay a bonus but that best way would be to provide a reduction in the amount Ann and Gary reimburse Avivara for housing in Guatemala Their contribution to housing will be reduced from \$3000 to \$1500 per year for 2011.

Gift Acceptance Policy.

After a short review and discussion Sue moved that we accept the revised gift acceptance policy as written. Tom seconded. All approved.

Operating Reserve Policy.

Mechanics would be to transfer from savings to our CD – the total amount would be 6 months operating budget. Discussion of need for reserve – BBB, prudent for cash flow (although should not be necessary to touch for typical annual cycle), covers extraordinary situations. An established reserve will allow us to be less conservative in our budgeting in future years. Target is six months of the upcoming year's operating budget, so for 2011 we are looking at \$35,000.

Tom moves to approve the Operating Reserve Policy as currently written, Dave second. All approve.

2011 Budget

Fund raising events

Discussion of annual dinner versus small home parties. Possibly bi-annual dinner, alternating with home parties–wine tasting etc. and small summer events, garage sales, selling bracelets.

Potential small dinner option - Miller's-Alaska, David -wine tasting, Gary's Mom, board members... for 2011 will go with this option as opposed to a large dinner.

School Partner Contributions

Gary explained the major increase in this line item: Bowman School in Anchorage – plans to raise \$5000 for Avivara. This is a one time thing, not an annual plan. This will probably drop down in 2012. St Monica wants to fund a major project in 2011 in El Yalu.

Line Item for Operating Reserve

Do we need a line item in the 2011 budget for operating reserve? Tom and Gary indicated that we currently have sufficient resources to establish a \$35,000.00 Operating Reserve without including it as a line item in the budget. We will use planned surplus at end of 2011 to fund any possible increase in the Operating Reserve in 2012. We would need to include a line item in future budgets if for some reason we needed to use part of the Operating Reserve to meet some emergency need. It was decided that we do not need to add a line item at this time.

Alaska Fundraising

Only expenses are air travel costs, i.e., two people, at about \$500 each. Total revenues year to date are \$15,000. Tom and Kathy usually cover at least one ticket with miles. Alaska trip more than pays for itself.

Proposed increase for Gustavo's salary

In year's past, salary set following minimum food standards set by Guatemalan govt. Gary recommends increasing this to include minimum food and housing for family of five. His salary at the minimum of \$8000/year will give him an equivalent salary to those at major NGOs. Gustavo possesses many skills – able to bridge social boundaries – from the Rotary Club members to campesinos. There was unanimous agreement to increase Gustavo's salary.

Scholarships

Over time, scholarships will be equivalent to the grants given to schools. Exciting that we will have university level scholarships, allows major change to the lives of the students we support. Scholarship pipeline – will attrition keep our budget under control? Yes, over time it will expand, but only at a level we can cover. If this part of our programs grows considerably, we may also need to expand staff.

Budget Approval

Tom moves that we approve the budget submitted by Gary with the change to rent/utilities modification of \$1500 as previously discussed. Dave seconds. Unanimous approval.

Board Transitions

Desire to add 2 to 3 new board members in 2011. Tom is an amazing treasurer for Avivara and has agreed to continue in this role. Potentially need to update the bylaws for there is a two year term that can be renewed for one additional term.

Meeting adjourned at 11:15 AM

Minutes approved at March 20, 2011 meeting