

Taos Feral Feline Friends



*A 501-(c)3 Charitable Association
For The Welfare of Cats*

2019

Annual

Report

Taos Feral Feline Friends

2019 Annual Report

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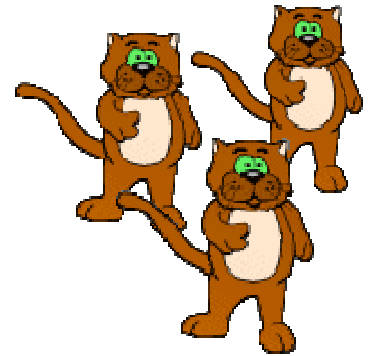
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**“Paws For The Cause”
Walkathon**

Taos Feral Feline Friends



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A Letter from the President and Founder

Dear Friends and Supporters,

As I compose this annual letter to our friends and supporters, the nation, indeed the entire world, is grappling with the COVID-19 pandemic, the most serious disease outbreak since the Spanish Flu of 1918. The governor of New Mexico has issued a “stay-at-home” order for all non-essential workers in the state and, for now, the order will remain in force until the end of April. Gatherings of five or more people have been banned. Many businesses, particularly restaurants, entertainment and retail operations have been forced to temporarily close. Locally, the mayor of Taos, has instituted an even stricter policy – a curfew between 10PM and 6AM applicable to all roads, alleys, businesses, parks and other public places until further notice. There are currently 15 known COVID-19 cases in Taos County, NM.

Based on discussions with our officers and volunteers, TFFF will be modifying certain practices for the safety of our staff and clients and to comply with the various “social distancing” mandates of our state. First, we have stockpiled a 30-day supply of cat food and litter to ameliorate possible short-term disruptions in supply availability. Second, we have switched most cat food purchases to on-line vendors that will deliver directly to our shelter. This has enabled TFFF to limit its in-store supply purchases to one volunteer making one trip per week. For safety, so that no other volunteer will be asked to risk their health, I alone will make these weekly trips into town. Third, we have suspended our normal daily adoption viewing hours at the shelter. All visits will be via pre-arranged appointments and are limited to one person per visit. Finally, we may need to reduce the number of free spay/neuter cases due to restrictions imposed by our main veterinary service provider, Salazar Road Veterinary Clinic. The situation remains very volatile at the vet clinic and we cannot assess the impact on our caseloads at this time. Our biggest pandemic concern is the effect of the COVID-19 induced recession on the funds available for charitable giving from our grantors and donors. There is no knowing how that will evolve.

Another outbreak also impacted TFFF early this year. We experienced our second-ever confirmed case of ring-worm, a feline fungal infection similar to athlete’s foot in humans that can be passed between cats and humans. This was detected in December 2019 in a group of five kittens that we had recently accepted into the shelter. Fortunately, these kittens had been held in our isolation room, preventing the spread to other residents. Nonetheless, as a precaution, all shelter adoptions were stopped for about 3 months. The kittens have been treated with both oral and topical anti-fungal medicine and the visible signs of ring-worm, usually a circular red rash on the skin and hair loss, have disappeared.

A Letter from the President and Founder (continued)...

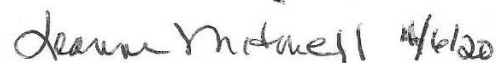
With the outbreak now deemed over, adoptions have resumed and, despite the three month halt, we have already completed seven adoptions this year.

There is yet another important change affecting the TFFF shelter going forward. After much contemplation and consultation with my personal health care advisers, I have decided that I must begin gradually reducing the intensive, physical labor relating to the cleaning, feeding and provisioning of the TFFF shelter. My health issues are not new but the cumulative effects of exposure to cat allergens and the cumulative impacts on my arthritis from the daily shelter routine are growing more noticeable each year. When we started TFFF, I was a mere 46 years old and now at 62, my physical capabilities have predictably diminished. Caring for over 50 cats every day is a commitment I take seriously – that has not diminished in any way! However, I must accept that having 80 or 90 residents, like we've had off and on for many years, is no longer prudent. Consequently, the officers of TFFF have approved a change in maximum shelter capacity from 90 cats to 45 cats, effective 1/1/2020, subject to re-evaluation annually hereafter. Our life-long commitment to provide a safe, secure home for every one of our shelter residents remains unchanged, regardless of their age, health or "adoptability" and we will continue to intake new homeless cats if in-house capacity permits. Please note: this change will have no impact on TFFF's other programs: TNR, Pays To Help Strays or low-income food and veterinary care assistance.

During 2019, excluding our low-income programs, TFFF helped 129 cats and provided 67 free spay/neuter surgeries. There were 48 TNR cases and about \$5,200 in low income cat food and veterinary expense disbursements during 2019. TFFF handled 24 total adoptions in 2019 and the 12/31/2019 shelter population was 51 cats, unchanged from the previous year end. Looking ahead to 2020, we are anticipating additional demand for the low-income cat caregiver support programs due to the COVID-19 crisis which has hit the Taos tourism-based economy particularly hard.

Also in this report, we have updated our continuing analysis of the PetSmart collaboration, "Spay/Neuter Taos - Examining the Impact". This study indicates that TFFF's accelerated spay/neuter activity from 2011 to 2017 coincided with a substantial decline in feline intakes at Stray Hearts over the same time period, and in turn, that such reduced intakes at Stray Hearts corresponded with their near-elimination of feline euthanasia. Encouragingly, with another year of data added to the study, it is clear that the favorable intake and euthanasia trends continued at Stray Hearts throughout 2018, despite a lower number of TFFF funded surgeries. It appears that other charities' feline spay/neuter efforts have been sufficient to replace the capacity lost when Spay/Neuter Taos ended. So far so good, through 2018 at least! But trends can quickly change so we will keep annually updating and reporting these important indicators of Taos-area animal welfare. My hope is that this information will enable other charities and Taos government to align their spay/neuter initiatives with the actual emerging trends. Most important, we have convincingly shown what we believed from the very start - **Spay/Neuter Saves Lives!**

Sincerely yours,



Leanne Mitchell, President and Founder

Taos Feral Feline Friends

The Mission - Problems and Solutions



The Shelter

The Mission

Prevent the inhumane treatment of stray and feral cats in Northern New Mexico

Stop unnecessary euthanasia of stray and feral cats

Reduce the population of stray and feral cats

Feral Cat Problems and Solutions

Problem: Feral cats are not adoptable as pets.

Solution: TFFF finds homes where they are appreciated as outdoor or barn cats.

Comment: Finding homes for ferals takes time. Most shelters don't like to house animals for extended periods, but we will keep them for as long as it takes to find a home.

Problem: Feral cats are wild animals that do poorly in traditional caged shelters.

Solution: TFFF operates a cage-less, but secure 814 sq. foot indoor facility where ferals are free to roam and play.

Comment: Our shelter also features three screened - in outdoor play areas.

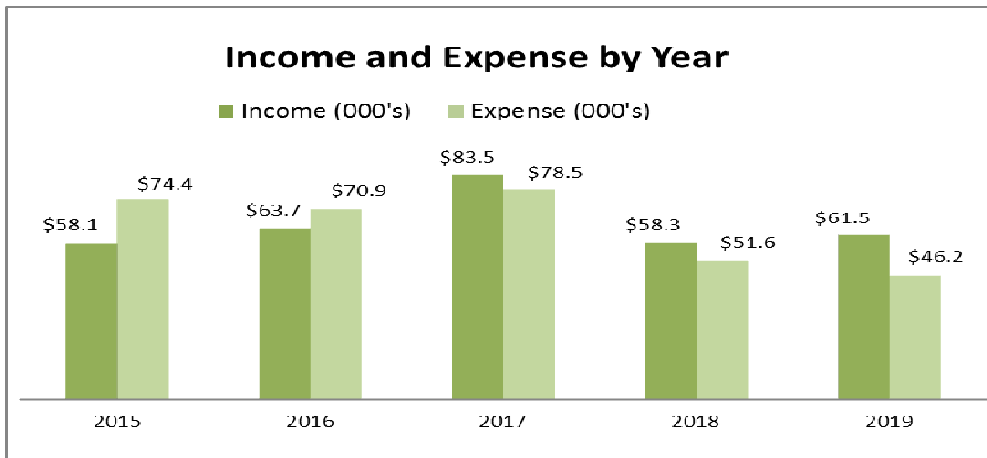
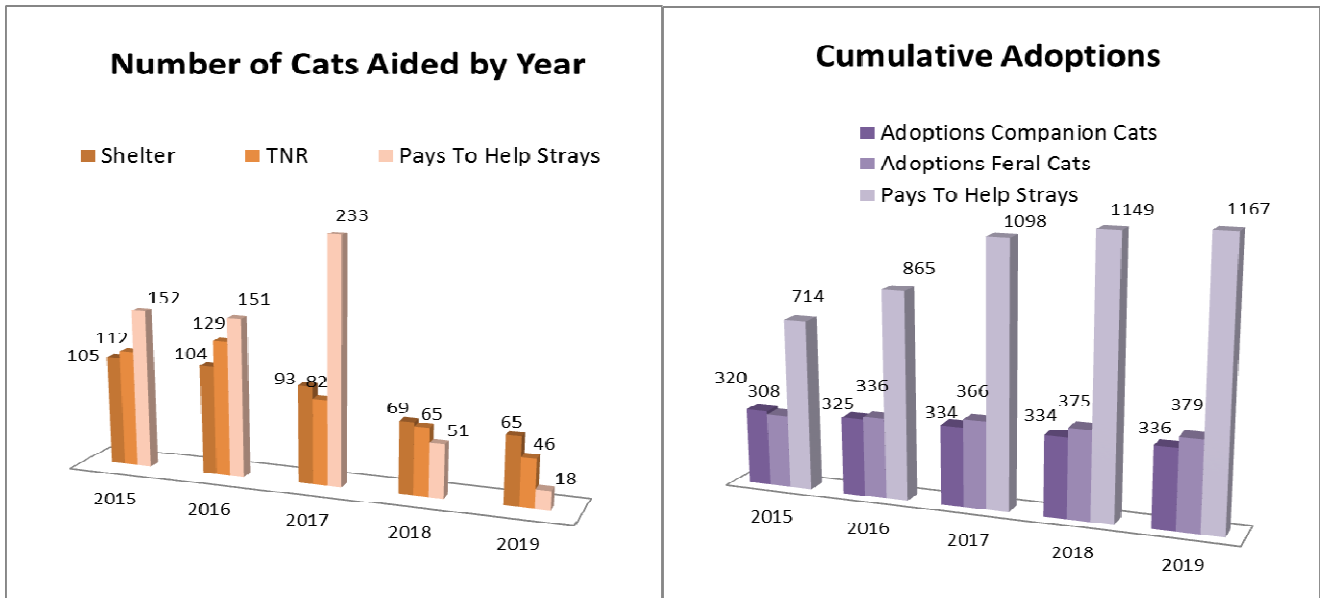
Problem: Feral cats are over-populated and are a nuisance.

Solution: TFFF sterilizes all cats before adoption and offers free Trap, Neuter, and Return (TNR) services - the only humane method of population control.

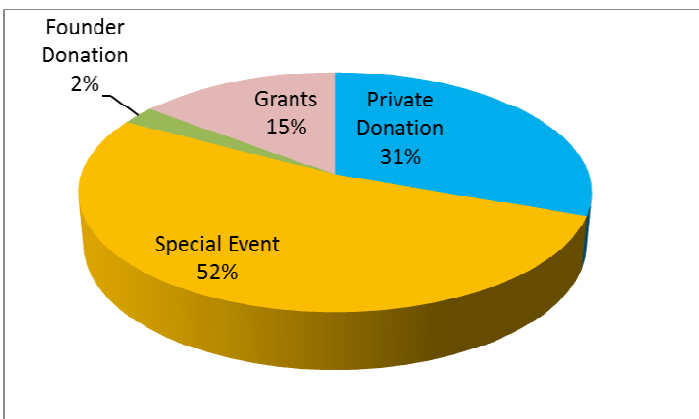
Comment: Studies have shown that TNR is more effective than euthanasia in controlling outdoor cat populations.

Taos Feral Feline Friends

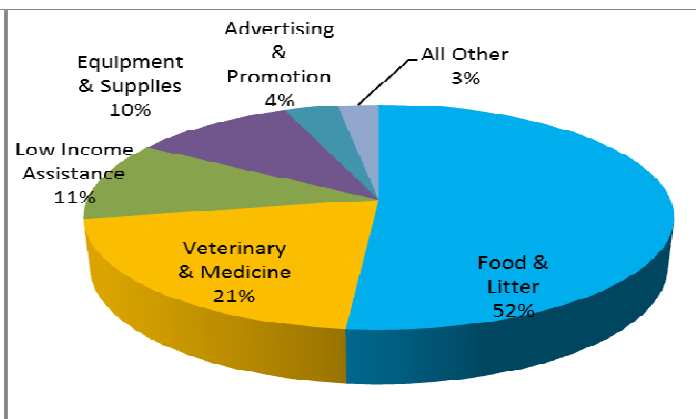
By the Numbers



2019 Income by Source



2019 Expense by Category



Taos Feral Feline Friends

Spay/Neuter Taos – Examining the Impact

Spay/Neuter Taos was the animal welfare partnership between Taos Feral Feline Friends (TFFF) and PetSmart Charities, Inc. which operated from January 2011 to February 2018. The partnership sought to quickly increase cat spay/neuter in Taos County with the contractually specified objective to reduce the number of cat intakes at the Taos community animal shelter, Stray Hearts. Shelter intakes are traditionally considered a measure of the homeless cat population so fewer intakes are indicative of fewer homeless cats. However, reducing Stray Hearts intakes was itself a worthy goal... fewer intakes mean less expense for a shelter, less over-crowding and less euthanasia due to lack of space... all very good things.

Specifically, TFFF pledged to complete 300 spay/neuter cases during each twelve month grant period, targeting primarily “free-roaming” cats. Free-roaming cats are the feral and stray cats that are ownerless and, of course, roaming and reproducing at will. Shelter resident cats and pets did not qualify.

Chart A Taos Feral Feline Friends Cat Spay/Neuter Surgeries Calendar Years 2010 to 2018

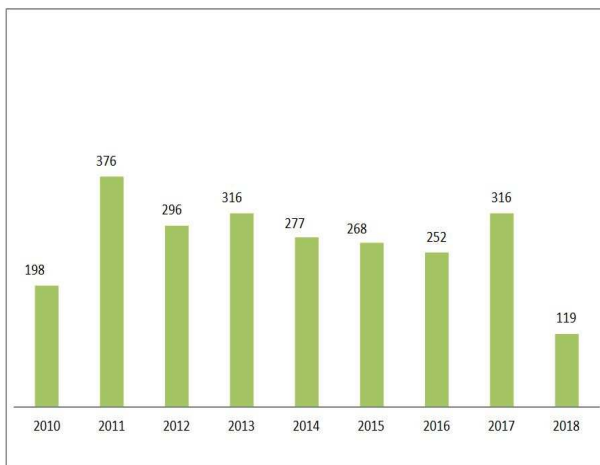


Chart B Stray Hearts Cat Euthanasia and Intakes Calendar Years 2010 to 2018

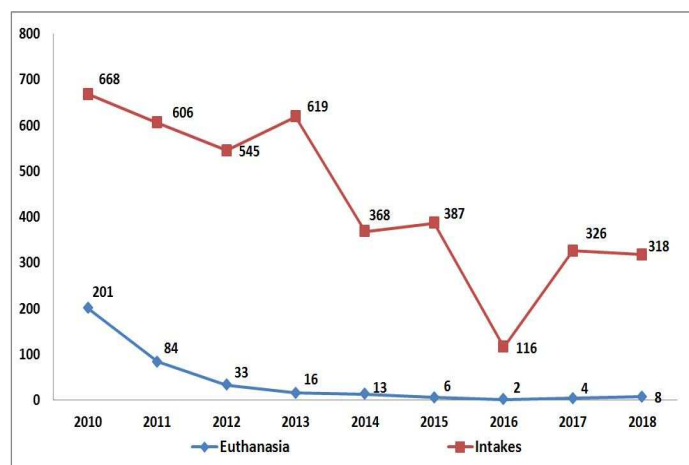


Chart A shows how many spay/neuter cases TFFF completed from 2010 to 2018. During the first year of Spay/Neuter Taos, our cases nearly doubled from 198 in 2010 to 376 in 2011. In total, during the seven years from 2011 to 2017, TFFF completed 2,101 spay/neuter surgeries, averaging 300 cases per year, exactly in-line with the Spay/Neuter Taos objective. For 2018, TFFF funded 119 more surgeries.

Chart B displays the annual feline intakes and euthanasia cases at Stray Hearts for 2010 through 2018, kindly provided by Stray Hearts. Intakes exclude kittens born in the shelter. Cat intakes accepted from outside of Taos County are excluded from 2010 to 2015.

Let's look at cat intakes first: the pattern is a bit bumpy but clearly heading down. Based on 2010 vs. 2018 intakes are down 52% with 2018 slightly below 2017. It is unknown why intakes were so low in 2016 at Stray Hearts, but 2016, 2017 and 2018 are the three smallest years on record. So the goal to reduce intakes, set back in 2011, has been convincingly achieved. Lower intakes imply there are significantly fewer homeless cats in Taos... that's the power of spay/neuter reaching free-roaming cats!

When a shelter is euthanizing for space, a reduction of intakes causes a one-to-one drop in euthanasia cases. The Stray Hearts data bear this out: from 2010 to 2012 intakes declined by 123 while euthanasia declined by 168 cases. Overall, from 2010 to 2018, euthanasia declined from 201 cases to just eight, a 96% drop. Because some euthanasia is justified for medical reasons, the impact of Spay/Neuter Taos is that Stray Hearts was transformed into a no-kill shelter around 2014 and remains so today.

Taos Feral Feline Friends

Shelter Program

TFFF began in 2004 as a cat rescue organization. Its first shelter residents were feral cats awaiting euthanasia at the local Humane Society, rescued and brought home by Leanne Mitchell. Since then, TFFF has become the premier, no-kill feline shelter in Northern New Mexico with over 700 cats placed into new, loving homes.

The main shelter facility is a former 814 square foot guesthouse with four rooms located in Ranchos De Taos, New Mexico and is primarily reserved for feral cats. The cats, are free to roam within each room - it is a cage-less shelter. Two rooms have ceilings with exposed wooden supports that the cats can sit or walk along, effectively increasing the usable areas of the rooms. Two rooms have windows opening onto screened-in porches, allowing our residents to safely enjoy the outdoors. Additional rooms in a separate building also house TFFF cats. Effective 1/1/2020, TFFF total shelter capacity was reduced from 90 to 45 in order to align with fewer available volunteer hours.

A cage-less environment is important to the health and well-being of feral cats. Feral cats, accustomed to running free, can become lethargic and stop eating if confined to a cage. Our cats run and play within their rooms, interacting with the other cats, forming a community much like an outdoor feral cat colony. Eating habits and litter box use are normal. Fights are seldom observed. By all measures, the ferals are well-adapted to life at the TFFF shelter.

Controlling and preventing feline disease is an important part of the Shelter Program. The shelter is cleaned and disinfected daily. Before a cat enters the shelter community, it is screened for FELV (feline leukemia) and FIV (feline immunodeficiency virus) as recommended by the American Association of Feline Practitioners. Cats with these communicable illnesses cannot be placed in our open setting. Cats with less serious problems, such as upper respiratory illness, are kept isolated from the main shelter until they recover. For this purpose and other special needs, some cats are housed in rooms apart from the main shelter. Non-feral cats, companion animals, are also kept in these areas where they receive more contact with TFFF volunteers. All cats held at TFFF receive FeLV, FVRCP, and rabies vaccinations before or soon following their arrival at the shelter. All cats are spayed or neutered prior to adoption.

TFFF actively seeks to find permanent, loving homes for both companion and feral cats. Despite the common misconception that feral cats are unadoptable, we have been successful in finding individuals who appreciate the wild nature and rodent-controlling abilities of feral cats. A standardized adoption agreement, providing contact information, cat health and identification data is executed. We contact each adopter at least once to see how the cat and owner have adapted. The suggested donation for adoptions is \$12.50 per feral cat to \$25.00 per companion cat, but cats are offered sometimes for no fee.

Feral cat adoptions take time to arrange. A suitable home for feral cats requires shelter from the elements and predators, specifically wild dogs and coyotes, and a human caregiver. Given that Taos County has been plagued with serious rodent problems, including human fatalities caused by the mouse-transmitted Hanta virus, TFFF believes that the community obtains material public health benefits from properly managed feral cat populations. By building awareness of our organization and promoting the rodent-control advantages of cat ownership, TFFF boosts the demand for both companion and feral cats.

TFFF arranged adoptions for 6 cats in 2019, and accepted 14 new cat intakes into the shelter. One resident was euthanized and seven residents died while in care. There were 51 cats at the shelter at 12/31/19, unchanged from 12/31/18. TFFF's goal for 2020 is to accept 10 - 20 new residents and to arrange 10 - 20 shelter adoptions.

Taos Feral Feline Friends

Trap, Neuter, and Return (TNR) Program

TNR is our community outreach program supporting the animal care efforts of individuals with outdoor cat populations. It is the best option for helping feral cats when a property owner is willing to support a feral cat colony on his/her premises, i.e., provide food, water, and shelter on a daily basis. TFFF assists the caregiver by lending traps, providing trapping instructions and paying for the spay/neuter, rabies vaccination and all other vet costs. The caregiver traps the animals, transports them to the veterinarian for spay/neuter, then returns them back to the feral colony usually on the same day. By keeping the population under control, residents are able to manage their colonies more efficiently, without incurring the costs of an ever-increasing population. Additionally, by helping people manage cats on their premises, we are able to reserve our limited shelter space for cats that are unsupported or suffering abuse.

TNR is the most critical element of TFFF's mission to contain feral populations in a humane manner. It has been shown to be more effective in reducing cat populations than euthanasia and is recommended by the American Society for the Prevention of Cruelty to Animals (ASCPA). TNR complements, but does not replace the need for our rescue, shelter, and adoption program. First, TNR is best suited for true feral cats – a young kitten or a stray cat with the temperament of a companion animal should be placed in a shelter for adoption. Second, TNR requires the active co-operation of the property-owner. If a property-owner is unwilling to support the colony, or will not consent to our program guidelines, TFFF will not initiate a TNR program. If cats' lives are in immediate jeopardy, we will trap, remove the cats, and take them to our shelter for veterinary care and adoption.

TNR is available free of charge to the public in Taos and western Colfax Counties. TFFF also provides free cat food to low-income colony care-givers and provides a limited amount of veterinary expense reimbursement (see Low Income Caregiver Assistance Programs section).

Controlling and preventing feline disease in outdoor cats is an important part of the TNR Program. Outdoor cats are exposed to more pathogens and live under much harsher conditions than indoor cats. The two most common serious feline diseases we encounter are FIV and FELV. FIV (Feline Immuno-deficiency Virus) is prevalent throughout Taos County. Like human AIDS, FIV attacks a cat's immune system, making it more susceptible to other diseases. FIV is spread directly from cat to cat by biting, mating, and sharing of infected litter, water or food sources. FELV is a serious viral infection spread mainly from mother to kittens. An effective vaccine for FELV is available and all TFFF shelter cats receive it. However, because the FELV vaccine requires booster shots, it is not practical for TNR cats.

TFFF does not test TNR cats for FIV or FELV unless, in a veterinarian's opinion, a cat manifests symptoms associated with these infections. No cat at TFFF has or will ever be euthanized based solely on the results of the FELV/FIV test. However, to prevent the spread of these fatal pathogens to otherwise healthy cats, TFFF does not return demonstrably sick cats testing positive for FELV or FIV to the feral colony. In these cases, depending on the specific facts and upon consultation with the attending veterinarian and feral cat caregiver, TFFF may elect to euthanize or retain the cat in isolation at its shelter. A complete discussion of TFFF's testing policy can be found on the TFFF website.

During 2019, 46 TNR cases were completed. With the large feral cat colonies in Taos County mostly finished by TFFF in prior years, demand for TNR has decreased for several years now. Also, other charities have recently started offering TNR for free to the Taos community. Rather than duplicate other charity's efforts, TFFF is restricting TNR eligibility to previous clients or those who are ineligible for free spay/neuter from other charities. TFFF expects to handle 40 - 60 TNR cases during 2020.

Taos Feral Feline Friends

Pays To Help Strays

“Pays To Help Strays” assists people who adopt stray and feral cats directly into their homes. Through Pays To Help Strays, we will reimburse the costs of the spay/neuter surgery and all vet-recommended vaccinations and tests... all the services needed to make sure your new cat is healthy and protected. Our motto is: Adoptions Done Right! To be eligible, the person must contact us within 60 days, or in advance, of the adoption. Cats adopted from shelters, pet stores, or breeders are ineligible for this program.

With shelter space always in limited supply, foster home care for unowned cats is valuable to the animal welfare community. Recognizing this, in 2014, TFFF extended eligibility for the Pays To Help Strays program to cats in foster care. Foster care providers must be operating under the supervision of an animal welfare organization. TFFF requires that the foster care provider intends to find a permanent, local home for their foster cat(s) and that TFFF be provided with contact information of the ultimate adopter(s). Pays To Help Strays benefits can be used while the cat is in foster care or transferred to the ultimate adopter. With all of the program’s free veterinary services, adopting a foster cat becomes safe and inexpensive... and that makes foster cats more adoptable!

Whether supporting foster caregivers or adopters, Pays To Help Strays is a highly cost-effective way to help cats find permanent homes while simultaneously limiting the reproductive potential of the homeless cat population. By bringing homeless cats directly from the wild into permanent homes, the program bypasses the traditional shelter system. This benefits the entire community by preserving the community’s limited shelter capacity for the neediest animals.

For this program, TFFF restricts its reimbursement to the following veterinary services: spay/neuter surgery, FELV/FIV testing, and all veterinarian recommended vaccinations (rabies, FVRCP, and FeLV). Charges for medicine, treatment of illness or injuries and veterinary examination fees are the client’s responsibility.

18 Pays To Help Strays adoptions were arranged in 2019. Like the TNR Program, other Taos-area charities offer free spay/neuter for cat adopters. Rather than duplicate other charity’s efforts, TFFF is restricting this program to previous clients or those who are ineligible for free spay/neuter from other charities. TFFF is expecting Pays To Help Strays activity of 20 – 30 cases during 2020.

Taos Feral Feline Friends

Low Income Caregiver Assistance Programs

In Taos, the poorest neighborhoods are also the areas with the highest populations of homeless cats. Many of TFFF's current and potential Trap, Neuter and Return (TNR) clients reside in these areas, helping feral cats survive, putting out food and water every day even while dealing with hunger themselves. While TNR is the ultimate solution to keeping homeless cat populations in check, many months can pass before the number of cats begins to decline. In the interim, some caregivers require assistance to keep their 'outdoor kitties' well-fed and healthy.

TFFF helps low-income caregivers by providing free cat food and reimbursement for veterinary expenses relating to their free-roaming cats. To qualify, a resident must be actively providing care to homeless cats in a managed feral cat colony and must reside in a household with total family income below \$40,000 per year. Distributions are made on an 'as needed' basis, as requested by the caregiver. In emergency circumstances, other cat caregivers, including pet owners, can be admitted into the program on a discretionary basis if they are experiencing financial hardship caring for their cats.

Consistent with our mission to prevent the inhumane treatment of homeless cats, the program is a safety net for the most disadvantaged cats and people. Because, other than offering free spay/neuter, no other organization currently supports the charitable work of feral cat caregivers, TFFF considers this one of its essential activities.

During 2019, free food costing \$2,206 was distributed through the Low Income Food Assistance (LIFA) program and \$3,002 of veterinary expenses was paid via the Low Income Veterinary Expense (LIVE) reimbursement program with approximately 8 – 10 participants in each program. For 2020, about \$5,700 in total LIFA and LIVE benefits are expected to be paid to a similar number of qualified participants.

Taos Feral Feline Friends

Financial Overview as of 12/31/2019

Introduction

Taos Feral Feline Friends (TFFF) is a 501-c(3) non-profit association, founded in June 2004, providing animal welfare to stray and feral cats throughout Northern New Mexico. The association's headquarters and shelter facility are located in unincorporated Taos County, New Mexico, approximately 8 miles southwest of the town of Taos. The following discussion is a material part of the TFFF financial report. This financial report has not been audited, but is believed by the undersigned to be an accurate representation of the financial condition of the association as of Dec. 31, 2019. Further information concerning the organization's financial condition may be obtained from IRS Form 990. Current and prior years Form 990's can be accessed for no cost at guidestar.org or you may contact us in writing if you would like to receive the most recent filing. There is no charge to receive our tax filing.

2019 Income Statement

TFFF prepares its accounting statements on a cash basis with semi-annual reporting periods ending June 30 and December 31. TFFF had revenues of \$61,541 for CY2019, consisting of approximately 30% private donations (including adoption fees); 52% special events (a walkathon); 15% corporate and charitable foundation grants; and 2% founder donations. Revenues increased by 6% in comparison to the \$58,264 recorded in 2018, due mainly to the collection of \$4,762 of CY2018's special event revenue in CY2019, resulting in higher special event receipts for 2019 vs. 2018. Overall, 2018 revenues were 111% of the amount budgeted per the 2018 Annual Report. Private donations decreased by 6% from \$19,978 in 2018 to \$18,757 in 2019, and special event revenue increased by 10% from \$29,286 to \$32,284. The special event donation solicitation period was expanded in 2018, leading to larger special event revenues, partially offset by lower regular donation revenue. Grants increased by 20% from \$7,500 in 2018 to \$9,000 in 2019. Founder donations, the smallest revenue component, were unchanged from 2018 at \$1,500. The special event revenue includes non-cash amounts of \$970, primarily from the donation of feline FELV/FIV test kits by IDEXX Laboratories, Inc.

TFFF had expenses of \$46,206 for CY2019, consisting of 52% for shelter food and litter (vs. 43% during 2018), 21% for veterinary costs, veterinary supplies and medicine, (vs. 32% during 2018), 11% for veterinary expense and food assistance to low income families (vs. 11% during 2018), 10% for TNR equipment, shelter equipment and supplies (vs. 7% during 2018), and 6% for utilities, advertising, printing, postage, special event expenses, promotional and miscellaneous costs (vs. 7% during 2018). In total, expenses decreased by 10% from \$51,555 in 2018 to \$46,206 in 2019. The decrease in expenses for 2019 vs. 2018 was mainly a result of decreased veterinary costs. Program activity, measured as the number of cats assisted during the calendar year (excluding LIFE and LIVA recipients), decreased 30% from 185 in 2018 to 129 in 2019, due to fewer TNR and Pays To Help Strays cases. Overall, 2019 expenses were 85% of the amount budgeted per the 2018 Annual Report.

TFFF had no employee or private contractor costs through during CY2019. Utility costs totaled \$617 for waste disposal, cell phone and web-hosting fees for the TFFF website. All other utility, all insurance and all transportation costs were paid for TFFF as in-kind donations by William and Leanne Mitchell. Additionally, TFFF leases its shelter facility on a rent-free basis from William and Leanne Mitchell. The payment of certain TFFF expenses by William and Leanne Mitchell and rent-free lease are charitable arrangements that can be terminated at any time.

Based on the above revenue and expenses, TFFF reported an operating gain of \$15,335 during 2019 vs. a gain of \$6,709 for 2018.

Taos Feral Feline Friends

Financial Overview as of 12/31/2019 (continued)

2019 Statement of Assets and Liabilities

TFFF maintains a checking account with the Taos, NM branch of Hillcrest Bank (a division of NBH Bank), PO Box 26528, Kansas City, MO 64196. As of 12/31/2019, the account balance was \$43,659. The account does not pay interest and incurs no banking fees, other than purchase of blank checks and return check fees. TFFF maintains an account with PayPal to facilitate on-line donations via the TFFF website. As of 12/31/2019, the PayPal account balance was \$5,137. TFFF had undeposited cash and checks of \$2,593 as of 12/31/2019. TFFF also has a brokerage account at Fidelity Investments to facilitate charitable donations of securities and its balance was \$0 as of 12/31/2019.

To obtain liquidity, TFFF has borrowed \$5,748 from founders Leanne and William Mitchell as of 12/31/2019. A \$40,000 credit line has been committed for TFFF through 12/31/2021 by the founders. The loan bears no interest or fees, can be repaid at any time, and appears on the association's statement of assets and liabilities contained herein. TFFF had no other debt or lease obligations as of 12/31/2019.

Subsequent to 12/31/2019, TFFF repaid the \$5,748 yearend loan balance with funds from its checking account. TFFF plans to continue utilizing the loan facility during CY2020 to provide liquidity.

TFFF's cumulative surplus (excess of revenue over expense from inception) was \$45,637 as of 12/31/2019. The surplus is approximately 5.3% of inception-to-date revenue as of 12/31/2019.

2019 Expenses by Program

This exhibit was prepared from the expense records of the association. Some expense categories such as Shelter Supplies, Shelter Equipment and TNR Equipment are directly associated with a specific program. Veterinary Costs were subdivided by program by totaling each animal's vet costs by the corresponding program under which treatment was provided. Medicine and Veterinary Supplies category expenses, mainly the cost of FELV/FIV test kits and vaccines, were allocated by program according to the number of cats utilizing the supplies. Low Income Food Assistance (LIFA) and Low Income Veterinary Expense Assistance (LIVE) costs are tabulated directly from the original expense records. Both LIFA and LIVE costs are classified under the TNR program costs since most recipients are current or former TNR clients. All food costs, other than LIFA, and all litter costs are attributed to the Shelter program. Miscellaneous expenses are allocated to each program according to the total numbers of animals aided by program during 2019: 46 for the TNR program, 65 for the Shelter program, and 18 for the Pays To Help Strays program.

Program Budgets for 2020

TFFF has prepared budgets, i.e., revenue and expense estimates, relating to each of its programs for the 2020 calendar year, based upon its 2020 program caseload targets. The Shelter Program budget assumes 15 new shelter intakes, 15 shelter adoptions, 6 shelter deaths or euthanasia cases during 2020 and a 1/1/2020 starting population of 51 residents. The TNR Program budget assumes 50 new cases in 2020. 25 Pays To Help Strays Program cases are assumed for 2020. LIVE and LIFA costs are assumed to recur at the average of 2018 and 2019 calendar year activity, adjusted for price inflation.

Calendar year revenue is estimated by source for the organization. For 2020, \$6,750 in grant revenue is projected, 25% lower than CY2019. With the discontinuation of Spay/Neuter Taos in 2018, no grant funding was received from PetSmart during 2019 and, correspondingly, none is assumed for 2020.

Taos Feral Feline Friends

Financial Overview as of 12/31/2019 (continued)

Private donation and special event revenue for 2019 is estimated to be 7% below the 2019 values as recent IRS tax law changes restricting the deductibility of charitable contributions are expected to continue negatively impacting donations. Budgeted revenue in total for CY2020 is \$55,750, approximately 91% of the actual CY2019 revenue. The budgeted revenue for CY2020 consists of approximately 31% private donation revenue, 54% special event revenue, 12% grant revenue, and 3% founder donations. No other sources of revenue are expected.

Expense estimates are based primarily on actual 2018 and 2019 costs by category, adjusted for projected changes in program caseloads and inflation. Annual price inflation rates assumed are 5% for food and litter, 4% for veterinary services and 3% for all other expenses. Since TFFF purchases most of its food and litter from a single supplier, actual price inflation for this expense category during 2020 may be considerably different from the assumption employed herein. Food, litter, veterinary, medicine and veterinary supply costs are based on 2019 costs adjusted for inflation and the expected differences in 2019 vs. 2020 case counts by program. The remaining expense estimates, other than incidental costs, utilize an average of 2018 and 2019 expenses adjusted for inflation. Certain incidental items are judgmental estimates. All utility and miscellaneous expenses not directly associated with the Shelter Program are allocated to individual programs according to the projected program caseloads.


Since TFFF intends to remain a 100% volunteer organization, no personnel costs are projected for CY2020. Rent, insurance, electricity, heating, water supply, internet access and transportation costs, expected to be donated to TFFF throughout 2020 by William and Leanne Mitchell, appear as zeroes in the budget.

The ability of TFFF to fund its charitable operations is partially dependent on the attainment of grant funds. Charitable foundation and corporate grants are awarded through a highly competitive process, making this component of TFFF's future revenue very difficult to predict.

The 2020 budget targets a gain of about \$7,600 from operations. Due to the uncertainty regarding the actual amount of donations that will be obtained during 2020, the additional uncertainty due to the impact of the 2018 income tax changes regarding the deductibility of charitable donations and the unknown impact of the COVID-19 pandemic on donor behavior, TFFF may be unable to achieve this targeted gain. However, barring unforeseen events, should a shortfall in donations occur, TFFF does not expect that it will impair its ability to achieve program goals during 2020. Although the values displayed in the projected budgets are believed to be reasonable estimates of TFFF's 2020 financial activity, all amounts should be considered hypothetical values, possibly differing materially from the actual results.

Signature

I hereby represent that the above discussion of the financial condition of Taos Feral Feline Friends as of December 31, 2019 and accompanying schedules are accurate to the best of my knowledge and that the projections discussed herein are based upon assumptions believed to be reasonable as of this date of signature:

 _____, signed on 3-31-2020

Raeann Rasmussen, Vice-President and Treasurer of Taos Feral Feline Friends

Taos Feral Feline Friends

2019 Income Statement

	<u>1/1/19 - 6/30/19</u>	<u>7/1/19 - 12/30/19</u>	<u>1/1/19 - 12/31/19</u>	<u>1/1/18 - 12/31/18</u>
<u>Revenue</u>				
Private Donations (incl. Adoption Fees)	\$7,910	\$10,847	\$18,757	\$19,978
Special Events	\$4,762	\$27,522	\$32,284	\$29,286
Founder Donations	\$0	\$1,500	\$1,500	\$1,500
Grants	\$8,000	\$1,000	\$9,000	\$7,500
Investment Income	\$0	\$0	\$0	\$0
Total Revenue	\$20,672	\$40,869	\$61,541	\$58,264
<u>Expenses</u>				
Salaries: Program Director	\$0	\$0	\$0	\$0
Salaries: All Other	\$0	\$0	\$0	\$0
Employee Payroll Taxes and Benefit Costs	\$0	\$0	\$0	\$0
Contractor and Professional Costs	\$0	\$0	\$0	\$0
Subtotal Personnel Costs	\$0	\$0	\$0	\$0
Food & Litter	\$11,916	\$11,895	\$23,811	\$22,103
Veterinary Costs	\$1,931	\$4,654	\$6,585	\$13,147
Medicine and Veterinary Supplies	\$647	\$2,380	\$3,027	\$3,592
Low Income Food Assistance	\$1,137	\$1,069	\$2,206	\$2,277
Low Income Veterinary Expense Assistance	\$872	\$2,130	\$3,002	\$3,462
Subtotal Animal Costs	\$16,503	\$22,128	\$38,631	\$44,581
Shelter Supplies	\$1,271	\$1,073	\$2,344	\$2,112
Shelter Equipment	\$631	\$1,668	\$2,299	\$1,211
TNR Equipment	\$0	\$160	\$160	\$160
Subtotal Equipment & Supplies	\$1,902	\$2,901	\$4,803	\$3,483
Shelter Maintenance/Repair	\$0	\$0	\$0	\$0
Rent: 814 sq.ft 2bd./1ba guesthouse	\$0	\$0	\$0	\$0
Waste Disposal	\$180	\$369	\$549	\$393
Telephone & Website Hosting	\$30	\$38	\$68	\$245
Heating & Electricity & Internet Access	\$0	\$0	\$0	\$0
Property and Liability Insurance	\$0	\$0	\$0	\$0
Subtotal Insurance/Utilities	\$210	\$407	\$617	\$638
Automobile Expenses	\$0	\$0	\$0	\$0
Advertising, Printing, Postage	\$411	\$1,157	\$1,568	\$2,503
Travel, Dining & Entertainment	\$47	\$10	\$57	\$80
Special Event Expenses	\$0	\$224	\$224	\$220
Promotional Expenses	\$0	\$0	\$0	\$0
Charitable Contributions	\$306	\$0	\$306	\$0
Seminars, Workshops	\$0	\$0	\$0	\$0
Taxes, Licenses, Fees	\$0	\$0	\$0	\$50
Subtotal Misc. Expenses	\$764	\$1,391	\$2,155	\$2,853
Total Expenses	\$19,379	\$26,827	\$46,206	\$51,555

<u>Surplus (Deficit) from Operations</u>	\$1,293	\$14,042	\$15,335	\$6,709
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Taos Feral Feline Friends *Statement of Assets and Liabilities*

<u>Assets</u>	<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u>
Checking Account (Hillcrest Bank, Kansas City, MO)	\$43,659	\$37,469	\$41,890
PayPal Account (on-line donations)	\$5,137	\$1,737	\$2,676
Brokerage Account (Fidelity Investments, LLC)	\$0	\$0	\$0
Cash and Undeposited Checks	\$2,593	\$1,243	\$4,788
Total Assets	\$51,389	\$40,449	\$49,354
<u>Liabilities</u>			
Founder Loans (0% interest)	\$5,748	\$10,147	\$25,761
Accumulated Surplus / (Deficit)	\$45,637	\$30,302	\$23,593
Total Liabilities	\$51,389	\$40,449	\$49,354

Taos Feral Feline Friends

2019 Expenses by Program

	<u>1/1/19 - 12/31/19</u>	<u>1/1/19 - 12/31/19</u>	<u>1/1/19 - 12/31/19</u>	<u>1/1/19 - 12/31/19</u>
	<u>TNR</u>	<u>Shelter</u>	<u>Pays To Help</u>	<u>Total</u>
			<u>Strays</u>	
<u>Expenses</u>				
Salaries: Program Director	\$0	\$0	\$0	\$0
Salaries: All Other	\$0	\$0	\$0	\$0
Employee Payroll Taxes and Benefit Costs	\$0	\$0	\$0	\$0
Contractor and Professional Costs	\$0	\$0	\$0	\$0
Subtotal Personnel Costs	\$0	\$0	\$0	\$0
Food & Litter	\$0	\$23,811	\$0	\$23,811
Veterinary Costs	\$2,895	\$2,078	\$1,612	\$6,585
Medicine and Veterinary Supplies	\$145	\$2,348	\$534	\$3,027
Low Income Food Assistance	\$2,206	\$0	\$0	\$2,206
Low Income Veterinary Expense Assistance	\$3,002	\$0	\$0	\$3,002
Subtotal Animal Costs	\$8,248	\$28,237	\$2,146	\$38,631
Supplies	\$0	\$2,344	\$0	\$2,344
Equipment	\$160	\$2,299	\$0	\$2,459
Subtotal Equipment & Supplies	\$160	\$4,643	\$0	\$4,803
Shelter Maintenance/Repair	\$0	\$0	\$0	\$0
Rent: 814 sq.ft 2bd./1ba guesthouse	\$0	\$0	\$0	\$0
Waste Disposal	\$0	\$549	\$0	\$549
Telephone & Website Hosting	\$24	\$34	\$9	\$68
Heating & Electricity & Internet Access	\$0	\$0	\$0	\$0
Property and Liability Insurance	\$0	\$0	\$0	\$0
Subtotal Insurance/Utilities	\$24	\$583	\$9	\$617
Automobile Expenses	\$0	\$0	\$0	\$0
Advertising, Printing, Postage	\$559	\$790	\$219	\$1,568
Travel, Dining & Entertainment	\$20	\$29	\$8	\$57
Special Event Expenses	\$80	\$113	\$31	\$224
Promotional Expenses	\$0	\$0	\$0	\$0
Charitable Contribution	\$109	\$154	\$43	\$306
Seminars, Workshops	\$0	\$0	\$0	\$0
Taxes, Licenses, Fees	\$0	\$0	\$0	\$0
Subtotal Misc. Expenses	\$768	\$1,086	\$301	\$2,155
Total Expenses	\$9,201	\$34,549	\$2,456	\$46,206

Taos Feral Feline Friends *2020 Program Budgets*

	<u>1/1/20 - 12/31/20</u>	<u>1/1/20 - 12/31/20</u>	<u>1/1/20 - 12/31/20</u>	<u>1/1/20 - 12/31/20</u>
	<u>TNR</u>	<u>Shelter</u>	<u>PTHS</u>	<u>Total</u>
	50	15/48	25	
<u>Revenue</u>				
Private Donations (incl. Adoption Fees)				\$17,500
Special Events				\$30,000
Founder Donations				\$1,500
Grants				\$6,750
Investment Income				\$0
Total Revenue				\$55,750
<u>Expenses</u>				
Salaries	\$0	\$0	\$0	\$0
Employee Payroll Taxes and Benefit Costs	\$0	\$0	\$0	\$0
Contractor and Professional Costs	\$0	\$0	\$0	\$0
Subtotal Personnel Costs	\$0	\$0	\$0	\$0
Food & Litter	\$0	\$23,531	\$0	\$23,531
Veterinary Costs	\$3,241	\$2,175	\$2,306	\$7,722
Medicine and Veterinary Supplies	\$163	\$2,457	\$763	\$3,383
Low Income Food Assistance	\$2,394	\$0	\$0	\$2,394
Low Income Veterinary Expense Assistance	\$3,324	\$0	\$0	\$3,324
Subtotal Animal Costs	\$9,122	\$28,163	\$3,069	\$40,355
Supplies	\$0	\$2,345	\$0	\$2,345
Equipment	\$160	\$1,935	\$0	\$2,095
Subtotal Equipment & Supplies	\$160	\$4,280	\$0	\$4,440
Shelter Maintenance/Repair	\$0	\$0	\$0	\$0
Rent: 814 sq.ft 2bd./1ba guesthouse	\$0	\$0	\$0	\$0
Waste Disposal	\$0	\$565	\$0	\$565
Telephone & Website Hosting	\$52	\$68	\$26	\$146
Heating & Electricity & Internet Access	\$0	\$0	\$0	\$0
Property and Liability Insurance	\$0	\$0	\$0	\$0
Subtotal Insurance/Utilities	\$52	\$634	\$26	\$711
Automobile Expenses	\$0	\$0	\$0	\$0
Advertising, Printing, Postage	\$720	\$951	\$360	\$2,031
Travel, Dining & Entertainment	\$25	\$32	\$12	\$69
Special Event Expenses	\$82	\$108	\$41	\$232
Promotional Expenses	\$0	\$0	\$0	\$0
Charitable Contribution	\$106	\$140	\$53	\$300
Seminars, Workshops	\$0	\$0	\$0	\$0
Taxes, Licenses, Fees	\$0	\$0	\$0	\$0
Subtotal Misc. Expenses	\$933	\$1,232	\$467	\$2,632
Total Expenses	\$10,267	\$34,308	\$3,562	\$48,138

Taos Feral Feline Friends

Appendix 1 - Frequently Asked Questions

Who is Taos Feral Feline Friends?

We are a not-for-profit, tax-exempt, animal welfare association dedicated to helping stray and feral cats. Formed in June 2004, we are the only shelter in northern New Mexico that rescues and finds homes for feral cats. We also help the community to humanely manage feral cat population through Trap, Neuter, and Return. Our non-profit status is certified by both the Internal Revenue Service and the Attorney General of New Mexico. We've helped over 4,600 cats as of 12/31/2019.

What are feral cats?

Feral cats are either abandoned or lost domestic cats that have reverted to their 'wild nature' or cats that were born outside to a feral mother. They often form self-reliant social groups known as "colonies" near a source of food and shelter. Most human communities have feral cat colonies, but many people are unaware of their existence since "ferals" avoid human contact.

How are feral cats different from stray cats?

A stray cat is a domesticated animal, a pet that has been recently lost or abandoned. It can be re-socialized and placed in an adoptive home. Feral cats do not appreciate human contact and hence cannot usually be made into pets. For this reason, feral cats are shunned by most animal shelters.

Why do feral cats need our help?

Feral cats living in the wrong locations are considered a public nuisance and are often captured, poisoned, or otherwise mistreated. Feral cats brought to local animal pounds are deemed unadoptable and "humanely" euthanized. We do not believe that this treatment of innocent animals is moral. Feral cats have a right to live! There are better solutions.

How can we help feral cats?

If you make a donation to Taos Feral Feline Friends, you will save and improve the lives of feral cats in our community. Also, call us if you want to adopt - we have both ferals and house cats available.

What does Taos Feral Feline Friends actually do?

We operate Trap, Neuter & Return Program in Taos. It aids people with outdoor cats by providing free spay/neuter surgeries, vaccinations, vet care and cat food.

Our Shelter Program helps concerned people from all over the Taos area rescue cats. The shelter is an 814 sq. ft. cageless facility, perfect for feral cats since they don't do well in cages. All cats brought to our shelter are examined by a licensed veterinarian, lab-tested for serious diseases, vaccinated, and spayed/neutered before adoption. For feral cats, we seek appropriate placement in settings where they will be welcomed and cared for, typically in rural homes as 'mousers' or 'barn kitties'.

We also encourage people to adopt stray cats directly from the wild with the "Pays To Help Strays" Program. Taking in a stray is a kind, life-saving act, but there are risks. We pay for spay/neuter, all vet-recommended vaccinations and disease screenings. Our motto is: "Adoptions Done Right"!

Taos Feral Feline Friends

Appendix 1 - Frequently Asked Questions (continued)

What is Trap, Neuter, and Return?

Trap, Neuter, and Return (TNR) is a free community outreach program for managing feral cats without retaining them at the shelter. Quite simply, with the help of our volunteer caregivers, ferals are trapped, spayed or neutered, vaccinated and then released back into their familiar territory. TFFF offers Trap, Neuter and Return to reduce over-population, homelessness, and disease amongst feral cats.

Why does Taos Feral Feline Friends need our help?

We receive no compensation from local animal shelters, city or county government. Since ferals are not adopted as pets, we find that charging standard adoption fees is impractical and restricts our ability to find acceptable homes. Thus, we rely almost entirely on grants and charitable donations from the community to support our operations. All donations made to us are acknowledged with a written receipt and are tax-deductible as a charitable contribution.

How will my donation be used?

Your donation mainly pays for medicine, veterinary care, cat food and litter. It might be used for adoption advertising or to buy equipment (for example, humane traps). However, TFFF has no personnel costs: all of our workers and association officers are unpaid volunteers so your entire donation directly benefits our cats. Our expenditures are documented in detail in our annual reports. GuideStar, the nation's leading charity monitor, awarded TFFF with its Gold Seal of Transparency... only 1 in 200 charities have earned this prestigious designation!

Does Taos Feral Feline Friends help regular (non-feral) cats?

Yes, we help all cats at the shelter, space permitting, and usually have 5 - 10 house cats or kittens ready for adoption as pets. Our companion cats have their own areas separate from the ferals where they receive the extra human contact that they appreciate.

Does Taos Feral Feline Friends ever euthanize cats?

Our shelter follows a strict 'no-kill' philosophy. We will permit a licensed veterinarian to euthanize a cat only if it is suffering from a fatal disease or injury. Historically, only about 2% of our cats have been euthanized. In fact, many of our shelter residents are 'special needs' cats that would typically be euthanized at community animal facilities.

How can I make a contribution, adopt a cat, or get more information?

Please call or E-mail Leanne Mitchell at (575) 758-3519, catmomoftaos@hotmail.com or visit our website at <http://taosferalfelinefriends.tripod.com>. The TFFF website welcomes on-line donations made via all major credit cards or PayPal.

Taos Feral Feline Friends

Appendix 2 – Association Officers, Quick Facts, and Contact Information

ASSOCIATION OFFICERS (year first elected)

Leanne Mitchell, President and Founder (2004)
Raeann Rasmussen, Vice-President / Treasurer (2016)
Edna Sturtzman, Vice-President / Secretary (2016)

QUICK FACTS

MISSION

Prevent the inhumane treatment of stray and feral cats in Northern New Mexico, stop unnecessary euthanasia of stray and feral cats, and reduce the population of stray and feral cats.

HISTORY

Taos Feral Feline Friends (TFFF) is a 501c-3 charitable association promoting animal welfare throughout Northern New Mexico. TFFF was founded in June 2004 by Leanne Mitchell. Ms. Mitchell has over 25 years' experience working with animal welfare organizations in Illinois and New Mexico.

TFFF is unique: it is a 100% volunteer organization operating the only facility in Northern New Mexico that rescues, shelters, and relocates feral cats. In 2005, it initiated the area's first Trap, Neuter, and Return program to spay/neuter feral cats and assist outdoor cat caregivers.

FACILITY & AREA OF OPERATION

TFFF operates an 814 sq. ft. cage-less shelter facility in Ranchos De Taos, New Mexico in unincorporated Taos County, approximately eight miles southwest of the town of Taos. The organization exclusively serves Taos County and the Enchanted Circle area of Colfax County, New Mexico.

STANDARDS OF PRACTICE

TFFF operates under a strict no-kill mandate. Euthanasia is used only if, in the judgment of a veterinarian, an animal is terminally ill or injured. TFFF veterinary care standards are established and reviewed by Drs. Susanne Felser and Patricia Albin, veterinarians licensed by the state of New Mexico, and are consistent with the recommendations of the American Association of Feline Practitioners.

CONTACT INFORMATION

Phone and Fax: (575) 758-3519
Mailing Address: Taos Feral Feline Friends
PO Box 1926
Ranchos De Taos, NM 87557-1926
Email: catmomoftaos@hotmail.com
Federal EIN: 77-0635095
Website: <http://taosferalfelinefriends.tripod.com>