

Taos Feral Feline Friends



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

2022

Annual

Report

Taos Feral Feline Friends

2022 Annual Report

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Taos Feral Feline Friends



*A 501-(c)3 Charitable Association
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A Letter from the President and Founder

Dear Friends and Supporters,

2022 saw TFFF achieve its strongest year of accomplishments since 2017. We provided 206 spay/neuter surgeries free to the public, exceeding last year's total by 140% and exceeding our 2022 goal of 120 by 72%. Including the sanctuary program, TFFF helped 235 cats during 2022, up 103% over the previous year. Trap, Neuter and Return (TNR) cases, so critical to controlling feline overpopulation, also increased by 125% to 90 cases in 2022, our highest total since 2016. Our low-income caregiver support programs also prospered, distributing a record-high \$8,794 in free cat food and veterinary care during 2022.

This surge in spay/neuter activity was driven by the improved availability of vet appointments as the pandemic-affected circumstances we faced in 2020 and 2021 gradually relaxed last year. Wait times for spay/neuter appointments currently stand at 7 to 8 weeks and, while still above average, they are significantly lower than the three month waits we encountered in 2020 and 2021. Many thanks to the staff and veterinarians at Salazar Road Veterinary Clinic (SRVC) who worked hard to accommodate as many of our clients as possible.

Yet, this is far below the 300 cases TFFF averaged during 2011 through 2017. As explained elsewhere in this report (see Spay/Neuter and the Cat Pandemic), I believe that 300 cases per year is the absolute minimum level of spay/neuter activity required to begin reversing the pandemic of too many homeless cats that has plagued Taos County since 2020. Honestly, we have enough clients and funding to reach that level again, but not enough vet appointments. SRVC had three full-time vets for many years and additional part-time vets... today they have two. They are doing their best to find open dates for us, but for 2023, TFFF expects to obtain around 200 spay/neuter appointments, about the same as last year.

Last October, TFFF announced that 2023 will be the final year for our spay/neuter programs. One reason is that, due to age-related health issues, I can no longer provide 60 to 70 hours of volunteer time every week as I've done for the past twenty years. Transporting cats, coordinating TNR operations and scheduling appointments between vets and clients is a time-consuming task every day and, honestly, operating the TFFF sanctuary is challenge enough for me at this stage of my life. There's another issue. TFFF doesn't have the capability to solve the current cat pandemic. The last time Taos faced a feline overpopulation crisis, back in 2010, it took us four years averaging over 300 spay/neuter cases each year to rectify the situation. So given my health and the vet appointment situation, TFFF, much to my regret, cannot be the answer this time around. I certainly don't want to instill false hopes within the animal welfare community to keep relying on TFFF, hopes that might deter or delay efforts to implement the necessary spay/neuter solution.

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

This difficult decision was announced five months ago so that the community would have time to build an alternative that can replace and improve upon TFFF's spay/neuter programs. Our suggestion to solve the cat pandemic, and the corresponding overpopulation crisis in dogs, is a regularly open public vet clinic right here in Taos. Open just a day or two each week, the clinic could offer free spay/neuter for all Taos County cats and dogs and support TNR for feral cats by lending traps and assisting with trapping as needed. The Santa Fe and Espanola community shelters do this for their respective counties and it's been a big success.

Some believe that the problem can be solved in other ways. For example, The Taos County Sheriff's Office has arranged for a spay/neuter van to visit Taos in March for two days to get 40 or 50 pets fixed, vaccinated and chipped for a nominal cost. The van may visit again in May. All spay/neuter is good and, of course, the participating pet owners and their pets will benefit. Unfortunately, this effort is not even close to meeting the community's needs. The March clinic filled up within 48 hours of being announced, indicating how dire the need really is. Every other month clinics are just too infrequent to be effective population control. Additionally, there's no TNR support so the main source of cat overpopulation, the unchecked litters of feral cats, is completely ignored. The bottom line: helpful, but not the solution.

Others point to the Zimmer Feline Foundation spay/neuter voucher program. It's been around for years and done much good for Taos. The problem is that the program is only for low-income pet owners and has other exclusions that cause many cats, including all feral cats, to be ineligible. Dogs are not covered either. The bottom line once again: helpful, but not the solution.

But who should operate the Taos public clinic? The obvious answer is Stray Hearts. They have the community charter to provide animal welfare in Taos, including taxpayer funding from the town and county governments. They have an equipped in-house surgical unit and a vet. They had \$750,000 in savings as of 12/31/2021, far more than the cost to fund the clinic. They have vibrant volunteer and paid staff teams. And they would enjoy critical synergies between the public use of the clinic and use by the shelter. The clinic would be reserved for shelter cats and dogs three or four days per week and, on the public use days, shelter residents could fill unassigned or missed appointments. TFFF's spay/neuter programs never had these important advantages. In fact, no other animal welfare organization in Taos has these advantages.

TFFF estimates that a spay/neuter clinic would cost about \$120,000 to \$150,000 per year to handle 600 cases (half dog/half cat, 12 per week for 50 weeks), including vaccinations and micro-chipping. Last year, we reached out to the management of Stray Hearts and offered our complete cooperation, including financial assistance. We've alerted them to existing grant opportunities that would eliminate much of the costs. Plus, there's no doubt the Taos community will stand with Stray Hearts and generously support spay/neuter... just like they have generously supported it through us all these years. ***To be clear, TFFF will collaborate with and support any organization that presents the community with a free, local, regularly open spay/neuter clinic... or any other spay/neuter approach that creates a sustainable solution to overpopulation.*** We'll share donations, our specialized expertise... we'll do whatever we can to help.

The Taos community is resilient. Although the overpopulation crisis is serious, I am optimistic that our community has the resources and talent to forge a long-term solution. Like TFFF did for the Taos 2010 crisis, like Santa Fe and Espanola have done for their communities, Taos can get this done!

Sincerely yours,

Leanne Mitchell 3/18/23

Leanne Mitchell, President and Founder

Taos Feral Feline Friends

The Mission - Feral Cat 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 over-populated and are a nuisance.

Solution: TFFF is the #1 provider of free spay/neuter in Taos and the only provider of Trap, Neuter, and Return (TNR) for feral cat population control.

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

Problem: Feral cats' lives are cruel and they will never have good homes like pets.

Solution: TFFF supports the kind caregivers who feed and shelter feral cats in the wild.

Comment: In addition to free spay/neuter, TFFF distributes free cat food and offers free veterinary care to low-income cat caregivers.

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

Taos Feral Feline Friends

Spay/Neuter and the Cat Pandemic

This article is an update to the “Second Crisis in Cat Overpopulation”, published last December in the Taos News. I won’t repeat that discussion here, but it is available on the Taos Feral Feline Friends (TFFF) website and Facebook page.

The COVID-19 pandemic disrupted lives, businesses and society in general so it shouldn’t be surprising that animal welfare was adversely impacted. Vet appointments became scarce due to pandemic protocols and staff shortages and the public deferred visiting vet offices as a result of COVID fears. Without adequate spay/neuter activity in 2020 and 2021, hundreds, if not thousands, of excess cats and dogs were born in Taos County, many of them becoming homeless.

Chart A Stray Hearts Cat Intakes and TFFF Cat Spay/Neuter Cases by Calendar Year

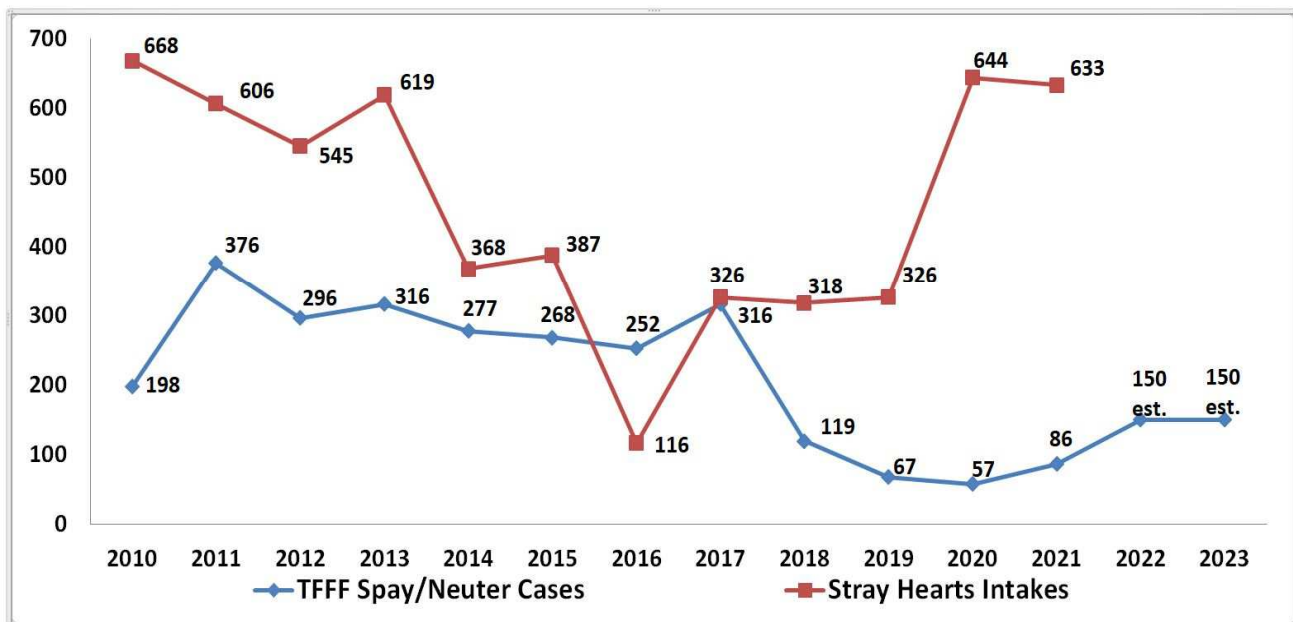


Chart A shows the surge in Stray Hearts’ annual feline intakes (excluding cats accepted from outside of Taos County and cats born in care) from 326 in 2019 to 644 in 2020 and 633 in 2021... that’s almost double and it’s the biggest spike since we started tracking intakes in 2007. Cats entering community shelters are, by definition, homeless and when shelter intakes spike it’s a sure sign that there has been a corresponding spike in the number of homeless cats roaming at large.

The effect on Stray Hearts has been devastating – they are full beyond capacity and have mostly discontinued accepting cats from the public. Even if they could find 633 homes for the 633 cat intakes last year, there will be just as many homeless cats in 2022... and increasing numbers of kittens are born each day. If adoption were the answer, Stray Hearts wouldn’t be turning away animals. But there is a solution.

Look at Chart A again. Back in 2010, the 668 feline intakes were even higher than they are today. However, by 2014, the intakes had dropped to 368. From 2014 to 2019, Stray Hearts’ intakes averaged slightly above 300 per year and would have likely stayed at that level without the disruption of the pandemic. What caused 668 intakes from 2010 to fall into the three hundred range in four years? Spay and neuter!

Taos Feral Feline Friends

Spay/Neuter and the Cat Pandemic (continued)

Starting in 2011, TFFF arranged an average of 300 spay/neuter cases each year through 2017. About half of those were Trap, Neuter and Return (TNR) feral cat surgeries. I believe that approximately the same effort undertaken now, 300 annual spay/neuters (including 150 TNR), will yield the same result: Stray Hearts' intakes will decline from today's unmanageable 600+ cats per year to a manageable 300+. Dear friends, that is the cat pandemic solution... in fact, it's the only solution.

It has to be a concerted effort. TFFF will contribute about half (150) of the 300 necessary spay/neuters this year and another 150 in 2023. But half doesn't cut it! A half effort merely prolongs the problem. To solve the cat pandemic and to become a true leader in animal welfare, Stray Hearts must offer the citizens of Taos free spay/neuter for their pets and support spay/neuter for feral cats via TNR. Their spay/neuter clinic should be open regularly and ultimately target 300 cat and 300 dog surgeries per year. That's twelve animals per week over fifty weeks.

Our neighbors are doing it. Both the Espanola and Santa Fe shelters provide free public spay/neuter and TNR for their county residents. Funding is available. The Zimmer Feline Foundation offers nearly 100% reimbursement for feline spay/neuter at community veterinary clinics. Zimmer has helped TFFF and funded veterinary clinics at county facilities such as Espanola Humane for years. Other organizations also offer grants. Stray Hearts has its own in-house veterinary facility... what's missing is a full-time staff veterinarian.

The average annual salary of a veterinarian in Albuquerque, including benefits (health insurance, vacation days, etc.), is \$130,000 per year. Grants should cover half the cost, bringing the cost down to \$65,000. Does Stray Hearts have the money to afford this? Yes, they do. They reported cash and savings of \$459,000 as of 12/31/2020. The true cost may even be lower. I know firsthand that the people of Taos will welcome and generously fund public spay/neuter at Stray Hearts... just like they did for TFFF! And the Taos town and county governments should also redirect their spay/neuter funding to Stray Hearts. Money is not the issue.

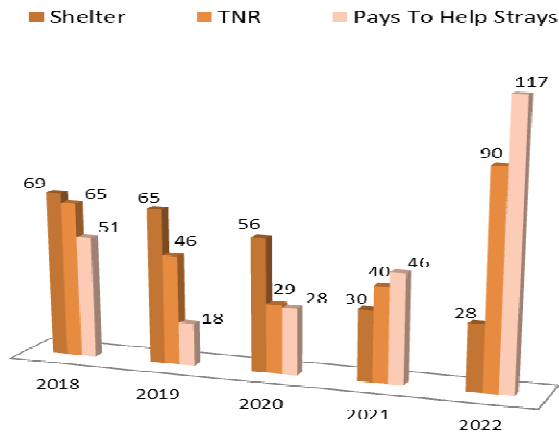
The issue is commitment. TFFF has provided TNR and free spay/neuter since 2005. But I am too old and have too many health problems to maintain the TFFF shelter and manage the feline spay/neuter needs for all of Taos County. So our spay/neuter programs are ending after 2023.

But if our little charity could do it...with no in-house vet clinic, no government funding, no employees and just a few volunteers... Stray Hearts can certainly do it. I don't question Stray Hearts' commitment to be a life-saving shelter, but they need an equally strong commitment to spay/neuter. I hope they make the commitment soon because the cat pandemic is not stopping on its own.

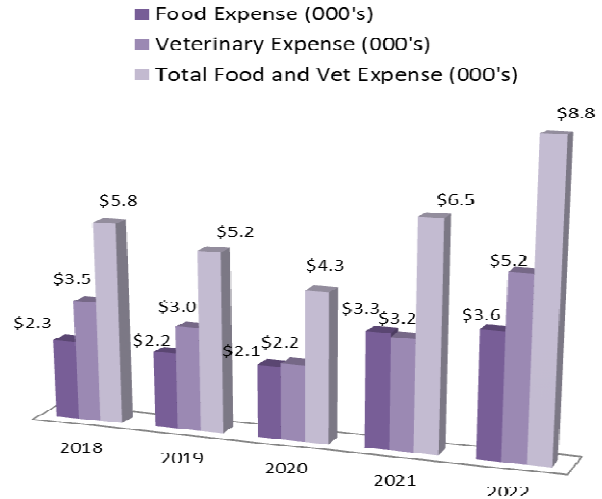
Taos Feral Feline Friends

By the Numbers

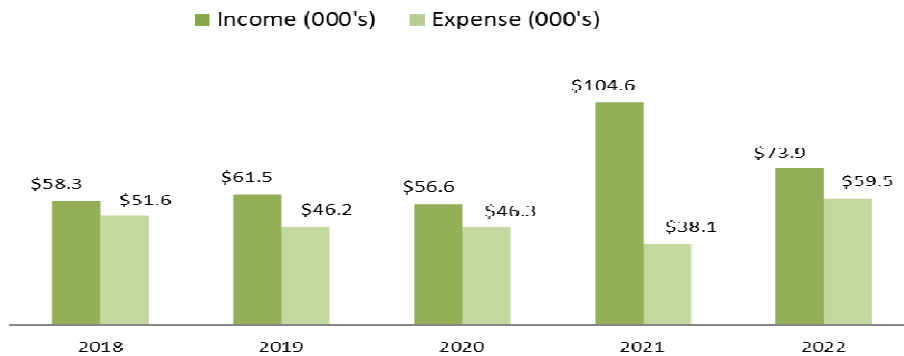
Number of Cats Aided by Year



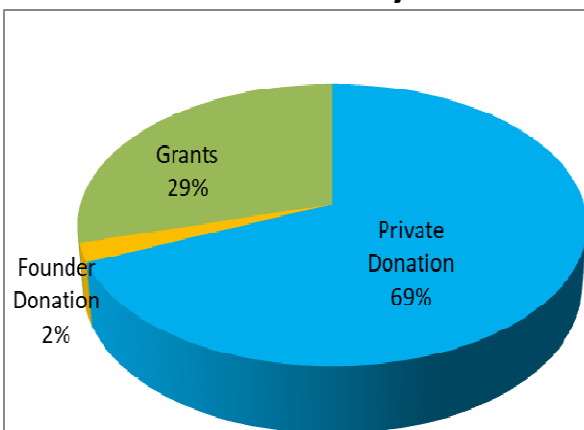
Low Income Programs



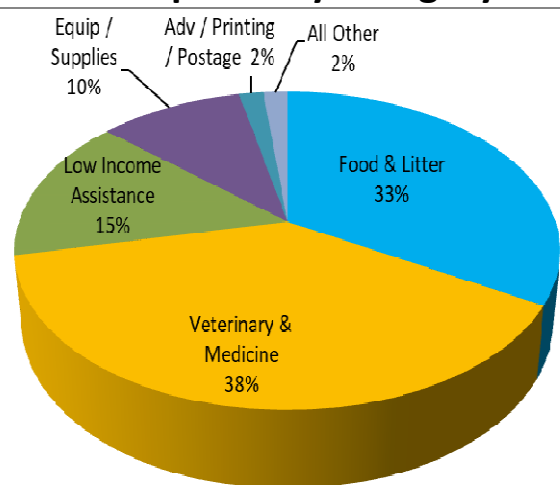
Income and Expense by Year



2022 Income by Source



2022 Expense by Category



Taos Feral Feline Friends

Sanctuary 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. TFFF soon became the premier, no-kill feline shelter in Northern New Mexico. On 1/1/2022, the rescue and adoption functions of the TFFF shelter ceased and the program renamed as the “Sanctuary Program”

The main sanctuary 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, featuring an additional screened-in porch for their use.

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 TFFF.

TFFF has succeeded finding permanent, loving homes for both companion and feral cats. Despite the common misconception that feral cats are unadoptable, we have worked with adopters who appreciate the wild nature and rodent-controlling abilities of feral cats. In total from inception, the TFFF shelter adopted out 737 cats: 392 feral and 345 companion cats. The remaining residents, primarily old, ill or disabled feral cats, have been designated ‘Sanctuary Cats’ based on our evaluation that a return to outdoor life with its numerous perils is no longer in their best interest and, hence, are no longer adoptable.

Concurrently with the change from shelter to sanctuary, TFFF ended its rescue function. This decision, approved unanimously by the officers of TFFF, was necessitated by the increasing age and health issues of the TFFF founders. Due to outstanding commitments to accept some cats upon the death or disability of their caregivers, there may be a few future intakes, but not a material number.

Consistent with operation as a sanctuary, the program had no intakes, one adoption and one cat euthanized due to severe illness during 2022. There were 26 cats at the sanctuary at 12/31/22, down from 28 at 12/31/21.

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 help the community reserve its limited shelter space for socialized cats that are more readily adopted.

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) and the Humane Society of the United States. TNR complements, but does not replace the community's need for a 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.

Regardless of family income, TNR is available for free throughout Taos and western Colfax counties. For low-income colony care-givers, TFFF also offers free cat food and 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 request that the caregiver keep the cat strictly indoors. A complete discussion of TFFF's testing policy can be found on the TFFF website.

During 2022, 90 TNR cases, including 89 with spay/neuter, were completed. Prior to 2021, demand for TNR had been dropping for several years. However, since the COVID-19 pandemic, homeless cat populations have surged. TFFF is currently accepting all new TNR clients, subject to program guidelines. TFFF expects to handle 80 - 100 TNR cases during 2023.

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 adopter 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. All residents of Taos and western Cofax counties, regardless of family income, can participate.

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 includes all situations in which a cat is being held temporarily in a non-shelter home while the foster care provider actively seeks to find a permanent, local home. Pays To Help Strays benefits can be used while the cat is in foster care or upon transfer 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 direct 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). A second booster shot, required for the FVRCP and FeLV vaccinations, is also covered. Charges for medicine, treatment of illness or injuries and veterinary examination fees remain the client’s responsibility.

117 Pays To Help Strays adoptions were arranged in 2022, including 116 involving spay/neuter. For 2023, TFFF is expecting Pays To Help Strays activity of 100 – 125 cases.

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 \$50,000 per year. Due to unusually high inflation, the annual income limit for eligibility has been increased to \$60,000 for 2023. 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 2022, low income benefits increased about 35% from the prior year. Free food costing \$3,630 was distributed through the Low Income Food Assistance (LIFA) program and \$5,164 of veterinary expenses were paid via the Low Income Veterinary Expense (LIVE) reimbursement program with approximately 6 – 10 participants in each program. For 2023, roughly the same amount of LIFA and LIVE benefits are expected to be paid to a similar number of qualified participants.

Taos Feral Feline Friends

Financial Overview as of 12/31/2022

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, 2022. 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.

2022 Income Statement

TFFF prepares its accounting statements on a cash basis with semi-annual reporting periods ending June 30 and December 31. TFFF had revenue of \$73,869 for CY2022, consisting of approximately 68% private donations (including adoption fees); 29% corporate and charitable foundation grants; and 2% founder donations. Revenues decreased by 30% in comparison to the \$104,585 recorded in 2021, a year during which TFFF received some unusual large private donations and foundation grants. Private donations decreased by 9% from \$55,598 in 2021 to \$50,594 in 2022. There was no special event or special event revenue in 2022. Grants decreased by 50% from \$43,250 in 2021 to \$21,675 in 2022, due, as already noted, to unusually high grant awards in 2021. Overall, 2022 revenues were 58% above the amount budgeted in the 2021 Annual Report.

TFFF had expenses of \$59,456 for CY2022, consisting of 33% for shelter food and litter (vs. 38% during 2021), 38% for veterinary costs, veterinary supplies and medicine, (vs. 28% during 2021), 15% for veterinary expense and food assistance to low income families (vs. 17% during 2021), 10% for TNR equipment, shelter equipment and supplies (vs. 10% during 2021), 3% for utilities, advertising, printing, postage, promotional and miscellaneous costs (vs. 7% during 2021). In total, expenses increased by 56% from the prior year: \$38,090 in 2021 vs. \$59,456 in 2022. Program activity, measured as the number of cats assisted during the calendar year (excluding LIFE and LIVA recipients), increased 103% from 116 in 2021 to 235 in 2022 due to a 125% increase in TNR cases and a 154% increase in Pays To Help Strays cases. Overall, 2022 expenses were 36% above the amount budgeted in the 2021 Annual Report. This was due mainly to two factors: decades high rates of inflation occurring in 2022 across all expense categories and the organization's actual 2022 case level of 235 exceeding its budgeted case level of 148.

TFFF paid no employee costs during CY2022. Printing and postage costs were \$1,026 during CY2022. Utility costs totaled \$961 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 \$14,413 during 2022 vs. a gain of \$66,495 for 2021.

Taos Feral Feline Friends

Financial Overview as of 12/31/2022 (continued)

2022 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 12/31/2022, the account balance was \$147,782. 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 12/31/2022, the PayPal account balance was \$244. TFFF had undeposited cash and checks of \$1,735 as of 12/31/2022. TFFF also has a brokerage account at Fidelity Investments to facilitate charitable donations of securities and its balance was \$0 as of 12/31/2022.

To obtain liquidity, TFFF has borrowed \$12,925 from founders Leanne and William Mitchell as of 12/31/2022. A \$40,000 credit line has been committed for TFFF through 12/31/2025 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 12/31/2022.

Subsequent to 12/31/2022, TFFF repaid the \$12,925 yearend loan balance with funds from its checking account. TFFF plans to continue utilizing the loan facility during CY2023 to provide liquidity.

TFFF's cumulative surplus (excess of revenue over expense from inception) was \$136,836 as of 12/31/2022. The surplus is approximately 12.5% of inception-to-date revenue as of 12/31/2022.

2022 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 2022: 90 for the TNR program, 28 for the Sanctuary program, and 117 for the Pays To Help Strays program.

Program Budgets for 2023

TFFF has prepared budgets, i.e., revenue and expense estimates, relating to each of its programs for the 2023 calendar year, based upon its 2023 program caseload targets. The Sanctuary Program budget assumes no intakes or adoptions, deaths or euthanasia cases during 2023 and a 1/1/2023 starting population of 26 residents (see the Sanctuary Program section for further details). The TNR Program budget assumes 90 new cases in 2023. 110 Pays To Help Strays Program cases are assumed for 2022. LIVE and LIFA costs are assumed to recur at the average of 2021 and 2022 calendar year activity, adjusted for price inflation.

Taos Feral Feline Friends

Financial Overview as of 12/31/2022 (continued)

Calendar year revenue is estimated by source for the organization. For 2023, \$26,500 in grant revenue is projected. Private donation revenue for 2023 is estimated to be \$35,000. No special event income is estimated for 2023. Budgeted revenue in total for CY2023 is \$63,200, approximately 86% of the actual CY2022 revenue. This is a conservative estimate based on non-recurrence of some unusual private donations received in 2022. The budgeted revenue for CY2023 consists of approximately 55% private donation revenue, 42% grant revenue, and 3% founder donations.

Expense estimates are based primarily on actual 2021 and 2022 costs by category, adjusted for projected changes in program caseloads and inflation. Annual price inflation rates assumed are 7% for all expense categories. Since TFFF purchases most of its food and litter from just two suppliers, actual price inflation for this expense category during 2023 may be considerably different from the assumption employed herein. Food, litter, veterinary, medicine and veterinary supply costs are based on 2022 costs adjusted for inflation and the expected differences in 2023 vs. 2022 case counts by program. The remaining expense estimates, other than incidental costs, utilize an average of 2021 and 2022 expenses adjusted for inflation. Certain incidental items are judgmental estimates. All utility and miscellaneous expenses not directly associated with the Sanctuary 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 CY2023. Rent, insurance, electricity, heating, water supply, internet access and transportation costs, expected to be donated to TFFF throughout 2023 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 2023 budget targets a gain of about \$2,700 from operations. Due to the uncertainty regarding the actual amount of donations that will be obtained during 2023, particularly in light of the unusually favorable 2021 and 2022 results and the continuing impact of the COVID-19 pandemic on donor behavior, TFFF may significantly exceed or fail to achieve this targeted gain. However, barring extreme unforeseen events, should a shortfall in donations occur, TFFF does not anticipate that it will impair its ability to achieve program goals during 2023. Although the values displayed in the projected budgets are believed to be reasonable estimates of TFFF's 2023 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, 2022 and accompanying schedules are accurate to the best of my knowledge and that the budget projections discussed herein are based upon assumptions believed to be reasonable as of this date of signature.



, signed on 3-5-2023

Taos Feral Feline Friends

2022 Income Statement

| | <u>1/1/22 - 6/30/22</u> | <u>7/1/22 - 12/30/22</u> | <u>1/1/22 - 12/31/22</u> | <u>1/1/21 - 12/31/21</u> |
|--|-------------------------|--------------------------|--------------------------|--------------------------|
| <u>Revenue</u> | | | | |
| Private Donations (incl. Adoption Fees) | \$13,640 | \$36,954 | \$50,594 | \$55,598 |
| Special Events | \$0 | \$0 | \$0 | \$4,237 |
| Founder Donations | \$0 | \$1,600 | \$1,600 | \$1,500 |
| Grants | \$16,175 | \$5,500 | \$21,675 | \$43,250 |
| Investment Income | \$0 | \$0 | \$0 | \$0 |
| Total Revenue | \$29,815 | \$44,054 | \$73,869 | \$104,585 |
| <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 | \$9,438 | \$10,340 | \$19,778 | \$14,501 |
| Veterinary Costs | \$9,492 | \$9,014 | \$18,506 | \$8,832 |
| Medicine and Veterinary Supplies | \$1,659 | \$2,643 | \$4,302 | \$2,017 |
| Low Income Food Assistance | \$2,207 | \$1,423 | \$3,630 | \$3,347 |
| Low Income Veterinary Expense Assistance | \$1,001 | \$4,163 | \$5,164 | \$3,188 |
| Subtotal Animal Costs | \$23,797 | \$27,583 | \$51,380 | \$31,885 |
| Shelter Supplies | \$1,743 | \$1,771 | \$3,514 | \$2,115 |
| Shelter Equipment | \$1,069 | \$806 | \$1,875 | \$1,377 |
| TNR Equipment | \$555 | \$104 | \$659 | \$189 |
| Subtotal Equipment & Supplies | \$3,367 | \$2,681 | \$6,048 | \$3,681 |
| Shelter Maintenance/Repair | \$0 | \$0 | \$0 | \$0 |
| Rent: 814 sq.ft 2bd./1ba guesthouse | \$0 | \$0 | \$0 | \$0 |
| Waste Disposal | \$388 | \$371 | \$759 | \$885 |
| Telephone & Website Hosting | \$169 | \$33 | \$202 | \$157 |
| Heating & Electricity & Internet Access | \$0 | \$0 | \$0 | \$0 |
| Property and Liability Insurance | \$0 | \$0 | \$0 | \$0 |
| Subtotal Insurance/Utilities | \$557 | \$404 | \$961 | \$1,042 |
| Automobile Expenses | \$0 | \$0 | \$0 | \$0 |
| Advertising, Printing, Postage | \$141 | \$885 | \$1,026 | \$1,482 |
| Travel, Dining & Entertainment | \$0 | \$0 | \$0 | \$0 |
| Special Event Expenses | \$0 | \$0 | \$0 | \$0 |
| Promotional Expenses | \$0 | \$0 | \$0 | \$0 |
| Charitable Contributions | \$0 | \$0 | \$0 | \$0 |
| Seminars, Workshops | \$0 | \$0 | \$0 | \$0 |
| Taxes, Licenses, Fees | \$41 | \$0 | \$41 | \$0 |
| Subtotal Misc. Expenses | \$182 | \$885 | \$1,067 | \$1,482 |
| Total Expenses | \$27,903 | \$31,553 | \$59,456 | \$38,090 |
| <u>Surplus (Deficit) from Operations</u> | \$1,912 | \$12,501 | \$14,413 | \$66,495 |

Taos Feral Feline Friends

Statement of Assets and Liabilities

| <u>Assets</u> | <u>12/31/2022</u> | <u>12/31/2021</u> | <u>12/31/2020</u> |
|---|-------------------|-------------------|-------------------|
| Checking Account (Hillcrest Bank, Kansas City, MO) | \$147,782 | \$120,723 | \$49,648 |
| PayPal Account (on-line donations) | \$244 | \$3,623 | \$11,445 |
| Brokerage Account (Fidelity Investments, LLC) | \$0 | \$0 | \$0 |
| Cash and Undeposited Checks | \$1,735 | \$1,600 | \$420 |
| Total Assets | \$149,761 | \$125,946 | \$61,513 |
| | | | |
| <u>Liabilities</u> | | | |
| Founder Loans (0% interest) | \$12,925 | \$3,523 | \$5,585 |
| Accumulated Surplus / (Deficit) | \$136,836 | \$122,423 | \$55,928 |
| Total Liabilities | \$149,761 | \$125,946 | \$61,513 |

Taos Feral Feline Friends

2022 Expenses by Program

| | <u>1/1/22 - 12/31/22</u> | <u>1/1/22 - 12/31/22</u> | <u>1/1/22 - 12/31/22</u> | <u>1/1/22 - 12/31/22</u> |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| | <u>TNR</u> | <u>Sanctuary</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 | \$19,778 | \$0 | \$19,778 |
| Veterinary Costs | \$6,916 | \$1,890 | \$9,700 | \$18,506 |
| Medicine and Veterinary Supplies | \$229 | \$624 | \$3,449 | \$4,302 |
| Low Income Food Assistance | \$3,630 | \$0 | \$0 | \$3,630 |
| Low Income Veterinary Expense Assistance | \$5,164 | \$0 | \$0 | \$5,164 |
| Subtotal Animal Costs | \$15,939 | \$22,292 | \$13,149 | \$51,380 |
| Supplies | \$0 | \$3,514 | \$0 | \$3,514 |
| Equipment | \$659 | \$1,875 | \$0 | \$2,534 |
| Subtotal Equipment & Supplies | \$659 | \$5,389 | \$0 | \$6,048 |
| Shelter Maintenance/Repair | \$0 | \$0 | \$0 | \$0 |
| Rent: 814 sq.ft 2bd./1ba guesthouse | \$0 | \$0 | \$0 | \$0 |
| Waste Disposal | \$0 | \$759 | \$0 | \$759 |
| Telephone & Website Hosting | \$77 | \$24 | \$101 | \$202 |
| Heating & Electricity & Internet Access | \$0 | \$0 | \$0 | \$0 |
| Property and Liability Insurance | \$0 | \$0 | \$0 | \$0 |
| Subtotal Insurance/Utilities | \$77 | \$783 | \$101 | \$961 |
| Automobile Expenses | \$0 | \$0 | \$0 | \$0 |
| Advertising, Printing, Postage | \$393 | \$122 | \$511 | \$1,026 |
| Travel, Dining & Entertainment | \$0 | \$0 | \$0 | \$0 |
| Special Event Expenses | \$0 | \$0 | \$0 | \$0 |
| Promotional Expenses | \$0 | \$0 | \$0 | \$0 |
| Charitable Contribution | \$0 | \$0 | \$0 | \$0 |
| Seminars, Workshops | \$0 | \$0 | \$0 | \$0 |
| Taxes, Licenses, Fees | \$16 | \$5 | \$20 | \$41 |
| Subtotal Misc. Expenses | \$409 | \$127 | \$531 | \$1,067 |
| Total Expenses | \$17,084 | \$28,591 | \$13,781 | \$59,456 |

Taos Feral Feline Friends

2023 Program Budgets

| | <u>1/1/23 - 12/31/23</u> | <u>1/1/23 - 12/31/23</u> | <u>1/1/23 - 12/31/23</u> | <u>1/1/23 - 12/31/23</u> |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| | <u>TNR</u> | <u>Sanctuary</u> | <u>PTHS</u> | <u>Total</u> |
| | 90 | 0/26 | 110 | |
| <u>Revenue</u> | | | | |
| Private Donations (incl. Adoption Fees) | | | | \$35,000 |
| Special Events | | | | \$0 |
| Founder Donations | | | | \$1,700 |
| Grants | | | | \$26,500 |
| Investment Income | | | | \$0 |
| Total Revenue | | | | \$63,200 |
| <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 | \$20,379 | \$0 | \$20,379 |
| Veterinary Costs | \$7,400 | \$1,947 | \$9,758 | \$19,106 |
| Medicine and Veterinary Supplies | \$245 | \$643 | \$3,470 | \$4,358 |
| Low Income Food Assistance | \$3,864 | \$0 | \$0 | \$3,864 |
| Low Income Veterinary Expense Assistance | \$4,775 | \$0 | \$0 | \$4,775 |
| Subtotal Animal Costs | \$16,284 | \$22,969 | \$13,228 | \$52,481 |
| Supplies | \$0 | \$3,225 | \$0 | \$3,225 |
| Equipment | \$510 | \$1,834 | \$0 | \$2,344 |
| Subtotal Equipment & Supplies | \$510 | \$5,059 | \$0 | \$5,569 |
| Shelter Maintenance/Repair | \$0 | \$0 | \$0 | \$0 |
| Rent: 814 sq.ft 2bd./1ba guesthouse | \$0 | \$0 | \$0 | \$0 |
| Waste Disposal | \$0 | \$900 | \$0 | \$900 |
| Telephone & Website Hosting | \$80 | \$23 | \$98 | \$202 |
| Heating & Electricity & Internet Access | \$0 | \$0 | \$0 | \$0 |
| Property and Liability Insurance | \$0 | \$0 | \$0 | \$0 |
| Subtotal Insurance/Utilities | \$80 | \$923 | \$98 | \$1,102 |
| Automobile Expenses | \$0 | \$0 | \$0 | \$0 |
| Advertising, Printing, Postage | \$533 | \$154 | \$651 | \$1,337 |
| Travel, Dining & Entertainment | \$20 | \$6 | \$24 | \$50 |
| Special Event Expenses | \$0 | \$0 | \$0 | \$0 |
| Promotional Expenses | \$0 | \$0 | \$0 | \$0 |
| Charitable Contribution | \$0 | \$0 | \$0 | \$0 |
| Seminars, Workshops | \$0 | \$0 | \$0 | \$0 |
| Taxes, Licenses, Fees | \$0 | \$0 | \$0 | \$0 |
| Subtotal Misc. Expenses | \$552 | \$160 | \$675 | \$1,387 |
| Total Expenses | \$17,426 | \$29,111 | \$14,001 | \$60,538 |

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 were the only shelter in northern New Mexico that rescued and found homes for feral cats. In 2022, the shelter transitioned into a feral cat sanctuary with very limited intakes or adoptions. 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 5,000 cats as of 12/31/2022.

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 cannot usually be made into pets. For this reason, feral cats are shunned by most animal shelters and left to live in the wild. Unless a community has an active Trap, Neuter and Return program, feral cats will reproduce freely and become the main source of homeless kittens.

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 typically deemed unadoptable and may be euthanized. We do not believe that this treatment of innocent animals is moral. Feral cats have a right to live... but they need to be fixed for their own health and to stop overpopulation.

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.

What does Taos Feral Feline Friends actually do?

We operate Trap, Neuter & Return Program in Taos. It aids people serving as feral cat caregivers by providing free spay/neuter surgeries, vaccinations, vet care and cat food.

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"!

Our Sanctuary Program guarantees a permanent home for its feline residents, primarily old, ill or disabled feral cats. The shelter is a secure 814 sq. ft. cageless facility, perfect for feral cats since they don't do well in cages. The shelter features multiple rooms and three screened-in porches enabling its residents to enjoy outdoor life.

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. TNR is endorsed by the ASPCA, the US Humane Society and the American Association of Feline Practitioners.

Who is eligible to participate in Taos Feral Feline Friends' charitable programs?

Our TNR program and Pays To Help Strays adoption service is available to all residents of Taos and western Colfax counties. TNR participants must be active caregivers for feral cats, providing food, water and shelter every day. Our free cat food and veterinary expenses reimbursement programs are available to families with a combined household annual income of \$60,000 or less.

Why does Taos Feral Feline Friends need our help?

We receive no compensation from local animal shelters, city, county or state government. 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 per IRS regulations.

How will my donation be used?

Your donation mainly pays for spay/neuter surgeries, medicine, other veterinary care, cat food and litter. Other uses may include the purchase of shelter supplies, shelter or TNR equipment (for example, humane traps) or to support our low income resident free cat food and veterinary care programs. 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 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. 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, enroll in your programs 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 shelters 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. In 2008, it began the Pays To Help Strays adoption service offering spay/neuter, vaccinations and disease screenings at no cost to the adopter.

FACILITY & AREA OF OPERATION

TFFF operates an 814 sq. ft. cage-less feline sanctuary 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>