



HINKLE + LANDERS

Certified Public Accountants + Business Consultants

**NEW MEXICO WILDERNESS ALLIANCE
AND NEW MEXICO WILD ACTION FUND**

**INDEPENDENT AUDITOR'S REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS**

**For the Year Ended September 30, 2021
With Comparative Totals for 2020**

**NEW MEXICO WILDERNESS ALLIANCE
AND NEW MEXICO WILD ACTION FUND
For the Year Ended September 30, 2021, with Comparative Totals for 2020**

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**NEW MEXICO WILDERNESS ALLIANCE
AND NEW MEXICO WILD ACTION FUND
As of September 30, 2021**

OFFICIAL ROSTER

Boards of Directors

New Mexico Wilderness

Wendy Brown	Chair
Todd Schulke	Vice-Chair
Ken Jones	Treasurer
Joe Alcock	Secretary
Ernie Atencio	Member
Ken Cole	Member
Sam DesGeorges	Member
Carol Johnson	Member
Keegan King	Member
Nancy Morton	Member
Brian O'Donnell	Member
Sally Paez	Member
David Soules	Member

New Mexico Wild Action Fund

Sally Paez	Chair
Ben Shelton	Treasurer
Jeremy Vesbach	Secretary

Administrative Personnel

Mark Allison	Executive Director
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INDEPENDENT AUDITOR'S REPORT

The Boards of Directors of
New Mexico Wilderness Alliance and New Mexico Wild Action Fund
Albuquerque, New Mexico

Report on Financial Statements

We have audited the accompanying consolidated financial statements of the New Mexico Wilderness Alliance and New Mexico Wild Action Fund (the Organizations), which comprise the consolidated statement of financial position as of September 30, 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related consolidated notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organizations as of September 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary Schedules

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary schedules, as identified in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Report on Summarized Comparative Information

The prior year summarized comparative information has been derived from New Mexico Wilderness Alliance's September 30, 2020 financial statements. We have previously audited New Mexico Wilderness Alliance's 2020 financial statements, and we issued an unmodified opinion on those audited financial statements in our report dated May 3, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Hinkle + Landers, P.C.
Albuquerque, NM
March 28, 2022

**NEW MEXICO WILDERNESS ALLIANCE
AND NEW MEXICO WILD ACTION FUND
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As of September 30, 2021, With Comparative Totals For 2020**

	Notes	2021	2020
ASSETS			
Current assets			
Cash, cash equivalents, and restricted cash	C	\$ 921,377	1,022,904
Accounts, grants, and other receivables	I	297,632	320,636
Interest receivable		-	3,539
Prepaid expenses	J	55,645	23,303
Total current assets		1,274,654	1,370,382
Non-current assets			
Accounts, grants, and other receivables	I	-	100,000
Investments, at fair value	G	1,335,601	631,951
Assets held by community foundation	E, F	27,372	23,042
Security deposit	K	6,092	6,092
Property and equipment, net	L	79,458	107,864
Total non-current assets		1,448,523	868,949
TOTAL ASSETS		\$ 2,723,177	2,239,331
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts payable		\$ 24,108	21,638
Accrued payroll		33,210	27,631
Accrued liabilities		10,152	2,911
Accrued leave		39,057	36,860
Deferred revenue	M	28,750	4,500
Loans payable (current portion)	N	-	112,224
Total current liabilities		135,277	205,764
Long-term liabilities:			
Loans payable	N	-	70,878
Total non-current liabilities		-	70,878
Total liabilities		135,277	276,642
Net Assets			
Net assets without donor restrictions			
Undesignated		2,050,215	1,354,713
Board designated - quasi-endowment	E	27,372	23,042
Net investment in property and equipment		79,458	107,864
Total unrestricted net assets		2,157,045	1,485,619
Net assets with donor restrictions	O	430,855	477,070
Total net assets		2,587,900	1,962,689
TOTAL LIABILITIES AND NET ASSETS		\$ 2,723,177	2,239,331

SEE INDEPENDENT AUDITOR'S REPORT

The accompanying notes are an integral part of these consolidated financial statements.

**NEW MEXICO WILDERNESS ALLIANCE
AND NEW MEXICO WILD ACTION FUND
CONSOLIDATED STATEMENT OF ACTIVITIES
For The Year Ended September 30, 2021, With Comparative Totals For 2020**

	Without Donor Restrictions	With Donor Restrictions	2021 Totals	2020 Totals
SUPPORT				
Contributions	\$ 944,894	145,000	1,089,894	687,516
Grants	780,477	335,088	1,115,565	1,265,759
In-kind contributions	-	-	-	4,730
Total support	<u>1,725,371</u>	<u>480,088</u>	<u>2,205,459</u>	<u>1,958,005</u>
REVENUES				
Contracts	208,286	-	208,286	118,631
Publication and retail sales	8,742	-	8,742	9,690
Investment income, net fees	4,965	-	4,965	17,549
Program trips and events	5,150	-	5,150	11,522
Other income	-	-	-	3,154
Net assets released from restrictions	<u>526,303</u>	<u>(526,303)</u>	<u>-</u>	<u>-</u>
Total revenues	<u>753,446</u>	<u>(526,303)</u>	<u>227,143</u>	<u>160,546</u>
 Total support, revenue, & reclassifications	 2,478,817	 (46,215)	 2,432,602	 2,118,551
OPERATING EXPENSES				
Programs				
Wilderness protection	596,651	-	596,651	434,724
Wilderness defense	119,303	-	119,303	166,876
Wilderness ranger	216,337	-	216,337	244,983
Outreach and education	261,861	-	261,861	485,741
Policy and electioneering	<u>75,000</u>	<u>-</u>	<u>75,000</u>	<u>6,963</u>
Total Programs	1,269,152	-	1,269,152	1,339,287
Supporting Services				
General & administrative	225,076	-	225,076	228,178
Fundraising expense	167,886	-	167,886	132,009
Action Fund PAC expenses	<u>145,277</u>	<u>-</u>	<u>145,277</u>	<u>10,914</u>
Total operating expenses	<u>1,807,391</u>	<u>-</u>	<u>1,807,391</u>	<u>1,710,388</u>
 Change in net assets	 671,426	 (46,215)	 625,211	 408,163
 Net assets, beginning	 <u>1,485,619</u>	 <u>477,070</u>	 <u>1,962,689</u>	 <u>1,554,526</u>
 Net assets, ending	 <u><u>\$ 2,157,045</u></u>	 <u><u>430,855</u></u>	 <u><u>2,587,900</u></u>	 <u><u>1,962,689</u></u>

SEE INDEPENDENT AUDITOR'S REPORT

The accompanying notes are an integral part of these consolidated financial statements.

**NEW MEXICO WILDERNESS ALLIANCE
AND NEW MEXICO WILD ACTION FUND
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended September 30, 2021, With Comparative Totals For 2020**

	Program Services						General & Administrative	Fundraising	PAC	2021 Total	2020 Total
	Wilderness Protection	Wilderness Defense	Wilderness Ranger	Outreach & Education	Policy & Electioneering	Total Program					
Personnel expenses:											
Salaries	\$ 436,376	82,964	146,536	74,276	-	740,152	73,962	72,876	-	886,990	908,448
Payroll taxes	32,480	5,882	10,994	5,571	-	54,927	5,549	5,396	-	65,872	67,095
Payroll benefits	24,207	6,610	2,568	9,802	-	43,187	11,495	6,365	-	61,047	57,155
Retirement expense	14,876	2,678	1,150	2,880	-	21,584	2,873	3,284	-	27,741	23,130
Workers compensation	2,246	269	413	161	-	3,089	532	235	-	3,856	3,316
Total personnel	510,185	98,403	161,661	92,690	-	862,939	94,411	88,156	-	1,045,506	1,059,144
General expenses:											
Contractual services	36,435	1,771	21,714	19,716	75,000	154,636	89,126	15,888	39,955	299,605	165,317
Postage and delivery	-	-	-	7,033	-	7,033	498	6,726	90,306	104,563	15,074
Advertising, website, and other communic	14,990	2,897	1,577	38,888	-	58,352	206	29,111	15,000	102,669	145,028
Office rent and occupancy	9,581	8,647	6,937	30,447	-	55,612	19,430	4,323	-	79,365	82,366
Travel, meals, and transportation	5,718	-	12,849	4,723	-	23,290	2,193	1,439	-	26,922	48,779
Printing and copying	1,349	1,066	709	11,479	-	14,603	4,488	7,517	16	26,624	26,609
Newsletter expenses	5,035	5,766	975	12,840	-	24,616	-	-	-	24,616	16,487
Equipment and supplies	1,156	-	79	6,968	-	8,203	3,097	5,775	-	17,075	16,468
Outings, events, and projects	809	-	3,987	8,068	-	12,864	-	-	-	12,864	80,905
Dues, subscriptions, licenses, and fees	140	753	683	1,110	-	2,686	2,529	6,904	-	12,119	8,401
Telephone and internet	3,348	-	75	2,047	-	5,470	975	488	-	6,933	10,684
Insurance	-	-	-	-	-	-	6,787	-	-	6,787	6,723
Other expenses	57	-	213	2,544	-	2,814	1,260	1,559	-	5,633	6,647
Training	-	-	-	2,750	-	2,750	-	-	-	2,750	2,155
Auto expenses	-	-	4,878	-	-	4,878	-	-	-	4,878	1,360
Interest and financing fees	-	-	-	-	-	-	76	-	-	76	293
Total general expenses before depreciation and in-kind	78,618	20,900	54,676	148,613	75,000	377,807	130,665	79,730	145,277	733,479	633,296
Depreciation and amortization	7,848	-	-	20,558	-	28,406	-	-	-	28,406	16,356
Goods, flights, & gift cards in-kind	-	-	-	-	-	-	-	-	-	-	1,592
Total expenses	\$ 596,651	119,303	216,337	261,861	75,000	1,269,152	225,076	167,886	145,277	1,807,391	1,710,388

SEE INDEPENDENT AUDITOR'S REPORT

The accompanying notes are an integral part of these consolidated financial statements.

**NEW MEXICO WILDERNESS ALLIANCE
AND NEW MEXICO WILD ACTION FUND
CONSOLIDATED STATEMENT OF CASH FLOWS
For The Year Ended September 30, 2021, With Comparative Totals For 2020**

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from grants & contracts	\$ 1,291,542	1,320,867
Cash received from contributors & others	1,072,759	766,379
Cash payments to vendors & contractors	(723,692)	(648,861)
Cash payments for wages & benefits	(1,037,730)	(1,041,777)
Interest expense and financing fees	(76)	(293)
Net cash provided/(used) by operating activities	<u>602,803</u>	<u>396,315</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash paid for investment in property & equipment	-	(99,530)
Purchases of investments	(700,000)	-
Changes in endowment	(4,330)	(1,513)
Net cash provided/(used) by investing activities	<u>(704,330)</u>	<u>(101,043)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loans payable	-	183,102
Net cash provided/(used) by financing activities	<u>-</u>	<u>183,102</u>
Net increase (decrease) in cash	(101,527)	478,374
Cash, cash equivalents, and restricted cash, beginning of year	<u>1,022,904</u>	<u>544,530</u>
Cash, cash equivalents, and restricted cash, end of year	\$ <u><u>921,377</u></u>	<u><u>1,022,904</u></u>
Reconciliation of change in net assets to cash provided/(used) by operating activities		
Change in net assets	\$ 625,211	408,163
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	28,406	16,356
Noncash adjustments - in-kind donation capitalized	-	(3,138)
Unrealized and realized (gains)/losses on investments	4,347	(58)
Reinvested interest	(7,997)	(14,725)
PPP loan payable forgiven and recognized as grant revenue	(183,102)	-
Changes in assets and liabilities:		
Accounts, grants, and other receivables	126,543	(53,097)
Prepaid expenses	(32,342)	52,125
Security deposit	-	(394)
Accounts payable	2,470	(14,945)
Accrued payroll	5,579	6,637
Accrued liabilities	7,241	(913)
Accrued leave	2,197	10,730
Deferred revenue	<u>24,250</u>	<u>(10,426)</u>
Net cash provided/(used) by operating activities	\$ <u><u>602,803</u></u>	<u><u>396,315</u></u>
Supplementary Disclosure:		
In-kind contributions	\$ -	4,730

**NEW MEXICO WILDERNESS ALLIANCE
AND NEW MEXICO WILD ACTION FUND
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2021, with Comparative Totals for 2020**

NOTE A – NATURE OF OPERATIONS

The New Mexico Wilderness Alliance (NM Wild) is a nonprofit corporation founded in 1997. NM Wild's purpose is to enjoy, protect, and restore wilderness in New Mexico, and to conduct research and educate the public about wilderness in New Mexico. NM Wild's main sources of support and revenue are grants, contributions, and contracts. The programs of NM Wild were redefined during the year ended September 30, 2021, to better reflect NM Wild's actual efforts in pursuit of its organizational priorities. The programs for the year ended September 30, 2021, are as follows:

1. *Wilderness Protection*: Upgrading the status of public lands. Activities directly related to increasing legislative or administrative protection designations; place-based campaign activities, including grassroots organizing, mobilization, advocacy, and communications with elected officials.
2. *Wilderness Defense*: Efforts to improve the management of public lands. Activities include a range of oversight and "watchdog" activities designed to hold agencies accountable for managing lands consistent with relevant statutes, regulations, rules, and management plans and proposals.
3. *Wilderness Ranger*: The New Mexico Wild Wilderness Ranger Program is a partnership with the US Forest Service and Bureau of Land Management designed to increase stewardship in wilderness areas across New Mexico. Rangers provide important services including wilderness character monitoring, trails assessment, trail clearing, campsite rehabilitation, public outreach and wilderness education. Their work provides valuable information on current wilderness conditions while enhancing public safety and contributing to positive wilderness experiences for wilderness visitors. Since 2017, we have hosted seasonal rangers in the Carson, Santa Fe, Cibola, Lincoln, and Gila National Forests.
4. *Outreach and Education*: Public outreach, education, and engagement. Activities conducted to foster better understanding and appreciation for the value of federal public lands in general, not associated with a specific place-based campaign.

In July 2019, the New Mexico Wilderness Alliance formed New Mexico Wild Action Fund (Action Fund), a non-profit corporation organized exclusively for social welfare purposes within the meaning of Section 501(c)(4) of the Internal Revenue Code. The primary purpose of this organization is to advocate for the protection of New Mexico's public lands, water, and wildlife. Formal bylaws were introduced and approved on September 10, 2019. This is a non-membership organization and all affairs are managed by a Board of Directors.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying consolidated financial statements have been prepared using the accrual basis of accounting. Under this method, all revenues earned and determinable in amount and receivable by the organization are recognized. Expenses incurred but not paid as of the close of business at September 30 are accrued. The significant accounting policies followed are described below to enhance the usefulness of the consolidated financial statements to the reader.

**NEW MEXICO WILDERNESS ALLIANCE
AND NEW MEXICO WILD ACTION FUND
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2021, with Comparative Totals for 2020**

Consolidated Financial Statement Presentation

Management has elected to consolidate the accounts of NM Wilderness Alliance and NM Wild Action Fund due to the following conditions being present:

1. NM Wild has the ability to direct or manage the relevant activities through major contractual arrangements and
2. NM Action Fund provides significant services to NM Wild.

Interorganizational accounts and transactions for these entities have been eliminated in the preparation of the consolidated financial statements. Collectively, the consolidated entity is referred to as the “Organizations”.

Consolidated Financial Statement Presentation

The Organizations present their consolidated financial statements in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, Financial Statements for Not-For-Profit Organizations. Under FASB ASC 958, the Organizations are required to report information regarding its financial position and activities according to two classes of net assets; net assets without donor restrictions and net assets with donor restrictions. In addition, the Organizations present a consolidated statement of cash flows and a consolidated statement of functional expenses.

Net Assets Without Donor Restrictions

Undesignated: Unrestricted amounts are those net assets currently available at the discretion of the Board for use in the Organizations’ programs, and those resources invested in land, buildings and equipment.

Board Designated: Board-designated net assets without donor restrictions represent quasi-endowment funds held at the NMCF. The board intends to retain and invest these funds. However, the funds can be used if needed subject to the distribution policy of funds held at the NMCF.

Net Assets With Donor Restrictions

Net assets with donor restrictions are the result of contributions and other inflows of assets that are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions can be fulfilled and removed by actions of the organization pursuant to those stipulations or by the passage of time. Other donor restrictions are perpetual in nature. Net assets perpetual in nature result from contributions and other inflows of assets, the use of which is limited by donor-imposed stipulations that cannot be removed by actions of the Organizations. At September 30, 2021, the Organizations reported no net assets perpetual in nature. See Net Assets with Donor Restrictions Note O.

**NEW MEXICO WILDERNESS ALLIANCE
AND NEW MEXICO WILD ACTION FUND
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2021, with Comparative Totals for 2020**

Liquidity and Availability of Financial Resources

The Organizations regularly monitor liquidity to meet its cash flow requirements and operating needs. The availability of financial assets is primarily affected by management designations, the nature of the underlying assets, external limitations imposed by donors or contracts with others. The Organizations are partially supported by restricted grants. Because a donor's restriction required resources to be used in a particular manner or in a future period, the Organizations must maintain sufficient resources to meet those responsibilities to its donors. These financial assets may not be available for general expenditure within one year. As part of the Organizations' liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organizations can invest cash in excess of daily requirements in short-term investments.

Liquidity is as follows:

<u>Financial assets, at year end</u>	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 921,377	1,022,904
Receivables expected to be received within a year	<u>297,632</u>	<u>324,175</u>
	1,219,009	1,347,079
Less amounts not available to be used within one year:		
Net assets with donor restrictions	(430,855)	(377,070)
Less net assets with purpose and time restrictions to be met in less than a year	<u>430,855</u>	<u>377,070</u>
	<u>-</u>	<u>-</u>
Current assets available to meet cash needs for general expenditures within one year	\$ <u>1,219,009</u>	<u>1,347,079</u>

Donor restricted funds are available for expenditure upon satisfaction of the restriction, the expected timing of which is not generally determinable in advance.

Cash, Restricted Cash, and Cash Equivalents

The Organizations consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Cash, restricted cash and cash equivalents includes money market funds and interest-bearing instruments with maturities at the date of purchase of three months or less. The Organizations maintain deposits in financial institutions that may at times exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance Corporation (FDIC). Management believes that there is not a significant risk with respect to these deposits.

**NEW MEXICO WILDERNESS ALLIANCE
AND NEW MEXICO WILD ACTION FUND
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2021, with Comparative Totals for 2020**

Investments

Investments are comprised of certificates of deposits, cash and money market funds and are carried at fair value. Assets held by a community foundation are measured at the fair value of the underlying assets as reported by the foundation holding the funds. Realized gains and losses are recorded on a specific identification method upon the sale of investment assets. Realized and unrealized gains and losses on investments, as well as investment expenses, are included in the accompanying statements of activities. Investment income and gains (losses) restricted by donors are reported as increases (decreases) in unrestricted net assets unless donor-imposed restrictions have not been met in the reporting period in which the income and gains are recognized.

Investments are exposed to various risks such as significant world events, interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

Accounts, Grants and Contracts Receivables

Contracts, grants, and other receivables are stated at unpaid balances, less an allowance for doubtful accounts. Management estimates the adequacy of the allowance for uncollectible receivables based on historical collections, specific impaired receivables, and other situations that may affect the collection of the receivables. Receivables are charged off in the period in which the management determines the receivable is uncollectible. As of September 30, 2021 and 2020, management estimates all receivables to be fully collectible; therefore, no provision for an allowance for uncollectible receivables has been recorded.

Pledged Receivables

Unconditional pledges to give are recognized as contribution revenues and receivables in the period the pledge is made. Conditional pledges to give are recognized when the conditions on which they depend are substantially met. As of September 30, 2021 and 2020, the Organizations had no pledges outstanding.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of investments is subject to ongoing fluctuation. The amount ultimately realized upon disposition may differ than the amounts reported in these consolidated financial statements. Fair value estimates for securities are currently volatile, difficult to predict, and subject to material changes that could affect the Organizations' financial condition and results of operations in the future.

**NEW MEXICO WILDERNESS ALLIANCE
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CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2021, with Comparative Totals for 2020**

Revenue Recognition

In accordance with accounting principles generally accepted in the United States of America, revenue is recorded when earned rather than received. The following summarizes the revenue recognition policies for major classifications of revenue:

- *Private Grants and Contributions* — Private grants and contributions of cash and other assets received without donor stipulations are reported as revenue and net assets without donor restrictions. Private grants and contributions received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor-stipulated time restriction ends or purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Private grants and contributions received with donor stipulations that are met in the same year are initially identified as restricted and then released (as shown in Note O). There may be other donor restricted funds with donor stipulations that are met in the same year in which the contributions are received; these are classified as revenue and net assets without donor restrictions.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are computed using risk free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

- *Donated Material and Services* – NM Wild receives in-kind exchanges for services, services, and supplies. Contributions of facilities and supplies are recorded at their estimated fair values at the date of donation. Contributions of services are recognized in the accompanying financial statements in accordance with FASB ASC 958-605-25-16 if the services received (a) create or enhance non-financial assets, or, (b) require specialized skills, are provided by individuals possessing those skills, and would otherwise be purchased by NM Wild if not provided by donation, are recorded at their fair values in the period received. A substantial number of unpaid volunteers have made significant contributions of their time that did not meet the criteria for recognition. See Note P for a summary of in-kind contributions.
- *Contract Revenue* — NM Wild has contracted with several agencies to provide services related to its mission. These contract revenues are recorded at the time the services are provided and the performance obligation is satisfied. The performance obligation is the delivery of the services over time provided to the participants in the program. The transaction price is established by NM Wild and the Contractor per the agreement. No allocation of the transaction price of the services is necessary. The recognition method is based on expenses incurred (payroll, travel, etc.) i.e. the output method. Specifically, when NM Wild has incurred provided the service in compliance with the general and specific requirements of the contract,

**NEW MEXICO WILDERNESS ALLIANCE
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both the receivable to the agency and offsetting contract revenue are recorded. These funds are for the New Mexico Wild Wilderness Ranger Program.

Property, Equipment, and Depreciation

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property are reported as restricted support. Depreciation is computed using the straight-line method. The Organizations capitalize all expenditures for property and equipment with a cost of \$2,000 or more with an estimated life of more than one year. Items with a cost of less than \$2,000 are expensed in the year of acquisition. Repairs and maintenance expenses are charged to operations when incurred and major betterments and replacements are capitalized.

The major classifications of property and equipment and the related depreciable lives are as follows:

<u>Type</u>	<u>Useful Lives</u>
Furniture & equipment	5 years
Website	5 years
Vehicles	5 years

Impairment of Long-Lived Assets

The Organizations account for long-lived assets in accordance with the provisions of FASB ASC 360-10 and subsections. ASC 360-10 requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or the fair value less costs to sell. Management does not believe impairment indicators are present as of September 30, 2021.

Accrued Leave

Annual PTO is accrued in equal installments by pay period based on the number of years of employment. Employees are allowed to carry forward up to one year's worth of PTO based on their year of service accrual category. Any additional time not used cannot be cashed out or carried forward. Employees will be compensated for accrued PTO upon voluntary termination of employment, not to exceed a total of one year's worth of accrual, consistent with the employee's length of service, as long as two weeks' notice is given. Employees involuntarily terminated from the Organizations will not be paid out any remaining balance of PTO.

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Annual leave balances for the years ended September 30, are as follows:

<u>Accrued leave</u>		<u>2021</u>	<u>2020</u>
NM Wild	\$	28,432	26,560
Action Fund		<u>10,625</u>	<u>10,300</u>
Total	\$	<u>39,057</u>	<u>36,860</u>

Advertising

The Organizations expense advertising costs as incurred. Advertising costs are incurred primarily for the dissemination of program information.

Retirement Benefits

The Organizations provide a retirement plan under Section 403(b) of the Internal Revenue Code. Eligible employees may contribute the maximum allowable by the IRS. The Organizations match employee's contributions up to 5% of the participating employee's compensation. Employer contributions to the retirement plan were applied to the Organizations for the years ended September 30, as follows:

<u>Employer contributions</u>		<u>2021</u>	<u>2020</u>
NM Wild	\$	17,701	5,397
Action Fund		<u>10,040</u>	<u>17,733</u>
Total	\$	<u>27,741</u>	<u>23,130</u>

Functional Allocation of Expenses

The costs of providing the various programs and other activities of the Organizations has been summarized on a functional basis in the statement of functional expenses. Salary and other personnel costs that are not directly coded to a programmatic activity are allocated based on time certifications and the best estimate of employees. Depreciation expenses are allocated among the programs and supporting services benefited. Other operating costs are allocated using various allocation methodologies including allocations based on personnel, square footage, or revenue generated.

The functional allocation ratios for the years ended September 30 are as follows:

<u>Expense Allocation</u>	<u>NM Wild</u>		<u>Action Fund</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Program	\$ 77%	79%	69%	61%
General & administrative	13%	13%	6%	26%
Fundraising	10%	8%	0%	9%
PAC expenses	0%	0%	25%	4%
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

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Use of Estimates in Preparing Financial Statements

The preparation of consolidated financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Operating Leases

The Organizations entered into a lease for their main office in Albuquerque, on April 1, 2019, which ends March 31, 2024. Payments range from \$4,996 to \$7,122 during the term. In addition, the Organizations have multi-year copier and postage machine leases. Furthermore, the Organizations have other month-to-month leases for office space in Santa Fe , Las Cruces and Silver City.

Future lease obligations are as follows:

<u>Year ending</u>	<u>Amount</u>
2022	\$ 83,844
2023	91,229
2024	88,635
2025	28,489
2026	-
Thereafter	-

Office rent, equipment leases, and other occupancy costs for the years ended September 30, are as follows:

<u>2021</u>	<u>2020</u>
\$ <u>79,365</u>	<u>82,366</u>

Income Taxes

The Organizations are non-profit organizations and are exempt from federal income taxes under Section 501(c)(3), for NM Wild, and Section 501(c)(4), for the Action Fund, of the Internal Revenue Code and has been classified by the Internal Revenue Service as an organization that is not a private foundation.

The Organizations file Federal Form 990 tax returns and, when required, Form 990-T tax returns in the U.S. federal jurisdiction. New Mexico Wilderness Alliance's 990 is also filed online with charitable registration in the Office of the Attorney General for the State of New Mexico.

Management of the Organizations has determined its advertising activities are unrelated business activity.

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Comparative Financial Statements

The consolidated financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with the financial statements for the year ended September 30, 2020, from which the summarized information was derived.

Reclassifications

Certain reclassifications may have been made to 2020 amounts to conform to 2021 presentation.

Contingency and Risks

The Organizations are exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental, and accident benefits. The Organizations have obtained commercial insurance coverage to protect itself against such losses.

Amounts received from grantor agencies and other third parties are subject to audit and adjustment by these entities. Any disallowed claims, including amounts already collected, may constitute a liability of the Organizations. The amount, if any, of expenses which may be disallowed cannot be determined at this time, although the Organizations expect such amount, if any, to be immaterial.

NOTE C – CASH, CASH EQUIVALENTS, AND RESTRICTED CASH

Cash, cash equivalents, and restricted cash at year end, consist of the following at September 30:

	<u>2021</u>	<u>2020</u>
<u>NM Wild</u>		
Checking and savings - unrestricted \$	311,470	272,136
Restricted cash - with donor purpose	220,854	151,990
Vanguard money market	4,001	4,000
Raymond James cash sweep	284,057	257,750
Petty cash	500	500
Total NM Wild	<u>820,882</u>	<u>686,376</u>
<u>Action Fund</u>		
Checking and savings - unrestricted	100,495	266,528
Restricted cash - with donor purpose	-	70,000
Total Action Fund	<u>100,495</u>	<u>336,528</u>
Total cash and cash equivalents \$	<u><u>921,377</u></u>	<u><u>1,022,904</u></u>

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NOTE D – CONCENTRATIONS OF CREDIT RISK

Periodically throughout the year ended September 30, 2021, the Organizations' cash balances in its local bank accounts may have exceeded the insured limits allowed under the Federal Deposit Insurance Corporation. Currently those limits insure up to \$250,000 per financial institution. However, management felt the risks related to these balances were within an acceptable range. As of September 30, 2021, NM Wild's cash balances held at Bank of Albuquerque were underinsured by \$827 and their cash balances held at Nusenda were underinsured by \$40,356, while Action Fund's cash balances held at Nusenda were fully insured. As of September 30, 2020, NM Wild's cash balances held at Bank of Albuquerque were underinsured by \$702, while Action Fund's cash balances held at Nusenda were underinsured by \$85,297.

The amounts in money market accounts are protected by the Securities Investors Protection Corporation (SIPC), a non-government entity, up to \$500,000 for each customer. The SIPC replaces missing cash and securities – such as stocks and bonds – held by a customer where it is possible to do so in the event of theft or a brokerage failure.

NOTE E – ASSETS HELD BY COMMUNITY FOUNDATION

NM Wild transferred \$10,000 in 2009 and \$3,000 in July 2014, to the New Mexico Community Foundation (NMCF) to establish the New Mexico Wilderness Alliance Fund. The NMCF holds, manages, and invests these funds on behalf of NM Wild. The assets remain property of NM Wild. NM Wild elects whether to take distributions of income from these funds or reinvest the income. The funds can be withdrawn by NM Wild with a 75% vote of the board of directors of NM Wild. As of September 30, 2021 and 2020, these funds represented the investment of board-designated quasi-endowment funds. The fair value of these assets are as follows as of September 30:

	<u>2021</u>	<u>2020</u>
Assets held by the NMCF	\$ <u>27,372</u>	<u>23,042</u>

NOTE F – QUASI-ENDOWMENT

For the years ended September 30, 2021 and 2020, the assets of the quasi-endowment consist of funds held and invested by the NMCF. The quasi-endowment originated during the year ended September 30, 2009, with \$10,000 of contributions and additional contributions have been made since the inception.

Net assets associated with the quasi-endowment fund are classified as board designated. Income earned on the quasi-endowment is available for operations. Management of NM Wild has not yet adopted spending policies for the quasi-endowment.

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The quasi-endowment's changes in activity and cost basis is as follows as of September 30:

		2021	2020
Fair value at October 1,	\$	23,042	21,529
Investment income/(loss)			
Net realized gain/(loss)		930	98
Net unrealized gain/(loss)		3,315	1,267
Investment management fees		(250)	(250)
Other payments and non-cash asset changes		335	398
Total investment income/(loss)		4,330	1,513
Fair value at September 30,	\$	27,372	23,042
Cost Basis	\$	22,668	21,591

NOTE G — INVESTMENTS

Investments are presented in the consolidated financial statements at fair value. Market risk could occur and is dependent on future changes in market prices of the various investments held. A summary of investments held at as of September 30, 2021 and 2020 is as follows:

Type		2021		2020	
		FMV	Cost	FMV	Cost
Cash and money market	\$	1,335,601	1,335,601	227,603	227,603
CDs		-	-	404,348	400,000
Total investments	\$	1,335,601	1,335,601	631,951	627,603

A summary of return on investments consists of the following for the year ended September 30:

		2021	2020
Fair value at October 1,	\$	631,951	617,168
Contributions		700,000	-
Investment income/(loss)			
Interest income		7,997	14,725
Unrealized and realized (gains)/losses		(4,347)	58
Net change		3,650	14,783
Fair value at September 30,	\$	1,335,601	631,951
Cost Basis	\$	1,335,601	627,603

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NOTE H — FAIR VALUES MEASURED ON RECURRING BASIS

Under FASB ASC 820-10-05, the Financial Accounting Standards Board establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements. This Statement reaffirms that fair value is the relevant measurement attribute. The adoption of this standard did not have a material effect on the Organization's consolidated financial statements as reflected herein. The Organization measures certain financial assets and liabilities at fair value on a recurring basis, including its derivative liabilities. The Organization's financial assets and liabilities are measured using inputs from the three levels of the fair value hierarchy.

The three levels are as follows:

Level 1

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the organization has the ability to access.

Level 2

Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3

Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The fair value of investments securities is the market value based on the quoted market prices, when available, or market prices provided by recognized broker dealers. If listed prices or quotes are not available, fair value is based upon externally developed models that use unobservable inputs to the limited market activity of the instrument.

Fair Value of Financial Instruments

The carrying amounts of cash and cash equivalents, receivables, payables, accrued expenses, and other liabilities approximate fair value due to the short maturity periods of these instruments. The fair value of long-term debt, if any, is the carrying value due to the adjustable market rate of interest.

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The following methods and assumptions were used by the Organization in estimating the fair value of its financial instruments:

NMCF assets – valued at quoted prices for similar assets in active markets.

The following table summarizes the valuation of the Organization’s financial instruments by the above FASB ASC 820-10 categories as of September 30:

Type	2021		2020	
	Level 1	Level 2	Level 1	Level 2
Assets held by NMCF	\$ -	27,372	-	23,042
Cash and money market	1,335,601	-	227,603	-
CDs	-	-	404,348	-
Total	\$ 1,335,601	27,372	631,951	23,042

NOTE I – ACCOUNTS, GRANTS, & OTHER RECEIVABLES

Accounts receivable summary and other receivable at year end are as follows:

	2021	2020
<u>NM Wild</u>		
Wilburforce Foundation	\$ 100,000	200,000
Energy Foundation	60,000	-
Water Foundation	40,000	-
USDA Forest Service	33,822	83,034
Other receivables	31,677	15,581
Albuquerque Community Foundation	10,000	-
Bureau of Land Management	8,718	-
National Wilderness Stewardship Alliance	7,656	14,949
Bureau of Reclamation	5,460	31,326
Public Lands Interpretive Association	239	-
Collected Works Bookstore	60	-
Conservation Alliance	-	45,000
National Forest Foundation	-	12,376
Environmental Defense Fund, Inc.	-	5,000
Fiesta Subaru	-	5,000
The Travel Bug	-	120
Total NM Wild	297,632	412,386
<u>Action Fund</u>		
The Wilderness Society	-	8,250
Total Action Fund	-	8,250
Total accounts, grants, and other receivables	\$ 297,632	420,636

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As of September 30, 2021 and 2020, management estimates all receivables to be fully collectible; therefore, no provision for an allowance for uncollectible receivables has been recorded.

In fiscal year 2020 the Organizations were awarded a multi-year grant from Wilburforce Foundation for Southwest New Mexico Wildlands Protection. The award is paid out over a total of 3 years, with the first payment collected in fiscal year 2020. Management elected not to discount the grant to present value, as it was determined to be immaterial. The following table details the future year collections of the multi-year grant:

	<u>Amount</u>
2022 \$	<u>100,000</u>

NOTE J – PREPAID EXPENSES

Prepaid expenses consist of insurance that is paid ahead of time and reduced throughout the fiscal year. The remaining balance of prepaid expenses as of September 30, are as follows:

	<u>2021</u>	<u>2020</u>
Prepaid insurance	\$ 5,018	4,795
Prepaid expenses	<u>50,627</u>	<u>18,508</u>
Total prepaid expenses	<u>\$ 55,645</u>	<u>23,303</u>

NOTE K – SECURITY DEPOSIT

The Organizations have security deposits related to their office spaces. The security deposits are as follows as of September 30:

	<u>2021</u>	<u>2020</u>
Security deposit	\$ <u>6,092</u>	<u>6,092</u>

NOTE L – PROPERTY, EQUIPMENT, DEPRECIATION, AND AMORTIZATION

Property, equipment, depreciation, and amortization consisted of the following as of September 30:

Type	<u>2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>2021</u>
Depreciable property and equipment				
Furniture & equipment	\$ 24,622	-	(18,907)	5,715
Website	102,668	-	-	102,668
Vehicles	39,200	-	-	39,200
Subtotal	<u>166,490</u>	<u>-</u>	<u>(18,907)</u>	<u>147,583</u>
Less: Accumulated depreciation and amortization	<u>(58,626)</u>	<u>(28,406)</u>	<u>18,907</u>	<u>(68,125)</u>
Total property and equipment, net	<u>\$ 107,864</u>	<u>(28,406)</u>	<u>-</u>	<u>79,458</u>

Depreciation and amortization expense for the years ended September 30, 2021 and 2020 was \$28,406 and \$16,356, respectively.

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NOTE M – DEFERRED REVENUE

The Organizations' deferred revenue consist of amounts collected from certain contracts in which the performance obligation has not yet been met. Additionally, amounts collected in advance for the Gila Conference are also deferred. Deferred revenue for the fiscal years ended September 30, are as follows:

	<u>2021</u>	<u>2020</u>
Contracts	\$ 19,800	4,500
Gila Conference	8,950	-
Total deferred revenue	\$ <u>28,750</u>	<u>4,500</u>

NOTE N – LOANS PAYABLE

The Organizations have the following loans payable during the year:

	<u>2020</u>	<u>Additions</u>	<u>Forgiven</u>	<u>2021</u>
Paycheck Protection Program Loan (CARES Act.)	\$ 183,102	-	(183,102)	-
Total loans payable	\$ <u>183,102</u>	<u>-</u>	<u>(183,102)</u>	<u>-</u>

Loans payable consists of the following as of September 30:

	<u>2021</u>	<u>2020</u>
On April 10, 2020, NM Wild received a Paycheck Protection Program loan for \$183,102 from Nusenda Federal Credit Union. The loan will mature in 2 years from the date of the note, April 10, 2022. The interest rate is 1.00%. 6 months of the principal and interest is deferred. Principal and interest payments of \$10,304.23 begin on November 10, 2020. All remaining principal and interest is due and payable 2 years from the date of the Note. <i>Under Section 1106 of the CARES Act, portions of Paycheck Protection Program loans can be forgiven. This includes payments for the following items incurred in or paid during the eight weeks following loan origination: "payroll costs" as defined above, plus mortgage interest, rent, and utilities. §1106(a)(2)-(5), and (7)(A)-(D).</i> This loan was forgiven in its entirety on June 16, 2021.	\$ -	183,102
Interest expense	\$ -	-

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NOTE O – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes for periods after September 30:

Subject to passage of time and/or expenditure for a specific purpose	2020	Additions	Released	2021
<u>NM Wild</u>				
Carroll Petrie Foundation	\$ 69,273	-	(69,273)	-
Conservation Alliance	-	45,000	(45,000)	-
Conservation Lands Foundation	13,033	25,000	(31,975)	6,058
Energy Foundation	-	60,000	-	60,000
Fidelity Donor Advised Fund	-	100,000	(4,125)	95,875
Gimbel (IECF)	-	25,000	(13,854)	11,146
Hancock Foundation	5,000	-	(5,000)	-
Nancy Morton Internship	-	24,125	(4,154)	19,971
National Forest Foundation	6,830	20,963	(20,800)	6,993
Resource Legacy Fund	9,568	40,000	(12,959)	36,609
Santa Fe Community Foundation	40,000	-	(40,000)	-
Water Foundation	-	45,000	(15,000)	30,000
Western Conservation Foundation	40,006	70,000	(110,006)	-
Western Energy Project	-	5,000	-	5,000
Wilburforce	215,110	-	(75,907)	139,203
Total NM Wild	398,820	460,088	(448,053)	410,855
<u>Action Fund</u>				
Energy Foundation	-	10,000	-	10,000
Green Advocacy Project	60,000	-	(60,000)	-
Grove Foundation	10,000	-	(10,000)	-
The Wilderness Society	8,250	-	(8,250)	-
New Mexico Wilderness Alliance (Water Foundation)	-	10,000	-	10,000
Total Action Fund	78,250	20,000	(78,250)	20,000
Total with donor restrictions	\$ 477,070	480,088	(526,303)	430,855

NOTE P – IN-KIND CONTRIBUTIONS

The Organizations utilizes volunteer services to meet project requirements. The Organizations' number of volunteers and amounts of hours contributed are as follows, as of September 30:

	2021	
	NM Wild	Action Fund
Number of volunteers	1,078	5
Total volunteer hours	5,959	5

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At year end the Organizations recognize in-kind contributions as follows:

Type		2021	2020
Website project - expense capitalized	\$	-	3,138
Goods and gift cards		-	834
Services		-	758
Total in-kind contributions	\$	<u>-</u>	<u>4,730</u>

All in-kind contributions were used for the Organizations' operations and programs.

NOTE Q – PUBLICATION AND RETAIL SALES

The Organizations sell items to further awareness regarding their mission. The items include shirts, sweatshirts, mugs, and calendars. The following shows the gross profit from the sales for fiscal years ended September 30:

		2021	2020
Sales	\$	<u>8,742</u>	<u>9,690</u>
Gross profit	\$	<u>8,742</u>	<u>9,690</u>

The related expenses are not tracked individually and are presented in the Outreach & Education Program. As only a small number of copies of newsletters and books are printed, they are not counted as inventory. Therefore, the associated costs are run through printing expenses instead of cost of goods sold.

NOTE R – RESOURCE SHARING AGREEMENT

NM Wild and the Action Fund entered into a resource sharing agreement on related to shared staff, office space, equipment, and other overhead. The Action Fund reimburses NM Wild for these shared costs (per a written agreement) based on the time NM Wild staff spend on programs of the Action Fund. The Action Fund reimburses NM Wild for the shared expenses. The shared expenses and revenues have been eliminated on the consolidating financial statements, as noted in the table of contents. At September 30 the entities had the following due from and to each other:

		2021	2020
NM Wild	Due from the Action Fund	\$ 23,203	230,478
NM Wild	Due to the Action Fund	(20,000)	-
Action Fund	Due to NM Wild	(23,203)	(230,478)
Action Fund	Due from NM Wild	20,000	-
		<u>\$ -</u>	<u>-</u>

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NOTE S — CONCENTRATION OF BUSINESS RISK

The Organizations receive a significant portion of its revenue in the form of grants, contracts, and other contributions. The Organizations expect these funding sources to continue into the foreseeable future. If, however, a significant portion of these funds are not continued, the Organizations' ability to continue all programs would be diminished. Included in the grants are several large donors, as identified in Note O.

The following is a summary of concentrations from contributions and grants as of September 30:

<u>Concentrations</u>		<u>2021</u>	<u>2020</u>
Grants	\$	1,115,565	1,265,759
Contributions		1,089,894	687,516
Contracts		208,286	118,631
	\$	<u>2,413,745</u>	<u>2,071,906</u>
 Total support and revenue	 \$	 <u>2,432,602</u>	 <u>2,118,551</u>
Concentration percentage		<u>99%</u>	<u>98%</u>

Geographical Concentration

The Organizations' operations are concentrated in New Mexico.

NOTE T — EVALUATION OF SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the consolidated statement of financial position date but before the consolidated financial statements are issued. The Organizations recognizes in the consolidated financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the consolidated statement of financial position, including the estimates inherent in the process of preparing the consolidated financial statements. The Organization's consolidated financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the consolidated statement of financial position but arose after the statement of financial position date and before consolidated financial statements are available to be issued. The Organizations has evaluated subsequent events through March 28, 2022, which is the date the consolidated financial statements were available to be issued.

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		2021				
	Notes	NM Wild	Action Fund	Eliminations	Total	2020
ASSETS						
Current assets						
Cash, cash equivalents, and restricted cash	C	\$ 820,882	100,495	-	921,377	1,022,904
Accounts, grants, and other receivables	I	297,632	-	-	297,632	320,636
Interest receivable		-	-	-	-	3,539
Prepaid expenses	J	55,645	-	-	55,645	23,303
Due from NM Wild / Action Fund	R	23,203	20,000	(43,203)	-	-
Total current assets		1,197,362	120,495	(43,203)	1,274,654	1,370,382
Non-current assets						
Accounts, grants, and other receivables	I	-	-	-	-	100,000
Investments, at fair value	G	1,335,601	-	-	1,335,601	631,951
Assets held by community foundation	E, F	27,372	-	-	27,372	23,042
Security deposit	K	6,092	-	-	6,092	6,092
Property and equipment	L	79,458	-	-	79,458	107,864
Total non-current assets		1,448,523	-	-	1,448,523	868,949
TOTAL ASSETS		\$ 2,645,885	120,495	(43,203)	2,723,177	2,239,331
LIABILITIES AND NET ASSETS						
Current liabilities						
Accounts payable		\$ 24,061	47	-	24,108	21,638
Accrued payroll		30,736	2,474	-	33,210	27,631
Accrued liabilities		9,883	269	-	10,152	2,911
Accrued leave		28,432	10,625	-	39,057	36,860
Deferred revenue	M	28,750	-	-	28,750	4,500
Due to NM Wild / Action Fund	R	20,000	23,203	(43,203)	-	-
Loans payable (current portion)	N	-	-	-	-	112,224
Total current liabilities		141,862	36,618	(43,203)	135,277	205,764
Long-term liabilities:						
Loans payable	N	-	-	-	-	70,878
Total non-current liabilities		-	-	-	-	70,878
Total liabilities		141,862	36,618	(43,203)	135,277	276,642
Net Assets						
Net assets without donor restrictions						
Undesignated		1,986,338	63,877	-	2,050,215	1,354,713
Board designated - quasi-endowment	E	27,372	-	-	27,372	23,042
Net investment in property and equipment		79,458	-	-	79,458	107,864
Total unrestricted net assets		2,093,168	63,877	-	2,157,045	1,485,619
Net assets with donor restrictions	O	410,855	20,000	-	430,855	477,070
Total net assets		2,504,023	83,877	-	2,587,900	1,962,689
TOTAL LIABILITIES AND NET ASSETS		\$ 2,645,885	120,495	(43,203)	2,723,177	2,239,331

SEE INDEPENDENT AUDITOR'S REPORT

The accompanying notes are an integral part of these consolidated financial statements.

**NEW MEXICO WILDERNESS ALLIANCE
AND NEW MEXICO WILD ACTION FUND
CONSOLIDATING SCHEDULE OF ACTIVITIES
For The Year Ended September 30, 2021, With Comparative Totals For 2020**

	2021								2020 Total
	NM Wild			Action Fund			Eliminations	Total	
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total			
SUPPORT									
Contributions	\$ 826,250	145,000	971,250	118,644	-	118,644	-	1,089,894	687,516
Grants	750,477	315,088	1,065,565	431,000	20,000	451,000	(401,000)	1,115,565	1,265,759
In-kind contributions	-	-	-	-	-	-	-	-	4,730
Total support	1,576,727	460,088	2,036,815	549,644	20,000	569,644	(401,000)	2,205,459	1,958,005
REVENUES									
Contracts	208,286	-	208,286	-	-	-	-	208,286	118,631
Publication and retail sales	8,742	-	8,742	-	-	-	-	8,742	9,690
Investment income, net fees	4,790	-	4,790	175	-	175	-	4,965	17,549
Program trips and events	5,150	-	5,150	-	-	-	-	5,150	11,522
Other income	-	-	-	-	-	-	-	-	3,154
Net assets released from restrictions	448,053	(448,053)	-	78,250	(78,250)	-	-	-	-
Total revenues	675,021	(448,053)	226,968	78,425	(78,250)	175	-	227,143	160,546
Total support, revenue, & reclassifications	2,251,748	12,035	2,263,783	628,069	(58,250)	569,819	(401,000)	2,432,602	2,118,551
OPERATING EXPENSES									
Programs									
Wilderness protection	664,101	-	664,101	276,158	-	276,158	(343,608)	596,651	434,724
Wilderness defense	119,303	-	119,303	16,972	-	16,972	(16,972)	119,303	166,876
Wilderness ranger	216,337	-	216,337	-	-	-	-	216,337	244,983
Outreach and education	261,861	-	261,861	27,194	-	27,194	(27,194)	261,861	485,741
Policy and electioneering	-	-	-	75,000	-	75,000	-	75,000	6,963
Total Programs	1,261,602	-	1,261,602	395,324	-	395,324	(387,774)	1,269,152	1,339,287
Supporting Services									
General & administrative	205,470	-	205,470	32,832	-	32,832	(13,226)	225,076	228,178
Fundraising expense	167,886	-	167,886	-	-	-	-	167,886	132,009
Action Fund PAC expenses	-	-	-	145,277	-	145,277	-	145,277	10,914
Total expenses	1,634,958	-	1,634,958	573,433	-	573,433	(401,000)	1,807,391	1,710,388
Change in net assets	616,790	12,035	628,825	54,636	(58,250)	(3,614)	-	625,211	408,163
Net assets, beginning	1,476,378	398,820	1,875,198	9,241	78,250	87,491	-	1,962,689	1,554,526
Net assets, ending	\$ 2,093,168	410,855	2,504,023	63,877	20,000	83,877	-	2,587,900	1,962,689

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**NEW MEXICO WILDERNESS ALLIANCE
AND NEW MEXICO WILD ACTION FUND
CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES
For The Year Ended September 30, 2021, With Comparative Totals For 2020**

	NM Wild					General & Administrative	Fundraising	Total
	Program Services				Total Program			
	Wilderness Protection	Wilderness Defense	Wilderness Ranger	Outreach & Education				
Personnel expenses:								
Salaries	\$ 437,820	82,964	146,536	74,276	741,596	73,962	72,876	888,434
Payroll taxes	32,683	5,882	10,994	5,571	55,130	5,549	5,396	66,075
Payroll benefits	25,035	6,610	2,568	9,802	44,015	11,495	6,365	61,875
Retirement expense	14,980	2,678	1,150	2,880	21,688	2,873	3,284	27,845
Workers compensation	2,246	269	413	161	3,089	532	235	3,856
Total personnel	512,764	98,403	161,661	92,690	865,518	94,411	88,156	1,048,085
General expenses:								
Contractual services	101,654	1,771	21,714	19,716	144,855	73,255	15,888	233,998
Postage and delivery	-	-	-	7,033	7,033	125	6,726	13,884
Advertising, website, and other communic	14,990	2,897	1,577	38,888	58,352	141	29,111	87,604
Office rent and occupancy	9,581	8,647	6,937	30,447	55,612	19,430	4,323	79,365
Travel, meals, and transportation	5,718	-	12,849	4,723	23,290	2,193	1,439	26,922
Printing and copying	1,349	1,066	709	11,479	14,603	2,114	7,517	24,234
Newsletter expenses	5,035	5,766	975	12,840	24,616	-	-	24,616
Equipment and supplies	1,156	-	79	6,968	8,203	3,082	5,775	17,060
Outings, events, and projects	461	-	3,987	8,068	12,516	-	-	12,516
Dues, subscriptions, licenses, and fees	140	753	683	1,110	2,686	1,621	6,904	11,211
Telephone and internet	3,348	-	75	2,047	5,470	975	488	6,933
Insurance	-	-	-	-	-	6,787	-	6,787
Other expenses	57	-	213	2,544	2,814	1,260	1,559	5,633
Training	-	-	-	2,750	2,750	-	-	2,750
Auto expenses	-	-	4,878	-	4,878	-	-	4,878
Interest and financing fees	-	-	-	-	-	76	-	76
Overhead allocation	-	-	-	-	-	-	-	-
Total general expenses before depreciation and in-kind	143,489	20,900	54,676	148,613	367,678	111,059	79,730	558,467
Depreciation and amortization	7,848	-	-	20,558	28,406	-	-	28,406
Goods, flights, & gift cards in-kind	-	-	-	-	-	-	-	-
Total expenses	\$ 664,101	119,303	216,337	261,861	1,261,602	205,470	167,886	1,634,958

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**NEW MEXICO WILDERNESS ALLIANCE
AND NEW MEXICO WILD ACTION FUND
CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES, CONTINUED
For The Year Ended September 30, 2021, With Comparative Totals For 2020**

	Action Fund									2021 Total	2020 Total
	Program Services					General & Administrative	PAC	Total	Eliminations		
	Wilderness Protection	Wilderness Defense	Policy & Electioneering	Outreach & Education	Total Program						
Personnel expenses (contracted with NM Wild):											
Salaries	\$ 210,060	14,921	-	24,107	249,088	10,417	-	259,505	(260,949)	886,990	908,448
Payroll taxes	16,387	1,427	-	1,905	19,719	742	-	20,461	(20,664)	65,872	67,095
Payroll benefits	10,494	28	-	44	10,566	11	-	10,577	(11,405)	61,047	57,155
Retirement expense	8,166	545	-	977	9,688	353	-	10,041	(10,145)	27,741	23,130
Workers compensation	711	51	-	161	923	36	-	959	(959)	3,856	3,316
Total personnel	245,818	16,972	-	27,194	289,984	11,559	-	301,543	(304,122)	1,045,506	1,059,144
General expenses:											
Contractual services	11,655	-	75,000	-	86,655	15,871	39,955	142,481	(76,874)	299,605	165,317
Postage and delivery	-	-	-	-	-	373	90,306	90,679	-	104,563	15,074
Advertising, website, and other communications	-	-	-	-	-	65	15,000	15,065	-	102,669	145,028
Office rent and occupancy	-	-	-	-	-	-	-	-	-	79,365	82,366
Travel, meals, and transportation	-	-	-	-	-	-	-	-	-	26,922	48,779
Printing and copying	-	-	-	-	-	2,374	16	2,390	-	26,624	26,609
Newsletter expenses	-	-	-	-	-	-	-	-	-	24,616	16,487
Equipment and supplies	-	-	-	-	-	15	-	15	-	17,075	16,468
Outings, events, and projects	348	-	-	-	348	-	-	348	-	12,864	80,905
Dues, subscriptions, licenses, and fees	-	-	-	-	-	908	-	908	-	12,119	8,401
Telephone and internet	-	-	-	-	-	-	-	-	-	6,933	10,684
Insurance	-	-	-	-	-	-	-	-	-	6,787	6,723
Other expenses	-	-	-	-	-	-	-	-	-	5,633	6,647
Training	-	-	-	-	-	-	-	-	-	2,750	2,155
Auto expenses	-	-	-	-	-	-	-	-	-	4,878	1,360
Interest and financing fees	-	-	-	-	-	-	-	-	-	76	293
Overhead allocation	18,337	-	-	-	18,337	1,667	-	20,004	(20,004)	-	-
Total general expenses before depreciation and in-kind	30,340	-	75,000	-	105,340	21,273	145,277	271,890	(96,878)	733,479	633,296
Depreciation and amortization	-	-	-	-	-	-	-	-	-	28,406	16,356
Goods, flights, & gift cards in-kind	-	-	-	-	-	-	-	-	-	-	1,592
Total expenses	\$ 276,158	16,972	75,000	27,194	395,324	32,832	145,277	573,433	(401,000)	1,807,391	1,710,388

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