

Form 990

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

OMB No. 1545-0047

2007

Open to Public Inspection

Department of the Treasury Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2007 calendar year, or tax year beginning, and ending

B Check if applicable:

Address change

Name change

Initial return

Termination

Amended return

Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization HUMANE SOCIETY OF PAGOSA SPRINGS INC.

Number and street (or P.O. box if mail is not delivered to street address) Room/suite P.O. BOX 2230

City or town, state or country, and ZIP + 4 PAGOSA SPRINGS CO 81147-2230

D Employer identification number

74-2350919

E Telephone number

970-264-5549

F Accounting method: Cash

Accrual Other (specify)

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes," enter number of affiliates

H(c) Are all affiliates included? Yes No

(If "No," attach a list. See instructions.)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Group Exemption Number

M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

G Website: www.humanesociety.biz

J Organization type

(check only one) 501(c) ( 3 ) (insert no.) 4947(a)(1) or 527

Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 1,043,106

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

Table with 21 rows and 3 columns: Description, Amount, Total. Rows include Contributions, Program service revenue, Membership dues, Dividends, Gross rents, Other investment income, Special events, Gross sales of inventory, Other revenue, Program services, Management and general, Fundraising, Payments to affiliates, Excess or (deficit) for the year, Net assets at beginning/end of year.

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

**Part II Statement of Functional Expenses**

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.

	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
<b>22a</b> Grants paid from donor advised funds (attach schedule) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
<b>22b</b> Other grants and allocations (attach schedule) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
<b>23</b> Specific assistance to individuals (attach schedule)				
<b>24</b> Benefits paid to or for members (attach schedule)				
<b>25a</b> Compensation of current officers, directors, key employees, etc. listed in Part V-A				
<b>25b</b> Compensation of former officers, directors, key employees, etc. listed in Part V-B				
<b>25c</b> Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
<b>26</b> Salaries and wages of employees not included on lines 25a, b, and c	343,600	314,027	22,384	7,189
<b>27</b> Pension plan contributions not included on lines 25a, b, and c				
<b>28</b> Employee benefits not included on lines 25a - 27	18,225	14,163	2,702	1,360
<b>29</b> Payroll taxes	28,785	26,708	1,513	564
<b>30</b> Professional fundraising fees				
<b>31</b> Accounting fees	2,962	1,480	741	741
<b>32</b> Legal fees	65	65		
<b>33</b> Supplies	41,567	36,589	3,750	1,228
<b>34</b> Telephone	8,429	5,609	2,820	
<b>35</b> Postage and shipping	7,619	5,557	1,175	887
<b>36</b> Occupancy	55,809	55,473	336	
<b>37</b> Equipment rental and maintenance	3,067	1,826	1,156	85
<b>38</b> Printing and publications	7,742	1,357	6,385	
<b>39</b> Travel	11,682	11,673		9
<b>40</b> Conferences, conventions, and meetings				
<b>41</b> Interest				
<b>42</b> Depreciation, depletion, etc. (attach schedule)	17,904	17,904		
<b>43</b> Other expenses not covered above (itemize):				
<b>a See Statement 4</b>	112,288	101,224	7,867	3,197
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				
<b>f</b>				
<b>g</b>				
<b>44</b> Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	659,744	593,655	50,829	15,260

**Joint Costs.** Check  if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?  Yes  No

If "Yes," enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_; (ii) the amount allocated to Program services \$ \_\_\_\_\_;

(iii) the amount allocated to Management and general \$ \_\_\_\_\_; and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_

**Part III Statement of Program Service Accomplishments (See the instructions.)**

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose?

◆ **ANIMAL SHELTER**

**Program Service Expenses**  
(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

**a PROVIDING QUALITY CARE & SHELTER FOR CATS & DOGS UNTIL REUNITED WITH OWNERS OR ADOPTED**

(Grants and allocations \$ ) If this amount includes foreign grants, check here  **293,374**

**b REDUCING OVER POPULATION OF UNWANTED PETS THROUGH PUBLIC EDUCATION & USE OF SPAY & NEUTER PROGRAMS**

(Grants and allocations \$ ) If this amount includes foreign grants, check here  **30,405**

**c OPERATION OF RETAIL THRIFT STORE SELLING GOODS, OF WHICH THE MAJORITY HAVE BEEN DONATED, TO THE PUBLIC TO PROVIDE FUNDS FOR THE EXPANSION OF THE ANIMAL SHELTER**

(Grants and allocations \$ ) If this amount includes foreign grants, check here  **269,876**

**d**  
**e Other program services (attach schedule)**  
(Grants and allocations \$ ) If this amount includes foreign grants, check here

**f Total of Program Service Expenses** (should equal line 44, column (B), Program services)  **593,655**

**Part IV Balance Sheets (See the instructions.)**

**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
45	Cash—non-interest-bearing	37,784	45	48,277
46	Savings and temporary cash investments	178,589	46	246,960
47a	Accounts receivable	19,599		
b	Less: allowance for doubtful accounts		47c	19,599
48a	Pledges receivable		48a	
b	Less: allowance for doubtful accounts		48b	
49	Grants receivable		49	
50a	Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		50a	
b	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (att. schedule)		50b	
51a	Other notes and loans receivable (attach schedule)		51a	
b	Less: allowance for doubtful accounts		51b	
52	Inventories for sale or use	30,544	52	28,762
53	Prepaid expenses and deferred charges		53	
54a	Investments—publicly-traded securities		54a	
b	Investments—other securities (attach schedule)		54b	
55a	Investments—land, buildings, and equipment: basis		55a	
b	Less: accumulated depreciation (attach schedule)		55b	
56	Investments—other (attach schedule)		56	
57a	Land, buildings, and equipment: basis	1,484,379		
b	Less: accumulated depreciation (attach schedule) <b>See Statement 5</b>	110,845	57b	
58	Other assets, including program-related investments (describe ♦ )	456,274	57c	1,373,534
59	<b>Total assets</b> (must equal line 74). Add lines 45 through 58	726,801	59	1,717,132
60	Accounts payable and accrued expenses	12,176	60	378,300
61	Grants payable		61	
62	Deferred revenue		62	
63	Loans from officers, directors, trustees, and key employees (attach schedule)		63	
64a	Tax-exempt bond liabilities (attach schedule)		64a	
b	Mortgages and other notes payable (attach schedule) <b>See Worksheet</b>	193,731	64b	535,143
65	Other liabilities (describe ♦ <b>See Statement 6</b> )	23,228	65	24,169
66	<b>Total liabilities.</b> Add lines 60 through 65	229,135	66	937,612
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
67	Unrestricted	432,539	67	651,024
68	Temporarily restricted	63,038	68	126,362
69	Permanently restricted	2,089	69	2,134
Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.				
70	Capital stock, trust principal, or current funds		70	
71	Paid-in or capital surplus, or land, building, and equipment fund		71	
72	Retained earnings, endowment, accumulated income, or other funds		72	
73	<b>Total net assets or fund balances.</b> Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)	497,666	73	779,520
74	<b>Total liabilities and net assets/fund balances.</b> Add lines 66 and 73	726,801	74	1,717,132

**Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return (See the instructions.)**

<b>a</b>	Total revenue, gains, and other support per audited financial statements		<b>a</b>	<b>941,598</b>
<b>b</b>	Amounts included on line a but not on Part I, line 12:			
<b>1</b>	Net unrealized gains on investments	<b>b1</b>		
<b>2</b>	Donated services and use of facilities	<b>b2</b>		
<b>3</b>	Recoveries of prior year grants	<b>b3</b>		
<b>4</b>	Other (specify):	<b>b4</b>		
	Add lines b1 through b4		<b>b</b>	
<b>c</b>	Subtract line b from line a		<b>c</b>	<b>941,598</b>
<b>d</b>	Amounts included on Part I, line 12, but not on line a:			
<b>1</b>	Investment expenses not included on Part I, line 6b	<b>d1</b>		
<b>2</b>	Other (specify):	<b>d2</b>		
	Add lines d1 and d2		<b>d</b>	
<b>e</b>	<b>Total revenue</b> (Part I, line 12). Add lines c and d		<b>e</b>	<b>941,598</b>

**Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

<b>a</b>	Total expenses and losses per audited financial statements		<b>a</b>	<b>659,744</b>
<b>b</b>	Amounts included on line a but not Part I, line 17:			
<b>1</b>	Donated services and use of facilities	<b>b1</b>		
<b>2</b>	Prior year adjustments reported on Part I, line 20	<b>b2</b>		
<b>3</b>	Losses reported on Part I, line 20	<b>b3</b>		
<b>4</b>	Other (specify):	<b>b4</b>		
	Add lines b1 through b4		<b>b</b>	
<b>c</b>	Subtract line b from line a		<b>c</b>	<b>659,744</b>
<b>d</b>	Amounts included on Part I, line 17, but not on line a:			
<b>1</b>	Investment expenses not included on Part I, line 6b	<b>d1</b>		
<b>2</b>	Other (specify):	<b>d2</b>		
	Add lines d1 and d2		<b>d</b>	
<b>e</b>	<b>Total expenses</b> (Part I, line 17). Add lines c and d		<b>e</b>	<b>659,744</b>

**Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)**

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
L. LAWRIE 89 WAPITI PLACE PAGOSA SPRINGS CO 81147	PRESIDENT 8	0	0	0
W. SHURTFLEFF 509 PERRY DR. PAGOSA SPRINGS CO 81147	BOARD MEMBER 1	0	0	0
G. McNAUGHTON P.O. BOX 2350 PAGOSA SPRINGS CO 81147	BOARD MEMBER 2	0	0	0
J. KARN 557 HALEY PL. PAGOSA SPRINGS CO 81147	SECRETARY 2	0	0	0
C. REESE 328 SAM HOUSTON AVE PAGOSA SPRINGS CO 81147	TREASURER 3	0	0	0
C. ULLRICH 465 RIVER RUN DRIVE PAGOSA SPRINGS CO 81147	BOARD MEMBER 3	0	0	0
G. PEARSON 4572 W. HWY 160 PAGOSA SPRINGS CO 81147	VICE-PRES. .25	0	0	0
S. WADLEY 5759 N. PAGOSA BLVD PAGOSA SPRINGS CO 81147	BOARD MEMBER .5	0	0	0



Part VI Other Information (continued)

		Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
82b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?		N/A
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		N/A
85a	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members?		N/A
85b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		N/A
85c	Dues, assessments, and similar amounts from members		
85d	Section 162(e) lobbying and political expenditures		
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
85g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		N/A
85h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		N/A
86a	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12		
86b	Gross receipts, included on line 12, for public use of club facilities		
87a	501(c)(12) orgs. Enter: a Gross income from members or shareholders		
87b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)		
88a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		X
88b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI		X
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <input type="checkbox"/> 0 ; section 4912 <input type="checkbox"/> 0 ; section 4955 <input type="checkbox"/> 0		
89b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
	c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 <input type="checkbox"/> 0		
	d Enter: Amount of tax on line 89c, above, reimbursed by the organization <input type="checkbox"/> 0		
89e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
89f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
89g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		X
90a	List the states with which a copy of this return is filed <input type="checkbox"/> CO		
90b	Number of employees employed in the pay period that includes March 12, 2007 (See instructions.)		16
91a	The books are in care of <input type="checkbox"/> DEBBIE WOLTMON Telephone no. <input type="checkbox"/> 970-264-5549 P O BOX 2230 Located at <input type="checkbox"/> PAGOSA SPRINGS, CO ZIP + 4 <input type="checkbox"/> 81147-2230		
91b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country <input type="checkbox"/>	Yes	No
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		X

**Part VI Other Information (continued)**

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c  Yes  No  
 If "Yes," enter the name of the foreign country

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here   
 and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92

**Part VII Analysis of Income-Producing Activities (See the instructions.)**

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a ANIMAL FEES					130,780
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					5,435
95 Interest on savings and temporary cash investments			14	10,925	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					180,289
101 Net income or (loss) from special events			1	61,220	
102 Gross profit or (loss) from sales of inventory	442000	43,998	5	319,429	
103 Other revenue: a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		43,998		391,574	316,504
105 Total (add line 104, columns (B), (D), and (E))					752,076

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)**

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93a	<b>SHELTERING, ADOPTION, SPAY, NEUTER &amp; EUTHANASIA FEES CHARGED BY THE SHELTER HELP EDUCATE &amp; IMPRESS UPON THE PUBLIC &amp; GOVERNMENT AGENCIES THE RESPONSIBILITY &amp; IMPORTANCE OF PROPER ANIMAL CONTROL.</b>

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)**

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)**

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

**Part XI Information Regarding Transfers To and From Controlled Entities.** Complete only if the organization is a controlling organization as defined in section 512(b)(13).

	<b>Yes</b>	<b>No</b>
<b>106</b> Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.		<b>X</b>

(A) Name, address, of each controlled entity	(B) Employer ID Number	(C) Description of transfer	(D) Amount of transfer
a			
b			
c			
<b>Totals</b>			

	<b>Yes</b>	<b>No</b>
<b>107</b> Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.		<b>X</b>

(A) Name, address, of each controlled entity	(B) Employer ID Number	(C) Description of transfer	(D) Amount of transfer
a			
b			
c			
<b>Totals</b>			

	<b>Yes</b>	<b>No</b>
<b>108</b> Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?		

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

<b>Please Sign Here</b>	<div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%); font-size: 2em; font-weight: bold; opacity: 0.5;">CLIENT COPY</div>	Date
	Signature of officer	
	Type or print name and title	

<b>Paid Preparer's Use Only</b>	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Instr. X)
	Firm's name (or yours if self-employed), address, and ZIP + 4	EIN	Phone no.	

*[Signature]*  
**ROD REA & ASSOCIATES**  
**PO BOX 1017**  
**PAGOSA SPRINGS, CO 81147-8373**  
**5/14/08**  
**600-30-2913**  
**84-1191733**  
**970-264-5530**

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

**Organization Exempt Under Section 501(c)(3)**  
**(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n),**  
**or 4947(a)(1) Nonexempt Charitable Trust**

OMB No. 1545-0047

**2007**

Department of the Treasury  
Internal Revenue Service

**Supplementary Information-(See separate instructions.)**  
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization

**HUMANE SOCIETY OF PAGOSA SPRINGS INC.**

Employer identification number

**74-2350919**

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
**(See page 1 of the instructions. List each one. If there are none, enter "None.")**

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to empl. benefit plans & deferred comp.	(e) Expense account and other allowances
NONE				

Total number of other employees paid over \$50,000 ▶

**Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
**(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")**

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services ▶

**Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services**  
**(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)**

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of other contractors receiving over \$50,000 for other services ▶

Part III Statements About Activities (See page 2 of the instructions.)

Yes No

1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ 0 (Must equal amounts on line 38, Part VI-A, or line I of Part VI-B.)

1 X

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.

2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)

a Sale, exchange, or leasing of property?

2a X

b Lending of money or other extension of credit?

2b X

c Furnishing of goods, services, or facilities?

2c X

d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?

2d X

e Transfer of any part of its income or assets?

2e X

3a Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)

3a X

b Did the organization have a section 403(b) annuity plan for its employees?

3b X

c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement

3c X

d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?

3d X

4a Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g

4a X

b Did the organization make any taxable distributions under section 4966?

4b

c Did the organization make a distribution to a donor, donor advisor, or related person?

4c

d Enter the total number of donor advised funds owned at the end of the tax year

◆ \_\_\_\_\_

e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year

◆ \_\_\_\_\_

f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts

◆ 0

g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year

◆ 0

IV Reason for Non-Private Foundation Status (See pages 4 through 8 of the instructions.)

Why is the organization not a private foundation because it is: (Please check only ONE applicable box.)

- A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state

An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the Support Schedule in Part IV-A.)

An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)

A community trust. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)

An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions-subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the Support Schedule in Part IV-A.)

An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:

- Type I
Type II
Type III-Functionally Integrated
Type III-Other

Provide the following information about the supported organizations. (See page 8 of the instructions.)

Table with 5 columns: (a) Name(s) of supported organization(s), (b) Employer Identification number (EIN), (c) Type of organization (described in lines 5 through 12 above or IRC section), (d) Is the supported organization listed in the supporting organization's governing documents? (Yes/No), (e) Amount of support.

Organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting.

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Table with columns: calendar year (or fiscal year beginning in), (a) 2006, (b) 2005, (c) 2004, (d) 2003, (e) Total. Rows include: 15 Gifts, grants, and contributions received; 16 Membership fees received; 17 Gross receipts from admissions, merchandise sold or services performed; 18 Gross income from interest, dividends; 19 Net income from unrelated business activities; 20 Tax revenues levied for the organization's benefit; 21 The value of services or facilities furnished to the organization by a governmental unit without charge; 22 Other income; 23 Total of lines 15 through 22; 24 Line 23 minus line 17; 25 Enter 1% of line 23.

Table for lines 26a-26f: Organizations described on lines 10 or 11. Includes sub-rows for: 26a Enter 2% of amount in column (e), line 24; 26b Prepare a list for your records to show the name of and amount contributed by each person; 26c Total support for section 509(a)(1) test; 26d Add: Amounts from column (e) for lines 18, 19, 22, 26b; 26e Public support (line 26c minus line 26d total); 26f Public support percentage (line 26e (numerator) divided by line 26c (denominator)).

Table for lines 27a-27h: Organizations described on line 12. Includes sub-rows for: 27a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person"; 27b For any amount included in line 17 that was received from each person; 27c Add: Amounts from column (e) for lines 15, 16, 17, 20, 21; 27d Add: Line 27a total and line 27b total; 27e Public support (line 27c total minus line 27d total); 27f Total support for section 509(a)(2) test; 27g Public support percentage (line 27e (numerator) divided by line 27f (denominator)); 27h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)).

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

**Private School Questionnaire (See page 9 of the instructions.)**  
**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

	N/A	Yes	No
Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29		
Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?	31		
If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)			
Does the organization maintain the following:			
Records indicating the racial composition of the student body, faculty, and administrative staff?	32a		
Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
Copies of all material used by the organization or on its behalf to solicit contributions?	32d		
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			
Does the organization discriminate by race in any way with respect to:			
Students' rights or privileges?	33a		
Admissions policies?	33b		
Employment of faculty or administrative staff?	33c		
Scholarships or other financial assistance?	33d		
Admission policies?	33e		
Use of facilities?	33f		
Extracurricular programs?	33g		
Extracurricular activities?	33h		
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
Does the organization receive any financial aid or assistance from a governmental agency?	34a		
If the answer is "Yes," has it ever been revoked or suspended?	34b		
If "Yes," please explain using an attached statement.			
Does the organization comply with the applicable requirements of sections 4.01 through 4.05 regarding nondiscrimination? If "No," attach an explanation	35		

**VI-A Lobbying Expenditures by Electing Public Charities** (See page 11 of the instructions.)

(To be completed **ONLY** by an eligible organization that filed Form 5768) **N/A**

**a** if the organization belongs to an affiliated group. Check  **b** if you checked "a" and "limited control" provisions apply.

**Limits on Lobbying Expenditures**

(The term "expenditures" means amounts paid or incurred.)

	(a) Affiliated group totals	(b) To be completed for all electing organizations
Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
Total lobbying expenditures (add lines 36 and 37)	38	
Other exempt purpose expenditures	39	
Total exempt purpose expenditures (add lines 38 and 39)	40	
Lobbying nontaxable amount. Enter the amount from the following table-		
<b>The amount on line 40 is-</b>		
Over \$500,000		
Over \$500,000 but not over \$1,000,000		
Over \$1,000,000 but not over \$1,500,000		
Over \$1,500,000 but not over \$17,000,000		
Over \$17,000,000		
<b>The lobbying nontaxable amount is-</b>		
20% of the amount on line 40		
\$100,000 plus 15% of the excess over \$500,000		
\$175,000 plus 10% of the excess over \$1,000,000	41	
\$225,000 plus 5% of the excess over \$1,500,000		
\$1,000,000		
Grassroots nontaxable amount (enter 25% of line 41)	42	
Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.)

See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
Lobbying nontaxable amount					
Lobbying ceiling amount (150% of 45(e))					
Total lobbying expenditures					
Grassroots nontaxable amount					
Grassroots ceiling amount (150% of 48(e))					
Grassroots lobbying expenditures					

**VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
Volunteers		X	
Paid staff or management (Include compensation in expenses reported on lines c through h.)		X	
Media advertisements		X	
Mailings to members, legislators, or the public		X	
Publications, or published or broadcast statements		X	
Grants to other organizations for lobbying purposes		X	
Direct contact with legislators, their staffs, government officials, or a legislative body		X	
Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
Total lobbying expenditures (Add lines c through h.)			

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.





Forms **990 / 990-PF** **Mortgages and Other Notes Payable** **2007**  
 For calendar year 2007, or tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

Name **HUMANE SOCIETY OF PAGOSA SPRINGS INC.** Employer Identification Number **74-2350919**

**Form 990, Part IV, Line 64b - Additional Information**

	Name of lender	Relationship to disqualified person
(1)	CITIZENS BANK	N/A
(2)	CITIZENS BANK	
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

	Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1)	248,501	12/08/02	12/08/07	\$2423 PER MONTH	6.750
(2)	760,000	7/03/07	7/03/08	INTEREST ONLY	7.750
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

	Security provided by borrower	Purpose of loan
(1)	DEED OF TRUST ON THRIFT SHOP BLDG.	BUY THRIFT SHOP BLDG.
(2)	DEED OF TRUST ON SHELTER BUILDING	BUILD SHELTER BUILDING
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

	Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year
(1)	N/A	193,731	177,036
(2)	N/A		358,107
(3)			
(4)			
(5)			
(6)			
(7)			
(8)			
(9)			
(10)			
<b>Totals</b>		<b>193,731</b>	<b>535,143</b>

**Federal Statements**

**Statement 1 - Form 990, Part I, Line 3 - Membership Dues and Assessments**

Description	Amount
MEMBERSHIP	\$ 5,435
Total	\$ 5,435

74-2350919

**Federal Statements**

FYE: 12/31/2007

**Statement 2 - Form 990, Part I, Line 8c - Sale of Assets Other Than Inventory - Other**

	Desc		Date Acquired	Date Sold	Sale Price	Cost & Expense	Depr	Gain/ -Loss
	How Rec'd	Whom Sold						
PAWS BUILDING	Purchase		Various	1/15/07	\$ 190,186	\$ 75,937	\$ 66,040	\$ 180,289
Total					<u>\$ 190,186</u>	<u>\$ 75,937</u>	<u>\$ 66,040</u>	<u>\$ 180,289</u>

74-2350919

**Federal Statements**

FYE: 12/31/2007

**Statement 3 - Form 990, Line 10c - Sales of Inventory**

<u>Description</u>	<u>Gross Sales</u>	<u>COGS</u>	<u>Gross Profit</u>
PRODUCT SALES	\$ 319,429	\$	\$ 319,429
NEW MERCHANDISE SALES	113,249	69,251	43,998
Total	<u>\$ 432,678</u>	<u>\$ 69,251</u>	<u>\$ 363,427</u>

**Federal Statements**

**Statement 4 - Form 990, Part II, Line 43 - Other Functional Expenses**

Description	Total Expenses	Program Service	Mgt & General	Fund- Raising
Expenses	\$	\$	\$	\$
ADVERTISING	29,688	24,086	5,417	185
LICENSES	1,017	1,017		
BANK CHARGES	7,409	5,474	362	1,573
OUTSIDE SERVICES	6,810	6,810		
DUES & SUBSCRIPTIONS	3,429	2,618	531	280
INSURANCE	4,406	2,202	1,102	1,102
INTERNET	1,457	1,094	363	
VET CARE	57,024	57,024		
CONSULTING	1,048	899	92	57
<b>Total</b>	<b>\$ 112,288</b>	<b>\$ 101,224</b>	<b>\$ 7,867</b>	<b>\$ 3,197</b>

**Federal Statements**

**Statement 5 - Form 990, Part IV, Line 57 - Land, Buildings, and Equipment**

<u>Description</u>	<u>Beginning of Year</u>	<u>Accum Depr</u>	<u>End of Year</u>	<u>Accum Depr</u>
CLOMAN BLDG. IN PROGRESS	\$ 62,478	\$	\$ 0	\$ 0
ASSETS PER DEPRECIATION SCH.	502,152	158,981	1,433,754	110,845
	50,625		50,625	
Total	<u>\$ 615,255</u>	<u>\$ 158,981</u>	<u>\$ 1,484,379</u>	<u>\$ 110,845</u>

**Statement 6 - Form 990, Part IV, Line 65 - Other Liabilities**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
ACCRUED PTO	\$ 3,776	\$ 7,614
ACCRUED WAGES	14,776	10,760
PAYROLL TAXES	2,425	4,024
SALES TAX	2,251	1,771
Total	<u>\$ 23,228</u>	<u>\$ 24,169</u>

**Federal Statements****Statement 1 - Form 990-T, Part I, Line 12 - Other Income**

<u>Description</u>	<u>Amount</u>
NEW MERCHANDISE SALES	\$ 214
Total	\$ 214

**Statement 2 - Form 990-T, Part II, Line 28 - Other Deductions**

<u>Description</u>	<u>Amount</u>
ACCOUNTING	\$ 194
SUPPLIES	2,377
TELEPHONE	1,153
POSTAGE	783
OCCUPANCY	10,406
EQUIPMENT RENTAL & REPAIR	194
TRAVEL	2,134
ADVERTISING	2,651
BANK CHARGES	1,325
OUTSIDE SERVICES	1,301
DUES & SUBSCRIPTIONS	349
INSURANCE	288
INTERNET	95
CONSULTING	42
Total	\$ 23,292