

Think New Mexico's staff, Lynne Buchen, Fred Nathan, and Kristina Fisher. Photo by Don J. Usner

About Think New Mexico

Think New Mexico is a results-oriented think tank serving the citizens of New Mexico. We fulfill this mission by educating the public, the media and policy makers about some of the most serious problems facing New Mexico and by developing effective, comprehensive, sustainable solutions to those problems.

Our approach is to perform and publish sound, nonpartisan, independent research. Unlike many think tanks, Think New Mexico does not subscribe to any particular ideology. Instead, because New Mexico is at or near the bottom of so many national rankings, our focus is on promoting workable solutions. We use advocacy and, as a last resort, legal action but only within the constraints of Federal tax law.

Consistent with our nonpartisan approach, Think New Mexico's board is composed of Democrats, Independents and Republicans. They are statesmen and stateswomen, who have no agenda other than to see New Mexico succeed. They are also the brain trust of this think tank.

As a results-oriented think tank, Think New Mexico measures its success based on changes in law or policy that it is able to help achieve and which improve New Mexico's quality of life. We are best known for our successful campaigns to make full-day kindergarten accessible to every child in New Mexico and to repeal the state's regressive tax on food.

Think New Mexico began its operations on January 1, 1999. It is a tax-exempt organization under section 501 (c) 3 of the Internal Revenue Code. In order to maintain its independence, Think New Mexico does not accept any government money. However, contributions from individuals, businesses and foundations are welcomed, encouraged and tax-deductible.

Dear New Mexican:

In this fifth anniversary annual report we celebrate the progress Think New Mexico has made since its very modest beginnings. We also celebrate Think New Mexico's role in two important policy achievements that will improve the quality of life in New Mexico: the repeal of the regressive tax on food, and the implementation of the final phase of the full-day kindergarten law, a reform which we successfully championed in our first year.

There is an old saying in the West that what matters is not whether you get knocked down, but whether you get back up. We got knocked down several times in the fight over the food tax, but we didn't stay down. After the narrow defeat of our food tax repeal legislation in 2002, we refined our strategy to emphasize the punishing effect of the food tax on working middle class families as well as low-income families. This year's effort was successful mainly because we found some very effective partners, Governor Bill Richardson and House Speaker Ben Lujan.

As Jonathan Richards' cartoon on the cover observes, food will be tax free in New Mexico for the first time since 1933 when it was enacted as a "temporary" and "emergency" tax during the depths of the Great Depression. This means that baby food will finally have the same tax treatment as horse feed, which is tax exempt in New Mexico. It also means that New Mexico will break company with Mississippi, one of the seven remaining holdout states that continue to fully tax food. Maybe now New Mexico will no longer rank first in the nation for adult and child food insecurity.

This year's state budget includes \$9.6 million of recurring money to expand full-day kindergarten from 80% to 100% of New Mexico's five-year-olds. That represents approximately 24,000 children who will be served by full-day kindergarten in the 2004 – 2005 school year and culminates five years of work to make full-day kindergarten accessible to every child in New Mexico.

Meanwhile, Think New Mexico released a new policy report in 2003, which proposed a Strategic River Reserve to protect New Mexico's rivers and the communities they sustain. One legislator called it "twenty years ahead of its time" – our only concern is that it may be twenty years too late.

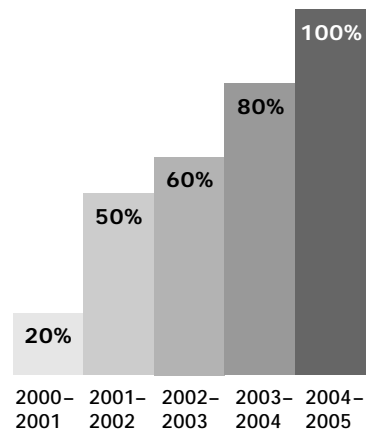
Think New Mexico's work was honored in 2003 by Common Cause New Mexico, which presented us with one of their "Working



Governor Bill Richardson signs the food tax repeal into law.

Photo by Eddie Moore, Courtesy of the Albuquerque Journal.

Full-Day Kindergarten Enrollment Growth in New Mexico 2000 – 04

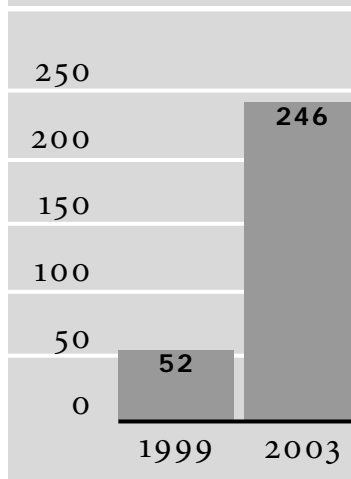


Source: New Mexico Public Education Department



Think New Mexico Board Chair Stewart Udall and Governor Richardson celebrate the end of the food tax at a private ceremony with the Governor and Think New Mexico's Board. Photo by Don J. Usner

Number of Social Investors in Think New Mexico 1999 versus 2003



for the Best in Government " awards. It is nice to have our work recognized, but it is especially meaningful when it comes from a source that we have always admired.

Today Think New Mexico's board is identical to the one that we began with on January 1, 1999. On page 14 you can read about stateswoman LaDonna Harris, who is representative of the caliber of those on the board. We also profile Kristina Fisher, Think New Mexico's highly talented Research Director and ace Webmaster.

From the beginning, we have referred to Think New Mexico's contributors as "social investors" rather than as "donors" because we believe that, whenever possible, nonprofits should be measured based on the social return they produce from the social investments they receive each year.

The ranks of those social investors have grown steadily from 52 in 1999 to 246 in 2003, despite my stubborn refusal to hire a development director. We are especially proud of the quality of Think New Mexico's social investors and profile a few on pages 16–17. All our social investors, and the more than 30 local foundations who support our work, are listed on pages 18–21.

Another key internal metric for Think New Mexico is income, which increased to \$382,785 in 2003. That is an increase of 52% from 2002 and more than 249% since 1999. We disclose all of Think New Mexico's financial information on pages 22–23.

Although Think New Mexico remains an evolving experiment, the results it has produced in its first five years prove that its mission is one well worth sustaining into perpetuity. Consequently, the board has established three permanent endowment funds, which are described on page 24.

In honor of Think New Mexico's fifth anniversary, we will give very fashionable baseball caps with the Think New Mexico logo to each social investor in 2004. Naturally, we hope you will accept this offer and be listed among the social investors in next year's annual report.

Fred Nathan

Fred Nathan
Founder and Executive Director

June 1, 2004

Think New Mexico's Board of Directors

Edward Archuleta, a 13th generation New Mexican, is the former Director of the Santa Fe office of 1000 Friends of New Mexico, a nonprofit organization that advocates responsible land-use planning, growth management and sustainable development. Edward previously served as the top assistant to former New Mexico Secretary of State Stephanie Gonzales.



Paul Bardacke served as Attorney General of New Mexico from 1983–1986. Paul was Chairman of Bill Richardson's successful 2002 gubernatorial campaign. He is a member of the American College of Trial Lawyers. Paul currently handles complex commercial litigation and mediation with the firm of Eaves, Bardacke, Baugh, Kierst & Larson.



David Buchholtz has served on a long list of New Mexico boards and commissions and has advised several New Mexico governors on fiscal matters. David recently served as Chairman of the Association of Commerce and Industry. He is Senior Counsel at Brownstein, Hyatt, and Farber.



Garrey Carruthers served as Governor of New Mexico from 1987–1990. Garrey is Dean of New Mexico State University's College of Business, and was formerly President and CEO of Cimarron Health Plan. He is a member of the Board of Directors of the U.S. Chamber of Commerce and the New Mexico Business Roundtable for Educational Excellence.



Elizabeth Gutierrez is an education consultant with a PhD in educational leadership and public policy. Liz is a member of the Board of the Santa Fe Community College. She has served as Director of the Administrative Services Department for the City of Santa Fe and was a marketing executive with IBM for nearly two decades.





LaDonna Harris is an enrolled member of the Comanche Nation. LaDonna is Chairman of the Board and Founder of Americans for Indian Opportunity. She is also a founder of the National Women's Political Caucus. LaDonna was a leader in the effort to return the Taos Blue Lake to Taos Pueblo.



Rebecca Koch is the owner of Rebecca Koch & Associates which provides management consulting services in the areas of development and strategic planning to local and national non-profits. Rebecca was the organizational development consultant for the Santa Fe Business Incubator, Inc. She is a former President of the Board of New Mexico Literary Arts.



Fred Nathan founded Think New Mexico and is its Executive Director. Fred served as Special Counsel to New Mexico Attorney General Tom Udall from 1991–1998. In that capacity, he was the architect of several successful legislative initiatives and was in charge of New Mexico's 1.25 billion dollar lawsuit against the tobacco industry.



Frank Ortiz, a career Foreign Service Officer of the United States, has served as United States Ambassador to several countries, including Argentina, Guatemala and Peru. Frank serves on many boards throughout New Mexico.



Roberta Cooper Ramo is the first woman elected President of the American Bar Association. Roberta serves on the State Board of Finance and is a former President of the Board of Regents of the University of New Mexico. She is a shareholder with the Modrall law firm and serves on many national boards.



Stewart Udall served as Secretary of the Interior under Presidents Kennedy and Johnson. Prior to that, Stewart served three terms in Congress. He is the author of *The Quiet Crisis* (1963) that tells the story of humankind's stewardship over the planet's resources, and *To the Inland Empire: Coronado and Our Spanish Legacy* (1987) which celebrates Hispanic contributions to our history.



AN INDEPENDENT HOME-OWNED NEWSPAPER
Published Each Thursday in Española, New Mexico
Robert Trapp—Editor and Publisher
Thursday July 25, 2002

Think New Mexico's Open Reporting Pleasant Exception

It's quite shocking in this day and age for a 501c3 non-profit organization to mail their financial statement to you.

The normal procedure is a citizen requests it, the non-profit group says, "Go soak your head. We're not a public entity. We don't have to tell you anything about how we run our show." The citizen writes a letter to the Attorney General's office. She thinks about it awhile then does little or nothing. It's election year.

The citizen makes some calls and requests IRS Tax Form 990 from Salt Lake City, Utah. With that in hand the citizen goes back to the non-profit entity and asks questions that force them to reveal facts about their expenses and revenue.

Then there's Think New Mexico.

The politicians in Santa Fe spending your money should step lightly around these Think New Mexico folks. They're organized, serious, relentless and worst of

all—above board.

The group mailed their 2001 Annual Report and it included financials. There are non-profit agencies in this county that have to make up their financials before they're forced to hand them over. Included in the Think New Mexico report are names of donors and supporters.

Think New Mexico is preparing to tackle the food tax issue again battling legislators in the upcoming 60 day session. Politicians won't have the short session in which to reroute legislation to many committees, thereby dooming the bill. They have probably read enough editorials and news stories around the state to know their constituents want the tax repealed.

While they know they may have to relent and actually do something the voters want, you never know with those crafty folks in the round house.

It's not over until the gavel drops on the last day.

Food Tax Repeal Victory

In the final hour of the 2004 session, the New Mexico Legislature repealed the state's tax on food in a revenue-neutral way that protects local governments. (We were especially pleased to join forces with the health community to remove, in the same bill, the tax on many medical services, another antiquated and anti-family tax.)

The food tax repeal caps a wild political odyssey that began with the release of Think New Mexico's 2001 report, "Why New Mexico Needs to End the Food Tax and How to Do It." Our bipartisan legislation in the 2002 session to abolish the food tax, which included a 60-cent per pack increase in the tax on cigarettes, passed the Senate 35-4 and then cleared three House committees before dying in the last hour of the session on the House floor.

Because the Legislature increased the cigarette tax by 70 cents per pack in the 2003 session (after many complained that our 60-cent per pack proposal was too high), we now have both components of our 2002 legislation enacted.

THE WALL STREET JOURNAL

THURSDAY, APRIL 8, 2004 • VOL. CCKLIII NO. 89

Tax Report / By Tom Herman

NEW MEXICO repeals taxes on food and many medical services.

These changes will be effective at the start of next year, says a spokesman for Gov. Bill Richardson. "With my signature on this bill, finally, we will never again have to hear" that New Mexico is one of only a few states that taxes food, says Gov. Richardson, a Democrat.

These changes will make New Mexico "more competitive with bordering states, like Arizona, Colorado and Texas, which do not tax either food or medical services," says Fred Nathan, executive director of Think New Mexico, a Santa Fe think tank. Mr. Nathan and his organization have been campaigning for several years to get rid of the food levy. In 2001, Think New Mexico issued a report on why the state needs to end the food tax and how to do it.

Mr. Nathan said the food tax was "simply a regressive and antiquated tax."



March 7, 2004

Good riddance of the food tax

It took just over 70 years to get rid of it.

Since New Mexico enacted the law, there have been a World War, the Korean conflict, the Vietnam imbroglio. The year New Mexico Legislature first imposed this on her citizens, television was a hazy concept, remote control not yet even a fantasy. The rage that year was Sally Rand's fan dance, hit of Chicago's World Fair. And she didn't even flash a breast.

We're talking about the food tax. Arthur Seligman was the governor who signed it into law. Seventeen different governors served at various times since then. The current one, Bill Richardson, got it abolished.

It seemed like a good idea at the time, back in 1933. That's when the state, and country, was reeling from the Great Depression. Just a little boost for the state coffers, was the theory. Trouble is, taxation is the opium of the elected class. The depression ended, but over the years, the tax, a bad idea to start with, more than doubled.

Taxing food is never smart. Most of the nation figured that out long before we did. Now that New Mexico came to her senses, just seven states still levy a food tax.

The tax is regressive. The single mom of two struggling to make ends meet pays the same tax as the guy driving the Lexus. Makes no sense.

This is a tough one for right wingers. On the one hand, they have to applaud getting rid of any tax. On the other, this idea of giving a break to the poor chafes their hide.



LOOKING
ASKANCE
NED CANTWELL

The theory says that if you extend help to the poor they just sit around waiting for more hand-outs. Forget the fact most of the 35 million poor in this country work, but still suffer the indignities of not being able to provide adequately for their families.

Getting rid of the food tax in New Mexico helps all of us, but it is more meaningful to the impoverished. There is the argument that eliminating the food tax by raising the tax on other goods actually hurts those on food stamps because they do not pay for food and now will have to pay more tax on other stuff.

That one does not hold up under scrutiny. Fred Nathan, whose Think New Mexico for many years has been in the front lines of the battle to get rid of the food tax, makes the following argument: The food stamp program is a supplement, not a substitute, for a family's food budget. According to the USDA Food Stamp Program, the average benefit per person in our state is about \$75 a month, or about \$2.50 a day. "Try feeding yourself on that," Nathan challenges.

The other rather startling fact about food stamps is that roughly half of the people in New Mexico who are eligible to receive the federal benefit actually get food stamp assistance. We need to close that gap.

In the meantime, score one for Gov. Bill Richardson, who called the play, and House Speaker Ben Lujan who did the heavy lifting to get the food tax abolished. New Mexico is actually starting to look a little smart, except we still allow cockfighting.

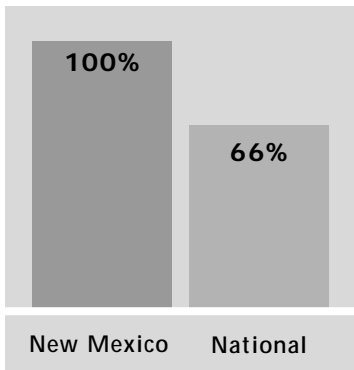
Ned Cantwell is a syndicated columnist living in Ruidoso. He welcomes response at ncantwell@charter.net.

Full-Day Kindergarten Successfully Completed



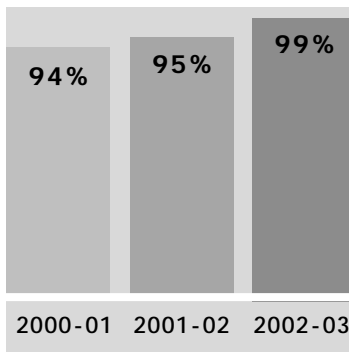
New Mexico Lieutenant Governor Diane Denish speaking during Think New Mexico's 4th annual full-day kindergarten conference.

2004–05 Projected Access to Full-Day Kindergarten: New Mexico Versus National Average



Source: National Center for Education Statistics, U.S. Department of Education.

Full-Day Kindergarten Classes Meeting or Exceeding Standards



Source: New Mexico's Public Education Department.

Think New Mexico's work on full-day kindergarten began with the release of our initial 1999 policy report, "Increasing Student Achievement in New Mexico: The Need for Universal Access to Full-Day Kindergarten." Our efforts led to the passage of a landmark law making full-day kindergarten accessible to every child in the state as of the 2004–2005 school year, and were the subject of a case study by Dr. Anthony Raden, Associate Director of the Institute for Child and Family Policy at Columbia University, which can be found on our website.

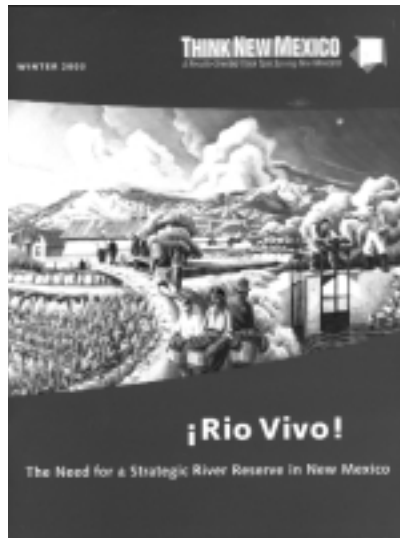
On September 26, 2003, Think New Mexico held its fourth annual "Best Practices" professional development conference for new full-day kindergarten teachers and principals. The highlight was the keynote address by Lieutenant Governor Diane Denish.

New Mexico's full-day kindergarten law is now becoming a model for other states. For example, Governor Janet Napolitano of Arizona is championing a full-day kindergarten law in her state that mirrors New Mexico's: phasing it into schools over five years and providing it to the neediest children first. Recently, Think New Mexico Executive Director Fred Nathan met with Governor Napolitano in her office in Phoenix to share with her our experiences advocating for full-day kindergarten in New Mexico.

In July 2004, Fred will be speaking about full-day kindergarten at the National Forum on Education Policy, an annual meeting convened by the Education Commission of the States. Approximately 500 policymakers from across the nation are expected to attend the forum, including governors, legislators and state education officials.

Strategic River Reserve Gains Momentum

In November, Think New Mexico released its 2003 policy report entitled “¡Rio Vivo! The Need for a Strategic River Reserve in New Mexico.” It proposed establishing a pool of publicly owned water rights that would help the state avert a variety of crises and protect the many benefits live, flowing rivers provide to New Mexico’s people and communities.



State Engineer John D’Antonio and Interstate Stream Engineer Estevan Lopez liked the idea of the Strategic River Reserve so much that they included it in the newly completed State Water Plan, where it is listed as an implementation strategy to protect New Mexico’s water supply, improve water quality, and meet interstate compact and endangered species requirements.

A bipartisan team of legislators introduced Think New Mexico’s Strategic River Reserve legislation (House Bill 312), led by Representative Joe Stell, Chairman of the House Agriculture & Water Resources Committee, and Senator Carlos Cisneros, Chairman of the Senate Conservation Committee. The bill won the support of a diverse coalition of water stakeholders (see page 11) who worked alongside Think New Mexico during the legislative session.

House Bill 312 had an exhilarating, whirlwind ride through the 30-day session. It was approved by three House committees, passed the House floor on a strong bipartisan vote of 47-6, and made it through two Senate committees to the Senate floor. Unfortunately, the bill ran out of time in the Senate on the final morning of the session. We are hopeful, however, that we have laid the groundwork for successful passage of the legislation in the 2005 session.

“This is potentially a landmark piece of legislation to work on endangered species and compact compliance.”

Estevan Lopez, Director of the Interstate Stream Commission on House Bill 312.

Source: *Santa Fe New Mexican*, Feb. 17, 2004



Coalition for the Strategic River Reserve

WATER EXPERTS

John D'Antonio, State Engineer
Norman Gaume, Former Director,
Interstate Stream Commission
Estevan Lopez, Director,
Interstate Stream Commission
Tom Turney, Former State Engineer

AGRICULTURAL ORGANIZATIONS

Middle Rio Grande Conservancy District
Rocky Mountain Farmers Union

BUSINESS ORGANIZATIONS

Albuquerque Economic Forum
Association of Commerce and Industry

ENVIRONMENTAL ORGANIZATIONS

American Rivers
Amigos Bravos
Audubon Society
Nature Conservancy
New Mexico Public Interest Research Group
Republicans for Environmental Protection
Rio Grande Restoration

RELIGIOUS ORGANIZATIONS

Catholic Conference of New Mexico
New Mexico Conference of Churches,
Sustainable Futures Task Force
Office of Social Justice
of the Archdiocese of Santa Fe

SPORTSMEN'S ORGANIZATIONS

New Mexico Trout
New Mexico Wildlife Federation
Trout Unlimited

OTHER

Greater Chimayo Water Association
New Mexico State Parks
Santa Fe Garden Club

A storm over the Rio Grande,
circa 1935. Photo by T. Harmon
Parkhurst, Courtesy Museum
of New Mexico, # 88077.

FARMINGTON NEW MEXICO
THE DAILY TIMES

December 3, 2003

"A proposal to create a water reserve to provide for long-term growth is a step in the right direction for New Mexico. The plan is the brainchild of Think New Mexico. The idea is to purchase water rights along the state's waterways and keep the water within the rivers rather than diverting it for use."

Serving the Tularosa Basin since 1898
ALAMOGORDO
DAILY NEWS

December 4, 2003

"[Think New Mexico's] plan to create a water reserve ... is a positive step toward proper water management in New Mexico."

THE SANTA FE
NEW MEXICAN

January 19, 2004

"...Now from Think New Mexico, the bipartisan think-and-do-tank that led the march into full-day kindergarten and continues fighting to end the tax on food, comes a proposal for another kind of strategic reserve: water. ...This proposal would be a relatively painless way for our senators and representatives to show decisiveness and commitment toward less-dreary prospects for water in this high, dry state. If our legislators can make short work of this already-researched proposal, they'd be smart to adopt it."

**RIO GRANDE
SUN**
NEWS FROM THE HEART OF THE PUEBLO COUNTRY

February 6, 2004

"...[Think New Mexico's proposed] reserve of water would keep us out of court fights over under deliveries to Texas, releases for the silvery minnow and keep the levels of our recreation areas high enough to allow pleasure craft and fishermen to use their parks. We must stop sitting on our hands allowing Texas and the federal government to tell us what to do with our water. Purchasing these water rights and actually storing the water is a good start toward that goal."

*"...That's where
Think New
Mexico comes
in. The local
nonpartisan
think tank
with an im-
pressive track
record has
proposed what
it calls a
'Strategic
River Reserve.'
...it just might
ease the coming
water wars."*

Source: *Albuquerque
Journal*, Dec. 2, 2003

Photograph at right
by Norman Johnson.
Courtesy of PNM.



New Developments at Think New Mexico

ACTION CENTER HARNESSES GRASSROOTS SUPPORT

During the last legislative session, Think New Mexico began building an online grassroots citizen coalition with the launch of our internet "Action Center." The Action Center (which can be found on Think New Mexico's website at www.thinknewmexico.org) provides an easy way for anyone to identify their state legislators and local media – including newspapers, radio and television stations – and quickly send them an email. You may also register to vote from the Action Center.

In addition, the Action Center gives Think New Mexico the capability to send out email alerts to interested supporters, informing them of the latest updates on all of our policy issues. We sent out three alerts during the 2004 session on a small-scale experimental basis, which succeeded in generating nearly 100 emails to legislators urging them to support repeal of the food tax, the last phase of funding for full-day kindergarten, and passage of the Strategic River Reserve.

We encourage you to participate by signing up for email updates at Think New Mexico's Action Center – and please tell a friend, too. We promise not to clutter your inbox, but only to let you know when an issue you care about is at a critical point and your support can make a difference. We hope that Think New Mexico's Action Center will become a helpful resource which will give more New Mexicans an opportunity to be part of the political discussion and give them a stronger voice in their state government.

THINK NEW MEXICO INVESTS IN WIND ENERGY

As part of our commitment to improving New Mexico's quality of life, Think New Mexico has joined the Public Service Company of New Mexico's Sky Blue program, purchasing our electricity from wind power. The power is produced at the New Mexico Wind Energy Center, the world's third-largest wind generation project. Wind power production does not require water, produce emissions, or generate solid waste. Think New Mexico's investment in wind power supports a future of abundant energy, a clean environment, and sustainable economic development throughout New Mexico.

Board Profile: LaDonna Harris

LaDonna Harris, an enrolled citizen of the Comanche Nation, is a founding board member of Think New Mexico. She continues to help guide Think New Mexico's development by sharing her wisdom based on a half century of advocacy on behalf of people who lack a strong voice in government decisions.

During the early 1960s, LaDonna worked to integrate Lawton, Oklahoma's restaurants, housing, and employment. Shortly thereafter she founded Oklahomans for Indian Opportunity to address issues of discrimination against Indians.

At the same time, LaDonna actively campaigned with her husband, Fred Harris, who was elected to the United States Senate in 1964. After Fred's election, she continued to work alongside him as a full partner in his government work and became active in issues like rural housing and mental health.

In Washington D.C., President Lyndon B. Johnson tapped LaDonna to chair the National Women's Advisory Council on the War on Poverty, where she testified before Congress on a variety of issues. In addition, President Johnson appointed LaDonna, who was raised in the Comanche culture and did not learn to speak English until she started school, to the National Indian Opportunities Council.

In 1970, LaDonna founded the national nonprofit Americans for Indian Opportunity, whose mission is to enhance the cultural, social, political and economic self-sufficiency of tribes. She currently serves as Chairman of the Board.

Her involvement in the women's movement led LaDonna to become a founder of the Women's Political Caucus. In 1980 she ran for Vice-President on the third-party Citizen's Party ticket.

Locally, LaDonna was a leader in the effort to return the Taos Blue Lake to the people of Taos Pueblo. She skillfully brought together a diverse coalition of organizations that had not collaborated in the past, and won a bipartisan victory when President Richard Nixon signed the Democrat-sponsored bill returning the sacred lake to the pueblo.

LaDonna has lived in New Mexico since 1976. Today she resides on the Santa Ana Pueblo reservation near Bernalillo and has three grown children, Kathryn, Byron, and Laura.



Staff Profile: Kristina Gray Fisher



When Kristina began interning with Think New Mexico, her first project was to call the nearly 400 elementary school principals across New Mexico and determine the classroom needs for full-day kindergarten. Having survived and succeeded at that task – more than \$15 million has been appropriated to build those classrooms – Kristina joined Think New Mexico's staff full-time in 2002 as Research Director.

Kristina's specialty is completing the comprehensive research underlying our policy initiatives, and helping to write Think New Mexico's policy reports and accompanying materials. She is also Think New Mexico's Webmaster, responsible for designing, maintaining, and writing content for our website, as well as managing the new grassroots outreach Action Center.

A lifelong New Mexican, Kristina is a former valedictorian of Santa Fe Preparatory School, where she serves on the Alumni Board. She graduated *Summa Cum Laude* from Williams College with a B.A. in political science and environmental studies, spending one semester studying in the rainforests of Queensland, Australia.

While in college, Kristina received two prestigious national awards: the Morris K. Udall Scholarship (named in honor of Board Chairman Stewart Udall's brother) in Environmental Studies, and the Harry S. Truman Scholarship in Leadership and Public Service.

Kristina has been instrumental in putting together Think New Mexico's *¡Rio Vivo!* initiative. As a student, she worked with the New Mexico Watershed Watch and participated in Project del Rio, a bi-national Rio Grande monitoring program involving schools in Colorado, New Mexico, Texas, and Mexico.

"I always hoped I would have a chance to do work I love and help make New Mexico a better place to live," she says. "Being a part of Think New Mexico has given me the remarkable opportunity to do both."

When she's not at Think New Mexico, Kristina can be found ushering at the Santa Fe Opera or mentoring a student from Monte del Sol Charter School. Kristina is also a member of Monte del Sol's Governing Board of Directors. Kristina's mom, Lisa, teaches English at Santa Fe Prep, and her dad, Rick, is an Art Professor at the College of Santa Fe.

Social Investor Profiles

We call Think New Mexico's financial supporters "social investors" because they are not simply making a donation, but rather an investment in improving New Mexico. In addition to their support of Think New Mexico, our social investors are working in their own ways to lift New Mexico from the bottom of many national rankings. Here we profile just a few, who are leaders in agriculture, arts, business, education, government, law, medicine and science.

Dr. Kathleen Blake An Albuquerque cardiologist with the New Mexico Heart Institute, Kathleen was recently elected President of the New Mexico Medical Society. In the most recent legislative session, Kathleen worked closely with Think New Mexico to win passage of the legislation which repealed the taxes on food and many medical services.



Dr. George Cowan George, a nuclear scientist, moved to New Mexico more than a half century ago to work on the Manhattan Project. He helped found Los Alamos National Bank, the largest private bank in New Mexico, and the Santa Fe Institute (SFI). George's research at SFI centers on early brain development and how children learn. As such he has been a key advisor on Think New Mexico's full-day kindergarten project.



Susan Herter If Think New Mexico were a mafia family, Susan would be our *consigliere* because she is always providing us with wise counsel and helpful advice designed to keep us out of harm's way. Susan, a resident of Pojoaque, knows a little bit about government based on her experience as a former Chief of Staff to Vice-President Nelson Rockefeller, among other things.



Ramon José and Nance López y Familia Ramon, a *santero* and silversmith, has received a National Endowment of the Arts Heritage Award for his work in the Spanish colonial style, such as his *bultos* (wood statues) and *retablos* (two-dimensional painted wood panels). Nance, an artist in her own right, helped Ramon run the family art gallery in Santa Fe for thirty years. She now focuses on her own celebrated artwork and that of their four children.





Liddie Martinez A resident of Española, Liddie is Chairman of the Board of Leadership New Mexico and is dedicated to training and encouraging the next generation of New Mexico's leaders. She also works to create jobs in New Mexico through her position as Community and Economic Development Division Director at Day & Zimmerman.



Dr. Leonard Napolitano Many know Leonard as the former Dean of the University of New Mexico's Medical School and for building that school into one of the best medical schools in the nation. Leonard is also the father of Janet Napolitano, a New Mexico native, strong full-day kindergarten advocate and Governor of Arizona.



Catherine Oppenheimer and Garrett Thornburg Catherine danced professionally with the New York City Ballet before becoming the Co-Founder and Artistic Director of the National Dance Institute of New Mexico, which enriches the lives of thousands of New Mexico children. Garrett is Chairman and Chief Executive Officer of Thornburg Investment Management and of Thornburg Mortgage, one of the few publicly traded companies headquartered in New Mexico.



Bob Rosebrough Bob, a practicing attorney, was recently elected Mayor of Gallup. Readers of New Mexico author Tony Hillerman might recognize Bob's name, as he was the model for a character by the same name, a Gallup attorney who climbs down a helicopter ladder to the summit of Shiprock to help Joe Leaphorn solve another murder mystery in the novel, "The Fallen Man."



Jim Weaver Jim is a rancher near Causey, 40 miles south of Portales. His ranch supports 350 head of Mashona cattle and several endangered species. Weaver and other landowners from New Mexico, Oklahoma and Texas are working to improve 80,000 acres in the southern High Plains to demonstrate that ranching can provide a living, protect wildlife and save a way of life that we treasure.

Foundation Partners:

(JANUARY 1, 2003 — APRIL 19, 2004)

Anonymous

The Azalea Foundation

Brindle Foundation

Sidney and Sadie Cohen Foundation

Daniels Fund

EMA Foundation

Equis Fund of the New Mexico

Community Foundation

Feinberg Foundation, Inc.

Deborah Fleischaker Tzedakah

Fund of The Shefa Fund

The Foster Foundation Inc.

The Frost Foundation

Furth Family Foundation

Garfield Street Foundation

General Service Foundation

Lemberg Foundation, Inc.

The Livingry Fund of the Tides Foundation

Los Alamos National Laboratory Foundation

Maki Foundation

McCune Charitable Foundation

Messengers of the Healing Winds

New Cycle Foundation

New Mexico State

Employees' Charities Campaign

Oppenheimer Brothers Foundation

Santa Fe Community Foundation

The Solis-Cohen Spigel Family Fund

St. Francis Cathedral Peace

and Social Justice Fund

The Stone Foundation, Inc.

Thaw Charitable Trust

Thornburg Charitable Foundation

Edith M. Timken Family Foundation

Wallace Genetic Foundation, Inc.

*“Think New
Mexico’s unique,
results - oriented
approach to
some of the
unyielding
problems that
confront New
Mexico is
most welcome
and needed.”*

Owen Lopez,
Executive Director,
*the McCune
Charitable Foundation*

Individual Social Investors : (JANUARY 1, 2002 — APRIL 22, 2003)

Anonymous (3)	Bill Brancard	Lorna Dyer & Jerry D. Watts
Jonathan & Alice Abbott	& Monica Ontiveros	Arthur Ecker
Kathy & Rick Abeles	John R. Brandt	Parviz Eftekhari
Paul Abrams & Abigail Adler	Jane & Sandy Brickner	Richard & Linda Eitzen
Ann Aceves	Grace Brill & Dan Schwartz	Bill Elson Jr.
Connie Adler	Peter Brill & Cate d'Amboise	Emma Jane Evangelos
Anstiss Bowser Agnew	Oneida Brooks &	Edward & Sally Evans
Lewis Agnew	John B. Gummersall	Gail Factor - Wilkenson
Elizabeth Aiello	Dr. Harold & Norma Brown	& Keith Wilkenson
Leif Ancker &	Lynne & Jerry Buchen	Karen Farrell
Susan Weir-Ancker	David Buchholtz &	Stephen L. Feinberg
Jarratt Applewhite	Bridgit Gavahan	William & Meg Feldman
Amber Archer	Andrea Buzzard	Elizabeth Ferguson
Dr. Boudinot &	Thomas Q. Callahan	James W. Fishel
Dr. Louise Abel Atterbury	Chris & Carol Calvert	Kristina Gray Fisher
John & Barbara Bailey	William &	Lisa & Rick Fisher
Carol & John Balkcom	Georgia Sims Carson	Sandy & Jim Fitzpatrick
Sam & Ethel Ballen	Ralph L. Casebolt	Deborah Fleischaker
Paul & Lisa Bardacke	Ron Chapman	Tannis Fox
The Laughlin &	John Clubbe	Kathryn J. Fraser, M.D.
Rene Barker Family	Camille Coates	J. Roger & Patricia Friedman
Laurie & Tom Barrow	Wayne B. Coe	Ann Adler Friess
Richard I. &	Conrad & Mona Coffield	Hope & John Furth
Diana Lewis Beattie	Saul & Ann-Lise Cohen	Vickie L. Gabin
Andrew Beckerman	Bennett & Barbara Cohn	Helen & Bert Gabriel
Anne E. Beckett	Philip S. & Q. Cook	Judith Gabriele
Lisa & F. Gregg Bemis Jr.	Chris Coppin	Walter H. Ganz
Shirley Berger	Rosemary Cosgrove-Aguilar	Elizabeth Garber
Stephen Bershad	Marty Daly & Rob Eaton	Karen W. Garcia
Bruce & Kate Besser	Raymond W. Davenport	Amy & Philip Geier
Robert Bienstock &	Dr. Glen W. &	Egle Germanas
Jack Trujillo	Shirlee P. Davidson	Anne G. Gill
Billie Blair & Gene Weisfeld	Jordan P. Davis	Betsy Glenn
Kathleen Blake &	Mary & Charles DeBare	Paul Golding
Bob Ballance	The Honorable Diane Denish	Felice Gonzales &
Bronnie & Alan Blaugrund	Nancy Desiderio &	Gene Gallegos
Philip & Betty Block	Michael Sloane	Ruth & Sandy Gottesman
Tom & Anne Blog	John Dessauer	Ursula (Amama) Gray
Bruce Bolene	Deborah & David Douglas	George Greer
Rob Booms	Jean Wallace Douglas	& Requa Tolbert
David & Erin Bouquin	William & Nancy Dubey	F. Judith Griego-Ruth
Alpha Lee Brammer	Carol Ducaj	& Robert J. Ruth

Elizabeth Gutierrez
& Richard Schoegler
Dan Haft
Marianne Hale
Linda Hall
Dr. & Mrs. Charles F. Hammer
Grey Handy
& Dianne DeLayo
Margaret & Don Hanson
Francis C. Harding
Bill & Linda Hardy
John H. Hart & Carol Prins
Marilyn Hebert
The Honorable
Karen Heldmeyer
Susan Herter
Sara Hiner
E. Franklin Hirsch
Samuel & Wendy Hitt
Mary Amelia & Philip Howell
Ms. Jeffrey Howell
& Mr. Bill Press
Dean & Alice Irvin
Joel K. Jacobsen
Annie & Graham Jones
Tom & Julie Joyce
Jeffrey H. & Maurine Kahn
Julia H. Kalmus
Diane R. Karp, PhD
David Kaufman
& Elizabeth Jacobson
Margaret I. Keller
William E. Keller
& Barbara Van Arsdale
Joanie & Elizabeth Kimball
Rich Klein
Rebecca Koch
Charlotte & Robert Kornstein
James & Margie Krebs
Bob & Gayle Kuldell
Carol & Bob Kurth
Kendel & Todd Kurth
Dr. Leslie Lakind
Craig E. Lamb

Barbara & Michael Langner
Deirdre Lennihan
Judith & Edwina Lieb
Mike & Diane Hanson Lilley
Gerry & John Lingo
Arthur Login
Ruth A. Lommel
Ramon José
& Nance López y Familia
Jerry Lott & Stacey Somppi
Dr. James E. Loucks
Dr. Beryl & Sue Lovitz
Steve & Meredith Machen
Jim & Jeanne Manning
Jerry Marshak
& Signe Bergman
Michael & Bonnie Mauldin
Paula Maynes & Jeff McFall
Mike McGonagle
James McGrath
Keith McInnes & Taryn Vian
The McMichael Family
Lee Ann McMurry
Joyce & Steve
Melander-Dayton
Judy Merrill-Smith
Barbara & Donald Meyer
Basia Miller
Dr. Roger & Ellen Miller
Charles & Edwina Milner
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Carol Moldaw
Bibi E. Momsen
Andy Montgomery
& Liz Lawrence
Shirley E. Morrison
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Virginia Mudd
& Clifford Burke
Dr. Leonard Napolitano
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Fred & Arlyn Nathan
Sara Nathan & Joel Kazis

Leslie Nathanson
& Hervey Juris
Patrick & Andrea Nicholson
Dan Nir & Jill Braufman
Jim & Katie Norton
Candace & Reza
Novbakhtian
Charles & Gretchen O'Hara
James & Lynn Olson
Matt Onstott
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& Dolores Ortiz
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Roger & Marie Peterson
The Honorable Lynn Pickard
Edith Pierpont
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Dr. Steve Pilon
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Pat Porter
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& Cissy de LaVallee
Dr. Patrick & Stacy Quinn
Roberta & Dr. Barry Ramo
Melanie & Ed Ranney
Lois & Bud Redding
Phyllis Ribas
Margaret & Harry Ritchie
Shelley Roberts
& Duane Moore
Betsy & Dr. Steven Robeson
Dr. Alan Rogers
& Jamie L. Gagan
The Honorable
Bob Rosebrough
Doris Rosen & Ronald Klein
Pamela Roy & Mark Winne
Howard A. & Matilda Rubin
M. Sanchez-Norris

Elizabeth Sarnoff
 Jonathan Schneider
 Beth & Rick Schnieders
 Nelson Schreter & Elane Stein
 John & Merry Schroeder
 Frankie & Dr. John Schulman
 Kevin Schwanfelder
 Nan Schwanfelder
 Susan & Richard Seligman
 Catryna & Whitney
 North Seymour, Jr.
 Zachary Shandler
 Dr. Raphael Shapiro
 & Angelina Vera
 Jane Shreffler
 Carolyn Sigstedt
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 Sarah M. Singleton
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 Jim Spigel
 & Dinorah Gutierrez
 Robert & Florrie Stamm
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 Libby & George Stone
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 Karen Sturnick
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 Melody A.
 & Michael M. Sumner
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 Theodore Taylor
 Lorlee & Arnold Tenenbaum
 Paul & Lillian Thomas
 Garrett Thornburg
 & Catherine Oppenheimer

Marty Timken
 Dr. Michael Treitler
 Dr. E. H. & Helen Uhlenhuth
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 Maria Urrutia
 Andrea & Adam Usdan
 Michael Walker
 James & Chris Weaver
 Charlotte & Gould Whaley
 Carl Wiederaenders
 & Melissa Watson
 Dulcenia S. Wilder
 Mary & Dr. Ralph Williams
 Fred E. & Marcia B. Winter
 Tim Wirth
 & Anne Stuhldreher
 Jane Wishner
 & Dr. Robert Rosenberg
 Joan & Bill Witkin
 Thomas Worbetz
 Peter Wurzbarger
 Jane & Daniel Yohalem
 Bette Yozell
 & Richard Epstein
 Robert M. Zimmerman
 Claire Zoeller

Gifts in Honor of:

Lisa & Paul Bardacke –
 Howard A. & Matilda Rubin
Kristina Gray Fisher –
 Lisa and Rick Fisher
Fran Nathan – John Furth
 Family Foundation
Katie & Jim Norton –
 Lois & Bud Redding

Gifts in Memory of:

Bob Enfield –
 Howard A. & Matilda Rubin
Betty Jo Loucks –
 Margaret & Don Hanson,

Mr. & Mrs. Stephen D. Stoddard,
 Mr. & Mrs. B.R. Suydam
Ernie Mills –
 Jonathan & Alice Abbott
Arthur Nathan – Catryna &
 Whitney North Seymour, Jr.
Pat Stevens –
 Dulcenia S. Wilder

Business

Accent Fire Safety
 Ambac Assurance
 Corporation
 BGK Properties
 Bank of Albuquerque
 Bellas Artes
 BlueCross BlueShield of NM
 Brownstein, Hyatt & Farber
 Cedarwood Veterinary Clinic
 Coca-Cola Enterprises, Inc.
 Dessauer Building Company
 Earthwrights Designs
 Tom Joyce,
 Architectural Blacksmith
 Lamb Consulting
 Los Alamos National Bank
 Sarcon Construction Corp
 Tecolote Group at
 St. John's College
 Wordswork

In-Kind Donors

Paul Bardacke
 Doug Brown ,
 Traders of the Lost Arts
 Jerry Buchen
 Cimarron Health Plan
 Copygraphics
 Los Alamos National Bank
 Arlyn Eve Nathan
 Edward Puckett
 Jonathan Richards
 Jim Vogel

Statement of Income and Expenditures

INCOME

Grants	313,950
Contributions	63,870
Interest & Miscellaneous Income	4,965
Total Income	\$382,785

EXPENDITURES

Audit/Accounting	2,870
Computer Consulting, Internet, Website	2,352
Graphic Design	In-kind
Depreciation	5,245
Full-Day Kindergarten Conference	4,296
Insurance	2,222
Legal Fees	0
Marketing	150
Miscellaneous	55
Office/Security/Janitorial	2,041
Payroll Taxes & Benefits	33,078
Postage	5,700
Printing & Bulk Copying	18,771
Professional Fund Raising Fees	0
Rent/Utilities	17,960
Research and Contract Services	5,049
Salaries	124,258
Stewardship/Board Expenses	445
Telephone	3,996
Training/Subscriptions/Dues	1,734
Travel	166
Total Expenses	\$230,388

Note: These financial statements do not include in-kind contributions and materials in 2003, which totaled \$19,161. As accounting rules require, unconditional grants and contributions that are pledged in one calendar year for subsequent years are counted as revenue in the year in which they were pledged rather than the year in which they were received.

Source: Think New Mexico's IRS Form 990 for 2003 and Financial Statements for the year ended December 31, 2003. Independent auditors: Bishop and Loggains, LLC Certified Public Accountants.

Administration & Fund-Raising
as a Percentage of Income: 2003



Think New Mexico's fund-raising expense as a percentage of income in 2003 was 3.9%. Think New Mexico's administrative overhead ("management and general"), as a percentage of income in 2003 was 5.4%.

The McCune Charitable Foundation underwrites all of Think New Mexico's administrative overhead expense through an exceptionally generous three-year grant.

Source: Statement of Functional Expenses from Think New Mexico's IRS Form 990 for 2003



FINANCIAL SUMMARY

Year Ended Dec. 31, 2003

Balance Sheet

ASSETS

Cash and Cash Equivalents	384,228
Investments	7,317
Contributions Receivable	63,558
Prepaid Expenses	3,327
Property and Equipment, Net of Accumulated Depreciation	8,078
Total Assets	\$466,508

LIABILITIES

Accounts Payable	2,000
Accrued Expenses	1,578
Advance Rent	968
Total Liabilities	\$ 4,546

NET ASSETS

Unrestricted	356,135
Temporarily Restricted	105,827
Total Net Assets	\$461,962

Total Liabilities and Net Assets	\$466,508
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Source: Financial Statements for the Year Ended December 31, 2003. Independent Auditors: Bishop & Loggains, LLC Certified Public Accountants.

Image: New Mexicans looking out over the valley of the San Francisco River, near Glenwood circa 1923. Photo by Edward Kemp, Courtesy Museum of New Mexico, #53741

Think New Mexico Establishes Endowment Funds

Think New Mexico recently took a portion of the organization's cash balances, carefully accumulated over five years, and established endowment funds at the Albuquerque Community Foundation, the New Mexico Community Foundation and the Santa Fe Community Foundation.

This action is a reflection of our confidence in the long-term future of Think New Mexico, as well as a reflection of our confidence in these three outstanding community foundations that share our desire to improve the quality of life in New Mexico.

Our goal is to build these three endowment funds to the point where, at a minimum, they will collectively generate a permanent source of income to offset all of Think New Mexico's administrative overhead expenses. That would allow us to focus our fund-raising exclusively on Think New Mexico's program expenses and would put us in a better position to tackle New Mexico's complex public policy problems.

In addition, we believe that the endowment funds will give Think New Mexico the resources to attract and retain the highest quality staff, which is our most valuable resource. The funds can also serve as a financial cushion against lean times.

Finally, the endowment funds provide Think New Mexico's supporters additional vehicles with which to ensure that Think New Mexico's mission, described on the first page of this annual report, will be sustained in perpetuity.

