



Johan C. Varekamp, Ph.D.



Donald S. Strait

## Message from the President and Executive Director

To say that 2011 was a challenging year for protecting the environment in Connecticut and New York would be a massive understatement. Facing increasing threats to our air, land and water amid shrinking budgets, shifting responsibilities within government agencies, and an uncertain fundraising outlook, we had our work cut out for us in 2011. But in the end, our members and supporters in every corner of Connecticut, and around the Sound in New York, rose to the occasion. Given those circumstances, when we look back on the highlights for CFE/Save the Sound in 2011 — moving public transit a giant step forward; securing new investment to protect our rivers, streams and Sound; and defending our undeveloped lands — our major successes take on even greater significance. How did we do it? Teamwork. You might even say that 2011 was the Year of the Coalition. Galvanized by concern

for the air, water and land we share, citizens, scientists, advocates, engineers, unions and other diverse communities came together in unprecedented and creative ways to advocate for our environment. Working with our partners, we stretched our resources farther than ever before, leveraging the networks and relationships we've built since 1972 in Connecticut and since 2004 in New York, when Save the Sound officially joined forces with CFE. You played a critical part. Your continued moral and financial support for our work to confront the threats to our land, water and air and Long Island Sound made the difference. Thank you. We *truly* couldn't have done it without you.

Sincerely,

Johan C. Varekamp, President

Donald S. Strait, Executive Director

## Victories despite challenges in 2011

### Unanimous approval of Clean Water funds boost environment & economy

Picture a sapphire necklace, strung with rivers and streams flowing into a stunning crown jewel: Long Island Sound. But our region's prized gems no longer shine. Often our rivers and Sound are too polluted to support fish and other wildlife — and are even unsafe for swimming. **To protect and restore the integrity of our rivers and Sound**, in 2011, CFE/Save the Sound and our allies in the *Clean Water Investment Coalition* fought hard to secure sewage upgrades in Connecticut's cities. The State Bond Commission agreed, unanimously approving \$160 million in clean water funding for wastewater treatment projects in Norwalk, Manchester, Hartford, Middletown and Old Saybrook. Along with protecting rivers, streams and Long Island Sound from surface runoff and sewage contamination, the funding should create or retain approximately 2,300 construction related jobs.

### New Britain – Hartford Busway agreement signed

Traffic clogs our commuter routes, and about 40% of our air pollution comes from motor vehicles. Most of us would love to get out of cars but have no other practical way to get where we need to go each day. That's why, when Governor Dannel Malloy and Federal Transit Administration

Administrator Peter Rogoff signed the Full Funding Grant Agreement for the New Britain – Hartford Busway late in 2011, another sign went up that Connecticut leads the way in transportation policy. CFE's *Transit for Connecticut Coalition* fought successfully for the Busway project to receive approval from Governor Malloy and **successfully lobbied the State Bond Commission to release \$89.74 million for the Busway project, which broke ground in May 2012.** With stops at 11 stations along a 9.4 mile corridor, the dedicated bus rapid transit system will improve access and reduce drive times for commuters as it cleans our air and improves our economy and quality of life.

### Preserving our 1,000-acre coastal forest

In 2011 CFE/Save the Sound and its allies responded to the latest iterations of RiverSound development proposals for the Preserve, along the Oyster River in Westbrook, Essex and Old Saybrook. In a series of administrative, regulatory and court proceedings dating back to 2004, CFE/Save the Sound has **opposed repeated attempts to build** luxury housing and a golf course in this rare coastal forest just 10 miles from Long Island Sound. 2011 marked a referendum on the issue and local leadership, when voters elected a slate of candidates who believe that the Preserve must be protected.

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## Protecting our rivers, streams and Long Island Sound



## Defending our forests, undeveloped lands and watersheds



## Cleaning our air and reducing congestion on our roads



## Victories despite challenges in 2011 *continued*

### Efficient economy, clean air

Because we depend so heavily on fossil fuels for heat, electric power and transportation, Connecticut has the third highest electric rates in the continental United States. But far too many of our state's buildings are wasting the energy we pay so dearly for, contributing to some of the worst air quality in the nation as well as emissions that are changing global climate. Home and building owners want to save money and reduce pollution; but in many cases, lack information and often the financial wherewithal to do so.

**But thanks to CFE, that is changing.**

In a year that saw the transformation of Connecticut's energy and environmental agencies, CFE helped effect changes which offer a very good framework for expanding the deployment of energy efficiency retrofits for residential, commercial and public buildings: **A new "Green Bank" should bring solar panels and energy efficiency retrofits within reach of more homeowners, businesses and municipalities.** Establishing a centralized energy policy agency through the creation of the Department of Energy and Environmental Protection (DEEP) as the successor agency to DEP combines the functions of the DEP with the Public Utility Regulatory Authority (formerly the DPUC), along with energy-related functions of the Office of Policy and Management. Major layoffs were avoided, maintaining sufficient staff to carry out the agency's critical functions.

### Grading New York and Connecticut efforts to protect the Sound

In 2011, CFE/Save the Sound issued *State of the Sound*, a first-of-its-kind report card to assess the quality of Connecticut and New York efforts to protect and preserve Long Island Sound. Overall, the report gave an average grade of C+ for the states' efforts. Areas of weakness include: ensuring that sea creatures can survive in the western Sound; preventing pollutants from running off city streets into our waterways; and taking better care of our last great coastal spaces. But there are strengths, too. Our region has done a good job of stopping chemical and industrial pollutants from entering the Sound. We've also earned high marks for protecting and restoring coastal marshes, dunes and forests; restoring access to rivers and spawning grounds for fish; and keeping plastics and other trash off our shoreline. Like most report cards, this one shows both progress and room for improvement. **State of the Sound 2011 spells out areas where all of us can work together to make the Sound healthier and cleaner.**

### Streamflow regulations will restore the health of Connecticut rivers

Many of Connecticut's rivers are needlessly sucked dry every summer, victims of poor planning by water companies that could use less harmful options. After years of negotiations and advocacy by a coalition of environmental organizations including CFE, **Connecticut approved streamflow regulations this winter to restore healthy flow to its rivers.**

### CFE continues fight to protect drinking water quality in Fairfield County

After successfully opposing a high-density housing development submitted by Eureka to the Town of Ridgefield, CFE continued to fight to protect the Saugatuck Watershed through the submission of an amicus curiae (friend of the court) brief in the Appellate Court defending the victory from an appeal by the developer. The Saugatuck, which serves as a public drinking water supply for approximately 500,000 consumers, is a vital drinking water source in southwestern Connecticut. **CFE also helped find pro-bono counsel to assist the Connecticut Water Works Association**, which is an association of public water supply utilities, in drafting and submitting an amicus curiae brief. The submission of these briefs helps to underscore the importance of this issue to public drinking water supplies.

### Creating a *SoundVision* to protect, restore and enjoy Long Island Sound

The Citizens Advisory Committee (CAC) of the Long Island Sound Study is a diverse group of businesses, environmental organizations, universities and municipalities. Over the past three years, the CAC, now co-chaired by CFE/Save the Sound's Curt Johnson, has obtained funds for Long Island Sound to **restore and protect over 1,000 acres of open space and habitat, re-opened miles of rivers for spawning fish, and engaged thousands of children and residents with education programs and volunteer opportunities.** In 2011, advised by the best Long Island Sound scientists and experts, we developed a practical and attainable Action Agenda in *SoundVision* to heal and restore the Sound. Thanks to a grant from the New York Community Trust, *SoundVision* hosted seven press events, educational forums and public sails all around the Sound — beginning in Mamaroneck on August 1, continuing in Port Jefferson, Bridgeport, Old Saybrook, and Hempstead Harbor and concluding in Greenwich on September 6. Nearly all the sails were filled, helping to engage elected officials and members of the public while bringing media attention to the cause.



## CFE Statement of Financial Position 9.30.11

As of September 30, 2011

### Assets

#### Current Assets

Cash and Cash Equivalents.....	\$ 70,612
Cash and cash equivalents, restricted.....	\$ 170,236
Accounts and Grants Receivable.....	\$ 112,683
Unconditional Promises to Give.....	\$ 100,000
Prepaid Expense.....	\$ 64,910
Total Current Assets.....	\$ 518,441

#### Noncurrent Assets

Cash and Cash Equivalents, long term.....	\$ 113,734
Promises to Give, Long term.....	\$75,000
Marketable Securities.....	\$2,323,043
Furniture and Equipment, Net of Depreciation.....	\$ 5,565
Beneficial Interest in charitable lead unitrust.....	\$ 4,031
Beneficial Interest Remainder Trust.....	\$1,322,270
Beneficial Interest in perpetual trust.....	\$ 917,465
<b>Total Noncurrent Assets.....</b>	<b>\$4,761,108</b>

**Total Assets.....\$5,279,549**

### Liabilities

#### Current Liabilities

Accounts Payable.....	\$ 11,523
Accrued Expenses.....	\$ 68,179
Total Current Liabilities.....	\$ 79,702

#### Net Assets

##### Unrestricted

For Current Operations.....	\$ 101,665
Board Designated Quasi-endowment.....	\$ 986,210

Temporarily Restricted.....\$1,842,025

Permanently Restricted.....\$2,269,947

**Total Net Assets.....\$5,199,847**

**Total Liabilities and Net Assets.....\$5,279,549**

## CFE Statement of Activities: FYE 9.30.11

Fiscal year ending September 30, 2011

	Temporarily <u>Unrestricted</u>	Permanently <u>Restricted</u>	<u>Restricted</u>	<u>Total</u>
<b>Revenue</b>				
Individual Contributions				
and Foundations.....	\$ 1,185,905	\$604,583	\$ 20,000	\$ 1,810,488
Government Grants.....	\$ 726,895			\$ 726,895
Bequests.....	\$ 26,017			\$ 26,017
Interest and Dividends.....	\$ 58,784			\$ 58,784
Other (includes In-kind donations).....	\$ 27,285			\$ 27,285
Net Assets Released from Restriction.....	\$ 427,385	\$(427,385)		\$ —
<b>Total Revenue.....</b>	<b>\$2,452,271</b>	<b>\$177,198</b>	<b>\$ 20,000</b>	<b>\$2,649,469</b>

### Expenditures

Program Services.....	\$ 1,880,376			\$ 1,880,376
Management and General.....	\$ 289,475			\$ 289,475
Fundraising.....	\$ 321,146			\$ 321,146
<b>Total Expenditures.....</b>	<b>\$2,490,997</b>			<b>\$2,490,997</b>

### Change in Net Assets

**before Other Changes.....\$ (38,726).....\$177,198.....\$ 20,000.....\$ 158,472**

### Other Changes

Investment Gains and Losses.....\$....(14,622).....\$ (14,622)

Adj to Endowment due to

    market changes.....\$....(30,722).....\$ 30,722.....\$ 0

Increase (decrease) in

    Value of Trusts.....\$161,430.....\$(50,699).....\$ 110,731

**Total Other Changes.....\$ (45,344).....\$192,152.....\$(50,699).....\$ 96,109**

**Change in Net Assets.....\$ (84,070).....\$369,350.....\$(30,699).....\$ 254,581**

## Message from the Treasurer

Fiscal Year 2011 was a year of both progress and challenges for Connecticut Fund for the Environment. In part due to the sluggish economy and an accompanying shortfall in individual contributions, combined with an innovative *SoundVision* program which incurred unanticipated expenses, we ended the fiscal year with an operating deficit of \$38,000, excluding revenue derived from investment gains. However, a significant increase in the value of trusts enabled CFE's assets to show an increase of approximately \$250,000. Construction on several habitat restoration projects reached the "shovel ready" stage as the fiscal year closed. Additionally, CFE is actively working on developing a green infrastructure program which holds promise for growth in years to come. The Finance Committee and Management Team have instituted cost reductions and approved a contingency plan to address the operating deficit. Administrative and general expenses were 11.6% of operating expenses, and fundraising was 12.9% of operating expenses.

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