



Johan C. Varekamp, Ph.D.



Donald S. Strait

## Message from the President and Executive Director

In 2012, CFE/Save the Sound secured progress on many fronts, including pursuing litigation to help heal western Long Island Sound's "dead zone;" successfully advocating for legislation to clean phosphorous from our waterways and help communities on Long Island Sound prepare for sea level rise; and defending the New Britain-Hartford busway (CTfastrak) from destructive legislative efforts, ensuring cleaner air and smarter development patterns.

Our West River project in New Haven exemplifies CFE/Save the Sound at its best. Restoration expert Ron Rosa called it "the most ecologically valuable urban river restoration project ever undertaken from Maine to the Chesapeake." At West River, we restored 80 acres of tidal marsh, put local construction and engineering professionals to work during the worst of the recession, engaged scores of local citizens, and created habitat for river herring — a vital feeder fish that once numbered in the millions but is now being considered for endangered species listing.

In early 2013, we said goodbye to dear friend, board member and supporter Brooks Kelley. While deeply saddened by his passing, we celebrate his commitment and unwavering faith in the mission of CFE/Save the Sound. Learn more about his legacy on our web site at:

**[www.ctenvironment.org/about/history.cfm](http://www.ctenvironment.org/about/history.cfm)**. No one knew better than Brooks that this organization doesn't rest on its accomplishments; we keep up the momentum to protect the land, water and air of Connecticut and Long Island Sound.

Read on and take pride in our 2012 accomplishments. Know that with your support, we are keeping up the momentum in 2013. You're at the heart of all we do.

Sincerely,

Johan C. Varekamp, President

Donald S. Strait, Executive Director

## Our 2012 Accomplishments

Together, CFE and its bi-state Save the Sound program constitute the region's leading environmental advocacy organization. We take on big challenges — like the dead zone in Long Island Sound, the proposed merger between Northeast Utilities and NStar, and making Connecticut a model state for energy efficiency. Every cent you invested in CFE/Save the Sound last year paid off with significant accomplishments in a wide range of program areas.

### Protecting Long Island Sound

Long Island Sound is a national treasure. Last summer was one of the Sound's worst years ever for hypoxia — the low-oxygen condition that results in "dead zones" where little survives. For two weeks in mid-August, an 18-square mile dead zone formed off the coast all the way from Greenwich, Connecticut to Glen Cove, New York with almost no dissolved oxygen in its bottom waters. Excessive nitrogen discharges are a major cause of hypoxia. Our goal is to make the Sound safe and healthy for fish and people, so we sprang into action.

We fought back by filing an appeal challenging a New York State Department of Environmental Conservation

(NYSDEC) consent order that would relax limits on nitrogen dumped into Long Island Sound by the Great Neck Water Pollution Control District. For years, the Great Neck Water Pollution Control District has discharged large amounts of nitrogen into the Sound — as much as twice the amount allowed by their Clean Water Act permit. Instead of insisting that the district comply with legal limits, NYSDEC wanted to allow even more hypoxia-causing nitrogen to be released. This case is ongoing; we'll be watching to ensure that current regulations are enforced and the Sound can begin to heal.

We fought hard to protect Plum Island and Little Gull Island, both part of a Long Island Sound Stewardship Site recognized by the Long Island Sound Study. Thanks to our energetic advocacy team, a great many Connecticut and Long Island Sound residents turned out for public hearings and spoke passionately in favor of protecting these fragile island habitats. Despite their best efforts, Little Gull was sold off to the highest bidder. The fight to conserve Plum Island continues this spring with action at the local level. This battle is far from over.

*continued on page 2*



## Protecting our rivers, streams and Long Island Sound



## Defending our forests, undeveloped lands and watersheds



## Cleaning our air and reducing congestion on our roads



## Our 2012 Accomplishments *continued*

### Restoring Habitat

We successfully completed three critical habitat restoration projects this year: the Wallace Dam Fishway Project in Wallingford; the West River Tidal Marsh Restoration Project in New Haven and a streamside buffer planting in Trumbull. We also moved forward on the design and engineering phase of our Sunken Meadow State Park Marsh Restoration Project in Smithtown, New York. The Wallace Dam project alone restored access to more than 17 miles of the Quinnipiac River and 171 acres of lake and pond habitat to migratory fish for foraging and spawning. Our habitat restoration projects make a difference — for people and fish.

### Preserving Beaches and Riverfronts

We coordinated 57 beach and inland waterway cleanups throughout Connecticut, bringing together 2,450 volunteers who removed a whopping 16,310 pounds of trash and floatable debris from 57 miles of Connecticut coastline and riverfronts. Beach debris can harm swimmers and beachgoers, causes boating hazards, injures or kills wildlife, and drives tourism away from our shores, eroding our economy. Just as it takes a village to raise a child, so it takes a community to protect a resource like Long Island Sound that crosses state boundaries. Beach cleanups mobilize that community, result in cleaner beaches and riverfronts, and help build understanding about how our actions at home impact the Sound.

### Protecting Clean Water

Clean drinking water is a must for Connecticut families. And nothing preserves our drinking water resources more effectively and economically than the forests that buffer and filter our reservoirs, rivers and streams. Prior to 2012, we filed an amicus brief in the Connecticut Appellate Court seeking to block a high-density development by Eureka V in 63 acres of Ridgefield's Saugatuck drinking water watershed. We argued and the court agreed that development at the proposed densities would be harmful to the drinking water supply and set a bad precedent for developments in drinking water watersheds. One more example of CFE leading the way, putting public health before private gain.

### Saving Endangered Lands

With the help of an outpouring of support from our activists and conservationists across the state, we successfully intervened in the proposed merger of Northeast Utilities (NU) and NSTAR, protecting thousands of acres of NU-owned open space in 90 Connecticut towns. The utility agreed to transfer 1,000 acres of open space into a preservation land trust and extended an existing Memorandum of Understanding concerning the other 8,500 acres of NU-owned land until 2024. This gives local towns and land trusts the option to buy a parcel of land if the company decides to sell. We're remaining vigilant about protecting conservation values of the properties in question as this process unfolds.

### Working for Clean Air and Energy

We won't rest until Connecticut leads the nation in energy efficiency. We successfully advocated for Connecticut's new C-PACE program, subsequently unveiled in April 2013. The program encourages clean energy projects in commercial and industrial buildings statewide by providing loans to building owners and has the potential to bring enormous energy savings.

Over the summer, the Connecticut Department of Energy and Environmental Protection (DEEP) released its draft Comprehensive Energy Strategy, a major step in the state's long-term energy planning. CFE participated throughout the process, including submitting suggestions in numerous public hearings and technical meetings on the plan, and formally submitting comments in favor along with suggested improvements.

We continued our efforts toward closing Connecticut's last coal-fired power plant — Bridgeport Harbor Station. Although the plant's permit was renewed, we aren't backing down. We have joined our allies to pursue a citizen's lawsuit contending that plant emissions are in violation of Federal Clean Air Act regulations. We remain committed to identifying a more sustainable path that will clean Connecticut's air and renew the City of Bridgeport.

### Transit-Oriented Development

We successfully fought amendments in the legislative session that would have killed CTfastrak (also known as the New Britain — Hartford Busway). In May, CTfastrak construction got underway. With 11 stops along a 9-mile corridor, this project will reduce drive times for commuters, leading to cleaner air and better quality of life. We also held an extremely successful transportation funding forum in December, where Governor Malloy announced the creation of an interagency transit-oriented development workgroup with unprecedented potential to make TOD a priority in the state.

### Green Infrastructure

With funding from the Connecticut DEEP, we initiated the Quinnipiac River Project to replenish drinking-water groundwater supplies in the Quinnipiac River Watershed by planting rain gardens. Rain gardens improve water quality by reducing and filtering runoff before it enters the storm drainage system. Sediments and pollutants settle out of the water and are absorbed by plant roots or treated through chemical processes in the soil. In addition, we launched [www.ReduceRunoff.org](http://www.ReduceRunoff.org), an online resource to help homeowners learn about rain gardens and other ways to reduce polluted runoff. As the year came to a close, we looked forward to working with the Town of Southington to implement rain gardens at multiple homes and two municipal sites.

*Photos (left, top to bottom): Young beach clean-up volunteer; Restoration of the Edgewood Park Duck Pond, part of the West River Restoration Project; Governor Dannel Malloy and officials participate in the groundbreaking for CTfastrak.*





## CFE Statement of Financial Position 9.30.12

As of September 30, 2012

### Assets

#### Current Assets

Cash and Cash Equivalents.....	\$ 12,092
Cash and cash equivalents, restricted.....	\$ 306,433
Accounts and Grants Receivable.....	\$ 137,606
Unconditional Promises to Give.....	\$ 180,000
Prepaid Expense.....	\$ 33,950

**Total Current Assets .....** **\$ 670,081**

#### Noncurrent Assets

Cash and Cash Equivalents, long term.....	\$ 22,512
Promises to Give, Long term.....	\$ 115,000
Marketable Securities .....	\$2,760,295
Furniture and Equipment, Net of Depreciation.....	\$ 3,242
Beneficial Interest in charitable lead unitrust.....	\$ 2,050
Beneficial Interest Remainder Trust.....	\$1,441,456
Beneficial Interest in perpetual trust.....	\$ 975,172

**Total Noncurrent Assets .....** **\$5,319,727**

**Total Assets.....** **\$5,989,808**

### Liabilities

#### Current Liabilities

Accounts Payable.....	\$ 52,149
Accrued Expenses.....	\$ 64,040

**Total Current Liabilities.....** **\$ 116,189**

#### Net Assets

For Current Operations .....	\$ 147,316
Board Designated Quasi-endowment.....	\$ 1,106,737
Temporarily Restricted .....	\$ 2,291,912
Permanently Restricted .....	\$ 2,327,654

**Total Net Assets .....** **\$ 5,873,619**

**Total Liabilities and Net Assets .....** **\$5,989,808**

## CFE Statement of Activities: FYE 9.30.12

Fiscal year ending September 30, 2012

	<u>Temporarily Unrestricted</u>	<u>Permanently Restricted</u>	<u>Restricted</u>	<u>Total</u>
<b>Revenue</b>				
Individual Contributions and Foundations .....	\$ 1,161,035	\$575,276		\$ 1,736,311
Government Grants .....	\$ 1,766,728			\$ 1,766,728
Bequests.....	\$ 19,412			\$ 19,412
Interest and Dividends .....	\$ 90,736			\$ 90,736
Other (includes In-kind donations).....	\$ 21,128			\$ 21,128
Net Assets Released from Restriction .....	\$ 416,322	\$ (416,322)		\$ —
<b>Total Revenue.....</b>	<b>\$3,475,361</b>	<b>\$ 158,954</b>	<b>\$ —</b>	<b>\$3,634,315</b>
<b>Expenditures</b>				
Program Services.....	\$ 2,929,869			\$ 2,929,869
Management and General .....	\$ 272,414			\$ 272,414
Fundraising .....	\$ 289,846			\$ 289,846
<b>Total Expenditures.....</b>	<b>\$3,492,128</b>			<b>\$3,492,128</b>

### Change in Net Assets

**before Other Changes.....** **\$ (16,767)**..... **\$158,954**..... **\$ —**..... **\$ 142,187**

### Other Changes

Investment Gains and Losses.....	\$ 152,223			\$ 152,223
Adj to Endowment due to market changes .....	\$ 30,722	\$ (30,722)		\$ 0
Increase (decrease) in Value of Trusts .....		\$321,655	\$ 57,707	\$ 379,362
<b>Total Other Changes.....</b>	<b>\$ 182,945</b>	<b>\$290,933</b>	<b>\$ 57,707</b>	<b>\$ 531,585</b>

**Change in Net Assets.....** **\$ 166,178**..... **\$449,887**..... **\$ 57,707**..... **\$ 673,772**

## Message from the Treasurer

In Fiscal Year 2012, CFE made significant gains for the environment despite a challenging economy. Overall, we had an operating deficit of \$50,000. The Finance Committee and Management Team have instituted income benchmarks which we are monitoring closely and if necessary, cost reduction measures will be taken. Individual contributions and foundation grants of \$1.5 million funded fiscal year 2012 operations, roughly comparable to the previous year. An additional \$1.7 million was received from government grants, more than doubling the previous year's revenue for that category. We received \$19,000 in bequests, which increased the Board-Designated Fund. Other gifts, including in-kind donations, accounted for \$21,000, with interest and dividends accounting for \$90,736.

Fiscal year 2012 expenditures totaled \$3.4 million, with program expenses accounting for \$2.9 million, constituting a 56% increase in programmatic spending over the previous year. Construction on several habitat restoration projects was completed including the major work on the West River projects in New Haven funded by the Recovery Act grant and the construction of a Denil fishway over the Wallace Dam in Wallingford. Administrative and general expenses represented 7.8% of operating expenses, and fundraising costs accounted for 8.4% of operating expenses. We are grateful to our donors and dedicated to making the best possible use of every dollar committed to our care.

Diane Stoner