



Thomas F. Holloway



Donald S. Strait

Message from the President and Executive Director

Environmental action is all about the future. The Board of Directors at Connecticut Fund for the Environment sets goals for our organization based on a vision of the Connecticut we want to live in five, ten and twenty years from today, the Connecticut we want our children and grandchildren to enjoy.

Each day, our staff team rises to that challenge, looking carefully ahead for the emerging opportunities and dangers they must be prepared to meet. Our members join CFE and Save the Sound to help create that better future.

With so much happening in the here-and-now, it can be hard to look over our shoulders. But once we find the time, our glance back in this Annual Report for 2008 helps us see the larger scope of our shared achievements over one year.

We've highlighted "Days that Made a Difference" — in 2008, most of them days when the work we did helped to bring about decisions securing lasting gains for the quality and safety of our shared air, land and water. Taken together, they make an impressive list.

Decisions this important can be made on a day — but they can't be made in a day. A look at any of these days shows that the successes we celebrate result from months and years of sustained, everyday work and effort.

We are very proud of the leadership role that Connecticut Fund for the Environment and our Save the Sound program have played in winning these victories. We share our leadership with thousands of others: individual activists, generous and far-seeing funders, our business and organizational partners and many caring elected officials and career professionals in local, state and federal service.

Most of all, we share our leadership and achievements with the thousands of members who do so much to make our work possible. We thank our members for their loyal and far-seeing participation in our work. Together, we are truly changing the ways we meet basic human needs — for shelter, for travel, for energy, for the removal of waste — in ways that reduce and ultimately eliminate the harm we do to our own environment.

This look at 2008 reminds us: the results are worth every effort made, every penny spent. The return on our investment of effort — the difference we made together — will be measured in decades and even centuries and for millions of people who will live in and enjoy this region over that time.

Thomas F. Holloway, *President*

Donald S. Strait, *Executive Director*

2008: Days that made a difference

Connecticut Fund for the Environment

January 11 – Warning on warming

CFE posts *The Connecticut Plan to Fight Global Warming*, narrated by the late actor and Connecticut environmentalist **Paul Newman**, to YouTube. The 20-minute video, created by CFE, explains how climate change will threaten our state and what we must do to prevent its worst effects. The video becomes the centerpiece of advocacy for the **Global Warming Solutions Act**, a bill to mandate statewide reductions in greenhouse gas emissions. The Act is signed into law in June.

January 29 – Polluters pay

Four industrial polluters of Connecticut waters agree to pay more than **\$600,000 in penalties and environmental projects** in settlements with CFE and the state. The settlement follows notice of **CFE's intent to sue** five firms with records of **chronic toxic discharges**. Prior to CFE's action, state officials had failed to enforce pollution limits over many years. CFE continues legal action against the fifth firm, Atlantic Wire Company in Branford, which blatantly continues to spill acid into the Branford River.

February 19 – Preserve win

A Superior Court ruling favors CFE and allies fighting to save The Preserve, a **rare, 1000-acre coastal forest** along the Oyster River in Westbrook, Essex and Old Saybrook. CFE's legal team has opposed the proposed **RiverSound** project



to build luxury housing and a golf course in the forest over a series of regulatory and court proceedings since 2004. Later in 2008, RiverSound's backer, Lehman Brothers, goes into bankruptcy, putting this project on hold.

March 10 – Safe water

CFE responds to a national AP report that **millions of Americans drink drug-laden water**. Tests in dozens of U.S. cities find low levels of heart medication, antibiotics, mood stabilizers, sex hormones and other pharmaceuticals in tap water.

In a CFE press release, Program Director Curt Johnson explains that **Connecticut's reservoirs and wells are naturally protected** from contamination by the undeveloped lands surrounding them, including 100,000 forest acres preserved from development **thanks to CFE's Endangered Lands Campaign** over the last 10 years. CFE continues to work for the protection of another 250,000 acres of watershed lands still at risk from development.

June 2 – Climate action

Governor Rell signs the **Global Warming Solutions Act**, the fruit of a coalition led by CFE. Connecticut becomes just the fifth state to set such mandatory goals. This **pioneering legislation** helps pave the way for national carbon emissions legislation now before the U.S. Congress. It places Connecticut among the

Made polluters pay \$1.5 million to clean up CT rivers



Won a pioneering statewide cap on global warming emissions



Blocked Broadwater, from harming Long Island Sound.



Saved a rare, 1,000-acre coastal forest from development



leaders in planning for a clean-energy future. CFE urges the state to move quickly on the first step of a carbon cap, measuring current emission levels across the state to set a baseline for improvements.

September 29 – Millstone win

CFE action to **end massive fish-kills** from the cooling system at the **Millstone Nuclear Power** plant pays off in an agreement reached with Millstone and the Department of Environmental Protection. Millstone and DEP agreed to complete a long-delayed assessment of Millstone's cooling system within three years, shortcutting a process that might otherwise have dragged on for 15 years.

Millstone takes 2.2 billion gallons of seawater each day from Long Island Sound to cool its reactors. Millstone's cooling system has been cited as a major factor in the **collapse of winter flounder stocks** in Long Island Sound. CFE asserts that replacement of Millstone's outdated cooling system will **dramatically reduce destruction of marine life**.

October 8 – Stormwater intervention

CFE attorneys challenge the General Permit for **Industrial Stormwater** proposed by DEP. Stormwater runoff from industrial sites dumps **bacterial and chemical pollution** into Connecticut waters, yet the state has had no rules to limit the environmental damage. Every major rainstorm leads to additional **beach closures**. "Protecting public health shouldn't be dependent upon the whims of the weather," said Roger Reynolds, Senior Staff Attorney. **CFE ultimately prevails** when DEP sets enforceable limits in May of 2009.

October 21 – Transit defense

Despite a cut of \$5 million in previously committed bus funding, CFE and allies in the **Transit for Connecticut** coalition **preserved key investments in mass transit** despite the state's budget difficulties. The CFE and coalition partners show officials that expanded mass transit reduces traffic, cuts pollution and expands access between workers and jobs, persuading them that transit cuts are "penny wise and pound foolish," even in difficult economic times.

December 30 – Polluter guilty

Atlantic Wire Company **pleads guilty to criminal charges** of violating the Clean Water Act and submitting false statements to Connecticut DEP in U.S District Court. The rare criminal conviction of a corporate polluter stemmed from **CFE's legal action** to expose and punish willful pollution of Connecticut waters (see January 29). Atlantic Wire continued to release acid into the Branford River as a cost-saving measure until a court order forced it to stop earlier in 2008. The firm then declared bankruptcy, but CFE ensured that **the pollution clean-up fund received \$900,000** ahead of other creditors. Remediation was completed before the guilty plea.

Save the Sound

January 25 – Funding flows

The Connecticut Bond Commission approves **the first \$30 million for Clean Water** general obligation (GO) bonds for 2008, marking the end of six years of neglect and deterioration at the state's sewage treatment plants. The Commission will approve a total of **\$250 million in Clean Water grants and loans** to help cities and towns improve sewage treatment infrastructure.



Breakdowns and deferred maintenance and upgrades at Connecticut sewage plants over six years have blocked progress toward the goal of a sewage-free Long Island Sound by 2020. **Save the Sound led the coalition** of cities and towns, unions and businesses, which successfully lobbied to include Clean Water bonds in the state's budget for 2008 and 2009.

March 8 – Sound Summit

Save the Sound brings activists, scientists, officials and lovers of Long Island Sound together in Bridgeport for the **18th Annual Long Island Sound Citizens Summit**. This year's agenda: a daylong look at the state of Long Island Sound's historic commercial and recreational fisheries. Writer and keynote speaker **Paul Greenberg** challenged the audience. "Giving up on fish would mean the end of the last large-scale hunter-gatherer relationship we have with wild food, as well as signal our capitulation in the **fight to save the oceans**."

April 10 – Huge Broadwater "No!"

Broadwater suffers a **crippling blow** when New York Gov. David Paterson announces that state officials have found the project **conflicts with the state coastal protection plan**. The decision relied on **critical evidence from Save the Sound**. While Broadwater may appeal, the added delay greatly reduces the danger that Broadwater will ever be built.

April 19 – Spring cleaning

Save the Sound makes **Earth Day** into Spring Cleaning Day at **Bigelow Brook** in Manchester. Radio Disney and the Hockanum River Linear Park Committee of Manchester brought out dozens of volunteers to help Save the Sound launch its first **Spring Cleaning** season for Long Island Sound and tributary rivers in April and May.

September 13 – Restoration projects

Volunteers help Save the Sound's **Habitat Restoration program** plant the banks of the **Oyster Shell River** in urban Norwalk with native species to help filter out pollution from city streets. The project in Oyster Shell Park is one of **11 Save the Sound habitat restoration projects** in progress during 2008. They include building **fish ladders** to reopen upstream breeding areas and the restoration of water flows and natural function to **wetlands, salt marshes and tidal rivers**.

September 20 – Massive cleanup

The new **UConn Scuba Club** takes the **23rd Annual International Coastal Cleanup** underwater at Avery Point in Groton. Save the Sound, Connecticut's coordinator for the annual global campaign, organized the UConn divers' cleanup as well as **cleanups by hundreds of land-based volunteers at 50 Connecticut beaches** in September and October.

Connecticut Fund for the Environment is proud to announce Timex Group as our \$10,000 sponsor of Save the Sound's 2009 Coastal Cleanup program. Timex Group, 155-year heritage of integrity, technology and design. Dedicated to corporate social responsibility around the world... a commitment to our values.

TIMEX GROUP

CFE and Save the Sound Donor List 2008

This list includes gifts, grants, and pledges received from January 1 to December 31, 2008. Gifts received after December 31, 2008 will be listed in the 2009 annual report. We make every effort to be accurate. Please contact us if your name is not listed as it should be.

\$100,000 and Above

Anonymous (1)
Geoffrey C. Hughes
Foundation
Tortuga Foundation
Mr. Paul L. Newman

\$50,000 to \$99,999

Anonymous (5)
Merck Family Fund
One Region Fund (at the
New York Community
Trust)
Sonia & Paul T. Jones II
Barbara & Peter Setlow
Vervane Foundation
G. Unger Vetlesen
Foundation

\$20,000 to \$49,999

Anonymous (1)
Barbara O. David
Connemara Fund (at the
direction of Mr. & Mrs.
Herrick Jackson and Mrs.
Polly J. Friess)
Educational Foundation of
America
The John Merck Fund
National Fish and Wildlife
Foundation
Sun Hill Foundation

\$10,000 to \$19,999

Anonymous (2)
The Bridgemill Foundation
Carlson Family Foundation
Gryphon Fund
The Stewart & Constance
Greenfield Foundation
Kayak for a Cause
Brooks M. Kelley, Ph.D.
Chester W. Kitchings
Foundation
J & C & R Krediet Charitable
Fund
Melissa Anne Leonhardt
Donor Advised Fund
(at the Fairfield County
Community Foundation)
Drs. Roslyn & Jerome
Meyer
Ms. Clea Newman and Mr.
Kurt Soderlund
Ms. Catherine H. Smith
Mrs. William B. Stoddard, Jr.
The Werth Family
Foundation
The Winston Foundation, Inc.

\$5,000 to \$9,999

Anonymous (1)
Mr. & Mrs. Jesse Fink
Ms. Barbara Newman
Findlay
Ms. Marta Jo Lawrence
Mr. & Mrs. Kenneth
Mountcastle, Jr.
Ms. Melissa Newman & Mr.
Raphael Elkind
Overhills Foundation
Mr. Jon Owsley
Mr. Robert F. Schumann
Ms. Melinda B. Scrivner
Soundwatch
Mrs. Joan Wister

\$1,000 to \$4,999

Anonymous (7)
Emily Aber & Robert
Weschler
Mr. Richard D. Amerling &
Ms. Mary C. Kelly
Amy Shapiro Scholarship
Foundation

Chip & Barbara Angle
Mr. & Mrs. Benjamin M.
Baker
Barakett Foundation
Mr. Mark A. Broach
Mr. Paul Broder
Ms. Avery Rogers Brooke
Dr. Olive J. Brose
Ruth Brown Foundation
Mr. & Mrs. S. Jeffrey Burt
CBET Foundation
Community Foundation for
Greater New Haven
Peter & Diana Cooper
Louise & Edgar Cullman
Dancing Tides Foundation
Mr. & Mrs. Robert D. Duke
Ms. Cheryl Dunson
Mr. Daniel Esty
Mr. & Mrs. Robert
Falkenhagen
Mr. & Mrs. David Fins
Judith & John Fisher
Mr. Matthew S. Forelli
Mr. & Mrs. Alfred Fressola
Ms. Alison Geballe
B.B. Geyer Foundation
Elizabeth Gilson, Esq.
Mr. & Mrs. Brian Gold
Mr. & Mrs. Edward B.
Goodnow
Grace Jones Richardson
Trust (at the direction
of Mr. & Mrs. Stuart S.
Richardson)

Eugene and Emily Grant
Family Foundation
Mabel Burchard Fischer
Grant Foundation
Ms. Kathleen M. Hayes &
Mr. Stephen Updegrave
Frances & Thomas Holloway
Dr. & Mrs. Michael
Kashgarian
Mr. Paul S. Kempner
Linda & Alan Landis
Mr. & Mrs. Peter Lawrence
Mr. & Mrs. John D. Lobrano
Ruth Lord
Mr. Dan W. Lufkin
Mr. & Mrs. Peter L. Malkin
Mr. Crozer Martin
McCullough Foundation
Mr. Douglas McKeige
Mr. & Mrs. Edmond N.
Morse
Mr. & Mrs. William F. Murdy
Mr. & Mrs. Donal C. O'Brien,
Jr.

The Pakula Foundation
Ms. Heidi Palmer & Dr.
Robert S. Kruger
Mr. & Mrs. Arthur G. Potts,
Jr.
Ms. Jean M. Richards
Mrs. John W. Ritter, Jr.
Katharine H. Robinson, Esq.
Mr. Frank H. Santoro, Esq. &
Ms. Jane Cavanaugh
Mr. & Mrs. Daniel Scheuer
Mrs. Frances L. Snyder
M & H Sommer Foundation
Mr. & Mrs. Jonathan
Sonneborn
Maxwell Lide Stanback
Foundation
Mr. Donald S. Strait & Ms.
Deborah Fins
Ms. Jody Strait
Mr. Theodore L. Sullivan &
Ms. Faith Taylor
Jane & Thomas Talamini
Tauck Foundation
Mr. B. Holt Thrasher
Joop & Ellen Varekamp

Mr. & Mrs. William Wasch
Mr. & Mrs. Stephen
Wiggins
George & Cynthia Willauer

\$500 to \$999

All Souls Unitarian
Universalist
Anonymous (3)
Marley A. Aloe
Mr. David Behnke & Mr.
Paul Doherty
Mr. & Mrs. Michael F.
Bellacosa
Mr. George P. Bent II
Ms. Sybil Bernstein
Mr. John Bozzi & Dr.
Catharine Arnold
Mr. Carroll Brewster
Mr. Leo Bromwich
Mr. & Mrs. H. B. Bullard
Ms. Mary Jane Converse
Ms. Mary Coolidge
Mr. William N. Creasy, Jr.
Mr. & Mrs. Raymond Dalio
Ms. Nancy DeLisi
Mr. & Mrs. Matthew
DeSalvo
Ms. Mary C. Ewing
Mr. Matthew S. Forelli
Ms. Judi Friedman
Mr. & Mrs. Kelin E. Gersick
Guidice Family Fund
Woman's Club Greenwich
Gardeners
Mr. & Mrs. Paul Issac
James A. McDonald
Foundation
Dr. Kiki Kennedy & Mr. Ted
Kennedy, Jr.
Ms. Margaret Kilgore
Dr. & Mrs. Michael G. Kirsch
Eileen & Hal Kraus
Ms. Michele Lamothe
Mr. Richard B. Larson
Mrs. Leslie Lee
Mr. & Mrs. Roger Liddell
Ms. Beverley J. MacLinnis &
Mr. Frank T. MacLinnis
Russell Maguire Foundation
Mr. & Mrs. Joseph Mahoney
Ms. Anne S. McCook
Mr. & Mrs. Michael McNiff
Mellen Foundation
Mr. Timothy McGue
Millhiser
Mr. & Mrs. John Millington
Elizabeth & Fred Millsbaugh
Mr. & Mrs. Jim Millstein
Mr. & Mrs. Stephen E.
Milman
Mr. & Mrs. William F.
Morrill
Ms. Elinor Newman
Mr. David I. Newton
Ms. Mary W. Parker
Dr. & Mrs. S.R. Peterson
Mr. William E. Phillips &
Ms. Barbara E. Smith
Ms. Jane Roth & Mr. Ed
Pawlak
Ruscito Family Foundation
Mr. Willis Ryckman
Rye Garden Club, Inc.
Ms. Suzanne S. Salomon
Ms. Alice Schroeder
Ms. Pamela P. Stoddard
Mr. & Mrs. Charles M. Strait
Mr. & Mrs. Jeff
Swearingen
Mr. & Mrs. Eric N.
Thompson
Unitarian Church in
Westport
Ms. Joan Warburg

Mr. & Mrs. R. Channing
Wheeler
George & Cynthia Willauer
Mr. Peter Witkin
Mr. & Mrs. David Yolen
Ms. Celeste Suggs & Mr.
Joel Zackin
Mr. John A. Zaro, III

\$250 to \$499

Anonymous
John & Christina Altier
Mr. R. Scott Asen
Mr. & Mrs. William Bailey
Mr. Andrew Barnard
Mrs. William E. Belsito
Mr. & Mrs. Christopher
Berman
Mr. Richard A. Bieder
Ms. Lisa Bienstock
Dr. & Mrs. David B. Bingham
Mr. & Mrs. Richard Breeden
Mrs. Kathryn Brooks
Mr. Barry M. Brookstein
Mr. & Mrs. Anthony Burke
Mr. & Mrs. S. Jeffrey Burt
Mrs. Susan Wheeler Byck
Clinton Land Conservation
Trust
Mr. Evan Collins
Mr. Robert Comerford
Ms. Margaret Crone
The D'Urso & Rupaka Family
Mr. D. James Daras
Wendell & Alison Davis
Dr. Peter DeBell
Mr. Chris Dewart
Mr. R. Gordon Douglas
Dr. & Mrs. David Dressler
Mr. Ian Edmundson
Mr. Joel L. Epstein & Ms.
Arline B. Epstein
Ms. Sarah M. Ferguson
The First Congregation
Church
Mr. & Mrs. Robert B. Fiske,
Jr.
Dorothy & Jon Fox
Ms. Deborah Freedman &
Mr. Ben Ledbetter
Ms. Rebecca M. Fuller
Mr. Bob Gerber & Dr.
Veronica Rynn
Ms. Linda Giers
Mr. Joshua Goldman
Mr. David Golub & Ms.
Kathryn Emmett
Dr. & Mrs. Edward Goodwin
Green Fingers Garden Club
Mr. & Mrs. Jeff Hendrickson
Hortulus, Inc.
W. Campbell Hudson, III,
Esq.
Louis & Hemara Josephs
Mr. & Mrs. Eric Kamisher
Mr. David Kirsch & Dr. Paula
Kirsch
Ms. Jill Klaffky
Alan & Naomi Klotz
Mr. & Mrs. Michael P.
Koskoff
Ms. Terry Langevin & Mr.
Douglas C. Muth
Law Office of Mark
DellaValle
Mr. & Mrs. Bruce LePage
Mr. & Mrs. Patrick T. Leahy
Mr. Sam Lieber & Ms. Mary
Rubin
Dr. & Mrs. William A. Lieber
Mr. Stuart M. Low
Mr. & Mrs. James Manning
James & Mary Ellen Marpe
Ms. Carol A. Martin
John & Tracy Mayo-Smith

Mrs. Mary Lou McGuire
Sunil & Aley Menon
Ms. Hannah Morehouse
Mr. David B. Murphy
Mr. & Mrs. Robert Neiman
Sian & Robert Nimkoff
Mr. Dennis A. Noe
Mr. & Mrs. Samuel J.
Palmisano
Mr. & Mrs. Thomas Passios
Mr. Jason Polayes & Ms.
Jennifer Weymouth
Mr. & Mrs. Arnold Pritchard
Quadra Foundation
Quebec-Labrador
Foundation
Mr. & Mrs. Edward Raboy
Ms. Paula C. Resch
Sasqua Garden Club
Mr. & Mrs. Arthur Selkowitz
Dr. Frederick W. Spaulding
Mr. & Mrs. James Gustave
Speth
Ms. Lydia H. Stevens
Mr. & Mrs. Stephen
Stillerman
Mr. & Mrs. Kurt Strasser
Ms. Nancy B. Taylor
Sandy & Sidney Van Zandt
Mr. Josiah B. Venter
Mrs. William M. Weaver
Ms. Beth Weinberger
Mr. William W. Weisner
Mrs. Sally
Wetzler-Weintraub
Mr. Michael B. Wieczorek &
Ms. Lynette Prescott
Mrs. Lammie Williams
Ms. Georgeann Witte & Mr.
David Bromwich
Mr. & Mrs. Jack Yoskowitz
Ms. Elise Young
Mr. & Mrs. Charles
Zimmerman

Corporations (\$10,000 and above)

ING Foundation

**Corporations
(\$250 through \$9,999)**
Arrow Electronics, Inc.
Bank of America
Cronin & Company, LLC
Legg Mason & Co., LLC
Main Street Resources
Osprey Partners
Patagonia Westport
Sylvan Gallery, LLC
Timex Group USA, Inc.
Viking Construction, Inc.
Walnut Beach Creamery

Matching Gift Companies

AIG Matching Grants
Program
Aetna Foundation
Allianz of America, Inc.
GE Foundation
Global Impact
Morgan Stanley &
Company, Inc.
Pfizer Foundation
Prudential Foundation
United Technologies

In-Kind Contributions

Cyclone Microsystems

Bequests & Trusts

Estate of Cynthia M.
Chevins
Adele Clement Bequest

Legacy Society

The Legacy Society honors
those who have included
CFE in their estate plans.
Anonymous
Ms. Mary Jane Bates
Ms. Lynne Cohen
Ms. Mary Jane Converse
Ms. Prinnie Falkenhagen
Mrs. Joan Faust
Ms. Elizabeth Fischer
Mr. & Mrs. Charles Forman
Ms. Linda Giers
Mr. Thomas Holloway
Mr. & Mrs. Brooks M. Kelley
Mrs. Frederic Richards
Ms. Jean M. Richards
Mr. & Mrs. Jonathan
Sonneborn
Ms. Beth Weinberger

We also thank Restore
America's Estuaries and
the National Oceanic and
Atmospheric Administration
(NOAA) for their financial
support and technical
expertise through the NOAA
Community-Based Habitat
Restoration Program.

Board Members

Thomas F. Holloway,
President
Barbara O. David,
Vice President
Frank Hanley Santoro,
Esq., Secretary
Catherine H. Smith,
Treasurer
Ted Sullivan, Assistant
Treasurer
Julie Belaga
Carroll W. Brewster
Daniel C. Esty, Esq.
Patricia T. Falkenhagen
Gordon Geballe, Ph.D.
Elizabeth P. Gilson, Esq.
N. George Host
W. Campbell Hudson, Esq.
Katherine Kennedy, M.D.
Kimberly J. Lake, Esq.
Leslie Lee
Christine Lodewick
John Millington
Carol S. Stoddard
Barbara Surwilo, Ph.D.
Johan C. Varekamp, Ph.D.

Senior Staff

Donald S. Strait,
Executive Director
Mimi Fahy, Senior Director
of Development and
Communications
Curt Johnson, Senior
Attorney and Program
Director
John Champion, Senior
Director of Finance and
Administration

CFE Statement of Financial position 9.30.08

Assets

Current Assets

Cash and Cash Equivalents	\$421,073
Accounts Receivable	\$28,096
Grants Receivable	\$1,188
Unconditional Promises to Give	\$46,704
Prepaid Expense	\$20,664
Total Current Assets	\$517,725

Noncurrent Assets

Cash and Cash Equivalents, long term	\$38,723
Marketable Securities	\$2,171,233
Furniture and Equipment, Net of Depreciation	\$36,508
Beneficial Interest in Charitable Lead Unitrust	\$13,300
Beneficial Interest Remainder Trust	\$1,089,004
Beneficial Interest in Perpetual Trust	\$1,010,408
Total Noncurrent Assets	\$4,359,176

Total Assets **\$4,876,901**

Liabilities

Current Liabilities

Accounts Payable	\$45,751
Accrued Expenses	\$50,091
Total Current Liabilities	\$95,842

Net Assets

Unrestricted	
For Current Operations	\$116,828
Board Designated Quasi-Endowment	\$967,081
Temporarily Restricted	\$1,376,260
Permanently Restricted	\$2,320,890
Total Net Assets	\$4,781,059
Total Liabilities and Net Assets	\$4,876,901

CFE Statement of Activities: FYE 9.30.08

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue				
Membership Fees and Contributions	\$1,085,206	\$438,667	\$25,400	\$1,549,273
Grants		\$89,591		\$89,591
Bequests	\$1,342			\$1,342
Interest and Dividends	\$139,030			\$139,030
Other	\$50,520			\$50,520
Net Assets Released from Restriction	\$963,295	\$(963,295)		\$—
Total Revenue	\$2,239,393	\$(435,037)	\$25,400	\$1,829,756
Expenditures				
Program Services	\$1,947,153			\$1,947,153
Management and General	\$287,253			\$287,253
Fundraising	\$244,143			\$244,143
Total Expenditures	\$2,478,549			\$2,478,549
Change in Net Assets before Other Changes	\$(239,156)	\$(435,037)	\$25,400	\$(648,793)
Other Changes				
Realized Investment Gains and Losses	\$(132,464)			\$(132,464)
Prior Period Adjustment	\$395,689		\$(533,861)	\$(138,172)
Unrealized Investment Gains and Losses	\$(93,175)			\$(93,175)
Decrease in Value of Trusts		\$(11,553)	\$(182,374)	\$(193,927)
Total Other Changes	\$170,050	\$(11,553)	\$(716,235)	\$(557,738)
Change in Net Asset	\$(69,106)	\$(446,590)	\$(690,835)	\$(1,206,531)

Message from the Treasurer

In 2008, Connecticut Fund for the Environment embarked on a campaign to further consolidate the merger with Save the Sound and to position the organization to all stakeholders as a leading activist in the fields of protecting endangered lands, halting global warming, safeguarding Long Island Sound from both destructive development and inefficient sewage treatment plants and the restoring of coastal habitats. To this end, the CFE Board of Directors and staff implemented a major effort to create a coherent and attractive revitalized public image. It was the cost of this effort, using past savings, that accounted for most of the operating deficit in 2008.

CFE was not immune to the impact of the erosion of the financial markets. Despite this erosion, Connecticut Fund for the Environment was able to sustain and expand the programs that are at the core of its mission. Revenue declined slightly and operating expenses (other than the planned marketing campaign) were reduced. Management and General expenses were 11.6% of operations and Fundraising expenses were almost 10%.

This report reflects a change in the characterization of certain assets that have been shifted between true endowment and board restricted funds. This change was initiated at the suggestion of the audit firm and represents an alignment of funds according to the new Uniform

Prudent Management of Institutional Funds Act standards that have been adopted in the non-profit community and the State of Connecticut. Realized and unrealized losses and the decrease in the value of trusts in which CFE has an interest also contributed to the change in net assets.

Both Board and staff are working to continue the important work of CFE in the face of the ongoing financial problems in the general economy. We recognize the challenges and are prepared to make the necessary adjustments to insure that CFE's legislative, legal and restoration work that is so vital to maintaining and improving the environmental health of Connecticut and Long Island Sound is not impacted.

Catherine H. Smith

Connecticut Fund for the Environment

205 Whitney Avenue

New Haven, CT 06511



Connecticut Fund
for the Environment

