

2012 ANNUAL REPORT



SAN FRANCISCO
BAYKEEPER®

A MESSAGE FROM BAYKEEPER'S BOARD CHAIR

TURNING OUR PASSION FOR SAN FRANCISCO BAY INTO EFFECTIVE ACTION

It's been a great year for the Bay. After a long and determined campaign, Baykeeper has turned around San Francisco Bay's longstanding sewage spill problem. We also launched our Bay-Safe Industry campaign to rein in widespread, illegal runoff pollution from industrial facilities—and we're already off to a strong start.

San Francisco Baykeeper is a small organization that succeeds in taking on the greatest threats to the health of the Bay. We succeed because we have a passion for this irreplaceable body of water, and we turn that passion into effective action. Baykeeper's wonderful donors take a stand for a cleaner Bay by funding our work. Baykeeper's dedicated Board of Directors and staff use these resources wisely and strategically, setting the bar for nonprofit efficiency. Our inspired volunteers help us investigate polluters and, at critical moments, join us in advocacy to protect the Bay. Baykeeper increases our impact through active partnerships with community organizations and agencies that share our goal of a thriving Bay and clean waters.

I want to thank every supporter who helped Baykeeper win our victories over the past year. Because of you, the Bay's ecosystem is healthier and the water is cleaner for wildlife in, on, and along the Bay. And you make a real difference in the lives of everyone who turns to San Francisco Bay for adventure, inspiration, renewal, and beauty.

A handwritten signature in blue ink, appearing to read "JR" or "Jeff Russell".

Jeff Russell, JD





Photo: Ingrid Taylor

*I would like to thank
San Francisco Baykeeper for
their efforts to protect the
waters of San Francisco Bay
for residents and wildlife
alike. I admire their courage,
persistence, and tenacity in
fighting to protect the Bay
from pollution: Baykeeper has
been fearless in taking to task
those who discharge damaging
pollutants. Their efforts are
effective because of the
organization's strong scientific
integrity, and have resulted in
a cleaner, healthier Bay. Just
as important, their actions
discourage future degradation of
this irreplaceable resource.*

Florence LaRiviere

Citizens Committee to
Complete the Refuge;
Winner, 2012 National
Wetlands Award

SAN FRANCISCO BAYKEEPER
SAFEGUARDING THE BAY
FROM POLLUTION SINCE 1989



THIS YEAR BAYKEEPER TURNED THE TIDE ON SEWAGE SPILLS IN SAN FRANCISCO BAY . . .

Photo: Hudson Henry



For years, outdated Bay Area sewage systems have spilled millions of gallons of raw and undertreated sewage into the Bay and its watershed, threatening the health of the ecosystem and recreational users. This year, Baykeeper turned the tide: we achieved a major victory for cleaning up sewage spills in the Bay.

Six years after launching our Sick of Sewage campaign, Baykeeper has reached our goal of compelling the region's worst-polluting sewage systems to make needed upgrades. Sewer agencies serving 20 Bay Area cities are now legally required to repair crumbling pipes and replace outdated infrastructure, on an exact year-by-year timetable. Some have already reduced sewage spills by 50 to 75%.


With Baykeeper's continued monitoring of these upgrades over the next several years, sewage should soon cease to be a major pollution problem in the Bay. Thank you for helping us make the Bay cleaner and safer for wildlife and for swimmers, sailors, surfers, shoreline walkers, kayakers and kites.

...AND LAUNCHED A NEW CAMPAIGN TO PROTECT THE BAY FROM TOXIC INDUSTRIAL RUNOFF

This year Baykeeper launched a multi-year effort to control one of the Bay's most widespread pollution problems. Our analysis shows that in recent years, 95% of the Bay Area's 1,300 industrial facilities have illegally discharged toxic rainy-season runoff that contaminates the Bay. But regulators annually inspect and require improvements at fewer than 5%.

Baykeeper is stepping in to control this toxic industrial pollution that threatens the health of the Bay, its wildlife, and Bay recreational users. For this new effort, we're using the same methods that led to our success with cleaning up sewage spills: on-the-water patrols, scientific research and monitoring, targeted legal action, and dedicated advocacy. We've already won pollution cleanup from a range of industrial facilities across the region.

A BAY-SAFE INDUSTRY CAMPAIGN VICTORY: BAE SYSTEMS SHIP REPAIR

A photograph of a person wearing a plaid shirt and glasses, leaning over the side of a boat and scooping a sample from the water. The water is dark and murky, with some white foam visible. The person is holding a small white container. The background is a blue-tinted map of the San Francisco Bay area.

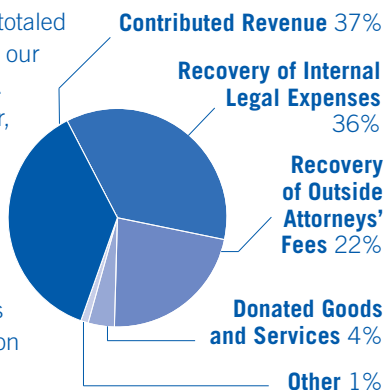
On pollution patrol in the Baykeeper boat, staff scientist Ian Wren saw toxic reddish dust blowing into the Bay from BAE Systems Ship Repair, Inc. The San Francisco facility repairs large ships, including oil tankers and cruise ships, and runs the West Coast's largest dry dock. Ian scooped up samples of polluted water for analysis. When we confirmed that BAE was seriously contaminating the Bay, Baykeeper sued. BAE quickly worked with Baykeeper to identify new pollution controls and better practices and then signed a legally-binding agreement to upgrade the site.

BAYKEEPER

2011-2012 FINANCIAL HIGHLIGHTS

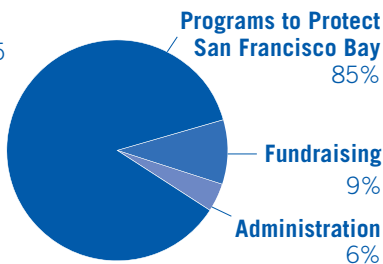
REVENUE

During 2011-2012, Baykeeper's revenue totaled \$1,428,032. Generous contributions from our supporters amounted to \$524,386 (37%). When we settle a lawsuit against a polluter, the Clean Water Act allows Baykeeper to recover our fees and costs to bring the case; in 11-12, this amounted to \$513,449 (36%). In addition, \$312,318 (22%) came from recovered attorneys' fees, which we then paid to the legal firms who represented Baykeeper in our pollution lawsuits.



EXPENSES

During 2011-12, Baykeeper's expenses totaled \$1,547,327. We spent \$1,317,295 (85%) on programs to strengthen clean water laws and compel polluters to stop contaminating San Francisco Bay. Baykeeper keeps other expenses very low, spending only \$140,951 (9%) on fundraising and \$89,081 (6%) on administrative costs.



WHY WERE EXPENSES HIGHER THAN REVENUE?

During 2011-2012, Baykeeper invested in our new Bay-Safe Industry Campaign with pivotal new cases to rein in toxic pollution to the Bay. The fees and costs for these cases will be recovered in future fiscal years, as the cases settle. We're covering current expenses with our reserve fund, which received a big boost several years ago from a one-time award of \$400,000. Baykeeper is dedicated to investing our resources strategically to achieve the greatest possible benefit to the health of the Bay.

SEE BAYKEEPER'S FULL AUDITED FINANCIAL STATEMENTS AT WWW.BAYKEEPER.ORG.

MEET OUR SUPPORTERS

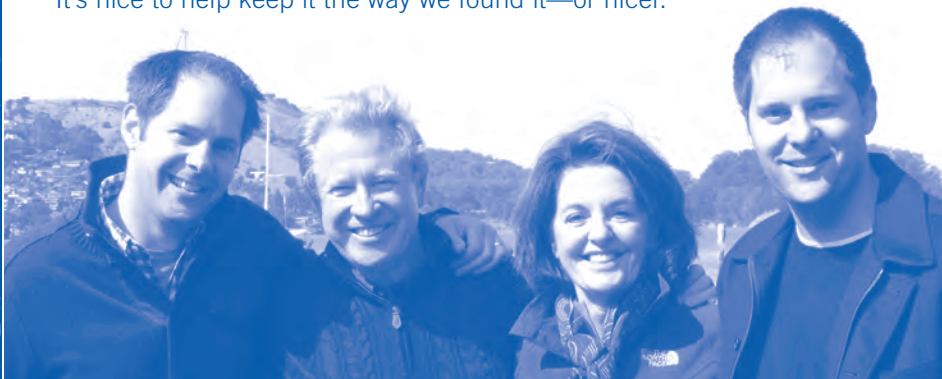
THE MEIER FAMILY: LEE, LINDA, MIKE, AND BEN

When Lee Meier retired and sold his equipment leasing and finance company in 1999, the Meiers formed a small family foundation. “We use our family foundation as a way of giving back to our local community,” says Lee. The whole family researches and decides which charities to support, and now that the sons are out of college and married, their wives also take part in the decision-making.

Soon after they started the family foundation, Linda was interested in finding an organization related to protecting water. Mike’s research led the family to Baykeeper. Because the Meiers believe in participating in organizations, as well as providing financial support, family members came to a Baykeeper event. “Everyone there was so down-to-earth, enthusiastic, and dedicated, it made me want to get more involved,” says Linda. Lee agrees. “It’s important to us that this is a feisty organization that gets things done. It’s also important that it’s right here in our backyard and we get to see the great results of Baykeeper’s work.”

Lee and Linda raised their sons in San Anselmo and live in San Francisco today. Mike, a commercial banker, says growing up in the Bay Area shaped his ideas of charitable giving. “I was exposed to hiking, kayaking, and tidepooling. I’m raising a family here now, and I want to make sure the same experiences are available to the next generation,” he says. His two-year-old son, Wyatt, already loves the water.

Ben, a marketing professional, still takes part in the family foundation, even though he and his wife live in faraway Sao Paulo, Brazil. Says Ben, “I was born and raised in the Bay Area, and I have a lot of pride in it. It’s nice to help keep it the way we found it—or nicer.”



SAN FRANCISCO BAYKEEPER SUPPORTERS

The following donors made gifts to San Francisco Baykeeper between July 1, 2011 and June 30, 2012. We thank them for their generous support and investment in our work to protect San Francisco Bay.

GIFTS OF \$25,000 AND GREATER

Keith Campbell Foundation for the
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Jim and Linda Kuhns, in honor of
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The Purple Lady/Barbara J. Meislin
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WE INVITE YOU TO FIND OUT MORE ABOUT ALL WE DO
TO SAFEGUARD THE BAY FROM POLLUTION AT

WWW.BAYKEEPER.ORG



*Gifts from our donors help the Baykeeper boat stay out
on the Bay, patrolling and investigating pollution.*

SAN FRANCISCO
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