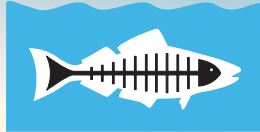


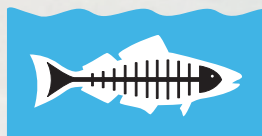
2016 THE YEAR IN REVIEW

ANNUAL REPORT



Heal the Bay





Heal the Bay

Heal the Bay is a leading nonprofit environmental organization, founded in 1985 by a group of Los Angeles residents who couldn't stand to let unchecked pollution and toxicity claim our coastal waters.

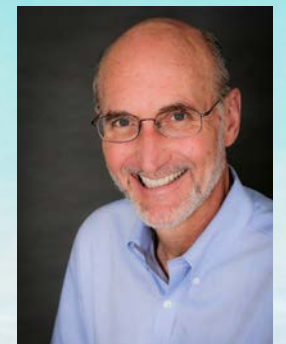
Today, our staff and committed volunteers employ sound science, hands-on education, community action and reasoned advocacy to improve quality of life and the health of beaches, ocean and inland waterways. The good news is that our efforts are paying off. Our shorelines and watersheds continue to improve each year. Southland residents are more aware of the connection between the health of our neighborhoods and our ocean. As one of the most effective grassroots groups in Los Angeles County, we mobilized more than 30,000 donors and volunteers in 2016.

We hope you will join us in our campaign for thriving oceans, healthy watersheds and smart water management in our region. You can support our work by volunteering your time, donating your dollars or lending your voice.

1444 9th Street, Santa Monica, CA 90401 • (800) HEAL BAY

OUR LEADERSHIP

NAVIGATING IN TURBULENT TIMES



Craig Perkins

I am deeply honored to have the privilege of succeeding Don Kinsey in the role of chairman of Heal the Bay's Board of Directors. In the following pages, you can read about the efforts Don helped oversee last year to improve the health of our local beaches, ocean and inland watersheds. Building off that work, I look forward to working closely with our amazing Heal the Bay staff as we face the many challenges and opportunities that present themselves in 2017 - a time of great political transition in our nation.

Heal the Bay is an organization that is dedicated to protecting, preserving and restoring a natural resource that is fundamental to our quality of life in Southern California. Without the fearless ongoing work of Heal the Bay, we would forfeit much of our confidence in the future health and safety of our Bay and our beaches. Heal the Bay is also essential in "connecting the dots" between a healthy ocean, healthy watersheds, a more sustainable water supply and more livable communities.

The most important responsibilities for the Board of Directors are ensuring the organization's fiscal health, charting a sound strategic direction for our programs and campaigns, and appointing a capable and creative President/CEO to lead our talented staff. I and my fellow Board members are dedicated to making Heal the Bay an even more effective and influential force. But, it is the loyal and untiring support by the many thousands of members, volunteers and contributors that truly defines Heal the Bay and empowers us to have a consistently significant and positive impact in Southern California and beyond.

"In a time of great societal change, what truly matters is that we stay true to our core values."

We are living in an unprecedented period of accelerating change that is simultaneously impacting our environmental, social and political realities. During such times, it is important for us to recognize that

change has been and will always be inevitable. While change brings challenges it also reveals new opportunities and new avenues for us to prevail in accomplishing Heal the Bay's mission. What truly matters is that we stay true to our core values and continue investing in and supporting organizations like Heal the Bay that allow us to collectively leave things better than we found them.

I look forward to all that we can accomplish together over the next two years as we implement and expand Heal the Bay's critically important programs and initiatives and, by doing so, continue to honor the proud legacy of our founding president, Dorothy Green.

Thank you,

Craig Perkins

Chairman of the Board



OUR WORK: HOW WE PUT YOUR MONEY TO GOOD USE

THRIVING OCEANS 2016

BAGGING THE BAG



WHAT WE DID:

Our staff and volunteers mobilized a successful grassroots campaign for Prop 67, which upholds the statewide ban on harmful and wasteful single-use plastic bags. Thanks in part to our community outreach and effective social-media efforts, millions of Californians voted in November for cleaner shorelines.

THE IMPACT:

The vote showed that consumers are willing to make simple changes in their daily lives that can pay enormous environmental dividends. Bringing a reusable bag to the market is a simple action that improves the health of the ocean.

THRIVING OCEANS 2017

RETHINKING THE DRINK



Beverage-related items form the bulk of trash collected at our cleanups – plastic water bottles, straws, bottle caps and bits of Styrofoam cups. To stem the deluge, we're launching a community campaign encouraging people to go reusable, while our policy staff pursues regulations that hold dischargers responsible for drink-related waste.

WHY IT MATTERS:

It's estimated there will be more plastic in the sea by mass in 2050 than fish. We simply must end our addiction to single-use plastics if we want to reverse this frightening trend.

HOW YOU CAN HELP:

Skip the straw. Pass on the plastic bottle. Forget the foam.

HEALTHY WATERSHEDS 2016

IS THE L.A. RIVER SAFE?



WHAT WE DID:

Our staff scientists released a study evaluating water-quality issues in recreational zones of the Los Angeles River. Year 1 of our ongoing monitoring program brought to light the chronic fecal bacteria issues that plague kayaking and fishing areas, posing significant risk to people who recreate along the newly popular waterbody.

THE IMPACT:

Amid the buzz and excitement of a \$1 billion L.A. River revitalization plan, officials must prioritize protecting public health and implement solutions to reduce chronic pollution.

HEALTHY WATERSHEDS 2017

CLEANING OUR CREEKS

Our science and policy team will dramatically expand its water-quality monitoring program by launching regular analysis at more than a dozen locations along the L.A. River and Ballona Creek. Modeled after our A-to-F Beach Report Card, the new grading program will support public health and aquatic well-being throughout the watershed.



WHY IT MATTERS:

We can't expect our beaches and wetlands to be clean if the waters that feed them are filled with harmful pollutants. As we fight for tougher limits on polluters, this advocacy requires consistent and scientifically gathered data.

HOW YOU CAN HELP:

Take a tour of the L.A. River or the Ballona Wetlands to understand the stakes; reduce polluting runoff to our creeks by cleaning up after your pet, opting for copper-free brake pads, and curtailing fertilizer and pesticide use.

SMART WATER 2016

DROPPING KNOWLEDGE



WHAT WE DID:

Most Angelenos have no idea where their water comes from. To help build a more savvy community, we received a sweeping grant from LA 2050 to educate our region via a multimedia campaign dubbed "Know the Flow." Through this effort we educated over 27,000 people in English, Spanish, and Korean about our boom-and-bust water cycle and how to build a more resilient water future.

THE IMPACT:

Given the increasing expense of imported water, our region needs to get serious about capturing stormwater and recycling wastewater. Winter rains provided short-term relief, but we are not out of the desert yet ...

SMART WATER 2017



RE-PLUMBING L.A.

L.A. needs to move beyond its centralized approach to water, which relies heavily on massive infrastructure – be it pumping water from the Sacramento Delta or Hyperion discharging millions of gallons of wastewater into the sea. Instead, Heal the Bay will lead the charge to invest in nature-based solutions, such as the L.A. City Council's proposal to require "green street" capture-and-infiltrate features in all street, median and parkway projects.

WHY IT MATTERS:

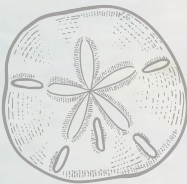
A resilient L.A. depends on the widespread adoption of strategies that maximize on-site management of all forms of water. No single entity can win the water wars single-handedly. Local water agencies, businesses, homeowners and renters all need to manage water more wisely. Making the most of our local water resources will help keep more environmentally harmful and costly options, like ocean desalination, at bay.

HOW YOU CAN HELP:

Rip out your grass lawn. Break up a driveway. Support civic investment in stormwater capture.

OUR SUPPORTERS: WHY YOU GIVE

Heal the Bay has consistently – and persistently – been involved with healing the ocean and making a cleaner environment. But it also is trying to create a community in Southern California that, I think, is second to none. ---- Greg Webster



I need to see the ocean. To hear it, smell it, feel it and taste it to feel really alive. It heals me. I want to make sure it is healed! ---- Michael G. Fletcher

My friends and I recently decided to voluntarily clean the beach around Santa Monica Pier and we were shocked to see how tragic it was. There was trash, cigarette butts, and several other things that people decided to toss on the ground. After an hour, we all had two giant trash bags full of garbage. Afterward, I decided to have a donation bake sale at my work and asked for a donation with each purchase of a cookie or brownie. Everyone was happy to help when I explained what Heal the Bay does for our local beaches. We raised exactly \$250! ---- Anais Geysimonian

The beach is the serenity maker. ----Leonard R. Garner Jr.



OUR DONORS: PROTECTING WHAT THEY LOVE

We are grateful for your contributions (January-December 2016)

\$50,000+

Anonymous
Mark & Debbie Attanasio
Kari & John Boiler
California State (Various)
California Water Foundation
EA Engineering, Science, & Technology, Inc., PBC
Nancy & John Edwards
Jean & Stephen Kaplan
KROQ-FM
The Harold McAlister Charitable Foundation
The David and Lucile Packard Foundation
Ralph M. Parsons Foundation
Resources Legacy Fund Foundation
Swain Barber Foundation
U.S. EPA

\$25,000 - \$49,999

Anonymous
3M Foundation
Academy of Country Music
Johnny Carson Foundation
Ian & Laurie Eddleston
The Energy Coalition
Golden Road Brewing
The Green Foundation
Cindy & Alan Horn
County of Los Angeles/Department of Public Works
Rundi Luff
The Robert and Lisa Margolis Family Foundation
Nichols Foundation, Inc.
Brian O'Malley & Katie Cameron
City of Santa Monica
Southern California Gas Company
Wells Fargo

\$10,000 - \$24,999

Anonymous
Jan & David Altemus
American Honda
Arcadis
Aspiriant, LLC
Aveda Institute Los Angeles
Brown and Caldwell
California Coastal Conservancy
California Coastkeeper Alliance
CH2M HILL
Cori & Bob Davenport
Bob & Diana Friedman
Geosyntec Consultants
Dave and Sheila Gold Foundation
Matt & Kathleen Hart
HBO
Kaiser Permanente West Los Angeles Medical Center
Don & Kristy Kinsey
Kathy & John Kissick
LAcarGUY.com
LA Sanitation
Benjamin Leeds

Julia Louis-Dreyfus & Brad Hall
Murad Family Foundation
Northrop Grumman Corporation
Dr. Cammie Ott & Dr. Mark Bell
Patagonia
Craig Perkins & Roxanne Mora
Phantasos Fund
The Mark E Pollack Foundation
Anthony & Jeanne Pritzker
Segal Family - United World Foundation
SIMA Environmental Fund
Isabel Snyder
Southern California Edison
The Robert R. Sprague Foundation
Time Warner Cable
Toyota Dealer Match Program
Cancer Treatment Centers of America
TWE Solutions
Union Bank Foundation
Rebecca & Michael Vest
The Walt Disney Company
Whole Foods Market Santa Monica
Luann & Bob Williams
Worthe Real Estate Group
Yvonne & David Zaro
Scott Zolke

\$5,000 - \$9,999

Anonymous
AECOM
Ares Management LLC
Barry Family Foundation
Bend Beauty
Black & Veatch Corporation
The Boeing Company
California State Parks Foundation
The Capital Group Companies Charitable Foundation
CDM
Christopher Clark
The Rosemary Cunningham Foundation
DaVita Inc.
Dimensional Fund Advisors
Todd Dipaola
Employees Community Fund of Boeing California
EY
First 5 LA
Fishing Line Recycling
Ella Fitzgerald Charitable Foundation
The David Geffen Foundation
Gelson's Markets
Meg Gill
Madelyn & Bruce Glickfeld
GNF Marketing
Hexberg Family Foundation
Alix Hobbs
HOK Product Design
The Honest Company, Inc.
Tatiana & Todd James
Jon Byk Advertising
Darcy & Richard Kopcho
The Laemmle Theatres Charitable Foundation

Larry Walker Associates
Lionsgate
City of Los Angeles Department of Water & Power
Los Angeles County Metropolitan Transportation Authority
Donna Matson Trust
Katie McGrath & J.J. Abrams Family Foundation
Metropolitan Water District of Southern California
Ted & Jacqueline Miller
The Cynthia & George Mitchell Foundation
Danny & Julia Moder
MWH
NBCUniversal
William Nye
Oaktree Capital Management, L.P.
Pacific Life Foundation
Alexandra & Jeff Pfeifer
Richard Katz Consulting Inc.
Santa Monica Bay Restoration Fdn
Santa Monica Rotary Foundation
Scott Family Foundation
Dora & Jon Seiffer
Patricia & John Shadden
Chelsea & Andy Lientz
spsLimelight Agency
Starbucks
Stephanie Younger
Stoller Family Trust
Subaru
Michael Sullivan
Symantec
Tamara Tamburro
TJX Companies
Total Merchant Services
Tom & Janet Unterman
James Upchurch
The UPS Foundation
Urban Commons
Waitt Family Foundation
Walsh Construction
The Waterwheel Foundation
Danae & Greg Webster
David and Sylvia Weisz Family Foundation
West Basin Municipal Water District
The Wonderful Company

\$2,500 - \$4,999

Anonymous
Alper Family Foundation
Donald Beane
Bel Air Bay Club
Lynne & Bill Belmont
Carollo Engineers
Stephen Charles
Heather Collins
The James J. Colt Foundation, Inc.
Creative Artists Agency
Credit Suisse
Dancing Tides Foundation
Mary Wolf Davison Living Trust
Deckers Outdoor Corporation

DLR Group
EarthShare of California
Linda & Dennis Fenton
Kate Flather
Tomas Fuller & William Kelly
Gensler
Debra Gerod
GooglersGive
Barry Gribbon
Susan Grossinger & Paul Thometz
Bethany & Chip Herwegh
James Jilk
Henry & Susie Jordan
Kelley Drye & Warren LLP
L.A. Galaxy
Carol Meade
Glenn Susan & Carl Mellinger
Valerie & Paul Mellinger
Oralia Michel
Microsoft
Richard Katz Consulting Inc.
H. David Nahai
The Natter Family Foundation
NRG Energy
OpenMail
OpenX
Amy & Daniel Palladino
Mary Pelletier
Heather Popadych
Rilla & Patrick Rogan
Nichol Shuart
Andree Yvonne & Donald Smith
StubHub Center
Erika & Mike Swimmer
Robert Tanahashi
Bernie Taupin
John Taylor
Team One
Teleflora
TrueCar
W. M. Keck Foundation
Jim Wang
Virginia & Don Whinfrey
Zickler Family Foundation

\$1,000 - \$2,499

Nina Abrams Fund
Marc Ackerman
Aol.
Apple Lane Foundation
Armbruster Goldsmith & Delvac LLP
Karen Arnold
Aimee & Sam Bakhshandehpour
Lorena Barrientos & Mark Merritt
Jen & Jason Berlinger
Sharla & Barry Boehm
Patrice & William Brandt
Diane Cary & James Parriott
Mario M. Carrera
CBRE Foundation, Inc.
Marianne Celce-Murcia
Deborah & Daniel Clark
Susan Clark
Jeff Coghill
Combined Federal Campaign of Greater SoCal

CONTECH Engineered Solutions, Inc.
Fred Cordova
Cove Street Capital
Cindy Crawford & Rande Gerber
Cheryl & Terry Crow
Darryl Crum
Peggy & Timothy Curry
David Hertz
Dave Devito
Lisa Doell
Theresa & David Dolotta
R. Todd Doney
Scott Dormer
Barbara & Ed Dreyfus
Ernie Dunn
Evite
Shirley Familian
Fantastic Race
Farbstein Family Charitable Foundation
Laurie Feldman & Robert Friedman
Roger & Suzanne Findley
Peggy Forster
Fox Entertainment Group
Delia Frankel
Cassidy Freeman
Brooke Friendly
Berta & Frank Gehry
Gregory Gelfan
Tom Georgis
Maureen & Jack Gillespie
Elisabeth & Tom Giovine
Patricia Glaser & Samuel Mudie
Madelyn & Bruce Glickfeld
Jonathan Goldblatt
The Gold Family
Phil Gonzalez
Whitney Green
Groupon
GumGum, Inc.
Patricia Hall
Buzz Harris
Jackie & Jim Hassett
Edward Hayashi
Jackie Henderson
Taryn Hess
Pam & Steve Hirsh
Jill & Gerben Hoeksma
Marilyn & Howard Holtz
Christopher Hordan
Horizon Media
Daryn Horton
Craig Huber
Luanna Huber
Kathleen Hughes
Patricia Heaton-Hunt & David Hunt
John Hutteringer
Craig & Shannon Inouye
Robert Isackson
Scott Jennings
Jingle Punks
Robert Jones
Chris & Gwen Karkenny
Michelle Keldorf
Rebecca & Chris Kelley
Bronwyn Kelly
Joel Kessler

OUR FINANCIALS :AUDITED FISCAL YEAR

(Oct. 1, 2015- Sept. 30, 2016)

Saran & Norton Kirschbaum
Susan & Joel Klevens
Andrew Kronfeld
Deb Lacusta & Daniel Castellaneta
Las Virgenes Municipal Water District
Sharon Lawrence
Helen Sperry Lea Foundation
April & Cash Levy
Margaret Levy
Linda Lichter & Nick Marck
Christy & Mike Lowe
Sujatha Lowenthal
Linda & Eric Luthro
Terence Lynch & James Martin
Marilyn Mack
Malibu Country Mart
Cydney & Gary Mandel
Taylor & Anthony Maniscalchi
Mariposa Elementary
The Martin Family
Laurie & Thomas McCarthy
Milken Family Foundation
Miller Milling Company – Los Angeles, CA
Walter E. D. Miller
Nancie & Warren Mitchell
Moet & Chandon
Montalba Architects, Inc.
Dorothy Moore
Robbin & Kenneth Morgan III
Nancy Goodson
NRDC

Sean Neel
The Ronald Newburg Foundation
News America Marketing
Kathleen & Daniel Nikolai
Ashley Noll & Carl Goldsmith
Ocean Conservancy
Will Parish
Nancy & Larry Pasquali
Paul Zimmerman
Marilyn Payne
Frank Perna
Christopher Pernin
Psomas
Darin Puhl
Susan Purcell & Yair Landau
Richard Radford
Karen Raz & John Carlson
Jennifer Regan
Patricia Richardson
RMC Water & Environment
Rosanne O'Brien
Danna & Ed Ruscha
S. Groner Associates, Inc.
SA Recycling
Pamela & E. Randol Schoenberg
Beth & Peter Scholze
Carolyn & John Tipton
Erica Torres
Alexandra & Bruce Tower
Trina Turk
Jon Varnell
Jane Bartel Viscidi
Ronald Weckbacher
Cami Wedbush
Dave Weeshoff
Christine & Jeffrey Weller

TOTAL
REVENUE
\$4,250,296

53%
Public Support
\$2,510,947

41%
Grants/Contracts
\$1,742,944

6%
In-Kind Services
\$261,981

FUNCTIONAL
EXPENSES
\$4,355,378

78%
Programs
\$3,366,742

13%
Administration/Management
\$583,165

9%
Fundraising
\$405,471

GIVE WITH CONFIDENCE: Nearly 80 cents of every donated dollar goes directly to our on-the-ground programs, well above the national average for nonprofits.

Sandra Steffes
Nancy Stephens & Rick Rosenthal
Paul & Mary Kay Stimpfl
Sarah & David Stoker
The Streisand Foundation
The Strickland Family Foundation
Mitzy & Angus Taggart
Taylor Talt
Taste of Mexico
Christine Thornton
Carolyn & John Tipton
Erica Torres
Alexandra & Bruce Tower
Trina Turk
Jon Varnell
Jane Bartel Viscidi
Ronald Weckbacher
Cami Wedbush
Dave Weeshoff
Christine & Jeffrey Weller

Trent Westernhoff
Widzer Family
Lee Williams
Greg Willis
Donella & Ley Wilson
Kathryn & Gary Wlstein
Margo & Irwin Winkler
Larry Witzer
Karen & Richard Wolfen
Wonderful Giving
Peg Yorkin
Anne & Ben Youngblood
Nancy Ziontz

In Kind

KTLA 5/Tribune Broadcasting
Red Titan Investments, Inc.
MW Post
LAcarGUY.com
Rancho La Puerta Fitness Resort & Spa
Joy Aoki
Rival
Golden Road Brewing
Garrett McNamara
Brian O'Malley & Katie Cameron
Reggie Miller
Gibbons Media
Amy & Bob Romeo
Academy of Country Music



LEND A HAND

FEED AN OCTOPUS. Volunteers at our Santa Monica Pier Aquarium get up close and personal with the animals that call Santa Monica Bay their home.

INSPIRE A CLASSROOM. Members of our Speakers Bureau give talks to thousands of students each year.

ROLL UP YOUR SLEEVES. Participants at our monthly “Nothin’ But Sand” beach cleanups help protect marine life by removing ocean-bound trash.

TESTIFY AT CITY COUNCIL. The most powerful testimony at public hearings often comes not from staff, but from our passionate supporters.

COLLECT A SAMPLE. Members of our Stream Team literally roll up their sleeves to conduct water-quality testing in impaired rivers and watersheds

MONITOR A SPECIAL PLACE. MPA Watch volunteers conduct periodic walking surveys of newly minted Marine Protected Areas off Point Dume and Palos Verdes.

For a full list of volunteer opportunities, please visit healthebay.org/take-part.

**1444 9th Street
Santa Monica, CA 90401
(800) HEAL BAY
healthebay.org**

