What a wonderful year the BHI Conservancy had in 2012; a year of growth and change. We continue to be a strong and vibrant non-profit, focused on our mission and supported by the governance and oversight of an engaged Board of Directors. The BHI Conservancy serves our mission: fostering community-based barrier island Conservation Preservation & Education to live in harmony with nature by developing and implementing environmental learning opportunities protecting our wild habitats and preserving sensitive land. We do this with revenue generated by programs, partnerships, Turtle Central, grants, and generous donations by you, our members.

In April, Dr. Thad Wester, founding President of the BHI Conservancy, cut the ribbon on the Barrier Island Study Center. Heartfelt thanks to our many donors and especially to the last few who made the difference in completing our capital campaign. We had a wonderful spring afternoon with many of our community leaders and lots of regional press to showcase our green building practices and the jewel of our campus—the Barrier Island Study Center. The Center has a wet-lab with a touch tank, a beautiful and technologically vibrant theater, research space for our monitoring activities and visiting scientists, a public library to share results from our research and of course, professional offices for staff. Staff moved from the dormitory where we shared space with interns to bright and wonderful offices on the second story.

New faces at the BHI Conservancy brought a fresh approach to our many services and programs. The education department welcomed a new director of Education, Tracey Ritchie and the promotion of a 2011 intern Kendyll Collins to Environmental Educator & Outreach Coordinator. New Programs and a focus on a broad theme of “living in harmony with nature” tied our many different education programs together.

Our conservation efforts were improved by the return of Patrick Amico along with many citizen scientist volunteers. Patrick, our Conservation Biologist, took over monitoring programs, which span our island from beach to marsh. Citizens “got dirty” monitoring dunes, sea birds, frogs, birds, lagoons, and many many more projects. These efforts support the ongoing need to provide you with important information about the health and well being of your island habitats. We look forward to growing the Citizen Science.

Turtle Central had a great year under the leadership of Elyse Brown our Director of Retail Operations. She increased revenues in the store even beating the budget goals. These revenues help offset the administrational costs of the organization and that means that more of your donation dollars support the education, conservation and preservation programs you care about. The on-line store, brainchild of President John May saw great success especially during the holiday season. Please save turtles by shopping at Turtle Central in person and online!

There are many people behind the scenes that make a very important contribution to your BHI Conservancy. People like Amanda Timbers who works so hard to make sure you know where your donation dollars go. Amanda is also responsible for writing grants, bringing funding from outside sources to support our mission. The development component of our organization brings in 25% of our revenue. Amanda is the event planner of our annual July Picnic, and the event planner for art shows this past year. In addition to all those responsibilities, she took on the role of Director of Operations. Jane Baldridge is our Operations and Communications Manager and brings many talents to the Conservancy including her phenomenal design and salesmanship for the Community Directory. Jane’s marketing efforts improved all areas of the organization, as more and more people know who we are and what we do. Finally you need to know about Caroline Shepherd. Caroline is the Director of Finance. She manages a complex financial system ensuring that donors can track their contributions, vendors get paid, and mostly that our Board Finance committee has all the resources they need for oversight. Although these folks may not be well known to you, the organization couldn’t function without their dedication and excellence.

There is another unheralded group that operates behind the scenes. The BHI Conservancy Board of Directors attends meetings and performs many volunteer roles. Their oversight and governance of our organization and finances protects your investment. Their tireless work at all levels of the organization from fundraising to citizen scientists ensures that your staff reaches their maximum potential. More and more in 2013 you’ll see volunteers working at the Conservancy often volunteers will be organized by Board members and committee chairs. Please make sure that you thank them for their service. They are and will be the secret to our success now and in the future.

So as we enter our 30th year we have so much to be grateful for: an important mission that provides a boost to the quality of life on BHI; a dedicated staff willing to bring their talents and commitment to you and your family; a Board of Directors that not only perform governance and oversight they support and serve as volunteers throughout the organization.

Finally it is important for you to know that as members you too play an important role in the BHI Conservancy. We hope you will be pleased with our accomplishments. We are eager to learn about what you want from your Conservancy. I would welcome your emails or phone calls. Share your joys and concerns as we enter an important anniversary year for the BHI Conservancy.

Sincerely,

Suzanne E. Dorsey, Ph.D.
Life Members
David & Kit Adcock
Richard & Jill Allen
Doug & Missy Anderson
Skip & Keppy Babcock
Gary & Bonny Banas
David & Elizabeth Beam
Jenny Becherer
Samuel & Martha Bell
William and Elayne Bennett
Billie Jean Berne
John & Connie Bools
Michael & Laura Brader-Araje
Don & Kathy Bradley
Keith & Merry Bradley
Thomas & Mary Mac Bradshaw
Joe & Judy Brawner
James and Devon Brown
Ty & Catherine Burrows
Elizabeth Burroughs
John & Patty Byrne
Mr. & Mrs. Thomas Byrne
Watts & Betsy Carr
Ann Cathcart
John Cathcart
George & Nancy Cecil
Bevery Chambers
The Chanter Family
Charles & Karen Christian
Todd & Maria Clancy
Dick & Ann Coburn
Earl & Kathryn Congdon
Sky & Mary Conklin
Buck and Barbara Cook
Jay & Maureen Copan
Sue Coupland
Adan Coy
Adie Coy
Ronald & Margaret Cresswell
Richard & Janet Crisp-Lacy
JoAnne Davis
Jenny Dees
Mr. & Mrs. Chuck Dietsche
Scott & Mia Doron
Gene & Joyce Douglas
Mr. & Mrs. Edgar Dunham
Tim Dunn and Ellen Stefan
David & Carmen Durack
Joe & Neen Durkan
Chris Edmonds & Fred Lyman
George & Jane Enochs
Alexa Leigh Epstein
Elise Dee Coy Epstein
William & Patricia Faber
William & Susan Farabow
Victor Farah & Robin Hudson
Robert & Judith Felder
John & Beverly Fisher
John & Martha Flanagan
Frank & Renee Floyd
Bob & Jane Flynn
James & Martha Foght
Stuart & Carol Fountain
Bryant Frech
Mr. & Mrs. Nelson Fry
Vctor & Mimi Galef
Mr. & Mrs. William Gardner
Boyd & Earle Gasque
William & Susan Gillian
Ken & Nancy Glass
Bill & Rick Grantmyre
Jerry & Kathryn Greenhout
John & Dee Grim
David and Laura Hall
Joseph & Becky Harlan
James & Anne Harrington
Michael & Peggy Hartshorn
Alexander & Anna Hattaway
Bob & Gianca Helgeson
Kendall & Laura Hendrick
Mr. & Mrs. John Henson
Mr. & Mrs. Robert Henson
Charlie & Susan Himes
Mr. & Mrs. David Hodson
Vivian & Lorette Hollinshead
William Holztrager
Larry Hopkins & Terri Kelly-Hopkins
Trig & Alice Horton
Charlie House & Family
Gideon & Damaris Huddleson
Ronald & Ruby Hutton
Sandra Hyde
Penny Jackson
John & Laurie Jelinek
Douglas & Lawana Jellison
David & Melissa Jessen
Brian & Jane Johnson
Dale and Jodi Johnson
Dick & Pat Johnston
Mr. & Mrs. William Jones
Oren & Patty Justice
Anthony & Christine Kameen
Barry & Anne Kane
Robert & Kathy Ketels
Hall & Marcia Kinlaw
Lawrence Kirby & Dianne Robinson
Joey Kirkpatrick
John & Judy Knott
Mr. & Mrs. Warren Knouff
Fred & Mary Krainin
Mr. & Mrs. John Kropp
James & Laura Ladd
Wayne & Joyce Lambert
Larry & Pat Lammert
Rod & Chris Lang
Joseph & Ruth Lee
Poul & Deirdre Lindegaard
John & Ruth Lindsay
Robert Lock
Michael & Deanna Lord
Nancy Maguire
Barbara Martin
George & Brook Martin
Mr. & Mrs. Michael Massie
John & Sheila May
James & Jennifer McCarthy
Mr. & Mrs. George McGowan
Stanley McNinis
Mr. & Mrs. Stephen McNinis
Kirk & Susan Meyers
Harry & Suzanne Miller
Pat Miller
George Mitchell
Kent Mitchell
Mr. & Mrs. Mark Mitchell
Arthur & Carol Morris
Bill Mullican
Cheryl Murphy
Dave and Carrie Nelson
Marvin & Sarah Neuwirth
Ronald & Jane O’Keefe
Bob & Anne Overstreet
Charles & Cynthia Padgett
Mr. & Mrs. Charles Pardee
Doyle & Nancy Parrish
Mark & Gayle Payne
Douglas & Patsy Perry
David & Patricia Peterson
Mr. & Mrs. Harper Peterson
Mary Peyton
Richard & Maureen Phillips
Jim & Harriett Poole
Walter and Sylvia Poole
Mark & Robin Prak
Monique and Bill Pritchard
Dana Pritchett
Kenneth & Ellen Reckhow
Michael & Deanna Lord
Nancy Maguire
Barbara Martin
George & Brook Martin
Mr. & Mrs. Michael Massie
John & Sheila May
James & Jennifer McCarthy
Mr. & Mrs. George McGowan
Stanley McNinis
Mr. & Mrs. Stephen McNinis
Kirk & Susan Meyers
Harry & Suzanne Miller
Pat Miller
George Mitchell
Kent Mitchell
Mr. & Mrs. Mark Mitchell
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Mark & Robin Prak
Monique and Bill Pritchard
Dana Pritchett
Kenneth & Ellen Reckhow
Alan & Anne Reyner
Paul & Gina Rice
Melanie Robbins
Juanita Roushdy
Alice Saunders
Alfred & Anita Schnog
Thomas & Diane Schuler
Philip Scibilia
David Shadday
Kaitlyn Clare Silvagni
Marcus Smith
A. C. Sorrell
Scott & Margaret Starks
Bill & Mary Staton
Norman & Linda Lee Stockton
Jon & Debra Stonehouse
Terry Sullivan & Carol Haave
Robert & Maureen Syring
Robert & Sylvia Timmons
Milan Tolley
George & Carol Toulas
Bynum & JoAnna Tudor
Bynum Tudor, III
Elizabeth Tudor
Betty Twiggs
Mr. & Mrs. Robb VanMarter
Jerry & Sondra VanSant
C. Porter & Kate Vaughan
Edmund Warren, Jr.
Griffin Weld
David & Alice Welden
Thad & Lee Wester
Valerie White
Brooke & Nonie Williams
James & Rachel Wilson
James & Helyn Wisner
Ron and Carol Wright
Charles & Pat Young
Richard Young
Robyn Ballard Ziperski
Paul & Diane Zoukis

Photo by Donna Finely
Thank you to all that support the Annual Fund for the Environment.

Your contribution directly supports BHI Conservancy conservation and research activities which protect the environment and your investment in Bald Head Island.
2012 BHIC Volunteers

The success of our efforts heavily relies on the people and families listed below, who are truly the face of the Conservancy. We are so grateful for all you do!

David and Kit Adcock
TJ and Jen Anderson
Missy and Doug Anderson
The Barfield Family
Lynn and Joe Barnard
Brewse Barnard
Scott and Michelle Bergeron
David Beme
Jim and Patricia Bonica
Michael Boozell
Keith Bradley
Beth and Bill Brenicz
Paul Butler
Al and Suzi Buzzard
Nancy Caponi
Sydney Cass
Ann Cathcart
John and Lou Chamberlain
Jay and Maureen Copan
Norman Coryell
Fred Craig
Joe Craig
Martin Craig
Vivian de Rivera
Marijke Delen
Gene and Joyce Douglas
Mike Dunn
John Earle
Nancy Easterling
Doug and Wendy Eberle
Joe and Linda Elrod
Butch and Suzie Farabow
Donna Finley and Doug Ledgett
John Fisher
Lilah Foster
Nancy Fulton
Tina Gambrell
Rick and Betsy Glover
Dan and Jennifer Golwyn
Bill and Ricki Grantmyre
Alex Hanyok
Bob and Gianca Helgesen
Cody Herron
Charlie Himes
Trig and Alice Horton
Ron Hutton
John and Laurie Jelinek
Doug and Nancy Jenest
David and Melissa Jessen
Dwight and Janet Johnson
Brian and Jane Johnson
Dick and Pat Johnston
Larry and Brenda Jones
Bob and Kathy Ketels
Larry Kirby
Andrea Knight and Family
John and Judy Knott
Kristos Kokinakis
Wayne and Joyce Lambert
Larry and Pat Lammert
Buddy and Betty Lawrence
Ralph and Willie Lee Leonard
Bob and Gail Liesegang
Poul and Deirdre Lindegaard
Linda Locke and Family
Jim and Martha Manning
Kim Mathan and Family
John and Sheila May
Catherine McIntyre
Larry and Florence McKeithan
Frank and Sue McVeigh
Renee Mencken and Family
Suzanne Miller
Janie Miller and Family
Pat Miller
Royal Monty
Art Morris
Karen Mortimer
Susan Mullen
Cheri Murphy
Rick Nelson
Marvin and Sarah Neuwirth
Bob Overstreet
Clark and Beverly Pennell
Walt and Sylvia Poole
Bob and Judy Porter
John Prendergast
Dana and Brenda Quanstrom
Ken Reckhow
The Reed Family
Sallye Richards
Joe and Marilyn Ridgeway
Tom and Anne Schick
Robin Scott
Brad and Shawn Smith
Beverly Suhr
Sylvia and Bob Timmons
Myrto Tsavalas
Paul and Tracey Van De Putte
Jim and Jen Van Ness
Jerry and Sonny VanSant
Lee Wester
Brooke and Nonie Williams
Charlie and Fran Wilson
Ali Wisner
Carol Wright and Family
FINANCIAL HIGHLIGHTS FOR YEAR 2012
FINANCIAL SUMMARY
Year-ended December 31, 2011 with comparable totals for 2010 and 2009

REVENUE

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational Programs</td>
<td>155,635</td>
<td>149,684</td>
<td>145,841</td>
</tr>
<tr>
<td>Conservation</td>
<td>138,028</td>
<td>178,573</td>
<td>176,467</td>
</tr>
<tr>
<td>Membership (excludes Life)</td>
<td>102,175</td>
<td>104,425</td>
<td>88,325</td>
</tr>
<tr>
<td>Annual Campaign / Adopta’s</td>
<td>86,161</td>
<td>110,123</td>
<td>102,368</td>
</tr>
<tr>
<td>Preservation/ Devel /Directory</td>
<td>214,605</td>
<td>101,183</td>
<td>48,612</td>
</tr>
<tr>
<td>Turtle Central (Net)</td>
<td>193,346</td>
<td>145,744</td>
<td>109,863</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>$889,950</strong></td>
<td><strong>$789,732</strong></td>
<td><strong>$671,476</strong></td>
</tr>
</tbody>
</table>

EXPENSE

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education Programs</td>
<td>138,502</td>
<td>153,820</td>
<td>153,986</td>
</tr>
<tr>
<td>Conservation</td>
<td>152,591</td>
<td>76,010</td>
<td>84,720</td>
</tr>
<tr>
<td>Membership</td>
<td>7,286</td>
<td>9,295</td>
<td>7,703</td>
</tr>
<tr>
<td>Development</td>
<td>32,207</td>
<td>58,615</td>
<td>42,274</td>
</tr>
<tr>
<td>Facilities &amp; Equip &amp; Depreciation</td>
<td>269,273</td>
<td>205,668</td>
<td>199,884</td>
</tr>
<tr>
<td>Administrative</td>
<td>374,441</td>
<td>350,286</td>
<td>299,627</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$974,300</strong></td>
<td><strong>$853,694</strong></td>
<td><strong>$788,194</strong></td>
</tr>
</tbody>
</table>

Operating Net Income (Loss) ($84,350) ($63,962) ($116,718)

add back depreciation expense 99,828 63,751 63,954

Operating Net Income(Loss) excl depreciation $15,478 ($211) ($52,764)

BALANCE SHEET

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td>$1,541,047</td>
<td>$1,440,313</td>
<td>$2,711,057</td>
</tr>
<tr>
<td>Fixed Assets:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>7,735,150</td>
<td>7,710,150</td>
<td>7,519,210</td>
</tr>
<tr>
<td>Buildings &amp; Equipment</td>
<td>4,458,023</td>
<td>1,517,993</td>
<td>1,571,197</td>
</tr>
<tr>
<td>Construction in Progress</td>
<td>0</td>
<td>2,015,788</td>
<td>401,091</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$13,734,220</strong></td>
<td><strong>$12,684,244</strong></td>
<td><strong>$12,202,555</strong></td>
</tr>
</tbody>
</table>

Total Liabilities $1,217,583 $392,773 $224,171

Equity 12,516,637 12,291,471 11,978,384

Total Liabilities & Equity 13,734,220 12,684,244 12,202,555

BHIC Operations Revenue Chart

A copy of the audited financial statements is available by contacting the Conservancy.

910-457-0089
Email@bhic.org
Post Office Box 3109
Bald Head Island, NC 28461
Memorials 2012
We are grateful for our supporters who have honored the memory of the loved ones listed below with a gift to the BHI Conservancy.

• Freeman Berne
• Gene Lane
• Ken Miller
• Don Patterson
• Esther Samachson
• David Shaddy
• Bill and Billie Jean Taft
• Brooke Williams

Gifts in Honor of 2012
Thank you to those who provided a gift to the BHI Conservancy in special recognition of the following family members, friends or colleagues.

• Tom and Judith Bobo
• John and Lynn Cathcart
• Dr. Stuart B. Fountain
• Trig and Alice Horton
• Barry and Anne Kane
• Frank and Lee Longest
• Catherine McIntyre
• Mr. and Mrs. Tom McLean
• Alan and Lisa Norton and Family
• Maria Price and Grace Akers
• Charlie and Sandra Scott
• Ron and Carol Wright

Matching Gifts 2012
These companies, through their corporate matching gift programs, encourage and match gifts made by their employees or retirees.

The Air Products Foundation
American Express
American International Group, Inc.
Bank of America
Crum and Forster
The Elsevier Foundation
IBM
GE Foundation
GlaxoSmithKline Foundation
Morgan Stanley
Norfolk Southern
Nvidia

Venus rising in zodiacal light (top photo). - Cape Fear Point. Zodiacal light is a faint diffuse white glow seen in the night sky. It is best seen just after sunset and before sunrise in spring and autumn when the zodiac is at a steep angle to the horizon. Caused by sunlight scattered by space dust in the zodiacal cloud. Photo By David Blevins, Ph.D.
Outgoing Presidents Report:
Dr. John May, Ph.D.

For the past two years, I’ve had the privilege to serve the Conservancy as your Board President. During this time, through the actions of the Conservancy’s staff and through the support of numerous volunteers, the Conservancy has seen remarkable progress.

We have:
• completed construction of the Barrier Island Study Center
• come remarkably close to raising all funds for the construction
• began renovation of the dormitory
• expanded our summer education programs
• continued year-round nature activities
• became a center of island activity at the Rice auditorium to include movies for the public and use of the theater for island agencies
• continued and expanded a robust list of services to the Village through our conservation efforts
• greatly expanded the scope and profitability of Turtle Central and began an online store
• enhanced the number and use of volunteers
• took the lead in working with WRC to define the parameters of a successful immuno-contraception program for the island’s deer herd
• supported the largest ever group of interns
• and of course had a very successful year protecting our turtle nests.

For all of the above and numerous other activities, I applaud our Executive Director, Dr. Dorsey, her staff, our Board members, and our many volunteers.

I wish the new Board and its leadership continued great success. I look forward to working with you as a volunteer.

Nature makes nothing incomplete, and nothing in vain.

—Aristotle

Shore birds
Photo by Doug Ledgett