The Foundation awarded $2,167,524 to 186 recipients in FY09 and $2,616,291 to 445 recipients in FY10, including:

<table>
<thead>
<tr>
<th>Category</th>
<th>FY09</th>
<th>FY10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arts &amp; Culture</td>
<td>$1,174,925</td>
<td>$106,476</td>
</tr>
<tr>
<td>Education</td>
<td>$175,132</td>
<td>$320,491</td>
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<tr>
<td>Civic</td>
<td>$500</td>
<td>$30,950</td>
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<tr>
<td>Environmental</td>
<td>$124,005</td>
<td>$533,728</td>
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<td>Health</td>
<td>$236,664</td>
<td>$42,620</td>
</tr>
<tr>
<td>Social Justice</td>
<td>$149,077</td>
<td>$10,000</td>
</tr>
<tr>
<td>Religion</td>
<td>$9,000</td>
<td>$7,200</td>
</tr>
<tr>
<td>Human Svcs</td>
<td>$115,319</td>
<td>$321,347</td>
</tr>
<tr>
<td>Other</td>
<td>$163,000</td>
<td>$3,600</td>
</tr>
</tbody>
</table>

The Estate of Francis J. Lang contributed more than $2 million to the Foundation in FY10, leaving a legacy to benefit Whatcom County senior citizens through the Whatcom County Council on Aging.

Donors made 599 gifts totaling $1,834,921 in FY09. In FY10 the Foundation received 1,048 gifts totaling $5,271,913.

Since June 30, 2008, the Whatcom Community Foundation opened 25 new funds, incorporated Bellingham Dollars for Scholars, bringing 36 scholarship funds and opening an additional 16 new scholarships since that time!

The Foundation strives to meet the community’s needs (and capitalize on opportunities) today and far into the future. Thankfully, we have the honor and pleasure of working with all types of donors. For some, giving during their lifetime is a priority. They want to watch their investments at work, seeing the changes that result. For others, planning for a legacy that will live beyond them holds appeal. Often, these legacy gifts mean a substantial contribution to support a particular organization or field of work. Our Madrona Society—donors that include the Foundation in their estate planning—has grown to 48 donors, ensuring that their community investments will continue beyond their lifetimes.

The last two years have been extraordinary for the Foundation in many ways. Thanks to grants from the Bill & Melinda Gates Foundation and the Convergence Partnership, we granted more than $400,000 to improve the resilience of our community and foster healthy people in healthy places (a new field of interest for the Foundation). The Foundation’s Sustainable Whatcom Fund injected significant resources into a Farm-to-School initiative and other activities to support local agriculture and expand access to fresh and other locally produced foods with the goal of improving several aspects of community health. In spite of the economic recession, the Foundation’s programs, reach and assets have grown. We invite you to read more of the stories of great things happening in our community with the Foundation’s help and yours.

Giving is a powerful, personal act. We’re grateful to the many generous individuals who choose to work with the Foundation to make their charitable goals a reality today, tomorrow or beyond.
Donor Spotlight

**WALTON BEVERAGE COMMUNITY FUND**

You’ve probably heard of the national *Pepsi Refresh Project* giving money to nonprofit organizations around the U.S. It began when Pepsi Corporation decided to reallocate dollars the company usually spent on Super Bowl advertising toward a national grants program. Following this model, local Pepsi distributor Walton Beverage partnered with the Foundation to meet local needs. Each initially provided $13,000 to establish the Walton Beverage Community Fund.

Walton Beverage is one of only two Pepsi distributors in the nation to “localize” the *Refresh* campaign. Forty-four nonprofit organizations submitted grant proposals in the areas of education, health, arts and culture, food and shelter, the planet (environment) and neighborhoods. Community members then reviewed proposals and voted online for four *Refresh Challenge Grants* ranging from $2,000 to $10,000.

When the team at Walton Beverage saw the caliber of proposals and breadth of community need they were inspired to add another $5,000 to the Fund, which was again matched by the Foundation. We were then able to award an additional $10,000 through six grants to “standout” proposals that did not receive funding through the voting process.

This new Fund gave us an opportunity to ask community members what they cared about, whether it was helping to fund services to homeless people, put fresh vegetables on the shelves at a food bank, create athletic opportunities for young people, or provide programs for low-income people. More than 2,600 people created a log-in to vote on these unique projects designed to make the lives of those around us a little better.

This new fund demonstrates how innovative corporate giving can combine with the integrity and experience of your Foundation to respond to community needs in a powerful way.

**New Foundation Program**

**INVESTING IN OUR FUTURE**

Higher education is a dream for many graduates. Unfortunately, the increasing cost of colleges, universities and other post-high school educational opportunities is prohibitive for many eager and deserving students. In 2002, that obstacle was lessened thanks to the founders of Bellingham Dollars for Scholars (BDFS). Volunteers made contributions and raised funds from other education supporters—individuals, families, businesses, service clubs and other groups—to provide scholarships to graduates from Bellingham’s four public high schools. In addition, this local scholarship program provides a tax-deductible opportunity for caring community members to invest in the futures of our youth.

Over its eight year history, more than 450 students have received scholarships in excess of $380,000. BDFS has steadily increased the number of scholarships awarded each year. In 2009, the Foundation was thrilled to welcome BDFS as a new Foundation program. The Foundation provides a skilled staff that offers professional program administration, which allows dedicated BDFS volunteers to focus more of their valuable time, talent and energy on raising funds to support many deserving students.

“Bellingham’s high school students have an incredible team of supporters in their corner,” said past Foundation board chair Bob Morse. “They are luckier than they know.”

Joining forces around shared goals, the Foundation and BDFS supporters are committed to sharing hope and inspiration with each new generation of students by providing access to a post-high school education and the key to a successful future.
**Grant Recipient**

**MAKING A HOUSE A HOME**

The Whatcom Volunteer Center’s House2Home Network received a grant from the Foundation’s competitive grant round in 2010 for the “Virtual Furniture Bank”. The purpose is to increase the housing stability for re-housed homeless clients, building community capacity to support public and private investment in ending homelessness in Whatcom County.

House2Home receives furniture donations from area residents. After a furniture “quality check” is done, a volunteer is assigned to pick up the donated furniture and deliver it the same day to a House2Home client. All House2Home clients were previously homeless. By early October 2010, House2Home delivered furniture to more than 150 households.

In the fall of 2010, House2Home and Lynden Christian High School coordinated a day of service for LC students. The students delivered twelve items of furniture to four households. The students said the experience changed their idea of what homelessness looks like. “When I moved into my place, I came from a tent,” said one client. “I got here with the clothes on my back. House2Home provided me with most of my needs. Without House2Home I don’t know what I would have done. Thank you so much!” The program’s success has sparked interest from all across the country.

**Grant Recipient**

**ANIMALS AS NATURAL THERAPY (ANT)**

Animals as Natural Therapy received a grant in 2010 for BRIDGES, a program in collaboration with the Bellingham School District serving local youth who are troubled or troubling. Once a week during thirty weeks of school, for two hours at a time, the BRIDGES teens come to ANT for guided experiential learning sessions. The ANTI/BRIDGES collaboration serves youth suffering from a myriad of issues including hopelessness, depression, low self esteem, personal or family chemical dependency and abuse. Their equine-assisted mental health counselor and riding instructors, with the assistance of their horses and other staff members, help these troubled youth reconnect with their feelings and rekindle the love and trust missing from their lives.

Throughout the therapeutic experiential process, mental health professionals and staff actively engage youth – working with their partner horse – with the use of questions, reflections, and metaphors relating to their own lives. The teams experiment, explore, problem solve and think creatively; they work through fear and frustration, establish goals and engage in strategic planning. Spontaneity, fun, and play are fundamentals in this process and help young people become more more hopeful and resilient.
Grant Recipient - Endowed Fund
BRIDG COLLINS FAMILY SUPPORT CENTER

Brigid Collins Family Support Center has provided our community vital services for 20 years. The organization works to eliminate child abuse by supporting families to become healthy and well-functioning. In the tragic circumstance when abuse does occur, the agency works to ensure healing and justice for children. Brigid Collins works with nearly 2,000 families each year.

Brigid Collins’ services help to strengthen their clients’ personal relationships and parenting skills as well as protect and enrich the lives of children. Children who grow up free from abuse are more likely to stay in school and choose healthy and enriching activities. As teenagers and adults they are more likely to seek help when needed and become competent parents, citizens and employees. As child abuse rates decline, classroom and workplace productivity will rise.

With grant support from the Foundation, Brigid Collins strives to build strong and capable families through the Family Support Team Program. This program focuses on building healthy relationship skills, strengthening the family’s circle of community and social supports, and linking parents with evidence based parenting programs that teach positive parenting practices that replace abusive ones. The program staff use twelve proven services to support client families. According to their research, in 2009 over 85% of their families acquired the skills and protective factors needed to prevent child abuse and be self-sufficient and productive citizens in our community.

Community Partnership
BELLMINGHAM’S CAMPAIGN FOR THE ARTS PROJECT CELEBRATES COMPLETION
The Campaign for the Arts galvanized arts supporters around re-imagining the community’s Arts District through its two iconic anchors: the Mount Baker Theatre and Whatcom Museum. Campaign volunteers raised more than $6.1 million to support bricks and mortar as well as endowments that will provide ongoing support for both organizations. While both structures add beauty to the Arts District, it’s what happens inside (and sometimes outside) that makes the Arts District part of the heart of the community. Both offer an abundance of opportunities for education, inspiration and entertainment. They are also part of a powerful economic engine for our community. Many thanks to the donors who made it possible.

Gifts to the Mount Baker Theatre and Whatcom Museum Endowments may be made to the Foundation. The Campaign for the Arts was a collaboration between the Mount Baker Theatre, Whatcom Museum, Whatcom Community Foundation, City of Bellingham and the Bellingham-Whatcom Public Facilities District.
Community Partnership

THE NEW FERNDALE PUBLIC LIBRARY PROJECT

The Foundation serves as a fiscal sponsor for the new Ferndale Library capital campaign and is responsible for managing and administering all monetary gifts that come to the project as well as supporting the fundraising effort. Through this work we have truly come to understand the essential role that libraries play in a community. They are anchor institutions, particularly for smaller, rural cities. They provide a safe, enriching environment for latchkey kids; gathering places for teenagers, a resource for area residents seeking to improve their employment prospects; an accessible meeting venue for a variety of community organizations and much more.

Community Partnership

CELEBRATING LYNDEN’S PHILANTHROPIC FIRST FAMILY

Sculptor Bob McDermott, creator of “Dirty Dan Harris” in Fairhaven and “The Vigil” on Blaine’s waterfront, was commissioned to create a bronze statue of Lynden’s founding couple, Holden and Phoebe Judson. The piece is based upon a well-known photograph of the Judsons (rendering above) taken on their 50th wedding anniversary in 1899. Phoebe is affectionately known as “The Mother of Lynden”. Holden was Lynden’s first Mayor. The statue pays tribute to these beloved pioneers who helped establish the thriving, neighborly Lynden community that exists today. To support the project, contact the Foundation.
Investing in Community
JOYCE & JOHN PEDLOW

Foundation Board member Joyce Pedlow and husband John have lived in Bellingham for 15 years. “We fell in love with this community and we’re able to enjoy it in an entirely new way now,” said Joyce. Joyce’s 30-plus year career was in human resource administration. John’s most recent role as CEO of Broadcast Electronics precluded in-depth involvement in the community. Now retired and with their children grown, Joyce and John are actively engaged in several local nonprofit organizations, deepening their roots in and knowledge of the community.

“As John and I have always made charitable giving a part our life together,” said Joyce, “the Foundation has opened up an entirely new world of philanthropy for us. It’s inspiring, rewarding and humbling to be a part of it.”

“We’re Excited to Be a Part of the Foundation – it’s an adventure in building and strengthening our community through numerous thoughtful investments, large and modest. What could be more thrilling?”

The Pedlows have a wide range of giving interests – human services, arts and culture, and more. Their donor advised fund allows them to make contributions and grant recommendations to their fund when it's convenient for them.

“This was our first introduction to a community foundation,” noted John. “It’s an exceptionally powerful vehicle for donors and for the community. The Foundation has an impressive list of accomplishments and the capacity to do so much more.” Thanks to generous, far-sighted donors like the Pedlows and dedicated Board members like Joyce, the Foundation will continue to live up to that potential.
**Growing Healthy Kids in Whatcom County**
Healthy eating habits developed at an early age pay dividends, among them reduced risk of obesity and many chronic diseases. Thanks to support provided through the Foundation’s Sustainable Whatcom Fund, fifteen local schools and two school districts are increasing the amount of fresh, healthy and local grown foods our kids are eating at school.

**RE Sources – “be cool” Program**
Thanks to support from the Foundation in 2009, RE Sources was able to continue the be cool campaign, this time focusing efforts in faith communities across Whatcom County. RE Sources made several connections with congregations in 2010, spreading the be cool message by building a bridge between traditional environmental organizations and faith-based organizations.

**Community Meal Program**
The Foundation granted $1,000 to the Bellingham Community Meal Program (BCMP) during its 2010 competitive grant round. BCMP started in 1983 with a small group of people providing a monthly meal for anyone in need and served 100 to 150 meals in the beginning. As the program grew, the group was granted use of the Assumption Catholic Church gym facility. Twenty six years later, they are still operating and sponsor ten meals per year. In 2009 they served 6,544 meals. The Foundation grant enabled this group of 60 volunteers to serve almost 700 people one February night.

**MADRONA SOCIETY**
*Leaving a Legacy for Whatcom County*

Joe & Judy Coons
George & Mary Ann Drake
Jean Gorton
Marge Laidlaw & Scott Wallace
Terry & Myra Harmer
Martin & Gail Haines
John D. Stephens
Sibyl W. Sanford
Larry Berghoff
John Watts & Joan Casey
Owen Olsen
Gary & Ann Blanken
Gail Weiss & Dennis Smith
Chuck & Dee Robinson
Rick & Linda Luke
Art & Marti Caputi
Margaret & Marc Curtis
Brian & Marya Griffin
Libby Hazen
Lee Eberhardt & Mauri Ingram
David & Katti Esp
Francis Joseph Lang*
Naomi Wilkins
Karl & Edwina Kleeman
Fredericka H. Bond*
Thomas W. Crowell*
3 Anonymous Members
*Deceased

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**School Spirit**
Whatcom Middle School (WMS) sixth graders Rachel and Kim Dorr were, like many of their fellow students, affected by the closure of their school following a devastating fire on November 5th, 2009. They decided to find a way to help. “The teachers give us so much and we want to give back to them and the school,” said Rachel. Her twin sister Kim added, “A community grows stronger when everyone comes together to make a difference.” The girls discussed fundraising ideas for WMS with their mother, Foundation Board member Jennifer Dorr.

Perhaps the most moving result of the fire is the enduring nature of school spirit. WMS students, despite attending other schools throughout the community during the reconstruction, all still consider themselves part of the WMS student body. Thanks to the Dorr family, the Foundation combined forces with the Bellingham Public Schools Foundation, the school’s PTSA and others to support fundraising efforts to benefit the students and teachers affected by the tragic fire. Jennifer remarked, “Our kids have so much to offer during this time of rebuilding. It’s important that we provide opportunities and support for them to take action through philanthropic and volunteer activities.” In addition to alumni and the community at large, teacher and educational associations from across the state and beyond made gifts.

**Save the Ivories!**
The Piano Liberation Organization, a program of the Jazz Project, rescues, refurbishes and places pianos in the homes of families with aspiring musicians that would not otherwise have a piano. The PLO provides long term, no-fee leases.

**Visit whatcomfarmtoschool.org for more information.**

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STATEMENT OF FINANCIAL POSITION
June 30, 2010  (With Comparative Totals for June 30, 2009)

ASSETS

2010    2009

Current assets
Cash                  $3,066,517    $2,659,625
Pledges receivable-current        117,720        137,876
Total current assets           3,184,237     2,797,501

Property and equipment - net       20,609         18,220

Other assets
Investments              8,000,121     5,163,549
Loan receivable            10,000         —
Note receivable           340,458       471,326
Pledges receivable-long term      27,763      242,566
Lease deposit              1,040          1,040
Total other assets         8,379,382     5,878,481

TOTAL ASSETS              $11,584,228    $8,694,202

LIABILITIES AND NET ASSETS

Current liabilities
Accounts payable and accrued expenses   $9,384         $11,475
Grants payable                           343,151       15,000
Funds held for others                  1,454,144     1,497,084
Total current liabilities                1,806,679     1,523,559

Net assets
Unrestricted net assets               1,591,398     1,542,737
Temporarily restricted net assets      1,790,596     2,001,158
Permanently restricted net assets     6,395,555     3,626,748
TOTAL NET ASSETS                      9,777,549     7,170,643

TOTAL LIABILITIES AND NET ASSETS       $11,584,228    $8,694,202

New Funds of Whatcom Community Foundation Fiscal Years 2009 and 2010:
Alex Pempe Youth Runners' Fund    | donor advised/non-endowed
Bellingham Dollars for Scholars Fund | scholarship non-endowed
Bellingham Festival of Music Fund | designated/endowed
Bellingham Sailing Foundation Dock Fund | fiscal sponsorship
Bob & Diane Trunek Community Fund  | donor advised/endowed
Bob & Diane Trunek Fund            | donor advised/non-endowed
Calene Cameron LeBeau Memorial Fund | unrestricted/endowed
Center for Justice Fund            | designated/non-endowed
Foothills Gazette Community Fund   | fiscal sponsorship
Francis & Dorothy Lang Endowment  | designated/endowed
Jayne Olise Curley & David Leith Curley Family Fund | sdonor advised/non-endowed
John & Joyce Pedlow Community Fund | donor advised/non-endowed
Karl & Edwina Kleeman Community Fund | donor advised/non-endowed
Law Advocates Endowment Fund      | designated/endowed
Los Ninos Fund                     | committee advised/non-endowed
MBI Health Innovation Fund        | committee advised/non-endowed
Mount Baker Theatre Fund          | designated/non-endowed
Mr. Wood & Family Scholarship     | scholarship/endowed
NorKa Fund                        | donor advised/non-endowed
NWEcon Business Accelerators      | fiscal sponsorship
Starlight Fund                    | donor advised/non-endowed
The Tammy Zlotnik Fund            | donor advised/non-endowed
Walton Beverage Pepsi Refresh Project | donor advised/non-endowed
Whatcom Farm Incubator Fund       | committee advised/non-endowed
Whatcom Middle School Fund        | designated/non-endowed

BOARD OF DIRECTORS

Bob Morse | Chair 2009/10
Glenn Butler | Chair 2008/9
Joyce Pedlow | Vice Chair 2009/10
Julie Johansen | Secretary/Treasurer 2008/10
Rud Browne*
Kevin DeYoung
Jennifer Dorr
Tim Farris
Rogan Jones
Betty Krejci
Cheryl Macpherson
Jason Stoane, MD
Bob Trunek

*Term ended October, 2009

STAFF

Mauri Ingram | President & CEO
Pam Muehlhausen | Director of Finance
Pamela Jons | Director of Advancement & Programs
Missy Belles | Assistant to the President
Shannon Elmendorf | Special Projects Assistant