



First Federal
COMMUNITY FOUNDATION
A Private Charitable Corporation

Annual Report 2018

A MESSAGE TO OUR COMMUNITIES

First Federal Community Foundation was funded in January 2015 with a generous gift of stock and cash valued at nearly \$12 million from the parent company of First Federal Bank, when the bank was converted to a publicly traded company. With this gift, First Federal Bank made clear its commitment to continue its long tradition of supporting the communities it serves.

In that spirit, First Federal Community Foundation's mission is to improve the quality of life in the communities in which First Federal Bank maintains full service branches. We are committed to creating broad impact in our communities through gifts that benefit charitable services, affordable housing, economic development and community development projects.

Since our inception, First Federal Community Foundation has awarded \$2,861,500 in grants to nonprofit, government and tribal agencies in Clallam, Jefferson, Kitsap and Whatcom Counties. Of that total amount, \$785,000 was invested in our communities during the year 2018.

The Board of First Federal Community Foundation is delighted to share with you the organizations to which we contributed and the impact of our most recent year of giving in this Annual Report.

As Western Washington grows, so does the urgent need to increase the availability of affordable housing, living-wage jobs and support for individuals and families seeking to improve their quality of life. We are proud of our partnerships with Habitat for Humanity of East Jefferson County, Housing Resources Bainbridge, Olympic Medical Center Foundation, Kulshan Community Land Trust and all the organizations we support, which work creatively to find smart solutions to these challenges.

As the Foundation continues to advance its mission, we will strengthen and grow our partnerships with local and regional funders and agencies to meet these challenges and maximize the opportunities to make significant and lasting differences in our communities.

Our Mission

We are committed to improving the quality of life in our communities by investing in their future.

Our Vision

We create a broad impact in our communities through gifts that benefit charitable services, affordable housing, local economic development and local community development projects.



Board of Directors, First Federal Community Foundation. From left: Craig Curtis, Board Member; Cindy Finnie, Board Member; David Flodstrum, Chairman (2017); Larry Hueth, First Federal President and CEO; Karen McCormick, Executive Director (2018); Norman Tonina, Jr., Chairman (2018-2019); Joyce Ruiz, Secretary.

THE IMPACT OF OUR CONTRIBUTIONS

- Kidzz Helping Kidzz gave free toys to over 5,000 children hospitalized during the holiday season.
- A total of 826 students, many from low-income families, experienced educational and experiential field trips to the Bainbridge Island Museum of Arts.
- Boys & Girls Club of Whatcom County provided over 3,000 meals and snacks to low-income kids over summer break.
- Over 300 homeowners and potential first-time homeowners in Whatcom County received assistance and counseling through Kulshan Community Land Trust on purchasing and maintaining their homes, and preventing foreclosure when facing economic challenges.
- Jefferson County Farmers Markets sponsored over 200 kids in programs and events that educate and encourage healthy, plant-based nutrition.
- At least five low-income homeowners in South Jefferson County will benefit from critical health and safety repairs to their homes through Habitat for Humanity of East Jefferson County.
- Fort Worden Public Development Authority will rehabilitate three historic buildings at Fort Worden State Park as part of its Makers Square initiative, expanding job opportunities for the community and region.
- Bainbridge Island Child Care Center has a new permanent home for school-age children, providing critical support for working parents, their families and the community.
- Olympic Medical Center's Cancer Center will triple the number of exam rooms, add pharmacy capacity and increase infusion space for its Sequim Cancer Center to meet the growing needs of the region.
- Holly Ridge Center has a new home in Bremerton, offering expanded capacity to serve children and adults with disabilities.
- Peninsula Behavioral Health in Port Angeles renovated its new Children's Behavioral Health Clinic, providing a safe and nurturing environment to kids who need it most.
- Olympic Peninsula Boys & Girls Club is one step closer to realizing its goal of a new Port Angeles Clubhouse.
- Sequim's Shipley Center will build a new Health and Wellness Annex serving the community's senior citizens.
- Housing Resources Bainbridge is rehabilitating ten homes for low-income families who would otherwise not be able to continue residing in them.
- The renovation of the historic Roxy Theater in Bremerton will include new seating.
- Jefferson Community Foundation will lead a county-wide effort to find solutions to critical affordable housing issues.
- KPTZ Radio Port Townsend will move into new studio space in Fort Worden State Park.

"These investments in our shared future will strengthen our communities for generations to come."

- NORMAN J. TONINA, JR., CHAIRMAN, FIRST FEDERAL COMMUNITY FOUNDATION



Whatcom Dispute Resolution Center



Port Townsend School of the Arts



Bainbridge Island Child Care Center

Leadership Giving

We seek opportunities to invest in the Future of our communities in meaningful ways.

2018 AFFORDABLE HOUSING GRANTS

- Housing Resources Bainbridge: \$60,000 Affordable Housing grant to rehabilitate ten units of affordable housing for low-income individuals and families on Bainbridge Island.
- Jefferson Community Foundation: \$40,000 Affordable Housing grant to design and launch the new Jefferson County Housing Solutions Network.
- Habitat for Humanity of East Jefferson County: \$30,000 Affordable Housing grant for the South County Home Repair Program.
- Kulshan Community Land Trust: \$30,000 Affordable Housing grant to provide counseling and education programs for low- and moderate-income homeowners.



\$160,000
Total Affordable Housing Grants for 2018



"Your grant encouraged our stakeholders to step up in unprecedented numbers with gifts both small and large; we were truly humbled by the show of support your grant helped inspire."

- MOONWATER, WHATCOM DISPUTE RESOLUTION CENTER

2018 ECONOMIC AND COMMUNITY DEVELOPMENT GRANTS

- Fort Worden Public Development Authority: \$100,000 Economic Development grant to rehabilitate three buildings as part of its Makers Square initiative.
- Boys and Girls Club of the Olympic Peninsula: \$100,000 Community Development grant for construction of new Clubhouse in Port Angeles.
- Shipley Center: \$100,000 Community Development grant for construction of new Health and Wellness Annex in Sequim.
- Roxy Bremerton: \$50,000 Community Development grant to replace seating in the historic Roxy Theatre in Bremerton.
- Whatcom Dispute Resolution Center: \$50,000 Community Development grant to redevelop a recently acquired building for its new permanent location.
- Holly Ridge Center: \$50,000 Community Development grant to purchase and renovate a new facility to accommodate growth.
- Peninsula Behavioral Health: \$50,000 Community Development grant to renovate its building to accommodate the Children's Behavioral Health Clinic.
- Bainbridge Island Child Care Centers: \$25,000 Community Development grant to develop a new care facility for school-age children.
- NatureBridge: \$25,000 Community Development grant to upgrade the fire suppression system at Olympic National Park's Rosemary Inn.
- Olympic Medical Center Foundation: \$25,000 Community Development grant for expansion of the Cancer Care Center in Sequim.
- Jefferson Healthcare Foundation: \$25,000 Community Development grant to acquire a new infant warmer for Jefferson Healthcare's Family Birth Center in Port Townsend.
- KPTZ Radio Port Townsend: \$25,000 Community Development grant for improvements to new studio location in Port Townsend.

Supporting the preservation and creation of jobs;
improving the quality of life for all communities.

"There's no other company that contributes more to local non-profits like First Federal Bank and the First Federal Community Foundation. The community is a much better one because of their generosity."

- **BRUCE SKINNER, EXECUTIVE DIRECTOR, OLYMPIC MEDICAL CENTER FOUNDATION**



Whatcom Dispute Resolution Center



Bainbridge Island Child Care Center



Whatcom Dispute Resolution Center



Olympic Medical Center Foundation

Community Giving

Honoring First Federal's legacy by investing in the places we call home.



Port Townsend School of the Arts



York Community Farm



Port Townsend School of the Arts

2018 COMMUNITY SUPPORT GRANTS

- Boys and Girls Club of Whatcom County: \$10,000 Community Support grant to increase the capacity of the Healthy Meals Program.
- Concerned Citizens: \$10,000 Community Support grant to re-roof the Sunshine & Rainbows Child Care Center in Forks.
- Centrum Foundation: \$10,000 Community Support grant for scholarships to the Young Artist Program in Port Townsend.
- Whatcom Family YMCA: \$10,000 Community Support grant for scholarships to low-income families for afterschool programs in Whatcom County.
- Washington's National Park Fund: \$10,000 Community Support grant for the Elwha River restoration middle school science program and outdoor education for youth in Clallam County.
- Port Townsend Marine Science Center: \$6,750 Community Support grant to subsidize hands-on science classes for children from low- and moderate-income families.
- Port Townsend School of the Arts: \$6,750 Community Support grant to fund summer arts camp supplies and scholarships for children from low- and moderate-income families.
- York Community Farm: \$6,500 Community Support grant to build a greenhouse for a new aquaponics program.
- Financial Beginnings Washington: \$5,000 Community Support grant to provide financial literacy education for students in Jefferson, Kitsap and Whatcom counties.
- Clear Creek Task Force: \$5,000 Community Support grant to develop a guidebook for Dyes Inlet Water Quality Program in Kitsap County.
- Kids Discovery Museum: \$5,000 Community Support grant for free and subsidized admission for low-income children in Kitsap County.
- Kidzz Helping Kidzz: \$5,000 Community Support grant to purchase toys for children who are hospitalized during the holidays in Kitsap County.
- Sequim Wheelers: \$5,000 Community Support grant to purchase a new adapted bicycle and transportation equipment for providing accessible bike rides for disabled clients in Sequim.
- Bainbridge Island Museum of Art: \$5,000 Community Support grant to expand in-school arts education outreach programs.
- South Kitsap Helpline: \$10,000 Community Support grant for its "Nourishing the Hungry" program in Port Orchard.

"Because of your support, we are able to offer a significant number of scholarships and purchase needed supplies for our PTSA Summer Art Camps. Your contribution also allows us to work toward our mission of bringing out the artist in all of us and giving artists a platform to learn, create, share, and teach."

- TERESA VERRAES, PORT TOWNSEND SCHOOL OF THE ARTS

Leadership

BOARD OF DIRECTORS

Norman J. Tonina, Jr., Chairman

David T. Flodstrom

Cindy H. Finnie

Craig Curtis

Karen McCormick

Jan Simon (2019)

OFFICERS

Karen McCormick, Executive Director (2018)

Jan Simon, Executive Director (2019)

Joyce Ruiz, Secretary

Regina Wood, Treasurer

We are gratified by our community's recognition and appreciation of our leadership. In 2018, First Federal Bank and its Foundation were ranked #2 of the top 25 mid-sized corporate philanthropists in the Puget Sound region by the Puget Sound Business Journal. Most important to us, we are grateful to the many customers and friends of First Federal who make it possible for us to give back to our communities in truly meaningful ways.

FIRST FEDERAL COMMUNITY FOUNDATION LEADERSHIP AND ACCOUNTABILITY

FINANCIAL STATEMENTS (AUDITED)

For the Year Ending December 31, 2018

STATEMENT OF ACTIVITIES

SUPPORT & REVENUE	DOLLARS (\$)
Realized Gain (Loss) on Stock Sales	(7,980)
Unrealized Gain (Loss) on Investments	(1,049,139)
Interest Income	2,185
Dividend Income	21,411
EXPENSES	
Program Services	802,389
Management & General	31,707
Total Expenses	834,096
INCREASE (DECREASE) IN NET ASSETS	(1,867,619)

STATEMENT OF FINANCIAL POSITION

ASSETS	
Cash and Equivalents	623,910
Prepaid Income Tax	2,529
Investments	10,584,171
Total Assets	11,210,610
LIABILITIES	
Accounts Payable	3,300
NET ASSETS, UNRESTRICTED	11,207,310
TOTAL LIABILITIES AND NET ASSETS	11,210,610



Karen McCormick



Jan Simon

Leadership is Critically Important to the Foundation

Karen McCormick launched the First Federal Community Foundation as Executive Director in 2015, after serving First Federal Bank for 32 years. Under Karen's leadership, the Foundation has awarded more than \$2.8 million in grants to nonprofit, government and tribal organizations in Clallam, Jefferson, Kitsap and Whatcom Counties.

In April 2019, Karen retired from the Foundation's staff leadership role. She continues to serve the Foundation as a member of the Board. Her successor, Jan Simon, brings more than 20 years of nonprofit leadership experience to serving as the Foundation's new executive director, having served as Executive Director of the Washington State Chiropractic Association; President and CEO of the Washington Lodging Association; and Executive Director of Seattle's Center for Spiritual Living.

THANK YOU

We are grateful for the support of our
customers and our community.