



THE FUNHOUSE
 Children's Discovery Foundation
2009 Annual Report



THE FUNHOUSE MISSION is to “serve the urgent needs of young people by strengthening community bonds and providing a safe and stimulating environment where all can learn, discover, create, socialize and be heard.”

Mission Accomplished!

In 2009 The Funhouse continued to provide Orcas Island with its full array of important services. Thanks to the incredible generosity of our many donors and grant-making organizations, we also weathered the economic storm and, by cutting expenses and carefully stewarding our donors' gifts, we ended the year with a balanced budget.

On the program side, in 2009 our Mentor Program touched the lives of more than 75 Orcas children. More than 6% of the kids on Orcas Island are currently involved in our Mentor Program and up to 15% may be involved at any time during the year. School counselors consider many of these children to be 'at risk' economically, emotionally, or both.

Every day after school, 20-40 children came to The Funhouse for educational play, Homework Club, and other After School activities. A majority of these kids are from single-parent homes or homes in which both parents work full-time to make ends meet. Without The Funhouse, they would be latch-key kids, going home to empty houses.

Teen Night continued to give Island kids a safe, drug-free, sociable way to spend their weekend nights. Every Friday and Saturday night throughout 2009, 104 nights total, The Funhouse's doors were open to all 8th through 12th graders. In 2009, the Senior Class's all-night, lock-in graduation party was again attended by the entire senior class, on what is statistically the most dangerous night of the year for teens, and 2009 was the second year of our popular teen New Year's Eve party.

Thanks to a continuing grant from a generous Islander, we facilitated and paid for Online Learning classes for 15

Orcas high school students in 2009-2010. Because of this program, Orcas teens were able to explore subjects they never could have at almost any high school in Washington - classes in Japanese, Chinese, screen writing, psychology, web site design, and more. We also provided SAT test preparation, college financial aid, and placement counseling programs in conjunction with the Orcas Island Public School District in the fall.

In 2009 this education grant was expanded to include more funding for early childhood development, allowing us to expand our programming for children ages one to five.

In 2009 The Funhouse served dozens of Orcas Island adults, parents, and seniors with a wide variety of classes - from computers to small business to arts and crafts.

When one considers all the programs we provided in 2009, it is clear that The Funhouse is benefiting the entire spectrum of Orcas society - ages 1 to 90+ - including many people who never even set foot in The Funhouse. Local educators, law enforcement officials, and health professionals credit The Funhouse and its programs as a major factor in helping the island's children do better in school, stay out of trouble, and avoid the most common teen health risks.

In 2009 we updated our Funhouse Community Impact Report, which continues to show just how great a difference The Funhouse makes for island kids and our community. According to local law enforcement and health statistics, since The Funhouse opened its doors, youth crime, teens' use of drugs and tobacco, and teen pregnancy have all declined significantly on Orcas Island.

This report is available on our Website (also remodeled in 2009!) at www.thefunhouse.org. We invite you to visit us there to see all the great things we have going!

Message from the Board President:

“2009 was a challenging year for all non-profits, nation-wide. During this difficult time, The Funhouse performed admirably: its programs met the community's increased need and served more individuals than ever. What The Funhouse accomplishes on a shoestring budget continues to amaze me. It is critical to our Orcas Island community.”

H.S. Wright III
Funhouse Board Chair 2009



FUNHOUSE ★ 2009 Highlights

• Early Learning Programs

In 2009, we received special funding to expand our programs for children aged 1 to 5. Immediately this helped us solidify our Music Together programs for infants, toddlers, and parents. We are developing changes to our facility to further support children of this age.

• Balanced Budget

Finances were perhaps the most important challenge during the year, but we ended 2009 in the black. We couldn't have done it without an amazing board of directors, incredible donors, and staff who willingly cut back in several areas.

• Volunteers

We estimate that we had over 80 people volunteer, providing 9,000 hours of service!

• F.E.A.S.T.

In 2009 The Funhouse acted as an "umbrella" agency for the innovative Farm Education and Sustainability for Teens program, in conjunction with the Orcas Island School District.

• Orcas Island Parks & Recreation District

The Funhouse was instrumental in helping to create the new Orcas Island Parks & Recreation District that was voted into existence with a more than 70% "yes" vote.

• New Website

In 2009 we launched a new website that allows us to easily add news pictures and information so community members can get up-to-date fast. We also added e-mail collection, online donations, and online class registration. And be sure to check us out on Facebook!

Since we opened the doors in 2000:

1. Drug, alcohol & tobacco use has decreased significantly on Orcas.
2. Thirty day use of alcohol and marijuana by 10th and 12th graders has decreased by 22% and 19% respectively.
3. Property crime related arrests of youths age 10-17 in San Juan County have dropped from 2.3% in 2000 to 0.4% in 2006.
4. Teen pregnancy/abortion is lower in San Juan County than in 59% of other Washington state counties, and well below the state average.
5. Educationally, The Orcas School District outperforms most Washington school districts scoring significantly higher than state averages in math, writing and science.

Financials

As expected, 2009 proved fiscally challenging, but we are pleased with our financial performance during a very difficult year. Because our Board mandates a balanced budget, in 2009 we cut expenses in payroll and operations without sacrificing programs, and despite the challenging economy, we reached our income targets. A sure sign of the sluggish economy: grant income from foundations was down, despite the fact that we submitted more grant applications in 2009 than ever before.

Thanks to a successful gala fundraiser and equally successful year-end fund drive, The Funhouse ended 2009 on a positive note and enabled us to carry over some funds to support our programs in 2010.

Our success is a direct result of the commitment of our Board and our generous donors, most of whom are full or part-time Orcas Islanders. The Funhouse has always had a policy of never turning away any child or adult who wants to attend classes but cannot afford to do so. Thanks to our donors, we were able to subsidize class or program fees for every child and adult who needed financial assistance.

We could not provide the services we do without our volunteers, who donate their time as mentors, instructors, and board members, or without the generous in-kind donations from community members, who donate services from landscaping and exhibit repair to fund-raising expertise.

INCOME	YEAR		BUDGET
	2008	2009	2010
Donations & events	\$200,571	\$201,025	\$163,900
Grants	\$47,743	\$38,494	\$44,000
Business memberships	\$10,712	\$16,548	\$10,500
Memberships	\$16,541	\$8,279	\$10,000
Daily fees	\$10,553	\$7,755	\$8,700
Class fees	\$14,706	\$10,145	\$12,000
In-kind donations	\$9,588	\$19,364	\$12,700
Other income	\$7,316	\$1,697	\$2,050
Restricted rollover grant funds	\$28,219	\$64,416	\$43,681
Reserve transfers	+\$5,507	-\$27,936	-\$387
TOTAL INCOME	\$351,456	\$339,787	\$307,144
EXPENSES			
Fundraising expenses	\$21,552	\$32,384	\$25,200
Operations	\$86,177	\$81,971	\$73,984
Staff	\$234,637	\$204,684	\$192,335
In-kind expenses	\$9,090	\$20,748	\$15,625
TOTAL EXPENSES	\$351,456	\$339,787	\$307,144

Conclusion

"2009 was scary because of the recession. I think it's safe to say that few non-profits (here or anywhere) weathered the storm as well as The Funhouse did. Our success comes thanks to an unbelievable pool of donors, families, businesses, and volunteers. Most importantly, none of this would happen without our committed, professional Board of Directors, led in 2009 by H.S. Wright III. On behalf of The Funhouse, thank you to all of you who make what we do possible."

—Pete Moe, Executive Director | pete@thefunhouse.org

The 2009 Board of Directors

Gregory Books	Gene Nery
Jim Bredouw	Nanette Pyne
Betty Corbett	Rolland Rueb
David Densmore	Roger Sherman
Gini Gobeske	Tad Sommerville
Deborah Hansen	H.S. Wright III
Jami Mitchell	Eric Youngren

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The Children's Discovery Foundation dba The Funhouse is a public 501(c)(3) non-profit organization, EIN: 91-1806943. Gifts are tax-deductible according to IRS regulations.

For information on how to volunteer, support our programs, make multi-year pledges, donate securities, or make The Funhouse part of your estate planning, please contact us directly: 360-376-7177.