



July 18, 2025

TO: Whatcom County Council

FROM: Sarah Simpson, Child and Family Services Supervisor  
Jill Boudreau, Senior Policy & Project Manager

THROUGH: Kayla Schott-Bresler, Deputy Executive  
Charlene Ramont, Health & Community Services Director  
Ann Beck, Community Health and Human Services Manager

CC: Executive Satpal Sidhu

RE: Special Council Work Session, Healthy Children's Fund

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On Tuesday, July 29, 2025 the Whatcom County Council will meet in special work session to discuss the Healthy Children's Fund Draft Implementation Plan for years 3 & 4 and to solicit Council members feedback for the 10 strategies proposed.

The Healthy Children's Fund (HCF) continues its commitment to improving the well-being of children and families in Whatcom County by building upon the foundation established in the [2023-2024 Implementation Plan](#) adopted in March 2023. The 2025-2026 Draft Implementation Plan focuses on actions and direction that expedite investments to well thought out strategies and experiences from the past two years.

Materials provided to Council for this meeting include:

- Appendix A: Ordinance 2022-045
- Appendix B: Ordinance language graphic
- Appendix C: Original Implementation Plan 2023: Spending Strategies/Budget, pages 23-38
- Appendix D: Draft Implementation Plan 2025-2026, Years 3 & 4
- Appendix E: Internal Evaluation report, July 2025

Our 90-minute meeting will follow the following agenda:

- Review of process & meeting materials
- Review of Healthy Children's Fund code language
- Current funding allocations
- Current strategies
- Impacts
- Draft Implementation Plan
- Four Questions exercise

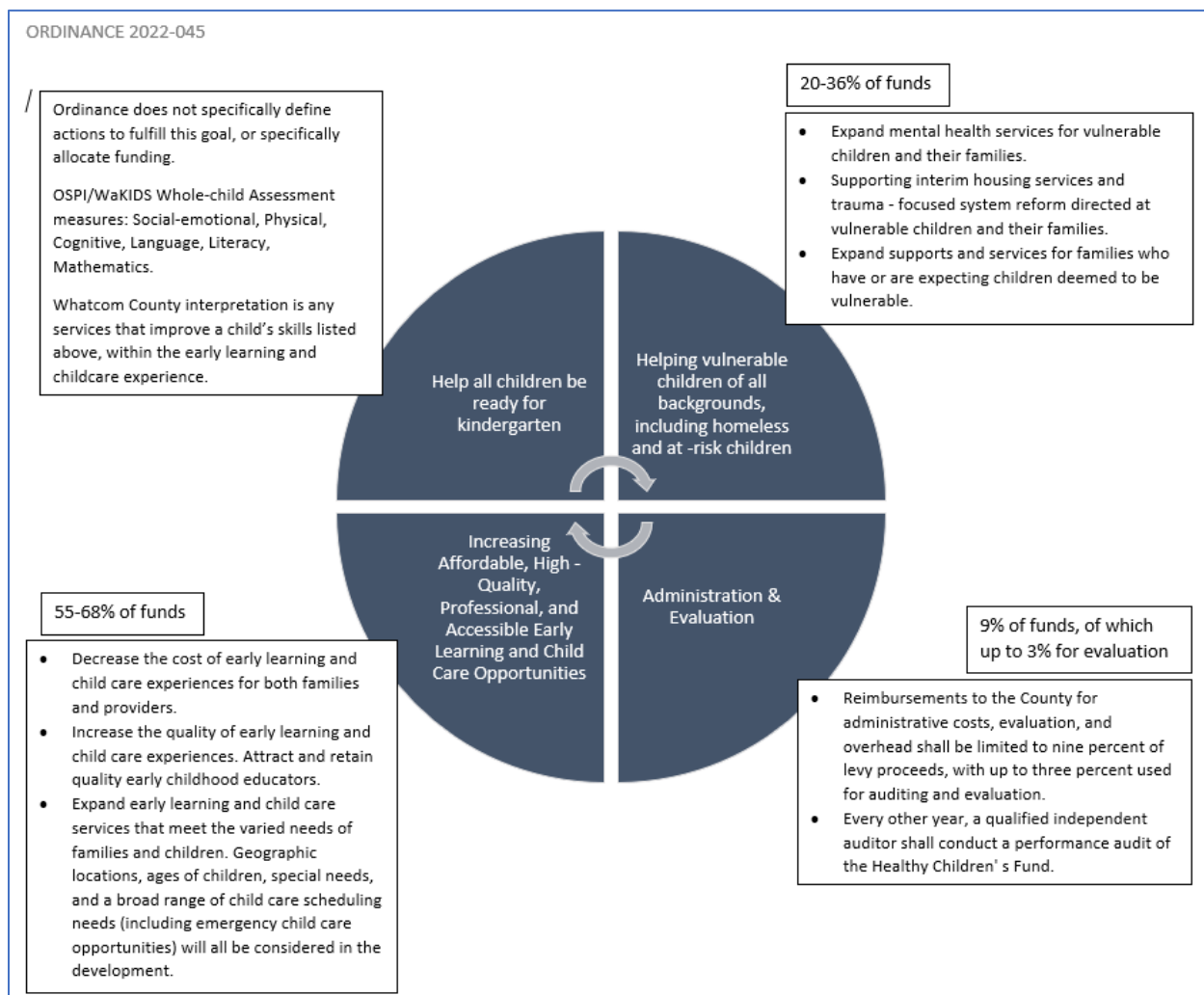
Staff are following an appreciative inquiry model of: What Is, What Could Be, What Should Be, and What Will Be to facilitate the process with County Council.

## What Is:

The Healthy Children's Fund was established by Whatcom County Ordinance 2022-045 and passed by the voters in November 2022. The ordinance language prescriptively outlines areas of funding focus, budget allocations, and an Implementation Plan process requiring updates every two years. Language specifies that after the adoption of the first Implementation Plan in March 2023, the process is to be incorporated into the Whatcom County Council budget process. This language creates an awkward position in 2025 as we attempt to align a new implementation plan prior to the 2026 to the biennium budget cycle.

The following picture is a screen shot of a handout provided to Council in this packet, illustrating the core language of Ordinance 2022-045.

Graphic 1: Ordinance language



County Council can expect to work on the Implementation Plan for years 5 & 6 (2027-2028) in 2026. At this point the independent performance audit and internal evaluation will be completed with robust data sets and have meaningful information to inform County plans going forward.

Also included in the draft Implementation Plan is a section entitled “Lessons Learned” beginning on page 10, outlining strengths, weaknesses, opportunities and threats that staff have documented from their experiences in creating an entirely new service line and fund within the Whatcom County Health and Community Services Department

## **2023-2024 BUDGET & ADOPTED STRATEGIES**

Revenue estimates were budgeted at just under \$10 million per year. Actual revenues were:

- 2023 = \$ 9,922,361
- 2024 = \$10,506,668
- TOTAL = \$20,429,029

The Ordinance establishes funding allocations for Administration of 9% (including up to 3% for evaluation), Early Learning & Care investment at 55-68%, and Supporting Vulnerable Children at 20-36%.

The current [2023-2024 Implementation Plan](#) included budget allocations on pages 19 & 20 and includes the following table:

*Table 5. Expected Revenue Allocation for Years 1-2: 2023-2024*

	Ordinance Allocation Requirements	Years 1 & 2 Estimated	
		\$	%
Administration (including up to 3% Evaluation)	9%	\$1,795,688	9%
Priority Areas	91%	\$18,156,400	91%
Early Learning & Care	55-68%	\$12,800,000	64%
Supporting Vulnerable Children	20-36%	\$5,356,400	27%
<b>Total</b>	<b>100%</b>	<b>\$19,952,088</b>	<b>100%</b>

The current [2023-2024 Implementation Plan](#) included 10 proposed strategies and corresponding budget allocations on pages 23-38. Each strategy page contained a detailed table outlining focus areas, objectives, details, measurements of success, leveraging funds, and cost estimates for years 1 & 2.

The cost estimates were based on known data and understanding. Furthermore, the strategies state that any decrease will shift to reserves or another strategy, while any increase would come from reserves or decreasing or eliminating another proposed strategy.

Early Learning & Care	\$12,800,000
Strategy 1: Use small capital projects to expand, renovate or repurpose buildings to increase early learning and care slots in a mixed-delivery system.	\$500,000
Strategy 2: Coordinate current and develop additional pathways to ensure a stable early learning and care workforce that can deliver high-quality programs for children.	\$1,500,000
Strategy 3: Improve access to early learning and care through subsidies that reduce the cost of programs for children from families that are cost-burdened.	\$3,300,000
Strategy 4: Ensure access to early learning and care by promoting the expansion and retention of the early learning and care workforce.	\$2,050,000
Strategy 5: Create regional early learning and care hubs that include shared administrative services, co-located early learning and other services for children and families, and support for smaller providers in the county.	\$4,500,000
Strategy 6: Support innovative approaches to meet various Healthy Children's Fund goals for early learning and care.	\$950,000
Support for Vulnerable Children	\$5,356,400
Strategy 7: Recruit mental and behavioral health workforce to Whatcom County	\$850,000
Strategy 8: Develop and/or expand resources and programs for families who disproportionately experience housing instability.	\$1,875,000
Strategy 9: Expand and enhance early parenting support.	\$1,875,000
Strategy 10: Integrate and co-locate services via coordinated access to resource navigation.	\$757,000

## 2025 TO DATE:

Council affirmed in [Ordinance 2024-057](#) that the allocations would continue for 2025-2026. Staff submitted the same allocations of HCF investment for the 2025-2026 biennium budget.

*(J) Between 55% and 68% of the current fund balance and the 2025-2026 anticipated Healthy Children's Fund will go toward making childcare more affordable, accessible, and high-quality while improving the workforce. Reference ordinance 2022-045 for additional details and parameters of spending for this fund.*

A snapshot of funding distribution to date is illustrated as follows:

2023-2025 revenue	\$ 30,383,112
2023-2025 administration	\$ (1,706,557)
2023-2025 awarded contracts to date	\$ (7,901,309)
Pending RFP Capital projects awards	\$ (3,000,000)
Pending RFP Subsidies awards	\$ (4,650,000)
Reserved for professional development initiative	\$ (1,500,000)
Anticipated fund balance end of 2025	\$ 11,625,246

## What Could Be:

The Healthy Children's Fund Implementation Team has been working on a draft for Years 3 & 4 since October of 2024. An online survey was made available to all members of the Implementation Team and the Child and Family Well Being Task Force to provide feedback on the draft plan presented to you.

Rather than creating an entirely new framework, this plan serves as a continuation of the 2023-2024 plan. This approach honors the vision and potential in the ten strategies, provides ample time for implementation, and evaluates them for effectiveness. Additional strategies were considered as part of the 2025-2026 draft planning process. **However, after a thorough evaluation, the team concluded that the original set was still the highest priority**, especially considering that best practices in funding recommend a minimum of two-year grants.

**Data collection is in place, however, without 2 years of data, it is difficult to evaluate the impact of the spending to date.**

The proposed budget slightly adjusts the funding allocations represented below in Table 'X', on page 16 of the draft plan. These figures align with the recalculation of allocation as adopted in the 2025-2026 biennium budget specifically the Council Motion from the budget process stated "Between 55% and 68% of the current fund balance and the 2025-2026 anticipated Healthy Children's Fund will go toward making childcare more affordable, accessible, and high-quality while improving the workforce. Reference ordinance 2022-045 for additional details and parameters of spending for this fund." <sup>1</sup>

**Table X. Expected Revenue Allocations for Years 1-4: 2023-2026**

	Ordinance Allocation Requirements	Years 2023-2024		Years 2025-2026	
		\$	%	\$	%
<b>Fund Administration</b>	9%	\$1,800,000	9%	\$1,800,000	9%
<b>Priority Areas</b>	91%	\$18,079,358	90%	\$18,320,642	91%
<b>Early Learning and Care</b>	55-68%	\$12,361,905	62%	\$13,613,815	68%
<b>Supporting Vulnerable Children</b>	20-36%	\$5,717,453	29%	\$4,423,632	23%
<b>TOTAL</b>	<b>100%</b>	<b>20,079,358</b>	<b>100%</b>	<b>\$19,743,635</b>	<b>100%</b>

<sup>1</sup> [Ordinance 2024-057](#): Whatcom County Budget 2025-2026

## What Should Be:

Spending public dollars should be a thoughtful and careful process. The speed of spending is not an accurate measure of success or impact. The first two years of administration have had challenges specifically around unmet expectations and unrealistic timelines adopted in the original Implementation Plan.

Staff are confident and proud of the work accomplished to date and are seeing remarkable and positive impact the HCF investments to date are producing. Staff recommend continuing with the current strategies however they believe that reducing the number of objectives for each strategy is more honest and realistic.

Staff are specifically soliciting dialogue with policy makers around two specific proposed strategies.

**Strategy 2:** “Coordinate current and develop additional pathways to ensure a stable early learning & care workforce to deliver high-quality programs for children. “

**AND Strategy 4:** “Ensure access to early learning & care by promoting the expansion and retention of the early learning & care workforce.”

County government has limited influence to stabilize any workforce. **Staff is recommending focus on two objectives and setting realistic expectations of success for this strategy** by piloting programs with robust measurements focused on:

- Providing more accessible pathways to a sustainable career through training, coaching and credentialing.
- Improve access to mental and behavioral health supports for children with specialized needs by providing onsite training of early learning professionals and direct services to better address the needs of vulnerable populations, including children with behavioral health needs, health issues, social needs, and non-English speaking families

## Four Questions:

County Council is the elected policy decisionmakers for Whatcom County. A thoughtful process is required. Staff feels that time spent should revolve around the following 4 questions:

1. Do you agree with the 10 strategies?
2. What strategies are most important to you and would you prioritize these?
3. Do you agree with the funding percentages split?
4. What information do you need to make future strategy decisions?

## Next Steps:

Engaged leadership, strong collaboration & good management are mandatory components for success.

Our next Council discussion will be focused on the specific actions planned for each focus area. This will assist us in finalizing specific new investments for 2025-2026.

Some questions to contemplate include:

1. Do we further define “Vulnerable Children”?
2. Are there specific investments, goals and outcome measures to discuss in the “Vulnerable Children” areas of focus? Per ordinance, funding in this area must address each of the following priorities:
  - a. Expand Mental and Behavioral Health: Expand mental health services for vulnerable children and their families.
  - b. Prevent and reduce homelessness of vulnerable children: Reduce the instances of vulnerable children experiencing homelessness, through diversion and other preventative services and reduce the trauma associated with homelessness by supporting interim housing services and trauma - focused system reform directed at vulnerable children and their families.
  - c. Support Vulnerable Children's Parents: Expand supports and services for families who have or are expecting children deemed to be vulnerable.

**Decisionmakers:**

Executives office:	Executive Satpal Sidhu – Operations, Program Development and Implementation
County Council:	Majority – Adopt Implementation Plan, Budget Authority, Contract Authority

**Consult & Inform:**

Deputy Executives and staff
Health & Community Services: Director, Division Manager, Division Supervisor, and staff
Finance Department: Director & staff
Legal Department
Healthy Children’s Fund Implementation Team & Subject Matter Experts committees
Child & Family Well Being Taskforce
Service Providers
Parents & Families – RAPID survey

If you are interested in meeting with staff prior to our July 29, 2025 meeting – please feel free to reach out.

Sarah Simpson, EMPA  
Children and Family Programs Supervisor  
Cell: 360.410.2400

Jill Boudreau  
Senior Policy & Project Manager  
Whatcom County Executive’s Office  
Office: 360-778-5206