

PROPOSED BY: BUCHANAN  
INTRODUCTION DATE: JANUARY 14, 2025

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION TO ESTABLISH COUNCIL GOALS FOR FULL, TIMELY AWARDING OF  
HEALTHY CHILDREN'S FUND CONTRACTS**

**WHEREAS**, the Whatcom County Council approved Ordinance [2022-045](#) to provide for the submission of a proposition to the qualified electors of Whatcom County, authorizing the county to lift the limit of regular property taxes under ~~Chapter RCW 84.55-RCW~~ for the purpose of funding for childcare, early learning programs, and increased support for vulnerable children; and

**WHEREAS**, in November 2022, Proposition 5, the Healthy Children's Fund, was approved by voters in Whatcom County, consistent with [Ordinance 2022-045](#), to establish a dedicated fund to improve the health and well-being of children and youth, as well as the families and communities in which they live; and

**WHEREAS**, since the Healthy Children's Fund was officially established in January 2023, the need for more affordable, high-quality, and culturally responsive childcare and early learning across Whatcom County has increased; and

**WHEREAS**, Ordinance 2022-045 required the Department of Health and Community Services to serve as the Healthy Children's Fund administrator and to develop and oversee an implementation plan that identifies the specific strategies and projects to be funded and the outcomes to be achieved with the use of levy proceeds; and

**WHEREAS**, Ordinance 2022-045 ~~was passed to establish~~[outlined](#) a fund for childcare and early childhood programs to improve kindergarten readiness and to support homeless and otherwise vulnerable children, and the Ordinance stipulated that all programs funded under the measure must be designed to advance the goal that children of all backgrounds in Whatcom County should enter kindergarten prepared and ready to learn; and

**WHEREAS**, Ordinance 2022-45 required the initial 2-year Implementation Plan to allocate no less than 55% and no more than 68% of levy revenue and proceeds to improving early learning and care; and

**WHEREAS**, Ordinance 2022-45 required the initial 2-year Implementation Plan to allocate no less than 20% and no more than 36% of levy revenue and proceeds to supporting vulnerable children; and

**WHEREAS**, Whatcom County's Healthy Children's Fund Implementation Plan for Years 1 and 2, adopted by Whatcom County Council by ~~Ordinance-Resolution 2023-007~~[2023-127](#) in March 2023, identified an estimated allocation of \$12,800,000 or 64% of 2023-2024 Healthy Children's Fund revenues to be spent on early learning and care; and

**WHEREAS,** Ordinance 2022-45 allows for up to 9% of the Healthy Children's Fund levied funds to be used towards ~~the~~ administration, evaluation, and overhead, and, further, meeting the Implementation Plan and deadlines set forth in this Resolution may require adding administrative capacity by hiring additional employees; and

**WHEREAS,** the Healthy Children's Fund Implementation Plan is behind schedule, with more than \$13 million ~~M~~-awarded for childcare capital projects using ARPA funds and \$385,722 awarded for early learning and care programs as of November 1, 2024, according to a Health and Community Services Department written report to the Council; and

**WHEREAS,** the current Healthy Children's Fund balance as of November 4, 2024 is \$19,508,305 (fund balance plus cash), and, according to Whatcom County's 2025-2026 biennial budget, expected revenues into the Healthy Children's Fund are estimated to be \$20,218,429-; and

**WHEREAS,** the Council acting as the Whatcom County Health Board adopted Whatcom Working Toward Well-being: An Action Plan for County Government, also known as the Child and Family Action Plan, on February 4, 2020; and

**WHEREAS,** the Child and Family Action Plan's first recommendation was to "establish new structures and processes to elevate the well-being of all children and families as a priority," including "[pursuing] new funding mechanisms to significantly increase resources for well-being promotion and crisis prevention;" and

**WHEREAS,** the Child and Family Action Plan recommended that the county participate in a fiscal analysis and to "generate new and sustainable revenue for evidence-based and innovative child and family programs and services based on recommendations from the fiscal analysis," which led to establishing the Healthy Children's Fund as a locally controlled and dedicated resource addressing the needs established in Ordinance 2022-045 Section 3; and

**WHEREAS,** in addition to the Child and Family Action Plan, the Council as the Health Board approved four of the plan's specific actions, including the establishment of a task force focused on "tracking and furthering progress of community efforts to achieve the desired results for children and families;" and

**WHEREAS,** Ordinance 2022-045 calls for an independent performance audit of the Healthy Children's Fund every other year by a qualified independent auditor, which shall serve "to ensure that taxpayer money is well spent achieving the goals adopted by county council in this ordinance and endorsed by voters through the passage of the levy;" and

**WHEREAS,** taxpayer money is spent on both the administrative budget and the funds allocated towards programs and services; and

**WHEREAS,** successful implementation of the fund and attainment of its goals requires both successful administration of the funds and successful implementation of programs and services; and

**WHEREAS,** up to 3% of the levy proceeds can be used for evaluating performance of the Healthy Children's Fund; and

**WHEREAS,** the Healthy Children's Fund Implementation Plan was adopted unanimously by council through Resolution 2023-127 to identify goals for the fund, eligible expenditures, allocation guidelines, and distribution guidance; and

**WHEREAS,** the 2023-2024 Healthy Children's Fund Implementation Plan includes feedback solicited from multiple advisory groups and content experts to ensure that the implementation plan reflects the priorities of Whatcom County residents and supports the achievement of the Healthy Children's Fund vision; and

**WHEREAS,** of the 289 community member comments, 137 comments (47%) were related to evaluation/metrics, and of those, 43 called for an evaluation of the fund administration; and

**WHEREAS,** the Healthy Children's Fund Implementation Plan as adopted by council includes a framework to measure the performance of the levy strategies in achieving their outcomes, including annual reporting on levy expenditures, fund administration, services and outcomes, and program evaluations and process audits, in accordance with Section 5 of Ordinance 2022-045; and

**WHEREAS,** the purpose of the Whatcom County Child and Family Well-Being Task Force is to review the impact of county policies on children and families and make specific recommendations for improvements for all departments (Ordinance 2020-079, Exhibit A); and

**WHEREAS,** the Child and Family Well-Being Task Force, in a December 31, 2024 memo to council titled "External, Comprehensive Evaluation of the Healthy Children's Fund," recommended a biannual comprehensive external evaluation to measure performance of the Healthy Children's Fund and identified core tenets for responsible stewardship, including: transparency and accountability, continuous improvement, fairness, risk management, alignment with goals and community expectations, and data-driven decision-making; and

**WHEREAS,** Ordinance 2022-045 directs the auditor to develop the audit process in consultation with the Child and Family Well-Being Task Force; and

**WHEREAS,** Whatcom County Code 2.106.090 Reporting requires the Child and Family Well-Being Task Force to provide a report and recommendations to the county council and county executive at least biannually and no later than March 30 and September 30 of each year (Ordinance 2020-079 – Exhibit A); and

**WHEREAS,** the role of the county council was identified in Ordinance 2022-045 and Ordinance 2020-079 and includes the following:

1. Adopt goals of the Healthy Children's Fund through the passage of the originating ordinance (2022-045),
2. Submit to the qualified electors of the county a proposition authorizing a regular property tax levy,

3. Approve a bi-annual implementation plan that adjusts the percentages allocated towards supporting vulnerable children and early learning and care based on the information reflected in the independent audit, recommendations by the Child and Family Well-Being Task Force, the emergent needs of the community, and changes in state and federal funding availability.
4. Establish and work with the Child and Family Well-Being Taskforce and to consider recommendations made through annual report cards and as otherwise requested; and

**NOW THEREFORE BE IT RESOLVED** that, to support the prompt and effective disbursement of funds from the Healthy Children's Fund, the Whatcom County Council requests the following:

### **Section I: Funding awards and contracts**

- A. **Timeline for execution of contracts:** ~~Healthy Children's Fund contracts should be finalized within ninety (90) days after the issuance of a contract award letter, unless council approves an extension requested by staff. Staff requests for extensions should:~~ Notification of funding awards should be made within forty-five (45) days of application closing date, and contracts should be finalized within ninety (90) days after the issuance of a contract award letter. If it is anticipated that a contract will not be completed within 90 days, staff should submit a report to council prior to the 90-day deadline that includes the following:
1. Name and copy of the award letter, if applicable. If not applicable, include agreement date and a brief summary of scope.
  2. Reason for delay and estimated time of completion.
  3. Proposed solution to ensure completion by agreed timeframe.
  4. Confirmation from the contractee acknowledging the extension, estimated timeframe, agreement with the proposed solution, and any additional information.
- ~~Be requested at least 20 days prior to the approval deadline.~~
- ~~2. Extension should be for no more than 30 days beyond the current deadline, but an additional extension may be requested.~~
  - ~~3. Include the reason for delay along with a proposed solution to ensure completion by new deadline.~~
  - ~~4. Include a letter from the contractee acknowledging the extension request, agreeing with the proposed solution, and providing any additional information.~~
- B. **Distribution timeline for early learning spending:** unless decided otherwise by council resolution, the council requests that the county meet the following deadline for executing contracts to expand early learning and care under the Healthy Children's Fund:
1. By June 30, 2025, execute all contracts for the spending set forth in Ordinance 2022-45 for early learning and care projects, for a total of 55% to 68% of 2023-2024 levy revenue and proceeds.

2. By June 30, 2025, execute all contracts for the spending set forth in Ordinance 2022-45 for supporting vulnerable children, for a total of 20% to 36% of 2023-2024 levy revenue and proceeds.
- C. **Reporting on contracting progress:** Whatcom County Health and Community Services is asked to provide the county council and the Child and Family Wellbeing Task Force with a monthly progress report, including the following information: the funding recipient, budgeted amount of HCF funding, RFP close date, award letter sent date, date first contract sent to lead staff, date when contract development was finished and sent for final approvals, and date contract was approved by the Council.

## **Section II. Program Audit**

- A. By the end of 2025, the County Executive's office is contracted with an independent, outside auditor and has completed an independent audit of the County's ability to timely disburse funds pursuant to the implementation plan and to carry out the intent of this Resolution; and
- B. By the end of 2025, Health and Community Services is contracted with an independent, outside evaluator and has completed an evaluation of the progress towards goals of the Healthy Children's Fund pursuant to the implementation plan and to carry out the intent of this Resolution; and
- C. A comprehensive external evaluation will be delivered to Council and to the Child and Family Well-Being Task Force by January 1, 2026, allowing for the following schedule:
1. By March 31, 2026, the Child and Family Well-Being Task Force will draft and submit a report card with recommendations to improve administration, implementation, and evaluation of the Healthy Children's Fund, according to the originating ordinance 2022-045 and the Implementation Plan.
  2. By September 30, 2026, a comprehensive external evaluation inclusive of both process and program outcomes, along with Task Force recommendations, will be used to update the 2027-2028 Implementation Plan according to the originating ordinance 2022-045.
  3. The 2027-2028 biennium budget will include anticipated expenditures according to the 2027-2028 Implementation Plan.
- D. Subsequent bi-annual reviews of program administration and outcomes will follow every two years.
- ~~D. **Audit timing:** By the end of 2025, the county is contracted with an independent, outside auditor and has completed an independent audit of the county's ability to timely disburse funds pursuant to the implementation plan and to carry out the intent of this Resolution; and~~
- E. **Reporting and audits:** programs, contracts, results, or metrics related to programs not directly funded with HCF funds (for example ARPA funds) are excluded from reporting and audit requirements.

~~F. **Independent audit and audit schedule:** timeframes for contracting an independent auditor and the audit schedule are as follows:~~

- ~~1. An RFP for independent audits should be posted immediately upon approval of the resolution.~~
- ~~2. Contract with independent auditor should be finalized no later than January 31st, 2025.~~
- ~~3. Complete initial audit and review of 2023-2024 HCF performance to the Council and the Child and Family Wellbeing Task Force no later than April 30th, 2025.~~
- ~~4. Complete and submit each subsequent bi-annual review to the Council and the Child and Family Wellbeing Task Force by the following dates:~~
  - ~~a. March 31st 2027~~
  - ~~b. March 31st 2029~~
  - ~~c. March 31st 2031~~
  - ~~d. March 31st 2033~~

**BE IT FINALLY FURTHER RESOLVED** that ~~items A-D~~Sections I and II above are intended to carry out the Council's budgetary authority, and, should any portion be deemed invalid and/or unenforceable, it shall not impact the validity of the remainder of the Council's requests herein.

**BE IT FINALLY RESOLVED** that Whatcom County Council supports collaborating with the County Administration in effort to achieve these desired outcomes including by providing sufficient resources and considering relevant policy changes.

**APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, ~~2024~~2025.

ATTEST:

WHATCOM COUNTY COUNCIL  
WHATCOM COUNTY, WASHINGTON

\_\_\_\_\_  
Cathy Halka, Clerk of the Council

\_\_\_\_\_  
Barry Buchanan, Council Chair

APPROVED AS TO FORM:

\_\_\_\_\_  
Civil Deputy Prosecutor