RESOLUTION NO. 2017-03

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board adopting a draft 2018-2022 Budget.

Whereas, the Washington Multi-City Interlocal Business License and Tax Portal Agency ("Portal Agency") Executive Board Interlocal Agreement ("Agreement") requires the Executive Board to adopt a draft Portal Agency 2017 budget by June 15;

Whereas, the Program Manager shall present a proposed budget to the Executive Board no later than May 1 prior to the commencement of the budget period, together with the Operation Committee's recommendations with respect to the proposed budget;

Whereas, the Portal Agency Manager developed a draft 2018-2022 budget;

Whereas, the Operations Committee reviewed and recommended a draft 2018-2022 budget on March 13, 2017 and transmitted the draft budget to the Executive Board on March 27, 2017;

Whereas, the draft budget must be approved by a supermajority vote, and

Whereas, the approved draft budget must be forwarded to Principals;

Now Therefore,

BE IT RESOLVED by the Executive Board of the Washington Multi-City Business License and Tax Portal Agency:

SECTION 1. The Executive Board hereby adopts the draft 2018-2022 budget for the Portal Agency as set forth in Exhibit A to this Resolution.

SECTION 2. The Executive Board directs the Portal Agency Program Manager to forward the approved draft budget to the Principals by July 1, 2017.

ADOPTED this 27th day of March, 2017.

ATTEST:

Washington Multi-City Business License and Tax Portal Agency Executive Board
Seattle, Washington

Board Secretary

Board Chair

Washington Cities Business License and Tax Portal Agency
2018-2022 Proposed Budget
March 8, 2017

		2016 Actuals	2017 Budget	2018 Budget	2019 Budget	2020 Budget	2021 Budget	2022 Budget	Delta 2016 Actuals to FY17 Budget	Delta FY17 Budget to FY18 Budget	Delta FY18 Budget to FY19 Budget	Delta FY19 Budget to FY20 Budget	Delta FY20 Budget to FY21 Budget	Delta FY21 Budget to FY22 Budget
Revenue														
Fund Carryover		465,898	151,578						314,320	151,578	-	-	-	-
User Fees	<1>	31,796	56,000	167,200	223,920	306,312	426,943	604,638	(24,204)	(111,200)	(56,720)	(82,392)	(120,631)	(177,694)
Reimbursable Costs									-	-	-	-	-	-
- City of Seattle	<2>	406,490	502,378	549,167	536,145	521,474	486,725	430,081	(95,888)	(46,789)	13,022	14,671	34,749	56,644
- City of Bellevue	<2>	59,172	73,130	79,941	78,046	75,910	70,852	62,606	(13,958)	(6,811)	1,896	2,136	5,058	8,246
- City of Tacoma	<2>	95,664	118,231	129,242	126,177	122,725	114,547	101,216	(22,567)	(11,011)	3,065	3,453	8,178	13,331
- City of Everett	<2>	27,536	34,032	37,201	36,319	35,325	32,971	29,134	(6,496)	(3,169)	882	994	2,354	3,837
Total Reimbursable Costs		588,862	727,771	795,551	776,688	755,434	705,094	623,037	(138,909)	(67,780)	18,864	21,254	50,339	82,058
Capital Cost Recovery Charges														
- City of Bellevue	<8>	8,000	4,000	6,000	6,000	6,000	6,000	6,000	4,000	(2,000)	-	-	-	-
- City of Tacoma	<8>	12,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	-	-	-	-	-
- City of Everett	<8>	4,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	-	-	-	-	-
Total Capital Cost Recovery Charges		24,000	12,000	14,000	14,000	14,000	14,000	14,000	12,000	(2,000)	-	-	-	-
Total Revenue		**1,110,556**	**947,349**	**976,751**	**1,014,608**	**1,075,746**	**1,146,037**	**1,241,674**	**163,207**	**(29,402)**	**(37,856)**	**(61,138)**	**(70,292)**	**(95,637)**
Expenditures														
Labor	<3>	277,413	333,952	343,971	354,290	364,918	375,866	387,142	(56,539)	(10,019)	(10,319)	(10,629)	(10,948)	(11,276)
Contracts	<4>	31,267	44,556	45,670	46,766	47,841	48,942	50,067	(13,289)	(1,114)	(1,096)	(1,076)	(1,100)	(1,126)
Overhead	<5>	40,203	55,031	56,407	57,761	59,089	60,448	61,839	(14,828)	(1,376)	(1,354)	(1,329)	(1,359)	(1,390)
Technology Costs	<6>	429,095	457,000	507,285	535,625	581,118	636,468	714,807	(27,905)	(50,285)	(28,340)	(45,493)	(55,350)	(78,339)
Operating Reserve	<7>	-	38,232	9,419	6,166	8,779	10,314	13,820	(38,232)	28,813	3,253	(2,613)	(1,535)	(3,506)
Capital Cost Recovery Payments	<8>	24,000	12,000	14,000	14,000	14,000	14,000	14,000	12,000	(2,000)	-	-	-	-
Total Expenditures		**801,978**	**940,771**	**976,751**	**1,014,608**	**1,075,746**	**1,146,037**	**1,241,674**	**(138,793)**	**(35,980)**	**(37,856)**	**(61,138)**	**(70,292)**	**(95,637)**
									-	-	-	-	-	-
Excess (Deficit)		**308,578**	**6,578**	**-**	**-**	**-**	**-**	**-**	**302,000**	**6,578**	**-**	**-**	**-**	**-**

Assumptions and Notes

Overall The allocation methodology being used is based on 2012 amounts but ends in 2018. The methodology is the same for 2019-2022 budget but will revert to actual transactions in future forecasts.

<1> 2018 User Fees are estimated based on 20% growth for Tacoma, Bellevue and Everett and conversion of Seattle (25k). For 2019-2022 - Tacoma, Bellevue, and Everett assumed year over year growth is 10% and Seattle is 50% year over year growth.

<2> Reimbursable costs are allocated based on the allocation percentages defined in the 3-2014 Interlocal Agreement.

<3> Labor costs represent 2.5 FTE loaned in from the City of Seattle. The total costs include salaries, fringe benefits, related payroll taxes and other allocated overhead costs.

<4> Professional fees include accounting, insurance, and bank charges. They are budgeted based on the 2017 budget.

<5> Overhead includes legal, supplies, printing, memberships and allocated information technology costs. They are budgeted based on the existing contracts or estimate of what cost will be using CPI.

<6> Technology costs include fixed annual hosting and licensing fees, services based on the usage, other associated fees and new contract with Leviathan for security monitoring, ADA planning and performance testing every other year. Transaction fees assumptins are included in worksheet 2. Technology costs increased based on Ramware contract Payment Schedule.

<7> The operating reserve is estimated based on 15% of the total expenditure budget.

<8> Capital cost recovery is budgeted based on the 3-2014 Interlocal Agreement.