FileLocal

700 5th Avenue, Suite 4350
PO Box 94669
Seattle, WA 98124-4669

Executive Board:

Toni Call
City of Bellevue

Susy Haugen
City of Everett

Lindsey Vaughn
City of Lake Forest Park

Jan Hawn
City of Renton

Glen Lee
City of Seattle

Andy Cherullo
City of Tacoma

Executive Board Special Meeting Agenda

April 17, 2020

CONFERENCE CALL

SEATTLE, WA

1. **CALL TO ORDER**
   a. Introductions

2. **PUBLIC COMMENT***

3. **APPROVAL OF 12-19-19 MEETING SUMMARY**
   a. 12-19-19 Meeting Summary

4. **REVIEW OF FEBRUARY 2020, JANUARY 2020, DECEMBER 2019 AND NOVEMBER 2019 FINANCIAL STATEMENTS**
   a. February 2020 Financial Statements
   b. January 2020 Financial Statements
   c. December 2019 Financial Statements
   d. November 2019 Financial Statements

5. **ACTION ITEMS**
   a. Resolution **FL2020-01: Election of Officers** (Majority Vote)
      i. Briefing Paper: **FL2020-01**
      ii. Resolution: **FL2020-01**
   b. Resolution **FL2020-02 Local Government Investment Pool (LGIP)** (Supermajority Vote)
      i. Briefing Paper: **FL2020-02**
      ii. Resolution: **FL2020-02**
      iii. Attachment A: **FL2020-02 LGIP Authorization Form**
      iv. Attachment B: **FL2020-02 LGIP Operations Manual**
   c. Resolution **FL2020-03 Revised Board Meeting Schedule 2020** (Majority Vote)
      i. Resolution: **FL2020-03**
      ii. Attachment A: **FL2020-03 2020 Meeting Schedule (Revised)**

   d. Resolution **FL2020-04 City of Des Moines Admission** (Supermajority Vote)
      i. Briefing Paper: **FL2020-04**
      ii. Resolution: **FL2020-04**
      iii. Attachment A: **FL2020-04 Addendum**

*A public comment period is provided to allow the public to briefly present information, topics or issues that they feel should be considered by the board. Presentation should be limited to three minutes and be summary in nature. The board may decide to discuss the topic briefly at that time or to request its placement on a future agenda.

iv. Attachment B: **FL2020-04 Discussion Points**

e. Resolution **FL2020-05 City of Snoqualmie Admission** (Supermajority Vote)
   i. Briefing Paper: **FL2020-05**
   ii. Resolution: **FL2020-05**
   iii. Attachment A**: FL2020-05 Subscriber Agreement**
   iv. Attachment B: **FL2020-05 Discussion Points**

6. OPERATIONAL UPDATES

a. January 2020 Postmortem
b. MBR
c. Draft Budget 2021-2025
d. Annual Financial Statements 2019
e. Agency/Vendor Performance Survey Update
f. ADA Update
g. New Cities Update
h. Vendor warrants

7. ADJOURNMENT

FileLocal

700 5th Avenue, Suite 4350
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Executive Board:

Susy Haugen,
City of Everett

Toni Call, Chair
City of Bellevue

Lindsey Vaughn
City of Lake Forest Park

Jan Hawn
City of Renton

Glen Lee, Vice-Chair
City of Seattle

Andy Cherullo
City of Tacoma

Executive Board Meeting Summary

December 19, 2019

SEATTLE MUNICIPAL TOWER CONFERENCE ROOM 4070
SEATTLE, WA

KEY: Underlined text indicates actions/decisions.
Bold/italicized text indicates follow up items.

Standing Items

1. CALL TO ORDER

The 12-19-2019, meeting of the Washington Multi-City Business License and Tax Portal Agency (FileLocal) was called to order at 11:02 a.m. and held in Conference Room 4070 of the Seattle Municipal Tower in Seattle, Washington.

ROLL CALL

Board Members Present: Jamie Robinson (phone) for Toni Call, Susy Haugen (phone), Lindsey Vaughn (phone), Kari Roller (phone) for Jan Hawn, Glen Lee, and Andy Cherullo (phone)

Staff and Guests: Kevin Fitzpatrick, Wendy Thomaston (phone) and Julie Panick.

2. PUBLIC COMMENT

There were no public comments.

3. APPROVAL OF MEETING SUMMARY

On a motion made by Andy Cherullo and seconded by Susy Haugen, the board approved the 9-26-19, meeting summary.

4. REVIEW OF FINANCIAL STATEMENT

Kevin Fitzpatrick summarized the October 2019 and September 2019 financial statements and cash status. There were no questions or comments.

5. ACTION ITEMS

A. Resolution FL2019-07: Meeting Schedule

a. Kevin Fitzpatrick reviewed the resolution. There were no questions or comments.

i. Motion to accept: Andy Cherullo
ii. Motion seconded: Susy Haugen

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iii. Majority vote: Passed

VOTE FL2019-07	City	Member
YES	Bellevue	Jamie Robinson
YES	Everett	Susy Haugen
YES	Lake Forest Park	Lindsey Vaughn
YES	Renton	Kari Roller
YES	Seattle	Glen Lee
YES	Tacoma	Andy Cherullo

B. Resolution FL2019-08: Final Budget 2020-2024

a. Kevin Fitzpatrick reviewed the resolution. Susy Haugen inquired about the labor increase. Kevin Fitzpatrick responded, and Glen Lee confirmed that the majority of this increase is related to Cost of Living Allowances (COLAs) for FY-2019 (4%) and FY-2020 (3.6%) negotiated and finalized recently with City of Seattle labor unions.

i. Motion to accept: Andy Cherullo
ii. Motion seconded: Glen Lee
iii. Supermajority vote: Passed

VOTE FL2019-08	City	Member
YES	Bellevue	Jamie Robinson
YES	Everett	Susy Haugen
YES	Lake Forest Park	Lindsey Vaughn
YES	Renton	Kari Roller
YES	Seattle	Glen Lee
YES	Tacoma	Andy Cherullo

C. Resolution FL2019-09: Fiscal Manual

a. Kevin Fitzpatrick reviewed the resolution. There were no questions or comments.

i. Motion to accept: Andy Cherullo
ii. Motion seconded: Jamie Robinson
iii. Supermajority vote: Passed

VOTE FL2019-09	City	Member
YES	Bellevue	Jamie Robinson
YES	Everett	Susy Haugen
YES	Lake Forest Park	Lindsey Vaughn
YES	Renton	Kari Roller
YES	Seattle	Glen Lee
YES	Tacoma	Andy Cherullo

D. Resolution FL2019-10: Legal Services

a. Kevin Fitzpatrick reviewed the resolution. There were no questions or comments.

i. Motion to accept: Lindsey Vaughn
ii. Motion seconded: Glen Lee
iii. Majority vote: Passed

VOTE FL2019-10	City	Member
YES	Bellevue	Jamie Robinson
YES	Everett	Susy Haugen
YES	Lake Forest Park	Lindsey Vaughn
YES	Renton	Kari Roller
YES	Seattle	Glen Lee
YES	Tacoma	Andy Cherullo

6. DISCUSSION ITEMS:

A. November Monthly Business Review

Kevin Fitzpatrick reviewed the Monthly Business Review. There were no comments or questions.

B. Agency/Vendor Performance Survey Update

Kevin Fitzpatrick reviewed a summary of survey results and recommendations from the consultant. The Agency will start implementing action items in early 2020.

Susy Haugen stated that Everett does not want to give up the $4.00 fee.

C. 2020 Workplan

Kevin Fitzpatrick shared the Agency 2020 Workplan which outlines key dates and activities by calendar month. There were not questions or comments.

D. Kubra Statement of Work (SOW)

Currently there are no reports that track a transaction from start to finish. This SOW will result in a report that cities can use to see both Kubra and Avenu data.

Susy Haugen stated since the Kubra contract is only extended until 2021 we may not want to spend money on a report from a firm we may not continue business with. Kevin Fitzpatrick responded that any new contract will include this report requirement in the Request for Proposal (RFP).

E. ADA Update

There were no questions or comments.

F. New Cities Update

There were no questions or comments.

G. Vendor Warrants

There were no questions or comments.

7. ADJOURNMENT

On a motion made by Andy Cherullo and seconded by Glen Lee, the meeting of the Executive Board adjourned at 11:58 a.m.

Respectfully Submitted,

Julie Panick
Secretary, FileLocal

700 5th Avenue, Suite 4350
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Seattle, WA 98124-4669

FileLocal
Financial Statements
February 29, 2020

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FILELOCAL
STATEMENT OF FINANCIAL POSITION
FEBRUARY 29, 2020

ASSETS		
Cash	$	660,973
Dues from Cities		93,210
Prepaid		4,623
Total Current Assets		758,806
TOTAL ASSETS	**$**	**758,806**
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	$	131,915
Accrued liabilities		156,215
Total Current Liabilities		288,130
TOTAL LIABILITIES		288,130
NET ASSETS		
Net assets, unrestricted		499,242
Change in net assets		(28,566)
TOTAL NET ASSETS		470,676
TOTAL LIABILITIES AND NET ASSETS	**$**	**758,806**

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

Substantially all disclosures required by accounting principles generally accepted in the United States are not included.

FILELOCAL
STATEMENT OF ACTIVITIES
FOR THE MONTH
AND YEAR-TO-DATE ENDED FEBRUARY 29, 2020

	January	February	YTD
REVENUES			
User fees	$ 78,784	$ 29,724	**$ 108,508**
Reimbursable cost/Capital cost recovery charges			
City of Seattle	-	-	**-**
City of Bellevue	-	-	**-**
City of Tacoma	-	-	**-**
City of Everett	-	-	**-**
City of Lake Forest Park	-	-	**-**
City of Bremerton	-	-	**-**
City of Renton	-	-	**-**
City of Shoreline	-	-	**-**
Total direct reimbursable costs	-	-	**-**
Shared cost reimbursements	-	-	**-**
Total revenues	$ 78,784	$ 29,724	**$ 108,508**
EXPENSES			
Accounting fees	$ 2,500	$ 2,500	**$ 5,000**
Agency IT costs	-	-	**-**
Bank fees	4	5	**9**
Capital Recovery Payment	-	-	**-**
Conference cost	-	-	**-**
Consulting	-	-	**-**
Insurance	405	430	**835**
Labor costs	35,399	16,686	**52,085**
Legal fees	-	450	**450**
License and membership fees	110	-	**110**
Meals and entertainment	-	-	**-**
Office and operation supplies	-	-	**-**
Printing and copying	-	-	**-**
Technology costs	14,900	14,500	**29,400**
Transaction fees	32,771	11,147	**43,917**
Travel Expense	73	113	**187**
Reimbursable Shared Costs	-	-	**-**
Other Expense	-	5,081	**5,081**
Total expenses	$ 86,162	$ 50,912	**$ 137,074**
CHANGE IN NET ASSETS	$ (7,378)	$ (21,188)	**$ (28,566)**

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FILELOCAL
SCHEDULE OF BUDGET AND ACTUAL
FOR THE YEAR TO DATE ENDED FEBRUARY 29, 2020

	Budget (Final)	YTD Budget	YTD Actual	Variance
REVENUES				
User fees	$ 395,010	$ 65,835	$ 108,508	$ 42,673
Reimbursable cost/Capital cost recovery charges				
City of Seattle	493,538	493,538	-	(493,538)
City of Bellevue	75,951	75,951	-	(75,951)
City of Tacoma	122,141	122,141	-	(122,141)
City of Everett	34,426	34,426	-	(34,426)
City of Lake Forest Park	9,093	9,093	-	(9,093)
City of Bremerton	38,825	38,825	-	(38,825)
City of Renton	39,773	39,773	-	(39,773)
City of Shoreline	15,597	15,597	-	(15,597)
Total direct reimbursable costs	829,344	829,344	-	(829,344)
Other				
Fund carryover	36,292	36,292	-	(36,292)
Total sources	$ 1,260,646	$ 931,471	$ 108,508	$ (822,963)
EXPENSES				
Labor costs	$ 424,786	$ 70,798	$ 52,085	$ 18,713
Contracts	61,044	10,174	5,844	4,330
Overhead	55,539	9,257	747	8,510
Technology costs	687,875	114,646	78,398	36,248
Operating reserve	11,402	1,900	-	1,900
Capital cost recovery payments	20,000	3,333	-	3,333
Total operating expenses	$ 1,260,646	$ 210,108	$ 137,074	$ 73,034
CHANGE IN NET ASSETS			(28,566)	
NET ASSETS, AS OF JANUARY 1, 2020			499,242	
NET ASSETS, AS OF FEBRUARY 29, 2020			$ 470,676	
Schedule I - Contracts				
Accounting	$ 41,740	$ 6,956	$ 5,000	$ 1,956
Auditing	11,437	1,906	-	1,906
Insurance	6,291	1,049	835	214
Bank fees	1,576	263	9	254
Total Contracts	$ 61,044	$ 10,174	$ 5,844	$ 4,330
Schedule II - Overhead				
Legal	$ 39,607	$ 6,601	$ 450	$ 6,151
Office and operating supplies	2,659	443	-	443
Printing	2,352	392	-	392
Licenses/Memberships	2,352	392	297	95
Agency IT costs	2,352	392	-	392
Marketing	6,217	1,037	-	1,037
Total Overhead	$ 55,539	$ 9,257	$ 747	$ 8,510

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FILELOCAL
STATEMENT OF CASHFLOW
FOR THE YEAR TO DATE ENDED February 29, 2020

		February 29
Change in Net Assets		$ (21,188)
Adjustments to reconcile Change in Net Assets		
to net cash provided by operations:		
	Accounts Receivable	-
	Dues from Cities	5,081
	Prepaid	430
	Accounts Payable and Accrued Liabilities	45,396
Net cash increase for one months ending 2/29/2020		29,719
Cash at 2/1/2020		631,254
Cash at 2/29/2020		**660,973**
Less Operating Reserve		**11,402**
Cash Available		**$ 649,571**

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FileLocal
Financial Statements
January 31, 2020

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FILELOCAL
STATEMENT OF FINANCIAL POSITION
JANUARY 31, 2020

ASSETS		
Cash	$	631,254
Dues from Cities		98,291
Prepaid		5,054
Total Current Assets		734,599
TOTAL ASSETS	**$**	**734,599**
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	$	21,763
Accrued liabilities		220,972
Total Current Liabilities		242,735
TOTAL LIABILITIES		242,735
NET ASSETS		
Net assets, unrestricted		499,242
Change in net assets		(7,378)
TOTAL NET ASSETS		491,864
TOTAL LIABILITIES AND NET ASSETS	**$**	**734,599**

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FILELOCAL
STATEMENT OF ACTIVITIES
FOR THE MONTH
AND YEAR-TO-DATE ENDED JANUARY 31, 2020

		January		YTD
REVENUES				
User fees	$	78,784	**$**	**78,784**
Reimbursable cost/Capital cost recovery charges				
City of Seattle		-		**-**
City of Bellevue		-		**-**
City of Tacoma		-		**-**
City of Everett		-		**-**
City of Lake Forest Park		-		**-**
City of Bremerton		-		**-**
City of Renton		-		**-**
City of Shoreline		-		**-**
Total direct reimbursable costs		-		**-**
Shared cost reimbursements		-		**-**
Total revenues	$	78,784	**$**	**78,784**
EXPENSES				
Accounting fees	$	2,500	**$**	**2,500**
Agency IT costs		-		**-**
Bank fees		4		**4**
Capital Recovery Payment		-		**-**
Conference cost		-		**-**
Consulting		-		**-**
Insurance		405		**405**
Labor costs		35,399		**35,399**
Legal fees		-		**-**
License and membership fees		110		**110**
Meals and entertainment		-		**-**
Office and operation supplies		-		**-**
Printing and copying		-		**-**
Technology costs		14,900		**14,900**
Transaction fees		32,771		**32,771**
Travel Expense		73		**73**
Reimbursable Shared Costs		-		**-**
Total expenses	$	86,162	**$**	**86,162**
CHANGE IN NET ASSETS	$	(7,378)	**$**	**(7,378)**

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FILELOCAL
SCHEDULE OF BUDGET AND ACTUAL
FOR THE YEAR TO DATE ENDED JANUARY 31, 2020

	Budget (Final)	YTD Budget	YTD Actual	Variance
REVENUES				
User fees	$ 395,010	$ 32,918	$ 78,784	$ 45,866
Reimbursable cost/Capital cost recovery charges				
City of Seattle	493,538	493,538	-	(493,538)
City of Bellevue	75,951	75,951	-	(75,951)
City of Tacoma	122,141	122,141	-	(122,141)
City of Everett	34,426	34,426	-	(34,426)
City of Lake Forest Park	9,093	9,093	-	(9,093)
City of Bremerton	38,825	38,825	-	(38,825)
City of Renton	39,773	39,773	-	(39,773)
City of Shoreline	15,597	15,597	-	(15,597)
Total direct reimbursable costs	829,344	829,344	-	(829,344)
Other				
Fund carryover	36,292	36,292	-	(36,292)
Total sources	$ 1,260,646	$ 898,554	$ 78,784	$ (819,770)
EXPENSES				
Labor costs	$ 424,786	$ 35,399	$ 35,399	$ -
Contracts	61,044	5,087	2,909	2,178
Overhead	55,539	4,628	183	4,445
Technology costs	687,875	57,323	47,671	9,652
Operating reserve	11,402	950	-	950
Capital cost recovery payments	20,000	1,667	-	1,667
Total operating expenses	$ 1,260,646	$ 105,054	$ 86,162	$ 18,892
CHANGE IN NET ASSETS			(7,378)	
NET ASSETS, AS OF JANUARY 1, 2020			499,242	
NET ASSETS, AS OF JANUARY 31, 2020			$ 491,864	
Schedule I - Contracts				
Accounting	$ 41,740	$ 3,479	$ 2,500	$ 979
Auditing	11,437	953	-	953
Insurance	6,291	524	405	119
Bank fees	1,576	131	4	127
Total Contracts	$ 61,044	$ 5,087	$ 2,909	$ 2,178
Schedule II - Overhead				
Legal	$ 39,607	$ 3,301	$ -	$ 3,301
Office and operating supplies	2,659	222	-	222
Printing	2,352	196	-	196
Licenses/Memberships	2,352	196	183	13
Agency IT costs	2,352	196	-	196
Marketing	6,217	517	-	517
Total Overhead	$ 55,539	$ 4,628	$ 183	$ 4,445

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FILELOCAL
STATEMENT OF CASHFLOW
FOR THE YEAR TO DATE ENDED JANUARY 31, 2020

		JANUARY 31
Change in Net Assets		$ (7,378)
Adjustments to reconcile Change in Net Assets		
to net cash provided by operations:		
	Accounts Receivable	8,604
	Dues from Cities	-
	Prepaid	(4,759)
	Accounts Payable and Accrued Liabilities	55,453
Net cash increase for one months ending 1/31/2020		51,920
Cash at 1/1/2020		579,334
Cash at 1/31/2020		**631,254**
Less Operating Reserve		**11,402**
Cash Available		**$ 619,852**

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FileLocal
Financial Statements
DECEMBER 31, 2019

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FILELOCAL
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019

ASSETS		
Cash	$	579,334
Dues from Cities		98,291
Prepaid		295
Total Current Assets		677,920
TOTAL ASSETS	$	677,920
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accrued liabilities	$	150,945
Total Current Liabilities		150,945
TOTAL LIABILITIES		150,945
NET ASSETS		
Net assets, unrestricted		450,921
Change in net assets		76,054
TOTAL NET ASSETS		526,975
TOTAL LIABILITIES AND NET ASSETS	$	677,920

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them. Sustancially all disclosures required by accounting principles generally accepted in the United States are not included.

FILELOCAL
STATEMENT OF ACTIVITIES
FOR THE THREE MONTHS
AND YEAR-TO-DATE ENDED DECEMBER 31, 2019

	October	November	December	YTD
REVENUES				
User fees	$ 61,072	$ 26,032	$ 40,380	**$ 341,964**
Reimbursable cost/Capital cost recovery charges				
City of Seattle	-	-	-	**483,703**
City of Bellevue	-	-	-	**76,517**
City of Tacoma	-	-	-	**119,827**
City of Everett	-	-	-	**34,760**
City of Lake Forest Park	-	-	-	**8,932**
City of Bremerton	-	-	-	**37,091**
City of Renton	-	-	-	**36,060**
City of Shoreline	-	-	-	**14,326**
Total direct reimbursable costs	-	-	-	**811,216**
Shared cost reimbursements	-	-	-	**-**
Total revenues	$ 61,072	$ 26,032	$ 40,380	**$ 1,153,180**
EXPENSES				
Accounting fees	$ 2,500	$ 3,993	$ 2,500	**$ 59,560**
Agency IT costs	-	-	-	**-**
Bank fees	-	-	-	**-**
Capital Recovery Payment	-	-	-	**-**
Conference cost	-	-	-	**2,094**
Consulting	-	3,638	1,550	**5,188**
Insurance	433	433	433	**5,196**
Labor costs	29,291	30,381	69,720	**398,257**
Legal fees	694	150	90	**6,577**
License and membership fees	-	-	-	**420**
Meals and entertainment	-	-	-	**9**
Office and operation supplies	-	-	-	**69**
Printing and copying	-	-	-	**-**
Technology costs	47,372	32,945	28,746	**429,943**
Transaction fees	23,808	18,642	12,686	**168,285**
Travel Expense	645	-	-	**1,529**
Reimbursable Shared Costs	-	-	-	**-**
Total expenses	$ 104,742	$ 90,181	$ 115,724	**$ 1,077,126**
CHANGE IN NET ASSETS	$ (43,670)	$ (64,149)	$ (75,344)	**$ 76,054**

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.
Sustancially all disclosures required by accounting principles generally accepted in the United States are not included.

FILELOCAL
SCHEDULE OF BUDGET AND ACTUAL
FOR THE YEAR TO DATE ENDED DECEMBER 31, 2019

	Budget	YTD Budget	YTD Actual	Variance
REVENUES				
User fees	$ 328,001	$ 328,001	$ 341,964	$ 13,963
Reimbursable cost/Capital cost recovery charges				
City of Seattle	483,703	483,703	483,703	-
City of Bellevue	76,517	76,517	76,517	-
City of Tacoma	119,827	119,827	119,827	-
City of Everett	34,760	34,760	34,760	-
City of Lake Forest Park	8,932	8,932	8,932	-
City of Bremerton	37,091	37,091	37,091	-
City of Renton	36,060	36,060	36,060	-
City of Shoreline	14,326	14,326	14,326	-
Total direct reimbursable costs	811,216	811,216	811,216	-
Other				
Fund carryover	50,000	50,000	-	(50,000)
Total sources	$ 1,189,217	$ 1,189,217	$ 1,153,180	$ (36,037)
EXPENSES				
Labor costs	$ 398,257	$ 398,257	$ 398,257	$ -
Contracts	59,788	59,788	64,757	(4,969)
Overhead	54,396	54,396	10,689	43,707
Technology costs	631,683	631,683	598,228	33,455
Operating reserve	27,094	27,094	-	27,094
Capital cost recovery payments	18,000	18,000	-	18,000
Consulting	-	-	5,188	(5,188)
Meals and entertainment	-	-	9	(9)
Total operating expenses	$ 1,189,218	$ 1,189,218	$ 1,077,126	$ 112,092
CHANGE IN NET ASSETS			76,054	
NET ASSETS, AS OF JANUARY 1, 2019			450,921	
NET ASSETS, AS OF DECEMBER 31, 2019			$ 526,975	
Schedule I - Contracts				
Accounting	$ 40,880	$ 40,880	$ 54,010	$ (13,130)
Auditing	11,202	11,202	5,551	5,651
Insurance	6,162	6,162	5,196	966
Bank fees	1,544	1,544	-	1,544
Total	$ 59,788	$ 59,788	$ 64,757	$ (4,969)
Schedule II - Overhead				
Legal	$ 33,366	$ 33,366	$ 6,577	$ 26,789
Office and operating supplies	3,503	3,503	69	3,434
Printing	3,503	3,503	-	3,503
Licenses/Memberships	3,503	3,503	1,949	1,554
Agency IT costs	3,762	3,762	-	3,762
Marketing	6,759	6,759	2,094	4,665
Total	$ 54,396	$ 54,396	$ 10,689	$ 43,707

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.
Sustancially all disclosures required by accounting principles generally accepted in the United States are not included.

FILELOCAL
STATEMENT OF CASHFLOWS
FOR THE YEAR TO DATE ENDED DECEMBER 31, 2019

Change in Net Assets	$	76,054
Adjustments to reconcile Change in Net Assets		
to net cash provided by operations:		
Accounts Receivable		46,706
Dues from Cities		(81,054)
Prepaid		325
Accounts Payable and Accrued Liabilities		(49,718)
Net cash increase for twelve months ending 12/31/2019		(7,687)
Cash at 1/1/2019		587,022
Cash at 12/31/2019		**579,334**
Less Operating Reserve		**(172,985)**
Cash Available	**$**	**406,349**

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

Sustancially all disclosures required by accounting principles generally accepted in the United States are not included.

FileLocal

700 5th Avenue, Suite 4350
PO Box 94669
Seattle, WA 98124-4669

FileLocal
Financial Statements
NOVEMBER 30, 2019

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www.filelocal.org

FILELOCAL
STATEMENT OF FINANCIAL POSITION
NOVEMBER 30, 2019

ASSETS		
Cash	$	**582,347**
Dues from Cities		**79,873**
Prepaid		**15,228**
Total Current Assets		**677,448**
TOTAL ASSETS	$	**677,448**
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accrued liabilities	$	**75,129**
Total Current Liabilities		**75,129**
TOTAL LIABILITIES		**75,129**
NET ASSETS		
Net assets, unrestricted	$	**450,921**
Change in net assets		**151,398**
TOTAL NET ASSETS		**602,319**
TOTAL LIABILITIES AND NET ASSETS	$	**677,448**

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them. Sustancially all disclosures required by accounting principles generally accepted in the United States are not included.

FILELOCAL
STATEMENT OF ACTIVITIES
FOR THE THREE MONTHS
AND YEAR-TO-DATE ENDED NOVEMBER 30, 2019

	September	October	November	YTD
REVENUES				
User fees	$ 6,792	$ 61,072	$ 26,032	**$ 301,584**
Reimbursable cost/Capital cost recovery charges				
City of Seattle	-	-	-	**483,703**
City of Bellevue	-	-	-	**76,517**
City of Tacoma	-	-	-	**119,827**
City of Everett	-	-	-	**34,760**
City of Lake Forest Park	-	-	-	**8,932**
City of Bremerton	-	-	-	**37,091**
City of Renton	-	-	-	**36,060**
City of Shoreline	-	-	-	**14,326**
Total direct reimbursable costs	-	-	-	**811,216**
Shared cost reimbursements	-	-	-	**-**
Total revenues	$ 6,792	$ 61,072	$ 26,032	**$ 1,112,800**
EXPENSES				
Accounting fees	$ 2,500	$ 2,500	$ 3,993	**$ 57,060**
Agency IT costs	-	-	-	**-**
Bank fees	-	-	-	**-**
Capital Recovery Payment	-	-	-	**-**
Conference cost	-	-	-	**2,094**
Consulting	-	-	3,638	**3,638**
Insurance	433	433	433	**4,763**
Labor costs	29,291	29,291	30,381	**328,537**
Legal fees	780	694	150	**6,487**
License and membership fees	-	-	-	**420**
Meals and entertainment	-	-	-	**9**
Office and operation supplies	-	-	-	**69**
Printing and copying	-	-	-	**-**
Technology costs	75,174	47,372	32,945	**401,197**
Transaction fees	2,547	23,808	18,642	**155,600**
Travel Expense	167	645	-	**1,529**
Reimbursable Shared Costs	-	-	-	**-**
Total expenses	$ 110,891	$ 104,742	$ 90,181	**$ 961,402**
CHANGE IN NET ASSETS	$ (104,099)	$ (43,670)	$ (64,149)	**$ 151,398**

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.
Sustancially all disclosures required by accounting principles generally accepted in the United States are not included.

FILELOCAL
SCHEDULE OF BUDGET AND ACTUAL
FOR THE YEAR TO DATE ENDED NOVEMBER 30, 2019

	Budget	YTD Budget	YTD Actual	Variance
REVENUES				
User fees	$ 328,001	$ 300,668	$ 301,584	$ 916
Reimbursable cost/Capital cost recovery charges				
City of Seattle	483,703	483,703	483,703	-
City of Bellevue	76,517	76,517	76,517	-
City of Tacoma	119,827	119,827	119,827	-
City of Everett	34,760	34,760	34,760	-
City of Lake Forest Park	8,932	8,932	8,932	-
City of Bremerton	37,091	37,091	37,091	-
City of Renton	36,060	36,060	36,060	-
City of Shoreline	14,326	14,326	14,326	-
Total direct reimbursable costs	811,216	811,216	811,216	-
Other				
Fund carryover	50,000	50,000	-	(50,000)
Total sources	$ 1,189,217	$ 1,161,884	$ 1,112,800	$ (49,084)
EXPENSES				
Labor costs	$ 398,257	$ 365,069	$ 328,537	$ 36,532
Contracts	59,788	54,806	61,824	(7,018)
Overhead	54,396	49,864	10,599	39,265
Technology costs	631,683	579,043	556,797	22,246
Operating reserve	27,094	24,836	-	24,836
Capital cost recovery payments	18,000	16,500	-	16,500
Consulting	-	-	3,638	3,638
Meals and entertainment	-	-	9	9
Total operating expenses	$ 1,189,218	$ 1,090,118	$ 961,402	$ 128,716
CHANGE IN NET ASSETS			151,398	
NET ASSETS, AS OF JANUARY 1, 2019			450,921	
NET ASSETS, AS OF NOVEMBER 30, 2019			$ 602,319	
Schedule I - Contracts				
Accounting	$ 40,880	$ 37,473	$ 51,510	$ (14,037)
Auditing	11,202	10,269	5,551	4,718
Insurance	6,162	5,649	4,763	886
Bank fees	1,544	1,415	-	1,415
Total	$ 59,788	$ 54,806	$ 61,824	$ (7,018)
Schedule II - Overhead				
Legal	$ 33,366	$ 30,586	$ 6,487	$ 24,099
Office and operating supplies	3,503	3,211	69	3,142
Printing	3,503	3,211	-	3,211
Licenses/Memberships	3,503	3,211	1,949	1,262
Agency IT costs	3,762	3,449	-	3,449
Marketing	6,759	6,196	2,094	4,102
Total	$ 54,396	$ 49,864	$ 10,599	$ 39,265

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.
Sustancially all disclosures required by accounting principles generally accepted in the United States are not included.

FILELOCAL
STATEMENT OF CASHFLOWS
FOR THE YEAR TO DATE ENDED NOVEMBER 30, 2019

Change in Net Assets		$	151,398
Adjustments to reconcile Change in Net Assets			
to net cash provided by operations:			
	Accounts Receivable		46,706
	Dues from Cities		(62,636)
	Prepaid		(14,608)
	Accounts Payable and Accrued Liabilities		(125,534)
Net cash increase for eleven months ending 11/30/2019			(4,674)
Cash at 1/1/2019			587,022
Cash at 11/30/2019			**582,347**
Less Operating Reserve			**(172,985)**
Cash Available		**$**	**409,362**

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them.

Sustancially all disclosures required by accounting principles generally accepted in the United States are not included.

700 5th Avenue, Suite 4350
PO Box 94669
Seattle, WA 98124-4669

File Local Resolution FL2020-01
Briefing Paper – Election of Officers 2020-2022

Date: March 4, 2020

Issue: Should the Executive Board of the Washington Multi-City Business License and Tax Portal Agency ("Portal Agency") elect a new Board Chair and Vice-Chair?

Operating Committee Recommendation: The Executive Board should pass a Resolution to elect a new Chair and Vice-Chair per the Portal Agency by-laws and Interlocal Agreement.

Rationale:

1. Interlocal Agreement and Portal Agency by-laws call for the election of a new Chair and Vice Chair every two years.

2. Officers of an organization are responsible for the day-to-day operations of the organization.

3. Organizational officers include a president (here, the Chair), one or more vice Presidents (here, the Vice-Chair), a secretary, and a treasurer.

4. Officers improve the effectiveness of a board through overseeing board affairs, developing agendas, presiding over meetings, and serving as a representative of the board to staff, community, and media (president/vice president); overseeing the board's financial responsibilities and ensuring the appropriate reports are available to the board for review (treasurer); and serving as the custodian of an organization's records and archives and ensuring the accuracy of all records as well as adequate notice of meetings and distribution of materials (secretary).

RESOLUTION NO. FL2020-01

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board to elect new officers for a two-year term 2020-2022.

Whereas, the Washington Multi-City Business License and Tax Portal Agency ("Portal Agency") bylaws Article 5 Section 5.1 calls for the Portal Agency to elect a chair and vice-chair:

Whereas, the Portal Agency bylaws Article 5 Section 5.2 sets a two-year term for the chair and vice-chair;

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

SECTION 1. The slate of officers for the Portal Agency commencing April 1, 2020 shall be:

Glen Lee, City of Seattle, Chair (two-year term)

Andy Cherullo, City of Tacoma, Vice-Chair (two-year term)

Julie Panick, FileLocal, Secretary (indefinite term)

Horace Francis, Francis and Company, Treasurer (indefinite term)

ADOPTED this _____ day of _____, 2020.

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

ATTEST:

_____ _____

Board Secretary **Board Chair**

FileLocal

700 5th Avenue, Suite 4350
PO Box 94669
Seattle, WA 98124-4669

File Local Resolution FL2020-02
Briefing Paper - Authorizing Investment in the Local Government Investment Pool (LGIP).

Date: March 4, 2020

Issue: Should the Executive Board of the Washington Multi-City Business License and Tax Portal Agency ("Portal Agency") elect to use Washington States Local Government Investment Pool (LGIP) to manage excess Portal Agency funds and collect interest for these funds?

Operating Committee Recommendation: The Executive Board should pass a Resolution authorizing investment in the Local Government Investment Pool (LGIP).

Rationale: The Washington Multi-City Business License and Tax Portal Agency Interlocal Agreement Section 4 defines guiding principles for the Portal Agency. Two of the principals speak directly to be a good steward of public funds (Accountability) and making the Agency affordable to Participating Cities, businesses and taxpayers (Affordability). Implementing this change will result in less overall costs to the cities.

RESOLUTION NO. FL2020-02

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board to authorize investment in the Local Government Investment Pool (LGIP)

WHEREAS, pursuant to Chapter 294, Laws of 1986, the Legislature created a trust fund to be known as the public funds investment account (commonly referred to as the Local Government Investment Pool (LGIP)) for the contribution and withdrawal of money by an authorized governmental entity for purposes of investment by the Office of the State Treasurer; and

WHEREAS, from time to time it may be advantageous to the Washington Multi-City Business License and Tax Portal Agency ("FileLocal" or the "governmental entity"), to contribute funds available for investment in the LGIP; and

WHEREAS, the investment strategy for the LGIP is set forth in its policies and procedures; and

WHEREAS, any contributions or withdrawals to or from the LGIP made on behalf of the governmental entity shall be first duly authorized by the Washington Multi-City Business License and Tax Portal Agency's Executive Board (the "governing body") or any designee of the governing body pursuant to this resolution, or a subsequent resolution; and

WHEREAS, the governmental entity will cause to be filed a certified copy of said resolution with the Office of the State Treasurer; and

WHEREAS, the governing body and any designee appointed by the governing body with authority to contribute or withdraw funds of the governmental entity has received and read a copy of the prospectus and understands the risks and limitations of investing in the LGIP; and

WHEREAS, the governing body attests by the signature of its members that it is duly authorized and empowered to enter into this agreement, to direct the contribution or withdrawal of governmental entity monies, and to delegate certain authority to make adjustments to the incorporated transactional forms, to the individuals designated herein.

NOW THEREFORE, BE IT RESOLVED by the Executive Board of the Washington Multi-City Business License and Tax Portal Agency that the governmental entity is hereby authorized to contribute and withdraw governmental entity monies in the LGIP in the manner prescribed by law, rule, and prospectus.

BE IT FURTHER RESOLVED that the governing body has approved the Local Government Investment Pool Transaction Authorization Form (Form) as completed by the Washington Multi-City Business License and Tax Portal Agency and incorporates said form into this resolution by reference and does hereby attest to its accuracy.

BE IT FURTHER RESOLVED that the governmental entity designates the FileLocal Program Manager and Treasurer as the "authorized individuals" to authorize all amendments, changes, or alterations to the Form or any other documentation including the designation of other individuals to make contributions and withdrawals on behalf of the governmental entity.

BE IT FURTHER RESOLVED that this delegation ends upon the written notice, by any method set forth in the prospectus, of the governing body that the authorized individual has been terminated or that his or her delegation has been revoked. The Office of the State Treasurer will rely solely on the governing body to provide notice of such revocation and is entitled to rely on the authorized individual's instructions until such time as said notice has been provided.

BE IT FURTHER RESOLVED that the Form as incorporated into this resolution or hereafter amended by delegated authority, or any other documentation signed or otherwise approved by one of the authorized individuals, shall remain in effect after revocation of the authorized individual's delegated authority, except to the extent that the authorized individual whose delegation has been terminated shall not be permitted to make further withdrawals or contributions to the LGIP on behalf of the governmental entity. No amendments, changes, or alterations shall be made to the Form or any other documentation until the entity passes a new resolution naming a new authorized individual; and

BE IT FURTHER RESOLVED that the governing body acknowledges that it has received, read, and understood the prospectus as provided by the Office of the State Treasurer. In addition, the governing body agrees that a copy of the prospectus will be provided to any person delegated or otherwise authorized to make contributions or withdrawals into or out of the LGIP and that said individuals will be required to read the prospectus prior to making any withdrawals or contributions or any further withdrawals or contributions if authorizations are already in place.

ADOPTED this _____ day of _____, 2020.

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

ATTEST:

_____ _____

Board Secretary **Board Chair**

LOCAL GOVERNMENT INVESTMENT POOL AUTHORIZATION FORM

Please fill out this form completely, including any existing information, as this form will replace the previous form.

Entity Name:
Mailing Address:

Statement Delivery Options:

☐ EMAIL: _____ ☐ FAX: _____ ☐ BOTH

Note: Statements can only be emailed to ONE address due to system restrictions

Bank account where funds will be wired when a withdrawal is requested.
(Note: Funds will not be transferred to any account other than listed)

Bank Name:
Branch Location:
Bank Routing Number:
Accounting Number:
Account Name:

ACH Authorization: ☐ Yes ☐ No

Account Type: ☐ Checking ☐ Savings ☐ General Ledger

By selecting "Yes" and by signing this form, I hereby authorize the WA Local Government Investment Pool to initiate credit entries to the account listed above. I acknowledge that the origination of ACH transactions to our account must comply with the provisions of U.S. law.

Persons authorized to make deposits and withdrawals for entity listed above.

Name:	Title:	Phone Number:	Signature:

Online TM$ Access: ☐ Yes ☐ No

If you selected yes, please complete the online section on page 2
If you selected no, skip the online access section

TM$ Online Web Access

Note: Only complete this section if anyone wishes to have online access. Each Full access LGIP person must also be listed on the Transaction Authorization Form. [Please do not fill out the greyed-out areas]

	Service Type:				Account Type:		OST Staff	
Name:	Add	Delete	Modify	No Change	Full	View Only	UserID	App Date
Email:	☐	☐	☐	☐	☐	☐		
Name:	Add	Delete	Modify	No Change	Full	View Only	UserID	App Date
Email:	☐	☐	☐	☐	☐	☐		
Name:	Add	Delete	Modify	No Change	Full	View Only	UserID	App Date
Email:	☐	☐	☐	☐	☐	☐		
Name:	Add	Delete	Modify	No Change	Full	View Only	UserID	App Date
Email:	☐	☐	☐	☐	☐	☐		
Name:	Add	Delete	Modify	No Change	Full	View Only	UserID	App Date
Email:	☐	☐	☐	☐	☐	☐		
Name:	Add	Delete	Modify	No Change	Full	View Only	UserID	App Date
Email:	☐	☐	☐	☐	☐	☐		
Name:	Add	Delete	Modify	No Change	Full	View Only	UserID	App Date
Email:	☐	☐	☐	☐	☐	☐		

By signing below, I certify I am authorized to represent the institution/agency for the purpose of this transaction.

(***Authorized Signature***)	(***Title***)	(***Date***)
(***Print Authorized Name***)	(***E-mail address***)	(***Phone no.***)

Any changes to these instructions must be submitted in writing to the Office of the State Treasurer.

OFFICE OF THE STATE TREASURER
STACI.ASHE@TRE.WA.GOV
PHONE: (360) 902-9017
FAX: (360) 902-9044

Date Received: _____ / _____ / _____

Account Number: _____

OK'd by: _____

(For OST use only) **04/26/19**

State of Washington)
County of _____) SS.

Signed or attested before me by _____.

Dated this ___ day of _____, 20___.

_____

Signature of Notary

SEAL OR STAMP _____

Typed or printed name of Notary

Notary Public in and for the State of Wash.

My appointment expires:_____

Operations Manual
LOCAL GOVERNMENT INVESTMENT POOL

OFFICE OF THE WASHINGTON STATE TREASURER

August 2019

DUANE A. DAVIDSON
WASHINGTON STATE TREASURER

DUANE A. DAVIDSON
State Treasurer

State of Washington
Office of the State Treasurer

Dear Local Government Official:

The Washington State Local Government Investment Pool was created by Chapter 294, Laws of 1986. Since its inception, over 500 local governments in Washington have participated in the pool.

This booklet was designed to describe the process by which local governments may join with the State and take advantage of a valuable tool for the management of public funds. It contains an introduction to the Local Government Investment Pool (LGIP), forms with which to join, common questions, and instructions for enrolling and utilizing the pool.

In developing the LGIP, the State Treasurer provides an investment vehicle that will allow pool participants flexibility in managing their funds while providing the maximum amount of security for their investments, as well as a competitive rate of return.

We hope that you will find the LGIP an appealing investment alternative for your governmental entity. If you have any questions concerning information in this booklet or the operation of the LGIP, do not hesitate to call us at (800) 331-3284.
Sincerely,

Duane A. Davidson

State Treasurer

Legislative Building, P.O. Box 40200 • Olympia, Washington 98504-0200 • (360) 902-9000 • TTY USERS: CALL 771
FAX (360) 902-9037 • Home Page http://tre.wa.gov

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INTRODUCTION TO THE LOCAL GOVERNMENT INVESTMENT POOL

The Local Government Investment Pool was authorized by Chapter 294, Laws of 1986. In part, this legislation states: "The purpose of this chapter is to enable political subdivisions to participate with the state in providing maximum opportunities for the investment of surplus funds consistent with the safety and protection of such funds. The legislature finds and declares that the public interest is found in providing maximum prudent investment of surplus funds, thereby reducing the need for additional taxation. The legislature also recognizes that not all political subdivisions are able to maximize the return on their temporary surplus funds. The legislature therefore provides in this chapter a mechanism whereby political subdivisions may, at their option, utilize the resources of the State Treasurer's Office to maximize the potential of surplus funds while ensuring the safety of public funds."

The impetus for this legislation came from a number of bankruptcies that occurred involving various government bond dealers. Public funds were lost when it was discovered that the investments public treasurers had thought they had purchased did not actually exist. As a result of losses in this state as well as others, the State Auditor now requires a much more stringent handling of investment transactions by public funds managers. As a result, the additional investment requirements caused a major increase in the expense of managing public funds, particularly for those entities with relatively small amounts of funds to invest.

The idea of a Local Government Investment Pool (LGIP) was developed in order to allow all public entities to continue to manage their funds in a manner that would allow them to maximize the yield on their investments while meeting the safety requirements for the funds. Local investment pools are currently operating in states. They have been highly successful endeavors that have afforded their participants a flexible investment vehicle with which to manage the funds in their custody.

COMMON QUESTIONS & ANSWERS

Q: Do I need to notify the LGIP of a deposit as well as a withdrawal?

A: Yes. The LGIP needs to know how much money is available for daily investment. If money is deposited and the LGIP is not notified, those funds will not be invested on the day of deposit and the Pool participant will not receive same-day credit.

Q: Is there a minimum transaction size?

A: Yes. Five thousand dollars ($5,000) is the minimum transaction size for both deposits and withdrawals (WAC 210-01-060).

Q: Is there a maximum transaction size?

A: No. However, to more accurately project our daily cash flows, we would like to be notified of a deposit or withdrawal of ten million dollars ($10,000,000) or more at least a day prior to transfer.

Q: When do the interest earnings post to the account?

A: Interest earned will be distributed monthly on the first business day of the following month.

Q: Can I have funds that I request for withdrawal sent to a different bank account other than the one I originally set up with the LGIP, even if this is a onetime circumstance.

A: No. For your protection, funds may only be transmitted to the bank account designated on the Authorization Form. Changes to the participant's bank information must be made in writing to the Office of the State Treasurer (see Appendix, Authorization Form).

Q: Is there a limit to the number of transactions I can do in any one day?

A: Each pool participant is limited to ONE transaction per business day (see Appendix, WAC 210-01-070).

Q: How long can I leave my funds in the LGIP?

A: There is no set maturity date on funds in the LGIP. You may leave your funds on deposit with the pool for one day, one month, or any length of time appropriate to your cash flow needs.

Q: Can I enter transactions online?

A: Yes. Authorized persons can enter deposits and withdrawals over the Internet using the Treasury Management System (TM$). TM$ also allows participants to view statements, reports, and account information.

These are only a few of the common questions about the pool. If you have other questions, call the LGIP at (800) 331-3284.

PARTICIPATION SPECIFICATIONS

ORDINANCE/RESOLUTION/ACKNOWLEDGEMENT OF INVESTMENT

Every municipality choosing to utilize the LGIP must file a certified copy of an ordinance/resolution/acknowledgement of investment containing:

- Name and address of the entity;
- A statement that the entity agrees to deposit or withdraw funds with the Local Government Investment Pool in accordance with the provisions of the Washington Administrative Code (WAC); and,
- The titles of the officials who have the authority to delegate the deposit and withdrawal of funds with the Local Government Investment Pool.

TRANSACTION LIMITATION

The minimum transaction size is $5,000 for deposits AND withdrawals.

NOTIFICATION OF LARGE DEPOSITS/WITHDRAWALS

There is no formal maximum transaction size; however, to more accurately project daily cash flows, please notify the LGIP of a deposit or withdrawal of ten million dollars ($10,000,000) or more at least a day prior to transfer.

STEPS FOR DEPOSITING FUNDS BY WIRE

1. Call the Local Government Investment Pool (800-331-3284) OR log on to TM$ on the days prior to deposit or the day of deposit. If requesting the transaction on the day of deposit, the following restrictions apply:

2. To ensure same day credit, a pool participant must inform the office of the state treasurer of any deposit over one million dollars no later than 9 a.m. on the same day the deposit is made. Deposits for one million dollars or less can be requested at any time prior to 10 a.m. on the day of deposit.

    a. For all other deposits over one million dollars that are requested prior to 10 a.m., a pool participant may receive same day credit at the discretion of the office of the state treasurer, taking into account when notification is received, the amount of the deposit, or any other factor that may affect the office of the state treasurer's ability to accommodate the requested deposit.

    b. All deposits will made by electronic funds transfer to an account designated by the state treasurer. It is the responsibility of each pool participant to pay any bank charges associated with such electronic transfers.

3. Failure to wire funds by a pool participant (after notification to the state

treasurer of an intended transfer) will result in a bank overdraft in the state treasurer's bank account. Bank penalties for overdrafts will be assessed to those pool participants responsible for the overdraft.

4. For wire instructions, please call 1-800-331-3284.

STEPS FOR WITHDRAWING FUNDS BY WIRE

1. Call the Local Government Investment Pool (**800-331-3284)** OR log on to TM$ on the days prior to, or on the day of, withdrawing funds. If requesting the transaction on the day of withdrawal, the following restrictions apply:

2. A pool participant, in order to withdraw funds from the pool, must notify the office of the state treasurer of any withdrawal over one million dollars no later than 9 a.m. on the same day the withdrawal is made. Withdrawals for one million dollars or less can be requested at any time prior to 10 a.m. on the day of withdrawal.
    a. For all other withdrawals over one million dollars that are requested prior to 10 a.m., a pool participant may receive such withdrawal on the same day it is requested at the discretion of the office of the state treasurer, taking into account when the request is received, the amount of the requested withdrawal, or any other factor that may affect the office of the state treasurer's ability to accommodate the requested withdrawal.

    b. Each local government entity participating in the pool shall file with the state treasurer a letter designating the financial institution at which funds withdrawn from the pool shall be deposited. This letter shall contain the name of the financial institution, location of the financial institution, account number to which funds will be deposited and account name. This letter shall be signed by local officials authorized to receive and disburse funds, as described in WAC 210-01-030. Disbursements from the pool will be by electronic funds transfer.

3. Failure of the state treasurer to wire funds to a pool participant (after proper notification to the state treasurer to disburse funds to a pool participant) may result in a bank overdraft in the pool participant's bank account. The state treasurer will reimburse pool participants for such bank overdraft penalties charged to the pool participant's bank account.

4. The LGIP will transfer the funds to the bank account specified on the Authorization Form. For your protection, funds may only be wired to this designated account.

STEPS FOR DEPOSITING FUNDS BY ACH

1. Call the Local Government Investment Pool (800-331-3284) OR log on to TM$ on the business days prior to deposit.

2. To ensure next day credit, a pool participant must notify the office of the state treasurer of any deposit no later than 2 p.m. on the banking day before the deposit is made.

3. All deposits will be made by ACH to an account designated by the state treasurer. It is the responsibility of each pool participant to pay any bank charges associated with such ACH transaction.

4. Failure to ACH funds by a pool participant (after notification to the state treasurer of an intended transfer) will result in a bank overdraft in the state treasurer's bank account. Bank penalties for overdrafts will be assessed to those pool participants responsible for the overdraft.

5. For LGIP ACH account information, please call 1-800-331-3284

STEPS FOR WITHDRAWING FUNDS BY ACH

1. Call the Local Government Investment Pool (800-331-3284) OR log on to TM$ on the banking days prior to withdrawing funds.

2. A pool participant, in order to withdraw funds from the pool, must notify the office of the state treasurer of any withdrawal no later than 2 p.m. on the banking day before the withdrawal is requested.

3. Each local government entity participating in the pool shall file with the state treasurer a letter designating for ACH transaction the financial institution at which funds withdrawn from the pool shall be deposited. This letter shall contain the name of the financial institution, location of the financial institution, account number to which funds will be deposited and account name. This letter shall be signed by local officials authorized to receive and disburse funds, as described in WAC 210-01-030. Disbursements from the pool will be by ACH transmission.

4. Failure of the state treasurer to ACH funds to a pool participant (after proper notification to the state treasurer to disburse funds to a pool participant) may result in a bank overdraft in the pool participant's bank account. The state treasurer will reimburse pool participants for such bank overdraft penalties charged to the pool participant's bank account.

5. The LGIP will transfer the funds to the bank account specified on the ACH Authorization Form. For your protection, funds may only be ACH to this designated account.

INTEREST EARNINGS

The LGIP daily factor is a net earnings figure that is calculated daily using the investment income earned (excluding realized gains or losses) each day, assuming daily amortization and/or accretion of income of all fixed income securities held by the Fund, less the administrative fee. The daily factor is reported on an annualized 7-day basis, using the daily factors from the previous 7 calendar days. The reporting of a 7-day annualized yield based solely on investment income which excludes realized gains or losses is an industry standard practice that allows for the fair comparison of funds that seek to maintain a constant NAV of $1.00. The actual yield factor is a net daily earnings figure that is calculated using the total net earnings including realized gains and losses occurring each day, less the administrative fee. The total net earnings of the LGIP will be declared daily and paid monthly to each pool participant's account in which the income was earned on a per-share basis. These funds will remain in the pool and earn additional interest unless withdrawn and sent to the pool participant's designated bank account as specified on the Authorization Form. Interest earned will be distributed monthly on the first business day of the following month.

STATEMENTS AND REPORTING

On the first working day of every month each active pool participant will be sent a monthly statement which includes the pool participant's beginning balance, ending balance, deposits, withdrawals, administrative fees, gross earnings, net earnings, and the gross and net earnings rates for the month. Included with the statement is the monthly enclosure. This report contains information regarding the maturity structure of the portfolio and balances broken down by security type.

The LGIP will provide pool participants an overview of "LGIP Updates and Archive" on the LGIP website. In addition to the compliance report, benchmark, comparison data, and statistical information about the LGIP, a market summary will provide a review of the activity in the financial markets. The Office of the State Treasurer views this as an important vehicle to keep participants informed of LGIP issues.

A Comprehensive Annual Financial Report (CAFR) is distributed to each pool participant for the State's fiscal year ending each June. The CAFR is an extensive document that includes the following LGIP information:

- Introductory Information
  - Organization Chart
  - Advisory Committee Member List
  - Key Personnel List
  - Compliance Report
- Audited Financial Report/
  Independent Auditors' Report
  Financial Statements

- Investments Section
  - Portfolio
  - Charts
  - Schedule of Pool Participants
  - Investment Policy
- Statistical Information
  - Net Assets and Net Income
  - Tables
  - Average Balance
  - Portfolio Yield
  - Average Maturity Graphs

The "LGIP Updates and Archive" and the CAFR are available on the Office of the State Treasurer web-site at: https://www.tre.wa.gov/

ADMINISTRATIVE FEES

The State Treasurer will require reimbursement for the administration and recovery of costs associated with the operation of the Local Government Investment Pool. The administrative fee accrues daily from pool participants' earnings prior to the earnings being posted to their account. The administrative fee will be paid monthly. In the event that there are no earnings, the administrative fee will be deducted from principal.

DIRECT DEPOSIT PROGRAM

Local Government Investment Pool (LGIP) participants that receive State collected revenues, distributed by the State Treasurer's Office, may elect to have those monies deposited directly to their LGIP account. This program began on July 1, 1989 and there has been a very positive response from those participants who are involved.

Direct deposit benefits:

(1) Funds credited to LGIP account via direct deposit will begin earning interest that same day.

(2) Funds may be withdrawn, in whole or in part, on the day of deposit by notifying the LGIP at 800-331-3284 prior to 9:00 a.m.

(3) Funds are deposited directly into your LGIP account via ACH; therefore, wire charges for transferring funds out of your bank account are avoided.

Local governments choosing to use this option will continue to receive a remittance advice from the State Treasurer detailing the funds they have received in any particular distribution. Authorization for direct deposit will remain in effect until the State Treasurer receives written notification that the local government no longer wishes to participate in the direct deposit program.

The LGIP is pleased to offer this additional service in the hopes that it may aid the facilitation of your cash management program.
https://tre.wa.gov/partners/for-local-governments/revenue-distribution/

ENROLLMENT INSTRUCTIONS
FOR THE
LOCAL GOVERNMENT INVESTMENT POOL

1. Prepare Resolution or Ordinance and have this approved by local governing authority.

2. Complete Authorization Form including bank account information, authorized personnel, ACH information (optional), and online TM$ access (optional).

3. Evaluate the Direct Deposit Program described on page 6. If your entity elects to participate in this deposit vehicle, complete the direct deposit authorization form (see Appendix). The Office of the State Treasurer must receive the form two weeks prior to the direct deposit date taking effect.

All forms are available online under the LGIP section: https://www.tre.wa.gov/

4. Prior to participation, send the Resolution/Ordinance, Authorization forms, and Direct Deposit form (optional) to the following address:

   OFFICE OF THE STATE TREASURER
   LOCAL GOVERNMENT INVESTMENT POOL
   LEGISLATIVE BUILDING
   PO BOX 40200
   OLYMPIA, WA 98504-0200

WASHINGTON ADMINISTRATIVE CODE (WAC) RULES

WAC 210-10-010. Definitions.

Unless the context requires otherwise:
"Extended asset fund" means a subpool whose investments generally have a longer maturity than the money market fund and may be more restricted in the number of contributions and withdrawals than the money market fund.
"Financial institution" means a public depositary as defined in RCW 39.58.010.
"Financial officer" means the same as that term is defined in RCW 43.250.020.
"Funds" means the same as that term is defined in RCW 43.250.020.
"Government finance official" means the same as that term is defined in RCW 43.250.020.
"Local government investment pool" or "pool" means the aggregate of all funds from pool participants that are placed in the custody of the state treasurer for investment and reinvestment.
"Money market fund" means a subpool whose investments are primarily money market instruments.
"Net asset value" with respect to the assets of a subpool shall mean the value of the assets of that subpool reduced by its accrued liability.
"Pool participant" means any eligible governmental entity as that term is defined in RCW 43.250.020 that is invested in a subpool.
"Prospectus" means a written offer of an investment in the pool or in any subpool designated as a prospectus by the state treasurer.
"Subpool" means a subcomponent of the pool as may be established and designated by the state treasurer from time to time. Each subpool shall have its own name, assets, and liabilities as designated by the state treasurer. The state treasurer may designate separate investment policies, restrictions, objectives, and strategies for each subpool.
"Value" with respect to an asset shall mean (a) with respect to securities for which market quotations are readily available, the market value of such securities, and (b) with respect to other securities or assets, fair value as determined by the state treasurer. In determining fair value, the state treasurer may appoint and rely upon a pricing service. With respect to the money market fund, "value" shall mean the amortized cost of the money market fund's assets unless the state treasurer determines otherwise.

WAC 210-10-020 Requirements for participation in the pool.

(1) Before participating in the pool, all pool participants shall file with the state treasurer, any documentation required by the state treasurer. Such documentation shall, at a minimum, provide the following information:
(a) Name and address of the pool participant;
(b) A statement that the pool participant agrees to contribute or withdraw funds in the local government investment pool in accordance with the provisions of the Washington Administrative Code and the prospectus for the purpose of investment as stated therein; and
(c) The names and titles of the officials authorized to order the contribution or withdrawal of funds in the local government investment pool.
(2) It shall be the responsibility of pool participants to properly execute and file any required documentation with the state treasurer. The state treasurer shall not allow participation in the local government investment pool unless such documentation has been filed with the state treasurer.

WAC 210-10-030 State treasurer's liability.

The state treasurer shall not be liable for:
(1) Any loss, including loss of capital, resulting from investments in the pool and/or any subpool, as applicable, except as provided for in RCW 43.250.040;
(2) Any damages resulting from misfeasance, malfeasance, nonfeasance, or defalcation on the part of a government finance official, financial officer, or pool participant;
(3) Any loss, including loss of capital, that results from a pool participant's failure to comply with the provisions of the Washington Administrative Code or the prospectus; or
(4) Any loss, including loss of capital, resulting from a pool participant seeking, and being granted, a withdrawal due to necessity, from the extended asset fund.

WAC 210-10-040 Transaction limitation.

The state treasurer reserves the right at its sole discretion to set a minimum and/or maximum transaction amount from any subpool and to limit the number of transactions, whether contribution, withdrawal, or transfer, permitted in a day or other given period of time, or whether to pay withdrawal proceeds in kind or in cash. The state treasurer may establish thresholds and defer withdrawals in excess of those thresholds and pay them out on a deferred or delayed basis from any subpool. In addition, the state treasurer reserves the right at its sole discretion to reject any proposed contribution order, and in particular to reject any proposed contribution made by a pool participant engaged in behavior deemed by the state treasurer to be abusive.

WAC 210-10-050 Contribution procedures.

(1) Contribution procedures for the money market fund:

(a) All contributions will be effected by electronic funds transfer to an account in the money market fund designated by the state treasurer. It is the responsibility of each pool participant to pay any bank charges associated with such electronic transfers to the state treasurer.

(b) Funds transmitted by automated clearing house (ACH) will be held for a period of time as designated by the state treasurer in the prospectus.

(c) Failure to transmit funds by a pool participant after notification to the state treasurer of an intended transfer will result in penalties. Penalties for failure to timely transmit funds will be assessed to the account of the pool participant responsible. Reversal of an ACH transmission will constitute a failure to transmit funds.

(d) Contribution requests received in good order will receive the net asset value per unit of the money market fund next determined after the order is accepted by the state treasurer.

(2) Contribution procedures for the extended asset fund:

Direct investments into the extended asset fund are not permitted. Contributions to the extended asset fund may only be effected by means of a contribution from the money market fund. Contributions will take place monthly, on the 10th calendar day of the month (or on the next business day, if the 10th does not fall on a business day).

Pool participants must notify the state treasurer of any contribution on the business day prior to a permitted contribution date no later than the time on that day specified in the prospectus. The state treasurer may allow contributions with less than the required notice in its sole discretion.

Contributions to the extended asset fund will be effected by way of a corresponding withdrawal from the pool participant's specified money market fund account. On the contribution date, shares will be sold from the specified money market fund account at the net asset value determined as of the order acceptance date. Shares of the extended asset fund will be purchased using the extended asset fund's net asset value determined as of the order acceptance date.

WAC 210-10-060 Contribution limits and earnings credit.

(1) Contribution limits and earnings credit for the money market fund:

To ensure same day credit, a pool participant must inform the state treasurer of any contribution over one million dollars, except for funds transmitted by ACH, no later than 9 a.m. on the same day the contribution is made. Contributions for one million dollars or less, other than those funds transmitted by ACH, can be requested at any time prior to 10 a.m. on the day of contribution.

For all other contributions over one million dollars that are requested prior to 10 a.m., a pool participant may receive same day credit at the sole discretion of the state treasurer. Contributions that receive same day credit will count, for earning rate purposes, as of the day in which the contribution was made. Contributions for which no notice is received prior to 10 a.m. will be credited as of the following business day.

Participants transmitting a contribution via ACH must notify the state treasurer no later than 2 p.m. the business day prior to the contribution date.

(2) Earnings credit:

Income earnings credit on funds contributed to a subpool will be credited to each subpool in the timing and manner described in the prospectus.

WAC 210-10-070 Withdrawal procedures.

(1) Withdrawal procedures for the money market fund:

Each pool participant shall file with the state treasurer a letter designating the financial institution at which funds withdrawn from the money market fund shall be deposited. This letter shall contain the name of the financial institution, the location of the financial institution, the account name, and the account number to which funds will be deposited. This letter shall be signed by local officials authorized to receive and disburse funds, as described in WAC 210-10-020. Disbursements from the subpool will be effected by electronic funds transfer. Failure by the state treasurer to transmit funds to a pool participant after proper notification to the state treasurer to disburse funds to a pool participant may result in a bank overdraft in the pool participant's bank account. The state treasurer will reimburse a pool participant for such bank overdraft penalties charged to the pool participant's bank account.

In order to withdraw funds from the money market fund, a pool participant must notify the state treasurer of any withdrawal over one million dollars no later than 9 a.m. on the same day the withdrawal is made except for funds transmitted by ACH. Withdrawals for one million dollars or less, other than those funds transmitted by ACH, can be requested at any time prior to 10 a.m. on the day of withdrawal.

For all other withdrawals from the money market fund over one million dollars that are requested prior to 10 a.m., a pool participant may receive such withdrawal on the same day it is requested at the sole discretion of the state treasurer. Participants requesting withdrawals via ACH must notify the state treasurer no later than 2 p.m. the business day prior to the requested withdrawal date. Funds contributed by ACH will not be available for withdrawal for a period of time as designated by the state treasurer in the prospectus.

Withdrawal requests with respect to the money market fund received in good order will receive the net asset value per unit of the money market fund next determined after the order is accepted by the state treasurer.

(2) Withdrawal procedures for the extended asset fund.

Withdrawal orders will be accepted on a quarterly basis and must be received two business days prior to the intended withdrawal date. Withdrawals will occur on the 10th calendar day of the months so designated in the prospectus. If the 10th is not a business day, the withdrawal will occur on the following business day. Other withdrawals may be permitted due to necessity, if the governing body of a pool participant sets forth, by resolution or other appropriate official action, that a withdrawal is necessary to meet the cash flow needs of the pool participant.

Withdrawals from the extended asset fund will be effected by way of a corresponding contribution into the pool participant's specified money market fund account. On the withdrawal date, shares will be sold from the specified extended asset fund account at the net asset value determined as of the next business day after the order acceptance date. Shares of the money market fund will be purchased using the money market fund's net asset value determined as of the next business day after the order acceptance date.

Pool participants must notify the state treasurer of any withdrawal two business days prior to a permitted withdrawal date no later than the time on that day specified in the prospectus. The state treasurer may allow withdrawals with less than the required notice in its sole discretion.

WAC 210-10-080 Transfer procedures.

A pool participant may transfer funds from one money market fund account to another. To ensure same day credit, a pool participant must inform the state treasurer of any transfer no later than 10 a.m. on the same day the transfer is made. Contributions to the money market fund through ACH will not be available for transfer for a period of time as designated by the state treasurer in the prospectus.

WAC 210-10-090 Reporting requirements.

The state treasurer will provide to each pool participant a monthly statement showing that pool participant's beginning balance, contributions, withdrawals, transfers, administrative charges, earnings rate, earnings, and ending balance in each subpool for the preceding calendar month.

WAC 210-10-100 Administrative deductions.

As authorized in RCW 43.250.060, the state treasurer will require reimbursement for the administration and recovery of costs associated with the operation of the pool. Each pool participant will reimburse the state treasurer based upon each pool participant's share of the total pool assets in the timing and manner described in the prospectus.

WAC 210-10-110 Portfolio management.

The state treasurer shall manage the funds invested in each subpool in such a manner as to effectively maximize the yield to the subpool. The state treasurer shall have the sole responsibility in setting the investment strategy for each subpool.

WAC 210-10-120 The prospectus.

The state treasurer may specify by means of a prospectus, or supplement thereto, such terms and conditions not otherwise set forth in the administrative code applicable to the management and operation of the pool and/or any subpool, including investment policies, restrictions, objectives not inconsistent with WAC 210-10-110, contributions, the crediting of income, gain or loss, the allocation of liabilities among subpools, and withdrawals and contributions among subpools, as the state treasurer may deem appropriate, from time to time. Material changes to a prospectus may be made by the state treasurer by means of a supplement or restated prospectus, effective as of the date sent to pool participants or as of the later date stated therein.

WAC 210-10-130 Liquidation and termination.

The state treasurer may liquidate and terminate any subpool in its sole discretion. Upon declaring a liquidation, the state treasurer shall make arrangements for the disposition of the affected subpool's assets and either the payment of all liabilities or the establishment of adequate reserves for the discharge of the subpool's liabilities, if any. Pool participants will receive their pro rata share of the subpool's assets net of such liabilities or reserves. Notwithstanding the foregoing, the state treasurer may hold back up to ten percent of the value of the liquidating subpool until all liabilities are discharged. Residual amounts, if any, will be distributed to pool participants on a pro rata basis. Pool participants will not earn income on any amounts held back.

WAC 210-10-140 Restriction on withdrawals.

The state treasurer may take any measure and impose any restriction on withdrawals from any subpool or any category of pool participant, including, but not limited to, prorating over time any withdrawal order and/or satisfying any withdrawal order by offering pool participants withdrawals in-kind, as described in the prospectus.

RESOLUTION NO. FL2020-03

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board revising the place and times for meetings of the Executive Board in 2020.

Whereas, the Washington Multi-City Business License and Tax Portal Agency ("Portal Agency") bylaws section 4.5 establishes that the Portal agency is required to hold an annual meeting in March of each year, and;

Whereas, the Executive Board may specify by resolution the time and place for holding any other regular Board meetings;

Now Therefore,

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

SECTION 1. The regular meetings of the Executive Board shall be held at the times and places described in Attachment A to this resolution. This resolution revises the date for the September 2020 meeting due to a conflict with the 2020 Washington Financial Officers Association conference date.

SECTION 2. If by reason of fire, flood, earthquake or other emergency it shall be unsafe to meet in the place designated in Section 1 above, the meetings of the Executive Board may be held for the duration of the emergency at such a place as designated by the Board Chair.

ADOPTED this _____Day of _____2020.

ATTEST:

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

Board Secretary

Board Chair



Executive Board Meetings, 2020

All Meetings will be held at the Seattle Municipal Tower (SMT) and via Skype. The meeting time and call in numbers are consistent. The dates and conference ID numbers are listed below.

Date	Skype ID	Location	Time
March 19, 2020	**1681340**	**SMT4086**	**11:00a.m.**
May 28, 2020	**3627340**	**SMT4070**	**11:00a.m.**
September 30, 2020	**41789673**	**SMT4070**	**11:00a.m.**
December 17, 2020	**7428340**	**SMT4070**	**11:00a.m.**

Operations Committee Meetings, 2020

Date	Skype ID	Location	Time
March 4, 2020	**6016900**		**11:00a.m.**
May 14, 2020	**60467566**		**11:00a.m.**
September 9, 2020	**1206716**		**11:00a.m.**
December 2, 2020	**371405**		**11:00a.m.**

FileLocal

700 5th Avenue, Suite 4350
PO Box 94669
Seattle, WA 98124-4669

File Local Resolution FL2020-04
Briefing Paper – Des Moines Admission

Date: 03-19-20

Issue: Shall the Washington Multi-City Business License and Tax Portal Agency ("Agency") Executive Board approve the addition of a new city – City of Des Moines – as a Principal?

Options: The Portal Agency Executive Board needs to vote on whether to pass Resolution 2020-04 approving the addition of the City of Des Moines as a principal.

Operating Committee Recommendation: The Portal Agency Executive Board should pass Resolution 2020-04 approving the addition of the City of Des Moines as a principal.

Rationale: The Agency was founded through an Interlocal Agreement ("ILA") signed in March 2014 by the cities of Bellevue, Everett, Seattle, and Tacoma. The founding cities ("Principals") created a web application gateway ("Portal") to collectively administer business licensing and tax collection that allows businesses in the Principal cities use a "one-stop" system for licensing and tax payments. The ILA anticipates the addition of new cities either as Principals or Subscribers, with the costs of operating the Portal thereby being spread among a greater number of participants. New cities may join as Principals by becoming signatories to the ILA after approval by a super-majority vote of the Executive Board. Cities joining as Principals obtain a voting seat on the Executive Board. Alternatively, new cities may join as "Subscribers" by entering into a separate agreement with the Agency, upon approval by super-majority vote of the Executive Board. In general, Subscriber cities do not have voting rights on the Executive Board, and they may have somewhat different financial obligations to the Agency, depending on the terms of the negotiated Subscriber agreement approved by the Board.

This Resolution approves the admittance of the City of Des Moines as a Principal city, conditioned upon Des Moines's legislative body also approving the ILA.

RESOLUTION NO. FL2020-04

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board approving the addition of the City of Des Moines as a Principal City.

Whereas, the Washington Multi-City Business License and Tax Portal Agency ("Agency") was originally established under the Interlocal Agreement By and Between the Cities of Bellevue, Everett, Seattle, and Tacoma, dated March 1, 2014 ("Interlocal Agreement"); and

Whereas, Section 8.c. and 8.d. of the Interlocal Agreement ("ILA") authorize the Executive Board to approve, by super-majority vote, the admission of new cities as either Principals or Subscribers; and

Whereas, the City of Des Moines has indicated its interest and desire to become a Principal of the Agency, and its willingness to execute the ILA, upon approval of its legislative body, and to fulfill any and all financial terms and conditions included therein as the Executive Board may deem appropriate and consistent with the Agency's Bylaws and Portal Operations Policy;

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 approves admission of the City of Des Moines as a Principal of the Agency, pursuant to Section 8 of the ILA.

SECTION 2. The addition of the City of Des Moines as a Principal is conditioned upon its execution of the ILA, provided such execution is authorized by the City Council of City of Des Moines and completed by no later than December 31, 2020.

SECTION 3. The addition of the City of Des Moines as a Participating City is further conditioned upon its written consent to comply with the Agency's Portal Operations Policy.

ADOPTED by super-marority vote, this _____day of _____2020.

ATTEST:

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

_____ _____

Board Secretary **Board Chair**

THIRD ADDENDUM TO PAGE 31 OF THE WASHINGTON
MULTI-CITY BUSINESS LICENSE AND TAX PORTAL AGENCY
INTERLOCAL AGREEMENT DATED MARCH 1, 2014

Pursuant to FileLocal Resolution FL2020-04 and Section 8 of the above, this Agreement has been executed by the City of Des Moines to become a Principal city on the date set forth below:

City of Des Moines

_____
Mayor

_____
Date

Key New City Onboarding Activities

1. **Preadmission Meeting with the City**
   - Agency/System Overview – 9.15.19
   - Standard Implementation Fit Review – 3.12.20
2. **Onboarding Schedule/Fees**
   - Fit Review 2.11.20 Preliminary
3. **Agency Yearly Fee Schedule**
   - Yearly Fee Schedule – 2.11.20 Preliminary
4. **Onboarding City Type**
   - Agency/System Overview – 2.11.20
5. **Executive Board Approval**
   - FileLocal Executive Board - 4.17.20

Onboarding Option/Schedule/Fees

- Onboarding Option – Standardized City Template
  1. General Business Licensing, GBL Renewals, Taxes
  2. B&O Form Customization
  3. No Web Services – web services to be upgraded once SOR is complete.

- Implementation Fees

eGov – B&O Cust, STD Setup, Web Service	$ 3,000
Agency STD. City Template Recovery Charge	$ 2,000
Kubra Setup	$ 8,662
Total Cost	$13,662

Yearly Agency Fee's

- **Key Assumptions**
  - Starting Budget is the December 2019 Final (2020-2024) Budget
  - City of Des Moines will onboard Q2'20
  - 2020 Full Year Des Moines Transactions 6,900. Assumes 500 transactions in FY2020 growing by 20% in subsequent years.

- **Financial Statement Changes**
  - **Revenue**
    - **User Fees -** $4.00 fees from businesses
    - **Reimbursable Costs –** new city's portion of the Agency's cost
    - **Capital Cost Recovery –** payment to Agency for initial development
  - **Expense**
    - **Technology –** per transaction fee to Avenu
    - **Operating Reserve –** 15% of total expenses
    - **Capital Cost Recovery –** payment to Seattle
    - **Incremental Costs** – see below

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Yearly Agency Fee's

Washington Cities Business License and Tax Portal Agency
Summary of Budget
FY2020-FY2024 Amendment v.s. Dec 2019 Final

		Actual (A), Projection (P), Budget (B)						
		2018 (A)	2019 (B)	2020 (B)	2021 (B)	2022 (B)	2023 (B)	2024 (B)
Revenue:								
Fund Carryover	T4	-	-	-	-	-	-	-
User Fees	T1	-	-	3,000	7,200	8,640	10,368	12,442
Reimbursable Costs	T3	-	-	9,043	16,500	14,677	14,281	13,740
Capital Cost Recovery Charges	T2	-	-	1,000	2,000	2,000	2,000	2,000
Total Revenue B/(W)		-	-	13,043	25,700	25,317	26,649	28,181
Expenditures								
Regular Expenditures:								
Labor	T4.1	-	-	-	-	-	-	-
Contracts	T4.2	-	-	-	-	-	-	-
Overhead	T4.3	-	-	-	-	-	-	-
Technology Costs	T4.4	-	-	1,600	3,840	4,608	5,530	6,636
Operating Reserve	T4.5	-	-	1,571	1,725	175	197	225
Capital Cost Recovery Payments	T4.6	-	-	1,000	2,000	2,000	2,000	2,000
Total Regular Expenditures		-	-	4,171	7,565	6,783	7,726	8,861
Incremental Expenses from The New Partners:								
Incremental Labor	T4.1	-	-	3,226	6,594	6,739	6,881	7,025
Incremental Overhead	T4.3	-	-	422	862	881	900	919
Incremental Technology Cost	T4.4	-	-	5,224	10,678	10,913	11,142	11,376
Total Incremental Expenditures		-	-	8,872	18,135	18,534	18,923	19,320
Total Expenditures B/(W)		-	-	13,043	25,700	25,317	26,649	28,181
Excess (Deficit)		-	-	-	-	-	-	-

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Yearly Agency Fee's

Washington Cities Business License and Tax Portal Agency
Summary of Budget
FY2020-FY2024
Amended 4/9/2020 Including Des Moines and Snoqualmie

		Actual (A), Projection (P), Budget (B)						
		2018 (A)	2019 (B)	2020 (B)	2021 (B)	2022 (B)	2023 (B)	2024 (B)
Revenue:								
Fund Carryover	T4	-	50,000	36,292	-	-	-	-
User Fees	T1	212,329	328,001	398,010	496,025	619,269	648,269	681,113
Reimbursable Costs	T3	832,818	793,217	818,386	846,299	818,479	826,456	841,418
Capital Cost Recovery Charges	T2	21,000	18,000	21,000	22,000	22,000	22,000	22,000
Total Revenue B/(W)		1,066,147	1,189,218	1,273,688	1,364,323	1,459,748	1,496,725	1,544,531
Expenditures								
Regular Expenditures:								
Labor	T4.1	334,603	351,489	377,037	390,610	404,672	419,241	434,333
Contracts	T4.2	42,098	59,788	61,044	62,387	63,759	65,098	66,465
Overhead	T4.3	26,809	46,787	47,770	48,820	49,895	50,942	52,012
Technology Costs	T4.4	566,857	621,035	678,603	741,137	817,352	843,047	871,008
Operating Reserve	T4.5	-	27,094	12,972	13,384	14,192	6,674	7,106
Capital Cost Recovery Payments	T4.6	21,000	18,000	21,000	22,000	22,000	22,000	22,000
Total Regular Expenditures		991,367	1,124,193	1,198,425	1,278,337	1,371,870	1,407,003	1,452,924
Incremental Expenses from The New Partners:								
Incremental Labor	T4.1	-	46,768	50,976	55,395	56,614	57,802	59,016
Incremental Overhead	T4.3	-	7,609	8,191	8,802	8,996	9,184	9,377
Incremental Technology Cost	T4.4	-	10,648	16,096	21,789	22,268	22,736	23,214
Total Incremental Expenditures		-	65,025	75,263	85,986	87,878	89,723	91,607
Total Expenditures B/(W)		991,367	1,189,218	1,273,688	1,364,323	1,459,748	1,496,725	1,544,531
Excess (Deficit)		74,780	-	-	-	-	-	-

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Yearly Agency Fee's

Washington Cities Business License and Tax Portal Agency
Summary of Budget
FY2020-FY2024 December 2019 Final
11/26/2019

		Actual (A), Projection (P), Budget (B)						
		2018 (A)	2019 (B)	2020 (B)	2021 (B)	2022 (B)	2023 (B)	2024 (B)
Revenue:								
Fund Carryover	T4	-	50,000	36,292	-	-	-	-
User Fees	T1	212,329	328,001	395,010	488,825	610,629	637,901	668,672
Reimbursable Costs	T3	832,818	793,217	809,343	829,799	803,802	812,175	827,678
Capital Cost Recovery Charges	T2	21,000	18,000	20,000	20,000	20,000	20,000	20,000
Total Revenue B/(W)		1,066,147	1,189,218	1,260,645	1,338,623	1,434,431	1,470,076	1,516,350
Expenditures								
Regular Expenditures:								
Labor	T4.1	334,603	351,489	377,037	390,610	404,672	419,241	434,333
Contracts	T4.2	42,098	59,788	61,044	62,387	63,759	65,098	66,465
Overhead	T4.3	26,809	46,787	47,770	48,820	49,895	50,942	52,012
Technology Costs	T4.4	566,857	621,035	677,003	737,297	812,744	837,518	864,372
Operating Reserve	T4.5	-	27,094	11,402	11,658	14,017	6,478	6,881
Capital Cost Recovery Payments	T4.6	21,000	18,000	20,000	20,000	20,000	20,000	20,000
Total Regular Expenditures		991,367	1,124,193	1,194,254	1,270,772	1,365,087	1,399,276	1,444,063
Incremental Expenses from The New Partners:								
Incremental Labor	T4.1	-	46,768	47,750	48,801	49,874	50,922	51,991
Incremental Overhead	T4.3	-	7,609	7,769	7,940	8,114	8,285	8,459
Incremental Technology Cost	T4.4	-	10,648	10,872	11,111	11,355	11,594	11,837
Total Incremental Expenditures		-	65,025	66,391	67,851	69,344	70,800	72,287
Total Expenditures B/(W)		991,367	1,189,218	1,260,645	1,338,623	1,434,431	1,470,076	1,516,350
Excess (Deficit)		74,780	-	-	-	-	-	-

Yearly Agency Fee's

Washington Cities Business License and Tax Portal Agency
Summary of Budget
FY2020-FY2024 Amendment v.s. Dec 2019 Final

		Reimbursable Costs						
	2012 Actual	2018 (A)	2019 (B)	2020 (B)	2021 (B)	2022 (B)	2023 (B)	2024 (B)
T3. Reimbursement		$ -	$ -	$ 9,043	$ 16,500	$ 14,677	$ 14,281	$ 13,740
Bellevue	0%	$ -	$ -	$ (2,134)	$ (1,571)	$ (1,633)	$ (1,697)	$ (1,799)
Bremerton	0%	$ -	$ -	$ (1,010)	$ (719)	$ (754)	$ (786)	$ (837)
Everett	0%	$ -	$ -	$ (936)	$ (673)	$ (704)	$ (733)	$ (779)
Lake Forest Park	0%	$ -	$ -	$ (192)	$ (127)	$ (136)	$ (143)	$ (153)
Renton	0%	$ -	$ -	$ (985)	$ (703)	$ (736)	$ (767)	$ (817)
Seattle	-2%	$ -	$ -	$ (13,921)	$ (10,037)	$ (10,488)	$ (10,919)	$ (11,604)
Shoreline	0%	$ -	$ -	$ (386)	$ (279)	$ (292)	$ (304)	$ (322)
Tacoma	-1%	$ -	$ -	$ (3,267)	$ (2,353)	$ (2,459)	$ (2,560)	$ (2,722)
Des Moines	2%	N/A	N/A	$ 15,577	$ 16,108	$ 15,578	$ 15,730	$ 16,015
Snoqualmie	2%	N/A	N/A	$ 16,299	$ 16,855	$ 16,301	$ 16,460	$ 16,758
Total	0%	$ -	$ -	$ 9,043	$ 16,500	$ 14,677	$ 14,281	$ 13,740

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Yearly Agency Fee's

Washington Cities Business License and Tax Portal Agency
Reimbursement
FY2020-FY2024
Amended 4/9/2020 Including Des Moines and Snoqualmie

	Reimbursement	Reimbursable Costs						
	2012 Actual	2018 (A)	2019 (B)	2020 (B)	2021 (B)	2022 (B)	2023 (B)	2024 (B)
T3. Reimbursement		$ 832,818	$ 793,217	$ 818,386	$ 846,299	$ 818,479	$ 826,456	$ 841,418
Bellevue	9%	$ 79,125	$ 70,517	$ 69,817	$ 72,198	$ 69,825	$ 70,505	$ 71,782
Bremerton	4%	$ 11,854	$ 36,091	$ 35,815	$ 37,036	$ 35,819	$ 36,168	$ 36,823
Everett	4%	$ 36,821	$ 32,760	$ 32,490	$ 33,598	$ 32,493	$ 32,810	$ 33,404
Lake Forest Park	1%	$ 8,955	$ 7,932	$ 7,901	$ 8,171	$ 7,902	$ 7,979	$ 8,124
Renton	4%	$ 19,117	$ 35,060	$ 34,788	$ 35,974	$ 34,792	$ 35,131	$ 35,767
Seattle	59%	$ 543,559	$ 483,703	$ 479,616	$ 495,974	$ 479,670	$ 484,346	$ 493,114
Shoreline	2%	$ 5,465	$ 13,326	$ 13,211	$ 13,661	$ 13,212	$ 13,341	$ 13,583
Tacoma	14%	$ 127,922	$ 113,827	$ 112,874	$ 116,723	$ 112,886	$ 113,987	$ 116,050
Des Moines	2%	N/A	N/A	$ 15,577	$ 16,108	$ 15,578	$ 15,730	$ 16,015
Snoqualmie	2%	N/A	N/A	$ 16,299	$ 16,855	$ 16,301	$ 16,460	$ 16,758
Total	100%	$ 832,818	$ 793,217	$ 818,386	$ 846,299	$ 818,479	$ 826,456	$ 841,418

Washington Cities Business License and Tax Portal Agency
Reimbursement
FY2020-FY2024 December 2019 Final

	Reimbursement %	Reimbursable Costs						
	2012 Actual	2018 (A)	2019 (B)	2020 (B)	2021 (B)	2022 (B)	2023 (B)	2024 (B)
T3. Reimbursement		$ 832,818	$ 793,217	$ 809,343	$ 829,799	$ 803,802	$ 812,175	$ 827,678
Bellevue	9%	$ 79,125	$ 70,517	$ 71,951	$ 73,769	$ 71,458	$ 72,202	$ 73,581
Bremerton	5%	$ 11,854	$ 36,091	$ 36,825	$ 37,756	$ 36,573	$ 36,954	$ 37,659
Everett	4%	$ 36,821	$ 32,760	$ 33,426	$ 34,271	$ 33,197	$ 33,543	$ 34,183
Lake Forest Park	1%	$ 8,955	$ 7,932	$ 8,093	$ 8,298	$ 8,038	$ 8,122	$ 8,277
Renton	4%	$ 19,117	$ 35,060	$ 35,773	$ 36,677	$ 35,528	$ 35,898	$ 36,583
Seattle	61%	$ 543,559	$ 483,703	$ 493,538	$ 506,011	$ 490,158	$ 495,264	$ 504,718
Shoreline	2%	$ 5,465	$ 13,326	$ 13,597	$ 13,941	$ 13,504	$ 13,645	$ 13,905
Tacoma	14%	$ 127,922	$ 113,827	$ 116,141	$ 119,076	$ 115,346	$ 116,547	$ 118,772
Total	100%	$ 832,818	$ 793,217	$ 809,343	$ 829,799	$ 803,802	$ 812,175	$ 827,678

Onboarding City Type

- **Principal**
  1. Interlocal Agreement – City Legislative Authorization
  2. Assist with the Management of the Agency
  3. Voting Member of the Executive Board

FileLocal

700 5th Avenue, Suite 4350
PO Box 94669
Seattle, WA 98124-4669

File Local Resolution FL2020-05
Briefing Paper

Date: 04-17-20

Issue: Shall the Washington Multi-City Business License and Tax Portal Agency ("Agency") Executive Board approve the addition of a new city – City of Snoqualmie – as a Subscriber city.

Operating Committee Recommendation: The Portal Agency Executive Board should pass Resolution FL2020-05 approving the addition of the City of Snoqualmie as a Subscriber city as determined by the FileLocal Executive Board (FLEB).

Rationale: The Agency was founded through an Interlocal Agreement ("ILA") signed in March 2014 by the cities of Bellevue, Everett, Seattle, and Tacoma. The founding cities ("Principals") created a web application gateway ("Portal") to collectively administer business licensing and tax collection that allows businesses in the Principal cities to use a "one-stop" system for licensing and tax payments. The ILA anticipates the addition of new cities either as Principals or Subscribers, with the costs of operating the Portal thereby being spread among a greater number of participants. New cities may join as Principals by becoming signatories to the ILA after approval by a super-majority vote of the Executive Board. Cities joining as Principals obtain a voting seat on the Executive Board. Alternatively, new cities may join as "Subscribers" by entering into a separate agreement with the Agency, upon approval by super-majority vote of the Executive Board. In general, Subscriber cities do not have voting rights on the Executive Board, and they may have somewhat different financial obligations to the Agency, depending on the terms of the negotiated Subscriber agreement approved by the Board. The proposed Subscriber Agreement for Snoqualmie is attached as Attachment A to the Resolution.

This Resolution approves the admittance of the City of Snoqualmie as a Subscriber city, conditioned upon Snoqualmie's legislative body also approving the attached Subscriber Agreement.

RESOLUTION NO. FL2020-05

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board Approving the Addition of the City of Snoqualmie as a Subscriber City.

Whereas, the Washington Multi-City Business License and Tax Portal Agency ("Agency") was originally established under the Interlocal Agreement By and Between the Cities of Bellevue, Everett, Seattle, and Tacoma, dated March 1, 2014 ("Interlocal Agreement"); and

Whereas, Section 8.c. and 8.d. of the Interlocal Agreement authorize the Executive Board to approve, by super-majority vote, the admission of new cities as either Principals or Subscribers; and

Whereas, the City of Snoqualmie has indicated its interest and desire to become a Subscriber of the Portal, and its willingness to execute a Subscriber Agreement that includes the financial terms shown in the agreement form attached hereto as Attachment A, subject to approval of its City Administrator (under authority granted by the City's legislative body), and to fulfill any terms and conditions included therein as the Executive Board may deem appropriate and consistent with the Agency's Bylaws and Portal Operations Policy;

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 approves admission of the City of Snoqualmie as a Subscriber of the Agency, pursuant to Section 8 of the ILA.

SECTION 2. The addition of the City Snoqualmie as a Subscriber is conditioned upon its execution of the Subscriber Agreement in a form substantially similar to that which is attached hereto as Attachment A, provided such execution by the City Administrator is authorized by the Snoqualmie City Council and completed by no later than December 31, 2020.

SECTION 3. The addition of the City Snoqualmie as a Participating City is further conditioned upon its written consent to comply with the Agency's Portal Operations Policy.

ADOPTED by super-marority vote, this _____day of April 2020 .

ATTEST:

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

Board Secretary

Board Chair

FILE LOCAL AGENCY

SUBSCRIBER AGREEMENT

This Subscriber Agreement is entered into by and between the Washington Multi-City Business License and Tax Portal Agency d/b/a FileLocal ("Agency") and the City of Snoqualmie, Washington ("City").

WHEREAS, the Agency was formed and is governed by that certain Washington Multi-City Business License and Tax Portal Agency Interlocal Agreement by and between the Cities of Bellevue, Everett, Seattle, and Tacoma ("Interlocal Agreement"), with the cities of Lake Forest Park and Renton later joining as Principals of the Agency; and

WHEREAS, the Interlocal Agreement provides for the acceptance of new cities to join the Agency as either Principals or Subscribers, as those terms are defined in the Interlocal Agreement; and

WHEREAS, City enters into this Subscriber Agreement pursuant to Chapter 35.90 RCW, electing to participte in FileLocal in lieu of partnering with the Washington State Department of Revenue; and

WHEREAS, the Agency has determined by vote of its Executive Board, as set forth in Resolution No. FL2020-05, to accept City as a new Subscriber, as that term is defined in Section 3.cc of the Interlocal Agreement; and

WHEREAS, City has agreed to become a Subscriber of the Agency on the terms and conditions set forth in this Subscriber Agreement;

NOW, THEREFORE, Agency and City agree as follows:

1. Scope of Services. Agency shall provide City with a Standard Implementation package of services, comprising access to and use of the General Business License ("GBL"), GBL Renewal, and Taxes functionalities of the FileLocal Portal, utilizing information from the Standard Implementation Guide which will be agreed upon by both parties and will be on file with City.

2. Commencement of Services. Services provided by Agency to City under this Subscriber Agreement shall commence on July 1, 2020 ("Commencement Date").

3. Subscriber Status. City shall have and enjoy all the rights, benefits, and obligations of a Subscriber, as that term is defined in Section 3.cc of the Interlocal Agreement.

4. Compensation Payable to Agency.

A. Onboarding Costs. At the time of execution of this Subscriber Agreement, City shall pay to Agency a total implementation charge of $22,325, comprising the following onboarding costs:

(i) eGov setup: $3,000;

(ii) Custom work by eGov re B&O changes: TBD (in process, subject to sign-off by City finance director);

(iii) Standardized City Template Recovery Charge: $2,000; and

(iv) Kubra setup: $17,325.

The foregoing scope and costs of implementation shall not be altered except by a written change order signed by authorized representatives of both parties.

B. Yearly Costs. In addition to the Onboarding Costs listed above, City shall also pay the Agency yearly costs in amounts to be determined in accordance with Section 13 of the Subscriber Agreement. The first annual payment of yearly costs shall be prorated based on a Q2 2020 start. The 2020 yearly costs to be prorated total $16,299, as broken out below. Payment is due within 30 days of Subscriber's receipt of the annual invoice from the Agency. Projected yearly costs through the year 2023 are shown in Exhibit A, but are subject to revision and final determination annually pursuant to Section 13.e. of the Interlocal Agreement.

Yearly Costs 2020:

(i) Prorated Yearly Fee: $8,149.50;

(ii) Capital Cost Recovery Charge $1,000.

C. Delinquencies. As provided in Section 13.k. and 13.l. of the Interlocal Agreement, Subscriber agrees that if fees and charges are not paid in full within 30 days of receipt of an invoice from the Agency, interest shall begin accruing immediately on any unpaid fees and charges at the Federal Reserve Prime Rate as of the date payment was originally due, plus three percent per year. In the event that Subscriber fails to pay all fees and charges within six months of receipt of the Agency's invoice, then the Executive Board may terminate provision of the Agency's services to Subscriber.

5. Duration of Agreement. This Subscriber Agreement takes effect on the date it is signed by the parties hereto. If the parties sign on separate dates, this Subscriber Agreement takes effect on the later of the two dates. This Subscriber Agreement will remain in full force and effect until December 31, 2030, unless sooner terminated under

the provisions of this Subscriber Agreement or extended by a mutual, written agreement of the parties.

6. Termination of Agreement. Either party may terminate this Subscriber Agreement at any time, with or without cause, by giving notice in writing to the other party. If Subscriber elects to terminate this Subscriber Agreement before the end of the initial term, it must provide written notice to the Executive Board on or before December 31 of the year of the termination notice, with termination effective on the last day of the next calendar year. Upon termination (with or without cause) or expiration of this Subscriber Agreement, Subscriber shall have the same right to copies of data as departing Principals have under Section 17.c. of the Interlocal Agreement. A termination of this Subscriber Agreement by either party for cause will not prevent the terminating party from seeking any other legal remedies it may otherwise have for the violation or nonperformance of any provisions of this Subscriber Agreement.

7. Subscriber's Non-Voting Seat on Executive Board. Pursuant to Section 7.d. of the Interlocal Agreement, City shall select a representative to serve as City's non-voting member of the Agency's Executive Board. This selection shall be made and reported to the Secretary of the Agency no later than 10 days before the next regular meeting of the Executive Board following execution of this Subscriber Agreement. If other cities later join the Agency as Subscribers, then City shall confer with such new Subscriber(s) to determine the means by which to select the non-voting member of the Executive Board to jointly represent the Subscribers. If the voting members of the Executive Board later vote to increase the number of non-voting seats on the Executive Board pursuant to Section 7.d. of the Interlocal Agreement, then the cities who are Subscribers at that time shall confer among themselves to determine the means by which to select the representatives who will fill the non-voting seats on the Executive Board to represent the Subscribers, and further, they shall report their selection(s) as required by Section 7.d. of the Interlocal Agreement. All persons serving as non-voting members of the Executive Board must meet the eligibility requirements of Section 7.e. of the Interlocal Agreement, and their service on the Executive Board is subject to all other requirements of the Interlocal Agreement pertaining to members of the Executive Board.

8. Ownership and Use of Documents. Any records, files, documents, drawings, specifications, data, or information, regardless of form or format, and all other materials provided by Agency to City in connection with the services provided to the City hereunder, shall be the property of the Agency whether the project for which they were created is executed or not.

9. Assignment of Intellectual Property Rights. City hereby assigns to the Agency all rights, title, and interest City has or may have in any data and publications created, developed, or adapted by City under this Subscriber Agreement for the Agency's use or benefit. City may not seek to patent or register trademark or copyright in any data or publications assigned to the Agency under this Subscriber Agreement, and City shall cooperate reasonably with the Agency in pursuing any patent, trademark, or copyright registrations available to it. City may not, without the Agency's prior written approval,

publish any results of studies and/or services performed or to be performed under this Subscriber Agreement for any purpose other than for Agency use. This intellectual property assignment provision does not apply to any data that is developed by City independently of this Subscriber Agreement.

10. Intellectual Property Infringement. If City or any of its agents' or consultants' work under this Subscriber Agreement infringes upon or misappropriates any patent, copyright, trade secret, trademark or other intellectual property right belonging to a third party, City shall either (a) procure for Agency the right to use such work at no cost to the Agency; or (b) modify such work so that it no longer infringes or misappropriates any such third-party intellectual property right.

11. Independent Contractor. Nothing in this Subscriber Agreement is intended to create the relationship of employer and employee between the parties hereto or any of their employees or contractors. The work of any of City's employees shall remain at all times under the direct control and supervision of City, and not the Agency. City shall provide at its sole expense all materials, office space, and other materials necessary to utilize the services contemplated under this Subscriber Agreement. City is solely responsible for its acts and for the acts of its employees, agents, officers, volunteers, and representatives during the performance of this Subscriber Agreement. Neither City nor any of its employees, agents, officials, volunteers, or representatives is entitled to any benefits accorded Agency employees. The Agency is not responsible for paying wages to any employee, agent, official, volunteer, or representative of City, nor is Agency responsible for withholding or otherwise deducting any customary state or federal payroll deductions, including but not limited to FICA, FUTA, state industrial insurance, state workers compensation, or the like. The Agency assumes no duties of an employer with respect to the City or any employee, agent, official, volunteer, or representative of City.

12. Indemnification.

A. City shall protect, defend, indemnify, and hold harmless the Agency, its officers, board members, officials, employees, agents, and volunteers while acting within the scope of their employment or capacity as such, from any and all third-party claims, costs, losses, injuries, demands, judgments, suits, actions, awards of damages, or liabilities of any kind, including attorney's fees, that arise out of, or in any way result from, City's acts, errors, or omissions, or the acts, errors, or omissions of City's employees, consultants, or agents in connection with this Subscriber Agreement. City's obligations under this paragraph extend to any claims, demands, suits, or actions asserted by third parties against the Agency, and any resulting costs, awards of damages, and liability of any kind arising out of or resulting in any way from the acts or omissions of City. City will not be required to indemnify, defend, or hold harmless the Agency if the claim, suit, demand, or action for loss, injury, or damages (whether to persons or property, or both) is caused by the sole negligence of the Agency. Where such claims, suits, or actions result from the concurrent negligence of City and Agency (including its officers, board members, employees, and volunteers) or any third party, or involves those

actions covered by RCW 4.24.115, the indemnity provisions provided herein, including the duty and cost to defend, apply only to the extent of City's proportionate fault. In the event that Agency incurs attorneys' fees, costs, or other legal expenses to enforce the indemnity provisions of this Agreement, all such fees, costs, and expenses shall be recoverable by Agency from City.

B. This indemnification and waiver shall survive the termination of this Subscriber Agreement. Any failure or delay by either party in seeking to enforce any provisions of this Subscriber Agreement may not be construed as a waiver of such provisions or of any other provision of this Agreement.

13. Public Records. If City seeks the assistance of Agency in identifying, searching, retrieving, copying, or producing City records that are in the possession or control of Agency and that are or may be responsive to a public records request directed to City under the state Public Records Act, Chapter 42.56 RCW, City agrees to reimburse Agency for its costs associated with fulfilling such request for assistance.

14. Entire Agreement. This Subscriber Agreement, including any Exhibits referenced herein, contains the entire agreement between the parties, and it supersedes all oral or written proposals and contracts previously made on the subject matter hereof. Either party may request changes to this Subscriber Agreement. No changes to this Subscriber Agreement are effective unless reflected in written amendments, signed by both parties.

15. Notices. Except where otherwise noted in this Subscriber Agreement, notices required or permitted under this Subscriber Agreement must be sent to the following addresses, and are considered effective only when delivered by the U.S. Mail, postage prepaid, return-receipt requested, or when personally delivered by messenger or nationally recognized overnight courier service (e.g., Federal Express), addressed to:

Agency: FileLocal
Attn: Program Manager
700 Fifth Avenue, Suite 4350
P.O. Box 94669
Seattle, WA 98124-4669

City: City of Snoqualmie
Attn: _____
_____
_____

16. Applicable Law; Venue; Attorneys' Fees. This Agreement is governed by and shall be interpreted, construed, and enforced in accordance with the laws of the State of Washington, excluding its conflict-of-laws rules. The parties specifically understand and agree that King County, Washington, is the exclusive venue for any suit, arbitration, or other dispute-resolution proceeding instituted to resolve any dispute arising out of or related to this Agreement or the parties' performance hereunder. The prevailing party in

any such action is entitled to its reasonable attorneys' fees, costs, and expenses incurred, the amount of which shall be fixed by the judge or arbitrator hearing the case, and such fees, costs, and expenses shall be included in the judgment or award.

17. Severability. Any provision or part of this Subscriber Agreement held to be void or unenforceable under any law or regulation shall be deemed deleted and all remaining provisions shall continue to be valid and binding upon Agency and City. The parties agree that this Subscriber Agreement shall be reformed to replace such deleted provision or part thereof with a valid and enforceable provision that comes as close as reasonably possible to effectuating the original intent of the parties with respect to the deleted provision.

18. Captions. The titles of sections of any other parts of this Subscriber Agreement are for convenience only and do not define or limit the contents.

29. Counterparts. This Subscriber Agreement may be executed in any number of counterpart originals, each of which shall be deemed to constitute an original agreement, and all of which shall consistute one agreement. The execution of one counterpart by a party shall have the same force and effect as if that party had signed all other counterparts.

20. Authority to Execute. Each person executing this Subscriber Agreement on behalf of a party represents and warrants that he or she is fully authorized to execute and deliver this Subscriber Agreement on behalf of the party. The parties hereby warrant to each other that each has full power and authority to enter into this Subscriber Agreement and to undertake the actions contemplated herein and that this Subscriber Agreement is enforceable in accordance with its terms.

AGREED TO AND EXECUTED BY:

WASHINGTON MULTI-CITY BUSINESS LICENSE AND TAX PORTAL AGENCY d/b/a FILE LOCAL	**CITY OF SNOQUALMIE**
By: _____ Kevin Fitzpatrick	By: _____ [name]
Title: Program Manager	Title: _____
Date: _____	Date: _____
APPROVED AS TO FORM:	APPROVED AS TO FORM:
_____ David A. Linehan, Agency Attorney	_____ Bob Sterbank, City Attorney

Attachment B

PROJECTED YEARLY COSTS

Pursuant to the Subscriber Agreement, yearly charges to the City of Snoqualmie are projected as shown on the attached FY2020-FY2024 Draft Budget, but are subject to revision and final determination annually pursuant to Section 13.e. of the Interlocal Agreement.

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Key New City Onboarding Activities

1. **Preadmission Meeting with the City**
   - Agency/System Overview – 1.13.20
   - Standard Implementation Fit Review – 3.26.20
2. **Onboarding Schedule/Fees**
   - Fit Review 4.1.20 Preliminary
3. **Agency Yearly Fee Schedule**
   - Yearly Fee Schedule – 4.1.20 Preliminary
4. **Onboarding City Type**
   - Agency/System Overview – 3.31.20
5. **Executive Board Approval**
   - FileLocal Executive Board – 4.17.20

Onboarding Option/Schedule/Fees

- Onboarding Option – Standardized City Template
  1. General Business Licensing, GBL Renewals, Taxes
  2. B&O Form Customization
  3. No Web Services – web services to be upgraded once SOR is complete.

- Implementation Fees

eGov – B&O Cust, STD Setup, Web Service	$ 3,000
Agency STD. City Template Recovery Charge	$ 2,000
Kubra Setup	$17,325
Total Cost	$22,325

Note: Implementation fees excluding custom requirements derived from the SIP Review

Yearly Agency Fee's

- **Key Assumptions**
  - Starting Budget is the December 2019 Final (2020-2024) Budget
  - City of Snoqualmie will onboard Q2'20
  - 2020 Full Year Snoqualmie Transactions 7,220. Assumes 500 transactions in FY2020 growing by 20% in subsequent years.

- **Financial Statement Changes**
  - **Revenue**
    - **User Fees -** $4.00 fees from businesses
    - **Reimbursable Costs –** new city's portion of the Agency's cost
    - **Capital Cost Recovery –** payment to Agency for initial development
  - **Expense**
    - **Technology –** per transaction fee to Avenu
    - **Operating Reserve –** 15% of total expenses
    - **Capital Cost Recovery –** payment to Seattle
    - **Incremental Costs** – see below

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Yearly Agency Fee's

Washington Cities Business License and Tax Portal Agency
Summary of Budget
FY2020-FY2024 Amendment v.s. Dec 2019 Final

		Actual (A), Projection (P), Budget (B)						
		2018 (A)	2019 (B)	2020 (B)	2021 (B)	2022 (B)	2023 (B)	2024 (B)
Revenue:								
Fund Carryover	T4	-	-	-	-	-	-	-
User Fees	T1	-	-	3,000	7,200	8,640	10,368	12,442
Reimbursable Costs	T3	-	-	9,043	16,500	14,677	14,281	13,740
Capital Cost Recovery Charges	T2	-	-	1,000	2,000	2,000	2,000	2,000
Total Revenue B/(W)		-	-	13,043	25,700	25,317	26,649	28,181
Expenditures								
Regular Expenditures:								
Labor	T4.1	-	-	-	-	-	-	-
Contracts	T4.2	-	-	-	-	-	-	-
Overhead	T4.3	-	-	-	-	-	-	-
Technology Costs	T4.4	-	-	1,600	3,840	4,608	5,530	6,636
Operating Reserve	T4.5	-	-	1,571	1,725	175	197	225
Capital Cost Recovery Payments	T4.6	-	-	1,000	2,000	2,000	2,000	2,000
Total Regular Expenditures		-	-	4,171	7,565	6,783	7,726	8,861
Incremental Expenses from The New Partners:								
Incremental Labor	T4.1	-	-	3,226	6,594	6,739	6,881	7,025
Incremental Overhead	T4.3	-	-	422	862	881	900	919
Incremental Technology Cost	T4.4	-	-	5,224	10,678	10,913	11,142	11,376
Total Incremental Expenditures		-	-	8,872	18,135	18,534	18,923	19,320
Total Expenditures B/(W)		-	-	13,043	25,700	25,317	26,649	28,181
Excess (Deficit)		-	-	-	-	-	-	-

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Yearly Agency Fee's

Washington Cities Business License and Tax Portal Agency
Summary of Budget
FY2020-FY2024
Amended 4/9/2020 Including Des Moines and Snoqualmie

		Actual (A), Projection (P), Budget (B)						
		2018 (A)	2019 (B)	2020 (B)	2021 (B)	2022 (B)	2023 (B)	2024 (B)
Revenue:								
Fund Carryover	T4	-	50,000	36,292	-	-	-	-
User Fees	T1	212,329	328,001	398,010	496,025	619,269	648,269	681,113
Reimbursable Costs	T3	832,818	793,217	818,386	846,299	818,479	826,456	841,418
Capital Cost Recovery Charges	T2	21,000	18,000	21,000	22,000	22,000	22,000	22,000
Total Revenue B/(W)		1,066,147	1,189,218	1,273,688	1,364,323	1,459,748	1,496,725	1,544,531
Expenditures								
Regular Expenditures:								
Labor	T4.1	334,603	351,489	377,037	390,610	404,672	419,241	434,333
Contracts	T4.2	42,098	59,788	61,044	62,387	63,759	65,098	66,465
Overhead	T4.3	26,809	46,787	47,770	48,820	49,895	50,942	52,012
Technology Costs	T4.4	566,857	621,035	678,603	741,137	817,352	843,047	871,008
Operating Reserve	T4.5	-	27,094	12,972	13,384	14,192	6,674	7,106
Capital Cost Recovery Payments	T4.6	21,000	18,000	21,000	22,000	22,000	22,000	22,000
Total Regular Expenditures		991,367	1,124,193	1,198,425	1,278,337	1,371,870	1,407,003	1,452,924
Incremental Expenses from The New Partners:								
Incremental Labor	T4.1	-	46,768	50,976	55,395	56,614	57,802	59,016
Incremental Overhead	T4.3	-	7,609	8,191	8,802	8,996	9,184	9,377
Incremental Technology Cost	T4.4	-	10,648	16,096	21,789	22,268	22,736	23,214
Total Incremental Expenditures		-	65,025	75,263	85,986	87,878	89,723	91,607
Total Expenditures B/(W)		991,367	1,189,218	1,273,688	1,364,323	1,459,748	1,496,725	1,544,531
Excess (Deficit)		74,780	-	-	-	-	-	-

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Yearly Agency Fee's

Washington Cities Business License and Tax Portal Agency
Summary of Budget
FY2020-FY2024 December 2019 Final
11/26/2019

		Actual (A), Projection (P), Budget (B)						
		2018 (A)	2019 (B)	2020 (B)	2021 (B)	2022 (B)	2023 (B)	2024 (B)
Revenue:								
Fund Carryover	T4	-	50,000	36,292	-	-	-	-
User Fees	T1	212,329	328,001	395,010	488,825	610,629	637,901	668,672
Reimbursable Costs	T3	832,818	793,217	809,343	829,799	803,802	812,175	827,678
Capital Cost Recovery Charges	T2	21,000	18,000	20,000	20,000	20,000	20,000	20,000
Total Revenue B/(W)		1,066,147	1,189,218	1,260,645	1,338,623	1,434,431	1,470,076	1,516,350
Expenditures								
Regular Expenditures:								
Labor	T4.1	334,603	351,489	377,037	390,610	404,672	419,241	434,333
Contracts	T4.2	42,098	59,788	61,044	62,387	63,759	65,098	66,465
Overhead	T4.3	26,809	46,787	47,770	48,820	49,895	50,942	52,012
Technology Costs	T4.4	566,857	621,035	677,003	737,297	812,744	837,518	864,372
Operating Reserve	T4.5	-	27,094	11,402	11,658	14,017	6,478	6,881
Capital Cost Recovery Payments	T4.6	21,000	18,000	20,000	20,000	20,000	20,000	20,000
Total Regular Expenditures		991,367	1,124,193	1,194,254	1,270,772	1,365,087	1,399,276	1,444,063
Incremental Expenses from The New Partners:								
Incremental Labor	T4.1	-	46,768	47,750	48,801	49,874	50,922	51,991
Incremental Overhead	T4.3	-	7,609	7,769	7,940	8,114	8,285	8,459
Incremental Technology Cost	T4.4	-	10,648	10,872	11,111	11,355	11,594	11,837
Total Incremental Expenditures		-	65,025	66,391	67,851	69,344	70,800	72,287
Total Expenditures B/(W)		991,367	1,189,218	1,260,645	1,338,623	1,434,431	1,470,076	1,516,350
Excess (Deficit)		74,780	-	-	-	-	-	-

Yearly Agency Fee's

Washington Cities Business License and Tax Portal Agency
Summary of Budget
FY2020-FY2024 Amendment v.s. Dec 2019 Final

		Reimbursable Costs						
	2012 Actual	2018 (A)	2019 (B)	2020 (B)	2021 (B)	2022 (B)	2023 (B)	2024 (B)
T3. Reimbursement		$ -	$ -	$ 9,043	$ 16,500	$ 14,677	$ 14,281	$ 13,740
Bellevue	0%	$ -	$ -	$ (2,134)	$ (1,571)	$ (1,633)	$ (1,697)	$ (1,799)
Bremerton	0%	$ -	$ -	$ (1,010)	$ (719)	$ (754)	$ (786)	$ (837)
Everett	0%	$ -	$ -	$ (936)	$ (673)	$ (704)	$ (733)	$ (779)
Lake Forest Park	0%	$ -	$ -	$ (192)	$ (127)	$ (136)	$ (143)	$ (153)
Renton	0%	$ -	$ -	$ (985)	$ (703)	$ (736)	$ (767)	$ (817)
Seattle	-2%	$ -	$ -	$ (13,921)	$ (10,037)	$ (10,488)	$ (10,919)	$ (11,604)
Shoreline	0%	$ -	$ -	$ (386)	$ (279)	$ (292)	$ (304)	$ (322)
Tacoma	-1%	$ -	$ -	$ (3,267)	$ (2,353)	$ (2,459)	$ (2,560)	$ (2,722)
Des Moines	2%	N/A	N/A	$ 15,577	$ 16,108	$ 15,578	$ 15,730	$ 16,015
Snoqualmie	2%	N/A	N/A	$ 16,299	$ 16,855	$ 16,301	$ 16,460	$ 16,758
Total	0%	$ -	$ -	$ 9,043	$ 16,500	$ 14,677	$ 14,281	$ 13,740

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Yearly Agency Fee's

Washington Cities Business License and Tax Portal Agency
Reimbursement
FY2020-FY2024
Amended 4/9/2020 Including Des Moines and Snoqualmie

	Reimbursement	Reimbursable Costs						
	2012 Actual	2018 (A)	2019 (B)	2020 (B)	2021 (B)	2022 (B)	2023 (B)	2024 (B)
T3. Reimbursement		$ 832,818	$ 793,217	$ 818,386	$ 846,299	$ 818,479	$ 826,456	$ 841,418
Bellevue	9%	$ 79,125	$ 70,517	$ 69,817	$ 72,198	$ 69,825	$ 70,505	$ 71,782
Bremerton	4%	$ 11,854	$ 36,091	$ 35,815	$ 37,036	$ 35,819	$ 36,168	$ 36,823
Everett	4%	$ 36,821	$ 32,760	$ 32,490	$ 33,598	$ 32,493	$ 32,810	$ 33,404
Lake Forest Park	1%	$ 8,955	$ 7,932	$ 7,901	$ 8,171	$ 7,902	$ 7,979	$ 8,124
Renton	4%	$ 19,117	$ 35,060	$ 34,788	$ 35,974	$ 34,792	$ 35,131	$ 35,767
Seattle	59%	$ 543,559	$ 483,703	$ 479,616	$ 495,974	$ 479,670	$ 484,346	$ 493,114
Shoreline	2%	$ 5,465	$ 13,326	$ 13,211	$ 13,661	$ 13,212	$ 13,341	$ 13,583
Tacoma	14%	$ 127,922	$ 113,827	$ 112,874	$ 116,723	$ 112,886	$ 113,987	$ 116,050
Des Moines	2%	N/A	N/A	$ 15,577	$ 16,108	$ 15,578	$ 15,730	$ 16,015
Snoqualmie	2%	N/A	N/A	$ 16,299	$ 16,855	$ 16,301	$ 16,460	$ 16,758
Total	100%	$ 832,818	$ 793,217	$ 818,386	$ 846,299	$ 818,479	$ 826,456	$ 841,418

Washington Cities Business License and Tax Portal Agency
Reimbursement
FY2020-FY2024 December 2019 Final

	Reimbursement %	Reimbursable Costs						
	2012 Actual	2018 (A)	2019 (B)	2020 (B)	2021 (B)	2022 (B)	2023 (B)	2024 (B)
T3. Reimbursement		$ 832,818	$ 793,217	$ 809,343	$ 829,799	$ 803,802	$ 812,175	$ 827,678
Bellevue	9%	$ 79,125	$ 70,517	$ 71,951	$ 73,769	$ 71,458	$ 72,202	$ 73,581
Bremerton	5%	$ 11,854	$ 36,091	$ 36,825	$ 37,756	$ 36,573	$ 36,954	$ 37,659
Everett	4%	$ 36,821	$ 32,760	$ 33,426	$ 34,271	$ 33,197	$ 33,543	$ 34,183
Lake Forest Park	1%	$ 8,955	$ 7,932	$ 8,093	$ 8,298	$ 8,038	$ 8,122	$ 8,277
Renton	4%	$ 19,117	$ 35,060	$ 35,773	$ 36,677	$ 35,528	$ 35,898	$ 36,583
Seattle	61%	$ 543,559	$ 483,703	$ 493,538	$ 506,011	$ 490,158	$ 495,264	$ 504,718
Shoreline	2%	$ 5,465	$ 13,326	$ 13,597	$ 13,941	$ 13,504	$ 13,645	$ 13,905
Tacoma	14%	$ 127,922	$ 113,827	$ 116,141	$ 119,076	$ 115,346	$ 116,547	$ 118,772
Total	100%	$ 832,818	$ 793,217	$ 809,343	$ 829,799	$ 803,802	$ 812,175	$ 827,678

Onboarding City Type

1. **Subscriber**
   a. Contract with the Agency – City Legislative Authorization
   b. Doesn't Assist with the Management of the Agency
   c. Non-Voting Member of the Executive Board

January Portmortem

April 2020

Project Team

- An Avenu Project Team was created to assess the primary issues encountered during the January 2020 Filing Period

System Performance Issues

- **Software**
  - Refactor Batch Processor Code
  - Refactor Website Code
  - Enhance the Relational Database Model
  - Referential Integrity
  - Additional Logic Restricting Data Manipulation

System Performance Issues (continued)

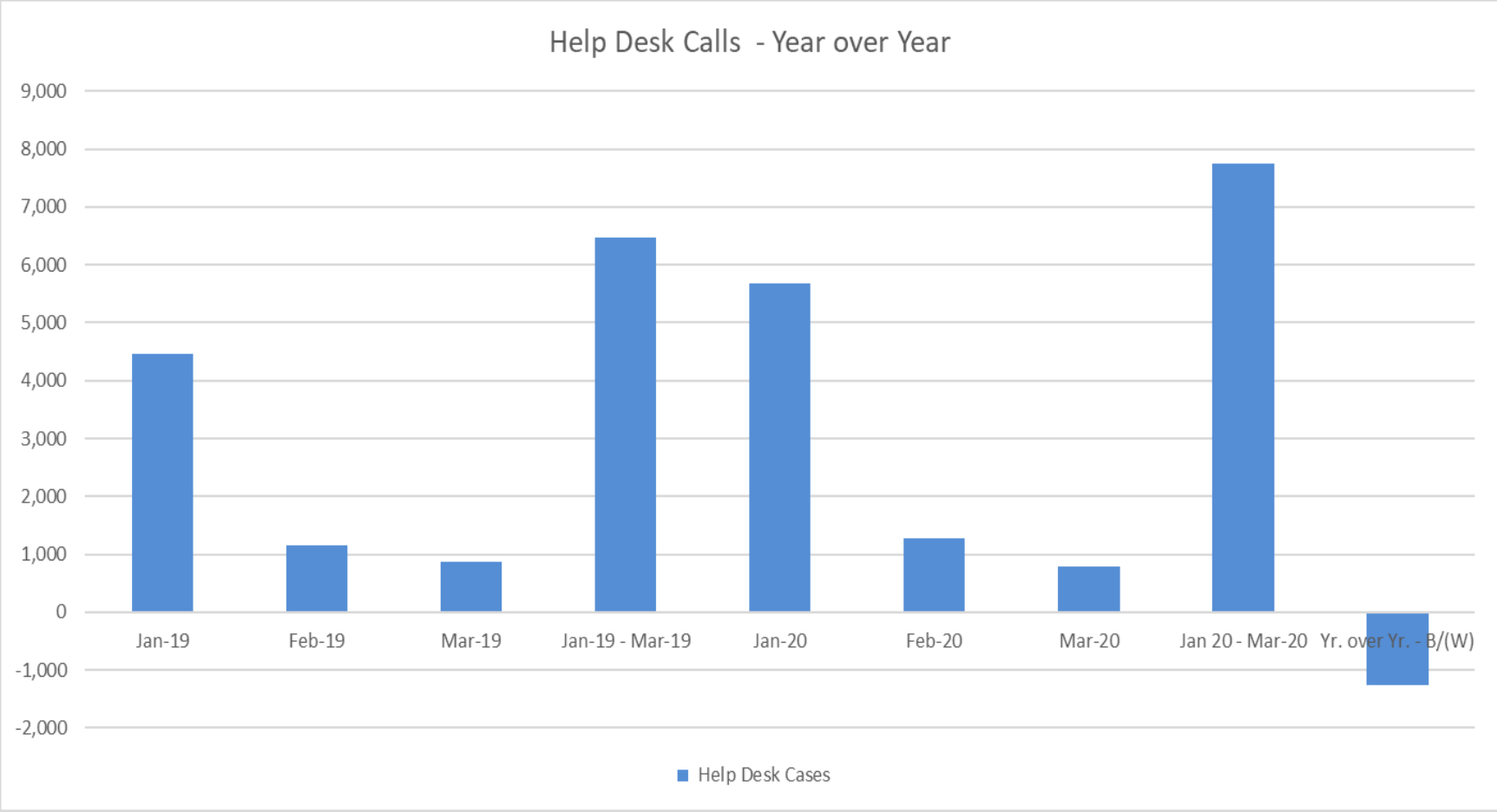
- **Hardware**
  - Short Term (January 2020)
    - Added 4 CPU Licenses – 2*2 Core Packs
    - 1 TB of Disk to Cloud Quota
    - 8 GB of Ram
  - Longer Term
    - New Windows Server OS
    - Microsoft SQL
- **Measurement**
  - Baseline versus Improvement

January Postmortem

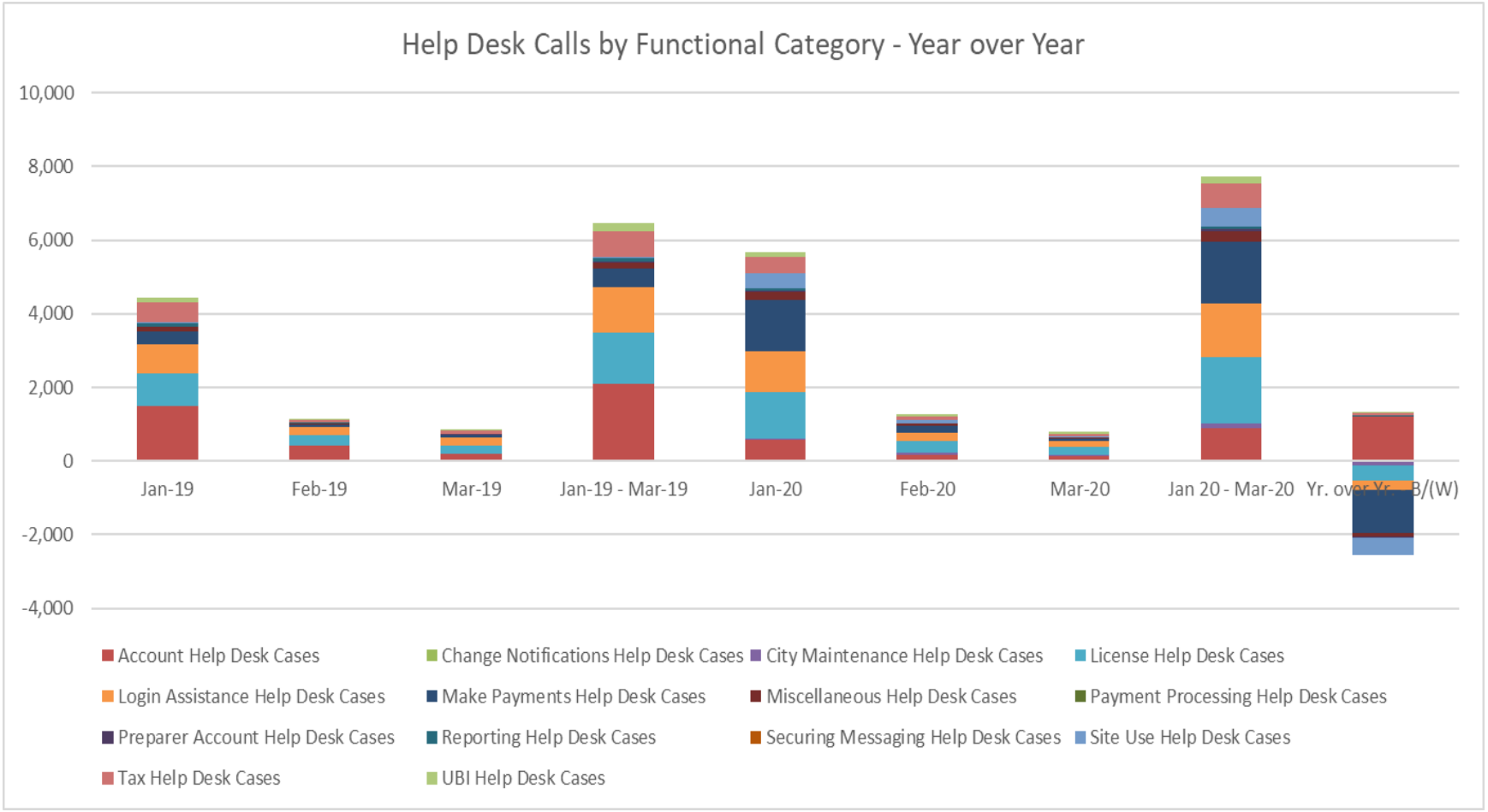
- **Help Desk**
  - New Help Desk Software acquired and was planned for deployment 4-1-20 but delayed due to COVID-19. Agency to work with Avenu on the timing.
    - Customized to accommodate FileLocal specific metrics
  - Help Desk Staffing
    - Staff is currently at 12 with an additional 30 staff members trained to answer calls
      - Codesmart – third party vendor to take overflow
- **Batch/Form Issues**
  - Avenu is working on clearing January batch issues.

FileLocal: Monthly Business Review

April 2020



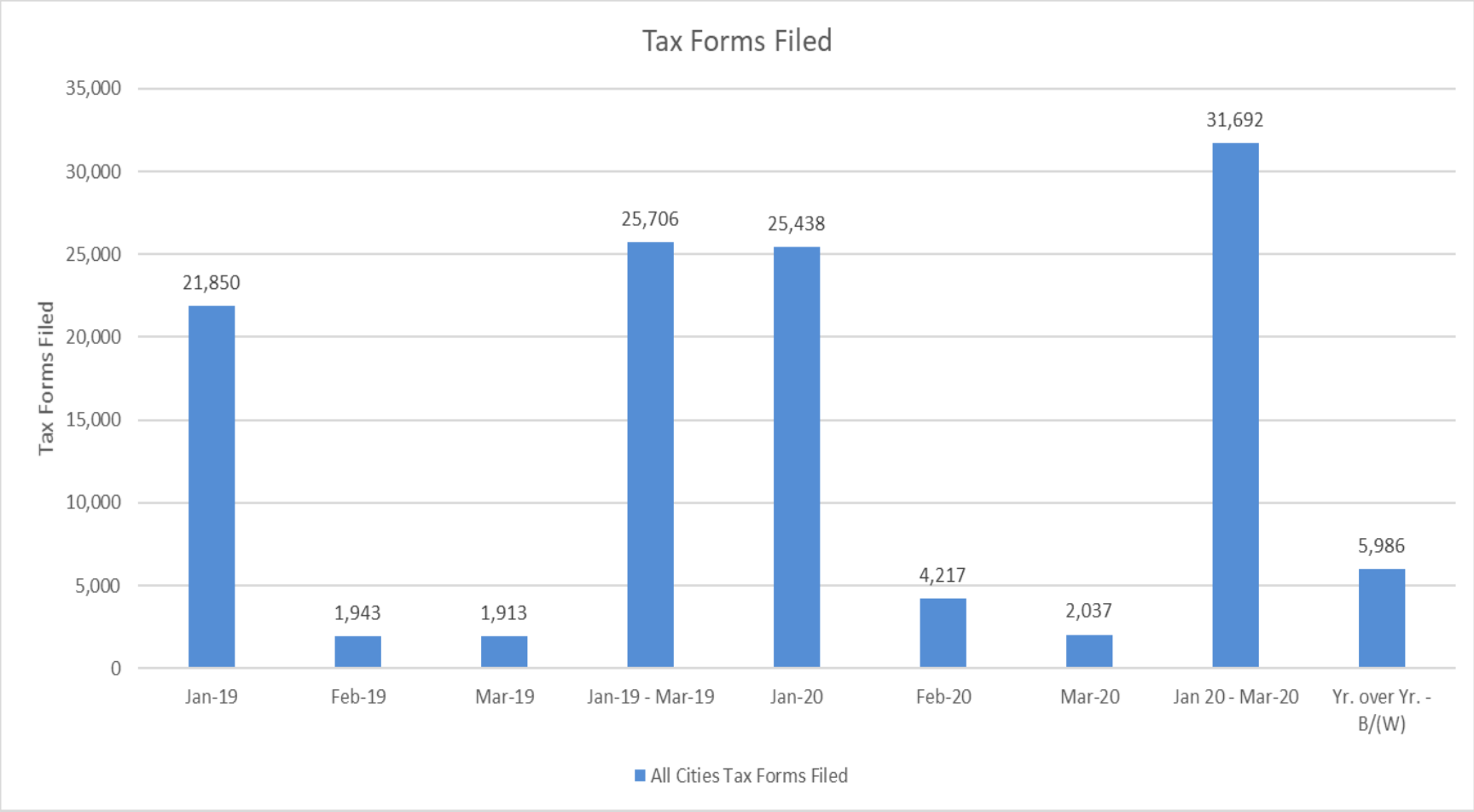
Help Desk Calls by Functional Category	Help desk calls totaled 7,741 for the three months ending March 2020. This is 13.6% of the accounts created and transactions processed which is 1.3% higher than the three months in the prior year. Three categories have ranked high for the last three months and make up 64% of the calls. The three sub categories make up the highest percentage and include Login Assistance (19%), Payment Assistance (22%), Licenses (23%)



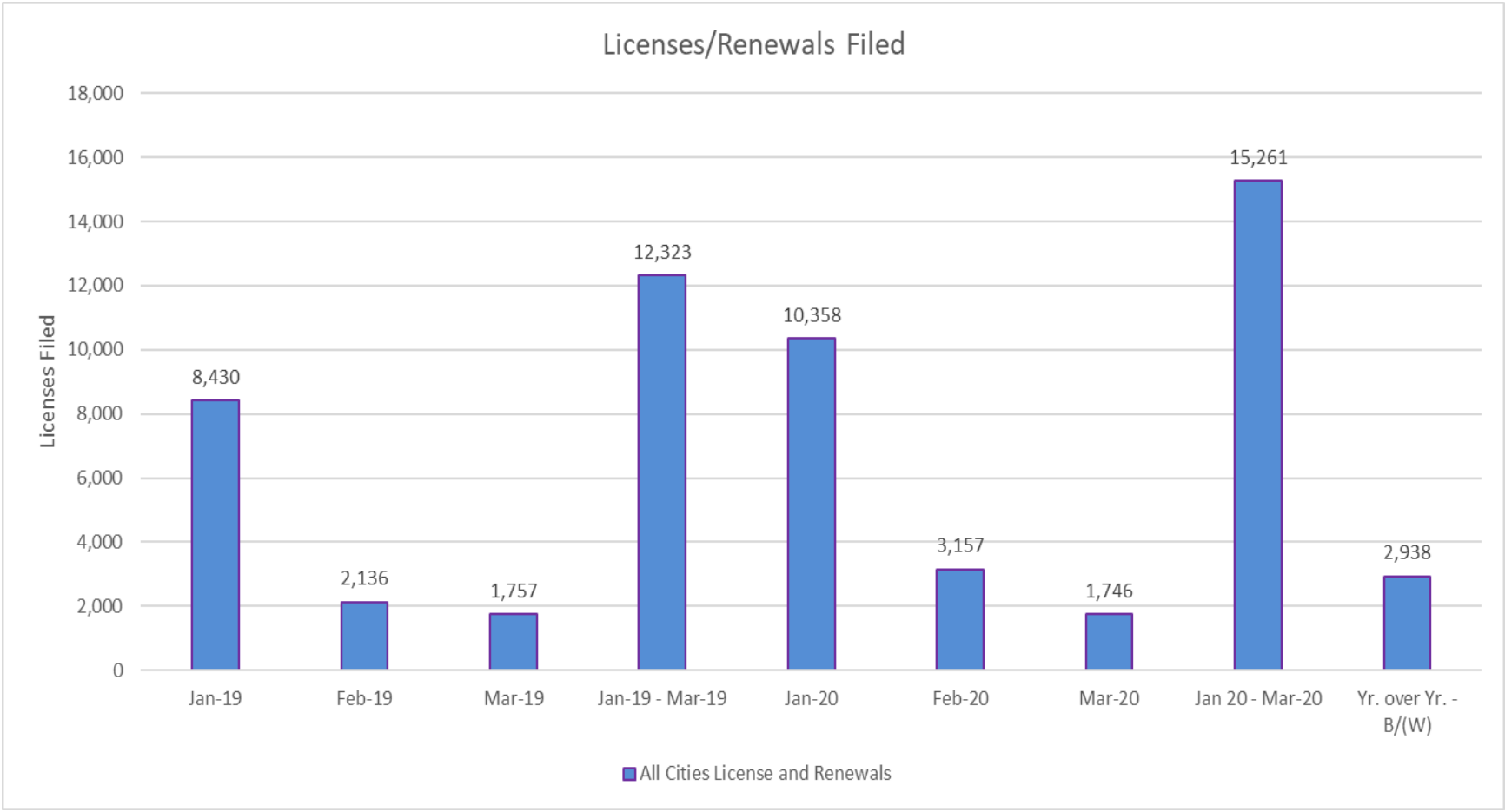
Help Desk Calls by Functional Category	Help desk calls totaled 7,741 for the three months ending March 2020. This is 13.6% of the accounts created and transactions processed which is 1.3% higher than the three months in the prior year. Three categories have ranked high for the last three months and make up 64% of the calls. The three sub categories make up the highest percentage and include Login Assistance (19%), Payment Assistance (22%), Licenses (23%)



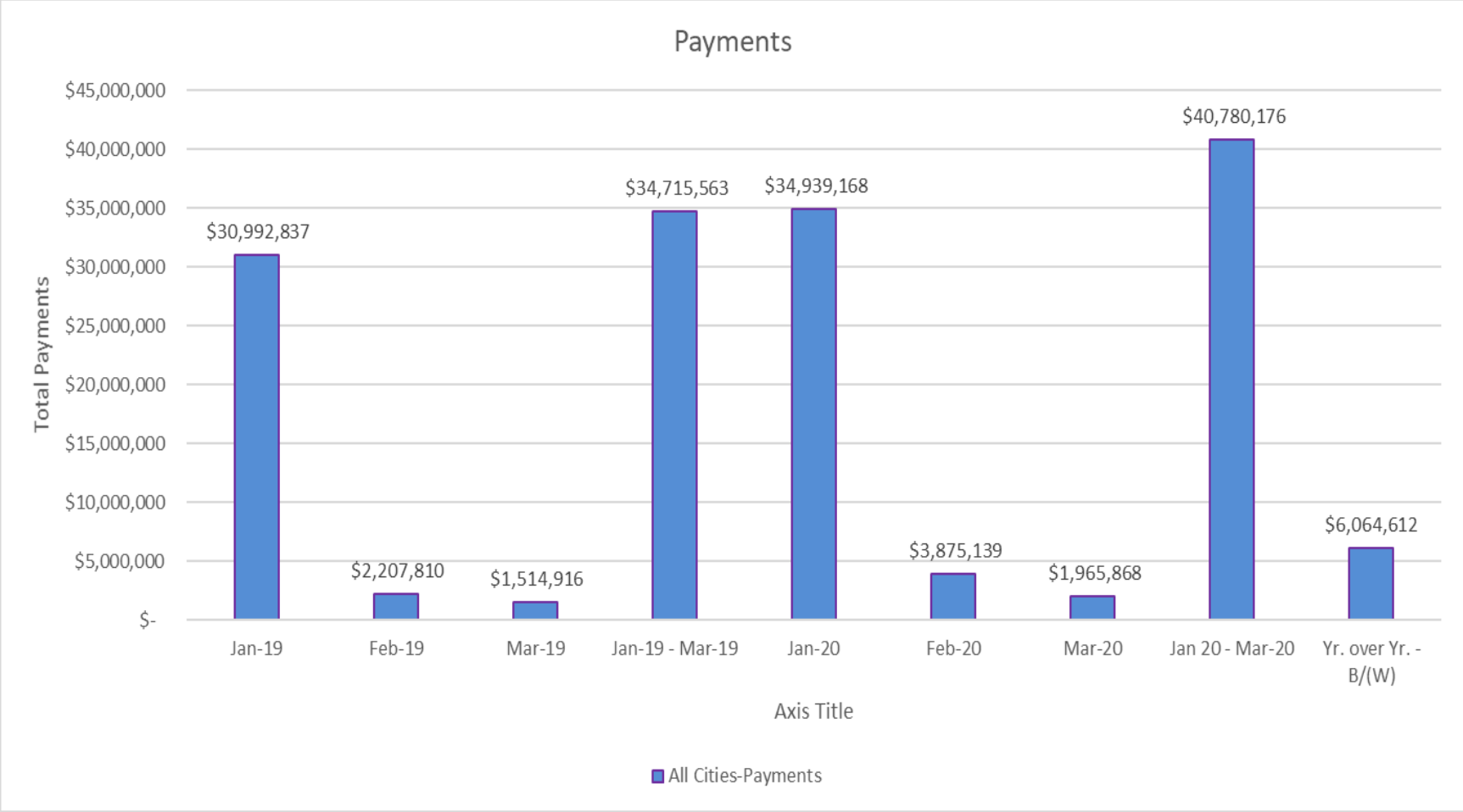
Accounts Created	Accounts created for the 3 months ended March 2020 were 10,002 which is down 4,521 accounts compared to the same 3 months in the prior year. 6 of the cities were down with Bellevue down 698, Bremerton up 201, Everett down 410, Lake Forest Park down 8, Renton down 605, Seattle down 2,182, Shoreline up 246 and Tacoma down 1,065.



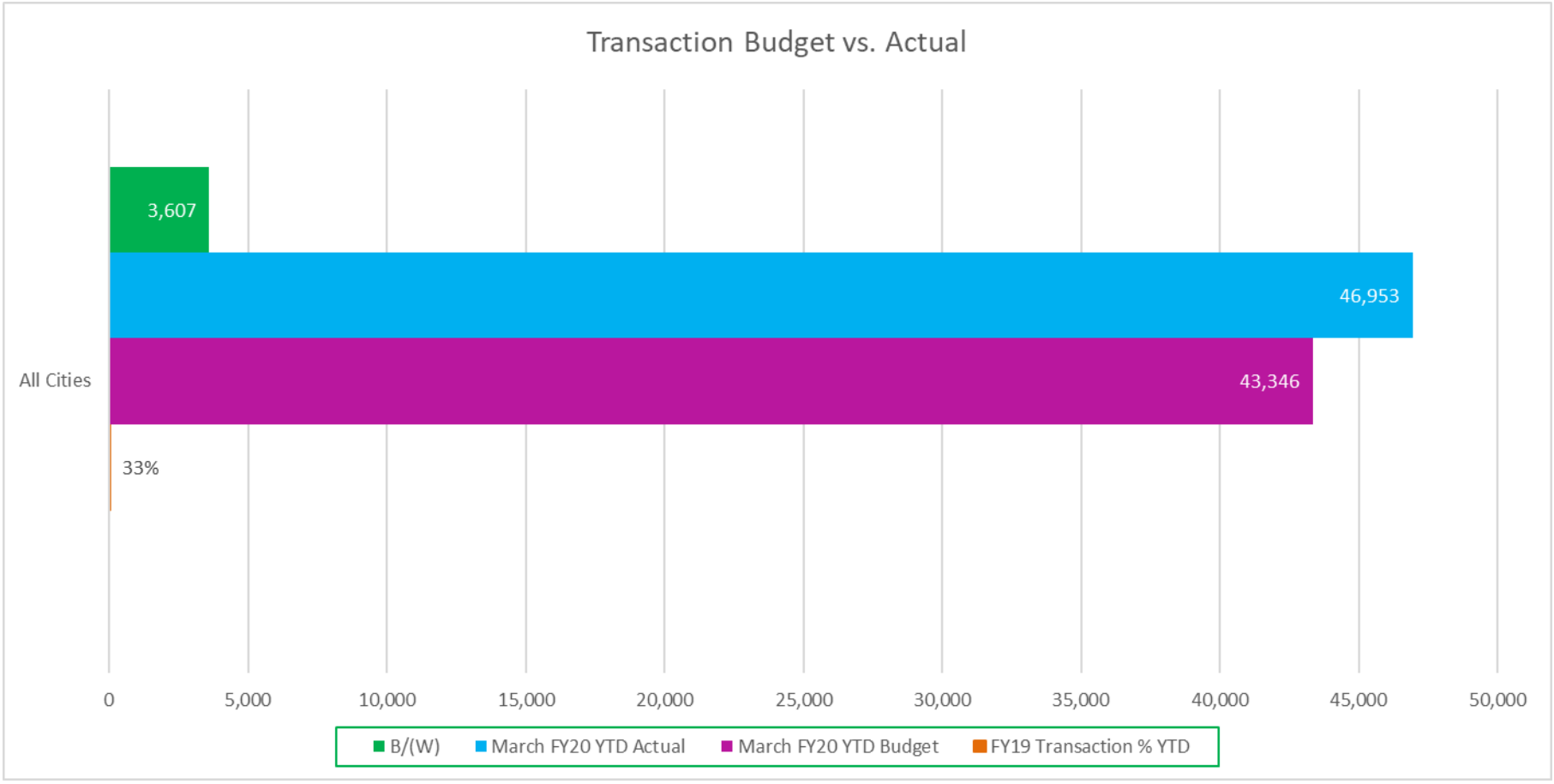
Tax Forms Filed	Tax Forms filed for the 3 months ended March 2020 were 31,692 which is up 5,986 filings compared to the same 3 months from the prior year. All cities were up. Bellevue was up 671, Bremerton up 518, Everett up 397, Lake Forest Park up 64, Renton up 16, Seattle up 3,193, Shoreline up 802 and Tacoma up 325.



Licenses/Renewals Filed	License/Renewals created for the 3 months ended March 2020 were 15,261 which is up 2,938 filings compared to the same 3 months from the prior year. Seven of the eight cities were up with Bellevue up 77, Bremerton up 445, Everett up 400, Lake Forest Park up 78, Renton up 200, Seattle up 1,081, Shoreline up 739 and Tacoma down 82.



Payments Made by City	Payments made for the 3 months ended March 2020 were $40,780m which is up $6.1m compared to the same 3 months from the prior year. Five of the eight cities were up with Bellevue down $33.5k, Bremerton up 113k, Everett up $94k, Lake Forest Park down $1k, Renton down $31.3k, Seattle up $6,111.1k, Shoreline up $467k and Tacoma down $942.7k.



Transactions YTD Budget versus YTD Actual	Transactions YTD Budget versus Actual were favorable by 3,608. Six cities were favorable. Bellevue was unfavorable by 1,547, Bremerton was favorable by 768, Everett was favorable by 1,284, Lake Forest Park was favorable by 110, Renton was favorable by 1,277, Seattle was favorable by 550, Shoreline was favorable by 1,590 and Tacoma was unfavorable by 424.

User Account Sign-Up Metrics

Description	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
Users that completed email validation	8,411	2,080	1,985	2,086	1,308	1,460	2,003	1,974	1,379	2,618	2,774	4,346	5,544	1,766	1,395
% of users that completed email validation	90%	89%	95%	97%	97%	98%	98%	98%	98%	96%	93%	98%	95%	98%	98%
Users that completed email validation and assigned a license	5,468	1,412	1,325	1,471	929	998	1,475	1,397	941	1,992	1,358	2,977	3,549	1,095	899
% of users that completed email validation and assigned a license	65%	68%	67%	71%	71%	68%	74%	71%	68%	76%	49%	68%	64%	62%	64%
Filed a Tax Return for the First Time	3,550	731	682	855	480	558	825	760	514	857	557	1,511	1,793	602	459

Seattle Import Account Sign-Up Metrics

Description	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
Seattle Import Started	2,315	353	180	314	124	92	262	93	94	718	211	262	166	34	24
Seattle Import Completed	2,155	329	166	297	117	87	237	82	78	662	185	242	142	31	22
Seattle - % that started and completed import	93%	93%	92%	95%	94%	95%	90%	88%	83%	92%	88%	92%	86%	91%	92%

Draft Budget 2021-2025

April 2020

Washington Cities Business License and Tax Portal Agency
Summary of Budget
FY2021-FY2025 (Mar'20 Draft)
2/19/2020

		Actual (A), Budget (B), Projection (P)							B/(W) - Actual (A), Budget (B), Projection (P)					
		2019 (A)	2020 (B) Approved Dec 2019	2021 (B)	2022 (B)	2023 (B)	2024 (B)	2025 (B)	2020 (B) vs. 2019 (A)	2021 (B) vs. 2020 (B)	2022 (B) vs. 2021 (B)	2023 (B) vs. 2022 (B)	2024 (B) vs. 2023 (B)	2025 (B) vs. 2024 (B)
Revenue:														
Fund Carryover	T4	-	36,292	-	-	-	-	-	36,292	(36,292)	-	-	-	-
User Fees	T1	350,568	395,010	499,082	562,760	618,345	679,427	746,549	44,442	104,072	63,679	55,585	61,081	67,122
Reimbursable Costs	T3	793,216	809,343	850,533	833,368	836,504	839,031	839,679	16,127	41,190	(17,166)	3,136	2,527	648
Capital Cost Recovery Charges	T2	18,000	20,000	15,000	17,000	17,000	17,000	19,000	2,000	(5,000)	2,000	-	-	2,000
Total Revenue B/(W)		1,161,784	1,260,645	1,364,615	1,413,128	1,471,849	1,535,458	1,605,228	98,861	103,970	48,513	58,721	63,608	69,770
									-	-	-	-	-	-
Expenditures									-	-	-	-	-	-
Regular Expenditures:									-	-	-	-	-	-
Labor	T5.1	398,257	377,037	433,429	449,032	465,197	481,944	499,295	(21,220)	56,392	15,603	16,165	16,747	17,351
Contracts	T5.2	64,757	61,042	62,385	63,738	65,120	66,532	67,975	(3,715)	1,343	1,353	1,382	1,412	1,443
Overhead	T5.3	24,870	47,771	50,419	51,478	52,559	53,663	54,789	22,901	2,648	1,059	1,081	1,104	1,127
Technology Costs	T5.4	607,580	677,003	777,767	822,473	863,087	906,863	954,096	69,423	100,764	44,705	40,614	43,776	47,233
Operating Reserve	T5.5	-	11,402	25,615	9,408	8,886	9,456	10,073	11,402	14,213	(16,207)	(522)	569	617
Capital Cost Recovery Payments	T5.6	18,000	20,000	15,000	17,000	17,000	17,000	19,000	2,000	(5,000)	2,000	-	-	2,000
Total Regular Expenditures		1,113,464	1,194,255	1,364,615	1,413,128	1,471,849	1,535,458	1,605,228	80,791	170,360	48,513	58,721	63,608	69,770
									-	-	-	-	-	-
Incremental Expenses from The New Partners:									-	-	-	-	-	-
Incremental Labor	T5.1	-	47,750	-	-	-	-	-	47,750	(47,750)	-	-	-	-
Incremental Overhead	T5.3	-	7,769	-	-	-	-	-	7,769	(7,769)	-	-	-	-
Incremental Technology Cost	T5.4	-	10,871	-	-	-	-	-	10,871	(10,871)	-	-	-	-
Total Incremental Expenditures			66,390	-	-	-	-	-	66,390	(66,390)	-	-	-	-
									-	-	-	-	-	-
Total Expenditures B/(W)		1,113,464	1,260,645	1,364,615	1,413,128	1,471,849	1,535,458	1,605,228	147,181	103,970	48,513	58,721	63,608	69,770
									-	-	-	-	-	-
Excess (Deficit)		48,320	-	-	-	-	-	-	(48,320)	-	-	-	-	-

Revenue

T4	Excess fund balance of $36,292 has been determined to use for the increase in FY20 labor costs. No fund balance carryover for FY21 through FY25.
T1	User fees are estimated to increase gradually over years based on the annual growth rates projected (the increase in transaction counts). The annual growth rates are projected at 10% to 20%.
T3	As user fees are estimated to increase over years, reimbursable costs are continuingly decreasing as more expenditures would be covered by user fees earned.

Expense

T5.1	Labor costs are projected to increase approximately 4% year over year for FY21 through FY25.
T5.2	Contracts for FY21 through FY25 slightly increase due to the estimated inflation adjustments.
T5.3	Overhead for FY21 through FY25 slightly increase due to the estimated inflation adjustments.
T5.4	FY21 technology increased by $100.7k compared to FY20. This is primarily due to two things. Increased transactions (~34.7k) resulting in increased cost to process of $55.5k and 35k increase in miscellaneous technology to cover unplanned technology work such as ADA testing, reports, penetration testing etc.
T5.1/.3/.4	No additional participating cities are projected for FY21 through FY25.
T5.5	Operating reserve decreases primarily due to the accumulated operating reserves in previous years.

Washington Cities Business License and Tax Portal Agency
Changes in Reimbursable Costs
2/19/2020

	Reimbursement %	Reimbursable Costs - Actual (A), Budget (B), Projection (P)					
	2012 Actual	2019 (A)	2020 (B) Approved Dec 2019	2021 (B)	2022 (B)	2023 (B)	2024 (B)
T3. Reimbursement		$ (23,395)	$ (0)	$ 20,735	$ 29,566	$ 24,329	$ 11,353
Bellevue	0%	$ (2,080)	$ (0)	$ 1,843	$ 2,628	$ 2,163	$ 1,009
Bremerton	0%	$ (1,064)	$ (0)	$ 943	$ 1,345	$ 1,107	$ 517
Everett	0%	$ (966)	$ (0)	$ 856	$ 1,221	$ 1,005	$ 469
Lake Forest Park	0%	$ (234)	$ (0)	$ 207	$ 296	$ 243	$ 114
Renton	0%	$ (1,034)	$ (0)	$ 916	$ 1,307	$ 1,075	$ 502
Seattle	0%	$ (14,266)	$ (0)	$ 12,644	$ 18,029	$ 14,836	$ 6,923
Shoreline	0%	$ (393)	$ (0)	$ 348	$ 497	$ 409	$ 191
Tacoma	0%	$ (3,357)	$ (0)	$ 2,975	$ 4,243	$ 3,491	$ 1,629
Total	0%	$ (23,395)	$ (0)	$ 20,735	$ 29,566	$ 24,329	$ 11,353

- Labor is up $43K due to FY19/FY20 COLA's and position normalization study.
- Technology costs are up $40K primarily due to $35K increase in miscellaneous technology associated with various IT tests (ADA, Pen tests, etc.).
- Incremental costs are down $67K. This is due to costs being taken out of the March 2020 Draft Budget.

Washington Cities Business License and Tax Portal Agency
Supplemental Schedules
FY2021-FY2025 (Mar'20 Draft)
2/19/2020

	Reimbursement	Reimbursable Costs - Actual (A), Budget (B), Projection (P)						
	2012 Actual	2019 (A)	2020 (B) Approved Dec 2019	2021 (B)	2022 (B)	2023 (B)	2024 (B)	2025 (B)
T3. Reimbursement		$ 793,216	$ 809,343	$ 850,533	$ 833,368	$ 836,504	$ 839,031	$ 839,679
Bellevue	9%	$ 70,517	$ 71,951	$ 75,612	$ 74,086	$ 74,365	$ 74,590	$ 74,647
Bremerton	5%	$ 36,091	$ 36,825	$ 38,699	$ 37,918	$ 38,061	$ 38,176	$ 38,205
Everett	4%	$ 32,760	$ 33,426	$ 35,127	$ 34,418	$ 34,548	$ 34,652	$ 34,679
Lake Forest Park	1%	$ 7,932	$ 8,093	$ 8,505	$ 8,334	$ 8,365	$ 8,390	$ 8,397
Renton	4%	$ 35,060	$ 35,773	$ 37,594	$ 36,835	$ 36,973	$ 37,085	$ 37,114
Seattle	61%	$ 483,703	$ 493,538	$ 518,655	$ 508,188	$ 510,100	$ 511,641	$ 512,036
Shoreline	2%	$ 13,326	$ 13,597	$ 14,289	$ 14,001	$ 14,053	$ 14,096	$ 14,107
Tacoma	14%	$ 113,826	$ 116,141	$ 122,052	$ 119,588	$ 120,038	$ 120,401	$ 120,494
Total	100%	$ 793,216	$ 809,343	$ 850,533	$ 833,368	$ 836,504	$ 839,031	$ 839,679

Washington Cities Business License and Tax Portal Agency
Reimbursement
FY2020-FY2024 December 2019 Final
11/26/2019

	Reimbursement %	Reimbursable Costs - Actual (A), Budget (B), Projection (P)					
	2012 Actual	2019 (P)	2020 (B) Approved Dec 2019	2021 (B)	2022 (B)	2023 (B)	2024 (B)
T3. Reimbursement		$ 816,611	$ 809,343	$ 829,799	$ 803,802	$ 812,175	$ 827,678
Bellevue	9%	$ 72,597	$ 71,951	$ 73,769	$ 71,458	$ 72,202	$ 73,581
Bremerton	5%	$ 37,156	$ 36,825	$ 37,756	$ 36,573	$ 36,954	$ 37,659
Everett	4%	$ 33,726	$ 33,426	$ 34,271	$ 33,197	$ 33,543	$ 34,183
Lake Forest Park	1%	$ 8,166	$ 8,093	$ 8,298	$ 8,038	$ 8,122	$ 8,277
Renton	4%	$ 36,094	$ 35,773	$ 36,677	$ 35,528	$ 35,898	$ 36,583
Seattle	61%	$ 497,969	$ 493,538	$ 506,011	$ 490,158	$ 495,264	$ 504,718
Shoreline	2%	$ 13,719	$ 13,597	$ 13,941	$ 13,504	$ 13,645	$ 13,905
Tacoma	14%	$ 117,184	$ 116,141	$ 119,076	$ 115,346	$ 116,547	$ 118,772
Total	100%	$ 816,611	$ 809,343	$ 829,799	$ 803,802	$ 812,175	$ 827,678

Annual Financial Statements 2019

April 2020

Washington Multi-City Business Licenses and Tax Portal Agency

Financial Statements for the Year Ended December 31, 2019

ACCOUNTANT'S COMPILATION REPORT

Washington Multi-City Business Licenses and Tax Portal Agency
Seattle, Washington

Management is responsible for the accompanying financial statements of Washington Multi-City Business Licenses and Tax Portal Agency (a public agency formed as a nonprofit corporation), which comprise the statement of net position as of December 31, 2019, and the related statements of revenues, expenses and changes in fund net position and of cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 1 through 3 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. This information is the responsibility of management. The required supplementary information was subject to our compilation engagement; however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

We are not independent with respect to Washington Multi-City Business Licenses and Tax Portal Agency.

Seattle, Washington
February 12, 2020

WASHINGTON MULTI-CITY BUSINESS LICENSES AND TAX PORTAL AGENCY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) presents a narrative overview and analysis of the financial activities of the Washington Multi-City Business Licenses and Tax Portal Agency (FileLocal) for the fiscal year ended December 31, 2019. As this information is presented in summary form, it should be read in conjunction with the financial statements and footnotes as a whole.

FileLocal is a public agency formed as a nonprofit corporation on March 1, 2014 as authorized by the state Interlocal Cooperation Act (Ch. 39.34.RCW) and Chapter 24.06 RCW. FileLocal's primary purpose is to offer a web-based service that will make it easier for businesses to obtain business licenses and pay local licenses and taxes to its member cities. In 2014, the cities of Bellevue, Everett, Seattle and Tacoma came together to form FileLocal. The four founding cities are the "Principals" and have representation on the Executive Board which governs FileLocal. Additional Washington cities may apply to join FileLocal, either as a principal or as a subscriber. Principals have voting rights on the Executive Board; Subscribers have nonvoting representation on the Executive Board. In 2017, City of Lake Forest Park joined FileLocal as a principal member. In 2018, City of Renton joined Filelocal as a principal member while cities of Shoreline and Bremerton joined FileLocal as subscribers. FileLocal is treated as a quasi-government entity and prepares its annual financial statements in accordance with the Governmental Accounting Standards.

Financial Highlights

- In 2019, eight cities contributed a total of $811,216 to Filelocal.
- As of December 31, 2019, FileLocal reported a total net position of $499,242, all of which was unrestricted.

Overview of the Financial Statements

FileLocal is considered a stand-alone enterprise fund, and the financial statements are presented using the economic resource measurement focus and accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recognized in the period in which they are incurred.

The Statement of Net Position presents information about all of FileLocal's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as net position. When net position is compared for several years, increases and decreases may serve as a useful indicator of whether FileLocal's financial position is improving or deteriorating.

The Statement of Revenues, Expenses and Changes in Fund Net Position presents information on how FileLocal's net position changed during the year. All changes in net position are reported as soon as the event occurs, regardless of the timing of related cash flows.

The Statement of Cash Flows presents information on FileLocal's cash receipts, cash payments, and changes in cash during the year.

The basic financial statements can be found following this MD&A.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. Notes to the financial statements can be found following the basic financial statements.

Financial Analysis

Condensed Statement of Net Position

	2019	2018
Other assets	$ 686,524	$ 651,584
Total assets	686,524	651,584
Deferred outflows of resources	-	-
Other liabilities	187,282	200,663
Total liabilities	187,282	200,663
Deferred inflows of resources	-	-
Unrestricted	499,242	450,921
Total net position	$ 499,242	$ 450,921

The Statement of Net Position represents assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. The other assets were $686,524 at December 31, 2019, increased by $34,940, primarily due to the increase in cash from revenue generated during the year. The amount of net position is the total assets plus deferred outflows of resources minus liabilities plus deferred inflows of resources and over time may serve as a useful indicator of FileLocal's financial position. The total net position was $499,242, which was an increase of $48,321 from the previous year. The increase in net position reflects FileLocal's ability to meet current and future obligations in the course of its activities.

Condensed Statement of Revenues, Expenses and Changes in Fund Net Position

	2019	2018
User fees	$ 350,568	$ 212,329
Reimbursable costs	811,216	853,818
Total revenue	1,161,784	1,066,147
Technology costs	438,092	480,057
Contract labor costs	398,257	353,961
Transaction fees	173,250	94,340
Accounting fees	54,010	36,431
Capital recovery payment	18,000	21,000
Insurance	5,196	5,188
Legal fees	7,237	12,170
Other operating costs	19,421	7,578
Total expenses	1,113,463	1,010,725
Change in net position	48,321	55,422
Ending net position	$ 499,242	$ 450,921

Filelocal began operations in July 2015. The user fees in 2019 were $350,568, increased by $138,239 and 65% from previous year. The continuing increase in user fees demonstrates the improved stability of the business resulting from both the growth of the existing member cities and the addition of new member cities joining FileLocal. Filelocal received $811,216 of cost reimbursement from the eight participating cities in 2019, a decrease of $42,602 from the prior year. As user fee revenue increases, the need for cost reimbursement support from participating cities is expected to decrease.

Total expenditures increased $102,738, primarily due to an increase in transaction fees. Transaction fees increased by $78,910 in 2019 as a result of higher user volume. In addition, there was an increase of $11,843 in other operating costs.

The change in the total net position resulted from revenues exceeding expenses. The overall financial position of FileLocal has improved in 2019 and indicated its ability to meet its ongoing obligations.

Request for Information

This financial report is designed to provide a general overview of FileLocal's finances for all those with an interest in FileLocal's finances. Questions concerning any information provided in this report should be addressed to: FileLocal, 700 Fifth Avenue, Suite 4350 PO Box 94669, Seattle, Washington 98124-4669.

WASHINGTON MULTI-CITY BUSINESS LICENSES AND TAX PORTAL AGENCY
STATEMENT OF NET POSITION
DECEMBER 31, 2019

ASSETS		
CURRENT ASSETS		
Cash	$	579,334
Accounts receivable		8,604
Due from other governments		98,291
Prepaid		295
Total current assets	$	686,524
TOTAL ASSETS		**686,524**
DEFERRED OUTFLOWS OF RESOURCES	**$**	**-**
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	$	51,480
Accrued liabilities		135,802
Total current liabilities		187,282
TOTAL LIABILITIES	**$**	**187,282**
DEFERRED INFLOWS OF RESOURCES	**$**	**-**
NET POSITION		
Unrestricted	$	499,242
TOTAL NET POSITION	**$**	**499,242**

The notes to financial statements are an integral part of this statement.

WASHINGTON MULTI-CITY BUSINESS LICENSES AND TAX PORTAL AGENCY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2019

OPERATING REVENUES		
User fees	$	350,568
Total operating revenues		350,568
OPERATING EXPENSES		
Technology costs		434,330
Contract labor costs		398,257
Transaction fees		173,250
Accounting fees		54,010
Agency IT Costs		3,762
Capital recovery payment		18,000
Insurance		5,196
Legal fees		7,237
Other operating costs		19,421
Total operating expenses		1,113,463
Operating (loss)		(762,895)
NONOPERATING REVENUES (EXPENSES)		
Reimbursable costs		811,216
Total non-operating revenues (expenses)		811,216
CHANGE IN NET POSITION		**48,321**
NET POSITION - BEGINNING OF YEAR		**450,921**
NET POSITION - ENDING OF YEAR	**$**	**499,242**

The notes to financial statements are an integral part of this statement.

WASHINGTON MULTI-CITY BUSINESS LICENSES AND TAX PORTAL AGENCY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers	$	(1,207,573)
User fees		388,670
Net cash (used) by operating activities		(818,903)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITES		
Reimbursable costs		811,216
Net cash provided by non-capital financing activities		811,216
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Net cash provided by capital and related financing activities		-
CASH FLOWS FROM INVESTING ACTITIVITES		
Net cash provided by investing activities		-
NET (DECREASE) IN CASH		(7,687)
CASH, BEGINNING OF THE YEAR		587,021
CASH, END OF THE YEAR	$	579,334
Reconciliation of Operating Loss to Net Cash Flows (Used) By Operating Activities		
Operating (loss)	$	(762,895)
Adjustments to reconcile operating (loss) to net cash provided (used) by operating activities:		
Changes in assets and liabilities		
Decrease in receivable		38,102
(Increase) in due from other governments		(81,054)
Decrease in prepaid		325
(Decrease) in accounts payable		(141,683)
Increase in accrued liabilities		128,302
Net cash (used) by operating activities	$	(818,903)

The notes to financial statements are an integral part of this statement.

WASHINGTON MULTI-CITY BUSINESS LICENSES AND TAX PORTAL AGENCY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Washington Multi-City Business Licenses and Tax Portal Agency (FileLocal) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government entities. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described below.

Reporting Entity

As authorized under the state InterLocal Cooperation Act (Ch.39.34.RCW) and Chapter 24.06 RCW, the Washington Multi-City Business and Tax Portal Agency (FileLocal) was established on March 1, 2014 and began offering its services to businesses in July 2015. FileLocal is an instrumentality of its member cities, formed to carry out exclusively governmental activities to offer a web-based service that will make it easier for businesses to obtain business licenses and pay local licenses and taxes to its member cities. There are four founding cities: Bellevue, Everett, Seattle, and Tacoma. In 2017, City of Lake Forest Park joined FileLocal as the fifth founding city. In 2018, cities of Shoreline, Renton and Bremerton jointed FileLocal as members. During 2019, the Executive Board from the five founding cities was the primary governing body of FileLocal. FileLocal did not have any component units as of December 31, 2019.

Basis of Accounting and Reporting

FileLocal is considered a single enterprise fund which is accounted for on an economic resources measurement focus. This means that all assets, deferred outflows of resources, liabilities (whether current or noncurrent) and deferred inflows of resources associated with its activities are included on the statement of net position. Net position is reported in three components: 1) net investment in capital assets, 2) restricted, and 3) unrestricted. Statement of revenues, expenses, and fund net position presents increases (revenues and gains) and decreases (expenses and losses) in net position. FileLocal discloses changes in cash flows by a separate statement that presents its operating, noncapital financing, capital and related financing, and investing activities.

FileLocal uses the full accrual basis of accounting where revenues are recognized when earned and expenses are recognized when incurred.

FileLocal distinguishes between operating and non-operating revenues and expenses. Operating revenues and expenses result from providing services in connection with the FileLocal's principal ongoing operations. The operating expenses include contract labor cost, professional fees, office supplies and other operating expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncements

GASB Statement No. 83, *Certain Asset Retirement Obligation*. This new GASB statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. It requires that recognition occur when the liability is both incur and reasonably estimable. It is effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. This new GASB statement was considered by FileLocal and determined it was not applicable.

GASB Statement No. 84, *Fiduciary Activities*. This new GASB statement establishes criteria for identifying fiduciary activities of all state and local governments. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. It is effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. This new GASB statement was considered by FileLocal and determined it was not applicable.

In March 2017, GASB issued Statement No. 85, *Omnibus 2017*, to address various practice issues identified during the implementation and application of certain GASB statements. This Statement addresses a variety of topics including timing of the measurement of pension or OPEB liabilities and expenditures recognized in financial statements prepared using the current financial resources measurement focus; recognizing on-behalf payments for pensions or OPEB in employer financial statements; presenting payroll-related measures in required supplementary information for purposes of reporting by OPEB plans and employers that provide OPEB; classifying employer-paid member contributions for OPEB; simplifying certain aspects of the alternative measurement method for OPEB; and accounting and financial reporting for OPEB provided through certain multiple-employer defined benefit OPEB plans. The new standard is effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged. This new GASB statement was considered by FileLocal and determined it was not applicable.

GASB Statement No. 86, *Certain Debt Extinguishment Issue*. This new GASB statement provides guidance for transactions in which cash and other monetary assets acquired with only existing resources other than the proceeds of refunding deb are place in an irrevocable trust for the sole purpose of extinguishing debt. This statement also improves accounting and reporting for prepaid insurance on debt that is extinguished. It is effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged. This new GASB statement was considered by FileLocal and determined it was not applicable.

GASB Statement No. 87, *Leases*. This new GASB statement establishes a single model for lease accounting based on the foundational principal that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset. It is effective for reporting periods beginning after December 15, 2019. FileLocal is currently evaluating the impact of this new GASB statement.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncements (Continued)

GASB Statement No. 88, *Certain Disclosures Related to Debt*, including Direct Borrowings and Direct Placements. This statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. It is effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. This new GASB statement was considered by FileLocal and determined it was not applicable.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This new GASB statement establishes accounting requirements for interest cost incurred before the end of a construction period. It is effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. FileLocal is currently evaluating of the impact of this new GASB statement.

GASB Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No.61*. This new GASB statement defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meet the definition of an investment should be measured using the equity method at fair value. It is effective for reporting beginning after December 15, 2018. Earlier application is encouraged. This new GASB statement was considered by FileLocal and determined it was not applicable.

GASB Statement No. 91, Conduit Debt Obligations. This new GASB statement defines conduit debt obligation and requires issuers to disclose information about the conduit debt obligations organized by type of commitment and improve comparability by removing the diversity in current practice. This statement also includes note disclosures that help inform users of the potential impact of commitments on financial resources. It is effective for reporting beginning after December 15, 2020. Earlier application is encouraged. FileLocal is currently evaluating of the impact of this new GASB statement.

Budgetary Information

Annual budget is adopted by FileLocal on the accrual basis of accounting. Any revisions that alter the total budgeted expenses that would require modifications on reimbursable costs from member cities must be approved by the Executive Board.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

NOTE 3 - CASH

FileLocal maintains all of its cash balance in one financial institution which is covered by Federal Deposit Insurance (FDIC) up to $250,000. As of December 31, 2019, the bank statement balance was $622,727, which exceeded the insured limit by $372,727. FileLocal has not experienced any losses.

NOTE 4 - ACCOUNTS RECEIVABLE

Customer accounts receivable consist of amounts owned from individuals or organizations for tax portal services, including amounts paid but in transit from merchant service companies.

NOTE 5 - RISK MANAGEMENT

FileLocal is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, natural disasters, etc.

Filelocal is a member of the Washington Cities Insurance Authority (WCIA) and manages the risks through its participation in a risk pool provided by WCIA.

Utilizing Chapter 48.62 RCW (self-insurance regulation) and Chapter 39.34 RCW (Interlocal Cooperation Act), nine cities originally formed WCIA on January 1, 1981. WCIA was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and / or jointly contracting for risk management services. WCIA has approximately 161 Members.

New members initially contract for a three-year term, and thereafter automatically renew on an annual basis. A one-year withdrawal notice is required before membership can be terminated. Termination does not relieve a former member from its unresolved loss history incurred during membership.

Liability coverage is written on an occurrence basis, without deductibles. Coverage includes general, automobile, police, public officials' errors or omissions, stop gap, and employee benefits liability. Limits are $4 million per occurrence self-insured layer, and $16 million per occurrence in the re-insured excess layer. The excess layer is insured by the purchase of reinsurance and insurance and is subject to aggregate limits. Total limits are $20 million per occurrence subject to aggregate sub-limits in the excess layers. The Board of Directors determines the limits and terms of coverage annually.

Insurance coverage for property, automobile physical damage, fidelity, inland marine, and boiler and machinery are purchased on a group basis. Various deductibles apply by type of coverage. Property insurance and auto physical damage are self-funded from the members' deductible to $750,000, for all perils other than flood and earthquake, and insured above that amount by the purchase of insurance.

NOTE 5 - RISK MANAGEMENT (CONTINUED)

In-house services include risk management consultation, loss control field services, claims and litigation administration, and loss analyses. WCIA contracts for the claims investigation consultants for personnel issues and land use problems, insurance brokerage, and lobbyist services.

WCIA is fully funded by its members, who make annual assessments on a prospectively rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, and administrative expenses. As outlined in the interlocal, WCIA retains the right to additionally assess the membership for any funding shortfall.

An investment committee, using investment brokers, produces additional revenue by investment of WCIA's assets in financial instruments which comply with all State guidelines.

A Board of Directors governs WCIA, which is comprised of one designated representative from each member. The Board elects an Executive Committee and appoints a Treasurer to provide general policy direction for the organization. The WCIA Executive Director reports to the Executive Committee and is responsible for conducting the day to day operations of WCIA.

NOTE 6 - RELATED PARTY

During 2019, FileLocal had 8 participating cities and each city was required to reimburse operating costs in excess of user fees received, based on the methodologies defined in the Inter-local Government Agreement. A total contribution of $811,216 was made by these participating cities in 2019. In addition, FileLocal pays certain technology costs on behalf of these participating cities and is reimbursed by the cities. There was an outstanding balance of $98,291 due from the cities as of December 31, 2019.

City of Seattle provides labor and technology services to Filelocal and these costs are billed to FileLocal for reimbursement. During 2019, City of Seattle charged total contract labor cost and technology services of $402,019 to FileLocal. An outstanding balance of $150,064 was payable to City of Seattle as of December 31, 2019, which is reported as accounts payable and accrued liabilities in the accompanying statement of net position.

Agency Survey Action Items Update

April 2020

Agency Survey Action Items

- **Explore opportunities to extend HB 2005 (7/2020) deadline**
  - Explored how to extend date legislatively. City of Kent is the only city currently working this through the legislative process. If other cities express interest, we will pursue in Q3'20 with AWC.
- **Communicate city metrics beyond Board/OC members**
  - Integrate into weekly Tuesday meeting.
- **Work with vendors to distribute transaction level reports**
  - Reports in progress.
- **Identify ways to improve city/vendor portal integration**
  - Avenu has formed a team to implement system performance and escalation of issues.
- **Explore options for allowing direct interactions between cities IT groups and vendors**
  - Pending system work by Avenu.
- **Work with subscriber cities to improve their experience**
  - Ongoing effort.
- **Modify survey to eliminate question confusion**
  - Future enhancement.
- **Work with Board to create a post July 2020 vision for the Agency**
  - Discussion item for May Board Meeting.

Americans With Disabilities Act (ADA) Audit Update

April 2020

March 2020

- Q1’20 release has been delayed to Q2’20, with no planned ADA development work.

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New Cities Update

April 2020

FileLocal

New City Status

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Prospects

City	Launch	Type	Notes
Kent	2021	TBD	Kent has received Legislative approval to extend their "go-live" date with FileLocal to 07/01/2021.
Des Moines	~2020.2	Principal	The preadmission guide has been completed and the KUBRA application submitted. Fit Analysis is complete. Standard Implementation Guide meetings held the last week of February and first week of March. City has elected to join as a principal city. A resolution for admission is included in the April Executive Board meeting, with a "go-live" date anticipated in Q2' 20.
Auburn			Auburn has notified the agency that they will not be joining FileLocal.
Snoqualmie	~2020.2	Subscriber	The preadmission guide has been completed and the KUBRA application submitted. Fit Analysis is complete. Standard Implementation Guide meeting was held on 3/26/20. A special Board meeting will likely be held in Q2 '20 to admit Snoqualmie as a subscriber city.

Vendor Warrant List

April 2020

Quarterly Warrant List
FileLocal
December 31, 2019

Vendor Name	Payment for Current Quarter	Payments Year-To-Date
Association of Washington Cities	$ -	$ 300.00
City of Seattle Capital Recovery	-	21,000.00
City of Seattle Treasury Dept	88,962.99	384,818.97
City of Tacoma Tax & License	-	110.00
e.Gov Systems	168,774.00	733,965.00
Francis & Company	11,492.50	54,009.50
Keeney's	-	68.73
Kenyon Disend	933.99	7,576.54
Kevin Fitzpatrick	644.89	4,116.39
Kubra	-	3,620.45
Leviathan	-	13,000.00
Lund Consulting	5,177.50	5,177.50
Washington cities insurance authority	-	5,171.00
Washington State Auditor's Office	-	5,883.00
Wendy Thomaston	-	195.99
Total	**$ 275,985.87**	**$ 1,239,013.07**