RESOLUTION NO. FL2023-08

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board adopting a final 2024-2028 Budget.

Whereas, the Washington Multi-City Business License and Tax Portal Agency ("Portal Agency") Interlocal Agreement ("Agreement") requires the Executive Board to adopt a draft Portal Agency 2024 budget by June 15;

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

Whereas, the Executive Board received a draft 2024-2028 budget for review on March 23, 2023, and approved the draft 2024-2028 Budget on June 1, 2023.

Whereas, the Executive Board approved a revised draft 2024-2028 budget on September 28, 2023,

Whereas, the cities of Auburn, Bellevue, Des Moines, Everett, Kent, Lake Forest Park, Renton, Seattle, and Tacoma have each informed the Portal Agency by December 1, 2023, that they will or have approved their shares of the Portal Agency budget for 2024-2028.

Now, Therefore,

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

SECTION 1. The Executive Board hereby adopts the final 2024-2028 budget for the Portal Agency as set forth in Exhibit A to this Resolution.

ADOPTED this 14th day of December 2023.

ATTEST:

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

Julie Panick
Julie Panick (Dec 26, 2023 06:37 PST)

Board Secretary

Susy Haugen
Susy Haugen (Dec 21, 2023 11:00 PST)

Board Vice-Chair

Washington Cities Business License and Tax Portal Agency
Summary of Budget (12-5-23)
Final budget - 2024 to 2028

Budget		2019 (A)	2020 (A)	2021 (A)	2022 (A)	2023 (F)	2024 (B)	2025 (B)	2026 (B)	2027 (B)	2028 (B)	YOY Change 2023 (F)	YOY Change 2024 (B)	YOY Change Change
User Fees	1	350,568	437,628	599,239	637,552	757,594	791,749	870,924	958,016	1,053,818	1,159,200	757,594	791,749	34,155
Interest Income	2	-	605	1,022	26,693	79,607	-	-	-	-	-	79,607	-	(79,607)
Revenue		**350,568**	**438,233**	**600,261**	**664,245**	**837,201**	**791,749**	**870,924**	**958,016**	**1,053,818**	**1,159,200**	**837,201**	**791,749**	**(45,452)**
Contracts	3	(74,506)	(51,237)	(54,579)	(77,241)	(78,098)	(70,771)	(87,562)	(74,398)	(76,280)	(93,210)	(78,098)	(70,771)	7,326.18
Labor	4	(398,257)	(418,788)	(398,016)	(415,137)	(521,783)	(484,120)	(490,930)	(497,944)	(505,169)	(512,610)	(521,783)	(484,120)	37,662.63
Overhead	5	(15,119)	(10,116)	(7,800)	(26,096)	(40,011)	(41,023)	(42,061)	(43,125)	(44,216)	(45,335)	(40,011)	(41,023)	(1,012)
Technology Costs	6	(607,580)	(434,236)	(579,547)	(661,930)	(902,581)	(1,349,584)	(1,368,840)	(1,503,931)	(1,641,435)	(1,784,315)	(902,581)	(1,349,584)	(447,003)
Expenses		**(1,095,463)**	**(914,376)**	**(1,039,942)**	**(1,180,404)**	**(1,542,472)**	**(1,945,498)**	**(1,989,393)**	**(2,119,398)**	**(2,267,101)**	**(2,435,470)**	**(1,542,472)**	**(1,945,498)**	**(403,026)**
Collected from Cities	7	-	21,000	16,000	20,500	22,500	27,000	27,000	28,000	31,000	31,000	22,500	27,000	4,500
Paid to Seattle	8	-	(21,000)	(16,000)	(20,500)	(22,500)	(27,000)	(27,000)	(28,000)	(31,000)	(31,000)	(22,500)	(27,000)	(4,500)
Capital Cost Recovery		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Operating Reserve	9	-	-	(199,852)	-	(31,519)	340,956	(6,584)	(19,501)	(22,155)	(25,255)	(31,519)	340,956	372,475
Operating Deficit	10	**(744,895)**	**(476,143)**	**(639,533)**	**(516,160)**	**(736,790)**	**(812,793)**	**(1,125,053)**	**(1,180,882)**	**(1,235,438)**	**(1,301,526)**	**(736,790)**	**(812,793)**	**(76,003)**
Cost Reimbursement	11	793,216	839,331	854,893	781,844	778,175	812,793	1,125,053	1,180,882	1,235,438	1,301,526	778,175	812,793	34,618
Surplus/ (Deficit)		**48,321**	**363,188**	**215,360**	**265,684**	**41,385**	**-**	**-**	**-**	**-**	**-**	**41,385**	**-**	**(41,385)**

Washington Cities Business License and Tax Portal
Agency Key Assumptions for Budget
FY2024-FY2028 Final Budget
12-14-23

Assumptions and Notes

Revenue		
User Fees	1	User Fees are fees charged to the business user for each city-specific transaction net of zero-dollar returns. The allocation methodology is based on projected transaction amounts.
Interest Income	2	Income generated by bank deposits and interest-bearing assets.
Expenses		
Contracts	3	Consultant and Service Fees - is comprised of Outside Accounting, State Auditor, Insurance, and Bank Fees
Labor	4	Labor is broken into two primary categories. Agency employees are budgeted based on the City of Seattle estimates and Incremental Labor is based on new city additions with the calculation determined in the Interlocal Agreement.
Overhead	5	Overhead is comprised of Legal, City of Seattle Technology Fees, Office and Operating Supplies, Printing, Licenses, Travel, Marketing,
Technology Cost	6	Incremental Technology Costs are outside IT Costs and comprised of ASP Hosting, Software as a Service, USPS Address Lists, Transaction Fees, IT and Security Audit, Misc. Technology, Software Development, and Incremental IT.
Capital Cost Recovery		
Collected from Cities	7	Capital Cost Recovery Charge is an annual fee charged to all participating cities other than Seattle, for the purposes of reimbursing Seattle for a portion of the funding provided to pay for the start-up of the Portal Agency, See Section 13.j in the Interlocal Agreement for further information.
Paid to Seattle	8	Annual Reimbursement for a portion of start-up costs for the Portal Agency
Operating Reserve		
Operating Reserve	9	Operating Reserve is an unrestricted fund balance set aside to provide a cushion against unexpected events. The current operating reserve is 15% of total operating expenditures
Operating Deficit		
Operating Deficit	10	The amount by which the User Fees are less than the amount necessary to pay all Operating Expenses.
Cost Reimbursement		
Cost Reimbursement	11	Costs to be reimbursed by participating cities.

Washington Cities Business License and Tax Portal Agency
Reimbursable Costs Final Budget 2024-2028

Cost Reimbursement	Transactions	Allocation	Actual				Forecast	Estimated Reimbursable Costs				
			2019 (A)	2020 (A)	2021 (A)	2022 (A)	2023 (F)	2024 (B)	2025 (B)	2026 (B)	2027 (B)	2028 (B)
Auburn	4,544	1.35%	-	-	-	9,897	9,850	10,978	6,808	7,052	7,378	7,772
Bellevue	30,927	9.19%	76,517	71,951	72,142	67,357	67,041	74,716	137,278	142,194	148,763	156,721
Bremerton	-	0.00%	37,091	36,825	37,008	-	-	-	-	-	-	-
Des Moines	2,977	0.88%	-	10,662	16,095	15,028	14,957	7,192	18,197	18,849	19,719	20,774
Everett	14,392	4.28%	34,760	33,426	33,572	31,345	31,198	34,769	101,579	105,217	110,078	115,967
Kent	4,236	1.26%	-	-	8,594	16,335	16,258	10,234	12,611	13,063	13,667	14,398
Lake Forest Park	2,539	0.75%	8,932	8,093	8,164	7,623	7,587	6,134	14,354	14,868	15,555	16,387
Renton	10,613	3.15%	36,060	35,773	35,946	33,562	33,405	25,640	61,392	63,590	66,528	70,087
Seattle	212,457	63.15%	483,703	493,538	495,593	462,720	460,549	513,272	587,240	608,271	636,372	670,414
Shoreline	3,752	1.12%	14,326	13,597	13,651	12,745	12,686	9,064	17,726	18,361	19,209	20,237
Snoqualmie	-	0.00%	-	19,325	17,495	16,335	16,258	-	-	-	-	-
Tacoma	50,000	14.86%	119,827	116,141	116,633	108,897	108,386	120,794	182,868	189,417	198,168	208,769
Total	**336,437**	**100%**	**811,216**	**839,331**	**854,893**	**781,844**	**778,175**	**812,793**	**1,140,053**	**1,180,882**	**1,235,438**	**1,301,526**

Captail Cost Recovery Charge
Final Budget FY2024-2028

					Projected	Estimated Transaction Counts					YOY Change		
	2019 (A	2020 (A)	2021 (A)	2022 (A)	2023 (P)	2024 (B)	2025 (B)	2026 (B)	2027 (B)	2028 (B)	**2023 (F)**	**2024 (B)**	**Change**
Collected from Cities													
Auburn	-	-	-	500	2,500	1,000	1,000	1,000	1,000	1,000	2,500	1,000	(1,500)
Bellevue	-	4,000	4,000	4,000	4,000	6,000	6,000	6,000	6,000	6,000	4,000	6,000	2,000
Bremerton	-	2,000	500	-	-	-	-	-	-	-	-	-	-
Des Moines	-	500	1,000	1,000	1,000	2,000	2,000	2,000	2,000	2,000	1,000	2,000	1,000
Everett	-	1,000	2,000	4,000	4,000	4,000	4,000	4,000	6,000	6,000	4,000	4,000	-
Kent	-	-	500	1,000	1,000	1,000	1,000	1,000	2,000	2,000	1,000	1,000	-
Lake Forest Park	-	1,000	500	1,000	1,000	1,000	1,000	2,000	2,000	2,000	1,000	1,000	-
Renton	-	4,000	2,000	2,000	2,000	4,000	4,000	4,000	4,000	4,000	2,000	4,000	2,000
Seattle	-	-	-	-	-	-	-	-	-	-	-	-	-
Shoreline	-	2,000	500	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	-
Snoqualmie	-	500	1,000	1,000	1,000	-	-	-	-	-	1,000	-	(1,000)
Tacoma	-	6,000	4,000	4,000	4,000	6,000	6,000	6,000	6,000	6,000	4,000	6,000	2,000
Total Charged to Cities	**-**	**21,000**	**16,000**	**20,500**	**22,500**	**27,000**	**27,000**	**28,000**	**31,000**	**31,000**	**22,500**	**27,000**	**4,500**
8. Paid to Seattle													
Capital Recovery Payment	-	(21,000)	(16,000)	(20,500)	(22,500)	(27,000)	(27,000)	(28,000)	(31,000)	(31,000)	(22,500)	(27,000)	(4,500)
Total Capital Recovery	**-**	**(21,000)**	**(16,000)**	**(20,500)**	**(22,500)**	**(27,000)**	**(27,000)**	**(28,000)**	**(31,000)**	**(31,000)**	**(22,500)**	**(27,000)**	**(4,500)**
Capital cost Recovery	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**