FileLocal

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

Executive Board:

Jamie Thomas
City of Auburn

Jamie Robinson
City of Bellevue

Beth Anne Wroe
City of Des Moines

Susy Haugen, Vice-Chair
City of Everett

Paula Painter
City of Kent

Lindsey Vaughn
City of Lake Forest Park

Kari Roller
City of Renton

Jamie Carnell
City of Seattle

Andy Cherullo, Chair
City of Tacoma

Executive Board Meeting Agenda

December 15, 2022

TEAMS CONFERENCE CALL
SEATTLE, WA

1. Call To Order
    a. Introductions

2. **PUBLIC COMMENT***

3. **APPROVAL OF 09-29-22 MEETING SUMMARY**
    a. 09-29-22 Meeting Summary

4. **REVIEW OF NOVEMBER 2022, OCTOBER 2022, AND SEPTEMBER 2022 FINANCIAL STATEMENTS**
    a. November 2022 Financial Statements
    b. October 2022 Financial Statements
    c. September 2022 Financial Statements

5. **ACTION ITEMS**
    a. Resolution **FL2022-04: Meeting Schedule 2023** (Majority Vote)
        i. Resolution: **FL2022-04**
        ii. Attachment A: **2023 Meeting Schedule**
    b. Resolution **FL2022-05: Final Budget 2023-2027** (Supermajority Vote)
        i. Briefing Paper: **FL2022-05**
        ii. Resolution: **FL2022-05**
        iii. Attachment A: **Final Budget 2023-2027**
    c. Resolution **FL2022-06: Accounting Services Contract** (Majority Vote)
        i. Briefing Paper: **FL2022-06**
        ii. Resolution: **FL2022-06**
        iii. Attachment A: **Frances and Company Contract**
    d. Resolution **FL2022-07: COS Loan Staff Agreement** (Majority Vote)
        i. Briefing Paper: **FL2022-07**
        ii. Resolution: **FL2022-07**
        iii. Attachment A: **COS Loan Staff Agreement**

6. **OPERATIONAL UPDATES**
    a. MBR
    b. Workplan 2023

*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.

c. State Audit
d. Workplan 2023
e. Vendor warrants
f. FileLocal Stabilization Strategy

7. ADJOURNMENT

FileLocal

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

Executive Board Meeting Summary

September 29, 2022

CONFERENCE CALL
SEATTLE, WA

Executive Board:

Jamie Thomas,
City of Auburn

Jamie Robinson
City of Bellevue

Beth Anne Wroe
City of Des Moines

Susy Haugen, Vice-Chair
City of Everett

Paula Painter
City of Kent

Lindsey Vaughn
City of Lake Forest Park

Kari Roller
City of Renton

Jamie Carnell
City of Seattle

Andy Cherullo, Chair
City of Tacoma

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

Standing Items

1. CALL TO ORDER

The 9-29-2022, meeting of the Washington Multi-City Business License and Tax Portal Agency (FileLocal) was called to order at 11:04 a.m. and conducted by conference call.

ROLL CALL

Board Members Present: Jamie Thomas (phone), Jamie Robinson (phone), Beth Ann Wroe (phone), Susy Haugen (phone), Paula Painter (phone), Kristin Trivelas (phone) for Kari Roller, Jamie Carnell (phone), and Andy Cherullo (phone)

Staff and Guests: Scott Hitchcock (phone), Michael Ervick (phone), Julie Panick (phone), Horace Francis (phone), and David Linehan (phone)

2. PUBLIC COMMENT

There were no public comments.

3. APPROVAL OF MEETING SUMMARY

On a motion made by Paula Painter and seconded by Jamie Robinson, the board approved the 6-23-22 meeting summary.

4. REVIEW OF FINANCIAL STATEMENT

Scott Hitchcock summarized the August 2022 financial statements and cash status. There were no questions or comments

5. ACTION ITEMS

No resolutions were presented at this meeting.

6. DISCUSSION ITEMS:

A. Avenu Migration to Azure Security Assessment

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Scott Hitchcock shared the results of the Leviathan assessment. Overall, Leviathan has high confidence in Avenu's efforts to keep the new platform secure. Avenu plans to test October through mid-November with the planned cutover date of 11/19.22.

B. August Monthly Business Review

Scott Hitchcock reviewed the Monthly Business Review. Production Support Tickets were down from the previous month. Call center volume was significantly lower month-over-month due to normalization after quarter-end fillings.

C. Vendor Warrants

Scott Hitchcock reviewed the 2nd Quarter 2022 Vendor Warrant list. There were no questions or comments.

7. ADJOURNMENT

On a motion made by Jamie Carnell and seconded by Susy Haugen, the meeting of the Executive Board adjourned at 11:16 a.m.

Respectfully Submitted,

Julie Panick
Secretary, FileLocal

Finance Statements – November 2022

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

FileLocal
Financial Statements
November 30, 2022

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FILELOCAL
STATEMENT OF FINANCIAL POSITION
NOVEMBER 30, 2022

ASSETS		
Cash	$	83,551
LGIP Investment		1,641,508
Prepaid		14,930
Total Current Assets		1,739,989
TOTAL ASSETS	**$**	**1,739,989**
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	$	450
Accrued liabilities		113,514
Total Current Liabilities		113,964
TOTAL LIABILITIES		113,964
NET ASSETS		
Permanently restricted net assets		199,852
Temporarily restricted net assets		1,083,052
Change in net assets		343,121
TOTAL NET ASSETS		1,626,025
TOTAL LIABILITIES AND NET ASSETS	**$**	**1,739,989**

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 NOVEMBER 30, 2022

	September	October	November	YTD
REVENUES				
User fees	$ 12,288	$ 71,980	$ 56,736	**$ 556,224**
Reimbursable cost/Capital cost recovery charges				
City of Seattle	-	-		**462,720**
City of Bellevue	-	-		**71,357**
City of Tacoma	-	-		**112,897**
City of Everett	-	-		**35,345**
City of Lake Forest Park	-	-		**8,623**
City of Auburn	-	-		**10,397**
City of Renton	-	-		**35,562**
City of Des Moines	-	-		**16,028**
City of Snoqualmie	-	-		**17,335**
City of Shoreline	-	-		**14,745**
City of Kent	-	-		**17,335**
Total direct reimbursable costs	-	-	-	**802,344**
Interest income	3,438	4,215	5,061	**20,940**
Total revenues	$ 15,726	$ 76,195	$ 61,797	**$ 1,379,508**
EXPENSES				
Accounting fees	$ 4,288	$ 4,288	$ 4,288	**49,369**
Agency IT costs	-	-		**-**
Bank fees	9	9	8	**477**
Capital Cost recovery	-	-		**20,500**
Insurance	431	431	431	**4,738**
Labor costs	35,399	35,399	57,678	**316,667**
Agency IT costs	4,158	-	-	**20,605**
Legal fees	248	310	-	**2,449**
License and membership fees	-	-		**410**
Office and operating supplies	-	-	-	**5**
Technology costs	47,545	34,399	14,950	**333,099**
Transaction fees	6,156	27,608	35,612	**288,068**
Travel Expense	-	-		**-**
Other Expense	-	-		**-**
Total expenses	98,234	102,444	112,967	**1,036,387**
CHANGE IN NET ASSETS	**$ (82,508)**	**$ (26,249)**	**$ (51,170)**	**$ 343,121**

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FILELOCAL
SCHEDULE OF BUDGET AND ACTUAL
FOR THE YEAR TO DATE ENDED NOVEMBER 30, 2022

	Budget (Final)	YTD Budget	YTD Actual	Variance
REVENUES				
User fees	$ 550,500	$ 504,625	$ 556,224	$ 51,599
Reimbursable cost/Capital cost recovery charges				
City of Seattle	462,720	462,720	462,720	-
City of Bellevue	71,357	71,357	71,357	-
City of Tacoma	112,897	112,897	112,897	-
City of Everett	35,345	35,345	35,345	-
City of Lake Forest Park	8,623	8,623	8,623	-
City of Auburn	10,397	10,397	10,397	-
City of Renton	35,562	35,562	35,562	-
City of Des Moines	16,028	16,028	16,028	-
City of Snoqualmie	17,335	17,335	17,335	-
City of Shoreline	14,745	14,745	14,745	-
City of Kent	17,335	17,335	17,335	-
Total direct reimbursable costs	802,344	802,344	802,344	-
Interest income	-	-	20,940	20,940
Fund carryover	-	-	-	-
Total sources	$ 1,352,844	$ 1,306,969	$ 1,379,508	$ 72,539
EXPENSES				
Labor costs	$ 425,579	$ 390,114	$ 316,667	$ 73,447
Contracts	71,762	65,783	54,584	11,199
Overhead	70,187	64,339	23,469	40,870
Technology costs	764,816	701,081	621,167	79,914
Operating reserve	0	0	-	0
Capital cost recovery payments	20,500	20,500	20,500	-
Total operating expenses	$ 1,352,844	$ 1,241,817	$ 1,036,387	$ 205,430
CHANGE IN NET ASSETS			343,121	
NET ASSETS, AS OF JANUARY 1, 2022			1,282,904	
NET ASSETS, AS OF NOVEMBER 30, 2022			$ 1,626,025	
Schedule I - Contracts				
Accounting	$ 51,457	$ 47,169	$ 49,369	$ (2,200)
Auditing	12,030	11,028	-	11,028
Insurance	6,617	6,066	4,738	1,328
Bank fees	1,658	1,520	477	1,043
Total Contracts	$ 71,762	$ 65,783	$ 54,584	$ 11,199
Schedule II - Overhead				
Legal	$ 35,831	$ 32,845	$ 2,449	$ 30,396
Office and operating supplies	2,127	1,950	5	1,945
Printing	2,127	1,950	-	1,950
Licenses/Memberships	2,127	1,950	410	1,540
Agency IT Costs	21,963	20,133	20,605	(472)
Miscellaneous	6,012	5,511	-	5,511
Total Overhead	$ 70,187	$ 64,339	$ 23,469	$ 40,870

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FILELOCAL
STATEMENT OF CASHFLOW
FOR THE YEAR-TO-DATE ENDED NOVEMBER 30, 2022

		Nov 30, 2022
Change in Net Assets		$ 343,121
Adjustments to reconcile Change in Net Assets		
to net cash provided by operations:		
	Due from Cities	89,803
	Prepaid	(14,930)
	Accounts Payable and Accrued Liabilities	(39,041)
Cash provided by operating activities		378,953
	Contributions to LGIP	(505,321)
	Net interest earned	(20,877)
Cash (used) for investing activities		(526,198)
Net cash increase (decrease)		(147,245)
Cash at January 1, 2022		230,796
Cash at November 30, 2022		**83,551**
Less Operating Reserve		**-**
Cash Available		**$ 83,551**

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Finance Statements – October 2022

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FileLocal
Financial Statements
October 31, 2022

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FILELOCAL
STATEMENT OF FINANCIAL POSITION
OCTOBER 31, 2022

ASSETS		
Cash	$	223,316
LGIP Investment		1,636,455
Prepaid		29,861
Total Current Assets		1,889,632
TOTAL ASSETS	**$**	**1,889,632**
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	$	27,761
Accrued liabilities		184,676
Total Current Liabilities		212,437
TOTAL LIABILITIES		212,437
NET ASSETS		
Net assets, unrestricted		1,282,904
Change in net assets		394,291
TOTAL NET ASSETS		1,677,195
TOTAL LIABILITIES AND NET ASSETS	**$**	**1,889,632**

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FILELOCAL
STATEMENT OF ACTIVITIES
FOR THE MONTH
AND YEAR-TO-DATE ENDED OCTOBER 31, 2022

	August	September	October	YTD
REVENUES				
User fees	$ 31,596	$ 12,288	$ 71,980	**$ 499,488**
Reimbursable cost/Capital cost recovery charges				
City of Seattle	-	-		**462,720**
City of Bellevue	-	-		**71,357**
City of Tacoma	-	-		**112,897**
City of Everett	-	-		**35,345**
City of Lake Forest Park	-	-		**8,623**
City of Auburn	-	-		**10,397**
City of Renton	-	-		**35,562**
City of Des Moines	-	-		**16,028**
City of Snoqualmie	-	-		**17,335**
City of Shoreline	-	-		**14,745**
City of Kent	-	-		**17,335**
Total direct reimbursable costs	-	-	-	**802,344**
Interest income	3,110	3,438	4,215	**15,879**
Total revenues	$ 34,706	$ 15,726	$ 76,195	**$ 1,317,711**
EXPENSES				
Accounting fees	$ 2,660	$ 4,288	$ 4,288	**45,081**
Agency IT costs	-	-		**-**
Bank fees	8	9	9	**469**
Capital Cost recovery	-	-		**20,500**
Insurance	431	431	431	**4,307**
Labor costs	(17,701)	35,399	35,399	**258,989**
Agency IT costs		4,158	-	**20,605**
Legal fees	186	248	310	**2,449**
License and membership fees	-	-		**410**
Office and operating supplies	-	-	-	**5**
Technology costs	25,181	47,545	34,399	**318,149**
Transaction fees	20,579	6,156	27,608	**252,456**
Travel Expense	-	-		**-**
Other Expense	-	-		**-**
Total expenses	31,344	98,234	102,444	**923,420**
CHANGE IN NET ASSETS	**$ 3,362**	**$ (82,508)**	**$ (26,249)**	**$ 394,291**

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FILELOCAL
SCHEDULE OF BUDGET AND ACTUAL
FOR THE YEAR TO DATE ENDED OCTOBER 31, 2022

	Budget (Final)	YTD Budget	YTD Actual	Variance
REVENUES				
User fees	$ 550,500	$ 412,875	$ 499,488	$ 86,613
Reimbursable cost/Capital cost recovery charges				
City of Seattle	462,720	462,720	462,720	-
City of Bellevue	71,357	71,357	71,357	-
City of Tacoma	112,897	112,897	112,897	-
City of Everett	35,345	35,345	35,345	-
City of Lake Forest Park	8,623	8,623	8,623	-
City of Auburn	10,397	10,397	10,397	-
City of Renton	35,562	35,562	35,562	-
City of Des Moines	16,028	16,028	16,028	-
City of Snoqualmie	17,335	17,335	17,335	-
City of Shoreline	14,745	14,745	14,745	-
City of Kent	17,335	17,335	17,335	-
Total direct reimbursable costs	802,344	802,344	802,344	-
Interest income	-	-	15,879	15,879
Fund carryover	-	-	-	-
Total sources	$ 1,352,844	$ 1,215,219	$ 1,317,711	$ 102,492
EXPENSES				
Labor costs	$ 425,579	$ 319,184	$ 258,989	$ 60,195
Contracts	71,762	53,823	49,857	3,966
Overhead	70,187	52,639	23,469	29,170
Technology costs	764,816	573,612	570,605	3,007
Operating reserve	0	0	-	0
Capital cost recovery payments	20,500	20,500	20,500	-
Total operating expenses	$ 1,352,844	$ 1,019,758	$ 923,420	$ 96,338
CHANGE IN NET ASSETS			394,291	
NET ASSETS, AS OF JANUARY 1, 2022			1,282,904	
NET ASSETS, AS OF OCTOBER 31, 2022			$ 1,677,195	
Schedule I - Contracts				
Accounting	$ 51,457	$ 38,593	$ 45,081	$ (6,488)
Auditing	12,030	9,023	-	9,023
Insurance	6,617	4,963	4,307	656
Bank fees	1,658	1,244	469	775
Total Contracts	$ 71,762	$ 53,823	$ 49,857	$ 3,966
Schedule II - Overhead				
Legal	$ 35,831	$ 26,873	$ 2,449	$ 24,424
Office and operating supplies	2,127	1,595	5	1,590
Printing	2,127	1,595	-	1,595
Licenses/Memberships	2,127	1,595	410	1,185
Agency IT Costs	21,963	16,472	20,605	(4,133)
Miscellaneous	6,012	4,509	-	4,509
Total Overhead	$ 70,187	$ 52,639	$ 23,469	$ 29,170

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FILELOCAL
STATEMENT OF CASHFLOW
FOR THE YEAR-TO-DATE ENDED OCTOBER 31, 2022

		Oct 31, 2022
Change in Net Assets		$ 394,291
Adjustments to reconcile Change in Net Assets		
to net cash provided by operations:		
	Due from Cities	89,803
	Prepaid	(29,861)
	Accounts Payable and Accrued Liabilities	59,432
Cash provided by operating activities		513,665
	Contributions to LGIP	(505,321)
	Net interest earned	(15,824)
Cash (used) for investing activities		(521,145)
Net cash increase (decrease)		(7,480)
Cash at January 1, 2022		230,796
Cash at October 31, 2022		**223,316**
Less Operating Reserve		**-**
Cash Available		**$ 223,316**

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Finance Statements – September 2022

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September 30, 2022

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FILELOCAL
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2022

ASSETS		
Cash	$	151,476
LGIP Investment		1,632,250
Prepaid		44,792
Total Current Assets		1,828,518
TOTAL ASSETS	**$**	**1,828,518**
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	$	-
Accrued liabilities		125,073
Total Current Liabilities		125,073
TOTAL LIABILITIES		125,073
NET ASSETS		
Net assets, unrestricted		1,282,904
Change in net assets		420,541
TOTAL NET ASSETS		1,703,445
TOTAL LIABILITIES AND NET ASSETS	**$**	**1,828,518**

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FILELOCAL
STATEMENT OF ACTIVITIES
FOR THE MONTH
AND YEAR-TO-DATE ENDED SEPTEMBER 30, 2022

	July	August	September	YTD
REVENUES				
User fees	$ 68,228	$ 31,596	$ 12,288	**$ 427,508**
Reimbursable cost/Capital cost recovery charges				
City of Seattle	-	-		**462,720**
City of Bellevue	-	-		**71,357**
City of Tacoma	-	-		**112,897**
City of Everett	-	-		**35,345**
City of Lake Forest Park	-	-		**8,623**
City of Auburn	-	-		**10,397**
City of Renton	-	-		**35,562**
City of Des Moines	-	-		**16,028**
City of Snoqualmie	-	-		**17,335**
City of Shoreline	-	-		**14,745**
City of Kent	-	-		**17,335**
Total direct reimbursable costs	-	-	-	**802,344**
Interest income	2,232	3,110	3,438	**11,665**
Total revenues	$ 70,460	$ 34,706	$ 15,726	**$ 1,241,517**
EXPENSES				
Accounting fees	$ 4,288	$ 2,660	$ 4,288	**40,792**
Agency IT costs	-	-		**-**
Bank fees	31	8	9	**460**
Capital Cost recovery	-	-		**20,500**
Insurance	431	431	431	**3,876**
Labor costs	35,399	(17,701)	35,399	**223,590**
Agency IT costs			4,158	**20,605**
Legal fees	93	186	248	**2,139**
License and membership fees	-	-		**410**
Office and operating supplies	-	-	-	**5**
Technology costs	17,200	25,181	47,545	**283,749**
Transaction fees	27,645	20,579	6,156	**224,850**
Travel Expense	-	-		**-**
Other Expense	-	-		**-**
Total expenses	85,087	31,344	98,234	**820,976**
CHANGE IN NET ASSETS	**$ (14,627)**	**$ 3,362**	**$ (82,508)**	**$ 420,541**

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FILELOCAL
SCHEDULE OF BUDGET AND ACTUAL
FOR THE YEAR TO DATE ENDED SEPTEMBER 30, 2022

	Budget (Final)	YTD Budget	YTD Actual	Variance
REVENUES				
User fees	$ 550,500	$ 412,875	$ 427,508	$ 14,633
Reimbursable cost/Capital cost recovery charges				
City of Seattle	462,720	462,720	462,720	-
City of Bellevue	71,357	71,357	71,357	-
City of Tacoma	112,897	112,897	112,897	-
City of Everett	35,345	35,345	35,345	-
City of Lake Forest Park	8,623	8,623	8,623	-
City of Auburn	10,397	10,397	10,397	-
City of Renton	35,562	35,562	35,562	-
City of Des Moines	16,028	16,028	16,028	-
City of Snoqualmie	17,335	17,335	17,335	-
City of Shoreline	14,745	14,745	14,745	-
City of Kent	17,335	17,335	17,335	-
Total direct reimbursable costs	802,344	802,344	802,344	-
Interest income	-	-	11,665	11,665
Fund carryover	-	-	-	-
Total sources	$ 1,352,844	$ 1,215,219	$ 1,241,517	$ 26,298
EXPENSES				
Labor costs	$ 425,579	$ 319,184	$ 223,590	$ 95,594
Contracts	71,762	53,823	45,128	8,695
Overhead	70,187	52,639	23,159	29,480
Technology costs	764,816	573,612	508,599	65,013
Operating reserve	0	0	-	0
Capital cost recovery payments	20,500	20,500	20,500	-
Total operating expenses	$ 1,352,844	$ 1,019,758	$ 820,976	$ 198,782
CHANGE IN NET ASSETS			420,541	
NET ASSETS, AS OF JANUARY 1, 2022			1,282,904	
NET ASSETS, AS OF SEPTEMBER 30, 2022			$ 1,703,445	
Schedule I - Contracts				
Accounting	$ 51,457	$ 38,593	$ 40,792	$ (2,199)
Auditing	12,030	9,023	-	9,023
Insurance	6,617	4,963	3,876	1,087
Bank fees	1,658	1,244	460	784
Total Contracts	$ 71,762	$ 53,823	$ 45,128	$ 8,695
Schedule II - Overhead				
Legal	$ 35,831	$ 26,873	$ 2,139	$ 24,734
Office and operating supplies	2,127	1,595	5	1,590
Printing	2,127	1,595	-	1,595
Licenses/Memberships	2,127	1,595	410	1,185
Agency IT Costs	21,963	16,472	20,605	(4,133)
Miscellaneous	6,012	4,509	-	4,509
Total Overhead	$ 70,187	$ 52,639	$ 23,159	$ 29,480

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 CASHFLOW
FOR THE YEAR-TO-DATE ENDED SEPTEMBER 30, 2022

		Sept 30, 2022
Change in Net Assets		$ 420,541
Adjustments to reconcile Change in Net Assets		
to net cash provided by operations:		
	Due from Cities	89,803
	Prepaid	(44,792)
	Accounts Payable and Accrued Liabilities	(27,941)
Cash provided by operating activities		437,611
	Contributions to LGIP	(505,321)
	Net interest earned	(11,610)
Cash (used) for investing activities		(516,931)
Net cash increase (decrease)		(79,320)
Cash at January 1, 2022		230,796
Cash at September 30, 2022		**151,476**
Less Operating Reserve		**-**
Cash Available		**$ 151,476**

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.

RESOLUTION NO. FL2022-04

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board establishing the place and times for meetings of the Executive Board in 2023.

Whereas, the Washington Multi-City Interlocal 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.

SECTION 2. If by reason of fire, flood, earthquake, or other emergencies 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 December 2022.

ATTEST:

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

_____ _____

Board Secretary **Board Chair**

Executive Board Meetings, 2023

All Executive Board meetings will be held at the Seattle Municipal Tower (SMT) and via Microsoft Teams, The meeting call-in number is 206-686-8357. The dates and conference ID numbers are listed below.

Dates	Conference ID	Location	Time
March 23, 2023	**946 189 812**	**SMT 4070**	**11:00a.m.**
June 1, 2023	**632 241 312**	**SMT 4070**	**11:00a.m.**
September 28. 2023	**208 403 022**	**SMT 4070**	**11:00a.m.**
December 14, 2023	**111 218 498**	**SMT 4070**	**11:00a.m.**

Operations Committee Meetings, 2023

Date	Conference ID	Time
March 8, 2023	**389 279 558**	**11:00a.m.**
May 17, 2023	**692 631 870**	**11:00a.m.**
September 13, 2023	**390 414 358**	**11:00a.m.**
November 29, 2023	**984 728 635**	**11:00a.m.**

FileLocal

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

FL2022-05 Briefing Paper –Final Budget 2023-2027

Date: December 15, 2022

Issue: Shall the Washington Multi-City Business License and Tax Portal Agency ("Agency") Executive Board approve the final 2023-2027 budget?

Recommendation: The Portal Agency Executive Board should pass Resolution FL2022-05 approving the final 2023-2027 budget.

Rationale: The Washington Multi-City Business License and Tax Portal Agency Interlocal Agreement Section 13 sets a process for approving the annual budget. The process steps are as follows:

- No later than May 1 present a proposed budget to the Executive Board. The proposed budget was initially presented to the Board at their March 24, 2022 meeting and formalized in resolution FL2022-02 at the June 23, 2022 meeting.
- No later than June 15 the Executive Board shall (1) review and revise the draft budget as it deems appropriate; (2) approve the draft budget by Supermajority Vote, and (3) forward the same to the principal/subscriber cities no later than July 1.
- A final budget must be approved by December 31.

The Executive Board approved the 2023-2027 draft budget at their June 23, 2022 meeting included as an attachment to FL2022-02. The draft budget was submitted to each principal/subscriber city.

By December 1 each principal city is to inform the Agency that their city has or will approve their shares of the Portal Agency budget.

The final budget is provided as Attachment A to Resolution FL2022-05.

RESOLUTION NO. FL2022-05

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board adopting a final 2023-2027 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 2023 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 2023-2027 budget for review on March 24, 2022 and approved the draft 2023-2027 Budget on June 23, 2022.

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, 2022 that they will or have approved their shares of the Portal Agency budget for 2023-2027.

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 2023-2027 budget for the Portal Agency as set forth in Exhibit A to this Resolution.

ADOPTED this_____day of December 2022.

ATTEST:

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

Board Secretary

Board Chair

FL2022-05 Attachment A Final Budget 2023-2027

December 15, 2022

Washington Cities Business License and Tax Portal Agency
Final Budget FY2023-2027
Summary of Budget
12-15-2022

Budget		2018 (A)	2019 (A)	2020 (A)	2021 (A)	2022 (F)	2023 (B)	2024 (B)	2025 (B)	2026 (B)	2027 (B)	YOY Change 2022 (F)	YOY Change 2023 (B)	YOY Change Change	2023 Budget Changes May Draft	2023 Budget Changes Updated	2023 Budget Changes Change
User Fees	1	212,329	350,568	437,628	599,239	599,090	588,860	601,179	613,593	625,989	638,559	599,090	588,860	(10,230)	576,921	588,860	11,939
Interest Income	2	-	-	605	1,022	19,055	-	-	-	-	-	19,055	-	(19,055)	-	-	-
Revenue		**212,329**	**350,568**	**438,233**	**600,261**	**618,145**	**588,860**	**601,179**	**613,593**	**625,989**	**638,559**	**618,145**	**588,860**	**(29,285)**	**576,921**	**588,860**	**11,939**
														-5%			
Contracts	3	(42,098)	(74,506)	(51,227)	(54,579)	(71,018)	(73,341)	(74,998)	(76,896)	(78,841)	(80,836)	(71,018)	(73,341)	(2,323)	(73,341)	(73,341)	-
Labor	4	(353,961)	(398,257)	(418,788)	(398,016)	(359,787)	(435,047)	(448,099)	(461,542)	(475,388)	(489,650)	(359,787)	(435,047)	(75,260)	(435,047)	(435,047)	-
Overhead	5	(19,269)	(15,119)	(18,935)	(7,800)	(24,042)	(66,512)	(68,015)	(69,736)	(71,500)	(73,309)	(24,042)	(66,512)	(42,470)	(71,512)	(66,512)	5,000
Technology Costs	6	(574,397)	(607,580)	(420,161)	(579,547)	(707,331)	(787,610)	(813,445)	(841,559)	(870,695)	(890,856)	(707,331)	(787,610)	(80,280)	(758,810)	(787,610)	(28,800)
Expenses		**(989,725)**	**(1,095,463)**	**(909,111)**	**(1,039,942)**	**(1,162,178)**	**(1,362,511)**	**(1,404,557)**	**(1,449,732)**	**(1,496,424)**	**(1,534,651)**	**(1,162,178)**	**(1,362,511)**	**(200,332)**	**(1,338,710)**	**(1,362,511)**	**(23,800)**
Collected from Cities	7	-	-	21,000	16,000	20,500	20,500	20,500	20,500	20,500	20,500	20,500	20,500	-	20,500	20,500	-
Paid to Seattle	8	-	-	(21,000)	(16,000)	(20,500)	(20,500)	(20,500)	(20,500)	(20,500)	(20,500)	(20,500)	(20,500)	-	(20,500)	(20,500)	-
Capital Cost Recovery		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Operating Reserve	9						(4,525)	(6,307)	(6,776)	(7,004)	(5,734)	-	(4,525)	(4,525)	(955)	(4,525)	(3,570)
Operating Deficit	10	**(777,396)**	**(744,895)**	**(470,878)**	**(439,681)**	**(544,033)**	**(778,176)**	**(809,685)**	**(842,915)**	**(877,439)**	**(901,826)**	**(544,033)**	**(778,176)**	**(234,143)**	**(762,744)**	**(778,176)**	**(15,431)**
Cost Reimbursement	11	**832,818**	**793,216**	**839,331**	**854,893**	**781,844**	**778,176**	**809,685**	**842,915**	**877,439**	**901,826**	**781,844**	**778,176**	**(3,669)**	**762,744**	**778,176**	**15,431**
Surplus/ (Deficit)		**55,421**	**48,321**	**368,453**	**415,212**	**237,812**	**-**	**-**	**-**	**-**	**-**	**237,812**	**-**	**(237,812)**	**-**	**-**	**-**

BUDGET UPDATES

1 2023 User Fees are $11,939 higher due to a higher transaction count (18,000) offset by a lower conversion rate (5%).

	Transaction	Budget $
Increase in 2022 actuals transaction counts	21,126	$ 63,378
Decrease for 2023 operating conditions	(3,126)	$ (9,377)
	18,000	$ 54,001
Decrease in actuals conversion rate (75% to 70%)		$ (42,062)
Net Change in User Fee Revenue		**$ 11,939**

5 $5000 decrease in overhead expenses

Decrease in Miscellaneous Expenditure	$ (5,749)
Decrease in Office Expenditure	$ (4,251)
Increase in post Covid Travel	$ 5,000
Net Change in Overhead Expense	**$ (5,000)**

6 $28,800 decrease in Technology costs

Avenu User Cost per transaction ($1.6)	18,000	**$ 28,800**

9 $3570 increase in Operating Reserve due to increase in operating costs

Increase in operating Costs	23,800
15% Operating Reserve	**3,570**

Washington Cities Business License and Tax Portal
Agency Key Assumptions for Budget
FY2023-FY2027 Final Budget
12-15-22

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

10. Cost Reimburement			Actual				Forecast	Estimated Transaction Counts				
	Transactions	Allocation	2018 (A)	2019 (A)	2020 (A)	2021 (A)	2022 (F)	2023 (B)	2024 (B)	2025 (B)	2026 (B)	2027 (B)
Auburn	4,544	1%	-	-	-	-	9,897	9,850	10,249	10,670	11,107	11,415
Bellevue	30,927	9%	85,125	76,517	71,951	72,142	67,357	67,041	69,756	72,619	75,593	77,694
Bremerton	-	0%	13,854	37,091	36,825	37,008	-	-	-	-	-	-
Des Moines	6,900	2%			10,662	16,095	15,028	14,957	15,563	16,202	16,865	17,334
Everett	14,392	4%	38,821	34,760	33,426	33,572	31,345	31,198	32,461	33,793	35,178	36,155
Kent	7,500	2%				8,594	16,335	16,258	16,916	17,611	18,332	18,841
Lake Forest Park	3,500	1%	10,955	8,932	8,093	8,164	7,623	7,587	7,894	8,218	8,555	8,793
Renton	15,410	4%	21,117	36,060	35,773	35,946	33,562	33,405	34,757	36,184	37,666	38,713
Seattle	212,457	59%	543,559	483,703	493,538	495,593	462,720	460,549	479,198	498,864	519,296	533,729
Shoreline	5,852	2%	6,465	14,326	13,597	13,651	12,745	12,686	13,199	13,741	14,304	14,701
Snoqualmie	7,500	2%			19,325	17,495	16,335	16,258	16,916	17,611	18,332	18,841
Tacoma	50,000	14%	133,922	119,827	116,141	116,633	108,897	108,386	112,775	117,404	122,212	125,609
Total	**358,982**	**100%**	**853,818**	**811,216**	**839,331**	**854,893**	**781,844**	**778,176**	**809,685**	**842,915**	**877,439**	**901,826**

Washington Cities Business License and Tax Portal Agency
Capital Cost Recovery

	Actual				Forecast	Estimated Transaction Counts					Forecast		YOY Change			2023 Budget Changes		
	2018 (A)	2019 (A)	2020 (A)	2021 (A)	2022 (F)	2023 (B)	2024 (B)	2025 (B)	2026 (B)	2027 (B)	Jan to Oct (A)	Nov -Dec (F)	2022 (F)	2023 (B)	Change	Original	Updated	Change
7. Collected from Cities																		
Auburn	-	-	-	-	500	500	500	500	500	500	500	-	500	500	-	500	500	-
Bellevue	-	-	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	-	4,000	4,000	-	4,000	4,000	-
Bremerton	-	-	2,000	500	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Des Moines	-	-	500	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	-	1,000	1,000	-	1,000	1,000	-
Everett	-	-	1,000	2,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	-	4,000	4,000	-	4,000	4,000	-
Kent	-	-	-	500	1,000	1,000	1,000	1,000	1,000	1,000	1,000	-	1,000	1,000	-	1,000	1,000	-
Lake Forest Park	-	-	1,000	500	1,000	1,000	1,000	1,000	1,000	1,000	1,000	-	1,000	1,000	-	1,000	1,000	-
Renton	-	-	4,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	-	2,000	2,000	-	2,000	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	-	2,000	2,000	-
Snoqualmie	-	-	500	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	-	1,000	1,000	-	1,000	1,000	-
Tacoma	-	-	6,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	-	4,000	4,000	-	4,000	4,000	-
Total Charged to Cities	**-**	**-**	**21,000**	**16,000**	**20,500**	**20,500**	**20,500**	**20,500**	**20,500**	**20,500**	**20,500**	**-**	**20,500**	**20,500**	**-**	**20,500**	**20,500**	**-**
8. Paid to Seattle					-													
Capital Recovery Payment	-	-	21,000	16,000	20,500	20,500	20,500	20,500	20,500	20,500	20,500	-	20,500	20,500	-	20,500	20,500	-
Total Capital Recovery	**-**	**-**	**21,000**	**16,000**	**20,500**	**20,500**	**20,500**	**20,500**	**20,500**	**20,500**	**20,500**	**-**	**20,500**	**20,500**	**-**	**20,500**	**20,500**	**-**

FileLocal

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

FL2022-06 Briefing Paper Francis and Company Accounting Contract

Date: December 15, 2022

Issue: Shall the Washington Multi-City Business License and Tax Portal Agency ("Agency") Executive Board authorize the Program Manager to execute a contract for accounting services with Francis and Company for the years 2023-2024?

Operating Committee Recommendation: The Portal Agency Executive Board should pass Resolution FL2022-06 approving the continued use of Francis and Company as the Agency's accounting services vendor.

Rationale: Pursuant to Section 4 of the Washington Multi-City Business License and Tax Portal Agency Interlocal Agreement, guiding principles for Agency integrity and accountability were established for the Agency. The Executive Board is also empowered under Section 6 of the ILA to enter into contracts with third-parties for services necessary to fulfill the purposes of the Agency and Interlocal Agreement. The Agency contracted with Francis and Company as our initial accounting firm. The Agency believes the vendor provides a unique service due to their history and familiarity with the Agency.

RESOLUTION NO. FL2022-06

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board Authorizing a Contract with Francis and Company to Provide Accounting Services for 2023-2024.

Whereas, Pursuant to Section 4 of the Washington Multi-City Business License and Tax Portal Agency Interlocal Agreement, guiding principles of integrity and accountability were established for the FileLocal Agency; and

Whereas, Pursuant to Section 6 of the Washington Multi-City Business License and Tax Portal Agency Interlocal Agreement, the Executive Board of the FileLocal Agency has the power to enter into agreements with third parties for the provision of services necessary to fully implement the purposes of the Agency and the Interlocal Agreement; and

Whereas the City of Seattle contracted with Francis and Company to provide accounting services during the implementation phase and during the subsequent launch period, and the Agency would like to retain Francis and Company as its accounting vendor for the period 2023-2024 due to its history and familiarity with the Agency;

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

SECTION 1. The Executive Board authorizes the Program Manager to execute a contract with Francis and Company covering the period 2023-2024, substantially in the form as set forth in Attachment A to this Resolution.

ADOPTED this ____ day of December 2022.

ATTEST:

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

Board Secretary

Board Chair

CONSULTANT SERVICES CONTRACT
BETWEEN THE WASHINGTON MULTI-CITY BUSINESS LICENSE AND TAX PORTAL AGENCY AND FRANCIS & COMPANY, PLLC, FOR ACCOUNTING AND TREASURER SERVICES

This Agreement ("Agreement") is made by and between the Washington Multi-City Business License and Tax Portal Agency d/b/a FileLocal ("Agency"), and Francis & Company, PLLC (hereinafter the "Consultant"), a corporation organized under the laws of the State of Washington, located and doing business at 200 W. Mercer St., Suite 208, Seattle, WA 98119.

RECITALS

WHEREAS, the Agency is required by law and its Fiscal Manual to prepare annual budgets, maintain accurate accounting and financial records, and implement financial controls; and

WHEREAS, the Agency previously selected Consultant to provide accounting and financial management services, and Consultant has provided such services pursuant to previously executed contracts; and

WHEREAS, the Agency recognizes Consultant's expertise and extensive knowledge of Agency's financial policies, procedures, and operations in this area and desires for Consultant to continue providing Agency with such services, and Consultant has agreed to provide these services on the terms and conditions provided in this Agreement;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, it is agreed by and between the parties as follows:

TERMS

I. Description of Work.

Consultant shall perform the services specified in Exhibit A ("Scope of Services") attached hereto. Consultant represents and warrants that it and any staff member assigned to the work will have the requisite training, skill, and experience necessary to provide the services required by this Agreement and, where required, is/are appropriately accredited and licensed by all applicable agencies and governmental entities. Services provided by Consultant and its subconsultant(s) under this Agreement will be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing in similar circumstances. Consultant shall not

subcontract for the performance of any work under this Agreement without prior written permission of the Agency.

II. Payment

A. The Agency shall pay Consultant an amount based on Consultant's hourly rates for the services described in Section I herein. The total compensation to be paid to Consultant for services provided under this Agreement shall not exceed $60,000 in any calendar year except upon approval in advance and in writing by the Agency. Consultant shall bill Agency based on the hourly rates and charges attached hereto as Exhibit B ("Consultant's Hourly Rates and Charges") and incorporated herein by this reference.

B. Consultant shall submit monthly invoices to the Agency for all work performed during the previous month. The Agency shall pay the full amount of an invoice within sixty (60) days of receipt. If the Agency objects to all or any portion of any invoice, it shall so notify Consultant within fifteen (15) days from the date of receipt of the invoice and shall pay that portion of the invoice not in dispute, and the parties shall immediately make a good faith effort to settle the disputed portion.

C. Consultant will not undertake any work or otherwise financially obligate the Agency in excess of the not-to-exceed amount in Section II(A) above without a duly authorized amendment to this Agreement.

III. Relationship of Parties

The parties intend that an independent contractor-client relationship will be created by this Agreement. As Consultant is customarily engaged in an independently established trade which encompasses the specific service provided to the Agency hereunder, no agent, employee, representative or sub-consultant of Consultant shall be or shall be deemed to be the employee, agent, representative, or sub-consultant of the Agency. In the performance of the work, Consultant is an independent contractor with the ability to control and direct the performance and details of the work, with the Agency being interested only in the results obtained under this Agreement. None of the benefits provided by the Agency to its employees including, but not limited to, compensation, insurance, and unemployment insurance are available from the Agency to the employees, agents, representatives, or sub-consultants of Consultant. Consultant will be solely and entirely responsible for its acts and for the acts of its agents, employees, representatives, and sub-consultants during the performance of this Agreement. The Agency may, during the term of this Agreement, engage other independent contractors to perform the same or similar work that Consultant performs hereunder.

IV. Duration of Agreement

This Agreement is effective as of the date it is last signed by the parties hereto, and shall remain in effect until December 31, 2024, unless terminated sooner by written notice in accordance with Section V, below.

V. Termination

A. Termination of Agreement. The Agency may terminate this Agreement for public convenience, Consultant's default, Consultant's insolvency or bankruptcy, or Consultant's assignment for the benefit of creditors, at any time prior to the expiration of this Agreement. Termination shall be effective immediately upon delivery of written notice by the Agency to Consultant, or on such date as stated in the Agency's notice, whichever is later.

B. Rights Upon Termination. In the event of termination, the Agency shall pay for all services satisfactorily performed by Consultant up to and including the effective date of termination, as described on a final invoice submitted to the Agency. Said amount shall not exceed the amount in Section II above. After termination, the Agency may take possession of all work product, records, and data within Consultant's possession pertaining to this Agreement, which records and data may be used by the Agency without restriction. Upon termination, the Agency may take over the work and prosecute the same to completion, by contract or otherwise.

VI. Discrimination

In the hiring of employees for the performance of work under this Agreement or any sub-contract hereunder, Consultant, its subcontractors, or any person acting on behalf of Consultant or its sub-consultants shall not by reason of race, religion, color, sex, national origin, or the presence of any sensory, mental, or physical disability, discriminate against any person who is qualified and available to perform the work to which the employment relates.

VII. Indemnification

Consultant shall defend, indemnify, and hold the Agency, its officers, officials, employees, agents, contractors, and volunteers harmless from any and all claims, injuries, damages, losses, or suits, including all legal costs and attorneys' fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the Agency. The Agency's inspection or acceptance of any of Consultant's work when completed shall not be grounds to avoid any of these covenants of indemnification. Should a court of competent jurisdiction

determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of Consultant and the Agency, its officers, officials, employees, agents, contractors, and/or volunteers, Consultant's liability hereunder shall be only to the extent of Consultant's negligence.

IT IS FURTHER SPECIFICALLY AND EXPRESSLY UNDERSTOOD THAT THE INDEMNIFICATION PROVIDED HEREIN CONSTITUTES CONSULTANT'S WAIVER OF IMMUNITY UNDER INDUSTRIAL INSURANCE, TITLE 51 RCW, SOLELY FOR THE PURPOSES OF THIS INDEMNIFICATION. THE PARTIES FURTHER ACKNOWLEDGE THAT THEY HAVE MUTUALLY NEGOTIATED THIS WAIVER. CONSULTANT'S WAIVER OF IMMUNITY UNDER THE PROVISIONS OF THIS SECTION DOES NOT INCLUDE, OR EXTEND TO, ANY CLAIMS BY CONSULTANT'S EMPLOYEES DIRECTLY AGAINST CONSULTANT.

The provisions of this section shall survive the expiration or termination of this Agreement.

VIII. Insurance

A. Consultant shall procure and maintain for the duration of this Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by Consultant, its subconsultants, agents, representatives, or employees.

B. Minimum Scope of Insurance. Consultant shall obtain insurance of the types described below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 or a substitute form providing equivalent liability coverage and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. The Agency shall be named by endorsement as an insured under Consultant’s Commercial General Liability insurance policy with respect to the work performed for the Agency.

3. Workers’ Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

4. Professional Liability insurance appropriate to Consultant's profession.

C. Minimum Amounts of Insurance. Consultant shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of $1,000,000 per accident.

2. Commercial General Liability insurance shall be written with limits no less than $1,000,000 each occurrence, $2,000,000 general aggregate.

3. Professional Liability insurance shall be written with limits no less than $1,000,000 per claim and $1,000,000 policy aggregate limit.

D. Consultant is responsible for the payment of any deductible or self-insured retention that is required by any of Consultant's insurance. If the Agency is required to contribute to the deductible under any of Consultant's insurance policies, Consultant shall reimburse the Agency for the full amount of the deductible within 10 working days of the Agency's deductible payment.

E. The Agency shall be named as an additional insured on Consultant's commercial general liability policy. This additional insured endorsement shall be included with evidence of insurance in the form of a Certificate of Insurance for coverage necessary in subsections B and C, above. The Agency reserves the right to receive a certified and complete copy of all of Consultant's insurance policies.

F. Consultant's insurance coverage shall be primary insurance as respects the Agency. Any insurance, self-insurance, or insurance pool coverage maintained by the Agency shall be excess of Consultant's insurance and shall not contribute with it. The Agency's own liability policy(ies) will be considered excess coverage with respect to defense and indemnity of the Agency only and no other party.

G. Consultant's insurance shall be endorsed to state that coverage shall not be cancelled by either party except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Agency.

H. If any coverage is written on a "claims made" basis, then a minimum of three years' extended reporting period shall be included with the claims made policy, and proof of this extended reporting period provided to the Agency upon request.

I. Acceptability of Insurers. Consultant's insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

IX. Exchange of Information

The Agency warrants the accuracy of any information supplied by it to Consultant for the purpose of completion of the work under this Agreement. The parties agree that Consultant will notify the Agency of any inaccuracies in the information provided by the Agency as may be discovered in the process of performing the work, and that the Agency is entitled to rely upon any information supplied by Consultant pursuant to this Agreement.

X. Ownership and Use of Records and Documents

Original documents, drawings, designs and reports ("work product") developed under this Agreement shall belong to and become the property of the Agency. All written information submitted by the Agency to Consultant in connection with the services performed by Consultant under this Agreement will be safeguarded by Consultant to at least the same extent as Consultant safeguards like information relating to its own business. If such information is publicly available or is already in Consultant's possession or known to it, or is rightfully obtained by Consultant from third parties, Consultant shall bear no responsibility for its disclosure, inadvertent or otherwise.

XI. Agency's Right of Inspection

Even though Consultant is an independent contractor with the authority to control and direct the performance and details of the work authorized under this Agreement, the work must meet the applicable deadlines established by the Agency for completion, and the work must meet the approval of the Agency. Consultant's work shall be subject to the Agency's general right of inspection to secure the satisfactory completion thereof. Consultant agrees to comply with all federal, state, and municipal laws, rules, and regulations that are now applicable or become applicable to Consultant's business, equipment, and personnel.

XII. Consultant to Maintain Records to Support Independent Contractor Status

By the effective date of this Agreement (or shortly thereafter), Consultant shall comply with all federal and state laws applicable to independent contractors including, but not limited to the maintenance of a separate set of books and records that reflect all Items of income and expenses of Consultant's business, pursuant to the Revised Code of Washington (RCW) Section 51.08.195, as required to show that the services performed by Consultant under this Agreement do not give rise to an employer-employee relationship between the parties which is subject to RCW Title 51, Industrial Insurance.

XIII. Work Performed at Consultant's Risk

Consultant shall take all precautions necessary and shall be responsible for the safety of its employees, agents, and sub-consultants in the performance of the work hereunder and shall utilize all protection necessary for that purpose. All work shall be done at Consultant's own risk, and Consultant shall be responsible for any loss of or damage to materials, tools, or other articles used or held by Consultant for use In connection with the work.

XIV. Non-Waiver of Breach

The failure of the Agency to insist upon strict performance of any of the covenants and agreements contained herein, or to exercise any option herein conferred in one or more instances, shall not be construed to be a waiver or relinquishment of said covenants, agreements, or options and the same shall be and remain in full force and effect.

XV. Resolution of Disputes and Governing Law

Should any dispute, misunderstanding, or conflict arise as to the terms and conditions of this Agreement, the matter shall first be referred to the Program Manager of the Agency, who shall determine the term or provision's true intent or meaning. The Program Manager shall also decide all questions that may arise between the parties relative to the actual services provided or to the sufficiency or timeliness of Consultant's or Agency's performance hereunder.

If any dispute arises between the Agency and Consultant under any of the provisions of this Agreement that cannot be resolved by the Program Manager's determination in a reasonable time, or if Consultant does not agree with the Program Manager's decision on the disputed matter, then any resulting litigation must be filed in King County Superior Court, King County, Washington, which the parties agree shall be the exclusive venue for disputes relating to the interpretation, performance, or enforcement of this Agreement. This Agreement is governed by and shall be interpreted in accordance with the laws of the State of Washington, without reference to its choice-of-law rules. The non-prevailing party in any action brought to interpret or enforce this Agreement shall pay the other party's expenses, including reasonable attorney's fees.

XVI. Written Notice

Unless otherwise specified, any written notice required by this Agreement shall become effective upon the date of receipt (which may be conclusively determined by certified mail, return receipt requested, or other equivalent proof of receipt), and shall be deemed sufficiently given if delivered to the addressee at the address stated below:

CONSULTANT:	**AGENCY:**
Francis & Company, PLLC Attn: Horace Francis, CPA 200 W. Mercer St., Suite 208 Seattle, WA 98119	FileLocal Attn: Program Manager 700 Fifth Avenue, Suite 4350 Seattle, WA 98104

XVII. Assignment

Any assignment of this Agreement by Consultant without the written consent of the Agency is void. If the Agency gives its consent to any assignment, this paragraph shall continue in full force and effect and no further assignment may be made without the Agency's consent.

XVIII. Modification and Severability

No waiver, alteration, or modification of any of the provisions of this Agreement is binding unless in writing and signed by the duly authorized representatives of the Agency and Consultant.

The provisions of this Agreement are declared to be severable. If any provision of this Agreement is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other provision.

XIX. Entire Agreement

The written provisions and terms of this Agreement, together with any Exhibits attached hereto, supersede all prior verbal statements of any officer or other representative of the Agency, and such statements shall not be effective or be construed as entering into or forming a part of or altering in any manner whatsoever this Agreement. The entire agreement between the parties with respect to the subject matter hereunder is contained in this Agreement and any Exhibits attached hereto, which may or may not have been executed prior to the execution of this Agreement. Should any language in any of the Exhibits to this Agreement conflict with any language contained herein, then this Agreement controls.

AGREED TO AND EXECUTED BY:

CONSULTANT

By:_____
Managing Director, CEO
Francis & Company, PLLC

Date: _____

AGENCY

By:_____
Scott Hitchcock, Program Manager

Date: _____

APPROVED AS TO FORM:

_____
Agency Attorney

ATTEST:

_____
Agency Secretary

EXHIBIT A

Scope of Services

Partner or Manager work with the Program Manager throughout the year as necessary to ensure that accounting and compliance issues are properly considered in the ongoing operation of the Agency. These services could include attendance at meetings with the Executive Director, Board and or Committee meetings.

Work with the Program Manager to track expenditures, verify expenditures, conduct periodic compliance monitoring, provide monthly financial statements, maintain accounting information within chart of accounts, maintain general ledger, reporting formats, internal control policies and procedures, and applicable governmental accounting requirements.

Assist with other financial and banking items such as, invoicing to cities, receipts of payments from cities, deposits to bank, bank account reconciliation and provide supporting documents for bank account along with monthly financial statements.

Work with the Program Manager to prepare annual operating budget.

Produce a full set of year-end financial statements (including management's discussion and analysis and footnotes) in accordance with generally accepted accounting principles for annual audit. Present compiled annual financial statements to management and file the annual report with the State Auditor.

EXHIBIT B

Consultant's Hourly Rates and Charges

Partner	$375
Senior Manager	$250
Manager	$200
Senior Accountant	$180
Staff Accountant	$155
Bookkeeping	$100

FileLocal

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

FL2022-07 Briefing Paper: Agreement for Assignment of Staff and Provisions of Related Office Space

Date: December 15, 2022

Issue: Should the Executive Board of Washington Multi-City Business License and Tax Portal Agency ("Portal Agency") authorize the Program Manager to execute a second amendment extending the duration of the existing "Agreement for Assignment of Staff and Provisions of Related Office Space and Other Support" ("Loan Staff Agreement") with the City of Seattle?

Operating Committee Recommendation: The Portal Agency Executive Board should pass Resolution FL2022-07 to authorize the Program Manager to execute a contract amendment to extend the Loan Staff Agreement with the City of Seattle through December 31, 2028, unless terminated earlier.

Rationale: Sections 10.a and 11.d of the Washington Multi-City Business License and Tax Portal Agency Interlocal Agreement ("ILA") contemplate an agreement with a participating city to provide staff and auxiliary services to the Portal Agency. The Portal Agency has benefitted from this contractual arrangement and desires to continue the relationship with the City of Seattle on the terms set forth in the Loan Staff Agreement.

Background: The City of Seattle and the Portal Agency negotiated a set of terms to provide services including but not limited to assignment of support staff, support staff reporting, backfill of support staff positions, support staff office space, equipment, supplies, records, payment, allowable costs, dispute resolution, property, and insurance. The Portal Agency desires to continue receiving the benefits of these staffing, office space, and auxiliary support services it receives from the City of Seattle, and the City has indicated its willingness to continue providing such services on the original terms for an additional six years.

RESOLUTION NO. FL2022-07

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board Authorizing an Extension of the Agreement Between the Agency and the City of Seattle for the Provision of Support Staff, Office Space, and Related Support Services

Whereas, the Washington Multi-City Business License and Tax Portal Agency ("Portal Agency") Interlocal Agreement Sections ("ILA") 10.a and 11.d contemplate the Portal Agency entering into an agreement with a participating city to provide staff, office space, and auxiliary services;

Whereas, the Portal Agency and the City of Seattle entered into that certain Agreement for Assignment of Staff and Provision of Related Office Space and Other Support ("Loan Staff Agreement"), via Resolution No. FL2014-19, consistent with the terms of the ILA;

Whereas, the Portal Agency and the City of Seattle executed an amendment to extend the duration of the Loan Staff Agreement for an additional four years ending December 31, 2022 via Resolution No. FL2018-07;

Whereas, the Portal Agency continues to benefit from the Loan Staff Agreement and desires to extend the duration of the Loan Staff Agreement beyond its initial term;

Now Therefore,

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

SECTION 2. The Executive Board hereby authorizes the Program Manager of the Portal Agency to execute a second amendment to the Loan Staff Agreement, extending its term through December 31, 2028, as set forth in Exhibit A attached hereto.

ADOPTED this _____DAY OF DECEMBER, 2022.

ATTEST:

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

_____
Board Secretary

_____
Board Chair

SECOND AMENDMENT TO CONTRACT

This Second Amendment to Contract ("Second Amendment") amends that certain Agreement for Assignment of Staff and Provision of Related Office Space and Other Support ("Agreement"), entered into by and between the Washington Multi-City Business License and Tax Portal Agency ("Agency") and the City of Seattle ("City"), and adopted by the Agency on September 22, 2014, for the purpose of the City providing employee resources and support services to the Agency, which was first amended on October 1, 2018 to extend the original Term of the Agreement.

Whereas the Agreement, as previously amended on October 1, 2018, provides in Section 2, entitled Term of Agreement, that the Agreement will terminate on December 31, 2022, unless earlier terminated per Section 16; and

Whereas the Agency and the City now desire to further extend the term of the Agreement an additional six years; and

Whereas Section 3 of the Agreement identifies three positions to be provided by the City to the Agency—namely, a Program Manager, an administrative support staff position, and a Project Manager/Business Analyst position—and the job descriptions for these three positions are set forth in Attachments A, B, and C to the Agreement; and

Whereas the Agency now wishes to amend the title of the Project Manager/Business Analyst position and the job descriptions for all three staff positions described in Attachments A, B, and C; and

Whereas the Agreement provides in Section 15, entitled Amendment, that the Agreement may be amended at any time, in writing signed by the authorized representatives of both parties; and

Now therefore, the Agency and City agree as follows:

1. Section 2 of the Agreement is hereby amended to read as follows:

> *Section 2. Term of Agreement. This Agreement shall take effect and be in force from and after its signature by both parties and shall continue in effect until December 31, 2028, unless earlier terminated per Section 16.*

2. The Project Manager/Business Analyst Position listed in Section 3 of the Agreement is hereby retitled to be the Project Manager/Process Manager.

3. The job descriptions set forth in Attachments A, B, and C referenced in Section 3 of the Agreement are hereby amended and replaced as shown in the new Attachments A, B, and C attached hereto.

Except as set forth in this Second Amendment, all other provisions of the Agreement remain in full force and effect.

AGREED TO THIS _____ DAY OF _____, 2022, BY:

AGENCY	CITY OF SEATTLE
Scott Hitchcock FileLocal Program Manager	Jamie Carnell City Finance Interim Director

Attachment A: Program Manager

Job Description:

The Program Manager is the Chief Executive Officer of the Multi-City Business License and Tax Portal Agency ("the Agency") and reports to the Board of Directors and is responsible for the organization's consistent achievement of its mission and objectives.

For the Executive Board, the Program Manager will:

1. Assure that the organization has a long-range strategy which achieves its mission, and toward which it makes consistent and timely progress. Responsible for continued strategic and business planning including redevelopment and implementation of vision and mission as necessary. Also, responsible the development of an annual work plan, subject to Board approval.

2. Provide leadership in developing program, organizational and financial plans with the Board of Directors, accounting agency and staff, and carry out plans and policies authorized by the board.

3. Promote active and broad participation by participating cities in all areas of the organization's work.

4. Ensure the Agency maintains official records and documents, and complies with federal, state and local regulations.

5. Maintain a working knowledge of significant developments and trends in the field.

In communications, the Program Manager will:

1. See that the board is kept fully informed on the condition of the organization and all important factors influencing it.

2. Publicize the activities of the organization, its programs and goals.

3. Establish sound working relationships and cooperative arrangements with community groups and organizations.

4. Represent the programs and point of view of the organization to agencies, organizations, and the general public.

In relations with staff, the Program Manager will:

1. Be responsible for the recruitment, employment, and release of all personnel, both paid staff and volunteers.

2. Ensure that job descriptions are developed, that regular performance evaluations are held, and that sound human resource practices are in place.

3. See that an effective team, with appropriate provision for succession, is in place.

4. Encourage staff development and education and assist program staff in relating their specialized work to the total program of the organization.

5. Maintain a climate which attracts, keeps, and motivates a diverse staff of top-quality people.

In budget and finance, the Program Manager will:

1. Be responsible for developing and maintaining sound financial policies and practices.

2. Work with the staff, vendor, Operations Committee, and the board in preparing a budget and work plan; oversee the implementation of the work plan within budget guidelines.

3. Ensure that adequate funds are available to permit the organization to carry out its work.

4. Manage all aspects of the contracted service model, including requests for proposals, scoping, and contract management and reporting.

5. Jointly, with the president and secretary of the Executive Board, conduct official correspondence of the organization, execute such legal documents as may be authorized by the Agency Bylaws

In Day-to-Day Operations, the Program Manager will:

1. Participate in recruitment, interview, selection, disciplining and evaluation process for directly supervised staff and other key positions. Hiring, evaluating and disciplining staff is the responsibility of the Program Manager.
2. Maintain administrative reports and statistical information on all aspects of the Portal as defined by the Portal Operations Guide.
3. Prepare and maintain budgets, all necessary financial reporting, assure that the Agency utilizes general acceptable accounting practices (GAAP).
4. Functions and administers Agency under personnel policies, fiscal policies and other policies and procedures adopted by the Executive Board.
5. Organize, plan, supervise, coordinate and assign work to Agency staff.
6. Oversee all operational and administrative functions of the Agency
7. Other duty necessary to assure that the Agency is operating in an efficient manner.
8. Manage the Agency in line with the established goals, aims and objectives approved by the Executive Board.
9. Responsible for the application, implementation and interpretation of established Board policies in the operation of the Portal and oversight of all Agency staff. Acts as the liaison between the Executive Board and the Agency staff.
10. Attends all meetings of the Executive Board, committee meetings, and provides direction and input into decisions affecting the Agency and its staff.
11. Support the Executive Board
    a. ensure integrity and strength of Board leadership and address issues around clarity of role, governance, bylaws/policies and corporate structure
    b. assist with the cultivation and recruitment of new Board members
    c. prepare reports to the Executive Board and the Operations Committee

    d. provide staff support and attend various Committee meetings
12. Between Executive Board meetings provide, as appropriate, general information, policy changes, and developments to the Chair and Vice-Chair of the Executive Board.
13. Strategize the organization's short range and long-range program goals particularly in organizing and planning:
    a. establish, cultivate and maintain relations with donors, foundations, and other resources to support organizational programs and activities
    b. maintain accountability for current year operating budget
14. Serve as the Agency organization’s principal leader, representative and spokesperson to the greater community.
15. Interact with elected officials and external agencies, providing direct or indirect briefings with the Board, Committee, and other external entities and/or staff.

Attachment B: Project Manager/Process Manager

Job Description:

Under the direction of the Program Manager, the Project Manager/Process Manager ("PPM") will participate in vital and strategic planning, budgeting, leadership, direction and support for platform programs, services and operations and communicate the importance and value of the platform to the community.

Additional responsibilities include oversight and direction of platform projects on behalf of the Program Manager.

The PPM will perform the duties and responsibilities of the Program Manager in his absence or in an interim capacity or role as needed.

The PPM will be responsible for planning, executing, tracking and reporting Tax Portal implementations and deployment to cities.

This includes:

- **Projects**
    - Developing and managing launch plans and timelines
    - Building and managing project requirements
    - Managing stakeholders and team
    - Managing and communicating schedules
    - Managing implementations and working with city and vendor teams to optimize efficiencies and process
    - Tracking, reporting and presenting progress to Operations Committee
    - Issue and Risk management and solving
    - Communicating to stakeholders and executive management

- **Processes:**
    - Managing the relationship with the Tax Portal vendor – includes (but not limited to):
    - Change requests
    - Troubleshooting and Bug Management
    - Enhancements
    - Version updates
    - Managing the relationship with the Tax Portal cities – includes (but not limited to):
    - Technical Service Level Agreements and Operating Agreements
    - Quality Assurance (Data, Technical, Security, Process and Service)
    - Problem and Issue Analysis and resolution coordination
    - Incident and recovery coordination with cities/liaison with Vendor(s)
    - Technical Documentation (System, Process, Service, etc.)
    - Support reporting and analysis (business data, Ops performance measures)
    - Data Stewardship

Attachment C: Administrative Support Position

Job Description:

Serves as the primary administrative staff resource for the Agency and reports to the Program Manager.

Provides administrative staff support to the following groups:

- Executive Board
- Operations Committee
- FileLocal Vendors

This involves planning board and committee meetings, coordinating logistics utilizing internal and external resources – including securing facilities, rooms, and technology (including setting up teleconferences when necessary). Track Board and Committee membership, and member participation. Build event itineraries, prepare and distribute Board and Committee packets and meeting minutes, and draft agendas.

Manage document archive and respond to Public Information and Public Disclosure Requests. Responsible for analyzing, drafting, editing, formatting and managing agency documentation.

FileLocal: Monthly Business Review

October 2022

Production Support Tickets

October '22	1 Week	2 Weeks	3+ Weeks	Total
In Progress	3	2	12	17
Ready to Start	172	140	100	412
Escalated	10	1	0	11
Waiting for customer	2	1	5	8
Pending	1	0	4	5
Subtotal FY22	188	144	121	453
<FY22	0	0	0	0
Total Tickets	188	144	121	453

September '22	1 Week	2 Weeks	3+ Weeks	Total
In Progress	0	1	6	7
Ready to Start	14	0	2	16
Escalated	5	0	0	5
Waiting for customer	2	0	5	7
Pending	0	0	10	10
Subtotal FY22	21	1	23	45
<FY22	0	0	0	0
Total Tickets	21	1	23	45

Delta	1 Week	2 Weeks	3+ Weeks	Total
In Progress	3	1	6	10
Ready to Start	158	140	98	396
Escalated	5	1	0	6
Waiting for customer	0	1	0	1
Pending	1	0	-6	-5
Subtotal FY22	167	143	98	408
<FY22	0	0	0	0
Total Tickets	167	143	98	408

October call volume reflected the increased filing activity associated with the end of the Third Quarter. Slight delays associated with the upgrade to ServiceNow and new staffing levels.

Call Center Metrics

	# Handled	Average Handle Time (AHT)	Average Speed of Answer (ASA)	# Abandoned	% Abandoned	# Missed	% Missed
Oct '22 Call Center Info	1,740	7.84	15.57	136	7.33%	42	2.33%
Sep '22 Call Center Info	805	8.50	5.03	58	5.75%	36	3.75%
Month over Month Change	935	(0.66)	10.54	78	1.58%	6	-1.42%

Calls surge with quarter-end filings. Overall, call center performance has been slightly impacted by the same labor issues impacting the nation and the upgrade to ServiceNow.

Average MOS (Mean Option Score)

The average rating across all calls to indicate the quality of service rendered. It is based on a scale of 1 – 5, with 5 being the best score, and 1 being the worst score. Industry averages are around 4.3, which is considered excellent. - (Higher is better).

 # Handled

The total number of calls that were answered by agents.

AHT (Average Handle Time)

The average time, from start to finish, that a contact was connected with an agent (average handle time). It includes talk time, hold time, and After Contact Work (ACW) time. AHT is calculated by averaging the amount of time between the contact being answered by an agent and the completion of work on that contact by an agent.

ASA (Average Speed of Answer)

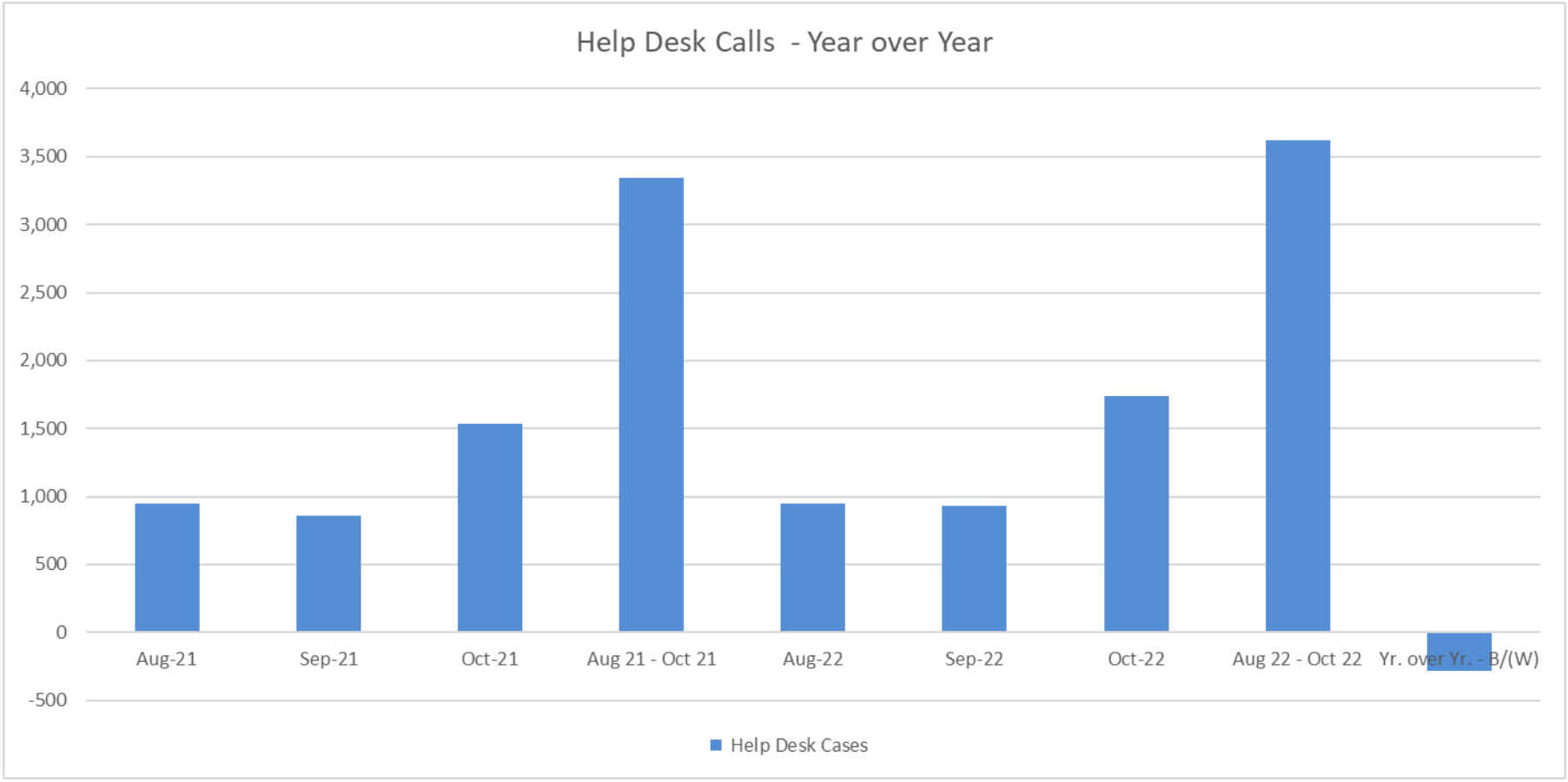
The average time from when a call is in the queue, to the time that it is answered by an agent.

Abandoned /Abandoned %

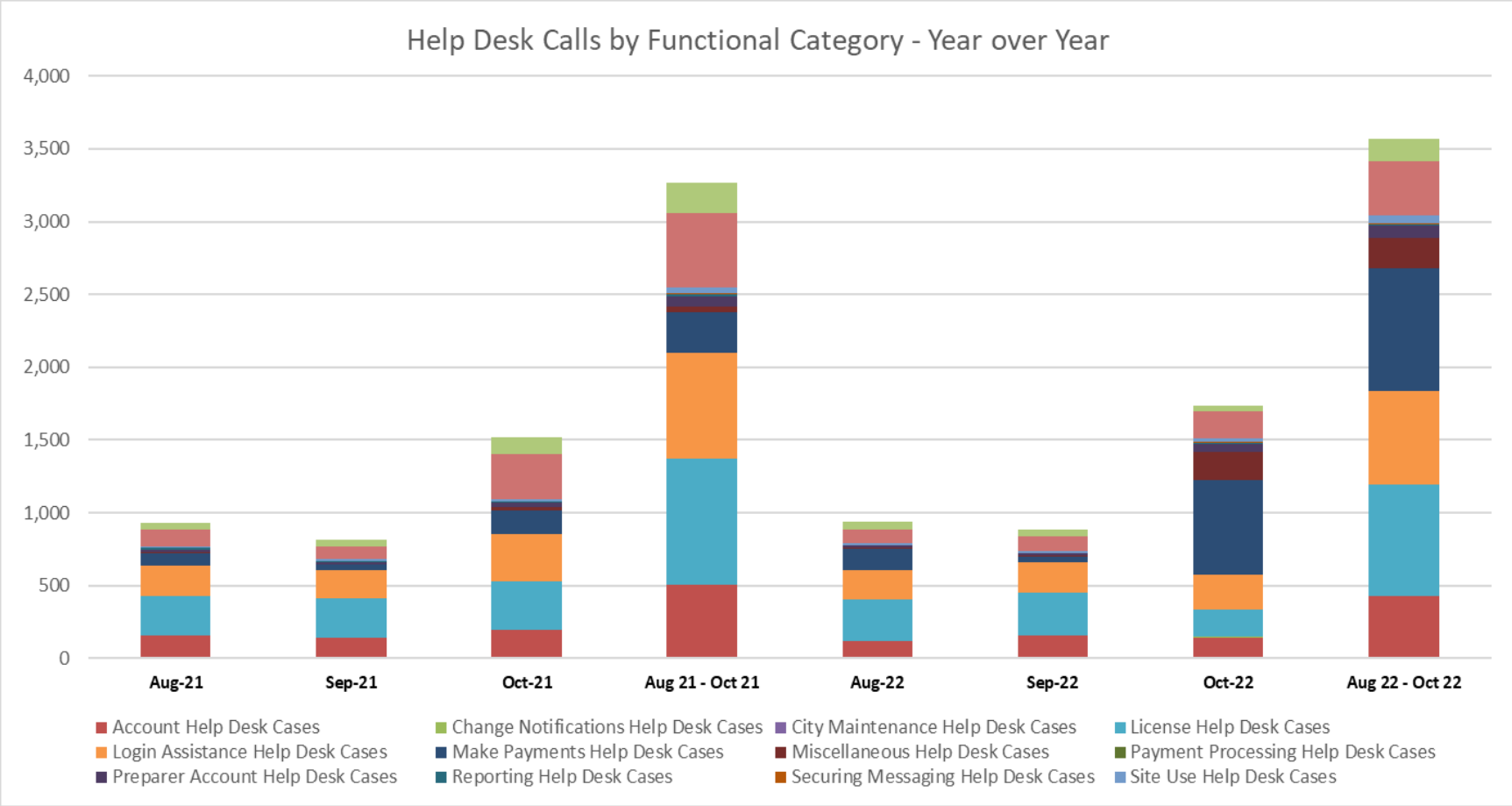
Count of calls disconnected by the customer while in the queue during the specified time range. Calls queued for callback are not counted as abandoned.

Missed / Missed %

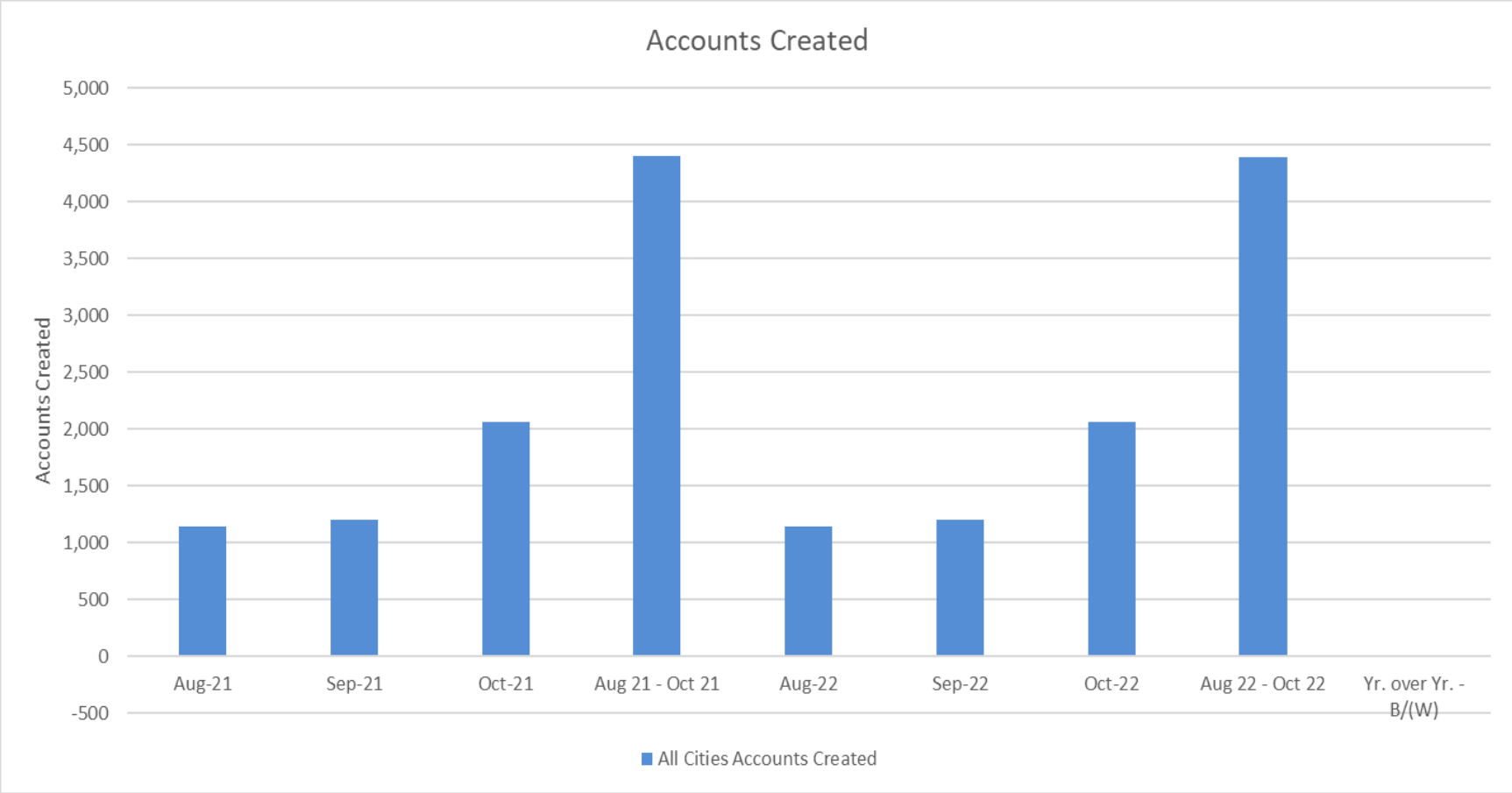
Count of calls routed to an agent but not answered by that agent, including calls abandoned by the customer. If a call is not answered by a given agent, we attempt to route it to another agent to handle; the call is not dropped. Because a single call can be missed multiple times (including by the same agent), it can be counted multiple times: once for each time it is routed to an agent but not answered.



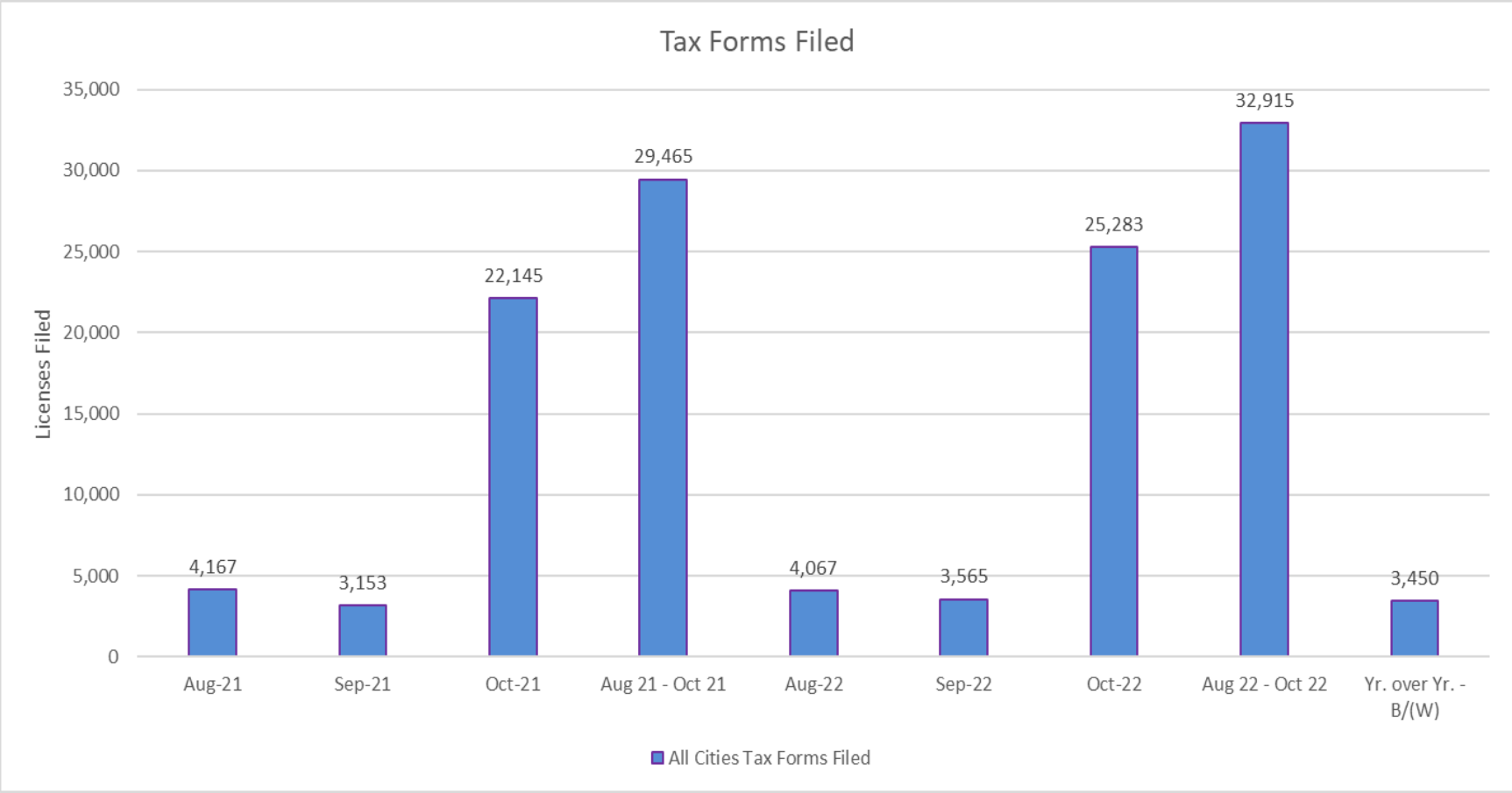
Help Desk Calls by Functional Category	September data is an estimate as the actual data was lost due to the switch to new software--ServiceNow



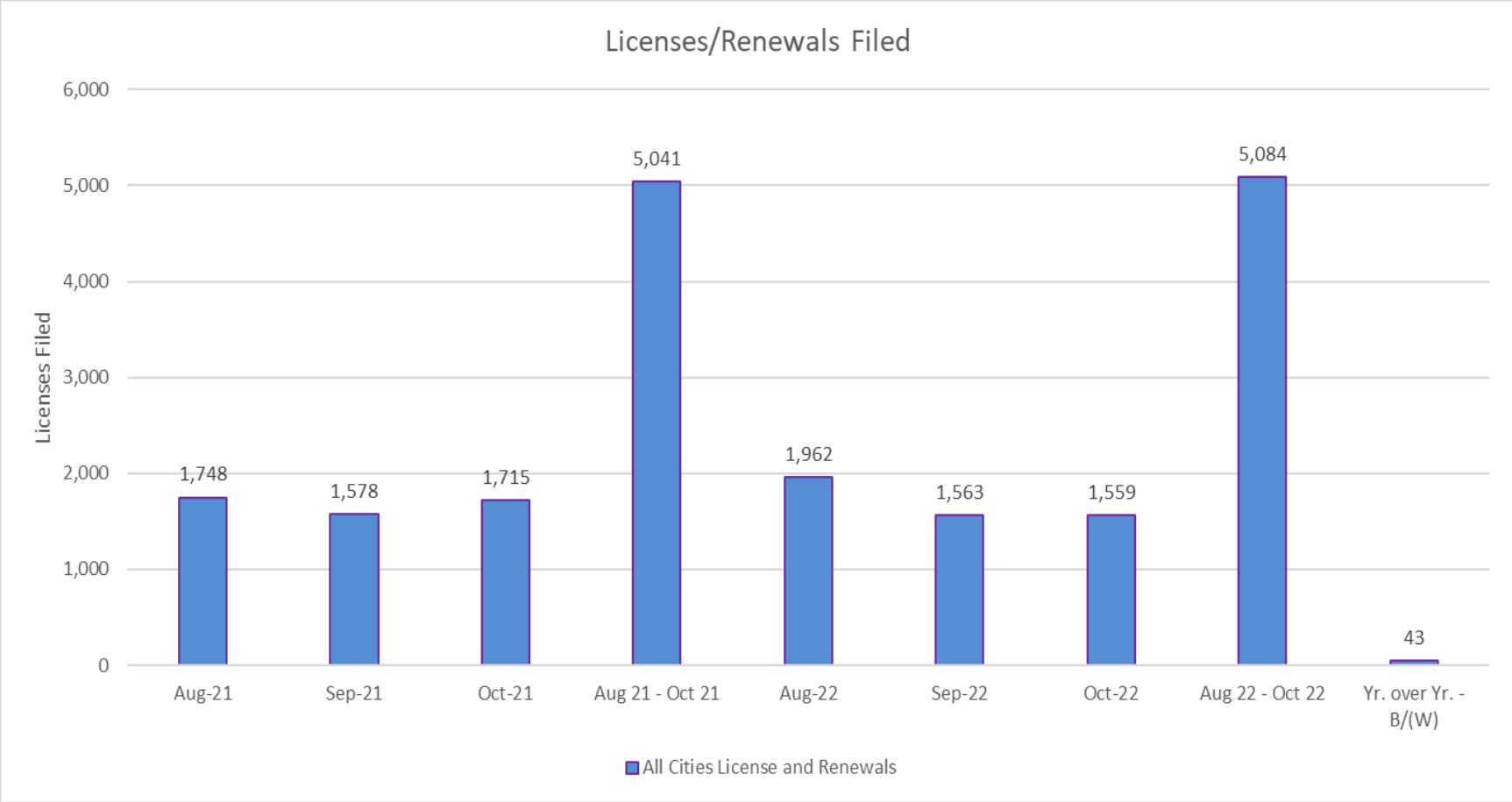
Help Desk Calls by Functional Category	September data is an estimate as the actual data was lost due to the switch to new software--ServiceNow



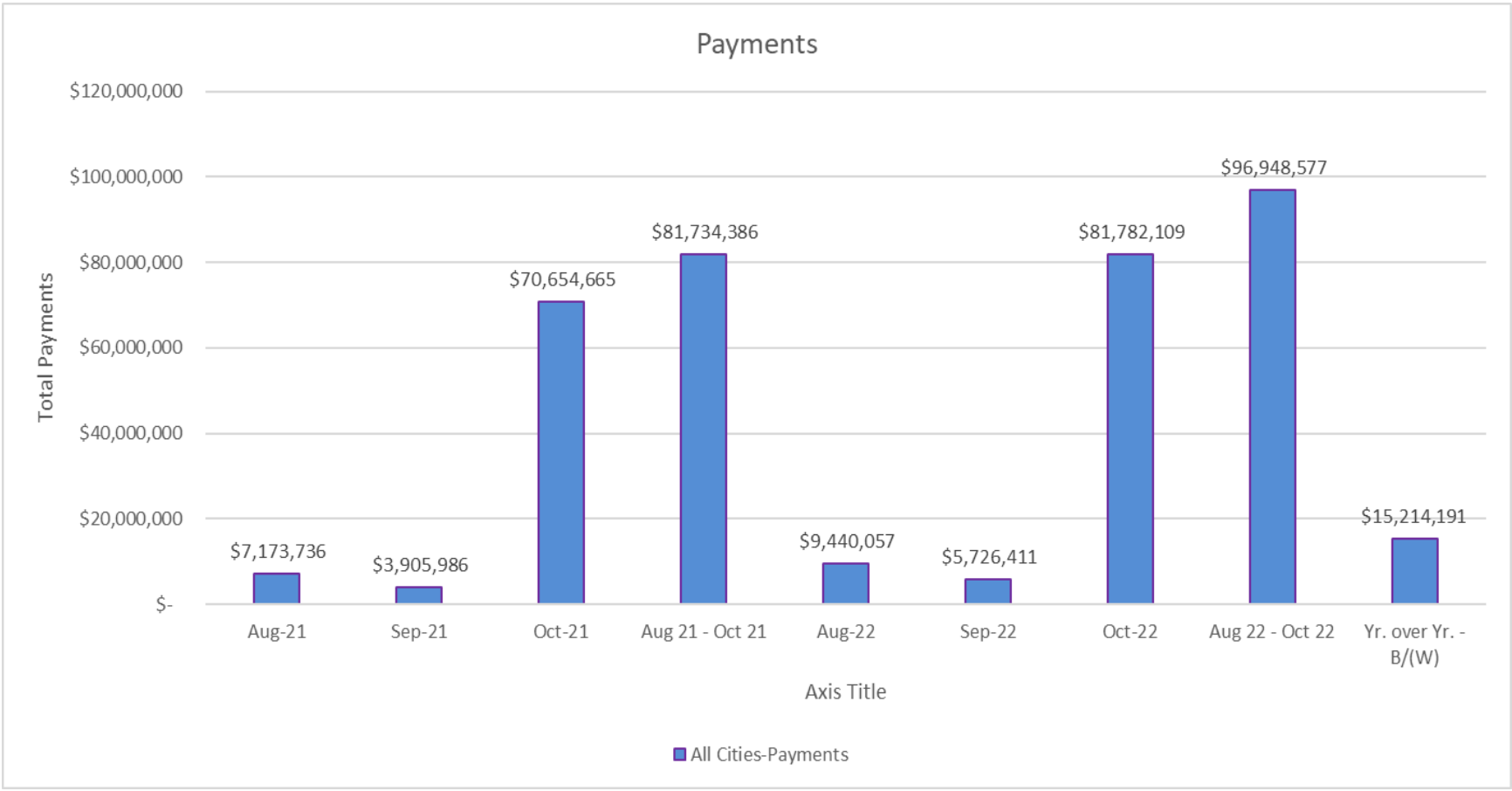
Accounts Created	Accounts created for the 3 months ended October 2022 were 4396 which is down 5 accounts compared to the same 3 months in the prior year.



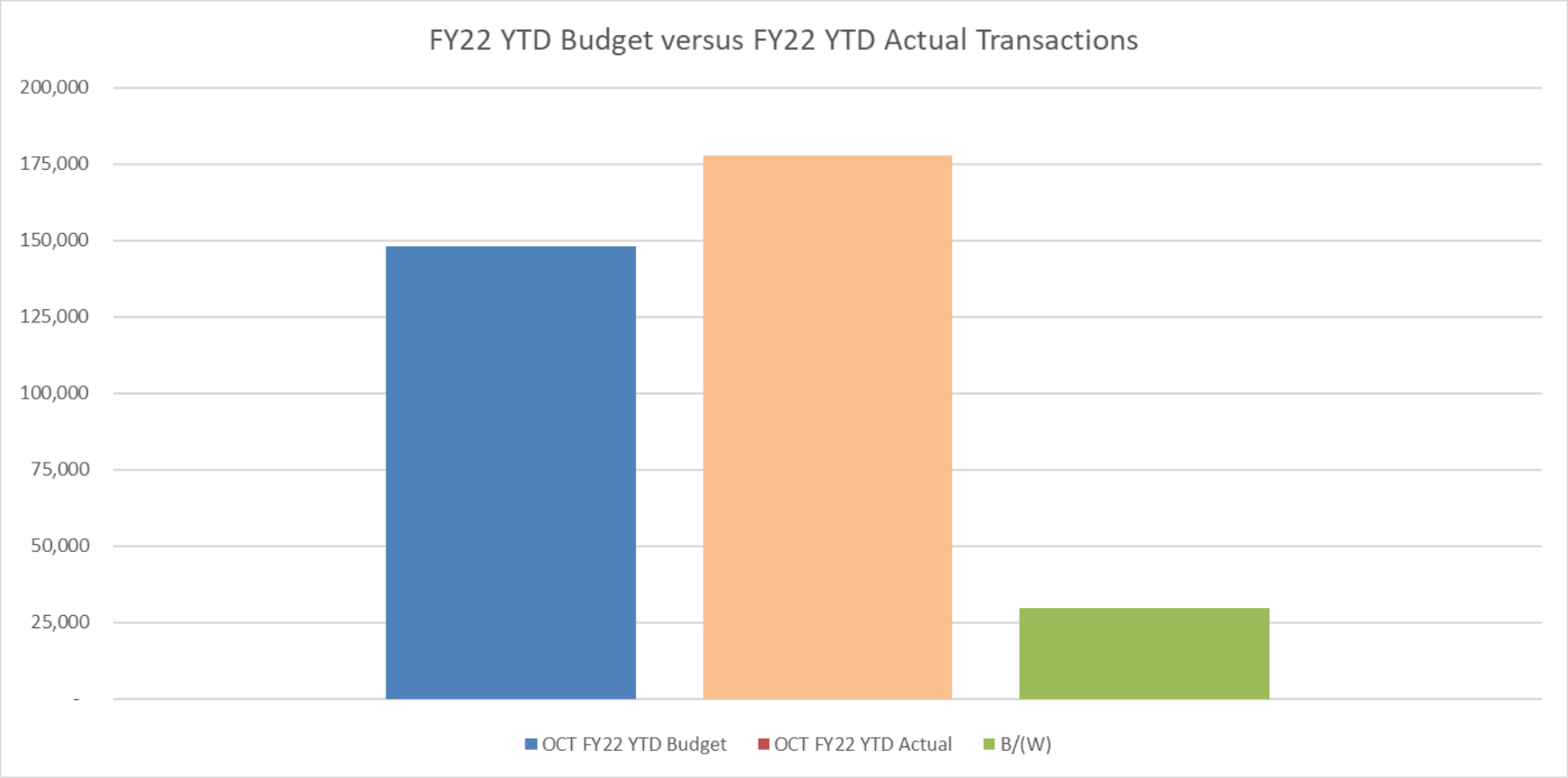
Tax Forms Filed	Tax Forms filed for the 3 months ended October 2022 were 32,915 which is up 3,450 compared to the same period last year.



Licenses/Renewals Filed	Licenses transactions for the three months ending in October were 5,084, which is up 33 compared to same period last year.



Payments Made by City	Payments made for the 3 months ended October 2022 were $96,948k which is up $15,214k (19%) compared to the same 3 months from the prior year.



Transactions YTD Budget versus YTD Actual	YTD Transactions FY22 Actual versus Budget is 177,861 (A) compared to 148,236 (B) which is favorable by 29,625 or 17%.

Workplan 2023

December 15, 2022

FileLocal Workplan 2023

2023 Schedule	Tasks
January	• *No board meeting, No operations committee meeting* • **Send Annual Budget City Billings to Francis & Company by 1/15/23**
February	• *No board meeting, No operations committee meeting* • Schedule Quarterly Program Manager Meetings with each City • **Start negotiations with portal provider for a new contract**
March **OC = 8th** **EB = 23rd**	• Hold "annual meeting" per Bylaws (§4.5) • Other items (review minutes, financial statements, etc.) • Per ILA present draft budget to board • Operational Updates
April	• No board meeting. No operations committee meeting • Schedule Quarterly Program Manager Meetings with each city • **Renew ".Gov domain" (expires 4/17/23)**
May **OC = 17th**	• Other items (review minutes, financial statements, etc.) • **RESOLUTION FY2023-FY2027 Draft Budget** • Operational Updates • **2022 Financial Report due to State Auditor no later than 5/30/23**
June **EB = 1ST**	• *No board meeting, No operations committee meeting* • **Send draft budget to member cities by June 15.**
July	• *No board meeting, No operations committee meeting*
August	• *No board meeting, No operations committee meeting* • Schedule Quarterly Program Manager Meetings with each city • **Review Kubra contract**
September **OC = 13th** **EB = 28th**	• Other items (review minutes, financial statements, etc.) • **RESOLUTION LICENSE AND TAX PORTAL CONTRACT** • **RESOLUTION OPERATIONS MANUAL UPDATES** • Operational Updates • **eGov/Avenu License and Tax Portal Contract expires 9/6/2023**
October	• *No board meeting, No operations committee meeting*
November **OC = 29th**	• Other items (review minutes, financial statements, etc.) • **RESOLUTION APPROVING MEETING SCHEDULE FOR 2024** • **RESOLUTION FINAL BUDGET FY2024-FY2028** • **RESOLUTION LEGAL SERVICES CONTRACT** • **RESOLUTION ELECTRONIC PAYMENT PROCESSING SERVICES** • Operational Updates
December **EB = 14th**	• **Send final budget to member cities** • **Renew Annual Business Licenses (expire 12/31/23)** • **Madrona Law Group Contract (expires 12/31/23-auto renew 12 months)** • **KUBRA Contract (expires 12/31/23 auto renew 12 months unless 90-day written notice)**

State Audit

November/December 2022

Audit Overview and Timing

The audit will be focused on accountability (laws and regulations), not financial.

Normally the SAO performs a financial statements audit and an accountability audit of each government entity.

The prior audit was also for accountability, for the years 2014 thru 2017.

This audit is for the years 2018 thru 2020.

The Audit has started and is expected to complete by mid-December.

Vendor Warrant List – 3rd Quarter 2022

FileLocal
Quarterly Warrant List
9/30/2022

Vendor Name	Payments for Current Quarter	Payments Year-To-Date
Association Recreational Council	-	5.00
Association of Washington Cities	-	300.00
Avenu	148,146.31	587,793.48
City of Seattle Capital Recovery	-	20,500.00
City of Seattle Treasury Dept	53,096.52	240,038.04
City of Tacoma Tax & License	-	110.00
Francis & Company	13,281.60	32,731.20
Leviathan	1,500.00	26,775.00
Madrona Law Group, PLLC	527.00	2,679.00
Seattle Dept of Information Technology	4,157.64	4,157.64
Washington Cities Insurance Authority	-	5,168.00

FileLocal Stabilization Strategy

December 15, 2022

Current state of FileLocal

FileLocal is in a state of minimal operations

- Reactively managed
- Uses mostly unstructured ad-hoc processes
- Weekly occurring incidents
- Monthly service outages
- Built on silos of contactors that do not communicate well
- Customer assistance – reported wait times are unacceptable, driven by:
  - High-call volumes, which are driven by:
    - Portal interface design problems
    - System failures
    - Cyclic nature of tax payment creates surges

Transforming to a stable state

Stable state definition: Outcomes are predictable and reliable, and systems are managed proactively.

How do we organize ourselves to achieve this?

- People, process, and technology

People: Organizing for change

The Agency is implementing standardized management practices that will integrate people, process, and technology to transform FileLocal into a proactively managed, productive, efficient, service organization.

- **Capability Maturity Model Integration (CMMI) process and behavioral model**
- **Information Technology Infrastructure Library (ITIL) Service Management**

People: Organizing for change

- Avoiding compartmentalization (a mistake of the past)
  - Neither the Program Manager, nor the Project manager, could not do the others job.
    - Processes were not well documented.
    - Significant difference in skill sets.

- We are no longer adding cities at the same rate
  - **Project** management has become **process** management

People: Organizing for change

- Program Manager (Executive Director)
  - Supported by the Process Manager (Deputy) and the Agency Administrator
  - Provides leadership, vision, and strategy
  - Able to fill-in for Deputy and Admin when needed

- Process Manager (Deputy Director)
  - Some overlap with the Director
  - Able to fill-in for the Director and Admin when needed
  - Focus will be on operations
  - Currently filled by contractor, this will be posted and filled as a permanent position in Q1 2023.

Process: Improvements

- Ad-Hoc Processes need to be documented
- Specialized Temporary Resource Needed
  - Process Analyst (ITIL Certified)
  - Build a process library
    - Used for training staff and contractors
    - Used in contracts to specify expectations

Process: Improvements

- Change management
  - Proposed update reduces signatures and uses e-signature technology
  - Same level of review, just more efficient
  - Portfolio becomes Backlog
    - Everything in the Backlog is funded and approved to start
    - Backlogged items will have schedules and estimated start dates
    - A significant Backlog encourages contractor to add resources
    - Legislated changes still jump to the front of the line

Process: Improvements

- Incident and case management
  - Incidents are handled by Support Engineers that are certified technicians and software developers who investigate and remedy system errors.
  - Cases are usually handled by a Service Desk where operators are trained to answer questions related to how the service works.

- Help Desk Wait Times
  - Reports of excessive wait times
    - Investigating how common this is
    - Working with Avenu to develop options

Technology

- Help Desk could be improved with LiveChat
- Call volume maybe decreased by making improvements to Portal User Interface

Future State

- As we’re maturing so is Avenu
  - They are not the same company they were at the onset
- Once we reach stable state, we can start to consider future state
  - New platform?
  - Expanded services?
  - More cities?