RESOLUTION NO. FL2026-04

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board Adopting a Draft Budget for 2027-2031.

Whereas, the Washington Multi-City Business License and Tax Portal Agency ("Portal Agency") Interlocal Agreement, Section 13.b., requires the Executive Board to adopt a draft Portal Agency budget for the years 2027-2031 by June 15, 2026; and

Whereas, the Program Manager developed a draft 2027-2031 budget in consultation with the Operations Committee, which the Operations Committee reviewed and unanimously recommended on May 7, 2026; and

Whereas, the draft budget must be approved by a supermajority vote and forwarded to Principal Cities by June 15, 2026, and forwarded to the Subscriber Cities no later than July 1, 2026.

Now Therefore,

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

SECTION 1. The Executive Board hereby adopts the draft 2027-2031 budget for the Portal Agency as outlined in Exhibit A to this Resolution.

SECTION 2. The Executive Board directs the Portal Agency Program Manager to forward the approved draft budget to Principal Cities by June 15, 2026, and to the Subscriber Cities by July 1, 2026.

ADOPTED this 4th day of June 2026.

ATTEST:

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

Julie Panick
Julie Panick (06/12/2026 08:34:26 PDT)

Board Secretary

Paula Painter
Paula Painter (06/12/2026 08:05:07 PDT)

Board Chair

Washington ~~Cities~~ Business License and Tax Portal Agency
Notes and key assumptions
Draft Budget 2027 - 2031 (May 2026)

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. User fees have been increased to $5 from July 1, 2027.

Operating Costs

Contract Labor	2	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.
Contracts	3	Contracts are comprised of Outside Accounting, State Auditor, Insurance, and Bank Fees.
Overhead	4	Overhead comprise of Legal, City of Seattle Technology Fees, Office and Operating Supplies, Licensing and Membership and Travel.
Technology Costs	5	Technology Costs comprise of Software as a Services (SAAS), Software Development, Platform Replacement, Web Security and Project Management.
Transaction Fees	6	Transaction fees historically represented the per transaction fee charged by the Platform software provider. Under the new agreement these costs have been converted into a fixed SAAS fee included in Technology costs above.

Operating Deficit		The amount by which the User Fees are less than the amount necessary to pay all Operating Expenses.
Investment income	7	Income generated by bank deposits and interest-bearing assets.
Cost Reimbursement	8	An annual amount paid by participating cities to cover the operating deficit. From 2025 the charge is based on budgeted transitions. From January 1, 2027 Cost Reimbursement methodology has been updated to account for actual User Fees collected by City (FL2026-03).
Capital Cost Recovery	9	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. Funds are collected on and paid to Seattle on their behalf.
Surplus/(Deficit) Carryover	10	Restricted fund balance to be returned to member cities.
Operating Reserve Cost	11	Unrestricted fund balance to provide a cushion against unexpected events. The current operating reserve is 25% of total operating expenditures.
Platform Replacement Cost	12	Restricted fund balance to cover the cost of replacing the operating platform.

Washington Cities Business License and Tax Portal Agency
Summary of Budget
Draft Budget 2027 - 2031 (May 2026)

		Actual				Forecast	Budget					YOY Change	
Budget		**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2025 (A) vs 2026 (P)**	**2026 (P) vs 2027 (B)**
REVENUES													
User Fees	1	637,552	767,588	780,264	807,828	630,656	722,164	802,140	806,120	810,120	814,130	(177,172)	91,508
Total revenues		***637,552***	***767,588***	***780,264***	***807,828***	***630,656***	***722,164***	***802,140***	***806,120***	***810,120***	***814,130***	***(177,172)***	***91,508***
OPERATING EXPENSES													
Contract Labor	2	(415,137)	(532,687)	(529,181)	(429,879)	(492,095)	(509,812)	(525,620)	(541,910)	(558,710)	(576,030)	(62,216)	(17,717)
Contracts	3	(77,159)	(73,367)	(69,770)	(86,637)	(72,072)	(74,300)	(90,610)	(78,980)	(81,430)	(98,950)	14,565	(2,228)
Overhead	4	(26,096)	(26,654)	(54,002)	(23,950)	(32,375)	(32,980)	(34,000)	(35,070)	(36,160)	(37,280)	(8,425)	(605)
Technology Costs	5	(339,233)	(588,509)	(1,091,266)	(1,205,586)	(1,388,400)	(1,505,164)	(1,578,115)	(1,654,644)	(1,734,915)	(1,819,130)	(182,814)	(116,764)
Transaction Fees	6	(322,697)	(246,983)	-	-	-	-	-	-	-	-	-	-
Total operating expenses		***(1,180,322)***	***(1,468,199)***	***(1,744,220)***	***(1,746,052)***	***(1,984,942)***	***(2,122,256)***	***(2,228,345)***	***(2,310,604)***	***(2,411,215)***	***(2,531,390)***	***(238,890)***	***(137,314)***
OPERATING DEFICIT		**(542,770)**	**(700,611)**	**(963,956)**	**(938,224)**	**(1,354,286)**	**(1,400,092)**	**(1,426,205)**	**(1,504,484)**	**(1,601,095)**	**(1,717,260)**	**(416,062)**	**(45,806)**
OTHER REVENUE													
Investment income	7	26,610	88,269	97,706	93,762	64,617	-	-	-	-	-	(29,145)	(64,617)
Cost Reimbursement	8	781,844	778,175	812,793	1,198,322	1,151,582	1,190,445	1,426,539	1,705,049	1,806,248	1,927,304	(46,740)	38,863
Total Other Revenue		***808,454***	***866,444***	***910,499***	***1,292,084***	***1,216,199***	***1,190,445***	***1,426,539***	***1,705,049***	***1,806,248***	***1,927,304***	***(75,885)***	***(25,754)***
OTHER EXPENDITURES													
Capital Cost Recovery	9	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) Carryover	10	-	-	265,684	134,314	187,500	288,919	26,188	-	-	-	53,186	101,419
Operating Reserve Cost	11	-	(31,519)	(24,728)	(199,255)	(23,225)	(16,259)	(26,522)	(20,565)	(25,153)	(30,044)	176,030	6,966
Platform Replacement Cost	12	-	-	-	-	-	(63,013)	-	(180,000)	(180,000)	(180,000)	-	(63,013)
Total Other Expenditures		***-***	***(31,519)***	***240,956***	***(64,941)***	***164,275***	***209,648***	***(334)***	***(200,565)***	***(205,153)***	***(210,044)***	***229,216***	***45,373***
CHANGE IN NET ASSETS		**265,684**	**134,314**	**187,500**	**288,919**	**26,188**	**-**	**-**	**-**	**-**	**-**	**(262,731)**	**(26,188)**

Washington Cities Business License and Tax Portal Agency
Cost Reimbursement
Draft Budget 2027 - 2031 (May 2026)

	Actual				Forecast	Budget					YOY Change	
City	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2026 (P) vs 2027 (B)	2027 (P) vs 2028 (B)
Auburn	9,897	9,850	10,978	10,124	10,948	18,225	16,628	26,620	28,108	29,886	7,277	(1,597)
Bellevue	67,357	67,041	74,716	149,637	123,745	187,933	259,725	244,215	257,907	274,263	64,188	71,791
Des Moines	15,028	14,957	7,192	20,142	23,033	31,647	40,629	42,869	45,333	48,275	8,614	8,982
Everett	31,345	31,198	34,769	93,546	92,154	109,859	137,373	145,624	154,161	164,393	17,705	27,514
Kent	16,335	16,258	10,234	11,516	19,264	26,478	27,946	35,155	37,579	40,477	7,214	1,468
Lake Forest Park	7,623	7,587	6,134	16,848	16,384	35,635	45,403	37,761	39,671	41,948	19,251	9,768
Poulsbo	-	-	-	5,230	5,391	11,285	14,318	11,606	12,238	13,006	5,894	3,033
Renton	33,562	33,405	25,640	69,003	74,970	112,022	137,772	133,591	140,912	149,665	37,052	25,750
Seattle	462,720	460,549	513,272	620,935	582,476	473,908	511,556	738,734	783,096	836,164	(108,568)	37,648
Shoreline	12,745	12,686	9,064	21,304	26,330	30,181	36,451	40,135	42,470	45,263	3,851	6,270
Snoqualmie	16,335	16,258	-	-	-	-	-	-	-	-	-	-
Tacoma	108,897	108,386	120,794	180,037	176,887	153,271	198,738	248,737	264,774	283,964	(23,616)	45,467
Total	**781,844**	**778,175**	**812,793**	**1,198,322**	**1,151,582**	**1,190,445**	**1,426,539**	**1,705,049**	**1,806,248**	**1,927,304**	**38,863**	**236,094**

Washington Cities Business License and Tax Portal Agency
Capital Cost
Draft Budget 2027 - 2031 (May 2026)

City	2021 (A)	2022 (A)	2023 (A)	2024 (A)	2025 (P)	2026 (B)	2027 (B)	2028 (B)	2029 (B)	2030 (B)	YOY Change 2024 (A) vs 2025 (P)	YOY Change 2025 (P) vs 2026 (B)
Collected from Cities												
Auburn	-	-	500	2,500	1,000	1,000	1,000	1,000	1,000	1,000	(1,500)	-
Bellevue	4,000	4,000	4,000	4,000	6,000	4,000	4,000	4,000	4,000	4,000	2,000	(2,000)
Des Moines	500	1,000	1,000	1,000	2,000	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	2,000	2,000	2,000	2,000	2,000	-	(2,000)
Kent	-	500	1,000	1,000	1,000	2,000	2,000	2,000	2,000	2,000	-	1,000
Lake Forest Park	1,000	500	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	-	-
Poulsbo	-	-	-	-	1,000	500	500	500	500	500	1,000	(500)
Renton	4,000	2,000	2,000	2,000	4,000	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	1,000	1,000	1,000	1,000	1,000	-	(1,000)
Snoqualmie	500	1,000	1,000	1,000	-	-	-	-	-	-	(1,000)	-
Tacoma	6,000	4,000	4,000	4,000	6,000	4,000	4,000	4,000	4,000	4,000	2,000	(2,000)
Total Charged to Cities	**19,000**	**15,500**	**20,500**	**22,500**	**28,000**	**18,500**	**18,500**	**18,500**	**18,500**	**18,500**	**5,500**	**(9,500)**
Paid to Seattle												
Capital Recovery Paymen	(19,000)	(15,500)	(20,500)	(22,500)	(28,000)	(18,500)	(18,500)	(18,500)	(18,500)	(18,500)	(5,500)	9,500
Total Capital Recovery	**(19,000)**	**(15,500)**	**(20,500)**	**(22,500)**	**(28,000)**	**(18,500)**	**(18,500)**	**(18,500)**	**(18,500)**	**(18,500)**	**(5,500)**	**9,500**
Capital cost Recovery	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

	Per InterLocal Agreement				
Transactions	**<1000**	**<4001**	**<14401**	**<31001**	**>31001**
Capital Cost	**$500**	**$1,000**	**$2,000**	**$4,000**	**$6,000**