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

Executive Board:

Andy Cherullo, ***Chair***
City of Tacoma

Jan Hawn
City of Bellevue

Susy Haugen
City of Everett

Glen Lee
City of Seattle

Executive Board Agenda

Regular Meeting

Monday, April 28, 2014
12:00 p.m.
Seattle Municipal Tower Conference Room 4070
700 Fifth Avenue
Seattle, Washington

1. Call to Order
    a. Introductions

2. Public Comment*

3. Welcome and Introductions
    a. Chris Bacha, Kenyon Disend
    b. Horace Francis, Francis & Co.

4. Action Items
    a. Resolution FL2014-06 – Vendor Contract
    b. Resolution FL2014-07 – Interim Program Manager
    c. Resolution FL2014-08 – Washington Cities Insurance Authority (WCIA) Interlocal Agreement
    d. Resolution FL2014-09 – Banking Relationship
    e. Resolution FL2014-10 – Check Signing Policies
    f. Resolution FL2014-11 – Emergency Meetings
    g. Resolution FL2014-12 – Adopting 2014 Budget
    h. Resolution FL2014-13 – Approving payment of invoices

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*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.

5. Discussion Items and Motions
    a. Approve March 2014 Meeting Summary
    b. Approve Jamie Carnell as WCIA Board Member, and George Emerson as WCIA Delegate
    c. Approve Jamie Carnell as the authorized party or third party representative for the Executive Board to file for Employer Identification Number (EIN)
    d. Assign Delegates for Executive Board
    e. Approve Danielle Larson as Operations Committee Chair, and George Emerson as Operations Committee Vice Chair
    f. Approve cost allocation invoices to be issued by Program Manager

6. Other Business
    a. Budget Discussion
    b. Indemnification of Operations Committee members
    c. Loaned Staff Agreement Status
    d. Program Manager's Report
    e. Operating Committee Report

7. Next Meeting – Tuesday, May 27, 2014 at 9:00 a.m.

8. Adjournment

FileLocal

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

FileLocal Resolution FL 2014-06
Briefing Paper

Date: April 28, 2014

Issue: Should the Washington Multi-City Business License and Tax Portal Agency ("Agency") Executive Board agree to have the City of Seattle continue its current role of holding the vendor contract for implementation of the FileLocal portal until implementation is completed and the final vendor invoice has been paid?

Recommendation: The Portal Agency Executive Board should pass Resolution FL 2014-06 to have the City of Seattle retain the vendor contract for implementation of the FileLocal portal.

Rationale: The Portal Agency Executive Board has determined that it is in the best interest of the Portal Agency to have the City of Seattle retain the vendor contract for continuity of service and efficiency. There is no impact to the Portal Agency if the contract remains with the City of Seattle.

1. The City of Seattle holds the vendor contract and has been managing the contract.

2. Section 12 of the Portal Agency Articles of Incorporation calls for the Portal Agency to assume the vendor contract as soon as practical following the formation of the portal agency.

3. Making a change in contract administration while the portal is in development would not be practical.

4. The Executive Board shall receive monthly updates from the Portal Agency Manager on the implementation project and the Executive Board through its Operations Committee shall work cooperatively with the City of Seattle to resolve any project issues should they arise.

RESOLUTION NO. 2014-06

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board agreeing to the City of Seattle retaining vendor contract and implementation authority for FileLocal until implementation is completed.

Whereas, Section 12 of the Washington Multi-City Business License and Tax Portal Agency (Portal Agency) Articles of Incorporation call for the Portal Agency to assume the vendor contract as soon as practical following the formation of the Portal Agency;

Whereas, the implementation of the FileLocal portal is still ongoing, and responsibility for the implementation and the funding of the implementation is held by the City of Seattle;

Whereas, the transfer of the contract to the Portal Agency while the project is still in the implementation phase would not be practical, and

Whereas, there is no impact to the Portal Agency if the contract remains with the City of Seattle until the FileLocal portal is implemented; **Now Therefore,**

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

SECTION 1: The City of Seattle shall remain responsible for the vendor contract until the implementation is complete and the final vendor invoice has been processed.

SECTION 2: The Executive Board shall receive monthly updates from the Portal Agency Manager on the implementation project and the Executive Board through its Operations Committee shall work cooperatively with the City of Seattle to resolve any project issues should they arise.

ADOPTED this _____ day of _____, 2014.

ATTEST:

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

_____
Board Secretary

_____
Board Chair

FileLocal

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

FileLocal Resolution FL 2014-07
Briefing Paper

Date: April 28, 2014

Issue: Should the Washington Multi-City Business License and Tax Portal Agency ("Agency") Executive Board designate Jamie Carnell from the City of Seattle as Interim Program Manager?

Recommendation: The Portal Agency Executive Board should pass Resolution FL 2014-07 to authorize Jamie Carnell from the City of Seattle as Interim Program Manager for the Portal Agency.

Rationale: The Portal Agency Executive Board has determined that it is in the best interest of the Portal Agency to have Jamie Carnell from the City of Seattle serve as Interim Program Manager because she is qualified and has been serving as the lead staff during the start-up phase of the Portal Agency. Jamie Carnell's experience will provide continuity of service and efficiency.

Background:

1. Section 11 of Portal Agency Interlocal Agreement states that the Executive Board shall be responsible for the appointment and termination of a manager for the Portal Agency.

2. The Executive Board is in the process of negotiating an agreement with the City of Seattle for loaned staff.

3. The Program Manager shall:

    a. Be responsible to the Executive Board and shall advise it from time to time on a proposed budget and other appropriate matters in order to fully implement the purposes of this Agreement.
    b. Administer the Portal Agency in its day-to-day operations consistent with the policies adopted by the Executive Board.
    c. Appoint persons to fill other staff positions, subject to confirmation by the Executive Board as the Board may require.

d. Submit quarterly budget and operation performance reports to the Executive Board in a form acceptable to the Executive Board.
e. Undertake outreach to Taxpayers, Licensees and businesses, as well as to Participating Cities on the effectiveness of the Portal Agency operations and programs.
f. Manage and oversee performance of the Vendor and other vendors or contractors providing services to the Portal Agency.
g. Consult in advance with the Operations Committee on issues to come before the Executive Board, including but not limited to working with the Operations Committee in the development of the Portal Agency budget and policies.

4. Qualifications, Retention and Termination. The Program Manager shall have experience in technical, financial and administrative fields and his or her appointment shall be on the basis of merit only. The Program Manager is an "at will" position and may be terminated from his or her position as Manager upon the Supermajority Vote of the Executive Board, without cause.

RESOLUTION NO. 2014-07

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board appointing an Interim Program Manager.

Whereas, the Washington Multi-City Interlocal Business License and Tax Portal Agency ("Portal Agency") Interlocal Agreement ("Agreement") states that the Executive Board shall be responsible for the appointment and termination of a manager for the Portal Agency;

Whereas, the Agreement states that the Portal Agency shall be staffed in such manner as the Executive Board determines, including but not limited to the use of loaned employees from Principals, consultants or other service providers, purchase of services from Principals or others, or hiring staff, or any combination of the foregoing;

Whereas, the Executive Board is in the process of negotiating an agreement with the City of Seattle for loaned staff, and

Whereas the Executive Board has determined that there are administrative actions that require the authority of a manager that must take place immediately; **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 authorizes Jamie Carnell from the City of Seattle to serve as the Interim Program Manager for the Portal Agency.

SECTION 2. This appointment is on an interim basis until the loaned staff agreement between the City of Seattle and the Portal Agency is approved.

ADOPTED this _____ day of _____, 2014.

ATTEST:

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

_____
Board Secretary

_____
Board Chair

FileLocal

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

FileLocal Resolution FL 2014-08
Briefing Paper

Date: April 28, 2014

Issue: Should the Washington Multi-City Business License and Tax Portal Agency ("Agency") Executive Board approve an Interlocal Agreement with the Washington Cities Insurance Authority ("WCIA") and become a member of the Authority? Who should the Executive Board appoint to serve as a delegate and alternative representative to the WCIA Board as required by the WCIA ILA?

Recommendation: The Portal Agency Executive Board should pass Resolution FL 2014-08 to approve the Interlocal Agreement with WCIA and become a member of the WCIA Board. Jamie Carnell should serve as the primary delegate to the WCIA Board and George Emerson as the alternative representative.

Rationale: The Portal Agency Executive Board has determined that it is in the best interest of the Portal Agency to have insurance coverage. The Washington Cities Insurance Authority represents other public entities in the State of Washington and is able to provide insurance coverage in a cost effective way through its insurance pool.

Background:

1. The Portal Agency is authorized by the Interlocal Cooperation Act Chapter 39.34 RCW and is organized as a nonprofit corporation under Chapter 24.06 RCW. The State of Washington Secretary of State approved the Portal Agency's incorporation on March 1, 2014.

2. The Portal Agency desires to be protected from liabilities.

3. The City of Seattle staff researched the most cost-effective insurance policies available to the Portal Agency and determined that WCIA provided the best value.

4. WCIA is authorized to develop and administer a program that provides an opportunity for members to jointly pool and self-insure their liability losses, jointly purchase property insurance and excess reinsurance, and jointly utilize administrative and other services.

RESOLUTION NO. 2014-08

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board Approving an Interlocal Agreement with the Washington Cities Insurance Authority and Becoming a Member thereof.

Whereas, the Washington Cities Insurance Authority ("WCIA") is authorized to develop and administer a program that provides an opportunity for members to jointly pool and self-insure their liability losses, jointly purchase property insurance and excess reinsurance, and jointly utilize administrative and other services;

Whereas, the Portal Agency Executive Board ("Executive Board") has been provided with an opportunity to review the WCIA Interlocal Agreement, and

Whereas, the WCIA ILA requires the Executive Board to designate one delegate and one alternate representative to serve on the WCIA Board; **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 approves the Washington Cities Insurance Authority Interlocal Agreement (Appendix Index #118-14) as it appears in Exhibit A to this resolution and authorizes the Executive Board chair to sign the Interlocal Agreement Appendix Index #118-14 on behalf of the Portal Agency.

SECTION 2. The Executive Board appoints the Portal Agency Program Manager, Jamie Carnell, to represent the Executive Board on the WCIA Board and designates George Emerson as the alternate representative.

ADOPTED this _____ day of _____, 2014.

ATTEST:

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

_____

Board Secretary

_____

Board Chair

Exhibit A
FL 2014-08

APPENDIX INDEX #118-14 TO INTERLOCAL AGREEMENT CREATING THE WASHINGTON CITIES INSURANCE AUTHORITY

WHEREAS, in 1980 the Cities of Mercer Island, Mountlake Terrace, 0lympia, Kirkland, Marysville, Lacey, Kent, Everett and Des Moines did enter into and sign an Interlocal Agreement, as authorized by CH 48.62 RCW, for the creation of and operation of a liability self-insurance pool for the mutual protection and benefit of said entities known as the Puget Sound Cities Interlocal Insurance Authority; and,

WHEREAS, on March 13, 1986, the Board of Directors of the Authority did pass a motion to change the name to Washington Cities Insurance Authority. Said change is also ratified by new members; and,

WHEREAS, the above referenced Interlocal Agreement provides in Article 19 for the addition of new members to said Authority after one year of operation as determined by vote of the Board of Directors of said Authority; and,

WHEREAS, Article IV, Section 8 of the By-Laws of the Washington Cities Insurance Authority provides the procedure for the admission of new members to said Authority; and,

WHEREAS, on March 1 4, 2014, the Executive Committee of the Washington Cities Insurance Authority did pass a motion authorizing and inviting Washington Multi-City Business License and Tax Portal Agency to become a new member of said Authority; and,

WHEREAS, Washington Multi-City Business License and Tax Portal Agency by decision of its respective legislative and executive authorities, has decided to become a new member to the Washington Cities Insurance Authority commencing on March 14, 2014;

NOW THEREFORE, for and in consideration of all of the mutual benefits, covenants, and agreements contained herein, Washington Multi-City Business License and Tax Portal Agency by signature of its respective authorized representative to this INDEX #118-14 to the original Interlocal Agreement, do hereby agree to be bound to all the terms, conditions, and covenants of the original Interlocal Agreement creating the Washington Cities Insurance Authority and all previous appendixes, which are incorporated by reference herein and to become members of said Authority commencing at **12:01 a.m. on March 14, 2014.**

The new member whose representative signs this **INDEX #118-14** agree that they shall be bound to the original Interlocal Agreement and all previous appendixes, and to which the **INDEX #118-14** is attached; and further agree that they shall be bound by all provisions and terms of the By-Laws for the Washington Cities Insurance Authority as they now exist or may be amended in the future. The new member whose representative signs this agreement shall have the benefits of the Joint Protection Programs and obligations thereto as provided by the Washington Cities Insurance Authority commencing at **12:01 a.m. on March 14, 2014.**

IN WITNESS WHEREOF, the party hereto has executed this **INDEX #118-14** to the Interlocal Agreement creating the Washington Cities Insurance Authority by authorized official thereof, on the date indicated below.

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

_____

Board Chair

_____

Dated

FileLocal Resolution FL 2014-09
Briefing Paper

Date: April 28, 2014

Issue: Should the Washington Multi-City Business License and Tax Portal Agency ("Agency") Executive Board authorize the Program Manager to open bank accounts with Wells Fargo on behalf of the Portal Agency?

Recommendation: The Portal Agency Executive Board should pass Resolution FL 2014-09 to authorize the Program Manager to open bank accounts with Wells Fargo.

Rationale: The Portal Agency Executive Board has determined that Wells Fargo offers the best value to meet the banking needs of the Portal Agency.

Background:

1. The Portal Agency requires a financial institution to provide banking services in support of the Portal Agency and its line of business.

2. The Portal Agency conducted a competitive selection process to determine the best value for the Portal Agency's banking needs.

3. Wells Fargo met the requirements outlined by the Portal Agency in a request for information.

RESOLUTION NO. 2014-09

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board authorizing the Program Manager to open bank accounts with Wells Fargo on behalf of the Portal Agency.

Whereas, the Washington Multi-City Interlocal Business License and Tax Portal Agency ("Portal Agency") Executive Board has determined that it is necessary for the Portal Agency to maintain bank accounts for the transaction of business, and

Whereas, the Portal Agency conducted a competitive selection process and determined that Wells Fargo best meets the needs of the Portal Agency; **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 authorizes the Program Manager to open bank accounts with Wells Fargo on behalf of the Portal Agency.

ADOPTED this _____ day of _____, 2014.

ATTEST:

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

_____
Board Secretary

_____
Board Chair

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

FileLocal Resolution FL 2014-10
Briefing Paper

Date: April 28, 2014

Issue: Should the Washington Multi-City Business License and Tax Portal Agency ("Agency") Executive Board authorize the Program Manager to sign certain financial instruments.

Recommendation: The Portal Agency Executive Board should pass Resolution FL 2014-10 to authorize the Program Manager to sign checks, drafts, warrants, credit cards, and debit cards on behalf of the Portal Agency subject to a limit of $10,000 per transaction.

Rationale: The Executive Board bylaws, Article 9, section 9.2 provide for the Portal Agency Manager to sign financial instruments subject to limits prescribed by resolution of the Executive Board. A maximum amount of $10,000 would allow routine business to be performed in a timely way and protect the Portal Agency from risk.

Background:

1. The Portal Agency's accounting firm reviewed this resolution.

2. The accounting firm recommended the following language to protect the Portal Agency.

   "The expenditures made under this authorization must not exceed the amount adopted in the annual budget, and must conform to internal control policies adopted by the Agency, regarding documentation and approval of expenditures."

3. The Portal Agency accounting firm is tasked with developing internal control policies for the Agency.

RESOLUTION NO. 2014-10

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board authorizing the Portal Agency Manager to sign certain financial instruments.

Whereas, the Washington Multi-City Interlocal Business License and Tax Portal Agency ("Portal Agency") Executive Board bylaws, Article 9, section 9.2 provide for the Portal Agency Manager to sign financial instruments subject to limits prescribed by resolution of the Executive Board;

Whereas, the Executive Board has determined that the Portal Agency Manager should be authorized to sign checks, drafts, warrants, credit cards, and debit cards on behalf of the Portal Agency, and

Whereas, the Portal Agency Executive Board determines that the appropriate limit for such authority is $10,000.00; **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 authorizes the Portal Agency Manager to sign checks, drafts, warrants, credit cards, and debit cards up to $10,000.00 on behalf of the Portal Agency.

SECTION 2. The expenditures made under this authorization must not exceed the amount adopted in the annual budget, and must conform to internal control policies adopted by the Portal Agency, regarding documentation and approval of expenditures.

ADOPTED this _____ day of _____, 2014.

ATTEST:

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

_____
Board Secretary

_____
Board Chair

FileLocal

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

FileLocal Resolution FL 2014-11
Briefing Paper

Date: April 28, 2014

Issue: What notification procedures should be in place for emergency meetings of the Washington Multi-City Business License and Tax Portal Agency ("Agency") Executive Board?

Recommendation: The Portal Agency Executive Board should pass Resolution FL 2014-11 establishing a 24-hour advance notice for emergency meetings of the Executive Board.

Rationale: The Portal Agency Interlocal Agreement ("Agreement"), adopted by the Original Principal cities, Section 7, sets forth notification requirements for regular and special meetings of the Executive Board. The Agreement says that the Executive Board may dispense with written notice requirements in an emergency but must in good faith implement best efforts to provide fair and reasonable notice to all Executive Board members. This resolution defines an emergency meeting as a meeting needed to address immediate and unforeseen business and sets a 24-hour notice requirement.

Background:

1. Certain notice requirements set forth in the Agreement are more stringent than the notice requirements set forth in the Open Public Meetings Act (Chapter 42.30 RCW).

2. Providing sufficient notice to the Executive Board is in the best interest of the Portal Agency.

3. Chapter 42.30.080 has the following notice requirements for special meetings. These are the procedures the Executive Board would use for its emergency meetings:

   (1) A special meeting may be called at any time by the presiding officer of the governing body of a public agency or by a majority of the members of the governing body by delivering written notice personally, by mail, by fax, or by electronic mail to each member of the governing body. Written notice shall be deemed waived in the following circumstances:

(a) A member submits a written waiver of notice with the clerk or secretary of the governing body at or prior to the time the meeting convenes. A written waiver may be given by telegram, fax, or electronic mail; or

(b) A member is actually present at the time the meeting convenes.

(2) Notice of a special meeting called under subsection *(1)* of this section shall be:

(a) Delivered to each local newspaper of general circulation and local radio or television station that has on file with the governing body a written request to be notified of such special meeting or of all special meetings.

(b) Posted on the agency's web site. An agency is not required to post a special meeting notice on its web site if it:

(i) does not have a web site;
(ii) employs fewer than ten full-time equivalent employees; or
(iii) does not employ personnel whose duty, as defined by a job description or existing contract, is to maintain or update the web site; and

(c) Prominently displayed at the main entrance of the agency's principal location and the meeting site if it is not held at the agency's principal location

Such notice must be delivered or posted, as applicable, at least twenty-four hours before the time of such meeting as specified in the notice.

(3) The call and notices required under subsections *(1)* and *(2)* of this section shall specify the time and place of the special meeting and the business to be transacted. Final disposition shall not be taken on any other matter at such meetings by the governing body.

(4) The notices provided in this section may be dispensed with in the event a special meeting is called to deal with an emergency involving injury or damage to persons or property or the likelihood of such injury or damage, when time requirements of such notice would make notice impractical and increase the likelihood of such injury or damage.

RESOLUTION NO. 2014-11

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board defining emergency meetings and setting forth notification procedures for emergency meetings.

Whereas, the Washington Multi-City Interlocal Business License and Tax Portal Agency ("Portal Agency") Interlocal Agreement ("Agreement") Section 7n provides direction for notification of regular and special meetings of the Executive Board;

Whereas, the Agreement Section 7n also states that in an emergency the Executive Board may dispense with written notice requirements for a special meeting, but must in good faith, implement best efforts to provide fair and reasonable notice to all Executive Board members;

Whereas, the Agreement provides for alternates and for meeting participation by telephone conference or equivalent means of voice communication thereby providing alternate methods for participation by all Executive Board members;

Whereas, at all times the Executive Board shall comply with Chapter 42.30 RCW ("Open Public Meetings Act"); **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 defines "emergency meetings" as meetings needed to address immediate and unforeseen business in which the 14-day advance notice for regular meetings and the 10-day advance notice for special meetings would prevent the Executive Board from taking action on the immediate and unforeseen business.

SECTION 2. The Executive Board adopts the 24-hour notice requirement and other procedures set forth in Chapter 42.30.080 RCW for special meetings as the procedure to be used for emergency meetings of the Executive Board.

SECTION 3. The Executive Board retains the authority under RCW 42.30.070 to suspend notice requirements if by reason of fire, flood, earthquake, or other emergency, there is a need for expedited action by a governing body to meet the emergency.

.

ADOPTED this _____ day of _____, 2014.

ATTEST:

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

_____ _____

Board Secretary **Board Chair**

FileLocal

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

FileLocal Resolution FL 2014-12
Briefing Paper

Date: April 28, 2014

Issue: Shall the Washington Multi-City Business License and Tax Portal Agency ("Agency") Executive Board adopt the 2014 Budget as described in Exhibit A of the Portal Agency Interlocal Agreement ("Agreement")?

Recommendation: The Portal Agency Executive Board should pass Resolution FL 2014-12 adopting the 2014 Budget.

Rationale: The Portal Agency Agreement, adopted by the Original Principal cities, included a proposed 2014 Budget as described in Exhibit A to the Agreement. That same budget is replicated as Exhibit A to Resolution FL 2014-12. Section 13, b, v. of the Agreement says "the Portal Agency budget for the year 2014 will be adopted by action of the Executive Board promptly following incorporation of the Portal Agency and need not be submitted for approval by the Original Principals."

Background:

1. The Portal Agency Operating Budget was included as Exhibit A to the Portal Agency Interlocal Agreement.

2. Exhibit A details all of the assumptions behind the revenue, cost allocations, and expenses.

3. The budget assumes Bellevue, Everett, Seattle and Tacoma are the only cities that will participate in 2014.

RESOLUTION NO. 2014-12

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board adopting the 2014 Budget.

Whereas, the Washington Multi-City Interlocal Business License and Tax Portal Agency ("Portal Agency") Executive Board Interlocal Agreement ("Agreement") Section 13, b, v. requires formal action by the Executive Board to adopt the Portal Agency 2014 budget promptly following incorporation of the Portal Agency;

Whereas, the Agreement includes a proposed 2014 budget as set forth in Exhibit A to the Agreement;

Whereas, the Agreement states that by approving the Agreement each Original Principal also approves their contribution to the 2014 budget in the amount not to exceed that shown in Exhibit A to the Agreement, and

Whereas, the Agreement states that the Original Principals need not take further action to approve the Portal Agency's 2014 budget; **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 2014 budget for the Portal Agency as set forth in Exhibit A to this Resolution.

ADOPTED this _____ day of _____, 2014.

ATTEST:

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

_____
Board Secretary

_____
Board Chair

2014 PORTAL AGENCY OPERATING BUDGET SUMMARY

(June to December 2014)

Labor Total [1]	152,649
Contracts Total [2]	27,000
Overhead Total [3]	12,500
Vendor Costs [4]	180,208
Operating Reserves	55,854
Total Budgeted Costs	**428,210**
Total Budgeted Revenues	**428,210**
Estimated User fee Revenues [5]	72,566
Estimated Revenue from City Cost Allocations [6]	355,644
Cost Allocations	
City of Seattle Cost Allocation[7]	245,394
City of Bellevue Cost Allocation	35,654
City of Tacoma Cost Allocation	56,903
City of Everett Cost Allocation	17,782

This budget estimates a six-month budget beginning after the Multi-City Business License and Tax Portal is up and running in mid-2014, the first six months are covered by the Portal.

[1] This budget includes 2.5 FTE: the Portal Manager, a half-time administrative assistant and a full-time IT Project Manager/Business Analyst. The personnel for these positions will be provided by the City of Seattle and the costs in this budget include the fully funded (salary, benefits, etc.) labor costs for all 2.5 positions. A separate loaned staffing agreement will be entered into between the Portal Agency and the City of Seattle in 2014 for these staff.

[2] Includes contracts for outside services such as Accounting, Insurance, Bank and the State Auditor.

[3] Funding for miscellaneous overhead items such as legal fees, office and operating supplies, printing and licenses / memberships.

[4] Includes costs estimated payable to-Gov Systems under the Portal Services Contract in 2014, from and after the Portal goes "live." For the first five years of Portal operations E-Gov Systems will charge the Portal Agency $1.25 every time a business or taxpayer makes an online Portal filing, whether or not tax is owing.

[5] Assumes the Executive Board approves a proposed user fee of $4 per online session per City (the proposed fee would be payable only when tax is owed; multiple tax and/or license filings on the same session would incur only one fee). This user fee is based on an estimated Portal use adoption rate by business and taxpayers of 15%. This adoption rate is expected to grow considerably each year.

[6] Cost Allocations are based on the 2012 Transaction count for each Original Principal, shown in the table at the end of this Exhibit A.

[7] Excludes Seattle's contributions to start-up costs in 2014. Also excludes labor and operating costs for which Seattle will be reimbursed from the Total Budget shown above, per the loaned staffing Agreement.

Implementation Project costs funded by Seattle. This budget estimates also assumes only four cities participate in 2014.

Transaction Counts Calculations used for Cost Allocation as between Original Principals

	Seattle	Bellevue	Tacoma	Everett	Total
Transactions	212,457	30,927	50,000	14,392	307,776
Percentage Allocation	69%	10%	16%	5%	100%

Based on 2012 actual business license filings, business and occupations and gross receipts tax filings for each Original Principal

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

FileLocal Resolution FL 2014-13
Briefing Paper

Date: April 28, 2014

Issue: Shall the Washington Multi-City Business License and Tax Portal Agency ("Agency") Executive Board approve the invoices listed in Attachment A to FL 2014-13?

Recommendation: The Portal Agency Executive Board should pass Resolution FL 2014-13 approving the attached invoices.

Rationale: The Portal Agency has responsibility to pay invoices for services it has contracted. The invoices included here for approval were reviewed by the Program Manager and Portal Agency accounting firm and are deemed to be consistent with the services requested at the agreed to rates.

RESOLUTION NO. 2014-13

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board authorizing certain expenditures on behalf of the Portal Agency.

Whereas, Resolution FL 2014-04 of the Washington Multi-City Business License and Tax Portal Agency ("Portal Agency") authorizes the chair to execute an agreement for legal services;

Whereas, Resolution FL 2014-05 of the Portal Agency authorizes the chair to execute an agreement for accounting services;

Whereas, Resolution FL 2014-08 of the Portal Agency approves becoming a member of the Washington Cities Insurance Authority;

Whereas, Resolution FL 2014-09 of the Portal Agency authorizes the Program Manager to open bank accounts on behalf of the Portal Agency;

Whereas, Resolution FL 2014-10 of the Portal Agency authorizes the Program Manager to sign certain financial instruments on behalf of the Portal Agency;

Whereas, the Portal Agency Interlocal Agreement Section 13 sets forth a 2014 budget as Exhibit A to the Agreement;

Whereas, the Agreement Section 13 also states that by approving the Agreement each Original Principal also approves their contribution to the 2014 budget in an amount not to exceed that shown in Exhibit A to the Agreement; **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 authorizes the Program Manager to pay invoices as listed in Exhibit A to this resolution.

ADOPTED this _____ day of _____, 2014.

ATTEST:

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

_____
Board Secretary

_____
Board Chair

FileLocal

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

Executive Board
March 24, 2014 Special Meeting Summary
Noon to 1 p.m.

Executive Board:

Andy Cherullo, ***Chair***
City of Tacoma

Jan Hawn
City of Bellevue

Susy Haugen
City of Everett

Glen Lee
City of Seattle

1. Call to Order

The March 24 special meeting of the Washington Multi-City Business License and Tax Portal Agency (DBA FileLocal) was called to order at 12:00 PM and held at the Seattle Municipal Tower Conference Room 4070 in Seattle Washington.

Roll Call

Present: 4 - Andy Cherullo, Susy Haugen (telephonically), Jan Hawn, and Glen Lee. Absent: 0.

2. Agenda Approval

On a motion made by Jan Hawn, the board unanimously approved the March 24, 2014 FileLocal special meeting agenda.

3. Public Comment

There was no public comment.

4. Actions

Temporary Chair

On a motion made by Jan Hawn, the board unanimously approved the temporary appointment of Andy Cherullo as Chair of FileLocal.

Bylaws

The Board discussed the bylaws and the following changes were recommended:

- Section 4.4 – the reference to appointment to the Board by a legislative body were removed, 4.9 – section D was removed,
- 4.15 – the word ‘Member’ was capitalized, and
- 5.4 – the word ‘bonds’ was removed.

On a motion made by Glen Lee, the board unanimously adopted Resolution FL2014-01 establishing bylaws, as amended.

Election of Officers

On a motion made by Andy Cherullo, the board unanimously adopted Resolution FL2014-02 electing Andy Cherullo as Chair, Glen Lee as Vice Chair, Jan Hawn as Treasurer and Susy Haugen as Secretary of the FileLocal Executive Board for a one-year term commencing on March 24, 2014.

2014 Meeting Schedule

On a motion made by Andy Cherullo, the board unanimously adopted Resolution FL2014-03 establishing the place and times for regular meetings of the board.

Legal Counsel

On a motion made by Glen Lee, the board unanimously adopted Resolution FL2014-04 authorizing the chair to execute a letter of engagement for legal services.

Accounting Services

On a motion made by Jan Hawn, the board unanimously adopted Resolution FL2014-05 authorizing the chair to execute a letter of engagement for accounting services.

5. Discussion Items

Program Manager Report (Jamie Carnell)

Jamie Carnell reported that FileLocal is now officially registered with the Washington's Secretary of the State, and Washington's State Department of Revenue, and is in the process of obtaining a license to conduct business under the name of FileLocal.

All Board members are required to complete open meetings and public records training. The Kenyon Disend law firm, legal counsel for FileLocal, could deliver the training.

Washington Cities Insurance Authority (WCIA) will be FileLocal's insurance agency upon approval of a resolution to the Board in April. The Board will also need to assign a delegate and an alternate.

One of Kenyon Disend's first assignments will be to finalize the Loaned Staff Agreement, with an anticipated completion date in April or May.

Francis & Company will work on FileLocal's banking policies and practices.

April's meeting will include resolutions around emergency meetings, WCIA approval, public records inspections, transfer of portal vendor contract to the agency and a few others.

Jamie reported on project implementation indicating good progress on accounts, licensing and conditional testing. A local security firm is conducting rigorous testing and will report to the Program Manager by mid-April.

The Board did not have any other business to discuss.

The next meeting of FileLocal's Executive Board will be on April 28, 2014.

6. Adjournment

A motion to adjourn the meeting was called by Jan Hawn and unanimously approved. The meeting adjourned at 12:30 pm.

Respectfully Submitted,

Susy Haugen
Secretary, FileLocal

Washington Cities Business License and Tax Portal Agency
2015/16 Proposed Revised Budget
DRAFT - Discussion Purpose Only

Line Items	FTE	2015	2015 Revised	Varience	Reason for Change	2016 Revised
Labor						
Portal Manager (assumes existing position salary)	1	153,291	153,291	-		157,890
Administrative Specialist (assumes mid range)	0.5	36,378	36,378	-		37,469
Project Manager/Business Analyst (assumes mid range)	1	125,071	125,071	-		128,823
Labor Total	**2.5**	**314,740**	**314,740**	**-**		**324,182**
Contracts						
Outside Accounting Services		20,440	20,000	(440)	Contract is for not to exceed 20,000 for 2015.	20,440
State Auditor Fees		10,220	10,220	-		10,445
Insurance		20,440	5,500	(14,940)	WCIA insurance is lower than expected, added $500 for cyber liability.	5,621
Bank Fees		4,088	4,088	-		4,178
Contracts Total		**55,188**	**39,808**	**(15,380)**		**40,684**
Overhead						
Legal		10,220	25,000	14,780	Estimate for 2015 from Keyon Disend, LLC.	25,550
Office and Operating Supplies		5,110	5,110	-		5,222
Printing		5,110	5,110	-		5,222
Licenses/Memberships		5,110	5,110	-		5,222
Overhead Total		**25,550**	**40,330**	**14,780**		**41,217**
E-Gov Systems Technology Costs						
Vendor Hosting Fee Setup		5,000	5,000	-		5,000
SAAS per Year		150,000	150,000	-		150,000
Maintenance Support		36,000	0	(36,000)	Final payment agreement no longer includes this line item.	0
Transaction Fees (cost per transaction is $1.25 - uses the same adoption rate as user fees as well as the baseline budget allocation transaction count of 307,776 from updated 2012 #'s)		153,888	96,180	(57,708)	Transaction fees reduced for lower rate of adoption in 2015.	153,888
USPS Address Validation (assumes 50,000 new address validations at .04 cents to be trued up after one full year of operation)		-	2,000	2,000	Added as part of implementation project.	2,000
ACH Fees (assumes 5% of total transactions will be ACH which will have an associated .18 cent charge to the agency. To be trued up afer one full yar of operation)		-	2,770	2,770	Added as part of implementation project.	2,770
E-Gov Systems Technology Costs Total		**344,888**	**255,950**	**(88,938)**		**313,658**
Total Operating Budget		**740,366**	**650,828**	**(89,538)**		**719,741**
Reserves						
Operating Reserve - 15%		55,201	41,771	(13,431)		10,989
Total Budget		**795,567**	**692,599**	**(102,968)**		**730,730**

Washington Cities Business License and Tax Portal Agency
2015/16 Proposed Revised Budget - Adjusted User Fee Revenues
DRAFT - Discussion Purpose Only

	2015	2015 Adjusted	Varience	2016 Adjusted
Estimated User Fee Revenues (Based on 120,944 transaction counts)	193,510	120,944	(72,566)	193,510

Washington Cities Business License and Tax Portal Agency
2015/16 Proposed Revised Budget - Revised Cost Allocations
DRAFT - Discussion Purpose Only

Project Budget	**2015**	**2015 Revised**	**2016 Revised**
Total Budget	795,567	692,599	730,730
User Fee revenue	(193,510)	(120,944)	(193,510)
Total operating costs (Operating Budget - User Fee Revenue)	**602,057**	**571,655**	**537,220**

Cost Allocation:	**2015**	**2015 Revised**	**Varience**	**2016 Revised**
Bellevue	60,206	57,165	(3,040)	53,722
Capital Recovery Fee	4,000	4,000	0	4,000
	64,206	61,165	(3,040)	57,722
Tacoma	96,329	91,465	(4,864)	85,955
Capital Recovery Fee	6,000	6,000	0	6,000
	102,329	97,465	(4,864)	91,955
Everett	30,103	28,583	(1,520)	26,861
Capital Recovery Fee	2,000	2,000	0	2,000
	32,103	30,583	(1,520)	28,861
Seattle	415,419	394,442	(20,978)	370,682
Capital Costs	984,743	984,743	0	987,497
Loaned Staff payable from portal to Seattle	(314,740)	(314,740)	0	(324,482)
Capital Recovery Fee Revenue	(12,000)	(12,000)	0	(12,000)
	1,073,422	1,052,444	(20,978)	1,021,697

Washington Cities Business License and Tax Portal Agency
2015/16 Proposed Revised Budget - Transaction Counts and Revised Adoption Rates
DRAFT - Discussion Purpose Only

Revenue Estimates	Based on 2012 actuals less zero filers and estimates for multiple transactions happening for one city. This number is greatly reduced from the 2012 Actual Filings that are to be used for cost allocation purposes and e-Gov transaction fee purposes to give us a realistic set of revenue expectations per year.

	Seattle	Bellevue	Tacoma	Everett	Total
Transactions	60,506	25,475	24,100	10,863	120,944

Cost Allocation/e-Gov Systems Transaction fee	Based on 2012 actuals for the purpose of allocating the total budget between the cities. Agreed to in the Interlocal Agreement.

	Seattle	Bellevue	Tacoma	Everett	Total
Transactions	212,457	30,927	50,000	14,392	307,776
% Allocation	69%	10%	16%	5%	100%

	2015	2016	2017	2018	2019	2020
Revised Adoption Rate	25%	40%	50%	70%	75%	80%
ACH Adoption Rate	5%	5%	5%	5%	5%	5%

WA cities
Insurance Authority

P.O. Box 88038
Tukwila, WA 98138
Phone: 206-[illegible]
Fax: 206-[illegible]

4/7/2014

Washington Multi-City Business & Tax Portal Agency
PO Box 94669
Seattle, WA 98124-4669

INV#: 101100

Invoice

Liability	$4,384.00
Total:	**$4,384.00**

Liability Coverage 02/14/14 through 12/31/14

areclet2

KENYON DISEND, PLLC
11 FRONT STREET SOUTH
ISSAQUAH, WA 98027-3820
(425)392-7090

Portal Agency
Attn: Jamie Carnell, Program Mgr.
File Local
P.O. Box 94669
Seattle WA 98124-4669

March 31, 2014
Account No: 309-00000M
Statement No: 181588

General Attorney Services
FOR PROFESSIONAL SERVICES RENDERED

Fees

			Hours	
/26/2014	MAS	Review and finalize letter for C. Bacha.	0.40	
	CDB	Review e-mail from J. Carnell regarding Interlocal agreement with WCIA risk pool members; review same; prepare and forward comments to J. Carnell regarding same; prepare letter regarding Interlocal Agreement and forward to J. Carnell for review; discuss issue regarding same with colleague; discuss insurance issue with colleague.	2.60	
/31/2014	CDB	Review meeting minutes; prepare and forward comments regarding same to J. Carnell.	0.40	
		For Current Services Rendered	3.40	775.00

Recapitulation

Timekeeper	Hours	Rate
Christopher D. Bacha	3.00	$245.00
Mary A. Swan	0.40	100.00

Total Current Work 775.00

Balance Due $775.00