

**INTERLOCAL AGREEMENT BETWEEN THE FLAGLER
COUNTY BOARD OF COUNTY COMMISSIONERS AND THE
FLAGLER COUNTY TAX COLLECTOR FOR THE LOCAL
COLLECTION OF TOURIST DEVELOPMENT TAXES**

This Interlocal Agreement is made and entered into by and between Suzanne Johnston, Flagler County Tax Collector ("Tax Collector"), and the Board of County Commissioners of Flagler County, a political subdivision of the State of Florida, (the "Board") to be effective on the date this Agreement is recorded in the Public Records of Flagler County.

WHEREAS, Section 125.0104(10), Florida Statutes, exempts any county which adopts an ordinance providing for the local collection and administration of the Tourist Development Tax (the "Tax") from remitting the collections to the Department of Revenue before being returned to the county; and,

WHEREAS, the Board enacted an ordinance on May 21, 2018, to utilize the exemption provided for in the statute and to provide for greater efficiency in the collection of the Tax; and,

WHEREAS, the Tax Collector may need additional resources above the three percent (3%) cap provided by Section 125.0104(10)(b), Florida Statutes, to carry out the specific responsibilities of auditing the records and accounts of dealers; and

WHEREAS, the Board and Tax Collector have agreed to work together to efficiently transition to local tourism tax collection and administration; and,

WHEREAS, by using this Interlocal Agreement to identify agreed upon expectations and obligations, it will facilitate the transition to local collection of the Tax and will provide a record of issues not expressly addressed in the Tax collection ordinance for the benefit of future office holders of the Tax Collector or the Board; and,

WHEREAS, the Florida Interlocal Government Cooperation Act of 1969, Section 163.01 et seq., Florida Statutes, provides that public agencies of the State of Florida may join together to cooperate in providing services for the benefit of the public.

IT IS THEREFORE AGREED, between the Board and the Tax Collector, as follows:

SECTION A. ASSISTANCE TO TAX COLLECTOR

The Board shall provide the Tax Collector the following to assist the Tax Collector for the collection, administration, and enforcement services related to the Tax:

1. A collection fee of 3% per transaction related to the Tax, as provided for by State law.

2. An additional \$15,000 per year (\$1,250 per month maximum) shall be authorized by the County specifically for the hiring of an outside audit agency/certified public accounting firm (agent) to conduct detailed audits of the records and accounts of dealers.
3. One time transfer of computers, software, licenses, and related components for use by the Tax Collector in the collection of the Tax. (This transfer is authorized from the ambulance billing collection services that were previously provided by the Tax Collector to the County).
4. One time transfer of a used car, provided by November 2018, to be used for travel to perform tourist development tax collection functions related to the collection, administration, and enforcement of the Tax.

SECTION B. AUDITS

The Tax Collector shall have sole discretion of the auditing as it relates to the collection, administration, and enforcement of the Tax. However, the desired goals of both parties pertaining to audits are generally as follows:

1. 3 audits per month to be completed by internal staff.
2. 1 detailed audit per month conducted by a CPA from an outside agency/certified public accounting firm.
3. Ongoing audits by the Tax Collector staff using software, website monitoring, field inspections and other methods and tools for the detection of non-payers.

SECTION C. REPORTING

The Tax Collector agrees to generally provide the following reports to the County with the remittance of Tax collections:

1. Monthly Financial Reports that provide details for accounting of the Revenues provided to the Clerk of the Court and County's Chief Financial Officer.
 - a. Collection Details by month
 - b. Any special Items such delinquencies and back payments,
 - c. Any Collection Actions taken
 - d. Other similar accounting details to ensure the proper allocation of funds received.
2. Monthly Reports that provide bulk, general Tourism details for use by the Tourism Development Office to market tourism in the County:
 - a. Revenues by lodging category
 - b. Average daily rate
 - c. Revenue per available room
 - d. Occupancy rates

e. Other similar not identifiable data that can assist the County's Tourism Development Office in its marketing efforts. However, nothing herein shall compel the Tax Collector to do anything contrary to any State or Federal Law.

3. Annual Reports which contain a summary of all the monthly reports.
4. Any annual fiscal year data necessary for the County's annual audit and record keeping purposes such as aging of any delinquent accounts and end of year accounting accruals.

SECTION D. LODGING PARTNER INTERACTION/INTERFACE

The Tax Collector agrees to provide the following at a minimum when it comes to the County's lodging partners (aka Dealers) and their remittance of the tax:

1. The ability of partners to file any Tourism Tax reports and make such payments online through the Tax Collector's website.
2. A Tax Collector website page/portal with Tourism Tax information, a contact person(s), an email address, and a phone number.
3. A Question and Answer section on the Tax Collectors website regarding the Tourism Tax that helps with Frequently Asked Questions.
4. Hold at least one (1) annual workshop for venders to ask questions and interact with the Tax Collector's Office.

SECTION E. STAFF TRAINING

The Tax Collector shall send at least one (1) representative to the annual Tourist Development Tax Florida Tax Collector conference.

SECTION F. TRANSITION OF SERVICES FROM STATE TO TAX COLLECTOR

The Tax Collector agrees to provide and implement, at her discretion, a transition plan to facilitate the collection, administration, and enforcement services of the Tax to take effect by August 1st, 2018. Such plan shall include outreach (meetings and/or mailings) to groups and lodging partners, education materials, and other methods to facilitate the transition.

SECTION G. OUTSIDE AGREEMENTS

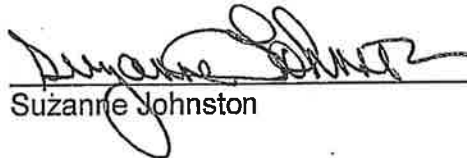
Any outside agreements related to the collection of the Tax from lodging vendors, e.g., Airbnb, Home Away, Travelocity, etc., shall be presented to the Board for its approval. Such proposed agreements shall specifically not include any agreement, contract or service engagement related to the operational activities necessary to carry out collection and administration of the Tax, which shall be at the sole discretion of the Tax Collector.

SECTION H. DISCONTINUATION OF SERVICES

Should either party wish to discontinue the Tax collection through the Tax Collector, the parties agree that such transition must occur on October 1st of the applicable year. Either party wishing to discontinue the local collection of the Tax must provide the other party at least a six (6) months' notice prior to October 1st of the applicable year. If such transition were to occur, both parties agree to work together cooperatively for the good of the taxpayers in the orderly transition of this service.

Agreed to between the parties on this 21st day of May, 2018.

FLAGLER COUNTY TAX COLLECTOR



Suzanne Johnston


Witness

**BOARD OF COUNTY COMMISSIONERS OF
FLAGLER COUNTY, FLORIDA**


Gregory L. Hansen, Chair

ATTEST:


Tom Bexley, Clerk of the Circuit
Clerk of Circuit Court & Comptroller

APPROVED AS TO FORM:


Albert J. Haddad, County Attorney