SECTION 13 – INTERGOVERNMENTAL RELATIONSHIPS

Overview

Effective intergovernmental relationships support efficient service delivery, sound financial management, regulatory compliance, and public accountability. Florida local governments operate within overlapping service areas, funding systems, statutory requirements, and regulatory frameworks. Counties, municipalities, special districts, school districts, state agencies, federal agencies, and other public entities may share responsibility for infrastructure, programs, public safety, economic development, grants, and community services.

For finance officers, intergovernmental coordination extends beyond communication. It includes evaluating the financial and operational terms of shared-service and interlocal arrangements; identifying and administering funding opportunities; monitoring statutory, regulatory, and grant requirements; maintaining reliable financial and performance reporting; and ensuring that intergovernmental revenues, expenditures, cost-sharing arrangements, and other commitments are appropriately reflected in budgets, forecasts, capital plans, and long-term financial plans. Particular consideration should be given to the sustainability of recurring commitments, allocation of costs and financial risk, service-level expectations, and the fiscal implications of entering, modifying, or terminating significant intergovernmental arrangements.

Where governmental jurisdictions or service responsibilities overlap, effective coordination can reduce duplication, improve service delivery, provide access to specialized resources, and promote the efficient use of public funds. Governments should clearly understand their respective responsibilities and consider the financial, operational, and community impacts of alternative service-delivery arrangements. Public and stakeholder input should be incorporated when appropriate to the nature and significance of the decision.

Local governments should also maintain effective lines of communication with state and federal agencies and monitor legislative, regulatory, funding, and administrative developments that may affect their operations or financial condition. Communication with legislators, agency personnel, other governmental entities, and professional associations can assist local governments in understanding emerging requirements, communicating the fiscal and operational effects of proposed changes, and identifying opportunities for intergovernmental coordination or financial assistance.

Collaboration with other governments and professional organizations can also provide an effective means of addressing common financial, operational, and regulatory issues. Florida's governmental and professional associations provide forums for information sharing, technical assistance, education, legislative and regulatory monitoring, and collaboration among entities facing similar requirements and challenges. A listing of selected organizations and resources is included in the reference section of this chapter.

Relationships with Other Local Governments

The responsibility for providing government services to citizens in any given geographical area is shared locally by counties, cities, and special districts. Local governments are empowered to impose taxes and fees on the public to provide funding for those services. Citizens subject to governance by local governments with overlapping jurisdictions are best served when those local governments work effectively together to provide needed services in an economical manner.

The Florida Interlocal Cooperation Act of 1969 (Section 163.01, Florida Statutes) allows public agencies to cooperate with one another and jointly exercise powers they share in common in order to make more efficient use of governmental resources. Interlocal agreements may be used to coordinate or jointly provide services, share facilities or systems, allocate costs and revenues, administer joint programs, or establish a separate legal or administrative entity. Such agreements should clearly identify the purpose and scope of the arrangement, the responsibilities of each participating entity, the method of financing and cost allocation, ownership or use of

assets, reporting and accountability requirements, and provisions governing amendment, withdrawal, or termination. Material financial commitments resulting from interlocal agreements should be appropriately incorporated into the participating government's budget, financial reporting, and long-term financial planning. It also provides broad authority for public agencies to exercise powers jointly through interlocal agreements. The statute defines public agencies broadly and permits qualifying agencies to cooperate for mutual advantage and more efficient use of governmental powers and resources.

Counties, municipalities, special districts, school districts, and other public entities frequently serve the same residents or geographic areas. Cooperation can reduce duplication, improve service quality, expand access to specialized expertise, and provide economies of scale. Common arrangements include shared facilities or systems, joint procurement, mutual aid, shared technology, consolidated service delivery, regional planning, and joint grant initiatives.

Section 163.31777, Florida Statutes, establishes additional interlocal requirements related to coordination between district school boards and applicable counties and municipalities. The statute requires the parties to coordinate their planning processes through an interlocal agreement addressing specified school-facility and planning matters. Effective with the 2026 statutory amendment, such agreements must also address reasonable access, where available, to public easements and public rights-of-way that may be necessary for the siting, construction, expansion, or improvement of public school facilities, including charter schools, consistent with adopted level-of-service standards, school concurrency requirements, and applicable public-facilities planning requirements. Governments subject to these requirements should review affected interlocal agreements when they are created, amended, or otherwise updated.

Relationships with State Government

There are several state agencies that interact with local governments in a meaningful way through rulemaking, financial reporting and oversight requirements, administration and distribution of revenues, grant programs, and technical assistance. State funding of local government operations is generally provided through various revenue-sharing programs, grants, and other financial assistance; however, such funding is authorized by state law and may be subject to statutory or administrative requirements governing its use. Certain state agencies also maintain financial, demographic, and operational information useful to the financial management of local governments. While it is not feasible to describe all such interactions in this publication, it is useful to identify several agencies that have significant roles in local government financial operations.

Department of Revenue (DOR)

Responsible for the administration and distribution of various taxes and fees affecting local governments and for general supervision of Florida's property tax system through its Property Tax Oversight program. Of particular importance to local government finance officers, DOR provides guidance and oversight relating to ad valorem taxation, Truth in Millage (TRIM) requirements, millage adoption, required notices and budget hearings, and other property tax administration requirements. Finance officers responsible for ad valorem budgeting should consult Chapter 200, Florida Statutes, applicable administrative rules, and current DOR guidance when developing and adopting millage rates.

Department of Financial Services (DFS)

Responsible for providing a variety of financial services for the State of Florida and its citizens. Of particular importance to local governments is DFS's Division of Accounting and Auditing. Section 218.33, Florida Statutes, requires local governmental entities to follow uniform accounting practices and procedures prescribed by DFS. The Division maintains the Uniform Accounting System (UAS) Manual and uniform chart of accounts used for recording and reporting local government financial information to the State.

Section 218.32, Florida Statutes, requires applicable local governmental entities to submit annual financial information to DFS. Annual Financial Reports (AFRs) are submitted electronically through the Local Government

Electronic Reporting in XBRL (LOGERx) system. DFS also maintains local government financial information derived from AFR filings and provides related reporting resources and technical guidance.

Department of Commerce (FloridaCommerce)

Responsible for working with local governments on community planning and other state programs, including responsibilities relating to local comprehensive planning.

FloridaCommerce also administers the Special District Accountability Program, a centralized source of information concerning Florida special districts and the requirements of Chapter 189, Florida Statutes, the Uniform Special District Accountability Act. The Program maintains the Official List of Special Districts, which provides standardized information concerning each district, including its independent or dependent status, special purpose, geographic jurisdiction, registered agent, and official website.

FloridaCommerce also publishes the Florida Special District Handbook, which provides guidance concerning special district organization, operating procedures, reporting requirements, accountability, and other requirements under Chapter 189, Florida Statutes.

Auditor General

Responsible for conducting audits of state and certain local governmental entities as authorized by law and for adopting rules governing financial audits performed by independent certified public accountants. Chapter 10.550, Rules of the Auditor General, establishes requirements applicable to audits of local governmental entities and includes applicable Florida Single Audit Act requirements.

The Auditor General reviews local government audit reports submitted pursuant to Florida law and provides technical guidance concerning local governmental financial reporting, auditing, accounting systems, procedures, internal controls, and related compliance matters. The Auditor General also provides financial condition assessment information and procedures to assist local governments and their auditors in identifying deteriorating financial conditions that could contribute to a financial emergency.

Relationships with the Federal Government

The federal government affects local governments through legislation, regulations, grants, cooperative agreements, disaster assistance, infrastructure programs, and other funding. Federal awards often require local matching funds, specific procurement and internal-control practices, financial and performance reporting, records retention, and audit compliance. Finance officers should evaluate both the funding opportunity and the full lifecycle cost and compliance requirements before accepting an award.

Grants.gov (www.grants.gov) is the primary federal portal for identifying many competitive funding opportunities. For federal award administration, finance officers should also consult 2 Code of Federal Regulations (CFR) Part 200 and Section 24 – Grants of this manual.

References

- FloridaCommerce - Special District Accountability Program. Official link
- Florida Department of Financial Services. Official link
- Florida Department of Revenue. Official link
- Florida Auditor General - Local government guidance. Official link
- Florida Office of Economic and Demographic Research - Local government resources. Official link
- Florida Government Finance Officers Association. Official link
- Florida League of Cities. Official link
- Florida Association of Counties. Official link
- Florida Association of Special Districts. Official link
- 2 CFR Part 200