

Alaska Remote Seller Sales Tax Commission

Commission Board Meeting

January 21, 2019 * 1-855-257-8693 * Passcode 1922212 * 1:00 p.m. – 3:00 p.m.

- I. Roll Call
- II. Approval of Agenda
- III. Approval January 6, 2020 minutes
- IV. Discussion of Proposed Fund Balance Policy
- V. Discussion of Proposed Late Return Policy
- VI. Discussion of Finance Projections Tool
- VII. Action on Commission FY20 Budget
- VIII. Action on AML/Commission Agreement
- IX. Adjourn

Member List:

- City of Adak
- Haines Borough
- City of Homer
- City and Borough of Juneau
- City of Kenai
- City of Kodiak
- Kenai Peninsula Borough
- Ketchikan Gateway Borough
- City of Nome
- City of Unalaska
- City of Saint Paul
- City of Houston
- City of Cordova
- City of Palmer
- Petersburg Borough
- City of Tenakee Springs
- City of Seldovia
- City of Seward
- City and Borough of Sitka
- City of Soldotna
- City of Toksook Bay
- City of Wasilla
- City of Yakutat
- City and Borough of Wrangell

- City of Kotzebue – January 16th

ARSSTC BOARD MEETING

Teleconference
January 6th, 2020

Board Present:

- Jeff Rogers, City and Borough of Juneau
- Troy Tankersley, City of Wasilla
- Scott Bloom, City of Kenai
- Brandi Harbaugh, Kenai Peninsula Borough
- Cynna Gubatayao, Ketchikan Gateway Borough
- Stephanie Queen, City of Seldovia
- Mike Tvenge, City of Kodiak

Commission Members

- Jay Sweeney – City and Borough of Sitka
- Phil Zavadil – City of St. Paul
- Jon Erickson – City and Borough of Yakutat
- Jila Stuart – Haines Borough
- Sam Chanar – City of Toksook bay

Others in attendance:

- Dawn Wesley, Program Manager
- Nils Andreassen, Executive Director
- Matt Mead, Landye Bennett

President Rogers called the January 6, 2020, Alaska Remote Sales Tax Committee Board meeting to order at 1:03 p.m.

I. Roll Call – All present.

II. Approval of Agenda

Motion to approve made by Mike, seconded by Cynna. Passed with no objection.

III. Approval of December 23rd, 2019 Minutes

Motion to approve made by Troy, seconded by Mike. Cynna abstains. Passed with no objection.

IV. Action of Remote Sales Tax Code

- a. "Sale" or "retail sale" means any ~~sale~~ transfer of property for consideration for any purpose other than for resale.
 - b. "Physical presence" means a seller who establishes any one or more of the following within a local taxing jurisdiction:
 - c. Add:
 - i. "Single unit sale" added to .30 E
 - d. Strike remote from 230 and 230D
 - e. Discussion – Code good for approval, will need to be updated in future years, based on learning as Commission's work is implemented
- Motion to approve as amended made by Stephanie, seconded by Troy. Passed with no objection.
Significant milestone and work – thank you from Jeff.

ARSSTC BOARD MEETING

Teleconference
January 6th, 2020

- V. Action of Supplemental Definitions**
- a. Leg language as reference, not adopted
 - b. Definitions only apply to Code – encourage to align, not required; language “for the purpose of this chapter, or for the Uniform Code”
 - c. Expectation of members – future agenda
- Motion to approve as amended made by Cynna, seconded by Scott. Passed with no objection.
- VI. Action on Banking Resolution 2020-01**
- Motion to approve as amended made by Troy , seconded by Cynna. Passed with no objection.
- VII. Discussion on Materials – Nils**
- a. FAQ – Need feedback from board
 - b. Local Government Step-by Step
Attorneys to review local code revisions that might necessary
- VIII. Discussion of Software Progress Reports**
- a. MuniRevs- Erin
Onboarding process for new members, through AML
 - b. TTR- Brian and Conan
Request for GIS data, where available and offered by municipalities.
- IX. Discussion of FY20 Budget**
- a. Send tool out, Brandi
 - b. Schedule work session on Agreement – send latest out
 - c. Schedule finance committee meeting
 - d. Notice Commission board meeting on the 21st
- X. Discussion of Communications – Nils**
- a. Press Release and Op Ed
 - b. Radio or other interviews
 - c. Audience – National, Alaska; Local governments; Businesses
- XI. Commission member or public comments**
- a. Send board packet out ahead of time
 - b. Jay-interpretation of definitions
- XII. Adjournment**
- Meeting adjourned at 3:13pm

Respectfully submitted, Dawn Wesley, Sales Tax Program Manager

Approved

Cynna Gubatayao

Adopted: January __, 2020

Alaska Remote Sales Tax Commission Fund Balance Policy

Alaska Remote Sales Tax Commission hereby establishes and will maintain reservations of Fund Balance as defined herein in accordance with the Governmental Accounting and Financial Standards Board (GASB) Statement No. 54. This policy shall apply to the Alaska Remote Seller Sales Tax Commission ("ARSSTC") Operating Fund.

Classifications of Fund Balance

Under GASB Statement No. 54, fund balances are classified as non-spendable, restricted, committed, assigned or unassigned amounts.

1. Non-Spendable – Amounts that cannot be spent because they are either in a (a) non-spendable form, including items not expected to be converted to cash (i.e. inventories, prepaid amounts, long-term portion of loans and notes receivable and property acquired for resale), or (b) legally or contractually required to be maintained intact (i.e. the principal of a permanent fund).
2. Restricted – Amounts constrained to be used for a specific purpose as per external parties, constitutional provision, or enabling legislation.
3. Committed – Amounts constrained to be used for a specific purpose as per action by the Alaska Remote Seller Sales Tax Commission Board of Directors. Amounts classified as committed are not subject to legal enforceability like restricted resources; however, they cannot be used for any other purpose unless the Commission Board removes or changes the commitment by taking the same action it employed to impose the commitment.
4. Assigned – Amounts intended to be used by the "ARRSTC" for a specific purpose but are neither restricted nor committed. The intent shall be expressed by the Commission for a specific purpose. The nature of the actions necessary to remove or modify an assignment is not as rigid as required under a committed fund balance classification.
5. Unassigned – Amounts available for any purpose (amounts that are not Non-Spendable, Restricted, Committed or Assigned) in the "ARRSTC."

Prioritization of Fund Balance Use (Spending Policy)

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it shall be the policy of the Commission to use the restricted amounts first as permitted under the law. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of the Commission to use the committed amounts first, followed by the assigned amounts and then unassigned amounts.

Minimum Level of Unassigned General Fund Balance

It shall be the policy of the Commission to begin each fiscal year with a minimum unassigned fund balance of 20% of the annual expenditures for that year. Such fund balance shall serve liquidity needs, protect against unforeseen expenditures and litigation, and mitigate the single revenue source dependency upon unanticipated revenue declines. Fund Balance in excess of the minimum may only be appropriated for expenditure by an affirmative vote of a majority of the Commission as a whole.

Annual Review and Determination of Fund Balance Reserve Amounts

Compliance with the provisions of this policy shall be reviewed as part of the closing of the financial books at year-end (June 30) and the amounts of restricted, committed, assigned and non-spendable fund balance will be determined. Any residual balance amounts will be classified as unassigned.

Emergency Expenditure Policy

The minimum fund balance as set forth through the ARSSTC Fund Balance Policy are to be maintained at all times except in the case of an emergency. In an actual emergency, the Commission may expend below the minimums as set forth in the Fund Balance Policy by an affirmative vote of a majority of the Commission Board.

Replenishing Fund Balance once Below the Prescribed Minimum Fund Balance

When fund balance falls below the minimum 20% range, the Commission will replenish shortages/deficiencies using the budget strategies and timeframes described below.

- The Commission will reduce recurring expenditures, or
- The Commission will reduce member's future fees, or
- The Commission will rebate a portion of member past fees, or
- The Commission will increase revenues or pursue other funding sources, or,
- The Commission will request an equitable specified contribution from participating Commission members, or,
- Some combination of the three options above.

Minimum fund balance deficiencies shall be replenished within the following time period:

- Deficiency resulting in a minimum fund balance less than 20% shall be replenished over a period not to exceed two years.

Use of Surplus Fund Balance once Above the Prescribed Minimum Fund Balance

Should unassigned fund balance ever exceed the maximum 25% range, the Commission may consider such fund balance surpluses for one-time expenditures that are nonrecurring in nature and which will not require additional future expense outlays for maintenance, additional staffing or other recurring expenditures.

Policy Review

This policy is to be reviewed by the Commission's Board annually. Review shall be initiated by the Commission's Finance Committee.

Finance Policies

- **Late filings**
 - Returns due last day of the immediate subsequent month.
 - § Does MuniRevs allow you to mark a merchant as quarterly or monthly? If so, MuniRevs will know dues dates for returns. If quarterly vs. monthly option is set at the 'company' or 'entity' level, it will make it much harder for the Commission to offer the option of quarterly to individual merchants.
- **First business day after the end of the month**
 - Complete the monthly reconciliation for the month. Daily reconciliations will occur daily and be compiled in a workbook for final review at month end, at which time the staff member will sign off on the monthly reconciling verifying data ties to the monthly MuniRev reporting.
 - \$25 late fee applied the first working day after the filing deadline, as soon as reconciliation is complete.
 - § No interest should accrue on fees, penalty of interest.
 - If the \$25 fee accrues to the Commission/AML, municipalities should not be charged the 1.75% on it. The working spreadsheet reflects a credit for each jurisdiction based on the current months fees collected equaling the MuniRev and TTR fees charged on the late filing fees.
- **Five business days after end of the month**
 - Send delinquent letters.
 - § Automatic process within MUNIRevs, to occur within five days.
- **End of the month processes**
 - At the end of each month thereafter, a graduated 5% per month, penalty is applied to any unpaid tax liability to a maximum of 20%, or four months.
 - § Accomplished within software
 - § Penalty accrues to the municipality.
 - § Interest does not accrue on the fees or penalty.
 - At the end of each month thereafter, 1.25% interest is applied to any unpaid tax liability.
 - § Interest collected on taxes owed accrues to the municipality.
- **For accounts still delinquent at end of month:**
 - Two months initially, but work toward 45 days as the Commission's systems develop
 - Do an estimated return and start civil process – to be determined

Revenue and Fee Tracking Tool

This spreadsheet is designed for the internal controls of the Alaska Remote Sellers Sales Tax Commission, including to project annual revenues, identify various fee structures, and to ensure fair and equitable distribution of fees.

1. The spreadsheet is based on a conservative estimate of remote sales tax collection, which was produced by the software developer.
2. The spreadsheet includes all sales tax jurisdictions in Alaska and attributes a potential effective date of passage of the Uniform Code for many in FY20.
3. It takes the conservative estimate of sales tax collection and produces a daily rate (estimated annual remote sales tax receipts / 366 days), which it then applies starting 30 days past the effective date (based on the passage of the Uniform Code).
4. The spreadsheet captures daily activity, whereby each day, staff will download a flat file for the day's activity, to include gross sales, exemptions, taxes, discounts, penalty, interest and fees by jurisdiction.
5. The daily sheet will be reconciled against the MuniRevs system to verify that the two match and the calendar year aggregate matches as well. There will a daily sheet for each day of the month that then feeds into that month's summary sheet.
6. At the end of each month the monthly sheet's total collections will also be reconciled to the MuniRev system on a jurisdiction and Commission-wide basis.
7. Fees:
 - a. The spreadsheet assesses an annually approved percentage rate (based on the Commission's annual budget) against each jurisdiction's monthly sales tax collected for the Commission's fees. The Commission's fees are collected on behalf of the Commission to pay AML and other direct expenses in the approved annual budget. That budget and % may be adjusted with board action as revenues are higher or lower than projected.
 - b. Based on that gross revenue, it applies the fees of both MUNIRevs and TTR, both of which deescalate at \$10 million increments.
 - c. Along the way, it accounts for the decreased rate at those increments, adjusting the overall total fees applied. Each month fees are recalculated based on the calendar year collections to date.
 - d. Each jurisdiction is then given a credit for the amount paid in prior months in that given calendar year.
 - e. This allows the new aggregate rate to be charged to all participants and reallocates the fees based on the calendar year effective rate.
 - f. The tool also calculates each jurisdiction's \$1,000 TTR recoup payment. Each jurisdiction is to pay \$1,000 one-time to AML in order to pay back the \$100,000 one-time TTR data management fee. The fee is to be collected in the first month of participation by which the jurisdiction's monthly collections will be no less than \$2,000, or in the case of jurisdictions that may collect less than \$2,000 monthly.
 - i. The amount is to be repaid by collecting amounts of less than one half or equal to half of a jurisdiction's collections on a monthly basis, until the \$1,000 is fully collected and repaid to AML.

8. Finally, it tabulates the Commission's fees as a % of the budget against monthly receipts.

Month 1								
	Monthly collections	Prior month collections	Total CY collections	Fee calculation on CYTD	Fees pd prior (CREDIT)	Fees due (REALLOCATED), EFFECTIVE RATE	% of collections	Effective rate
Jurisdiction A	10,000,000	-	10,000,000	1,200,000	-	1,200,000	1.00	0.1200
Jurisdiction B	-	-	-	-	-	-	-	#DIV/0!
	10,000,000	-	10,000,000	1,200,000	-	1,200,000	1.00	
Month 2								
	Monthly collections	Prior month collections	Total CY collections	Fee calculation on CYTD	Fees pd prior (CREDIT)	Fees due (REALLOCATED), EFFECTIVE RATE	% of collections	Effective rate
Jurisdiction A	1,500,000	10,000,000	11,500,000	1,260,741	1,200,000	60,741	0.85	0.1096
Jurisdiction B	2,000,000	-	2,000,000	219,259	-	219,259	0.15	0.1096
	3,500,000	10,000,000	13,500,000	1,480,000	1,200,000	280,000	1.00	
<i>Rate is going from 12% to 8% in month 2, effective rate of 10.96% for all jurisdictions.</i>								
<i>Jurisdiction A pd 12% in month 1</i>								
<i>In month 2 both Jurisdictions pay effective rate for YTD collections</i>								

The spreadsheet will then be used by staff to produce an itemized statement for member jurisdictions, including the fees for each of MUNIRevs, TTR and the Commission, as well as their total remittance, which should match up with their gross receipts found in the Alaska Local Government Sales Tax Portal.

Member Revenues	Q2 - FY20	Q3 - FY20	Q4 - FY20
FY20 - 15 members		\$ -	\$ 3,000,000.00
FY21 - additional 20			
Subtotal	\$ -	\$ -	\$ 3,000,000.00
Less TTR %		\$ -	\$ 37,500.00
Less Munirevs %		\$ -	\$ 360,000.00
Less Commission fees	\$ -	\$ -	\$ 150,000.00
Subtotal Member Revenues	\$ -	\$ -	\$ 2,452,500.00

Revenues			
Commission Revenue	\$ -	\$ -	\$ 150,000.00
AML contribution	\$ 108,133.33	\$ 136,875.00	
Member fee - data management	\$ -		\$ 15,000.00
Subtotal Revenue	\$ 108,133.33	\$ 136,875.00	\$ 165,000.00

Expenses			
TTR Implementation fee \$100,000		\$ 100,000.00	
TTR recoup data management			\$ 15,000.00
Munirev Implementation fee \$100,000	\$ 100,000.00		
Staffing Needs	\$ 8,133.33	\$ 37,617.67	\$ 44,225.00
Auditor/compliance - contract			\$ 25,000.00
Legal fees - contracted		\$ 15,000.00	\$ 10,000.00
Governance - support, travel		\$ 1,000.00	\$ 1,000.00
Banking/Service Fees		\$ 2,500.00	\$ 2,500.00
Insurance		\$ 10,000.00	
Subtotal expense	\$ 108,133.33	\$ 166,117.67	\$ 97,725.00
Overhead @8%		\$ 5,289.41	\$ 6,618.00
Total expense	\$ 108,133.33	\$ 171,407.08	\$ 104,343.00
Fund Balance	\$ -	\$ (34,532.08)	\$ 60,657.00

Budget Narrative

Revenues

Revenues: Members revenues are based on applying a national online sales average of a % of physical sales tax revenue collected to Alaska local governments. This community.

TTR: The data management company needed to ensure that sales tax boundaries are complied with. Their fees are 1.25% on the first \$10 million, 1% on the second, thereafter, annually. AML pays the up front fee of \$100,000, and propose a \$1k member fee to recoup.

MuniRevs: This is the software developer that has been selected based on a careful national review process. They were most able to accommodate the differences local governments, were most affordable, and have done this before. Their fees are 12% on the first \$10 million, 8% on the second, and 4% thereafter, annually. They are able to recoup the initial development costs that are kept low, and which AML is paying for as part of its match for those members who contributed to the research rates to be renegotiated within five years. The effective rate at \$30 million in annual revenue is around 8.5% and at \$40 million around 7.5%.

AML Admin Fees: AML will provide administrative support, and this fee will come out as a percentage of member revenue, basically cost-shared, for direct and indirect expenses, based on this budget.

Annual member fee – data management: TTR up front collection.

**Note: Revenues that come in will be held in a dedicated AMLIP account. Earnings will all be applied to reducing the administration fees.*

Expenses

TTR: The third party contracted for postal address look up. AML will pay for the initial costs of software development, which will be \$100,000.

MUNirevs: Tax Collection and Remittance Software

Staff costs: We have hired a program manager, who early on will be responsible for a lot of the implementation. We'll add additional staff as the program is built up. There is a potential need for someone to help keep the software updated, bookkeeping/reporting, and then audit and compliance.

Legal fees: contracted out until such time as it makes sense to be brought in house

Governance – travel and meetings of the board of directors and membership

Overhead – Accounting for Indirect fees of AML, including rent, telecommunications, etc.

The budget will be presented to the board of directors for approval annually. It will be budget neutral, meaning that AML retains no overages. Any excess earning member fees.

FY20	
\$ 3,000,000.00	Conservative based on MUNIRevs estimate
\$ 3,000,000.00	
\$ 37,500.00	1%
\$ 360,000.00	12%
\$ 150,000.00	5%
\$ 2,452,500.00	

\$ 150,000.00	
\$ 245,008.33	AML will need to recoup above \$200k
\$ 15,000.00	AML recouping \$100k for TTR implementation
\$ 410,008.33	

\$ 100,000.00	AML payment
\$ 15,000.00	AML reimbursement
\$ 100,000.00	AML payment
\$ 89,976.00	
\$ 25,000.00	
\$ 25,000.00	
\$ 2,000.00	
\$ 5,000.00	
\$ 10,000.00	
\$ 371,976.00	
\$ 11,907.41	
\$ 383,883.41	
\$ 26,124.92	20% goal to be achieved in FY21

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Member Revenues	Q1 - FY21	Q2 - FY21	Q3 - FY21	Q4 - FY21	FY21
FY20 - 30 members	\$ 3,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00	\$ 12,000,000.00
FY21 - additional 20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 4,000,000.00
Subtotal	\$ 4,000,000.00	\$ 4,000,000.00	\$ 4,000,000.00	\$ 4,000,000.00	\$ 16,000,000.00
Less TTR %	\$ 50,000.00	\$ 50,000.00	\$ 45,000.00	\$ 40,000.00	\$ 185,000.00
Less Munirevs %	\$ 480,000.00	\$ 480,000.00	\$ 400,000.00	\$ 320,000.00	\$ 1,680,000.00
Commission fees	\$ 140,000.00	\$ 140,000.00	\$ 140,000.00	\$ 140,000.00	\$ 560,000.00
Subtotal Member Revenues	\$ 3,330,000.00	\$ 3,330,000.00	\$ 3,415,000.00	\$ 3,500,000.00	\$ 13,575,000.00

Revenues					
Commission Revenue	\$ 140,000.00	\$ 140,000.00	\$ 140,000.00	\$ 140,000.00	\$ 560,000.00
Member fee - data management	\$ 30,000.00	\$ 15,000.00	\$ 5,000.00	\$ 5,000.00	\$ 55,000.00
Subtotal Revenue	\$ 170,000.00	\$ 155,000.00	\$ 145,000.00	\$ 145,000.00	\$ 615,000.00

Expenses					
1st AML year recoup	\$ 15,000.00	\$ 10,000.00	\$ 15,000.00	\$ 10,000.00	\$ 50,000.00
TTR recoup - data management	\$ 30,000.00	\$ 15,000.00	\$ 5,000.00	\$ 5,000.00	\$ 55,000.00
Staffing needs	\$ 64,050.00	\$ 64,050.00	\$ 64,050.00	\$ 64,050.00	\$ 256,200.00
Legal fees - contracted	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 60,000.00
Governance - support, travel	\$ 5,000.00	\$ 5,000.00	\$ 500.00	\$ 500.00	\$ 11,000.00
Banking/Service Fees	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 10,000.00
Insurance/External Audit	\$ 5,000.00	\$ 15,000.00	\$ 10,000.00	\$ -	\$ 30,000.00
Subtotal expense	\$ 136,550.00	\$ 126,550.00	\$ 112,050.00	\$ 97,050.00	\$ 472,200.00
Overhead @8%	\$ 7,324.00	\$ 8,124.00	\$ 7,364.00	\$ 6,564.00	\$ 29,376.00
Total expense	\$ 143,874.00	\$ 134,674.00	\$ 119,414.00	\$ 103,614.00	\$ 501,576.00
Fund Balance	\$ 26,126.00	\$ 20,326.00	\$ 25,586.00	\$ 41,386.00	\$ 113,424.00

Budget Narrative

Revenues

governments. This will vary by community.

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Annual member fee – data management: TTR up front collection.

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Overhead – Accounting for Indirect fees of AML, including rent, telecommunications, etc.

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MEMORANDUM OF AGREEMENT

Provision of Professional Services for the Alaska Remote Seller Sales Tax Commission

Section 1. Purpose. This Memorandum of Agreement (this “MOA”) is effective as of the 21st day of January, 2020 (the “Effective Date”), between the Alaska Municipal League (“AML”), an Alaska intergovernmental, not-for-profit organization, and the Alaska Remote Seller Sales Tax Commission (the “Commission”), an interlocal governmental entity, to set forth the terms for AML to provide administrative and support services to the Commission.

Section 2. Scope of Services. AML will provide the following services for the Commission, and/or as directed by the Board of Directors (the “Services”):

1. Support Commission Board, Subcommittee, and Member meetings, activities, and communications, including the following tasks:
 - a. Make meeting arrangements, and provide for notice in conformance with Commission Bylaws
 - b. Provide agenda support
 - c. Prepare meeting minutes
 - d. Provide compliance oversight
2. Support member meetings, activities, and communications, including the following tasks:
 - a. Maintain Commission member list
 - b. Administer annual member meeting
 - c. Conduct annual rate, boundary, and member Code review
 - d. Send monthly emails with updates on compliance, reporting, and software development
 - e. Establish a Commission website with information available to members, taxpayers, and prospective members
 - f. AML will provide or organize the provision of legal support, at the direction of the Commission, when legal services are needed for code enforcement actions or on behalf of the Commission.
3. Enter into and manage software contracts necessary for collection, remittance, and reporting, and all other services as required by the Commission, with the provision that all contracts may revert to the Commission if the Alaska Municipal League no longer acts as the administrator on behalf of the Commission. The Commission shall be notified 90 days prior to contract change or conclusion, and have the opportunity to assume, terminate or change the contract.
 - a. MUNIRevs Support – as required by contract attached as Exhibit A
 - b. TTR Support – as required by contract attached as Exhibit B
4. Coordinate Commission decision-making and operational activities through AML’s Executive Director

- a. Communicate staffing roles and responsibilities
5. Manage day-to-day operations of the Commission, including the following tasks:
 - a. Conduct outreach to online retailers and national contacts
 - b. Conduct outreach to Alaska businesses
 - c. Establish and manage separate accounting.
 - i. Reconcile accounts on a daily basis
 - ii. Remit net revenue to members on an agreed-upon and consistent date
 - iii. Report – review in partnership with members
 - d. Follow the policies and procedures as set out by the board
 - e. Manage and respond to legal or other questions from or directed to the Commission
 - f. Seller Compliance – review in partnership with members
 - g. Contract for a compliance audit and prepare required materials for audit
 - i. Make available the auditor to present to the board, and provide to the board the audit and oversight documents
 - h. Maintain (including, without limitation, backing up its computer files, and maintaining facilities and procedures for safekeeping and retaining documents) books and records of the Commission and its operations
 - i. Provide an annual report

Section 3. Equipment and Supplies. AML will provide all necessary equipment and facilities to timely and efficiently perform the Services.

Section 4. Standard of Care. AML agrees, at all times, to complete the Services in a professional and timely fashion. In performing the Services, AML must exercise all due care and caution in accordance with the best industry practices. The Commission will cooperate fully to ensure that AML is capable of timely performing the Services.

Section 5. Commission Scope of Responsibilities. The Commission shall act in good faith in the execution of this MOA, the Commission Bylaws, and the Intergovernmental MOA. The Commission shall take no action that threatens the legal status of the Alaska Municipal League. The Commission has the following duties and authority:

- Review and work with AML to develop a mutually agreed upon budget for the administrative duties of the Commission
- Review and approve annual staffing plan (recognizing the Commission has no direct authority over AML staff), consistent with the budget, in support of necessary Commission functions
- Approve contracts valued over \$10,000
- Direct all Board and Commission inquiries and requests through the Executive Director of AML or designee
- Establish administrative policies and procedures for the operations of the Commission
- Review and approve a marketing and communication plans and strategies
- Approve implementation and amendment process of the MOA and Code

- Participate in and receive the annual audit report and oversight documents
- Conduct an annual performance review of AML's activities

Section 6. Term. The initial term of this MOA shall be one year from the Effective Date, . After the initial term, the parties will review the MOA and may amend the MOA as mutually desired and renew. After the initial term, the MOA (amended or not) will renew for two more years, unless sooner amended or terminated as provided below in this MOA.

Section 7. Amendment. This MOA may be amended at any time by mutual written agreement of the parties.

Section 8. Renewal. AML and the Commission may mutually agree to renew this MOA for successive terms after the first three years of this MOA.

Section 9. Termination for Convenience. This MOA may be terminated by either party upon 120 days' advance written notice. In the event that this MOA is terminated, all finished or unfinished documents, data compilations, reports, and/or other materials prepared by AML under this Agreement are the property of the Commission and AML hereby agrees to peaceably return all such items to the Commission by or upon the effective date of termination and as may be further instructed by the City. AML shall be entitled to receive compensation for invoiced work performed to the effective date of the termination.

Section 10. Remediation. If the Commission determines that AML has failed to fulfill in a timely and proper manner the obligations of this MOA, the Commission will work with AML to address deficiencies within ninety (90) days.

Section 11. Termination for Cause. If, through any cause, AML shall fail to fulfill in a timely and proper manner the obligations under this MOA, unresolved within ninety (90) days and determined to be significantly detrimental to the governance or fiduciary oversight of the Commission, then the Commission shall thereafter have the right to immediately terminate this MOA, upon a three-quarter vote of the Board of Directors, by giving written notice to AML and specifying the effective date thereof. In that event, all finished or unfinished deliverable items under this MOA prepared by AML shall, at the option of the Commission, become its property, and AML shall be entitled to receive just and equitable compensation for any satisfactory work completed on such materials prior to the effective date of termination. In such event, AML shall not be relieved of liability to the Commission for damages sustained by the Commission by virtue of any breach of this MOA, and the Commission may withhold any payment due AML for the purpose of setoff until such time as the exact amount of damages due the Commission from such breach can be determined.

Section 12. Fees. Fees will be applied to total revenues upon collection each month, deducted according to these terms, and the remainder of the revenue remitted to the member Annual revenues are determined by the Commission's fiscal year.

- A. MUNIREvs. AML will facilitate payment of the Commission’s MUNIREvs contracts fees, which may be reviewed and amended after five years after the Commission’s contract (November 2024).

\$0-\$10M	\$10M-\$20M	\$20M+
12%	8%	4%

- B. TTR. AML will facilitate payment of the Commission’s TTR contract fees, which may be reviewed and amended after three years after the Commission’s contract (November 2022). The Commission recognizes the a \$100,000 up front payment made by AML, to be repaid to AML as a \$1,000 fee from members, either upon adoption of the Uniform Code or as part of subsequent collection of sales tax revenue; any remainder balance – the difference between the number of members and total amount of loan shall be addressed through interest earnings on the fund balance or revenues received, as determined by the Board through the budget process. TTR’s fees are addressed within the following fee structure on annual gross sales tax collected.

\$0-\$10M	\$10M-\$20M	\$20M+
1.25%	1.0%	.75%

- C. Commission. The Commission’s fees will be collected monthly , applied as an annual, board-approved percent of revenue to gross sales tax collected, consistent with the budget. The total percent collected from fees (between MUNIREvs, TTR and AML) should be limited to not more than 20% in any one month, with the maximum preferred limit at 15% (and the intent to work toward lowering fees as quickly as possible). The Commission as a whole may approve a higher percentage if circumstances demand.

D. AML Expenses

1. AML will submit monthly reports of expenses to the Commission, and the Commission will pay AML’s direct expenses and 8% overhead expenses. Overhead will be applied to direct expenses as compensation for rent, computers and electronic equipment, telecommunication equipment and services, and indirect staff time in proportion to the Commission’s share of each line item as approved in the budget. Direct and indirect expenses will be evaluated annually to ensure appropriate allocation. Cost beyond costs approved in the budget are not a reimbursable direct expense and must be approved by the board of directors. AML’s direct expenses include, and as provided for in the annual budget are:
 - i. Staff who are directly responsible for Commission programs. Costs include salary and benefits.
 - ii. Contracts, insurance, and miscellaneous costs directly related to AML’s performance of the Services

2. Any Commission-approved loan or start-up capital by AML will be repaid in subsequent years in a manner as determined by the Board and in agreement with AML, to include any agreed upon interest.
3. AML expenses paid by the Commission may not exceed the approved budget in any fiscal year, unless a prior request to amend and increase the budget has been received and approved by the Board of Directors.

Section 13. Insurance.

AML will maintain general (currently \$2,000,000) and professional liability insurance coverages at all times during this MOA with limits and retention amounts in commercially-prudent amounts consistent with industry standards to cover any loss arising as a result of any real or alleged negligence, errors, or omissions on the part of AML's officers, agents or employees (minimum \$1,000,000) in any aspect of the performance of services under this MOA. Notwithstanding, the commercial general liability must include minimum coverage of \$1,000,000.

The policy must name the Commission as an additional insured and provide that the policy may not be cancelled without 30 days' prior written notice to the Commission. Upon reasonable request, the Commission shall be furnished with a certificate evidencing issuance of such policy of liability insurance, and such certificate shall recite that said policy may not be canceled without 30 days' prior written notice to the Commission.

AML shall also maintain Worker's Compensation and Employers Liability Insurance (with minimum limits of \$100,000 per accident). Worker's compensation insurance and employers' liability insurance shall be in compliance with the statutory requirements of the State of Alaska, and any other statutory obligation, whether federal or state pertaining to compensation of injured employees. The worker's compensation insurance and employers' liability insurance shall contain a waiver of subrogation provision in favor of the Commission.

Section 14. Indemnification.

- A. AML's Obligation to Indemnify. AML shall, indemnify, defend and hold the Commission harmless, including its directors, officers, employees, representatives, affiliates, successors, and permitted assigns (the "Commission Indemnified Parties") from and against all liability, damages, demands, penalties, fines, causes of action, losses, costs, or expenses, including attorneys' fees asserted against, imposed upon or incurred by any Commission Indemnified Party arising out of or resulting from: (a) any breach or nonfulfillment by AML of, or any failure by AML to perform, any of the covenants, terms, or conditions of, or any of its duties or obligations under, this MOA, including without limitation any failure of AML to assume responsibility for any of the Services in a timely manner in accordance with this MOA except to the extent that such breach, nonfulfillment, or failure is caused by the actions of any Commission Indemnified Party; (b) any negligent acts or omissions or willful misconduct related to this MOA; or (c) any successful enforcement of this indemnity.

- B. The Commission's Obligation to Indemnify. To the extent allowed by law and subject to availability and appropriation of funds by Members, the Commission shall indemnify and hold harmless AML and its directors, officers, employees, representatives, affiliates, successors, and permitted assigns (the "AML Indemnified Parties") from and against all liability, damages, demands, penalties, fines, causes of action, losses, costs, or expenses, including attorneys' fees asserted against, imposed upon or incurred by any AML Indemnified Party arising out of or resulting from: (a) any breach or nonfulfillment by the Commission of, or any failure by the Commission to perform, any of the covenants, terms or conditions of, or any of its duties or obligations under, this MOA except to the extent that such breach, nonfulfillment, or failure is caused by the actions of any AML Indemnified Party; (b) any negligent acts or omissions or willful misconduct related to this MOA; or (c) any successful enforcement of this indemnity.

Section 15. Miscellaneous. This MOA does not create, and shall not be construed as creating, any rights enforceable by any person or entity not a party to this MOA. Nothing in this MOA shall be deemed or construed to create the relationship of principal and agent, or of partnership, or of joint venture, or of any association between the Commission and AML. This MOA may not be assigned without the prior written consent of the other party, which may not be unreasonably withheld. This MOA represents the entire MOA and understanding between the parties with respect to the subject matter of this MOA and supersedes all prior or contemporaneous, express or implied, written or oral MOAs, representations, and conditions between the parties with respect to the subject matter of this MOA. This MOA may be executed in any number of counterparts, including by electronically transmitted signature, and each counterpart shall for all purposes be deemed to be an original; and all such counterparts shall together constitute but one and the same MOA. This MOA may only be modified upon mutual MOA in writing by both parties. The failure of the Commission to enforce a provision of this Agreement shall in no way constitute a waiver of the provisions of this Agreement or a waiver of any subsequent breach of the same or similar condition or provision of this Agreement, nor shall it in any way affect the validity of this Agreement. If any section or clause of this Agreement is held invalid by a court of competent jurisdiction, or is otherwise invalid under the law, it is the intent of the parties that the remainder of this Agreement shall remain in full force and effect.

Section 16. Contract Administration. The Commission Board President, or the President's designee, shall be the representative for administering this Agreement on behalf of the Commission. The Executive Director of AML shall be the representative for administering this Agreement on behalf of the Chamber.

[SIGNATURE PAGE FOLLOWS]

The parties have executed this MOA effective as of the Effective Date.

The Commission:

ALASKA REMOTE SELLER
SALES TAX COMMISSION

By: _____

Its: _____

AML:

ALASKA MUNICIPAL LEAGUE

By: _____

Its: _____



ALASKA
MUNICIPAL
LEAGUE

ONE SEALASKA PLAZA, SUITE 200 • JUNEAU, ALASKA 99801
TEL (907) 586-1325 • FAX (907) 463-5480 • WWW.AKML.ORG

Member of the National League of Cities and the National Association of Counties

MEMORANDUM OF AGREEMENT

Provision of Professional Services for the Alaska Remote Seller Sales Tax Commission

Section 1. Purpose. This Memorandum of Agreement (this “AgreementMOA”) is effective as of the ~~21st~~ day of ~~January~~, 2020 (the “Effective Date”), between the Alaska Municipal League (“AML”), an Alaska intergovernmental, not-for-profit organization, and the Alaska Remote Seller Sales Tax Commission (the “Commission”), an interlocal governmental entity, to set forth the terms for AML to provide administrative and support services to the Commission.

Section 2. Scope of Services. AML will provide the following services for the Commission, and/or as directed by the Board of Directors (the “Services”):

- Support Commission Board, Subcommittee, and Member meetings, activities, and communications, including the following tasks:
 - Make meeting arrangements, and provide for notice in conformance with Commission Bylaws
 - Provide agenda support
 - Prepare meeting minutes
 - Provide compliance oversight
 - ~~Provide support for Commission contract and legal obligations~~
- Support member meetings, activities, and communications, including the following tasks:
 - Maintain Commission member list
 - Administer annual member meeting
 - Conduct annual rate, boundary, and member Code review
 - Send monthly emails with updates on compliance, reporting, and software development
 - Establish a Commission website with information available to members, taxpayers, and prospective members
 - AML will provide or organize the provision of legal support, at the direction of the Commission, when legal services are needed for code enforcement actions or on behalf of the Commission.
- Enter into and manage software contracts necessary for collection, remittance, and reporting, and all other services as required by the Commission, with the provision that all contracts may revert to the Commission if the Alaska Municipal League no longer acts as the administrator on behalf of the Commission. The Commission shall be notified 90 days prior to contract change or conclusion, and have the opportunity to assume, terminate or change the contract.
 - MUNIRevs Support – as required by contract attached as Exhibit A
 - TTR Support – as required by contract attached as Exhibit B

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- Coordinate Commission decision-making and operational activities through AML's Executive Director
 - Communicate staffing roles and responsibilities
- Manage day-to-day operations of the Commission, including the following tasks:
 - Conduct outreach to online retailers and national contacts
 - Conduct outreach to Alaska businesses
 - Establish and manage separate accounting.
 - § Reconciling accounts on a daily basis
 - § Remit net revenue to members on an agreed-upon and consistent date
 - § Report – review in partnership with members
 - Follow the policies and procedures as set out by the board
 - Managing and responding to legal or other questions from or directed to the Commission
 - Seller Compliance – review in partnership with members
 - Contract for a compliance audit and prepare required materials for audit
 - § Make available the auditor to present to the board, and provide to the board the auditor's presentation of audit and oversight documents
 - Maintain (including, without limitation, backing up its computer files, and maintaining facilities and procedures for safekeeping and retaining documents) books and records of the Commission and its operations
 - Provide an annual report

Section 3. Equipment and Supplies. AML will provide all necessary equipment and facilities to timely and efficiently perform the Services.

Section 4. Standard of Care. AML agrees, at all times, ~~to utilize its best efforts~~ to complete the Services in a professional and timely fashion. In performing the Services, AML must exercise all due care and caution in accordance with the best industry practices. The Commission will cooperate fully to ensure that AML is capable of timely performing the Services.

Section 5. Commission Scope of Responsibilities. The Commission shall act in good faith in the execution of this ~~Agreement~~MOA, the Commission Bylaws, and the Intergovernmental ~~Agreement~~MOA. The Commission shall take no action that threatens the legal status of the Alaska Municipal League. The Commission ~~(do we need to clarify board activities vs. commission, or are we using them interchangeably here?)~~ has the following duties and authority ~~shall:~~

- Review and work with AML to and approve ~~develop a mutually agreed upon budget the budget, proposed by AML,~~ for the administrative duties of the Commission ~~performed by AML~~
- Review and approve annual staffing plan, (recognizing the Commission has no direct authority over AML staff), consistent with the budget, in support of necessary Commission functions
- Approve ~~new~~ contracts valued over \$10,000

~~— Have no supervisory authority over AML staff~~

- ~~· Direct all Board and Commission inquiries and requests through the Executive Director of AML or designee~~
- ~~· Approve Establish administrative policies and procedures for the operations of the Commission~~
- ~~· Approve Review and approve a marketing and communication plans and strategies~~
- ~~· Approve implementation and amendment process of the AgreementMOA and Code~~
- ~~· Participate in and receive the annual audit report and oversight documents~~
- ~~· Conduct an annual performance review of AML's activities~~

Section 6. Term. The initial term of this AgreementMOA shall be one year from the commence as of the Effective Date and shall expire three years from the Effective Date, . After the initial term, at which time the parties will review the AgreementMOA and may renew the Agreement on similar terms and conditions amend the AgreementMOA as mutually desired and renew. After the initial term, the AgreementMOA (amended or not) will renew for two more years, unless sooner amended or terminated for another term, unless sooner terminated as provided below in in Section 7 of this AgreementMOA. (I understand the bylaws provide that AML will provide contracted services for at least three years. I want to leave open the opportunity to revisit after one year as AML and the Commission learn more about what is or is not needed)

Section 7. Amendment. This MOA may be amended at any time by mutual written agreement of the parties.

Section 7. Renewal. AML and the Commission may mutually agree to will be given the opportunity to renew this MOA Agreement in three year increments, after the initial period of operations. fFor successive terms after the first three years of this AgreementMOA.

Section 8. Termination for Convenience. This AgreementMOA may be terminated by either party upon 120 days' advance written notice. In the event that this AgreementMOA is terminated, all finished or unfinished documents, data compilations, reports, and/or other materials prepared by AML under this Agreement are the property of the Commission and AML hereby agrees to peaceably return all such items to the Commission by or upon the effective date of termination and as may be further instructed by the City. AML shall be entitled to receive compensation for invoiced work performed to the effective date of the termination. the AML will be paid for invoiced work performed prior to termination.

Section 9. Mediation. If the Commission determines that AML has failed to fulfill in a timely and proper manner the obligations of this AgreementMOA, the Commission will work with AML to address deficiencies within ninety (90) days, which may include the use of a mediator if desired by both parties. ing to resolve through a mediator as necessary. The Commission expects resolution of identified deficiencies within ninety (90) days.

Section 10. Termination for Cause. If, through any cause, AML shall fail to fulfill in a timely and proper manner the obligations under this ~~Agreement~~MOA, unresolved ~~by Section 9~~within ninety (90) days and determined to be ~~egregious, intentionally deficient, and/or~~ significantly detrimental to the governance or fiduciary oversight of the Commission, then the Commission shall thereafter have the right to immediately terminate this ~~Agreement~~MOA, upon a three-quarter vote of the Board of Directors, by giving written notice to AML and specifying the effective date thereof. In that event, all finished or unfinished deliverable items under this ~~Agreement~~MOA prepared by AML shall, at the option of the Commission, become its property, and AML shall be entitled to receive just and equitable compensation for any satisfactory work completed on such materials ~~prior to the effective date of termination~~. In such event, AML shall not be relieved of liability to the Commission for damages sustained by the Commission by virtue of any breach of this ~~Agreement~~MOA, and the Commission may withhold any payment due AML for the purpose of setoff until such time as the exact amount of damages due the Commission from such breach can be determined. ~~Notwithstanding the foregoing, AML shall be entitled to not less than ten (10) days written notice to cure any reasonably curable condition alleged to constitute a default by the Commission before a breach of this Agreement shall be declared by the Commission as a result thereof.~~

Section 10. Fees. Fees will be applied to total revenues upon collection each month, deducted according to these terms, and the remainder of the revenue remitted to the member, ~~or held until the appropriate remittance date required by the member (if quarterly).~~ Annual revenues are determined by the Commission's fiscal year. ~~(where is Brandi's tool referenced here? The true-up process which recalculates fees on an annual basis, can we include a statement that AML cannot exceed annual budget without coming back to board - this would eliminate need for 20% cap, which could cause problems?)~~

- A. MUNIREvs. AML will facilitate payment of the Commission's MUNIREvs contracts fees, which may be reviewed and amended after five years after the Commission's contract (November 2024). ~~(below is annual revenue we need to define this: July through June, Jan-Dec? How is this prorated to start)~~

\$0-\$10M	\$10M-\$20M	\$20M+
12%	8%	4%

- ~~B. TTR~~. AML will facilitate payment of the Commission's TTR contract fees, which may be reviewed and amended after three years after the Commission's contract (November 2022). ~~The Commission recognizes the ,including~~ a \$100,000 up front payment ~~made by AML,~~ (to be repaid to AML as a \$1,000 fee from members, either upon adoption of the Uniform Code or as part of subsequent collection of sales tax revenue; any remainder balance – the difference between the number of members and total amount of loan shall be addressed through interest earnings on the fund balance or revenues received, ~~as determined by the Board through the budget process.~~), and TTR's fees ~~are~~ addressed within the following fee structure on annual gross sales tax collected. ~~(is the \$100,000 a~~

~~one-time fee or an annual fee, is AML loaning this 100k on behalf of commission, or is AML paying this cost??)~~

B.

\$0-\$10M	\$10M-\$20M	\$20M+
1.25%	1.0%	.75%

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C. Commission. The Commission's fees will be collected ~~monthly based on a monthly calculation of the annual budget~~, applied as an annual, board-approved percent-% of revenue to gross sales tax collected, consistent with the budget. The total ~~%-percent~~ collected from fees (between MUNIREvs, TTR and AML) ~~shall-should~~ be limited to not more than 20% in any one month, with the maximum preferred limit at 15% (and the intent to work toward lowering fees as quickly as possible). The Commission as a whole may approve a higher percentage if circumstances demand.

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C.D. AML Expenses

1. AML will submit monthly reports of ~~fees and~~ expenses to the Commission, and the Commission will pay AML's direct expenses and 8% overhead expenses. Overhead will be applied to direct expenses ~~and includes compensation for~~ rent, computers and electronic equipment, telecommunication equipment and services, and indirect staff time in proportion to the Commission's share of each line item as approved in the budget. Direct and indirect expenses will be evaluated annually to ensure appropriate allocation. Cost beyond costs approved in the budget are not a reimbursable direct expense and must be approved by the board of directors. AML's direct expenses include, and as provided for in the annual budget are:
 - i. Staff who are directly responsible for Commission programs. Costs include salary and benefits.
 - ii. Contracts, insurance, and miscellaneous costs directly related to AML's performance of the Services-
 - iii. ~~Commission fees are estimated not to exceed the following amounts, (what following amounts?) subject to the Commission's budget, and be capped on fees from revenue beyond \$30M, unless approved by the board of directors.~~
2. Any Commission-approved loan ~~or of~~ start-up capital by AML will be repaid in subsequent years in a manner as determined by the Bboard and in agreement with AML, to include any agreed upon interest.
- ~~2.3.~~ AML expenses paid by the Commission may not exceed the approved budget in any fiscal year, unless a prior request to amend and increase the budget has been received and approved by the Board of Directors.

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Section 11. Insurance.

AML will maintain general (currently \$2,000,000) and professional liability insurance coverages at all times during this AgreementMOA with limits and retention amounts in

commercially-prudent amounts consistent with industry standards to cover any loss arising as a result of any real or alleged negligence, errors, or omissions on the part of AML's officers, agents or employees in any aspect of the performance of services under this AgreementMOA. (can we put some minimums on this?) Notwithstanding, the commercial general liability must include minimum coverage of \$1,000,000.

The policy must name the Commission as an additional insured and provide that the policy may not be cancelled without 30 days' prior written notice to the Commission. Upon reasonable request, the Commission shall be furnished with a certificate evidencing issuance of such policy of liability insurance, and such certificate shall recite that said policy may not be canceled without 30 days' prior written notice to the Commission.

AML shall also maintain Worker's Compensation and Employers Liability Insurance (with minimum limits of , respectively). Worker's compensation insurance and employers' liability insurance shall be in compliance with the statutory requirements of the State of Alaska, and any other statutory obligation, whether federal or state pertaining to compensation of injured employees. The worker's compensation insurance and employers' liability insurance shall contain a waiver of subrogation provision in favor of the Commission.

Section 12. Indemnification. (I would like to discuss this further, I believe AML should indemnify the commission for any negligent acts or omissions or willful misconduct related to this contract)

- A. AML's Obligation to Indemnify. AML shall, indemnify, defend and hold the Commission harmless, including its directors, officers, employees, representatives, affiliates, successors, and permitted assigns (the "Commission Indemnified Parties") from and against all liability, damages, demands, penalties, fines, causes of action, losses, costs, or expenses, including attorneys' fees asserted against, imposed upon or incurred by any Commission Indemnified Party arising out of or resulting from: (a) any breach or nonfulfillment by AML of, or any failure by AML to perform, any of the covenants, terms, or conditions of, or any of its duties or obligations under, this AgreementMOA, including without limitation any failure of AML to assume responsibility for any of the Services in a timely manner in accordance with this AgreementMOA except to the extent that such breach, nonfulfillment, or failure is caused by the actions of any Commission Indemnified Party; ~~and~~ (b) any negligent acts or omissions or willful misconduct related to this MOA; or (c) any successful enforcement of this indemnity.
- B. The Commission's Obligation to Indemnify. To the extent allowed by law and subject to availability and appropriation of funds by Members, ~~(~~The Commission shall indemnify and hold harmless AML and its directors, officers, employees, representatives, affiliates, successors, and permitted assigns (the "AML Indemnified Parties") from and against all liability, damages, demands, penalties, fines, causes of action, losses, costs, or expenses, including attorneys' fees asserted against, imposed upon or incurred by any AML

Indemnified Party arising out of or resulting from: ~~(a)~~ any breach or nonfulfillment by the Commission of, or any failure by the Commission to perform, any of the covenants, terms or conditions of, or any of its duties or obligations under, this AgreementMOA except to the extent that such breach, nonfulfillment, or failure is caused by the actions of any AML Indemnified Party; (b) any negligent acts or omissions or willful misconduct related to this MOA; or (c) ~~(ii)~~ any successful enforcement of this indemnity.

Section 13. Miscellaneous. This AgreementMOA does not create, and shall not be construed as creating, any rights enforceable by any person or entity not a party to this AgreementMOA. Nothing in this AgreementMOA shall be deemed or construed to create the relationship of principal and agent, or of partnership, or of joint venture, or of any association between the Commission and AML. This AgreementMOA may not be assigned without the prior written consent of the other party, which may not be unreasonably withheld. This AgreementMOA represents the entire agreementMOA and understanding between the parties with respect to the subject matter of this AgreementMOA and supersedes all prior or contemporaneous, express or implied, written or oral agreementMOAs, representations, and conditions between the parties with respect to the subject matter of this AgreementMOA. This AgreementMOA may be executed in any number of counterparts, including by electronically-transmitted signature, and each counterpart shall for all purposes be deemed to be an original; and all such counterparts shall together constitute but one and the same agreementMOA. This AgreementMOA may only be modified upon mutual agreementMOA in writing by both parties. The failure of the Commission to enforce a provision of this Agreement shall in no way constitute a waiver of the provisions of this Agreement or a waiver of any subsequent breach of the same or similar condition or provision of this Agreement, nor shall it in any way affect the validity of this Agreement. If any section or clause of this Agreement is held invalid by a court of competent jurisdiction, or is otherwise invalid under the law, it is the intent of the parties that the remainder of this Agreement shall remain in full force and effect.

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[SIGNATURE PAGE FOLLOWS]

The parties have executed this ~~Agreement~~MOA effective as of the Effective Date.

The Commission:

ALASKA REMOTE SELLER
SALES TAX COMMISSION

By: _____

Its: _____

AML:

ALASKA MUNICIPAL LEAGUE

By: _____

Its: _____