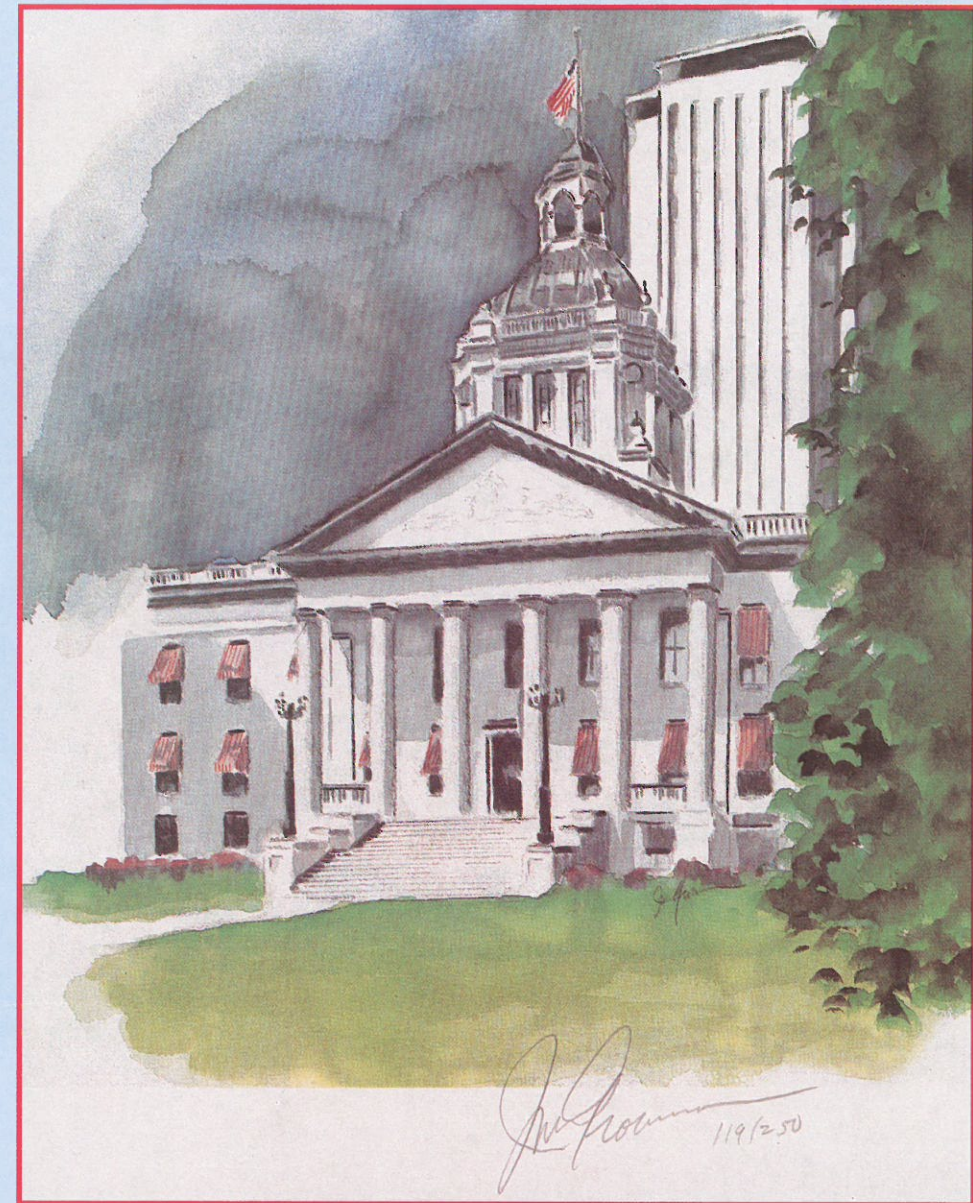
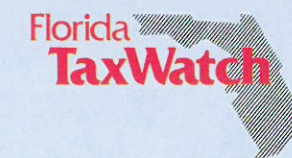


Florida TaxWatch
1994 Annual Report



Fifteen years of distinguished service to Florida's taxpayers



About Florida TaxWatch

Florida TaxWatch is the only statewide organization entirely devoted to state taxing and spending issues in Florida. Since its inception in 1979, Florida TaxWatch has become widely recognized as the watchdog of citizens' hard-earned tax dollars. The nationally distributed *City and State* magazine (purchased by *Governing* magazine) in 1989 published a poll of the nation's statewide taxpayer research centers. Based on this poll, the publication cited Florida TaxWatch as one of the six most influential and respected taxpayer assistance institutes in the nation.

In recent years, news stories about Florida TaxWatch have run in all Florida newspapers, *The Wall Street Journal*, *The New York Times* and *The Washington Post*. In addition, Florida TaxWatch has been featured on the prestigious *MacNeil/Lehrer Newshour* and several times in *The Wall Street Journal*.

Florida TaxWatch is a private, non-profit, non-partisan research institute supported entirely by voluntary, tax-deductible membership contributions and philanthropic foundation grants. Membership is open to any organization or individual interested in supporting a credible research effort that promotes positive change. Members, through their loyal support, help Florida TaxWatch to bring about an effective, responsive government that is accountable to the citizens it serves.



Florida TaxWatch is supported by all types of taxpayers -- homeowners, small businesses, large corporations, professional firms, labor unions, associations, individuals and philanthropic foundations -- representing a wide spectrum of Florida's citizens.

Florida TaxWatch is well-known and respected for its empirically sound research products which recommend productivity enhancements and explain statewide impact of economic and tax and spend policies and practices. Without lobbying, Florida TaxWatch has worked diligently and effectively to build government efficiency and promote responsible, cost-effective improvements that add value and benefit taxpayers. This diligence has yielded impressive results: three out of four of TaxWatch's cost-saving recommendations have been implemented, saving taxpayers \$2.5 billion. That translates to nearly \$350 for every Florida family.

With your help, we will continue our diligence to make certain your tax investments are fair and beneficial to you, the taxpaying customer who supports Florida's government. Florida TaxWatch is ever present to ensure that taxes are equitable, not excessive, that their public benefits and costs are weighed, and that government agencies are more responsive and productive in their use of public funds.

The Florida TaxWatch Board of Trustees is responsible for the general direction and oversight of the research institute and safeguarding the independence of the organization's work. In his capacity as chief executive officer, the president is responsible for formulating and coordinating policies, projects, publications and selecting the professional staff. As an independent research institute and taxpayer watchdog, the research findings, conclusions and recommendations of Florida TaxWatch do not necessarily reflect the view of its distinguished Board of Trustees.

Many thanks to Jim Grosvenor for graciously allowing us to use his water color of the Old Capitol for the cover of this report.



L. Charles Hilton, Jr.
Chairman

November 1994

Dear Fellow Taxpayers:

Our nation's founding fathers created a constitutional government, putting in place the necessary checks and balances to limit government's tyrannical grasp and protect our economic, social, religious and political freedom. They made government subservient and beholden to the people for their common good. Yet they knew the only way to make this democratic republic work was through the informed and vigilant participation of its citizens.

At a Tampa meeting in February 1979, some of the state's most public spirited civic and business leaders recognized the need for such taxpayer vigilance and constructive, thoughtful guidance over Florida's government. Publix Super Markets President Mark Hollis and Winn-Dixie co-founder J.E. Davis, with then Senate President Phil Lewis, T. Wayne Davis and then Senator Ken Plante, founded the Citizens Council for Budget Research (later renamed Florida TaxWatch). The founders saw the need for a statewide organization that "exists for the sole purpose of improving the performance and containing the cost of Florida government."

When Senator Lewis introduced the idea for forming such a group to Mark Hollis, Hollis was heard to say, "That really rang my bell!" Senator Lewis, recognizing the urgent need for such an organization, predicted it would take five to ten years before the group's credibility caught on. He and the founders, along with veteran press corps members and other observers, were in for a pleasant and invigorating surprise. The group's research independence created an unprecedented level of credibility which caused then Governor Bob Graham to write, "The contributions of Florida TaxWatch are unparalleled in the history of Florida government."

During the ensuing 15 years, TaxWatch has helped taxpayers achieve a number of successes. The constitutional spending and revenue limit which TaxWatch called for 10 years ago is on the threshold of becoming reality. TaxWatch's cost-saving recommendations prompted \$2.5 billion in added value, which translates to \$350 for every Florida family. Partners in Productivity, a cooperative effort of TaxWatch and The Florida Council of 100, prompted \$715 million in cost savings in four agencies. The Davis Productivity Awards, envisioned and funded by J.E. Davis and his brother, A.D. Davis, has in six years added \$1.1 billion in value. And with Florida TaxWatch's research efforts, lawmakers enacted the landmark 1994 Government Performance and Accountability Act, including a provision for a Council on Competitive Government. These measures are a first step in reforming Florida's budget process. Also, they are introducing competition in the delivery of needed state services -- a move that will improve public safety, health, education and prosperity and promote a healthier economy and business climate.

At the close of the Constitutional Convention in 1787, a lady stopped Benjamin Franklin and asked, "Well, Doctor, what have we got -- a Republic or a Monarchy?" He replied, "A Republic, if you can keep it." Florida TaxWatch works to keep it that way -- improving the state of Florida and the quality of life and prosperity of its citizens.

We thank you for your continued support, confidence and encouragement. Because there cannot be a government of, by and for the people if the people do not take part. Let us go forward, reminding all who will listen that government belongs first, last and always to you, the taxpaying citizens of Florida.

Respectfully,

L. Charles Hilton, Jr.
Chairman

Letter from the Chairman and President



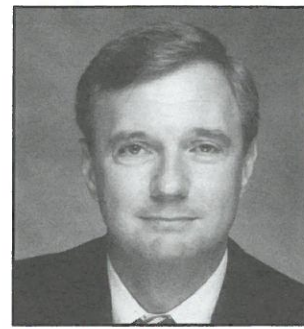
Dominic M. Calabro
President
Chief Executive
Officer

Dominic M. Calabro
President and Chief Executive Officer

Florida TaxWatch Officers



Chairman
L. Charles Hilton, Jr.
Hilton Enterprises, Inc.



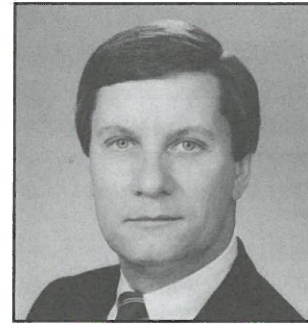
Chairman-Elect
Byron E. Hodnett
First Union National Banks
of Florida



**President and
Chief Executive Officer**
Dominic M. Calabro
Florida TaxWatch



Secretary
W. Guy McKenzie, Sr.
McKenzie Tank Lines, Inc.



Treasurer
David McIntosh
Gunster, Yoakley & Stewart

Florida TaxWatch Executive Committee

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Chairman

Byron E. Hodnett
Chairman-Elect

Dominic M. Calabro
President
Chief Executive Officer

W. Guy McKenzie, Sr.
Secretary

David McIntosh
Treasurer

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Immediate Past Chairman
1992-93

Michael Zagorac
Past Chairman
1990-92

T. Wayne Davis
Co-Founder and Past Chairman
1988-90; 1981-82

Tom L. Rankin
Past Chairman
1986-88

Philip D. Lewis
Co-Founder and Past Chairman
1984-86

Mark C. Hollis
Co-Founder and
Founding Chairman
1979-81

Joseph P. Lacher

John Edward Smith

74 1993-94 Florida TaxWatch Officers and Board of Trustees

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Hilton Enterprises, Inc.
Panama City

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Tallahassee

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Tallahassee

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Lakeland

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Mixson
Tallahassee

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Steel Hector & Davis
Miami

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St. Petersburg

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Collier Enterprises
Naples

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Georgia Pacific Corp.
Atlanta, GA

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AFSCME
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Daytona Beach

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Hughes Supply, Inc.
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Walt Disney World
Lake Buena Vista

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Flowers Industries, Inc.
Thomasville, GA

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Florida Gas
Transmission
Maitland

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St. Joe Paper Company
Jacksonville

J. Darrell Kelley
Sprint/United
Telephone of Florida
Altamonte Springs

Whit Palmer
MFM Industries
Ocala

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Stanley Tate Builders
N. Miami

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Dean, Mead, Egerton,
Bloodworth,
Capouano and Bozarth
Orlando

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Gardner, Harris &
Company
Tallahassee

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FL Association of
Realtors
Orlando

J. T. Petillo
Florida Power and
Light
Juno Beach

Hans W. Tews
SunBanks, Inc.
Orlando

J. D. Collins
Florida Home Builders
Association
Jacksonville

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NT Gargiulo, L.P.
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IBM Corporation
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Richard J. Walsh
General Mills
Restaurants
Orlando

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Joseph P. Lacher

John Edward Smith

A. Dano Davis
Winn Dixie Stores, Inc.
Jacksonville

William D. Griffin
Riscorp
Sarasota

George Langford
Municipal Code Corp.
Tallahassee

David Roberts
Florida Retail
Federation
Tallahassee

William B. Wilson
Maguire, Voorhis &
Wells
Orlando

T. Wayne Davis*
Tine W. Davis
Family Foundation,
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Jacksonville

Pat N. Groner
Baptist Health Care
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Timothy L. Guzzle
TECO Energy, Inc.
Tampa

Senator Philip D.
Lewis*
Philip D. Lewis, Inc.
Riviera Beach

Joe Shuler
Beneficial Corporation
Hosford

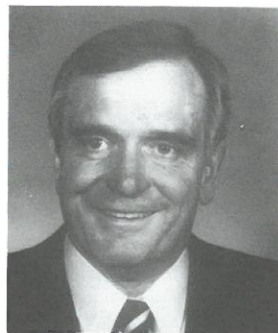
* Executive
Committee



LAWTON CHILES
GOVERNOR

STATE OF FLORIDA
Office of the Governor

THE CAPITOL
TALLAHASSEE, FLORIDA 32399-0001



November 1994

Greetings:

It is my pleasure to extend greetings to all who have gathered to celebrate 15 years of distinguished service to the residents of Florida.

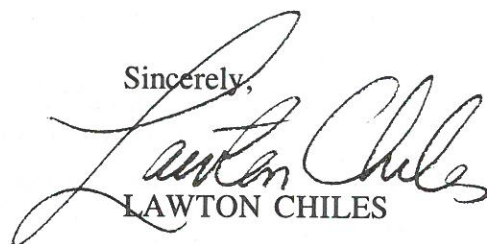
Florida TaxWatch's contribution to the taxpayers of Florida over the past 15 years has been indeed notable. Thanks to your many cost-saving recommendations and continued support of improvement in state government, the residents of Florida have saved billions.

Due to your efforts, Floridians have a better view of state government and together you have worked to make it more accountable. You have encouraged the governing officials of Florida to make state government run more smoothly.

I appreciate your efforts and wish you much continued success as a liaison between the government of Florida and the residents it serves.

With kind regards, I am

Sincerely,


LAWTON CHILES

LC/hss

BOB GRAHAM
FLORIDA

United States Senate

WASHINGTON, DC 20510-0903



November, 1994

Florida TaxWatch, Inc.
Post Office Box 10209
Tallahassee, Florida 32302

Dear TaxWatch Members:

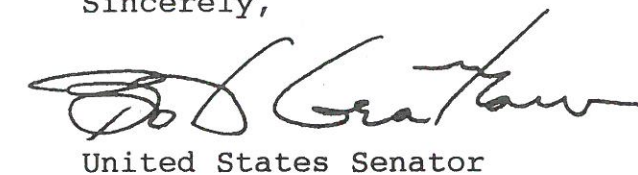
Congratulations on TaxWatch's 15th year as "government watchdog" to the citizens of Florida.

Over the years TaxWatch has grown into a highly respected organization that the taxpayers of Florida trust. When it comes to issues that affect the way our tax dollars are spent, your research and recommendations prove beneficial to both taxpayers and lawmakers.

Best wishes for continued success in your always valuable efforts.

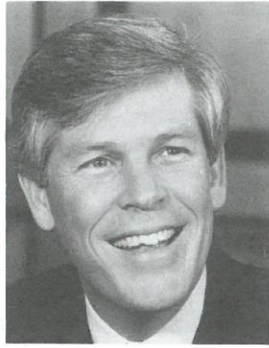
With kind regards,

Sincerely,


United States Senator

BG/klr

United States Senate
WASHINGTON, DC 205 10-0904



November 1, 1994

Greetings,

Congratulations on your 15th anniversary of service to Florida taxpayers. The work you have done to make government more accountable to the citizens of Florida has made you a most respectable and trustworthy organization to the people you serve.

TaxWatch's role as "watchdog" has been most valuable to Florida's taxpayers. Your diligent research has proven on more than one occasion to prompt the sort of action that makes government more effective and more efficient.

Your efforts to make government work smarter for Floridians are greatly appreciated. Best wishes for many more years of hard work that pays off.

Sincerely,

Connie Mack
United States Senator

Treasurer's Report

FY 1993-94 Income

Category	Percentage
Interest & Other	4%
Foundations	19%
Membership	77%

Florida TaxWatch further expanded its voluntary membership participation by 14.4 percent, thereby broadening its statewide representation of taxpayer concerns in Florida during the fiscal year ended September 30, 1994. This widening support demonstrates the recognized quality and enhanced public value of the Foundation's mission and research program accomplishments.

During its last fiscal year, Florida TaxWatch continued to adhere to the fiscal standards which have been its hallmark. The Foundation's Financial Statements for FY 1994* indicate expenses were kept below income and were held under the amount budgeted -- a practice which has continued during all the years since the Foundation's inception.

Total expenses of \$1,155,193 were kept below the expense budget by 8%. Also, total expenses were held below total income.

The Treasurer's report for FY 1994 demonstrates the sound management practices and proper financial controls applied by the Foundation which ensure effective and productive operations with direct accountability.

According to the year end record of expenses, all expenditures went to prepare, conduct, publish, disseminate and properly communicate the research program's findings, conclusions and recommendations about Florida government tax and spend policies and practices. No funds were expended on lobbying activities, as is specifically restricted by the Foundation's Articles of Incorporation and Bylaws.

Respectfully,

David McIntosh
Treasurer and Chairman of Audit Committee

FY 1993-94 Expenses

Category	Percentage
Mgt. General	9%
Membership	21%
Research Program	70%

*Indicates un-audited figures

Through the Years . . .



Florida TaxWatch secretary W. Guy McKenzie, Sr. shares a photo op with George Langford (far left), Chairman of Municipal Code Corp., TaxWatch co-founder and President of the Lakeland-based Publix Super Markets, Mark C. Hollis (second from right) and founding member, TaxWatch Chairman (1986-88) and Chairman and CEO of the Tampa-based Lykes Brothers, Inc., Tom L. Rankin.

"Someone must be prepared to challenge the assumptions, conclusions and rewards that drive government spending. Florida TaxWatch has been a good steward of the people and businesses of this state. Its objective is credible and it gets substantial results."

*-The Late J. E. Davis
Co-Founder, Winn-Dixie Stores
Chairman Emeritus and Co-Founder, Florida TaxWatch*



Current TaxWatch Chairman L. Charles Hilton, Jr. reviews a TaxWatch report before the Twelfth Annual Membership meeting as Tom L. Rankin and Mike Zagorac read along.



T. Wayne Davis, former TaxWatch Chairman (1981-82 and 1988-90), who oversees the Tine W. Davis Family Foundation, reviews a newly issued research report.



Florida TaxWatch President Dominic M. Calabro presents a commendation plaque to TaxWatch Secretary and McKenzie Tank Lines Chairman W. Guy McKenzie, Sr. as founding Secretary/General Counsel Richard H. Hunt, Jr. and Chairman Tom L. Rankin look on.



TaxWatch co-founder and Chairman Emeritus, the late J. E. Davis and U.S. Senator Bob Graham focus their attention on the program of 1989's Tenth Annual Membership Meeting.



Co-founder Kenneth Plante shares the spotlight with former TaxWatch Treasurer Bill Gardner and founding Board member W. Guy McKenzie, Sr.



Renowned waste fighter J. Peter Grace discusses the need for restraints on government spending at the Sixth Annual Meeting in Tallahassee. Then TaxWatch Chairman and Lykes Brothers Chairman/CEO Tom L. Rankin and Chairman (1984-86) and former Senate President Philip D. Lewis indicate their agreement.



Partners in Productivity Task Force Committee Chairman and Chairman of the Board of the Ocala-based MFM Industries Whit Palmer discusses the Partners initiative with task force co-chairman and then Chairman of TECO Energy H. L. Culbreath and Dr. J. A. Boyd, former chairman of the Melbourne-based Harris Corporation.

"Government productivity will not come about by standing on the sidelines and criticizing. It must be a joint effort by leaders of government and business."

*-Mark C. Hollis
President, Publix Super Markets
Co-Founder, Florida TaxWatch*



Then TaxWatch Chairman T. Wayne Davis and Denny Folken greet then Florida Governor Bob Graham. Pictured in the background are, from left to right, former TaxWatch Chairman Mike Zagorac, former Chairman Philip D. Lewis, and former Florida Supreme Court Chief Justice Joseph Boyd.



Attendees of the Tenth Annual Florida TaxWatch Membership Meeting in 1989 listen attentively to then Florida Governor Bob Martinez.

From our visionary founding members to today's distinguished Board, Executive Committee and hundreds of loyal, committed supporters, Florida TaxWatch continues improving taxpayer value, citizen understanding and government accountability.

15 Years of Positive Media Messages

Until 1985, Florida TaxWatch was known as the "Citizens Council for Budget Research." But whether as the Citizens Council or as Florida TaxWatch, members of the statewide print and broadcast media have been steadfastly and consistently positive in their coverage of our research.

In addition, Florida TaxWatch was the 1994 recipient of a distinguished national award that prompted the state's leading newspapers to publish a dozen congratulatory editorials. Typical editorial comments called TaxWatch, "the independent, non profit group that aggressively monitors government waste and offers ideas to improve performance, "or the more whimsical, " . . . many of the changes TaxWatch have advocated will, like that little bunny, keep going and going year after year, saving and then saving some more."

Here are some other brief examples of editorial opinions and reported coverage TaxWatch has received through the years.

"Florida TaxWatch's reports don't carp the way some anti tax zealots do. TaxWatch thus comes across not as a group that's trying to destroy the government but rather as one that's trying to make it work better."

- Miami Herald 1992

"TaxWatch is a bipartisan group that understands government can do some things well, when shown the way. Moreover, the group has not become a political vehicle for any individual or group of politicians."

- Leesburg Daily Commercial, 1991

"Heed TaxWatch"

-Miami Herald editorial headline, 1985

"TaxWatch Has Made Its Mark"

- Winter Haven News Chief headline, December 1989

"Florida taxpayers can thank the Citizens Council for Budget Research, a privately financed watchdog group. The Council recommends reforms on all counts, and the advice is sound."

- St. Petersburg Times Editorial April 13, 1981

"A budget process that loses its integrity and becomes a vehicle for pet projects of the temporarily powerful does not serve the state well. TaxWatch does all Floridians a service by guarding the coop and suggesting the gobblers find another way home."

- Tallahassee Democrat, 1991

"TaxWatch's publications are refreshingly pragmatic in their approach to halting waste in government. That's a welcome departure from ideological broadsides issued by some of the other self-appointed guardians of the public treasury."

- Miami Herald, 1986

"Florida TaxWatch is highly respected for its diligently independent, nonpartisan agenda. You can believe TaxWatch."

- St. Petersburg Times Editorial, 1994

"Taxpayers want assurances that they are being fairly taxed and that they are getting something for their money. They want to see a direct line between their tax dollar and some public improvement."

- St. Petersburg Times, 1988

"Florida TaxWatch Has Made the Billion Dollar Difference"

- Tampa Tribune editorial headline, February 1990

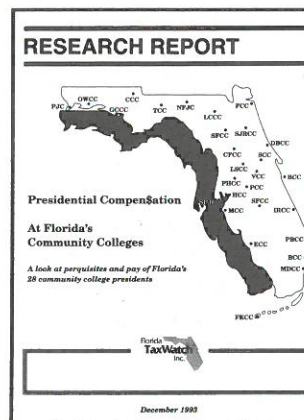
Florida TaxWatch Research -- Results That Make A Value-Added Difference

Each year, Florida TaxWatch produces a number of timely, informative and empirically accurate research reports and newsletters that add taxpayer value, increase citizen understanding and improve government accountability. The next few pages feature brief descriptions of these reports, demonstrating the wide range of important issues that were covered during Florida TaxWatch's highly productive 1993-94 fiscal year.

For a number of years, Florida TaxWatch has recommended the adoption of a Spending/Revenue Limit tied to citizens' personal income. This year, an amendment to the Florida Constitution was proposed that would limit state revenue collections to the prior year's allowed revenue plus an adjustment for growth based on the growth rate of state personal income over five years. At the time this was printed, voters had not yet decided on this important issue. But Florida TaxWatch is proud of the fact that it reached the ballot despite vociferous bureaucratic opposition.

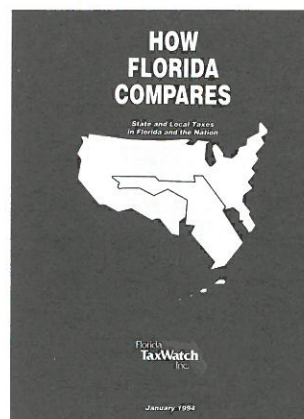
Another success involved the passage by the 1994 Legislature of the landmark Government Performance and Accountability Act, a first step toward utilizing performance measures as a yardstick to help determine future funding for state agencies. More budget reform measures are needed, but years of Florida TaxWatch efforts, including those of Partners in Productivity, have paved the way for a modernized budgeting and spending system to take us into the next century.

Please take a moment to review the reports produced by the Florida TaxWatch research team during the last fiscal year.



Presidential Compensation at Florida's Community Colleges, December 1993

Although Florida's 28 community colleges are funded with state dollars appropriated by the Legislature, they are governed by appointed local boards who set policies, authorize purchases, hire the college's personnel and select and negotiate the terms of contracts for the colleges' chief executive officer -- the president. But despite the independence and power of college presidents and their boards, the degree of oversight and accountability over them seems negligible. This report examines that issue, with a primary focus on the earnings, benefits and perks attributable to the presidents of Florida's community colleges.

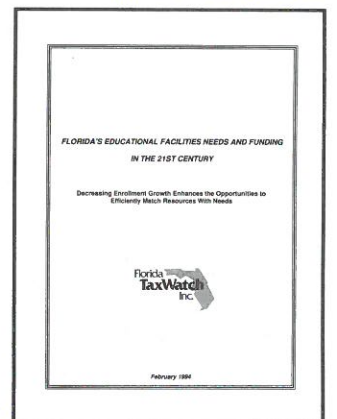


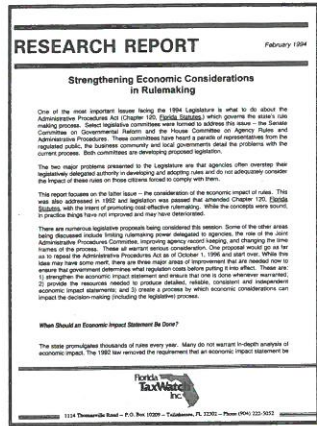
How Florida Compares, Published January 1994

Each year, Florida TaxWatch publishes a handy comparison on how Florida's tax picture stacks up against those of the 49 other states. Florida's per capita state tax ranking dropped from 39th in 1991 to 41st in 1992, continuing its fall from its highest ever ranking of 33rd in 1988.

Florida's Educational Facilities Needs and Funding in the 21st Century, February 1994

In 1990-91, Florida's spending of \$913 per pupil made it second in the nation in public school capital outlay spending. This report examines whether these funds are being used effectively and efficiently and whether funding programs are adequate to accommodate future growth.

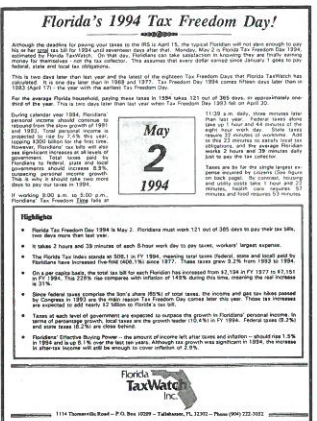




Strengthening Economic Considerations in Rulemaking, February 1994

Florida's Administrative Procedures Act presents two major problems. First, state agencies often overstep their legislatively delegated authority in developing and adopting rules. Also, they often do not adequately consider the impact of these rules on the citizens forced to comply with them. This report cites three areas where improvement is needed to ensure that regulatory costs are determined before a rule becomes effective.

1994 Tax Freedom Day, April

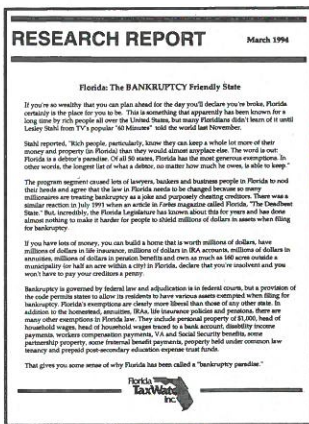


Typical Floridians did not earn enough to pay their total 1994 tax bill until May 2 -- Tax Freedom Day for Florida. This was two days later than last year and the latest of the eighteen Tax Freedom Days that Florida TaxWatch has calculated. For the average Florida household, paying these 1994 taxes took 121 out of 365 days, or approximately one-third of the year. This report clearly informs Floridians on how much their federal, state or local taxes increased.

AFDC - The Facts and the Fears, March 1994

The economic status of a significant percentage of Florida's welfare families may be considerably worse if the heads of those households find employment. That is one of the startling conclusions reached by this timely report.

Examining Florida's Aid to Families With Dependent Children (AFDC) program, the report cites an example of what could occur when a typical welfare recipient is removed from the rolls. A mother with two young children who receives AFDC usually also receives food stamps, Medicaid and subsidized child care. If she finds a job paying minimum wage, she would continue to be eligible for AFDC. If she earns as little as \$5.50 an hour, she would no longer be eligible for AFDC and would lose her Medicaid coverage and state subsidized child care after one year. In order to better her circumstances by getting off public assistance, she would need to earn at least \$15,996 a year or \$8.33 an hour. Few of those jobs exist for persons coming directly off welfare after receiving this assistance for several years. TaxWatch concluded that welfare reform will not be successful without appropriate and cost-effective health care coverage and an improvement in cost-effective efforts which reduce welfare dependency, such as Project Independence and subsidized child care.



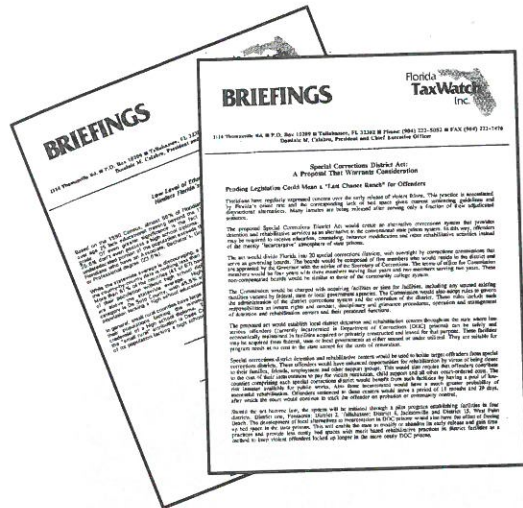
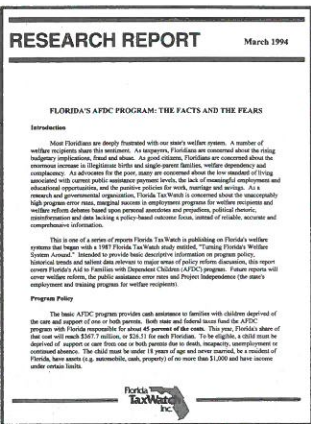
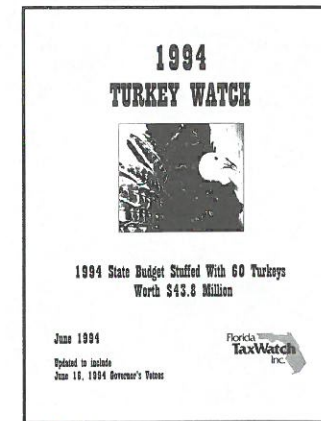
Florida - The Bankruptcy Friendly State, March 1994

Stories on CBS's '60 Minutes' and in the *St. Petersburg Times* prompted this report on the need for change in Florida's liberal bankruptcy exemptions. Florida has earned the dubious reputation of "debtor's paradise," allowing millionaires to treat bankruptcy as a joke and purposely cheat creditors. TaxWatch recommended a constitutional amendment limiting to \$250,000 the equity that can be protected from creditors. It also recommended limiting the dollar amount of exemptions on annuities, life insurance cash surrender values and pensions, profit sharing and other retirement plans. The result: a bill in the House Judiciary Committee which would have limited the amount of exemptions for homestead properties to the first \$250,000.

The bill nearly passed and represented a significant first step. TaxWatch will pursue this issue during the 1995 legislative session.

1994 Turkey Watch, May

Despite hopes that 1994 would be a lean year for budget turkeys, the budget produced by this year's Legislature was anything but fat free. Sixty budget turkeys worth \$43.8 million -- 38 more than the previous year -- cost each Florida household \$7.73.



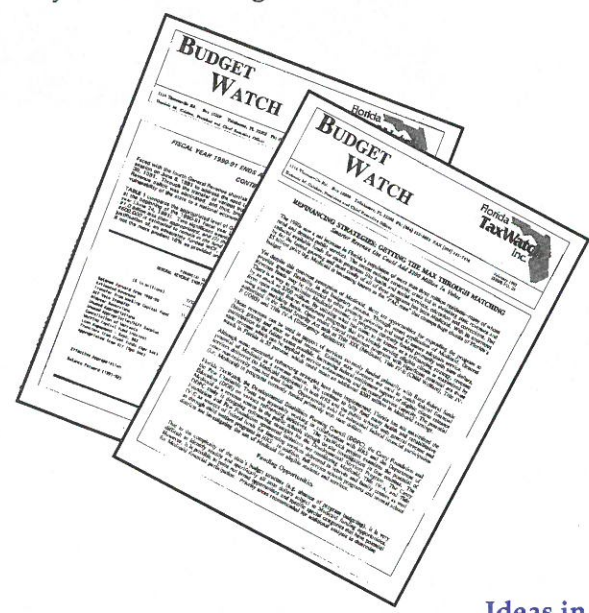
Briefings

From budget turkeys to bad legislation, Briefings has provided some valuable insight into issues that impact Florida's citizens, its business community and the stability of the state's economy. These short reports also offer unbiased facts about such critical areas as amending the Florida Constitution or outlining the impact of existing laws. Briefings is a snapshot of what is going on that can help readers make more

informed decisions at the polls or in their daily life. That way, citizens can hold the correct public officials accountable for helping or hurting their lives and livelihoods. Five Briefings were produced last year on such issues as environmental fines, budget turkeys and amending the constitution.

Budget Watch

In its role as a government watchdog, Florida TaxWatch keeps a watchful eye on the state budget. Budget Watches in 1993-94 dealt with the governor's budget and the proposed spending/revenue limit.



Ideas in Action

This popular publication, introduced in 1992, provides a forum for Florida TaxWatch members and public officials to air their views on a variety of topics. If the views of one guest author conflict with those of another, an equal opportunity is afforded others to present their views in an Ideas in Action. This vehicle has been a valuable tool in giving readers a better idea of the many facets of critical state issues while allowing TaxWatch to maintain its independent, non-partisan profile. The following are highlights of some Ideas in Action published by Florida TaxWatch within the last year.

- *The Budget, The Deficit and the Debt: Products of Unresolved Social Policies*, by Dr. Neil S. Crispo, Senior V. P., Research and Operations, Florida TaxWatch, October 1993,
- *Preparing Tomorrow's Workforce*, by Dr. Lanny Larson, Dir., Division of Vocational, Adult and Community Education, Florida Dept. of Education, December 1993
- *A Look at Crime*, by Senator Rick Dantzler, February 1994
- *Politics and the Media*, by Tom Fiedler, Political Editor, *The Miami Herald*, March 1994
- *Congress Should Thoughtfully Deliberate the Nation's Health Care*, by Tom L. Rankin, Chairman/CEO, Lykes Brothers, Inc., September 1994



Florida TaxWatch Focus

This informative monthly newsletter is designed to keep readers apprised on issues that impact the way they live and do business. It also gives pertinent information on similar issues that are being addressed in other states, many of which Florida will face in the near future. During TaxWatch's Fiscal Year 1993-94, Focus covered such topics as how a new federal gas tax would affect Floridians, why tax filing is now easier for Florida businesses, what TaxWatch has accomplished to increase government accountability and the terrible price that is paid when school violence prevention programs fail to achieve their goals.

PARTNERS in PRODUCTIVITY

Making a Measurable Difference in Government Performance

When the Partners in Productivity (PIP) initiative was implemented in 1987, some skeptics wrote it off as "just another Blue Ribbon Commission." But in the ensuing seven years, this remarkable coalition of Florida TaxWatch, The Florida Council of 100 and the state of Florida has done much more than merely talk.

In 1988-89, 39 of Florida's civic and business leaders formed a Task Force to develop cost saving and management improvement recommendations for the state's four largest agencies -- The Florida Departments of Education, Transportation, Health and Rehabilitative Services and Corrections. The combined expenses of these four agencies comprise approximately 3/4 of the state's budget. The Task Force issued four reports containing 27 recommendations in 24 major areas.

January 1991 saw the release of Partners' Report Cards on the agencies' initial success. They showed that nearly 60 percent of the recommendations had been implemented fully or substantially for savings of \$99 million. A five-year accounting of cost savings and management improvements issued in the fall of 1994 shows cumulative savings of \$715 million.

In July 1992, a second Task Force chaired by FPL Group Chairman James Broadhead released a 96-page report on Improving Florida Government's Performance. This



At a press conference to release the second PIP Report Card, Florida TaxWatch President Dominic Calabro introduces FPL Chairman and Chairman of the PIP Task Force James Broadhead.

report contained preliminary performance and productivity measures for all state agencies.

During the past two years, Partners has recommended a Spending/Revenue Limit tied to citizens' personal income. This year, an amendment to the Florida Constitution was proposed that would limit state revenue collections to the prior year's allowed revenue plus an adjustment for growth based on the growth rate of state personal income over five years. At press time, voters had not yet decided on this important issue. But the fact that it reached the ballot is a tribute to the Partners' hard work and determination in the face of vociferous bureaucratic opposition.

The passage by the 1994 Legislature of the landmark Government Performance and Accountability Act is a first step toward utilizing measures as a yardstick to help determine future funding for state agencies. More budget reform measures are needed, but the Partners effort has paved the way and opened doors and minds to preparing Florida's budgeting and spending practices for the 21st Century.



The Davis Productivity Awards: Adding \$1.1 Billion In Taxpayer Value

THE 1994 DAVIS PRODUCTIVITY AWARDS



Outstanding Individual Cash Award winners Mark A. Zadra of the Florida Department of Law Enforcement and Kimberly Tucker, formerly with the Florida Department of Legal Affairs, are interviewed by Tom Campbell of Tallahassee ABC affiliate WTXL.

The Davis Productivity Awards program is made possible through the vision and generosity of the late J.E. Davis and his brother, A.D. Davis, both co-founders of Winn-Dixie Stores and co-founders of Florida TaxWatch and both dedicated to the proposition that rewarding diligence and innovation can and does increase government performance and productivity.

This year's Davis Productivity Award winners added a total of \$293 million in value for Florida taxpayers. This brings the six-year total of Davis Awards' added value to \$1.1 billion!



A crowd of 1,100 state government employees, work units and guests attended the 1993 Davis Productivity Awards Kickoff Luncheon in Tallahassee.

"If we could set productivity standards between agencies or even between states, or more of our people could excel and be recognized for doing outstanding work, it would be great. Where we don't have to make a profit, we must buck figures to get productivity. It works with business people -- it will work with government people. I believe Mark Hollis has the right idea -- let's work with state government to establish productivity standards like we use in business."

- The Late J. E. Davis
Florida TaxWatch Chairman Emeritus and Co-Founder
Davis Productivity Awards Co-Founder

The Florida TaxWatch Staff Always Ready to Serve You



Seated left to right: Dr. Neil S. Crispo, Senior Vice President, Research and Operations; Dominic M. Calabro, President and Chief Executive Officer; Barbara "Babs" Taff, Vice President, Membership. Standing left to right: Catherine M. Haagenson, Communications Director and Executive Assistant to the President; Kurt Wenner, Senior Research Analyst; Taylor Pollock, Assistant Research Analyst; Phyllis Burkhardt, Office Administrator; Dave Davis, Executive Director, Partners in Productivity; John Hall, Senior Research Analyst; Gable Abblett, Publications Assistant; Doug Wager, Research Analyst; Mike Walsh, Senior Research Analyst.

Help Shape Florida's Future . . . Join Florida TaxWatch Today!

As a member of Florida TaxWatch, you will receive a variety of benefits for your voluntary, tax deductible contribution. In addition to the knowledge that you are part of an organization which is pursuing prudent, responsible government management and spending policies, you will regularly receive timely, enlightening material to help you make informed decisions as you conduct business for your firm or your family.

Look at the many benefits which a Florida TaxWatch membership brings you:

- ✓ A vigilant organization which can and does affect change which you and your fellow citizens want and need.
- ✓ Empirically sound, concise research reports resulting from our ongoing monitoring of public tax and spend policies and practices.
- ✓ *Florida TaxWatch Focus*, our informative monthly newsletter containing fiscal facts and figures that keep you apprised on Florida TaxWatch accomplishments as well as facts and features of interest concerning Florida government and the officials who manage it.
- ✓ Resource materials prepared at your request for your own presentations and events.

Don't let others decide how your tax dollars are spent. You have a right to take part in our state's future. You can play an active role in deciding how our citizens' tax dollars are invested. So get involved! It's your state -- and your Florida TaxWatch membership can make a difference!

That's Why a Florida TaxWatch Membership Makes Good Sense!

Please detach and return the reply card at right for more information on becoming a member of Florida TaxWatch.

Lincoln's Creed

*You cannot bring about prosperity
by discouraging thrift.*

*You cannot strengthen the weak
by weakening the strong.*

*You cannot help the wage earner
by pulling down the wage payer.*

*You cannot further the Brotherhood of Man
by encouraging class hatred.*

*You cannot help the poor
by discouraging the rich.*

*You cannot establish sound security
on borrowed money.*

*You cannot keep out of trouble
by spending more than you earn.*

*You cannot build character and courage
by taking away man's initiative and independence.*

*You cannot help men permanently
by doing for them what they could and should do for themselves.*

-- Abraham Lincoln

This report was written and compiled by Catherine M. Haagenson, Communications Director
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Dr. Neil S. Crispo, Senior Vice President, Research and Operations

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"Improving taxpayer value, citizen understanding and government accountability since 1979"