

ANNUAL REPORT
1987



The finances of government should be clear and intelligible... so that every man should be able to comprehend them to investigate abuses and consequently to control them.

Thomas Jefferson



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lorida TaxWatch, Inc. represents you, the Florida taxpayer, on a wide range of tax and spend issues which affect you and your future. It is the only statewide organization devoted entirely to Florida taxing and spending issues. Since its inception in 1979, TaxWatch has worked diligently and effectively to inform and safeguard the interests of the taxpayer, helping to reduce inefficiencies and prompting responsible cost effective improvements in the management and operation of citizens' tax dollars without lobbying.

TaxWatch is supported by all types of taxpayers—homeowners, small businesses, large corporations, professional firms, members of the news media, associations and individuals—representing a wide spectrum of Florida's citizens. TaxWatch is a statewide non-partisan, non-profit government watchdog and taxpayers' research foundation supported entirely by voluntary tax-deductible membership contributions. Membership is open to any organization or individual interested in supporting sound research which promotes a more effective, responsive and efficient government.

TaxWatch publishes several types of research products which range from detailed research findings and recommendations as to where and how productivity improvements in government can be achieved, to explaining how timely economic, financial and tax related developments may impact on Florida's citizens.

TaxWatch is ever present to ensure that taxes are fair, 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.

Florida TaxWatch Inc.

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CHAIRMAN AND PRESIDENT'S LETTER



Dear Fellow Member:

Addressing the taxing demands of our Florida—the fastest growing major state in the nation and now the fifth largest—requires sound, intelligent and *balanced* public investments today for a healthier, more enlightened and prosperous tomorrow. Because of your commitment and support, Florida TaxWatch has been there to carefully monitor Florida's growth with a well studied, constructive and common sense approach to how much "quality" its citizens can commit to and afford.

During its first seven years, Florida TaxWatch determined how \$1.5 billion of your tax dollars—or \$325 for each Florida family today—could be saved or spent more productively. **RESULT:** *Florida government acted*, slowly at first, but more responsively during the last four years, *to implement TaxWatch cost savings worth more than \$830 million*. In fact, during its sixth and seventh years, TaxWatch recommendations held a 75% implementation track record.

Not resting on these laurels, Florida TaxWatch published *another* \$1.5 billion worth of mostly new government cost savers during this past year alone. Although it's much too early to measure the ultimate success or failure of this latest effort, we have every reason to be optimistic given the very thorough and responsive reception Florida TaxWatch has received from the Martinez Administration and the Legislature.

Florida TaxWatch research also played an important leadership role in helping to determine the outcome of such major taxation issues as the proposed \$2.7 billion Gross Receipts Tax and sound legislative criteria for evaluation of the need for sales tax exemptions. Another major issue addressed by Florida TaxWatch was the State Comprehensive Plan—potentially *the* most significant issue to confront the state and all of its citizens far into the 21st century. In addition, we researched turning the welfare cycle of dependency around in a fair and cost effective manner and accurately measuring Floridians' commitment to K-12 public education. TaxWatch also informed you about the combined level and relative ranking of your various taxes and their impact on your quality of life.



BOARD OF TRUSTEES

Florida TaxWatch will continue to focus its research program on suggesting intelligent and responsive ways to pay for our state's unrelenting growth, while educating Floridians about the cost and benefit trade-offs of meeting or neglecting our state's growth challenges. Florida Tax-Watch will significantly survey citizens and civic/business leaders across the state to assess their commitments preferences and tax tolerances for how to pay for these "public goods."

With the aid of a recently purchased office computer system, Florida TaxWatch is uniquely prepared to expand this taxpayer survey research program to other dimensions. We will determine what taxpayers and public officials really expect of each other in the way of enhanced research, government productivity, and improved performance to wisely meet the needs of our citizens.

As you can see, the challenge is considerable but the consequences are even greater. With your continued commitment and TaxWatch's well deserved credibility and hard earned track record, you have every right to be very encouraged, as we are, about your organization's continued success and challenging mission during the coming years.

Respectfully,

Tom L. Rankin
Chairman

Dominic M. Calabro
President

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Lykes Bros. Inc.

PRESIDENT

Dominic M. Calabro

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THE WHITE HOUSE

WASHINGTON

February 19, 1987

It gives me great pleasure to send greetings to all those gathered for the 1987 Annual Membership Meeting of Florida TaxWatch.

With your help, my Administration has accomplished a lot in the last few years. Federal income tax reform is now a reality, and because of it we can expect even greater economic gains in the coming years. We're proud of these gains here in Washington, but we know that they wouldn't have been possible without the dedication and hard work of people like you. And because of increased state and local responsibility for public services, the efforts of grass-roots citizens groups like yours will still be needed to keep government expansion in check.

The accomplishments of Florida TaxWatch in just eight years sustain my firm conviction that informed, caring citizens can make an important difference in the political arena. You have my admiration and my best wishes for continued success. God bless you.

Ronald Reagan



BOB MARTINEZ
GOVERNOR

STATE OF FLORIDA

Office of the Governor

THE CAPITOL
TALLAHASSEE, FLORIDA 32399 0001

February 2, 1987

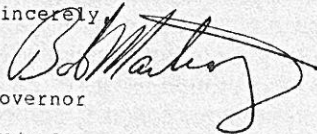
Greetings:

It is a special pleasure for me to express my words of praise and appreciation to Florida TaxWatch, Inc., for your effective and diligent work in informing and safeguarding the interests of Florida taxpayers.

Over the years, your organization has continued to grow in capability and influence. I deeply respect your commitment to ensuring that taxes are fair, equitable, not excessive, that public benefits and costs are weighed, and that government agencies are more productive and responsive in their use of public funds. Your research publications of findings and recommendations have helped to ensure that the management of State government is cost effective and responsible.

On behalf of all Floridians, thank you for your devoted efforts, and best wishes for continued success.

Sincerely,



Bob Martinez

Governor

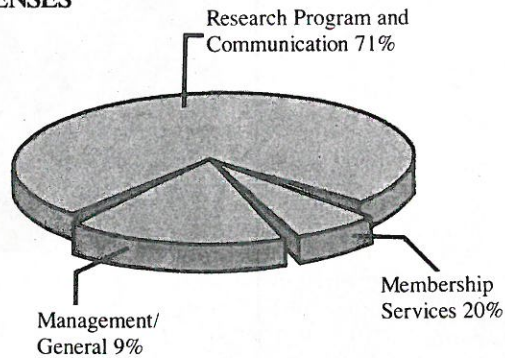
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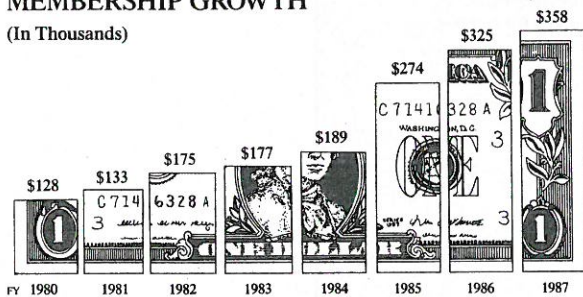
TREASURER'S REPORT

FY 1986-87 EXPENSES



MEMBERSHIP GROWTH

(In Thousands)



Florida TaxWatch, Inc. further broadened its financial resources and membership base by 10.2% and, thus, its statewide representation of taxpayer concerns in Florida during the fiscal year ended January 31, 1987. This widening support demonstrates the maturing quality and enhanced public value of the Corporation's mission and research program accomplishments.

Total expenses of \$311,080 were held by more than 25% under the \$415,700 expense budget. Also, total expenses were kept below the \$357,692 in total income by 13%.

For the second straight year, total expenses have been kept below total income of the preceding year. Although this is an unusually conservative management effort, it has helped insulate the Corporation from sudden adverse swings in the economy at a time when taxpaying citizens may need this watchdog foundation more than ever.

Florida TaxWatch continued to practice what it stands for by maintaining its frugal spending habits and an economical operation. The Corporation's Financial Statements and Auditor's Report for FY 1986-87 show expenses were kept below income and were held under the amount budgeted—a practice which has continued for the seventh straight year since the Corporation's inception. Moreover, the Auditor's Report for FY 1986-87 demonstrates that the Corporation applied sound management practices and proper financial controls that ensure effective and productive operations with direct accountability.

According to the audited 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 expenses or activities went to lobbying, as specifically restricted by the Corporation's Articles of Incorporation and Bylaws.

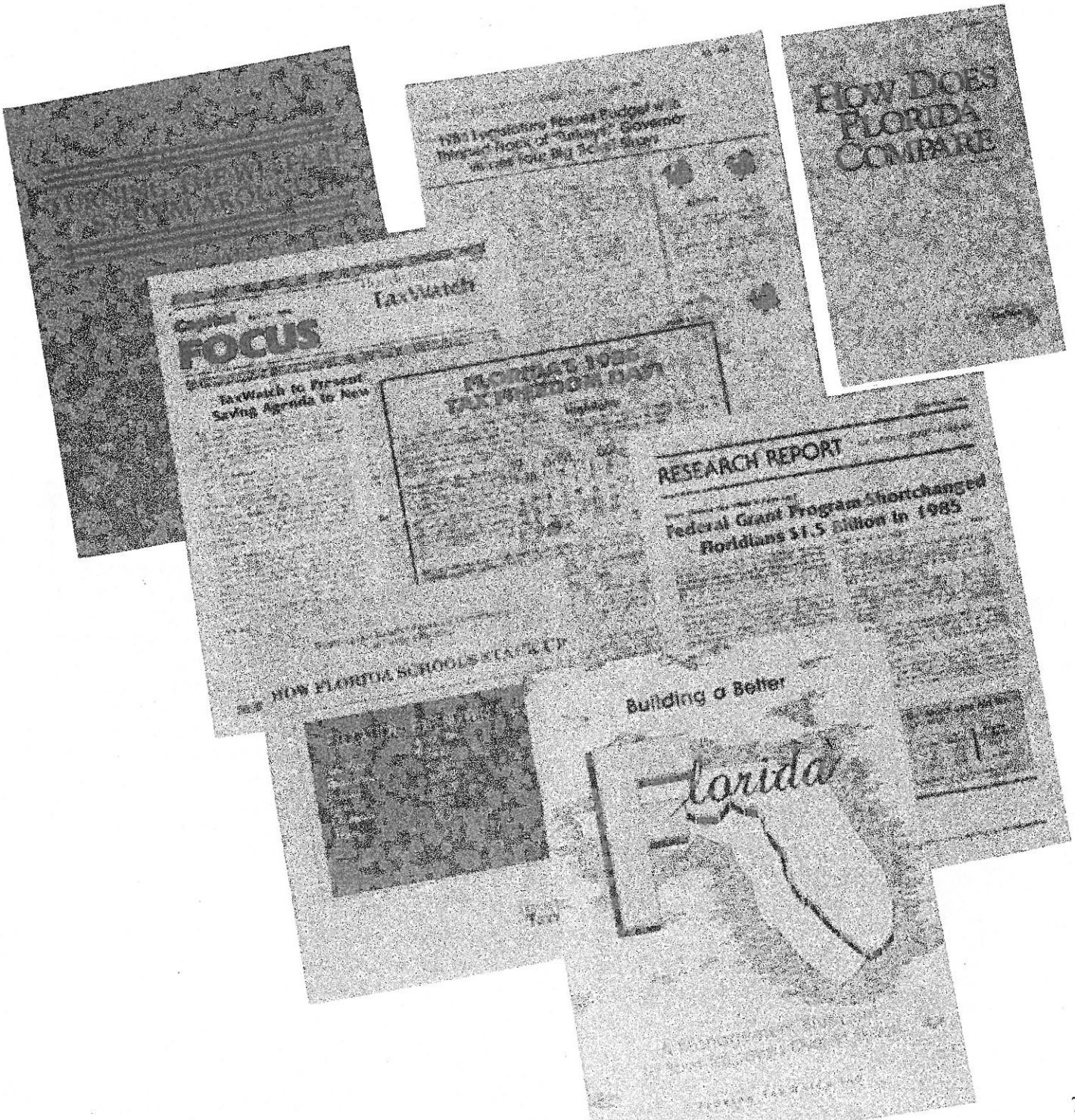
Respectfully,

Michael Zagorac
Treasurer



**FLORIDA
TAXWATCH
RESEARCH**

Prompting major government efficiencies—saving hundreds of millions. Providing a balanced, comprehensive taxpayer perspective and constructive recommendations on important tax and spend issues. Scrutinizing the costs/benefits of government services and offering thoughtful specifics on how to pay for growth...respected research that gets results.



TAXWATCH'S VALUE ADDED RESEARCH GETS RESULTS...

Over \$830 million out of a pool of some \$1.5 billion Florida TaxWatch suggestions have been implemented—mostly during the past four years—representing \$325 per Florida family in added value of public services.

Our seven year implementation track record (55%) has climbed from 71% to 77% in the past two years.

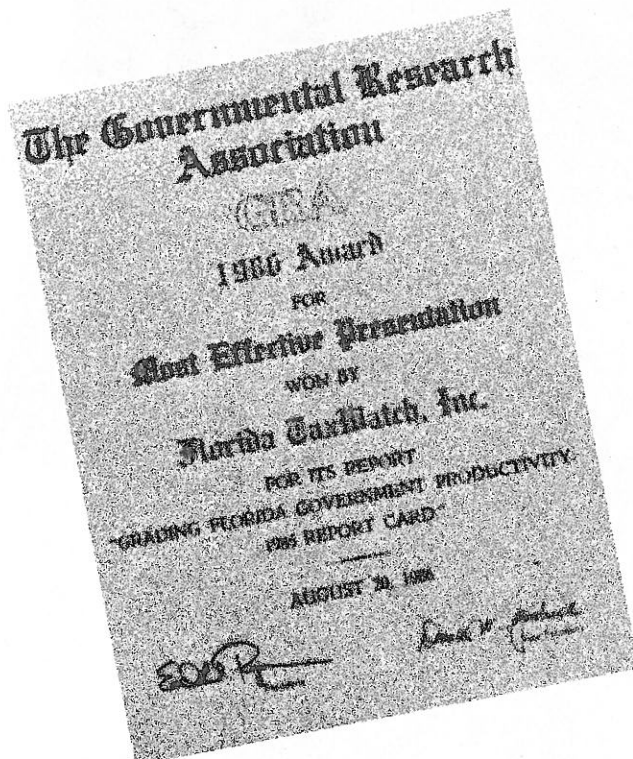
FY 1987 Research Highlights Include:

Sales Tax Exemptions. The 1986 Legislature passed a sweeping sales tax measure sunsetting most exemptions in July 1987. Seven of the eight criteria recommended by Florida TaxWatch in *Sales Tax Exemptions: A Prescription To Help Pay For Growth In Florida's Dynamic Economy?* were included in the new law to be used by the Sales Tax Review Commission. These should help ensure the continuation of sound tax and public policies.

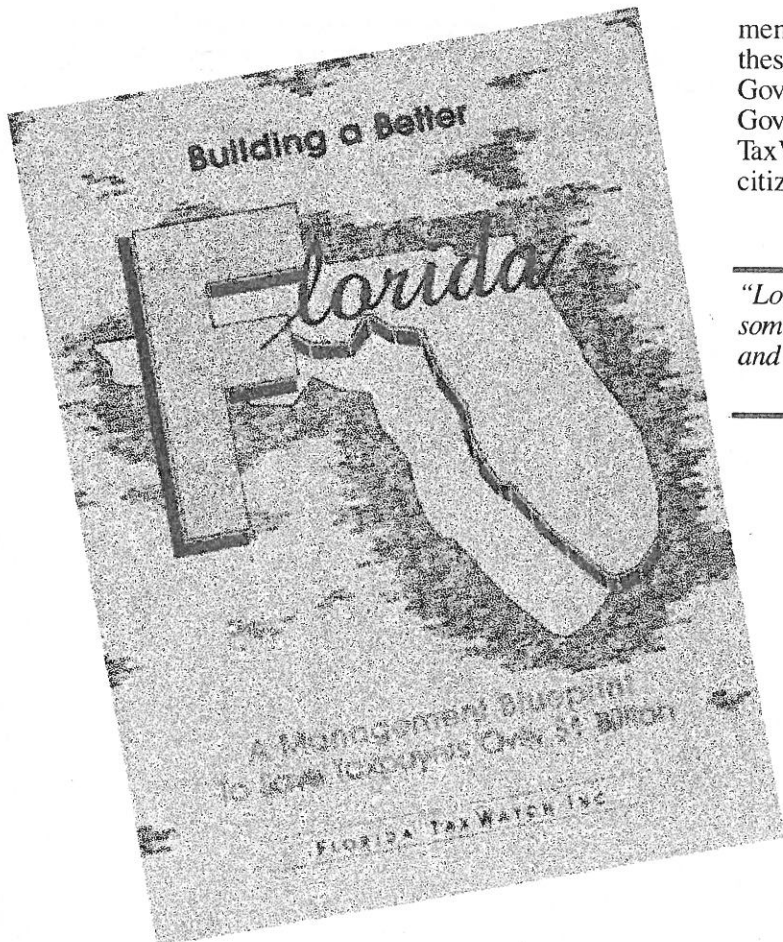
Internal Auditing. The 1986 Legislature passed a law to set up a state government internal audit system. TaxWatch's May 1986 "In Retrospect" (a follow-up to a 1983 analysis) shows how improving internal auditing can ensure better management of public resources to save taxpayers over \$70 million.

Turning the Welfare System Around. Florida TaxWatch highlighted a successful, but relatively obscure, program that can turn the welfare system around and save the State at least \$3 million annually. Governor Graham added a supplemental appropriation to expand it. Governor Martinez has requested \$2.5 million to expand this and related training programs for increased savings in 1987-88.

Governmental Research Award. For an unprecedented second straight year, Florida TaxWatch won the national Governmental Research Association's Most Effective Presentation Award, the equivalent of an "Oscar" in the government research field for the profession's highest distinction.



BUILDING A BETTER FLORIDA



In 1986, Florida TaxWatch released its 4th annual compendium of cost saving ideas. The latest edition contains 190 specific, innovative and relatively painless ways to improve the quality of public services while saving over \$1.5 billion. This is not a proposition to cut the state budget by over a billion dollars, but rather one to make the current budget stretch to do the work of one at least a billion dollars larger.

The *Blueprint* is more than just a collection of cost savers. It goes a step further to recommend redesigning the budgeting, management and incentive structures of government to put performance first and make government managers and employees true "Partners in Productivity" with Florida taxpayers.

The cost saving recommendations include:

- reducing the time between planning and bidding on road projects from seven to five years to save \$110 million annually;
- strengthening Community Control of non-violent offenders to save \$35 million annually; and
- funding prenatal care programs to help insure that more babies are born healthy while saving the state \$7.3 million annually in neonatal costs.

The past success of Florida TaxWatch recommendations promotes optimism concerning the impact of these proposals. They were warmly received by the Governor, legislators and agency heads. Florida Government has again pledged to work with Florida TaxWatch to seize this golden opportunity to save its citizens substantial tax dollars.

"Look, a respected group—Florida TaxWatch—has identified some \$1.5 billion in potential savings from eliminating waste and duplication in Florida's \$15 billion plus state budget."

Governor Bob Martinez



SALES TAX EXEMPTIONS – FLORIDA’S NUMBER ONE TAX ISSUE

In *Sales Tax Exemptions: A Prescription to Help Pay for Growth in Florida's Dynamic Economy?* Florida TaxWatch set the stage for the sales tax exemption review process mandated by the Florida Legislature. Our recommendations are the basis for a systematic evaluation process based on statutory criteria of sound tax and economic policies.

The 1986 Legislature established a Review Commission to thoroughly study both the overall exemption structure and individual exemptions. As suggested in the report, exemptions are being evaluated as to as to whether they meet the statutory criteria regarding the economic impact of taxing or exempting goods and services in Florida.

The report points out that most exemptions are not “loopholes,” but are based on policies such as making the tax more progressive, avoiding hidden or “pyramiding” taxes and promoting economic development. Also discussed is the necessity that the sales tax remain a pure consumption tax, levied only on retail (or final point of consumption) sales and only on the price paid for a good or service changing hands at that point.

“...TaxWatch’s proposals are sound, noncontroversial, and easily enacted.”

The Miami Herald



TURNING THE WELFARE SYSTEM AROUND

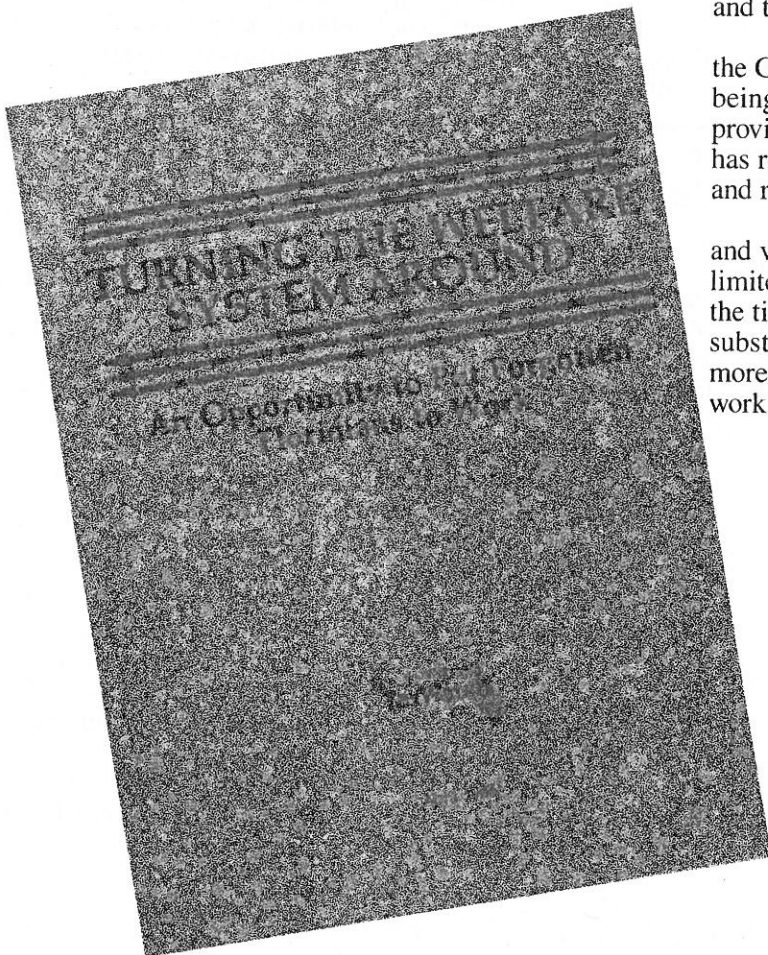
Several studies—including this Florida TaxWatch report—demonstrate that many of the poor need not be poor, and that the majority of people on welfare want to become productive, self-sufficient citizens. Our April 1986 study *Turning the Welfare System Around: An Opportunity to Put Forgotten Floridians to Work* prompted expansion of a successful pilot project that is cost-effectively getting long-term welfare recipients off the rolls and into rewarding, lasting jobs.


A Department of Health and Rehabilitative Services' pilot project trained AFDC recipients with little or no employment prospects to work as direct care staff in residential facilities for the mentally retarded (ICF/MRs). Clients have been quite successful in completing training and staying with their new jobs. Further, the per person training investment is paid off by averted welfare payments after only 4 to 5 months of employment.

However, HRS's plans for expansion of this worthwhile initiative were underambitious and awareness of the project was limited. Our report shows how expansion to fill demand in the ICF/MRs alone could save \$5 million annually and calls for expansion to other fields. It also offers recommendations to fine tune the State's employment and training efforts.

This report was instrumental in gaining support of the Governor and Legislature, resulting in nearly \$300,000 being appropriated during the 1986 General Session to provide training to 440 additional clients. Gov. Martinez has requested an additional \$2.5 million in 1987-88 for this and related training.

There is still much to be accomplished. The number and variety of real job opportunities for AFDC recipients is limited only by the State's commitment and vision. Now is the time to capitalize on this opportunity to capture substantial tax dollar savings, and more importantly, to help more people break the chains of poverty and rekindle the work ethic among Florida's poor.





INCREASED PUBLIC INVESTMENT MUST SHOW INCREASED RETURN

Internal Auditing

Improving Internal Auditing Will Help Government Manage Better—Save Taxpayers Over \$70 Million prompted passage of internal audit legislation for state government on the last day of the 1986 General Session.

This update of a major TaxWatch study issued three years ago found that Florida was lacking in its internal auditing and oversight capability. A TaxWatch survey of state agencies showed that:

- only 87 (.08%) of more than 112,000 state employees were performing internal auditing;
- two agencies that spend more than half the state budget had only 8 internal auditors; and
- internal auditors spent a combined average of 29% of their workday on non-audit functions, thereby diluting agency bird-dogging efforts.

Florida TaxWatch recommendations embodied in the new law prescribe professional qualifications and roles of internal auditors—plus standards to ensure improved agency performance, productivity and direct accountability to top management.

Senate and House sponsors of the internal audit measure attended a TaxWatch press conference at which the report was released to voice their agreement with its findings. More importantly, the TaxWatch recommendations are now law and are improving the system for all.

"In an age when all too often our institutions fall victim to analysis paralysis... there is no substitute for action."

Paying for Growth

Florida TaxWatch's top research priorities are growth and how to pay for Florida's future. As a follow-up to our May 1985 report on the fiscal impact of the State Comprehensive Plan, TaxWatch issued *State Leaders Must Focus Comprehensively on Paying For Florida's Growth* (May 1986).

This report stresses that the critical policy and funding decisions of the next few years will play a key role in shaping our state as it enters the 21st century. It notes that the stakes are high—no less than the continued prosperity and well being of our state and all Florida citizens and taxpayers.

Stating that business as usual won't work, the report suggests an action plan to get the job done. It includes:

- improving the State's management information systems;
- determining taxpayers' service level preferences; and
- changing the State's incremental budgeting system and retooling its incentive structure.

Other suggestions include adoption of a reasonable limitation on state and local government spending and an annual productivity report to the people of Florida.

HOW FLORIDA COMPARES

Public Education

Florida taxpayers have shown their willingness to make a strong, ever growing commitment to public education. In *How Florida Schools Stack Up: Weighing Our Relative Financial Commitment to Public Education*, TaxWatch takes a close look at Florida's \$3 billion annual investment in public primary and secondary education. Among the findings:

- Florida's financial commitment to public education ranks at the U.S. average. Both the share of resources devoted to education and per pupil expenditures (\$3409) are on par with national norms.
- Education spending in Florida is growing faster than nationally. Real per pupil expenditures are up 26% over 1981, compared to a nationwide increase of 20%.
- After adjustment for cost of living differences among the states, education spending in Florida exceeds the nationwide average by 10%—ranking 13th.
- The average teacher's salary in Florida ranks 29th nationally, rising to 22nd when adjusted for cost of living.

Continuing to rapidly increase school funding and teacher salaries while enrollments are growing at a rate of 50,000 students annually is an expensive proposition. This growth (plus turnover) requires hiring approximately 7,000 new teachers per year, well over half of whom must be recruited from other states, just to maintain the current student/teacher ratio. The goal of reaching and staying in the upper quartile of states in education spending and achievement carries a ten-year price tag estimated at up to \$10 billion in additional tax dollars.

As investments increase, higher returns in performance are expected. Quality education is fundamental to our quality of life, successful competition in a dynamic world economy and a healthy society—the keys to Florida's future.

Taxation

Florida TaxWatch ranks Floridians' state tax burden with the rest of the nation's in our annual publication *How Does Florida Compare?* The 1986 edition reports that total taxes paid by each Floridian rose \$26 in 1985 to \$693 per person. This modest 4% growth allowed Florida to maintain its reputation as a relatively low tax state—ranking 44th. The average Floridian paid \$374 in general sales taxes, \$161 in selective sales taxes (motor fuels, alcohol, tobacco, etc.) and \$45 in license taxes.

This report also reveals: Florida's total state tax growth of 41% between 1982 and 1985 was the fifth largest increase in the nation; Floridians paid \$83 more per person

in general sales taxes in 1985 than the average American; Florida collects three times more beverage taxes (\$422 million) than any other state except Texas (\$333 million) and New York (\$171 million); and Florida's net corporate income tax collections increased 24% in 1985, compared to 13.7% growth nationally.

Florida is holding on to its low tax status and probably will continue to do so through 1987. After that, it is not so certain. Full implementation of the State Comprehensive Plan could almost quadruple the cost of Florida government by 1995, pushing our State's tax rank into the top 20.

WATCHING FLORIDIANS' TAXES



The Federal "Grant" Program

The 1986 edition of Florida TaxWatch's Tax Freedom/Tax Index series publicizes these fiscal features:

Tax Freedom Day. The average Florida family worked until April 29, 1986 just to earn enough money to pay its federal, state and local taxes, laboring nearly one-third the year before beginning to earn money for itself. Based on an 8 hour workday, paying taxes in Florida requires 2 hours 35 minutes, compared to one hour 26 minutes for housing, one hour for food and beverage needs and 37 minutes for medical care.

The Florida Tax Index. Total taxes paid by Floridians have increased 160% since 1977. The per capita levy has more than doubled since 1977, reaching \$4,420.

Effective Buying Power. After paying taxes and adjusting for inflation, the average Florida household's effective buying power rose just 1.4% from 1985 to 1986, and only 7.2% since 1980.

The Bottom Line. On the average, if your household income did not rise 3.7% in 1986 or 87.4% since 1977, the combined effects of taxation and inflation have likely reduced your effective buying power and standard of living.

The federal grant program continues to be no bargain for the taxpayers of Florida. In 1985, Florida was again shortchanged, as we paid \$1.49 for each \$1.00 returned to the State in the form of grants-in-aid. For the second consecutive year Florida got the nation's second worst deal on its "grants," trailing only Texas—which shelled out \$1.59 on the dollar. On the whole Florida paid in \$1.5 billion more to the grant pool than it got back.

In 1985, Florida received less aid per person than any other state (\$275) even though our citizens had the 19th highest federal tax burden (\$2,927). Florida ranks near the bottom in per capita aid in all major grant categories: Medicaid—46; Highways—39; AFDC—43; revenue sharing—49; and housing—46.

Florida's position as a high payer is somewhat a reflection of our State's spending patterns. If a state spends less on highways, for example, it receives less federal aid. The result is a policy that contradicts the Reagan Administration's philosophy of encouraging government frugality by rewarding excessive spending while penalizing conservative measures and government efficiency. If this cloud has a silver lining, it is that cuts in federal grant programs wrought by the New Federalism effort will hurt Florida less than most states.

"...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

FLORIDA'S JUDICIAL SYSTEM

Joint and Several Liability

Tort reform was the most hotly debated and highly publicized issue facing the 1986 Legislature. In our May 1986 "Issue Focus" Florida TaxWatch demonstrated that it is highly unlikely that abolition of the legal doctrine of joint and several liability would increase Florida government budgets and taxes.

Those favoring retention of joint and several liability in Florida law contend that if a significant number of injured parties are unable to get just compensation from our courts, these individuals will fall back on state welfare and public assistance programs—causing social services budgets, and taxes, to rise.

However, TaxWatch found that the probability of this occurring in a significant number of cases is only 1.5%. Even if this probability occurs, the impact on the State's social services budgets would likely be no more than a 1/10 of 1 percent increase.

While we should be concerned with even one person who cannot receive adequate compensation when injured by the negligence of others, it is important to remember that our laws guarantee only the right to sue, not an assurance that damages will be awarded.

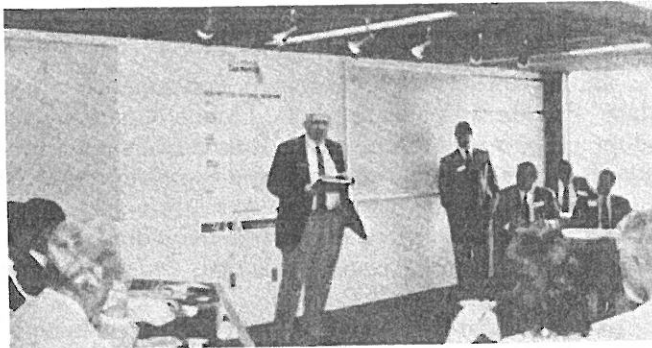
Government Performance Update

In our April 1986 "Government Performance Update" Florida TaxWatch urged the Florida Supreme Court to adopt a proposed Administrative Rule establishing time standards for cases in Florida's trial and appellate courts. The time standards rule, later approved by the Court, is designed to better manage and speed up the judicial process by requiring judges to take specific actions and monitor and control the pace of litigation.

Time standards provide a sound basis for evaluation of how well the court system is working and, most importantly, how it can be improved to better serve the public. This helps ensure that Floridians have a court system that uses public resources efficiently and dispenses justice in a timely and reasonable manner.



1986 "TURKEY WATCH"



"DEBTBUSTERS" Balance the Federal Budget Debate

Florida TaxWatch found that the 1986 Florida Legislature appropriated funds for a smaller than usual flock of "turkeys," or special interest projects benefiting a limited number of Floridians. But while the number, size and outrageousness of turkeys has been reduced from previous years, questionable spending items in the State budget are still all too common.

Some of the "turkeys" identified in the July 1986 Government Performance Update on the Florida Legislature include funding for:

- the Miami Grand Prix;
- the Miss USA pageant; and
- the Orange Blossom Classic Football Game.

With many legitimate competing needs to be met with scarce resources, it is important that public expenditures for turkeys or "pork barrel" projects be kept to a minimum. For every dollar spent on such items, one dollar less is available for needed public services that benefit a wider group of Floridians.

In order to serve the best interests of Florida taxpayers, it is important that the spending decisions made by our Legislature be based not on the political expediency of "bringing home the bacon," but on rationally determined goals for making Florida a better place to live.

"A turkey is an unnecessary, costly, special interest project...in someone else's district."

Anonymous Legislator

A group of Florida citizens and community leaders—many TaxWatch members—demonstrated that balancing the federal budget may not be an impossible task. On September 10, 1986 in Tallahassee, Florida Tax-Watch sponsored the Florida DEBTBUSTERS panel which recommended that a number of federal programs be pared and tax laws be amended to wipe out the deficit and actually build a \$36.2 billion budget surplus by 1991.

A strong message was sent to Washington by Florida and DEBTBUSTERS panels in all fifty states that citizens from various backgrounds—representing diverse interests and ideologies—are willing to put aside partisan differences and work together to formulate a reasonable, well balanced plan to eliminate the federal budget deficit. The results of the debates were well received by both Congress and President Reagan, and helped to close the "understanding gap" between taxpayers and our leaders in Washington.

"I know of no safe depository of the ultimate powers of the society but the people themselves; and if we think them not enlightened enough to exercise their control with a wholesome discretion, the remedy is not to take it from them, but to inform their discretion."

Thomas Jefferson

**KEEPING
THE
TAXPAYERS
INFORMED**

Florida TaxWatch's monthly newsletter, *Capitol Focus*, is a multitopic publication designed to keep Florida taxpayers informed on tax and spend issues that affect their quality of life and pocketbook.

The articles are varied and timely. Last year, we successfully questioned proposed legislation on a gross receipts tax that would have resulted in a \$2.7 billion tax hike and urged the Legislature not to "put the cart before the horse" by enacting the tax without being certain it was both necessary and the best option. We analyzed the proposed homestead exemption Constitutional amendment, reporting that while it would put more taxpayers on the rolls, the revenue impact would be minor. We publicized that 80,000 Florida mobile home owners were eligible for a potential \$20 million refund of sales tax that may have been levied without legal authority. The work of the State Comprehensive Plan Committee was also closely followed.

In addition to these and other issues, we also give a monthly pat on the back to well-deserving government managers and employees, reporting on cost saving innovations implemented by various agencies. These include the Comptroller's new consolidated equipment financing program that should save at least \$20 million; steps by the Department of Insurance to reduce State workers compensation claims by \$2.7 million; and the Department of General Services' plans to cut the State's phone bill by \$1.3 million a year.

Special editions of *Capitol Focus* feature a recap of the 1986 Legislature's tax and spend decisions and Florida TaxWatch's 7th Annual Meeting headlined by then Governor Bob Graham.



1986 ANNUAL MEETING



Focusing on the taxing demands of the nation's fastest growing state, Florida TaxWatch members and guests convened for the seventh annual membership meeting on May 14, 1986, in Tallahassee.

The program included speeches by three state leaders: Governor Bob Graham, Senate President Harry Johnston and Chief Justice Joseph Boyd. Each applauded Florida TaxWatch for a highly successful track record on behalf of Florida taxpayers and offered prescriptions for Florida's future.

Following the annual business meeting, review of research and election of new Board of Trustees members, three TaxWatch members were recognized with special awards.

Earl Dixon, just retired from TaxWatch's Executive Committee, was acknowledged for his active leadership and support. Distinguished Service Awards were presented to Walter Crews and the late Harry Galbraith for tirelessly promoting Florida TaxWatch and working to increase membership.

Outgoing Chairman Phil Lewis turned over the TaxWatch chairmanship to past President Tom Rankin. Lewis also announced the election of Dominic Calabro as new TaxWatch president. Calabro, formerly the executive director, assumes the duties of Chief Executive Officer and the President's seat on the Board of Trustees and Executive Committee.

In his yearly recap speech, Lewis cited numerous examples of TaxWatch's effectiveness. In *Grading Florida Government Productivity* (December 1985), TaxWatch found that at least 170 ideas were or are being implemented to save or avoid costs of approximately \$300 million. Also, *Paying for Florida's Future* recommends 111 additional ways for the State and local governments to save taxpayers an extra \$½ billion. Most importantly, Lewis applauded the Officers, Board, members, and professional staff for the unusually high level of respect and credibility achieved to date.

TaxWatch is proud of these accomplishments, and is always seeking new ways to give Florida taxpayers a bigger return on their investment in better government.



YOUR FLORIDA TAXWATCH MEMBERSHIP IS AN INVESTMENT IN FLORIDA'S FUTURE

*"There cannot be a government of the
people, by the people and for the
people if the people don't take part."
Florida Times Union*

The next few years will be crucial to shaping Florida's future. Our state's explosive growth requires that sound fiscal and budgetary policies be put in place now. These policies will enable us to meet the challenges of ever increasing demands for public services and environmental protection while still providing for sustained and diversified economic growth.

Florida TaxWatch is playing a key role in planning the future.

Our research and recommendations address the "taxing" demands of the nation's fastest growing major state with objective, comprehensive and innovative answers. Our studies offer creative, responsible approaches to applying our public resources in ways that reap the greatest return on your tax investment.

TaxWatch does more for our members than just conduct research and disseminate information. We solicit taxpayer concerns and new ideas for studies from a wide cross section of members and citizens throughout the state.

We encourage ideas for improved government efficiency and cost savings in speeches, presentations and discussions before numerous groups and committees. We network with organizations in Tallahassee and throughout the state on issues of mutual interest. We strive to ensure that our recommendations get timely and effective state response in a non-partisan and highly credible manner without lobbying.

A TaxWatch membership represents a personal as well as public investment in better government performance. If you believe in efficiency and innovation in state government, you can share in our work's constructive solutions and resultant savings. Adopted TaxWatch proposals already have saved taxpayers **well over \$800 million**, but the most critical period is just ahead.

You can sit on the sidelines... a spectator watching others decide how your tax dollars are spent, or you can join Florida TaxWatch and get involved in determining the outcome. Invest in Florida's future today by sending in your fully tax-deductible TaxWatch membership.

As a TaxWatch member you will receive:

- latest information and analyses of state and local tax/spend issues;
- on-demand access to hard-to-get information from state agencies through our exclusive economic statistics gathering service;
- major TaxWatch research studies and other special publications;
- effective, on-going service from an organization that keeps your needs and concerns as a taxpayer before state legislators and officials;
- research notes and resource materials prepared at your request for your own presentations and events; and
- the monthly "Capitol Focus" newsletter.

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Florida TaxWatch is a non-partisan, non-profit corporation founded to advance efficiency and economy in government through research, fiscal analysis and public information, and is recognized by the Internal Revenue Service as a qualified tax exempt foundation under section 501 (c) (3) of the Internal Revenue Code. TaxWatch is supported by tax-deductible membership contributions from business and individual taxpayers.