

**1990 ANNUAL REPORT
FLORIDA TAXWATCH, INC.**

About Florida TaxWatch

Florida TaxWatch is the only statewide organization entirely devoted to Florida taxing and spending issues. Since its inception in 1979, Florida TaxWatch has become widely recognized as the watchdog of citizens' hard earned tax dollars. A recent article in the nationally distributed *City and State* magazine and its poll of the nation's statewide government taxpayer research centers highlighted Florida TaxWatch as one of the six most influential and respected national taxpayer institutions in the nation.

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 an effective, responsive government which is accountable to the citizens it serves.

TaxWatch is supported by all types of taxpayers -- homeowners, small businesses, large corporations, professional firms, 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 reduce government inefficiency and promote responsible, cost effective improvements that add value and benefit taxpayers.

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.

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.

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111 N. Gadsden Street • P.O. Box 10209 • Tallahassee, FL 32302 • Phone (904) 222-5052 • FAX# (904) 222-7476

April 2, 1990

Dear Fellow Member:

As we enter a new decade, you have enabled us to achieve some laudable accomplishments which have helped enhance the quality of life for all Floridians. During the past eleven years, we have seen Florida TaxWatch begin as an idea and become a well respected statewide reality. Today, it is difficult to live and work in the state of Florida and not be aware that there is a watchdog in Tallahassee, monitoring state government management practices and procedures on behalf of our 13 million citizens.

This vigilance will continue to be one of our top priorities. The next ten years will require more involvement on the part of each and every one of us. Not just business executives. Not any one industry, profession, civic organization or segment of society. The challenges we face will require that everyone do their part to make investments in our communities and demand accountability that these investments pay off.

The responsible management of the state's phenomenal growth will demand understanding, involvement and basic reform of our tax and *spending* structure. Our system of budgeting woefully lacks accountability and is in need of incentives which add, not subtract, value. Our social services are stretched beyond their limits with more demands being placed upon them daily.

Florida TaxWatch, through the wisdom of its Board of Trustees and the invaluable support of its members, has in its short history exhibited the leadership and civic mindedness necessary to confront these issues and inform the public of the challenges facing the state.

Florida TaxWatch cannot solve these problems alone. We need and value the renewed commitment of you, our members, to advance the responsible changes that will keep Florida a healthy, prosperous state in which to live and work. Your support together with the credible, respected research for which Florida TaxWatch is known, can prove to be decisive in meeting these challenges, confronting problems equitably and helping us and future generations enjoy a lifestyle filled with opportunity and prosperity.

We congratulate and thank you for past accomplishments. And we stand prepared to diligently ensure that you receive the responsive, productive and even-handed government you need and deserve.

Respectfully,

T. Wayne Davis
Chairman

Dominic M. Calabro
President

OFFICERS



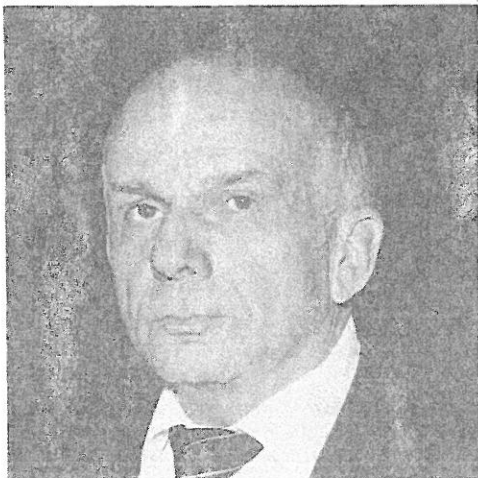
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Tine W. Davis Family Foundation



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Michael Zagorac, Jr.
Jack Eckerd Corporation



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T. Wayne Davis, Chairman	Sen. Philip D. Lewis, Past Chairman
Dominic M. Calabro, President and CEO	Mark C. Hollis, Past Chairman
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George R. Langford, Secretary	Charles J. Zwick, At Large



STATE OF FLORIDA

OFFICE OF THE GOVERNOR

BOB MARTINEZ

April 2, 1990

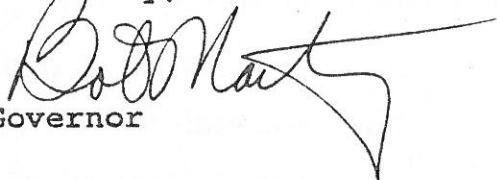
Greetings:

It is a pleasure to welcome all who have gathered for the annual Florida TaxWatch meeting.

The cooperative effort between Florida's elected officials, administrators and the private sector works to inject needed business acumen and efficiencies into our state government to ensure that public funds are spent prudently. This effort and your accomplishments are invaluable to the citizens of Florida.

Best wishes for a productive meeting and for continued success.

Sincerely,

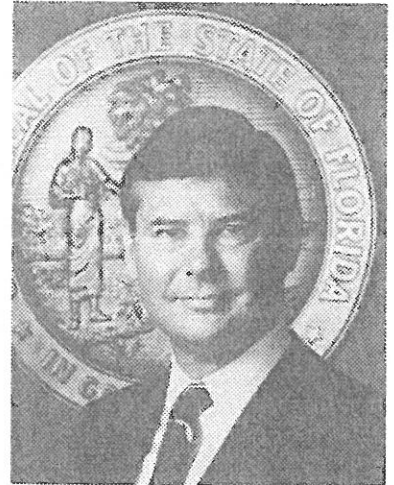

Governor

BOB GRAHAM
FLORIDA

United States Senate

WASHINGTON, DC 20510-0903

February 28, 1990



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

Dear TaxWatch members:

Congratulations on the completion of your eleventh year of service to the taxpayers of Florida.

Florida TaxWatch has made invaluable contributions toward increasing effectiveness and efficiency in Florida government. Your research reports on the challenges facing the state ensure citizens improved products and public services which they need and deserve.

Best wishes for continued success in pursuing better government on behalf of Floridians.

With kind regards,

Sincerely,

A handwritten signature in cursive script that reads "Bob Graham".

United States Senator



CONNIE MACK
FLORIDA

United States Senate

WASHINGTON, DC 20510

Florida TaxWatch, Inc.
P.O. Box 10209
Tallahassee, FL 32302

Greetings,

It gives me great pleasure to congratulate Florida TaxWatch for its valuable contribution on behalf of Florida's taxpayers and to extend a warm welcome to those of you participating in the Annual Meeting.

Your publications and constructive recommendations have helped to increase the efficiency of government and the quality of public services.

Please accept my best wishes for your continued success.

Sincerely,

Connie Mack
United States Senator

Treasurer's Report

Florida TaxWatch, Inc. further expanded its financial resources and membership base by 41%, thereby broadening its statewide representation of taxpayer concerns in Florida during the fiscal year ended January 31, 1990. 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 and Auditor's Report for FY 1989-90 indicate expenses were kept below income and were held under the amount budgeted -- a practice which has continued during all of the eleven years since the Foundation's inception.

Total expenses of \$779,487 were kept below the \$931,000 expense budget by 16%. Also, total expenses were held below the \$962,902 in total income by 19%.

The Auditor's report for FY 1989-90 demonstrates the sound management practices and proper financial controls applied by the Foundation which ensure effective and productive operations with direct accountability.

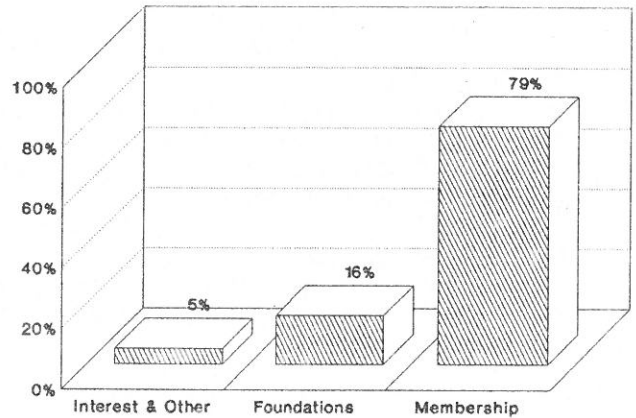
According to the audited record of expenses, all expenditures went to prepare, conduct, publish, disseminate and properly communicate the research program's findings, conclusions and recommendations about Florida government tax and spend policies and practices. No funds were expended on lobbying activities,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

Respectfully,

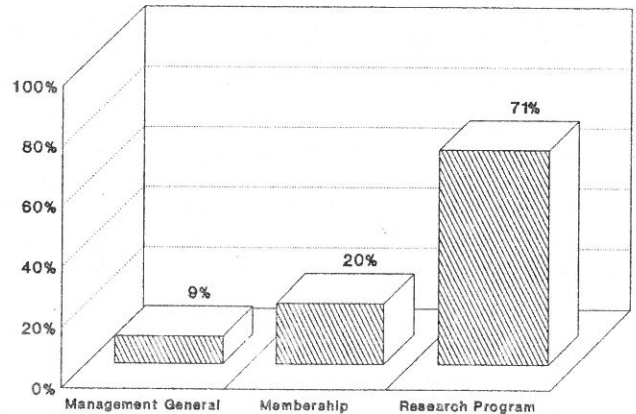


L. Charles Hilton, Jr.
Treasurer

FY 1989-90 Income



FY 1989-90 Expenses



PARTNERS IN PRODUCTIVITY. . . A YEAR OF PROGRESS

In the past few years, Florida's image has changed from that of a semi-tropical haven for vacationers and retirees to a thriving business and light industry mecca. Diversification of our economic base is helping to bring in over 900 new residents per day. Florida has gained recognition as the fastest growing major state in the nation. But this rapid growth has placed an undeniable strain on the state's infrastructure and system of public service delivery. Our prisons and roads are dangerously overcrowded. Our public school system is in need of restructuring. Our health and human services case loads continue to mount.

Part of tackling these problems involves determining what structural, fiscal and administrative changes must occur to improve the state's system of public service delivery. What should taxpayers expect from the state government agencies which build our roads, educate our children and provide care for the needy?

"Partners in Productivity" is a unique cooperative effort which combines the best talents and professional skills of the public and private sectors. Operating under an executive order of the Governor and a Cabinet resolution, and spearheaded by Florida TaxWatch and The Florida Council of 100, the Partners program is a three-tiered initiative aimed at increasing efficiency and reducing waste in government.

Its 39-member task force, comprised of state business and civic leaders, has published a series of reports on the four agencies which together spend almost three-fourths of Florida's \$23 billion budget. These publications include 270 recommendations, which, when implemented, will improve productivity in K-12 education, road building, prison management and delivery of health and social services.

The Partners task force is currently evaluating the four agencies' progress, and will soon produce report cards stating how many of its recommendations have been adopted and which ones remain. Also being developed is a first-in-the-nation government performance and productivity measurement system which will quantify the level at which government products and services annually improve or diminish. This system will serve as a bottom-line performance proxy patterned after the profit-and-loss statements used in the private sector.

PARTNERS in PRODUCTIVITY

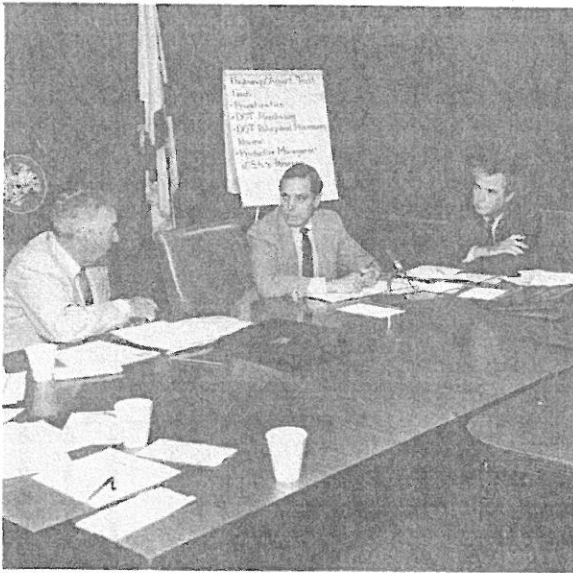


AWARDS FOR INNOVATION AND PERFORMANCE IMPROVEMENTS

Florida taxpayers benefitted from \$77 million worth of added value last year from outstanding achievements recognized by the Davis Productivity Awards program. It provides up to a total of \$50,000 in cash, plaques and certificates for accomplishments above and beyond the call of duty that improve agency products and services, save tax dollars or add value to the taxpayers.

The Davis Awards program is made possible through the vision and generosity of J.E. Davis and his brother A.D. Davis, both co-founders of Winn-Dixie Stores, Inc. and founding members of Florida TaxWatch.

During the awards program's first year, 236 nominations were received, citing individuals or work units whose dedication, imagination and diligence helped the wheels of government turn more efficiently and effectively. In future years, the awards will be based on performance documented by a productivity measurement system being developed under the Partners initiative.



Partners hold meeting with Governor Bob Martinez on improving transportation in Florida.



WIC team leader Deborah Eibeck receives Davis Award from Winn-Dixie chairman A. Dano Davis.

"This public-private effort to recognize innovation and achievement among the ranks of public employees is worth remarking on at a time when, too often, the bureaucracy is considered by many to be the enemy, not the servant, of the people."

Gainesville Sun

"The honored individuals deserve their recognition. Thanks are also due the Davis brothers and Partners in Productivity. It's just such a program that could improve the image of public service enough to attract more high-caliber people into government."

Tampa Tribune

"To the Davis awards, we add our pat on the back"

Tallahassee Democrat

THE FLORIDA TAXWATCH RESEARCH PROGRAM

Results That Make A Difference

Each year, Florida TaxWatch produces a variety of insightful and timely research reports which help to keep our members, public officials and the state's taxpayers informed on tax and spend issues which affect Florida's present and future.

From TaxWatch's independent, non-partisan perspective emerge in-depth studies on a host of problems and challenges which confront our elected officials and the citizens they serve. Our clear, concise publications reveal the unvarnished truth about budgetary matters and state policy decisions which have a direct bearing on the lives of all Floridians.

The next few pages contain a synopsis of these reports, along with a reprisal of the stories which we ran in our monthly newsletter, Capitol Focus.

IS FLORIDA'S PRISON INDUSTRIES SYSTEM SUCCEEDING?

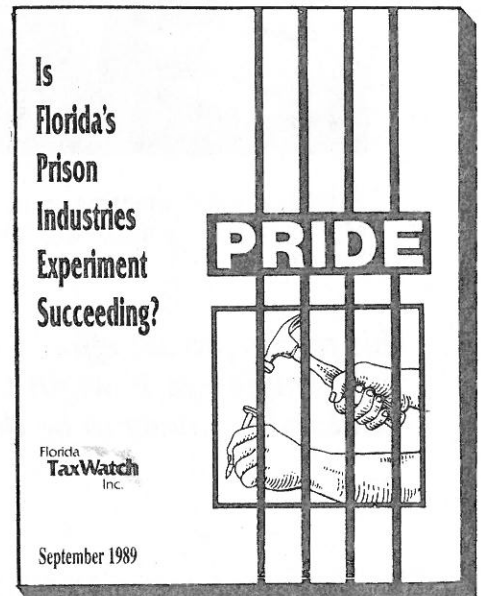
In 1981, the Florida Legislature authorized establishment of a quasi-private corporation to manage the state's ineffective and unproductive prison industries system. The result: an experiment using a non-profit, incorporated entity which calls itself Prison Rehabilitative Industries and Diversified Enterprises, or PRIDE.

The statute creating PRIDE required that its prison work programs provide inmates with useful activities leading to "meaningful employment after release." This new system was meant to help reduce recidivism -- inmates returning to prison after their release. It was also meant to reduce the cost of government by operating enterprises with primarily inmate labor without unreasonably competing with private enterprise. In addition, PRIDE was to educate prisoners, assist in post-release job placement, and enhance prison security by building incentives for good behavior. They were to accomplish all of this, without operating as a profit-making business.

By 1987, complaints surfaced about higher prices for inmate-produced goods. Private sector vendors complained about possible state government favoritism toward PRIDE, since PRIDE is not required to submit bids on the goods it produces. And amid all the arguing about the corporation's policies and requirements, PRIDE was unable to supply evidence that the program was actually reducing recidivism.

That's when Florida TaxWatch took a hard look at Florida's prison industries system. After a lengthy study, we published our final report on PRIDE prior to the 1989 Legislative Session. The report resulted in the Legislature enacting six changes to the PRIDE Act called for by Florida TaxWatch.

More work is yet to be done, the most pressing of which is the critical need for a recommitment measurement system for evaluating PRIDE's success at rehabilitation. Also needed is clarification of state purchasing laws as they relate to PRIDE, price and quality comparisons of PRIDE's products to those of other vendors and the provision of inmate training that is more applicable to the outside world.



1989 FLORIDA TAX FREEDOM DAY MAY 2

Last year, Floridians were not through earning enough to pay their total yearly tax bill until May 2. That's the date on which Floridians can take satisfaction in knowing their paychecks are theirs' -- not the tax collector's.

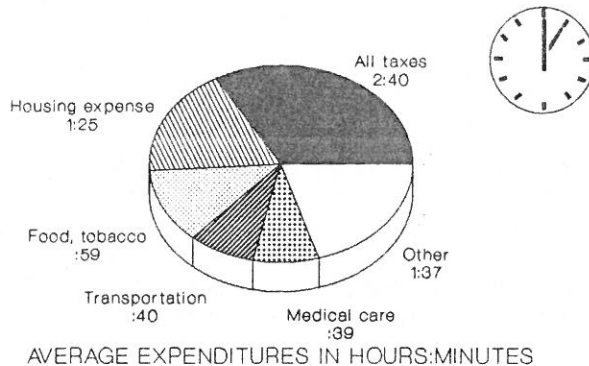
The good news is 1989's Tax Freedom Day came about a day and a half sooner than it had the previous year. And that had not occurred since 1986. Sound like a good time was had by all? Not so fast.

Among its many other timely findings, this report highlighted Florida's 1989 Tax Index of 368.5. The index indicates Florida's total taxes have more than tripled since 1977 -- an increase of 268.5%. What's more, the average Floridian must work two hours and 40 minutes daily just to pay the tax man.

But be of good cheer. Florida TaxWatch projects that our effective buying power went up 3% and the average household brought in an estimated 6.7% more income than the previous year.

Let's hope we fare as well or better when the next Tax Freedom Day is declared.

WHERE YOUR WORKDAY EARNINGS GO 8-HOUR WORKDAY OF FLORIDA WAGE EARNER



Source: Florida TaxWatch, Inc. and Tax Foundation, Inc. April 1989.

THE COST OF NOT ACTING

If the grim facts of our crumbling transportation system give you pause, the economic forecast provided in "The Cost of Not Acting" will give you chills.

A special study conducted by Florida TaxWatch and the WEFA Group (formerly Wharton Econometrics and Chase Econometrics) used the WEFA econometric model of Florida to predict the economic impact of concurrency on Florida's economy without new transportation funding.

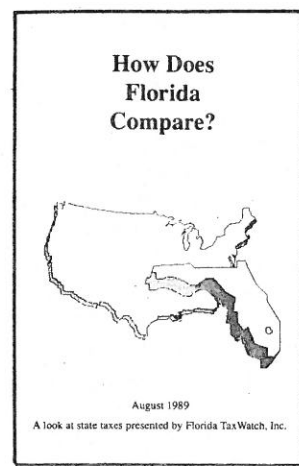
The preliminary report predicted "a recession that never ends" due to building permit moratoria and the resultant loss of employment and revenues. Such frightening figures as a cumulative loss of personal income for Florida between 1990 and 1998 of \$65.7 billion and lost state and local sales tax revenues of \$2.2 billion should be enough to break the no-new-taxes stalemate.

HOW DOES FLORIDA COMPARE?

Each August, Florida TaxWatch releases its latest accounting of how Florida's state taxes compare with those in the other 49 states.

Florida's per capita taxes rose to 33rd in 1988 -- the state's highest ranking in a decade. Our total state tax collections more than doubled since 1980, growing faster than any other state. Even discounting the state's exploding population, our tax growth is far exceeding that of the nation's.

Other findings include figures on Florida's sales tax burden, including general sales taxes along with so-called "sin" taxes and user fees. The result: an overview of where Florida's taxes have been, where they are now and a better understanding of the added value citizens deserve when they pay more.



COST SAVINGS IN FLORIDA GOVERNMENT

TaxWatchers Make the Billion Dollar Difference

As this report indicates, three out of four (72%) of Florida TaxWatch recommended cost savings have been or are being implemented. These cost saving measures have helped save Florida's taxpayers more than \$1.3 billion, or \$265 of added value for every Florida family. Cost Savings in Florida Government captures and describes the innovations which have made the billion dollar difference in Florida.

The dollar amount of added value resulting from these cost savings will be even higher as their effect on programs continues to multiply with the passage of time. But here are a few examples of the *immediate* savings which resulted from their first introduction to the system.

One example of this occurred when, largely due to the encouragement of Florida TaxWatch, HRS's Medicaid Prescribed Drug program in 1985 began dispensing generic prescription drugs for a savings to date of nearly \$4 million.

Savings of nearly \$20 million resulted when the state in 1985 began requiring negotiated air fares for state employees. Florida TaxWatch had been recommending this procedure since 1983.

In 1987, Florida completed a successful intangible tax amnesty, a one-time opportunity for delinquent taxpayers to satisfy their state tax liabilities and avoid prosecution and penalties, netting \$12,980,455. In 1988, following a TaxWatch recommendation, the state conducted a similar, comprehensive tax amnesty. This action brought in \$22,141,025. The two programs, costing only \$800,000 to implement, generated over \$35 million for the state and its taxpayers.

There is more to be done. Also included are sixty-four recommendations yet to be implemented which could save another \$500 million. These recommendations coupled with fundamental budget reform would help ensure a sound return for our citizens' tax investments.

1989 TURKEY WATCH

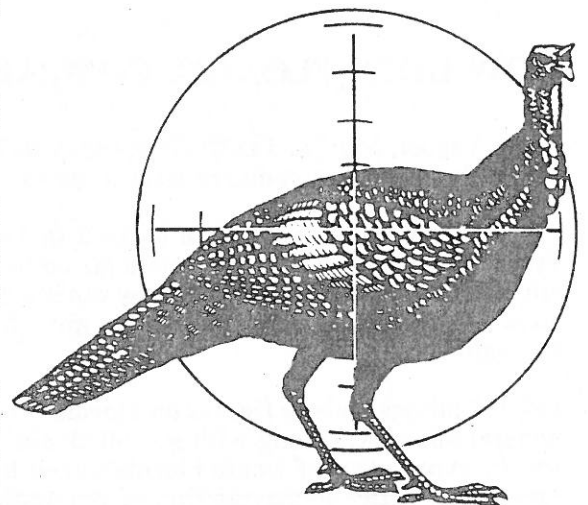
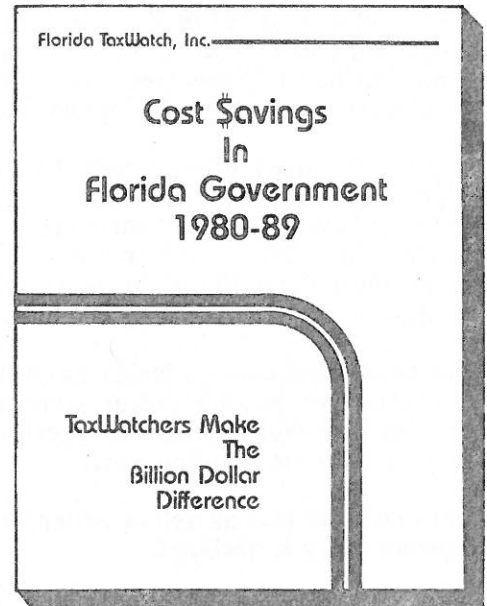
Turkeys. It's probably our best product, and it requires no refrigeration.

But when you read the items which legislators tried to pass, or even items which escaped the Governor's veto pen, you may wish they had been kept in the deep freeze.

Following each year's Regular Session, TaxWatch issues its crop of winged wonders, in its "Turkey Watch." This much awaited report calls attention to legislative budget items which circumvent the normal budget review process and/or benefit a special, limited interest instead of the state as a whole.

Last year, TaxWatch listed over 300 turkeys -- twice as many as the year before -- costing in excess of \$124 million. This during a budget year that proved to be long on political promises and short on funds.

Revenue shortfalls and lawmakers scurrying to offer no-new-taxes remedies such as fees and bonding proposals will hopefully limit legislators' tendency to "bring home the bacon."



PAVING THE WAY

Anyone who drives on Florida's streets and highways has at one time or another been either endangered or inconvenienced by the state's worsening transportation gridlock.

Of the over 27 thousand lane miles in the state transportation system, 29% are congested. Half of the urban roads are congested. Fifteen percent of the state's pavement is deficient. A backlog of 1425 bridges are in need of repair; 378 need to be replaced.

Paving the Way, issued in November, recommended a phased-in increase in the gasoline tax which would raise \$700 million annually by 1995, provided the Department of Transportation (DOT) proves it is increasing productivity and performance.

Our recommendation, which we dubbed the "produce-it-and-prove-it-or-lose-it" plan, would have raised the state levied 9.7-cent motor fuel tax by three cents per gallon effective January 1, 1990. Beginning January 1, 1992, two more cents would be added in each of the next three years -- if DOT meets performance and productivity standards established by Partners in Productivity.

But alas. A special session on transportation funding came and went with no progress made in solving this dangerous dilemma. Hopefully, the 1990 Regular Session will take some steps like this one to meet the state's critical transportation needs.

FLORIDA'S WATER MANAGEMENT DISTRICTS

This report compares the districts and takes an in-depth look at the South Florida district: the largest district in terms of land area, population, taxing capacity, and spending. TaxWatch makes several recommendations to improve oversight and accountability of water management districts in general and South Florida in particular.

Covered in the text are such anomalies as a budget which soared over 500 percent over 13 years, an average of one state automobile for every three employees and an average employee salary range of \$40,000 per year.

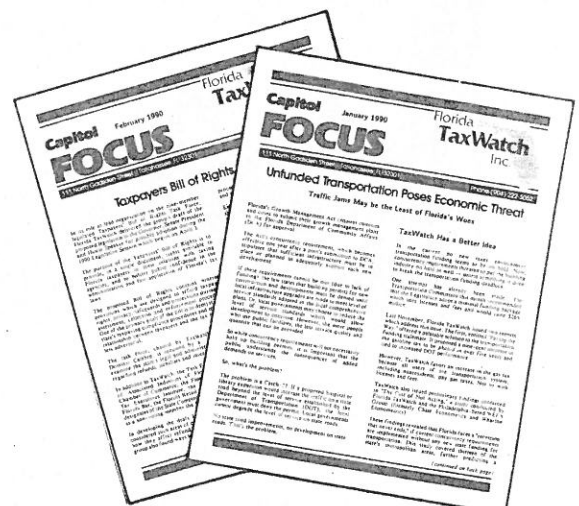
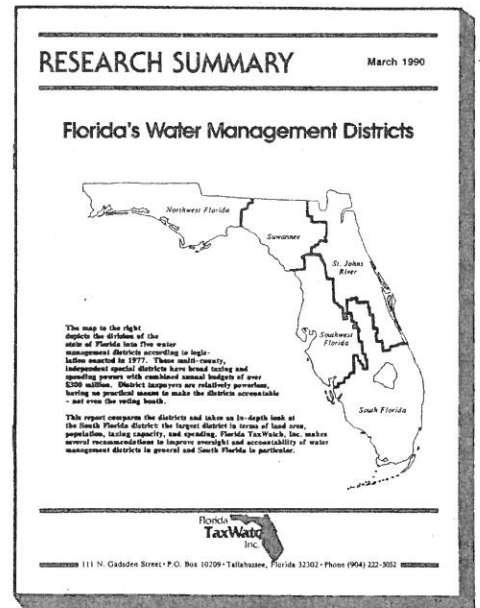
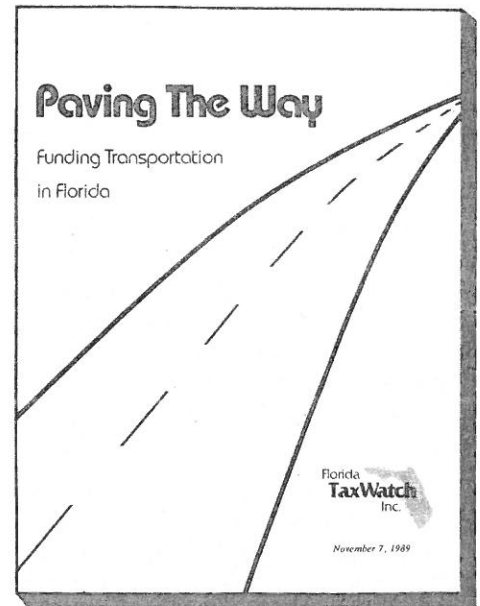
Hopefully, the impact of the report will be more caution -- by special taxing districts in how they spend taxpayers' money -- and by taxpayers in what kind of spending practices they will tolerate.

CAPITOL FOCUS

Our monthly newsletter, Capitol Focus, is designed to keep our members up to date on the recent Florida TaxWatch accomplishments and provide timely information designed to inform readers of government policy changes and the realities behind them.

During 1989 Focus covered such topics as the challenges of revamping the state's outdated education system, how Florida compares to the other states in per capita taxation, the economic threat of unfunded transportation and the alarmingly low balance in the state's "Rainy Day Fund."

Capitol Focus contains timely information regarding the state's tax and spend issues and how they affect the products and services which citizens need and deserve from their state government.



1989 ANNUAL MEETING TEN YEARS OF DISTINGUISHED SERVICE

Last year's Annual Membership Meeting marked the tenth year of Florida TaxWatch's service to the state's taxpayers. Along with the Annual Meeting, held the day before the 1989 Legislative Session, a dazzling reception was held at the Governor's Mansion and hosted by Governor and Mrs. Bob Martinez in honor of our founding members.

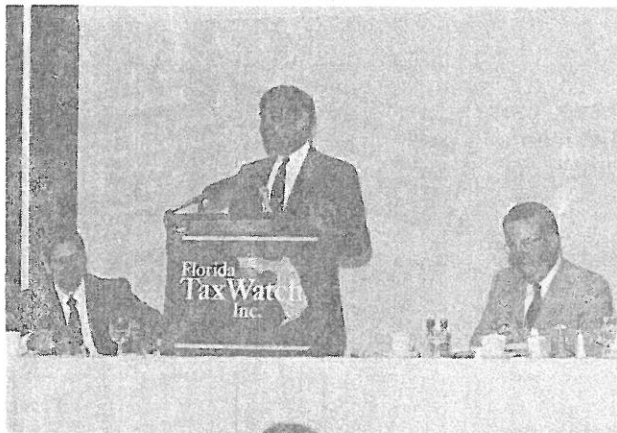
The evening of Sunday, April 2, 1989 was a memorable one for Florida TaxWatch members as Florida's Governor and Mrs. Martinez opened their home to over 100 members of Florida TaxWatch and its board of trustees to help us salute the six founding members of Florida TaxWatch.

The Tallahassee Hilton was the site of our Annual Meeting, which was attended by over 200 members and guests. In recognition for their ongoing support and commitment, Florida TaxWatch's six founding members were given gifts and commemorative plaques. Florida TaxWatch founding members honored were: Winn-Dixie co-founder and Florida TaxWatch chairman emeritus J.E. Davis, Tine W. Davis Family Foundation president and current TaxWatch chairman T. Wayne Davis, former Senate President Phil Lewis, Publix Super Markets founder George Jenkins, Publix president Mark Hollis, and former State Senator Ken Plante.

Speakers at the breakfast meeting included U.S. Senators Bob Graham and Connie Mack, Congressman Bill Grant, Governor Bob Martinez and President of the Florida Senate Bob Crawford.



Governor Bob Martinez welcomes Florida TaxWatch founding member J. E. Davis and TaxWatch president Dominic Calabro to the reception.



Senator Bob Graham addresses the Tenth Annual Meeting as TaxWatch chairman T. Wayne Davis and president Dominic Calabro look on.



Governor Bob Martinez congratulates TaxWatch on its ten year anniversary as Senator Connie Mack, Congressman Bill Grant and Dominic Calabro look on.

And The Media Said . . .

TaxWatch has made its mark

If you were asked to name the one organization in Florida that you believed did more than any other during the 1980s to make state government more accountable to the people, what would you say?

Well, if someone posed that same question to us, the answer would be obvious: Florida TaxWatch, Inc. of Tallahassee.

TaxWatch succeeds not just because it prompts government to operate more efficiently; it succeeds because it increases public confidence in the institution of government itself.

For doing that, TaxWatch deserves the gratitude and support of every taxpayer and public official in Florida.

The News Chief
Winter Haven

Florida TaxWatch Has Made A Billion Dollar Difference

Floridians should be heartened that a group of TaxWatch's stature is continually monitoring state government. Without such an ally, taxpayers would surely be getting much less bang for their buck.

Tampa Tribune

The taxpayer groups regarded by their peers as the most influential in state government are the California Taxpayers' Association, Citizens' Research Council of Michigan, Florida TaxWatch, Massachusetts Taxpayers Foundation, Pennsylvania Economy League and the Taxpayer's Federation of Illinois.

City & State Magazine

Good and Faithful Watchdog

TaxWatch is not just an anti-tax junkyard dog that barks mindlessly at every proposed government expenditure. . .

Over the years, during Democratic and Republican administrations, the state has adopted dozens of TaxWatch's recommendations.

. . . Well done, good and faithful watchdog. This brings our best wishes for a second productive, problem-solving decade.

Tampa Bay Business

MEET YOUR FLORIDA TAXWATCH STAFF

BARBARA K. ("BABS") TAFF MEMBERSHIP DIRECTOR

During her ten years at Florida TaxWatch, Taff has been promoted to office manager, executive assistant and in April 1987, membership director, the position she currently holds.

Working closely with TaxWatch leadership on membership enhancements, Taff has played an integral role in the growth and effectiveness of the organization.

Raised in Tallahassee, Taff attended Florida State University and served as committee secretary for the Finance and Tax Subcommittee of the Senate Appropriations Committee. In addition, she has served as legislative assistant to Senator Jack Gordon and as assistant to the Chairman of the Community Affairs Committee in the House of Representatives.



DAVE DAVIS -- CHIEF RESEARCH ANALYST AND PARTNERS IN PRODUCTIVITY EXECUTIVE DIRECTOR

A six-year veteran of Florida TaxWatch and ten-year professional in Florida's legislative and executive branches, Davis first signed on as a research analyst, later moving up to senior research analyst. In 1986, Davis was appointed chief research analyst, a position which he currently holds in conjunction with that of executive director of the Partners in Productivity program, a cooperative effort of Florida TaxWatch, The Florida Council of 100 and the State of Florida.

Raised in Miami, Davis graduated from Florida Atlantic University with a Masters Degree in Political Science, and has lived in Tallahassee since 1971.

PHILIP EAKES -- FIELD MEMBERSHIP MANAGER

Over the past fifteen years, Eakes has worked in the field of sales and marketing, serving as national sales representative for the systems development firm of Integrated MicroSystems. Prior to joining Florida TaxWatch in 1989, Eakes was director of sales and marketing for Soccer Services, Inc., overseeing the firm's national mail order, retail outlets and southeastern promotional events.

Eakes was born in Waukegan, Illinois, attended the University of Chicago, and has been a resident of Tallahassee since 1974.



**CATHERINE HAAGENSON --
COMMUNICATIONS DIRECTOR**

Formerly information director for State Comptroller Gerald Lewis, Haagenson brings over 15 years of writing and public relations experience to Florida TaxWatch.

Graduated from Florida State University with a BA in English, Haagenson began her career in broadcasting, serving as creative director at WESH-TV and copywriter for CBS affiliate WCTV. In 1980 she moved to Los Angeles, where she worked in public relations for Hughes Aircraft and McDonnell Douglas Helicopters Division. Returning to Florida in 1985, Haagenson managed the national publicity effort for the Florida Division of Tourism before joining TaxWatch in 1988.



LINDA MAGALIAN -- OFFICE MANAGER

A skilled organizational manager, Linda Magalian worked for financial and insurance institutions for six years prior to joining Florida TaxWatch in 1988. A 15-year resident of Tallahassee, Magalian is currently pursuing an MBA at Florida State University.

Born in Coral Gables and graduated from Florida State University with a BA degree in Merchandising, Magalian earned her real estate license in 1984, and her workers compensation adjusters license the following year.

GALE MILAM -- ADMINISTRATIVE ASSISTANT

Since 1986, Milam supervised insurance adjusters at Tallahassee's Alexsis Risk Management, winning that firm's prized Alexsis Motivation Award in 1988. Milam joined Florida TaxWatch in February 1990. A former resident of Las Vegas, Nevada, Gale is the newest member of the Florida TaxWatch team. Gale grew up in Tifton, Georgia and attended Abraham Baldwin College.

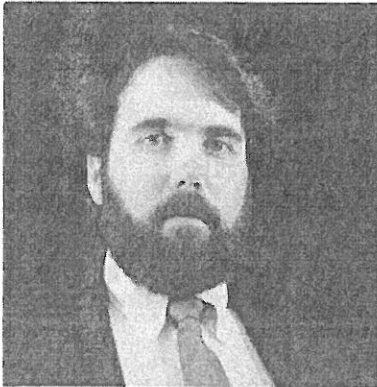


THE FLORIDA TAXWATCH RESEARCH TEAM

DR. KAREN WALBY -- DIRECTOR OF RESEARCH

Dr. Karen Walby was appointed economic analyst in the Florida Department of Commerce Bureau of Economic Analysis, later joining the Governor's Office of Planning and Budgeting as State Economist. In 1988, Walby was promoted to the position of deputy state budget director, where she remained until joining Florida TaxWatch in the spring of 1989.

Dr. Walby served as adjunct professor with the Department of Geography and as research associate with the Institute for Science and Public Affairs at Florida State University from 1975 to 1978.



KURT WENNER -- SENIOR RESEARCH ANALYST

Wenner assumed his current position in 1987 and has produced such widely publicized reports as, "Cost Savers in Florida Government: TaxWatchers Make the Billion Dollar Difference," and "Paving the Way," a report on funding transportation in Florida.

After receiving two degrees in finance and communications from Florida State University, Wenner joined Florida TaxWatch as an intern in 1981. Wenner's high level of knowledge in the areas of taxation, transportation and welfare proved to be a tremendous asset, leading to his rapid promotion to full-time research analyst.

MICHAEL WALSH -- SENIOR RESEARCH ANALYST

In 1987, Walsh was appointed public school budget analyst for Governor Bob Martinez before joining Florida TaxWatch in 1989. Walsh began his public sector career in 1984, serving both Governor Graham and Martinez in the Office of Planning and Budgeting.

During previous years, Walsh was employed in the banking industry in Pennsylvania and Florida, rising to the position of vice president. Walsh holds a BA degree in Economics and is completing a Masters degree in Public Administration.



KEN MARSHALL -- RESEARCH ANALYST

Marshall joined Florida TaxWatch in early 1987 as a research assistant, later assuming full-time duties as a research analyst. Marshall is currently completing his Masters degree in economics.

A 1981 graduate of Indiana University, Marshall moved to Florida in 1983. Marshall then established himself as a paralegal, working for some of the state's most prestigious law firms on such issues as bond development activities and contractual disputes.

"Someone must be prepared to challenge the assumptions, conclusions and rewards that drive government spending.

A representative democracy is only good as long as people like you and me work at it to make it better. Florida TaxWatch has been a good steward of the people and businesses of this state. Its objective is credible and it gets substantial results.

We're not standing still -- we are moving ahead. I hope you will join me in getting more of your friends and colleagues to support this very important effort."

J.E. Davis
Florida TaxWatch Chairman
Emeritus and Founder

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

**Mark C. Hollis
President, Publix Super Markets
Founding Member, Florida TaxWatch**
