



# NEWS

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## **Florida TaxWatch to Release Study on Enhancing Efficiencies in Jacksonville City Government**

**TALLAHASSEE** — Florida TaxWatch, a nonpartisan, nonprofit research institute and government watchdog based in Tallahassee, released the final report of a local government efficiency study focusing on the City of Jacksonville this morning at a press conference at City Hall.

The report, *Enhancing Efficiencies in the City of Jacksonville: Fiscal Year 2008-09 and Beyond*, was presented to **Mayor John Peyton, Jacksonville City Council President Ronnie Fussell, and City Council Immediate Past President Daniel Davis**, during a news conference in the Atrium of City Hall to discuss the findings. The report was presented to the city by **David A. Smith, Chairman of Florida TaxWatch and Chairman and CEO of PSS World Medical, Inc.**, the Jacksonville-based company that is the country's largest provider of medical supplies to the physician market.

**Dominic M. Calabro, President and CEO of Florida TaxWatch**, explained the study's findings: "This study confirms that Jacksonville has one of the best run local governments in Florida. But we all know that good managers can always find ways to reduce even their low costs because of their proficiency, vision, and commitment to outstanding public service. The recommendations in this report can save the taxpayers of Jacksonville tens-of-millions of dollars. The report even recommends how to implement the cost-savings recommendations identified by the study, and I have faith that these fine elected leaders, who have proven themselves good stewards of the people's money, will work to implement these recommendations for the good of those they serve so well." While Calabro encouraged that implementation of these recommendations should begin as soon as possible, he acknowledged that some additional analysis will be required and that most of the savings will not be realized overnight.

Praising the efforts of the Mayor, the City Council, and City staff in conducting this efficiency study, Calabro noted: "This report is the result of a cooperative effort with the city's leaders and staff and is based on months of careful study by efficiency and local government experts at the Center for Local Government Studies at Florida TaxWatch. We would also like to thank the individuals, organizations, and businesses whose generous contributions to Florida TaxWatch made this report possible," Calabro added, acknowledging that the study was entirely funded privately, although Florida TaxWatch was invited to conduct the study by then-City Council President Daniel Davis and furthered welcomed by Mayor Peyton.

"While I am proud of the work we've done to ensure that we are the very best stewards of the taxpayer's dollar, we are always looking for ways to drive even greater efficiencies," said **Mayor John Peyton**. "As the report indicates, the recommendations made by TaxWatch will require additional analysis to implement, and I look forward to working with the City Council to review the items outlined and determine how they can be implemented during our term in office."

Potential annual cost savings from the individual recommendations in the report range from around one million dollars to more than \$20 million. The recommendations are divided into near-term and long-term savings realization recommendations. According to the report, the near-term recommendations will "require *some* analysis and effort" for the savings to be realized by the City, while the long-term recommendations will "require *extensive* analysis and effort" to achieve.

The near-term recommendations could save nearly \$10 million. They are:

- Reducing the City's Social Security Tax Costs, which could potentially save over \$3.2 million;
- Further Realizing Sales Tax Exemptions on Construction Materials, which could potentially save approximately \$1 million;
- Reducing the Cost of City Elections by:
  - Moving the City's local elections to a fall cycle that coincides with the state and federal election cycle, which would save over \$3.4 million each election cycle (every 4 years);
  - Discontinuing the practice of paying the return postage cost on absentee ballots in all elections, which would save more than \$50,000 each election year;
  - Limiting early voting to fewer sites (there are currently 15 sites), which could eliminate a majority of the approximately \$250,000 per election that early voting currently costs;
- Improving Cash Management (i.e., investments), which could have earned an average of \$3.5 million more per year in interest over the last five years under a different investment strategy.

The long-term recommendations, which could save tens-of-millions over time, are:

- Avoiding Unsustainable Growth in Expenditures;
- Reducing Risk of Future Employee Benefits Obligations;
- Leveraging Organizational Strengths and Purchasing Power, which could save more than \$20 million if a modest 1 percent savings goal were realized – significantly more could be saved if the local school districts, colleges and universities participated;
- Enhancing Employee Recognition & Reward Program to promote and reward an employee culture committed to cost savings and cost avoidance;
- Managing for Results;
- Managing Facility Cost;
- Leveraging Technology;
- Maximizing Competition and Outsourcing Best Practices;
- Maintaining an Active Audit Committee;
- Financing of Motor Vehicles;

Finally, the report recommends creating a task force with an actionable agenda for implementing cost-saving ideas and efficiencies. Calabro explained: "We can identify the cost-savings opportunities, but it is up to the city management to implement the changes needed to achieve the savings. This report recommends the Mayor and City Council form a task force of respected citizens from the local business community to lead the charge necessary to ensure the effective implementation of these recommendations."

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Florida TaxWatch is a statewide, non-profit, non-partisan research institute that over its 29 year history has become widely recognized as the watchdog of citizens' hard-earned tax dollars. Its mission is to provide the citizens of Florida and public officials with high quality, independent research and education on government revenues, expenditures, taxation, public policies and programs and to increase the productivity and accountability of Florida state and local government. Its support comes from homeowners and retirees, small and large businesses, philanthropic foundations, and professional associations. On the web at [www.FloridaTaxWatch.org](http://www.FloridaTaxWatch.org).