



Florida TaxWatch

25 Years of Improving Taxpayer Value,
Government Accountability and Citizen Understanding

2004 Annual Report

Words of Appreciation and Encouragement

From Our State's and Nation's Leaders

The accomplishments of Florida TaxWatch...sustain my firm conviction that informed, caring citizens can make an important difference...TaxWatch has helped taxpayers to become better informed about unnecessary government spending—and to make themselves, and government, better able to do something about it.

—President Ronald Reagan



Florida TaxWatch is helping to ensure that Florida taxpayers are well served.

—President George H. W. Bush



Congratulations...as Florida's "government watchdog." The citizens of Florida are fortunate that an organization as highly respected as TaxWatch is on the job.

The contribution of Florida TaxWatch is unparalleled in the history of Florida government.

Congratulations and best wishes for a future which is as bright as your past.

—U.S. Senator and Former Governor
Bob Graham

Florida TaxWatch's vigilance over state government tax and spend policies is one of Florida's most valuable assets.

—U.S. Senator Connie Mack



Florida's decision-makers will continue to look to Florida TaxWatch for your independent insight on matters on economic, fiscal and public policy.

—U.S. Senator Bill Nelson



The blending of TaxWatch ideas with our internally generated approach to savings will inure to the benefit of all our citizens and taxpayers.

—Governor Wayne Mixson



Florida TaxWatch's accomplishments and contributions have been invaluable to all Floridians.

—Governor Bob Martinez

Florida TaxWatch is a highly respected organization that facilitates good government, offers timely advice, and presents insightful research that gets results. It has improved government accountability while discouraging government waste and inefficiency. TaxWatch is an organization well prepared to help our state prosper as it enters the next millennium.

—Governor Lawton Chiles



Florida TaxWatch is a testament to democracy in action. With constructive ideas and vision, you bring a value-added difference to the lives, health and prosperity of all Floridians. Your efforts to safeguard the long-and short-term interests of the residents of Florida are unprecedented.

I view Florida TaxWatch as a vital partner in reshaping government's role, strategies and approach to work. Floridians want a government that functions more like a business, with an emphasis on results. TaxWatch is essential to help us get there.

—Governor Jeb Bush



For 25 years

Florida TaxWatch has been your eyes and ears for government performance, productivity and accountability throughout Florida.

It is the only statewide organization devoted entirely to Florida taxing and spending policies and practices. 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' hard earned tax dollars without lobbying. Florida TaxWatch is supported by all types of taxpayers — homeowners, small businesses, corporations, professional firms, philanthropic foundations, members of the news media, associations and individuals — representing a wide spectrum of citizens.

TaxWatch is a statewide non-partisan, non-profit government watchdog and taxpayers' research institute supported by voluntary tax-deductible membership contributions and philanthropic foundations. 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 ranging 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 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 stewardship of public funds.

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Letter from the Chairman and President

Dear Fellow Taxpayers:

Our nation's founders created a constitutional government with necessary checks and balances to limit government and protect our economic and political freedoms. They made government subservient and beholden to the people for the common good and to ensure the Rule of Law. Yet they knew the only way to make this constitutional democratic republic work was through the informed and vigilant participation of its citizens.

In Tampa in February 1979, some of the state's most public-spirited leaders recognized the need for such taxpayer vigilance and constructive, thoughtful guidance over Florida government. Publix Super Markets founder George Jenkins and President Mark Hollis, Winn Dixie co-founder J.E. Davis and T. Wayne Davis, then Senate President Phil Lewis, and then Senator Ken Plante saw the need for a statewide organization that "exists for the sole purpose of improving the performance and containing the cost of Florida government" and thus, founded the Citizens Council for Budget Research now known as Florida TaxWatch.

During these past 25 years, Florida TaxWatch has helped taxpayers achieve significant successes—large and small alike. These include constitutional checks and balances; state revenue limitation; taxpayers' bill of rights; supermajority vote to constitutionally impose a new state tax or fee; government cost savings of more than \$6.2 billion or \$1,067 per Florida family; accountability measures; ensuring that key economic and fiscal policies are competitive; and recognizing, rewarding and replicating outstanding government productivity accomplishments that have saved taxpayers an additional \$4.8 billion. Each of these efforts help to make Florida government more responsive, accountable, productive and promote a healthier, more prosperous economy.

In this publication, we not only summarize the sound and empirically based research of Florida TaxWatch, but also highlight a very unique history of significant taxpayer accomplishments these past 25 years. We are indeed fortunate to build on this very solid foundation, and it is our distinct honor and pleasure to share this with you.

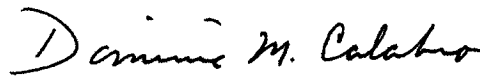
We also unveil our vision for the next five years and beyond through the work of our "2005-2010 Strategic Planning Team." With this rigorous top down, bottom up organizational assessment over the past several months, we have reinforced our mission and modernized our organization to create a Florida TaxWatch that is stronger, more responsive and more effective for the taxpayers of Florida for the next quarter century.

We thank you for your outstanding support, confidence and participation in helping Florida TaxWatch build a stronger, healthier and more prosperous Florida. You, the taxpayers of Florida, rightfully deserve — and should expect — nothing less.

Respectfully yours,



Hoyt R. "Barney" Barnett
Chairman



Dominic M. Calabro
President and Chief Executive Officer

"Never doubt...that a small group of thoughtful, committed citizens can change the world: indeed it's the only thing that ever has."

—Margaret Mead

Florida TaxWatch Executive Committee

OFFICERS



Chairman
Hoyt R. "Barney"
Barnett
Publix Super Markets



President & CEO
Dominic M. Calabro
Florida TaxWatch



Chairman-Elect
Michael A. Jennings
Prudential Financial



Secretary
Martha Barnett
Holland & Knight



Treasurer
Charles Rehwinkel
Sprint

EXECUTIVE COMMITTEE AT LARGE

IMMEDIATE PAST CHAIRMAN
Steven L. Evans
IBM (retired)

John Baker
Florida Rock Industries

Roger Carlton
ACS/State & Local
Solutions

Alan Ciamporcero
Verizon

William E. Graham
The Graham
Companies

Robert W. Helms
Wachovia

Joseph P. Lacher
BellSouth

Philip D. Lewis
Philip D. Lewis Real
Estate

Paul Noland
Walt Disney World

David McIntosh
Bluefield Ranch
Mitigation Bank Trust

John Zumwalt III
PBS&J

CHAIRMAN EMERITUS
Mark C. Hollis
Hollis & Associates

PAST CHAIRMEN

Steven L. Evans
2001-2003

T. O'Neal Douglas
1999-2001

Joseph P. Lacher
1997-1999

David McIntosh
1995-1997

Byron E. Hodnett
1994-1995

L. Charles Hilton, Jr.
1993-1994

Buell G. Duncan
1992-1993

Michael Zagorac, Jr.
1990-1992

T. Wayne Davis
1981-1982, 1988-1990
Tom L. Rankin
1986-1988

Philip D. Lewis
1984-1986

Kenneth A. Plante
1982-1984

Mark C. Hollis
1979-1981

PAST CHAIRMAN EMERITUS
James E. Davis
1979-1993

FOUNDERS

James E. Davis, 1907-1993
Winn-Dixie Stores, Inc.

T. Wayne Davis
Tine W. Davis
Family Foundation

Mark C. Hollis
Publix Super Markets, Inc.

George Jenkins, 1907-1996
Publix Super Markets, Inc.

Philip D. Lewis
Former President
Florida Senate

Kenneth A. Plante
Former Minority Leader
Florida Senate

"Tax Watch does so many good things and plays an important role in improving the economic climate of Florida."

—Ambassador Chuck Cobb, Chairman of the Florida Free Trade of the Americas Area

Florida TaxWatch

OFFICERS

TaxWatch Chairman
Hoyt R. "Barney" Barnett
Publix Super Markets

TaxWatch President &
Chief Executive Officer
Dominic M. Calabro
Florida TaxWatch

TaxWatch Chairman-Elect
Michael A. Jennings
Prudential Financial

TaxWatch Secretary
Martha Barnett
Holland & Knight

TaxWatch Treasurer
Charles Rehwinkel
Sprint

EXECUTIVE COMMITTEE AT LARGE

Immediate Past Chairman
Steve L. Evans
IBM (retired)

John Baker
Florida Rock Industries

Roger Carlton
ACS/State & Local
Solutions

Alan Ciamporcero
Verizon

William E. Graham
The Graham Companies

Robert W. Helms
Wachovia

Joseph P. Lacher
BellSouth

Philip D. Lewis
Philip D. Lewis Real Estate

Paul Noland
Walt Disney World

David McIntosh
Bluefield Ranch Mitigation
Bank Trust

John Zumwalt III
PBS&J

Chairman Emeritus
Mark C. Hollis
Hollis & Associates

BOARD OF TRUSTEES AT LARGE

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MediaReach Public Relations

Jerry E. Aron
Jerry E. Aron, P.A.

Steve Avera
Flowers Industries

Ed Baum
AIGVALIC

Doug Belden
Florida Tax Collectors
Association

David A. Bird
Allstate Financial
Workplace Division

Wayne Blanton
Florida School Boards
Association

David J. Bowling
CSX Corporation

Janegale Boyd
Florida Association of
Homes for the Aging

Joseph R. Boyd
Boyd, Lindsey &
Sliger P.A.
Mikki Canton
Gunster, Yoakley & Stewart

Tom Cardwell
Akerman Senterfitt

Elias N. Chotas
Dean, Mead, Egerton

Robert E. Coker
U.S. Sugar Corp.

Tom Conrecode
Collier Enterprises

T. Wayne Davis
Tine W. Davis Family
Foundation

Allison DeFoor
EarthBalance

C.C. "Doc" Dockery
Dockery Management

Vincent M. Dolan
Florida Power Corp.

Richard Durling
Florida Home Builders
Association

Howell Ferguson
Lykes Bros. Inc.

Marty Fiorentino
Fiorentino & Associates

William C. France
International Speedway

Larry Fuchs
Lawrence Fuchs
Consulting

John J. Fumero
John J. Fumero, P.A.

Ray Gilley
Metro Orlando
Economic Development
Commission

R. Ray Goode
Ryder System, Inc.

John W. Gray
Sugar Cane Growers
Cooperative

Ben Hill Griffin III
Ben Hill Griffin, Inc.

David Griffin
Griffin & Hart, LLC

Russell Grooms
Florida Association of Realtors

Kenneth R. Hart
Ausley & McMullan

April Herrle
Herrle Communications

Nick E. Heldreth
Harris Corporation

L. Charles Hilton
Hilton Enterprises

Bob Hudson
AvMed Health Plans

David H. Hughes
Hughes Supply, Inc.

Ralph Hughes
FECF

Richard H. Hunt, Jr.
Hunt & Associates

Randy Hutton
Winn Dixie Stores

Dwayne Ingram
IBM

Joseph Kadow
Outback Steakhouse

Stephen M. Knopik
Beall's Inc.

Richard J. Krakowski
IMC-Agrico

Ronnie Labrato
Gulf Power Company

Ron Laface
Greenberg Traurig

David Mann
SunTrust

Guy Marvin
Florida Insurance Council

Rick McAllister
Florida Retail Federation

J. Elliott Messer
Messer Law Firm

Governor Wayne Mixson

Jon Moyle, Jr.
Moyle Flanigan

Jerry Mullane
Anheuser Busch Companies

Patrick K. Neal
Neal Custom Homes

Mark Neimeiser
AFSCME

Wayne NeSmith
Florida Hospital Association

Whit Palmer
W.M. Palmer Company

Bill Phelan
Florida Health Care
Association

Steve Pinney
Cargill Fertilizer Inc.

Van B. Poole
Dutko Poole McKinley, LLC

Mary Lou Rajchel
Florida Phosphate Council
Robert M. Rhodes
The St. Joe Company

Alex Sanchez
Florida Bankers Association

Fred Seamon
MGT of America

Jim Schneider
Signature Brands

Jim Shaeffer
McKenzie Tank Lines

Adelaide A. Sink

Tom Slade
Tidewater Consulting, Inc.

Daniel W. Smith
Altria Corporation
Services, Inc.

Doug Smith
Sonitrol

John R. Smith
BIZPAC

Lyn Stanfield
Apple

Stanley G. Tate
Stanley Tate Builders

John Thomas
Florida League of Cities

Ed Timberlake
Bank of America

Lloyd A. Turman
Florida Institute of CPAs

Jason Unger
GrayRobinson

Gwynn Virostek
Washington Mutual

William Walker
Florida Power & Light

Richard J. Walsh
Darden Restaurants

Tom Warner
Carlton Fields

Ben West
WestWayne

Robert Wilson
Florida Gas Transmission

Joanna Wragg
Wragg & Casas Public
Relations

Michael Zagorac, Jr.
Miklin Company

A Brief History of Florida TaxWatch

People, Purpose, Partnership, Results

The Beginning



Mark Hollis and Phil Lewis at Florida TaxWatch's 20th Anniversary Gala displaying bells commemorating their 1977 encounter that led to the founding of Florida TaxWatch.

In 1977, In-coming Senate President Phil Lewis approached Mark Hollis, then Vice President of Publix Super Markets, about the business community coming to the Legislature to seek increases in consumer taxes rather than finding ways to hold the line on spending. The challenge "rang a bell" and the idea for a state government watchdog was born!

A 1979 organizational meeting convened in Tampa resulted in the formation of the Citizens Council for Budget Research (CCBR), which five years later was renamed Florida TaxWatch. The Founders were Winn-Dixie Chairman J.E. Davis, T. Wayne Davis, Publix Super Markets founder George Jenkins and President Mark Hollis, and Senator Phil Lewis and Senator Ken Plante.



Resources

Florida TaxWatch is a private, nonprofit, nonpartisan and independent research institute supported by contributions from private citizens, businesses, philanthropic foundations, labor organizations and associations.

From its modest beginnings of two employees with a first year budget of \$67,000 and a membership base of 36, TaxWatch has grown to a fulltime staff of more than a dozen professionals, an annual budget of \$1.6 million and a membership base of nearly 1,000 members.



Florida TaxWatch President & CEO Dominic Calabro, Florida TaxWatch founder and former Senator Ken Plante, the late Guy McKenzie, Sr. and former TaxWatch Treasurer Bill Gardner, C.P.A.

Florida TaxWatch founder J.E. Davis with Governor Bob Martinez at the Governor's Mansion recognizing the Partners in Productivity Initiative. Winn-Dixie Vice President Randy Hutton is in the background.



The nationally distributed *Governing* magazine has cited Florida TaxWatch as one of the six most influential and respected government watchdogs and taxpayer research 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*, *The Washington Post*, and *Fortune* magazines as well national network news. Each year, Florida TaxWatch is featured in 500 to 1000 newspaper articles, columns and editorials, in addition to numerous television and radio stations throughout the state.

Building on a sound foundation of the past quarter century, Florida TaxWatch looks forward to guiding the fiscal and economic prosperity of Floridians. Informed, inspired, and guided by a 2005-2010 Strategic Plan developed by members of the Florida TaxWatch Board of Trustees along with our professional staff, our goal is to provide world-class, independent research and education that improves taxpayer value, citizen understanding and government accountability. Key values of integrity, accountability, nonpartisanship, independence and quality research are intended to make Florida TaxWatch a trusted source of fiscal research and public policy analysis by Florida citizens and their public officials.



25 Years of Research with Results

Florida TaxWatch has led the way with research that gets results! Nearly three-quarters of its cost saving recommendations have been adopted, saving taxpayers more than \$6.2 billion. This translates into \$1,067 in added value for every Florida family. Examples include:

State Retirement Fund

The first major report issued by the Citizens Council for Budget Research (CCBR) -- renamed Florida TaxWatch in 1984 -- recommended structural changes that prompted the state pension fund to increase returns by \$6 billion over the next eight years. The savings are now many times greater.

Turkey Watch

Florida TaxWatch annually points out where the Florida Legislature does not follow its own policies/procedures for reviewing proposed appropriations. Florida's Governors have vetoed more than \$700 million worth of spending items from TaxWatch Turkey Watch lists since 1983.

Cogeneration of Energy

A TaxWatch report showing that the sales and use tax on cogenerated energy discouraged energy conservation prompted the Legislature to repeal the tax. Taxpayer savings over a ten-year period totaled \$329 million. In 1990, TaxWatch slowed a massive Gross Receipts Tax increase to a minimal level.

Transportation/Infrastructure

A TaxWatch report on the economic impacts of Florida's 1985 Growth Management Act helped the Legislature approve a performance-based transportation funding increase in 1990, based on productive performance.

Tax Amnesties

TaxWatch-suggested tax amnesties in 1987-88, 1992 and 2003 have

generated more than \$200 million, plus recurring money as former tax evaders became productive contributors to our tax collections.

Growth Management

TaxWatch was essential in helping to shape the state's growth management efforts of the 1980s and 1990s and helping to convince the public that a controversial 1990 gas tax increase was necessary to pay for road and bridge improvements to handle Florida's tremendous population growth.

Performance-Based Budgeting

Voters approved a constitutional amendment promoted by Florida TaxWatch to require performance-based budgeting and performance accountability measurements in government programs.

Tax and Revenue Limitations

In 1994, Florida voters approved a TaxWatch-recommended constitutional amendment tying revenue collections to growth in personal income, to help limit government growth. In 1996, voters approved a TaxWatch recommended constitutional amendment requiring that any new statewide tax or fee be approved by two-thirds of those voters voting in that election.

Intangibles Tax

The Legislature has nearly eliminated Florida's intangible tax, based on the work of TaxWatch Task Forces that revealed the adverse impact this personal property tax has on tax fairness, our economic development and competitive position. TaxWatch remains vigilant in efforts to eliminate this outdated tax entirely.

Taxpayers' Bill of Rights

After prompting by TaxWatch, voters in 1992 adopted the Taxpayer Bill of Rights in constitution as well as in state law. Eight years later, the Florida Legislature enacted the Property Taxpayers Bill of Rights. Both were developed by Florida TaxWatch task forces to codify the rights available to taxpayers in one statutory location and in plain, understandable language, establish processes for citizen redress, and a Taxpayer Advocate within the Department of Revenue.

Sales & Use Tax Amendments

A Florida TaxWatch legal challenge helped strike a proposed 2002 constitutional amendment from the ballot that would have allowed as few as 5% of state lawmakers to raise sales and use taxes. TaxWatch successfully fought a second attempt in 2004, which would have potentially raised billions of dollars in new sales taxes.

Prudential Financial - Davis Productivity Awards

These performance-based awards have honored more than 8,000 state employees and work units who measurably increased productivity and innovation for added taxpayer value of \$4.8 billion. Established in 1989 and funded for 15 years by the Davis Family of Winn-Dixie Stores, these awards are now sponsored by Prudential Financial and other generous sponsors.

Workers Compensation Costs

Florida TaxWatch assessed the economic impact of reducing workers' compensation costs in our state and recommended a course to do so, thereby helping create thousands of new jobs in 2003.

Proper State Courts Funding

In 2004, Florida TaxWatch research ensured proper funding, management and accountability of the state courts prior to their transition from county to state budget responsibility.



Senior Research Fellows

The Senior Research Fellows assist and advise Florida TaxWatch with its research agenda and annual evaluation of Prudential Financial Davis Productivity Awards nominations. Each Fellow is a prominent scholar or professional of national repute chosen for his public policy analysis and evaluation expertise in the areas of state and local government accountability, finance and taxation.

CHAIR

Dr. John Lombardi
Chancellor, University of Massachusetts
Amherst

VICE CHAIRMAN

Dr. Roger Kaufman
Tallahassee

Dr. Neil S. Crispo
Sr. Vice President Emeritus, Florida TaxWatch
Askew School of Public Administration and Policy, Florida State University
Tallahassee

Mr. Arnold L. Greenfield (Deceased)
Attorney, Former Director of the Florida Division of Bond Finance, and Retired Managing Director of Lehman Brothers Investment Bank
Coconut Grove

Dr. Arnold A. Heggstad
Holloway Professor of Finance and Entrepreneurship
Warrington College of Business Administration, University of Florida
Gainesville

Dr. William Earle Klay
Professor and Director Askew School of Public Administration and Policy, Florida State University
Tallahassee

Dr. Jerry Kolo
Professor
Department of Urban and Regional Planning, Florida Atlantic University
Boca Raton

Dr. Stephen Morrell
Professor of Economics and Finance
Andreas School of Business, Barry University
Miami

Dr. Harold Peckron
Professor of Law
Barry University School of Law
Orlando

Dr. Craig E. Reese
Professor of Accounting/
Acting Program Coordinator
School of Business, Dept. of Accounting and Finance,
St. Thomas University
Miami

Dr. Bernard Sliger
Former President, Florida State University
Stavros Center for Economic Advancement,
Florida State University
Tallahassee

Dr. Lance deHaven Smith
Askew School of Public Administration and Policy, Florida State University
Associate Director, Florida Institute of Government
Florida State University
Tallahassee

Dr. Melvin Stith
Dean, College of Business, Florida State University
Tallahassee

Dr. Henry Thomas
Chairman, Department of Political Science and Public Administration, University of North Florida
Jacksonville

Research Advisory Committee

The Research Advisory Committee is comprised of Florida TaxWatch members charged with evaluating proposed research projects to determine whether or not the project contributes to one or more of Florida TaxWatch's core responsibilities. These include the promotion of taxpayer value, government accountability and citizen understanding. The Research Advisory Committee reports its findings and submits advisories to the Executive Committee for its consideration.

CHAIRMAN

John Zumwalt
PBS&J

VICE CHAIRMAN

Janegale Boyd
Florida Association of Homes for the Aging

Hayden Dempsey
Greenberg Traurig

J. Allison DeFoor III
EarthBalance

Paul Lewis
Progress Energy Florida, Inc.

Governor Wayne Mixson

Mary Lou Rajchel
Florida Phosphate Council

Adelaide "Alex" Sink

Tom Slade
Tidewater Consulting, Inc.

Treasurer's Report

Dear Fellow Taxpayers:

Florida TaxWatch further expanded its statewide representation of taxpayer concerns in Florida during the fiscal year ended September 30, 2004. This widening support demonstrates the recognized quality and enhanced public value of the Institute's mission and research program accomplishments. During this fiscal year, Florida TaxWatch continued to adhere to the sound fiscal standards required of such a respected research institute.

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 Institute's Articles of Incorporation and Bylaws.

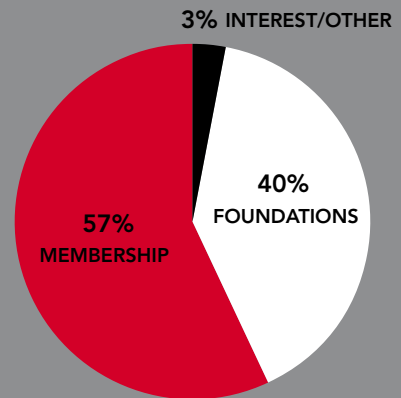
The Treasurer's Report for FY 2004 demonstrates the sound management practices and proper financial controls applied by the Institute which ensure effective and productive operations with direct accountability.

According to the financial statement and Treasurer's Report, total expenses of \$1,592,153 were kept below total revenues of \$1,609,193.

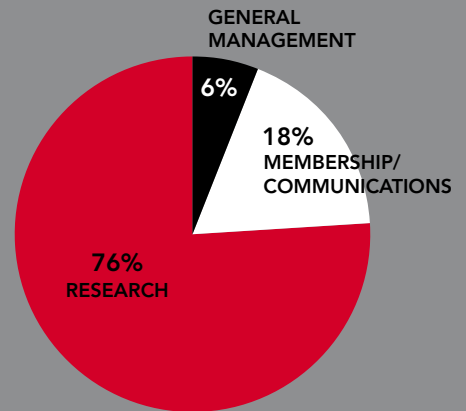
The practice of keeping expenses below revenue has continued in each of the Institute's 25 years of operation.



Charles Rehwinkel
Treasurer and Chairman of the Audit Committee



FISCAL YEAR 2004 INCOME



FISCAL YEAR 2004 EXPENSES

Heed Tax Watch.

—The Miami Herald Editorial Headline

Strategic Plan

2005 - 2010

Vision

To be Florida Taxpayers' Best Friend

Mission

To provide the citizens and public officials of Florida with high quality, independent research and education on government revenues, expenditures, taxation, public policies and programs to increase the productivity and accountability of Florida government

Values

Integrity, Productivity, Accountability,
Independence, Quality Research

For the past 25 years, Florida TaxWatch Research Institute, Inc. has been the eyes and ears of Florida's taxpayers. Its quality research and relevant recommendations have helped state government shape fiscal and public policy for the benefit of all of its citizens.

Through its emphasis on efficient, effective, and accountable government, Florida TaxWatch recommendations have saved citizens more than \$6.2 billion dollars, an average of \$1,067 for each Florida family.

Today, Florida TaxWatch renews its mission to provide world-class, independent research and education that improves taxpayer value, citizen understanding, and government accountability. We will fulfill that mission by conducting and publishing empiric research that highlights economic and fiscal problems and offering sound, practical, and accountable solutions.

The 2005-2010 Strategic Plan demonstrates the sound management practices and pursuit of excellence by the Institute, the Board of Trustees, and staff, which will ensure effective and productive operations with direct accountability to the benefit of the taxpayers of Florida.



Strategic

Research/Centers of Excellence

OBJECTIVE

Develop Centers of Excellence

STRATEGY

- A) Protect Florida TaxWatch Brand/Identity
- B) Operationalize Centers of Excellence

OBJECTIVE

Position Research Program Over the Next Five Years

STRATEGY

- A) Position Florida TaxWatch Research in the Context of Statewide and Taxpayer Priorities
- B) Reengage Florida TaxWatch Senior Research Fellows

Marketing/Communications

OBJECTIVE

Establish Florida TaxWatch as the Premier Source of Information, Insight and Recommendations on Florida Government Tax and Spending Policies and Practices

STRATEGY

- A) Identify and Clarify Functions of Marketing/Media and Membership
- B) Enhance Presence in Southeast Florida
- C) Support Goals in Areas of Membership, Grants, Research, Endowment

OBJECTIVE

Improve the "Citizen Understanding" Education Component of Florida TaxWatch Mission

STRATEGY

- A) Develop a "Citizen Primer" Educational Research Series on Fiscal Issues

Membership

OBJECTIVE

Establish Regional Presence
Ensure Membership Growth
Increased Membership

STRATEGY

- A) Develop Regional "Quarterly Connection" Membership Program

Integrity, Productivity, Accountability

Plan Summary

Operations

OBJECTIVE

Implement and Modernize Operating Structure and Procedures

STRATEGY

A) Develop and Implement Systems for Management

OBJECTIVE

Ensure Correct Staff Talent in Place/Leadership Succession

STRATEGY

A) Evaluate Staffing/Pool Of Staff Resources
B) Develop/Identify Staff Leadership

OBJECTIVE

Ensure Appropriate Fixed and Operating Capital in Place

STRATEGY

A) Develop and Implement Systems of Inventorying/Monitoring Fixed and Operating Capital

Financial

OBJECTIVE

Ensure Financial Stability/Integrity/Independence

STRATEGY

A) Pursue Budget Diversification
B) Develop Project Management, Revenue and Cost Tracking System

Prudential Financial-Davis Productivity Awards

OBJECTIVE

Ensure Stability/Improve Visibility

STRATEGY

A) Delineate Leadership Roles
B) Develop Communications Plan
C) Identify Sponsorship Levels
D) Retain/Expand Sponsorships

OBJECTIVE

Replicate Adaptable Achievement Throughout State Government

STRATEGY

A) Establish Support from and Buy-in from all Branches of State Government

Stability, Independence, Quality Research



Florida TaxWatch "2005-2010" Strategic Planning Team

Barney Barnett

TaxWatch Chairman
Vice Chairman
Publix Super Markets, Inc.

Steve Evans

Strategic Plan Team Facilitator/
TaxWatch Past Chairman
Vice President
IBM Retired

Dominic Calabro

TaxWatch President and CEO

RESEARCH/CENTERS OF EXCELLENCE

Dave McIntosh
Co-Leader
Trustee
Bluefield Ranch Mitigation
Bank Trust

John Zumwalt
Co-Leader
President and CEO
PBS&J

Jane Adams
Vice President
Walt Disney World Resort

Martha Barnett
TaxWatch Secretary
Chairman and Partner
Holland & Knight

Tom Slade
Chairman
Tidewater Consulting, Inc.

MARKETING/ COMMUNICATIONS

Joanna Wragg, Lead
Executive Vice President
Wragg & Casas
Public Relations

Jon Moyle, Jr.
Partner
Moyle, Flanigan, Katz,
Raymond & Sheehan, P.A.

Ben West
Chairman
WestWayne

MEMBERSHIP

Mike Jennings, Lead
TaxWatch Chairman-Elect
Vice President
Prudential Financial

Mikki Canton
Partner
Gunster, Yoakley &
Stewart, P.A.

Marty Fiorentino
Principal
Fiorentino & Associates

Ray Gilley
President and CEO
Metro Orlando EDC

Martha Korman
President and CEO
National Graphics Imaging

Van Poole
Chairman
Dutko Poole McKinley, LLC

OPERATIONS

Dominic Calabro, Lead
President and CEO
Florida TaxWatch

Alan Ciamporcero
President, SE Division
Verizon

Governor Wayne Mixson

Lyn Stanfield
Manager
Apple

FINANCIAL

Charles Rehwinkel, Lead
TaxWatch Treasurer
V.P./State Executive
Sprint

John Baker
President and CEO
Florida Rock Industries

Mary Lou Rajchel
President and CEO
Florida Phosphate Council

PRUDENTIAL FINANCIAL DPA PROGRAM

Mike Jennings, Lead
TaxWatch Chairman-Elect
Vice President
Prudential Financial

Roger Carlton
Sr. Vice President
ACS/State & Local Solutions

April Herrle
President and CEO
Herrle Communications

Bob Hudson
President and CEO
AvMed Health Plans

FLORIDA TAXWATCH STAFF

Keith Baker
Sr. VP/Research

Harvey Bennett
VP/Communications
& Marketing

Donna Brandewie
Director,
Prudential Financial
DPA Program

Deborrah Harris
Research Analyst &
Grants Coordinator

Babs Taff
Sr. VP/Membership

Summary

Improving Taxpayer Value, Government Accountability and Citizen Understanding

Articles in the Monthly "Focus" Newsletter Included:

Hurricane Victims Deserve Tax Relief, September 2004

Floridians Paying Less in State and Local Taxes, August 2004

Supreme Court Kills "FAIR" and Homestead Amendments, July 2004

State Employees Recognized for Saving Money, June 2004

The 2004 Legislature Failed to Address Some Very Important Issues, May 2004

Florida Nursing Homes Underfunded, April 2004

Increased Revenue Estimates Mean Florida Will Have \$1.1 Billion More Than Expected for Next Budget, March 2004

Legislature Returns to Session with Recurring Funding "Hole", February 2004

Thoughtful Tax System Modernization Remains Florida TaxWatch Priority, January 2004

A Minority of Registered Voters is Approving a Majority of Florida's Constitutional Amendments, December 2003

Florida Tops States in Job Growth, November 2003

Florida TaxWatch Research

Requiring a High Speed Rail System Does Not Belong in the Florida Constitution, October 2004

Florida TaxWatch has a long history of opposing attempts to legislate using the state Constitution. This *Briefings* urges Florida voters to repeal an amendment to the state Constitution passed by Floridians in the November 7, 2000 election requiring the development of a high speed ground rail transportation system connecting Florida's five largest urban areas. The report contends that even if the high speed rail plan was ideal, now is not the time to build and impose in "constitutional concrete" a mandate which will, by all accounts, cost tens of billions of dollars and may not achieve the required level of ridership.

Putting an Ever-Increasing Minimum Wage in the State Constitution Is Misguided, October 2004

Florida operates in a complex, highly competitive, global economy. Tinkering with economic policy can result in major, unintended impact. In this Center for a Competitive Florida *Briefings*, Florida TaxWatch examines a proposed constitutional amendment scheduled to go before Florida voters on November 2, 2004 that would increase the minimum wage in Florida by one dollar per hour and could automatically increase each year thereafter using the U.S. Consumer Price Index. The report bases its conclusions on the past mistakes of two other states attempting a similar practice of indexing a minimum wage increase and finds that while well-intended, an increase in the minimum wage will likely have opposite and unintended costly consequences and likely will not reduce poverty and help improve the lives of the state's lowest income workers.

The Impact of Hurricanes Charley and Frances on the Florida Outdoor Advertising Industry's Impact on Florida's Economy, September 2004

This *Briefings* estimates the short- and long-term economic impacts of Hurricanes Charley and Frances on Florida's economy as a result of revenue losses suffered by Florida's outdoor advertising industry from advertising billboard face damages.

The Legislature Should Act to Provide Tax Relief for Property Severely Damaged By the Hurricanes, September 2004

In this *Briefings*, Florida TaxWatch calls for the Florida Legislature to grant tax relief and revenue assistance for Florida property owners whose homes or businesses are severely damaged from recent hurricanes through abatement on their yearly property tax bill to reflect the loss of value.

How Florida Compares, July 2004

In this updated *Research Report*, Florida TaxWatch compares how Florida's state and local taxes compare with those of the other 49 states. The study finds that Floridians are paying less in state and local taxes as a percentage of personal income than they were five years ago, currently the 8th lowest in the nation, though Florida's top gasoline tax rate remains the highest in the nation.

The FAIR Amendment Would Constitutionally Impose Billions of Dollars of New Taxes, July 2004

This Center for a Competitive Florida *Briefings* illustrates how the FAIR Amendment—a proposed amendment to the Florida Constitution originally slated to go to the voters in November 2004—would turn the tables on

taxpayers, fundamentally changing the way taxes can be raised and creating opportunities for dangerous, unintended consequences. Subsequently, the Florida Supreme Court ruled the Amendment flawed and removed it from the ballot.

101 Adaptable Achievements for Increased Taxpayer Savings from the 2004 Prudential Financial-Davis Productivity Awards, June 2004

Since 1989, more than 8,000 individuals, teams, work units and partnerships have been honored through the Davis Productivity Awards program for producing \$4.8 billion worth of added value. Some of the award-winning achievements have been adapted and implemented to multiply their productive value. In this report, more than 100 additional opportunities are summarized, worth an estimated \$79 million in cost savings, cost avoidances, additional federal revenue and increased state revenue collections. These opportunities can and should be maximized to further improve performance and stretch resources – in some cases as an alternative to service cuts during tight budget times in Florida government and in other states.

2004 Turkey Watch Report, May 2004

After a year in which there were no budget “turkeys,” the 2004 Florida Legislature earmarked funding for 227 of these appropriations in the proposed FY 2004-2005 Budget. This edition of the Florida TaxWatch annual report on “budget turkeys” highlights \$202 million in projects recommended for veto, of which the Governor vetoed \$128 million.

Legislature Stumbled on Implementation of the Universal Prekindergarten Amendment: Florida TaxWatch Suggests the Governor Now Punt, May 2004

In 2002, 59% of voting Floridians approved the establishment and implementation of a voluntary Universal Prekindergarten for 4-year-olds. In 2003, the Universal Prekindergarten Advisory

Council recommendations formulated by Lt. Governor Toni Jennings and a host of other educational experts were adopted by the State Board of Education. In 2004, the Legislature took up the issue (S 3036 and HB 821), but ignored or contradicted most expert recommendations by substantively diminishing important aspects of the program.

This Center for Educational Performance and Accountability *Briefings* urges the Governor to veto the Legislature’s plan that failed to satisfactorily resolve several issues of contention: class length per day, student-teacher ratios, teacher certification, accreditation requirements, or whether to conduct a pilot study of the program that would only reflect prekindergarten programs of public schools. Subsequently, the Governor did, in fact, veto the plan and the Pre K-3 Subcommittee of the TaxWatch Center for Educational Performance and Accountability continues its comprehensive review of how to cost effectively implement a high quality program that is academically sound, fiscally accountable and truly universal as Florida voters intended.

Student Achievement in Florida, May 2004

Florida is making good progress but has a significant distance yet to go before student achievement is at a level that is competitive in a national and global context. This first in a series of Center for Educational Performance and Accountability reports on the status of education in Florida reveals that while student achievement in the state continues to rise, gaps remain among individual counties and among students of different socio-economic backgrounds.

Legislature Shows More Restraint in Spending Non-Recurring Revenue and Raiding Trust Funds Than Last Year, Budget Fax, April 29, 2004

This *Budget Fax*, in response to the release of the Legislature’s 2004-2005 Budget, reveals that the Legislature

had made progress in regard to two long-standing TaxWatch concerns: the spending of non-recurring revenue on recurring expenses and the raiding of trust funds to fund the general revenue (\$800 million this year versus \$1.3 billion last year).

Legislative Update: One Week to Go, Budget Fax, April 23, 2004

This *Budget Fax*, released as the Florida Legislature headed into the last week of the 2004 Regular Session, highlights some key taxpayer issues remaining on the table, among them: the budget, taxing substitute communications, corporate income tax piggybacking, a sales tax holiday, a gas tax, proposed constitutional spending limits, and revenue maximization.

Florida Taxpayer Independence Day 2004, April 21, 2004

This annual publication reveals that April 21, 2004 was “Florida Taxpayer Independence Day.” The report asserts that, on this symbolic date, Floridians are finally earning money for themselves, and not the tax collector. This symbolic date assumes that every dollar earned since January 1 goes to pay federal, state and local tax obligations. The report reveals that Floridians’ personal income continues to grow faster than the taxes they pay, resulting in less time required to earn enough money to pay taxes. This is the fourth year in a row that Florida Taxpayer Independence Day has fallen earlier than the prior year. In fact, this is the earliest Florida’s Taxpayer Independence Day in 20 years.

Increasing the Cat Fund’s Capacity is Good Public Policy, an Ideas in Action by Florida’s Chief Financial Officer Tom Gallagher, April 2004

In this *Ideas in Action*, Florida Chief Financial Officer and Treasurer Tom Gallagher supports increasing the capacity of the Hurricane Catastrophe Fund, a tax-exempt state trust fund created after the devastation of Hurricane Andrew to ensure that Florida’s

insurance companies could quickly pay homeowners' claims after a major hurricane and would be able to continue to provide coverage.

Treasurer Gallagher asserts that increasing the capacity of the Fund from \$11 billion to \$15 billion would allow it to keep pace with Florida's future growth. (*Ideas in Action* is a public forum to present discussion in vital issues affecting the economy, public policy and concerns that touch the lives of many Floridians. The opinions expressed in the *Ideas in Action* publications do not necessarily reflect those held by the members, staff, or distinguished Board of Trustees of Florida TaxWatch.)

Florida Nursing Homes: The Under-Funding Of Medicaid Reimbursements, March 2004

An ongoing lag between Medicaid reimbursements and growing Medicaid costs has left Florida's nursing homes seriously underfunded, with patient care potentially at-risk. This *Special Report* concludes that unless Medicaid reimbursements are properly increased, nursing homes will experience a widespread decline in quality and financial hardship.

Fulfilling Florida Voters' Mandate to Provide Pre-K Education for 4-Year-Olds, April 2004

High quality education is a constitutional right of all Floridians, including 4-year olds. In 2002, 59% of voting Floridians approved the establishment and implementation of Universal Prekindergarten. As the Legislature struggled with the task to define the scope, operation, governance, and

budget for this new program that could include up to an estimated 217,000 children in 2005, this Florida TaxWatch *Briefings* delineates the differences in the proposed legislation from the Senate and the House and offers recommendations to ensure these children are afforded no less than the best opportunity to succeed to their full potential.

Improving State Attorney and Public Defender Budget Process and Targeting Salary Increases Will Help Achieve Revision 7 Goals, Reduce Trial Lawyer Turnover, March 2004

In this *Special Report*, Florida TaxWatch examines the Justice Administration's 2004-05 budget request in the context of Revision 7 (a constitutional amendment requiring the state to assume the funding responsibility of most State Courts System, State Attorneys, Public Defenders and the Justice Administrative Commission operations that were then funded by counties).

In the examination, Florida TaxWatch recommends the state spend less money on private attorneys and, in turn, redirect this money to prosecutors and public defenders for targeted pay increases toward reducing high turnover. The report notes that experienced prosecutors can save their judicial circuits thousands of dollars a month by routinely making expeditious decisions regarding which cases to prosecute, which to plea out, and which to dismiss. Additionally, state trial lawyers leaving for higher-paying private sector jobs are creating a day-to-day performance void that may have significant impact on Florida's justice system.

Proper Funding of the State Courts System is Crucial to Rule of Law, Taxpayer Confidence and a Healthy Economy: Inadequate Funding May Result in Justice Delayed, Justice Denied, February 2004

In November 1998, Florida voters approved a constitutional amendment (Revision 7) requiring the state to assume the funding responsibility of most State Courts System, State Attorneys, Public Defenders and the Justice Administrative Commission operations that were currently funded by counties. This shift in funding took effect July 1, 2004.

Florida TaxWatch released a *Special Report* addressing the critical need for vision and statesmanship to equitably fund these new responsibilities throughout Florida's 20 judicial circuits. TaxWatch recommended that the Legislature provide an additional \$35.6 million more than the Governor's recommendation to adequately fund Florida's court system. The report shows that inadequate funding of the courts could have significant consequences, including a likely slowdown in civil and family court cases in some circuits. Florida's citizens and businesses might have to wait months, instead of weeks, for legal due process. Florida TaxWatch also held three public forums around the state to encourage citizen participation and understanding of the issue.

The Governor's FY 2004-05 Budget Recommendations: Rising Medicaid Costs and Class Size Reduction Lead to \$1.4 Billion Increase, February 2004

This Florida TaxWatch *Budget Watch* examines the Governor's \$55.4 billion

"With great admiration and deep appreciation, I commend TaxWatch for its research on Revision 7 and its heroic efforts to protect the Rule of Law in Florida."

—The Honorable Harry Lee Anstead, Chief Justice, Florida Supreme Court

"You can believe TaxWatch."

—St. Petersburg Times

Recommended Budget for 2004-2005. Florida TaxWatch points out that it is remarkable that Florida's proposed budget continues to increase (2.6% more than last year), given the national recession, a continued slow economy and even a series of tax cuts. The report addresses how new spending pressures, including Medicaid increases and the class size reduction and universal pre-k constitutional amendments, impact Florida's budget.

Constitutional Revision: Protecting All Floridians from Minority Rule, December 2003

Florida TaxWatch has released several reports, beginning in 1994, urging the implementation of a higher threshold before an amendment can be added to the Florida Constitution. Over the past nine years, a number of proposals introduced in the Florida Legislature to do just that have failed.

This report examines the recent influx of proposed constitutional amendments and again calls attention to the need for a higher standard to the forefront. The report notes that fundamental changes in the structure of government must be allowed when necessary, but it is imperative that they be based on a broad consensus of the governed. When they are not, an intense minority can tyrannize the rights of a majority of Floridians. The report recommends that implementing a supermajority requirement to pass constitutional amendments would put Florida at the forefront among states in the struggle to limit the influence of special interests and help restore the electorate's confidence in our democratic republic form of government.

Successful Tax Amnesty Program Brings in \$160 Million: Increased Enforcement and Punitive Interest Rates (Twice the Prime Rate) Are Now in Effect, November 2003

The 2003 Legislature enacted a tax amnesty program to create a one-time opportunity for noncompliant taxpayers to satisfy their tax liabilities and avoid criminal prosecution, penalties and some interest. Interest owed would be reduced by 25% to 50%, depending on whether taxpayers are already under audit or review by the Department of Revenue (DOR). Taxpayers under criminal investigation were not eligible. Many taxpayers who are not in compliance with tax laws may be unaware of all their obligations, and changing tax laws magnify the problem. Tax amnesty allows these taxpayers a chance to come into voluntary compliance before the state takes steps to identify them. The Legislature appropriated \$385,000 to implement the program, and it was expected to generate \$75.3 million (\$66.7 in general revenue) in additional revenue during FY 2003-04. This *Briefings* is an update on the program, which at printing had netted \$160 million.

New General Revenue Estimates Are Increased, But Use of Non-Recurring Revenues Still Has Florida In a Hole for the Upcoming Year, November 2003

Florida's Estimating Conference projected that Florida will have \$685.5 million more than previously anticipated for the state's 2004-2005 budget. In fact, the state is projected to have almost \$1.6 billion left over after the current year's spending from increased revenues, trust fund transfers by the 2003 Legislature and the \$950 million federal aid package.

While this is good news, this *Briefings* cautions that it must be tempered with the knowledge that this extra money will be nonrecurring and advises the Legislature to not appropriate it for recurring programs in the next budget. The recent act of funding recurring programs with nonrecurring sources by the Florida Legislature is not good fiscal policy, and only postpones—and magnifies by spending dollars Florida's taxpayers may not have—tough budget decisions.

Accelerating Florida's Economic and Fiscal Recovery: 101 Ways to Maximize Taxpayer Resources and Improve Taxpayer Value, October 2003

This publication features adaptable Davis Productivity Awards achievements from the 1999-2003 awards cycles whose wider implementation will help state government do its part to hasten Florida's economic recovery. Maximizing Federal revenues, increasing state collections under existing law, cutting costs and stretching resources through increased productivity can be worth up to \$300 million over the next three years—in some cases as an alternative to service cuts during tight budget times.

The Prudential Financial – Davis Productivity Awards Program

Recognizing 16 Years of Exemplary State Employee Performance and \$4.8 Billion Added Value to Taxpayers

The Legacy

Sixteen years ago, two of the co-founders of Winn-Dixie Stores – the late J.E. and A.D. Davis – had a vision. They wanted to bring the private corporate philosophy of rewarding and encouraging extraordinary performance to the public service sector. The Davis brothers brought together Florida TaxWatch and The Florida Council of 100 with the State of Florida, and created a citizen-initiated awards program for state employees known as the Davis Productivity Awards.

The Mission

The mission of the program is the same today as it was 16 years ago: to recognize and reward Florida government employees whose enterprising work, fiscal responsibility and personal accountability significantly increase productivity levels above and beyond their job expectations.

The Commitment

Over 15 years, the Davis Family invested more than \$1 million in the program as its anchor sponsor. The generosity and commitment of the Davis brothers has been rewarded with commitments by other corporate, philanthropic foundations, and state leaders. This year, it is a great pleasure to welcome Prudential Financial as anchor sponsor of the program. A major contributor since 1998, Prudential Financial's increased support is crucial for sustaining and growing this nationally unique initiative. Thus, the 2004 awards are known as the "Prudential Financial – Davis Productivity Awards."



Governor Bush and the Cabinet presenting a Resolution recognizing the 2004 Prudential Financial – Davis Productivity Awards and declaring June 2004 as "Prudential Financial – Davis Productivity Awards Recognition Month."

The Competition

The 2004 awards competition attracted 520 nominations for innovations and productivity improvements worth \$292 million in cost savings, cost avoidances and increased revenue. Over the past 16 years, award winners have posted a total of \$4.8 billion in added value for Florida taxpayers and businesses.

The Winning Combination

Governor Jeb Bush, along with Lt. Governor Toni Jennings as Chair of the 2004 Prudential Financial - Davis Productivity Awards Program, have made leveraging the value of award winning achievements a priority for building a more effective and efficient

government. Promoting innovations that can be implemented throughout Florida government translates to many millions of dollars of budget savings and improved service delivery. Providing these achievements to other states and countries is worth countless millions more.

The commitment of Florida government, the generosity of Prudential Financial, the Davis Family and many other sponsors, combined with the extraordinary efforts of thousands of state employees, has made the Prudential Financial – Davis Productivity Awards program what it is today — the nation's pre-eminent government Recognition, Rewards and Replication initiative.

Centers of Excellence

The research "Centers of Excellence" at Florida TaxWatch undertake the study of, and make recommendations regarding, strategic challenges facing Floridians. Focused on a rapidly changing economy, the "Centers of Excellence" bring together partnerships and collaborations to effect positive and dynamic change in Florida. Throughout the past year, Florida TaxWatch "Centers of Excellence" were actively engaged to the benefit of Florida's taxpayers.

Center for Educational Performance and Accountability

Realizing the fiscal and economic impact that quality education (Pre-K-12) has on our state's competitiveness, the Center for Educational Performance and Accountability (CEPA) is focused on issues pertaining to fiscal accountability, priorities and policies that will lead to improved financial and student performance for Florida's education system and its children.

This past year, Florida TaxWatch-CEPA intensified its efforts through the engagement of a prestigious Advisory Committee. Composed of a distinguished volunteer group of Florida TaxWatch leaders, Florida leaders from both the public and private sectors, and education experts, the Advisory Committee, Chaired by Tom Slade, leads the research activities of CEPA toward a goal of improving the structure, performance and accountability of Florida Pre-K-12 education policies, programs and best practices. Under the guidance of the Advisory Committee, the Center strategically targets its research activities at the Pre-K-12 level, incorporating a manageable set of priority objectives. Within the Pre-K-12 segment, the Advisory Committee has identified the following four key areas that offer the greatest promise for long-term and measurable improvements:

Economics and Administration, Buddy Turman, Chairman

Assessing where money is spent and providing practical means of redirecting these dollars back into the classroom for instructional activities

Education Quality, General John Fryer, Chairman

Capturing ways of ensuring quality teaching and school leadership

Education Environment, Dr. Larry Durrence, Chairman

Ensuring quality and accountability of governance throughout the system

Pre-K-3rd Grade, Kathy Adams, Chairman, Carol Jenkins Barnett, Co-Chairman

Monitoring the proper implementation of a Universal Pre-K program and assessing the impact of a state reduced classroom size constitutional amendment requirement

Completed Research

- ▲ *Student Achievement in Florida*, May 2004 (see page 16)
- ▲ *Legislature Stumbled on Implementation of the Universal Prekindergarten Amendment: Florida TaxWatch Suggests the Governor Now Punt*, May 2004 (see page 16)
- ▲ *Fulfilling Florida Voters' Mandate to Provide Pre-K Education for 4-Year-Olds*, April 2004 (see page 17)

Ongoing CEPA Research/Activities Include:

- ▲ Florida TaxWatch-CEPA was effective in recommending the Governor's veto of the Universal Pre-K program and is working to ensure the Legislature designs a program that will provide Florida children with a meaningful educational foundation during their critical formative years.
- ▲ CEPA is poised to release *"Florida's Financial Commitment to K-12 Education"*, the second in a series of reports on the status of education in Florida. This report examines the state's financial commitment to K-12 education as it compares to other states in the nation.
- ▲ CEPA is developing a series of research-supported public service announcements that would debunk myths associated with the benefits of the class-size reduction amendment.
- ▲ CEPA is performing an evaluation of the K-12 cost of back-office technology and how, through cost efficiencies and consolidations dollars currently being spent on back-office technology can be diverted back into the classroom.
- ▲ CEPA is examining how, through the outsourcing of transportation, food services and facilities maintenance functions, Florida school districts could be diverting millions of dollars back into the classroom.
- ▲ Through the provision of technical research staff support to the Constitutional Accountability Commission and membership on the Commission, Florida TaxWatch-CEPA is helping the Commission shape the state's requirement under Article IV, Section 1 of the state Constitution to provide children residing within Florida's borders a high quality education.
- ▲ Florida TaxWatch-CEPA is evaluating Marion County School District's implementation of a model, the Continuous Improvement Model (CIM), and the impact this is having on improving student performance on the FCAT.
- ▲ Florida TaxWatch-CEPA continues to assess and recommend ways to improve the selection and retention of high-quality principals and teachers.

Florida TaxWatch Center for Educational Performance and Accountability Advisory Committee Members

Chairman Tom Slade Chairman and CEO Tidewater Consulting, Inc.	Roger Carlton Sr. Vice President ACS/State & Local Solutions	General John Fryer Superintendent Duval County School District	Van Poole Chairman Dutko Poole McKinley, LLC	Robert Taylor Chairman The Mariner Group
Keith G. Baker, Ph.D. Executive Director-CEPA	Linda Dampier Language Arts Teacher Osceola Middle School	Don Gaetz Superintendent Okaloosa County School District	Mary Lou Rajchel President & CEO, Florida Phosphate Council	Lloyd "Buddy" Thurman Executive Director Florida Institute of CPAs
Kathy Adams President & CEO MediaReach Public Relations	Frank Darden Principal Darden Consulting	David Griffin Principal Griffin Hart Consulting	Charles Rehwinkel Vice President Sprint	Steve Uhlfelder Principal Uhlfelder & Associates
Carol Jenkins Barnett President Publix Super Markets Charities, Inc.	Allison DeFoor Executive Director Earth Balance	Robert Haag President Florida Consortium of Charter Schools	Bettye Roth Principal Woodland Middle School	Steven Wallace, Ph.D. President Florida Community College of Jacksonville
Hoyt R. "Barney" Barnett Vice Chairman Publix Super Markets, Inc.	Larry Durrence, Ph.D. President Polk County Community College	Mike Jennings Vice President Prudential Financial	Crisha Scolaro Founder Pepin Academy	Jim Warford K-12 Chancellor Florida Department of Education
Frank Brogan President Florida Atlantic University	Steve Evans Retired V.P. IBM	Joan Minnis Principal Thurgood Marshall Middle School	Fred Seamon, Ph.D. Senior Partner MGT of America	Ben West Chairman Westwayne
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“The state is undoubtedly more healthy and prosperous because Tax Watch has been on the job. It has been an honest watchdog in warning of abuses, a credible guide dog in finding thrifty solutions to problems and a tireless bird dog in making sure taxpayers get their money’s worth.”

—Tampa Tribune

Center for a Competitive Florida

Positioning Florida’s ability to effectively compete, at home and abroad, through the combination of sound fiscal policy research, economic analysis, and a consensus of the major civic, business and professional organizations across our state.

Completed Research

- ▲ *Putting an Ever-Increasing Minimum Wage in the State Constitution Is Misguided*, October 2004, (see page 15)
- ▲ *The Impact of Hurricanes Charley and Frances on the Florida Outdoor Advertising Industry’s Impact on Florida’s Economy*, September 2004 (see page 15)
- ▲ *The FAIR Amendment Would Constitutionally Impose Billions of Dollars of New Taxes*, July 2004, (see page 15)

Center for Tourism

Examining this critical segment of Florida’s economy: Florida’s tourism and tourism-related industries through objective research and research-based policy initiatives to ensure a healthy and diversified economy.

The Center for Tourism is currently working to update a 2000 Florida TaxWatch study of the benefits and costs of tourism to Florida — especially taking into account the mid- and long-term economic impact of the recent unprecedented hurricane season. This research involves dynamic modeling to measure now and into the ensuing decade the direct, indirect and induced impacts that Florida tourism have on Florida’s economy plus a determination of the nature of the economic relationship between Florida tourism and the high tech sector of Florida’s economy.

“Tax Watch is not just an anti-tax junkyard dog that barks mindlessly at every proposed government expenditure. Its research is aimed at determining what services the state needs to maintain prosperity and determining the most efficient and effective ways of providing these services.”

—Tampa Bay Business

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We Believe

*You cannot bring about prosperity
by discouraging thrift.*

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

*You cannot help small men
by tearing down big men.*

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

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

*You cannot keep out of trouble
by spending more than your income.*

*You cannot further the brotherhood of man
by inciting class hatreds.*

*You cannot establish security
on borrowed money.*

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

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

From the pen of Reverend William John Henry Boetcker (1873-1962)
and often attributed to Abraham Lincoln

Words of Appreciation and Encouragement

Florida's decision-makers will continue to look to your organization for independent insight on matters of economic, fiscal and public policy."

—U.S. Senator Bill Nelson



Florida TaxWatch's presence in our state ensures a more sound public policy and greater government productivity and accountability which improves the quality of life for all Floridians and visitors to our state.

—Governor Jeb Bush



Now more than ever, government needs a responsible partner to offer sound policy recommendations and productivity enhancements. Florida TaxWatch is that entrusted friend of taxpayers, carefully watching that our citizens' hard-earned dollars are put to good use.

—U.S. Senator and Former Governor
Bob Graham



If government productivity is to be effective, it depends on an enlightened public that demands results.

—TaxWatch Founder Mark Hollis

Florida TaxWatch is the state taxpayers' best friend. For 24 years, TaxWatch has proven its value with in-depth state government research reports.

—Fort Lauderdale Sun-Sentinel



Money does not solve problems – people solve problems, but money is a necessary lubricant. Too much money may even make problems worse.

—TaxWatch Founder J. E. Davis



If we could set productivity standards between agencies, or even between states, so 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 – it will work with government people.

—TaxWatch Founder J. E. Davis



Part of the reason TaxWatch deserves our interest and support is that it focuses on what can be done, instead of what has been done wrong.

—Lynda Keever, Publisher and
Chief Operating Officer, Florida Trend



We have heeded the advice of TaxWatch...

—State Rep. Dudley Goodlette



Florida TaxWatch recognizes there is no shortage of smart, dedicated public employees working to make government as efficient as possible.

—The Tampa Tribune



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

—TaxWatch Founder Mark Hollis



They are the eyes and ears of the taxpayers and I think they have done an outstanding job.

—TaxWatch Founder Philip D. Lewis

Florida
TaxWatch



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Integrity, Productivity, Accountability, Independence, Quality Research

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