



Volume 4 Issue 1

Tax Beacon

'The eyes and ears of Walton County for Taxpayers'

Walton County Taxpayers Association, Inc.

www.waltontaxpayers.org

Founded 1982

First Quarter-2007

Board of Directors

Bonnie McQuiston
President

J. B. Hillard
Vice-President
Editor

Ella D'Autilia
Secretary

Bob Hudson
Treasurer
Webmaster

Thom Brook
Robert Connor
Ella D'Autilia

Ella D'Autilia
Dale Jewell
Cecilia Jones
Hilton Lawson
Ray Padgett
Alan Powdermaker
Virginia Pridgen
Jim Rice
Jean Riley
Donnie Richardson
Dick Ryan
Dan Scupin
Tom Terrell

Distinguished Lifetime Directors

Curt Clauson
Barbara Rodgers-Hendricks
Vince Pasquarello



The highest point in Florida is in Walton County

A New Wind Blows Across Florida—Tax Relief

2007 began with a change in state leadership. Governor Charlie Crist started his term saying, "It is government's responsibility to meet its citizens' needs while living within its means".

A non-partisan group of state legislators began traveling the state, holding town meetings where homeowners, businesses and second property owners called for property tax reform.

The Florida House has proposed an increase in sales tax from 6% to as much as 8.5% in exchange for eliminating

property taxes on primary, or homestead, homes. The Senate has proposed tax cuts for second homes, businesses and other non-homestead property but may have minimal effect on taxes for primary homeowners.

This plan takes into account the Save Our Homes Amendment, adopted by voters in 1992, which resulted in substantial tax breaks on homestead properties. Governor Crist has proclaimed that any consensus reached by the House and Senate had better drop taxes like a rock.

State lawmakers should finalize tax relief proposals in May when the regular legislative session is over. In any case, the debate is about strategy and details, not whether to have tax reform.



Please stop, I don't have any more!

Inside this issue:

		WCTA Position on Tax	4
Presidents Message	2	WCTA Requests	4
WCTA 25th Anniversary	2	County School District	5
Internal Auditor for	3	2007 Annual Meeting	7
County Strategic Plan	3	Northwest Florida	8

President's Message – Bonnie McQuiston



"Government exists to serve the people, not the other way around."

With the start of a new year, we hit the floor running. In the first quarter 2007, we held our annual meeting, attended a town hall with state legislators in Panama City, hosted Northwest Florida Taxpayers Alliance, distributed budget policy letters to local taxing authorities, participated in county Strategic Plan meeting, met with school superintendent and school district finance director on voter referendum, sent tax relief position statement to state lawmakers, attended regular meetings of local government, attended Channel 13 TV advisory meeting, and appeared on Channel 24 TV to discuss the county compensation study. And then we decided to get really busy!

In January, we began the enormous undertaking of comprehensive and comparative salary studies for employees of the Board of County Commission, Clerk of Court, Tax Collector, Property Appraiser, Supervisor of Elections, Sheriff, South Walton Fire District, and the school district. As studies are completed, they are posted on our website, www.waltontaxpayers.org.

In February, we hosted the organizational meeting of the Northwest Florida Taxpayers Alliance, a coalition of taxpayer organizations throughout the Panhandle. The interaction with these groups and others around the state, as well as Florida Tax Watch and James Madison Institute, is turning into a citizen's revolt against the runaway train of exploding government and reckless spending of elected officials.

Taxpayers are demanding a fundamental change in leadership to fiscally conservative governance. This means controlling the size and cost of government and becoming more efficient and effective in achieving government's core responsibilities.

Government exists to serve the people, not the other way around. Public officials exercise extreme power deciding how much money to take from us and where to spend it. We expect our public officials to act responsibly and to use a common sense approach to spending and taxation; we hold them accountable for their actions.

WCTA Celebrates 25th Anniversary

This year, we celebrate 25 years as a premier community taxpayer organization. A government of the people, for the people and by the people requires that citizens be participants, not spectators. As taxpayer advocates for fiscal discipline and limited government, we are unequivocally participants.

Formation of the Citizens Budget Committee in 2001 took our participation to a new level when they began analyzing county budgets and finances. It is in these areas that decisions are made which affect our personal finances, the taxes we pay. The remarkable work of this committee formed the basis for the frontline challenges to record increases in local govern-

ment growth, taxation and spending.

The creation of our website and historic comparative compensation studies of county taxing authorities have taken us into an even higher realm of citizen participation.

WCTA is privileged to serve all county taxpayers. Our board members, committees and officers give freely of their time and energy, working hard to make our county the best it can be. You, our members, contribute generously to support our work. We are sustained only by your donations to finance our newsletters and meetings. We will continue to move forward with your continued support of our mission.



Internal Auditor for Walton County



Martha Ingle
Clerk of Courts
Walton County

At our request in the FY2007 budget workshop, county commissioners approved the position of Internal Auditor a year earlier than planned. In March, Clerk of Courts Martha Ingle announced the position had been filled.

William Pennington, finance director for Clerk of Courts, said it is a natural progression for a growing county to have a position to provide oversight of county policies and procedures. The internal auditor responsibilities include:

- a) examine various procedures and controls within county government;
- b) make recommendations for improvement;
- c) look at ways to improve efficiency;
- d) determine the county's compliance with legal regulations.

Access to county offices:
Clerk of Courts
<http://clerkofcourts.co.walton.fl.us/>
Property Appraiser
<http://www.waltonpa.com>

"In framing a government which is to be administered by men over men, the great difficulty lies in this: you must first enable the government to control the governed, and next oblige it to control itself."

James Madison

As presented, neither commissioners nor the public can determine the effectiveness of the plan, the priority of the goals, or their achievement

Walton County Strategic Plan

Each year, the county presents its strategic plan to county commissioners and the general public. In early March, consultants presented the strategic plan consisting of six general goals.

WCTA questioned the lack of details or performance standards to measure results from year to year. As presented, neither commissioners nor the public can determine the effectiveness of the plan, the priority of the goals, or the progress the county has made in achieving the goals.

The strategic plan is a critical document for county employees. It is the blueprint for constitutional officers and department managers to justify their budgets, to show how budgets support the plan. We believe it is mandatory at each annual presentation to show specific measurable achievements for each goal for the previous year. This is the only way to identify strengths and weaknesses in the plan and to justify how tax dollars are spent.

Strategic Plan goals with our comments and recommendations are:

- Develop a comprehensive program for paving, bridges and other infrastructure; WCTA: List roads paved, number of miles paved, bridges built or re-built, etc.

- Protect natural resource areas from negative impacts of growth; WCTA: List the natural resources protected and how they are protected.
- Promote the development of more diverse and higher paying jobs, infrastructure to support them; i.e., attainable work force housing and military impact coordination; WCTA: Total confusion on this goal. While government is responsible for county infrastructure, it is not government's role to get involved in the private marketplace or free enterprise system; business owners will decide what jobs are needed and their worth. It is not government's role to be involved in the real estate market. Military impact coordination should be clarified.
- Provide equitable recreation facilities for the different areas of the county; WCTA: List all county taxpayer funded recreational facilities and their locations. The biggest recreation facility in the county is the Gulf and beach. Walton County has retained very little shoreline for public use.



Is this smoke and mirrors? Where is the accountability?

WCTA Position on Tax Relief

As advocates for ALL county taxpayers, we believe that tax relief must be applied to ALL properties. An enormous amount of property tax is taken from owners who don't live in the county and who utilize very few county services. They do not get to vote for the elected officials who spend their money.

- Total county taxable property valuations ballooned from \$4 billion to over \$16 billion since 2001.
- 83% of Walton County property is non-homestead.
- Almost all new construction since 2000 is non-homestead property.
- Non-homestead property valuations

have doubled and tripled since 2001, causing crushing property tax increases.

- Save Our Homes, which caps homestead property valuation increases at 3% annually, shifted a disproportionate property tax burden to non-homestead property.
- Second homeowners, rental property owners and businesses shoulder an inequitable tax burden.
- Without equal tax relief, even more of the tax burden will shift to non-homestead property and businesses.

Letter to state legislators posted at www.waltontaxpayers.org



The flow must be reduced

“Are you entitled to the fruits of your own labor or does government have some presumptive right to spend and spend and spend?”

Ronald Reagan

WCTA Requests Budget Policy

WCTA distributed written requests to county commissioners, constitutional officers and South Walton Fire District commissioners to establish a “budget policy”. We asked them to demonstrate responsible leadership by making a commitment to fiscal discipline and limited government in FY 2008 budgets.

- 1) Establish a base budget at actual expenditures and employee headcount for FY2007.
- 2) Limit increases in new budgets and spending not to exceed the rate of inflation plus population change.
- 3) List and rank requested increases in priority order, provide justification and consequences of not funding the item.
- 4) List and rank capital projects; include previously authorized projects not under contract.
- 5) Freeze hiring and temporarily unfill all unfilled positions; fill future positions based on priority.
- 6) Require that funds be reallocated from

other accounts for adjustments or increases requested after FY2008 budgets are approved.

- 7) Invest surplus revenue in emergency and budget stabilization funds or return to taxpayers.
- 8) Require voter approval for any tax increases.

Since 2000, county population has increased approximately 15% and county budgets have increased 233%. We have recommended a budget policy that limits budget increases to population growth plus cost of living index. However, county taxing authorities are starting with an inflated budget. Therefore, a major scrub of each expense category is necessary to establish a proper baseline. The school district and other taxing authorities, such as South Walton Fire District, need as much scrutiny as the county commission and other constitutional offices have received in recent years.

“population has increased approximately 15% and county budgets have increased 233%”

Plan—from page 3)

- Improve public relations and instill confidence in county government; WCTA: This is measured each election year.
- Continue to redefine and refine Walton County government services and its role in accomplishing regional objectives.
WCTA: List regional objectives and how the county supports them.

Walton County School District

**A SPECIAL ELECTION FOR MAY 15, 2007
TO VOTE ON THE CONTINUATION OF AN
AD VALOREM MILLAGE INCREASE
FOR OPERATING EXPENDITURES OF THE
SCHOOL DISTRICT**

In June 2003, voters approved a ½ mil per year tax increase for operating expenses in Walton County’s public school system. At that time, the school district estimated the ½ mil would generate about \$3 million each year for the next four years.

In exchange for voter approval, the school board committed to decrease the capital tax levy by ½ mil. They have maintained the decrease for the past four years, resulting in an overall transparent effect to taxpayers.



Up, Up, and awayyyyyyyyy!

Since the referendum was approved in 2003, the value of the ½ mil has increased 150%.

FY 2003-04	.50 mil	\$3,214,000
FY 2004-05	.50 mil	\$4,079,000
FY 2005-06	.50 mil	\$6,421,000
FY 2006-07	.50 mil	\$8,250,000

The School District Financial Advisory Committee was formed to provide accountability for the ½ mil proceeds and to insure that the funds maintain a quality school system.

The committee has confirmed each year that all schools are included in the funding and that funds are being used for the stated purposes; special programs (music, art and gifted), after-school activities, sheriff resource officers, extracurricular activities and competitive salaries for teachers. The average teacher salary has gone from 55th in the state to about 15th in the state.

If the millage increase is not re-approved by voters, the special one-year reserve fund for the school district is projected to be about \$8,000,000 on June 30, 2007.

The questions are: How much money is needed to operate the school district? What is enough? When will the school board lower millage rates to give taxpayers a break?

We believe the school board can establish a tax levy to operate the district with reasonable annual increases. They can establish an amount of money adequate for future capital funds. With an estimated 10% annual increase in county valuation for the next four years, the school

“What is enough?”

When will the school board

begin lowering millage rates to

give taxpayers a break?”

President Bonnie McQuiston and Vice-President J. B. Hillard met with tax reform leaders recently in Panama City at a special presentation by Dick Arney of FreedomWorks.

Bonnie with Charlie Hilton, Chairman - Board of Directors - James Madison Institute, and Lee Sullivan, President of Bay Taxpayers, Inc.



Bonnie with Dick Arney, Chairman of FreedomWorks and former U. S. House Majority Leader.

www.freedomworks.org



Annual Meeting—2007



WCTA Annual Meeting - 2007



Patrick Pilcher
Property Appraiser
Guest Speaker

At our annual meeting on January 31, new board members were elected and 2007 officers were re-elected for 2008.

Goals for this year include:

- 1) Adoption of a budget policy by county taxing authorities; (Requests made in January/February);
- 2) Formation of an alliance with taxpayer groups throughout the Panhandle (accomplished in February);
- 3) Analysis of school district special voter referendum to continue ½ mil transfer from capital to operating fund (Referendum scheduled for May 15, 2007).

Our guest speaker was Property Appraiser Patrick Pilcher who briefed us on the appraiser's duties, how appraisals are conducted and limitations placed on the appraisal process by state statute. The presentation was extremely informative with Mr. Pilcher dedicating the majority of his time to answering audience questions.

Property Appraiser Presentation Summary

- 1) The property appraiser is charged by the state and state constitution with specific responsibilities to appraise property according to very narrow formulas; he cannot vary from the formulas to "please" property owners.
- 2) Penalties to the appraiser's office and to the county could be disastrous if the guidelines are NOT followed.
- 3) Patrick Pilcher is prepared to meet privately with any citizen and review their personal situation, whether property val-

uehomestead or other matter. The vast majority of problems can and will be solved at this level in a private and courteous manner.

- 4) If property owners wish to make a legal appeal to the Value Adjustment Board, they should do so without emotional arguments; comparability facts and relevant information are required. Outside counsel to assist property owners at this level is recommended.
- 5) The need for Florida to review its property tax laws is probably long overdue and will represent a hotly debated area.
- 6) The REAL issue of increased property taxes has little to do with the property appraiser's office. Annual budgets set by the county and other taxing authorities determine the millage rate charged property owners. The Board of County Commission is only about 45% of total taxing revenues in Walton County.
- 7) If taxpayers are truly concerned about their taxes (not their property value), they must become personally involved in the budget processes of the county, school district and other county taxing authorities.

The property appraiser's office has a NEW HOTLINE for anonymous allegations of homestead fraud. Phone (850) 892-8123 or (850) 267-4500. There is also an online form at www.co.walton.fl.us (click on Constitutionals, then click Property Appraiser).

A booklet on the Value Adjustment Board Process is available from the Clerk of Courts (850-892-8115).

The property appraiser is charged by the state and state constitution he cannot vary from the formulas to "please" property owners.

New WCTA Directors for 2007



Emmett Hildreth
Santa Rosa Beach



Robert Connor
DeFuniak Springs



Donnie Richardson
Mossy Head

"Government is the people's business and every man, woman, and child becomes a shareholder with the first penny of tax paid"

Ronald Reagan

Walton County Taxpayers Association, Inc.

P. O. Box 1085
Santa Rosa Beach, FL 32459

Fax: 850-231-5609
Email: info@wالتontaxpayers.org

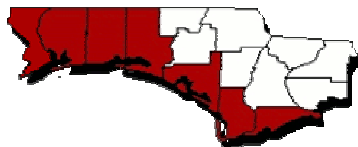
www.wالتontaxpayers.org

Tax Beacon

The eyes and ears of Walton County for taxpayers.



Northwest Florida



Taxpayers Alliance

The Northwest Florida Taxpayers Alliance organizational meeting was held in Santa Rosa Beach. Counties represented were Franklin, Bay, Walton, Okaloosa, and Escambia. Since the meeting in February groups in Santa Rosa, Gulf, and Waukaula counties are in the process of forming. The stated mission of the Alliance is to promote responsible government and reduced spending at all levels.



We Need Your Support To Continue The Tax Battle

Your generous support of our "Tax Battle" has made it possible for us to work to consistently lower the millage rates in Walton County.

Now we are waging a new campaign to place limits on budget growth and spending and to equalize the tax revenues paid by businesses, homestead property and non-homestead property.

Florida is currently experiencing a Taxpayers Revolt. This revolt is being waged at the state and local levels. Any success in limiting the tre-

"We are carefully spending your money"

counties budgets at the local only organization involved in this

mendous growth in will be won or lost level. WCTA is the tion actively in-

process in Walton County.

We need your help as we approach the 2007-08 budget cycle. We must carry our message to the public and elected officials. We need to purchase advertising to educate taxpayers on the issues that determine their Walton County tax bill. That costs money!

Last year we asked for a "plus" gift from those who thought we represented their interests. Many of you responded, but we do not yet have the financial resources to effectively continue this fight.

We, the board and officers of WCTA, live here in the county. We can be your voice if you live out of the county or state. We are able to be the eyes and ears of taxpayers ONLY with your financial support. There is much work yet to be done. Expanded efforts cost money! Everyone on our board is a volunteer. We are careful spending your money.

We need to raise an additional \$2,000 earmarked for the 2007-08 budget cycle. Make a Special Contribution so that we can win the "Tax Battle".