

# Walton Tax Watch

Founded 1982

[www.waltontaxpayers.org](http://www.waltontaxpayers.org)

Volume 3 Issue 3

Third Quarter-2006  
Published Quarterly

### Board of Directors

- Bonnie McQuiston  
President
- J. B. Hillard  
Vice President  
Editor
- Ella D'Autilia  
Secretary
- Bob Hudson  
Treasurer  
Webmaster

- Thom Brooks
- Cellilia Jones
- Bob Knott
- Dale Jewell
- Robert LaPlante
- Hilton Lawson
- Alan Powdermaker
- Linda Pressnell
- Virginia Pridgen
- Jim Rice
- Dick Ryan
- Dan Scupin
- Don Sinclair
- Mike Stange
- Tom Terrell

- Distinguished Lifetime Directors*
- Curt Clauson
  - Maurice Gilbert
  - Barbara Rodgers-Hendricks
  - Vince Pasquarello



*The eyes and ears of Walton  
County for taxpayers*

## County Commission Cuts Budget .50 Mil Taxpayers Keep \$8 Million

For the third consecutive year, county commissioners have given property owners a tax break by lowering the millage rate, a total reduction of 29%.

### Board of County Commission

|              | <u>Budget 2005-06</u> | <u>Budget 2006-07</u> | <u>Increase</u> |
|--------------|-----------------------|-----------------------|-----------------|
| Expenditures | 119,770,543           | 137,484,698           | + 14.8% *       |
| Reserves     | 18,132,682            | 24,074,400            | + 32.8%         |
| Total Budget | 137,903,225           | 161,559,098           | + 17.2%         |

\*3.3% of increase is new North Walton Fire/Rescue.

For the past two years, county commissioners have acknowledged the phenomenal increases in property valuations and exploding development by reducing millage rates both years. No county services have suffered as a result of these tax breaks.

This year, commissioners recognized the economic downturn in the real estate market and disastrous insurance costs from hurricanes and storms. County commissioners cut their 2006-07 budget and gave property owners some much needed relief.

**Vote — November 7**



## President's Message Bonnie McQuiston

This year's budget process concluded with county taxing authorities setting their spending budgets for 2006-07 and deciding the amount of taxes that will be confiscated from property owners to support those budgets.

We thank our members and others who supported us in the budget hearings.

The financial soundness of Walton County is the basis of WCTA. As the eyes and ears of taxpayers, this year we carried the message to government officials that the county's financial soundness is on shaky ground.

The downturn in the real estate market, escalating property valuations and insurance costs should be reflected in reduced spending and lower tax levies by the county, the school district, and South Walton Fire District (SWFD). The booming economy we have all enjoyed has stopped booming.

The spending mania that has gripped our government officials must come to a screeching halt. Property valuations

and taxes have far outstripped personal income.

County commissioners got it! Commissioners cut their budget, lowered the tax levy and gave us more money to keep in our pockets. Walton County can now boast one of the lowest millage rates in Florida.

The school board and South Walton Fire District didn't get it. The school board approved an all-time record high budget and gave taxpayers NO relief from burdensome taxes.

South Walton fire commissioners reduced millage by .03 mills, or 3 cents per \$1,000 of appraised property value.

A gold star goes to South Walton Mosquito Control for voluntarily lowering their millage below the roll-back rate of last year.

Walton County government entities cannot count on the kind of property tax windfalls and revenue growth enjoyed for the past five years. Fiscal excesses need to stop before they occur, leaving taxpayers to deal with the fallout.

**The growth of government and budget increases should be limited to the sum of population growth and inflation.**

*"The spending mania that has gripped our government officials must come to a screeching halt."*

*"The school board and South Walton Fire District didn't get it."*

## The Ad Valorem Tax Process

2006 Property Values were established in January.

These values were determined by analyzing 2005 sales and applying those values equitably to like-type properties.

Walton County 2006 total property valuation is \$16.5 Billion, 26.6% higher than last year.

(see Process—page 6)





# South Walton Mosquito Control

**“Always on Guard”**



|              | Budget 2005-06 | Budget 2006-07 | Increase |
|--------------|----------------|----------------|----------|
| Expenditures | 1,558,259      | 1,654,717      | + 6.19%  |
| Reserves     | 320,000        | 345,000        | + 7.81%  |
| Total Budget | 1,878,259      | 1,999,717      | + 6.47%  |

South Walton Mosquito Control has increased services each year to accommodate development and population growth south of the Bay.

At the same time, their director and elected board have rolled back their millage rate, or tax levy, EVERY YEAR FOR TEN YEARS as development and property valuations have skyrocketed. They are a first-class example of good management and fiscal stewardship of the public’s money.

# South Walton Fire District



|                    | Budget 2005-06 | Budget 2006-07 | Increase |
|--------------------|----------------|----------------|----------|
| Expenditures       | 11,077,217     | 14,176,903     | + 28.0%  |
| Reserves/Fund Bal. | 2,799,616      | 2,396,044      | - 14.4%  |
| Total Budget       | 13,876,833     | 16,572,947     | + 19.4%  |

For ten years, South Walton Fire District (SWFD) has maintained a .83 millage, resulting in tax revenue increases of over 500%. In the past two years, tax revenues increased 119.25%.

This year, the fire district gave property owners a .03 mil reduction which means that slightly less than \$500,000 of tax revenue will not be collected.

SWFD provides fire/rescue for 84 square miles south of the Choctawhatchee Bay. Forty-seven percent is state land. There are approximately 22,000 home/condo properties south of the Bay; 5,000 are protected by homestead and 17,000 are non-homesteaded with no cap on appraisals for tax purposes.

Based on 2006 county property valuations, the average cost of a property south of the Bay is \$700,000; the .03 mil reduction equates to an average tax savings of \$21. It is a step in the right direction.



# SCHOOL BOARD IS SPENDING TOO MUCH MONEY

The Walton County School Board just approved a record budget, a whopping 36.6% higher than the past year.

WCTA Treasurer Bob Hudson made an appeal for reducing the budget and lowering school district millage with a power point presentation to the school board, school superintendent and other school officials at the September 18<sup>th</sup> final budget hearing.

The *overall* school millage has decreased but our school board CANNOT take credit for that reduction. The State of Florida has lowered the state-mandated portion of our tax bill 64% since 2003 because of the huge increases in land valuations throughout Florida.

Our elected school board has kept the local millage rate basically the same for years. They have found a way to spend every cent of windfall profits from escalating land values in Walton County. Just the increase in their 2006-07 budget of \$31,733,000 is equivalent to approximately two mils.

Seventy-five percent of the school district ad valorem tax base is derived from non-homesteaded properties. In most cases, non-homesteaded property owners do not live in the county.

The Taxpayers Association asked the school board to direct the majority of expenditures to teachers, classroom supplies and books.

## Walton County School District

|       | <u>Budget 2005-06</u> | <u>Budget 2006-07</u> | <u>Increase</u> |
|-------|-----------------------|-----------------------|-----------------|
| TOTAL | 86,800,000            | 118,533,000           | 36.6%           |

**The School District with 6,766 students NOW HAS A LARGER BUDGET than the budget controlled by the Board of County Commission that serves 52,545 citizens.**



## 2006 Tax Levies

| Taxing Authority      | <u>2005</u> | <u>2006</u> | <u>Roll Back Rate</u> | <u>Increase</u> |
|-----------------------|-------------|-------------|-----------------------|-----------------|
| County Commission     | 4.33        | 3.81        | 3.45                  | 10.43 %         |
| School District       |             |             |                       |                 |
| State Required        | 2.00        | 1.74        | 1.61                  | 08.07 %         |
| Local Option          | 2.46        | 2.45        | 1.98                  | 23.74 %         |
| Total School District | 4.46        | 4.19        | 3.59                  | 16.71%          |
| NWF Water Mgmt.       | 0.05        | 0.05        | 0.04                  | 25 %            |
| N. Walton Mosq.       | 0.60        | 0.60        | 0.46                  | 30.43%          |
| S. Walton Mosq.       | 0.12        | 0.09        | 0.10                  | -2.07%          |
| Freeport              | 3.93        | 3.93        | 2.08                  | 88.9%           |
| DeFuniak Springs      | 4.50        | 4.50        | 3.90                  | 15.38%          |
| So. Walton Fire       | 0.83        | 0.80        | 0.67                  | 19.40%          |

| Report Card                    |           |
|--------------------------------|-----------|
| Taxing Authority               | Grade     |
| <b>Walton County BCC</b>       | <b>B+</b> |
| <b>School Board</b>            | <b>F</b>  |
| <b>South Walton Fire Board</b> | <b>D-</b> |
| <b>SW Mosquito Board</b>       | <b>A+</b> |
|                                |           |



**Walton County Taxpayers Association, Inc.**

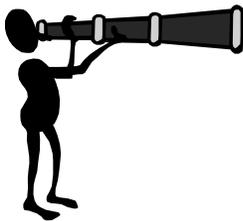
P. O. Box 1085  
Santa Rosa Beach, FL 32459

Fax: 850-231-5609  
E-mail: [info@wالتontaxpayers.org](mailto:info@wالتontaxpayers.org)

[www.wالتontaxpayers.org](http://www.wالتontaxpayers.org)



*The eyes and ears of Walton County for taxpayers*



(Process—from page 2)

**Two factors determine the amount of taxes we pay:**

A property's value as determined by buyers and sellers in the open market. This part of the equation cannot be controlled.

The budget and millage (tax) rate set by each taxing authority (millage rate is used to multiply the assessed value of property to determine the tax bill). This part of the equation can be controlled.

The key component missing from the equation is the property owners ability to pay the tax bill.

Property taxes are the primary funding source for local governments.

The board of county commissioners, school board, city councils and special taxing boards are responsible for determining their respective budgets and levying the taxes to support those budgets.

There are dire consequences when people can't afford insurance and taxes on their property, especially when the real estate market is stagnant.

**We Need Your Financial Support !**

Don't just say you're interested in lower taxes and responsible government.

**Be a part of WCTA doing good things !**

We have been able to keep our annual membership fees at a reasonable rate of \$10 for a number of years. With membership renewals and some members giving more generously, we are able to produce and mail our quarterly newsletters.

In the last couple of years, we have become much more active as an organization, more involved in government issues and financial analyses. We maintain a web site. We prepared and presented Power Point presentations to the county, school district and South Walton Fire District in recent budget hearings.

We held candidate fairs in the north and south parts of the county, placed ads in local newspapers on budget hearings, and were guests on local television.

Board members contributed their own money to pay for our ads, refreshments at candidate fairs, and presentation materials. Untold hours were spent this year by our directors attending meetings and studying issues. Our recent round of budget presentations cost over \$1,700.00 in newspaper advertising and literature.

We do this because we want to make our county the best it can be. These expanded efforts cost money! Everyone on our board is a volunteer. We are careful spending your money.

We are able to be the eyes and ears of the taxpayers ONLY with your continued financial support. There is much work yet to be done.

**We need to raise an additional \$4,000.00**

**Make a Special Contribution so that we can continue to expand our efforts.**

**We will spend it wisely !**