PREPARING YOUR WORKFORCE BUDGET FOR AMENDMENT 3

A scenario-planning guide for cities, counties, and school districts — modeling both a pass and a fail?

Evergreen Solutions, LLC - July 2026

IN BRIEF

Whether Amendment 3 passes or fails on November 3, the pressure on Florida local government budgets is already here, and it lands hardest on personnel, which represents most of the operating spending. This paper models both outcomes, shows why the workforce budget is where fiscal reality gets resolved, and lays out five no-regrets moves leaders can make now. The central message: **scenario planning today is an investment that pays off under either result.**

The Decision Florida Voters Face

On November 3, 2026, Floridians vote on Amendment 3 or the "Save Our Homes from Excessive Property Taxes" measure. If it clears the 60 percent threshold, it takes effect January 1, 2027, raising the non-school homestead exemption to $150,000 in 2027 and $250,000 in 2028 (indexed thereafter), cutting the non-homestead assessment cap from 10 percent to 5 percent, and opening a constitutional pathway toward full elimination of non-school homestead property taxes.

State economists estimate local revenue losses of roughly $5 billion in the first year, climbing to nearly $12 billion annually by 2031. Property taxes account for about 74 percent of local tax collections statewide, so this is a structural change to how local government is funded.

Yet the outcome is genuinely uncertain. The measure's original sponsor has stepped back from the campaign, a lawsuit is challenging the ballot language, and cost estimates keep climbing. Prudent leaders will not bet their FY2027–28 budgets on a single result. They will prepare for both.

Why the Workforce Budget Is the Pressure Point

In most Florida cities and counties, personnel costs in the form of salaries, benefits, pensions, and health insurance consume 60 to 80 percent of the operating budget. When revenue contracts, math dictates that the workforce budget absorbs the largest share of the adjustment. There is simply no path to generate savings that does not touch how an organization is staffed, structured, and compensated.

However, unplanned decision-making carries substantial risks. Across-the-board cuts, hiring freezes applied indiscriminately, or flat percentage reductions tend to reduce the effectiveness of critical functions, trigger grievances and legal exposure, and erode service quality in ways that are politically costly and hard to reverse. The alternative is deliberate: a workforce budget built on a defensible classification structure, clear service-level priorities, and an adaptable organizational design. That is not a task to begin after the vote. It is a capability to build now.

Two Scenarios at a Glance

The differences matter for tactics, but note the last row. Under either outcome, the workforce budget is where the adjustment happens.

Dimension	If Amendment 3 PASSES	If Amendment 3 FAILS
Ad valorem revenue	Declines immediately as the non-school homestead exemption rises to $150K (2027) and $250K (2028), phasing toward full elimination.	No statutory cuts, but personnel and service costs continue to outpace revenue growth.
Timing	Effective Jan 1, 2027; first material impact in the FY2027–28 budget.	No trigger date, but the squeeze is gradual and compounding.
Spending flexibility	Remaining ad valorem restricted to core functions (public safety, infrastructure, debt, and general operations).	Existing flexibility retained.
School districts	Homestead levies preserved; non-homestead base growth slows under the 5 percent cap.	Largely unaffected on the homestead side, but fiscal realities arise from enrollment changes.
Political outlook	Momentum for further relief and full elimination continues.	Relief appetite persists; future measures remain likely.
Workforce implication	The personnel budget must absorb the largest share of the adjustment quickly since other sources would take longer to realize.	Disciplined workforce planning still required to stay ahead of structural cost growth.

Modeling the Impact: An Illustrative Jurisdiction

Consider “River County,” a hypothetical mid-size Florida jurisdiction used here purely to illustrate the method. Assume a $180M general fund, roughly $110M of it from ad valorem taxes, with personnel at about 62 percent of operating spending (≈$112M) and a fully loaded average cost per position near $95,000.

Scaling the statewide revenue trajectory to River County’s tax base, the ***pass*** scenario produces a widening gap, and the more useful way to read it is not in dollars but in **workforce equivalents**, because that is the budget line that must ultimately give.

Year	Illustrative revenue reduction	Equivalent personnel-budget impact
Year 1 (FY2027–28)	**$6.6M**	≈ 70 positions (≈5.9% of personnel budget)
Year 2	**$11.6M**	≈ 122 positions
Year 3	**$12.8M**	≈ 135 positions
Year 4	**$14.2M**	≈ 149 positions
Year 5 (FY2031–32)	**$15.8M**	≈ 166 positions (≈14% of personnel budget)

The ***fail*** scenario is quieter but not benign. With no statutory cut, River County still faces personnel costs rising by nearly 5 percent annually against revenue growth of closer to 3 percent, compounding to a structural gap of roughly $4-$5M within three years. Smaller than the pass case, but persistent, and requiring the same disciplines to manage.

Figures are illustrative and rounded; actual exposure varies by a jurisdiction's homestead share of taxable value, millage, and budget structure. Evergreen builds this model to each client's specific tax base and position roster.

Five No-Regrets Moves to Make Now

Each of these strengthens a jurisdiction's position regardless of how the vote lands.

MOVE 1 Build your workforce-budget baseline and exposure model

You cannot manage what you have not quantified. Map personnel cost drivers at the position level, model your specific ad valorem exposure under both scenarios, and translate the gap into workforce equivalents. This is the analytical foundation every later decision rests on.

MOVE 2 Establish a defensible classification and compensation structure

The most damaging mistake in austerity is the across-the-board cut. A current, market-referenced classification and compensation structure lets you adjust *precisely*, protecting mission-critical roles while reducing where it is sustainable, and gives you the documentation to defend those choices. In a downturn, a comp study is not about raises. It is risk management.

MOVE 3 Define service-level tiers and prioritize

If the amendment passes, remaining ad valorem revenue is restricted to core functions. Leaders who have already sorted services into tiers (essential, important, discretionary) can deliberately align staffing with priorities rather than defending every line under pressure. This work also sharpens the case for what must be preserved.

MOVE 4 Stress-test the organizational structure

Examine span of control, supervisory layering, vacancy patterns, and candidates for shared services or regionalization. Structural savings through flattening, consolidating, and redesigning workflows are more durable and less harmful than headcount cuts to intact teams, but they require analysis to find and a plan to execute.

MOVE 5 Deploy AI and technology as a force-multiplier

The goal in a leaner environment is to sustain service levels with fewer people. Targeted automation and AI adoption in permitting, records, HR operations, and customer service can support a smaller workforce without degrading the resident experience. The jurisdictions that plan this now will be the ones still delivering in 2028.

How Evergreen Partners

Evergreen Solutions has spent decades helping Florida’s public sector organizations align their people, structure, and budgets through compensation and classification studies, organizational reviews, and workforce and succession planning. Amendment 3 does not change what we do.

We help leaders move through the five moves above by partnering with public entities to complete:

– **Fiscal-impact readiness assessment** — a scoped model of your exposure under both scenarios, translated into workforce terms.

– **Classification & compensation studies** — defensible structures that enable precise, documented decisions.

– **Organizational & service-level reviews** — span-of-control, shared-services, and prioritization analysis.

– **Workforce planning & AI-utilization strategy** — sustaining service with a leaner, better-equipped team.

We would welcome the opportunity to begin that conversation with your leadership team.

Start the conversation
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This white paper is provided for informational purposes and reflects publicly reported estimates as of July 2026. It is not legal, tax, or fiscal advice. Illustrative figures do not represent any specific jurisdiction. Amendment 3 remains subject to voter approval and pending litigation.