

**Village of Palm Springs  
Office of the Village Manager**



August 20, 2020

Honorable Mayor and Members of the Village Council:

In accordance with the Village Charter [Section 4.04(f)], I hereby submit for your review and consideration, the proposed operating and capital budgets for the general, debt service, CRA and enterprise funds for the fiscal year beginning October 1, 2020 (FY 2021). This budget document is intended to establish an operational and financial plan for the delivery of Village services, programs and projects during the upcoming fiscal year. Additionally, the proposed budget serves as an aid to our residents, businesses and stakeholders in providing a better understanding of the Village's operating and fiscal programs and how their tax dollars will be spent.

**Village Goals and Past Year Highlights:**

This past year has been another exciting year of challenges and change for the Village that has resulted in new growth along our commercial corridors and within our residential neighborhoods, increased assurance that we are receiving the lowest feasible cost for all purchases and redefining our organizational responsibilities and structure to ensure that the highest levels of productivity are achieved. Although our Village has faced a number of significant issues (i.e., COVID-19 pandemic and the ongoing concern of storm events) that have currently (and may further) impacted our community, our primary focus continues to be ensuring the Village remains a vibrant community filled with neighborhoods that foster a "small town feel" and values our various cultures and

our natural environment. We have an incredible staff, and every day they strive to provide customer service that is second to none. At the same time, we work to provide facilities, services, programs, activities and projects to our community that support a high quality of life.

To clearly identify the expectations and accountability for the Village's governmental activities, six (6) goals have been identified to be considered in all Village operations and activities:

- . Financial Stability/Sustainability
- . Grow Our Community (Annexation)
- . Promote Economic (Re-)Development within Our Commercial and Residential Areas
- . Ensure We Provide a Clean and Safe Village
- . Maintain Our Small Town Feel within Our Diverse Community
- . Maintain the Village of Palm Springs as an Excellent Place to Work

**Financial Stability/Sustainability:** The Village continuously seeks to obtain financial sustainability through diverse and stable revenues as well as through good planning, consistency and cost awareness. By achieving our financial goal, the Village will be able to maintain/provide the highest levels of municipal services to our residents and stakeholders, while maintaining the small town feel that has made Palm Springs unique among municipalities in Palm Beach County. Some of the areas where the Village has improved our financial condition this past year include:

- . Reduced total millage rate paid by all property owners within the Village for the 8th consecutive year – 18% reduction
- . No increase in Utility Rates and Garbage Rates were provided to Village customers in 2019/2020
- . Maintained 32.5% of General Fund expenditures in Unassigned Fund Balance to assist with unexpected/unplanned as well as assigned fund balance of \$3 million for disaster recovery (i.e., emergency issues, severe storms) and \$1.5 million for one-time large capital needs.
- . Implemented a new electronic Purchase Order (PO) system as well as a new paperless check request/approval system to

reduce paper requests while making it more convenient to approve project/activity funding and process check/payment requests

- . Continuously maintained and implemented consistent, reliable standard operating procedures for internal control and financial sustainability
- . Expanded the use of specialized procurement technology and virtual meeting opportunities to promote Village bidding opportunities throughout Florida and the country to receive the lowest possible pricing/cost for Village expenditures
- . Implemented a new auction opportunity to dispose of dated and/or unused equipment, which has provided the Village with the opportunity to receive funding for this equipment (\$122,585 to date in FY 2020) while also enabling the Village to remove this equipment from our insurance coverage (resulting in additional annual cost savings)
- . Received numerous grant awards (i.e., CDBG - \$187,691, Library State Aid - \$16,624, FDOT Street Lighting - \$114,504, PBC Interlocal Agreement - \$113,500, FMIT Safety Grant - \$3,462, PBC \$12.50 Funds - \$26,958, SWA Beautification Grant - \$35,932, Hazard Mitigation - \$6,902, NLC Census Grant - \$5,000, etc.)  
FEMA reimbursement resulting from Hurricane Irma and Hurricane Dorian expenditures in the amount of \$36,828 (federal share) and \$10,462(state share)
- . Property valuations increased 8.46% (approximately \$116 million in new taxable assessment value). This is the 7th consecutive increase in Village-wide property valuations
- . In November 2016, the one-cent sales tax was approved by 56.63% of the voters of Palm Beach County. As a result, the Village will receive approximately \$14,839,500 million over a 10-year period to support various capital improvement projects and equipment. A three (3) member Infrastructure Surtax Citizen Oversight Committee was established to review and confirm that the proposed projects met the requirements of the voter approved one-cent infrastructure surtax

**Note: From the beginning of the COVID-19 pandemic, the Village immediately decided not to charge utility fees and late fees and to suspend shut-offs due to lack of payment for those in need. Further, as the pandemic continued, the Village provided assistance in obtaining CARES Act funding as well as payment plan opportunities (with zero interest rates) to help customers through this difficult time. The Village also experienced a significant reduction in state revenues (i.e., sales tax, gas tax, etc.); however, it was determined that our local government organization would continue to provide a**

**full staff to support the needs of our community and to promote local jobs and continued investment within our Village. Additional (and unexpected) financial consequences have been taken on by the Village to support the continued development/growth of our community as well as our staff through this difficult time (Please see below for additional financial responsibilities taken on by the Village).**

**Annexation:** This past year, the Village continued our annexation initiative (not as aggressively as previous years) to attract quality businesses, enhance surrounding residential neighborhoods and expand our tax base. The Village has continued to grow within our identified future annexation area, and we are currently the 12th largest city in Palm Beach County with an estimated 23,560 residents. Although the Village is moving ahead with this initiative, we continue to proceed in a more conservative manner to ensure resources are available to continue the delivery of the superior services that our community has become accustomed to receiving at the lowest possible cost. In fact, the Village only brought in four small (4) parcels of property this past year and has not annexed (or incorporated) a significant area of property into the Village since 2016 (south of Lake Worth Road involuntary annexation).

Additionally, the Village has continued to establish partnerships with neighboring cities with the intent of growing the Village, eliminating gaps/pockets of unincorporated areas to promote a “clean and safe” community and encouraging investment (i.e., re-development).

Finally, the Village has begun to hold discussions with Palm Beach County to develop an Interlocal Service Boundary Agreement (ISBA) and a Joint Planning Agreement (JPA) in an effort to promote consistent land uses between the Village and the County upon annexation. Potential future or priority annexation areas that have been discussed with the County as part of a JPA include: Military Trail (Forest Hill Boulevard south to Tenth Avenue), 6<sup>th</sup> Avenue and Davis Road (north to Lake Worth Road) and Congress Avenue (the Village’s northern boundaries north to Southern Boulevard).

**Note: Although the Village maintains a number of priority areas to be incorporated into our community, the Village has not undertaken significant annexation initiatives since 2016. This has enabled the Village to focus on the livability of our**

**Village as well as to promote economic (re-)development and create investment and jobs, enhance public safety and promote retail and commercial uses throughout our community.**

**Promote Economic (Re-)Development:** The Village Council previously committed to slowing our annexation efforts and to begin focusing our efforts on economic development and re-development opportunities to help create jobs, grow our tax base and increase our overall quality of life by making the Village a more attractive community. A primary goal of the Village is to enhance the quality of life within our residential communities as well as to promote a vibrant business environment within our commercial corridors - Congress Avenue, Forest Hill Boulevard, Lake Worth Road, 10th Avenue North and Military Trail. The Village utilizes our utilities (i.e., water and wastewater) and our annexation initiative to assist with meeting this goal. Following annexation, the Village works to enhance the appearance and livability of our community for all stakeholders and to meet our goal of providing a “clean and safe” Village through our policing, code enforcement and building/inspection services (“three-legged stool approach”).

The Village has continued our efforts to aggressively amend our land development code, reduce chronic code violations, remove unsafe structures and annex unincorporated areas just outside of our Village to eliminate undesirable activities from occurring. To assist in achieving this goal and ensure that the Village remains a great place to live, work and play, we will continue to work to create and promote a positive pro-business and residential image, continue to install/provide necessary infrastructure and offer/promote grants and other financial opportunities to stimulate economic (re-)development within our residential and commercial communities. Thus, resulting in a desirable business climate where quality businesses want to be and/or expand, new jobs will be created, and family/community-based neighborhoods will be found throughout our Village.

We are proud of the progress that has occurred within the Village this past year and are excited about the growth and economic development/re-development opportunities that are available to our community. This year the Village completed a number of initiatives to facilitate future economic (re-)development activities, including:

- . Received approval from Palm Beach County to establish the Palm Springs Community Redevelopment Agency (CRA) that includes two (2) CRA Districts within the Village (1. Congress Avenue District – generally north of Forest Hill Boulevard to

Summit Boulevard and 2. Lake Worth Road District - E-4 Canal west to Military Trail) to assist with funding necessary infrastructure, safety improvements and incentives to promote economic (re-)development opportunities and improve the overall quality of life within the designated areas (Note: This was the Village's 2<sup>nd</sup> request to the County to create a CRA. The PBC Board of County Commissioners considered this request on August 20, 2019 and voted 4 to 3 to direct staff to negotiate an agreement with the Village to establish a partnership prior to final consideration on September 3, 2019. The County did not approve the Village's initial request in 2018 – 3 votes for and 4 votes against). FY 2021 will be the first year that the Village and the County will contribute Tax Increment Financing (TIF) funding to the Palm Springs CRA

. Completed five (5) amendments to various sections of the Village's code of ordinances (including our Land Development Regulations) to ensure the Village maintains its small town feel, safety and livability while also promoting our business community and providing for improved development and investment opportunities (i.e., platting requirements, special exceptions, water supply work plan, authorizing mobile food trucks, limiting vehicle oriented uses – gas stations, car washes, auto repair sales, etc.)

. Partnered with the Florida Department of Transportation (FDOT) and the Palm Beach Transportation Planning Agency (TPA) to begin the engineering/engineering process to improve the safety and infrastructure within the Lake Worth Road corridor [i.e., wider sidewalks, mid-block pedestrian cross walks, separated bike lanes, roadway paving and striping, stamped pavement within medians, , directional medians (peanuts) to reduce turning options, potential future signalized intersection at Davis Road and Lake Worth Road, , etc.]. Construction is expected to begin in Fall/Winter 2021 with an expected completion date of approximately 18 to 24 months. This project is expected to cost more than \$6 million and will be funded by the FDOT

. Completion of new residential construction as well as new and/or renovated retail and professional office spaces throughout the Village, including: Defy (Circus Trix) Trampoline Center (Congress Avenue), Florida Lottery District Office (southeast corner of Military Trail and Forest Hill Boulevard – Shoppes of Forest Hill), Sarku Japan Restaurant (southeast corner of Military Trail and Charlotte Street), Soma Medical Center (northeast corner of Forest Hill Boulevard and Dalinda Lane), multiple new single-family residential homes (various locations throughout the Village), Preston Square Townhomes and community pool and cabana - 58 homes completed and all 160 permits have been pulled (northeast corner of Congress Avenue and Lark Road)

- . Continued to provide owners of vacant properties with the opportunity to finance various utility infrastructure (expense) improvements with the Village as utilities become available within their community and to facilitate infill development
  - . Continued to provide customer service within all areas of our Village throughout the COVID-19 pandemic to ensure the continued development of properties and investment into our community, which assisted in maintaining, and in some cases, creating new jobs
  - . Awarded fourteen (14) Property Improvement Program (PIP) re-development matching grants (up to \$5,000 each), totaling \$19,804 to help Village property owners make needed improvements within our residential and business communities – Resulting in total projects cost of \$142,228 that are expected to increase property valuations
- Note: To date, the Village Council has awarded 89 grants to residential and business properties totaling \$444,368 with total projects cost of \$888,912. This Program has contributed to an increase in the Village’s total valuation that is utilized to calculate ad-valorem taxes to the Village annually**
- . Continued the process of branding the Village by installing new “Welcome to Palm Springs” signage placed are at various entrances into the Village as well as wrapping our new passenger buses with Village-related information. These projects promote community pride, home ownership and property and business investment
  - . Approximately 286 jobs, during FY 2020, were(are) associated with the construction and/or operation of various new residential and commercial developments as well as the development of new businesses within the Village
  - . Began the process to select a consultant to develop (revise) the Palm Springs’ Community Redevelopment Agency (CRA) Redevelopment Plan and Economic Development Strategic Plan to ensure a unified vision for the development of the two (2) CRA districts (Lake Worth Road District and the Congress Avenue District)
  - . Began the process to identify a consultant to review and, if needed, recommend changes to the Village’s impact fees that are required for new development to assist in providing funding for the new impacts related to policing and parks and recreation services provided by the Village

**Note: Throughout the COVID-19 pandemic, our staff continued to offer in-person inspection services, instituted electronic plan (ePlan) review for minor permit applications (i.e., A/C change-out, electrical service panel or meter repairs, water heater/water or sewer tie-in, fence, re-roof, shutters, stucco/lath, driveways, windows/doors, shed, tree removal,**

etc.), deferred submittal of recorded Notice of Commencements until final inspections (instead of prior to 1<sup>st</sup> inspection), deferred special magistrate proceedings for business license program (delinquent license renewal or lack of Village license), developed temporary outdoor seating allowances for restaurants, processed and issued development permits and utility applications to ensure the continued growth of our Village while enabling our citizens to continue to work as well as even to grow the number of jobs with our community. Although Village Hall has been closed in an effort to maintain the health and safety of our community and our staff, we have offered a number of customer service opportunities to meet with our customers including communications via telephone, E-mail, Zoom and/or GoTo Meeting, created a drop box and pick-up box for all submittals and issuance of permits, provided in-person meetings on an “appointment only” basis and/or within our drive-up window, met with customers on an appointment basis, etc.

**Ensure a Clean and Safe Village:** This initiative is designed to ensure that the Village provides safe and clean places, for the entire community to enjoy including public spaces, commercial corridors and residential neighborhoods. To achieve this goal, our staff (i.e., Police, Code Enforcement, Planning and Building Official/Inspectors, Public Service, Parks and Recreation, etc.) have been focused on programs and activities to assist in making the Village a more livable community. This year we have taken the following steps to meet this goal:

- . Partnered with the Palm Beach Transportation Planning Agency (TPA) to begin the process to develop a Transportation/Mobility Plan to evaluate and the need to undertake pedestrian/bicycle and "Complete Streets" improvements within the Village to enhance safety and provide enhanced facilities for multi-modal transportation within the Village
- . Approved the assignment of the Village’s solid waste collection contract to Waste Pro of Florida (from Republic Services of Florida) to ensure continued and uninterrupted collection services to the Village with no change in rates/prices, routes and/or pick-up schedule for the Village's residential and commercial customers while also providing new performance measures and penalties
- . Adopted the Palm Beach County Local Mitigation Strategy, which is a joint planning effort with the County and other local cities, to identify potential hazards (i.e., natural and/or human-caused - fire, flood, storms, etc) and establish appropriate

responses or mitigation measures for properties within the County. This plan enables the Village to be eligible to receive funding from the Hazard Mitigation Grant Program, Flood Mitigation Assistance Program and Pre-Disaster Mitigation funding programs

- . The voters of Palm Springs approved a referendum (67.44%) amending the Village Charter and adopting Article VIII “Police Department”, Section 8-1 “Preservation of Local Police Department” to restrict the abolishing, merging, outsourcing or transferring of police department services to another agency or entity. Further, future referendum ordinances, initiated by the Village Council, calling for such an election will require approval of a supermajority (at least 4 out of 5) of the Village Council
- . Modified the Village’s Community Development Block Grant (CDBG) Target Area to ensure that CDBG funding is being properly utilized to support areas within the Village where at least 51% of the residents are of low and moderate incomes and within areas that exhibit visible signs of deterioration or underdevelopment (sub-standard housing, inadequate infrastructure (water, sewer, drainage, sidewalks), inadequate public facilities (parks, community centers, libraries)
- . Selected a new vendor to provide landscaping services at Village-owned properties, including the Village Hall complex, parks, roadway medians, Village-owned lots, water treatment plant entrances and various utility locations (this change is expected to result in an approximate savings of \$40,000 to the Village)
- . Completed the major renovations of the Village’s Library to promote a safe, healthy and fun environment for our community. Renovations included new luxury vinyl plank (LVP) flooring and painting (throughout the Library), new furniture, installation of radio-frequency identification (RFID) technology to track the checkout, installing a fire alarm system, return and inventory of Library resources, replacement/new twenty-one (21) security cameras and installation of a new employee badge system and installation of an updated sound system for the Library's Meeting Room as well as the installation of other new technology equipment/features (i.e., audio visual system, televisions/monitors, etc.) within the public areas of the library to promote/enhance learning, communication and marketing.
- . Completed/Began various critical stormwater related projects to manage, but also attempt to eliminate, flooding in several of our neighborhoods to improve the livability of our community – 1. Miller Road Stormwater Improvement Project, 2. Alameda Drive Stormwater Improvement Project, 3. Frost Lake Stormwater Improvement Project and 4. Carol and Rex Avenue Stormwater Improvement Project **(Stormwater Funded)**

- . Expecting to mill and resurface seven (7) roadways to extend the road's service life and to provide safe roadways for our residents and visitors. Over the past eight years, the Village has invested more than \$2,821,181 into the milling, paving and striping of our roadways along with new construction of unpaved roads
- . Began the installation of Light-Emitting Diode (LED) street lighting [maintained by Florida Power and Light (FPL)] within the Village's rights-of-way
- . Completed the Canal 11 Road Project – Phase III that included the road paving/construction [as well as the installation of guard railing and Type F (stand-up) curbing on the north side of the proposed roadway (south of the LWDD's Canal 11]. The Village previously completed the construction/relocation of Village utility pipes and stormwater pipes (Phase I) and the Lake Worth Drainage District (LWDD) has completed a significant project to straighten a portion of the drainage canal (Phase II)
- . Completing a 3-year advanced metering infrastructure (AMI) technology project by installing base stations, a tower and antenna and repeaters to support the Village's recently installed 13,009 new water meters that is expected to improve staff productivity (utility usage/data will be provided to the Village electronically rather than through manual meter reading and/or driving through the Village to determine customer usage at a single point in time), provides the Village with the ability to assist/manage water leaks in real-time and is expected to improve customer billing and increase customer satisfaction
- . Completed and/or began various utility capital projects including the replacement/rehabilitation of two (2) water wells, replaced two (2) Pratt Water Plant Spiractors (lime softening units that have been in service since 1985), replaced original centrifugal pumps with disc pumps for pumping resin slurry in the water treatment process, replaced two (2) 2,550-gallon sodium hypochlorite polyethylene storage tanks at the Main Water Treatment Plant (WTP) to assist with disinfectant process
- . Began engineering and design to upgrade lift station Supervisory Control and Data Acquisition (SCADA) system (electronic monitoring system that achieves control at each of the Village's lift stations and provides data on how the station is operating as well as flow rates, rainfall rates, etc.) to upgrade the remaining twenty (20) of fifty-nine (59) lift stations and three (3) vacuum pump stations throughout our utility service area to ensure safe and proper wastewater/sewer collection services to the Village's 12,043 customer accounts
- . Completed the abandonment of the PS-05 Sewer Lift Station (Kent Pump Station) and rerouted wastewater flows through

- gravity sewer to a newer, existing pump station on Kirk Road to reduce maintenance problems
- . Installed an automated queuing system within the Public Service Department's Utility Customer Service Office (utility billing) lobby to continue our efforts to provide the highest levels of customer service to our utility customers
- . Began the process to design the expansion of our Police Department building to better support our staffing and operational needs due to an increase in the total number of Police Department staff as a result of annexation and growth within our community. Construction is expected to begin in FY 2021 (**Sales Tax Funded**)
- . Purchased fourteen (14) new Police Department vehicles, equipment (i.e., in-car cameras, light bars, etc.) and graphics to support our department's efforts to maintain the safest community possible. To date, the Village has purchased/replaced all of the vehicles within our fleet - 58 vehicles within our Police Department have been purchased/replaced over the past 7 years with no marked cars on the road today that are older than 2014 (all Ford Crown Victoria vehicles have been removed from active service)
- . Worked with the Town of Lake Clarke Shores Police Department to securely connect them into our network to provide needed police data sharing
- . Our Police Department was found to be in compliance with the Florida Department of Highway Safety and Motor Vehicles (FLHSMV) technical audit to verify our Police Department's compliance with the polices and regulations of the Driver and Vehicle Information Database (DAVID) that provides our officers with immediate retrieval of driver and motor vehicle information
- . Beginning the process to purchase a new Body Worn Camera system (i.e., expected 50 new cameras, storage of video in the Cloud, software, multi-year warranty, etc.) to provide the highest levels of safety to our officers as well as to our community. This new system is expected to be purchased by the end of FY 2020 and will be implemented within FY 2021
- . Completed various technology equipment and software upgrades from old unsupported versions to better protect and provide increased security of the Village's network while also providing significant savings to the Village
- . Implemented additional new ransomware and malware protection systems
- . Completed the required Windows 10 upgrade for all Village computers (no cost to the Village - free upgrade), implemented a new agenda management system that is used for all Village meetings (i.e., Village Council, CRA, Planning Board, Special Magistrate, etc.), working to install a new on-line employee hiring and onboarding option to improve staff productivity and

better promote available Village positions locally as well as around the state and nationally, implemented the Village's new Tyler Cashiering (Munis) software/module within our Public Service Department - Utilities, Planning, Zoning & Building (PZ&B) Department and Parks and Recreation Department to provide our customers with improved flexibility and ease in making payments while also providing the Village with real-time access to customer balances across multiple applications and departments

. Began the 1<sup>st</sup> phase of the conversion/migration of the Village's phone system to a new Voice over Internet Protocol (VoIP) phone system, which will include moving to new phone service provider

**Note: Throughout the COVID-19 pandemic, the health and safety of our community and our staff was (and continues to be) a priority. Thus, our staff worked to continuously inform our community on the need to follow the CDC guidelines through all of our communication tools (i.e., announcements during in-person and virtual public meetings, events, programs and/or activities, E-newsletters, created a separate COVID-19 information page as well as provided a number of news briefs on the Village's website – [www.vpsfl.org](http://www.vpsfl.org) – an our social media accounts, utilized our LED message boards, posted signage on all buildings, staff handed out flyers at numerous residential and business properties, worked with various partners, churches, local governments, etc., included notices on monthly utility bills, etc.). As stated previously, although Village Hall has been closed in an effort to maintain the health and safety of our community and our staff, we have offered opportunities to meet with our customers through electronic media, dropping of documents in drop boxes and/or within our drive-up window, met with customers on an appointment basis, installed plexiglass separators within all areas of the Village where there would be difficulty in meeting the CDC's social distancing guidelines as well as offering masks, increased public hand sanitizer options and cleaned/sanitized the Village's indoor facilities. Further, we instituted a new opportunity for our residents and businesses to make police reports by telephone as well as assigning one (1) officer per shift to serve as a transport officer to reduce potential contamination of our front-line workers. Take home vehicles, which were recently approved for all officers with more than one (1) year of service (with some exceptions as provided with the union agreement), provided our officers with a safer and more isolated environment from exposure to the COVID-19 virus.**

**Maintain Our Small Town Feel within Our Diverse Community:** The Village is located within the 12th most populous urban area within the county. However, we maintain a unique small town feel that many communities work very hard to duplicate. Our residents throughout the Village know each other and our governmental staff maintains a strong emphasis on providing the highest levels of customer service and highest quality events, programs, services and activities to ensure that the Village remains a great place to live, work and play. Some of the ways we have continued to promote this atmosphere within our Village include:

- . Continue the process of installing new Village welcome (monument) signage at up to 4 locations at various entrances to the Village, which would continue our branding and promotion efforts (in addition to our previously completed projects - installing new Welcome to Palm Springs signage placed at various entrances into the Village, new street signs with the Village seal, LED monument messaging sign, wrapping our new passenger buses with Village-related information, etc.)
- . Restructured our summer camp program due to COVID-19 to meet all CDC guidelines and safety measures to promote a safe, healthy and fun environment while enabling our parents and employees to continue working during this difficult time
- . Completion of the new Foxtail Palm Park, located on the northeast corner of Kirk Road and Park Lane, is expected by the end of FY 2020 and construction has included turning a borrow pit lake into a focal point lake with a walking/fitness trail around its perimeter and fountain in the center, playground equipment, shade shelter, site amenities (i.e., benches, water fountain, trash receptacles, etc.), landscaping and irrigation system and paved parking lot with an ADA walkway
- . Completed the engineering and design for four (4) of the five (5) Sub-Phases (with the remaining Sub-Phase to be designed following the purchase of property to construct a new park on the east side of the Village). The 1<sup>st</sup> Phase of this project is expected to begin construction in August 2020 and is planned to be completed by October/November 2020. This new Village-wide pathway park connector pathway project is expected to connect ten (10) of the Village's eleven (11) parks (Christmas Palm Park will not be connected due to the residential character of the area) with a wide sidewalk (where possible) enhanced with pedestrian amenities, such as benches, water fountains, distance markers, trail information boards, etc. **(Sales Tax Funded)**
- . Began renovations to the Village Hall Complex Ballfields to continue to provide the highest quality sports turf and playing fields for Village residents and participants. This project is expected to be completed by the end of the FY 2020 and includes replacing the irrigation system, stripping all existing sod from the fields, spraying and debris removal of existing soil, a rough

- grade, adding a new topsoil mix (to stimulate turf growth), laser grading of the fields and installing new bermuda sod [all existing clay areas will be replaced with sod (except for the pitching mound and home plate areas)] to provide a safer recreation facility while also reducing the maintenance requirements by Village Staff (**Sales Tax Funded**)
- . Purchased and installed a new prefabricated concrete restroom at the Village's Sabal Palm Park, located at 1051 Summer Street (north of 10th Avenue North), to support the increased use of the athletic field (**Sales Tax Funded**)
  - . Redevelopment of Village Hall Complex and the Royal Palm Park Playground areas are expected to be completed by the end of the fiscal year and will provide our children with the opportunity to learn/experience balance, climbing, education, sliding, sensory, colors and sounds. (i.e., climbing options, open tunnels, slides, swings, etc.); both projects will be built within the existing playground areas (Village Hall Complex will include the installation of shade structure) and will incorporate English and Spanish to assist our children and our community to better communicate and learn about various cultures (**Sales Tax Funded**)
  - . Conversion of Village Hall Complex tennis courts (one set) into hard-court pickleball/soccer courts to better meet the recreation needs of our community
  - . Awarded six (6) \$1,000 scholarships to selected high school seniors who live in the Village as part of the annual Village scholarship program, which was named in memoriam for Palm Springs resident and library volunteer Joseph Fallon, who died suddenly during his senior year at John I. Leonard High School
  - . Provide various enrichment programs to our community by our Library [i.e., approximately seven (7) children's programs per month with an average attendance of 25 people as well as approximately two (2) Family Programs per month with an average attendance of 75 people]
  - . Prior to the COVID-19 pandemic requiring Village facilities to be closed to the public, our Library continued to assist the community by offering free tax assistance through the VITA and AARP programs as well as free driver's license practice exams
  - . Held a number of community events, including the Village's annual Santa's Sleigh Ride, Stuff-A-Cruiser, Fall Festival, 4<sup>th</sup> of July Celebration, Easter Egg Hunt, Mayor's Walk and Touch-A-Truck events that promoted our diverse, family-oriented Village and community relationship building. The Police Department's 9<sup>th</sup> Annual Stuff-A-Cruiser event was our most successful ever and had more than 1,000 attendees and provided a much needed toys and more than \$10,000 donation

to local non-profits (i.e., Salvation Army and Adopt-A-Family) to help our community during the holidays as well as during the on-going pandemic

. Due to the rain and the COVID-19 emergency, the Police Department was only able to hold one (1) Family Movie Night event (generally four movie events are held annually) for our community to enjoy as well as their annual Stuff-A-Cruiser event and various other events (donation opportunities) to support those who are in need and hungry within our community

. To support our veterans, the Village is completing the replacement of the existing roof and the air conditioning systems on the Veterans of Foreign Wars (VFW) Building, located within the Village Hall Complex

**Note: Throughout the COVID-19 pandemic, our staff worked tirelessly to maintain the small town feel within our community by offering a number of events, programs and/or activities to our citizens: weekly food distribution (partnership with the Salvation Army and Palm Beach Harvest); distributed handmade masks made by the members of Palm Springs Baptist Church (at almost every Village event), partnered with Christ Fellowship Church to provide toiletries and personal care products to those with financial needs during the height of the number of positive cases with our community, worked with PBC to offer multiple mobile testing opportunities at different locations throughout the Village (staff distributed flyers to businesses and residents in both English and Spanish prior to each testing event), distribution of grocery store gift cards (funding donated by Soma Medical Center and El Bodegon Supermarket), directly distributed Census information and outreach materials to encourage increased response rates, held the Village’s annual 4<sup>th</sup> of July fireworks celebration and virtual “stay at home and watch” events, staff dropped off candy-filled eggs at a number of residential and business properties to celebrate Easter, offered summer camp and back to school camp to ensure that parents have the opportunity to continue to work and support the economy within the Village and our County, provided curbside checkout for library materials, offered virtual story times as well as adding online magazines and a new eBook platform to provide children’s and youth materials, assisted with the G-Star School of the Arts Senior High School Class Graduation Parade, offered drive-by parades for those celebrating birthdays and anniversaries to commemorate important personal dates, installed plexiglass separators within all areas of the Village where there would be difficulty in meeting the CDC’s social distancing guidelines as well as offering a various assortment of masks, gloves, face shields, increased public and personal hand sanitizer options and other requisite PPE, purchase a disinfecting fog**

**gun/equipment to safely sanitize the Village's indoor facilities, etc.**

**Maintain the Village of Palm Springs as an Excellent Place to Work:** Our staff is our most important asset that we maintain as a Village. We have a dedicated workforce that works very hard to meet the goals of our Village. As a result, it is important to ensure that we are able to offer competitive wages, benefits and a work life that is comparable with larger organizations who continue to look to our organization to fill their vacancies. Thus, the Village has continued to maintain its commitment to offering excellent work-related opportunities to our staff this past year (in a manner that is affordable to the Village):

- . Offered the highest levels of benefits (i.e., health, dental, retirement, etc.) to ensure retention of our workforce and attract the best candidates for open positions. We experience a 1% annual premium increase for medical and dental coverage (a premium discount was provided for bundling health and dental together). It was estimated that the expected premium increase for the 2020/2021 plan year would be approximately 9.8% from the Village's previous year's rates. Due to the 1% increase in rates received from the Village's health and dental provider, the Village experienced an approximate total savings of \$183,000 as determined by the Village's contracted benefits broker. As a result, Village employees did not experience a cost increase for medical and dental benefits
- . Continued providing opportunities for training, education and networking throughout our organization to ensure our staff is apprised of the most up-to-date work-related practices as well as ensuring the highest levels of safety and increased productivity
- . Implemented a new employee digital time & attendance system to modernize the existing paper-based employee timekeeping approval process (i.e., hours worked, overtime, time off requests, etc.) in an effort to provide a more efficient process for all employees (when documenting their time - time clocks, phone apps and web console) as well as our departments when submitting payroll requests and to ensure accurate and proper payroll payments are made to Village employees
- . Partnering with Palm Beach State College (PBSC) to develop a Leadership Academy to promote a full understanding of the customer service expectation and the responsibilities (education) as a manager and/or leader within the Village as well as to prepare our staff for succession opportunities. The Academy's curriculum has been established and is expected

to begin either by the end of the current fiscal year or at the beginning of the upcoming FY 2021 (depending on the COVID-19 pandemic). Further, staff is working with other local municipalities to partner with them to participate in this program

- . Continued to meet monthly with the Village’s Leadership Team, which includes all Village employees in leadership positions (i.e., department directors, supervisors, managers, crew leaders, etc.), to provide training on how we can serve our community, customers and staff better. Videos, articles and discussions have been utilized in an effort to learn together on how we can provide the highest levels of service possible to our employees, customers and stakeholders
- . Continued the Employee Roundtable meetings with 15 to 20 (randomly selected) employees, which has been a great opportunity to discuss operational issues within the Village as well as to provide Village-related information to our staff (become ambassadors to other staff throughout the organization and to our community) and ensure they are informed about the direction of the Village (i.e., annexation, growth – redevelopment, Village goals, etc.) as well as current issues (i.e., budget, benefits, operational changes, etc.)
- . Directors are being held accountable for improved communication with their employees to ensure the highest levels of moral by immediately addressing issues/concerns and providing information regarding the direction of the Village, employee benefits, budget and how the Village can improve working conditions, processes and procedures
- . Departments have begun to hold similar-type Roundtable meetings with their staff to address department-specific operational and morale issues as well as to provide attendees with information related to the Village and their department
- . To date, we have held six (6) Employee Recognition BBQ’s to recognize employees for their years of service and to thank our staff for all of their hard work (our 7<sup>h</sup> BBQ will be held prior to the end of the fiscal year)
- . Continued to promote succession planning and encouraged department management teams to identify and provide new opportunities and experience (i.e., attend meetings, training, planning, re-organization, responsibilities and accountability) for our next generation of leaders to be prepared to step up and serve our community
- . Continued to develop positive employee union relationships with the Village’s three (3) unions - Police Benevolent Association (PBA) – Officers & Sergeants and Lieutenants - and the Service Employees International Union (SEIU). The Village and the PBA agreed to new three (3) year contract in 2019 that addressed compensatory time, provided salary increases (Across the Board and MERIT Increases) and provided take home vehicles to all sworn officers after 1 year of

service to improve productivity and vehicle life/maintenance and increase customer service

We are also continuing to plan to hire a new Assistant Village Manager during the upcoming FY 2021. We have an expectation that all new leadership staff are expected to join the Village with significant experience and knowledge while enhancing the chemistry within our management team and emphasizing a strong work ethic and desire to provide the highest levels of customer service to our community and staff

**Note: Throughout the COVID-19 pandemic, our Village supported our employees in a number of ways to keep them safe as well as to provide financial assistance and support, including: meet all guidance and/or requirements as provided by the Centers for Disease Control and Prevention (CDC) as well as the federal, state and county governments regarding social distancing, wearing masks and/or personal protective equipment (PPE) and testing, immediately implemented the federal government’s Families First Coronavirus Response Act (FFCRA) that provided an additional 80 hours of COVID sick time to all employees (Note: this Act provided that various positions may be exempt from receiving this additional 80 hours of time; however, the decision was made immediately that the all of our staff, particularly our police, utilities, public works, etc., would be eligible for this additional time) as well as 10 weeks of paid Family Medical Leave Act (FMLA) would be available for child care, the Village Council unanimously supported an additional Pandemic Pay for all employees in the amount of \$100 per pay period for four (4) pay periods, offered additional working opportunities for part-time employees to keep them employed and assist departments with projects that have not been completed, provided flexible working schedules to reduce the risk of infection as well as to assist with home/personal issues, implementing a new “Back to School Camp” in partnership with the School District of PBC and the City of Greenacres to ensure that our employees’ and our citizens’ children have a safe and healthy place to learn virtually while also enabling our employees/community parents with an opportunity to maintain a consistent work schedule and, in some cases, keep their jobs, etc.**

## **Goals and Objectives for FY 2021:**

The Village will continue to work towards meeting our identified priorities and objectives to meet the Village's six (6) Goals, as outlined above. Additionally, we will work to facilitate new residential and commercial construction projects that will result in new jobs and significantly contribute to an increase in our taxable valuation. Further, these new opportunities will assist with our community image and livability, resulting in an increase in the viability of home ownership (rather than investment and rental properties) within the Village.

## **Budget Objectives:**

The following budget objectives have been considered during this budget process:

1. Reduced the total millage rate for FY 2021 (8<sup>th</sup> consecutive year)
2. Balanced the proposed budget while providing for needed non-recurring capital projects and equipment expenditures. Fund Balance is requested to be appropriated to support the cost for twenty (20) one-time projects (i.e., Capital, Sales tax, Contracted Planning Services, etc.):
  - . Virtual Desktop Infrastructure (VDI) to enable secure work-from home and reduces hardware costs (\$60,000) - **Fund Balance - CIP**
  - . Upgrade Vmware to provide for additional servers, increased functionality, virtual relocation & required for thin client VDI (\$35,000) - **Fund Balance - CIP**
  - . Upgrade Laserfiche software to provide enhanced services (i.e., digital forms and workflow) (\$39,125) - **Fund Balance - CIP**
  - . Re-flooring within Village Hall department offices (\$48,000) - **Fund Balance - CIP**
  - . Buildout of Village Hall north Flex Area & Finance department office renovations (\$263,800) - **Fund Balance - CIP**
  - . Conversion to VOIP Phone System (Carryforward) (\$100,000) - **Fund Balance - Unassigned**

- . Repair/Replace Village Hall A/C system (\$500,000) - **Fund Balance - CIP**
  - . Implement new (EnerGov) land use planning, permitting, enforcement case management and inspections software/hardware solution for permitting (\$102,000) - **Fund Balance - Unassigned**
  - . Installation of Wastewater Force Main – Engineering & Design – Congress Avenue CRA District (\$400,000) - **Fund Balance - Unassigned**
  - . Architectural Design for Police Department Expansion and partial construction cost (\$1,181,250) – **Sales Tax**
  - . One (1) new Police vehicle to accommodate new officers – specialty assignments (\$35,000) - **Fund Balance - CIP**
  - . Annual/Initial Police body worn cameras service agreement (\$66,000) - **Fund Balance - Unassigned**
  - . Construct new maintenance equipment storage building (Carry forward) (\$220,000) - **Fund Balance - Unassigned**
  - . Repaint Village Hall Complex Roofs (\$200,000) - **Fund Balance - Unassigned**
  - . Replace one (1) Backhoe (\$101,000) - **Fund Balance - CIP**
  - . Village Welcome Signage – Up to four (4) locations (Carry forward) (\$60,000) - **Fund Balance - Unassigned**
  - . Replace (partial) Library A/C system (Carry forward) (\$35,000) - **Fund Balance - Unassigned**
  - . Lakewood Garden Park Improvements (\$200,000) – **LWCF Grant & Sales Tax**
  - . Expansion of Pathway Park Connector trail project (Carry Forward) (\$636,000) - **CDBG Grant & Sales Tax**
  - . Sago Palm Park Improvements – Engineering & Design (park renovation, playground, shade, kayak launch, surfacing- sales tax) TO# 254 (Carry Forward) (\$80,000) - **Sales Tax**
3. Evaluated current staffing levels in all departments to ensure the best service delivery
  4. Ensured that Village equipment is replaced in a timely and consistent fashion to allow staff to achieve and maintain high levels of quality and services
  5. Provided funding to maintain the Village’s infrastructure, roadways and facilities
  6. Explored “outsourcing” opportunities as a cost savings measure
  7. Ensured sufficient training and educational opportunities are available for staff

## **Significant Financial Factors:**

The Village obtains a major portion of its' annual General Fund financial resources (19%) from property taxes. Since FY 2008, this revenue has increased by approximately 32% as we are continuing to experience a recovery from the recession. We are expected to experience an 6.9% increase in property valuations from \$1,322 million in FY 2020 to \$1.414 million for FY 2021 - a continued sign that we are moving in a positive direction. In addition to increased ad-valorem revenues, the Village will expect to receive a larger share of state revenues (i.e., half-cent sales tax, local option gas tax, state revenue sharing, etc.) in FY 2021.

Please note that although the Village experienced the 11<sup>th</sup> highest taxable valuation increase in the County in terms of percentage (8.76%) and we are ranked 12<sup>th</sup> in terms of population, our total taxable valuation ranks 16<sup>th</sup> of 39 in Palm Beach County. This is indicative of the continued need to maintain a strong focus on economic (re-)development to promote increase taxable valuations to fund municipal services that citizens have become accustomed to receiving in the Village.

As a result of the COVID-19 pandemic and the resulting downturn in the economy (which is expected to continue into the next fiscal year, but, unfortunately it is unknown for how long), many of the Village's more significant revenues are projected to experience a decrease within FY 2021. In fact, even with projected increases within the Village's total valuation and expected property taxes, total revenues for FY 2021 are expected to drop by almost 11%. Some of the more notable estimated revenue reductions include: Local Option Gas Tax (14%), One-Cent Sales Tax (13%), Communications Services Tax (11%), Building Permits (36%), Library State Aid Grant (20%), State Revenue Sharing (24%), Half-Cent Sales Tax (16%), Other Shared Revenue (26%), Summer/Vacation Camp Programs (17%), Violation of Local Ordinances (33%), Interest Earnings – SBA (43%). Further, the proposed FY 2021 Budget has reduced the need to utilize Fund Balance from the amount committed within the FY 2020 Budget by 23%.

Note: Due to the financial oversight and prudence that has been provided by the Village's Finance Department as well as each of the Department Directors and their staff over the past seven (7) years has enabled the Village to be financially prepared to weather this difficult time and to continue to provide the highest levels of customer service while also proceeding with significant

capital projects that will enhance the quality of life within our community and continuing with the same number of employees (unlike many other local governments within our County and around the state and country).

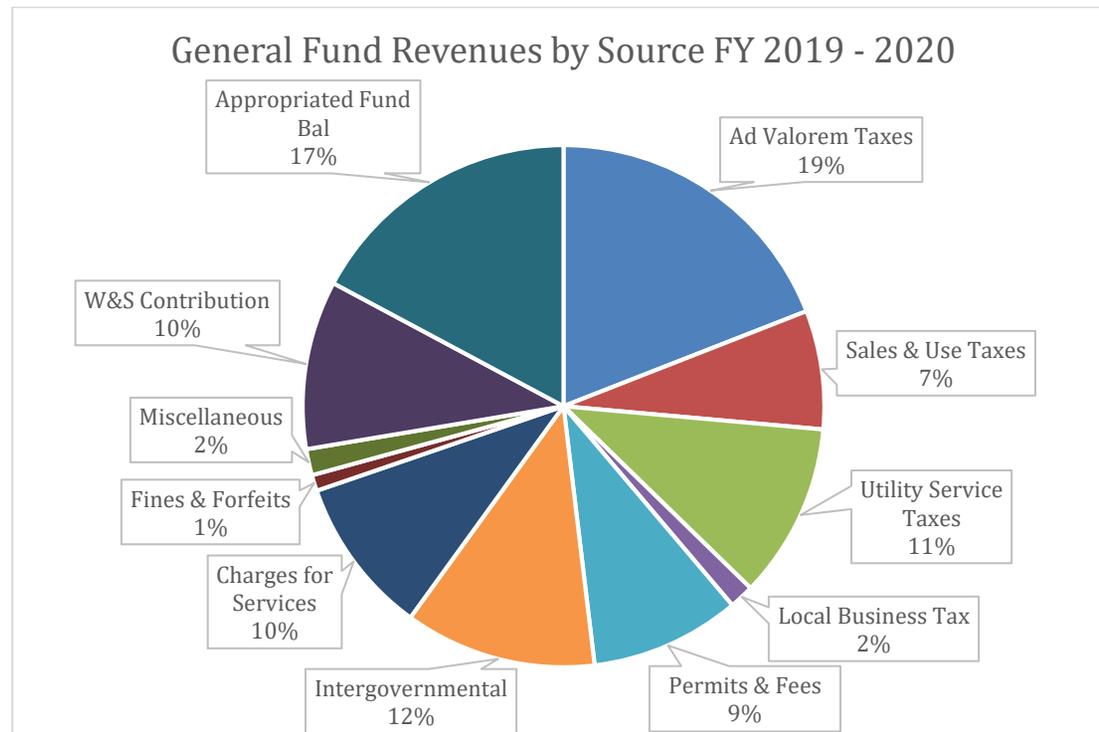
The Village continues to refine and develop our organizational structure to help shape and focus staff's responsiveness, accomplishments, training, supervision and performance. Our employees are our most valuable asset and they also contribute to the most significant cost associated with the budget, accounting for roughly 58% of the Village's General Fund expenditures (or \$14,774,731). Many of the costs associated with the personnel side of our proposed budget are essentially fixed and/or based upon salaries. Although these costs make up for more than half of our operating budget, they are vital to meeting our goal of maintaining the Village as an excellent place to work and ensuring retention of our staff. It should be noted, however, that this amount limits and/or reduces our spending flexibility as it makes up such a significant portion of our overall budget.

**Village Budget:**

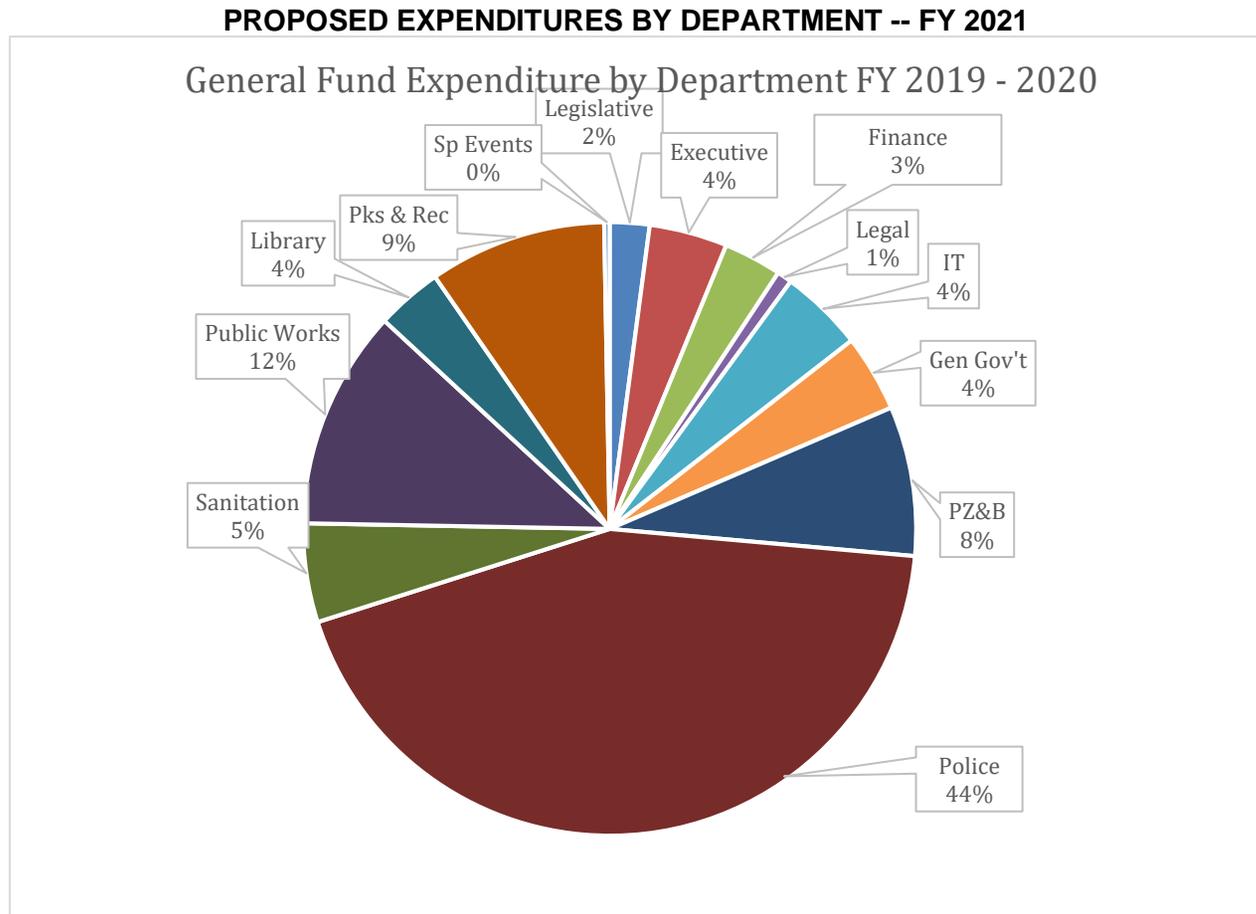
The Village has established a budget with five (5) separate funds within the FY 2021 Budget: General, Debt Service, Water and Sewer Enterprise (Utilities Fund), Stormwater Management Enterprise (Stormwater Fund), Palm Springs CRA (Special Revenue Fund).

- 1. General Fund: This Fund provides the majority of services available to Village residents.
  - a. Revenue Summary - General Fund Revenue sources are projected to generate \$25,368,987 in FY 2021

**PROPOSED REVENUE BUDGET BY SOURCE -- FY 2021**



- b. Expenditure Summary - The proposed budget reflects expenditures necessary to provide operations at their present (and elevated) levels of service.



2. Debt Service Fund: This Fund accounts for the current principal and interest payments due on outstanding general obligation debt for the Village Center complex (\$4.1 million total outstanding principal remaining). The millage rate necessary to generate sufficient funds to pay our debt obligations for FY 2021 is \$ 0.3104.
3. Utilities Fund: This Fund provides funding for water treatment and distribution as well as sewage collection and disposal for Village residents as well as the Town of Lake Clarke Shores and unincorporated areas of Palm Beach County within our utility service area. FY 2021 utility fund revenues and expenses are budgeted at \$27,907,640. The proposed budget reflects expenses necessary to maintain operations at the present (and elevated) levels of service.
4. Stormwater Fund: This Fund supports the costs related to our storm water management program (i.e., drainage improvement projects, maintenance, comprehensive planning and understanding of all drainage needs within the Village) to manage stormwater and eliminate flooding throughout the Village, which is critical to improving the livability of our community. The proposed budget for this Fund is proposed to be \$1,025,411.
5. Palm Springs Community Redevelopment Agency (CRA): This new Fund supports the costs associated with the redevelopment of the two (2) established districts (Congress Avenue and Lake Worth Road Districts). A Redevelopment Trust Fund Prior has been established to receiving and/or spending any Tax Increment Financing (TIF) funding (provided by the Village of Palm Springs and Palm Beach County) and is a major fund in the Village's annual FY 2021 Budget and will be audited within the Village's comprehensive annual financial report (CAFR).

Although the Palm Springs CRA maintains a single Redevelopment Trust Fund, the accounting for each District will be contained within separate internal accounts (one for each district), in keeping with the CRA "best practices" advice from the Florida Redevelopment Association (FRA). All tax increment revenues from each district will be deposited in the respective account to be spent on capital projects, programs and activities within that district. The proposed budget for this

Fund is proposed to be \$137,602.

**FY 2021 Recommendations:**

Ad-Valorem (Property Tax) Rate:

I am proposing to maintain the operating millage (property tax) rate at its current position of 3.5000 mills per \$1,000 of taxable value, which I have utilized as the basis to support personnel, operational and capital expenses within the proposed FY 2021 Budget. Further, the proposed debt service millage rate is proposed to be lower - 0.3104 mills – and when combined with the operating millage rate results in a .0277 mills decrease in the total property tax rate to the property owners within the Village of Palm Springs from the FY 2020 property tax rate.

Revenues:

Notable projected revenue changes within the proposed budget include:

- . Community Development Block Grant (CDBG) funding (6<sup>th</sup> year) to support the cost of designing a new trail system throughout the Village that will connect ten (10) of the Village’s eleven (11) parks and provide our entire community with accessible recreational opportunities
- . Grant funding (including Land Water Conservation Fund Grant and General Fund dollars) will be provided to assist with the revitalization of Lakewood Gardens Park, which will reduce the total funding needed to re-develop this park by the Village
- . Ad-valorem (or property taxes) revenue increase of 8.76% due to new development throughout the Village (including annexed areas), an improved economy and an increase in construction and development activity within the Village (including improvements as a result of the Village’s PIP program). Further, this is the 6<sup>th</sup> year that our assessed value has increased after six (6) years of a declining tax-base. The Village serve an estimated population of 23,560, with our new,

proposed taxable valuation, the Village’s ad-valorem revenue on a per capita basis (at the proposed millage rate of \$3.50) is \$205 as compared to \$230 per capita in 2009.

Contribution from the Water & Sewer Enterprise Fund will remain at 12% of FY 2019 gross audited revenues

Expenditures:

Some of the more notable expenditures that are provided for within the proposed budget are as follows:

Pension Costs – Village Actuarially Required Payments and Staff Contributions:

| Type of Pension Plan    | Projected FY 2021 Village Contribution | Projected FY 2021 Village Contribution % | Projected FY 2021 Employee Contribution % | Estimated FY 2020 Village Contribution | Estimated % Increase in Village Contribution from FY 2020 | Actual Village Contribution FY 2013 | Estimated % Increase in Village Contribution from FY 2013 |
|-------------------------|--|--|---|--|---|-------------------------------------|---|
| Village - General       | \$1,057,689                            | 57.20%                                   | 3.00%                                     | \$862,047                              | 18.50%  | \$1,027,980                         | 2.81%   |
| Village - Police        | \$501,903                              | 32.00%                                   | 6.60%                                     | \$1,422,000                            | -183.32%  | \$1,343,382                         | -167.66%  |
| FRS - Regular           | \$706,852                              | 10.00%                                   | 3.00%                                     | \$404,295                              | 42.80%  | \$159,169                           | 77.48%  |
| FRS - Special Risk      | \$681,770                              | 24.45%                                   | 3.00%                                     | \$490,957                              | 27.99%  | \$173,509                           | 74.55%  |
| FRS - Elected Official  | \$3,336                                | 49.18%                                   | 3.00%                                     | \$6,173                                | -85.04%   | \$1,051                             | 68.50%  |
| FRS - Senior Management | \$53,756                               | 27.29%                                   | 3.00%                                     | \$39,988                               | 25.61%  | \$0                                 | 100.00%   |
| <b>Total</b>            | <b>\$3,005,306</b>                     |  |   | <b>\$3,225,460</b>                     | <b>-7.33%</b>   | <b>\$2,705,091</b>                  | <b>9.99%</b>  |

Village Insurance Costs:

| Type of Insurance     | Projected<br>FY 2021<br>Expenditures | Estimated<br>FY 2020<br>Expenditures | Estimated %<br>Increase in<br>Expenditures from<br>FY 2020 | Actual<br>Expenditures<br>FY 2013 | Estimated %<br>Increase in<br>Expenditures from<br>FY 2013 |
|-----------------------|--------------------------------------|--------------------------------------|--|-----------------------------------|--|
| Worker's Compensation | \$402,518                            | \$293,734                            | 37.03%   | \$163,070                         | 59.74%   |
| General Liability     | \$450,000                            | \$379,436                            | 18.60%   | \$280,274                         | 74.99%   |

Note: The General Liability projected cost includes property and auto liability projections. The proposed projections were determined based on historical projections as the quotes from the provider have not been provided at this time. A budget amendment may be required (from Contingency) to support any costs above the projected amounts within the FY 2021 Budget.

Employee Benefit Costs – Health, Dental & Life Insurance:

| Type of Insurance                 | Projected<br>FY 2021<br>Expenditures | Estimated<br>FY 2020<br>Expenditures | Estimated %<br>Increase in<br>Expenditures from<br>FY 2020 | Actual<br>Expenditures<br>FY 2013 | Estimated %<br>Increase in<br>Expenditures from<br>FY 2013 |
|-----------------------------------|--------------------------------------|--------------------------------------|--|-----------------------------------|--|
| Employee<br>Health, Dental & Life | \$2,320,173                          | \$2,361,388                          | -1.75%   | \$1,251,497                       | 29.72%   |

Note: The Village remained with Humana this year (3rd year) and experienced a 1% increase for employee benefits, thus, we did not impact our staff and monthly rates paid by employees did not change

Sanitation Collection Revenues & Costs (Charged by the Village's franchised hauler):

| Village's Franchised Hauler | Projected FY 2021 Revenues | Projected FY 2021 Expenditures | Estimated FY 2020 Revenues | Estimated FY 2020 Expenditures | Estimated % Increase in Expenditures from FY 2020 | Actual Expenditures FY 2013 | Estimated % Increase in Expenditures from FY 2013 |
|-----------------------------|----------------------------|--------------------------------|----------------------------|--------------------------------|---|-----------------------------|---|
| Waste Pro of Florida & VPS  | \$1,149,087                | \$1,317,180                    | \$1,132,031                | \$1,093,885                    | 4.80%   | \$893,293                   | 32.18%  |

Note: Includes a 3% rate increase that has been applied at the request of the contracted hauler as provided within the approved franchise agreement

*Information Technology (IT):*

- . Implement new Virtual Desktop Infrastructure (VDI) that would replace desktops with thin clients (dumb terminals) to enable remote and secure work-from-home (i.e., natural disasters, storm events, pandemic, etc.) and is expected to provide a savings on expensive desktops/equipment - \$60,000 (**Fund Balance** is requested to support this initial, one-time purchase and installation cost)
- . Continued replacement of the Village's outdated telephone system [Voice Over Internet Protocol (VOIP) system], which is expected to provide the Village with a more consistent and reliable telephone system - \$100,000 (**Fund Balance** is requested to support this initial, one-time purchase and installation cost)
- . Purchase vehicle for IT staff use - \$30,000
- . Provide Village-wide camera system upgrade and maintenance - \$15,000
- . Install an A/C system within the Village Hall IT Data Center to ensure all computer equipment is properly maintained (and

does not experience issues due to high temperatures) - \$6,000

- . Upgrade VMware software, which replaces specific hardware (i.e., physical servers and computers) with virtual nodes or workstations that have their own dedicated operating systems and related memory and performance resources; creating some efficiencies and provided for better security and isolation (presents a thin attack surface for security enhancement, to provide for additional licenses to increase functionality, allow virtual relocation & would be required for thin client VDI - \$35,000 (**Fund Balance** is requested to support this initial, one-time purchase and installation cost)
- . Install new security software that would collect data from our equipment for entire Village network [addresses a comment from the PD's recent Florida Department of Highway Safety and Motor Vehicles (FLHSMV) technical audit] - \$8,000
- . Purchase and install Windows Server Version 2019 Software - \$5,000
- . Purchase additional Laserfiche Avante licenses to provide increased customer service and enhanced public services (i.e., digital forms and improved workflow - \$39,125 (**Fund Balance** is requested to support this initial, one-time purchase and installation cost)

**Note: As a result of the COVID-19 pandemic within the second half of FY 2020 as well as the real possibility/potential of a experiencing a natural disaster (i.e., hurricane), we have identified some vulnerabilities related to our workforce and our ability to conduct Village business remotely from locations other than at Village Hall and related buildings. As a result, the IT department is developing a "Mobile Workforce" mindset and accompanying strategy beginning in FY 2021 that will position the Village to better serve the needs of the community in the event of another pandemic or other disaster through the use of remote meeting software and increased mobile devices (i.e., phones, laptops and tablets).**

*Finance Department:*

- . Continue to implement Contract/Project accounting software to convert to an automated requisition system that will enable staff to more quickly and efficiently encumber funding to support/complete projects, activities and programs.

*Planning, Zoning & Building (PZ&B) Department – Economic (Re-) Development:*

- . Revise the Palm Springs CRA Redevelopment Plan, which is expected to guide the future development and expenditures from the Tax Increment Financing (TIF) Fund in an effort stimulate and encourage economic development, eliminate existing conditions of blight, provide increased public amenities, improve pedestrian/bicycle safety and effectively manage

redevelopment within the CRA to realize the Village’s vision and long-term community goals - \$162,413 (**CRA TIF Funding** is requested to partially support this initial, one-time cost - \$42,413)

. Engineering and design to support the construction of a proposed 12-inch wastewater force main pipe and related utility equipment to be installed along Congress Avenue (Forest Hill Boulevard north to Southern Boulevard) within PBC’s utility service area to support our economic (re-)development goals of creating new jobs and promote investment, improve safety, provide retail/commercial services and improve infrastructure (i.e., wastewater and stormwater) as stated within the Palm Springs CRA Redevelopment Plan, Finding of Necessity Study and Economic Impact Analysis - \$472,574 (**CRA TIF Funded & Fund Balance**) (**CRA TIF Funding** is requested to partially support this initial, one-time purchase and installation cost - \$72,574)

Note: This proposed utility project has been previously identified as a priority project within the newly established Palm Springs CRA and is expected to require an Interlocal Agreement with PBC. Previous discussions with County staff have included the Village’s desire that although the initial funding may be provided by the Palm Springs CRA and the Village of Palm Springs to design and construct this project within the County’s utility service area (possible bonding and/or borrowing of funding may be required to complete construction until sufficient TIF funding is generated), PBC customers who access this new utility pipe would reimburse the CRA and/or the Village a determined pro-rated amount (the availability to receive pro-rated reimbursement funding would be for an extended time period) and would execute a Voluntary Annexation Agreement with the Village. This project, including engineering and design, would not begin until an Interlocal Agreement was approved by both the County and the Village

. Funding to install stamped pavement on the concrete medians within the proposed LW Road RRR improvements to provide an appearance of installed paver bricks along this important, major roadway to provide a sense/feeling of something important is on this roadway (or worth really paying attention to in this area). This option (rather than paver bricks), which is extremely durable, looks aesthetically pleasing and requires little maintenance, would be completed when FDOT completes this important safety project (Construction is expected to begin in Fall/Winter 2021 with a planned completion date of approximately 18 to 24 months) - \$15,000 (**CRA TIF Funding** is requested to support this initial, one-time purchase and installation cost)

. Completion of the Transportation/Mobility Plan to identify needed transportation improvements (including within the Village’s major and the local arterial/collector roadways) to enhance safety and provide enhanced facilities for multi-modal transportation (i.e., pedestrian/bicycle and "Complete Streets" improvements) within the Village - \$100,000 (**Grant Funding** is expected to partially support this initial, one-time purchase and installation cost - \$50,000)

. Review and revise the Village’s current Impact Fees (i.e., Law Enforcement and Parks & Recreation Impact Fee) that are

- paid by new development to support needed infrastructure within the Village - \$30,000
- Consulting services to complete an update/re-write to the Village's Comprehensive Plan - \$50,000
- Continued partnership with a GIS Consultant to provide services required by various departments within the Village - \$92,000 (Public Service - \$42,000; PZ&B - \$50,000)
- Implement new land use planning, permitting, enforcement case management and inspections software and related hardware to automate PZ&B operations to provide streamlined process for developers, investors, contractors, stakeholders and citizens - \$102,000 (**Fund Balance** is requested to support this initial, one-time purchase and installation cost)
- Continue the Village's successful Property Improvement Program (PIP) to provide up to \$5,000 in matching grants for approved property improvements - \$100,000
- The following new projects/developments are expected to be completed and/or started during FY 2021:
  - New Residential Construction** - The Oaks Assisted Living Facility – South Congress Avenue
  - New Commercial Construction** - Soma Medical Office Building – Forest Hill Boulevard and Alice Drive (previously Cushman's fruit store)
  - New Commercial Construction** - Integrity Commons Medical and Office Building and Apartment Complex – Forest Hill Boulevard and Forest Avenue
  - New Residential Construction** - Canal Shores – Canal 8 Road – East of Military Trail (32 townhome units)
  - Commercial Renovation** - La Tapatia Grocery Store & Restaurant – Military Trail – South of Kent Avenue
  - New Commercial Construction** - Dental Office - Military Trail & Lake Worth Road (previously a Payless Shoes store)
  - New Residential Construction** - Patio Court Townhomes – Patio Court – North of Lake Worth Road (10 townhome units)
  - New Residential Construction** - Lakewood Apartment Complex – Lakewood Road – East of Military Trail (90 apartment units)
  - New Residential Construction** - Gulfstream Road Apartments – Gulfstream Road – North of Lake Worth Road (11 apartment units)
  - New Residential Construction** - Coconut Road Multi-Family Units – Coconut Road – North of Lakewood Road (12 townhome units)

- . **Commercial Renovation** - Penuel Evangelical Church – 2<sup>nd</sup> Avenue & Davis Road (previously a Veterinarian Clinic)
- . **New Residential Construction** - Jacob's Garden Assisted Living Facility – Congress Avenue – South of Lake Worth Road (behind Congress Plaza)
- . **New Residential Construction** - Village of Valor Townhomes and Apartment Complex – 2nd Avenue – West of the LWDD's E-4 Canal
- . **New Commercial Construction** - (To Be Determined) Fueling Facility –10<sup>th</sup> Avenue – West of Florida Mango Road (previously Chase Bank building)
- . **New Commercial Construction** - Tire Kingdom Retail Building – 10<sup>th</sup> Avenue – West of Florida Mango Road (previously Chase Bank building)
- . **New Commercial Construction** - Express Car Wash Facility – 10<sup>th</sup> Avenue – East of Congress Avenue (Wal-Mart Supercenter Out-Parcel)
- . **New Residential Construction** - Park Lane Townhomes – Park Lane – East of Kirk Road (8 townhome units)
- . **New Residential Construction** - Prairie Road Townhomes – Prairie Road – South of Meadow (16 townhome units)
- . **New Commercial Construction** - Soma Medical Center – Congress Avenue – North of 10<sup>th</sup> Avenue
- . **New Residential Construction** - Palm Springs Residences Apartment Complex – Congress Avenue – South of Lillian Road (YMCA property)

*Police Department:*

- . Design, permit and construct a building expansion (2nd Story) of the Village's Police Department facility to accommodate our growing department - \$1,181,250 (**Sales Tax Funded**)
- . Annual Body Worn Camera services to provide a higher level of safety for our officers and community through increased accountability and transparency. This cost would support a warranty for all equipment as well as provide redaction software, technical/customer service and unlimited cloud storage of all video. The IT Director recommends this option over maintaining this video on-site as it is cheaper over the long-term, provides more security and redundancy and enables the PD staff to drop (or send) video evidence directly to the state's attorney - \$66,0000 (**Fund Balance** is requested to support this initial purchase and installation cost)
- . Provides for ten (10) replacement laptops and six (6) replacement computer workstations - \$46,400

- . Replacement of garage bay doors (2 Bay Doors) - \$25,000
- . Continue the vehicle replacement program and purchase related safety tools within the Police Department – nine (9) new vehicles (\$325,000) and seven (7) in-car cameras (\$33,000) [Four (4) vehicles are planned to support new staff hires and specialty assignments (previously planned to be hired upon the Village completing the proposed annexation on Military Trail)] - (**Fund Balance** is requested to partially support this initial, one-time purchase and installation cost - \$35,000)
- . Replacement of the PD's traffic county analyzer to assist with traffic counts - \$5,000
- . Purchase two (2) drones for search and rescue, crime scene and accident mapping, etc. - \$10,000

*Public Service Department - Public Works:*

- . Buildout of the Village Hall East Flex Area to support the need for office space for our IT staff - \$238,800 (**Fund Balance** is requested to support this initial, one-time purchase and installation cost)
- . Modify the office space within the Finance Department and PZ&B Department to provide improved working conditions - \$73,000 (**Fund Balance** is requested to support this initial, one-time purchase and installation cost)
- . Repaint the Village Hall Complex building roofs (i.e., Village Hall, Library, Police and LAB buildings - 26,000 sq. feet of roof area) - \$200,000 000 (**Fund Balance** is requested to support this initial, one-time purchase and installation cost)
- . Funding to support the upgrade/repairs to the Village's A/C system and software (expected to result in reduced monthly/annual electric costs and improve productivity) - \$500,000 (**Fund Balance** is requested to support this initial, one-time purchase and installation cost)
- . Continue the Village's milling, resurfacing and striping program - \$250,000 (\$2,821,181 has been spent on resurfacing and new roads since FY 2013)
- . Replacement/Maintenance of existing sidewalks and asphalt throughout the Village - \$20,000
- . Design and construction of storage building for maintenance equipment at the Main WTP - \$220,000 (**Fund Balance** is requested to support this initial, one-time purchase and installation cost)
- . New Village Welcome (Monument) Signage (up to 4 Locations) to be located at various entrances into the Village and continue our Village branding and promotional efforts - \$60,000 (**Fund Balance** is requested to support this initial, one-time purchase and installation cost)
- . All stormwater-related maintenance and permitting costs will continue to be incorporated within the Village's General Fund

- . Various stormwater pipe repairs and swale/drainage maintenance - \$50,000
- . Replacement of an existing F-250 (\$35,000), replacement of an existing Backhoe (\$101,000), replaced of concrete grinder (\$35,000), replacement of Bobcat Trailer (\$6,000), new outdoor vacuum for field maintenance (\$6,500) and new heavy duty pallet racks for storage (\$6,000) within Public Works to ensure the highest levels of customer service - \$189,500 (**Fund Balance** is requested to partially support this initial, one-time purchase for the proposed Backhoe purchase cost - \$101,000)

*Library:*

- . Replacement of north public entrance door - \$20,000
- . Install a new A/C system – \$35,000 (**Fund Balance** is requested to support this initial, one-time purchase and installation cost)

**Note:** We are planning to close the Library as part of our annual maintenance program for at least one week each year to ensure that it remains a wonderful and clean facility.

*Parks & Recreation (P&R) Department:*

- . Funding to support the resurfacing of the tennis courts and the basketball courts at Village Hall Complex - \$20,000
- . Design and construction of the new Park Connector Pathway trail system throughout the Village connecting ten (10) of the Village's eleven (11) parks to provide additional recreational opportunities and promote a healthy lifestyle for community residents - \$837,187 (**Grant Funded – CDBG & Sales Tax Funded**) (**Sales Tax Funding** is requested to partially support this initial, one-time purchase and installation cost - \$636,000)
- . Design and engineering costs associated with the redevelopment of Sago Palm Park to include, but not limited to, installation of new playground equipment, pour-in-place protective/safety surfacing, shade structure, renovate/replace restroom and kayak launch - \$80,000 (**Sales Tax Funding** is requested to partially support this initial, one-time purchase and installation cost)
- . Improvements to Lakewood Gardens Park to include, but not limited to, new playground equipment, pour-in-place protective/safety surfacing, shade structure, resurfacing of basketball courts - \$400,000 (**Grant Funded – LWCF & Sales**)

**Tax Funded) (Sales Tax Funding** is requested to partially support this initial, one-time purchase and installation cost - \$200,000)

- . Replacement of an existing passenger van (with an SUV-type vehicle) - \$25,000
- . Funding to support seventeen (17) community events/programs (i.e., Walk with the Mayor, Fitness Festival, Hispanic Heritage Festival, Touch-A-Truck, Bike Rodeo, 4<sup>th</sup> of July, Santa’s Sleigh Ride, Christmas Decorating Contest, Snores & Smores, Bark in the Park, Fall Festival, etc.) to provide our community with an opportunity celebrate holidays, meet other residents and promote our family-oriented community – \$72,254

**Note:** Due to the COVID-19 pandemic, a determination on when to offer organized child and adult league play as well as all of our other various events, activities and programs will be made based on whether we can provide a safe, healthy and fun environment for our community [i.e., number of positive cases within our community, ability to meet CDC guidelines as well as all other federal, state and local mandates, orders, rules, etc., whether the County has entered Phase II (or another phase) as determined by the Governor, etc.] In an effort to plan for these opportunities, we have budgeted these costs and revenues as we would have prior to the pandemic (with some expected loss of revenue due to expected lower participation), which, at a later date, may be deemed to be valid/accurate projections or we may not be able to meet our budget estimates and we may be required to request funding from within other areas of our budget (including contingency and/or fund balance) to cover the Parks and Recreation Department’s (as well as other departmental) budget(s).

*Public Service Department - Utilities – Water & Sewer:*

- . Implement numerous improvements within our Public Service - Utility Billing Customer Service Office to promote an increased customer service experience:
  - . Implementation of a new Customer Engagement Portal software module as part of the AMI water meter project to enable customers to view their water usage (up-to-the-minute) to ensure accuracy of billing/metering and to assist with possible water leaks - \$35,000
  - . Complete various reports/studies/plans to identify improvements to the Village’s water and wastewater systems to

ensure the highest quality of services to customers and prevent long-term loss of service issues that may occur:

- . Water Treatment Facilities (Master) Plan - \$15,000
- . Septic to Sewer Engineering/Project Study - \$30,000
- . Complete safety improvements (replace an existing ladder with a concrete stairway) within the Village's Vacuum Station No.1 Building to ensure a safer work environment for our Utilities Maintenance staff - \$134,665 (**Carryover Project TO #240**)
- . Design and construction of utility materials storage covering at the 2400 Building to protect inventory (i.e., pipes, etc.) from weather conditions - \$185,000 (**Carryover Project TO #260**)
- . Refinish the Lime Slaker Room Floor at the Pratt WTP to provide increased safety to employees - \$20,000
- . Design and construction of storage building for maintenance equipment at the Main WTP - \$110,000 (**Reserves** are requested to support this initial, one-time purchase and installation cost) (**Carryover Project TO #261**)
- . Remodel the Electricians workspace/office area - \$30,000
- . Continue the Village's Annual Lift Station Rehabilitation program to ensure proper operation and safety of wastewater collection and treatment process - \$1,768,073 (**Carryover Project TO #218 & 233**)
- . Installation of a System Control and Data Acquisition (SCADA) system to control and ensure the operational safety of our two (2) water treatment plants - \$842,000 [Three (3) year installation process – \$1,230,000 over three (3) years] (**Carryover Project**)
- . Continued installation of a System Control and Data Acquisition (SCADA) system to control and ensure the operational safety of our wastewater lift stations - \$523,806 [Three (3) year installation process – \$1,230,000 over three (3) years] (**Carryover Project**)
- . Continue working with PBC on the water main relocation as part of their on-going roadway improvement project on Prairie Road - \$245,000 (**Carryover Project**)
- . Replace/Upgrade our 13 year old MIEX Control Systems (software) and construction upgrade to the Village's 13 year old MIEX Regeneration System at the Main WTP (\$974,594) and the Pratt WTP (\$1,049,621) [Three (3) year construction process - \$4 million over (3) years at both water treatment plants] - \$2,024,215 (**Carryover Project**)
- . Replace Water Well No. 10 (Eastern/Main Wellfield) (\$483,135) and rehabilitate Water Well No. 17 (Eastern/Main Wellfield)

(\$68,000) to ensure long-term supply (future water production needs) of reliable potable drinking water for Village utility customers - \$551,135 (**Carryover Project**)

- . Complete Chlorine Feed improvements at both the Main WTP (\$63,269) and the Pratt WTP (\$63,269) - \$126,538
- . Installation of two (2) fixed generators at Water Wells No. 11 and No. 15 within the Village's eastern/main wellfield (\$514,340), one (1) fixed generator at Wastewater Master Lift Station No. 9 (\$332,185), one (1) emergency generator at the Pratt WTP (\$500,000) and one (1) emergency generator at Wastewater Vacuum Station No. 1 (\$118,566) - \$1,465,121 (**Carryover Project**)
- . Replacement/Rehab of various utility vehicles and equipment to ensure the highest levels of productivity and service to our customers – purchase a replacement sand loader (\$288,386) and purchase one (1) replacement F-250 truck with utility body
- . Continue the rehabilitation of wastewater lift stations throughout the Village's utility service area - \$198,454 (**Carryover Project**)
- . Recondition/Replace potable water and wastewater pumps, pipes and valves to ensure consistent and reliable water delivery, fire protection and wastewater collection services throughout our utility service area - \$234,000
- . Painting both WTP's structures/facilities and aerial pipe crossings - \$75,000
- . Continue working towards implementation of a computerized maintenance management system (CMMS) to leverage our GIS database to more efficiently and effectively manage the tens of thousands of utility and general fund assets worth hundreds of millions of dollars and to contribute to increasing our service levels and provide a better understanding to work that was previously completed (may require the purchase of enhanced asset management and maintenance tracking software in FY 2022)

*Public Service Department - Stormwater Utility:*

- . Complete various stormwater projects included within the approved master plan study to improve community drainage and public safety during significant rain events (Revenues and expenditures are being tracked within a separate enterprise fund – All stormwater-related maintenance and permitting costs have been incorporated within the Village's General Fund):
  - . Carol Road & Rex Avenue Stormwater Improvements – Construction (Master Plan - Project #10) - \$354,411

**(Carryover Project TO #250)**

- . Lakewood Road (East of Kirk Road) Stormwater Improvements – Construction (Master Plan - Project #18) - \$77,000

**(Carryover Project TO #249)**

- . Gulfstream Road (Lake Worth Road to 10<sup>th</sup> Avenue) Stormwater Improvements – Construction (Master Plan – Project #6) - \$360,500 **(Carryover Project TO #277)**
- . Davis Road (Canal Road to 10th Ave) Stormwater Improvements – Engineering & Design (Master Plan - Project #5) - \$163,000
- . Lakewood Road (West of Kirk Road) Stormwater Improvements – Engineering & Design (Master Plan - Project #3) - \$70,500

Capital:

I am recommending the following Capital Improvement expenditures, which totals \$14,413,311 within all funds in FY 2021:

- . \$4,570,507 within the General Fund Budget, which represents 18% of the total General Fund Budget
- . \$8,817,393 within the Water & Sewer Enterprise Fund, which represents 32% of the total Enterprise Fund Budget
- . \$15,000 within the Community Redevelopment Agency Funds, which represents 11% of the total CRA Budget
- . \$1,025,411 within the Stormwater Utility Fund, which represents 100% of the total Stormwater Fund Budget

This proposed funding is an decrease of more than \$2,613,919 from FY 2020 and \$901,901 from FY 2019. I firmly believe that we must continue to fund our vehicles, equipment and infrastructure to ensure that our staff has the appropriate (and safe) tools to provide the highest levels of service, programs, activities and projects that our community expects and deserves.

Further, this year, proposed FY 2021 projects to be funded utilizing the recently approved Infrastructure Surtax (One Cent Sales Tax) are included within our Annual Capital Improvement Plan (CIP) for approval by the Village Council (See projects that are italicized and bolded in CIP). These projects, following Council approval, will then be presented to the Infrastructure Surtax Citizen Oversight Committee, as required, to ensure that all expenditures are completed in accordance with County Ordinance 2016-032

and State Statute Sections 212.055(2), 163.3164, 163.3221 & 189.01.

This funding is available to the Village as a result of 56.63% of the voters of Palm Beach County approving a one-cent infrastructure surtax for capital improvement projects and equipment that were not funded due to the recent economic recession and dramatic decreases in assessed property values over the past decade. The chart below outlines the expected distribution to the Village over a 10-year period to complete various capital improvement projects:

| 1 Year Distribution | 10 Year Distribution | 10 Year Distribution (PBC Projected 3% Revenue Increase) |
|---------------------|----------------------|--|
| \$1,256,754         | \$12,567,545         | \$14,839,500   |

Note: Based on 2015 State of Florida Sales Tax Distribution Formula. Additionally, the approved surtax includes a sunset provision that would stop collection of the sales tax once \$2.7 billion of total revenue is received. Voter approval for this new sales tax increase was approved in November 2016.

In March 2017, the Village began to receive monthly sales tax revenue distributions and, to date, we have collected \$5,629,390 in sales tax funding. As a result, staff developed a list of projects that were approved by the Village Council (May 11, 2017) and presented and approved by our new Infrastructure Surtax Citizen Oversight Committee (June 20, 2017). Each of the projects was confirmed (by the Committee) to ensure that they meet the requirements of the PBC Sales Tax Ordinance as well as state law.

Note: Going forward (and beginning with the FY 2019 budget), proposed sales tax funded projects are included and identified as a sales tax project within our Annual Capital Improvement Plan (CIP), which will be included and approved during our budget process.

Please Note: The State of Florida has recently approved increasing the capitalization threshold from \$1,000 to \$5,000 beginning in FY 2020 – 2021; thus, items that would have been included in Capital Outlay are now included in Operating Supplies (except

within the proposed FY 2021 Budget, a new line item “55216” for IT related items has been added for those expenditures that would have previously been capitalized so we can still identify those purchases and track those items as non-capitalized assets).

Staffing:

The following changes are being requested to the Village’s organizational structure:

- . Convert one (1) Assistant to the Village Manager position to Assistant Village Manager within the Village Manager’s Office to assist with the growing demands of managing all of the Village operations, personnel, projects, programs and activities. Additionally, this position is expected to significantly assist with the economic (re-)development activities within the Village as well as assist in managing the day-to-day activities within the newly established Palm Springs CRA.
- . Addition of one (1) full-time Accountant position within the Finance Department to assist with the growing financial and reporting issues that are being experienced as the Village’s operations continues to grow.
- . Convert one (1) part-time IT Technician position to a full-time IT Support Specialist position within the Information Technology (IT) Department to assist in addressing the Village’s growing need to prioritize our technology services and the security of our computer network and data. This position would be overseen by the IT Operations Manager.
- . Addition of four (4) new Police Officer positions (completed mid-year FY 2020); these positions, which were previously approved in anticipation of the planned annexations within the western boundaries of the Village’s future annexation area (Military Trail area), are recommended to be approved to be immediately hired to assist with enhancing the public safety of the Village. If approved, these positions will be targeted to fill various specialty assignments (i.e., community policing, detective and tactical) to provide improved safety within our community and to reduce the reliance on outside agency assistance.

Note: The PD Chief has ensured that the department will solicit available grant opportunities (i.e., COP Hiring Grant, etc.) to assist the Village with the initial funding of these necessary positions.

- . Addition of one (1) new Digital Evidence Clerk (similar to a Records Clerk position) to support the oversight and customer service required to provide the new body camera program that is being implemented within FY 2020.
- . Addition of one (1) new Emergency Communications Officer Supervisor (completed mid-year FY 2020) to oversee the activities of the Village's communications center and staff, while also serve as a working dispatcher. This position will relieve the Sergeant on road patrol duty from the responsibility of managing the communications center and staff and will enable the Sergeant to be more focused and effective on the road. This position will also provide a succession and leadership opportunity within the department.
- . Convert the previously approved Captain (night supervisor) to a 5<sup>th</sup> Lieutenant position (creating a new team) to serve as the tactical supervisor over the existing traffic team and the proposed tactical unit (both teams will experience an increase in the total number of officers serving to 7 officers along with the community service aide). This change is expected to enable the department to concentrate on specialty areas and will provide our staff with increased opportunities to grow/increase their experience and responsibility while also contributing to the succession planning within the department.
- . Re-title the Office Manager position to Public Service Administrator within the Public Service Department to better reflect the knowledge, experience and workload (i.e., operational, budget, personnel, etc.) that are desired from this position.
- . Continued funding to support the Village's internship program is requested within the FY 2020 budget. This program would provide the Village with an opportunity to bring in individuals that maintain significant potential and knowledge that would assist in taking the Village to the next level and ensure that we continue to meet the needs of our community. Further, development of a formal internship program would enable our departments to train talented students and/or new individuals (without government experience) in Village practices and operations with the potential opportunity of hiring them for full-

time positions. Thus, providing the Village with a training program to develop the next generation of leaders within our organization.

Note: The Village continues to work with Palm Beach State College to bring students in to assist with various office responsibilities. These individuals, previously, have been paid by Palm Beach State College, through a school-provided work study program and/or volunteered their time. This has been an excellent opportunity for the Village to obtain additional assistance in meeting our workload needs as well as to provide a learning opportunity for each of the individuals that were brought into the Village.

Additionally, within previous fiscal year budgets, the Council has provided funding to support the staff increases that would be required due to the anticipation of the planned annexations within the western boundaries of the Village's future annexation area (which will be requested to be expanded), the following proposed positions will not begin to be filled until the voluntary and involuntary annexations are expected to be completed:

- . Addition of one (1) new Code Enforcement Officer to assist with the significant code issues that are evident within the proposed annexation area.
  
- . The previously approved six (6) new School Crossing Guards to provide safe crossing of intersections during school drop-off and pick-up at Military Trail and Purdy Lane and Military Trail and Forest Hill Boulevard have been removed from this year's budget due to projected revenue decreases; however, it is highly unlikely that these positions will be required to be filled as this proposed annexation is not expected to be completed this fiscal year.

There are no unfunded positions within the General Fund for Fiscal Year 2021.

Training and Education:

Training and education are an area that we have continued as priority within the proposed budget; however, due to the projections from the COVID-19 pandemic, I am reluctantly recommending that we decrease our total training and education by \$6,118. The proposed budget continues to provide significant funding to support training and education to support our greatest resource/asset – our employees. Some of the major areas addressed included: specialized/professional knowledge, ethics, supervisory and management, employee safety, software, cyber security (IT), customer service, communications and health & wellness.

Additionally, we are requesting continued funding to continue support for a new Leadership Academy, which will be a multi-week training program, in partnership with a local university (and possibly one of our larger, sister cities in PBC), that will give our staff who are serving in supervisory and management positions (as well as those preparing for succession planning) a consistent understanding (across all of our departments) about the type of customer service that is expected of all employees as well as an understanding of the Village's expectations on how to best serve in the manager/supervisor role. This new program is expected to also include: information regarding various communication styles that are needed to interact with the public and our staff; an understanding of the staff's personal goals and how to meet their needs, which results in higher work productivity and their desire to remain with the Village; the need to coach and support our staff; an understanding of the Council-Manager form of government and the organizational structure that we currently work under; ensuring a firm understanding of the Village's budget and our financial process; the various legal issues that we are required to uphold; the ability to identify succession planning opportunities as well as other aspects of the HR process (i.e., hiring, evaluations, dealing with different personalities, discipline, promotion, etc.).

Note: Within the proposed FY 2021 Budget, the PD Chief is planning to send another sworn officer position (e.g., Lieutenant) to attend the prestigious Southern Police Institute's (SPI) Command Officers Development course (which was completed previously by our PD Chief and our Assistant Chief and Captain – Patrol). This four (4) month leadership and education program (total of ten weeks) provides enhanced administration training that results in increased professionalism within our Police department and contributes to a safer community.

Salaries:

Our employees are our most valuable asset we have, and they continue to serve as ambassadors for the Village. We are continuing to work to ensure that the Village promotes innovative practices, tools and resources, training and other programs that result in a positive work environment at all levels of the organization. As a result, I am recommending a 3% Across the Board increase and a tiered MERIT increase for all employees (2% based on a pre-determined evaluation score to provide an incentive to serve at the highest levels possible).

Please Note: At this time the Village is engaged in negotiating with the Service Employees International Union (SEIU). The Village has made an initial proposal (See above) for FY 2021 and it is being considered by the union. The union may present an alternative to our initial offer that may work for both parties. As a result, I would request the opportunity to amend the Village's initial proposal to ensure a positive outcome with our new contract discussions.

It should be further noted that the Village had previously agreed to a revised (or new) 3-year contract with the Police Benevolent Association (PBA) in FY 2019, which included the above recommended salary increase for FY 2021.

Currently, the proposed budget includes funding to support the above stated pay increase for all employees that are eligible and are not topped out within their pay grade. Those who are topped out would only be eligible for the proposed Across the Board increase.

Note: It is important that we continue to offer earning opportunities for our staff while also providing the Village with the opportunity to retain our excellent staff members. As a result, we must continue to ensure that we are competitive with our salaries and are continuing to provide an excellent place to work for all of our employees.

As a result, I am requesting the ability to continue negotiating with the SEIU union on the discussed new contractual pay issues to provide for an across the board increase. All changes would be brought back to the Village Council.

Annual Sanitation Collection Costs:

The proposed fees for sanitation collection services are proposed to remain constant for a 5<sup>th</sup> year in a row despite the contractor's request to increase the cost to the Village in accordance with the approved contract – minimum of 3% or CPI (whichever is more) per year. This year the hauler has increased the cost to the Village by 3%; thus, the administrative margin that will be received by the Village to offset staff costs has been reduced. The proposed garbage, trash and recyclables collection services costs for single family, multi-family and mobile home properties for Fiscal Year 2020 are as follows:

|                     |          |
|---------------------|----------|
| Single Family Homes | \$151.20 |
| Multi-Family Homes  | \$ 94.50 |
| Mobile Homes        | \$ 94.50 |

Note: Residential garbage rates were increased four years ago (2015) for the 1st time in seven (7) years in an effort to assist with the reduced administrative margin to offset staff costs. Due to a continued decreasing margin (as a result of the Village's hauler increasing annual costs at the 3% rate), a rate increase may be needed to be proposed within next year's budget (FY 2022).

Note: The existing hauling/collection contract with Waste Pro of Florida will expire on March 31, 2022; thus, the Public Service Department will begin the process to prepare to go to bid to select a new hauler to provide all residential, commercial and commercial and demolition (C&D) collection (i.e., solid waste, recycling, bulk and vegetation) and billing services. Additionally, the proposed new agreement, is expected to include, but not limited to, ensuring that the hauler will operate under approved financial terms [i.e., better define rate/prince increases for the vendor (e.g., CPI or pre-determined rate, whichever is lower), implement performance measures and penalties, ensure no assignment and/or sale of the Agreement without written consent from the Village, etc.], maintaining existing routes and/or pick-up schedule that the Village's residential and commercial customers receive today, continue to maintain, repair, replace, store and purchase all containers and dumpsters, provide the Village with residential, commercial and C&D collection data on a monthly basis to verify/audit vendor fees and collections as well as payments to the

Village, maintain a presence within the Village and participate in Village events and programs/events, develop and provide annual mailed and electronic public notices/information to all customers, as well as to continue to provide customer service and billing data to the Village.

Drainage & Stormwater Fee:

The proposed budget includes the new stormwater management fee (with no proposed change) that was approved last year to assist in mitigating problems caused by excess stormwater runoff (i.e., flooding) within the Village. The proposed fee is not planned to be changed during FY 2021 and continues to provide a funding mechanism for the construction and maintenance of needed stormwater management facilities. All fees collected would be used for stormwater management expenditures within the Village. These fees, as recommended within the Engineer’s Stormwater Study for Justification of Interim Fees,” and are currently collected as an annual non ad-valorem assessment to support our stormwater issues within the Village are as follows:

|  | Monthly Rate | Annual Rate |
|--|--------------|-------------|
| Single Family Residential & Condominiums | \$4          | \$48        |
| Multifamily                              | \$4          | \$48        |
| Commercial (under 2 ESU's)               | \$4          | \$48        |
| Commercial (2 to 4.99 ESU's)             | \$8          | \$96        |
| Commercial (5 to 9.99 ESU's)             | \$15         | \$180       |
| Commercial (10 ESU's and above           | \$20         | \$240       |

The Village initially created a stormwater utility (Ordinance No. 2015-43) and established interim non ad-valorem assessment rates (Resolution No. 2015-90) for stormwater management services with collections beginning on October 1, 2016 The interim stormwater management assessments was established utilizing the uniform method for collection and funding the Village's stormwater management services and projects in July 2016 (Resolution No. 2016-51). Thus, assessments were defined/provided

for all parcels within the incorporated municipal boundaries of the Village of Palm Springs at that time (as well as all parcels subsequently annexed into the Village) and were included on the 2017 property tax bills issued to property owners in November (similar to the Village's charges for solid waste collection costs) and are collected by the Palm Beach County Tax Collector (payable at the same time as all other annual property taxes and assessments).

However, since the Stormwater Utility was implemented, the Village completed a Stormwater System Evaluation & Improvement Plan ("Stormwater Master Plan"), which identified 25 areas of concern within the Village and identified several infrastructure projects that (if implemented and constructed) would help manage and improve our existing drainage problems as well as to ensure safe streets during (and following) a heavy rainfall or serious storm (i.e., hurricane, tropical storm, etc.).

As a result, the Village Council approved new assessment/rates (Resolution No. 2019-22 - July 25, 2019) and are applied/determined based on an equivalent stormwater unit (ESU) basis (rather than on an acreage basis for commercial properties) based on each applicable parcel's classification and total impervious area attributed to that parcel. One commercial ESU is equivalent to 2,700 square feet of impervious area. These fees are expected to remain constant for approximately the next two (2) years. The projected total annual assessment for FY 2021 is expected to be \$550,296 (96% of total assessment - \$528,284 - will be included within the FY 2021 revenue budget).

Note: Since the inception of the Village's Stormwater Utility, eight (8) capital improvement projects (which are included within the Master Plan) are either completed, currently under design and/or under construction (Total expected project costs over \$1,134,000). Further, the Village has completed repairs and maintenance on Village stormwater ditches, piping and catch basins to improve stormwater flow/drainage and retention while also ensuring that we are meeting annual state testing requirements. Funding for these projects, as well as improved maintenance of our Stormwater system within the Village, is being provided directly from the fees that were established in 2016.

#### Water & Wastewater Rates:

The proposed budget provides that utility rates for all customers remained constant throughout the past fiscal year (FY 2020). A new utility rate study has been completed and is expected to be presented to the Village Council for consideration and approval in October/November 2020 to determine a proposed fee change for future fiscal years (a 1% to 4% increase is expected to be recommended for consideration by the Council during the Budget Workshop on August 20, 2020).

#### Economic (Re-)Development:

Finally, I am proposing to continue funding (\$100,000) the Village's successful Property Improvement Program (PIP) re-development matching grants that will assist with the redevelopment of residential and commercial areas within our community. This matching grant provides eligible applicants with funding of up to \$5,000 to make building related improvements that would improve neighborhood aesthetics and/or business opportunities, reduce code enforcement and policing issues, increase taxable values and contribute to Village pride and "buy-in".

#### Palm Springs Community Redevelopment Agency (CRA):

On September 16, 2019, the Palm Beach County Board of County Commissioners adopted Resolution No. R2019-1463 delegating the exercise of powers conferred by Chapter 163, Part III, Florida Statutes, "The Community Redevelopment Act of 1969" to the Village Council of the Village of Palm Springs, with the conditions outlined in the Interlocal Agreement.

Note: This was the Village's 2<sup>nd</sup> request to the County to create a CRA. The PBC Board of County Commissioners considered this request on August 20, 2019 and voted 4 to 3 to direct staff to negotiate an agreement with the Village to establish a partnership prior to final consideration on September 3, 2019. The County did not approve the Village's initial request in 2018 – 3 votes for and 4 votes against.

As a result, the Village Council established the Palm Springs CRA (Ordinance 2019-19 - November 14, 2019) with two (2) separate districts - Congress Avenue District (generally north of Forest Hill Boulevard to Summit Boulevard) and the Lake Worth Road

District (E-4 Canal west to Military Trail) - and amended the Village Code of Ordinances to create a new Chapter 35 entitled "Community Redevelopment Agency" to accomplish the following:

- . Establish the Palm Springs Community Redevelopment Agency as a dependent special district
- . Incorporate the CRA Finding of Necessity reports (Resolution No. 2019-09)
- . Authorizes the CRA to exercise powers and allowances provided by Chapter 163, Part III, F.S.
- . Designated the Village Council plus two (2) members of a CRA District, for a total of seven (7) CRA Board Members, to serve as the Palm Springs CRA Board Identifies the Village Council Mayor and Vice Mayor to serve as the Chair and Vice Chair of the Palm Springs CRA
- . Established a quorum for conducting CRA business
- . Designated various Village staff to assist in operating the Palm Springs CRA
- . Provided for proper receipt of revenues/funding, budget approval, financial disclosure, noticing and reporting requirements

As a result, the Village Council further established the CRA Trust Fund, which is the depository for all Tax Increment Financing (TIF) revenues/dollars received by a CRA. Prior to receiving and/or spending any TIF funding, the governing body (Village Council) was required to create a Redevelopment Trust Fund for the CRA. The Redevelopment Trust Fund will be a major fund in the Village's annual budget and will be audited within the Village's comprehensive annual financial report (CAFR).

Although the Palm Springs CRA will have a single redevelopment trust fund, the accounting for each of the two (2) Districts will be contained within separate internal accounts (one for each district), in keeping with the CRA "best practices" advice from the Florida Redevelopment Association (FRA). All tax increment revenues from each district will be deposited into the respective account to be spent on capital projects, programs and activities within that district.

Finally, the Village Council approved initial Community Redevelopment Plan for the Palm Springs Community Redevelopment Agency (CRA) (Resolution No. 2019-40 – December 3, 2019) pursuant to Chapter 163.360(4), Florida Statutes. The Community Redevelopment Plan serves as the blueprint for all activities undertaken by the CRA. Thus, it is desirable to have a comprehensive

redevelopment strategy that includes all projects and programs that the CRA desires.

Note: The approved Community Redevelopment Plan is not a "cost feasible" plan rather it is a "desires" plan. If a project and/or activity is not contained within the plan, it cannot be undertaken by the CRA.

The Palm Springs Community Redevelopment Plan relates only to the newly created CRA area (the Congress Avenue and Lake Worth Road districts), and therefore should only include programs or projects that are located within a district. Capital projects scheduled on a governmental capital improvement plan cannot be undertaken by a CRA.

At a minimum (in accordance with state law), a Community Redevelopment Plan must include the following:

- . Legal description of CRA boundaries
- . Summary of land uses within the CRA, including number of dwelling units and amount of open space
- . Graphics depicting the street network and land uses Neighborhood impact element
- . Identification of any capital projects to be undertaken by the CRA (including projected costs)
- . Activities to be undertaken by the CRA (i.e., land acquisition, demolition and removal of structures, redevelopment or rehabilitation, comprehensive plan or zoning changes - including density changes or building requirements, etc.)
- . Provision for affordable housing in the area Safeguards for carrying out the plan (i.e., a work plan)
- . If property is to be acquired, provide for governmental covenants or restrictions on property sold or leased

The Community Redevelopment Plan is (and must be) consistent with the Village's Comprehensive Plan and it may specify comprehensive plan amendments to be undertaken to promote redevelopment.

This initial Palm Springs CRA Community Redevelopment Plan was drafted to meet minimum statutory requirements (Chapter 163.362, Florida Statutes), based on Village Council and community input received over the past 3 years and the two (2) Findings of Necessity Reports that have previously been completed. However, staff is currently reviewing proposals from

planning/redevelopment professional(s) and is expected to recommend a firm(s) to be considered by the CRA Board and the Village Council to further engage the public about the future of the CRA, assist in developing the future direction and prioritization of identified long-term redevelopment strategies and recommend modifications to the plan, which are expected to be developed based on economic and market analyses.

Note: The Palm Springs CRA Community Redevelopment Plan may be modified at any time, following the same procedures as required statutorily for adoption of the original plan. However, the Plan should be (and is planned to be) evaluated and updated at least every 7 years (1-year after adoption of the Evaluation and Appraisal Report of the Village Comprehensive Plan).

The Interlocal Agreement between the Village and Palm Beach County Commission in September 2019 established that the County's contribution is exempt from future payments to the Redevelopment Trust Fund once a total payment of tax increment reaches \$28 million. Further, the approved Agreement provides that the County tax increment shall be calculated using the same Village operating millage rate even if the County millage rate exceeds the Village millage rate.

The annual payment of tax increment funds to the CRA will be made in accordance with state statute and are calculated utilizing the base property values (or baseline year) as of January 1, 2019 (which was agreed upon by the County and the Village within the approved Interlocal Agreement). Further, and pursuant to Florida Statutes, the Palm Springs CRA, at request of the Village, the County Commission provided that the Palm Springs CRA may extend for a time period not to exceed 30 years with no extensions (The Village Council approved the Interlocal Agreement on August 29, 2019).

As a result, the proposed initial, FY 2021 Budget for the Palm Springs Community Redevelopment Agency (CRA) is expected to receive the following revenues:

Palm Beach County – FY 2021 TIF Contribution: \$68,581

Village of Palm Springs – FY 2021 TIF Contribution: \$68,581

Note: As a result of negotiating a base year (within the approved Interlocal Agreement with PBC) to be the beginning of 2019 (rather than at the end of 2019 or the beginning of 2020), the Palm Springs CRA is expected to receive \$2.1 million over the 30 year term of the CRA.

**Conclusion:**

The proposed Fiscal Year 2021 budget represents a continued commitment to providing a clean and safe community in a fiscally responsible manner. The budget, as presented, represents the fundamental operating tool used to guide Village operations throughout the upcoming year.

As can be expected, this year's budget had its challenges. However, due to realistic budget requests from our departments (in an effort to meet the Village's desire to deliver the highest levels of services available) and continued implementation of the Village's Capital Improvement Plan (CIP), we were able to provide you with a balanced budget that will assist in meeting our goals and ensure that the Village remains a great place to live, work and play.

Further, I want to thank each of the Departments for critically looking at their budget proposals and evaluating each line within their operating and capital budgets. As a result of their commitment and efforts, we are able to present the Village Council with a balanced budget (with the use of reserve funding for only one-time large capital needs and one-time planning consulting services). This ongoing change in (budgeting) culture will continue to enable the departments to operate throughout the year with planned funding while presenting the public with an accurate picture of the funding needed to support the operations of the Village.

I want to personally thank Rebecca Morse, Finance Director, Mariana Ortega-Sanchez, Assistant Finance Director and the Finance Department's staff for the overall coordination and preparation of this FY 2021 Budget. Becky faced a number of obstacles during this year's budget process and I am grateful for all of her efforts to ensure that we are proposing a budget that meets our goal of remaining financial conservative while also providing funding to our departments that ensures that we are also financially

sustainable for the long-term.

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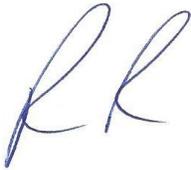
I would like to personally thank all of the Village's staff, including Ashley Saingilus, Janette Piedra, Kim Wynn, Jane Worth and Karen Quintero for their continued assistance and support this past year. Our staff, throughout the Village, continues to provide the highest levels of service while always considering ways to reduce our costs. We have extremely dedicated and cost-conscious staff, which has contributed to the overall success of our organization.

Additionally, I would like to thank each of the Department Directors for all of their hard work this year. I value their professionalism, experience and dedication that they offer to the Village. Our neighboring communities look upon the Village favorably and our leadership is a major reason.

Further, I would like to acknowledge each member of the Council for your continuous professionalism, respect for the Village as a whole, collective guidance/decision-making and support for staff. Your efforts have served as the foundation for the success of the organization and have contributed to the Village being "A Great Place to Call Home".

Thank you for the opportunity to serve as the Village Manager for the Village of Palm Springs. I am truly honored to serve in this capacity.

Respectfully Submitted,

A handwritten signature in blue ink, consisting of the letters 'R' and 'R' written in a stylized, cursive font.

Richard J. Reade  
Village Manager