



**AGENDA
COMMUNITY REDEVELOPMENT AGENCY MEETING
VILLAGE HALL COUNCIL CHAMBERS
226 CYPRESS LANE ■ PALM SPRINGS, FL 33461
MAY 14, 2026
6:00 PM**

COUNCIL

- Chairperson Bev Smith

- Vice Chair Patti Waller
- Board Member Gary Ready
- Board Member Johnnie Tieche
- Board Member Patti Waller
- Board Member Marta Padron (*Lake Worth Corridor District*)
- Board Member Fabiana DesRosiers (*Congress Avenue District*)

ADMINISTRATION

- CRA Director Michael Bornstein
- CRA Attorney Christy Goddeau
- CRA Asst Director Kim Glas-Castro
- CRA Clerk Kimberly Wynn

If a person decides to appeal against any decision made by the Board concerning any matter considered, they will need a record of the proceedings. For such purposes, they may need to ensure that a verbatim record of the proceedings is available. The recording includes the testimony and evidence upon which the appeal is to be based.

CALL TO ORDER

ROLL CALL

ADDITIONS, DELETIONS OR MODIFICATIONS, AND APPROVAL OF AGENDA

Motion	Second	Vote
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ORDER OF BUSINESS

1. Approve January 14, 2026, Palm Springs CRA Meeting Minutes

Staff: Kimberly Wynn, Village Clerk

2. **Approve April 20, 2026, Palm Springs CRA Special Meeting Minutes**

Staff: Kimberly Wynn, Village Clerk

Motion	Second	Vote
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3. **Presentation and Action Item: Annual Comprehensive Financial Report - Fiscal Year 2025 - Palm Springs CRA:** Motion to recommend acceptance of the FY2025 Financial Report and forward it to the Village Council for consideration.

Staff: Kimberly Glas-Castro, Assistant Village Manager

Motion	Second	Vote
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4. **Acceptance of the Palm Springs CRA Annual Report for Fiscal Year 2025:** Motion to approve acceptance of the Palm Springs Community Redevelopment Agency Report for Fiscal Year 2025.

Staff: Kimberly Glas-Castro, Assistant Village Manager

Motion	Second	Vote
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5. **Approval of Bond Council Agreement — Nabors, Giblin & Nickerson, P.A.:** Recommend approval to enter into an agreement with Nabors, Giblin & Nickerson, P.A. to provide legal services towards the financing and acquisition of the bond for the Community Redevelopment Agency (CRA).

Staff: Mara Frederiksen, Finance Director

Motion	Second	Vote
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PUBLIC COMMENT (Three-minute limit)

ACTIONS AND REPORTS

CRA DIRECTOR / ASSISTANT DIRECTOR COMMENTS

CRA BOARD COMMENTS

ADJOURNMENT

NEXT MEETING
TUESDAY, JULY 7, 2026, AT 6:00 PM
(IMMEDIATELY FOLLOWING THE BUDGET WORKSHOP)

Village of Palm Springs

Title VI/Nondiscrimination Policy

I. Policy Statement:

The Village of Palm Springs values diversity and welcomes input from all interested parties, regardless of cultural identity, background, or income level. Moreover, the Village believes the best programs and services result from careful consideration of the needs of all its communities and when those communities are involved in the decision-making process. The Village does not tolerate discrimination in any of its programs, services, or activities. Pursuant to Title VI of the Civil Rights Act of 1964 and other federal and state authorities, the Village will not exclude from participation in, deny the benefits of, or subject to discrimination anyone on the grounds of race, color, national origin, sex, age, disability, religion, or family status.

II. Persons with Disabilities:

Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990 (ADA) and related federal and state laws and regulations forbid discrimination against those who have disabilities. These laws require federal-aid recipients and other government entities to take affirmative steps to reasonably accommodate those with disabilities and ensure that their needs are equitably represented.

The Village will make every effort to ensure that its facilities, programs, services, and activities are accessible to those with disabilities. The Village will also make every effort to ensure that its advisory committees, public involvement activities and all other programs, services and activities include representation by communities with disabilities and disability service groups.

The Village encourages the public to report any facility, program, service, or activity that appears inaccessible to those who are disabled. Also, the Village will provide reasonable accommodation to individuals with disabilities who wish to participate in public involvement events or who require special assistance to access facilities, programs, services, or activities. Because providing reasonable accommodation may require outside assistance, the Village asks that requests be made at least three (3) business days prior to the need for accommodation. Questions, concerns, comments, or requests for accommodation should be made to the Village ADA Officer:

Name: Ashley Saingilus
Address: 226 Cypress Lane, Palm Springs, FL 33461
Email: asaingilus@vpsfl.org
Phone: (561) 584-8200 Ext. 8421

III. Complaint Procedures:

The Village has established a discrimination complaint procedure and will take prompt and reasonable action to investigate and eliminate discrimination when found. Any person who believes that he or she has been subjected to discrimination based upon race, color, national origin, sex, religion, age, disability or family status in any Village program, service or activity may file a complaint with the Village Title VI/Nondiscrimination Coordinator:

Name: Janette Piedra, Human Resources Manager
Address: 226 Cypress Lane, Palm Springs, FL 33461
Email: jpiedra@vpsfl.org
Phone: (561) 584-8200 Ext. 8422



MINUTES, COUNCIL CHAMBERS
226 CYPRESS LANE • PALM SPRINGS, FLORIDA
JANUARY 15, 2026, AT 6:00 PM

CALL TO ORDER

Madame Chair Bev Smith called the Palm Springs CRA Meeting to order at 6:00 PM.

ROLL CALL

Present: Madame Chair Bev Smith, Madame Vice-Chair Kim Schmitz, Board Member Gary Ready, Board Member Patti Waller, Board Member Marta Padron, and Board Member Johnnie Tieche

Absent: Board Member Fabiana DesRosiers

Also Present: CRA Director Michael Bornstein, CRA Attorney Christy Goddeau, CRA Board Clerk Kimberly M. Wynn, CRA Assistant Director Kim Glas-Castro, Acting Police Chief Peter Buhr as-Sergeant-In-Arms, Planning, Zoning, and Building Director Iramis Cabrera, Utilities Director Jimmie Johnson, Assistant Utilities Director Paul Ward, Public Works Director Felipe Lofaso, Assistant Public Works Director Timothy Crespo, Assistant Director of Parks and Recreation Lauren Bennett, and Parks and Recreation Special Events Coordinator Emeric JeanCombe.

ADDITIONS, DELETIONS OR MODIFICATIONS, AND APPROVAL OF AGENDA

There were no additions, deletions, or modifications to the agenda.

Mrs. Waller moved to approve the agenda as presented. Madame Vice-Chair Schmitz seconded. The motion passed unanimously.

PUBLIC COMMENT

Madame Chair Smith opened the floor for public comment. There were no comments from the public.

ORDER OF BUSINESS

1. **Approval of September 25, 2025, Palm Springs Community Redevelopment Area (CRA) Meeting Minutes: Motion to approve September 25, 2025, minutes from the Palm Springs CRA meeting.**

Staff: Jane Worth, Deputy Village Clerk

Mr. Ready moved to approve the September 25, 2025, CRA Meeting Minutes. Mrs. Padron seconded. The motion passed unanimously.

2. **Resolution No. 2026R-01 Palm Springs Community Redevelopment Agency (CRA) - FY 2026 Budget Amendment No. 1: Motion for the approval of Resolution No. 2026R-01 to amend the FY 2026 operating budget to allow Palm Springs Community Redevelopment Agency (CRA) to increase its budget by \$1,038,239 to reflect the remaining fund balance as of September 30, 2025 (FY 2025) and to allocate these funds to specific CRA activities.**

Staff: Kimberly Glas-Castro, Assistant Village Manager

SUMMARY: The proposed Resolution recommends an amendment to the annual budget for the Palm Springs Community Redevelopment Agency (CRA) to increase the total budget by \$1,038,239.

The proposed amendment allocates the FY 2025 fund balance to the respective CRA districts:

CRA DISTRICT	FY26 Budget Amendment	Proposed Total FY26 Budget
Lake Worth Road District Budget	+ \$443,136	\$1,402,414
Congress Avenue District Budget	+ \$595,103	\$3,364,896

Note: Per Chapter 163.387(7), Florida Statutes, any fund balance left at the end of the fiscal year must be "appropriated to a specific redevelopment project pursuant to an approved community redevelopment plan" or must be used to reduce indebtedness or must be returned to each taxing authority.

The Palm Springs CRA Community Redevelopment Plan identifies five (5) key economic development strategies to promote investment and revitalization. One of these strategies is business attraction and recruitment. The proposed budget amendment allocates the FY2025 fund balance to this effort and provides funding for:

- Redevelopment Incentive Program (aka Property Improvement Grants) to provide financial assistance to property owners within the Congress Avenue District in connecting to the new sanitary sewer line, and to provide incentive funds in the Lake Worth Road District for the development of South Village (SoVi) towncenter.
- Land Acquisition in the Congress Avenue District should a reasonable purchase price be negotiated on a key redevelopment site.

The proposed budget amendment will be considered by the Village Council at its January 15, 2026, meeting.

The Assistant CRA Director, Mrs. Glas-Castro, presented this item. The Village Council reviewed a proposed budget amendment for the Palm Springs CRA at its January 15, 2026, meeting. The amendment reallocates leftover FY2025 funds, as required by Florida law, to support redevelopment projects. Funds will be used for property improvement grants in the Congress Avenue and Lake Worth Road Districts, potential land acquisition in the Congress Avenue District, and to help develop the South Village (SoVi) town center. The Assistant CRA Director, Mrs. Glas-Castro, explained the adjustment and noted the CRA cannot retain surplus funds. There were no public comments or council discussions.

The Village Attorney, Mrs. Goddeau, read the title of the caption into the record.

Mr. Ready moved to approve Resolution No. 2025R-01. Mrs. Waller seconded the motion. The motion carried unanimously.

Fiscal Impact: The proposed resolution recommends an amendment to the FY 2026 operating budget for the Palm Springs CRA to reconcile the fund balance remaining on September 30, 2025 (FY 2025). The proposed increase of \$1,038,239 will bring the total Palm Springs CRA budget to \$4,767,310.

Note: The proposed amendment will produce an amended Village budget totaling \$88,997,279.

3. **Resolution No. 2026R-02 - Palm Springs Community Redevelopment Agency (CRA) - Authorization to Enter into Letter of Intent for the Cooperative Pursuit of a Village Town Center: Motion to approve Resolution No. 2026R-02 authorizing the Palm Springs CRA to enter into a Letter of Intent for the Cooperative with 61 different property owners along 2nd Avenue North and Davis Road known as South Village (SoVi) area.**

Staff: Kimberly Glas-Castro, Assistant Village Manager

SUMMARY: The Urban Village Overlay provides form-based development regulations to create a new town center along 2nd Avenue North and Davis Road in the "South Village". The South Village area comprises 113 parcels with 61 different property owners. It would be advantageous for the Village and CRA to join with the property owners to create an assemblage.

A land assemblage is a redevelopment tool that combines multiple small parcels into a single larger development site to market and sell the entire collection of properties. An assemblage creates opportunities for greater development potential and increases investment interest in reducing negotiation time and risk for the developer.

An aggregation of the properties in the South Village facilitates the CRA's vision for a pedestrian-oriented mixed-use town center. The CRA can offer incentives to

a developer who will help create the desired form of redevelopment, thereby reducing developer costs and increasing their return on investment. For property owners, the land assemblage enhances the value of the individual parcels by increasing the usability and development potential of the assembled acreage.

The proposed Letter of Intent for the Cooperative Pursuit of a Village Town Center ("LOI") provides a means to assemble property owners for the common pursuit of a developer and to streamline negotiations.

CRA staff are seeking CRA Board authorization for the Executive Director or Assistant Executive Director to execute these LOIs, on behalf of the CRA, as property owners in the South Village area express an interest in joining an assemblage to collectively seek a purchase offer for all the parcels in the area.

CRA Director, Mr. Michael Bornstein, presented this item. He stated that the Urban Village Overlay proposal is to create a new town center in South Village by assembling 113 parcels owned by 61 property owners. The land assemblage would increase development potential, streamline negotiations, and attract investment. The approach aligns with the CRA's goal for a pedestrian-focused, mixed-use center and allows for development incentives. Further, a Letter of Intent (LOI) is proposed to organize property owners and simplify negotiations with developers.

The CRA staff are seeking Board authorization for leadership to execute LOIs as owners' express interest, to collectively pursue a purchase offer for all parcels. The project is a work in progress. The Village Attorney interjected and explained that she received comments based on the draft letter. Staff would like to move forward with approval to authorize sending the LOI to stakeholders, but allow the CRA Director, Assistant CRA Director, and Attorney to make minor changes as needed.

The Village Attorney, Mrs. Goddeau, read the title of the caption into the record. Madame Chair Smith opened the meeting to public comment. There were no comments from the public.

Mr. Ready moved to approve Resolution No. 2026R-02. Mr. Tieche seconded the motion. The motion carried unanimously.

ACTIONS AND REPORTS

There were no Action or Reports.

4. Fiscal Year 2025 Goals, Objectives, Metrics and Achievements

Staff: Kimberly Glas-Castro, Assistant Village Manager

SUMMARY: House Bill 7013, 2024 Session, required all special districts, including CRAs, to establish goals and objectives for each program and activity

undertaken by the district, and to set performance measures or standards to determine if these goals and objectives are being met. By December 1st of each year, each special district must publish an annual report on its website that describes how well it achieved its expectations.

The Village Departments and CRA establish performance measures with the annual budget. The Management Team reviews metrics quarterly and discusses resources, assistance, or reprioritization that might be needed to meet the year's established objectives.

Attached are the Palm Springs CRA FY25 performance measures report.

The Assistant CRA Director, Mrs. Glas-Castro, discussed the requirements of House Bill 7013 (2024 Session), which mandates that all special districts, including Community Redevelopment Agencies (CRAs), set clear goals, objectives, and performance measures for their programs and activities. Each district is required to publish an annual report by December 1st detailing their progress in meeting these objectives.

It was noted that the Village Departments and CRA align performance measures with the annual budget and review metrics quarterly. The Management Team meets regularly to assess progress, allocate resources, and adjust priorities as needed. The Palm Springs CRA FY25 performance measures report was presented as an attachment for review.

Mrs. Padron moved to approve the FY 2025 Goals, Objectives, Metrics and Achievements. Mrs. Schmitz seconded the motion. The motion carries unanimously.

Fiscal Impact: There is no fiscal impact.

CRA DIRECTOR / ASSISTANT DIRECTOR COMMENTS

There were no comments.

CRA BOARD COMMENTS

There were no comments

ADJOURNMENT

Hearing no further business, Madame Chair Smith adjourned the CRA Meeting at 6:17 PM.

The undersigned is the Village Clerk of Palm Springs, Florida, and the information provided herein is the Minutes of the Regular Council Meeting held on **January 15, 2026**. The minutes were formally approved and adopted by the Village Council on **May 14, 2026**.

Kimberly M. Wynn
Village Clerk

**NEXT REGULAR MEETING:
THURSDAY, APRIL 9, 2026, AT 6:00 P.M.**



**VILLAGE COUNCIL MEETING
MINUTES, COUNCIL CHAMBERS
226 CYPRESS LANE ▪ PALM SPRINGS, FLORIDA
APRIL 20, 2026, AT 11:00 AM**

CALL TO ORDER

Madam Chair Bev Smith called the Palm Springs CRA Special Meeting to order at 11:00 AM.

ROLL CALL

Present: Madam Vice Chair Patti Waller, Board Member Mr. Johnnie Tieche, Board Member Mrs. Kim Schmitz, Board Member Mr. Gary M. Ready, Board Member Mrs. Marta Padron, Board Member Mrs. Fabiana DesRosiers, and Madam Chair Bev Smith.

Absent: None

Also, present were CRA Director Michael Bornstein, Assistant CRA Director Kim Glas-Castro, CRA Attorney Christy Goodeau, CRA Clerk Kimberly Wynn, Finance Director Mara Frederiksen, Public Works Director Felipe Lofaso, Assistant Finance Director Corrine Elliott, and Police Chief Rolando Silva.

Jay Glover and Steven Miller from PFM Advisors attended the ZOOM Meeting.

ADDITIONS, DELETIONS OR MODIFICATIONS, AND APPROVAL OF AGENDA

The CRA Director, Mr. Bornstein, noted there were no additions, deletions, or modifications to the agenda.

Mrs. DesRosier made a motion to approve the agenda as presented, and Mr. Ready seconded. The motion carried unanimously.

ORDER OF BUSINESS

1. **Palm Springs Community Redevelopment Agency (CRA) Funding, Incentives and Financial Considerations:** Discussion of the CRA's incentive programs, funding scenarios, and proposed redevelopment loan to support infrastructure improvements and development growth across the Palm Springs CRA districts. Staff seek Board authorization to issue an RFP for a redevelopment loan to leverage future investment.

Staff: Kimberly Glas-Castro, Assistant Village Manager

SUMMARY: The Palm Springs CRA Community Redevelopment Plan ("Plan"), Policy VI.I, provides that the "CRA shall provide financial incentives and programming support for desired redevelopments." The Plan references

assistance programs, gap financing, impact fee rebates, tax increment rebates, partnering with financial institutions, leveraging other programs such as County Section 108 funds, or job growth incentive grants.

The CRA Board approved the first incentive program, the Catalyst Fund, in April 2023. Three (3) properties completed projects under the Building Exterior Improvement Program (parking lot repaving, perimeter landscaping, dumpster enclosure, etc.) for a total of \$70,300.49 in CRA matching funds.

In June 2025, staff presented a modified Incentive Program, which was approved by the CRA Board, that expanded and clarified the grants offered by the CRA. The Septic to Sewer program offers \$10,000 to Congress Avenue properties that need to connect to the new sanitary sewer line if they apply before December 2026. The Economic Impact program offers financial assistance, as the CRA budget allows, for eligible improvements, including landmark down, infrastructure assistance, demolition, development costs, and provision of public benefits. Funding may be provided as a reimbursement grant or a tax increment rebate.

The Village has been undertaking improvements in advance of redevelopment to enhance infrastructure and the aesthetics of the public rights-of-way. As developer interest increases, the Village/ CRA may be requested to undertake additional improvements to facilitate redevelopment, which would serve as another form of incentive.

While the CRA's tax increment revenue was approximately \$1.6 million in Fiscal Year 2026 (including County funding), the Florida Legislature's proposed property tax cuts would affect the CRA. A reduction or elimination of property taxes will limit the funds that the CRA has to incentivize redevelopment. Community Redevelopment Agencies are authorized by Florida Statutes to borrow money or to issue debt through bonds for public purposes, based on the projected valuation of the CRA. The surety provider typically requires the city to support the CRA's pledge. Any debt that a CRA assumes must be repaid prior to the expiration date of the CRA (the Palm Springs CRA is set to sunset on December 3, 2049, under the 30-year Interlocal Agreement with Palm Beach County).

PFM Financial Advisors has provided a few funding scenarios for the CRA based on earned TIF revenues and estimated earned funds. Staff anticipates borrowing \$6,000,000 for the Lake Worth Road District and \$4,000,000 for the Congress Avenue District, with amortization over the life of a 15-year loan. Debt service payments would range from \$151k to \$590k and \$98k to \$395k, respectively, over the life of the loan, which would be fully paid off by 2041 at a proposed interest rate of 5.35%. The debt service payments would be fully funded by TIF revenues, excluding funds provided by the County. Attached, you will find an estimate of TIF revenues at a 3% growth rate that shows TIF Funds covering debt service and leaving excess funds for grants and operating.

A redevelopment loan would provide the CRA with financial flexibility to leverage developers' investments and might include, but not be limited to, infrastructure (water/sewer/drainage) projects, public realm amenities in new activity centers, development gap financing, and/or parcel acquisition. Depending on how the funds are to be utilized, the funding would be taxable or tax-exempt. The proposed funding rate for taxable is 5.35%, and for non-taxable, 4.25%.

Staff is seeking CRA Board authorization to proceed with a Request for Proposals (RFP) for a redevelopment loan. A special CRA Board meeting will be held to discuss responses to the RFP and next steps.

CRA Director, Michael Bornstein, introduced this item. He explained that the workshop is to discuss options for redevelopment of the CRA area — particularly in the South Village (SOVI) area, but also in other spots geographically. They would like to propose bringing back options for a loan where the Village would borrow against the tax increment (TIF) from when the CRA was established in 2019. The money would generally have to go into the General Fund, then there is the County fund. They are looking to create a pot of money as they negotiate with the developers for the redevelopment as they figure out how to make deals work. The money could be used for property acquisition, infrastructure, and other components like drainage and streets. There are also things that can be incentivized on the property, such as parking or arts. Having incentive money brings the Village to the negotiation table in a controlled way that can make a development happen.

Ms. Frederiksen discussed the breakdown of money received for each district. She used a 3% multiplier for the anticipated funds. She noted that in 2023-2025 the CRA earned more than the projected 3% increase. She used a very conservative growth rate. She discussed what we are collecting from each of the districts using a conservative approach which is noted in the backup. Mrs. Frederiksen talked about the different scenarios.

Mr. Ready asked if it was possible for the Village to borrow money from one CRA to our other CRA. He was advised it is possible to borrow money from the CRA to the other CRA. Mrs. Frederiksen advised the Board that the balance collected in the CRA funds for the Lake Worth Corridor is \$2.3 million and \$1.9 million for the Congress Avenue Corridor. Madam Chair Smith asked if the funds would be distributed equally to each CRA. Ms. Frederiksen advised that the total would be \$10 million. The Lake Worth Corridor would receive \$6 million, and the Congress Avenue Corridor would receive \$4 million.

Mr. Jay Glover from PFM Financials advised that if he is given directions from the Board, he would go out and seek financing and procure a loan provider. Today, the first step is to get proposals to be brought back to the Council for consideration. The Board will get another look but today it is seeking guidance so that PFM can go out and solicit various proposals from lenders from the state and

region. The Board must decide if they want the firm to move forward with more data, then decide based on market analysis of interest rates and paybacks. Mayor Smith asked about the turnaround to receive the proposals. Mr. Glover estimated about 60–90 days. Madam Vice Chair Waller asked if they anticipated more than one lender would participate. Mr. Glover stated that an RFP process would be used. It is likely to receive multiple offers. The size of the loan in this market is considered a small loan. One bank is recommended as the loan provider, but multiple proposals are recommended to determine the best terms.

Mr. Steven Miller talked about the legal structure. He stated that typically with TIF transactions, the marketplace will want the Village to backstop in case the TIF revenues are not sufficient. The village would have to find non-ad valorem sources to make up for the deficiency (collateral). It makes the credit better and lowers the interest rate.

Mrs. Schmitz discussed the ramifications of the legislation passed regarding property taxes. Mr. Miller advised there would not be a big impact, since most of the property is commercial. Mr. Bornstein added that with the likelihood of the question getting on the ballot in November, it is not recommended that we wait too long. Also, because the interest rates are up and down right now, it is not recommended to wait and see. He mentioned that the property tax and budget are not scheduled for the legislative session scheduled for April 27th—May 1st. If something is passed and implemented, we would not see the effects next summer or fall. There is also the issue of CRAs sunseting. This is set up where if the CRA is disbanded, the money will be switched over to the General Fund.

Mr. Ready asked about insurance on loans. If the CRA is required to carry insurance, Glover advised that there is no requirement to carry insurance on the loan from the lender above what the CRA would normally carry. The lender is secured by the tax increment.

Mrs. DesRosiers motioned for the approval to move forward with the bidding process, and Mr. Ready seconded. The motion carried unanimously.

Fiscal Impact: 15 Year Amortized Payment Plan to be paid through TIF Revenue. Debt Schedule starts at approximately \$151k at its lowest and grows to \$590 over the life of the loan.

PUBLIC COMMENT

There were no comments from the public.

CRA DIRECTOR / ASSISTANT DIRECTOR COMMENTS

Mr. Bornstein thanked the Board for their consideration and expressed his excitement at getting started.

ACTIONS AND REPORTS

There were no Actions or Reports.

ADJOURNMENT

Hearing no further business, Madame Chair Smith adjourned the meeting at 11:17 AM.

The undersigned is the Village Clerk of Palm Springs, Florida, and the information provided herein is the Minutes of the Regular Council Meeting held on **April 20, 2026**. The minutes were formally approved and adopted by the Village Council on **May 14, 2026**.

Kimberly Wynn
Village Clerk

**NEXT REGULAR MEETING:
THURSDAY, MAY 14, 2026, AT 6:00 PM**

2034	2035	2036	2037	2038	2039	2040	2041		TOTAL
564,039.51	580,960.70	598,389.52	616,341.20	634,831.44	653,876.38	673,492.68	693,697.46		9,705,904.12
564,039.51	580,960.70	598,389.52	616,341.20	634,831.44	653,876.38	673,492.68	693,697.46	-	9,705,904.12
\$ 1,128,079.03	\$ 1,161,921.40	\$ 1,196,779.04	\$ 1,232,682.41	\$ 1,269,662.88	\$ 1,307,752.77	\$ 1,346,985.35	\$ 1,387,394.91	\$ -	\$ 19,411,808.23
\$ (591,695.00)	\$ (590,830.00)	\$ (593,895.00)	\$ (590,622.50)	\$ (591,280.00)	\$ (590,600.00)	\$ (593,582.50)	\$ (589,960.00)		\$ (9,021,476.88)
\$ 536,384.03	\$ 571,091.40	\$ 602,884.04	\$ 642,059.91	\$ 678,382.88	\$ 717,152.77	\$ 753,402.85	\$ 797,434.91	\$ -	\$ 10,390,331.35
103%	103%	103%	103%	103%	103%	103%	103%		
461,486.87	475,331.48	489,591.42	504,279.17	519,407.54	534,989.77	551,039.46	567,570.65		7,948,650.71
461,486.87	475,331.48	489,591.42	504,279.17	519,407.54	534,989.77	551,039.46	567,570.65	-	7,948,650.71
\$ 922,973.75	\$ 950,662.96	\$ 979,182.85	\$ 1,008,558.34	\$ 1,038,815.09	\$ 1,069,979.54	\$ 1,102,078.92	\$ 1,135,141.29	\$ -	\$ 15,897,301.43
\$ (392,300.00)	\$ (393,650.00)	\$ (394,212.50)	\$ (393,987.50)	\$ (392,975.00)	\$ (396,175.00)	\$ (393,325.00)	\$ (394,687.50)		\$ (6,007,040.63)
\$ 530,673.75	\$ 557,012.96	\$ 584,970.35	\$ 614,570.84	\$ 645,840.09	\$ 673,804.54	\$ 708,753.92	\$ 740,453.79	\$ -	\$ 9,890,260.80
103%	103%	103%	103%	103%	103%	103%	103%		\$ 20,280,592.15



Village of Palm Springs

Executive Brief

AGENDA DATE: May 14, 2026

DEPARTMENT: Administration

ITEM #3: Annual Financial Report - Fiscal Year 2025 - Palm Springs CRA

SUMMARY: Mr. Nicholas Martin, a Senior Manager at CBIZ CPAs, the auditing firm for the Village, will present the Annual Comprehensive Financial Report (ACFR) for the fiscal year that ended on September 30, 2024. This report contains detailed financial information regarding the agency's operations, expenditures, and revenue for the fiscal year 2025.

As per the agency's procedures, the report has been shared with all board members and must be forwarded to the governing body (Village Council) for review and approval. Additionally, the report must be posted on the CRA website for public access and transparency. The report serves as a crucial document to help stakeholders, investors, and the public understand the agency's financial health, performance, and future plans.

FISCAL IMPACT:

Fiscal Year 2025 ended with a Net Position of \$1,038,239 between the two districts (Lake Worth Corridor and the Congress Avenue Corridor). The CRA Board allocated the FY25 Fund Balance during its meeting on January 15, 2026. These funds were assigned to specific CRA programs/activities. The associated FY25 budget amendments were approved by the Village Council on January 15, 2026.

ATTACHMENTS:

1. Financial Statement for the Fiscal Year Ended September 30, 2025 - Palm Springs Community Redevelopment Agency
2. Communication Letter - CBIZ CPAs (Village Auditors)

**PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)**

FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)

CONTENTS

Independent Auditors’ Report	1-3
Management’s Discussion and Analysis (Required Supplementary Information)	4-8
Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position	9
Statement of Activities.....	10
Fund Financial Statements:	
Balance Sheet.....	11
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	12
Statement of Revenues, Expenditures and Changes in Fund Balances	13
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities	14
Notes to Financial Statements	15-22
Required Supplementary Information (Unaudited)	
Budgetary Comparison Schedule – Budgetary Basis	23
Notes to Budgetary Comparison Schedule	24
Reporting Section	
Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	25-26
Management Letter in Accordance with the Rules of the Auditor General of the State of Florida	27-29
Independent Accountants’ Report on Compliance with Florida Statutes.....	30

INDEPENDENT AUDITORS' REPORT

Independent Auditors' Report

To the CRA Board and Executive Director
Palm Springs Community Redevelopment Agency

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of the Palm Springs Community Redevelopment Agency (the "CRA"), a component unit of the Village of Palm Springs, Florida, as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the CRA, as of September 30, 2025, and the respective changes in financial position, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the CRA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the CRA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the CRA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the CRA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control – related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 8, and the Budgetary Comparison Schedule and related notes on pages 23 through 24 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an

essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2026 on our consideration of the CRA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the CRA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

Boca Raton, Florida
March 27, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS
(MD&A)

**PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)**

MANAGEMENT’S DISCUSSION AND ANALYSIS

The Palm Springs Community Redevelopment Agency (the “CRA”) management’s discussion and analysis (“MD&A”) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the CRA’s financial activity, (c) identify changes in the CRA’s financial position (its ability to address the next and subsequent years challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

Since the MD&A is designed to focus on current year activities, resulting changes, and currently known facts, it should be read in conjunction with the CRA’s financial statements which follow this section.

FINANCIAL HIGHLIGHTS

- The assets of the CRA exceeded its liabilities at September 30, 2025, by \$2,183,806 (net position). Of this amount, \$2,121,701 related to net investment in capital assets and the remaining balance was restricted for redevelopment purposes.
- As of September 30, 2025, the CRA’s reported ending fund balances of \$62,105. Fund balance saw a decrease of \$1,104,496 when compared to the prior year. This is the fifth year of operations.

The MD&A is intended to serve as an introduction to the CRA’s financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

These Financial Statements consists of four components:

1. Management’s discussion and analysis (this section).
2. Government-wide and fund financial statements.
3. Notes to the financial statements.
4. Required supplementary information.

Government-wide Financial Statements

Government-wide financial statements provide readers with a broad overview of the CRA’s finances in a manner similar to a private-sector business. The governmental activities of the CRA include accounting for the tax increment financing and related redevelopment expenditures of the Palm Springs community redevelopment area.

The statement of net position presents information on all the CRA’s assets and liabilities, with the difference between the two reported as net position. This statement serves a purpose similar to that of the balance sheet of a private-sector business. Over time, increases or decreases in net position may serve as one indicator of whether the financial position of the CRA is improving or deteriorating.

The statement of activities presents information showing how the government’s net position changed during the fiscal year. All changes in net position are reported using the accrual basis of accounting.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-wide Financial Analysis

Statement of Net Position

The following is a summary of the CRA’s governmental activities net position for each of the past two years:

SUMMARY OF NET POSITION SEPTEMBER 30, 2025 AND 2024

	Governmental Activities			
	2025	2024	(\$) Change	(%) Change
Assets				
Current and other assets	\$ 2,052,866	\$ 1,170,533	\$ 882,333	75.4%
Capital assets, not being depreciated	2,121,701	--	2,121,701	100.0%
Total Assets	4,174,567	1,170,533	3,004,034	256.6%
Liabilities				
Current liabilities	553,693	3,932	549,761	13981.7%
Advance due to the Village	1,437,068	--	1,437,068	100.0%
Total Liabilities	1,990,761	3,932	1,986,829	50529.7%
Net Position				
Net investment in capital assets	2,121,701	--	2,121,701	100.0%
Restricted	62,105	1,166,601	(1,104,496)	-94.7%
Total Net Position	\$ 2,183,806	\$ 1,166,601	\$ 1,017,205	87.2%

As noted above, capital assets increased by approximately \$2.1 million and Advance due to the Village increased by approximately \$1.4 million when comparing balances as of September 30, 2025 and 2024. This is due to the recording of a loan from the Village to the CRA for the purchase of property.

Statement of Activities

The following is a summary of the changes in the CRA's governmental activities net position for each of the past two years:

SUMMARY OF CHANGES IN NET POSITION FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2025 AND 2024

	Governmental Activities			
	2025	2024	(\$) Change	(%) Change
Revenues				
Program revenues:				
Operating grants and contributions	\$ 146,351	\$ 41,358	\$ 104,993	253.9%
Capital grants and contributions	591,553	--	591,553	100.0%
General revenues:				
Tax increment revenue	1,109,529	825,193	284,336	34.5%
Interest income	47,306	41,048	6,258	15.2%
Total Revenues	1,894,739	907,599	987,140	108.8%
Expenses				
Economic environment	877,534	249,051	628,483	252.4%
Total Expenses	877,534	249,051	628,483	252.4%
Change in Net Position	1,017,205	658,548	358,657	54.5%
Net Position - Beginning	1,166,601	508,053	658,548	129.6%
Net Position - Ending	\$ 2,183,806	\$ 1,166,601	\$ 1,017,205	87.2%

The increase in 2025 as compared to 2024 in tax increment revenue is a function of the increase in the assessed values of properties within the CRA boundaries above the base year valuation amounts.

The increase in the economic environment expense is due to an increase in contractual services for the Congress Ave Sanitary Sewer CIP project.

Financial Analysis of the Governmental Fund

The CRA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental fund. The CRA is comprised of two governmental funds, the Lake Worth Road CRA Fund and the Congress Avenue CRA Fund. The focus of these *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the CRA's financing requirements. In particular, *unassigned fund balance* and *restricted fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Lake Worth Road CRA Fund reported an ending unassigned fund balance deficit of \$993,932, a decrease of \$1,598,275 for the year. The Congress Ave CRA Fund reported an ending restricted balance of \$1,056,037, an increase of \$493,577 for the year. The total fund balance for both funds is \$62,105 at fiscal year end. As the CRA is focused on reinvestment revenues into the CRA districts and does not have significant annual operational costs, the CRA does not maintain specific reserve levels for operations.

The \$1,598,275 decrease in fund balance for the Lake Worth Road CRA Fund in fiscal year 2025 was primarily related to an increase in capital outlay expenditures for the purchase of property as discussed previously. The increase in fund balance for the Congress Ave CRA Fund was mostly due to an increase in grant revenue, tax increment revenues, and contributions from the Village.

Capital Assets

Capital assets. The CRA's investment in capital assets as of September 30, 2025, amounts to \$2,121,701, which includes land and construction in progress. The net increase in capital assets for the current fiscal year was \$2,121,701. The CRA did not have capital assets during the previous fiscal year. Major capital asset transactions during 2025 consisted of capital outlay expenditures of \$2,121,701.

CRA BUDGETARY HIGHLIGHTS

The original budget of \$3,337,381 was amended to appropriate the overutilization in the amount of \$1,391,982 to produce a final budget of \$4,729,363.

Actual expenditures in the CRA were \$1,730,128 less than final budget amounts. The primary contributor to the unexpended funds is that Congress Ave CRA district budgeted \$2.8 million in contractual services for the CRA's portion of a new wastewater main to be installed along Congress Ave in the Palm Beach County Utility Service Area, but this project has not progressed at the pace anticipated at the time the budget was adopted and only \$2.1 was actually expended as of fiscal year end. Once the project is completed, Palm Beach County will hold the title to the asset.

A budgetary comparison between the final budget and actual results can be found on pages 23-24 of this report.

ECONOMIC FACTORY AND NEXT YEAR'S BUDGET

The increase in property values will generate increased incremental revenues for the CRA in fiscal year 2025 that will allow the CRA to offer a property improvement grant program to eligible commercial properties, consistent with the objectives of the Community Redevelopment Plan. The envisioned matching grant will be offered on a reimbursement basis for the elimination of substandard and blighted conditions. Additionally, upon completion of the Village Council's "visioning" process the CRA Board plans on retaining a marketing specialist in fiscal year 2025 to assist in implementing the branding and placemaking strategies.

The Village Council maintained the 2024 operating millage rate of 3.50 mills for 2025. For fiscal year 2025, the CRA has budgeted expenditures of \$4,729,363.

REQUESTS FOR INFORMATION

This report is designed to provide an overview of the CRA's finances for those with an interest in this area. Questions concerning any of the information found in this report, or requests for additional information, should be directed to the Village of Palm Springs.

**Village of Palm Springs
Attn: Finance Department
226 Cypress Lane
Palm Springs, FL 33461
561-584-8200 X 8440**

FINANCIAL STATEMENTS

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Governmental Activities
Assets	
Cash	\$ 1,571,145
Capital assets, not being depreciated	2,121,701
Grants receivable	481,721
Total Assets	4,174,567
Liabilities	
Accounts payable and accrued liabilities	553,693
Advance due to the Village of Palm Springs	1,437,068
Total Liabilities	1,990,761
Net Position	
Net investment in capital assets	2,121,701
Restricted for:	
Community Redevelopment	62,105
Total Net Position	\$ 2,183,806

The accompanying notes are an integral part of these financial statements.

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Functions/Programs	Expenses	Program Revenues		Net Revenue (Expense) and Changes in Net Position
		Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities				Governmental Activities
Economic environment	\$ 877,534	\$ 146,351	\$ 591,553	\$ (139,630)
Total Governmental Activities	\$ 877,534	\$ 146,351	\$ 591,553	(139,630)
		General Revenues		
		Tax increment revenues		1,109,529
		Interest income		47,306
		Total General Revenues		1,156,835
		Change in Net Position		1,017,205
		Net Position - Beginning of Year		1,166,601
		Net Position - End of Year		\$ 2,183,806

The accompanying notes are an integral part of these financial statements.

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)
BALANCE SHEET
SEPTEMBER 30, 2025

	Lake Worth Road CRA	Congress Ave CRA	Total Governmental Funds
Assets			
Cash	\$ 515,429	\$ 1,055,716	\$ 1,571,145
Grants receivable	--	481,721	481,721
Total Assets	\$ 515,429	\$ 1,537,437	\$ 2,052,866
Liabilities			
Accounts payable and accrued liabilities	\$ 72,293	\$ 481,400	\$ 553,693
Advance due to the Village of Palm Springs	1,437,068	-	1,437,068
Total Liabilities	1,509,361	481,400	1,990,761
Fund Balances			
Restricted for:			
Congress Ave CRA	--	1,056,037	1,056,037
Unassigned (deficit)	(993,932)	--	(993,932)
Total Fund Balances	(993,932)	1,056,037	62,105
Total Liabilities and Fund Balances	\$ 515,429	\$ 1,537,437	\$ 2,052,866

The accompanying notes are an integral part of these financial statements.

**PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025**

Total Governmental Fund Balances \$ 62,105

Amounts reported for governmental activities in the statement of net position are different as a result of:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in governmental funds:

Cost of assets 2,121,701

Total Net Position \$ **2,183,806**

The accompanying notes are an integral part of these financial statements.

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Lake Worth Road CRA	Congress Ave CRA	Total Governmental Funds
Revenues			
Tax increment revenues	\$ 613,366	\$ 496,163	\$ 1,109,529
Interest income	18,862	28,444	47,306
Other revenues	--	591,553	591,553
Total Revenues	632,228	1,116,160	1,748,388
Expenditures			
Current:			
Economic environment	108,802	768,732	877,534
Capital outlay	2,121,701	-	2,121,701
Total Expenditures	2,230,503	768,732	2,999,235
Excess (deficiency) of revenues over expenditures	(1,598,275)	347,428	(1,250,847)
Other Financing Sources			
Contributions from the Village (See Note 7)	--	146,351	146,351
Total Other Financing Sources	--	146,351	146,351
Change in Fund Balances	(1,598,275)	493,779	(1,104,496)
Fund Balances - Beginning of Year	604,343	562,258	1,166,601
Fund Balances - End of Year	\$ (993,932)	\$ 1,056,037	\$ 62,105

The accompanying notes are an integral part of these financial statements.

**PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

Net Change in Fund Balances - Total Governmental Funds \$ (1,104,496)

Amounts reported for governmental activities in the
statement of activities are different because:

Governmental funds report capital outlays as
expenditures, however, in the statement of
activities the cost of those assets is
depreciated/amortized over their estimated useful lives:

Capital outlays for capital assets 2,121,701

Change in Net Position of Governmental Activities \$ **1,017,205**

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY

The Palm Springs Community Redevelopment Agency (the “CRA”) is a dependent special district established by the Village of Palm Springs, Florida, (the “Village”) under authority granted by Florida Statutes Chapter 163, Section III. The purpose of the CRA is to promote and guide the physical and economic redevelopment of approximately 512 acres in two districts (Lake Worth Road and Congress Avenue) within the Village. The CRA is a legally separate entity established by Ordinance No. 2019-19 of the Palm Springs Village Council (the “Village Council”) on November 14, 2019. The CRA is governed by a seven-member Governing Board (the “Board”) that includes the five members of the Village Council and two additional members appointed by the Village Council representing the two CRA districts (Lake Worth Road and Congress Avenue). The Mayor and Vice-Mayor of the Village serve as the Chair and Vice-Chair, respectively, of the CRA Board. The Village Council approves the CRA’s annual budget and all debt obligations, if any, of the CRA.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the CRA have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. This summary of the CRA’s Significant Accounting Policies is presented to assist the reader in interpreting the financial statements and other information in this report. These policies are considered essential and should be read in conjunction with the accompanying financial statements. The more significant of the CRA’s governmental accounting policies are described below.

As defined by GAAP, the financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Based upon the application of these criteria, the CRA does not have any component units to report.

**PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)**

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities and report information on all activities of the CRA. These statements include the governmental activities of the CRA, which are primarily supported by tax increment revenues. The CRA has no business-type activities. The Statement of Net Position presents the financial condition of the CRA.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or identifiable activity is offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Program revenue includes two categories of transactions: (1) operating grants and contributions; and, (2) capital grants and contributions. Tax increment revenues and other items not meeting the definition of program revenue are reported as general revenue. The CRA does not allocate indirect expenses.

FUND FINANCIAL STATEMENTS

The underlying accounting system of the CRA is organized and operated as two separate funds. The operations of the funds are accounted for with separate sets of self-balancing accounts that comprise of their assets, liabilities, deferred inflows/outflows, fund balance, revenues, and expenditures. The CRA funds, the Lake Worth Road CRA and Congress Ave CRA, are classified as major governmental funds and account for all financial resources of the CRA.

The fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for the Governmental Funds. An accompanying schedule is presented to reconcile and explain the differences in fund balance and changes in fund balance as presented in these statements, to the net position and changes in net position presented in the government-wide financial statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when incurred, regardless of the timing of related cash flows. Tax increment revenues are recognized as revenues in the year for which they are levied. Grants, if any, are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the period in which they become both measurable and available. Revenues are considered to be available when collectible within the current period or soon enough thereafter to pay liabilities of the current period.

The CRA considers revenues to be available if collected within 60 days of the end of the current fiscal year. Expenditures are generally recognized in the accounting period in which the fund liability is incurred. Tax increment revenues are considered susceptible to accrual and so have been recognized as revenue in the current fiscal year.

CASH

Cash consists of amounts on deposit in an interest-bearing account with a financial institution.

GRANTS RECEIVABLE

Grants receivable consist principally of amounts due from grantor agencies pursuant to the terms of the respective grant agreements. Grants receivable are stated at net realizable value. Allowances are provided for amounts estimated to be uncollectible based on historical experience and any specific collection issues that the CRA has identified. The CRA determined that an allowance for doubtful accounts was not necessary as of September 30, 2025.

CAPITAL ASSETS

Capital assets, which include property, plant and equipment, are reported in the statement of net position. Capital assets are defined by the CRA as assets with an initial individual cost of \$5,000 or more and an estimated life in excess of one year.

Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. The cost of property sold or retired, together with the related accumulated depreciation, is removed from the appropriate accounts and any resulting gain or loss is included in the change in net position.

Capital assets of the CRA consist of purchased land and construction in progress, both of which are not depreciated.

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

EMPLOYEE AND RELATED BENEFIT COSTS

The CRA does not have any employees and therefore, does not have any related benefit costs. The CRA uses Village personnel to perform all operational activities.

NET POSITION/FUND BALANCE

The government-wide financial statements utilize a net position presentation, while the governmental fund financial statements report fund balances.

Net Position

Net position of the government-wide financial statements is categorized as investment in capital assets, restricted or unrestricted. Investment in capital assets is that portion of net position that relates to the CRA's net capital assets. The CRA had investment in capital assets as of September 30, 2025 that totaled \$2,121,701. Restricted net position is that portion of net position that has constraints placed on its use by external restrictions imposed by creditors (such as through debt covenants, if applicable), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of investment in capital assets or restricted net position.

Fund Balance

In the fund financial statements, the governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the CRA is legally bound to honor the specific purposes for which amounts in fund balance may be spent. The fund balance classifications are summarized as follows:

Nonspendable - Nonspendable fund balance includes amounts that cannot be spent because they are either 1) not in spendable form; or, 2) legally or contractually required to be maintained intact. The CRA had no nonspendable fund balance as of September 30, 2025.

Restricted - Restricted fund balance includes amounts that are restricted to specific purposes either by 1) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments; or, 2) imposed by law through constitutional provisions or enabling legislation.

Committed - Committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by the CRA's Board through a Board resolution. The CRA had no committed fund balance as of September 30, 2025.

**PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)**

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET POSITION/FUND BALANCE (CONTINUED)

Fund Balance (continued)

Assigned - Assigned fund balance includes amounts that are constrained by the CRA's intent to be used for specific purposes but are neither restricted nor committed. Assignments of fund balance are made by the CRA's Executive Director based upon direction by the CRA's Board or in the CRA's annual budget. The CRA had no assigned fund balance as of September 30, 2025.

Unassigned - Unassigned fund balance includes amounts that have not been restricted, committed, or assigned to specific purposes within the governmental funds.

The CRA considers restricted fund balance to be spent first when an expenditure is incurred for the restricted purpose. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the CRA considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the CRA Board has provided otherwise in its commitment or assignment actions by either an ordinance or resolution.

DEFICIT FUND BALANCE

The CRA reported a deficit fund balance in the Lake Worth Road CRA Fund of \$993,932. The deficit balance is expected to be rectified following a revision of the budget in fiscal year 2026.

RISK MANAGEMENT

The CRA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The CRA purchases commercial insurance through the Village for the risks of losses to which it is exposed. Policy limits and deductibles are reviewed annually by management and established at amounts to provide reasonable protection from significant financial loss. The CRA is also covered by Florida Statutes under the Doctrine of Sovereign Immunity which effectively limits the amount of liability of municipalities to individual claims of \$200,000 and \$300,000 in the aggregate. There was no reduction in insurance coverage from coverage in the prior year and there were no settlements that exceeded insurance coverage for each of the past three years.

**PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)**

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

USE OF ESTIMATES

Management uses estimates and assumptions in preparing financial statements in accordance with GAAP. Those estimates and assumptions affect the reported amounts of assets, liabilities, and deferred inflows/outflows and the disclosure of contingent assets and liabilities, and the reported revenues and expenditures/expenses. Actual results could vary from the estimates that were used.

IMPLEMENTATION OF NEW GASB STATEMENTS

The GASB issued Statement No. 102, *Certain Risk Disclosures*, which the CRA implemented for the fiscal year ended September 30, 2025. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months on the date the financial statements are issued. This standard did not have an impact of the CRA's financial statements.

NOTE 3 – CASH

The CRA participates in the Village's pooled cash system. Cash as of September 30, 2025, consists of deposits with a financial institution. The bank deposits were entirely covered by federal depository insurance and a collateral pool pledged to the State Treasurer of Florida by financial institutions that comply with the requirements of Florida Statutes and have been designated as a Qualified Public Depository by the State Treasurer. Qualified public depositories are required to pledge collateral to the State Treasurer with a fair value equal to a percentage of the average daily balance of all government deposits in excess of any federal deposit insurance. In the event of a default by a qualified public depository, the amount of public funds would be covered by the proceeds of federal deposit insurance, pledged collateral of the public depository in default and, if necessary, a pro rata assessment to the other qualified public depositories in the collateral pool. Accordingly, the CRA's deposits are considered fully insured or collateralized in accordance with the provisions of GASB Statements.

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 4 – ADVANCE DUE TO THE VILLAGE OF PALM SPRINGS

The Village’s General Fund has advanced \$1,437,068 to the CRA for the purchase of property within the boundaries of the CRA. The Village and the CRA have entered into an interlocal agreement for the repayment of these advances, with no interest, through the fiscal year ending September 30, 2045. Annual repayments to the Village total \$71,853 commencing in fiscal year 2026.

Future principal payments on this advance are expected to be as follows:

Fiscal Year Ending September 30	Principal	Total
2026	\$ 71,853	\$ 71,853
2027	71,853	71,853
2028	71,853	71,853
2029	71,853	71,853
2030	71,853	71,853
2031-2035	359,265	359,265
2036-2040	359,265	359,265
2041-2045	359,273	359,273
Total	<u>\$ 1,437,068</u>	<u>\$ 1,437,068</u>

NOTE 5 – CAPITAL ASSETS

Capital assets activity for the fiscal year ended September 30, 2025 was as follows:

	Beginning Balances	Additions	Deletions	Ending Balances
CRA Capital Assets				
Capital Assets Not Being Depreciated				
Land	\$ --	\$ 1,890,596	\$ --	\$ 1,890,596
Construction in progress	--	231,105	--	231,105
Total Capital Assets Not Being Depreciated	\$ --	\$ 2,121,701	--	\$ 2,121,701

There was no depreciation expense for the fiscal year ended September 30, 2025.

**PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)**

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 6 – TAX INCREMENT REVENUES

Tax increment revenues are the primary source of revenue for the CRA. Tax increment revenue is collected from the two governmental entities that levy property taxes within the legally defined redevelopment area of the CRA, the Village and Palm Beach County (the “County”). The tax increment revenue is calculated by applying the adopted millage rate of the Village to the increase in current year taxable assessed valuations over the base year assessed valuations for all properties located within the CRA boundaries. The Village used a millage rate of 3.500 for fiscal year 2025. The County then contributes the same amount of taxes to the CRA as the Village for the fiscal year.

NOTE 7 – RELATED PARTY TRANSACTIONS

The CRA received tax increment revenues from the Village’s General Fund totaling \$554,388 for the fiscal year ended September 30, 2025, which are reflected as tax increment revenues in the accompanying financial statements.

The CRA received American Rescue Plan Fund contributions from the Village totaling \$146,351 for the fiscal year ended September 30, 2025, which are reflected as other financing sources in the accompanying financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Ad valorem taxes	\$ 555,141	\$ 555,141	\$ 554,388	\$ (753)
Interest income	19,500	19,500	47,306	27,806
Other revenues	1,000,000	1,000,000	591,553	(408,447)
Total Revenues	1,574,641	1,574,641	1,193,247	(381,394)
Expenditures				
Economic environment				
Operating	1,661,772	1,705,567	871,044	834,523
Capital outlay	1,375,609	2,867,677	2,121,701	745,976
Non-operating	300,000	156,119	6,490	149,629
Total Expenditures	3,337,381	4,729,363	2,999,235	1,730,128
Excess (Deficiency) of Revenues over Expenditures	(1,762,740)	(3,154,722)	(1,805,988)	1,348,734
Other Financing Sources				
Transfers in	975,411	2,412,479	701,492	(1,710,987)
Appropriations of prior year's fund balance	787,329	742,243	--	(742,243)
Total Other Financing Sources	1,762,740	3,154,722	701,492	(2,453,230)
Net Change in Fund Balance	\$ --	\$ --	(1,104,496)	\$ (1,104,496)
Fund Balance - Beginning of Year			1,166,601	
Fund Balance - End of Year			\$ 62,105	

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY

NOTES TO BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – BUDGETARY ACCOUNTING

The CRA’s adopted budget is prepared on the modified accrual basis of accounting in accordance with U.S. generally accepted accounting principles (“GAAP”). The budget represents departmental appropriations as authorized by CRA ordinance. Expenditures may not legally exceed budgeted appropriations at the fund level. The Village Manager, acting in his capacity as Executive Director of the CRA, has the authority to approve all budget transfers within a department. Budget transfers between districts or budget amendments require the approval of the Village Council. Accordingly, the CRA’s legal level of budgetary control is at the fund level. Transfers in reflected in the budget columns (original and final) and actual column, reflect tax revenues collected directly by the Village of Palm Springs and subsequently transferred to the CRA and other contributions from the Village. Actual amounts reflected for transfer in are presented as tax revenue and other financing sources for the CRA in the accompanying statement of revenues, expenditures, and changes in fund balance. The annual Palm Springs Community Redevelopment Agency legally adopted budget is inclusive of the 2 districts: (1) Lake Worth Road CRA Fund and (2) Congress Ave CRA Fund.

Total expenditures may not legally exceed total fund appropriations including any budgeted fund balance from prior years. All annual appropriations lapse at year end. The budget amounts presented reflect the original budget and the amended budget based on legally authorized revisions to the original budget during the year.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriations, is utilized by the CRA during the year. However, all encumbrances outstanding at year end lapse. There were supplementary appropriations in the amount of \$742,243 adopted for the year ended September 30, 2025.

NOTE 2 – BUDGET AND ACTUAL COMPARISONS

The budgetary comparison schedule is prepared on the basis of accounting used in preparing the appropriated budget. As a result, the revenue and expenditures reported in the budgetary comparison schedule for the CRA agree with that reported on the GAAP basis. As required by GAAP, for financial statement reporting, a portion of the transfer in on page 22 (budgetary basis), represents transfers in from the Village in the amount of \$555,141 which are reported as Ad Valorem taxes revenue on page 13.

REPORTING SECTION

**Independent Auditors' Report on Internal Control over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

To the CRA Board and Executive Director
Palm Springs Community Redevelopment Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"), the financial statements of the governmental activities and each major fund of the Palm Springs Community Redevelopment Agency (the "CRA"), a component unit of the Village of Palm Springs, Florida, as of September 30, 2025, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements, and have issued our report thereon dated March 27, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the CRA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the CRA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the CRA's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CRA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the CRA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CBIZ CPAs P.C.

Boca Raton, Florida
March 27, 2026

**Management Letter in Accordance with the Rules of the
Auditor General of the State of Florida**

To the CRA Board and Executive Director
Palm Springs Community Redevelopment Agency

Report on the Financial Statements

We have audited the financial statements of the Palm Springs Community Redevelopment Agency (the “CRA”), a component unit of the Village of Palm Springs, Florida, as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated March 27, 2026.

Auditors’ Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants’ Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 27, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations made in the prior year that required corrective actions.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 2 of the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the CRA met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the CRA did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the CRA. It is management's responsibility to monitor the CRA's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same. The financial condition assessment was performed as of the fiscal year end.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Property Assessed Clean Energy (PACE) Program

Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the CRA's geographical boundaries during the fiscal year under audit. During the fiscal year ended September 30, 2025, the PACE program did not operate within the CRA's geographical boundaries.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the CRA reported:

- a. The total number of CRA employees compensated in the last pay period of the CRA's fiscal year as 0.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the CRA's fiscal year as 0.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$0.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$0.

- e. Each construction project with a total cost of at least \$65,000 approved by the CRA that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as follows:
 - a. Sanitary Sewer Force Main Installation with Palm Beach County Utilities: Budget of \$3,000,000; Expenditures of \$687,506.
 - b. 3401 2nd Ave N: Budget of \$2,300,000; Expenditures of \$1,890,596.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before beginning of the fiscal year being reported if the CRA amends a final adopted budget under Section 189.016(6), Florida Statutes, if any, would be reported on page 23.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the CRA Board, Executive Director, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

CBIZ CPAs P.C.

Boca Raton, Florida
March 27, 2026



CBIZ CPAs P.C.

2255 Glades Road
Suite #321A
Boca Raton, FL 33431

P: 561.994.5050

**Independent Accountant’s Report on
Compliance with Florida Statutes**

To the CRA Board and Executive Director
Palm Springs Community Redevelopment Agency

We have examined the Palm Springs Community Redevelopment Agency’s (the “CRA”), a component unit of the Village of Palm Springs, Florida, compliance with Sections 163.387(6) and 163.387(7), Florida Statutes for the fiscal year ended September 30, 2025. Management of the CRA is responsible for the CRA’s compliance with the specified requirements. Our responsibility is to express an opinion on the CRA’s compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the CRA complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the CRA complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the CRA’s compliance with the specified requirements.

In our opinion, the CRA complied, in all material respects, with Sections 163.387(6) and 163.387(7), Florida Statutes, for the fiscal year ended September 30, 2025.

This report is intended solely to describe our testing of compliance with aforementioned sections of the Florida Statutes, and it is not suitable for any other purpose.

CBIZ CPAs P.C.

Boca Raton, Florida
March 27, 2026



CBIZ CPAs P.C.

2255 Glades Road
Suite #321A
Boca Raton, FL 33431

P: 561.994.5050

March 27, 2026

To the CRA Board and Executive Director
Palm Springs Community Redevelopment Agency

We have audited the financial statements of the governmental activities and each major fund of Palm Springs Community Redevelopment Agency (the “CRA”), a component unit of the Village of Palm Springs, Florida, for the fiscal year ended September 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and Chapter 10.550, Rules of the Auditor General, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated November 7, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the CRA are described in Note 2 – Summary of Significant Accounting Policies to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the fiscal year ended September 30, 2025, except for the implementation of Governmental Accounting Standards Board (“GASB”) Statement No. 102, *Certain Risk Disclosures*. We noted no transactions entered into by the CRA during the fiscal year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates affecting the CRA’s financial statements.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure related to the Tax Increment Revenues in Note 6 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Independence

For the fiscal year ended September 30, 2025, we were engaged to provide non-attest services mainly related to assisting with the preparation of the CRA's financial statements. We reviewed the nature of the requested work, our role and management's role and determined that our independence would not be impaired, in fact or appearance.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 27, 2026.

Significant Unusual Transactions

For purposes of this letter, professional standards define significant unusual transactions as transactions that are outside the normal course of business for the CRA or that otherwise appear to be unusual due to their timing, size or nature. We did not identify any significant unusual transactions during our audit.

Related Party Relationships and Transactions

As part of our audit, we evaluated the CRA's identification of, accounting for, and disclosures of the CRA's relationships and transactions with related parties as required by professional standards. We did not identify any related parties or related party relationships or transactions that were previously

undisclosed to us; significant related party transactions that have not been approved in accordance with the CRA's policies or procedures or for which exceptions to the CRA's policies or procedures were granted; or significant related party transactions that appeared to lack a business purpose.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to CRA's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as CRA's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis and the budgetary comparison schedule and related notes, which are required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the CRA Board, Executive Director and management of the CRA and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

CBIZ CPAs P.C.

CBIZ CPAs P.C.

Boca Raton, Florida



Village of Palm Springs

Executive Brief

AGENDA DATE: May 14, 2026

DEPARTMENT: Administration

ITEM #4: Annual Report for Fiscal Year 2025

SUMMARY: The Community Redevelopment Agency (CRA) must prepare an annual report by March 31st describing its revenues, expenditures, and milestones for the previous fiscal year by that date. The Palm Springs CRA Annual Report for Fiscal Year 2025 is shared with board members as an informational item. It must be forwarded to the governing body (Village Council) and posted on the CRA webpage.

FISCAL IMPACT:

Fiscal Year 2025 ended with a Fund Balance of \$1,038,239, which has been allocated to specific CRA programs/activities through the FY26 budget amendment approved in January, 2026.

ATTACHMENTS:

1. Palm Springs CRA Annual Report (FY 2025)
2. CRA Financial Statement for FY2025



Palm Springs Community Redevelopment Agency
 226 Cypress Lane
 Palm Springs, FL 33461
 (561) 584-8200

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
Annual Report for Fiscal Year 2025
(October 1, 2024-September 30, 2025)

FY2025 Milestone

The CRA acquired its first property (3401 2nd Avenue North) on November 19, 2024 based on fair market value. The purchase was accomplished through a loan from the Village (\$1,437,068). The acquisition serves a public purpose and fulfills objectives to reduce blight and abate nuisance within the Lake Worth Road district.

Taxable Value

Base Year Taxable Value in CRA (2019):	\$289,153,656
Tax Increment Value:	\$166,959,558
Operating Millage Levy	3.5%
Payments to Redevelopment Trust Fund:	\$ 554,388 x 2 (budgeted at 95%)

Audit for FY2025 Reporting Not Yet Completed/Available

Performance Data

KPI Measure	FY23	FY24	FY25
Distribution of Catalyst/Incentive Funds to Eligible Property/Business Owners	-	25%	50%
Increase in Tax Increment as Result of Redevelopment	\$64,151,725	\$124,103,225	\$166,959,558
CRA Board Member Conferences/Training	3	3	4
Number of Placemaking Projects	-	-	1
Number of Concentrated Code Cases	CCV's issued - 427 Citations issued - 21 NOVs issued - 18 Magistrate Cases - 16	CCV's issued -424 Citations issued-15 NOVs issued -41 Magistrate Cases - 30	CCV's issued -79 Citations issued -0 NOVs issued - 13 Magistrate Cases - 10
Expand operational structure with contractual professional	-	\$90,000	\$56,487.50
Progress of Congress Ave Sanitary Sewer Project	PCUM Document BODR - Phase 1 Concept	Execute ILA Final Design and Construction Drawings	Permits Approved; NTP Issued; Construction Commenced
Expenditure of Funds on Property Acquisition	-	-	\$1,890,545.91
Stakeholder Meetings to Showcase Redevelopment Opportunities	-	-	-

Projects Started:	3
Ongoing Projects (continued from prior year)	3
Projects Completed:	2
Project Expenditures from Redevelopment Trust Fund	\$ 877,532
Amount Expended for Affordable Housing	\$ 0

CRA Plan Activities (Projects) Undertaken in FY2025

- South Village Economic Feasibility Analysis: BusinessFlare was retained to conduct a market assessment of the South Village area to determine redevelopment potential and market support for increased density/intensity. This analysis projects potential development yield and market support for a new “main street” mixed-use environment. The South Village initiative was formed out of this study, and resulted in the Village advancing form-based code provisions.

- New logos for the Palm Springs CRA and for the South Village initiative were created:



- Redevelopment Opportunities: The CRA continued developing a packet for key property owners and potential developers, highlighting potential key redevelopment sites within the CRA. This investors packet has a strong emphasis on South Village, which has been identified as a priority redevelopment area.

- Business Engagement: CRA staff held two (2) meetings with business owners to share information on the CRA and to discuss their needs from a business perspective.

- In FY25, the CRA continued to fund a code officer who is dedicated solely to eliminating blighting conditions and code violations within the two CRA districts. Code enforcement has focused on violation “hot spots” to remove blighting conditions.

- Catalyst Fund: Two property owners who had been approved for matching grant (reimbursement basis) funds completed their property improvements and/or fulfilled all conditions of approval that would allow the CRA to disburse program funds (\$20,300). The incentive program was revised to focus on larger projects providing an economic impact to the CRA.

- Renovations to the 3401 2nd Avenue North property were undertaken, including interior buildout and exterior painting, paving and landscaping. A LED-messaging sign, in the design utilized by the Village but with the SoVi logo, is being manufactured to place at the property corner. The “SoVi Center” will be used by the CRA to host stakeholder meetings and other activities to promote the South Village initiative.

**PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)**

FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)

CONTENTS

Independent Auditors’ Report	1-3
Management’s Discussion and Analysis (Required Supplementary Information)	4-8
Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position	9
Statement of Activities.....	10
Fund Financial Statements:	
Balance Sheet.....	11
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	12
Statement of Revenues, Expenditures and Changes in Fund Balances	13
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities	14
Notes to Financial Statements	15-22
Required Supplementary Information (Unaudited)	
Budgetary Comparison Schedule – Budgetary Basis	23
Notes to Budgetary Comparison Schedule	24
Reporting Section	
Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	25-26
Management Letter in Accordance with the Rules of the Auditor General of the State of Florida	27-29
Independent Accountants’ Report on Compliance with Florida Statutes.....	30

INDEPENDENT AUDITORS' REPORT

Independent Auditors' Report

To the CRA Board and Executive Director
Palm Springs Community Redevelopment Agency

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of the Palm Springs Community Redevelopment Agency (the "CRA"), a component unit of the Village of Palm Springs, Florida, as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the CRA, as of September 30, 2025, and the respective changes in financial position, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the CRA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the CRA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the CRA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the CRA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control – related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 8, and the Budgetary Comparison Schedule and related notes on pages 23 through 24 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an

essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2026 on our consideration of the CRA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the CRA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

Boca Raton, Florida
March 27, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS
(MD&A)

**PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)**

MANAGEMENT’S DISCUSSION AND ANALYSIS

The Palm Springs Community Redevelopment Agency (the “CRA”) management’s discussion and analysis (“MD&A”) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the CRA’s financial activity, (c) identify changes in the CRA’s financial position (its ability to address the next and subsequent years challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

Since the MD&A is designed to focus on current year activities, resulting changes, and currently known facts, it should be read in conjunction with the CRA’s financial statements which follow this section.

FINANCIAL HIGHLIGHTS

- The assets of the CRA exceeded its liabilities at September 30, 2025, by \$2,183,806 (net position). Of this amount, \$2,121,701 related to net investment in capital assets and the remaining balance was restricted for redevelopment purposes.
- As of September 30, 2025, the CRA’s reported ending fund balances of \$62,105. Fund balance saw a decrease of \$1,104,496 when compared to the prior year. This is the fifth year of operations.

The MD&A is intended to serve as an introduction to the CRA’s financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

These Financial Statements consists of four components:

1. Management’s discussion and analysis (this section).
2. Government-wide and fund financial statements.
3. Notes to the financial statements.
4. Required supplementary information.

Government-wide Financial Statements

Government-wide financial statements provide readers with a broad overview of the CRA’s finances in a manner similar to a private-sector business. The governmental activities of the CRA include accounting for the tax increment financing and related redevelopment expenditures of the Palm Springs community redevelopment area.

The statement of net position presents information on all the CRA’s assets and liabilities, with the difference between the two reported as net position. This statement serves a purpose similar to that of the balance sheet of a private-sector business. Over time, increases or decreases in net position may serve as one indicator of whether the financial position of the CRA is improving or deteriorating.

The statement of activities presents information showing how the government’s net position changed during the fiscal year. All changes in net position are reported using the accrual basis of accounting.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-wide Financial Analysis

Statement of Net Position

The following is a summary of the CRA’s governmental activities net position for each of the past two years:

SUMMARY OF NET POSITION SEPTEMBER 30, 2025 AND 2024

	Governmental Activities			
	2025	2024	(\$) Change	(%) Change
Assets				
Current and other assets	\$ 2,052,866	\$ 1,170,533	\$ 882,333	75.4%
Capital assets, not being depreciated	2,121,701	--	2,121,701	100.0%
Total Assets	4,174,567	1,170,533	3,004,034	256.6%
Liabilities				
Current liabilities	553,693	3,932	549,761	13981.7%
Advance due to the Village	1,437,068	--	1,437,068	100.0%
Total Liabilities	1,990,761	3,932	1,986,829	50529.7%
Net Position				
Net investment in capital assets	2,121,701	--	2,121,701	100.0%
Restricted	62,105	1,166,601	(1,104,496)	-94.7%
Total Net Position	\$ 2,183,806	\$ 1,166,601	\$ 1,017,205	87.2%

As noted above, capital assets increased by approximately \$2.1 million and Advance due to the Village increased by approximately \$1.4 million when comparing balances as of September 30, 2025 and 2024. This is due to the recording of a loan from the Village to the CRA for the purchase of property.

Statement of Activities

The following is a summary of the changes in the CRA's governmental activities net position for each of the past two years:

SUMMARY OF CHANGES IN NET POSITION FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2025 AND 2024

	Governmental Activities			
	2025	2024	(\$) Change	(%) Change
Revenues				
Program revenues:				
Operating grants and contributions	\$ 146,351	\$ 41,358	\$ 104,993	253.9%
Capital grants and contributions	591,553	--	591,553	100.0%
General revenues:				
Tax increment revenue	1,109,529	825,193	284,336	34.5%
Interest income	47,306	41,048	6,258	15.2%
Total Revenues	1,894,739	907,599	987,140	108.8%
Expenses				
Economic environment	877,534	249,051	628,483	252.4%
Total Expenses	877,534	249,051	628,483	252.4%
Change in Net Position	1,017,205	658,548	358,657	54.5%
Net Position - Beginning	1,166,601	508,053	658,548	129.6%
Net Position - Ending	\$ 2,183,806	\$ 1,166,601	\$ 1,017,205	87.2%

The increase in 2025 as compared to 2024 in tax increment revenue is a function of the increase in the assessed values of properties within the CRA boundaries above the base year valuation amounts.

The increase in the economic environment expense is due to an increase in contractual services for the Congress Ave Sanitary Sewer CIP project.

Financial Analysis of the Governmental Fund

The CRA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental fund. The CRA is comprised of two governmental funds, the Lake Worth Road CRA Fund and the Congress Avenue CRA Fund. The focus of these *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the CRA's financing requirements. In particular, *unassigned fund balance* and *restricted fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Lake Worth Road CRA Fund reported an ending unassigned fund balance deficit of \$993,932, a decrease of \$1,598,275 for the year. The Congress Ave CRA Fund reported an ending restricted balance of \$1,056,037, an increase of \$493,577 for the year. The total fund balance for both funds is \$62,105 at fiscal year end. As the CRA is focused on reinvestment revenues into the CRA districts and does not have significant annual operational costs, the CRA does not maintain specific reserve levels for operations.

The \$1,598,275 decrease in fund balance for the Lake Worth Road CRA Fund in fiscal year 2025 was primarily related to an increase in capital outlay expenditures for the purchase of property as discussed previously. The increase in fund balance for the Congress Ave CRA Fund was mostly due to an increase in grant revenue, tax increment revenues, and contributions from the Village.

Capital Assets

Capital assets. The CRA's investment in capital assets as of September 30, 2025, amounts to \$2,121,701, which includes land and construction in progress. The net increase in capital assets for the current fiscal year was \$2,121,701. The CRA did not have capital assets during the previous fiscal year. Major capital asset transactions during 2025 consisted of capital outlay expenditures of \$2,121,701.

CRA BUDGETARY HIGHLIGHTS

The original budget of \$3,337,381 was amended to appropriate the overutilization in the amount of \$1,391,982 to produce a final budget of \$4,729,363.

Actual expenditures in the CRA were \$1,730,128 less than final budget amounts. The primary contributor to the unexpended funds is that Congress Ave CRA district budgeted \$2.8 million in contractual services for the CRA's portion of a new wastewater main to be installed along Congress Ave in the Palm Beach County Utility Service Area, but this project has not progressed at the pace anticipated at the time the budget was adopted and only \$2.1 was actually expended as of fiscal year end. Once the project is completed, Palm Beach County will hold the title to the asset.

A budgetary comparison between the final budget and actual results can be found on pages 23-24 of this report.

ECONOMIC FACTORY AND NEXT YEAR'S BUDGET

The increase in property values will generate increased incremental revenues for the CRA in fiscal year 2025 that will allow the CRA to offer a property improvement grant program to eligible commercial properties, consistent with the objectives of the Community Redevelopment Plan. The envisioned matching grant will be offered on a reimbursement basis for the elimination of substandard and blighted conditions. Additionally, upon completion of the Village Council's "visioning" process the CRA Board plans on retaining a marketing specialist in fiscal year 2025 to assist in implementing the branding and placemaking strategies.

The Village Council maintained the 2024 operating millage rate of 3.50 mills for 2025. For fiscal year 2025, the CRA has budgeted expenditures of \$4,729,363.

REQUESTS FOR INFORMATION

This report is designed to provide an overview of the CRA's finances for those with an interest in this area. Questions concerning any of the information found in this report, or requests for additional information, should be directed to the Village of Palm Springs.

**Village of Palm Springs
Attn: Finance Department
226 Cypress Lane
Palm Springs, FL 33461
561-584-8200 X 8440**

FINANCIAL STATEMENTS

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Governmental Activities
Assets	
Cash	\$ 1,571,145
Capital assets, not being depreciated	2,121,701
Grants receivable	481,721
Total Assets	4,174,567
Liabilities	
Accounts payable and accrued liabilities	553,693
Advance due to the Village of Palm Springs	1,437,068
Total Liabilities	1,990,761
Net Position	
Net investment in capital assets	2,121,701
Restricted for:	
Community Redevelopment	62,105
Total Net Position	\$ 2,183,806

The accompanying notes are an integral part of these financial statements.

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Functions/Programs	Expenses	Program Revenues		Net Revenue (Expense) and Changes in Net Position
		Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities				
Economic environment	\$ 877,534	\$ 146,351	\$ 591,553	\$ (139,630)
Total Governmental Activities	\$ 877,534	\$ 146,351	\$ 591,553	(139,630)
General Revenues				
Tax increment revenues				1,109,529
Interest income				47,306
Total General Revenues				1,156,835
Change in Net Position				1,017,205
Net Position - Beginning of Year				1,166,601
Net Position - End of Year				\$ 2,183,806

The accompanying notes are an integral part of these financial statements.

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)
BALANCE SHEET
SEPTEMBER 30, 2025

	Lake Worth Road CRA	Congress Ave CRA	Total Governmental Funds
Assets			
Cash	\$ 515,429	\$ 1,055,716	\$ 1,571,145
Grants receivable	--	481,721	481,721
Total Assets	\$ 515,429	\$ 1,537,437	\$ 2,052,866
Liabilities			
Accounts payable and accrued liabilities	\$ 72,293	\$ 481,400	\$ 553,693
Advance due to the Village of Palm Springs	1,437,068	-	1,437,068
Total Liabilities	1,509,361	481,400	1,990,761
Fund Balances			
Restricted for:			
Congress Ave CRA	--	1,056,037	1,056,037
Unassigned (deficit)	(993,932)	--	(993,932)
Total Fund Balances	(993,932)	1,056,037	62,105
Total Liabilities and Fund Balances	\$ 515,429	\$ 1,537,437	\$ 2,052,866

The accompanying notes are an integral part of these financial statements.

**PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025**

Total Governmental Fund Balances \$ 62,105

Amounts reported for governmental activities in the statement of net position are different as a result of:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in governmental funds:

Cost of assets 2,121,701

Total Net Position \$ **2,183,806**

The accompanying notes are an integral part of these financial statements.

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Lake Worth Road CRA	Congress Ave CRA	Total Governmental Funds
Revenues			
Tax increment revenues	\$ 613,366	\$ 496,163	\$ 1,109,529
Interest income	18,862	28,444	47,306
Other revenues	--	591,553	591,553
Total Revenues	632,228	1,116,160	1,748,388
Expenditures			
Current:			
Economic environment	108,802	768,732	877,534
Capital outlay	2,121,701	-	2,121,701
Total Expenditures	2,230,503	768,732	2,999,235
Excess (deficiency) of revenues over expenditures	(1,598,275)	347,428	(1,250,847)
Other Financing Sources			
Contributions from the Village (See Note 7)	--	146,351	146,351
Total Other Financing Sources	--	146,351	146,351
Change in Fund Balances	(1,598,275)	493,779	(1,104,496)
Fund Balances - Beginning of Year	604,343	562,258	1,166,601
Fund Balances - End of Year	\$ (993,932)	\$ 1,056,037	\$ 62,105

The accompanying notes are an integral part of these financial statements.

**PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

Net Change in Fund Balances - Total Governmental Funds \$ (1,104,496)

Amounts reported for governmental activities in the
statement of activities are different because:

Governmental funds report capital outlays as
expenditures, however, in the statement of
activities the cost of those assets is
depreciated/amortized over their estimated useful lives:

Capital outlays for capital assets 2,121,701

Change in Net Position of Governmental Activities \$ **1,017,205**

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY

The Palm Springs Community Redevelopment Agency (the “CRA”) is a dependent special district established by the Village of Palm Springs, Florida, (the “Village”) under authority granted by Florida Statutes Chapter 163, Section III. The purpose of the CRA is to promote and guide the physical and economic redevelopment of approximately 512 acres in two districts (Lake Worth Road and Congress Avenue) within the Village. The CRA is a legally separate entity established by Ordinance No. 2019-19 of the Palm Springs Village Council (the “Village Council”) on November 14, 2019. The CRA is governed by a seven-member Governing Board (the “Board”) that includes the five members of the Village Council and two additional members appointed by the Village Council representing the two CRA districts (Lake Worth Road and Congress Avenue). The Mayor and Vice-Mayor of the Village serve as the Chair and Vice-Chair, respectively, of the CRA Board. The Village Council approves the CRA’s annual budget and all debt obligations, if any, of the CRA.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the CRA have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. This summary of the CRA’s Significant Accounting Policies is presented to assist the reader in interpreting the financial statements and other information in this report. These policies are considered essential and should be read in conjunction with the accompanying financial statements. The more significant of the CRA’s governmental accounting policies are described below.

As defined by GAAP, the financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Based upon the application of these criteria, the CRA does not have any component units to report.

**PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)**

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities and report information on all activities of the CRA. These statements include the governmental activities of the CRA, which are primarily supported by tax increment revenues. The CRA has no business-type activities. The Statement of Net Position presents the financial condition of the CRA.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or identifiable activity is offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Program revenue includes two categories of transactions: (1) operating grants and contributions; and, (2) capital grants and contributions. Tax increment revenues and other items not meeting the definition of program revenue are reported as general revenue. The CRA does not allocate indirect expenses.

FUND FINANCIAL STATEMENTS

The underlying accounting system of the CRA is organized and operated as two separate funds. The operations of the funds are accounted for with separate sets of self-balancing accounts that comprise of their assets, liabilities, deferred inflows/outflows, fund balance, revenues, and expenditures. The CRA funds, the Lake Worth Road CRA and Congress Ave CRA, are classified as major governmental funds and account for all financial resources of the CRA.

The fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for the Governmental Funds. An accompanying schedule is presented to reconcile and explain the differences in fund balance and changes in fund balance as presented in these statements, to the net position and changes in net position presented in the government-wide financial statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when incurred, regardless of the timing of related cash flows. Tax increment revenues are recognized as revenues in the year for which they are levied. Grants, if any, are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the period in which they become both measurable and available. Revenues are considered to be available when collectible within the current period or soon enough thereafter to pay liabilities of the current period.

The CRA considers revenues to be available if collected within 60 days of the end of the current fiscal year. Expenditures are generally recognized in the accounting period in which the fund liability is incurred. Tax increment revenues are considered susceptible to accrual and so have been recognized as revenue in the current fiscal year.

CASH

Cash consists of amounts on deposit in an interest-bearing account with a financial institution.

GRANTS RECEIVABLE

Grants receivable consist principally of amounts due from grantor agencies pursuant to the terms of the respective grant agreements. Grants receivable are stated at net realizable value. Allowances are provided for amounts estimated to be uncollectible based on historical experience and any specific collection issues that the CRA has identified. The CRA determined that an allowance for doubtful accounts was not necessary as of September 30, 2025.

CAPITAL ASSETS

Capital assets, which include property, plant and equipment, are reported in the statement of net position. Capital assets are defined by the CRA as assets with an initial individual cost of \$5,000 or more and an estimated life in excess of one year.

Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. The cost of property sold or retired, together with the related accumulated depreciation, is removed from the appropriate accounts and any resulting gain or loss is included in the change in net position.

Capital assets of the CRA consist of purchased land and construction in progress, both of which are not depreciated.

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

EMPLOYEE AND RELATED BENEFIT COSTS

The CRA does not have any employees and therefore, does not have any related benefit costs. The CRA uses Village personnel to perform all operational activities.

NET POSITION/FUND BALANCE

The government-wide financial statements utilize a net position presentation, while the governmental fund financial statements report fund balances.

Net Position

Net position of the government-wide financial statements is categorized as investment in capital assets, restricted or unrestricted. Investment in capital assets is that portion of net position that relates to the CRA's net capital assets. The CRA had investment in capital assets as of September 30, 2025 that totaled \$2,121,701. Restricted net position is that portion of net position that has constraints placed on its use by external restrictions imposed by creditors (such as through debt covenants, if applicable), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of investment in capital assets or restricted net position.

Fund Balance

In the fund financial statements, the governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the CRA is legally bound to honor the specific purposes for which amounts in fund balance may be spent. The fund balance classifications are summarized as follows:

Nonspendable - Nonspendable fund balance includes amounts that cannot be spent because they are either 1) not in spendable form; or, 2) legally or contractually required to be maintained intact. The CRA had no nonspendable fund balance as of September 30, 2025.

Restricted - Restricted fund balance includes amounts that are restricted to specific purposes either by 1) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments; or, 2) imposed by law through constitutional provisions or enabling legislation.

Committed - Committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by the CRA's Board through a Board resolution. The CRA had no committed fund balance as of September 30, 2025.

**PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)**

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET POSITION/FUND BALANCE (CONTINUED)

Fund Balance (continued)

Assigned - Assigned fund balance includes amounts that are constrained by the CRA's intent to be used for specific purposes but are neither restricted nor committed. Assignments of fund balance are made by the CRA's Executive Director based upon direction by the CRA's Board or in the CRA's annual budget. The CRA had no assigned fund balance as of September 30, 2025.

Unassigned - Unassigned fund balance includes amounts that have not been restricted, committed, or assigned to specific purposes within the governmental funds.

The CRA considers restricted fund balance to be spent first when an expenditure is incurred for the restricted purpose. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the CRA considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the CRA Board has provided otherwise in its commitment or assignment actions by either an ordinance or resolution.

DEFICIT FUND BALANCE

The CRA reported a deficit fund balance in the Lake Worth Road CRA Fund of \$993,932. The deficit balance is expected to be rectified following a revision of the budget in fiscal year 2026.

RISK MANAGEMENT

The CRA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The CRA purchases commercial insurance through the Village for the risks of losses to which it is exposed. Policy limits and deductibles are reviewed annually by management and established at amounts to provide reasonable protection from significant financial loss. The CRA is also covered by Florida Statutes under the Doctrine of Sovereign Immunity which effectively limits the amount of liability of municipalities to individual claims of \$200,000 and \$300,000 in the aggregate. There was no reduction in insurance coverage from coverage in the prior year and there were no settlements that exceeded insurance coverage for each of the past three years.

**PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)**

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

USE OF ESTIMATES

Management uses estimates and assumptions in preparing financial statements in accordance with GAAP. Those estimates and assumptions affect the reported amounts of assets, liabilities, and deferred inflows/outflows and the disclosure of contingent assets and liabilities, and the reported revenues and expenditures/expenses. Actual results could vary from the estimates that were used.

IMPLEMENTATION OF NEW GASB STATEMENTS

The GASB issued Statement No. 102, *Certain Risk Disclosures*, which the CRA implemented for the fiscal year ended September 30, 2025. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months on the date the financial statements are issued. This standard did not have an impact of the CRA's financial statements.

NOTE 3 – CASH

The CRA participates in the Village's pooled cash system. Cash as of September 30, 2025, consists of deposits with a financial institution. The bank deposits were entirely covered by federal depository insurance and a collateral pool pledged to the State Treasurer of Florida by financial institutions that comply with the requirements of Florida Statutes and have been designated as a Qualified Public Depository by the State Treasurer. Qualified public depositories are required to pledge collateral to the State Treasurer with a fair value equal to a percentage of the average daily balance of all government deposits in excess of any federal deposit insurance. In the event of a default by a qualified public depository, the amount of public funds would be covered by the proceeds of federal deposit insurance, pledged collateral of the public depository in default and, if necessary, a pro rata assessment to the other qualified public depositories in the collateral pool. Accordingly, the CRA's deposits are considered fully insured or collateralized in accordance with the provisions of GASB Statements.

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 4 – ADVANCE DUE TO THE VILLAGE OF PALM SPRINGS

The Village’s General Fund has advanced \$1,437,068 to the CRA for the purchase of property within the boundaries of the CRA. The Village and the CRA have entered into an interlocal agreement for the repayment of these advances, with no interest, through the fiscal year ending September 30, 2045. Annual repayments to the Village total \$71,853 commencing in fiscal year 2026.

Future principal payments on this advance are expected to be as follows:

Fiscal Year Ending September 30	Principal	Total
2026	\$ 71,853	\$ 71,853
2027	71,853	71,853
2028	71,853	71,853
2029	71,853	71,853
2030	71,853	71,853
2031-2035	359,265	359,265
2036-2040	359,265	359,265
2041-2045	359,273	359,273
Total	<u>\$ 1,437,068</u>	<u>\$ 1,437,068</u>

NOTE 5 – CAPITAL ASSETS

Capital assets activity for the fiscal year ended September 30, 2025 was as follows:

	Beginning Balances	Additions	Deletions	Ending Balances
CRA Capital Assets				
Capital Assets Not Being Depreciated				
Land	\$ --	\$ 1,890,596	\$ --	\$ 1,890,596
Construction in progress	--	231,105	--	231,105
Total Capital Assets Not Being Depreciated	\$ --	\$ 2,121,701	--	\$ 2,121,701

There was no depreciation expense for the fiscal year ended September 30, 2025.

**PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)**

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 6 – TAX INCREMENT REVENUES

Tax increment revenues are the primary source of revenue for the CRA. Tax increment revenue is collected from the two governmental entities that levy property taxes within the legally defined redevelopment area of the CRA, the Village and Palm Beach County (the “County”). The tax increment revenue is calculated by applying the adopted millage rate of the Village to the increase in current year taxable assessed valuations over the base year assessed valuations for all properties located within the CRA boundaries. The Village used a millage rate of 3.500 for fiscal year 2025. The County then contributes the same amount of taxes to the CRA as the Village for the fiscal year.

NOTE 7 – RELATED PARTY TRANSACTIONS

The CRA received tax increment revenues from the Village’s General Fund totaling \$554,388 for the fiscal year ended September 30, 2025, which are reflected as tax increment revenues in the accompanying financial statements.

The CRA received American Rescue Plan Fund contributions from the Village totaling \$146,351 for the fiscal year ended September 30, 2025, which are reflected as other financing sources in the accompanying financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE VILLAGE OF PALM SPRINGS, FLORIDA)
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Ad valorem taxes	\$ 555,141	\$ 555,141	\$ 554,388	\$ (753)
Interest income	19,500	19,500	47,306	27,806
Other revenues	1,000,000	1,000,000	591,553	(408,447)
Total Revenues	1,574,641	1,574,641	1,193,247	(381,394)
Expenditures				
Economic environment				
Operating	1,661,772	1,705,567	871,044	834,523
Capital outlay	1,375,609	2,867,677	2,121,701	745,976
Non-operating	300,000	156,119	6,490	149,629
Total Expenditures	3,337,381	4,729,363	2,999,235	1,730,128
Excess (Deficiency) of Revenues over Expenditures	(1,762,740)	(3,154,722)	(1,805,988)	1,348,734
Other Financing Sources				
Transfers in	975,411	2,412,479	701,492	(1,710,987)
Appropriations of prior year's fund balance	787,329	742,243	--	(742,243)
Total Other Financing Sources	1,762,740	3,154,722	701,492	(2,453,230)
Net Change in Fund Balance	\$ --	\$ --	(1,104,496)	\$ (1,104,496)
Fund Balance - Beginning of Year			1,166,601	
Fund Balance - End of Year			\$ 62,105	

PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY

NOTES TO BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – BUDGETARY ACCOUNTING

The CRA’s adopted budget is prepared on the modified accrual basis of accounting in accordance with U.S. generally accepted accounting principles (“GAAP”). The budget represents departmental appropriations as authorized by CRA ordinance. Expenditures may not legally exceed budgeted appropriations at the fund level. The Village Manager, acting in his capacity as Executive Director of the CRA, has the authority to approve all budget transfers within a department. Budget transfers between districts or budget amendments require the approval of the Village Council. Accordingly, the CRA’s legal level of budgetary control is at the fund level. Transfers in reflected in the budget columns (original and final) and actual column, reflect tax revenues collected directly by the Village of Palm Springs and subsequently transferred to the CRA and other contributions from the Village. Actual amounts reflected for transfer in are presented as tax revenue and other financing sources for the CRA in the accompanying statement of revenues, expenditures, and changes in fund balance. The annual Palm Springs Community Redevelopment Agency legally adopted budget is inclusive of the 2 districts: (1) Lake Worth Road CRA Fund and (2) Congress Ave CRA Fund.

Total expenditures may not legally exceed total fund appropriations including any budgeted fund balance from prior years. All annual appropriations lapse at year end. The budget amounts presented reflect the original budget and the amended budget based on legally authorized revisions to the original budget during the year.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriations, is utilized by the CRA during the year. However, all encumbrances outstanding at year end lapse. There were supplementary appropriations in the amount of \$742,243 adopted for the year ended September 30, 2025.

NOTE 2 – BUDGET AND ACTUAL COMPARISONS

The budgetary comparison schedule is prepared on the basis of accounting used in preparing the appropriated budget. As a result, the revenue and expenditures reported in the budgetary comparison schedule for the CRA agree with that reported on the GAAP basis. As required by GAAP, for financial statement reporting, a portion of the transfer in on page 22 (budgetary basis), represents transfers in from the Village in the amount of \$555,141 which are reported as Ad Valorem taxes revenue on page 13.

REPORTING SECTION

**Independent Auditors' Report on Internal Control over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

To the CRA Board and Executive Director
Palm Springs Community Redevelopment Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"), the financial statements of the governmental activities and each major fund of the Palm Springs Community Redevelopment Agency (the "CRA"), a component unit of the Village of Palm Springs, Florida, as of September 30, 2025, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements, and have issued our report thereon dated March 27, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the CRA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the CRA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the CRA's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CRA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the CRA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CBIZ CPAs P.C.

Boca Raton, Florida
March 27, 2026

**Management Letter in Accordance with the Rules of the
Auditor General of the State of Florida**

To the CRA Board and Executive Director
Palm Springs Community Redevelopment Agency

Report on the Financial Statements

We have audited the financial statements of the Palm Springs Community Redevelopment Agency (the “CRA”), a component unit of the Village of Palm Springs, Florida, as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated March 27, 2026.

Auditors’ Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants’ Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 27, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations made in the prior year that required corrective actions.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 2 of the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the CRA met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the CRA did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the CRA. It is management's responsibility to monitor the CRA's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same. The financial condition assessment was performed as of the fiscal year end.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Property Assessed Clean Energy (PACE) Program

Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the CRA's geographical boundaries during the fiscal year under audit. During the fiscal year ended September 30, 2025, the PACE program did not operate within the CRA's geographical boundaries.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the CRA reported:

- a. The total number of CRA employees compensated in the last pay period of the CRA's fiscal year as 0.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the CRA's fiscal year as 0.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$0.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$0.

- e. Each construction project with a total cost of at least \$65,000 approved by the CRA that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as follows:
 - a. Sanitary Sewer Force Main Installation with Palm Beach County Utilities: Budget of \$3,000,000; Expenditures of \$687,506.
 - b. 3401 2nd Ave N: Budget of \$2,300,000; Expenditures of \$1,890,596.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before beginning of the fiscal year being reported if the CRA amends a final adopted budget under Section 189.016(6), Florida Statutes, if any, would be reported on page 23.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the CRA Board, Executive Director, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

CBIZ CPAs P.C.

Boca Raton, Florida
March 27, 2026

**Independent Accountant's Report on
Compliance with Florida Statutes**

To the CRA Board and Executive Director
Palm Springs Community Redevelopment Agency

We have examined the Palm Springs Community Redevelopment Agency's (the "CRA"), a component unit of the Village of Palm Springs, Florida, compliance with Sections 163.387(6) and 163.387(7), Florida Statutes for the fiscal year ended September 30, 2025. Management of the CRA is responsible for the CRA's compliance with the specified requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the CRA complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the CRA complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the CRA's compliance with the specified requirements.

In our opinion, the CRA complied, in all material respects, with Sections 163.387(6) and 163.387(7), Florida Statutes, for the fiscal year ended September 30, 2025.

This report is intended solely to describe our testing of compliance with aforementioned sections of the Florida Statutes, and it is not suitable for any other purpose.

CBIZ CPAs P.C.

Boca Raton, Florida
March 27, 2026



Village of Palm Springs

Executive Brief

AGENDA DATE: May 14, 2026

DEPARTMENT: Finance

ITEM #5: Bond Council Professional Services Agreement

SUMMARY: On April 20, 2026, the Community Redevelopment Agency (CRA) Board met to discuss issuing an RFP for bond funding. In seeking that bond funding, the Bond Council will be needed to provide legal services towards the financing and acquisition of the bond for the Community Redevelopment Agency.

According to section 58-3(c), the Village may select an attorney or legal firm to provide legal services to the Village as needed without competitive selection, provided the contract with the attorney or law firm is approved by the Council. Staff is recommending entering into an agreement with Nabors, Giblin & Nickerson, P.A. to provide those services. This firm works closely with our financial advisor, PFM, whom the Village has utilized on an "as needed" basis for several years.

FISCAL IMPACT:

Funds to support legal services from Nabors, Giblin & Nickerson, P.A.. would be drawn from any bond funding that CRA would consider.

ATTACHMENTS:

1. CRA Bond Council Professional Services Agreement

PROFESSIONAL SERVICES AGREEMENT
(Bond Counsel Services)

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into this ___ day of _____, 2026, by and between the **Village of Palm Springs Community Redevelopment Agency**, a Florida public body, corporate and politic created pursuant to Chapter 163, Florida Statutes (“CRA”) and the law firm of **Nabors, Giblin & Nickerson, P.A.**, a firm licensed to practice law in the State of Florida (“NG&N”).

WHEREAS, the CRA is in need of professional bond counsel services for potential bond financing and related legal issues; and

WHEREAS, NG&N is staffed with personnel with knowledge and experience to assist the CRA with the legal issues related to the CRA’s needs for potential bond financing and related services; and

WHEREAS, the CRA has determined that NG&N provides excellent bond counsel services to other local governments and has unique capabilities and knowledge of bond financings for those other local governments including similar community redevelopment agencies; and

WHEREAS, NG&N warrants that it is experienced and capable of performing the services hereunder in a professional and competent manner; and

WHEREAS, the CRA is authorized under the Village’s Purchasing Code to approve direct contracts for legal services; and

WHEREAS, the CRA finds entering this Agreement with NG&N serves a valid public purpose.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the sufficiency of which is hereby acknowledged by the parties, the CRA and NG&N agree as follows:

SECTION 1: INCORPORATION OF RECITALS. The foregoing Recitals are incorporated into this Agreement as true and correct statements.

SECTION 2: NG&N’S SERVICES. The NG&N shall provide bond counsel services to the CRA as more specifically described in the NG&N’s Engagement Letter, which is attached hereto as **Exhibit “A”**.

SECTION 3: INDEPENDENT CONTRACTOR RELATIONSHIP. No relationship of employer or employee is created by this Agreement; it being understood that NG&N will act hereunder as an independent contractor and none of NG&N’s officers, directors, employees, independent contractors, representatives or agents performing services for NG&N pursuant to this Agreement shall have any claim under this Agreement or otherwise against the CRA for compensation of any kind under this Agreement. The relationship between the CRA and NG&N is that of independent contractors, and neither shall be considered a joint venturer, partner, employee, agent, representative or other relationship of the other for any purpose expressly or by implication.

SECTION 4: TERM, TIME AND TERMINATION.

a. **Term.** The term of this Agreement shall commence upon the approval of this Agreement by the CRA’s governing board and shall be in effect until all services have been provided by NG&N or earlier terminated as stated herein.

b. **Time for Completion.** Time is of the essence in the performance of this Agreement. NG&N shall at all times carry out its duties and responsibilities as expeditiously as possible.

c. Force Majeure. Neither party hereto shall be liable for its failure to perform hereunder due to any circumstances beyond its reasonable control, such as acts of God, wars, riots, national emergencies, sabotage, strikes, labor disputes, accidents, and governmental laws, ordinances, rules, or regulations. NG&N or CRA may suspend its performance under this Agreement as a result of a force majeure event without being in default of this Agreement, but upon the removal of such force majeure event, the NG&N or CRA shall resume its performance as soon as is reasonably possible. Upon NG&N's request, the CRA shall consider the facts and extent of any failure to perform the services and, if NG&N's failure to perform was without its or its sub-consultant's fault or negligence, the schedule and/or any other affected provision of this Agreement may be revised accordingly, subject to the CRA's rights to change, terminate, or stop any or all of the services at any time. No extension shall be made for delay occurring more than seven (7) days before a notice of delay or claim therefore is made in writing to the CRA. In the case of continuing cause of delay, only one (1) notice of delay or claim is necessary.

d. Termination without cause. Either party may terminate this Agreement at any time with or without cause by giving not less than thirty (30) days written notice of termination.

e. Termination for cause. Either party may terminate this Agreement at any time in the event that the other party engages in any act or makes any omission constituting a material breach of any term or condition of this Agreement. The party electing to terminate this Agreement for breach shall provide the other party with written notice specifying the nature of the breach. The party receiving the notice shall then have three (3) business days from the date of the notice in which to remedy the breach. If such corrective action is not taken within three (3) business days, then this Agreement shall terminate at the end of the three (3) business day period without further notice or demand.

f. Early Termination. If this Agreement is terminated before the completion of all services by either party, NG&N shall:

1. Stop services on the date and to the extent specified including without limitation services of any sub-contractors NG&Ns.
2. Transfer all work in progress, completed work, and other materials related to the terminated services to the CRA in the format acceptable to CRA.
3. Continue and complete all parts of the services that have not been terminated.

g. Effect of Termination. Termination of this Agreement shall not affect any rights, obligations, and liabilities of the parties arising out of services provided prior to the date of termination. Notwithstanding the foregoing, the parties acknowledge and agree that the CRA and this Agreement are subject to budgeting and appropriation by the CRA of funds sufficient to pay the costs associated herewith in any fiscal year of the CRA. Notwithstanding anything in this Agreement to the contrary, in the event that no funds are appropriated or budgeted by the CRA's governing board in any fiscal year to pay the costs associated with the CRA's obligations under this Agreement, or in the event the funds budgeted or appropriated are, or are estimated by the CRA to be, insufficient to pay the costs associated with the CRA's obligations hereunder in any fiscal period, then the CRA will notify NG&N of such occurrence and either the CRA or NG&N may terminate this Agreement by notifying the other in writing, which notice shall specify a date of termination no earlier than twenty-four (24) hours after giving of such notice. Termination in accordance with the preceding sentence shall be without penalty or expense to the CRA of any kind whatsoever; however, CRA shall pay NG&N for all services performed under this Agreement through the date of termination.

SECTION 5: COMPENSATION.

a. Payments. The CRA agrees to compensate NG&N in accordance with the fees set forth in **Exhibit "A"; provided that, the total amount to be paid the NG&N under this Agreement shall not**

exceed the fee amount set forth in Exhibit “A”. The CRA shall not reimburse NG&N for any additional costs incurred as a direct or indirect result of NG&N providing services to the CRA under this Agreement and not set forth in Exhibit “A”.

b. Invoices. Unless otherwise agreed in writing by the CRA’s Executive Director and NG&N, NG&N shall bill for its services as set forth in Exhibit “A” (i.e., at the successful closing of a transaction).

SECTION 6: INDEMNIFICATION. NG&N, its officers, employees and agents shall indemnify and hold harmless the CRA, including its officers and employees from liabilities, damages, losses, and costs, including but not limited to, reasonable attorney’s fees (at the trial and appellate levels), to the extent caused by the negligence of NG&N, its officers, directors, employees, representatives and agents employed or utilized by NG&N in the performance of the services under this Agreement. The CRA agrees to be responsible for its own negligence. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the CRA or NG&N, nor shall this Agreement be construed as a waiver of sovereign immunity for the CRA beyond the waiver provided in section 768.28, Florida Statutes.

SECTION 7: COMPLIANCE AND DISQUALIFICATION. Each of the parties agrees to perform its responsibilities under this Agreement in conformance with all laws, regulations and administrative instructions that relate to the parties’ performance of this Agreement.

SECTION 8: PERSONNEL. NG&N represents that it has, or will secure at its own expense, all necessary personnel required to perform the services under this Agreement. Such personnel shall not be employees of or have any contractual relationship with the CRA. All of the services required hereunder shall be performed by NG&N or under its supervision, and all personnel engaged in performing the services shall be fully qualified and authorized or permitted under federal, state and local law to perform such services.

SECTION 9: SUB-CONSULTANTS. The CRA reserves the right to accept the use of a subconsultants or to reject the selection of a particular subconsultant and approve all qualifications of any subconsultant to make a determination as to the capability of the subconsultant to perform properly under this Agreement. All subconsultants providing professional services to NG&N under this Agreement will also be required to provide their own insurance coverage identical to those contained in this Agreement.

SECTION 10: FEDERAL AND STATE TAX. The CRA is exempt from payment of Florida State Sales and Use Tax. NG&N is not authorized to use the CRA’s Tax Exemption Number.

SECTION 11: INSURANCE. Prior to commencing any services, NG&N shall provide proof of insurance coverage as required hereunder. Such insurance policy(s) shall be issued by the United States Treasury or insurance carriers approved and authorized to do business in the State of Florida, and who must have a rating of no less than “excellent” by A.M. Best or as mutually agreed upon by the City and NG&N. All such insurance policies may not be modified or terminated without the express written authorization of the CRA Executive Director.

<u>Type of Coverage</u>	<u>Amount of Coverage</u>
Professional liability/ Errors and Omissions	\$1,000,000 per occurrence
Commercial general liability (Products/completed operations Contractual, insurance broad form property, Independent Consultant)	\$1, 000,000 per occurrence \$2,000,000 annual aggregate

Automobile (non-owned, & hired)	\$ 1,000,000 single limits
Worker's Compensation	\$ statutory limits

The General Liability insurance policy will name the CRA as an additional insured on a primary, non-contributing basis and proof of all insurance coverage shall be furnished to the CRA by way of an endorsement to same or certificate of insurance prior to the provision of services. The certificates shall clearly indicate that NG&N has obtained insurance of the type, amount, and classification as required for strict compliance with this section. Failure to comply with the foregoing requirements shall not relieve NG&N of its liability and obligations under this Agreement.

SECTION 12: SUCCESSORS AND ASSIGNS. The CRA and NG&N each binds itself and its partners, successors, executors, administrators, and assigns to the other party of this Agreement and to the partners, successors, executors, administrators and assigns of such other party, in respect to all covenants of this Agreement. Except as agreed in writing by all parties, this Agreement is not assignable.

SECTION 13: DISPUTE RESOLUTION, LAW, VENUE AND REMEDIES. All claims arising out of this Agreement or its breach shall be submitted first to mediation. The parties shall share the mediator's fee equally. The mediation shall be held in Palm Beach County. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof. This Agreement shall be governed by the laws of the State of Florida. Any and all legal action necessary to enforce this Agreement will be held exclusively in Palm Beach County, Florida. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof. Each party shall be responsible for its own attorney's fees and costs related to any dispute arising out of or related to this Agreement.

SECTION 14: WAIVER OF JURY TRIAL. TO ENCOURAGE PROMPT AND EQUITABLE RESOLUTION OF ANY LITIGATION, EACH PARTY HEREBY WAIVES ITS RIGHTS TO A TRIAL BY JURY IN ANY LITIGATION RELATED TO OR ARISING FROM THIS AGREEMENT INCLUDING BUT NOT LIMITED TO ANY COUNTERCLAIMS.

SECTION 15: ACCESS AND AUDITS. NG&N shall maintain adequate records to justify all payments made by the CRA under this Agreement for at least three (3) years after completion of this Agreement and longer if required by applicable federal or state law. The CRA shall have access to such books, records, and documents as required in this section for the purpose of inspection or audit during normal business hours, at NG&N's place of business. In no circumstances will NG&N be required to disclose any confidential or proprietary information regarding its products and service costs.

SECTION 16: NONDISCRIMINATION. NG&N warrants and represents that all of its employees are treated equally during employment without regard to race, color, religion, disability, sex, age, national origin, ancestry, marital status, or sexual orientation.

SECTION 17: AUTHORITY TO PRACTICE. NG&N hereby represents and warrants that it has and will continue to maintain all licenses and approvals required to conduct its business and provide the services required under this Agreement, and that it will at all times conduct its business and provide the services under this Agreement in a reputable manner. Proof of such licenses and approvals shall be submitted to the CRA upon request.

SECTION 18: SEVERABILITY. If any term or provision of this Agreement, or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, to remainder of this Agreement, or the application of such terms or provision, to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision of this Agreement shall be deemed valid and enforceable to the extent permitted by law.

SECTION 19: PUBLIC ENTITY CRIMES. NG&N acknowledges and agrees that a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier or sub-contractor under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list. NG&N will advise the CRA immediately if it becomes aware of any violation of this statute.

SECTION 20: NOTICE. All notices required in this Agreement shall be sent by hand-delivery, certified mail (RRR), or by nationally recognized overnight courier, and if sent to the CRA shall be sent to:

Village of Palm Springs CRA
c/o Finance Director
226 Cypress Lane
Palm Springs, FL 33461

and if sent to NG&N, shall be sent to:

Steven E. Miller
Nabors, Giblin & Nickerson, P.A.
1500 Mahan Drive, Suite 200
Tallahassee, Florida 32308
(850) 224-4070

The foregoing names and addresses may be changed if such change is provided in writing to the other party. Notice shall be deemed given upon receipt.

SECTION 21: ENTIRETY OF AGREEMENT. The CRA and NG&N agree that this Agreement sets forth the entire agreement between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Agreement may be added to, modified, superseded or otherwise altered, except by written instrument executed by the parties hereto.

SECTION 22: WAIVER. Failure of a party to enforce or exercise any of its right(s) under this Agreement shall not be deemed a waiver of that parties' right to enforce or exercise said right(s) at any time thereafter.

SECTION 23: PREPARATION AND NON-EXCLUSIVE. This Agreement shall not be construed more strongly against either party regardless of who was more responsible for its preparation. This is a non-exclusive Agreement and the CRA reserves the right to contract with individuals or firms to provide the same or similar services.

SECTION 24: MATERIALITY. All provisions of the Agreement shall be deemed material. In the event NG&N fails to comply with any of the provisions contained in this Agreement or exhibits, amendments

and addenda attached hereto, said failure shall be deemed a material breach of this Agreement and CRA may at its option provide notice to NG&N to terminate for cause.

SECTION 25: LEGAL EFFECT. This Agreement shall not become binding and effective until approved by the CRA. The Effective Date is the date this Agreement is approved by the CRA Council and executed by the appropriate CRA official.

SECTION 26: NOTICE OF COMPLAINTS, SUITS AND REGULATORY VIOLATIONS. Each party will promptly notify the other of any complaint, claim, suit or cause of action threatened or commenced against it which arises out of or relates, in any manner, to the performance of this Agreement. Each party agrees to cooperate with the other in any investigation either may conduct, the defense of any claim or suit in which either party is named, and shall do nothing to impair or invalidate any applicable insurance coverage.

SECTION 27: SURVIVABILITY. Any provision of this Agreement which is of a continuing nature or imposes an obligation which extends beyond the term of this Agreement shall survive its expiration or earlier termination.

SECTION 28: COUNTERPARTS. This Agreement may be executed digitally or electronically and in one or more counterparts, each of which shall be deemed an original, and will become effective and binding upon the parties as of the effective date at such time as all the signatories hereto have signed a counterpart of this Agreement.

SECTION 29: PALM BEACH COUNTY IG. In accordance with Palm Beach County ordinance number 2011-009, NG&N acknowledges that this Agreement may be subject to investigation and/or audit by the Palm Beach County Inspector General. NG&N has reviewed Palm Beach County ordinance number 2011-009 and is aware of its rights and/or obligations under such ordinance.

SECTION 30: AGREEMENT DOCUMENTS AND CONTROLLING PROVISIONS. This Agreement consists of this Agreement and Exhibit "A" (NG&N's engagement letter). The parties agree to be bound by all the terms and conditions set forth in the aforementioned documents. To the extent that there exists a conflict between the terms and conditions of this Agreement and Exhibit "A", the terms and conditions of this Agreement shall prevail. Wherever possible, the provisions of such documents shall be construed in such a manner as to avoid conflicts between provisions of the various documents.

SECTION 31: OWNERSHIP OF DELIVERABLES. The deliverables, reports, management letter(s), work product, specifications, calculations, supporting documents, or other non-confidential work papers which are to be prepared by the NG&N on behalf of the CRA based upon the information to be provided by the CRA ("deliverables"), shall become the property of the CRA. NG&N may keep copies or samples thereof and shall have the right to use the same for its own purposes. The CRA accepts sole responsibility for the reuse of any such deliverables in a manner other than as initially intended or for any use of incomplete documents.

SECTION 32: REPRESENTATIONS AND BINDING AUTHORITY. By signing this Agreement, on behalf of NG&N, the undersigned hereby represents to the CRA that he or she has the authority and full legal power to execute this Agreement and any and all documents necessary to effectuate and implement the terms of this Agreement on behalf of NG&N for whom he or she is signing and to bind and obligate such party with respect to all provisions contained in this Agreement.

SECTION 33: PUBLIC RECORDS. NG&N shall comply with Florida's Public Records Act, Chapter 119, Florida Statutes, and, if determined to be acting on behalf of the CRA as provided under section 119.011(2), Florida Statutes, specifically agrees to:

- (a) Keep and maintain public records required by the CRA to perform the service.
- (b) Upon request from the CRA's custodian of public records or designee, provide the CRA with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
- (c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of this Agreement and following completion of this Agreement if NG&N does not transfer the records to the CRA.
- (d) Upon completion of this Agreement, transfer, at no cost, to the CRA all public records in possession of NG&N or keep and maintain public records required by the CRA to perform the service. If NG&N transfers all public records to the CRA upon completion of the Agreement, NG&N shall destroy any duplicate public records that are exempt or confidential or exempt from public records disclosure requirements. If NG&N keeps and maintains public records upon completion of the Agreement, NG&N shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the CRA, upon request from the CRA's custodian of public records or designee, in a format that is compatible with the information technology systems of the CRA.

IF NG&N HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO NG&N'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, PLEASE CONTACT THE CRA CUSTODIAN OF PUBLIC RECORDS OR DESIGNEE AT (561) 584-8200 Ext. 8431, kwynn@vpsfl.org, OR BY MAIL AT 226 CYPRESS LANE, PALM SPRINGS, FL 33461.

SECTION 34: CONFIDENTIAL AND PROPRIETARY INFORMATION. Each party (the "Receiving Party") will keep confidential and not disclose to any other person or entity or use (except as expressly and unambiguously authorized by this Agreement) information, technology or software ("Confidential Information") obtained from the other party (the "Disclosing Party"); provided, however, that the Receiving Party will not be prohibited from disclosing or using information (i) that at the time of disclosure is publicly available or becomes publicly available through no act or omission of the Receiving Party, (ii) that is or has been disclosed to the Receiving Party by a third party who is not under, and to whom the Receiving Party does not owe, an obligation of confidentiality with respect thereto, (iii) that is or has been independently acquired or developed by the Receiving Party without access to the Disclosing Party's Confidential Information, (iv) that is already in the Receiving Party's possession at the time of disclosure, or (v) that is required to be released by law.

SECTION 35: EXPORT ADMINISTRATION. Each party agrees to comply with all export laws and regulations of the United States ("Export Laws") to assure that no software deliverable, item, service, technical data or any direct product thereof arising out of or related to this Agreement is exported directly or indirectly (as a physical export or a deemed export) in violation of Export Laws.

SECTION 36: SCRUTINIZED COMPANIES.

(a) NG&N certifies that it and its subcontractors are not on the Scrutinized Companies that Boycott Israel List and are not engaged in a boycott of Israel. Pursuant to Section 287.135, Florida Statutes, the CRA may immediately terminate this Agreement at its sole option if NG&N or any of its subcontractors are found to have submitted a false certification; or if NG&N or any of its subcontractors, are placed on the Scrutinized Companies that Boycott Israel List or are engaged in a boycott of Israel during the term of this Agreement.

(b) If this Agreement is for one million dollars or more, NG&N certifies that it and its subcontractors are also not on the Scrutinized Companies with Activities in Sudan List, Scrutinized

Companies with Activities in Iran Terrorism Sectors List, or engaged in business operations in Cuba or Syria as identified in Section 287.135, Florida Statutes. Pursuant to Section 287.135, the CRA may immediately terminate this Agreement at its sole option if NG&N, or any of its subcontractors are found to have submitted a false certification; or if NG&N or any of its subcontractors are placed on the Scrutinized Companies with Activities in Sudan List, or has been placed on a list created pursuant to Section 215.473, Florida Statutes, relating to scrutinized active business operations in Iran, or are or have been engaged with business operations in Cuba or Syria during the term of this Agreement.

SECTION 37: E-VERIFY. Pursuant to Section 448.095(5), Florida Statutes, NG&N shall:

(a) Register with and use the E-Verify system to verify the work authorization status of all newly hired employees and require all subcontractors to register with and use the E-Verify system to verify the work authorization status of all the subcontractors' newly hired employees;

(b) an affidavit from all subcontractors stating that the subcontractor does not employ, contract with, or subcontract with an unauthorized alien;

(c) Maintain copies of all subcontractor affidavits for the duration of this Agreement and provide the same to the CRA upon request;

(d) Comply fully, and ensure all subcontractors comply fully with Sections 448.09(1) and 448.095, Florida Statutes;

(e) Be aware that a violation of Sections 448.09 or 448.095, Florida Statutes, shall be grounds for termination of this Agreement; and,

(f) Be aware that if the CRA terminates this Agreement under Section 448.095(5)(c), Florida Statutes, NG&N may not be awarded a contract for at least 1 year after the date on which the Agreement is terminated and will be liable for any additional costs incurred by the CRA as a result of the termination of this Agreement.

SECTION 38: SECTION 787.06 COMPLIANCE. The NG&N, by signing this Agreement as set forth below, attests that NG&N does not use coercion for labor or services as defined in section 787.06, Florida Statutes.

**[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, the parties hereto have made and executed this Professional Services Agreement (Bond Counsel Services) as of the day and year set forth above.

**VILLAGE OF PALM SPRINGS COMMUNITY
REDEVELOPMENT AGENCY, FLORIDA**

ATTEST:

By: _____
Bev Smith, Chair

By: _____
Kim Wynn, CRA Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

By: _____
Christy Goddeau, CRA Attorney

NG&N: Nabors, Giblin & Nickerson, P.A.

By: 

Print Name: Steven E. Miller

Print Title: President

[Corporate Seal]

THE FOREGOING instrument was acknowledged before me by means of physical presence or online notarization on this 14th day of April, 2025, by Steven E. Miller, as the President of Nabors, Giblin & Nickerson, P.A., which is authorized to do business in the State of Florida, who is personally known to me or who has produced _____ as identification, and who did take an oath under penalty of perjury that the facts stated with regard to section 787.06, Florida Statutes, are true and correct, and that he is duly authorized to execute the foregoing instrument and bind Nabors, Giblin & Nickerson, P.A., to the same.

By: 
Notary Public Signature

Notary Seal:

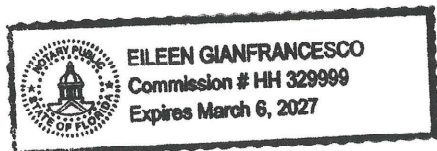


EXHIBIT "A"
(NG&N's Engagement Letter)

TAMPA
2502 Rocky Point Drive
Suite 1060
Tampa, Florida 33607
(813) 281-2222 Tel
(813) 281-0129 Fax



TALLAHASSEE
1500 Mahan Drive
Suite 200
Tallahassee, Florida 32308
(850) 224-4070 Tel
(850) 224-4073 Fax

PLANTATION
8201 Peters Road
Suite 1000
Plantation, Florida 33324
(954) 315-0268 Tel

BOND COUNSEL ENGAGEMENT LETTER

April 14, 2026

Village of Palm Springs, Florida
Attn: Michael Bornstein, Village Manager
226 Cypress Lane
Palm Springs, Florida 33461

Re: Proposed Line of Credit for Extraordinary Expenses Related to Hurricane Ian
and Other Debt Obligation

Mr. Bornstein:

The purpose of this letter is to set forth the role Nabors, Giblin & Nickerson, P.A. proposes to serve and responsibilities we propose to assume as bond counsel to the Village of Palm Springs (the "Village") and the Village of Palm Springs Community Redevelopment Agency (the "Agency") in connection with a term loan (the "Loan") to be obtained by the Agency to finance capital improvements within the community redevelopment area of the Village.

Bond counsel is engaged as recognized counsel specially experienced in Florida law and federal tax law relating to governmental debt obligations, whose primary responsibility will be to render an objective legal opinion with respect to the authorization and incurrence of the Loan and the tax treatment of interest payable on such Loan. As bond counsel, we will examine applicable laws, prepare the authorizing ordinances and/or resolutions and the Loan Agreement and Interlocal Agreement between the Village and the Agency and other related financing documents, review certified proceedings, draft closing documents and undertake such additional duties as we deem necessary to render such opinion. The above-described services specifically include but are not limited to the following:

- a. Consultation with Village and Agency officials, staff and other professionals engaged by the Agency and Village concerning all legal questions relating to the incurrence of the Loan;

- b. attendance, upon request, at any meeting of the governing boards of the Agency and the Village or any meeting of staff during which the proposed Loan will be considered;
- c. drafting all ordinances, resolutions and other nondisclosure instruments authorizing and securing the Loan and required in connection with the issuance of the Loan and the execution and delivery of the Loan Agreement and the Interlocal Agreement;
- d. drafting the Loan Agreement and the Interlocal Agreement and the notices required to be published or mailed to all taxing authorities;
- e. assistance to the Agency and its financial advisor and consultants in formulating financing plans pertaining to the proposed Loan, including assisting in the drafting of the request for proposals from financial institutions;
- f. analysis and resolution of tax issues associated with financing plans pertaining to the Loan, including preparation of ruling requests and contacts with the U.S. Treasury, if necessary;
- g. drafting and review of all documents required for the sale and closing of the Loan including without limitation certificates and opinions and negotiating legal provisions with counsel to the provider of the Loan;
- h. drafting the forms of the Note securing the Loan, supervision of the printing of the Loan and conducting the preclosing and the closings in connection with the issuance of the Loan;
- i. coordinate with the financing team regarding the place, date and time for the pre-closing of the Loan;
- j. conduct such research and review of the Loan instruments as is necessary to conclude that such documents were duly authorized by the Agency and the Village and are within the constitutional and statutory power of the Agency and the Village to execute and perform;
- k. conduct such research and review of the Agency revenues and/or taxes that are pledged or utilized to pay the Loan in order to determine that they can be used for the payment of the debt service on the Loan under the Constitution and laws of the State of Florida and the ordinances and Bond Resolutions of the Agency;
- l. conduct such review with Agency and Village staff as necessary to determine if any anticipated or outstanding litigation affects the ability of the Agency or the Village to perform its responsibilities under the Loan documents or limits the

authority of the Agency for the Village to utilize the revenues identified as security for the repayment of the Loan;

m. attending the pre-closing in connection with the issuance of the Loan;
and

n. providing the Agency and the Village such other legal services and advice that pertain to the Loan and the Loan Agreement and the Interlocal Agreement as are requested by the Agency.

Subject to the completion of proceedings to our satisfaction, we will render our opinion addressed to the Agency that:

1. the Agency is a duly created and validly existing community redevelopment agency under the laws of the State of Florida with the power to adopt the authorizing ordinances and/or resolutions, perform the agreements on its part contained therein and incur the Loan;

2. the authorizing ordinances and resolutions have been duly adopted by the Agency and constitutes valid, binding and enforceable obligations of the Agency;

3. the Loan and the Loan Agreement have been duly authorized, executed and delivered by the Agency and are valid, binding and enforceable special obligations of the Agency, payable solely from the sources provided therefore in the Loan Agreement;

4. the interest on the Loan is exempt from federal income taxation; and

5. the Loan is exempt from registration under the Securities Act of 1933, as amended, and the Loan Agreement is exempt from qualification as an indenture under the Trust Indenture Act of 1939.

The opinion will also opine as to such other matters, if any, that are at the date of closing normally included in the opinions of bond counsel for municipal bonds.

The opinions will be dated and executed and delivered by us in written form on the date the Loan is funded (the "Closing") and will be based on existing law as of its date. Upon the delivery of the opinion and the filing of all appropriate closing documents, our responsibilities as bond counsel will be concluded with respect to the issuance of the Loan and the execution and delivery of the Loan Agreement. We agree, however, to provide continuing advice to the Agency and the Village at no charge (not to exceed ten (10) hours of bond counsel time) concerning legal questions that may arise after the Closing with respect to the Loan and the Loan Agreement, including without limitation, questions concerning compliance with the Agency's responsibilities under the Loan and the Loan Agreement and

any actions necessary to assure that interest paid on the tax-exempt Loan will continue to be excluded from gross income for federal income tax purposes.

In rendering the opinions, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation. We do not review the financial condition of the Agency or the Village or the adequacy of the security for the Loan, and we will express no opinion relating thereto.

We represent that we are currently insured (lawyers professional liability insurance in the amount of \$8,000,000 (total and aggregate)) and will continue such insurance or its equivalent or better until the Loan is issued or our engagement as bond counsel for the Loan is terminated.

In performing our services as bond counsel, we will serve as special counsel to the Agency and the Village and we will represent their interests. We assume that other parties to the transaction will retain such counsel as they deem necessary and appropriate to represent their interests in the transaction. Our representation of the Agency and the Village does not alter our responsibility to render an objective opinion as bond counsel. It does mean that we will not undertake a representation which conflicts with such representation of the Agency and the Village, without the Agency's and Village's prior, written, informed consent.

Based upon (a) our current understanding of the terms, structure, size, method of sale and schedule of the Loan, (b) the duties we will undertake pursuant to this letter, (c) the time we anticipate devoting to the financing, and (d) the responsibilities we assume, we agree that our fee hereunder will be equal to \$35,000 for the Loan (to be paid upon the closing of the Loan). Such fee would be subject to adjustment, but only by mutual agreement, if (i) the principal amount of the Loan actually issued increases significantly, (ii) the Loan is issued as more than one issue, (iii) material changes in the structure or method of the financing occur, or (iv) unusual or unforeseen circumstances arise which require a significant increase in our time or responsibility (such as litigation or involvement in credit rating or enhancement negotiations).

The foregoing does not include validation. Based on the facts as we presently understand them, we do not anticipate requiring validation of the Loan. If validation is required by the Agency or the Village or any other party, we would provide a separate engagement letter if the Agency and the Village requested our representation.

It is our policy to provide to you the most effective support systems available, while at the same time allocating the costs of such systems in accordance with the usage of the services by individual clients. Therefore, in addition to our fees for legal services, we also charge separately for certain costs and expense disbursements, including travel, messenger, courier and other special communication costs; long-distance telephone and facsimile charges;

document reproduction; and computer research facilities. Certain services and expenses which involve payments made to third parties include an additional charge based upon our internal costs with respect to those services and expenses. Large disbursement billings may be forwarded by us to you for direct payment by you to the supplier.

Our practice is to render one statement for professional services, disbursements and expenses at the Closing of the issue, and to receive payment in full at that time. While we will make every effort to include disbursements in the statement for the period in which the disbursements are incurred, some disbursements are not available to us until the following month in which case a supplemental statement will be rendered for these charges.

We agree that our fee for bond counsel services hereunder will be contingent upon the successful incurrence of the Loan. If the financing is abandoned, we will not be entitled to any fee for services but will be entitled to be reimbursed for our disbursements and expenses.

If the foregoing terms of this engagement are acceptable to you, please so indicate by returning the enclosed copy of this letter signed by an appropriate officer, retaining the original for your files.

We appreciate the opportunity to be of service to you. Our goal is to provide legal services on the most cost-efficient basis possible. If at any time you wish to discuss our billing policy and procedures, in general or in particular, we encourage you to contact us.

NABORS, GIBLIN & NICKERSON, P.A.

By:  _____

Accepted and Approved by the Village of Palm Springs, Florida

By: _____

Its: _____

Date: _____