

Village of Tequesta

345 Tequesta Drive
Tequesta, FL 33469



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BANK LOAN FINANCING

CAPITAL IMPROVEMENT REVENUE NOTE, SERIES 2021

RFP #FIN 10-20

Addendum No. 1

November 18, 2020

RFP DUE: 2:00 PM, Local Time, December 16, 2020

TO ALL VENDORS PROVIDING QUOTES FOR THIS RFP:

The changes, additions, substitutions, and/or deletions contained in Addendum No. 1 are hereby made a part of the Request for Proposals Documents for the BANK LOAN FINANCING – CAPITAL IMPROVEMENT REVENUE NOTE, SERIES 2021 solicitation, fully and completely as if the same were fully set forth herein.

Sealed proposal packages are to be delivered to the Village Clerk's Office or Utilities Customer Service desk prior to the deadline for submissions.

ATTACHMENTS

ATTACHMENT 1 - Responses to Proposer's Questions

END OF ADDENDUM

Vice-Mayor Kyle Stone
Council Member Frank D'Ambra

Mayor Abby Brennan
Village Manager Jeremy Allen

Council Member Laurie Brandon
Council Member Bruce Prince

ATTACHMENT 1

RESPONSES TO PROPOSER'S QUESTIONS

Question 1: In evaluating this financing opportunity, I wanted to see if you had a pro forma Debt Service Coverage from pledged revenues with this financing. We can back out ad valorem taxes from the revenue, but it is difficult to know what the Village deems as "payment of services and programs which are for essential public purposes affecting the health, welfare and safety of the inhabitants of the Village or which are legally mandated by applicable law and which were not already paid from ad valorem tax revenues". Can you address that and provide a pro forma of the debt service coverage?

Response 1: The Village's historical debt service coverage, which includes pro forma amounts for Fiscal Years 2020 and 2021, is attached hereto.

Village of Tequesta, FL
Historical Debt Service Coverage

	<i>(Pro Forma)</i>		FY2019	FY2018	FY2017
	FY2021	FY2020			
Revenues					
Total Governmental Funds	\$ 14,565,400	\$ 13,675,450	\$ 13,474,591	\$ 12,582,726	\$ 11,701,478
Less: Ad Valorem Tax Revenues	(7,690,000)	(7,482,400)	(6,800,483)	(6,420,058)	(6,098,723)
Total Governmental Non-Ad Valorem Revenues	6,875,400	6,193,050	6,674,108	6,162,668	5,602,755
<i>Less: Restricted Funds:</i>					
Building Funds	(524,800)	(737,100)	(653,497)	(753,211)	(646,126)
Non-Major Governmental Funds	(5,200)	-	(1,740)	-	-
Adjusted Non-Ad Valorem Revenues	<u>\$ 6,345,400</u>	<u>\$ 5,455,950</u>	<u>\$ 6,018,871</u>	<u>\$ 5,409,457</u>	<u>\$ 4,956,629</u>

	FY2021	FY2020	FY2019	FY2018	FY2017
	Expenditures				
Essential Expenditures:					
Public Safety	\$ 7,551,850	\$ 8,431,880	\$ 8,429,823	\$ 6,968,142	\$ 6,630,534
General Government	3,099,050	2,398,850	2,275,900	2,210,205	2,104,039
Total Essential Expenditures	10,650,900	10,830,730	10,705,723	9,178,347	8,734,573
Less: Ad Valorem Revenues Available to pay					
Essential Expenditures	(7,690,000)	(7,482,400)	(6,800,483)	(6,420,058)	(6,098,723)
Adjusted Essential Expenditures	<u>2,960,900</u>	<u>3,348,330</u>	<u>3,905,240</u>	<u>2,758,289</u>	<u>2,635,850</u>
Net Non-Ad Valorem Revenues Available for Debt Service	<u>\$ 3,384,500</u>	<u>\$ 2,107,620</u>	<u>\$ 2,113,631</u>	<u>\$ 2,651,168</u>	<u>\$ 2,320,779</u>

	FY2021	FY2020	FY2019	FY2018	FY2017
	Existing Coverage				
Less: Maximum Annual Debt Service on Existing Governmental Fund Debt	\$ (822,101)	\$ (372,501)	\$ (372,501)	\$ (372,501)	\$ (372,501)
Legally Available Non-Ad Valorem Revenue After MADS	\$ 2,562,399	\$ 1,735,119	\$ 1,741,130	\$ 2,278,667	\$ 1,948,278
Existing Coverage	4.12	5.66	5.67	7.12	6.23

Additional Bonds Test

Test 1: Prior two year Net Non-Ad Valorem revenues received covers projected MADS by 120%.

FY2021 (Pro Forma)	411.69%
FY2020 (Pro Forma)	565.80%
FY2019	567.42%
FY2018	711.72%
FY2017	623.03%

Note: Pro Forma based on budgeted numbers