Montgomery County Board of Education Montgomery, Alabama

RFP No. 1-522: Municipal Advisory Services—Finance Department Summarized Responses to Compliant RFP Questions May 23, 2022

To All Potential Respondents:

The Montgomery County Board of Education (MCBOE) received inquiries pursuant to the advertisement of RFP No. 1-522: Municipal Advisory Services—Finance Department. The following list summarizes all the compliant questions that were received by the deadline. MCBOE's response to each compliant question are enumerated below:

1. Does the Board have projected collection amount for the new district school ad valorem tax approved by voters on November 3, 2020?

MCBOE Response: The Board is projecting approximately \$33.00 million annually from the ad valorem tax vote held in November 2020.

2. When is the first collection and last collection of the tax?

MCBOE Response: The voters of Montgomery County approved for the collection of the ad valorem tax, beginning October 1, 2023. The tax is levied for 27 years, which is the max under Alabama law.

3. Could the Board share its Supplemental II report showing its other sources of local revenue?

MCBOE Response: See Attachment - Exhibit A.

4. Has the Board issued any long-term debt since its last audit (9/30/2020)?

MCBOE Response: The Board has not issued any new long-term debt since its last audit; however, we refinanced our bus loan for a lower rate. We did not increase the years. Moreover, the FY 2021 audit has been completed. The Examiners will be releasing the FY 2021 Audit very soon.

- 5. Does the Board have a detailed principal and interest/payment schedule that it can share for the following debt?
 - 2009-D #1
 - 2009-D#2

- 2010 PSCA debt
- 2012 PSCA debt
- 2014 PSCA debt
- 2014 Capital Outlay debt
- Any additional PSCA loans, privately placed debt for buses or other equipment since the last audit for FY 2020.

MCBOE Response: Please See the attached Long-term Debt Schedule as of $\underline{FY\ 2021}$ – Exhibit \underline{C} . The MCBOE has not incurred any additional Long-term or Short-term Debt.

6. Will the Acknowledgement form [attached] to the RFP as Appendix A and a cover letter count towards the 20-page limit?

MCBOE Response: Appendix A will not count towards the 20-page limit. However, the cover letter will count towards the 20-page limit.

7. Is there a time by which the RFP is due on May 30, 2022?

MCBOE Response: "Yes", although the 'time' was not specified in the RFP; the Due Date and Time (deadline) for submission of a Response to the RFP is hereby declared to be as follows: May 30, 2022 by 4:30 p.m. Central Time.

Please note the above summary of compliant questions are <u>literally</u> represented as submitted.

Sincerely

Marvin Rudolph

Director of Purchasing & Risk Management Montgomery County Board of Education 307 South Decatur Street

Montgomery, AL 36104

Email: procurement@mps.k12.al.us



SUPPLEMENTAL REPORT II

A. LOCAL FUNDS EQUIVALENT TO 10 MILLS

Act 95-314, Section 16-13-231 of Code of Alabama requires that local support for schools must be funded at an amount equivalent to 10 mills of ad valorem tax. In order to review the condition of local funding, the following outline should be used.

EXHIBIT
B

Data from 2020-2021 General Purpose Financial Statement must be used in completing this section.

1. Amount of Regular District Ad Valorem Tax (code 6210)	\$.	10,634,950.00
2. Number of Mills of Regular District Ad Valorem Tax		3.83
3. Value of 1 Mill (Divide Item 1 by item 2)	\$	2,776,749.35
4. Value of 10 Mills (Item 3 times 10)	\$	27,767,493.47
5. Local Effort		
a. Total County Tax Revenues (codes 6010-6190)	\$	42,862,508.91
b. Total District Tax Revenues (codes 6210-6390)	\$	18,686,115.79
c. Other Local Government Effort (codes 6510-6590)	\$	522,230.50
d. Total Local Governmental Effort (must be equal to or greater than Item 4)	\$	62,070,855.20

	SUPPLEMENTAL REPORT II			
B. SCHEDULE	OF LOCAL GOVERNMENTAL TAX REVENUE SOURCES FY 2021			
Instruction	s: Complete the millage and rates for all revenue sources applicabl	e to you system.		Pledged
Revenue	TO A STATE OF THE	Total Dollars	Dollars*	
Code	TYPE OF AD VALOREM TAX AUTHORIZATION	Mills/Rate	Total Dollars	Donaid
	Countywide Taxes	+		
	Regular Countywide School Tax			
6010	Regular Ad Valorem Under Section 269	-		
6012	Reappraisal Ad Valorem Under Amendment 373	2 500/	42 267 275 62	12 267 275 62
6015	Regular Ad Valorem Under Amendment 3, Section 1	3.50%	12,267,275.63	12,267,275.63
6020	Regular Ad Valorem Under Amendment 202			
6021	County Regular Ad Valorem Under CA 202			
	Special Countywide School Tax			
6030	Special Ad Valorem Authorized prior to 1901			
6031	Special Ad Valorem Authorized prior to 1901			
6032	Special Ad Valorem Under Amendment			
6033	Special Ad Valorem Under Amendment			
6034	Special Ad Valorem Under Amendment			
6035	Special Ad Valorem Under Amendment			
6036	Special Ad Valorem Under Amendment			
6038	Special Ad Valorem Under Amendment			
6040	Special Ad Valorem Under Amendment			
6041	Special Ad Valorem Under Amendment			
6042	Special Ad Valorem Under Amendment			
6043	Special Ad Valorem Under Amendment			
	General County Tax Earmarked for Schools			
6050	County General Ad Valorem Authorized prior to 1901			
6051	County General Ad Valorem Authorized prior to 1901			
6052	County General Ad Valorem Under Section 215			
6053	County General Ad Valorem Under Amendment			
6054	County General Ad Valorem Under Amendment 208			
6060	County General Ad Valorem Under Amendment 425/555			
6070	Other General County Ad Valorem Tax			
6072	Other General County Ad Valorem Tax			
6074	Other General County Ad Valorem Tax			
6076	Other General County Ad Valorem Tax			
6090	Other County Ad Valorem Taxes			
6095	Business Privilege Tax		644,531.22	
6110	County Sales Tax	1%	•	18,262,748.93
6120	County Sales & Use Tax Motor Vehicle & Boats		20,100,200120	
6130	County Gasoline Tax	.01 per gallon	1,484,112.88	
6140	County Alcohol Beverage Tax	TOT PCI BUILDIN	2) 10 1)222.00	
6160	County Tobacco Tax			
	County Hobacco Tax County Mineral Lease Docum. Tax			
6170		_		
6180	County Severence Tax			
6190	Other County Tax TOTAL COUNTY TAX REVENUES		42,862,508.91	30,530,024.56

Attachment to GPFS FY 21

Attachment to G	PFS FY 21 SUPPLEMENTAL REPORT II		THE REAL PROPERTY.	医 图 图 图 图 图 图 图 图 图 图 图 图 图 图 图 图 图 图 图				
R SCHEDIII F	OF LOCAL GOVERNMENTAL TAX REVENUE SOURCES FY 2021							
	s: Complete the millage and rates for all revenue sources applicable	to you system.						
Revenue								
Code	TYPE OF AD VALOREM TAX AUTHORIZATION Mills/Rate Total Dollars							
Couc	School District Taxes							
	Regular School District Tax							
6210	District Regular Ad Valorem Under Amendment 3, Section 2	3.5%	8,624,950.00	8,624,950.00				
6211	District Regular Ad Valorem Act 1997-217							
6215	District Regular Reappraisal Ad Valorem Under Amendment 373							
6220	District Regular Ad Valorem Under Amendment 382							
6225	District Ad Valorem Under Amendment 778 (10 Mill CA)	6.5%	2,010,000.00	2,010,000.00				
6226	District Ad Valorem Under Amendment 778	3.5%	8,000,000.00	8,000,000.00				
	Special School District Tax							
6230	District Special Ad Valorem Under Amendment							
6235	District Special Ad Valorem Under Amendment							
6245	District Special Ad Valorem Under Amendment							
6250	District Special Ad Valorem Under Amendment							
- 0200	General Municipal Tax Earmarked for Schools							
6260	Municipal General Ad Valorem Authorized Prior to 1901							
6265	Municipal General Ad Valorem Under Section 216							
6267	Municipal General Ad Valorem Under Amendment 8							
6270	Municipal General Ad Valorem Under Amendment 56							
6280	Municipal General Ad Valorem Under Amendment							
6282	Municipal General Ad Valorem Under Amendment							
6284	Municipal General Ad Valorem Under Amendment							
6286	Municipal General Ad Valorem Under Amendment							
6290	Other District Ad Valorem Taxes							
0250	Other pischer a valstan rende							
6310	District Sales Tax							
6330	District Gasoline Tax							
6340	District Alcohol Beverage Tax							
6350	Amusement Tax							
6360	District Tobacco Tax							
6370	Helping Schools Vehicle Tags		44,510.29	44,510.29				
6380	Manufactured Homes - Registration Fee		6,655.50					
6390	Other District Tax							
	TOTAL DISTRICT TAX REVENUES		18,686,115.79	18,679,460.29				
6510	County Commision Appropriations		245,927.50	245,927.50				
6520	City Council Appropriations		276,303.00	276,303.00				
6530	Pari-mutual Betting							
6540	TVA in Lieu of Taxes							
6550	Revenue in Lieu of Taxes							
6590	Other Local Government Taxes							
	TOTAL OTHER LOCAL GOVERNMENT TAX REVENUES		522,230.50	522,230.50				

^{*} Pledged revenues include funds earmarked through a vote of the local school board for debt service, capital expenditures, or transportation. Additionally, pledged revenues include any local revenues restricted, earmarked, or committed by statutory provision, constitutional provision, or board covenant that are pledged or imposed by formal action of the local board of education or other authorizing body of government. Do not include the local revenues designated as the Foundation Program



FY2021 Schedule of Debt



LEA Montgomery County

				\$1,590,940.63 \$65,952,768.11	\$1,590,940.63	\$2,827,883.35			\$90,888,265.30
2.29%	Cadence Bank	Capital Lease: Purchase buses	7,208,232.93 General Fund	7,208,232.93	181,122,14	1,108,719.58	2027	2018	11.518.336.60
		capital projects							#10,000,000.00
Varies	Regions Bank (trustee)	Refund existing debt; \$7.6 million for various	\$564,603,76 \$12,800,000 00 Local Board Funds	\$12,800,000 00	\$564,603,76	\$480,000,00	2039	2014	\$15 BSD 000 00
			QSCB Loan	See NOTE #2		See NOTE #1			
Vanes	-	Construct new schools & renovate schools	\$292,487.96 \$15,683,000.00 State PSF Funds -	\$15,683,000.00	\$292,487.96	00.08	2025	2011	\$15,683,000.00
			QSCB Loan	See NOTE #2		See NOTE #1			
Vanes		Construct new schools & renovate schools	\$102,479.26 \$14,660,000.00 State PSF Funds -	\$14,660,000.00	\$102,479.26	\$0.00	2027	2010	\$14,660,000.00
			QSCB Loan	See NOTE #2		See NOTE #1			
vanes		Construct new schools & renovate schools	\$213,001.94 \$11,421,000.00 State PSF Funds •	\$11,421,000.00	\$213,001.94	\$0.00	2025	2009	\$11,421,000.00
		portables	Leveraged					(Refunded FY 14	
Vanes		Construct new schools & additions to eliminate	\$188,371.07 \$3,393,665.63 State PSF Funds -	\$3,393,665.63	\$188,371.07	\$747,511.42	2025	2005	\$13,478,193.53
		portables	Leveraged					(Refunded FY 12)	20
vanes	•	Construct new schools & additions to eliminate	\$786,869.55 State PSF Funds -	\$786,869.55	\$48,874,50	\$491,652.35	2022	2002	\$8,267,735.17
		portables	Leveraged						
			for payment	of 9/30/21	Paid	Paid	Liquidation		
Kale		of Debt	Source used	remaining as	Interest	Principal	Date of	Borrowed	Amount
Interest	Lender	Description/Purpose	Revenue and Fund	Balance	FY2021	FY2021	Anticipated	Year	Original
30000	- Complete	7							raiti

NOTE #1: The following "Sinking Fund" payments were made for QSCB funds and were coded to Fund 13 and Function 1-114 - per instructions from SDE: 2009 QSCB (FS 9116) - \$826,750.61; 2010 QSCB (FS 9117) - \$909,301.13; 2011 QSCB (FS 9118) - \$1,135,270.97. These payments total \$2,871,322.71 and are not shown above. (The amounts include interest posted at the end of FY 21 - per instructions from SDE.) If the Sinking Fund payments total of \$2,871,332.71 is added to the principal column total of \$2,827,883.35, then the total FY 21 principal payments and Sinking Fund payments would be \$5,699,216.06.

NOTE #2: Actual balances after cumulative Sinking Fund payments are subtracted are as follows: 2009 QSCB (FS 9116) - \$4,288 056 64; 2010 QSCB (FS 9117) - \$6,136,094 35; 2011 QSCB (FS 9118) - \$5,888.240.27

NOTE #3: A Lease Intended as Security was entered into with Cadence Bank on October 10, 2017, for the purpose of purchasing of 158 buses. Fixed Rate Amortization period is 120 months. Total: \$11,518.336.60

			\$8,000,000.00			Total Line of	Part II
			No	Used in FY21	of Credit	Was Line	
			1	Paid	Principal	FY2021	
				Paid	interest	FY20121	
9				for payment	Source used	Revenue and Fund	
						Lender	
						Interest Rate	
			-				