

MOSAIC DISTRICT CDA – FAIRFAX COUNTY

CDA DISTRICT SUMMARY
ASSESSMENT YEAR
2020-2021



FUND BALANCES¹

The table below provides a summary of the account activity and the fund balances as of December 31, 2019.

Fund/Account	Balance 12/31/2018	Disburse- ments	Additional Proceeds	Transfers	Investment Income	Balance 12/31/2019
Interest Account	\$452	\$5,375,306	\$0	\$6,282,597	\$7,941	\$915,684
Principal Account	\$0	\$0	\$0	\$0	\$0	\$0
Administrative Expense Fund	\$32,621	\$31,474	\$0	\$0	\$546	\$1,693
Optional Redemption Account	\$0	\$0	\$0	\$0	\$0	\$0
Prepayment Fund	\$0	\$0	\$0	\$0	\$0	\$0
Revenue Fund	\$811,321	\$0	\$5,470,307	(\$6,282,597)	\$15,730	\$14,761
Delinquent Payments Fund	\$0	\$0	\$0	\$0	\$0	\$0
Rebate Account	\$0	\$0	\$0	\$0	\$0	\$0
Surplus Account	\$5,324,814	\$0	\$0	\$0	\$117,041	\$5,441,855
Debt Service Reserve Fund	\$7,011,356	\$0	\$0	\$0	\$149,477	\$7,160,833
Total	\$13,180,564	\$5,406,780	\$5,470,307	\$0	\$290,735	\$13,534,826

¹The calculations are shown rounded to the dollar.

ESTIMATED REAL PROPERTY TAX INCREMENT REVENUES¹

The table below shows the estimated Tax Increment Revenues (County Advanced Revenues) for the 2020-2021 Assessment Year.

2020 aggregate assessed value	\$672,598,740
Less: base year aggregate assessed value	\$38,271,740
<i>Subtotal incremental assessed value</i>	<i>\$634,327,000</i>
Estimated real property tax rate per \$100 of assessed value ²	\$1.18
Estimated Tax Increment Revenues for Assessment Year 2020-2021	\$7,485,059

¹The calculations are shown rounded to the dollar; however, the calculations are not rounded.

²The real property tax rate represents the advertised tax year 2020 real property tax rate. The above calculation will be updated once the tax year 2020 tax rate is finalized.

REVENUES AND EXPENSES – CDA ANNUAL BUDGET¹

The table below shows the excess of revenues over CDA expenditures for the 2020-2021 Assessment Year.

	Series 2011A Bonds	Series 2011A-T Bonds	Total
Revenues:			
Estimated County Advanced Revenues	\$5,345,696	\$2,139,362	\$7,485,059
Available balance of the Surplus Fund	\$0	\$0	\$0
Estimated annual Debt Service Reserve Fund investment income ²	\$68,121	\$27,072	\$95,193
Surplus from prior year	\$649,801	\$251,099	\$900,900
Total revenues	\$6,063,618	\$2,417,533	\$8,481,151
Expenditures:			
Debt service:			
Interest payment due on September 1, 2020	\$1,513,319	\$643,981	\$2,157,300
Interest payment due on March 1, 2021	\$1,513,319	\$643,981	\$2,157,300
Principal payment due on March 1, 2021	\$990,000	\$360,000	\$1,350,000
<i>Subtotal debt service</i>	<i>\$4,016,638</i>	<i>\$1,647,963</i>	<i>\$5,664,600</i>
Estimated administrative expenses	\$58,027	\$23,223	\$81,250
Contingency	\$82,072	\$32,845	\$114,917
Total expenditures	\$4,156,736	\$1,704,031	\$5,860,767
Excess of revenues over expenditures	\$1,906,882	\$713,503	\$2,620,384

¹The calculations are shown rounded to the dollar; however, the calculations are not rounded.

²Estimated investment income earned during the period of March 2, 2020 to March 1, 2021.

ANNUAL REVENUE REQUIREMENT PART A¹

The Annual Revenue Requirement Part A for the 2020-2021 Assessment Year is equal to \$0 as shown below.

	Series 2011A Bonds	Series 2011A-T Bonds	Total
Expenses:			
Debt service:			
Interest payment due on September 1, 2020	\$1,513,319	\$643,981	\$2,157,300
Interest payment due on March 1, 2021	\$1,513,319	\$643,981	\$2,157,300
Principal payment due on March 1, 2021	\$990,000	\$360,000	\$1,350,000
<i>Subtotal debt service</i>	<i>\$4,016,638</i>	<i>\$1,647,963</i>	<i>\$5,664,600</i>
Periodic costs associated with the Series 2011 Bonds	\$0	\$0	\$0
Estimated administrative expenses	\$58,027	\$23,223	\$81,250
Contingency	\$82,072	\$32,845	\$114,917
Total expenses	\$4,156,736	\$1,704,031	\$5,860,767
Available Funds:			
Estimated County Advanced Revenues	\$5,345,696	\$2,139,362	\$7,485,059
Available balance of the Surplus Fund	\$0	\$0	\$0
Estimated annual Debt Service Reserve Fund investment income ²	\$68,121	\$27,072	\$95,193
Surplus from prior year	\$649,801	\$251,099	\$900,900
Total available funds	\$6,063,618	\$2,417,533	\$8,481,151
Annual Revenue Requirement Part A	\$0	\$0	\$0

¹The calculations are shown rounded to the dollar; however, the calculations are not rounded.

²Estimated investment income earned during the period of March 2, 2020 to March 1, 2021.

REQUIREMENT OF TRANSFER TO SURPLUS FUND¹

- Surplus Fund balance as of December 31, 2019: \$5,441,855.
- Surplus Fund Coverage Ratio for the 2020-2021 Assessment Year: 2.28x debt service (1.50x debt service is considered fully funded)
- The Surplus Fund Coverage Ratio for Assessment Year 2020-2021 exceeds the required Surplus Fund Coverage Ratio of 1.5x for the current year’s debt service.
 - As such, the Assessment Year 2020-2021 Surplus is not required to be deposited to the Surplus Fund. Instead, the Surplus will be retained by the County.

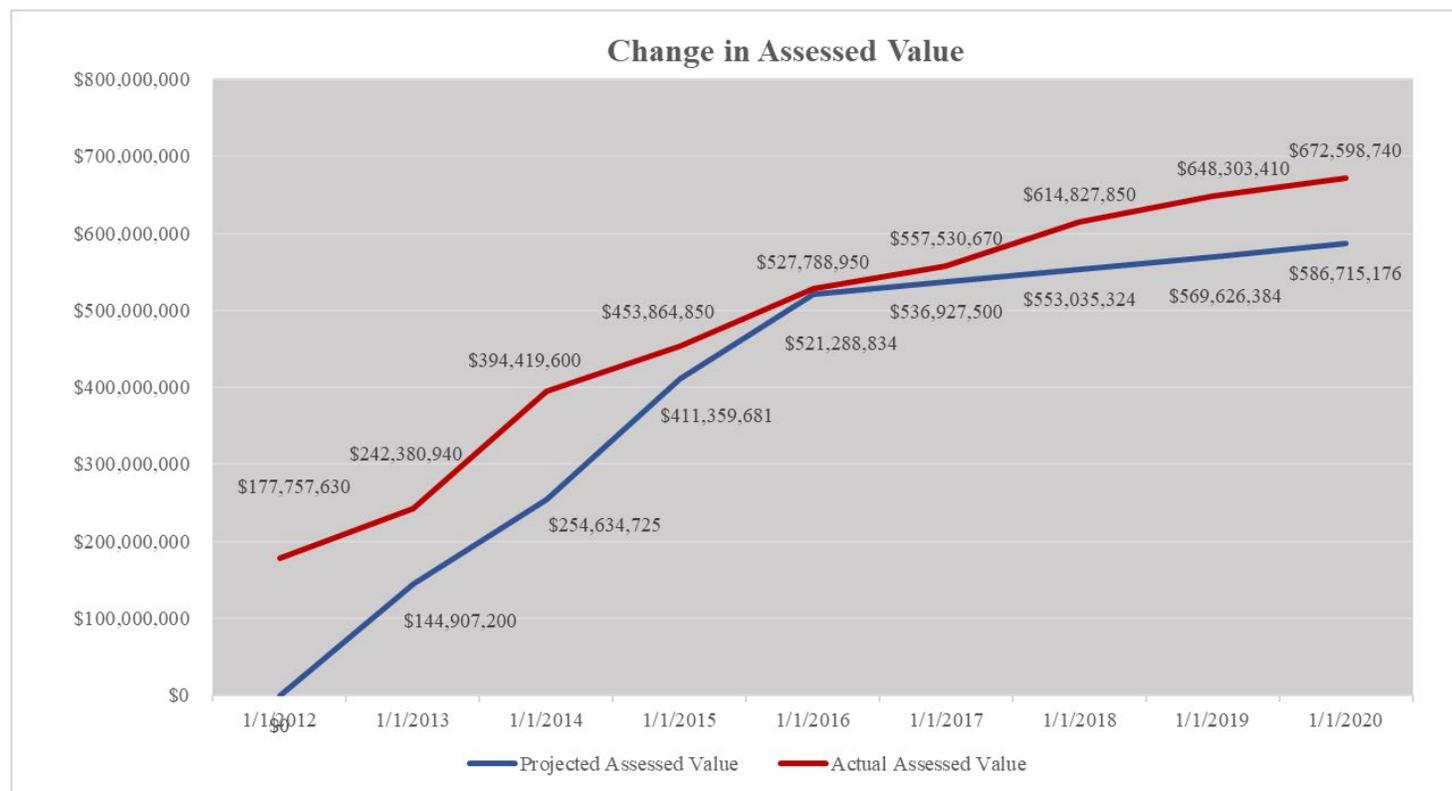
Available Funds:	
Balance of the Surplus Fund as of December 31, 2019	\$5,441,855
Estimated Tax Increment Revenues for Assessment Year 2020-2021	\$7,485,059
Total available funds	\$12,926,914
Tax Revenue Bonds Debt Service:	
Series 2011A Bonds:	
Interest payment due on September 1, 2020	\$1,513,319
Interest payment due on March 1, 2021	\$1,513,319
Principal payment due on March 1, 2021	\$990,000
<i>Subtotal Series 2011A Bonds debt service</i>	<i>\$4,016,638</i>
Series 2011A-T Bonds:	
Interest payment due on September 1, 2020	\$643,981
Interest payment due on March 1, 2021	\$643,981
Principal payment due on March 1, 2021	\$360,000
<i>Subtotal Series 2011A-T Bonds debt service</i>	<i>\$1,647,963</i>
Total debt service	\$5,664,600
Surplus Fund Coverage Ratio	2.28x

¹The calculations are shown rounded to the dollar; however, the calculations are not rounded.

Recommendation: No transfer to Surplus Fund is necessary pursuant to Section 5.j.(3) of the Memorandum Of Understanding.

CHANGE IN TOTAL ASSESSED VALUES

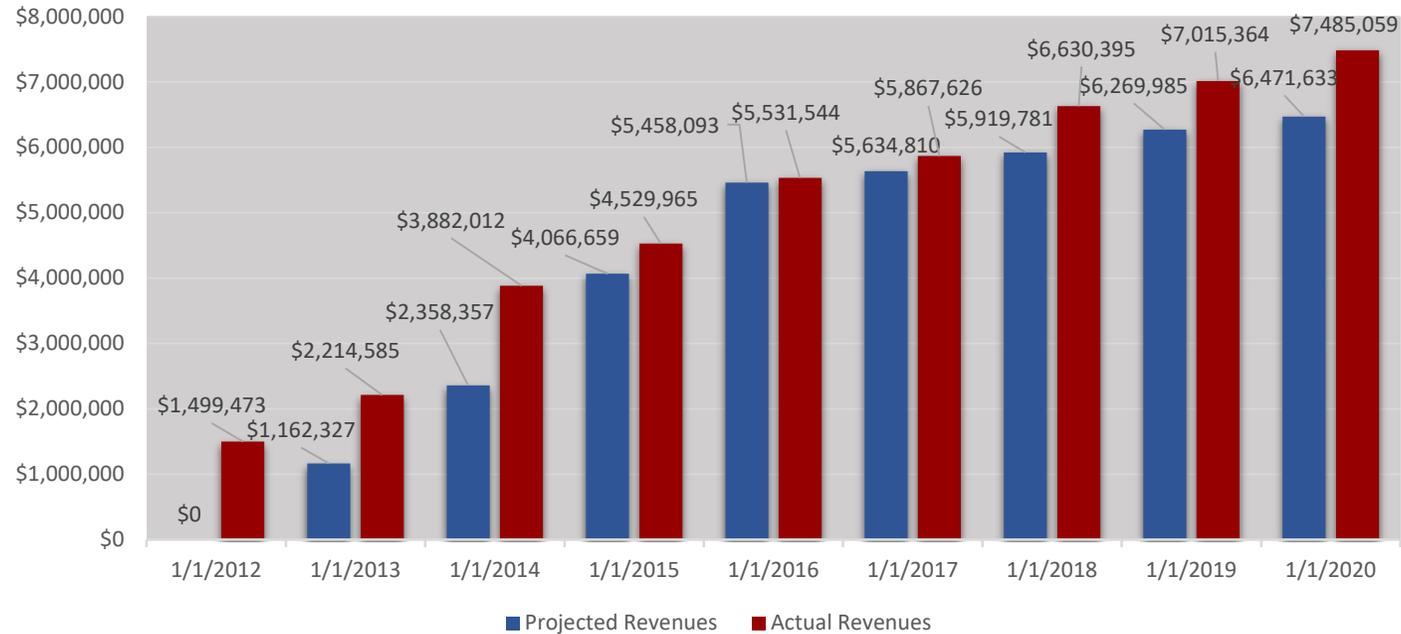
The below chart provides a comparison of the actual assessed value of the parcels in the CDA District compared to the values projected in the Limited Offering Memorandum.



COMPARISON OF TAX INCREMENTAL REVENUES – COUNTY ADVANCED REVENUE

The below chart provides a comparison of the actual tax increment revenues produced by the taxable parcels comprising the CDA District compared to the amounts projected in the Limited Offering Memorandum.

Projected vs. Actual Tax Increment Revenues



SUMMARY OF ESTIMATED TOTAL TAX REVENUES

The total estimated tax revenues for fiscal years 2021 and 2022 are shown below.

Revenues:	Fiscal Year Ending	
	30-Jun-21	30-Jun-22
Real property taxes after debt service ¹	\$1,739,209	\$1,798,569
Sales taxes	\$3,035,907	\$3,111,805
Transient occupancy taxes	\$121,043	\$124,069
Personal property taxes	\$320,278	\$328,285
BPOL taxes	\$618,461	\$633,923
Utility taxes	\$116,289	\$119,196
Additional taxes	\$276,833	\$283,754
Total estimated tax revenues	\$6,228,020	\$6,399,601

¹The fiscal year 2021 amount does not include the surplus from prior year or estimated Debt Service Reserve Fund investment income.

SUMMARY OF ESTIMATED JOB IMPACTS

- The Mosaic development is estimated to create 2,093 direct full-time equivalent jobs, which is estimated to generate \$89,803,062 in annual compensation.

Permanent Employment Impacts	Permanent Jobs from Mosaic at Merrifield ¹	
	Permanent Jobs	Annual Compensation
Total direct impacts	1,732	\$63,163,137
Total indirect impacts	361	\$26,639,925
Total permanent impacts	2,093	\$89,803,062

¹Generated using IMPLAN software.

SUMMARY OF REFUNDING ANALYSIS

Series 2011 Bonds:

- The Series 2011 Bonds may be called and refunded as of March 1, 2021.
 - The Series 2011A (Tax-Exempt) Bonds may be advance refunded between December 1, 2020 and March 1, 2021.
 - The Series 2011B (Taxable) Bonds may be advance refunded anytime.
- The amount of bonds currently outstanding is equal to \$63,300,000.
- The interest rates on the Series 2011 Bonds are as follows:
 - Series 2011A:
 - Term 2026 – 6.625%
 - Term 2036 - 6.875%
 - Series 2011B: 7.25%