

MOSAIC DISTRICT CDA – FAIRFAX COUNTY

CDA DISTRICT SUMMARY
ASSESSMENT YEAR
2023-2024



SUMMARY OF REFUNDING

- The Series 2020 Bonds were issued in the amount of \$55,650,000 on December 3, 2020.
- The Series 2020 Refunding Bonds received an A2 rating.
- The Series 2011 Bonds in the amount of \$62,155,000 were paid in full on March 1, 2021.

Refunding Results:

- Net Present Value savings - \$24,198,699
- Excess surplus fund release - \$2,101,382

ESTIMATED REAL PROPERTY TAX INCREMENT REVENUES AND DEBT SERVICE COVERAGE

The table below shows the estimated Tax Increment Revenues (County Advanced Revenues) and Comparison to Debt Service for the 2022-2023 and 2023-2024 Assessment Years, for comparison.

	Assessment Year	
	2022-2023	2023-2024
Aggregate assessed value	\$685,983,330	\$721,148,860
Less: base year aggregate assessed value	\$38,271,740	\$38,271,740
<i>Subtotal incremental assessed value</i>	<i>\$647,711,590</i>	<i>\$682,877,120</i>
Estimated real property tax rate per \$100 of assessed value ²	\$1.11	\$1.11
Estimated Tax Increment Revenues	\$7,189,599	\$7,579,936
Total annual debt service	\$4,881,435	\$4,880,561
Surplus available to the County³	\$2,308,164	\$2,699,375

¹Values and revenues shown are rounded to nearest whole dollar. Calculation is based on actual figures prior to rounding.

²The real property tax rate represents an estimate of the real property tax rate for tax year 2023. The above calculation for Assessment Year 2023-2024

³Retained in the County general fund.

FUND BALANCES¹

The table below provides a summary of the account activity and the fund balances as of December 31, 2022.

Fund/Account	Balance 3/1/2022	Disburse-ments	Additional Proceeds ²	Transfers	Investment Income	Balance 12/31/22
Interest Account	\$13	\$1,866,753	\$0	\$1,881,127	\$101	\$14,488
Principal Account	\$0	\$2,515,000	\$0	\$2,515,000	\$0	\$0
Administrative Expense Fund	\$0	\$34,985	\$0	\$34,985	\$0	\$0
Revenue Fund	\$3,730,092	\$0	\$2,440,718	(\$4,416,738)	\$16,498	\$1,770,570
Delinquent Payments Fund	\$0	\$0	\$0	\$0	\$0	\$0
Rebate Account	\$0	\$0	\$0	\$0	\$0	\$0
Surplus Account	\$2,442,628	\$0	\$0	\$0	\$27,794	\$2,470,422
Debt Service Reserve Fund	\$4,885,519	\$0	\$0	(\$14,374)	\$57,395	\$4,928,540
2020A Bond Fund	\$0	\$0	\$0	\$0	\$0	\$0
2020A Net Proceeds Account	\$0	\$0	\$0	\$0	\$0	\$0
2020A Project Fund	\$34,943	\$0	\$0	\$0	\$411	\$35,354
2020A Redemption Account	\$0	\$0	\$0	\$0	\$0	\$0
2020A Taxable Bond Project Account	\$1	\$0	\$0	\$0	\$0	\$1
2020A Tax Exempt Bond Project Account	\$0	\$0	\$0	\$0	\$0	\$0
2020A Optional Redemption Subaccount	\$0	\$0	\$0	\$0	\$0	\$0
2020A Prepayment Subaccount	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$11,093,196	\$4,416,738	\$2,440,718	\$0	\$102,199	\$9,219,374

¹Amounts shown are rounded to the dollar.

²Additional proceeds to the Revenue Fund represent the receipt of County Advanced Revenues (tax increment revenues), which were appropriated by the Board of Supervisors and paid to the Trustee at the request of the CDA in accordance with the Amended and Restated Memorandum of Understanding.

REVENUES AND EXPENSES – CDA ANNUAL BUDGET¹

The table below shows the estimated excess of revenues over CDA expenditures for the 2022-2023 and 2023-2024 Assessment Years, for comparison.

	Assessment Year	
	2022-2023 ²	2023-2024
Revenues:		
Estimated County Advanced Revenues	\$7,189,599	\$7,579,936
Available balance of the Surplus Fund	\$0	\$0
Surplus from prior year ²	\$215,474	\$246,581
Total revenues	\$7,405,073	\$7,826,517
Expenditures:		
Debt service:		
Series 2020A Bonds	\$3,428,600	\$3,429,400
Series 2020A-T Bonds	\$1,452,835	\$1,451,161
<i>Total debt service</i>	<i>\$4,881,435</i>	<i>\$4,880,561</i>
Estimated administrative expenses	\$84,000	\$84,000
Contingency	\$99,309	\$99,291
Total expenditures	\$5,064,743	\$5,063,852
Excess of revenues over expenditures	\$2,340,329	\$2,762,665

¹Values and revenues shown are rounded to nearest whole dollar. Calculation is based on actual figures prior to rounding.

²The above calculation was updated to reflect the actual County Advanced Revenues for Assessment Year 2022-2023.

³Represents the available balance of the Revenue Fund following the payment of all remaining expenses for the each Assessment Year.

ANNUAL REVENUE REQUIREMENT PART A¹

The Annual Revenue Requirement Part A for the 2023-2024 Assessment Year is equal to \$0 as shown below.

Expenses:	
Debt service:	
Series 2020A Bonds:	
Interest payment due on September 1, 2023	\$684,700
Interest payment due on March 1, 2024	\$684,700
Principal payment due on March 1, 2024	\$2,060,000
<i>Subtotal Series 2020A Bonds debt service</i>	<i>\$3,429,400</i>
Series 2020A-T Bonds:	
Interest payment due on September 1, 2023	\$185,580
Interest payment due on March 1, 2024	\$185,580
Principal payment due on March 1, 2024	\$1,080,000
<i>Subtotal Series 2020A-T Bonds debt service</i>	<i>\$1,451,161</i>
<i>Total debt service due on the Series 2020 Bonds</i>	<i>\$4,880,561</i>
Periodic costs associated with the Series 2020 Bonds	\$0
Estimated administrative expenses	\$84,000
Contingency	\$99,291
Total expenses	\$5,063,852
Available Funds:	
Estimated County Advanced Revenues	\$7,579,936
Available balance of the Surplus Fund	\$0
Surplus from prior year ²	\$246,581
Total available funds	\$7,826,517
Annual Revenue Requirement Part A	\$0

¹Values and revenues shown are rounded to nearest whole dollar. Calculation is based on actual figures prior to rounding.

²Represents the available balance of the Revenue Fund following the payment of all remaining expenses for the 2022-2023 Assessment Year.

SURPLUS FUND TRANSFERS

Surplus Fund: Required Deposits to the Surplus Fund¹

Tax Revenue Bonds Debt Service:	
Series 2020A Bonds:	
Interest payment due on September 1, 2023	\$684,700
Interest payment due on March 1, 2024	\$684,700
Principal payment due on March 1, 2024	\$2,060,000
<i>Subtotal Series 2020A Bonds debt service</i>	<i>\$3,429,400</i>
Series 2020A-T Bonds:	
Interest payment due on September 1, 2023	\$185,580
Interest payment due on March 1, 2024	\$185,580
Principal payment due on March 1, 2024	\$1,080,000
<i>Subtotal Series 2020A-T Bonds debt service</i>	<i>\$1,451,161</i>
Total debt service	\$4,880,561
Available Funds:	
Balance of the Surplus Fund as of December 31, 2022	\$2,470,422
Estimated Tax Increment Revenues for Assessment Year 2023-2024	\$7,579,936
Total available funds	\$10,050,358
Surplus Fund Coverage Ratio	2.06x

¹Values and revenues shown are rounded to nearest whole dollar. Calculation is based on actual figures prior to rounding.

Recommendation: No deposit to the Surplus Fund is necessary as the available funds exceed 1.5 coverage ratio for the bond year ending 2024 debt service.

SURPLUS FUND TRANSFERS

Surplus Fund: Release of Excess Surplus Funds¹

Calculation A - 150% Coverage with County Advanced Revenues and Surplus Fund Balance:	
Available Funds:	
Balance of the Surplus Fund as of December 31, 2022	\$2,470,422
Estimated Tax Increment Revenues for Assessment Year 2023-2024	\$7,579,936
<i>Total available funds</i>	<i>\$10,050,358</i>
Required Balance:	
Debt service due on the Series 2020 Bonds for Assessment Year 2023-2024	\$4,880,561
Coverage requirement	1.5x
<i>Required balance</i>	<i>\$7,320,841</i>
Surplus Fund release amount - Calculation A	\$2,729,517
Calculation B - 50% Coverage with Surplus Fund Balance:	
Balance of the Surplus Fund as of December 31, 2022	\$2,470,422
Required Balance:	
Maximum annual debt service on the Series 2020 Bonds	\$4,884,821
Portion of the maximum annual debt service required to be retained	50%
<i>Required balance</i>	<i>\$2,442,411</i>
Surplus Fund release amount - Calculation B	\$28,011
Surplus Fund release (lesser of Calculations A and B)	\$28,011

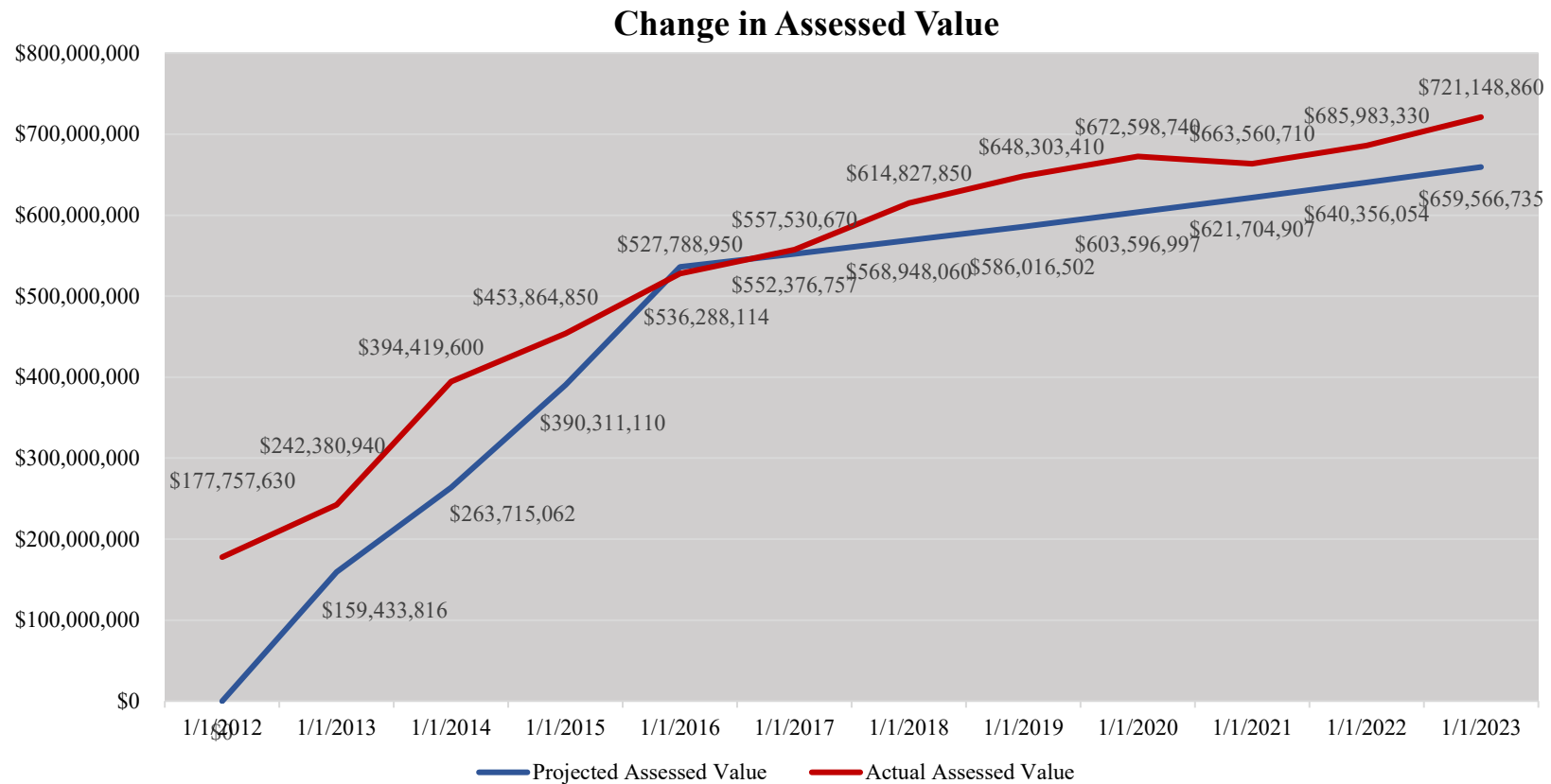
¹Values and revenues shown are rounded to nearest whole dollar. Calculation is based on actual figures prior to rounding.

Recommendation:

Release \$28,011 from the Surplus Fund, representing the amount in excess of the surplus fund requirement.

CHANGE IN TOTAL ASSESSED VALUES

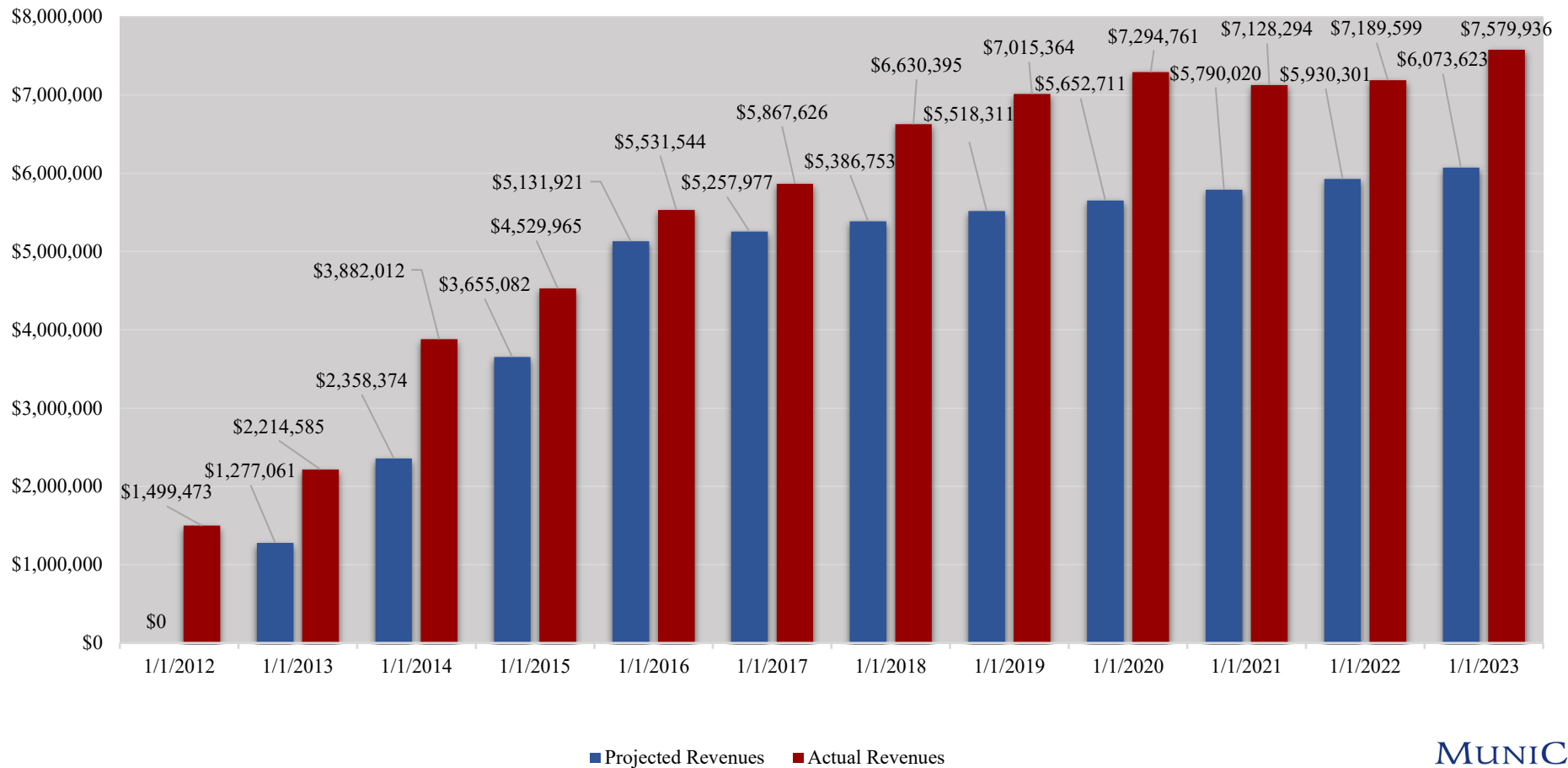
The below chart compares the actual assessed value of the parcels in the CDA District with the values projected in the Limited Offering Memorandum for the 2011 Bonds.



COMPARISON OF TAX INCREMENTAL REVENUES – COUNTY ADVANCED REVENUE

The below chart compares the actual tax increment revenues produced by the taxable parcels comprising the CDA District with the amounts projected in the Limited Offering Memorandum for the 2011 Bonds.

Projected vs. Actual Tax Increment Revenues



SUMMARY OF ESTIMATED REAL PROPERTY TAX REVENUES

The total estimated real property tax revenues for fiscal years 2024 through 2036 are shown below.

Assessed As of Date	Tax Due Date	Fiscal Year Ending	Projected Assessed Value ¹	Base Value	Incremental Property Value	FY 2023 County Tax Rate Per \$100 A.V. ²	Projected Tax Increment Revenues	Less: Amount Applied to Debt Service ³	Surplus Tax Incremental Revenues After Debt Service
1-Jan-23	5-Dec-23	30-Jun-24	\$721,148,860	(\$38,271,740)	\$682,877,120	\$1.110	\$7,579,936	\$4,964,561	\$2,615,375
1-Jan-24	5-Dec-24	30-Jun-25	\$739,177,582	(\$38,271,740)	\$700,905,842	\$1.110	\$7,780,055	\$4,964,800	\$2,815,255
1-Jan-25	5-Dec-25	30-Jun-26	\$757,657,021	(\$38,271,740)	\$719,385,281	\$1.110	\$7,985,177	\$4,970,048	\$3,015,129
1-Jan-26	5-Dec-26	30-Jun-27	\$776,598,447	(\$38,271,740)	\$738,326,707	\$1.110	\$8,195,426	\$4,969,176	\$3,226,250
1-Jan-27	5-Dec-27	30-Jun-28	\$796,013,408	(\$38,271,740)	\$757,741,668	\$1.110	\$8,410,933	\$4,972,808	\$3,438,124
1-Jan-28	5-Dec-28	30-Jun-29	\$815,913,743	(\$38,271,740)	\$777,642,003	\$1.110	\$8,631,826	\$4,974,093	\$3,657,733
1-Jan-29	5-Dec-29	30-Jun-30	\$836,311,586	(\$38,271,740)	\$798,039,846	\$1.110	\$8,858,242	\$4,979,926	\$3,878,316
1-Jan-30	5-Dec-30	30-Jun-31	\$857,219,376	(\$38,271,740)	\$818,947,636	\$1.110	\$9,090,319	\$4,979,338	\$4,110,981
1-Jan-31	5-Dec-31	30-Jun-32	\$878,649,861	(\$38,271,740)	\$840,378,121	\$1.110	\$9,328,197	\$4,987,167	\$4,341,030
1-Jan-32	5-Dec-32	30-Jun-33	\$900,616,107	(\$38,271,740)	\$862,344,367	\$1.110	\$9,572,022	\$4,983,505	\$4,588,518
1-Jan-33	5-Dec-33	30-Jun-34	\$923,131,510	(\$38,271,740)	\$884,859,770	\$1.110	\$9,821,943	\$4,988,418	\$4,833,525
1-Jan-34	5-Dec-34	30-Jun-35	\$946,209,797	(\$38,271,740)	\$907,938,057	\$1.110	\$10,078,112	\$4,991,308	\$5,086,805
1-Jan-35	5-Dec-35	30-Jun-36	\$969,865,042	(\$38,271,740)	\$931,593,302	\$1.110	\$10,340,686	\$4,991,958	\$5,348,728
Total							\$115,672,875	\$64,717,105	\$50,955,770

¹Represents actual assessed value for fiscal year 2024 increased at a 2.5% inflation factor.

²The real property tax rate represents an estimate of the real property tax rate for tax year 2023. The above calculation will be updated to the extent needed once the tax year 2023 tax rate is finalized.

³Includes the 2020A and 2020A-T bonds. Excludes interest earnings. Source: Mosaic Official Statement for the 2020 Bonds. Also includes the estimates administrative expenses reported in the Mosaic CDA Special Assessment Report for Assessment Year 2023-2024, increased at a 2.5% inflation factor.