

HERITAGE SHORES SPECIAL DEVELOPMENT DISTRICT



SPECIAL TAX REPORT
AND ROLL
FISCAL YEAR 2023-2024

MUNICAP, INC.
— PUBLIC FINANCE —

6/12/2023

SUMMARY OF SERIES 2020 BONDS

- The Town of Bridgeville, Delaware Special Obligation Refunding Bonds, Series 2020 (the “Series 2020 Bonds”) were issued on November 23, 2020 in the aggregate amount of \$12,295,000.
 - Series 2020 Bonds in the amount of \$10,496,000 are outstanding at a coupon rate of 4.000%.
- Interest is payable semi-annually on January 1st and July 1st through the maturity date of July 1st, 2035.
- The Series 2020 Bonds were issued to refund all the outstanding Series 2005A Bonds. The Series 2005B Bonds have been repaid in full.
- The Series 2020 Bonds are to be repaid solely by the payment of Special Taxes on property within the Heritage Shores Special Development District.

ACCOUNT ACTIVITY

The table below provides a summary of the account activity from April 30, 2022 through April 30, 2023.

Fund	Balance 04/30/22	Investment Income	Additional Proceeds	Disbursements	Balance 04/30/23
Reserve Fund	\$1,190,133	\$28,027	\$0	\$30,199	\$1,187,961
Administrative Expense Fund	\$18,499	\$472	\$52,000	\$68,140	\$2,831
Revenue Fund	\$839,281	\$17,650	\$1,348,184	\$1,040,016	\$1,165,099
Prepayment Fund	\$125,481	\$1,828	\$326,112	\$414,029	\$39,393
Interest Fund	\$0	\$128	\$1,175,016	\$988,120	\$187,023
Sinking Fund	\$53	\$99	\$816,944	\$817,000	\$96
Rebate Fund	\$0	\$0	\$0	\$0	\$0
Total	\$2,173,447	\$48,204	\$3,718,256	\$3,357,503	\$2,582,403

SPECIAL TAX REQUIREMENT

The Special Tax Requirement for Fiscal Year 2024 is equal to \$1,632,059 as shown below.

Expenses:	
Debt service:	
Interest payment due on January 1, 2024	\$210,760
Interest payment due on July 1, 2024	\$210,760
Principal payment due on July 1, 2024	\$591,000
<i>Sub-total debt service</i>	<i>\$1,012,520</i>
Administrative expenses for Fiscal Year 2023-2024	\$69,400
Contingency	\$1,141,757
Total expenses	\$2,223,677
Available Funds:	
Fiscal Year 2023-2024 Passwaters Payment ¹	(\$188,500)
Estimated Reserve Fund investment income through July 1, 2024	\$0
Surplus from prior year	(\$403,119)
Total available funds	(\$591,619)
Special Tax Requirement	\$1,632,059

¹Passwaters has agreed to pay a portion of the special tax billed to certain homeowners. The amount of the Passwaters Payment for Fiscal Year 2023-2024 is equal to \$188,500. This amount was remitted to the Trustee by Passwaters on March 31, 2023 and will be applied to reduce the special tax billed to parcels subject to the Passwaters Payment.

SURPLUS FROM PRIOR YEAR

The surplus from prior year available to fund Fiscal Year 2024 expenses is shown below.

Expenses:	
Debt service:	
Interest payment due on July 1, 2023	\$221,720
Principal payment due on July 1, 2023	\$548,000
<i>Sub-total debt service</i>	<i>\$769,720</i>
Estimated remaining Fiscal Year 2022-2023 administrative expenses	\$22,000
Total remaining expenses	\$791,720
Available Funds:	
Available balance of the Revenue Fund as of April 30, 2023 ¹	(\$1,163,599)
Available balance of the Reserve Fund as of April 30, 2023	(\$28,409)
Available balance of the Administrative Expense Fund as of April 30, 2023	(\$2,831)
Total available funds	(\$1,194,839)
Surplus from prior year	(\$403,119)

¹The Passwaters Payment for Fiscal Year 2022-2023 was reduced by \$1,500 to account for the prepayment of the special tax for one parcel following the calculation of the Passwaters Payment amount. As of April 30, 2023, the balance of the Revenue Fund was equal to \$1,165,099. To account for the \$1,500 credit the available balance of the Revenue Fund is \$1,163,599.

SUMMARY OF THE SPECIAL TAX REQUIREMENT

- Expenses of the District are estimated to be \$2,223,677, comprised of \$1,012,520 in debt service owed on the Series 2020 Bonds, \$69,400 in administrative expenses and a contingency of \$1,141,757.
- Available funds to reduce the expenses of the District are estimated to be \$591,619.
- The Special Tax Requirement for Fiscal Year 2023-2024 is equal to \$1,632,059.

SUMMARY OF SPECIAL TAX ROLL UPDATES

- Changes to parcels:
 - Removal of 14 parcels due to prepayment requests made by the property owner.
 - Deletion of 16 parcels due to revised plat.
 - Addition of 342 new parcels to reflect subdivisions.
- Identification of 210 new lots for which a building permit has been issued.
- As of the date of classification, there are 1,008 units of taxable property within the Heritage Shores Special Development District.
 - 764 units are classified as single-family detached
 - 244 units are classified as single-family attached

DEVELOPED PROPERTY SPECIAL TAX PAYMENTS

	Total Units	Less: Prepaid Units	Taxable Units	Assigned Special Tax Rate	Total Special Taxes
Single-Family Detached:					
Partial prepayment rate - 58.78%	184	44	140	\$1,428	\$199,954
Partial prepayment rate - 30.63%	11	5	6	\$2,404	\$14,422
Partial prepayment rate - 58.6%	162	50	112	\$1,434	\$160,662
Partial prepayment rate - 14.10%	4	2	2	\$2,976	\$5,953
Reduced rate ¹	400	46	353	\$2,976	\$1,050,691
Partial prepayment rate - 51.81%	3	1	2	\$1,434	\$2,869
<i>Sub-total single-family detached</i>	<i>764</i>	<i>148</i>	<i>615</i>		<i>\$1,434,550</i>
Single-Family Attached:					
Partial prepayment rate - 58.78%	88	13	75	\$975	\$73,119
Partial prepayment rate - 30.63%	1	1	0	\$1,641	\$0
Partial prepayment rate - 58.6%	1	1	0	\$979	\$0
Reduced rate	154	0	154	\$2,032	\$312,889
<i>Sub-total single-family attached</i>	<i>244</i>	<i>15</i>	<i>229</i>		<i>\$386,009</i>
Total	1,008	163	844		\$1,820,559

¹Includes the one unit subject to bankruptcy proceedings.