

RESOLUTION 16-05

A RESOLUTION APPROVING THE 2017 BUDGET
OF THE FOUNTAIN URBAN RENEWAL AUTHORITY

WHEREAS, the budget for the Fountain Urban Renewal Authority (the "Authority") for the fiscal year 2017 (the "2017 Budget") was presented to the Commissioners of the Authority at its regular meeting held on December 21, 2016; and

WHEREAS, pursuant to a notice of a public hearing published in Fountain Valley News on 12-14, 2016, the Authority conducted a public hearing on its adoption of the 2017 budget on December 21, 2016; and

WHEREAS, it is necessary that approval of the 2017 Budget, attached to and made a part of this resolution, take place by duly adopted resolution of the Board of Commissioners of the Authority,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE FOUNTAIN URBAN RENEWAL AUTHORITY, AS FOLLOWS:

Section 1. The Commissioners hereby approve the 2017 Budget attached to and made a part of this resolution. The Secretary/Executive Director is authorized and directed to file this resolution and the attached 2017 Budget with the minutes of this meeting and with the Department of Local Affairs of the State of Colorado.

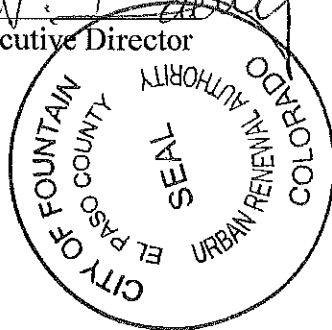
Section 2. This resolution is adopted and shall take effect immediately on its adoption.

ATTEST:

By [Signature]
Secretary/Executive Director

FOUNTAIN URBAN RENEWAL
AUTHORITY

By [Signature]
Chair





CliftonLarsonAllen

CliftonLarsonAllen LLP
CLAAconnect.com

Accountant's Compilation Report

Board of Commissioners
Fountain Urban Renewal Authority
El Paso County, Colorado

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Fountain Urban Renewal Authority for the year ending December 31, 2017, including the estimate of comparative information for the year ending December 31, 2016, and the actual comparative information for the year ending December 31, 2015, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Fountain Urban Renewal Authority.

CliftonLarsonAllen LLP

Colorado Springs, Colorado
January 27, 2017

**FOUNTAIN URBAN RENEWAL AUTHORITY
SUMMARY
2017 BUDGET AS ADOPTED
WITH 2015 ACTUAL AND 2016 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/2017

	ACTUAL 2015	ESTIMATED 2016	ADOPTED 2017
BEGINNING FUND BALANCES	\$ 4,025,191	\$ 17,061,964	\$ 12,073,719
REVENUES			
General			
Property taxes	94,867	107,717	97,160
Sales tax - US 85	53,865	65,000	65,000
Use tax	49,113	50,000	100,000
CDBG Grant	94,373	-	-
RBD - Loan	37,000	1,625	-
RBD - Reimbursement	6,900	-	-
Old Town Loan	-	243,000	-
Old Town Arts program funding	-	4,351	-
Sale of Blast Park	-	-	243,000
Line of credit	-	-	725,000
C4F Program funding	-	-	665,000
Rental/Lease income	-	-	43,165
Sale of Land	-	-	275,000
Sales tax admin revenue	24,111	63,000	103,895
PIF admin revenue	-	13,000	17,159
Net investment income	615	400	500
Debt Service			
Public improvement fees	131,630	291,000	564,793
Sales taxes	779,588	2,100,000	3,463,153
Net investment income	5,537	20,520	20,530
Bond proceeds	46,498,275	-	-
Capital Projects			
Net investment income	8,413	40,000	20,000
Total revenues	<u>47,784,287</u>	<u>2,999,613</u>	<u>6,403,355</u>
TRANSFERS IN	10,514,417	31,803	-
Total funds available	<u>62,323,895</u>	<u>20,093,380</u>	<u>18,477,074</u>
EXPENDITURES			
SAH Administration Funds	91,555	94,100	105,375
Incentive Projects	8,340	8,633	10,000
Regional Building Department Loan	-	46,525	-
Old Town Funds	2,350	188,000	425,001
CDBG Funds	103,376	-	-
Investment Funds	21,596	58,867	61,700
Investment Properties	-	275,000	1,435,300
Debt Service	34,520,297	3,303,338	4,057,030
Capital Projects	-	4,013,395	6,516,621
Total expenditures	<u>34,747,514</u>	<u>7,987,858</u>	<u>12,611,027</u>
TRANSFERS OUT	10,514,417	31,803	-
Total expenditures and transfers out requiring appropriation	<u>45,261,931</u>	<u>8,019,661</u>	<u>12,611,027</u>
ENDING FUND BALANCES	<u>\$ 17,061,964</u>	<u>\$ 12,073,719</u>	<u>\$ 5,866,047</u>
SAH ADMINISTRATION FUNDS	160,132	142,032	157,711
RBD LOAN FUNDS	43,900	-	-
OLD TOWN FUNDS	122,650	182,001	-
INVESTMENT PROPERTIES FUNDS	-	-	454,165
REQUIRED RESERVE - SERIES 2015A	3,229,125	3,229,125	3,229,125
REQUIRED RESERVE - SERIES 2015B	-	507,000	507,000
TOTAL RESERVE	<u>\$ 3,555,807</u>	<u>\$ 4,060,158</u>	<u>\$ 4,348,001</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

**FOUNTAIN URBAN RENEWAL AUTHORITY
PROPERTY TAX SUMMARY INFORMATION
US HIGHWAY 85 PROJECT AREA
For the Years Ended and Ending December 31,**

1/27/2017

	ACTUAL 2015	ESTIMATED 2016	ADOPTED 2017
ASSESSED VALUATION - EL PASO COUNTY			
TIF Increment	\$ 1,675,209	\$ 1,889,434	\$ 1,704,270
Total TIF Certified Assessed Value	<u>\$ 1,675,209</u>	<u>\$ 1,889,434</u>	<u>\$ 1,704,270</u>
MILL LEVY			
General	56.621	57.010	57.010
Total mill levy	<u>56.621</u>	<u>57.010</u>	<u>57.010</u>
PROPERTY TAXES			
General	\$ 94,852	\$ 107,717	\$ 97,160
Levied property taxes	94,852	107,717	97,160
Adjustments to actual/rounding	15	-	-
Budgeted property taxes	<u>\$ 94,867</u>	<u>\$ 107,717</u>	<u>\$ 97,160</u>
BUDGETED PROPERTY TAXES			
General	\$ 94,867	\$ 107,717	\$ 97,160
	<u>\$ 94,867</u>	<u>\$ 107,717</u>	<u>\$ 97,160</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

FOUNTAIN URBAN RENEWAL AUTHORITY
GENERAL FUND
2017 BUDGET AS ADOPTED
WITH 2015 ACTUAL AND 2016 ESTIMATED
For the Years Ended and Ending December 31,

1/27/2017

	ACTUAL 2015	ESTIMATED 2016	ADOPTED 2017
BEGINNING FUND BALANCES	\$ 640,873	\$ 774,500	\$ 651,468
REVENUES			
Property taxes	94,867	107,717	97,160
Sales tax - US 85	53,865	65,000	65,000
Use tax	49,113	50,000	100,000
CDBG Grant	94,373	-	-
RBD - Loan	37,000	1,625	-
RBD - Reimbursement	6,900	-	-
Old Town Loan	-	243,000	-
Old Town Arts program funding	-	4,351	-
Sale of Blast Park	-	-	243,000
Line of credit	-	-	725,000
C4F Program funding	-	-	665,000
Rental/Lease income	-	-	43,165
Sale of Land	-	-	275,000
Sales tax admin revenue	24,111	63,000	103,895
PIF admin revenue	-	13,000	17,159
Net investment income	615	400	500
Total revenues	<u>360,844</u>	<u>548,093</u>	<u>2,334,879</u>
Total funds available	<u>1,001,717</u>	<u>1,322,593</u>	<u>2,986,347</u>
EXPENDITURES			
SAH Administration Funds			
Accounting	43,653	43,500	47,375
Audit	7,000	7,100	7,500
Legal	12,960	6,000	10,000
Other professional services	11,778	12,000	12,000
PIF collections	3,507	12,000	15,000
Trustee fees	12,657	13,500	13,500
Incentive Projects			
Excell Fountain	8,340	8,633	10,000
Regional Building Department Loan			
Loan Repayment	-	45,525	-
Loan Interest	-	1,000	-
Old Town Funds			
Pedestrian enhanced corridor	2,350	-	-
BNSF land purchase	-	160,000	-
Blast Park	-	18,000	-
Repay Old Town Loan	-	-	243,000
RFQ	-	-	50,000
Old Town Arts programs	-	-	4,351
Contingency	-	10,000	127,650
CDBG Funds			
CDBG redevelopment expenses	103,376	-	-
Investment Funds			
Accounting	-	8,500	10,000
Bank fees	635	1,200	1,000
Contingency	-	5,951	4,423
County Treasurer's fees	1,427	1,616	1,457
Legal	8,820	10,000	24,000
Miscellaneous	133	100	200
Other professional services	-	10,000	10,000
Best and Brightest	10,581	17,500	10,620
Website	-	4,000	-
Investment Properties			
Adams Illinois acquisition	-	275,000	-
Adams Hwy 85 acquisition	-	-	165,000
Adams Ohio/Main acquisition	-	-	450,000
Chinese Rest. acquisition	-	-	455,000
Closing and other costs of acquisitions	-	-	6,300
Line of credit issue costs	-	-	1,500
Line of credit interest	-	-	12,000
Line of credit principal	-	-	275,000
Property repair and maintenance	-	-	15,500
Demolition / construction costs	-	-	45,000
Contingency	-	-	10,000
Total expenditures	<u>227,217</u>	<u>671,125</u>	<u>2,037,376</u>
Total expenditures and transfers out requiring appropriation	<u>227,217</u>	<u>671,125</u>	<u>2,037,376</u>
ENDING FUND BALANCES	<u>\$ 774,500</u>	<u>\$ 651,468</u>	<u>\$ 948,971</u>
SAH ADMINISTRATION FUNDS	160,132	142,032	157,711
RBD LOAN FUNDS	43,900	-	-
OLD TOWN FUNDS	122,650	182,001	-
INVESTMENT PROPERTIES FUNDS	-	-	454,165
TOTAL RESERVE	<u>\$ 326,682</u>	<u>\$ 324,033</u>	<u>\$ 611,876</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

**FOUNTAIN URBAN RENEWAL AUTHORITY
DEBT SERVICE FUND
2017 BUDGET AS ADOPTED
WITH 2015 ACTUAL AND 2016 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/2017

	ACTUAL 2015	ESTIMATED 2016	ADOPTED 2017
BEGINNING FUND BALANCES	\$ 3,376,495	\$ 5,785,645	\$ 4,925,630
REVENUES			
Public Improvement Fees	131,630	291,000	564,793
Sales taxes	779,588	2,100,000	3,463,153
Net investment income	5,537	20,520	20,530
Bond proceeds	46,498,275	-	-
Total revenues	<u>47,415,030</u>	<u>2,411,520</u>	<u>4,048,476</u>
TRANSFERS IN			
Capital Projects Fund	14,417	31,803	-
Total transfers in	<u>14,417</u>	<u>31,803</u>	<u>-</u>
Total funds available	<u>50,805,942</u>	<u>8,228,968</u>	<u>8,974,106</u>
EXPENDITURES			
Bond interest - Series 2014A	2,034,816	-	-
Bond interest - Series 2015A	-	2,627,202	2,129,846
Bond principal - Series 2014A	26,425,000	-	-
Bond principal - Series 2015A	-	175,000	1,351,000
Bond interest - Series 2014B	337,206	-	-
Bond interest - Series 2015B	-	431,842	347,830
Bond principal - Series 2014B	4,075,000	-	-
Bond principal - Series 2015B	-	55,000	187,000
Bond interest - Series 2014C	-	11,000	22,030
Bond interest - Series 2014D	-	-	10,000
Contingency	-	3,294	9,324
Cost of issuance	1,648,275	-	-
Total expenditures	<u>34,520,297</u>	<u>3,303,338</u>	<u>4,057,030</u>
TRANSFERS OUT			
Capital Projects Fund	10,500,000	-	-
Total transfers out	<u>10,500,000</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>45,020,297</u>	<u>3,303,338</u>	<u>4,057,030</u>
ENDING FUND BALANCES	<u>\$ 5,785,645</u>	<u>\$ 4,925,630</u>	<u>\$ 4,917,076</u>
REQUIRED RESERVE - SERIES 2015A	\$ 3,229,125	\$ 3,229,125	\$ 3,229,125
REQUIRED RESERVE - SERIES 2015B	-	507,000	507,000
TOTAL RESERVE	<u>\$ 3,229,125</u>	<u>\$ 3,736,125</u>	<u>\$ 3,736,125</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

**FOUNTAIN URBAN RENEWAL AUTHORITY
CAPITAL PROJECTS FUND
SAH - PROJECT AREA
2017 BUDGET AS ADOPTED
WITH 2015 ACTUAL AND 2016 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/2017

	ACTUAL 2015	ESTIMATED 2016	ADOPTED 2017
BEGINNING FUND BALANCES	\$ 7,823	\$ 10,501,819	\$ 6,496,621
REVENUES			
Net investment income	8,413	40,000	20,000
Total revenues	<u>8,413</u>	<u>40,000</u>	<u>20,000</u>
TRANSFERS IN			
Debt Service Fund	10,500,000	-	-
Total transfers in	<u>10,500,000</u>	<u>-</u>	<u>-</u>
Total funds available	<u>10,516,236</u>	<u>10,541,819</u>	<u>6,516,621</u>
EXPENDITURES			
Capital projects			
Road improvements	-	4,000,000	-
Phase II	-	-	6,500,000
UTW costs	-	13,395	16,621
Total expenditures	<u>-</u>	<u>4,013,395</u>	<u>6,516,621</u>
TRANSFERS OUT			
Debt Service Fund	14,417	31,803	-
Total transfers out	<u>14,417</u>	<u>31,803</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>14,417</u>	<u>4,045,198</u>	<u>6,516,621</u>
ENDING FUND BALANCES	<u>\$ 10,501,819</u>	<u>\$ 6,496,621</u>	<u>\$ -</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

**FOUNTAIN URBAN RENEWAL AUTHORITY
2017 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Fountain Urban Renewal Authority (Authority) was formed by resolution passed by the City Council of the City of Fountain, Colorado (the City) pursuant to the Colorado Urban Renewal Law, Colorado Revised Statutes. The purpose of the Authority is to acquire and develop certain blighted areas in the City to maintain the public welfare.

The Authority is considered a component unit of the City since the Authority's tax increment financing indicates financial accountability with the City, due to the benefits redevelopment will provide the City. The City Council approves appointments to the Authority board and the City Council reviews the Urban Renewal Plans and any changes thereto. Legal counsel is of the opinion that under state statutes, the City is not liable with respect to the bonds issued by the Authority.

The Authority has no employees and all administrative functions are contracted.

The Authority prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105.

Revenues

Property Taxes

The Authority receives incremental property tax revenue for all active Urban Renewal areas. Incremental property tax revenues are the property tax revenues in excess of an amount equal to the ad valorem property taxes produced by the levy at the rates fixed for such year by or for the governing bodies of the various taxing jurisdictions within or overlapping the Urban Renewal area upon a valuation for assessment equal to the property tax base amount. The property tax base amount is certified by the County Assessor as the valuation for assessment of all taxable property within the Urban Renewal area last certified by the County Assessor prior to the adoption of the Urban Renewal plan. The base amount may be proportionately adjusted for general reassessments in accordance with Colorado law.

The calculation of the incremental property taxes budgeted is displayed on page 3 of the budget at the estimated mill levy for the project area.

Sales Tax

The Authority receives incremental sales tax revenue generated from the following project areas from the City's general sales tax of 3.0%, in excess of a certain sales tax base amount, as displayed on pages 4 and 5 of the budget:

- U.S. Highway 85 Corridor project area – sales tax shared at 0.25%
- South Academy Highlands project area – sales tax shared at 2.50%

Use Tax

The Authority receives incremental use tax revenue generated from each project area from the City's general use tax as displayed on page 4 of the budget.

**FOUNTAIN URBAN RENEWAL AUTHORITY
2017 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

PIF Fees

The Authority anticipates receiving \$564,793 in Public Improvement Fees (PIF) during 2017. Pursuant to the PIF Covenant, these fees are pledged revenue to be used toward the repayment of the Series 2015B, 2014C and 2014D Bonds.

Line of Credit

In 2017, the Authority anticipates entering into a Loan agreement to obtain a line of credit in the amount of \$725,000.

Rental/Lease Income

In 2017, the Authority anticipates receiving rental/lease income in the amount of \$43,165 from purchased properties.

C4F Program Fund

In 2017, the Authority anticipates receiving \$665,000 from C4F Program Funding.

Net Investment Income

Interest earned on the Authority's available funds has been estimated based on an average interest rate of approximately 0.50%.

Administration Fees

The Authority imposes an administration fee to the project area. The budget anticipates total administration fees of \$121,054 during 2017 which will be paid directly from the increment.

Expenditures

Administrative Expenditures

Administrative expenditures include the services necessary to maintain the administrative viability such as, legal, accounting, audit, contractual services and other administrative expenses for the Authority.

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of the incremental property taxes.

TIF Reimbursement

Upon collection of incremental sales taxes in certain agreements with the Authority, the Authority submits a portion of the sales taxes received per the requirements in the redevelopment and reimbursement agreement.

**FOUNTAIN URBAN RENEWAL AUTHORITY
2017 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures - (continued)

Redevelopment Expenditures

The Authority participates in various redevelopment projects within the project areas and funds the expenditures with the unpledged TIF revenues received.

Debt Service

The principal and interest payments due every May 1 and November 1 will be based on the amount of funds available on the 40th calendar day preceding each Interest Payment Date; therefore a scheduled amortization has not been included in the budget.

Debt and Leases

South Academy Highlands Project Bonds, Series 2014A - D

On September 10, 2014, the Authority issued the following bonds (collectively, the Bonds): (1) \$26,425,000 Tax Increment Revenue Bonds, Series 2014A; (2) \$4,075,000 Public Improvement Fee Taxable Revenue Bonds, Series 2014B; (3) \$2,500,000 Tax Increment and Public Improvement Fee Taxable Revenue Bonds, Series 2014C; and (4) \$355,000 Public Improvement Fee Taxable Revenue Bonds, Series 2014D. The Bonds were issued for the purposes of (i) financing a portion of the public improvement costs and other costs associated with the construction of the South Academy Highlands project; (ii) provide capitalized interest; and (iii) paying costs of issuance of the Bonds.

The 2014A Bonds bear interest at 8.375%, payable semi-annually on May 1 and November 1, beginning on May 1, 2015. Annual mandatory sinking fund principal payments are due on May 1, beginning on May 1, 2016. The 2014A Bonds mature on November 1, 2039. These Bonds were refunded with the August 11, 2015 issuance of the Tax Increment Revenue Refunding and Improvement Bonds Series 2015A.

The 2014B Bonds bear interest at 9.000%, payable semi-annually on May 1 and November 1, beginning on May 1, 2015. Annual mandatory sinking fund principal payments are due on May 1, beginning on May 1, 2016. The 2014B Bonds mature on November 1, 2044. These Bonds were refunded with the August 11, 2015 issuance of the Taxable Public Improvement Fee Refunding Bonds Series 2015B.

The 2014C Bonds bear interest at 9.000%, payable semi-annually on May 1 and November 1, beginning on May 1, 2015. Annual mandatory sinking fund principal payments are due on May 1, beginning on May 1, 2016. The 2014C Bonds mature on November 1, 2044.

The 2014C Bonds are secured and payable from the Pledged Revenue, consisting of monies derived by (1) the Outparcel Incremental Sales Tax Revenues; (2) the Outparcel Add-On PIF Revenues, and (3) all income from the investment and reinvestment of the Series 2104C Trust Funds.

The 2014D Bonds bear interest at 9.000%, payable semi-annually on May 1 and November 1, beginning on May 1, 2015. Annual mandatory sinking fund principal payments are due on May 1, beginning on May 1, 2016. The 2014D Bonds mature on November 1, 2044.

**FOUNTAIN URBAN RENEWAL AUTHORITY
2017 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases - (continued)

South Academy Highlands Project Bonds, Series 2015A - B

The 2014D Bonds are secured and payable from the Pledged Revenue, consisting of monies derived by (1) the remaining Outparcel Add-On PIF Revenues and (2) all income from the investment and reinvestment of the Series 2104D Trust Funds.

A debt service schedule for the Series 2014C and D Bonds cannot be determined as interest and principal are being paid based on the availability of funds from Pledged Revenue.

On August 11, 2015, the Authority issued the following bonds (collectively, the Bonds): (1) \$41,930,000 Tax Increment Revenue Refunding and Improvement Bonds, Series 2015A and (2) \$5,070,000 Taxable Public Improvement Fee Refunding Bonds, Series 2015B. The Bonds were issued for the purposes of (i) financing a portion of the public improvement costs and other costs associated with the construction of the South Academy Highlands project; (ii) provide capitalized interest; (iii) paying costs of issuance of the Bonds; and (iv) refund the Series 2014A and 2014B Bonds.

The 2015A Bonds bear interest at 4.5% to 5.5% payable semi-annually on May 1 and November 1, beginning on May 1, 2016. Annual mandatory sinking fund principal payments are due on November 1, beginning on November 1, 2016. The 2015B Bonds mature on November 1, 2044.

The 2015A Bonds are secured and payable from the Pledged Revenue, consisting of monies derived by (1) the Anchor Sites Incremental Sales Tax Revenues, (2) the remaining Outparcel Incremental Sales Tax Revenues (if any), and (3) all income from the investment and reinvestment of the Series 2015A Trust Funds.

The 2015B Bonds bear interest at 7.0%, payable semi-annually on May 1 and November 1, beginning on May 1, 2016. Annual mandatory sinking fund principal payments are due on May 1 and November, beginning on May 1, 2016. The 2015B Bonds mature on November 1, 2044.

The 2015B Bonds are secured and payable from the Pledged Revenue, consisting of monies derived by (1) the Anchor Sites Add-On PIF Revenues, (2) the remaining Anchor Sites Incremental Sales Tax Revenues (if any), (3) the remaining Outparcel Incremental Sales Tax Revenues (if any), (4) the remaining Outparcel Add-On PIF Revenues (if any), and (5) all income from the investment and reinvestment of the Series 2104B Trust Funds.

Revolving Line of Credit, Series 2017

On January 17, 2017, the Authority entered into a Loan Agreement with Northstar Bank to obtain a Nondisclosable Revolving Line of Credit in the amount of \$450,000 (Loan). The Loan is due on January 17, 2019 at a fixed interest rate of 2.850%. Interest is paid monthly, beginning February 17, 2017, with all subsequent interest payments due on the same day of each month after that. The Loan is secured by a Certificate of Deposit in the amount of \$450,000 at an interest rate of 2%.

The Authority does not have any capital or operating leases.

**FOUNTAIN URBAN RENEWAL AUTHORITY
2017 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Debt Service Reserves

The Series 2015A Bonds are secured by amounts on deposit in the Debt Service Reserve Fund, Series 2015A which was funded from the proceeds of the bonds in the amount of the reserve requirement of \$3,229,125.

The Series 2015B Bonds are secured by amounts on deposit in the Debt Service Reserve Fund, Series 2015B which was funded from the proceeds of the bonds in the amount of the reserve requirement of \$507,000.

This information is an integral part of the accompanying budget.