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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, 2018, including the estimate of comparative information for the year ending December 31, 2017, and the actual comparative information for the year ending December 31, 2016, 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 15, 2018

**FOUNTAIN URBAN RENEWAL AUTHORITY
SUMMARY
2018 BUDGET AS ADOPTED
WITH 2016 ACTUAL AND 2017 ESTIMATED
For the Years Ended and Ending December 31,**

1/15/2018

	ACTUAL 2016	ESTIMATED 2017	ADOPTED 2018
BEGINNING FUND BALANCES	\$ 17,061,964	\$ 14,499,679	\$ 14,024,813
REVENUES			
General			
Property taxes	107,369	96,223	118,459
Sales tax - US 85	103,257	90,751	100,000
Use tax	11,695	10,000	100,000
RBD - Loan	1,625	-	-
Old Town Loan	235,000	-	-
Old Town Arts program funding	4,351	-	-
Sale of Blast Park	-	243,000	-
Line of credit	-	354,485	-
Line of credit advance	-	-	145,000
C4F Program funding	-	533,675	-
Loan issuance	-	-	368,000
Construction loan issuance	-	-	2,300,000
Rental/Lease income	101	27,000	115,200
Utility reimbursement	-	4,200	4,000
RBD funding	-	20,000	40,000
Sales tax admin revenue	68,345	70,434	77,475
PIF admin revenue	14,044	10,929	12,021
Other revenue/reimbursement	-	4,875	-
Net investment income	285	2,000	2,600
Debt Service			
Public improvement fees	322,453	364,300	400,700
Sales taxes	2,209,814	2,347,800	2,582,500
Net investment income	21,772	41,200	46,750
Capital Projects			
Net investment income	41,407	72,000	40,000
Total revenues	<u>3,141,518</u>	<u>4,292,872</u>	<u>6,452,705</u>
TRANSFERS IN	70,316	72,000	210,000
Total funds available	<u>20,273,798</u>	<u>18,864,551</u>	<u>20,687,518</u>
EXPENDITURES			
SAH Administration Funds	93,717	107,495	115,550
Incentive Projects	8,633	8,960	9,000
Regional Building Department Loan	52,667	-	-
Old Town Funds	186,041	293,000	4,960
Investment Properties	277,268	830,943	3,048,675
Investment Funds	32,113	49,895	45,199
Debt Service	3,300,043	2,960,824	3,095,000
Capital Projects	1,753,321	516,621	7,564,550
Total expenditures	<u>5,703,803</u>	<u>4,767,738</u>	<u>13,882,934</u>
TRANSFERS OUT	70,316	72,000	210,000
Total expenditures and transfers out requiring appropriation	<u>5,774,119</u>	<u>4,839,738</u>	<u>14,092,934</u>
ENDING FUND BALANCES	<u>\$ 14,499,679</u>	<u>\$ 14,024,813</u>	<u>\$ 6,594,584</u>
SAH ADMINISTRATION FUNDS	180,386	154,604	178,950
OLD TOWN FUNDS	175,960	86,960	-
CD BALANCE IN PROPERTY FUNDS	-	450,000	450,000
REQUIRED RESERVE - SERIES 2015A	3,229,125	3,229,125	3,229,125
REQUIRED RESERVE - SERIES 2015B	507,000	507,000	507,000
TOTAL RESERVE	<u>\$ 4,092,471</u>	<u>\$ 4,427,689</u>	<u>\$ 4,365,075</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,**

1/15/2018

	ACTUAL 2016	ESTIMATED 2017	ADOPTED 2018
ASSESSED VALUATION - EL PASO COUNTY			
TIF Increment	\$ 1,889,434	\$ 1,696,001	\$ 2,087,930
Total TIF Certified Assessed Value	\$ 1,889,434	\$ 1,696,001	\$ 2,087,930
MILL LEVY			
General	57.010	56.735	56.735
Total mill levy	57.010	56.735	56.735
PROPERTY TAXES			
General	\$ 107,717	\$ 96,223	\$ 118,459
Levied property taxes	107,717	96,223	118,459
Adjustments to actual/rounding	(348)	-	-
Budgeted property taxes	\$ 107,369	\$ 96,223	\$ 118,459
BUDGETED PROPERTY TAXES			
General	\$ 107,369	\$ 96,223	\$ 118,459
	\$ 107,369	\$ 96,223	\$ 118,459

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
2018 BUDGET AS ADOPTED
WITH 2016 ACTUAL AND 2017 ESTIMATED
For the Years Ended and Ending December 31,**

1/15/2018

	ACTUAL 2016	ESTIMATED 2017	ADOPTED 2018
BEGINNING FUND BALANCES	\$ 774,500	\$ 701,715	\$ 878,994
REVENUES			
Property taxes	107,369	96,223	118,459
Sales tax - US 85	103,257	90,751	100,000
Use tax	11,695	10,000	100,000
RBD - Loan	1,625	-	-
Old Town Loan	235,000	-	-
Old Town Arts program funding	4,351	-	-
Sale of Blast Park	-	243,000	-
Line of credit	-	354,485	-
Line of credit advance	-	-	145,000
C4F Program funding	-	533,675	-
Loan issuance	-	-	368,000
Construction loan issuance	-	-	2,300,000
Rental/Lease income	101	27,000	115,200
Utility reimbursement	-	4,200	4,000
RBD funding	-	20,000	40,000
Sales tax admin revenue	68,345	70,434	77,475
PIF admin revenue	14,044	10,929	12,021
Other revenue/reimbursement	-	4,875	-
Net investment income	285	2,000	2,600
Total revenues	<u>546,072</u>	<u>1,467,572</u>	<u>3,382,755</u>
TRANSFERS IN			
Debt Service Fund	31,582	-	-
Capital Projects Fund	-	-	170,000
Total transfers in	<u>31,582</u>	<u>-</u>	<u>170,000</u>
Total funds available	<u>1,352,154</u>	<u>2,169,287</u>	<u>4,431,749</u>
EXPENDITURES			
SAH Administration Funds			
Accounting	43,478	47,375	55,000
Audit	7,100	7,350	7,500
Legal	2,900	12,000	15,000
Other professional services	12,750	18,000	15,000
PIF collections	13,989	9,270	9,550
Trustee fees	13,500	13,500	13,500
Incentive Projects			
Excell Fountain	8,633	8,960	9,000
Regional Building Department Loan			
Loan Repayment	52,667	-	-
Old Town Funds			
BNSF land purchase	162,000	-	-
Blast Park	24,041	-	-
Repay Old Town Loan	-	243,000	-
RFQ/Gateway	-	50,000	-
Old Town Arts programs	-	-	4,351
Contingency	-	-	609
Investment Properties			
212 Illinois	277,268	-	-
217 S. Santa Fe	-	166,442	-
116 S. Main St.	-	-	450,000
221 S. Santa Fe	-	453,705	-
306 Missouri	-	151,055	-
2013 S. Santa Fe	-	-	145,000
Closing and other costs of acquisitions	-	8,000	2,500
Line of credit issue costs	-	1,125	-
Line of credit interest	-	9,000	10,356
Line of credit principal	-	674	-
CHFA loan interest	-	5,600	16,800
Construction loan interest	-	-	42,000
Loan issuance cost	-	623	5,000
Property repair and maintenance	-	7,500	20,000
Demolition	-	20,000	40,000
Construction costs - grocer site	-	-	2,300,000
Utility (gas, water, trash)	-	4,200	4,000
Contingency	-	-	10,000
BNSF/City - parking lease	-	3,019	3,019
Investment Funds			
Accounting	6,309	15,000	15,000
Bank fees	1,000	1,000	1,000
Contingency	204	-	5,222
County Treasurer's fees	1,611	1,443	1,777
Legal	10,100	10,000	12,000
Miscellaneous	143	200	200
Other professional services	1,550	10,000	10,000
Best and Brightest	11,196	12,252	-
Total expenditures	<u>650,439</u>	<u>1,290,293</u>	<u>3,223,384</u>
Total expenditures and transfers out requiring appropriation	<u>650,439</u>	<u>1,290,293</u>	<u>3,223,384</u>
ENDING FUND BALANCES	<u>\$ 701,715</u>	<u>\$ 878,994</u>	<u>\$ 1,208,365</u>
SAH ADMINISTRATION FUNDS	180,386	154,604	178,950
OLD TOWN FUNDS	175,960	86,960	-
CD BALANCE IN PROPERTY FUNDS	-	450,000	450,000
TOTAL RESERVE	<u>\$ 356,346</u>	<u>\$ 691,564</u>	<u>\$ 628,950</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
2018 BUDGET AS ADOPTED
WITH 2016 ACTUAL AND 2017 ESTIMATED
For the Years Ended and Ending December 31,**

1/15/2018

	ACTUAL 2016	ESTIMATED 2017	ADOPTED 2018
BEGINNING FUND BALANCES	\$ 5,785,645	\$ 5,046,793	\$ 4,911,269
REVENUES			
Public Improvement Fees	322,453	364,300	400,700
Sales taxes	2,209,814	2,347,800	2,582,500
Net investment income	21,772	41,200	46,750
Total revenues	<u>2,554,039</u>	<u>2,753,300</u>	<u>3,029,950</u>
TRANSFERS IN			
Capital Projects Fund	38,734	72,000	40,000
Total transfers in	<u>38,734</u>	<u>72,000</u>	<u>40,000</u>
Total funds available	<u>8,378,418</u>	<u>7,872,093</u>	<u>7,981,219</u>
EXPENDITURES			
Bond interest - Series 2015A	2,627,201	2,140,938	2,135,875
Bond principal - Series 2015A	175,000	215,000	335,000
Bond interest - Series 2015B	431,842	351,325	373,575
Bond principal - Series 2015B	55,000	-	5,000
Bond interest - Series 2014C	11,000	253,561	236,000
Bond interest - Series 2014D	-	-	-
Contingency	-	-	9,550
Total expenditures	<u>3,300,043</u>	<u>2,960,824</u>	<u>3,095,000</u>
TRANSFERS OUT			
Capital Projects Fund	31,582	-	-
Total transfers out	<u>31,582</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>3,331,625</u>	<u>2,960,824</u>	<u>3,095,000</u>
ENDING FUND BALANCES	<u>\$ 5,046,793</u>	<u>\$ 4,911,269</u>	<u>\$ 4,886,219</u>
REQUIRED RESERVE - SERIES 2015A	\$ 3,229,125	\$ 3,229,125	\$ 3,229,125
REQUIRED RESERVE - SERIES 2015B	507,000	507,000	507,000
TOTAL RESERVE	<u>\$ 3,736,125</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
2018 BUDGET AS ADOPTED
WITH 2016 ACTUAL AND 2017 ESTIMATED
For the Years Ended and Ending December 31,**

1/15/2018

	ACTUAL 2016	ESTIMATED 2017	ADOPTED 2018
BEGINNING FUND BALANCES	\$ 10,501,819	\$ 8,751,171	\$ 8,234,550
REVENUES			
Net investment income	41,407	72,000	40,000
Total revenues	<u>41,407</u>	<u>72,000</u>	<u>40,000</u>
TRANSFERS IN			
Total transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Total funds available	<u>10,543,226</u>	<u>8,823,171</u>	<u>8,274,550</u>
EXPENDITURES			
Capital projects			
Road improvements	1,753,321	500,000	2,548,500
Phase II	-	-	2,330,090
UTW costs	-	16,621	-
Curling Facility - construction costs	-	-	2,300,000
Developer Fee	-	-	300,000
Curling Facility / F&B - preliminary feasibility			
Architectural - Curling	-	-	12,925
Floor and refrigeration - Curling	-	-	17,320
Architectural - F&B	-	-	22,500
Operating pro-forma - Curling	-	-	2,000
Financial consultant - FURA	-	-	15,400
Legal	-	-	8,000
Contingency	-	-	7,815
Total expenditures	<u>1,753,321</u>	<u>516,621</u>	<u>7,564,550</u>
TRANSFERS OUT			
Debt Service Fund	38,734	72,000	40,000
General Fund - SAH Fund (for QUAD reimbursement)	-	-	50,000
General Fund - Investment Fund (for QUAD support fee)	-	-	120,000
Total transfers out	<u>38,734</u>	<u>72,000</u>	<u>210,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,792,055</u>	<u>588,621</u>	<u>7,774,550</u>
ENDING FUND BALANCES	<u>\$ 8,751,171</u>	<u>\$ 8,234,550</u>	<u>\$ 500,000</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
2018 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 the Property Tax Summary page 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.

**FOUNTAIN URBAN RENEWAL AUTHORITY
2018 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Public Improvement Fees

The Authority anticipates receiving \$400,700 in Public Improvement Fees (PIF) during 2018. 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 2018, the Authority anticipates advancing \$145,000 from the line of credit for the 2013 S. Santa Fe property purchase.

Rental/Lease Income/Utility Reimbursement

In 2018, the Authority anticipates receiving rental/lease income in the amount of \$115,200 and utility reimbursement from purchased properties to cover utility expenses such as gas, water and trash.

Loan Issuance

In 2018, the Authority anticipates receiving a loan in the amount of \$368,000 for the 116 S. Main Street property acquisition.

Construction Loan Issuance

In 2018, the Authority anticipates receiving a construction loan in the amount of \$2,300,000 for the construction of the grocer site located at Ohio and Main.

Regional Building Department Funding

In 2018, the Authority anticipates receiving funding from the Regional Building Department in the amount of \$40,000 for demolition of the grocer site.

Net Investment Income

Interest earned on the Authority's available funds has been estimated based on historical interest earnings.

Administration Fees

The Authority imposes an administration fee to the project area. The administration fees are calculated as 3% of the incremental revenues collected.

**FOUNTAIN URBAN RENEWAL AUTHORITY
2018 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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.

Redevelopment Expenditures

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

The Authority anticipates construction of a Curling Facility and funds the expenditures with monies from the 2015A Bonds Project Fund.

The Authority anticipates construction of the grocer site located at Ohio and Main and funds the expenditures with monies from a Construction Loan.

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.

**FOUNTAIN URBAN RENEWAL AUTHORITY
2018 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases - (continued)

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.

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)

**FOUNTAIN URBAN RENEWAL AUTHORITY
2018 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases - (continued)

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.

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.