

2010
CITY OF CARLIN
STATE OF NEVADA

**ANNUAL REPORT AS REQUIRED PURSUANT
TO:**

**NEVADA REVISED STATUTES
DEBT MANAGEMENT COMMISSION ACT
NRS 350.013**

**Indebtedness Report
5-Year Capital Improvement Plan
Debt Management Policy
Information on Chief Financial Officer**

INDEBTEDNESS REPORT

FY 2009- 2010

DEBT MANAGEMENT COMMISSION ACT (NRS 350.013)

- 1. Has your local government issued any new General Obligation Bond issues since **July 1, 2009?** Yes () No (**X**)

If so, amount: \$ _____ Date: ____ / ____ / ____

- 2. Has your local government approved any new Medium-Term Obligation issues since **July 1, 2009?** Yes () No (**X**)

If so, amount: \$ _____ Date: ____ / ____ / ____

- 3. Has your local government updated its debt management policy? (Per NRS 350.013) Yes (**X**) No () N/A ()
(Submit updated policy with Indebtedness Report.)

If not, prepare a statement discussing the following areas:

- A. Discuss the ability of your entity to afford existing and future general obligation debt.
- B. Discuss your entity's capacity to incur future general obligation debt without exceeding the applicable debt limit.
- C. Discuss the general obligation debt per capita of your entity as compared with the Average for such debt of local governments in Nevada.
- D. Discuss general obligation debt of your entity as a percentage of **assessed valuation** of all taxable property within the boundaries of your entity. **(REDBOOK FY 2009- 2010)**
- E. Present a policy statement regarding the manner in which your entity expects to sell its debt.
- F. Discuss the sources of money projected to be available to pay existing and future general obligation debt.
- G. Discuss the operating costs and revenue sources with each project.

- 4. Has your local government updated its five-year capital improvement plan? Yes (**X**) No () N/A ()
(Submit updated plan with Indebtedness Report.)

5-year plan required. (NRS 350.013, NRS 354.5945 and NRS 354.5947)

Submitted By: **Glenn Trust, City Manager**

(signature)

SCHEDULE OF INDEBTEDNESS AS OF JUNE 30, 2010

CHECK HERE IF YOUR ENTITY HAS NO OUTSTANDING DEBT _____

GENERAL OBLIGATION BONDS

1. General obligation		
2. General obligation/revenue	130,348	_____
3. General obligation special assessment		_____
Total general obligation bonded debt		130,348

MEDIUM-TERM OBLIGATIONS

1. General Obligation bonds		
2. Negotiable notes or bonds	202,390	_____
3. Capital lease purchases		_____
Total medium-term obligation debt		202,390

REVENUE BONDS _____

OTHER DEBT

1. Capital lease purchases-MTO not required or prior to law change		_____
2. Mortgages		_____
3. Warrants		_____
4. Special Assessments		_____
5. Other (specify) - USDA 30 yr. Loan, Senior Center -	177,738	_____
6. Other (specify)		_____
Total other debt		177,738

TOTAL INDEBTEDNESS

510,476

Authorized but unissued general obligation bonds None _____

Note: Please explain and provide documentation for any differences between the amounts reported on this **schedule** and those reported on **Schedule C-1** of your **Final Fiscal Year 2010-2011 budget**.
See explanation on following page.

Explanation Regarding Amounts Differing from FY Budget 2010-2011

None

Entity: **City of Carlin**

SCHEDULE OF FIVE YEAR DEBT SERVICE REQUIREMENTS AS OF JUNE 30, 2010

For the next five years, list the total dollar requirement for principal and interest broken down for each type of indebtedness the entity currently has outstanding.

	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015</u>
G/O Bonds	\$	\$	\$	\$	\$
G/O Revenue	\$20,398	\$20,398	\$20,398	\$20,163	\$20,401
G/O Special Assessment	\$	\$	\$	\$	\$
Medium-Term Obligation					
G/O Bonds	\$	\$	\$	\$	\$
Notes/Bonds	\$50,312	\$50,314	\$50,314	\$50,315	\$24,523
Leases/ Purchases	\$	\$	\$	\$	\$
Revenue Bonds	\$	\$	\$	\$	\$
Other Lease Purchases	\$	\$	\$	\$	\$
Mortgages	\$	\$	\$	\$	\$
Warrants	\$	\$	\$	\$	\$
Special Assessments	\$	\$	\$	\$	\$
Other Debt	\$12,100	\$12,100	\$12,100	\$12,100	\$12,100
TOTAL	<u>\$82,810</u>	<u>\$82,812</u>	<u>\$82,812</u>	<u>\$82,578</u>	<u>\$57,024</u>

SCHEDULE OF DEBT REPAYMENT AS OF JUNE 30, 2010

The repayment schedules should start with the payment of principal and interest due **after June 30, 2010** and continue until any particular issue is retired.

See the following loan amortization schedules for:

- 1** **General Obligation Revenue Bond payable to USDA**

- 2** **Medium Term Financing Loan payable to Zion's Bank -
2007**

- 3** **Other Debt - Loan payable to USDA**

Year Ended June 30,	Nevada Bank & Trust Police Vehicles, Backhoe & Ambulance		U.S. Department of Agriculture Senior Citizens Facility		U.S. Department of Agriculture Water Line Extension		Total Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2011	41,742	8,570	4,159	\$7,941	\$13,716	\$6,682	\$59,617	\$23,193
2012	43,581	6,733	4,344	7,756	14,418	5,980	\$62,343	\$20,469
2013	45,523	4,791	4,538	7,562	15,156	5,242	\$65,217	\$17,595
2014	47,579	2,736	4,741	7,359	15,931	4,232	\$68,251	\$14,327
2015	23,965	558	4,953	7,147	16,749	3,652	\$45,667	\$11,357
2016			5,174	6,926	17,603	2,795	\$22,777	\$9,721
2017			5,405	6,695	18,503	1,895	\$23,908	\$8,590
2018			5,646	6,454	18,272	948	\$23,918	\$7,402
2019			5,898	6,202			\$5,898	\$6,202
2020-2024			33,681	26,819			\$33,681	\$26,819
2025-2029			41,900	18,600			\$41,900	\$18,600
2030-2034			52,125	8,375			\$52,125	\$8,375
2035-2039			5,174	238			\$5,174	\$238
Totals	\$202,390	\$23,388	\$177,738	\$118,074	\$130,348	\$31,426	\$510,476	\$172,888

Entity: City of Carlin

(1) CONTEMPLATED GENERAL OBLIGATION DEBT PURPOSE	(2) TYPE	(3) AMOUNT	(4) TERM	(5) FINAL PYMT DATE	(6) INTEREST RATE
None contemplated for FY 2010-2011					

SPECIAL ELECTIVE TAX PURPOSE	 TYPE	 RATE	ELECTION DATE	EXPIRATION DATE	IMPLEMENTATION DATE
None Contemplated for FY 2010-2011					

5-YEAR CAPITAL IMPROVEMENT PLAN

The City of Carlin has no new capital improvement in progress that will continue over the next five years. In addition to ongoing debt service for past capital acquisitions, the City will fund several capital improvements to City facilities and will acquire two police vehicles. The listed capital improvements and acquisitions will be funded through current revenues to the General fund and other funds and not through any increase in property tax rates.

See following CIP 1 form detailing current year and ongoing capital improvements from previous years.

FIVE YEAR CAPITAL IMPROVEMENT PLAN

(Per NRS 354.5945)

ENTITY: City of Carlin

DATE: July 28, 2010

Minimum level of expenditure for items classified as capital assets \$1,000

Minimum level of expenditure for items classified as capital projects \$2,500

Fund:	General Fund	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014	FY 2014-2015
Capital Improvement:	New Police Vehicles, Backhoe, Ambulance	50,312	50,314	50,314	50,315	24,523
Funding Source:	Medium Term Financing repaid from General Fund to Debt Service	MTF	MTF	MTF	MTF	MTF
Completion Date:	11/1/2014					
Fund Total		50,312	50,314	50,314	50,315	24,523
Fund:	Utility Fund	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014	FY 2014-2015
Capital Improvement:	UNR Water Line Extension	20,398	20,398	20,398	20,163	20,401
Funding Source:	USDA Water Revenue Bond repaid from Service Fees & Agreed funding from Elko County and City of Elko of 6,916 each (total 20,398)	GO Revenue Bond				
Completion Date:	4/1/2042					
Fund Total		20,398	20,398	20,398	20,398	20,398
Fund:	Debt Service Fund	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014	FY 2014-2015
Capital Improvement:	Senior Center Construction	12,100	12,100	12,100	12,100	12,100
Funding Source:	USDA Loan repaid from General Fund	Other Debt Revenue				
Completion Date:	6/20/2034					
Fund Total		12,100	12,100	12,100	12,100	12,100

		FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014	FY 2014-2015
Fund:	Cemetery Fund					
Capital Improvement:	Veterans Memorial Improvements	5,000				
Funding Source:	Fund Balances & Revenues	Fund Balances and Revenue				
Completion Date:	6/30/2011					
Fund Total		5,000				
		FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014	FY 2014-2015
Fund:	General Fund					
Capital Improvement:	New Library Construction	75,000				
Funding Source:	General fund revenues & Property Tax	Gen Fund Rev Property Tax				
Completion Date:	6/30/2011					
Fund Total		75,000				
		FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014	FY 2014-2015
Fund:	Park and Recreation Fund 12					
Capital Improvement:	Restroom and Playground Renovations	50,000				
Funding Source:	Park & Recreation Revenues and Room Tax	Park Revenues and Room Tax				
Completion Date:	6/30/2011					
Fund Total		50,000				

		FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014	FY 2014-2015
Fund:	Equestrian Fund 14					
Capital Improvement:	Chutes, Gates, Panels and Bleachers	20,000				
Funding Source:	Park & Recreation Revenues and Room Tax to Equestrian Fund	Park & Recreation Revenues and Room Tax				
Completion Date:	6/30/2011					
Fund Total		20,000				
Fund:	Capital Projects Fund 30	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014	FY 2014-2015
Capital Improvement:	Demolition and Renovation City Property	30,000				
	Cash Acquisition of Two Police Vehicles	50,000				
	Street Improvements	50,000				
Funding Source:	General Fund & Property Tax to Capital Projects	General Fund & Property Tax to Capital Projects				
Completion Date:	6/30/2011					
Fund Total		130,000	20,398	20,398	20,398	20,398

List of Funding Sources:

- Property Tax - Gen. Revenues
- Charges for Services
- Debt
- Room Tax
- Other** (Please Describe)

DEBT MANAGEMENT POLICY - CITY OF CARLIN, NEVADA

Limitations on Debt Required by Carlin City Charter

The Carlin City Charter, Article VII, Section 7.010 limits debt that may be incurred by the city as follows:

1. The city shall not incur indebtedness in excess of 20 percent of the total assessed valuation of the taxable property within the boundaries of the city.
2. In determining any debt limitation under this section, there shall not be counted as indebtedness:
 - (1) Any revenue bonds, unless the full faith and credit of the city is also pledged to their payment.
 - (2) Any special assessment bonds, although a deficiency in the proceeds of the assessments is required to be paid from the general fund of the city.
 - (3) Any short-term securities issued in anticipation of and payable from property taxes levied for the current fiscal year.

The limitations set by the Carlin City Charter on debt that may be incurred by the city and reflective of the current fiscal year's assessed valuation of taxable property within the city are detailed in the chart that follows:

2010-2011 Assessed Valuation	\$26,840,273
Debt Limitation (maximum allowed debt)	\$ 5,368,055
Outstanding Indebtedness	\$ 510,476
Debt Limitation net of outstanding indebtedness	\$ 4,857,579

Ability to Afford Existing and Future General Obligation Debt

Sufficient funds are available through the General Fund and the cooperative agreement with Elko County and the City of Elko to pay all current debt. The chart below details sources of funds and payment of outstanding debt.

Description of Debt	Source of Repayment Funds	Annual Amount
General Obligation/Revenue Bond	Cooperative agreement between Carlin, Elko County and City of Elko	Carlin Water System User Fees - \$6,800 Elko County - \$6,799 City of Elko - \$6,799
MTF Loan for Vehicles 2007	Transfer from General Fund to Debt Service Fund	\$50,312
Other Debt – 30 Year USDA Loan for Senior Center	Transfer from General Fund to Debt Service Fund	\$12,100

Capacity to Incur Future Debt without Exceeding Applicable Debt Limits

As of June 30, 2010, the City of Carlin has total outstanding debt in the amount of \$510,476. This figure represents 9.5% of the maximum allowed under statute (20% of assessed value of property within the City).

Current Total Debt	\$510,476
Assessed Value of Property	\$26,840,273
Debt Limit (20% of Assessed Property Value)	\$5,368,055
Excess Debt Limit currently not Used by City	\$4,579,298
Percentage of Debt Limit Unused	88%

General Obligation Debt Payable from Ad Valorem Taxes Per Capita

General Obligation/Revenue Bond debt is paid from user fees and funds pledged to the City of Carlin by Elko County and the City of Elko. This debt is not paid from ad valorem taxes.

The Medium Term financed loans and Other Debt loan obligation are paid through transfers from the City's General Fund to the Debt Service Fund. To the extent that the General Fund contains revenue from ad valorem taxes these are partially repaid from local taxes.

The chart below details the percentage of the General Fund opening balance for the current Fiscal Year that is comprised of revenue from ad valorem taxes and the percentage of debt that is paid through these taxes along with the cost of debt repayment per capita.

General Fund Budgeted Opening Balance	\$1,953,943
General Fund Revenue from Ad Valorem Taxes previous FY	\$300,000
Percentage of General Fund Revenue from Ad Valorem Tax	15%
Transfers from General Fund for Debt Service (MTF and Other)	\$62,412
Transfers to Debt Service from Ad Valorem Taxes (15% of General Fund Revenues)	\$9,362
City Population	2,345
Per Capita Costs of Debt Service from Ad Valorem Taxes	\$4

General Obligation Debt Payable from Ad Valorem Taxes as a Percentage of Assessed Valuation of all Taxable Property within the Boundaries of the Municipality

General Obligation/Revenue Bond debt is not paid from ad valorem taxes (see above). Medium Term Financing and Other long-term debt is paid from transfers from the General Fund to the Debt Service Fund.

The percentage of Medium Term and Other Debt repaid from ad valorem taxes is discussed in the chart below:

Total Transfers from General Fund for Debt Service (MTF and Other)	\$62,412
Transfers to Debt Service from Ad Valorem Taxes (15% of General Fund)	\$9,362
Assessed Valuation of Property within City Boundaries	\$26,840,273
Ad Valorem Taxes used for Debt Service as a Percentage of Assessed Valuation	.03%

Policy Regarding Manner in Which Municipality Expects to Sell Its Debt

There are no plans to sell any City of Carlin debt during fiscal year 2010-2011. Should a decision be made to do so, the debt will be sold through revenue bonds, medium term financing or other debt. Where possible, grants may be used to reduce or eliminate debt.

Sources of Money Projected to be Available to Pay Existing and Future General Obligation Debt

Existing debt is paid from these previously discussed sources:

General Obligation/Revenue Bond – Paid from City of Carlin user fees and pledged revenue from Elko County and City of Elko.

Medium Term Financing and Other Debt Loan – Paid from intergovernmental tax revenue, fees and ad valorem taxes received into the General Fund and transferred to the Debt Service Fund.

Future Debt will be paid through additional transfers from the General Fund to the Debt Service Fund. Where applicable, funding will be obtained through grants or additional General Obligation, Medium Term or Other Debt financing. All additional financing, if any, will be within the statutory debt limits discussed above.

Operational Costs and Revenue Sources for Ensuing 5 Fiscal Years Associated with Each Project Included in the Plan for Capital Improvement...if those costs and revenue are expected to affect the tax rate

All capital projects, operational costs and items included in the current 5 year Capital Improvement Plan will be funded through the General Fund and current revenue sources.

The Capital Improvement Plan includes acquisition of new police vehicles, public works equipment and an ambulance. Additionally improvements and renovations are planned for City property, Park and Equestrian Center Facilities, new Library and the Cemetery. There is no expectation that funding these projects and operations will affect the tax rate.

Summary of Indebtedness Fiscal Year 2010-2011

GENERAL OBLIGATION/REVENUE BONDS

As of June 30, 2010 the City of Carlin has one Revenue Bond outstanding in the amount of \$350,000. The bond obligation is repaid at a rate of \$6,800 by the City of Carlin from user fees paid to the city and from pledged revenue from Elko County and the City of Elko, each of which pay the City of Carlin a maximum sum of \$6,799 per year until the bond and interest are paid in full, or for a maximum period of forty years. This pledged revenue is secured through a cooperative agreement between the City of Carlin, Elko County and the City of Elko, dated January 9, 2002.

See the Bond Details in the chart below:

Payable To	Date Issued	Term	Interest Rate	Original Amount	Annual Payment	Balance Due	Final Payment Date
USDA	04/23/02	40 Years	5.00%	\$350,000	\$20,398	\$130,348	04/01/18

MEDIUM-TERM FINANCING

As of June 30, 2010, the City of Carlin has one Medium-Term Financing obligation as detailed in the chart below:

Purpose	Payable to	Issue Date	Term	Interest Rate	Original Amount	Annual Payment	Balance	Final Payment Date
Purchase of 2 Police vehicles, 1 backhoe & 1 ambulance	Zion's Bank	11/30/07	84 months	4.44%	\$300,000	\$50,312	\$202,390	11/01/14

LEASES, MORTGAGES, WARRANTS & SPECIAL ASSESSMENT BONDS

As of June 30, 2010 the City of Carlin has no outstanding leases, mortgages, warrants or special assessment bonds and does not anticipate any debt of this type during the 2010 - 2011 fiscal year.

OTHER DEBT

As of June 30, 2010 the City of Carlin has one outstanding loan debt classified as "Other Debt" as detailed in the chart below:

Purpose	Payable to	Issue Date	Term	Interest Rate	Original Amount	Annual Payment	Balance	Final Payment Date
Construction Of new Senior Citizen Center	USDA	6/30/04	30 Years	4.38%	\$200,000	\$12,100	\$177,738	06/20/2034

INFORMATION REGARDING THE CHIEF FINANCIAL OFFICER

The Chief Financial Officer of the City of Carlin is:

Glenn Trust, City Manager.
City of Carlin
101 South 8th St.
PO Box 787
Carlin, NV 89822
775-754-6354 (Office)
775-754-6912 (Fax)
Email at:
gtrust@cityofcarlin.com

Report Prepared by:

Signature ----- Date -----

Glenn S. Trust
City Manager, City of Carlin

This Annual Report, which includes;

- Indebtedness Report
- 5-Year Capital Improvement Plan
- Debt Management Policy
- Information on the Chief Financial Officer

for the City of Carlin, Nevada was read and reviewed at the July 28, 2010 regularly scheduled City Council Meeting. A motion to approve the Report and Plan was made by Councilperson _____, seconded by _____, and passed by the following vote:

AYES: _____

NAYS: _____

ABSENT: _____

City of Carlin

Donnetta Skinner, Vice-Mayor

ATTEST:

LaDawn Lawson, City Clerk