

2009
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 2008-2009

DEBT MANAGEMENT COMMISSION ACT (NRS 350.013)

1. Has your local government issued any new General Obligation Bond issues since **July 1, 2008?** Yes () No (**X**)

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

2. Has your local government approved any new Medium-Term Obligation issues since **July 1, 2008?** 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 2008-2009)**
- 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, 2009

CHECK HERE IF YOUR ENTITY HAS NO OUTSTANDING DEBT _____

GENERAL OBLIGATION BONDS

1. General obligation		
2. General obligation/revenue	144,000	_____
3. General obligation special assessment		_____
Total general obligation bonded debt		144,000

MEDIUM-TERM OBLIGATIONS

1. General Obligation bonds		
2. Negotiable notes or bonds	242,147	_____
3. Capital lease purchases		_____
Total medium-term obligation debt		242,147

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 -	182,109	_____
6. Other (specify)		_____
Total other debt		182,109

TOTAL INDEBTEDNESS _____ **568,256**

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 2009-2010 budget**.
See explanation on following page.

Explanation Regarding Amounts Differing from FY Budget 2009-2010

There is a discrepancy in the amounts shown on this schedule and Schedule C-1 of the FY 2009-2010 budget due to an error made by the Preparer, Glenn Trust. In preparing the budget the indebtedness numbers used were for the then current FY 2008-2009 and not the future budget year of 2009-2010.

This report and schedule show the actual audited amounts and forward projections from the 2007-2008 FY Audit.

Entity: **City of Carlin**

SCHEDULE OF FIVE YEAR DEBT SERVICE REQUIREMENTS AS OF JUNE 30, 2009

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>2009-2010</u>	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>
G/O Bonds	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
G/O Revenue	<u>\$20,398</u>	<u>\$20,398</u>	<u>\$20,398</u>	<u>\$20,398</u>	<u>\$20,398</u>
G/O Special Assessment	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Medium-Term Obligation					
G/O Bonds	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Notes/Bonds	<u>\$50,315</u>	<u>\$50,315</u>	<u>\$50,315</u>	<u>\$50,315</u>	<u>\$50,315</u>
Leases/ Purchases	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Revenue Bonds	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Other Lease Purchases	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Mortgages	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Warrants	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Special Assessments	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Other Debt	<u>\$12,100</u>	<u>\$12,100</u>	<u>\$12,100</u>	<u>\$12,100</u>	<u>\$12,100</u>
TOTAL	<u><u>\$82,813</u></u>	<u><u>\$82,813</u></u>	<u><u>\$82,813</u></u>	<u><u>\$82,813</u></u>	<u><u>\$82,813</u></u>

SCHEDULE OF DEBT REPAYMENT AS OF JUNE 30, 2009

The repayment schedules should start with the payment of principal and interest due **after June 30, 2009** 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**

Carlin Amortized Debt FY 2009-2010

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
2010	\$40,010	\$10,305	\$3,947	\$8,153	\$13,300	\$7,098	\$57,257	\$25,556
2011	41,742	8,570	4,123	7,977	13,965	6,433	59,830	22,980
2012	43,581	6,733	4,307	7,793	14,663	5,735	62,551	20,261
2013	45,523	4,791	4,499	7,601	15,396	5,002	65,418	17,394
2014	47,579	2,736	4,700	7,400	16,166	4,232	68,445	14,368
2015	23,712	558	4,910	7,190	16,974	3,424	45,596	11,172
2016			5,129	6,971	17,823	2,575	22,952	9,546
2017			5,358	6,742	18,714	1,684	24,072	8,426
2018			5,597	6,503	16,999	744	22,596	7,247
2019-2023			31,962	28,538			31,962	28,538
2024-2028			39,762	20,738			39,762	20,738
2029-2033			49,465	11,035			49,465	11,035
2034-2038			18,350	1,541			18,350	1,541
Totals	\$242,147	\$33,693	\$182,109	\$128,182	\$144,000	\$36,927	\$568,256	\$198,802

Entity: City of Carlin

(1) CONTEMPLATED GENERAL OBLIGATION DEBT	(2)	(3)	(4)	(5)	(6)
PURPOSE	TYPE	AMOUNT	TERM	FINAL PYMT DATE	INTEREST RATE
None contemplated for FY 2009-2010					

SPECIAL ELECTIVE TAX			ELECTION	EXPIRATION	IMPLEMENTATION
PURPOSE	TYPE	RATE	DATE	DATE	DATE
None Contemplated for FY 2009-2010					

5-YEAR CAPITAL IMPROVEMENT PLAN

The City of Carlin has no new capital improvement in progress that will continue over the next five years. The listed capital improvements will be funded through current revenues to the General fund and not through any increased 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 22, 2009

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 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014
Capital Improvement:	New Police Vehicles, Backhoe, Ambulance	50,315	50,315	50,315	50,315	50,315
Funding Source:	Medium Term Financing repaid from General Fund to Debt Service	MTF	MTF	MTF	MTF	MTF
Completion Date:	11/1/2014					
Fund Total		50,315	50,315	50,315	50,315	50,315
Fund:	Utility Fund	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2011-2012	FY 2011-2012
Capital Improvement:	UNR Water Line Extension	20,398	20,398	20,398	20,398	20,398
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 2009-2010	FY 2010-2011	FY 2011-2012	FY 2011-2012	FY 2011-2012
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 2009-2010	FY 2010-2011	FY 2011-2012	FY 2011-2012	FY 2011-2012
Fund:	Cemetery Fund					
Capital Improvement:	Road and sidewalk improvements	20,000				
Funding Source:	Fund Balances & Revenues	Fund Balances and Revenue				
Completion Date:	6/30/2010					
Fund Total		20,000				
		FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2011-2012	FY 2011-2012
Fund:	General Fund					
Capital Improvement:	Street Repairs and Improvements	113,000				
Funding Source:	General fund revenues & Property Tax	Gen Fund Rev Property Tax				
Completion Date:	6/20/2034					
Fund Total		113,000				
		FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2011-2012	FY 2011-2012
Fund:	General Fund					
Capital Improvement:	New Library Construction	20,000				
Funding Source:	General fund revenues & Property Tax	Gen Fund Rev Property Tax				
Completion Date:	6/20/2034					
Fund Total		20,000				

List of Funding Sources:

- Property Tax - Gen. Revenues
- Charges for Services
- Debt
- Grants
- 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:

2009-2010 Assessed Valuation	\$26,008,738
Debt Limitation (maximum allowed debt)	\$ 5,201,748
Outstanding Indebtedness	\$ 622,450
Debt Limitation net of outstanding indebtedness	\$ 4,579,298

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 - \$6,916 Elko County - \$6,916 City of Elko - \$6,916
MTF Loan for Vehicles 2007	Transfer from General Fund to Debt Service Fund	\$50,315
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, 2008, the City of Carlin has total outstanding debt in the amount of \$622,450. This figure represents 12% of maximum allowed under statute (20% of assessed value of property within the City).

Current Total Debt	\$622,450
Assessed Value of Property	\$26,008,738
Debt Limit (20% of Assessed Property Value)	\$5,201,748
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 Opening Balance	\$2,017,339
General Fund Revenue from Ad Valorem Taxes previous FY	\$280,096
Percentage of General Fund from Ad Valorem Tax	14%
Transfers from General Fund for Debt Service (MTF and Other)	\$62,415
Transfers to Debt Service from Ad Valorem Taxes (14% of General Fund)	\$8,738
City Population	2,322
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)	\$62,415
Transfers to Debt Service from Ad Valorem Taxes (14% of General Fund)	\$8,738
Assessed Valuation of Property within City Boundaries	\$26,008,738
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 2009-2010. 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 new police vehicles, public works equipment and an ambulance. There is no expectation that funding these projects and operations will affect the tax rate.

Summary of Indebtedness Fiscal Year 2009-2010

GENERAL OBLIGATION/REVENUE BONDS

As of June 30, 2009 the City of Carlin has one Revenue Bond outstanding in the amount of \$350,000. The bond obligation is repaid at a rate of \$6,916 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 \$6,916.00 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	\$156,063	04/01/2042

MEDIUM-TERM FINANCING

As of June 30, 2008, 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	\$50,136	\$280,500	11/01/14

LEASES, MORTGAGES, WARRANTS & SPECIAL ASSESSMENT BONDS

As of June 30, 2008 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 2008-2009 fiscal year.

OTHER DEBT

As of June 30, 2008 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	\$185,887	06/20/2034

INFORMATION REGARDING THE CHIEF FINANCIAL OFFICER

The Chief Financial Officer of the City of Carlin is:

Glenn S. Trust, City Manager.
City of Carlin
101 South 8th St.
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 22, 2009 regularly scheduled City Council Meeting. A motion to approve the Report and Plan was made by Councilperson Lincoln Litchfield, seconded by Vice Mayor Donnetta Skinner, and passed by the following vote:

AYES: Mayor Cliff Eklund
Vice Mayor Donnetta Skinner
Councilperson Lee Griswold
Councilperson Lincoln Litchfield
Councilperson David Trujillo

NAYS: None

ABSENT: None

City of Carlin

Cliff Eklund, Mayor

ATTEST:

LaDawn Lawson, City Clerk