

2008
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 2007-2008

Debt Management Commission Act (NRS 350.013)

1. Has your local government issued any new General Obligation Bond issues since Yes () No (X)
July 1, 2007?

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

2. Has your local government approved any new Medium-Term Obligation issues since Yes () No (X)
July 1, 2007?

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

3. Has your local government updated its debt management police? (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 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 2007-2008)**
- 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: _____

(signature)

TYPE OF INDEBTEDNESS

GENERAL OBLIGATION/REVENUE BONDS

As of June 30, 2008 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	\$245,521	04/01/2042

MEDIUM-TERM FINANCING

As of June 30, 2008, the City of Carlin has two Medium-Term Financing obligations as detailed in the chart below:

Purpose	Payable to	Issue Date	Term	Interest Rate	Original Amount	Annual Payment	Balance	Final Payment Date
Purchase of new Police vehicles	Zion's Bank	6/30/03	60 months	5.00%	\$125,000	\$24,926	\$13,934	08/01/08
Purchase of 2 Police vehicles, 1 backhoe & 1 ambulance	Zion's Bank	11/30/07	84 months	4.44%	\$300,000	\$50,136	\$281,494	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	\$12,101	\$181,741	06/20/2034

SCHEDULE OF FIVE YEAR DEBT SERVICE REQUIREMENTS AS OF JUNE 30, 2008

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>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>
G/O Bonds					
G/O Revenue	\$20,398	\$20,398	\$20,398	\$20,398	\$20,398
G/O Special Assessment					
Medium Term Obligation					
G/O Bonds					
Notes/Bonds	\$50,136	\$50,136	\$50,136	\$50,136	\$50,136
Leases/Purchases					
Revenue Bonds					
Other Lease Purchases					
Mortgages					
Warrants					
Special Assessments					
Other Debt	\$12,101	\$12,101	\$12,101	\$12,101	\$12,101
TOTAL	\$82,635	\$82,635	\$82,635	\$82,635	\$82,635

SCHEDULE OF DEBT REPAYMENT AS OF JUNE 30, 2008

The repayment schedules should start with the payment of principal and interest due **after June 30, 2008** and continue until any particular issue is retired.

See the following attached loan amortization schedules for:

1. General Obligation Revenue Bond payable to USDA
2. Medium Term Financing Loan payable to Zion's Bank - 2003 - Paid in full 8/1/08
3. Medium Term Financing Loan payable to Zion's Bank - 2007
4. Other Debt Loan payable to USDA

(1) CONTEMPLATED GENERAL OBLIGATION DEBT Purpose	(2) TYPE	(3) AMOUNT	(4) TERM	(5) FINAL PYMT DATE	(6) INTEREST RATE
None Contemplated for fiscal year 2008-2009					

SPECIAL ELECTIVE TAX PURPOSE	TYPE	RATE	ELECTION DATE	EXPIRATION DATE	IMPLEMENTATION DATE
None contemplated for fiscal year 2008-2009					

5-YEAR CAPITAL IMPROVEMENT PLAN

The City of Carlin has one new capital improvement in progress that will continue over the next five years. These improvements will not be funded through increased property tax rates.

See following CIP 1 form detailing capital improvements.

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:

2008-2009 Assessed Valuation	\$24,048,929
Debt Limitation (maximum allowed debt)	\$ 4,809,786
Outstanding Indebtedness	\$ 722,690
Debt Limitation net of outstanding indebtedness	\$ 4,144,809

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 - \$6,916 Fees Elko County - \$6,916 City of Elko - \$6,916
MTF Loan for Vehicles 2007	Transfer from General Fund to Debt Service Fund	\$50,136
Other Debt - 30 Year USDA Loan for Senior Center	Transfer from General Fund to Debt Service Fund	\$12,101

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 \$722,690. This figure represents 15% of maximum allowed under statute (20% of assessed value of property within the City).

Current Total Debt	\$722,690
Assessed Value of Property	\$24,048,929
Debt Limit (20% of Assessed Property Value)	\$4,809,786
Excess Debt Limit currently not Used by City	\$4,087,096
Percentage of Debt Limit Unused	85%

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 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	\$2,462,201
General Fund Revenue from Ad Valorem Taxes	\$272,300
Percentage of General Fund from Ad Valorem Tax	11%
Percentage of Transfers to Debt Service to Pay Medium Term and Other Debt from Ad Valorem Taxes	11%
Transfers from General Fund for Debt Service (MTF and Other)	\$62,237
Transfers to Debt Service from Ad Valorem Taxes (11% of General Fund)	\$6,847
City Population	2,295
Per Capita Costs of Debt Service from Ad Valorem Taxes	\$3

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)	\$62,237
Transfers to Debt Service from Ad Valorem Taxes (11% of General Fund)	\$6,847
Assessed Valuation of Property within City Boundaries	\$24,048,929
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 2008-2009. 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.

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:
citymanager@explorecarlinnv.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 August 13, 2008 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

Cliff Eklund, Mayor

ATTEST:

LaDawn Lawson, City Clerk