

2016
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**

Debt Repayment Amortization

Year Ended June 30,	<u>U.S. Department of Agriculture Senior Citizens Facility</u>		<u>U.S. Department of Agriculture Water Line Extension</u>		<u>Total Notes Payable</u>		
	Principal	Interest	Principal	Interest	Principal	Interest	
2017		5,600	6,500	18,602	1,796	24,202	8,296
2018-2022		31,898	28,602	17,327	866	49,225	29,468
2023-2027		39,513	20,987			39,513	20,987
2028-2032		48,947	11,553			48,947	11,553
2033-2034		22,609	1,493			22,609	1,493
Totals		\$148,567	\$69,135	\$35,929	\$2,662	\$184,496	\$71,797

FIVE YEAR CAPITAL IMPROVEMENT PLAN

(Per NRS 354.5945)

ENTITY: City of Carlin

DATE: August 12 , 2016

Minimum level of expenditure for items classified as capital assets \$1,500
Minimum level of expenditure for items classified as capital projects \$2,500

Fund:	Utility Fund	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021
Capital Improvement:	Complete a City Wide PER & Seal Coat the Water Tanks	375,000 Engineering & Seal Coat	2,000,000 Sewer Lift Station Construction USDA			
Funding Source:	Utility Fund Revenues General Fund Revenues					
Completion Date:		4/30/2017	6/30/2018			
Fund Total:		375,000	2,000,000			

Fund:	General Fund	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021
Capital Improvement:	Public Safety Vehicles	76,000				
Funding Source:	General Fund Revenues	GFR				
Completion Date:	6/30/16					
Fund Total:		76,000				

Fund Total	Police Forfeiture	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021
Capital Improvement:	Equipment & Public Safety Vehicle	32,000				
Funding Source:	Police Forfeiture Fund 54	PFF 54				
Completion Date:	6/30/2016					
Fund Total:		32,000				

Fund:	Equestrian Park Fund	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 20198-2020	FY 2020-2021
Capital Improvement:	Chute, Announcers Stand, Podium Concession Stand	35,000				
Funding Source:	Park & Recreation Revenues & Room Tax	Park & Recreation Revenue Room Tax				
Completion Date:	6/30/2016					
Fund Total:		35,000				

Fund:	General Fund	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 20198-2020	FY 2020-2021
Capital Improvement:	City Entrance Signs and Landscaping		5,000			
Funding Source:	General fund revenues, Property and Room Tax		Gen Fund Rev. Property Tax			
Completion Date:	6/30/2016					
Fund Total:			5,000			

Fund:	General Fund	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 20198-2020	FY 2020-2021
Capital Improvement:	Court Room Renovations & Sound System Upgrades	5,000				
Funding Source:	General Fund Revenues	Court Assessments				
Completion Date:	6/30/2016					
Fund Total:		5,000				

Fund:	General Fund	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 20198-2020	FY 2020-2021
Capital Improvement:	Public Works	125,000				
Funding Source:	General Fund Revenues	Street Sweeper GFR				
Completion Date:	6/30/2016					
Fund Total:		125,000				

Fund:	Park and Recreation Fund	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 20198-2020	FY 2020-2021
Capital Improvement:	Park and Recreation Fund 20 Concession Stand Renovations General Improvements	25,000				
Funding Source:	Park & Recreation Revenues and Room Tax	Park & Recreation Revenues and Room Tax				
Completion Date:	6/30/2016					
Fund Total:		25,000				

Fund:	Capital Project Fund	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 20198-2020	FY 2020-2021
Capital Improvement:	Firehouse Phase III	0	360,000	150,000	150,000	150,000
Funding Source:	Revenues and Property Tax to Capital Projects Fund	General Fund & Property Tax	General Fund & Property Tax	General Fund & Property Tax	General Fund & Property Tax	General Fund & Property Tax
Completion Date:	6/30/2019		6/30/2019			
Fund Total:		0	360,000	150,000	150,000	100,000

Fund:	General Fund	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 20198-2020	FY 2020-2021
Capital Improvement:	Computer Upgrades City Admin.	18,000	2,000	0	0	0
Funding Source:	General Fund Revenues	General Fund	General Fund	General Fund	General Fund	General Fund
Completion Date:	6/30/2016					
Fund Total:		18,000	2,000			

List of Funding

Sources:

- Property Tax –
- Gen. Revenues
- Charges for
- Services
- Dept.
- 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:

Assessed Valuation per 2015-2016 Budget	\$34,150,020
Debt Limitation (maximum allowed debt)	\$ 6,830,004
Outstanding Indebtedness June 30, 2015	\$ 208,018
Debt Limitation net of outstanding indebtedness	\$ 6,621,986

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
Other Debt – 30 Year USDA Loan for Senior Center	Transfer from General Fund and Capital Project Fund to Debt Service Fund	\$12,100

Capacity to Incur Future Debt without Exceeding Applicable Debt Limits

As of June 30, 2016, the City of Carlin has total outstanding debt in the amount of \$208,018. This figure represents 3% of the maximum allowed under statute (20% of assessed value of property within the City).

Current Total Debt	\$208,018
Assessed Value of Property FY 2015-2016	\$34,150,020
Debt Limit (20% of Assessed Property Value)	\$6,830,004
Excess Debt Limit currently not Used by City	\$6,621,986
Percentage of Debt Limit Unused	97%

General Obligation Debt Payable from Ad Valorem Taxes Per Capita

The General Obligation/Revenue Bond debt (UNR Fire Science Academy Water Line Extension) 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. Elko County and the City of Elko will be repaid through connection fees collected from users that connect to the water line extension in an agreed upon connection area defined in the controlling agreement executed by all three governmental entities.

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 obligations are partially repaid from local ad valorem taxes.

The chart below details the total anticipated General Fund revenues for FY 2016 – 2017 and the percentage of these revenues that is comprised of ad valorem taxes. The percentage of debt that is paid through these ad valorem taxes along with the cost of debt repayment per capita is also indicated.

Total General Fund Revenues	\$2,497,299
General Fund Revenue from Ad Valorem Taxes Prior FY	\$327,850
Percentage of General Fund Revenue from Ad Valorem Tax	13%
Transfers from General Fund for Debt Service (MTF and Other)	\$40,000
Transfers to Debt Service from Ad Valorem Taxes (15% of General Fund Revenues)	\$5,200
City Population FY 2015 – 2016 from State Demographer	2,731
Per Capita Costs of Debt Service from Ad Valorem Taxes	\$1.90

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)	\$40,000
Transfers to Debt Service from Ad Valorem Taxes (15% of General Fund Revenues)	\$5,200
Assessed Valuation of Property within City Boundaries	\$34,150,020
Ad Valorem Taxes used for Debt Service as a Percentage of Assessed Valuation	.016%

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 2016-2017. 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 and other appropriate funds 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 of other indicated Funds.

The Capital Improvement Plan includes, a USDA loan (Other Financing) for construction of the Senior Center and General Obligation Revenue funding of the City's water line extension to the Fire Science Academy. Additionally improvements and renovations are planned for City property, Park and Equestrian Center Facilities, as well as required replacement and upgrades to equipment including the Storage Tanks for Water and the control system to operate the water and sewer system. There is no expectation that funding these projects and operations will affect the tax rate.

Summary of Indebtedness Fiscal Year 2016-2017

GENERAL OBLIGATION/REVENUE BONDS

As of June 30, 2016 the City of Carlin has one Revenue Bond outstanding in the amount of \$53,645. 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	\$35,929	04/01/18

LEASES, MORTGAGES, WARRANTS & SPECIAL ASSESSMENT BONDS

As of June 30, 2015 the City of Carlin has no outstanding leases, mortgages, warrants or special assessment bonds. The City may accrue debt of this type during the 2016 - 2017 fiscal year for police vehicles.

OTHER DEBT

As of June 30, 2016 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	\$149,244	06/20/2034

INFORMATION REGARDING THE CHIEF FINANCIAL OFFICER

The Chief Financial Officer of the City of Carlin is:

David Jones, Carlin 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:
djones@cityofcarlin.com

Report Prepared by:

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

William David Jones
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 12, 2015 regularly scheduled City Council Meeting. A motion to approve the Report and Plan was made by Councilperson Pam Griswold, seconded by Vice Mayor Lincoln Litchfield and passed by the following vote:

AYES: Mayor: Donnetta Skinner

Vice Mayor: Lincoln Litchfield

Councilperson: Jay Duke

Councilperson: Pam Griswold

NAYS: _____

ABSENT: Councilperson: Bob DeMars

City of Carlin

Donnetta Skinner, Mayor

ATTEST:

LaDawn Lawson / City Clerk