Item # 11A

City of Carson City
Agenda Report

Date Submitted: December 7, 2007 **Agenda Date Requested:** December 20, 2007
Time Requested: 5 Minutes

To: Board of Supervisors

From: Linda Ritter, City Manager

Subject Title: Action to approve an Agreement between Carson City and Community Counseling Center for the ratification by Carson City of the payment of a debt owed by Community Counseling Center and Agreement by Community Counseling Center to pay the money to Carson City.

Staff Summary: In August, 2006, officials from Community Counseling approached the City regarding an operating loan that was putting their ability to continue to operate the residential drug and alcohol treatment center at risk. It was agreed that we would propose that the City pay this debt and require full repayment, with interest, from Community Counseling Center in order to insure the continuation of this important service. We have recently discovered that this payment was made prior to entering into a repayment agreement with Community Counseling. This action will ratify the payment and set forth the repayment plan. The repayment will include 5% interest and will be paid at $3,000 per month until it is fully paid in March, 2011.

Type of Action Requested: (check one)
(____) Resolution (____) Ordinance
(_XX_) Formal Action/Motion (____) No Action, Presentation Only

Does This Action Require A Business Impact Statement: (___) Yes (XX) No

Recommended Board Action: I move to approve an Agreement between Carson City and Community Counseling Center for the ratification by Carson City of the payment of a debt owed by Community Counseling Center and Agreement by Community Counseling Center to pay the money to Carson City.

Explanation for Recommended Board Action: This repayment plan fully repays Carson City with interest.

Applicable Statue, Code, Policy, Rule or Regulation: n/a

Fiscal Impact: $105,128 set forth as an Accounts Receivable in FY 2006/2007
A total of $120,762 paid back to Carson City over FY 2007/08, FY 2008/09, FY 2009/10, FY 2010/2011

Explanation of Impact: n/a

Funding Source: n/a

Alternatives: Do not ratify the payment and demand full payment to Carson City immediately.

Supporting Material: Agreement

Prepared By: Linda Ritter, City Manager

Reviewed By: _____ Date: 12/11/07
(Department Head)

_____ Date: _____
(City Manager)

_____ Date: 12-11-07
(District Attorney)

_____ Date: 12-11-07
(Senior Accounting Manager)

Board Action Taken:

Motion: _____ 1) _____ Aye/Nay
2) _____ _____
_____
_____
_____
_____

_____
(Vote Recorded By)

AGREEMENT BETWEEN CARSON CITY, A CONSOLIDATED MUNICIPALITY AND COMMUNITY COUNSELING CENTER, A NEVADA NON-PROFIT CORPORATION FOR THE RATIFICATION BY CARSON CITY OF THE PAYMENT OF A DEBT OWED BY COMMUNITY COUNSELING CENTER AND AGREEMENT BY COMMUNITY COUNSELING CENTER TO PAY THE MONEY TO CARSON CITY.

Whereas, Carson City is a consolidated municipality of the State of Nevada; and

Whereas, Community Counseling Center is a non-profit corporation incorporated under the laws of the State of Nevada; and

Whereas, Community Counseling Center provides detoxification and treatment services to the residents of Carson City; and

Whereas, Community Counseling Center owed a lender $105,128.69 which negatively impacted their ability to provide services; and

Whereas, on October 26, 2006, Carson City paid the lender $105,128.69 in order to extinguish the loan on behalf of the Community Counseling Center.

NOW THERE FORE the parties agree as follows:

Carson City hereby agrees to ratify the payment made on October 26, 2006, to the lender of the loan on behalf of Community Counseling Center in the amount of $105,128.69.

Community Counseling Center hereby agrees that it owes Carson City $105,128.69 and agrees to pay Carson City the principle amount of $105,128.69 plus interest at a rate of 5% per annum, with the interest accruing from the date of October 26, 2006.

Community Counseling Center agrees to pay to Carson City $3,000.00 per month due on the 26th day of each month which includes the interest accrued on the principle amount, beginning on December 26, 2007 and ending on March 26, 2007 according to the attached amortization schedule.

Community Counseling Center agrees that if Community Counseling Center breaches the terms of this Agreement, including without limitation, failing to make a monthly payment required pursuant to this Agreement no more than 15 days after the payment was due, the entire balance of the loan will become due and payable immediately and interest will accrue on the balance of the loan starting on the day of the breach, at the rate established pursuant to Nevada Revised Statute (NRS) 99.040.

Dated this __ day of December, 2007

COMMUNITY COUNSELING CENTER

By: _____
Tom Perkins, President
Community Counseling Center

Dated this ___ day of December, 2007

CARSON CITY, NEVADA

By: _____
Marv Teixeira, Mayor

Compound Period ..: Monthly

Nominal Annual Rate: 5.000 %
Effective Annual Rate: 5.116 %
Periodic Rate .....: 0.4167 %
Daily Rate .....: 0.0137C%

CASH FLOW DATA

	Event	Start Date	Amount	Number	Period	End Date
1	Loan	10/26/2006	105,128.69	1		
2	Payment	12/26/2007	3,000.00	39	Monthly	02/26/2011
3	Payment	03/26/2011	3,762.46	1		

AMORTIZATION SCHEDULE - Normal Amortization

	Date	Payment	Interest	Principal	Balance
Loan	10/26/2006				105,128.69
2006	Totals	0.00	0.00	0.00	
1	12/26/2007	3,000.00	6,301.40	3,301.40-	108,430.09
2007	Totals	3,000.00	6,301.40	3,301.40-	
2	01/26/2008	3,000.00	451.79	2,548.21	105,881.88
3	02/26/2008	3,000.00	441.17	2,558.83	103,323.05
4	03/26/2008	3,000.00	430.51	2,569.49	100,753.56
5	04/26/2008	3,000.00	419.81	2,580.19	98,173.37
6	05/26/2008	3,000.00	409.06	2,590.94	95,582.43
7	06/26/2008	3,000.00	398.26	2,601.74	92,980.69
8	07/26/2008	3,000.00	387.42	2,612.58	90,368.11
9	08/26/2008	3,000.00	376.53	2,623.47	87,744.64
10	09/26/2008	3,000.00	365.60	2,634.40	85,110.24
11	10/26/2008	3,000.00	354.63	2,645.37	82,464.87
12	11/26/2008	3,000.00	343.60	2,656.40	79,808.47
13	12/26/2008	3,000.00	332.54	2,667.46	77,141.01
2008	Totals	36,000.00	4,710.92	31,289.08	
14	01/26/2009	3,000.00	321.42	2,678.58	74,462.43
15	02/26/2009	3,000.00	310.26	2,689.74	71,772.69
16	03/26/2009	3,000.00	299.05	2,700.95	69,071.74
17	04/26/2009	3,000.00	287.80	2,712.20	66,359.54
18	05/26/2009	3,000.00	276.50	2,723.50	63,636.04
19	06/26/2009	3,000.00	265.15	2,734.85	60,901.19
20	07/26/2009	3,000.00	253.75	2,746.25	58,154.94
21	08/26/2009	3,000.00	242.31	2,757.69	55,397.25
22	09/26/2009	3,000.00	230.82	2,769.18	52,628.07
23	10/26/2009	3,000.00	219.28	2,780.72	49,847.35
24	11/26/2009	3,000.00	207.70	2,792.30	47,055.05
25	12/26/2009	3,000.00	196.06	2,803.94	44,251.11
2009	Totals	36,000.00	3,110.10	32,889.90	
26	01/26/2010	3,000.00	184.38	2,815.62	41,435.49

	Date	Payment	Interest	Principal	Balance
27	02/26/2010	3,000.00	172.65	2,827.35	38,608.14
28	03/26/2010	3,000.00	160.87	2,839.13	35,769.01
29	04/26/2010	3,000.00	149.04	2,850.96	32,918.05
30	05/26/2010	3,000.00	137.16	2,862.84	30,055.21
31	06/26/2010	3,000.00	125.23	2,874.77	27,180.44
32	07/26/2010	3,000.00	113.25	2,886.75	24,293.69
33	08/26/2010	3,000.00	101.22	2,898.78	21,394.91
34	09/26/2010	3,000.00	89.15	2,910.85	18,484.06
35	10/26/2010	3,000.00	77.02	2,922.98	15,561.08
36	11/26/2010	3,000.00	64.84	2,935.16	12,625.92
37	12/26/2010	3,000.00	52.61	2,947.39	9,678.53
2010	Totals	36,000.00	1,427.42	34,572.58	
38	01/26/2011	3,000.00	40.33	2,959.67	6,718.86
39	02/26/2011	3,000.00	28.00	2,972.00	3,746.86
40	03/26/2011	3,762.46	15.60	3,746.86	0.00
2011	Totals	9,762.46	83.93	9,678.53	
Grand Totals		120,762.46	15,633.77	105,128.69	