



**STAFF REPORT
ACTION REQUIRED**

**Swansea Town Hall Community Centre Request for
Cash Flow Advance**

Date:	June 4, 2014
To:	Budget Committee
From:	Deputy City Manager and Chief Financial Officer
Wards:	Ward 13 Parkdale-High Park
Reference Number:	P:\2014\Internal Services\Fp\Bc14013Fp (AFS #19818)

SUMMARY

The purpose of this report is to recommend a \$0.027 million cash advance to the Swansea Town Hall Community Centre. As a result of the implementation of full day kindergarten in September 2014, the Swansea Nursery School (a licensed not-for-profit daycare) advised Swansea Town Hall Community Centre on April 30, 2014 of its decision to partially close its operations beginning in May 2014, with full closure expected as of June 30, 2014. This will result in a loss of rental revenue for the Community Centre for the latter half of 2014. Swansea Town Hall Community Centre is requesting a cash advance of \$0.027 million to cover operating expenses for the six-month period as a result of the loss in rental revenue.

RECOMMENDATIONS

The Deputy City Manager and Chief Financial Officer recommends that:

1. City Council approve a cash advance of \$0.027 million to the Swansea Town Hall Community Centre to compensate for the loss in rental revenue arising from the closure of the Swansea Nursery School facility in order to meet its operating obligations.
2. The source to fund the final net deficit for Swansea Town Hall Community Centre be reported as part of the final 2014 year-end Operating Budget Variance report.

Financial Impact

There is no financial impact on the 2014 Approved Operating Budget for the Association of Community Centres arising from the approval of this report.

On January 29 & 30, 2014, City Council approved the 2014 Operating Budget for the Association of Community Centres for \$7.586 million gross and \$7.156 million net. The 2014 Approved Operating Budget for the Swansea Town Hall Community Centre is \$0.508 million gross and \$0.264 million net.

With the closure of the Swansea Nursery School facility and the resulting loss in revenue, a cash advance of \$0.027 million is required by Swansea Town Hall to meet its operating obligations in 2014. The source to fund the final net deficit for Swansea Town Hall Community Centre will be reported as part of the final 2014 year-end Operating Budget Variance report.

ISSUE BACKGROUND

The City of Toronto has 10 Community Centres (Association of Community Centres or AOCCs). On January 29 & 30, 2014, City Council approved a 2014 Operating Budget of \$7.586 million gross and \$7.156 million net for the 10 AOCCs.

The Swansea Town Hall Community Centre is an Association of Community Centres (AOCC) facility that provides meeting space for a diversity of programs and services for seniors, adults, and children with or without caregivers/parents. The building houses a Toronto Public Health Dental Clinic, The Swansea Memorial Library and the Swansea Nursery School (a licensed not-for-profit daycare), the Swansea Senior's Association and the William Small Historical Archives. The 2014 Approved Operating Budget for Swansea Town Hall Community Centre is \$0.508 million gross and \$0.264 million net.

Swansea Nursery School currently provides daycare to preschoolers and kindergarteners. As a result of the implementation of full-day kindergarten in the neighbourhood Swansea Public School, the enrollment to the daycare has been declining. On April 30, 2014, Swansea Nursery School advised Swansea Town Hall Community Centre of its decision to close its operations as of June 30, 2014. The 2014 Approved Operating Budget for Swansea Town Hall Community Centre includes monthly rental revenue of \$4,210 from Swansea Nursery School. Due to the closure of the daycare facility, the Community Centre will incur a loss of \$0.027 million in rental revenue for the latter half of 2014 and will be unable to meet its operating obligations.

COMMENTS

On April 30, 2014, Swansea Town Hall was notified by the Swansea Nursery School of its decision to no longer offer care to preschoolers and kindergartens as of June 30, 2014 which is a result of the implementation of full day kindergarten in September 2014. Due to the loss in rental revenue, the community centre is requesting a \$0.027 million cash advance to cover 2014 payroll and general expenses.

CONTACT

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SIGNATURE

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ATTACHMENTS

Appendix 1 Notice of Closure from Swansea Nursery School