



STAFF REPORT ACTION REQUIRED

Larry Grossman Forest Hill Memorial Arena Request for Cash Flow Advance

Date:	Monday, June 4 th , 2012
To:	City Council
From:	Deputy City Manager and Chief Financial Officer
Wards:	Ward 16 Eglinton-Lawrence
Reference Number:	

SUMMARY

The purpose of this report is to recommend a \$0.140 million cash advance to the Larry Grossman Forest Hill Memorial Arena. This arena will shut down for a 4-month period in 2012 for capital repairs and will be receiving no revenue during this time. It is requesting this cash advance to cover operating expenses, as it will receive no revenues during May, June, July, and August.

RECOMMENDATIONS

The Financial Planning Division recommends to City Council that:

1. City Council approve a cash advance to the Larry Grossman Forest Hill Memorial Arena, repayable by December 31, 2012, in the amount of \$0.140 million to cover operating expenses during arena closure for capital repairs.

Financial Impact

There is no impact on the 2012 Operating Budget for Arena Boards arising from the approval of this recommendation.

ISSUE BACKGROUND

The City of Toronto has eight Board of Management-run arenas. The Larry Grossman Forest Hill Memorial Arena is one of these eight arenas owned by the City and run by a Board appointed by City Council.

COMMENTS

On January 17, 2012, City Council approved the 2012 Operating budget for the Arena Boards of Management for \$6.731 million gross and \$(0.008) million net, including the 2012 Operating Budget for the Larry Grossman Forest Hill Memorial Arena for \$1.037 million gross and \$(0.002) million net. The arena anticipated that the loss of revenue resulting from arena closure from May-August for major renovations would be offset with increased revenue from daytime and small rink ice rentals during the Fall/Winter Ice Season as well as reduced expenditure from reduced utilities and repairs and maintenance expenses. Due to the timing of these offsets, the arena is requesting a \$0.140 million cash advance which will be repaid by December 31, 2012. These funds will be used to cover payroll and general expenses incurred during the arena closure for major renovations.

CONTACT

Judy Skinner, Manager, Financial Planning Division
Tel: 416-397-4219
Email: jskinne1@toronto.ca

SIGNATURE

Cam Weldon, Deputy City Manager and Chief Financial Officer

ATTACHMENTS

Letter of request from Forest Hill Arena