

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TENNESSEE
WESTERN DIVISION

IN RE:

CASE NO. 17-26254-jdl

Premier Kids Enrichment Center, LLC,

Chapter 11

Debtor.

DEBTOR'S MOTION FOR EXPEDITED INTERIM AND FINAL ORDERS
AUTHORIZING THE USE OF CASH COLLATERAL TO CONTINUE
OPERATIONS OF DAYCARE FACILITY

Premier Kids Enrichment Center, LLC in its capacity as debtor and debtor-in-possession, files this Motion for Expedited Interim and Final Orders Authorizing the use of Cash Collateral to continue its operation as a daycare facility and to schedule a Final Hearing, requesting Court approval and authorization for the immediate and interim use of cash collateral pending final hearing and final authority for the use of cash collateral pursuant to 11 U.S.C. § 363 and Rule 4001 (b) and 9014 of the Federal Rules of Bankruptcy Procedure. In support of this Motion, the Debtor respectfully states the following:

1. The debtor operates a five-star daycare facility (hereinafter the "Facility") approved by the state of Tennessee located at 3473 and 3475 Watkins, Memphis, Shelby County, Tennessee 38127 servicing approximately 175 children of various ages providing daycare and after-school care. The debtor requests immediate interim authorization for the use of cash collateral pursuant to Fed. R. Bankr. P. 4001 (b)(2) to allow it to use cash collateral to pay reasonable and necessary operating expenses of the facility.

2. Because the debtor needs to pay for the on-going post-petition operating expenses, the debtor requests that this Motion be considered on an emergency basis, until a final hearing on the debtor's request to use cash collateral is held, the debtor seeks only to use cash collateral on an interim basis to continue the operation of the debtor's business to the extent necessary to avoid immediate and irreparable harm to the debtor, and for the necessity of the children to which the Facility provides services.

3. This Court has jurisdiction over this Chapter 11 case and this Motion pursuant to 28 U.S.C. §§ 157 (b) and 1334, and venue is proper pursuant to 28 U.S.C. § 1408. This Motion constitutes a "core proceeding" as defined by 28 U.S.C. §§ 157 (b)(2)(A) and (M), 11 U.S.C. § 363, AND Fed. R. Bankr. P. 4001 (b), and the Court has the authority to grant the relief requested pursuant to 11 U.S.C. §§ 105, 363, and 1107.

4. On July 18, 2017 the debtor filed its voluntary petition for relief under Chapter 11 of the Bankruptcy Code, and the debtor elected to continue to operate its business and manage its affairs as a debtor-in-possession pursuant to 11 U.S.C. §§ 1107 AND 1108.

5. As of the filing of this Motion, no trustee or examiner has been appointed in this case, and it has elected to proceed as a small business case pursuant to 11 U.S.C. § 101 (51) (C) and (D) and the United States Trustee has not yet appointed any committee of unsecured creditors.

6. The debtor is a Tennessee Limited Liability Corporation whose activities are primarily performing as a daycare facility and aftercare (from school) facility for underprivileged students and children in North Memphis. The majority of the funds which are received by the debtor for tuition are provided from federal funds which are administered by the State of Tennessee.

7. The debtor is not aware of any claim of a security interest in the receivables or the cash on hand of any bank accounts of the debtor.

8. Through this motion the Debtor seeks the authorization of the Court to use cash received, which may be defined as “cash collateral”, as defined by 11 U.S.C. § 363 (a) and pursuant to 11 U.S.C. (c) (2),(3), and (4) and Rule 4001 (b), to pay its normal operating expenses of the business of the debtor, as well as other expenses related to he debtor’s chapter 11 bankruptcy case, including quarterly fees to the United States Trustee and any professional expenses as may be authorized and approved by the Court. An anticipated monthly revenue and expenses of the debtor during the interim period until the final hearing on the motion will be provided to the Court.

9. The debtor seeks an immediate emergency preliminary hearing on the motion to consider entry of the interim order pursuant to Rule 4001(b)(2) approving interim use of cash collateral, and additionally requests that a final hearing be scheduled on the use of cash collateral and that notice procedures in respect of the final hearing be established by this Court to consider entry of a final order granting the motion.

10. To continue operations during the course of this case, the debtor must continue to use and disburse cash collateral in order to operate the facility, requiring the use of cash collateral to pay wages (including tax payments as required by law), maintenance expenses on its facility and buses, utility expenses, insurance premiums, and leases on its equipment used in transporting the children to and from school. If authorized to use the cash collateral, the debtor will be able to preserve and enhance the value of the debtor’s business.

11. Without the use of cash collateral, the debtor would have no option other than to shut down its operation, causing irreparable harm to its customers and diminishing the value of the

business as a going concern.

Wherefore, premises considered, your debtor prays:

(1) That the Court conduct an expedited preliminary hearing pursuant to Fed. R. Bankr. P 4001 (b)(2) on the motion to use cash collateral and set a final hearing on the motion not earlier than fourteen (14) days after service of such motion and to authorize the use of cash collateral to the extent necessary to avoid immediate and irreparable harm to the bankruptcy estate pending a final order;

(2) That the Court approve and Interim Order authorizing the use of cash collateral pending a final hearing on the motion;

(3) That the Court grant to the debtor such other relief as the Court deems proper.

Respectfully submitted,

/s/ Joseph E. Garrett

JOSEPH E. GARRETT BPR # 13249

Attorney for Debtors

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been served upon the parties below by United States mail, first-class, postage prepaid or by electronic transmission, as indicated by electronic filing, this 3rd day of August, 2017:

Carrie Rohrscheib, Asst. US Trustee

All parties requesting notice

List of 20 largest unsecured creditors pursuant to 1107(d)

August 2, 2017

/s/ Joseph E. Garrett