

# FREEMAN STATION

DELEGATION

JOSEPH A. GAETAN BGS

MAY 13,2024

# Freeman Station Pro-forma Financials

## **Freeman Option 1: Freeman Station at 942 Brant St**

1(A) Convert Station into a Community facility

1(B) Convert Freeman Station into a Museum

## **Freeman Option 2: Move Freeman Station to City owned lands**

Option 2 (A) Move Station to Ireland House, 2168 Guelph Line

Option 2 (B) Move Station to a City Park

## **Freeman Costs Per FOFS Information**

## **CRA Charitable Organization Filing Information**

# 1(A) Convert Station into a Community facility

Initial Capital Investment					<u>\$250,000</u>			
Operating Cost per option					<u>\$30,000</u>			
					-			
Staff Resources Cost Estimates		Note 1	Note 2		-			
Staff	hrs/wk	hrly rate	weeks/yr					
2 Weekend PT positions	12	17.20	50		\$10,320			
2 PT Educators	12	17.20	50		\$10,320			
1 PT Maintenance	8	17.20	50		\$6,880			
			Total Cost		<u>\$27,520</u>			
Note1: Wage Assumption Based on Ontario minium wage of \$17.20 per/hr and no fringe benefits as of Oct, 1, 2024								
Note 2: Hrs/week based on Joseph Brant Museum operating hours								

# 1(B) Convert Freeman Station into a Museum

Initial Capital Investment to Convert Station into a Museum				<u>\$1,250,000</u>	Note 3		
Operating Cost per option				<u>\$30,000</u>			
Staff Resources Cost Estimates		Note 1	Note 2				
Staff	hrs/wk	hrly rate	weeks/yr				
2 Weekend PT positions	12	\$17.20	50	\$10,320			
2 PT Educators	12	\$17.20	50	\$10,320			
1 PT Maintenance	8	\$17.20	50	\$6,880			
			Total Cost	<u>\$27,520</u>			
Note1: Wage Assumption Based on Ontario minium wage of \$17.20 per/hr and no fringe benefits as of Oct, 1, 2024							
Note 2: Hrs/week based on Joseph Brant Museum operating hours							
Note 3: Range as provided in RCC-09-24 was \$1 to \$1.5 million							

## Option 2 (A) Move to Ireland House, 2168 Guelph Line

Total Investment to Relocate Station to a City Park Ireland House				<u>\$2,000,000</u>	Note 3		
Operating Cost per option				<u>\$30,000</u>			
Staff Resources Cost Estimates			Note 1	Note 2			
Staff	hrs/wk	hrly rate	weeks/yr				
2 Weekend PT positions	12	\$17.20	50	\$10,320			
2 PT Educators	12	\$17.20	50	\$10,320			
1 PT Maintenance	8	\$17.20	50	\$6,880			
				Total Cost	<u>\$27,520</u>		
Note1: Wage Assumption Based on Ontario minuum wage of \$17.20 per/hr and no fringe benefits as of Oct, 1, 2024							
Note 2: Hrs/week based on Joseph Brant Museum operating hours							
Note 3: No Range was provided in RCC-09-24							

# Option 2 (B) Move Station to a City Park

Initial Capital Investment to Relocate Station to Ireland House					<u>\$3,250,000</u>	Note 3		
Operating Cost per option					<u>\$30,000</u>			
Staff Resources Cost Estimates		Note 1	Note 2					
Staff	hrs/wk	hrly rate	weeks/yr					
2 Weekend PT positions	12	\$17.20	50		\$10,320			
2 PT Educators	12	\$17.20	50		\$10,320			
1 PT Maintenance	8	\$17.20	50		\$6,880			
			Total Cost		<u>\$27,520</u>			
Note1: Wage Assumption Based on Ontario minuum wage of \$17.20 per/hr and no fringe benefits as of Oct, 1, 2024								
Note 2: Hrs/week based on Joseph Brant Museum operating hours								
Note 3: Range as provided in RCC-09-24 was \$3 to \$3.5 million								

# Freeman Costs Per FOFS Information

	Annual Approximate Operating Costs to Maintain the Station				\$18,000	Note 1		
	Annual Income				\$10,000	Note 1		
				Loss per yr	<u>\$8,000</u>	Note 2		
	Note 1: These costs are as stated in a letter to members dated March 23, 2023							
	Note 2: The annual loss was calculated per info contained in a letter to members dated March 23, 2023							
	As FOFS volunteers currently operate the station no wages are required							

# Analysis

Freeman Station is a charitable organization currently experiencing an operating loss.

FOFS have converted a dilapidated train station into a valuable asset.

The options presented in RCC-090-24 require significant injections of capital.

The options presented in RCC-090-24 will require the hiring of paid PT staff.

The 4 staff options require operating costs of appx \$30,000 per-annum over and above that of the current operating model.

Significant capital will be required to move the assets.



# Can a Railway Charity Succeed?

Proxy information and data is often used in studies and by COB to enlighten and inform

The Ontario Electric Railway Historical Association is a charitable organization

Registered Jan,1, 1967

Location 13629 Guelph Line Milton.

## CRA CHARITABLE ORGANIZATION FILING INFORMATION

		OERHA		FOFS
	<b>ASSETS</b>			
4100	Cash	\$1,173,870.00		
4120	Amts Receivable	\$177,498.00		
4155	Land and Buildings	\$1,843,555.00		
4170	Other Assets	\$22,039.00		
4200	Total Assets	<b>\$5,480,443.00</b>		<b>\$105,603.00</b>
		-		-
	<b>LIABILITES</b>			
4350	Total Liabilities	<b>\$110,295.00</b>		<b>\$27,284.00</b>
	<b>REVENUE</b>			
4500	TTL eligible amt of gift w receipt	\$258,045.00		\$14,745.00
4530	TTL eligible amt of gift w/o receipt	\$0.00		\$986.00
4640	TTL Revenue sale of goods services	\$294,030.00		\$2,772.00
4650	Other Revenue not included in 4640	\$0.00		\$6,970.00
4700	Total Revenue	<b>\$774,345.00</b>		<b>\$25,473.00</b>
	<b>EXPENDITURES</b>			
4800	Advertising and Promotion	\$5,526.00		\$0.00
4810	Travel & Vehicle Exp	\$88,094.00		\$0.00
4820	Interest and Bank Charges	\$9,015.00		\$0.00
4830	Licenses, dues, memberships	\$2,200.00		\$0.00
4840	Office Supplies	\$22,841.00		\$0.00
4850	Occupancy Costs	\$42,051.00		\$0.00
4860	Professional and Consulting	\$5,950.00		\$0.00
4880	Total Exp on Compensation	\$23,439.00		\$0.00
4900	Amortization of capital assets	\$287,502.00		\$0.00
4920	All other expenditures not in above	\$209,595.00		\$26,375.00
5100	TTL expenditures before gifts	<b>\$696,213.00</b>		<b>\$26,375.00</b>

## Suggestions to Council

- 1 Delay the wrap-up of FOFS pending further analysis.
- 2 Delay the vote on this matter pending further analysis.
- 3 Given the amount of financial assistance required to close the gap, continue to fund the gap pending further analysis.
- 4 As OERHA have a substantive track record, consider having them assume the marketing and operation of the Station with COB retaining ownership of the assets.

# Many Thanks to:

The current and former members of FOFS  
Bob Jarvis Insulation  
Clegg Glass  
M.M. Robinson Secondary School  
Teachers of Ontario; Halton Chapter  
PGM Rail Services  
Ontario Trillium Foundation

To name a few, and I am sure there were more, but due to time constraints I was not able to identify.