OPERATING AND FINANCIAL ACTIVITIES
FISCAL YEAR ENDING DECEMBER 31, 2008

Use of Funds Generated by the Sale of a Portion of the Train-Station Building

Train-station sales revenue	1 150 000
Reserve for mortgage reimbursement - train station	(345 000)
Financial surplus available after sale	805 000
Non-budgeted exceptional expenses to be deducted from accumulated surplus:	
Snow-removal operations deficit	(226 000)
	579 000
Retirement program for 6 policemen not exptected in 2008 but generating long-term savings totalling $720,000 for the city	(300 000)
Surplus generated by the sale of the train station	279 000
Other 2008 Allocations	
Capital assets and other investments	(62 000)
Cost savings - retirement plan	279 000
Net surplus for 2008	**496 000**

Hypothetical consequences of no sales transaction of the train station:

* The City would not have had to reimburse the remaining mortgage on the train station (345 000$);

* The City would not have been able to offer the policemen an early retirement plan, at a cost of $300,000 even if, in the long run, this generates savings of $720,000 for the City;

* The City would not have bought $62,000 worth of capital assets ;

* The City would have had to face a $226,000 cost over-run for snow removal caused by an exceptional winter, and would have had to use part of the 2008 revenue surplus to absorb this cost over-run; this would have resulted in a $53,000 surplus.