

**Schedule of Proposed Fund Balance Adjustments
6/30/2012**

| | | Fund Balance |
|---|-----------------------|---------------------|
| Preliminary FY12 Surplus | | \$ 4,072,752 |
| Required Adjustments "A": | | |
| Accrued Salary-GAAP entry for 1st payroll in FY13 for time worked the last 2 weeks of June 2012. \$350k was booked in FY11 per auditors, total payroll \$1.2M | | |
| | \$ (850,000) | \$ 3,222,752 |
| Reserve for Tax overpayments | \$ (575,000) | \$ 2,647,752 |
| Fire Dept Pension | \$ (35,000) | \$ 2,612,752 |
| Open Contract Reserve | \$ (761,000) | \$ 1,851,752 |
| Total Adjustments "A" | \$ (2,221,000) | |
| Adjusted FY12 Surplus "A" | | \$ 1,851,752 |

| | | |
|---|---------------------|---------------------|
| Adjustments "B": | | |
| State of CT Commerce Drive Invoice Accrual (1998 activity paid \$40K) | | |
| | \$ (29,991) | \$ 1,821,762 |
| Sewer Assessment Revenue Reversal- Fund 121 negative \$200k | | |
| | \$ (70,000) | \$ 1,751,762 |
| Housing Authority- Reserve for receivable for Payroll. \$100k received in August 2011 | | |
| | \$ (65,000) | \$ 1,686,762 |
| Total Adjustments "B" | \$ (164,991) | |
| Adjusted FY12 Surplus "A" and "B" | | \$ 1,686,762 |

Adjustments:
"A": Required by Auditor
"B": Not required by Auditor due to materiality

| | | |
|--------------------------------|--------------|--|
| INTERNAL SERVICE FUND | | |
| Worker's Comp Reserve Increase | \$ (900,000) | |