

5-18-88

APCO
BOARD OF OFFICERS MEETING
Sunday, May 1, 1988
Asheville, North Carolina
9 a.m.

AGENDA

1. Select Committee Report

Review items to identify those which have/have not been addressed by the Board of Officers.
2. National Office Staffing

Progress toward filling new positions.
3. Consultants for Management Study, Deputy Director's Position

Progress Report
4. APCO Employees' Handbook; AFC Policy Manual Updates
5. Short-term (one year) APCO Business Plan (due by August)
6. Long-term (five year) APCO Business Plan (due by first 1989 Executive Committee meeting.)
7. Budget proposals for period October 1, 1988 through September 30, 1989.
8. APCO Subsidiaries
 - a. Board Meetings
 - b. Goals
 - c. Budget
9. Frequency Coordination
 - a. Automation
 - b. Negotiations
10. Real Estate
11. Resolutions to Date
12. Other Business
13. Agenda for Little Rock Board Meeting

Board of Officers Meeting
Asheville, N.C.
May 1, 1988

Controller's Report

AGENDA FOR DISCUSSION

- I. Responsibilities of Controller
- II. Status of Solomon/Accounting Implementation
- III. Balance Sheet-Recommended Changes
- IV. Accounts Receivable-Delinquent Accounts Collection
- V. Status of Bookkeeper Position.

Other Attachments:

Income/Expense Report as of 4/29/88

Balance Sheet (Adjusting entries for 2nd period have not been performed for Deferred Income, Accrued Expenses & Depreciation)

Balance Sheet Summary

RESPONSIBILITIES DEFINED
POSITION OF
CONTROLLER

Position reports to the Board of Officers on all financial matters and supports National Office accounting functions.

RESPONSIBILITIES

1. Serve as Chief Finance Officer of APCO.
2. Provide recommendations to the Board of Officers on the control and investment of APCO funds to insure integrity of cash management.
3. Administer an effective system of internal controls to provide integrity of accounting and safeguards of APCO funds.
4. Assist in the APCO budgeting process as specified in the APCO policy manual.
5. Provide a tracking of income and expense to budget on a monthly basis for Board of Officers and Executive Director.
6. Provide monthly Balance Sheets to the Board of Officers and Executive Director for analysis and information.
7. Receive and pay bills incurred by APCO (verify authenticity prior to payment).
8. Monitor travel and other expenses incurred by Board of officers and APCO employees.
9. Administer the policy as it relates to collection of delinquent accounts to provide maximum cash flow.
10. Interface with collection agencies/attorneys in the handling of delinquent accounts to produce effective collection results.
11. Hire and supervise such personnel as may be approved for the APCO Office of Controller.
12. Serve as liason between APCO employees and the Health/Hospital Insurance providers.
13. Maintain accurate records of employee payroll data and verify accrued/used vacation and sick leave.
14. Pay employees at levels approved by the APCO Executive Committee.

15. Assist in APCO's procurement activities, obtaining competitive quotations as warranted.
16. Maintain files on all APCO contracts.
17. Maintain current inventory of APCO's fixed assets.
18. Provide support to all departments in the areas of finance and accounting as requested by them.
19. Make records available on request for audit by a CPA firm designated by the Board of Officers.

STATUS REPORT
SOLOMON III/ACCOUNTING
IMPLEMENTATION

| ACTION | Date To Be Implemented | Date Completed |
|--|---------------------------|-------------------|
| 1. Approve Chart of Accounts for Solomon III | | 3/17/88 |
| 2. Load chart of accounts into Solomon | 3/18/88 | 3/21/88 |
| 3. Test General Ledger input for accuracy of Chart of Accounts in Solomon III | 3/23/88 | 3/25/88 |
| 4. Update bank signature cards to include JLW | 3/31/88 | 3/30/88 |
| 5. Prepare and input journals for 1st period balance sheet submitted by Kelly's CPA firm. Load initial data. | 4/1/88 | 4/1/88 |
| 6. Define report descriptions for GL Income/Expense Statement Reports | 4/1/88 | 4/1/88 |
| 7. Transfer Sun Bank checking account funds (Conference Funds) to short-term interest bearing certificate | 4/1/88 | 3/31/88 |
| 8. Define Account coding Jan-Mar expense transactions for journal transactions | 4/1/88 | 4/8/88 |
| 9. Prepare and input Jan-Mar Income/Expense transactions to GL | 4/8/88 | 4/8/88 |
| 10. Input daily transactions for Income/Expense effective with April 1 transactions into Solomon | 4/1/88 | 4/11/88 |
| 11. Eliminate the Daily Cash spread sheet for xerox to various other depts.-- utilize applications/paid invoices, etc. | 4/1/88 | 4/11/88 |
| 12. Set up meeting at Kelly's CPA to review balance sheet Assets and Liabilities defined in 1st period report | 4/18/88 | <u>4/20/88</u> |
| 13. Define Balance Sheet report description in Solomon | 4/18/88 | <u>4/27/88</u> |

STATUS REPORT
SOLOMON III/ACCOUNTING
IMPLEMENTATION

| ACTION | Date To Be Implemented | Date Completed |
|--|------------------------|--|
| 14. Make necessary journals for Assets/Liabilities for 2nd period in accordance with 9, above. | 4/28/88 | _____ |
| 15. Print balance sheet 2nd period | 4/29/88 | _____ |
| 16. Close South East Bank checking account (Operating) in downtown New Smyrna and move to Barnett Bank for convenience | 4/29/88 | _____ |
| 17. Advertise in Classified for position of Staff Accountant | 4/6/88 | 4/6/88 |
| 18. Interview applicants for position of accountant to fill by 5/1/88 | 4/29/88 | <u>4/28/88</u> |
| 19. Test invoicing and accounts receivable transactions through Solomon for Publications/Advertising Dept. | 4/15/88 | <u>Partially completed.</u> |
| 20. Order invoicing forms/envelopes for mailing bills | 4/22/88 | <u>4/29/88</u> <u>SAMPLES ORDERED</u> |
| 21. Complete Program requirements for Frequency Coordination requests data forms for compatibility to Solomon's invoicing/AR's | 4/22/88 | _____ |
| 23. Transfer invoicing for Pubs/Adv to Solomon modules | 5/2/88 | _____ |
| 24. Complete the F.C. transfer (disc to disc) invoicing to Solomon III | 5/2/88 | _____ |
| 25. Define budget data and enter via maintenance forms to track variances budget vs actual | 6/1/88 | _____ |
| 26. Complete payroll data maintenance forms--enter into Solomon P/R module. | 7/1/88 | _____ |
| 27. Complete Accounts payable data maintenance forms--Enter into Solomon A/P module | 8/1/88 | _____ |

INTERNAL CONTROLS ESTABLISHED

Accounts Payable

1. Log all invoices payable
2. Check "authorized/approved" on invoices by dept. head
3. Account codes to appropriate department expense category before checks are prepared.

Blank Checks

1. Storage in locked cabinet

Authorized Check Signers

1. Policy that authorized signers do not sign their own checks.

ITEMS FOR DISCUSSION ON BALANCE SHEET

I. Liabilities

1. Policy on Accounts Payable charged to expense each period--ending to be reversed the following period--Entries offsetting the previous period.

Recommendation--No liabilities be set-up until 4th period is finalized for year-end reports.

2. Policy on deferred revenues--present methodology is that revenue for month is divided by 12 and spread for 12 months and debited to deferred revenues, journal amounts to income account for month under report. Entries become offsetting in the G/L as deferred income is journalled to current income and current revenues journalled to deferred income.

Recommendation--Practice to be discontinued except for membership which should be adjusted for income at year end close-out.

3. Policy on Chapter Due/Membership Dues payable set-up as liability each period.

Recommendation--same as policy on accounts payable.

II. ASSETS

1. Policy on prepaid insurance. Accountant scheduled \$700.00 for reporting as expense of 12 month period then failed to journal to expense.

Recommendation--Discontinue

2. Policy on Employee benefits--accrued quarterly by accountant

Recommendation--accrue monthly

III. BALANCE SHEET

--Examination of the balance sheet denoted some discrepancies

1. Returned checks from fiscal period 1986 that had been cleared (no file in office) but remained in asset account.

2. Travel advances amounting to \$800.00 had been repaid in 1986 but had not been cleared from balance sheet.

3. Under investigation with the CPA firm is 1987 Conference balance (asset) for \$27,049.90 It appears that amounts were charged to expense but not credited to Conference and would eventually affect the Fund Balance.

4. Also under investigation is Deposits--\$3,679.34 and could be same problem as (3) above.

ACCOUNTS RECEIVABLE

3/31/88--A/R balance \$235,898.00 representing 39.35% of total assets.

AGING

| | <u>AMOUNT</u> | <u>% of TOTAL</u> |
|-------------|---------------|-------------------|
| Current | \$ 778,787 | 33.49% |
| 31-60days | 29,186 | 12.37 |
| 61-90 | 41,092 | 17.42 |
| 91-120 | 5,483 | 2.32 |
| over 120 | 52,496 | 22.25 |
| over 1 yr. | 14,425* | 6.11 |
| colln. agcy | 14,250 | 6.04 |
| | | <u>100.00%</u> |

* Includes bankruptcy for Mohawk Advertising \$6,222.00 from 1985 being submitted for write-off. (Unable to locate file in office.)

Efforts made toward the collection of Past-due Accounts

1. 180 2nd notice invoices were mailed by Frequency Coordination on April 15 for accounts over 90 days old.
2. Frequency Coordination is dunning two large accounts in Maryland and Arizona representing over \$20,000. Payment has been promised.
3. Publications made telephone contacts on accounts over 1 year, recommendation that 2 be turned over to C/A, 3 be cancelled and duplicate invoices be mailed to 4 who promised to pay.

Recommendation: A systematic approach of collections be done by accounting and more specifically by the new bookkeeper, relieving the other departments of the responsibility. In the Frequency Coordination Department, assistance could be utilized by their billing clerk until the billing is settled in accounting. The telephone operator has been approved for use by Mr. Buttgen to assist with customer contact.

SUMMARY: A concentrated effort of collections will reduce receivables and increase cash flow.

PROPOSED PLAN FOR COLLECTION OF DELINQUENT ACCOUNTS

ADMINISTERED BY CONTROLLER AND RESULTS MONITORED FOR INFORMATION AND ANALYSIS BY BOARD OF OFFICERS AND EXECUTIVE DIRECTOR

Proposed Task Force:

Task Coordinator--Frank Haas
Assistant Lois Byrnside
Assistant Dru Synal (F.C. Accounts)

REQUIREMENTS--

Each employee would devote 2-4 hours each day to calling & investigating unpaid bills.

Contacts would be directed to the largest balances and oldest aged items called first until everything over 60 days had been contacted.

Accounts in the 30-60 days category would have invoices mailed--stamped that the account is past due & followed up by a telephone call.

A customer collections record would be maintained for each customer recording results of contact. Follow-up action would be determined from these records.

RECORDS--

The results of each days calls would be recorded--number of calls attempted, number of contacts made.

GENERAL--

Determination if accounts are to be turned over to a collection agency will be made after contacts with customer.

Write-off of any accounts considered as bad-debts will be submitted to the Executive Director by the Controller for approval.

Standard forms will be designed and information logged following each call.

Records of daily attempts, contacts, and payments received as a result of Task effort will be made by the Controller.

Results would be finalized and submitted to the Executive Director at the end of each week.

BOOKKEEPER POSITION--

Hired Lana J. Schild
Starting May 9, 1988
Salary \$14,000.00

Beverly will be released.

Responsibilities of new bookkeeper:

1. Prepare daily cash transactions, balance reports.
2. Make bank deposits
3. Enter computer transactions.
4. Prepare weekly payroll checks & reports
5. Prepare and mail disbursement checks for bills.
6. Reconcile monthly bank statements
7. Dunning calls on past-due accounts
8. Monitor and procure office supplies, etc.

LWC
9458

629 Goodwin Avenue
New Smyrna Beach, FL 32069
(904) 423-2278

To Whom It May Concern:

In response to your recent advertisement for employment, enclosed please find a copy of my personal resume for your review.

I am currently seeking permanent full-time employment.

I would be pleased to meet with you for an interview at your convenience. Please feel free to contact me at the number listed above so that we may arrange a convenient appointment time.

Thank you for your consideration. I look forward to hearing from you.

Sincerely,

Lana J. Schild

Lana J. Schild

LANA J. SCHILD
629 Goodwin Avenue
New Smyrna Beach, Florida 32069
(904) 423-2278

EXPERIENCE

- 8/86-10/87 Office Manager/Bookkeeper, DiVal Safety Equipment, Inc., Buffalo, New York. Responsibilities included personnel hiring, collections, accounts payable, accounts receivable, payroll, quarterly tax reports, office purchasing, coordinate billing department, monthly financial reports.
- 12/83-7/86 Secretary/Bookkeeper, Solar-Shields Co., Depew, New York. Duties consisted of accounts payable, accounts receivable, payroll, billing, all tax reports, banking, general ledger, trial balance, appointment scheduling and typing.
- 12/80-7/83 Bookkeeper/Administrative Assistant, Burke Realty & Construction Co., Orchard Park, New York. Assisted President in management of office buildings, properties, and numerous apartment units. Directly supervised three office personnel. Implemented computerized system. Responsible for all accounting functions including payroll taxes, sales and corporate taxes.
- 1/76-7/80 Executive Secretary/Bookkeeper, Bison Manufacturing Corp., Buffalo, New York. Executive Secretary to President. Handled accounts receivable, bank deposits and monthly reports to Corporate Office. Coordinated executive travel. Typed all correspondence as well as financial reports.

EDUCATION

Erie Community College
Bryant & Stratton Institute
Various courses in Accounting and Business Math
Two computer courses; including COBOL programming
The Bert Rodgers School of Real Estate

REFERENCES

Will be furnished upon request

Date 04/29/88
07-87-0087

AFCO, INC
Balance Sheet - Summary
As of 04/29/88

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ASSETS

CURRENT ASSETS

| | | |
|-----------------------------------|----|------------|
| Total Cash | \$ | 5,150.00 |
| Total Cash in Banks | | 73,860.89 |
| Total Investments | | 144,000.00 |
| Total Receivables | | 214,651.51 |
| Total Inventory & Prepaid Expense | | 14,473.78 |

TOTAL CURRENT ASSETS \$ 452,136.18

TOTAL LAND/BUILDING/EQUIPMENT \$ 160,944.32

TOTAL OTHER ASSETS 3,679.34

TOTAL ASSETS \$ 616,759.84

LIABILITIES

CURRENT LIABILITIES

| | | |
|------------------------------|----|------------|
| Total Accrued Exp & Payables | \$ | 49,338.79 |
| Total Deferred Revenues | | 213,553.67 |
| Total Long Term Debt | | 24,944.12 |

TOTAL LIABILITIES \$ 287,836.58

TOTAL FUND BALANCES \$ 328,923.26

TOTAL LIABILITIES & FUND BALANCES \$ 616,759.84

ASSETS

CURRENT ASSETS

| | | | |
|--------------------------------|----|------------|--|
| Petty Cash | \$ | 150.00 | |
| 1988 Conference Fund | | 5,000.00 | |
| SouthEast Bank - Operating | | 2,227.30 | |
| Sun Bank | | 12,006.76 | |
| Empire Federal | | 32,476.93 | |
| Barnett Bank | | 100.00 | |
| Equitable Bank - 1987 Conf | | 27,049.90 | |
| CD-Empire Bank 206-2002743-1 | | 125,000.00 | |
| SVGS-Empire Bank 206-2002743-3 | | 19,000.00 | |

TOTAL CASH = 223,010.

| | | | |
|----------------------------|----|-----------|--|
| A/R General Publications | \$ | 18,301.39 | |
| A/R Bulletin Advertising | | 72,257.97 | |
| A/R Frequency Coordination | | 72,594.15 | |
| A/R 1987 Booths | | 265.00 | |
| A/R 1988 Booths | | 30,600.00 | |
| A/R Directory | | 2,973.00 | |
| A/R APCO Institute | | 17,930.00 | |
| Unapplied Bill Collections | | (270.00) | |

TOTAL RECEIVABLES = 214,651.

Inventory - Manuals, Labels = 14,473.76

TOTAL INVENTORY & PREPAID EXPENSE = 14,473.

TOTAL CURRENT ASSETS = 452,136.

FIXED ASSETS

| | | | |
|------------------------------|----|-------------|--|
| Equipment | \$ | 50,130.55 | |
| Accum-Deprec-Equipment | | (23,072.84) | |
| Computers | | 35,849.83 | |
| Accum-Deprec-Computers | | (11,660.35) | |
| FEMA Computers | | 3,551.67 | |
| Accum-Deprec-FEMA Computers | | (887.89) | |
| Freq Coord Equipment | | 89,344.06 | |
| Accum-Deprec-Freq Coord Eqpt | | (21,807.56) | |
| Freq Coord Software | | 50,150.00 | |
| Accum-Deprec-Freq Coord S/W | | (16,716.66) | |

TOTAL FIXED ASSETS = 154,880.

OTHER ASSETS

| | | | |
|--------------------------------|----|------------|--|
| Leasehold Improvements | \$ | 15,084.58 | |
| Accum-Deprec-Leasehold Imprvmt | | (9,021.07) | |
| Deposits | | 3,679.34 | |

| | | | |
|--------------------|--|----|------------|
| TOTAL OTHER ASSETS | | \$ | 9,742.00 |
| TOTAL ASSETS | | \$ | 616,759.10 |

LIABILITIES

| | | | |
|---------------------------------|----|-------------|--|
| CURRENT LIABILITIES | | | |
| Accounts Payable | \$ | 7,216.84 | |
| Payroll Tax Payments | | (41,430.33) | |
| Social Security Withheld | | 10,671.45 | |
| FIT Withheld | | 19,684.00 | |
| Social Security Emplr Portion | | 11,074.88 | |
| Accrued Employee Benefits | | 13,466.95 | |
| Chapter Dues Payable | | 5,863.00 | |
| Freq Coord Commissions Payable | | 22,792.00 | |
| Deferred 1988 Conf Booth Rev | | 99,029.50 | |
| Deferred Dues Revenue | | 101,416.30 | |
| Deferred Subscript Rev-Bulletin | | 2,353.87 | |
| Deferred Subscript Rev-Apco Rpt | | 6,904.00 | |
| Deferred Freq Coord Revenue | | 3,850.00 | |

| | | | |
|---------------------------|--|----|------------|
| TOTAL CURRENT LIABILITIES | | \$ | 262,892.00 |
|---------------------------|--|----|------------|

LONG TERM DEBT

| | | | |
|--------------------------------|----|------------|--|
| Lease Payable - HBE | \$ | 20,559.77 | |
| Lease Payable - Eqpt Lease Co | | 9,092.16 | |
| Deferred Interest-EqptLease Co | | (4,707.81) | |

| | | | |
|----------------------|--|----|-----------|
| TOTAL LONG TERM DEBT | | \$ | 24,944.12 |
|----------------------|--|----|-----------|

FUND BALANCES

| | | | |
|---------------------|----|------------|--|
| Fund Balances | \$ | 189,347.50 | |
| Year to Date Income | | 139,575.76 | |

| | | | |
|---------------------|--|----|------------|
| TOTAL FUND BALANCES | | \$ | 328,923.26 |
|---------------------|--|----|------------|

| | | | |
|-------------------|--|----|------------|
| TOTAL LIABILITIES | | \$ | 616,759.10 |
|-------------------|--|----|------------|

APCO, INC
CONSOLIDATED INCOME STATEMENT
For the Period 04/01/88 Through 04/29/88

| | Current Period | % | Year- To-Date | % |
|--|----------------------|----------------|-----------------------|---------------|
| INCOME | | | | |
| Membership Dues | \$ 21,593.00 | 14.28 | \$ 167,479.44 | 16.00 |
| Bulletin Advertising | 44,714.32 | 29.57 | 159,120.01 | 15.20 |
| Bulletin Subscription | 85.00 | 0.06 | 2,928.51 | 0.28 |
| APCO Reports Subscriptions | 330.00 | 0.22 | 3,461.00 | 0.33 |
| Frequency Coordination Fees | 68,240.00 | 45.13 | 488,089.27 | 46.62 |
| Directory Ads | 200.00 | 0.13 | 200.00 | 0.02 |
| Conference Booths | 3,800.00 | 2.51 | 158,820.50 | 15.17 |
| Conference Regist/Day Passes | 6,185.00 | 4.09 | 8,888.00 | 0.85 |
| Contract Revenue | 0.00 | 0.00 | 12,600.87 | 1.20 |
| Telecommunicator Trng Course | 9,145.00 | 6.05 | 55,760.00 | 5.33 |
| Telecom Student Manuals | 1,950.00 | 1.29 | 6,475.00 | 0.62 |
| Telecom Certificates | 160.00 | 0.11 | 240.00 | 0.02 |
| APCO IS-Mailing labels, Disks, Products | 7,863.93 (18.00) | 5.20 (0.01) | 31,974.88 1,054.30 | 3.05 0.10 |
| SOP Manuals | 969.50 | 0.64 | 6,598.44 | 0.63 |
| Technician Certificates | 30.00 | 0.02 | 610.75 | 0.06 |
| Technician Tests | 0.00 | 0.00 | 126.00 | 0.01 |
| Technician Study Guides | 0.00 | 0.00 | 20.00 | 0.00 |
| Travel Dividends | 41.88 | 0.03 | 335.82 | 0.03 |
| Interest | 724.18 | 0.48 | 3,286.10 | 0.31 |
| Miscellaneous Charges/Income | 478.72 | 0.32 | 2,986.71 | 0.29 |
| Freq Coord Refunds | (4,665.00) | (3.09) | (13,047.00) | (1.25) |
| Conference Refunds | (3,600.00) | (2.38) | (3,600.00) | (0.34) |
| Teltrain Refunds | (765.00) | (0.51) | (765.00) | (0.07) |
| Publications Refunds | (542.50) | (0.36) | (1,580.84) | (0.15) |
| APCO Inst Refunds | (29.75) | (0.02) | (279.75) | (0.03) |
| Chapter Portion | (5,630.00) | (3.72) | (24,250.00) | (2.32) |
| Disc & Allow -Bulletin&Reports | (31.11) | (0.02) | (5,365.06) | (0.51) |
| Disc & Allow -Freq Coord | 0.00 | 0.00 | (2,849.00) | (0.27) |
| Disc & Allow -Conference | 0.00 | 0.00 | (9,200.00) | (0.88) |
| Disc & Allow -Publications | 71.50 | 0.05 | (145.23) | (0.01) |
| Disc & Allow -APCO Inst | (91.75) | (0.06) | (2,924.90) | (0.28) |
| TOTAL INCOME | \$ 151,208.92 | 100.00 | \$1,047,048.82 | 100.00 |
| OPERATING EXPENSES | | | | |
| Salaries & Benefits | \$ 44,478.99 | 28.23 | \$ 245,835.79 | 26.97 |
| Temporary Help | 20.00 | 0.01 | 242.00 | 0.03 |
| Health Insurance | 2,688.71 | 1.71 | 13,834.05 | 1.52 |
| Payroll Taxes | 3,514.39 | 2.23 | 17,609.07 | 1.93 |
| TOTAL SALARY RELATED EXPENSES | \$ 50,702.09 | 32.17 | \$ 277,520.91 | 30.44 |
| CONFERENCE EXPENSES | \$ 0.00 | 0.00 | \$ 2,309.53 | 0.26 |
| FREQUENCY COORDINATION EXPENSES | 31,139.00 | 19.76 | 215,229.00 | 23.61 |
| GENERAL EXPENSES | | | | |
| Products - APCO | 0.00 | 0.00 | 374.10 | 0.04 |

APCO, INC
Income Statement-Freq Coordination
For the Period 04/01/88 Through 04/29/88

| | Current Period | % | Year- To-Date | % |
|--|-----------------------|----------------|-----------------------|---------------|
| INCOME | | | | |
| Frequency Coordination Fees | \$ 68,240.00 | 107.34 | \$ 488,089.27 | 103.37 |
| Freq Coord Refunds | (4,665.00) | (7.34) | (13,047.00) | (2.76) |
| Disc & Allow -Freq Coord | 0.00 | 0.00 | (2,849.00) | (0.60) |
| TOTAL INCOME | \$ 63,575.00 | 100.00 | \$ 472,193.27 | 100.00 |
| OPERATING EXPENSES | | | | |
| Salaries & Benefits | \$ 22,291.82 | 28.57 | \$ 119,608.91 | 23.45 |
| Health Insurance | 1,964.08 | 2.52 | 8,844.23 | 1.73 |
| Payroll Taxes | 1,671.44 | 2.14 | 8,518.49 | 1.67 |
| TOTAL SALARY RELATED EXPENSES | \$ 25,927.34 | 33.23 | \$ 136,971.63 | 26.85 |
| FREQUENCY COORDINATION EXPENSES | | | | |
| Rebates Chapter - Spec Coord | \$ 14,639.00 | 18.76 | \$ 100,229.00 | 19.65 |
| CET Contract | 16,500.00 | 21.14 | 115,000.00 | 22.54 |
| GENERAL EXPENSES | | | | |
| Travel | 1,677.88 | 2.15 | 16,293.70 | 3.19 |
| Postage | 1,217.01 | 1.56 | 9,031.44 | 1.77 |
| Printing | 521.75 | 0.67 | 2,048.55 | 0.40 |
| Office Supplies | 372.97 | 0.48 | 3,907.43 | 0.77 |
| Equipment Lease | 1,293.17 | 1.66 | 3,017.73 | 0.59 |
| Equipment Repair & Maintenance | 0.00 | 0.00 | 1,882.39 | 0.37 |
| Utilities | 144.65 | 0.19 | 1,273.33 | 0.25 |
| Rent | 964.60 | 1.24 | 6,850.50 | 1.34 |
| Telephone | 10,552.38 | 13.52 | 62,125.38 | 12.18 |
| Legal | 3,623.83 | 4.64 | 14,737.72 | 2.89 |
| Office Maintenance | 55.00 | 0.07 | 370.90 | 0.07 |
| Consultants | 0.00 | 0.00 | 2,795.00 | 0.55 |
| General Insurance | 0.00 | 0.00 | 364.70 | 0.07 |
| Deprec. & Amort. | 0.00 | 0.00 | 7,543.65 | 1.48 |
| Taxes & Licenses | 0.00 | 0.00 | 20.11 | 0.00 |
| Accounting | 365.00 | 0.47 | 7,197.80 | 1.41 |
| Advertising & P.R. | 0.00 | 0.00 | 238.82 | 0.05 |
| Bad Debts | 0.00 | 0.00 | 750.00 | 0.15 |
| Miscellaneous | 178.50 | 0.23 | 4,675.59 | 0.92 |
| Bank Service Charges | 0.00 | 0.00 | 318.80 | 0.06 |
| G & A Allocations | 0.00 | 0.00 | 12,497.72 | 2.45 |
| TOTAL OPERATING EXPENSES | \$ 52,105.74 | 66.77 | \$ 373,170.26 | 73.15 |
| NET INCOME (LOSS) | \$ (14,458.08) | (18.53) | \$ (37,948.62) | (7.44) |

Date 04/29/88
07-87-0087

APCO, INC
CONSOLIDATED INCOME STATEMENT
For the Period 04/01/88 Through 04/29/88

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Report 6001

| | Current Period | % | Year- To-Date | % |
|---------------------------------|----------------------|---------------|----------------------|--------------|
| Travel | 7,321.37 | 4.64 | 36,738.07 | 4.04 |
| Postage | 7,858.11 | 4.99 | 43,623.77 | 4.78 |
| Printing | 26,269.74 | 16.67 | 127,412.21 | 13.97 |
| Office Supplies | 2,772.01 | 1.76 | 11,944.55 | 1.30 |
| Auto Expense | | | | |
| Equipment Lease | 3,021.16 | 1.92 | 9,804.31 | 1.09 |
| Equipment Repair & Maintenance | 429.62 | 0.27 | 6,588.15 | 0.73 |
| Utilities | 387.97 | 0.24 | 3,246.10 | 0.36 |
| Rent | 4,410.64 | 2.80 | 17,501.26 | 1.92 |
| Telephone | 14,048.25 | 8.92 | 80,252.42 | 8.82 |
| Dues & Pubs | 800.00 | 0.51 | 1,395.63 | 0.15 |
| Legal | 6,039.72 | 3.83 | 27,747.89 | 3.05 |
| Office Maintenance | 135.00 | 0.08 | 560.89 | 0.06 |
| Consultants | 0.00 | 0.00 | 3,290.00 | 0.36 |
| General Insurance | 888.38 | 0.56 | 1,774.10 | 0.20 |
| Depreciation & Amortization | 0.00 | 0.00 | 10,631.85 | 1.17 |
| Taxes & Licenses | 726.02 | 0.46 | 1,550.83 | 0.18 |
| Accounting | 730.00 | 0.47 | 14,395.55 | 1.59 |
| Advertising & P.R. | 0.00 | 0.00 | 454.32 | 0.05 |
| Bad Debts | 0.00 | 0.00 | 750.00 | 0.08 |
| Miscellaneous | 485.56 | 0.31 | 14,039.93 | 1.54 |
| Bank Service Charges | 16.14 | 0.01 | 396.85 | 0.04 |
| G & A Allocations | 0.00 | 0.00 | 0.00 | 0.01 |
| TOTAL OPERATING EXPENSES | \$ 107,478.69 | 68.20 | \$ 632,011.31 | 69.33 |
| NET INCOME (LOSS) | \$ (6,971.86) | (4.42) | \$ 137,516.60 | 15.09 |

Date 04/29/88
07-87-0087

AFCO, INC
Income Statement - Membership Dept.
For the Period 04/01/88 Through 04/29/88

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| | Current Period | % | Year- To-Date | % |
|--------------------------------|-------------------|---------|------------------|---------|
| INCOME | | | | |
| Membership Dues | \$ 21,593.00 | 135.27 | \$ 167,479.44 | 116.93 |
| Chapter Portion | (5,630.00) | (35.27) | (24,250.00) | (16.93) |
| TOTAL INCOME | \$ 15,963.00 | 100.00 | \$ 143,229.44 | 100.00 |
| OPERATING EXPENSES | | | | |
| Salaries & Benefits | \$ 6,204.63 | 46.51 | \$ 31,164.94 | 45.75 |
| Temporary Help | 0.00 | 0.00 | 60.00 | 0.09 |
| Health Insurance | 381.30 | 2.86 | 2,269.16 | 3.33 |
| Payroll Taxes | 465.80 | 3.49 | 2,236.79 | 3.28 |
| TOTAL SALARY RELATED EXPENSES | \$ 7,051.73 | 52.86 | \$ 35,730.89 | 52.46 |
| GENERAL EXPENSES | | | | |
| Travel | \$ 2,990.35 | 22.41 | \$ 11,202.60 | 16.45 |
| Postage | 1,128.13 | 8.46 | 4,513.90 | 6.63 |
| Printing | 0.00 | 0.00 | 2,070.61 | 3.04 |
| Office Supplies | 274.41 | 2.06 | 653.54 | 0.96 |
| Equipment Lease | 171.51 | 1.29 | 333.09 | 0.49 |
| Equipment Repair & Maintenance | 0.00 | 0.00 | 147.87 | 0.22 |
| Utilities | 31.75 | 0.24 | 68.22 | 0.10 |
| Rent | 625.40 | 4.69 | 1,059.50 | 1.56 |
| Telephone | 0.00 | 0.00 | 884.41 | 1.30 |
| Legal | 930.69 | 6.98 | 5,267.31 | 7.73 |
| Office Maintenance | 55.00 | 0.41 | 160.00 | 0.23 |
| General Insurance | 0.00 | 0.00 | 68.02 | 0.10 |
| Accounting | 73.00 | 0.55 | 1,356.13 | 1.99 |
| Miscellaneous | 9.00 | 0.07 | 1,901.43 | 2.79 |
| G & A Allocations | 0.00 | 0.00 | 2,696.25 | 3.96 |
| TOTAL OPERATING EXPENSES | \$ 6,289.24 | 47.14 | \$ 32,382.88 | 47.54 |
| NET INCOME (LOSS) | \$ 2,622.03 | 19.65 | \$ 75,115.67 | 110.28 |
| | ===== | ===== | ===== | ===== |

AFCO, INC
Income Statement-BULLETIN & REPORTS
For the Period 04/01/88 Through 04/29/88

| | Current Period | % | Year- To-Date | % |
|--------------------------------------|---------------------|---------------|----------------------|---------------|
| INCOME | | | | |
| Bulletin Advertising | \$ 44,714.32 | 98.71 | \$ 159,120.01 | 99.24 |
| Bulletin Subscription | 85.00 | 0.19 | 2,928.51 | 1.83 |
| AFCD Reports Subscriptions | 330.00 | 0.73 | 3,461.00 | 2.16 |
| Directory Ads | 200.00 | 0.44 | 200.00 | 0.12 |
| Disc & Allow -Bulletin&Reports | (31.11) | (0.07) | (5,365.06) | (3.35) |
| TOTAL INCOME | \$ 45,298.21 | 100.00 | \$ 160,344.46 | 100.00 |
| OPERATING EXPENSES | | | | |
| Salaries & Benefits | \$ 0.00 | 0.00 | \$ 21,625.52 | 13.35 |
| Temporary Help | 0.00 | 0.00 | 62.00 | 0.04 |
| Payroll Taxes | 0.00 | 0.00 | 1,321.64 | 0.82 |
| TOTAL SALARY RELATED EXPENSES | \$ 0.00 | 0.00 | \$ 23,009.16 | 14.21 |
| GENERAL EXPENSES | | | | |
| Travel | \$ 451.82 | 1.84 | \$ 1,254.54 | 0.77 |
| Postage | 2,771.85 | 11.28 | 16,241.91 | 10.03 |
| Printing | 20,923.56 | 85.13 | 108,753.06 | 67.16 |
| Office Supplies | 43.88 | 0.18 | 65.39 | 0.05 |
| Equipment Lease | 109.27 | 0.44 | 650.47 | 0.40 |
| Telephone | 0.00 | 0.00 | 1,146.56 | 0.71 |
| Dues & Publications | 0.00 | 0.00 | 17.63 | 0.01 |
| Legal | 277.25 | 1.13 | 1,983.62 | 1.22 |
| Deprec. & Amort. | 0.00 | 0.00 | 556.80 | 0.34 |
| Taxes & Licenses | 0.00 | 0.00 | 149.65 | 0.09 |
| Accounting | 0.00 | 0.00 | 960.02 | 0.59 |
| Advertising & P.R. | 0.00 | 0.00 | 215.50 | 0.13 |
| Miscellaneous | 0.00 | 0.00 | 1,358.18 | 0.84 |
| G & A Allocations | 0.00 | 0.00 | 5,557.80 | 3.43 |
| TOTAL OPERATING EXPENSES | \$ 24,577.63 | 100.00 | \$ 138,931.13 | 85.79 |
| NET INCOME (LOSS) | \$ 20,720.58 | 84.31 | \$ (1,595.83) | (0.99) |

APCO, INC
Income Statement - Conference
For the Period 04/01/88 Through 04/29/88

| | Current Period | % | Year- To-Date | % |
|--------------------------------------|----------------------|----------------|----------------------|---------------|
| INCOME | | | | |
| Conference Booths | \$ 3,800.00 | 59.51 | \$ 158,820.50 | 102.53 |
| Conference Regist/Day Passes | 6,185.00 | 96.87 | 8,888.00 | 5.74 |
| Conference Refunds | (3,600.00) | (56.38) | (3,600.00) | (2.32) |
| Disc & Allow -Conference | 0.00 | 0.00 | (9,200.00) | (5.94) |
| TOTAL INCOME | \$ 6,385.00 | 100.00 | \$ 154,908.50 | 100.00 |
| OPERATING EXPENSES | | | | |
| Salaries & Benefits | \$ 6,241.27 | 78.85 | \$ 32,700.55 | 55.77 |
| Temporary Help | 0.00 | 0.00 | 100.00 | 0.17 |
| Health Insurance | 395.83 | 5.00 | 2,325.61 | 3.97 |
| Payroll Taxes | 471.33 | 5.95 | 2,337.74 | 3.99 |
| TOTAL SALARY RELATED EXPENSES | \$ 7,108.43 | 89.80 | \$ 37,463.90 | 63.89 |
| CONFERENCE COMMITTEE EXPENSES | | | | |
| Manapco Night | \$ 0.00 | 0.00 | \$ 250.00 | 0.43 |
| Committee Other Costs | 0.00 | 0.00 | 2,059.53 | 3.51 |
| GENERAL EXPENSES | | | | |
| Travel | 0.00 | 0.00 | 644.85 | 1.10 |
| Postage | 0.00 | 0.00 | 5,110.92 | 8.72 |
| Printing | 0.00 | 0.00 | 4,273.52 | 7.29 |
| Office Supplies | 20.94 | 0.26 | 87.70 | 0.15 |
| Equipment Lease | 109.27 | 1.38 | 325.75 | 0.56 |
| Telephone | 0.00 | 0.00 | 687.85 | 1.17 |
| Legal | 603.98 | 7.63 | 2,772.31 | 4.73 |
| Taxes & Licenses | 0.00 | 0.00 | 240.00 | 0.41 |
| Accounting | 73.00 | 0.92 | 1,356.13 | 2.31 |
| Miscellaneous | 0.00 | 0.00 | 8.12 | 0.01 |
| Bank Service Charges | 0.00 | 0.00 | 10.36 | 0.02 |
| G & A Allocations | 0.00 | 0.00 | 3,345.89 | 5.71 |
| TOTAL OPERATING EXPENSES | \$ 807.19 | 10.20 | \$ 21,172.93 | 36.11 |
| NET INCOME (LOSS) | \$ (1,530.62) | (19.34) | \$ 96,271.67 | 164.18 |

AFCO, INC
Income Statement - AFCO Institute
For the Period 04/01/88 Through 04/29/88

| | Current Period | % | Year- To-Date | % |
|---------------------------------|---------------------|---------------|---------------------|---------------|
| INCOME | | | | |
| Telecommunicator Trng Course | \$ 9,145.00 | 80.45 | \$ 55,760.00 | 84.66 |
| Telecom Student Manuals | 1,950.00 | 17.15 | 6,475.00 | 9.83 |
| Telecom Certificates | 160.00 | 1.41 | 240.00 | 0.36 |
| SOP Manuals | 969.50 | 8.53 | 6,598.44 | 10.02 |
| Technician Certificates | 30.00 | 0.26 | 610.75 | 0.93 |
| Technician Tests | 0.00 | 0.00 | 126.00 | 0.19 |
| Technician Study Guides | 0.00 | 0.00 | 20.00 | 0.03 |
| Teltrain Refunds | (765.00) | (6.73) | (765.00) | (1.16) |
| AFCO Inst Refunds | (29.75) | (0.26) | (279.75) | (0.42) |
| Disc & Allow -AFCO Inst | (91.75) | (0.81) | (2,924.90) | (4.44) |
| TOTAL INCOME | \$ 11,368.00 | 100.00 | \$ 65,860.54 | 100.00 |
| OPERATING EXPENSES | | | | |
| Temporary Help | \$ 20.00 | 1.45 | \$ 20.00 | 0.14 |
| GENERAL EXPENSES | | | | |
| Travel | \$ 417.37 | 30.35 | \$ 908.09 | 6.44 |
| Postage | 188.86 | 13.73 | 1,776.52 | 12.60 |
| Printing | 550.43 | 40.03 | 4,694.52 | 33.30 |
| Office Supplies | 89.18 | 6.49 | 218.46 | 1.55 |
| Equipment Lease | 109.27 | 7.95 | 325.75 | 2.31 |
| Dues & Publications | 0.00 | 0.00 | 223.00 | 1.58 |
| Legal | 0.00 | 0.00 | 1,419.02 | 10.06 |
| Accounting | 0.00 | 0.00 | 2,889.41 | 20.49 |
| Miscellaneous | 0.00 | 0.00 | 1,624.79 | 11.52 |
| TOTAL OPERATING EXPENSES | \$ 1,355.11 | 98.55 | \$ 14,079.56 | 99.86 |
| NET INCOME (LOSS) | \$ 9,992.89 | 726.70 | \$ 51,760.98 | 367.11 |
| | ===== | ===== | ===== | ===== |

Date 04/29/88
07-87-0087

AFCO, INC
Income Statement - Pubs & Products
For the Period 04/01/88 Through 04/29/88

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| | Current Period | % | Year- To-Date | % |
|-----------------------------------|-------------------|---------|------------------|---------|
| INCOME | | | | |
| APCO 18-Mailing labels, Disks, \$ | 7,863.93 | 106.63 | \$ 31,974.88 | 102.15 |
| Products | (18.00) | (0.24) | 1,054.30 | 3.37 |
| Publications Refunds | (542.50) | (7.36) | (1,580.84) | (5.05) |
| Disc & Allow -Publications | 71.50 | 0.97 | (145.23) | (0.46) |
| TOTAL INCOME | \$ 7,374.93 | 100.00 | \$ 31,303.11 | 100.00 |
| OPERATING EXPENSES | | | | |
| Salaries & Benefits | \$ 9,741.27 | 56.86 | \$ 30,437.83 | 67.24 |
| Health Insurance | 0.00 | 0.00 | 2,959.55 | 6.54 |
| Payroll Taxes | 731.42 | 4.27 | 2,390.64 | 5.28 |
| TOTAL SALARY RELATED EXPENSES | \$ 10,472.69 | 61.13 | \$ 35,788.02 | 79.06 |
| GENERAL EXPENSES | | | | |
| Products - APCO | \$ 0.00 | 0.00 | \$ 374.10 | 0.83 |
| Travel | 458.30 | 2.68 | 458.30 | 1.01 |
| Postage | 995.14 | 5.81 | 1,325.97 | 2.93 |
| Printing | 4,274.00 | 24.95 | 4,624.00 | 10.21 |
| Office Supplies | 107.73 | 0.63 | 107.73 | 0.24 |
| Telephone | 0.00 | 0.00 | 1,062.13 | 2.35 |
| Legal | 603.97 | 3.53 | (353.09) | (0.78) |
| Accounting | 219.00 | 1.28 | 219.00 | 0.48 |
| Miscellaneous | 0.00 | 0.00 | 1,662.32 | 3.67 |
| TOTAL OPERATING EXPENSES | \$ 6,658.14 | 38.87 | \$ 9,480.46 | 20.94 |
| NET INCOME (LOSS) | \$ (9,755.90) | (56.95) | \$ (13,965.37) | (30.85) |

Date 04/29/88
07-87-0087

APCO, INC
Income Statement - Contracts
For the Period 04/01/88 Through 04/29/88

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| | | Current Period | % | | Year- To-Date | % |
|-------------------------------|----|-------------------|------|----|------------------|---------|
| INCOME | | | | | | |
| Contract Revenue | \$ | 0.00 | 0.00 | \$ | 12,600.87 | 100.00 |
| OPERATING EXPENSES | | | | | | |
| Salaries & Benefits | \$ | 0.00 | 0.00 | \$ | 10,298.04 | 73.55 |
| Payroll Taxes | | 0.00 | 0.00 | | 629.37 | 4.50 |
| TOTAL SALARY RELATED EXPENSES | \$ | 0.00 | 0.00 | \$ | 10,927.41 | 78.04 |
| GENERAL EXPENSES | | | | | | |
| Postage | \$ | 0.00 | 0.00 | \$ | 206.99 | 1.48 |
| Office Supplies | | 0.00 | 0.00 | | 42.86 | 0.31 |
| Deprec. & Amort. | | 0.00 | 0.00 | | 177.57 | 1.27 |
| G & A Allocations | | 0.00 | 0.00 | | 2,646.61 | 18.90 |
| TOTAL OPERATING EXPENSES | \$ | 0.00 | 0.00 | \$ | 3,074.03 | 21.96 |
| NET INCOME (LOSS) | \$ | 0.00 | 0.00 | \$ | (1,400.57) | (10.00) |

AFCO, INC
Income Statement - Other
For the Period 04/01/88 Through 04/29/88

| | Current Period | % | Year- To-Date | % |
|--------------------------------|-------------------|---------|------------------|---------|
| INCOME | | | | |
| Travel Dividends | \$ 41.88 | 3.36 | \$ 335.82 | 5.08 |
| Interest | 724.18 | 58.18 | 3,286.10 | 49.72 |
| Miscellaneous Charges/Income | 478.72 | 38.46 | 2,986.71 | 45.19 |
| | ----- | | ----- | |
| TOTAL INCOME | \$ 1,244.78 | 100.00 | \$ 6,608.63 | 100.00 |
| OPERATING EXPENSES | | | | |
| Health Insurance | \$ (52.50) | (0.34) | \$ (2,564.50) | (6.51) |
| Payroll Taxes | 174.40 | 1.15 | 174.40 | 0.44 |
| | ----- | | ----- | |
| TOTAL SALARY RELATED EXPENSES | \$ 121.90 | 0.80 | \$ (2,390.10) | (6.07) |
| GENERAL EXPENSES | | | | |
| Travel | \$ 1,325.65 | 8.71 | \$ 5,975.99 | 15.17 |
| Postage | 1,557.12 | 10.23 | 5,416.12 | 13.75 |
| Printing | 0.00 | 0.00 | 947.95 | 2.41 |
| Office Supplies | 1,862.90 | 12.24 | 6,841.44 | 17.37 |
| Equipment Lease | 1,228.67 | 8.07 | 5,151.52 | 13.08 |
| Equipment Repair & Maintenance | 429.62 | 2.82 | 4,557.89 | 11.57 |
| Utilities | 211.57 | 1.39 | 1,904.55 | 4.84 |
| Rent | 2,820.64 | 18.53 | 9,591.26 | 24.35 |
| Telephone | 3,495.87 | 22.97 | 14,346.09 | 36.42 |
| Dues & Publications | 800.00 | 5.26 | 1,155.00 | 2.93 |
| Legal | 0.00 | 0.00 | 1,921.00 | 4.88 |
| Office Maintenance | 25.00 | 0.16 | 29.99 | 0.08 |
| Consultants | 0.00 | 0.00 | 495.00 | 1.26 |
| General Insurance | 888.38 | 5.84 | 1,341.38 | 3.41 |
| Deprec. & Amort. | 0.00 | 0.00 | 2,353.83 | 5.98 |
| Taxes & Licenses | 726.02 | 4.77 | 1,141.07 | 2.90 |
| Accounting | 0.00 | 0.00 | 417.06 | 1.06 |
| Miscellaneous | 298.06 | 1.96 | 2,809.50 | 7.13 |
| Bank Service Charges | 16.14 | 0.11 | 67.69 | 0.17 |
| Interest Expense | (589.49) | (3.87) | 2,059.16 | 5.23 |
| B & A Allocations | 0.00 | 0.00 | (26,744.27) | (67.90) |
| | ----- | | ----- | |
| TOTAL OPERATING EXPENSES | \$ 15,096.15 | 99.20 | \$ 41,779.22 | 106.07 |
| | ----- | | ----- | |
| NET INCOME (LOSS) | \$ (13,973.27) | (91.82) | \$ (32,780.49) | (83.22) |
| | ===== | | ===== | |