



APCO, INC.

(ASSOCIATED PUBLIC-SAFETY COMMUNICATIONS OFFICERS, INC.)

FINANCIAL STATEMENTS

Fiscal Year ended June 30, 1978

BETTY W. KELLY
CERTIFIED PUBLIC ACCOUNTANT
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July 28, 1978

To The Directors of
Associated Public-Safety Communications Officers, Inc.
New Smyrna Beach, Florida 32069

We have examined the balance sheet of Associated Public-Safety Communications Officers, Inc. as of June 30, 1978, and the related statements of income and retained earnings and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned financial statements present fairly the financial position of the Associated Public-Safety Communications Officers, Inc. at June 30, 1978, and the results of its operations and the changes in its financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Sincerely,

Betty W. Kelly

BETTY W. KELLY
CERTIFIED PUBLIC ACCOUNTANT

BWK/cah

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APCO, INC.

(ASSOCIATED PUBLIC-SAFETY COMMUNICATIONS OFFICERS, INC.)

BALANCE SHEET

For the Fiscal Year ended June 30, 1978

Assets

CURRENT ASSETS:

Petty cash	50 00
Southeast Bank of New Smyrna, Operations Fund	1 960 50
Southeast Bank of New Smyrna, General Fund	9 153 17
First National Bank of New Smyrna, Publications Fund	3 793 96
First National Bank of New Smyrna, Project 16-A	5 958 93
First Federal Savings of Mid-Florida, Savings Account	33 512 45
Certificates of Deposit	<u>138 090 30</u>

Total Cash 192 519 31

Accounts receivable 9 335 45

Project funds receivable 15 571 07

Inventory of publications 4 162 31

Utilities deposit 128 00

Conference advances 1 000 00

Prepaid expenses 1 520 09

Total Current Assets 224 236 23

FIXED ASSETS:

Equipment	17 199 63
Accumulated depreciation	<u>6 107 46</u>

Net Equipment 11 092 17

TOTAL ASSETS 235 328 40

APCO, INC.

(ASSOCIATED PUBLIC-SAFETY COMMUNICATIONS OFFICERS, INC.)

BALANCE SHEET

For the Fiscal Year ended June 30, 1978

Liabilities and Fund Balances

CURRENT LIABILITIES:

Accounts payable	3 811 73
Accrued payroll taxes	2 121 81
Accrued employee benefits	<u>3 873 76</u>
Total Current Liabilities	9 807 30

FUND BALANCES:

Balance, June 30, 1977	185 765 11
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For the Fiscal Year Ended June 30, 1978:

Excess of Income over Expenses:

Membership & Conference Fund	33 554 96
Project 16 Fund	13 276 84
Project 16-A Fund	<u>6 634 25</u> 53 466 05

Excess of Expenses over Income:

Miscellaneous Fund	9 886 79
Publications Fund	<u>3 823 27</u> 13 710 06

Total Net Income	<u>39 755 99</u>
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Balance, June 30, 1978	<u>225 521 10</u>
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<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>235 328 40</u>
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APCO, INC.

(ASSOCIATED PUBLIC-SAFETY COMMUNICATIONS OFFICERS, INC.)

GENERAL & ADMINISTRATIVE AND EMPLOYMENT BENEFITS BREAKDOWNS

For the Fiscal Year ended June 30, 1978

GENERAL & ADMINISTRATIVE (G&A):

Administrative salaries	3 633 70	
Employment benefits	<u>603 19</u>	4 236 89
Accounting		2 325 00
Awards to officers		301 79
Legal fees		18 622 39
Management fees		2 701 04
Consultation services		1 200 00
Officers' travel		10 344 46
Officers' - other expenses		32 54
Commission to past executive director		<u>2 616 91</u>
Total G&A Expenses		<u><u>42 381 02</u></u>

GENERAL & ADMINISTRATIVE PERCENTAGE18.23

(42 381.02 ÷ 232 463.78 Total Expenses before G&A)

General & Administrative Allocation as follows:

Membership & Conference Fund, Exhibit D	12 323 44
Publications Fund, Exhibit E	15 910 36
Project 16 Fund, Exhibit F	8 617 64
Project 16-A Fund, Exhibit F	<u>5 529 58</u>
Total Allocation	<u><u>42 381 02</u></u>

EMPLOYMENT BENEFITS

Pension Fund	1 468 08
Payroll taxes	5 303 89
Insurance	1 150 75
Vacation & sick leave	<u>6 475 43</u>
<u>TOTAL BENEFITS</u>	<u><u>14 398 15</u></u>

APCO, INC.

(ASSOCIATED PUBLIC-SAFETY COMMUNICATIONS OFFICERS, INC.)

OVERHEAD BREAKDOWN

For the Fiscal Year ended June 30, 1978

OVERHEAD:

Overhead salaries	7 699 31	
Employment benefits	<u>1 278 07</u>	8 977 38
Depreciation		2 208 50
Dues & assessments		1 529 37
General expense		332 63
Insurance		725 88
Office expense		3 350 00
Postage		2 042 32
Printing		916 16
Rent		2 898 00
Repairs & maintenance		1 582 52
Telephone		5 324 39
Travel - other		4 679 28
Utilities		<u>1 048 21</u>
Total Overhead Expenses		<u>35 614 64</u>

OVERHEAD PERCENTAGE

40.51

(35 614 ÷ 87 920.57 Total Direct Salaries and Benefits)

Overhead Allocations as follows:

Membership & Conference Fund, Exhibit D	10 198 80
Publications Fund, Exhibit E	
Bulletin	5 268 39
Publications	2 444 64
Project 16 Fund, Exhibit F	10 629 23
Project 16-A Fund, Exhibit F	<u>7 073 58</u>
Total Allocations	<u>35 614 64</u>

APCO, INC.

(ASSOCIATED PUBLIC-SAFETY COMMUNICATIONS OFFICERS, INC.)

MEMBERSHIP & CONFERENCE FUND AND MISCELLANEOUS

STATEMENTS OF INCOME AND EXPENSES

For the Fiscal Year ended June 30, 1978

MEMBERSHIP & CONFERENCE

Income:

Membership dues			38 920 00
Donations received			815 35
Emblems, pins, etc.			466 71
L.D.I. Programs			1 239 50
M.T.I. Programs			15 913 95
Conference			36 564 25
KAPCO			17 313 83
APCO-IS			<u>2 240 04</u>

Total Income 113 473 63

Expenses:

Direct salaries - membership	15 080 60		
Employment benefits	<u>2 503 36</u>	17 583 96	

Direct salaries - programs	6 512 39		
Employment benefits	<u>1 081 05</u>	7 593 44	

Overhead (see Exhibit C)		10 198 80	
Membership expenses		1 016 78	
Conference expenses		5 217 83	
Cost of L.D.I. programs		704 90	
Cost of M.T.I. programs		12 303 27	
Cost of KAPCO Programs		<u>12 976 25</u>	

Total Expenses before G&A 67 595 23

G&A Allocation (see Exhibit B) 12 323 44

Total Expenses 79 918 67

EXCESS OF INCOME OVER EXPENSES 33 554 96

MISCELLANEOUS:

Interest earned			8 422 69
Loss on disposal of equipment			29 48
Grants refunded on prior years' projects			<u>18 280 00</u>

EXCESS OF EXPENSES OVER INCOME 9 886 79

APCO, INC.

(ASSOCIATED PUBLIC-SAFETY COMMUNICATIONS OFFICERS, INC.)

PUBLICATIONS FUND

STATEMENT OF INCOME AND EXPENSES

For the Fiscal Year ended June 30, 1978

INCOME:

Bulletin:			
Advertising		59 105 79	
Subscriptions		<u>21 421 70</u>	80 527 49
Publications:			
Operating Manuals		16 964 50	
Theory of Waiting Times		104 40	
Frequency Manuals		131 47	
Police Tele Manuals		248 57	
Ten Signal Cards		648 56	
Aural Brevity Code		182 83	
Project 13 Guidelines & Reviews		<u>549 05</u>	<u>18 829 38</u>
Total Income			99 356 87

EXPENSES:

Bulletin:			
Direct salaries	11 154 29		
Employment benefits	<u>1 851 59</u>	13 005 88	
Printing		43 461 49	
Mailing		10 098 46	
Commissions		247 05	
Other expenses		204 16	
Overhead (see Exhibit C)		<u>5 268 39</u>	
Total			72 285 43
Publications:			
Direct salaries	5 175 82		
Employment benefits	<u>859 18</u>	6 035 00	
Printing		4 610 18	
Mailing		1 496 00	
Other expenses		6 00	
Overhead (see Exhibit C)		<u>2 444 64</u>	
Total			14 591 82
Auto and travel			<u>392 53</u>
Total Expenses before G&A			87 269 78
G&A Allocation (see Exhibit B)			<u>15 910 36</u>
Total Expenses			<u>103 180 14</u>

EXCESS OF EXPENSES OVER INCOME

3 823 27

APCO, INC.

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PROJECT 16 AND PROJECT 16-A FUNDS

STATEMENTS OF INCOME AND EXPENSES

For the Fiscal Year ended June 30, 1978

INCOME:		
Grant funds		69 163 01
EXPENSES:		
Direct salaries	22 504 31	
Employment benefits	<u>3 735 68</u>	26 239 99
Overhead		10 629 23
Operating expense		652 31
Professional services		1 000 00
Travel		<u>8 747 00</u>
Total Expenses before G&A		47 268 53
G&A Allocation (see Exhibit B)		<u>8 617 64</u>
Total Expenses		<u>55 886 17</u>
<u>EXCESS OF INCOME OVER EXPENSES</u>		<u>13 276 84</u>

PROJECT 16-A FUND

INCOME:		
Grant funds		42 494 07
EXPENSES:		
Direct salaries	14 976 27	
Employment benefits	<u>2 486 03</u>	17 462 30
Overhead		7 073 58
Operating expense		282 43
Travel		<u>5 511 93</u>
Total Expenses before G&A		30 330 24
G&A Allocation (see Exhibit B)		<u>5 529 58</u>
Total Expenses		<u>35 859 82</u>
<u>EXCESS OF INCOME OVER EXPENSES</u>		<u>6 634 25</u>

APCO, INC.

(ASSOCIATED PUBLIC-SAFETY COMMUNICATION OFFICERS, INC.)

STATEMENT OF CHANGES IN FINANCIAL POSITION - WORKING CAPITAL BASIS

For the Fiscal Year ended June 30, 1978

FUNDS PROVIDED:

Net income		39 755 99	
Add expenses not requiring working capital:			
Depreciation	2 208 50		
Loss on disposal of equipment	<u>29 48</u>	2 237 98	
Plus:			
Sale of equipment	394 00		
Pension fund contribution	<u>2 314 63</u>	<u>2 708 63</u>	
Total Funds Provided			44 702 60

FUNDS USED:

Pension fund disbursement		14 995 06	
Equipment acquisitions		<u>2 918 37</u>	
Total Funds Used			<u>17 913 43</u>

NET INCREASE IN WORKING CAPITAL 26 789 17

CHANGES IN WORKING CAPITAL ACCOUNTS:

	Account Balances		Increase or
	6/30/78	6/30/77	Decrease
Current Assets:			
Cash	192 519 31	195 037 09	2 517 78
Deposits and prepaids	1 648 09	1 728 00	79 91
Advances	1 000 00	600 00	400 00
Accounts receivable	24 906 52	7 703 75	17 202 77
Inventory	4 162 31	2 972 49	1 189 82
	<u>224 236 23</u>	<u>208 041 33</u>	<u>16 194 90</u>
Current Liabilities:			
Accounts payable	3 811 73	10 336 08	6 524 35
Project advances	0 00	1 315 01	1 315 01
Accrued taxes payable	2 121 81	2 339 57	217 76
Accrued employee benefits	3 873 76	6 410 91	2 537 15
	<u>9 807 30</u>	<u>20 401 57</u>	<u>10 594 27</u>
<u>NET INCREASE IN WORKING CAPITAL</u>			<u>26 789 17</u>

APCO, INC.

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NOTES TO FINANCIAL STATEMENTS

For the Fiscal Year ended June 30, 1978

1. Summary of Significant Accounting Policies:

Accounting is on the accrual basis, with recognition of income and expense as they are incurred.

Equipment is stated at cost. Depreciation is calculated on the straight-line method over estimated lives of five to ten years for both financial statement and income tax purposes.

Income taxes - The Associated Public-Safety Communications Officers, Inc. is a non-profit corporation recognized under Code Section 501 (c) (6) of the Internal Revenue Code. Accordingly, forms 990 and 990-T are filed annually with the IRS. All functions are non-taxable except the publications fund, but no liability for income taxes is reflected due to the loss shown in that fund.

2. In the current fiscal year there was refunded to L.E.A.A. for over draws on projects a total amount of \$19 330.00, of which \$18 280.00 were for projects completed in prior years. The breakdown was as follows:

Project 13	\$14 313.00
Project 13-A	3 967.00
Project 16	1 050.00
Total	<u>\$19 330.00</u>

3. There is currently a total of \$2 165.80 of office equipment in APCO's possession purchased during Project 13. If the government does not claim this equipment in the coming fiscal year, title will revert to APCO, Inc.