


**To:** Board of Directors  
**From:** Derek Poarch   
**Date:** April 28, 2017  
**Re:** **Proposed 2017-18 Budget**

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On the following pages you will find the proposed budget for APCO International for fiscal year 2017/2018. I am pleased to present this balanced budget to you for ease of reading in the format you review each month with our monthly financial statements. The pages that follow are the result of extensive work by our Directors, CFO and the Executive Offices to bring for your review what we believe to be a reasonable estimate of our operating revenues and expenses for next fiscal year. You will receive a budget presentation and request for approval of the budget proposal at your May 18 meeting in Washington DC.

Highlights include another revenue positive budget with a net income of \$47,063.00. APCO revenues are projected to rise from \$11,681,301 budgeted this year to \$12,123,306 budgeted next year. Expenses are projected to be \$12,076,243. The Institute and Member Services Departments are projecting an increase in revenue next year. Revenue estimates for both the AFC and Events have been lowered based on recent revenue histories.

We again propose a 3.5% increase in the salary line item with a proposed range of 0% to 4% based on performance.

Four new full-time positions have been budgeted all to be assigned to the Institute if approved. You will note that the Institute has had a record revenue year this year and our program, sales and marketing have finally passed our ability to handle back-end processing in an efficient and effective manner. One of the positions is for a full time sales position which would focus on increasing our software sales. Three processing positions are also being requested; one each to be assigned to Recertifications, Online Training and Agency Training.

The proposed budget has been reviewed by the Finance & Budget Committee, which supports its adoption. Thank you in advance for your review of our fiscal 2017/2018 budget and I look forward to discussing this proposal in detail with you on May 18.

APCO  
Fiscal Year 2018 Budget Summary

	AFC	Institute	Events	Member	Knowledge Mgmt	Comm Ctr & 911	MarCom	Admin	Govt Relations	Board of Directors	Projects Committees	FY 2018 Proposed	FY 2017 Approved	FY 2016 Actual
Income	\$2,558,000	\$4,647,965	\$3,572,880	\$1,176,406	\$0	\$87,840	\$20,000	\$60,215	\$0	\$0	\$0	\$12,123,306	\$11,681,301	\$10,446,324.67
Expenses:														
Conference	\$118,355	\$0	\$2,370,915	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,489,270	\$2,283,428	2,249,640.66
Institute	\$1,000	\$657,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$658,000	\$549,785	599,207.03
Cost of Goods Sold	\$0	\$0	\$0	\$2,250	\$0	\$0	\$0	\$6,000	\$0	\$0	\$0	\$8,250	\$2,250	631.08
Salaries & Benefits	\$835,587	\$978,742	\$425,286	\$113,783	\$336,392	\$481,712	\$365,023	\$1,357,990	\$564,758	\$0	\$0	\$5,459,273	\$5,093,863	4,585,328.53
Temporary Help	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,200	\$0	\$0	\$0	\$1,200	\$0	13,710.66
Travel	\$18,250	\$54,150	\$44,322	\$5,500	\$7,500	\$48,950	\$9,950	\$73,700	\$25,795	\$0	\$0	\$288,117	\$289,822	247,624.85
Employee Training & Deve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,000	\$0	\$0	\$0	\$20,000	\$19,430	14,863.04
Postage and Shipping	\$1,000	\$69,645	\$3,100	\$12,000	\$50	\$600	\$240	\$3,200	\$200	\$0	\$0	\$90,035	\$102,100	80,056.37
Printing	\$2,900	\$254,577	\$3,240	\$5,500	\$720	\$500	\$530	(\$8,600)	\$100	\$0	\$0	\$259,467	\$244,192	243,117.69
Marketing	\$0	\$0	\$0	\$0	\$0	\$0	\$197,000	\$0	\$0	\$0	\$0	\$197,000	\$220,011	151,289.71
Supplies	\$1,560	\$15,396	\$6,090	\$3,360	\$4,440	\$1,000	\$1,200	\$25,020	\$1,000	\$0	\$0	\$59,066	\$57,290	46,502.39
Building & Equipment Main	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$213,872	\$0	\$0	\$0	\$213,872	\$211,110	196,491.11
Building Occupancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$137,279	\$0	\$0	\$0	\$137,279	\$132,756	123,079.09
Phone & Internet	\$19,590	\$32,620	\$16,005	\$4,878	\$6,126	\$15,860	\$55,655	\$23,855	\$13,306	\$0	\$0	\$187,895	\$185,190	179,637.15
Dues & Subscriptions	\$1,000	\$0	\$1,824	\$325	\$1,419	\$3,645	\$11,400	\$2,255	\$1,797	\$0	\$0	\$23,665	\$22,101	19,821.47
Legal & Accounting	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$58,278	\$0	\$0	\$0	\$58,278	\$58,278	54,901.00
Consultants	\$240	\$36,700	\$2,400	\$0	\$0	\$22,000	\$25,000	\$77,820	\$0	\$0	\$0	\$164,160	\$173,920	144,307.19
Standards Development	\$0	\$0	\$0	\$0	\$0	\$11,905	\$0	\$0	\$0	\$0	\$53,420	\$65,325	\$64,825	22,823.44
Systems Maintenance	\$222,678	\$0	\$0	\$0	\$68,600	\$0	\$0	\$95,520	\$0	\$0	\$0	\$386,798	\$384,853	353,420.87
Insurance	\$0	\$10,450	\$0	\$0	\$0	\$0	\$0	\$31,251	\$0	\$0	\$0	\$41,701	\$54,015	30,722.58
Depreciation	\$5,100	\$1,200	\$900	\$300	\$1,620	\$660	\$1,200	\$50,520	\$600	\$0	\$0	\$62,100	\$78,220	77,984.10
Bank Charges	\$19,000	\$50,000	\$68,000	\$19,000	\$0	\$0	\$0	\$1,875	\$0	\$0	\$0	\$157,875	\$129,375	155,488.67
Projects/Committee	\$0	\$0	\$0	\$0	\$0	\$2,590	\$0	\$0	\$0	\$0	\$125,880	\$128,470	\$147,670	151,176.30
Grant Distributions	\$638,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$638,000	\$638,000	391,290.86
Executive Committee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$264,367	\$0	\$264,367	\$279,920	292,518.10
Taxes & Licenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$500	\$0	\$0	\$0	\$500	\$500	2.66
Miscellaneous	\$1,485	\$5,385	\$0	\$4,085	\$0	\$1,485	\$0	\$2,840	\$1,000	\$0	\$0	\$16,280	\$16,000	20,880.98
Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	75.68
Investment Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(5,187.38)
Total Expenses	\$1,885,745	\$2,165,865	\$2,942,082	\$170,981	\$426,867	\$590,907	\$667,198	\$2,174,375	\$608,556	\$264,367	\$179,300	\$12,076,243	\$11,438,904	10,441,405.88
Net Income (Loss)	\$672,255	\$2,482,100	\$630,798	\$1,005,425	(\$426,867)	(\$503,067)	(\$647,198)	(\$2,114,160)	(\$608,556)	(\$264,367)	(\$179,300)	\$47,063	\$242,397	4,918.79