



**HOUSE OF REPRESENTATIVES**

**COMMONWEALTH OF PENNSYLVANIA**

**HARRISBURG**

January 3, 1974

Mr. Robert J. Zinsky  
Secretary-Treasurer  
State Police Civic Association  
611 Transportation and Safety Building  
Harrisburg, Pennsylvania

Dear Mr. Zinsky:

This letter will serve to confirm your conversation with Truman Burke, Staff Investigator for this Committee, on this date whereby Mr. Burke was requesting that you make available to us a copy of the State Police Civic Association year-end audit report for 1973 when it becomes available.

Your continued cooperation to this Committee is greatly appreciated.

Sincerely,

**DOWNEY RICE**  
Counsel

DR:rf  
cc: Mr. John C. Sullivan

HOUSE OF REPRESENTATIVES  
COMMITTEE TO INVESTIGATE THE ADMINISTRATION OF JUSTICE  
Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania

MEMORANDUM

By Truman Burke

Date January 4, 1974

FILE: STATE POLICE CIVIC ASSOCIATION

Attached to this memorandum are the quarterly financial reports for the first three quarters of 1973. These reports were made available by Robert Zinsky during the public hearing on December 5, 1973.

A preliminary review of the reports has been made. Because the reports pertain essentially to cash transactions and are unaudited, no firm analysis can be made at this time. However, of particular interest, it is noted that the period ending September 30, 1973, pertaining to income and expenses for the current fund, there are no field meet receipts listed. This compared for the same period for 1972 is a \$225,000 decrease in revenue ( again, this is the same 9-month period for 1972 ).

Along the same line, pension costs for 1972 total \$708,962, while for the same period in 1973 the pension costs were \$849,882. This gives a pension cost over last year in the amount of \$140,920.

When the net income for the first 9-month period for 1972 and 1973 is compared, it shows that in 1972 there was a net profit of \$82,609, while for 1973 there is a net loss of \$242,418. Obviously, the lack of field meet receipts has created this deficit for 1973.

Another area of significance in reviewing the current financial statements is that of the assets which are set forth below as to the current fund and the investment fund. The following schedule shows the cost, market value, and net paper loss for the first nine months of 1972 and 1973:

	<u>ASSETS</u>	
	<u>Current Fund</u>	
	<u>1972</u>	<u>1973</u>
Cost	\$1,111,791	\$1,145,495
Market Value	<u>835,152</u>	<u>1,064,663</u>
Paper Loss	<u>\$ ( 276,639 )</u>	<u>\$ ( 80,832 )</u>

STATE POLICE CIVIC ASSOCIATION - 2  
January 4, 1974

	<u>Investment Fund</u>	
	<u>1972</u>	<u>1973</u>
Cost	\$7,730,060	\$8,904,578
Market Value	<u>6,750,078</u>	<u>7,417,141</u>
Paper Loss	<u>\$ (979,982 )</u>	<u>\$ (1,487,437 )</u>

It should be noted that there was a \$507,455 increased paper loss for the first nine months of 1973 over the same period for 1972.

At the same time, when comparing the 1973 period with the 1972 period for the current fund and the investment fund, there is a combined total paper loss of \$1,568,269.

Because of the incomplete and unaudited nature of the quarterly reports received from Mr. Zinsky, I am unable to analyze the securities portfolios at this time; however, recent correspondence to Zinsky requests that a copy of the 1973 year-end report be made available (approximately March 1974). At that time, a good comparison of all of the income, assets and securities portfolios can be made.

On January 4, 1974, I spoke with Mr. Zinsky and he advised that the data set forth in "The Communicator" for November 1973 regarding the pension matter at a retirees' meeting at Lancaster had no real influence on how the Board of Directors would decide what the benefits would be for 1974. Zinsky said that the decision of the Board regarding the individual pension amounts for 1974 will be decided on January 18, 1974.

Zinsky did state that there would be no disbursement from the investment fund going to the pensioners. As customary in the past, the current fund will be utilized for pension purposes. He estimates at this time that the 1974 individual pension amounts will be approximately \$80.00 a month instead of the \$109.50 as took place

STATE POLICE CIVIC ASSOCIATION - 3  
January 4, 1974

in 1973. Zinsky pointed out, however, that this is a tentative amount and the Board of Directors will decide the precise amount to be paid.

HOUSE OF REPRESENTATIVES  
COMMITTEE TO INVESTIGATE THE ADMINISTRATION OF JUSTICE  
Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania

MEMORANDUM

---

By Downey Rice

Date December 14, 1973

FILE: State Police Civic Association  
Pennsylvania State Police

TO: Truman Burke

Will you develop a one-page memo on the Civic Association, using the figures just received and comparing them with the prior financial reports, so that we can tell among other things:

1. Has the true value of the fund increased or decreased?
2. What is the amount of loss in the securities portfolio?
3. Can the fund survive by existing on dues assessments alone? Are there any gifts or solicitations being received that may be buried under some other heading?
4. What is the current pay-out per month to the pensioners? If it is still \$110.00, when will the formula that may change it go into effect?

*covered*