



**FINANCIAL MANAGEMENT REVIEW**  
**For the Second Quarter 2007-2008**  
**October, November and December 2007 and Year To Date**

**STATEMENT OF FINANCIAL ACTIVITIES**

**INCOME**

**Operating Income**

Dues Revenues	\$ 3,217,656	\$ 2,794,383	\$ 6,113,763	\$ 5,532,819
Other Income (Includes: Grants, Rebates, Contributions, Sponsorships, Advertising, Events, AFT & NEA/FEA Assistance.)	\$ 352,455	\$ 125,500	655,071	379,410
<b>Total Income</b>	<b>\$ 3,570,111</b>	<b>\$ 2,919,883</b>	<b>\$ 6,768,834</b>	<b>\$ 5,912,229</b>

**EXPENSES**

**Wages, Taxes and Benefits**

Salaries	\$ 621,475	\$ 666,696	\$ 1,269,554	\$ 1,315,825
Payroll Taxes	\$ 49,351	\$ 51,633	99,593	101,845
Employee Benefits	\$ 144,617	\$ 160,227	296,914	318,185
	<b>\$ 815,443</b>	<b>\$ 878,557</b>	<b>\$ 1,666,061</b>	<b>\$ 1,735,855</b>

**Employee Expenses**

(Includes: Mileage, Cellular Phones, Staff Travel)	\$ 37,257	\$ 30,364	\$ 71,769	\$ 62,328
--	-----------	-----------	-----------	-----------

**Administrative Expenses**

(Includes: Office Supplies, Printing, Postage, Telephone, Equipment Leases, Insurance, Office Lease, Share of Building Operating Expenses & Other Administrative Expenses)	\$ 232,112	\$ 258,939	\$ 457,963	\$ 495,969
--	------------	------------	------------	------------

**Professional Services**

(Includes: Consulting, Legal, Audit & Other Professional Services)	\$ 7,572	\$ 8,700	\$ 16,506	\$ 21,400
--	----------	----------	-----------	-----------

**Member Benefits & Services**

Stewards Expenses	\$ 21,115	\$ 17,300	\$ 82,891	\$ 81,049
Executive Board Expenses	\$ 10,837	\$ 14,745	23,002	29,499
Legislative Action	\$ 74,229	\$ 63,900	95,740	106,500
TSA/ESA Release Expenses ** Communication & Organizing, Events, Community Support/Outreach, Contract Enforcement/Member Advocacy, Strategic Services, Planning, Negotiations, Internal Training, Scholarships, Conferences, Meetings & Workshops.	\$ 103,786	\$ 105,300	252,270	257,982
	<b>\$ 168,705</b>	<b>\$ 217,537</b>	<b>421,242</b>	<b>481,670</b>
	<b>\$ 378,672</b>	<b>\$ 418,782</b>	<b>\$ 875,145</b>	<b>\$ 956,700</b>

**Loan Interest**

Edison Loan	\$ -	\$ -	\$ -	\$ 17,229
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 17,229</b>

**Per Capita**

Current (Includes: AFT, FEA/NEA, National AFL-CIO, & So.FL AFL-CIO)***	\$ 1,402,566	\$ 1,369,412	\$ 2,757,992	\$ 2,713,800
--	--------------	--------------	--------------	--------------

**Total Operating Expenses**

	<b>\$ 2,873,622</b>	<b>\$ 2,964,754</b>	<b>\$ 5,845,436</b>	<b>\$ 6,003,281</b>
--	---------------------	---------------------	---------------------	---------------------

**Non Operating Income & Accruals**

Litigation Settlements Revenue	\$ -	\$ -	\$ 1,525,000	\$ -
Interest on Promissory Note	\$ -	\$ -	100,000	-
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,625,000</b>	<b>\$ -</b>

**Non Operating Payments & Accruals**

Contingency - UTD Towers	\$ 95	\$ 12,000	\$ 1,790	\$ 24,000
Litigation Settlements -Legal Expenses	\$ 31,449	\$ -	\$ 31,449	-
Depreciation	\$ 26,439	\$ -	52,878	-
	<b>\$ 57,983</b>	<b>\$ 12,000</b>	<b>\$ 86,117</b>	<b>\$ 24,000</b>

**Total Non Operating Activities**

	<b>\$ (57,983)</b>	<b>\$ (12,000)</b>	<b>\$ 1,538,883</b>	<b>\$ (24,000)</b>
--	--------------------	--------------------	---------------------	--------------------

**Operating Income/(Loss)**

	<b>\$ 638,506</b>	<b>\$ (56,872)</b>	<b>\$ 2,462,281</b>	<b>\$ (115,052)</b>
--	-------------------	--------------------	---------------------	---------------------

**Cash Flow Activities**

Capital Leases	\$ -	\$ -	\$ 4,106	\$ 6,000
Asset Improvements	\$ -	\$ 7,500	-	\$ 15,000
	<b>\$ -</b>	<b>\$ 7,500</b>	<b>\$ 4,106</b>	<b>\$ 21,000</b>

**Total Cash Before AFT Loans &**

<b>Per Capita Arrearage Obligations</b>	<b>\$ 638,506</b>	<b>\$ (64,372)</b>	<b>\$ 2,458,175</b>	<b>\$ (136,052)</b>
---	-------------------	--------------------	---------------------	---------------------

(For Reporting Purposes Only)

The following is a summary of key financial points, highlights and achievements noted in reviewing our financial statements for the Second Quarter 2007-2008, ending in December 31, 2007.

**Membership**

Actual: 18,085 Members. 14,768 FTE Members

Our records indicate that as of December 31, 2007, we have a total of 14,768 FTE (Full time equivalent), which includes full, 1/2 and 1/8 paid dues. UTD's budget is based on an FTE of 14,200.

**Income: Dues Revenue**

Actual: \$3,217,656 Budget: \$2,794,383

During the Second Quarter 2007-2008, we had dues revenue in the amount of \$3,217,656. We had a favorable variance due to the difference on membership from the budgeted FTE. We have deferred \$640,327 of income dues for the Second Quarter 2007-2008, ending in December 31, 2007 to cover the summer months in which we will have zero income.

**Other Income:**

Actual: \$352,455 Budget: \$125,500

We have grouped the following items: AFT local assistance, contributions from sponsors for the Steward Training program and the Hispanic Heritage Celebration. Also included are interest earned on the sweep account and accrued interest on UTD Towers receivable. FEA Grants & Rebates income was received in December 2007 and was budgeted in January 2008, giving us a favorable variance.

**Wages, Taxes & Benefits:**

Actual: \$815,443 Budget: \$878,557

Salaries are under budget for the Second Quarter 2007-2008. The budget for those items is calculated in equal monthly amounts.

**Employee Expenses:**

Actual: \$37,257 Budget: \$30,364

Actual expenses include mileage, cellular phones and travel. Variance is due to increase in organizing activity during this quarter.

**Administrative Expenses:**

Actual: \$232,112 Budget: \$258,939

We have a favorable variance with the budget due to the continued control in expenses at all levels. The processes and procedures of the Organization are consistently followed.

**Professional Services:**

Actual: \$7,572                      Budget: \$8,700

Includes: Consulting and other professional expenses.

**Member Benefits & Services:**

Actual: \$378,672      Budget: \$418,782

Some of the programs and events are seasonal and for budget purposes, we spread the expenses evenly throughout the year; therefore, in the Second Quarter 2007-2008, we show a positive variance with budget. As programs and events develop, we will be applying these budget figures to cover the expenses.

**Loan Interest:**

Actual: \$0                      Budget: \$17,229

Loan obligations were paid after the approval of the budget, therefore, there will be no actual loan interest paid during this fiscal year.

**Per Capita & Affiliated Expenses:**

Actual: \$1,402,566      Budget: \$1,369,412

- Actual: \$646,065 AFT
- Actual: \$731,328 FEA / NEA
- Actual: \$25,173 AFL-CIO and South FL AFL-CIO

Variance with budget is due to the difference between FTE budget and FTE actual.

**Non Operating Payments & Accruals:**

Actual: \$57,983      Budget \$12,000

Depreciation of Fixed Assets has been calculated for the Second Quarter 2007-2008 and added to this account. Depreciation expenses were not budgeted but are running at around \$8,600 per month.

**Cash Flow Activities:**

Actual: \$0                      Budget: \$7,500

There were no expenditures for this category.

**Total Cash before AFT Loans & Per Capita Obligations:**

Actual: \$638,506                      Budget \$-64,372

Our income exceeded our budgeted expenses and we finished with a favorable variance due to the favorable variance in membership, very good control on expenses.

**FINANCIAL POSITION:**

**Advances: Receivable from UTD Towers**

Actual balance: \$3,405,237 (Including Accrued Interest)

**Deferred Member Dues:**

Actual balance: \$889,016

**Affiliate Loans Payable:**

Past due per capita dues payable are:

- AFT: \$2,135,150
- FEA: \$1,491,276

Loan for Operations payable to AFT:

- AFT: \$2,429,032

**Cash Flow:**

As of December 31, 2007, our bank balance was \$5,928,144, including a Certificate of Deposit in Commercial Bank for \$150,000. Our general payable liability was \$810,000.

Our actual results for six months of the fiscal year as well as our projections for the remainder of the year, show a positive operating income for the year ending 6/30/08.

\*\*\*\*\*