



FINANCIAL MANAGEMENT REVIEW
Statements of Financial Position & Cash Flow
As of February 28, 2006 and Year To Date

	February-06		Year to date	
	Actual	Budget	Actual	Budget
INCOME				
Operating Income				
Dues Revenues *	\$ 948,845	\$ 803,586	\$ 7,252,681	\$ 6,407,016
Other Income (Includes: Grants, Rebates, Contributions, Sponsorships, Advertising, Interest, Events, AFT & NEA/FEA Assistance.)	\$ 38,449	\$ 10,012	\$ 748,299	\$ 461,556
	\$ 987,294	\$ 813,598	\$ 8,000,980	\$ 6,868,572
Non-Operating Income				
Interest on Promissory Note	\$ 75,219	\$ -	\$ 519,713	\$ -
Gain on Sale of building (2200 Biscayne Blvd).	-	-	3,293,932	-
Escrow - Release of RSC lien	521,974	-	521,974	-
Settlement - RSC	-	\$ -	\$ 5,000	\$ 710,000
Total Income	\$ 1,584,487	\$ 813,598	\$ 12,341,599	7,578,572
EXPENSES				
Wages, Taxes, Benefits & Expenses (Includes: Salaries, Payroll Taxes, Benefits, Mileage, Cellular Phones, Travel)	\$ 255,813	\$ 266,827	\$ 2,175,747	\$ 2,206,074
Administrative Expenses (Includes: Office Supplies, Printing, Postage, Telephone Equipment Leases, Insurance and Other Administrative Expenses)	\$ 24,454	\$ 37,780	\$ 256,140	\$ 317,613
Building Expenses (Includes: Rent, Utilities, Taxes & Misc. Building Related Expenses)	\$ 33,088	\$ 33,185	\$ 289,250	\$ 291,116
Professional Services (Includes: Consulting, Legal, Audit & Other Professional Services)	\$ 1,082	\$ 2,357	\$ 39,956	\$ 48,858
Member Benefits & Services				
Stewards Expenses	\$ (732)	\$ 1,777	\$ 71,394	\$ 55,185
Executive Board Expenses	2,635	4,333	24,907	30,665
Legislative Action	22,483	15,750	144,961	126,000
Communication & Organizing, Events, Community Support/Outreach, Contract Enforcement/Member Advocacy, Strategic Services, Planning, Negotiations, Internal Training, Scholarships, Conferences, Meetings & Workshops.	\$ 87,235	\$ 121,587	\$ 422,570	\$ 985,738
	\$ 111,621	\$ 143,447	\$ 663,832	\$ 1,197,588
Loan Interest Includes Commercial Bank and AFT Loan (Mortgage)	\$ 3,146	\$ 2,800	\$ 89,560	\$ 102,400
Per Capita Current (Includes: AFT, FEA/NEA, National AFL-CIO, & So.FL AFL-CIO)**	\$ 414,452	\$ 384,645	\$ 3,087,303	\$ 2,959,938
Total Operating Expenses	\$ 843,656	\$ 871,041	\$ 6,601,788	\$ 7,123,587
Non Operating Payments & Accruals				
Commercial Bank Loan	\$ 10,000	\$ 10,000	\$ 80,000	\$ 80,000
Capital Leases	19,746	22,000	194,906	176,000
Depreciation	20,845	-	156,106	-
Contingency - UTD Towers	-	4,166	-	33,328
Loss on Sale - Furniture & Equipment	206,235	-	206,270	-
Leasehold Improvements	-	-	-	58,000
Moving Expenses	\$ -	\$ -	\$ 1,001	\$ -
	\$ 256,826	\$ 36,166	\$ 638,283	\$ 347,328
Total Expenses & Non Operating Payments	\$ 1,100,482	\$ 907,207	\$ 7,240,071	\$ 7,470,915
Total Cash Before AFT Loans & Per Capita Arrearage Obligations	\$ 484,005	\$ (93,609)	\$ 5,101,528	\$ 107,657

(For Reporting Purposes Only. This Financial Information Has Been Prepared Internally And Has Not Been Audited)

The following is a summary of key financial points, highlights and achievements noted in reviewing our financial statements for the month of February 2006:

Membership

Actual: 17,329 Members. 13,953 FTE Members

Our records indicate that as of February 2006, we have a total of 13,953 FTE (Full time equivalent), which includes full, 1/2 and 1/8 paid dues.

Income: Dues Revenue

Actual: \$ 948,845 Budget: \$ 803,586

During this month, we had net income dues in the amount of \$948,845. Compared with Budget \$803,586, we had a favorable difference due to the increase in membership. We have deferred \$ 100,000 of income dues to cover the summer months in which we will have zero income.

Other Income:

Actual: \$ 38,449 Budget: \$ 10,012

We have grouped the following items: AFT local assistance, Contributions and Sponsorships for Black History Month and Education Summit. Interest earned on the sweep account is also added.

Non-Operating Income:

Actual: \$ 597,193

Included in this account is interest on the Promissory Note with Grouper LLC. We also received the amount of \$521,973.61 for the funds from the sale at 1814 Brickell Ave. that have been held in escrow in connection with the RSC claim over the Acquisition and Development Agreement. The trial court authorized the release of these funds.

Wages, Taxes, Benefits & Expenses:

Actual: \$255,813 Budget: \$ 266,827

Actual expenses are lower than budget because the accrual calculated for February is lower. February is a short month.

Administrative Expenses:

Actual: \$ 24,454 Budget: \$ 37,780

We continue to have a very good control on expenses at all levels and we are following all the processes and procedures that are in place, therefore we are under budget.

Building Expenses:

Actual: \$ 33,088 Budget: \$ 33,185

Some expenses were accrued until we receive the billing from the landlord. Expenses were as expected during this month.

Professional Services:

Actual: \$1,082 Budget: \$2,357

Expenses are under budget.

Member Benefits & Services:

Actual: \$111,621 Budget: \$ 143,447

Some of the programs and events are seasonal and for budget purposes, we spread the expenses evenly throughout the year; therefore, in the month of February 2006, we show a positive variance. As programs and events develop, we will be applying these budget figures to cover the expenses.

Loan Interest:

Actual: \$ 3,136 Budget: \$ 2,800

We continue paying interest to Commercial Bank for our loan. The balance of the loan as of February 28, 2006 is \$481,346.

Per Capita & Affiliated Expenses:

Actual: \$414,452 Budget: \$ 384,645

- Actual: \$178,959 AFT
- Actual: \$224,241 FEA / NEA
- Actual: \$7,652 AFL-CIO
- Actual: \$3,600 South FL AFL-CIO

We participate in the FEA Service Unit Funding Program and receive quarterly grants. Grants are received at the beginning of each quarter. The total in grants received from FEA/NEA on the first quarter was in the amount of \$193,835. In February, the Second Quarter Grant was received in the amount of \$147,000.

Non Operating Payments:

Actual: \$ 256,826 Budget \$ 36,166

When UTD sold the 2200 Biscayne building, we had to change from occupying 7 floors to using 3 floors. Every attempt was made to retain the most valuable furniture. The remainder of the furniture was sold at a loss.

We continue to pay the loan to Commercial Bank and capital leases payments on the furniture and the van. Depreciation of Fixed Assets has been calculated for the month and added to this account. Depreciation expense was not budgeted. In the past, the auditors calculated the depreciation expense at the end of the year. Now we are scheduling this expense on a monthly basis.

Total Cash before AFT Loans & Per Capita Obligations:

Actual: \$484,005 Budget \$ -93,609

Our income exceeded our budgeted expenses and we finished with a favorable variance, since we received the escrow funds this month.

Advances: Receivable from UTD Towers

Actual balance: \$3,295,689 (Including Accrued Interest)

Deferred Member Dues:

Actual balance: \$1,680,083

Affiliate Loans Payable:

Past due per capita dues payable are:

- AFT: \$3,341,000
- FEA: \$1,491,000

Loan for Operations payable to AFT: \$2,325,329

Notes Payable:

Commercial Bank Loan: \$ 481,346

Edison Schools Loan \$ 100,000 plus accrued interest \$57,844

Long Term Leases Payable:

Siemens Finance (Furniture) \$633,114

GMC Van \$12,145

Cash Flow:

As of February 28, 2006, our bank balance was \$4,346,596, including Certificate of Deposit in Commercial Bank for \$150,000. Our general payable liability was \$963,000.

According to the projection of our incoming expenses and cash flow for the year ending June 30, 2006, we show a positive cash flow through the end of our fiscal year.
