



**FINANCIAL MANAGEMENT REVIEW**  
**As of January 31, 2007 and Year to Date**

**STATEMENT OF FINANCIAL ACTIVITIES**

|   | January 2007        |                     | Year to Date as of 01/31/07 |                     |
|---|---------------------|---------------------|-----------------------------|---------------------|
|   | Actual              | Budget              | Actual                      | Budget              |
| <b>INCOME</b>   |                     |                     |                             |                     |
| <b>Operating Income</b>   |                     |                     |                             |                     |
| Dues Revenues   | \$ 1,064,338        | \$ 861,075          | \$ 7,401,913                | \$ 6,027,525        |
| Other Income  | \$ 34,658           | \$ 176,117          | \$ 621,991                  | \$ 513,436          |
| (Includes: Grants, Rebates, AFT/NEA Assistance, Sponsorships, Advertising, Events)  |                     |                     |                             |                     |
| <b>Total Income</b>   | <b>\$ 1,098,996</b> | <b>\$ 1,037,192</b> | <b>\$ 8,023,904</b>         | <b>\$ 6,540,961</b> |
| <b>EXPENSES</b>   |                     |                     |                             |                     |
| <b>Wages, Taxes and Benefits</b>  |                     |                     |                             |                     |
| Salaries  | \$ 212,280          | \$ 217,390          | \$ 1,525,461                | \$ 1,505,162        |
| Payroll Taxes   | 26,865              | \$ 17,394           | \$ 117,882                  | \$ 118,800          |
| Employee Benefits   | \$ 57,693           | \$ 48,197           | \$ 323,420                  | \$ 335,612          |
|   | <b>\$ 296,838</b>   | <b>\$ 282,981</b>   | <b>\$ 1,966,763</b>         | <b>\$ 1,959,574</b> |
| <b>Employee Expenses</b>  |                     |                     |                             |                     |
| (Includes: Mileage, Cellular Phones, Staff Travel)  | \$ 5,758            | \$ 8,715            | \$ 56,988                   | \$ 63,945           |
| <b>Administrative Expenses</b>  |                     |                     |                             |                     |
| (Includes: Office Supplies, Printing, Postage, Telephone, Insurance, Equipment Leases, Office Lease and Expenses, Other Administrative Expenses)  | \$ 62,968           | \$ 71,121           | \$ 463,530                  | \$ 467,979          |
| <b>Professional Services</b>  |                     |                     |                             |                     |
| (Includes: Consulting, Legal, Audit & Other Professional Services)  | \$ -                | \$ 2,400            | \$ 11,667                   | \$ 21,020           |
| <b>Member Benefits &amp; Services</b>   |                     |                     |                             |                     |
| Stewards Expenses   | \$ 6,578            | \$ 3,026            | \$ 59,643                   | \$ 77,816           |
| Executive Board Expenses  | 3,512               | \$ 4,397            | 26,093                      | 30,770              |
| Legislative Action  | 21,347              | \$ 16,875           | 117,671                     | 118,125             |
| TSA Release - Organizing Project  | 30,430              | \$ 30,430           | 213,004                     | 213,004             |
| Communication & Organizing, Events, Community Support/Outreach, Contract Enforcement/Member Advocacy, Strategic Serv., Planning, Negotiations, Internal Training, Scholarships, Elections, Conferences, Meetings & Workshops. | <b>\$ 124,313</b>   | <b>\$ 63,997</b>    | <b>\$ 662,043</b>           | <b>\$ 436,721</b>   |
|   | <b>\$ 186,180</b>   | <b>\$ 118,725</b>   | <b>\$ 1,078,454</b>         | <b>\$ 876,436</b>   |
| <b>Loan Interest</b>  |                     |                     |                             |                     |
| Commercial Bank   | \$ -                | \$ 3,200            | \$ 18,137                   | \$ 22,400           |
| Edison Loan   | \$ 1,441            | \$ 1,441            | \$ 9,841                    | \$ 9,841            |
|   | <b>\$ 1,441</b>     | <b>\$ 4,641</b>     | <b>\$ 27,978</b>            | <b>\$ 32,241</b>    |
| <b>Per Capita</b>   |                     |                     |                             |                     |
| Current (Includes: AFT, FEA/NEA, National AFL-CIO, & So.FL AFL-CIO)   | \$ 448,968          | \$ 412,140          | \$ 3,096,526                | \$ 2,885,003        |
| <b>Total Operating Expenses</b>   | <b>\$ 1,002,153</b> | <b>\$ 900,723</b>   | <b>\$ 6,701,906</b>         | <b>\$ 6,306,198</b> |
| <b>Non Operating Income &amp; Accruals</b>  |                     |                     |                             |                     |
| Interest Accrued on Promissory Note   | \$ 91,376           | \$ -                | \$ 617,938                  | \$ -                |
| <b>Non Operating Payments &amp; Accruals</b>  |                     |                     |                             |                     |
| Contingency - UTD Towers  | \$ -                | \$ 4,000            | \$ -                        | \$ 28,000           |
| UTD Towers RFP Expenses   | \$ -                | -                   | \$ 13,774                   | \$ -                |
| Depreciation  | \$ 8,598            | \$ -                | \$ 60,187                   | \$ -                |
|   | <b>\$ 8,598</b>     | <b>\$ 4,000</b>     | <b>\$ 73,961</b>            | <b>\$ 28,000</b>    |
| <b>Total Non Operating Activities</b>   | <b>\$ 82,778</b>    | <b>\$ (4,000)</b>   | <b>\$ 543,977</b>           | <b>\$ (28,000)</b>  |
| <b>Operating Income (Loss)</b>  | <b>\$ 179,621</b>   | <b>\$ 132,469</b>   | <b>\$ 1,865,975</b>         | <b>\$ 206,763</b>   |
| <b>Cash Flow Activities</b>   |                     |                     |                             |                     |
| Commercial Bank Loan  | \$ -                | \$ 10,000           | \$ 451,346                  | \$ 70,000           |
| Capital Leases  | \$ 505              | 500                 | 3,512                       | 3,500               |
| Leasehold Improvements  | \$ -                | \$ 1,000            | \$ -                        | \$ 7,000            |
|   | <b>\$ 505</b>       | <b>\$ 11,500</b>    | <b>\$ 454,858</b>           | <b>\$ 80,500</b>    |
| <b>Total Cash Before AFT Loans &amp; Per Capita Arrearage Obligations</b>   | <b>\$ 179,116</b>   | <b>\$ 120,969</b>   | <b>\$ 1,411,117</b>         | <b>\$ 126,263</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 month of January 2007.

**Membership**

Actual: 17,763 Members. 14,485 FTE Members

Our records indicate that as of January 2007, we have a total of 14,485 FTE (Full time equivalent), which includes full, 1/2 and 1/8 paid dues. UTD's budget is based on an FTE of 13,500.

**Income: Dues Revenue**

Actual: \$1,064,338 Budget: \$861,075

During January 2007, we had dues revenue in the amount of \$1,064,338. We had a favorable variance due to the increase in membership from the budgeted FTE. Another factor is the pass through per capita increase by AFT, which started on September 1, 2006. We have deferred \$213,278 of income dues for the month of January 2007 to cover the summer months in which we will have zero income.

**Other Income:**

Actual: \$34,658 Budget: \$176,117

We have grouped the following items: AFT local assistance, contributions to the Black History Celebration. Also included are advertising, interest earned on the sweep account and accrued interest on UTD Towers receivable. The budgeted amount includes \$160,000 for FEA Grants & Rebates which was received last month.

**Wages, Taxes & Benefits:**

Actual: \$296,838 Budget: \$282,981

Salaries were over budget due to some payroll taxes and some benefits that are paid on the first month of the calendar year. The budget for those items is calculated in equal monthly amounts. This will correct itself.

**Employee Expenses:**

Actual: \$5,758 Budget: \$8,715

Actual expenses are better than budget and includes mileage, cellular phones and travel. YTD we are under budget in this category.

**Administrative Expenses:**

Actual: \$62,968 Budget: \$71,121

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. YTD we are under budget in this category.

**Professional Services:**

Actual: \$0                      Budget: \$2,400

Includes consulting and other professional expenses.

**Member Benefits & Services:**

Actual: \$186,179      Budget: \$118,725

Some of the programs and events are seasonal and for budget purposes, we spread the expenses evenly throughout the year. In January 2007 we show a negative variance due to expenditures for the Education Summit, the NTO, UTD Elections and TOY. These expenditures were budgeted in other months.

**Loan Interest:**

Actual: \$1,441              Budget: \$4,641

This amount is for accrued monthly interest on the Edison Schools loan.

**Per Capita & Affiliated Expenses:**

Actual: \$448,968      Budget: \$412,140

- Actual: \$200,026 AFT
- Actual: \$237,142 FEA / NEA
- Actual: \$8,200 AFL-CIO
- Actual: \$3,600 South FL AFL-CIO

Variance with budget is due to the difference between FTE budget and FTE actual. Another factor is the pass through per capita increase by AFT, which started on September 1, 2006.

**Non-Operating Income:**

Actual: \$91,376

This account is interest on the Promissory Note with Grouper LLC. This item was not included in the budget. According to the Promissory Note, prepayment of the Note is acceptable any time after December 15, 2005.

**Non Operating Payments & Accruals:**

Actual: \$8,598              Budget \$4,000

Depreciation of Fixed Assets has been calculated for the month of January 2007 and added to this account. Depreciation expenses were not budgeted but are

running at about \$8,600 per month. In the past, the auditors calculated the depreciation expense at the end of the year. We are now scheduling this expense on a monthly basis.

**Cash Flow Activities:**

Actual: \$505            Budget \$11,500

Lease payment on the van.

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

Actual: \$179,116    Budget \$120,969

Our income exceeded our budgeted expenses and we finished with a favorable variance due to the increase in membership and very good control on expenses. With the favorable difference, we will be able to cover expenses for seasonal programs. Due to the increase in membership and our adherence to the budget, we anticipate a surplus for the fiscal year ending 6/30/07.

**FINANCIAL POSITION:**

**Advances: Receivable from UTD Towers**

Actual balance: \$3,300,399 (Including Accrued Interest)

**Deferred Member Dues:**

Actual balance: \$1,153,636

**Affiliate Loans Payable:**

Past due per capita dues payable are:

- AFT: \$3,341,000
- FEA: \$1,491,000
- Loan for Operations payable to AFT: \$2,339,094

**Notes Payable:**

Edison Schools Loan \$100,000 plus accrued interest \$74,372.

**Long Term Leases Payable:**

GMC Van \$6,652

**Cash Flow:**

As of January 31, 2007, our bank balance was \$3,921,171, including a Certificate of Deposit in Commercial Bank for \$150,000. Our general payable liability was \$918,000.

Our actual results for the first 7 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 6/30/07.

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