



FINANCIAL MANAGEMENT REVIEW
For the Month of May 2009
And Year-to-Date

| | Month of May 2009 | | Year-To-Date as of 05/31/09 | |
|--|-------------------|--------------|-----------------------------|---------------|
| | Actual | Budget | Actual | Budget |
| INCOME | | | | |
| Operating Income | | | | |
| Dues Revenues * | \$ 857,625 | \$ 978,323 | \$ 9,927,618 | \$ 10,548,210 |
| Other Income (Includes: Grants, Rebates, Contributions, Sponsorships, Advertising, Events, AFT & NEA/FEA Assistance.) | 51,806 | \$ 44,733 | 920,431 | 955,600 |
| Total Income | \$ 909,431 | \$ 1,023,056 | \$ 10,848,049 | \$ 11,503,810 |
| EXPENSES | | | | |
| Wages, Taxes and Benefits ** | | | | |
| Salaries | 198,246 | \$ 214,949 | \$ 2,169,266 | \$ 2,343,336 |
| Payroll Taxes | 15,793 | \$ 16,422 | 171,983 | 179,608 |
| Employee Benefits | 54,083 | \$ 61,293 | 577,516 | 660,711 |
| | \$ 268,122 | \$ 292,664 | \$ 2,918,765 | \$ 3,183,655 |
| Employee Expenses (Includes: Mileage, Cellular Phones, Staff Travel) | \$ 13,167 | \$ 11,216 | \$ 148,660 | \$ 123,296 |
| Administrative Expenses Includes: Insurance, Office Supplies, Printing, Postage, Telephone, Equipment Leases, Equipment Maintenance, Staff Development/Training. | \$ 19,474 | \$ 35,335 | \$ 231,814 | 387,320 |
| Office Lease/Back-Lot Expenses (Includes: Office Lease, Share of Building Operating Expenses, Back Lot Property Taxes, Maintenance and Insurance on the property) | \$ 74,646 | \$ 73,214 | \$ 773,783 | 787,899 |
| Professional Services (Includes: Consulting, Legal, Audit & Other Professional Services) | \$ 500 | \$ 2,316 | \$ 11,443 | \$ 30,484 |
| Member Benefits & Services (1) | | | | |
| Stewards Expenses | \$ 6,670 | \$ 9,800 | \$ 87,765 | \$ 119,400 |
| Executive Board Expenses | 3,713 | \$ 4,918 | 41,894 | 54,089 |
| Legislative Action | 19,943 | \$ 21,675 | 191,104 | 216,750 |
| TSA/ESA Release Expenses ** Communication & Organizing, Events, Community Support/Outreach, Contract Enforcement/Member Advocacy, Strategic Services, Planning, Negotiations, Internal Training, Scholarships, Conferences, Meetings & Workshops. | 46,545 | \$ 35,000 | 580,214 | 420,000 |
| | 70,373 | \$ 72,580 | 701,802 | 900,606 |
| | 147,244 | 143,973 | 1,602,779 | 1,710,845 |
| Per Capita Current (Includes: AFT, FEA/NEA, National AFL-CIO, & Florida CLC)*** | \$ 448,916 | \$ 484,076 | \$ 4,994,642 | \$ 5,277,139 |
| Total Operating Expenses | \$ 972,070 | \$ 1,042,794 | \$ 10,681,887 | \$ 11,500,639 |
| TOTAL OPERATING INCOME (LOSS) | \$ (62,639) | \$ (19,738) | \$ 166,162 | \$ 3,172 |
| Cash Flow Activities | | | | |
| Non Operating Expenses/Accruals | | | | |
| Contract Enforcement Activities | - | | 121,000 | |
| Contributions - Political | - | | 160,939 | |
| Depreciation | 1,212 | | 13,019 | |
| IT Assets Improvements | - | 5,000 | - | 5,000 |
| Contingency - Payroll | 12,125 | | \$ 12,125 | |
| Back Lot Legal/Professional Exp. | 4,409 | | 100,215 | |
| | \$ 17,746 | \$ 5,000 | \$ 407,298 | \$ 5,000 |
| Total Expenses & Non Operating Payments | \$ 17,746 | \$ 5,000 | \$ 407,298 | \$ 5,000 |
| Total Cash Before AFT Loans & Per Capita Arrearage Obligations | \$ (80,385) | \$ (24,738) | \$ (241,136) | \$ (1,828) |

(For Reporting Purposes Only)

Budget

* Dues revenue based on 14,450 FTE @ \$803.40 per year on accrual basis.
 ** TSA/ESA release expenses funds are approved to be utilized for employee hiring (wages, taxes & benefits) as needed.
 *** Per Capita arrearage to AFT & FEA: \$3,626,427
 (1) Monies generated from membership growth above 14,450 FTE are approved to be added into the Member Benefits & Services category.

The following is a summary of key financial points, highlights and achievements noted in reviewing our financial statements as of May 31, 2009 and Year-to-Date.

Membership

Actual: 17,142 Members. 13,572 FTE

Our records indicate that as of May 31, 2009, we had a total of 13,572 FTE's (Full time equivalent), which includes full, 1/2 and 1/8 paid dues. UTD's budget is based on an FTE of 14,450. We show a negative variance of 878 FTE's due to changes in personnel at the beginning of the school year.

Income: Dues Revenue

Actual: \$857,625 Budget: \$978,323

During the month of May 2009, we received dues revenue in the amount of \$857,625. We had an unfavorable variance due to the difference in membership from the budgeted FTE's. We deferred \$225,561 of income dues for the month of May 2009 to cover the summer months in which we will have zero income.

Other Income:

Actual: \$51,806 Budget: \$44,733

We have grouped the following items: Desk calendar advertising, AFT Local Assistance and Accrued interest on the UTD Towers loan receivable. We also included Sponsors for the Education Summit event. Sponsorships budgeted for some events will be received during the following months. Some sponsorship monies were received during this month but the events will take place during the next fiscal year 2009-2010; therefore, these monies were put in Reserves.

Wages, Taxes & Benefits:

Actual: \$268,122 Budget: \$292,664

Salaries are under budget for the month of May 2009 and Year-to-Date. The budget for those items is calculated in equal monthly amounts and the variance will correct itself during the year.

Employee Expenses:

Actual: \$13,167 Budget: \$11,216

Actual expenses include mileage, cellular phones and travel.

Administrative Expenses:

Actual: \$19,474 Budget: \$35,335

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 and all expenditures are going through a very strict process in order to make up for the negative variance in income dues.

Office Lease/Back Lot Expenses:

Actual: \$74,646 Budget: \$73,214

The Office lease and accruals for the back lot real estate taxes are included.

Professional Services:

Actual: \$500 Budget: \$2,316

Includes: Consulting, legal and other professional expenses.

Member Benefits & Services:

Actual: \$147,244 Budget: \$143,973

Some of the programs and events are seasonal and during the month of May 2009, we show a negative variance with budget. Expenses budgeted in prior months were disbursed during May 2009. As programs and events develop, we apply these budget figures to cover the expenses. We have a positive variance in the year-to-date balance.

Per Capita & Affiliated Expenses:

Actual: \$448,916 Budget: \$484,076

- Actual: \$205,831 AFT
- Actual: \$235,608 FEA / NEA
- Actual: \$7,477 AFL-CIO and South FL AFL-CIO

Positive variance with the budget is due to the difference between FTE budget and FTE actual. When income from dues is lower, so is the per capita expense.

Total Operating Income (Loss):

Actual: \$-62,639 Budget \$-19,737

We finished the month of May, 2009, with a negative variance. We had a decrease in Dues Income due to the reduction in membership that impacted the balance, even after we have reduced Administrative Expenses, Professional Services and other expenses to compensate the negative variance in dues. We have a positive variance in the year-to-date balance.

Total Cash before AFT Loans & Per Capita Obligations:

Actual: \$-80,385

As of May 31, 2009, our total cash before AFT Loans and Per Capita Obligations is the total of the Operating Income less Non-Operating Expenses and Accruals.

Cash Flow Activities:

Non Operating Payments & Accruals:

Actual: \$17,746 Budget: \$5,000

We included the following: Depreciation of Fixed Assets, Contingency Fund – Payroll, Legal and Professional expenses incurred in reference to the property tax on the back lot property. These expenses were paid by AFT and charged to our Operational loan.

FINANCIAL POSITION

Advances: Receivable from UTD Towers

Actual balance: \$3,708,523 (Including Accrued Interest and advances paid by AFT for the Stanley Axlrod Towers Project.)

Deferred Member Dues:

Actual balance: \$2,259,785

Escrow Account: Property Taxes:

Actual balance: \$346,000

A deposit of \$104,000 for estimated property taxes was made to the Dade County Property Appraiser.

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: \$2,574,686

Includes advances paid on behalf of UTD Towers for the Stanley Axlrod Towers Project and also legal expenses related to the property tax on the back lot.

Cash Flow:

As of May 31, 2009, our bank balance was \$6,983,525, including a Certificate of Deposit in Colonial Bank of \$150,000. Our general payable liability was \$1,062,000.

Our actual results for the 11 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 6/30/09.
