



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

STATEMENT OF FINANCIAL ACTIVITIES

	May 2007		Year to Date as of 05/31/07	
	Actual	Budget	Actual	Budget
INCOME				
Operating Income				
Dues Revenues	\$ 765,348	\$ 861,075	\$ 11,097,602	\$ 9,471,825
Other Income				
(Includes: Grants, Rebates, AFT/NEA Assistance, Sponsorships, Advertising, Events)	\$ 68,819	\$ 14,100	\$ 1,010,752	\$ 820,052
	\$ 834,167	\$ 875,175	\$ 12,108,354	\$ 10,291,877
EXPENSES				
Wages, Taxes and Benefits				
Salaries	\$ 255,616	\$ 217,390	\$ 2,416,285	\$ 2,374,720
Payroll Taxes	17,666	17,394	183,640	188,377
Employee Benefits	45,233	48,198	505,819	528,414
	\$ 318,515	\$ 282,982	\$ 3,105,744	\$ 3,091,511
Employee Expenses				
(Includes: Mileage, Cellular Phones, Staff Travel)	\$ 19,404	\$ 9,116	\$ 107,773	\$ 104,505
Administrative Expenses				
(Includes: Office Supplies, Printing, Postage, Telephone, Insurance, Equipment Leases, Office Lease and Expenses, Other Administrative Expenses)	\$ 66,812	\$ 72,792	\$ 711,680	\$ 757,475
Professional Services				
(Includes: Consulting, Legal, Audit & Other Professional Services)	\$ 2,998	\$ 2,400	\$ 14,665	\$ 30,620
Member Benefits & Services				
Stewards Expenses	\$ 13,803	2,732	\$ 91,686	\$ 89,629
Executive Board Expenses	4,532	4,397	47,632	48,358
Legislative Action	21,385	16,875	202,493	185,625
TSA Release - Organizing Project	30,430	30,430	334,724	334,724
Communication & Organizing, Events, Community Support/Outreach, Contract Enforcement/Member Advocacy, Strategic Serv., Planning, Negotiations, Internal Training, Scholarships, Elections, Conferences, Meetings & Workshops.				
	\$ 84,365	\$ 90,236	\$ 1,127,239	\$ 868,785
	\$ 154,515	\$ 144,670	\$ 1,803,774	\$ 1,527,121
Loan Interest				
Commercial Bank	\$ -	\$ 3,200	\$ 18,137	\$ 35,200
Edison Loan	\$ -	1,490	\$ 12,759	\$ 15,726
	\$ -	\$ 4,690	\$ 30,896	\$ 50,926
Per Capita				
Current (Includes: AFT, FE/NEA, National AFL-CIO, & So. FL AFL-CIO)	\$ 446,041	\$ 412,140	\$ 4,870,120	\$ 4,533,563
Total Operating Expenses	\$ 1,008,285	\$ 928,790	\$ 10,644,652	\$ 10,095,720
Non Operating Income & Accruals				
Interest Accrued on Promissory Note	\$ 94,472	\$ -	\$ 979,179	\$ -
Other	\$ -	\$ -	\$ 73,790	\$ -
	\$ 94,472	\$ -	\$ 1,052,969	\$ -
Non Operating Payments & Accruals				
Contingency - UTD Towers	\$ -	\$ 4,000	\$ -	\$ 44,000
UTD Towers RFP Expenses	466	-	21,894	-
Depreciation	8,598	-	94,580	-
	\$ 9,064	\$ 4,000	\$ 116,474	\$ 44,000
Total Non Operating Activities	\$ 85,408	\$ (4,000)	\$ 936,495	\$ (44,000)
Operating Income (Loss)	\$ (88,710)	\$ (57,615)	\$ 2,400,197	\$ 152,156
Cash Flow Activities				
Commercial Bank Loan	\$ -	\$ 10,000	\$ 451,346	\$ 110,000
Capital Leases	510	500	5,546	5,500
Leasehold Improvements	\$ -	\$ 1,000	\$ -	\$ 11,000
	\$ 510	\$ 11,500	\$ 456,892	\$ 126,500
Total Cash Before AFT Loans & Per Capita Arrearage Obligations	\$ (89,220)	\$ (69,115)	\$ 1,943,305	\$ 25,656

(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 May 2007.

Membership

Actual: 18,259 Members. 14,759 FTE Members

Our records indicate that as of May 31, 2007, we have a total of 14,759 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: \$765,348 Budget: \$861,075

During May 2007, we had dues revenue in the amount of \$765,348. The last payment (#20) received for dues were through May 17, 2007; that is the reason for the difference with budget. In the following months we will be using deferred income.

Other Income:

Actual: \$68,819 Budget: \$14,100

We have grouped the following items: Advertising for the 2007 Desk Calendar and the 2007 Pocket Guide, AFT local assistance, Education Summit's sponsorships and McDonald's poster contest sponsorships. Also included are interest earned on the sweep account and accrued interest on UTD Towers receivable.

Wages, Taxes & Benefits:

Actual: \$318,515 Budget: \$282,982

Salaries have a variance for the month of May 2007 due to accrual for additional days. The budget for those items is calculated in equal monthly amounts. This will correct itself.

Employee Expenses:

Actual: \$19,404 Budget: \$9,116

Actual expenses include mileage, cellular phones and travel. Expenses are higher than budget because we recorded travel expenses for the legislative session and mileage corresponding to prior months.

Administrative Expenses:

Actual: \$66,812 Budget: \$72,792

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: \$2,998 Budget: \$2,400

Includes: Consulting, Legal, Audit and other professional expenses.

Member Benefits & Services:

Actual: \$154,515 Budget: \$144,670

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 May 2007, we show that actual is higher than budget. As programs and events develop, we will be applying these budget figures to cover the expenses. Since the budget calls for additional dues revenue to be applied to this category, expenditures fall within the budgeted amount.

Loan Interest:

Actual: \$0 Budget: \$4,690

No interest expense was incurred this month.

Per Capita & Affiliated Expenses:

Actual: \$446,041 Budget: \$412,140

- Actual: \$200,411 AFT
- Actual: \$237,599 FEA / NEA
- Actual: \$8,031 AFL-CIO and 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: \$94,472

Interest on the Promissory Note with Grouper LLC is recorded on this account. 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: \$9,064 Budget \$4,000

Depreciation of Fixed Assets has been calculated for May 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. During this month we also incurred on expenses for the UTD Towers RFP.

Cash Flow Activities:

Actual: \$510 Budget: \$11,500

Lease payment on the van. In the budget, we included payments to Commercial Bank in the amount of \$10,000 per month. The loan was paid off on December 2006.

Total Cash before AFT Loans & Per Capita Obligations:

Actual: \$-89,220 Budget \$-69,115

The variance between actual and budget is due to income dues. The budget for income dues is calculated on a monthly basis and the last payment of the school year was through 5/17/07. We have a positive variance year to date.

FINANCIAL POSITION:

Advances: Receivable from UTD Towers

Actual balance: \$3,338,844 (Including Accrued Interest)

Deferred Member Dues:

Actual balance: \$1,739,200

Promissory Note – Grouper Finance:

Actual balance: \$11,064,063 (Including Accrued Interest)

Affiliate Loans Payable:

Past due per capita dues payable are:

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

Loan for Operations payable to AFT:

- AFT: \$2,456,752

Long Term Leases Payable:

GMC Van \$5,128

Cash Flow:

As of May 31, 2007, our bank balance was \$5,286,368, including a Certificate of Deposit in Commercial Bank for \$150,000. Our general payable liability was \$850,000.

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