



FINANCIAL MANAGEMENT REVIEW
Statements of Financial Position & Cash Flow
As of May 31, 2006 and Year To Date

	May 2006		Year to date	
	Actual	Budget	Actual	Budget
INCOME				
Operating Income				
Dues Revenues *	\$ 778,345	\$ 803,586	\$ 9,945,518	\$ 8,658,240
Other Income (Includes: Grants, Rebates, Contributions, Sponsorships, Advertising, Interest, Events, AFT & NEA/FEA Assistance.)	\$ 62,653	\$ 9,412	\$ 1,129,350	\$ 812,191
	\$ 840,998	\$ 812,998	\$ 11,074,868	9,470,431
Non-Operating Income				
Interest on Promissory Note	\$ 85,400	\$ 79,767	\$ 771,046	\$ 159,534
Gain on Sale of building (2200 Biscayne Blvd).	-	-	3,293,932	-
Escrow - Release of RSC lien	-	-	-	-
RFP Designation Fee - UTD Towers	-	-	30,000	-
Settlement - RSC	-	-	\$ 22,869	\$ 710,000
Total Income	\$ 926,398	\$ 892,765	\$ 15,192,715	10,339,965
EXPENSES				
Wages, Taxes & Benefits				
Salaries	\$ 212,582	\$ 196,985	\$ 2,295,633	\$ 2,240,742
Payroll Taxes	15,370	\$ 15,442	\$ 173,754	168,632
Employee Benefits	41,443	\$ 48,097	\$ 467,801	513,330
	\$ 269,395	\$ 260,524	\$ 2,937,188	\$ 2,922,705
Employee Expenses (Includes: Mileage, Cellular Phones, Staff Travel)	\$ 19,616	\$ 7,916	\$ 115,655	\$ 87,076
Administrative Expenses (Includes: Office Supplies, Printing, Postage, Telephone Equipment Leases, Insurance and Other Administrative Expenses)	\$ 26,508	\$ 38,049	\$ 408,449	\$ 431,935
Building Expenses (Includes: Rent, Utilities, Taxes & Misc. Building Related Expenses)	\$ 27,519	\$ 33,185	\$ 382,943	\$ 390,671
Professional Services (Includes: Consulting, Legal, Audit & Other Professional Services)	\$ 450	\$ 2,357	\$ 65,477	\$ 55,930
Member Benefits & Services				
Stewards Expenses	\$ 3,737	\$ 1,777	\$ 77,536	\$ 60,516
Executive Board Expenses	3,446	4,333	36,519	43,664
Legislative Action	24,578	15,750	207,025	173,250
Communication & Organizing, Events, Community Support/Outreach, Contract Enforcement/Member Advocacy, Strategic Services, Planning, Negotiations, Internal Training, Scholarships, Conferences, Meetings & Workshops.	\$ 90,094	\$ 111,587	\$ 732,721	\$ 1,356,999
	\$ 121,855	\$ 133,447	\$ 1,053,801	\$ 1,634,429
Loan Interest Includes Commercial Bank and AFT Loan (Mortgage)	\$ 3,021	\$ 2,800	\$ 102,464	\$ 110,800
Per Capita Current (Includes: AFT, FEA/NEA, National AFL-CIO, & So.FL AFL-CIO)**	\$ 423,103	\$ 384,645	\$ 4,353,002	\$ 4,113,873
Total Operating Expenses	\$ 891,467	\$ 862,923	\$ 9,418,979	\$ 9,747,418
Non Operating Payments & Accruals				
Commercial Bank Loan	\$ 10,000	\$ 10,000	\$ 110,000	\$ 110,000
Capital Leases	500	22,000	196,906	242,000
Depreciation	19,793	-	215,484	-
Contingency - UTD Towers	-	4,166	-	45,826
RFP Expenses - UTD Towers	2,625	-	8,904	-
Loss on Sale - Furniture & Equipment	-	-	202,650	-
Leasehold Improvements	-	-	-	58,000
Moving Expenses	-	-	\$ 1,000	-
	\$ 32,918	\$ 36,166	\$ 734,944	\$ 455,826
Total Expenses & Non Operating Payments	\$ 924,385	\$ 899,089	\$ 10,153,923	\$ 10,203,244
Total Cash Before AFT Loans & Per Capita Arrearage Obligations	\$ 2,013	\$ (6,324)	\$ 5,038,792	\$ 136,721

(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 May 2006:

Membership

Actual: 17,679 Members. 14,163 FTE Members

Our records indicate that as of May 2006, we have a total of 14,163 FTE (Full time equivalent), which includes full, 1/2 and 1/8 paid dues.

Income: Dues Revenue

Actual: \$ 778,345 Budget: \$ 803,586

During this month, we had net income dues in the amount of \$769,345. We received the last dues payment for the year. We will be using the deferred income dues in the next two months. We have deferred income dues to cover the summer months in which we will have zero income.

Other Income:

Actual: \$ 62,653 Budget: \$ 9,412

We have grouped the following items: AFT local assistance, Advertising, Contributions and sponsorships for the Education Summit. Interest earned on the sweep account and on the CD is also added.

Non-Operating Income:

Actual: \$ 85,400 Budget \$79,767

Included in this account is interest accrued on the Promissory Note with Grouper LLC.

Wages, Taxes & Benefits:

Actual: \$269,395 Budget: \$ 260,524

Actual expenses are a bit higher than budget because May has more days to be accrued.

Employee Expenses:

Actual: \$19,616 Budget: \$7,916

In May, expense reports for expenses incurred in prior months were paid. As per Teamster's contract, employees have 60 working days to submit their expenditures.

Administrative Expenses:

Actual: \$ 26,508 Budget: \$ 38,049

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: \$ 27,519 Budget: \$ 33,185

In May 2006 we received the billing from the landlord. Expenses are better than budget.

Professional Services:

Actual: \$450 Budget: \$2,357

Expenses are under budget.

Member Benefits & Services:

Actual: \$121,855 Budget: \$133,447

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 May 2006, we show a favorable variance. As programs and events develop, we apply the difference to the year to date figure.

Loan Interest:

Actual: \$3,021 Budget: \$ 2,800

We continue paying interest to Commercial Bank for our loan. The balance of the loan as of May 31, 2006 is \$451,346.

Per Capita & Affiliated Expenses:

Actual: \$423,103 Budget: \$384,645

- Actual: \$182,734 AFT
- Actual: \$228,971 FEA / NEA
- Actual: \$7,798 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.

Non Operating Payments & Accruals:

Actual: \$ 32,918 Budget \$ 36,166

We continue to pay the loan to Commercial Bank and lease payments on the van. Depreciation of Fixed Assets has been calculated for the month and added to this account. Expenses for the RFP for UTD Towers are included.

Depreciation expense was not budgeted. We are scheduling this expense on a monthly basis.

Total Cash before AFT Loans & Per Capita Obligations:

Actual: \$ 2,013 Budget \$ -6,324

Our income is slightly over than budgeted expenses.

Advances: Receivable from UTD Towers

Actual balance: \$3,378,770 (Principal \$2,213,717. Interest: \$1,165,053)

Deferred Member Dues:

Actual balance: \$2,033,897

Affiliate Loans Payable:

Past due per capita dues payable are:

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

Loan for Operations payable to AFT: \$2,314,529

Notes Payable:

Commercial Bank Loan: \$ 451,346

Edison Schools Loan \$ 100,000 plus accrued interest \$61,790

Long Term Leases Payable:

GMC Van \$10,661

Cash Flow:

As of May 31, 2006, our bank balance was \$4,495,636, including Certificate of Deposit in Commercial Bank for \$150,000. Our general payable liability was \$720,800.

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.
