



FINANCIAL MANAGEMENT REVIEW
For the Second Quarter 2008-2009 (October, November & December 2008)
And Year To Date

INCOME

Operating Income

Dues Revenues *	
Other Income	
(Includes: Grants, Rebates, Contributions, Sponsorships, Advertising, Events, AFT & NEA/FEA Assistance.)	
Total Income	

EXPENSES

Wages, Taxes and Benefits **

Salaries	
Payroll Taxes	
Employee Benefits	

Employee Expenses

(Includes: Mileage, Cellular Phones, Staff Travel)

Administrative Expenses

(Includes: Insurance, Office Supplies, Printing, Postage, Telephone, Equipment Leases, Equipment Maintenance, Staff Development/Training.)

Office Lease/Back-Lot Expenses

(Includes: Office Lease, Share of Building Operating Expenses, Back Lot Property Taxes, Maintenance and Insurance on the property)

Professional Services

(Includes: Consulting, Legal, Audit & Other Professional Services)

Member Benefits & Services (1)

Stewards Expenses	
Executive Board Expenses	
Legislative Action	
TSA/ESA Release Expenses **	
Communication & Organizing, Events, Community Support/Outreach, Contract Enforcement/Member Advocacy, Strategic Services, Planning, Negotiations, Internal Training, Scholarships, Conferences, Meetings & Workshops.	

Per Capita

Current (Includes: AFT, FEA/NEA, National AFL-CIO, & Florida CLC)***

Total Operating Expenses

TOTAL OPERATING INCOME (LOSS)

Cash Flow Activities

Non Operating Expenses/Accruals

Capital Leases	
Contributions - Political	
Depreciation	
Back Lot Legal/Professional Exp.	

Total Expenses & Non Operating Payments

Total Cash Before AFT Loans & Per Capita Arrearage Obligations

	Second Quarter 2008-2009		Year-To-Date as of 12/31/08	
	Actual	Budget	Actual	Budget
INCOME				
Operating Income				
Dues Revenues *	\$ 2,821,616	\$ 2,956,761	\$ 5,369,005	\$ 5,678,386
Other Income				
(Includes: Grants, Rebates, Contributions, Sponsorships, Advertising, Events, AFT & NEA/FEA Assistance.)	263,968	\$ 266,833	587,846	560,223
Total Income	\$ 3,085,584	\$ 3,223,594	\$ 5,956,851	\$ 6,238,609
EXPENSES				
Wages, Taxes and Benefits **				
Salaries	626,187	\$ 644,843	\$ 1,217,879	\$ 1,268,598
Payroll Taxes	48,365	\$ 49,266	95,514	97,498
Employee Benefits	155,945	\$ 172,491	308,215	346,634
	\$ 830,497	\$ 866,600	\$ 1,621,608	\$ 1,712,730
Employee Expenses				
(Includes: Mileage, Cellular Phones, Staff Travel)	\$ 44,778	\$ 33,624	\$ 81,132	\$ 67,248
Administrative Expenses				
(Includes: Insurance, Office Supplies, Printing, Postage, Telephone, Equipment Leases, Equipment Maintenance, Staff Development/Training.)	\$ 62,843	\$ 106,179	\$ 128,842	211,768
Office Lease/Back-Lot Expenses				
(Includes: Office Lease, Share of Building Operating Expenses, Back Lot Property Taxes, Maintenance and Insurance on the property)	\$ 211,720	\$ 219,642	\$ 402,806	421,829
Professional Services				
(Includes: Consulting, Legal, Audit & Other Professional Services)	\$ 4,605	\$ 7,948	\$ 6,480	\$ 18,904
Member Benefits & Services (1)				
Stewards Expenses	\$ 10,945	\$ 29,400	\$ 60,683	\$ 59,700
Executive Board Expenses	11,568	\$ 14,745	23,288	29,499
Legislative Action	60,634	\$ 65,025	80,935	86,700
TSA/ESA Release Expenses **	146,040	\$ 102,000	321,837	250,000
Communication & Organizing, Events, Community Support/Outreach, Contract Enforcement/Member Advocacy, Strategic Services, Planning, Negotiations, Internal Training, Scholarships, Conferences, Meetings & Workshops.	184,794	\$ 254,232	406,907	506,805
	413,981	465,402	893,650	932,704
Per Capita				
Current (Includes: AFT, FEA/NEA, National AFL-CIO, & Florida CLC)***	\$ 1,364,803	\$ 1,452,228	\$ 2,741,059	\$ 2,856,759
Total Operating Expenses	\$ 2,933,228	\$ 3,151,623	\$ 5,875,578	\$ 6,221,942
TOTAL OPERATING INCOME (LOSS)	\$ 152,356	\$ 71,970	\$ 81,273	\$ 16,667
Cash Flow Activities				
Non Operating Expenses/Accruals				
Capital Leases	-	\$ -	-	
Contributions - Political	-		160,940	
Depreciation	3,184		7,408	
Back Lot Legal/Professional Exp.	33,788		33,788	
	\$ 36,972		\$ 202,136	
Total Expenses & Non Operating Payments	\$ 36,972		\$ 202,136	
Total Cash Before AFT Loans & Per Capita Arrearage Obligations	\$ 115,384		\$ (120,863)	

(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 for the Second Quarter 2008-2009 (October, November and December 2008) and year-to-date.

Membership

Actual: 16,995 Members. 13,553 FTE Members

Our records indicate that as of December 31, 2008, we have a total of 13,553 FTE (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 897 FTEs due to changes in personnel at the beginning of the school year.

Income: Dues Revenue

Actual: \$2,821,616 Budget: \$2,956,761

During the Second Quarter 2008-2009, we had dues revenue in the amount of \$2,821,616. We had an unfavorable variance due to the difference in membership from the budgeted FTE's. We deferred \$804,189 of income dues for the Second Quarter 2008-2009 to cover the summer months in which we will have zero income.

Other Income:

Actual: \$263,968 Budget: \$266,833

We have grouped the following items: AFT local assistance, FEA Grants and Rebates, interest earned on the sweep account and accrued interest on UTD Towers receivable. We also included Sponsors for the Hispanic Heritage event, the Poster Contest and Stewards Training.

Wages, Taxes & Benefits:

Actual: \$830,497 Budget: \$866,599

Salaries are under budget for the Second Quarter 2008-2009 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: \$44,778 Budget: \$33,624

Actual expenses include mileage, cellular phones and travel. Variance is due to an increase in organizing activity during this month.

Administrative Expenses:

Actual: \$62,843 Budget: \$106,179

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 stringent process in order to make up for the negative variance in income dues.

Office Lease/Back Lot Expenses:

Actual: \$211,720 Budget: \$219,642

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

Professional Services:

Actual: \$4,605 Budget: \$7,948

Includes: Consulting, legal and other professional expenses.

Member Benefits & Services:

Actual: \$413,981 Budget: \$465,402

Some of the programs and events are seasonal and during the Second Quarter 2008-2009, we show a positive difference with budget. Expenses budgeted for some events will be disbursed during the next 2 months. As programs and events develop, we will be applying these budget figures to cover the expenses.

Per Capita & Affiliated Expenses:

Actual: \$1,364,803 Budget: \$1,452,228

- Actual: \$208,534 AFT
- Actual: \$238,786 FEA / NEA
- Actual: \$7,791 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: \$152,356 Budget \$71,970

We finished the Second Quarter 2008-2009 with a positive variance. Since we had a decreased in Dues Income due to the reduction in membership we have reduced Administrative Expenses and Professional Services. Another variance is the Per Capita expense. Also some expenses budgeted on the Second Quarter 2008-2009 for some events will be disbursed during the next 2 months.

Total Cash before AFT Loans & Per Capita Obligations:

Actual: \$115,394

For the Second Quarter 2008-2009 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:

Depreciation

Actual: \$3,184

Depreciation of Fixed Assets has been calculated and posted for the Second Quarter 2008-2009. Depreciation expenses are not budgeted.

Back Lot Non-Operational Expenses:

Actual: \$33,788

Included are expenditures for Real Estate Taxes issues on the Back Lot. These expenses are non-operational.

FINANCIAL POSITION:

Advances: Receivable from UTD Towers

Actual balance: \$3,657,874 (Including Accrued Interest and advances paid by AFT for the Stanley Axlrod Towers Project.)

Deferred Member Dues:

Actual balance: \$1,061,071

Escrow Account: Property Taxes:

Actual balance: \$450,000

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: \$2,520,628

Includes advances paid on behalf of UTD Towers for the Stanley Axlrod Towers Project.

Cash Flow:

As of December 31, 2008, our bank balance was \$5,669,670, including a Certificate of Deposit in Colonial Bank of \$150,000. Our general payable liability was \$750,000.

Our actual results for the 6 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.
