



FINANCIAL MANAGEMENT REVIEW
For the Second Quarter 2009-2010
(October, November and December 2009)
And Year-to-Date

	2nd Quarter 2009-2010		Year-To-Date as of 12/31/09	
	2009-2010	Budget	Actual	Budget
INCOME				
Operating Income				
Dues Revenues *	\$ 2,698,052	\$ 2,545,065	\$ 5,333,395	\$ 5,083,878
Other Income (Includes: Grants, Rebates, Contributions, Sponsorships, Advertising, Events, AFT & NEA/FEA Assistance.)	330,551	318,460	576,990	554,920
Total Income	\$ 3,028,603	\$ 2,863,525	\$ 5,910,385	\$ 5,638,798
EXPENSES				
Wages, Taxes and Benefits **				
Salaries	\$ 569,641	\$ 586,620	\$ 1,113,393	\$ 1,165,715
Payroll Taxes	44,606	45,245	90,246	90,156
Employee Benefits	153,726	168,186	297,731	334,122
	\$ 767,973	\$ 800,051	\$ 1,501,370	\$ 1,589,993
Employee Expenses (Includes: Mileage, Cellular Phones, Staff Travel)	\$ 40,494	\$ 43,000	\$ 68,851	\$ 77,933
Administrative Expenses (Includes: Insurance, Office Supplies, Printing, Postage, Telephone, Equipment Leases, Equipment Maintenance, Staff Development/Training.)	\$ 65,431	\$ 79,437	\$ 134,996	\$ 157,395
Office Lease/Back-Lot Expenses (Includes: Office Lease, Share of Building Operating Expenses, Back Lot Property Taxes, Maintenance and Insurance on the property)	\$ 217,174	\$ 229,200	\$ 439,373	\$ 457,437
Professional Services (Includes: Consulting, Legal, Audit & Other Professional Services)	\$ 2,879	\$ 8,200	\$ 8,840	\$ 18,400
Member Benefits & Services (1)				
Stewards Expenses	\$ 65,175	\$ 49,000	\$ 72,132	\$ 51,500
Executive Board Expenses	9,995	13,500	20,210	27,000
Legislative Action	66,259	65,625	85,295	84,375
TSA/ESA Release Expenses **	111,653	92,802	263,102	213,675
Communication & Organizing, Events, Community Support/Outreach, Contract Enforcement/Member Advocacy, Strategic Services, Planning, Negotiations, Internal Training, Scholarships, Conferences, Meetings & Workshops.	120,344	160,483	246,215	322,185
	\$ 373,426	\$ 381,410	\$ 686,954	\$ 698,735
Per Capita Current (Includes: AFT, FEA/NEA, National AFL-CIO, & Florida CLC)***	\$ 1,309,252	\$ 1,276,380	\$ 2,639,793	\$ 2,546,509
Total Operating Expenses	\$ 2,776,629	\$ 2,817,679	\$ 5,480,177	\$ 5,546,402
TOTAL OPERATING INCOME (LOSS)	251,974	45,846	430,208	92,396
Cash Flow Activities				
Non Operating Expenses/Accruals				
Asset Improvements - IT	\$ -	\$ -	\$ -	\$ -
Back Lot Legal/Professional Exp.	(4,849)	-	(4849)	-
Depreciation	3,185	-	6370	-
Contingency - Payroll	-	-	825	-
Total Expenses & Non Operating Payments	\$ (1,664)	\$ -	\$ 2,346	\$ -
Total Cash Before AFT Loans & Per Capita Arrearage Obligations	\$ 253,638	\$ 45,846	\$ 427,862	\$ 92,396

Budget

- * Dues revenue based on 12,500 FTE's @ \$805.20 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 12,500 FTE's are approved to be added into the budgets of various departments.

The following is a summary of key financial points, highlights and achievements noted in reviewing our financial statements for the Second Quarter 2009-2010 (October, November and December 2009) and Year-to-Date.

Membership

Actual: 15,883 Members. 12,673 FTE's

Our records indicate that as of the end of the Second Quarter 2009-2010, we had a total of 12,673 FTE's (Full time equivalent), which includes full, 1/2 and 1/8 paid dues. UTD's budget is based on 12,500 FTE's.

Income: Dues Revenue

Actual: \$2,698,052 Budget: \$2,545,065

During the Second Quarter 2009-2010, we had dues revenue in the amount of \$2,698,052. We had a favorable variance due to the difference in membership from budgeted FTE's and actual. For the 2nd Quarter 2009-2010 we deferred \$708,477 of income dues to cover the summer months in which we will have zero income.

Other Income:

Actual: \$330,551 Budget: \$318,460

We have grouped the following items: AFT Local Assistance, FEA Grants and Rebates, FEA Assistance, Interest earned on the bank account and Accrued interest on the UTD Towers loan receivable. We also included Sponsors for the Stewards Conference.

Wages, Taxes & Benefits:

Actual: \$767,973 Budget: \$800,051

Salaries are under budget for the Second Quarter 2009-2010. The budget for those items is calculated in equal monthly amounts and the variance will correct itself during the year.

Employee Expenses:

Actual: \$40,494 Budget: \$43,000

Actual expenses include mileage, cellular phones and travel.

Administrative Expenses:

Actual: \$65,431 Budget: \$79,437

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.

Office Lease/Back Lot Expenses:

Actual: \$217,174 Budget: \$229,200

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

Professional Services:

Actual: \$2,879 Budget: \$8,200

Includes: Consulting, legal and other professional expenses.

Member Benefits & Services:

Actual: \$373,426 Budget: \$381,410

We show a positive variance with budget. Some of the programs and events are seasonal, as programs and events develop, budget figures will cover the expenses in the following months.

Per Capita & Affiliated Expenses:

Actual: \$1,309,252 Budget: \$1,276,380

- Actual: \$611,087 AFT
- Actual: \$676,275 FEA / NEA
- Actual: \$21,890 AFL-CIO and South FL AFL-CIO

Negative variance with the budget is due to the difference between FTE budget and FTE actual.

Total Operating Income (Loss):

Actual: \$251,974 Budget: \$45,846

We finished the Second Quarter 2009-2010, with a positive variance due to the difference in the FTE budget vs. actual membership dues, and overall control in expenses.

Total Cash before AFT Loans & Per Capita Obligations:

Actual: \$253,638

As of December 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: \$-1,664

We included the Depreciation of Fixed Assets for the Second Quarter 2009-2010. We also received a credit for Legal expenses on the Back Lot property.

FINANCIAL POSITION

Advances: Receivable from UTD Towers

Actual balance: \$3,770,078 (Including Accrued Interest)

Deferred Member Dues:

Actual balance: \$1,021,274

Escrow Account: Property Taxes:

Actual balance: \$348,351

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

Sponsorships Temporarily Restricted:

Actual balance: \$71,979

Sponsorships for the Event series 2009-2010

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: \$2,551,896

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 December 31, 2009, our bank balance was \$6,428,461, including a Certificate of Deposit in BB&T Bank of \$179,671. Our general payable liability was \$862,000.

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 6/30/2010.
