



FINANCIAL MANAGEMENT REVIEW
As of October 31, 2006 and
Year to date

STATEMENT OF FINANCIAL ACTIVITIES

	October 2006		Year to Date as of 10/31/2006	
	Actual	Budget	Actual	Budget
INCOME				
Operating Income				
Dues Revenues	\$ 1,030,094	\$ 861,075	\$ 4,321,093	\$ 3,444,300
Other Income				
(Includes: Grants, Rebates, AFT/NEA Assistance, Sponsorships, Advertising, Events)	\$ 32,935	\$ 36,940	\$ 349,832	\$ 259,889
Total Income	\$ 1,063,029	\$ 898,015	\$ 4,670,925	\$ 3,704,189
EXPENSES				
Wages, Taxes and Benefits				
Salaries	\$ 220,735	\$ 214,906	\$ 878,688	\$ 857,959
Payroll Taxes	15,900	16,901	61,967	67,604
Employee Benefits	\$ 43,725	\$ 47,902	\$ 176,437	\$ 191,609
	\$ 280,360	\$ 279,710	\$ 1,117,092	\$ 1,117,172
Employee Expenses				
(Includes: Mileage, Cellular Phones, Staff Travel)	\$ 12,846	\$ 12,752	\$ 38,124	\$ 37,252
Administrative Expenses				
(Includes: Office Supplies, Printing, Postage, Telephone, Insurance, Equipment Leases, Office Lease and Expenses, Other Administrative Expenses)	\$ 56,597	\$ 69,432	\$ 239,743	\$ 257,437
Professional Services				
(Includes: Consulting, Legal, Audit & Other Professional Services)	\$ 425	\$ 3,469	\$ 10,667	\$ 13,820
Member Benefits & Services				
Stewards Expenses	\$ 2,168	\$ 7,136	\$ 43,469	\$ 67,926
Executive Board Expenses	4,331	4,397	15,463	17,588
Legislative Action	21,362	16,875	53,610	67,500
TSA Release - Organizing Project	30,430	30,430	121,714	121,714
Communication & Organizing, Events, Community Support/Outreach, Contract Enforcement/Member Advocacy, Strategic Serv., Planning, Negotiations, Internal Training, Scholarships, Elections, Conferences, Meetings & Workshops.	\$ 131,766	\$ 68,466	\$ 321,932	\$ 271,736
	\$ 190,057	\$ 127,304	\$ 556,188	\$ 546,464
Loan Interest				
Commercial Bank	\$ 2,899	\$ 3,200	\$ 12,182	\$ 12,800
Edison Loan	\$ 1,405	\$ 1,406	\$ 5,553	\$ 5,553
	\$ 4,304	\$ 4,606	\$ 17,735	\$ 18,353
Per Capita				
Current (Includes: AFT, FEA/NEA, National AFL-CIO, & So.FL AFL-CIO)	\$ 449,311	\$ 412,140	\$ 1,749,162	\$ 1,648,583
Total Operating Expenses	\$ 993,900	\$ 909,412	\$ 3,728,711	\$ 3,639,082
Non Operating Income & Accruals				
Interest Accrued on Promissory Note	\$ 89,092	\$ -	\$ 349,018	\$ -
Non Operating Payments & Accruals				
Contingency - UTD Towers	\$ -	\$ 4,000	\$ -	\$ 16,000
UTD Towers RFP Expenses	237	-	7,341	-
Depreciation	\$ 8,598	\$ -	\$ 34,393	\$ -
	\$ 8,835	\$ 4,000	\$ 41,734	\$ 16,000
Total Non Operating Activities	\$ 80,257	\$ (4,000)	\$ 307,284	\$ (16,000)
Operating Income (Loss)	\$ 149,386	\$ (15,397)	\$ 1,249,498	\$ 49,107
Cash Flow Activities				
Commercial Bank Loan	\$ 10,000	\$ 10,000	\$ 40,000	\$ 40,000
Capital Leases	\$ 498	\$ 500	\$ 1,992	\$ 2,000
Leasehold Improvements	\$ -	\$ 1,000	\$ -	\$ 4,000
	\$ 10,498	\$ 11,500	\$ 41,992	\$ 46,000
Total Cash Before AFT Loans & Per Capita Arrearage Obligations	\$ 138,888	\$ (26,897)	\$ 1,207,506	\$ 3,107

(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 October, 2006.

Membership

Actual: 17,669 Members. 14,456 FTE Members

Our records indicate that as of October 31, 2006, we have a total of 14,456 FTE (Full time equivalent), which includes full, 1/2 and 1/8 paid dues.

Income: Dues Revenue

Actual: \$1,030,094 Budget: \$861,075

During October, 2006, we had net income dues in the amount of \$1,030,094. Compared with Budget \$861,075, we had a favorable difference due to the increase in membership from the budgeted FTE. Another factor is the pass thru per capita increase by AFT, which started on September 1, 2006. We have deferred \$205,362 of income dues for the month of October, 2006 to cover the summer months in which we will have zero income.

Other Income:

Actual: \$32,935 Budget: \$36,940

We have grouped the following items: AFT local assistance, FEA contribution to the Stewards Training, FEA contribution to the ESP Conference and sponsorships for Hispanic Heritage. Also included are advertising, interest earned on the sweep account and accrued interest on UTD Towers receivable.

Wages, Taxes, Benefits & Expenses:

Actual: \$280,360 Budget: \$279,710

Actual expenses are as planned.

Employee Expenses:

Actual: \$12,846 Budget: \$12,752

Actual expenses as planned and includes mileage, cellular phones and travel.

Administrative Expenses:

Actual: \$56,597 Budget: \$69,432

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 followed.

Professional Services:

Actual: \$425 Budget: \$3,469

Includes consulting, legal and other professional expenses.

Member Benefits & Services:

Actual: \$190,057 Budget: \$127,304

Some of the programs and events are seasonal and for budget purposes, we spread the expenses evenly throughout the year as you see in the year to date figures. In October, 2006 we show a negative variance due to advertising, postage, printing and other expenses related to Collective Bargaining.

Loan Interest:

Actual: \$4,304 Budget: \$4,606

We continue paying interest to Commercial Bank for our loan. The balance of the loan as of October 31, 2006 is \$411,346. We also accrued monthly interest on the Edison Schools loan.

Per Capita & Affiliated Expenses:

Actual: \$449,311 Budget: \$412,140

- Actual: \$200,164 AFT
- Actual: \$237,305 FEA / NEA
- Actual: \$8,242 AFL-CIO
- Actual: \$3,600 South FL AFL-CIO

Variance with budget is due to the difference between FTE budget and FTE actual. Another factor is the pass thru per capita increase by AFT, which started on September 1, 2006.

Non-Operating Income:

Actual: \$89,092

Included in this account is interest on the Promissory Note with Grouper LLC. 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: \$8,835 Budget \$4,000

Depreciation of Fixed Assets has been calculated for the month of October 2006 and added to this account. Depreciation expenses were not budgeted. In the past, the auditors calculated the depreciation expense at the end of the year. Now we are scheduling this expense on a monthly basis.

Cash Flow Activities:

Actual: \$10,498 Budget \$11,500

We continue to pay the loan to Commercial Bank and lease payment on the van.

Total Cash before AFT Loans & Per Capita Obligations:

Actual: \$138,888 Budget \$-26,897

Our income exceeded our budgeted expenses and we finished with a favorable variance due to the increase in membership and very good control in expenses. With the favorable difference, we will be able to cover expenses for seasonal programs.

FINANCIAL POSITION:

Advances: Receivable from UTD Towers

Actual balance: \$3,271,565 (Including Accrued Interest)

Deferred Member Dues:

Actual balance: \$539,543

Affiliate Loans Payable:

Past due per capita dues payable are:

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

Loan for Operations payable to AFT: \$2,320,109

Notes Payable:

Commercial Bank Loan: \$411,346

Edison Schools Loan \$100,000 plus accrued interest \$70,084.

Long Term Leases Payable:

GMC Van \$8,164

Cash Flow:

As of October 31, 2006, our bank balance was \$3,171,540, including a Certificate of Deposit in Commercial Bank for \$150,000. Our general payable liability was \$840,000.

According to the projection of our incoming expenses and cash flow for the year ending June 30, 2007, we show a positive cash flow through the end of our fiscal year.
