



**FINANCIAL MANAGEMENT REVIEW
For the First Quarter 2007-2008
July 1, 2007 to September 30, 2007**

STATEMENT OF FINANCIAL ACTIVITIES

	July, August & September 2007	
	Actual	Budget
INCOME		
Operating Income		
Dues Revenues *	\$ 2,896,107	\$ 2,738,437
Other Income (Includes: Grants, Rebates, Contributions, Sponsorships, Advertising, Events, AFT & NEA/FEA Assistance.)	302,616	253,910
Total Income	\$ 3,198,723	\$ 2,992,347
EXPENSES		
Wages, Taxes and Benefits **		
Salaries	\$ 648,079	\$ 649,129
Payroll Taxes	50,242	50,211
Employee Benefits	152,297	157,955
	\$ 850,618	\$ 857,295
Employee Expenses (Includes: Mileage, Cellular Phones, Staff Travel)		
	\$ 34,512	\$ 31,963
Administrative Expenses (Includes: Office Supplies, Printing, Postage, Telephone, Equipment Leases, Insurance, Office Lease, Share of Building Operating Expenses & Other Administrative Expenses)		
	\$ 225,851	\$ 237,029
Professional Services (Includes: Consulting, Legal, Audit & Other Professional Services)		
	\$ 8,934	\$ 12,700
Member Benefits & Services (1)		
Stewards Expenses	\$ 61,776	\$ 63,749
Executive Board Expenses	12,165	14,754
Legislative Action	21,511	42,600
TSA/ESA Release Expenses **	148,484	152,682
Communication & Organizing, Events, Community Support/Outreach, Contract Enforcement/Member Advocacy, Strategic Services, Planning, Negotiations, Internal Training, Scholarships, Conferences, Meetings & Workshops.	252,537	264,133
	\$ 496,473	\$ 537,918
Loan Interest		
Edison Loan	\$ -	\$ 17,229
	\$ -	\$ 17,229
Per Capita Current (Includes: AFT, FEA/NEA, National AFL-CIO, & So.FL AFL-CIO)***		
	\$ 1,355,425	\$ 1,344,387
Total Operating Expenses	\$ 2,971,813	\$ 3,038,521
Non Operating Income & Accruals		
Litigation Settlements Revenue	\$ 1,525,000	\$ -
Interest on Promissory Note	100,000	-
	\$ 1,625,000	\$ -
Non Operating Payments & Accruals		
Contingency - UTD Towers	\$ 1,695	\$ 12,000
Litigation Settlements -Legal Expenses	-	-
Depreciation	26,439	-
	\$ 28,134	\$ 12,000
Total Non Operating Activities	\$ 1,596,866	\$ (12,000)
Operating Income/(Loss)	\$ 1,823,776	\$ (58,174)
Cash Flow Activities		
Capital Leases	\$ 4,106	\$ 6,000
Asset Improvements	-	\$ 7,500
	\$ 4,106	\$ 13,500
Total Cash Before AFT Loans & Per Capita Arrearage Obligations	\$ 1,819,670	\$ (71,674)

(For Reporting Purposes Only)

The following is a summary of key financial points, highlights and achievements noted in reviewing our financial statements for the First Quarter 2007-2008, ending in September 30, 2007.

Membership

Actual: 17,867 Members. 14,571 FTE Members

Our records indicate that as of September 30, 2007, we have a total of 14,571 FTE (Full time equivalent), which includes full, 1/2 and 1/8 paid dues. UTD's budget is based on an FTE of 14,200.

Income: Dues Revenue

Actual: \$2,896,108 Budget: \$2,738,437

During the First Quarter 2007-2008, we had dues revenue in the amount of \$2,896,108. We had a favorable variance due to the difference on membership from the budgeted FTE. We have deferred \$248,689 of income dues for the First Quarter 2007-2008, ending in September 30, 2007 to cover the summer months in which we will have zero income.

Other Income:

Actual: \$302,616 Budget: \$253,910

We have grouped the following items: AFT local assistance, contributions to the Back to School Stewards event, sponsors for NTO, sponsors for the United Way event, advertising on the UTD Desk Calendar and UTD Pocket Guide. Also included are interest earned on the sweep account and accrued interest on UTD Towers receivable. FEA Grants & Rebates and Interest income were higher than budgeted, giving us a favorable variance.

Wages, Taxes & Benefits:

Actual: \$850,618 Budget: \$857,295

Salaries are under budget for the First Quarter 2007-2008. The budget for those items is calculated in equal monthly amounts.

Employee Expenses:

Actual: \$34,512 Budget: \$31,963

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

Administrative Expenses:

Actual: \$225,851 Budget: \$237,029

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.

Professional Services:

Actual: \$8,934 Budget: \$12,700

Includes: Consulting and other professional expenses.

Member Benefits & Services:

Actual: \$496,473 Budget: \$537,918

Some of the programs and events are seasonal and for budget purposes, we spread the expenses evenly throughout the year; therefore, in the First Quarter 2007-2008, we show a positive variance with budget. As programs and events develop, we will be applying these budget figures to cover the expenses.

Loan Interest:

Actual: \$0 Budget: \$17,229

Loan obligations were paid after the approval of the budget, therefore, there will be no actual loan interest paid during this fiscal year.

Per Capita & Affiliated Expenses:

Actual: \$1,355,425 Budget: \$1,344,387

- Actual: \$614,213 AFT
- Actual: \$716,746 FEA / NEA
- Actual: \$24,466 AFL-CIO and South FL AFL-CIO

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

Non-Operating Income:

Actual: \$1,625,000

This account includes one month interest payment on the Promissory Note with Grouper LLC., and payments for various litigation settlements.

Non Operating Payments & Accruals:

Actual: \$28,134 Budget \$12,000

Depreciation of Fixed Assets has been calculated for the First Quarter 2007-2008 and added to this account. Depreciation expenses were not budgeted but are running at about \$8,600 per month.

Cash Flow Activities:

Actual: \$4,106 Budget: \$13,500

The lease on the van was paid off during this quarter.

Total Cash before AFT Loans & Per Capita Obligations:

Actual: \$1,819,671 Budget \$-71,674

Our income exceeded our budgeted expenses and we finished with a favorable variance due to the favorable variance in membership, very good control on expenses and due to receiving payment on litigation settlements.

FINANCIAL POSITION:

Advances: Receivable from UTD Towers

Actual balance: \$3,377,067 (Including Accrued Interest)

Deferred Member Dues:

Actual balance: \$248,689

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: \$2,444,873

Long Term Leases Payable:

The van lease was paid off on August 2007.

Cash Flow:

As of September 30, 2007, our bank balance was \$5,005,374, including a Certificate of Deposit in Commercial Bank for \$150,000. Our general payable liability was \$930,000.

Our actual results for the first 3 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 6/30/08.
