

# NATCA

## Annual Financial Report

### for the Year Ending Dec. 31, 1997

The following financial statement and supplementary financial information are presented in accordance with Article IX, Section 2 of the NATCA National Constitution. This information has been extracted from the report of our independent certified public accountants, Buchbinder Tunick & Co., dated March 6, 1998, and is presented below in a condensed format. A copy of the accountant's report is on file at the office of each regional vice president.

### Statement of Financial Position Dec. 31, 1997

#### Assets:

Unrestricted cash and cash equivalents:	
Unrestricted cash	\$420,628
Restricted cash	14,177
Petty cash	400
<b>Total cash and cash equivalents</b>	<b>435,397</b>
Investments	1,283,454
Receivables:	
Dues	254,919
Dues from NARI	33,837
Disaster relief loans	17,200
Recruiting loans	68,500
Interest	16,235
Other	193
<b>Total receivables</b>	<b>390,884</b>
Prepaid expenses	41,949
Prepaid travel expenses	38,980
Security deposits	34,298
	115,227
Property assets – at cost	
Furniture, fixtures and equipment	1,277,777
Leasehold improvements	375,497
Property under capital lease	—
<b>Total property assets</b>	<b>1,653,274</b>
Less accumulated depreciation and amortization	(1,020,056)
<b>Net property assets</b>	<b>633,218</b>
<b>Total assets</b>	<b>\$2,858,180</b>

## Liabilities and Net Assets:

Accounts payable and accrued expenses	\$ 738,880
Accrued vacation and sick pay	217,405
Cash Overdraft	194,523
Dues to District No. 1 - PCD, MEBA	—
Dues rebate payable	230,682
Obligations under capital lease	—
Payroll taxes payable	—
Deferred rent	127,991
<b>Total liabilities</b>	<b>1,509,481</b>
Net assets:	
Unrestricted	1,328,521
Restricted	20,178
Total net assets	1,348,699
<b>Total liabilities and net assets</b>	<b>\$2,858,180</b>

## Statement of Activities for the Year Ending Dec. 31, 1997

Revenues:	
Dues	\$8,172,144
Initiation fees	442,589
Interest income	83,303
Sale of promotional items	12,851
Gains on investments	28,269
Convention income	—
Advertising income	29,315
Other	27,140
<b>Total revenues</b>	<b>8,795,611</b>
Expenses	
National office and regions – operating expenses	1,999,075
Programs and services and supporting services	4,357,129
Personnel expenses	2,732,736
<b>Total expenses</b>	<b>9,088,940</b>
Change in net assets	(293,329)
Fund balance, beginning of year—unrestricted	1,621,850
Fund balance, end of year – unrestricted	1,328,521
Disaster relief fund – restricted	20,178
<b>Fund balance, end of year</b>	<b>\$1,348,699</b>

## Statement of Cash Flow for the Year Ending Dec. 31, 1997

### Cash flow from operating activities:

(Decrease) increase in net assets	\$ (293,329)
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation and amortization	214,328
Computer loan forgiveness	—
Provision for (reduction in) vacation and sick leave	(22,129)
Net (gain) and appreciation on long-term investments	(28,269)
Gain on disposition of property asset	(4,782)
Changes in operating assets and liabilities:	
Decrease (increase) in assets:	
Receivables	(120,515)
Prepaid expenses	14,412
Other assets	(25,489)
Restricted fund	2,148
Increase (decrease) in liabilities:	
Accounts payable and accrued expenses	300,862
Cash overdraft	194,523
Dues rebates payable	9,496
Deferred rent	(56,884)
Due to District No. 1 – MEBA, PCD	(194,544)
Payroll taxes payable	(1,305)
Net cash provided by operating activities	(11,477)
Cash flow from investing activities	
Purchase of property assets	(253,755)
Purchase of investments	(2,609,057)
Proceeds from sale of investments	1,353,872
Net cash (used in) investing activities	(1,508,940)
Cash flow from financing activities	
Payments on notes payable	-0-
(Decrease) in capital lease obligations	(13,244)
Net cash (used in) financing activities	(13,244)
Net increase (decrease) in cash	(1,533,661)
Cash at beginning of year	1,969,058
Cash at end of year	\$ 435,397
Supplemental data:	
Interest paid	\$ 9,209

## Schedule of Expenses for National Office and Regions for the Year Ending Dec. 31, 1997

Salaries	\$2,200,357
Payroll taxes	157,903
Employee benefits	374,476
Temporary help	29,545
Rent and occupancy expenses	399,878
Telephone	184,340
Repairs and maintenance	24,739
Office supplies and stationery	80,194
Reproduction, printing and publications	84,851
Postage and express mail	153,899
Membership items	22,495
Office improvements	—
Publicity, promotions and promotional items	14,836
Dues and subscriptions	46,541
Data processing expense	7,105
Rental – office equipment	53,493
Service charges	23,898
Insurance	41,333
Flowers and wreaths	2,106
Depreciation and amortization	195,073
Licenses, permits and taxes	14,973
Travel	519,755
Parking and local transportation	41,023
Miscellaneous	2,786
Meetings	14,600
Donations	11,435
Gifts and awards	14,566
Representation training	12,939
Conferences and seminars	2,574
Other professional fees	98
Total	\$4,731,811

## Schedule of Expenses – Programs and Services and Supporting Service for the Year Ending Dec. 31, 1997

<b>Programs and services:</b>	
NTSB representation	32,545
Reclassification study	154,433
Quality Through Partnership	—
Leadership school	—
Election expenses	62,905
Scholarship and tuition	14,897
Contract expenses	176,790
Appropriation to disaster relief fund	2,000
<b>National Committees' Expenses:</b>	
Lobby week	151,155
Finance Committee	9,926
Constitution Committee	5,947
Environmental protection	45,570
Legal research	340,800
Trial Committee	3,228
Communication Committee	3,381
Title V Committee	—
Organizing Committee	102,297
OSHA Committee	9,994
Legislative Committee	44,741
Legislative ad hoc group	—
Contact article teams	1,865
Safety Committee	43,764
<b>National Departments' Expenses:</b>	
Public Relations	344,936
Labor Relations/Negotiations	167,560
Safety and Technology	89,229
Legislative	68,196
Field Services	129,935
<i>NATCA Voice</i>	68,613
Communication for Safety	7,547
Training	49,409
Labor Relations/Litigations	116,127
National Aviation Research Institute	—
<b>Total programs and services</b>	<b>2,247,790</b>
<b>Supporting Services:</b>	
Rebates to locals	1,349,007
Affiliation fees – District No. 1 PCD, MEBA	121,023
Paging	366,612
Convention	13,823
Legal fees and expenses	1,500
Interest	5,034
Custodian fees	771
Auditing fees	45,810
Other professional fees	103,353
National Executive Board meetings	113,542
Relocation	10,059
Computer loans forgiven	—
Relocation	10,059
Dues refund	934
Provision for (reduction in) vacation and sick leave	(22,129)
<b>Total supporting expenses</b>	<b>2,109,339</b>
<b>Total program and services and supporting services</b>	<b>\$4,357,129</b>