

AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES

Affiliated with the AFL-CIO
80 F St NW, Washington, DC 20001-1583

ANNUAL AUDIT CERTIFICATION

Date prepared 4/18/2007

1. AFGE Local or Council No. 2040. The fiscal year covered by the attached LM-2, LM-3 or LM-4, and annual budget is from 1 January 2005 to 31 December 2005.

2. Name(s) and address(es) of all banks or credit unions in which the Local or Council has checking accounts, and the number of each account (list each account separately.): (Attach a separate sheet if additional space is needed)

Space Age Federal Credit Union 2393 S. Havana St. Bld E, #19 Aurora, Co 80014

Checking Acct# 0000019178-8

3. Name(s) and address(es) of all banks, savings institutions, or credit unions in which the Local or Council has savings accounts, and the number of each account (list each account separately), as well as the amount and number of every certificate of deposit or other financial/investment instrument: (Attach a separate sheet if additional space is needed)

Space Age Federal Credit Union 2395 S. Havana St. Bld E, #19 Aurora, Co 80014

CD Acct# - 0000019178-15 Start Bal = \$16,262.56 End Bal = \$16,673.80

Savings Acct# - 0000019178-1 Start Bal = \$41,248.85 End Bal = \$32,388.47

4. Current number of members (as of the close of the fiscal year): 310

5. Total monies handled during the past fiscal year (total of all cash balances at the beginning of the fiscal year, including checking and savings accounts balances, and investments, plus all monies received during the fiscal year): \$184,194.00

6. Amount of bond carried by the Local or Council: \$17500.00

7. The undersigned members of the Audit Committee of AFGE Local or Council 2040 (or accountant of an auditing firm if employed to complete this audit) hereby certify that they have reconciled the balances in all checking and savings accounts with the Local or Council records and have verified that the expenditures of the Local or Council conformed with the approved annual budget. They also certify that they have verified that the minutes of Local or Council meetings provide authorization for ALL expenditures not contained in the approved annual budget.

8. The undersigned members of the Audit Committee of AFGE Local or Council 2040 (or accountant of an auditing firm if employed to complete this audit) hereby certify that they have examined the books of the Local or Council, for the period shown above and on the attached LM-2, LM-3 or LM-4 and annual budget, and have satisfied themselves that financial and other information contained therein is true and correct to the best of their ability.

Handwritten signature of Robert M. ...

If prepared by accountants outside of the Local or Council, they should so identify themselves, provide a telephone number for contact purposes, and certify that they are the persons involved in the auditing of the books of the Local or Council.

This form must be accompanied by a LM-2, LM-3 or LM-4, and an annual budget and be submitted to the National Secretary-Treasurer within 90 days of the close of the fiscal year.

PROVIDE ONE COPY TO NATIONAL SECRETARY-TREASURER, ONE COPY TO NATIONAL VICE PRESIDENT, AND ONE COPY TO LOCAL OR COUNCIL FILE.



## Financial Audit Report for Fiscal Year 2005

It appears that all disbursements were approved by the membership via the annual budget process or by the EBoard using its \$500.00 privilege.

The following problems were found when auditing the 2005 records:

1. The EBoard and Membership meeting minutes were not available for this audit.
2. The following checks had discrepancies:

1074 (AFGE) no check image or receipts found  
1080 (Karen Johnson) no check image or receipts found (airline, hotel, etc.)  
1081 (David Papps) no check image  
1083 no check image or voucher  
1085 no check image or voucher  
1086 no check image or voucher  
1087 (Mike Molina) no receipts for airfare, hotel, etc.  
1088 () no check image, voucher or receipt  
1090 () no receipts  
1141 (John Nelson) no receipts  
1143 (John Nelson) no receipt for Hotel  
1144 (John Nelson) no receipt  
1149 (John Nelson) no receipt  
1165 (Edith Martin) no check image  
1165 (Mike Molina) no receipts  
1170 (Union Special Services) no voucher or dental report  
1203 (Alvin Pimpton) no check image or 1187  
1204 (Saron Dean) no check image or 1187  
1206 (Carol Vonner) no check image or voucher  
1207 (Erica Midgetteligon) no check image or 1187  
1208 (Linda Joyce) no check image or 1187  
1209 (Voided) no check image  
1246 (Willie Marshall) no check image or 1187  
1250 (Frank Terrones) no receipts for airfare, hotel, etc.  
1256 (Mike Molina) no receipts for airfare, hotel, etc.  
1259 (Frank Terrones) no receipts for airfare, hotel, etc.  
1263, (Kelvin Booker) no check image or voucher  
1267 (John Nelson) no check image, voucher or receipt  
1280 (John Nelson) no receipts for hotel  
1312 (Terri Wilson) 1187 missing  
1314 (Erica Midgetteligon) no check image, no 1187  
1319 (Kelvin Booker) no receipts for airfare, hotel, etc.  
1321 (Union Special Services) no check image  
1322 (John Nelson) no check image  
1323 (Mike Molina) no check image, no receipts for airfare, hotel, etc.  
1324 (Minahan & Shapiro) no check image  
1325 (Lorrain Lubang) no check image  
1327 (David Pappas) no check image

NOTE: All checks for which an image was available, were signed by two officers.

7. The following abnormalities were noted:

a. June 1, 2005 - A voucher was written for Mike Molina for June 05 Stipend. Since no check number was recorded and all checks are accounted for, this must have been a cash disbursement. Correct procedure

would have been to either write a check or annotate on the voucher that this was a cash disbursement and where the cash came from.

b. July 5, 2005 John Nelson withdrew \$1000.00 cash from Space Age and gave it to Robin Jackson as a Grand Door Prize. A voucher was created. Correct procedure would have been to write a check to the member to provide an audit trail.

c. A voucher for disbursement dated 18 May 2005, Frank Terrones, \$6.94 was found without a check number. Found that it matched with check #1184. Annotated voucher to reflect the correction.

d. Voucher for disbursement dated 18 May 2005, Marion Wells, \$75.00 was found without a check number. It matched with check #1183. Annotated voucher to reflect the correction.

e. Voucher for disbursement dated 18 May 2005, Frank Terrones, \$25.00 was found without a check number. It matched with check #1187. Annotated voucher to reflect the correction.

f. Voucher for disbursement dated 18 May 2005, Frank Terrones, \$3.69 was found without a check number. It matched with check #1185. Annotated voucher to reflect the correction.

g. Voucher for disbursement dated 18 May 2005, Frank Terrones, \$2.79 was found without a check number. It matched with check #1186. Annotated voucher to reflect the correction.

h. Space Age printed check #1101 was voided. However, a laser printed check #1101 was found attached to a voucher. This may have been when the Treasurer was beginning to print his own checks on the laser rather than used purchased checks from Space Age.

i. A voucher dated 12 Dec 2005 was found showing a \$975.00 disbursement to Frank Terrones. It appears that these funds came from the checking account via a cash withdrawal. Correct procedure would have been to write a check and then have the check cashed. No receipts were provided to show how these funds were used.

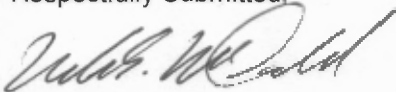
j. A voucher dated 12 Dec 2005 was found showing a \$150.00 cash disbursement to Mike Molina using funds withdrawn from the checking account. Correct procedure would have been to issue a check.

k. A voucher dated 11 Oct 2005 was found showing a \$87.81 disbursement to Tracy L. Strauss. However, there was no check in the register matching this disbursement. There is no indication that this disbursement was paid with funds withdrawn from the checking or savings account. This member may not have been reimbursed for this expense. Receipts are attached to the voucher.

l. A voucher dated 19 May 2005 was found showing a \$50.00 disbursement to John Nelson. It matched with check #1188 dated 18 May 2005. Annotated voucher to reflect the correction.

m. A voucher dated 19 May 2005 was found showing a \$418.00 disbursement to John Nelson. It matched with check #1189. Annotated voucher to reflect the correction.

Respectfully Submitted,



Mark S. McDonald  
18 March 2007

2005 Budget  
1/ 1'05 Through 12/31'05

QDATA-All Accounts  
3/18'07

Category Description	1/ 1'05 Actual	- Budget	12/31'05 Diff
<b>INFLOWS</b>			
<b>INCOME:</b>			
Dues Deductions	116,970.34	115,785.00	1,185.34
<b>TOTAL INCOME</b>	<b>116,970.34</b>	<b>115,785.00</b>	<b>1,185.34</b>
<b>TOTAL INFLOWS</b>	<b>116,970.34</b>	<b>115,785.00</b>	<b>1,185.34</b>
<b>OUTFLOWS</b>			
<b>ADMINISTRATION COSTS:</b>			
Bank Charges	96.75	50.00	46.75
<b>Caucus Expenses:</b>			
Caucus Fees	300.00	300.00	0.00
Caucus Perdiem	100.00	600.00	-500.00
Caucus Travel Costs	0.00	4,500.00	-4,500.00
<b>Total Caucus Expenses</b>	<b>400.00</b>	<b>5,400.00</b>	<b>-5,000.00</b>
Election Expenses	-2.00	600.00	-602.00
<b>Executive Board Expenses:</b>			
EBoard \$500.00 Per Month	2,461.82	6,000.00	-3,538.18
<b>Total Executive Board Expenses</b>	<b>2,461.82</b>	<b>6,000.00</b>	<b>-3,538.18</b>
Expenses for Audits	0.00	100.00	-100.00
Holiday Party Expenses	500.00	500.00	0.00
Mailing Expenses	202.36	400.00	-197.64
Member Meeting Expenses	761.76	1,000.00	-238.24
Office Expenses	429.89	500.00	-70.11
Officers Bond Fee	198.00	250.00	-52.00
<b>TOTAL ADMINISTRATION COSTS</b>	<b>5,048.58</b>	<b>14,800.00</b>	<b>-9,751.42</b>
<b>CHARITABLE DONATIONS:</b>			
Flowers to Members	74.83	100.00	-25.17
Gifts - Bible	3.69	100.00	-96.31
<b>TOTAL CHARITABLE DONATIONS</b>	<b>78.52</b>	<b>200.00</b>	<b>-121.48</b>
Council #171	0.00	800.00	-800.00
<b>DENTAL PLAN EXPENSES:</b>			
Dental Premiums	23,740.23	21,000.00	2,740.23
<b>TOTAL DENTAL PLAN EXPENSES</b>	<b>23,740.23</b>	<b>21,000.00</b>	<b>2,740.23</b>
<b>EDUCATIONAL PUBLICITY:</b>			
Any other Educational	91.13	300.00	-208.87
Monthly Newsletters	0.00	500.00	-500.00
<b>TOTAL EDUCATIONAL PUBLICITY</b>	<b>91.13</b>	<b>800.00</b>	<b>-708.87</b>
<b>NEGOTIATION EXPENSES</b>	<b>0.00</b>	<b>10,000.00</b>	<b>-10,000.00</b>
<b>ORGANIZING EXPENSES:</b>			
Misc expenses for organiz	2,250.93	4,000.00	-1,749.07
New Members Bonus	2,600.00	3,000.00	-400.00
Signers Bonus	1,175.00	1,500.00	-325.00

2005 Budget  
1/ 1'05 Through 12/31'05

QDATA-All Accounts  
3/18'07

Category Description	1/ 1'05 Actual	- Budget	12/31'05 Diff
ORGANIZING EXPENSES - Other	0.00	6,125.00	-6,125.00
TOTAL ORGANIZING EXPENSES	6,025.93	14,625.00	-8,599.07
PROFESSIONAL SERVICES:			
Arbitration Fees	25.00	4,000.00	-3,975.00
Minahan & Shapiro Fee	9,954.87	12,000.00	-2,045.13
MSPB Costs	0.00	4,000.00	-4,000.00
TOTAL PROFESSIONAL SERVICES	9,979.87	20,000.00	-10,020.13
REIMBURSEMENT LEAVE TAKEN	308.31	3,000.00	-2,691.69
STIPENDS:			
President	1,800.00	1,800.00	0.00
Secretary	275.00	300.00	-25.00
Travel Stipend:			
Member	50.00	200.00	-150.00
Officer	250.00	300.00	-50.00
Total Travel Stipend	300.00	500.00	-200.00
Treasurer	275.00	300.00	-25.00
Trustee#1	300.00	300.00	0.00
Trustee#2	0.00	300.00	-300.00
Unit A Vice Pres	250.00	300.00	-50.00
Unit B Vice Pres	300.00	300.00	0.00
Unit C Vice Pres	400.00	400.00	0.00
TOTAL STIPENDS	3,900.00	4,500.00	-600.00
Taxes:			
AFGE Per Capita Tax	47,077.97	45,000.00	2,077.97
AFL-CIO Tax	0.00	600.00	-600.00
DFAS Council 171 PerCapit	900.00	934.00	-34.00
LAF Per Capita	460.00	610.00	-150.00
Total Taxes	48,437.97	47,144.00	1,293.97
TRAINING EXPENSES:			
Human Rights Training:			
Human Rights PerDiem	2,707.15	2,707.15	0.00
Human Rights Travel Costs	1,371.18	2,692.85	-1,321.67
Total Human Rights Training	4,078.33	5,400.00	-1,321.67
Legislative Conference:			
Legislative Fees	540.00	750.00	-210.00
Legislative Perdiem	6,351.94	7,125.00	-773.06
Legislative Travel Cost	1,160.21	5,125.00	-3,964.79
Legislative Conference - Other	0.00	400.00	-400.00

Total Legislative Conference	8,052.15	13,400.00	-5,347.85
Meetings on new Pay&Pers:			
DOD Locals PerDiem	1,244.09	1,244.09	0.00
DOD Locals Travel	1,795.40	1,965.40	-170.00
Meetings on new Pay&Pers - Other	0.00	1,790.51	-1,790.51

2005 Budget  
1/ 1'05 Through 12/31'05

QDATA-All Accounts  
3/18'07


Category Description	1/ 1'05 Actual	- Budget	12/31'05 Diff
Total Meetings on new Pay&Pers	3,039.49	5,000.00	-1,960.51
President's Training:			
PC Travel Cost	0.00	1,000.00	-1,000.00
PT Fees	175.00	250.00	-75.00
PT Perdiem	0.00	1,250.00	-1,250.00
Total President's Training	175.00	2,500.00	-2,325.00
Steward Training Expenses:			
Steward Fees & Misc	2,626.64	2,626.64	0.00
Steward Perdiem	3,946.12	3,012.00	934.12
Steward Travel Cost	654.00	1,200.00	-546.00
Steward Training Expenses - Other	0.00	461.36	-461.36
Total Steward Training Expenses	7,226.76	7,300.00	-73.24
Treasurer Training:			
Treasurer Fees	100.00	100.00	0.00
Treasurer Perdiem	1,819.79	1,819.79	0.00
Treasurer Travel Cost	580.00	580.21	-0.21
Total Treasurer Training	2,499.79	2,500.00	-0.21
<b>TOTAL TRAINING EXPENSES</b>	<b>25,071.52</b>	<b>36,100.00</b>	<b>-11,028.48</b>
<b>TOTAL OUTFLOWS</b>	<b>122,682.06</b>	<b>172,969.00</b>	<b>-50,286.94</b>
<b>OVERALL TOTAL</b>	<b>-5,711.72</b>	<b>-57,184.00</b>	<b>51,472.28</b>



# FORM LM-3 LABOR ORGANIZATION ANNUAL REPORT

FOR USE BY LABOR ORGANIZATIONS WITH LESS THAN \$250,000 IN TOTAL ANNUAL RECEIPTS

This report is mandatory under P.L. 85-257, as amended. Failure to comply may result in criminal prosecution, fines, or civil penalties as provided by 29 U.S.C. 439 or 440.

READ THE INSTRUCTIONS CAREFULLY BEFORE PREPARING THIS REPORT			
For Official Use Only  E	1. FILE NUMBER  501-998	2. PERIOD COVERED MON    DAY    YEAR  From 01/01/2005  Through 12/31/2005	3. (a) AMENDED – If this is an amended report correcting a previously filed report, check here: <input type="checkbox"/> (b) TERMINAL – If your organization ceased to exist and this is its terminal report, see section XII of the instructions and check here: <input type="checkbox"/> (c) SUBSIDIARY – If this is a report for a subsidiary organization of your union as defined in section X of the instructions, check here: <input type="checkbox"/>
4. AFFILIATION OR ORGANIZATION NAME GOVERNMENT EMPLOYEES AFGE AFL-CIO		8. MAILING ADDRESS (Type or print in capital letters) First Name: AFGE      Last Name: LOCAL 2040 P.O. Box – Building and Room Number (if any): PO BOX 200157 Number and Street:  City: DENVER State: CO      ZIP Code + 4: 80220-0157	
5. DESIGNATION (Local, Lodge, etc.) LOCAL UNION	6. DESIGNATION NUMBER 2040	9. Are your organization's records kept at its mailing address? (If "No," provide address in Item 56.)  Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
7. UNIT NAME (if any) DOD			
56. ADDITIONAL INFORMATION          			
Each of the undersigned, duly authorized officers of the above labor organization, declares, under penalty of perjury and other applicable penalties of law, that all of the information submitted in this report (including the information contained in any accompanying documents) has been examined by the signatory and is, to the best of the undersigned's knowledge and belief, true, correct, and complete. (See Section VI on penalties in the instructions.)			
57. SIGNED: <u><i>[Signature]</i></u>  31 MARCH 06 (303) 676-6599 Date                      Telephone Number	PRESIDENT (If other title, see instructions.)	58. SIGNED: <u><i>[Signature]</i></u>  30 MAR 06      303-676-3007 Date                      Telephone Number	TREASURER (If other title, see instructions.)

**COMPLETE ITEMS 10 THROUGH 23**

FILE NUMBER: 501-998

10. During the reporting period did the labor organization have a 'subsidiary organization' as defined in section X of the instructions?

Yes  No

11. During the reporting period did the labor organization create or participate in the administration of a trust or other fund or organization, as defined in the instructions, which provides benefits for members or their beneficiaries?

Yes  No

12. During the reporting period did the labor organization have a political action committee (PAC) fund?

Yes  No

13. During the reporting period did the labor organization acquire or dispose of any assets in any manner other than by purchase or sale?

Yes  No

14. During the reporting period did the labor organization have an audit or review of its books and records by an outside accountant or by a parent body auditor/representative?

Yes  No

15. During the reporting period did the labor organization discover any loss or shortage of funds or other assets? (Answer "Yes" even if there has been repayment or recovery.)

Yes  No

16. During the reporting period did the labor organization have any officer who was paid \$10,000 or more by your organization and also received \$10,000 or more as an officer or employee of another labor organization or of an employee benefit plan?

Yes  No

17. During the reporting period did the labor organization pay any employee salary, allowances, and other expenses which, together with any payments from affiliates, totaled more than \$10,000?

Yes  No

18. During the reporting period did the labor organization have loans totaling more than \$250 to any officer, employee, or member, or make any loans to a business enterprise?

Yes  No

19. How many members did your organization have at the end of the reporting period?

301

20. What is the maximum amount recoverable under your organization's fidelity bond, for a loss caused by any officer or employee of your organization?

\$17,500

21. During the reporting period did the labor organization have any changes in its constitution and bylaws, other than the rates of dues and fees, or in practices/procedures listed in the instructions? (If the constitution and bylaws or practices/procedures have changed, see the instructions.)

Yes  No

22. What is the date of your organization's next regular election of officers?

Oct 2007

23. What are your organization's rates of dues and fees? (Enter a minimum and maximum if more than one rate applies for any line.)

Rates of Dues and Fees				
Dues/Fees	Amount	Unit	Minimum	Maximum
(a) Regular Dues/Fees	16.55	per Bi-weekly		
(b) Initiation Fees	N/A	per		
(c) Transfer Fees	N/A	per		
(d) Work Permits	N/A	per		

If the answer to any of the above questions is "Yes", provide details in Item 56 (Additional Information) as explained in the instructions for each item.

**24. ALL OFFICERS AND DISBURSEMENTS TO OFFICERS**

Enter Amounts in Dollars Only – Do Not Enter Cents

FILE NUMBER:

501-998

(A) Name (List all persons who held office during the reporting period even if they received no salary or other disbursements. Use all capital letters.)				Gross Salary (before taxes and other deductions) (D)	Allowances and Other Disbursements (E)	Total (F)
(B) Title (Enter title of officer, such as PRESIDENT or TREASURER.)		(C) Status *				
1.	Last Name MOLINA	First Name MIKE	Middle Initial C	\$0	\$8,920	\$8,920
	Title PRESIDENT		Status C			
2.	Last Name BOOKER	First Name KELVIN	Middle Initial C	\$0	\$6,117	\$6,117
	Title VICE PRESIDENT		Status C			
3.	Last Name LUBANG	First Name LORRAINE	Middle Initial V	\$0	\$395	\$395
	Title VICE PRESIDENT		Status N			
4.	Last Name PAPPAS	First Name DAVID	Middle Initial C	\$0	\$440	\$440
	Title VICE PRESIDENT		Status C			
5.	Last Name TERRONES	First Name FRANCISCO	Middle Initial N	\$0	\$4,881	\$4,881
	Title SECRETARY		Status C			
6.	Last Name NELSON	First Name JOHN	Middle Initial R	\$0	\$6,184	\$6,184
	Title TREASURER		Status C			
7.	Last Name WELLS	First Name MARIAN	Middle Initial C	\$0	\$300	\$300
	Title TRUSTEE		Status C			
8.	Totals from additional pages (if any)			\$0	\$0	\$0
9.	Totals of Lines 1 through 8			\$0	\$27,237	\$27,237
				10. Less Deductions		
The Total from Line 11 will be entered in Item 45				11. Net Disbursements		\$27,237
* Code for (C) Status: past officer – P; continuing officer – C; new officer during the reporting period – N.				(If any officer was not elected at a regular election in accordance with your organization's constitution and bylaws, explain in Item 56 on page 1.)		

Enter Amounts in Dollars Only – Do Not Enter Cents

FILE NUMBER: 501-998

STATEMENT A ASSETS AND LIABILITIES	ASSETS			LIABILITIES		
	Item	Start of Reporting Period (A)	End of Reporting Period (B)	Item	Start of Reporting Period (C)	End of Reporting Period (D)
	25. Cash	\$65,044	\$60,535	32. Accounts Payable	\$0	\$0
	26. Loans Receivable	\$0	\$0	33. Loans Payable	\$0	\$0
	27. U.S. Treasury Securities	\$0	\$0	34. Mortgages Payable	\$0	\$0
	28. Investments	\$0	\$0	35. Other Liabilities	\$0	\$0
	29. Fixed Assets	\$0	\$0	36. TOTAL LIABILITITES	\$0	\$0
	30. Other Assets	\$0	\$0			
	31. TOTAL ASSETS	\$65,044	\$60,535	37. NET ASSETS (Item 31 less Item 36)	\$65,044	\$60,535

STATEMENT B RECEIPTS AND DISBURSEMENTS	CASH RECEIPTS		CASH DISBURSEMENTS	
	Item	AMOUNT	Item	AMOUNT
	38. Dues	\$119,150	45. To Officers (from Item 24)	\$27,237
	39. Per Capita Tax	\$0	46. To Employees (less deductions)	\$0
	40. Fees, Fines, Assessments & Work Permits	\$0	47. Per Capita Tax	\$48,438
	41. Interest & Dividends	\$0	48. Office & Administrative Expense	\$13,649
	42. Sale of Investments & Fixed Assets	\$0	49. Professional Fees	\$9,980
	43. Other Receipts	\$0	50. Benefits	\$24,264
	44. TOTAL RECEIPTS	\$119,150	51. Contributions, Gifts & Grants	\$79
	If total receipts reported in Item 44 are \$250,000 or more, your organization must file Form LM-2 instead of this form.		52. Purchase of Investments & Fixed Assets	\$0
53. Loans Made			\$0	
54. Other Disbursements			\$0	
55. TOTAL DISBURSEMENTS			\$123,647	

**24. ALL OFFICERS AND DISBURSEMENTS TO OFFICERS**

Enter Amounts in Dollars Only – Do Not Enter Cents

FILE NUMBER:

501-998

(A) Name (List all persons who held office during the reporting period even if they received no salary or other disbursements. Use all capital letters.)				Gross Salary (before taxes and other deductions) (D)	Allowances and Other Disbursements (E)	Total (F)
(B) Title (Enter title of officer, such as PRESIDENT or TREASURER.)		(C) Status *				
1.	Last Name HUNT	First Name VICKIE	Middle Initial N	\$0	\$0	\$0
	Title TRUSTEE		Status C			
2.	Last Name	First Name	Middle Initial			\$0
	Title		Status			
3.	Last Name	First Name	Middle Initial			\$0
	Title		Status			
4.	Last Name	First Name	Middle Initial			\$0
	Title		Status			
5.	Last Name	First Name	Middle Initial			\$0
	Title		Status			
6.	Last Name	First Name	Middle Initial			\$0
	Title		Status			
7.	Last Name	First Name	Middle Initial			\$0
	Title		Status			
8.						
9.	Totals of Lines 1 through 8			\$0	\$0	\$0

\* Code for (C) Status: past officer – P; continuing officer – C; new officer during the reporting period – N. (If any officer was not elected at a regular election in accordance with your organization's constitution and bylaws, explain in Item 56 on page 1.)

**56. ADDITIONAL INFORMATION**

FILE NUMBER: 501-998

Address of Record: ITEM #9 -- Records kept at Defense Finance and Accounting Service (DFAS), 6760 E. Irvington Place, Denver, CO 80279 and electronically on the local's website.

# Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

**2005**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

**A** For the 2005 calendar year, or tax year beginning 2005, and ending 20

- B** Check if applicable:
- Address change
  - Name change
  - Initial return
  - Final return
  - Amended return
  - Application pending

Please use IRS label or print or type. See Specific Instructions.

**C** Name of organization  
**American Federation of Government Employees Local 2040**  
Number and street (or P.O. box if mail is not delivered to street address) Room/suite  
**PO Box 200157**  
City or town, state or country, and ZIP + 4  
**Denver, Colorado 80220-0157**

**D** Employer identification number  
**84 6036263**  
**E** Telephone number  
**(303) 676-7140**  
**F** Accounting method:  Cash  Accrual  
 Other (specify) ▶

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

- H** and **I** are not applicable to section 527 organizations.  
**H(a)** Is this a group return for affiliates?  Yes  No  
**H(b)** If "Yes," enter number of affiliates ▶ .....  
**H(c)** Are all affiliates included?  Yes  No  
(If "No," attach a list. See instructions.)  
**H(d)** Is this a separate return filed by an organization covered by a group ruling?  Yes  No

**G** Website: ▶ [www.afge171.org/2040/](http://www.afge171.org/2040/)

**J** Organization type (check only one) ▶  501(c) ( **5** ) ◀ (insert no.)  4947(a)(1) or  527

**K** Check here ▶  if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization chooses to file a return, be sure to file a complete return. **Some states require a complete return.**

**I** Group Exemption Number ▶  
**M** Check ▶  if the organization is **not** required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

**L** Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)**

<b>Revenue</b>	<b>1</b> Contributions, gifts, grants, and similar amounts received:				
	<b>a</b> Direct public support	<b>1a</b>		0	
	<b>b</b> Indirect public support	<b>1b</b>		0	
	<b>c</b> Government contributions (grants)	<b>1c</b>		0	
	<b>d</b> Total (add lines 1a through 1c) (cash \$ _____ noncash \$ _____)	<b>1d</b>			0
	<b>2</b> Program service revenue including government fees and contracts (from Part VII, line 93)	<b>2</b>			0
	<b>3</b> Membership dues and assessments	<b>3</b>			119,150.00
	<b>4</b> Interest on savings and temporary cash investments	<b>4</b>			1,042.79
	<b>5</b> Dividends and interest from securities	<b>5</b>			0
	<b>6a</b> Gross rents	<b>6a</b>		0	
	<b>b</b> Less: rental expenses	<b>6b</b>		0	
	<b>c</b> Net rental income or (loss) (subtract line 6b from line 6a)	<b>6c</b>			0
<b>7</b> Other investment income (describe ▶ 0 )	<b>7</b>			0	
<b>8a</b> Gross amount from sales of assets other than inventory	(A) Securities				
	<b>8a</b>	0		0	
	<b>b</b> Less: cost or other basis and sales expenses	<b>8b</b>	0		0
	<b>c</b> Gain or (loss) (attach schedule)	<b>8c</b>	0		0
<b>d</b> Net gain or (loss) (combine line 8c, columns (A) and (B))	<b>8d</b>			0	
<b>9</b> Special events and activities (attach schedule). If any amount is from gaming, check here ▶ <input type="checkbox"/>					
<b>a</b> Gross revenue (not including \$ _____ of contributions reported on line 1a)	<b>9a</b>		0		
<b>b</b> Less: direct expenses other than fundraising expenses	<b>9b</b>		0		
<b>c</b> Net income or (loss) from special events (subtract line 9b from line 9a)	<b>9c</b>			0	
<b>10a</b> Gross sales of inventory, less returns and allowances	<b>10a</b>		0		
	<b>b</b> Less: cost of goods sold	<b>10b</b>		0	
	<b>c</b> Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	<b>10c</b>			0
<b>11</b> Other revenue (from Part VII, line 103)	<b>11</b>			0	
<b>12</b> Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	<b>12</b>			120,192.79	
<b>Expenses</b>	<b>13</b> Program services (from line 44, column (B))	<b>13</b>		124,002.07	
	<b>14</b> Management and general (from line 44, column (C))	<b>14</b>		700.25	
	<b>15</b> Fundraising (from line 44, column (D))	<b>15</b>		0	
	<b>16</b> Payments to affiliates (attach schedule)	<b>16</b>		0	
	<b>17</b> Total expenses (add lines 13 and 14, column (A))	<b>17</b>			124,702.32
<b>Net Assets</b>	<b>18</b> Excess or (deficit) for the year (subtract line 17 from line 12)	<b>18</b>		(4,509.53)	
	<b>19</b> Net assets or fund balances at beginning of year (from line 73, column (A))	<b>19</b>		65,044.40	
	<b>20</b> Other changes in net assets or fund balances (attach explanation)	<b>20</b>		0	
	<b>21</b> Net assets or fund balances at end of year (combine lines 18, 19, and 20)	<b>21</b>			60,534.87

**Part II Statement of Functional Expenses**

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) . . . . . (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	0	0		
23	Specific assistance to individuals (attach schedule) . . . . .	0	0		
24	Benefits paid to or for members (attach schedule) . . . . .	0	0		
25	Compensation of officers, directors, etc. . . . .	0	0	0	0
26	Other salaries and wages . . . . .	0	0	0	0
27	Pension plan contributions . . . . .	0	0	0	0
28	Other employee benefits . . . . .	0	0	0	0
29	Payroll taxes . . . . .	0	0	0	0
30	Professional fundraising fees . . . . .	0	0	0	0
31	Accounting fees . . . . .	0	0	0	0
32	Legal fees . . . . .	9,954.87	9,954.87	0	0
33	Supplies . . . . .	429.89	0	429.89	0
34	Telephone . . . . .	0	0	0	0
35	Postage and shipping . . . . .	270.36	0	270.36	0
36	Occupancy . . . . .	0	0	0	0
37	Equipment rental and maintenance . . . . .	0	0	0	0
38	Printing and publications . . . . .	104.46	104.46	0	0
39	Travel . . . . .	17,164.25	17,164.25	0	0
40	Conferences, conventions, and meetings . . . . .	15,701.20	15,701.20	0	0
41	Interest . . . . .	0	0	0	0
42	Depreciation, depletion, etc. (attach schedule)	0	0	0	0
43	Other expenses not covered above (itemize):				
a	E-Board	2,484.29	2,484.29	0	0
b	Dental Premiums	24,129.10	24,129.10	0	0
c	Organizing	6,025.93	6,025.93	0	0
d	Percapita Taxes	48,437.97	48,437.97	0	0
e		0	0	0	0
f		0	0	0	0
g		0	0	0	0
44	<b>Total functional expenses.</b> Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	124,702.32	124,002.07	700.25	0

**Joint Costs.** Check  if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?  Yes  No  
 If "Yes," enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_; (ii) the amount allocated to Program services \$ \_\_\_\_\_;  
 (iii) the amount allocated to Management and general \$ \_\_\_\_\_; and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_

**Part III Statement of Program Service Accomplishments** (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ► <u>Union Representation to Management</u> All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	<b>Program Service Expenses</b> (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
<b>a</b> <u>Line 32 - Legal Fees for Member Representation</u> <u>Line 38 - Printing &amp; Publication of Newsletter to Membership</u> <u>Line 39 - Travel to Training, Seminars, etc.</u> <u>Line 40 - Registration Fees, Room Rental, Refreshments for meetings</u> <u>Line 43a - Executive Board (E-Board) miscellaneous expenses</u> <u>Line 43b - Dental Premiums paid</u> (Grants and allocations \$ _____ ) If this amount includes foreign grants, check here ► <input type="checkbox"/>	<b>69,538.17</b>
<b>b</b> <u>Line 43c - Organizing Expenses</u> <u>Line 43d - Percapita Taxes paid to National, Regional, and District offices</u>  (Grants and allocations \$ _____ ) If this amount includes foreign grants, check here ► <input type="checkbox"/>	<b>54,463.90</b>
<b>c</b> _____ _____ _____ _____ (Grants and allocations \$ _____ ) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
<b>d</b> _____ _____ _____ _____ (Grants and allocations \$ _____ ) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
<b>e</b> Other program services (attach schedule) (Grants and allocations \$ _____ ) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
<b>f Total of Program Service Expenses</b> (should equal line 44, column (B), Program services) . . . . . ►	<b>124,002.07</b>



**Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return** (See the instructions.)

a	Total revenue, gains, and other support per audited financial statements		a	NA
b	Amounts included on line a but not on Part I, line 12:			
1	Net unrealized gains on investments	b1	0	
2	Donated services and use of facilities	b2	0	
3	Recoveries of prior year grants	b3	0	
4	Other (specify): NA	b4	0	
	Add lines b1 through b4		b	0
c	Subtract line b from line a		c	0
d	Amounts included on Part I, line 12, but not on line a:			
1	Investment expenses not included on Part I, line 6b	d1	0	
2	Other (specify): NA	d2	0	
	Add lines d1 and d2		d	0
e	Total revenue (Part I, line 12). Add lines c and d		e	0

**Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

a	Total expenses and losses per audited financial statements		a	NA
b	Amounts included on line a but not on Part I, line 17:			
1	Donated services and use of facilities	b1	0	
2	Prior year adjustments reported on Part I, line 20	b2	0	
3	Losses reported on Part I, line 20	b3	0	
4	Other (specify): 0	b4	0	
	Add lines b1 through b4		b	0
c	Subtract line b from line a		c	0
d	Amounts included on Part I, line 17, but not on line a:			
1	Investment expenses not included on Part I, line 6b	d1	0	
2	Other (specify): NA	d2	0	
	Add lines d1 and d2		d	0
e	Total expenses (Part I, line 17). Add lines c and d		e	0

**Part V-A Current Officers, Directors, Trustees, and Key Employees** (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
Raymond Mike Molina 17156 E. Tennessee Dr, Aurora, CO 80017	President 20	0	0	8,920.00
Kelvin Booker 3105 E. 30th Ave, Denver, CO 80205	Vice President 35	0	0	6,117.00
Lorraine Lubang 11328 Larson Lane, Northglenn, CO 80233	Vice President 2	0	0	395.00
David Pappas 10452 Nelson Ct., Westminster, CO 80021	Vice President 15	0	0	440.00
Francisco Terrones 5575 S. Ireland St, Aurora, CO 80015	Secretary 5	0	0	4,881.00
John Nelson 8923 W. Harvard Dr, Lakewood, CO 80227	Treasures 30	0	0	6,184.00
Marian Wells 3043 St Paul St, Denver, CO 80205	Trustee #1	0	0	300.00
Vickie Hunt 1730 S. Quintero Way, Aurora, CO 80017	Trustee #2	0	0	0.00