

CALIFORNIA FEDERATION OF TEACHERS

FINANCIAL STATEMENTS

DECEMBER 31, 2020, 2019 AND 2018



INDEPENDENT AUDITORS' REPORT

Executive Council
California Federation of Teachers
2550 Hollywood Way, Suite 400
Burbank, California 91505

Members of the Council:

Report on the Financial Statements

We have audited the accompanying financial statements of California Federation of Teachers (the "CFT"), which comprise the statements of financial position as of December 31, 2020, 2019 and 2018, and the related statements of activities and cash flows and schedules in support of statements of activities for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Executive Council
California Federation of Teachers

Opinion

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the CFT as of December 31, 2020, 2019 and 2018, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Miller Kaplan Arase LLP

MILLER KAPLAN ARASE LLP

North Hollywood, California

July 13, 2021

CALIFORNIA FEDERATION OF TEACHERS
STATEMENTS OF FINANCIAL POSITION
ALL FUNDS
DECEMBER 31, 2020

	Total	General Fund	Raoul Teilhet Scholarship Fund
ASSETS			
CURRENT ASSETS			
Cash - Note 2-C	\$ 21,432,525	\$ 11,364,216	\$ 251,011
Per Capita Taxes Receivable	6,620,092	6,620,092	-
Other Receivables	233,384	187,988	-
Interfunds	-	(1,257,672)	33,580
TOTAL CURRENT ASSETS	28,286,001	16,914,624	284,591
Office Furniture and Equipment, Net of Accumulated Depreciation of \$375,487- Note 2-D	34,167	34,167	-
Investments - CAL Mesa Office Building - Note 5	242,622	242,622	-
Deposits	63,987	63,987	-
Prepaid Expenses	38,269	38,269	-
Pension Benefits Assets - Management/F.R.U. - Overfunded Portion - Note 7	5,244,860	5,244,860	-
Pension Benefits Assets - Management/F.R.U. - Note 7	31,787,894	31,787,894	-
TOTAL ASSETS	\$ 65,697,800	\$ 54,326,423	\$ 284,591
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Expenses Payable	\$ 203,364	\$ 191,562	\$ -
Accrued Vacation and Sick Time - Note 2-F	635,607	566,103	-
Financial Assistance Payable	314,684	314,684	-
Financial Assistance Accrual	1,831,149	1,831,149	-
Due to Affiliates	29,254	-	-
TOTAL CURRENT LIABILITIES	3,014,058	2,903,498	-
Postretirement Medical Benefits Liability - Management/F.R.U. - Note 6	2,727,216	2,727,216	-
Pension Benefits Liability - Management/F.R.U. - Funded - Note 7	31,787,894	31,787,894	-
O.P.E.I.U. Postretirement Medical Benefits Liability - Note 8	1,171,475	1,171,475	-
TOTAL LIABILITIES	38,700,643	38,590,083	-
NET ASSETS WITHOUT RESTRICTIONS			
Balances, January 1, 2020	19,067,137	7,878,959	294,452
Net Increase (Decrease) for the Year	7,930,020	7,857,381	(9,861)
NET ASSETS WITHOUT RESTRICTIONS, DECEMBER 31, 2020	26,997,157	15,736,340	284,591
TOTAL LIABILITIES AND NET ASSETS WITHOUT RESTRICTIONS	\$ 65,697,800	\$ 54,326,423	\$ 284,591

(Attached notes are an integral part of this statement)

Legal Defense Fund	Western States Insurance Trust	Dues Collection Fund	Proposition and Ballot Initiatives COPE Committee	COPE Candidate Committee	Militancy Fund	Disaster Relief Fund	Strategic Organizing Fund
\$ 2,523,927	\$ 1,512	\$ 31,461	\$ 4,172,901	\$ 654,136	\$ 580,243	\$ 24,148	\$ 1,828,970
-	-	-	-	-	-	-	-
-	-	-	-	45,396	-	-	-
<u>133,573</u>	-	-	<u>645,101</u>	<u>290,448</u>	<u>16,790</u>	-	<u>138,180</u>
2,657,500	1,512	31,461	4,818,002	989,980	597,033	24,148	1,967,150
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 2,657,500</u>	<u>\$ 1,512</u>	<u>\$ 31,461</u>	<u>\$ 4,818,002</u>	<u>\$ 989,980</u>	<u>\$ 597,033</u>	<u>\$ 24,148</u>	<u>\$ 1,967,150</u>
\$ -	\$ -	\$ -	\$ 11,802	\$ -	\$ -	\$ -	\$ -
-	-	-	69,504	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	<u>29,254</u>	-	-	-	-	-
-	-	29,254	81,306	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	<u>29,254</u>	<u>81,306</u>	-	-	-	-
2,304,240	1,514	2,207	5,163,462	1,353,312	554,132	8,148	1,506,711
<u>353,260</u>	<u>(2)</u>	<u>-</u>	<u>(426,766)</u>	<u>(363,332)</u>	<u>42,901</u>	<u>16,000</u>	<u>460,439</u>
2,657,500	1,512	2,207	4,736,696	989,980	597,033	24,148	1,967,150
<u>\$ 2,657,500</u>	<u>\$ 1,512</u>	<u>\$ 31,461</u>	<u>\$ 4,818,002</u>	<u>\$ 989,980</u>	<u>\$ 597,033</u>	<u>\$ 24,148</u>	<u>\$ 1,967,150</u>

CALIFORNIA FEDERATION OF TEACHERS
STATEMENTS OF FINANCIAL POSITION
ALL FUNDS
DECEMBER 31, 2019

	Total	General Fund	Raoul Teilhet Scholarship Fund
ASSETS			
CURRENT ASSETS			
Cash - Note 2-C	\$ 19,372,691	\$ 9,272,045	\$ 263,714
Per Capita Taxes Receivable	5,581,943	5,581,943	-
Other Receivables	186,273	140,694	-
Interfunds	-	(1,148,649)	30,738
	25,140,907	13,846,033	294,452
TOTAL CURRENT ASSETS			
Office Furniture and Equipment, Net of Accumulated Depreciation of \$372,726- Note 2-D	34,611	34,611	-
Investments - CAL Mesa Office Building - Note 5	235,326	235,326	-
Deposits	63,987	63,987	-
Prepaid Expenses	22,356	22,356	-
Pension Benefits Assets - Management/F.R.U. - Overfunded Portion - Note 7	13,139	13,139	-
Pension Benefits Assets - Management/F.R.U. - Note 7	31,825,641	31,825,641	-
	57,335,967	46,041,093	294,452
TOTAL ASSETS			
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Expenses Payable	\$ 264,446	\$ 259,446	\$ -
Accrued Vacation and Sick Time - Note 2-F	550,256	482,058	-
Financial Assistance Payable	423,087	423,087	-
Financial Assistance Accrual	1,325,280	1,325,280	-
Due to Affiliates	33,498	-	-
	2,596,567	2,489,871	-
TOTAL CURRENT LIABILITIES			
Postretirement Medical Benefits Liability - Management/F.R.U. - Note 6	2,753,521	2,753,521	-
Pension Benefits Liability - Management/F.R.U. - Funded - Note 7	31,825,641	31,825,641	-
O.P.E.I.U. Postretirement Medical Benefits Liability - Note 8	1,093,101	1,093,101	-
	38,268,830	38,162,134	-
TOTAL LIABILITIES			
NET ASSETS (LIABILITIES) WITHOUT RESTRICTIONS			
Balances, January 1, 2019	7,637,886	(1,051,012)	308,355
Net Increase (Decrease) for the Year	11,429,251	8,929,971	(13,903)
	19,067,137	7,878,959	294,452
NET ASSETS WITHOUT RESTRICTIONS, DECEMBER 31, 2019			
TOTAL LIABILITIES AND NET ASSETS WITHOUT RESTRICTIONS	\$ 57,335,967	\$ 46,041,093	\$ 294,452

(Attached notes are an integral part of this statement)

Legal Defense Fund	Western States Insurance Trust	Dues Collection Fund	Proposition and Ballot Initiatives COPE Committee	COPE Candidate Committee	Militancy Fund	Disaster Relief Fund	Strategic Organizing Fund
\$ 2,078,762	\$ 1,514	\$ 35,705	\$ 4,745,014	\$ 1,104,376	\$ 538,763	\$ 8,148	\$ 1,324,650
-	-	-	-	-	-	-	-
-	-	-	-	45,579	-	-	-
<u>225,478</u>	-	-	<u>486,646</u>	<u>203,357</u>	<u>15,369</u>	-	<u>187,061</u>
2,304,240	1,514	35,705	5,231,660	1,353,312	554,132	8,148	1,511,711
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 2,304,240</u>	<u>\$ 1,514</u>	<u>\$ 35,705</u>	<u>\$ 5,231,660</u>	<u>\$ 1,353,312</u>	<u>\$ 554,132</u>	<u>\$ 8,148</u>	<u>\$ 1,511,711</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000
-	-	-	68,198	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	33,498	-	-	-	-	-
-	-	33,498	68,198	-	-	-	5,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	33,498	68,198	-	-	-	5,000
1,850,340	1,514	2,207	4,126,714	979,352	518,835	6,433	895,148
<u>453,900</u>	-	-	<u>1,036,748</u>	<u>373,960</u>	<u>35,297</u>	<u>1,715</u>	<u>611,563</u>
2,304,240	1,514	2,207	5,163,462	1,353,312	554,132	8,148	1,506,711
<u>\$ 2,304,240</u>	<u>\$ 1,514</u>	<u>\$ 35,705</u>	<u>\$ 5,231,660</u>	<u>\$ 1,353,312</u>	<u>\$ 554,132</u>	<u>\$ 8,148</u>	<u>\$ 1,511,711</u>

CALIFORNIA FEDERATION OF TEACHERS
STATEMENTS OF FINANCIAL POSITION
ALL FUNDS
DECEMBER 31, 2018

	Total	General Fund	Raoul Teilhet Scholarship Fund
ASSETS			
CURRENT ASSETS			
Cash - Note 2-C	\$ 14,080,302	\$ 6,708,587	\$ 277,169
Per Capita Taxes Receivable	5,761,620	5,761,620	-
Other Receivables	191,539	122,827	-
Interfunds	-	(1,355,141)	31,186
	20,033,461	11,237,893	308,355
TOTAL CURRENT ASSETS			
Office Furniture and Equipment, Net of Accumulated Depreciation of \$392,324 - Note 2-D	15,004	15,004	-
Investments - CAL Mesa Office Building - Note 5	217,492	217,492	-
Deposits	67,487	67,487	-
Prepaid Expenses	13,805	13,805	-
Pension Benefits Assets - Management/F.R.U. - Note 7	26,157,407	26,157,407	-
	\$ 46,504,656	\$ 37,709,088	\$ 308,355
TOTAL ASSETS			
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Expenses Payable	\$ 170,903	\$ 170,903	\$ -
Accrued Vacation and Sick Time - Note 2-F	586,395	510,810	-
Financial Assistance Payable	770,147	770,147	-
Financial Assistance Accrual	1,637,972	1,637,972	-
Due to Affiliates	31,085	-	-
	3,196,502	3,089,832	-
TOTAL CURRENT LIABILITIES			
Postretirement Medical Benefits Liability - Management/F.R.U. - Note 6	2,733,977	2,733,977	-
Pension Benefits Liability - Management/F.R.U. - Funded - Note 7	26,157,407	26,157,407	-
Pension Benefits Liability - Management/F.R.U. - Unfunded - Note 7	5,677,209	5,677,209	-
O.P.E.I.U. Postretirement Medical Benefits Liability - Note 8	1,101,675	1,101,675	-
	38,866,770	38,760,100	-
TOTAL LIABILITIES			
NET ASSETS (LIABILITIES) WITHOUT RESTRICTIONS			
Balances, January 1, 2018	6,294,233	(1,928,499)	306,654
Net Increase (Decrease) for the Year	1,343,653	1,479,343	1,701
Transfers	-	(601,856)	-
	7,637,886	(1,051,012)	308,355
NET ASSETS (LIABILITIES) WITHOUT RESTRICTIONS, DECEMBER 31, 2018			
TOTAL LIABILITIES AND NET ASSETS (LIABILITIES) WITHOUT RESTRICTIONS			
	\$ 46,504,656	\$ 37,709,088	\$ 308,355

(Attached notes are an integral part of this statement)

Legal Defense Fund	Western States Insurance Trust	Dues Collection Fund	Proposition and Ballot Initiatives COPE Committee	COPE Candidate Committee	Militancy Fund	Disaster Relief Fund	Strategic Organizing Fund
\$ 1,625,190	\$ 1,514	\$ 33,292	\$ 3,719,160	\$ 518,361	\$ 503,242	\$ 6,433	\$ 687,354
-	-	-	-	-	-	-	-
-	-	-	-	68,712	-	-	-
225,150	-	-	483,139	392,279	15,593	-	207,794
<u>1,850,340</u>	<u>1,514</u>	<u>33,292</u>	<u>4,202,299</u>	<u>979,352</u>	<u>518,835</u>	<u>6,433</u>	<u>895,148</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 1,850,340</u>	<u>\$ 1,514</u>	<u>\$ 33,292</u>	<u>\$ 4,202,299</u>	<u>\$ 979,352</u>	<u>\$ 518,835</u>	<u>\$ 6,433</u>	<u>\$ 895,148</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	75,585	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	31,085	-	-	-	-	-
-	-	31,085	75,585	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	31,085	75,585	-	-	-	-
1,063,791	1,514	2,207	4,259,576	2,108,132	473,990	6,868	-
786,549	-	-	(132,862)	(1,128,780)	44,845	(435)	293,292
-	-	-	-	-	-	-	601,856
<u>1,850,340</u>	<u>1,514</u>	<u>2,207</u>	<u>4,126,714</u>	<u>979,352</u>	<u>518,835</u>	<u>6,433</u>	<u>895,148</u>
<u>\$ 1,850,340</u>	<u>\$ 1,514</u>	<u>\$ 33,292</u>	<u>\$ 4,202,299</u>	<u>\$ 979,352</u>	<u>\$ 518,835</u>	<u>\$ 6,433</u>	<u>\$ 895,148</u>

CALIFORNIA FEDERATION OF TEACHERS
STATEMENTS OF ACTIVITIES
ALL FUNDS

	January 1, 2020 to December 31, 2020	January 1, 2019 to December 31, 2019	January 1, 2018 to December 31, 2018
REVENUE			
Per Capita Taxes	\$ 23,912,801	\$ 24,736,672	\$ 24,653,662
AFT Financial Assistance	418,808	432,369	405,316
Other Revenue	118,906	198,841	95,217
Reimbursements	42,315	79,324	449,209
Other Contributions:			
Proposition and Ballot Initiatives			
COPE Committee	526,664	614,638	425,024
COPE Candidate Committee	229,827	273,826	279,405
TOTAL REVENUE	\$ 25,249,321	\$ 26,335,670	\$ 26,307,833
EXPENSES			
Personnel Expenses:			
Management	952,024	1,060,106	1,055,182
F.R.U.	3,639,369	3,387,928	3,482,428
O.P.E.I.U.	1,294,130	1,268,563	1,523,782
Other Personnel-Related Expenses	1,296,445	1,615,863	1,154,382
Operating Expenses	1,056,796	1,278,177	1,287,234
Financial Assistance to Locals	8,325,289	8,034,886	7,919,772
Departments:			
Communications and Publications	100,293	79,681	223,625
Governmental Relations	8,467	14,485	10,817
Information Technology	11,178	13,706	14,616
Leadership Development and Training	8,764	8,105	154,863
Research	8,500	8,500	9,603
Organizing	435,000	385,000	396,970
Councils:			
Community College Council	89,174	104,600	150,206
Council of Classified Employees	125,179	182,646	154,754
EC/K-12 Council	184,099	221,649	166,225
Retiree Council	213	5,126	3,549
Governance	117,353	596,816	420,657
Committees and Task Forces	3,008	18,337	7,973
Professional Services	272,266	212,064	179,035
Miscellaneous	235,754	64,009	75,886
Raoul Teilhet Scholarship Fund Expenses	92,300	100,300	88,000
Legal Defense Fund Expenses	144,834	188,663	64,188
Western States Insurance Trust Expenses	2	-	-
Proposition and Ballot Initiatives			
COPE Committee Expenses	2,002,303	779,828	1,294,950
COPE Candidate Committee Expenses	1,306,582	635,734	2,641,954
Militancy Fund Expenses	-	10,000	-
Disaster Relief Fund Expenses	5,000	35	435
Strategic Organizing Fund Expenses	85,116	45,550	158,946
TOTAL EXPENSES	21,799,438	20,320,357	22,640,032
NET OPERATING INCREASE FOR THE YEAR PRIOR TO NET ADJUSTMENT FOR IMPLEMENTATION OF EMPLOYERS' ACCOUNTING FOR BENEFIT PENSION AND OTHER POSTRETIREMENT PLANS	3,449,883	6,015,313	3,667,801
NET ADJUSTMENT FOR IMPLEMENTATION OF EMPLOYERS' ACCOUNTING FOR BENEFIT PENSION AND OTHER POSTRETIREMENT PLANS			
Postretirement Medical Benefits - Management/F.R.U. - Note 6	13,734	(33,218)	11,339
Pension Benefits - Management/ F.R.U. - Note 7	4,267,119	5,233,106	(2,458,331)
O.P.E.I.U. Postretirement Medical Benefits - Note 8	199,284	214,050	122,844
NET ADJUSTMENT FOR IMPLEMENTATION OF EMPLOYERS' ACCOUNTING FOR BENEFIT PENSION AND OTHER POSTRETIREMENT PLANS	4,480,137	5,413,938	(2,324,148)
NET INCREASE FOR THE YEAR	\$ 7,930,020	\$ 11,429,251	\$ 1,343,653

(Attached notes are an integral part of this statement)

CALIFORNIA FEDERATION OF TEACHERS
STATEMENTS OF ACTIVITIES
GENERAL FUND

	January 1, 2020 to December 31, 2020	January 1, 2019 to December 31, 2019	January 1, 2018 to December 31, 2018
REVENUE			
Per Capita Taxes - Schedule C-1	\$ 23,912,801	\$ 24,736,672	\$ 24,653,662
AFT Financial Assistance - Schedule C-2	418,808	432,369	405,316
Other Revenue - Schedule C-3	63,560	141,093	60,085
Reimbursements - Schedule C-4	<u>766,069</u>	<u>768,570</u>	<u>901,178</u>
TOTAL REVENUE	\$ 25,161,238	\$ 26,078,704	\$ 26,020,241
EXPENSES			
Personnel Expenses:			
Management - Schedule C-5	952,024	1,060,106	1,055,182
F.R.U. - Schedule C-6	3,639,369	3,387,928	3,482,428
O.P.E.I.U. - Schedule C-7	1,294,130	1,268,563	1,523,782
Other Personnel-Related Expenses - Schedule C-8	1,296,445	1,615,863	1,154,382
Operating Expenses - Schedule C-9	1,056,796	1,278,177	1,287,234
Financial Assistance to Locals - Schedule C-10	8,325,289	8,034,886	7,919,772
Departments:			
Communications and Publications - Schedule C-11	100,293	79,681	223,625
Governmental Relations - Schedule C-12	8,467	14,485	10,817
Information Technology	11,178	13,706	14,616
Leadership Development and Training - Schedule - C-13	8,764	8,105	154,863
Research	8,500	8,500	9,603
Organizing - Schedule C-14	435,000	385,000	396,970
Councils:			
Community College Council - Schedule C-15	89,174	104,600	150,206
Council of Classified Employees - Schedule C-16	125,179	182,646	154,754
EC/K-12 Council - Schedule C-17	184,099	221,649	166,225
Retiree Council - Schedule C-18	213	5,126	3,549
Transfers - Schedule C-19	3,610,693	4,002,424	3,825,191
Governance - Schedule C-20	117,353	596,816	420,657
Committees and Task Forces - Schedule C-21	3,008	18,337	7,973
Professional Services - Schedule C-22	272,266	212,064	179,035
Miscellaneous - Schedule C-23	<u>245,754</u>	<u>64,009</u>	<u>75,886</u>
TOTAL EXPENSES	<u>21,783,994</u>	<u>22,562,671</u>	<u>22,216,750</u>
NET OPERATING INCREASE FOR THE YEAR PRIOR TO NET ADJUSTMENT FOR IMPLEMENTATION OF EMPLOYERS' ACCOUNTING FOR BENEFIT PENSION AND OTHER POSTRETIREMENT PLANS	3,377,244	3,516,033	3,803,491
NET ADJUSTMENT FOR IMPLEMENTATION OF EMPLOYERS' ACCOUNTING FOR BENEFIT PENSION AND OTHER POSTRETIREMENT PLANS			
Postretirement Medical Benefits -			
Management/F.R.U. - Note 6	13,734	(33,218)	11,339
Pension Benefits - Management/F.R.U. - Note 7	4,267,119	5,233,106	(2,458,331)
O.P.E.I.U. Postretirement Medical Benefits - Note 8	<u>199,284</u>	<u>214,050</u>	<u>122,844</u>
NET ADJUSTMENT FOR IMPLEMENTATION OF EMPLOYERS' ACCOUNTING FOR BENEFIT PENSION AND OTHER POSTRETIREMENT PLANS	<u>4,480,137</u>	<u>5,413,938</u>	<u>(2,324,148)</u>
NET INCREASE FOR THE YEAR	<u>\$ 7,857,381</u>	<u>\$ 8,929,971</u>	<u>\$ 1,479,343</u>

(Attached notes are an integral part of this statement)

CALIFORNIA FEDERATION OF TEACHERS
SCHEDULES IN SUPPORT OF EXHIBIT C
GENERAL FUND

	January 1, 2020 to December 31, 2020	January 1, 2019 to December 31, 2019	January 1, 2018 to December 31, 2018
PER CAPITA TAXES - SCHEDULE C-1			
Bargaining Agent	\$ 17,173,582	\$ 18,060,235	\$ 17,501,797
Non-Bargaining Agent	10,803	17,903	22,024
UESF Local 61	1,676,284	1,679,555	1,600,247
UTLA Agency Fee and Fair Share	-	-	157,784
UTLA	5,052,132	4,939,899	4,696,485
Agency Fee	-	39,080	675,325
TOTALS	<u>\$ 23,912,801</u>	<u>\$ 24,736,672</u>	<u>\$ 24,653,662</u>
AFT FINANCIAL ASSISTANCE - SCHEDULE C-2			
AFT (20c) State Rebate	\$ 99,428	\$ 109,078	\$ 107,536
AFT Service Formula	146,880	149,760	125,280
AFT Staff Funding	172,500	173,531	172,500
TOTALS	<u>\$ 418,808</u>	<u>\$ 432,369</u>	<u>\$ 405,316</u>
OTHER REVENUE - SCHEDULE C-3			
10% Dues Collection Fee	\$ 867	\$ 1,099	\$ 1,322
CFT Convention and Conferences	-	62,134	19,927
Other Revenue	20,257	25,977	4,172
Interest Income	42,436	51,883	5,664
Donations	-	-	7,400
Attendance for Summer ULI	-	-	21,600
TOTALS	<u>\$ 63,560</u>	<u>\$ 141,093</u>	<u>\$ 60,085</u>
REIMBURSEMENTS - SCHEDULE C-4			
COPE Reimbursement	\$ 654,153	\$ 651,628	\$ 695,933
Postage Reimbursement	329	619	159
Rent Reimbursement	30,475	29,762	29,768
Other Reimbursements	81,112	86,561	175,318
TOTALS	<u>\$ 766,069</u>	<u>\$ 768,570</u>	<u>\$ 901,178</u>
PERSONNEL EXPENSES:			
MANAGEMENT - SCHEDULE C-5			
Management Salaries	\$ 797,444	\$ 914,337	\$ 925,245
Benefits	154,580	145,769	129,937
TOTALS	<u>\$ 952,024</u>	<u>\$ 1,060,106</u>	<u>\$ 1,055,182</u>
F.R.U. - SCHEDULE C-6			
F.R.U. Salaries	\$ 3,036,224	\$ 2,852,592	\$ 2,908,172
Sunday Pay	2,942	2,172	473
Benefits	600,203	533,164	573,783
TOTALS	<u>\$ 3,639,369</u>	<u>\$ 3,387,928</u>	<u>\$ 3,482,428</u>

CALIFORNIA FEDERATION OF TEACHERS
SCHEDULES IN SUPPORT OF EXHIBIT C
GENERAL FUND

	<u>January 1, 2020</u> to <u>December 31, 2020</u>	<u>January 1, 2019</u> to <u>December 31, 2019</u>	<u>January 1, 2018</u> to <u>December 31, 2018</u>
PERSONNEL EXPENSES: (Continued)			
O.P.E.I.U. - SCHEDULE C-7			
O.P.E.I.U. Salaries	\$ 995,678	\$ 969,159	\$ 1,160,398
Overtime	3,403	16,054	14,163
Benefits	<u>295,049</u>	<u>283,350</u>	<u>349,221</u>
TOTALS	<u><u>\$ 1,294,130</u></u>	<u><u>\$ 1,268,563</u></u>	<u><u>\$ 1,523,782</u></u>
OTHER PERSONNEL-RELATED EXPENSES - SCHEDULE C-8			
Administrative Fees	\$ 444	\$ 444	\$ 444
Retiree Benefits	206,714	221,310	185,342
Retirement Plan Fees	51,963	48,383	52,397
Payroll Taxes	373,963	357,802	392,833
Workers' Compensation Insurance	45,293	51,761	53,809
Change in Accrued Vacation Payable	79,445	(27,709)	(97,078)
Change in Accrued Sick Time Payable	4,600	(1,043)	(4,985)
Pension Benefits - Management/F.R.U.	120,786	635,958	549,541
Postretirement Medical Benefits - Management/F.R.U.	(12,571)	(13,674)	15,554
O.P.E.I.U. Postretirement Medical Benefits	277,658	205,476	(163,778)
O.P.E.I.U. Employer Retirement Contribution	146,500	135,670	167,583
Staff Development	<u>1,650</u>	<u>1,485</u>	<u>2,720</u>
TOTALS	<u><u>\$ 1,296,445</u></u>	<u><u>\$ 1,615,863</u></u>	<u><u>\$ 1,154,382</u></u>
OPERATING EXPENSES - SCHEDULE C-9			
Travel and Lodging	\$ 58,236	\$ 238,186	\$ 239,619
Mileage Reimbursement	29,152	93,182	98,838
O.P.E.I.U. Travel Reimbursement	219	3,756	1,636
Building Occupancy	687,516	685,980	684,961
Building Repairs and Maintenance	809	2,100	4,618
Furniture and Equipment Acquisition	74,530	82,690	85,816
Furniture and Equipment Repairs and Maintenance	2,170	1,080	1,790
Office Supplies	24,056	36,256	33,149
Postage and Shipping	13,390	15,314	26,615
Printing	2,650	10,034	2,066
Subscriptions	2,993	3,569	3,398
Telecommunications	133,461	81,474	74,994
Depreciation	16,155	10,631	18,059
Bank Charges	1,269	3,896	1,518
Property Insurance	8,374	9,016	9,250
Property Taxes	<u>1,816</u>	<u>1,013</u>	<u>907</u>
TOTALS	<u><u>\$ 1,056,796</u></u>	<u><u>\$ 1,278,177</u></u>	<u><u>\$ 1,287,234</u></u>
FINANCIAL ASSISTANCE TO LOCALS - SCHEDULE C-10			
UTLA - Staff Funding	\$ 3,735,989	\$ 3,652,727	\$ 3,386,085
UTLA - Agency Fee Funding	-	-	116,760
UESF Local 61	468,377	477,170	418,224
Funding - Bargaining	3,755,971	3,501,638	3,694,105
Funding - Agency Fee	-	-	153,395
University Council Grant	<u>364,952</u>	<u>403,351</u>	<u>151,203</u>
TOTALS	<u><u>\$ 8,325,289</u></u>	<u><u>\$ 8,034,886</u></u>	<u><u>\$ 7,919,772</u></u>

CALIFORNIA FEDERATION OF TEACHERS
SCHEDULES IN SUPPORT OF EXHIBIT C
GENERAL FUND

	<u>January 1, 2020 to December 31, 2020</u>	<u>January 1, 2019 to December 31, 2019</u>	<u>January 1, 2018 to December 31, 2018</u>
DEPARTMENTS:			
COMMUNICATIONS AND PUBLICATIONS - SCHEDULE C-11			
Cartoons and Graphics	\$ 1,542	\$ 1,551	\$ 464
Design and Layout	-	-	15,300
Photography	3,561	8,698	7,330
Video Productions	175	-	169
CFT Website	7,693	14,522	38,872
California Teacher Mailing	-	-	39,552
California Teacher Printing	-	-	69,739
California Teacher Reporter	25,764	20,656	16,093
Labor Communications Organization	1,135	1,280	500
Software Updates	703	719	355
Printing	291	-	1,115
Subscriptions	168	-	530
Public Relations	12,574	15,340	24,180
Paid Media	6,455	2,601	5,223
Media Consulting Services	28,250	350	614
CFT Communication Awards	-	1,744	2,909
Part Timer Newsletter	5,900	5,650	-
Classified Newsletter	6,050	5,893	-
Unanticipated Publications	32	677	680
TOTALS	<u>\$ 100,293</u>	<u>\$ 79,681</u>	<u>\$ 223,625</u>
GOVERNMENTAL RELATIONS - SCHEDULE C-12			
Grassroots Lobbying	\$ 1,102	\$ 6,869	\$ 3,942
Legislative Bill Service	4,895	4,877	4,842
TV Cable Subscription	2,470	2,739	2,033
TOTALS	<u>\$ 8,467</u>	<u>\$ 14,485</u>	<u>\$ 10,817</u>
LEADERSHIP DEVELOPMENT AND TRAINING - SCHEDULE C-13			
CFT Leadership Institute/Summer School	\$ 14	\$ -	\$ 135,195
Local Training Assistance	-	-	1,444
General Trainings	8,750	8,105	659
Training for Trainers	-	-	17,565
TOTALS	<u>\$ 8,764</u>	<u>\$ 8,105</u>	<u>\$ 154,863</u>

CALIFORNIA FEDERATION OF TEACHERS
SCHEDULES IN SUPPORT OF EXHIBIT C
GENERAL FUND

	January 1, 2020 to December 31, 2020	January 1, 2019 to December 31, 2019	January 1, 2018 to December 31, 2018
DEPARTMENTS: (Continued)			
ORGANIZING - SCHEDULE C-14			
Legal Services	\$ -	\$ -	\$ 250
Organizing Expenses	-	-	2,880
Assistance to Locals	-	-	4,884
AFT Organizing Grant	340,000	290,000	290,000
Charter School Organizing	95,000	95,000	95,000
New Member Materials	-	-	3,956
TOTALS	<u>\$ 435,000</u>	<u>\$ 385,000</u>	<u>\$ 396,970</u>
COUNCILS:			
COMMUNITY COLLEGE COUNCIL - SCHEDULE C-15			
President's Release Time	\$ 80,000	\$ 80,000	\$ 80,000
President's Travel and Lodging	4,004	4,405	7,177
Officer's Travel and Lodging	170	1,789	387
Governance Meetings	600	2,531	3,599
Part Timer Newsletter	-	-	5,250
Council Representative Stipends	4,400	15,875	16,079
CCC Perspective	-	-	37,714
TOTALS	<u>\$ 89,174</u>	<u>\$ 104,600</u>	<u>\$ 150,206</u>
COUNCIL OF CLASSIFIED EMPLOYEES - SCHEDULE C-16			
President's Release Time	\$ 101,679	\$ 64,823	\$ 29,798
President's Travel and Lodging	1,831	6,100	2,278
Officer's Release Time and Stipends	19,200	32,300	25,986
Officer's Travel and Lodging	1,283	12,555	6,450
Governance Meetings	593	4,068	3,028
Classified Newsletter	-	-	12,410
CCE Conference	593	61,639	71,144
CCE Conference Scholarships	-	1,161	595
Council Representation	-	-	3,065
TOTALS	<u>\$ 125,179</u>	<u>\$ 182,646</u>	<u>\$ 154,754</u>
EC/K-12 COUNCIL - SCHEDULE C-17			
President's Release Time	\$ 147,460	\$ 154,524	\$ 121,336
President's Travel and Lodging	7,886	13,348	10,940
Officer's Release Time and Stipends	12,500	12,500	12,857
Officer's Travel and Lodging	2,599	18,256	8,555
Council on Teacher Education	-	-	134
Commission on Teacher Credentials	808	2,511	1,657
EC/K-12 Conference	8,510	4,415	981
Governance Meetings	3,336	15,095	8,374
Council Representation	1,000	1,000	1,391
TOTALS	<u>\$ 184,099</u>	<u>\$ 221,649</u>	<u>\$ 166,225</u>

CALIFORNIA FEDERATION OF TEACHERS
SCHEDULES IN SUPPORT OF EXHIBIT C
GENERAL FUND

	January 1, 2020 to December 31, 2020	January 1, 2019 to December 31, 2019	January 1, 2018 to December 31, 2018
COUNCILS: (Continued)			
RETIREE COUNCIL - SCHEDULE C-18			
Officer's Travel and Lodging	\$ 213	\$ 3,454	\$ 1,967
Governance Meetings	-	1,672	1,582
TOTALS	<u>\$ 213</u>	<u>\$ 5,126</u>	<u>\$ 3,549</u>
TRANSFERS - SCHEDULE C-19			
COPE Candidate Committee	\$ 707,912	\$ 703,546	\$ 1,220,078
Proposition and Ballot Initiatives COPE Committee	1,681,544	1,821,774	1,297,234
Legal Defense Fund	488,068	631,392	686,987
Raoul Teihet Scholarship Fund	81,684	85,313	88,482
Militancy Fund	40,842	42,656	44,241
Educational Issues Fund	71,300	65,796	65,682
Strategic Organizing Fund	539,343	651,947	422,487
TOTALS	<u>\$ 3,610,693</u>	<u>\$ 4,002,424</u>	<u>\$ 3,825,191</u>
GOVERNANCE - SCHEDULE C-20			
AFT Convention	\$ 3,961	\$ -	\$ 12,888
CFT Convention	-	412,711	251,996
Executive Council Officer's Release Time	102,897	42,500	42,500
Executive Council	8,547	60,197	36,052
State Council	1,856	11,954	7,440
Committee Expenses	92	67,819	65,532
CLF Convention	-	1,635	4,249
TOTALS	<u>\$ 117,353</u>	<u>\$ 596,816</u>	<u>\$ 420,657</u>
COMMITTEES AND TASK FORCES - SCHEDULE C-21			
Early Childhood Committee	\$ 200	\$ 4,830	\$ -
Higher Educational Issues	-	-	40
Part-Timer Committee	-	-	778
Retirement Committee	2,118	6,135	941
Safe Schools Committee	-	121	-
Technology in Education Committee	-	-	660
Civil, Human and Women's Rights	-	1,710	-
Labor in the Schools Committee	-	2,471	4,462
English Learner	594	1,581	165
Ethnic Diversity Participation	96	1,489	927
TOTALS	<u>\$ 3,008</u>	<u>\$ 18,337</u>	<u>\$ 7,973</u>
PROFESSIONAL SERVICES - SCHEDULE C-22			
Agency Fee Arbitrations	\$ -	\$ -	\$ 775
Financial Audit Fees	118,500	115,500	115,500
Consulting Services	12,855	35,226	10,463
Management Support Services	1,850	1,000	-
Legal Services	139,061	60,338	52,297
TOTALS	<u>\$ 272,266</u>	<u>\$ 212,064</u>	<u>\$ 179,035</u>

CALIFORNIA FEDERATION OF TEACHERS
SCHEDULES IN SUPPORT OF EXHIBIT C
GENERAL FUND

	January 1, 2020 to December 31, 2020	January 1, 2019 to December 31, 2019	January 1, 2018 to December 31, 2018
MISCELLANEOUS - SCHEDULE C-23			
Storage of Benefits Supplies	\$ 2,892	\$ 2,772	\$ 2,556
Supplies and Shipping	2,542	-	146
CFT Affiliations	612	676	676
CFT Archives/Storage	710	660	660
Donations/Contributions	18,000	7,000	3,000
Hudson Rebates	-	4,150	38,180
Labor/Community Outreach	3,970	13,100	11,425
Other Expenses	208,270	9,996	9,516
Conferences/Meetings	2,758	25,655	9,727
Special Project (Rebranding)	6,000	-	-
TOTALS	<u>\$ 245,754</u>	<u>\$ 64,009</u>	<u>\$ 75,886</u>

CALIFORNIA FEDERATION OF TEACHERS
STATEMENTS OF ACTIVITIES
RAOUL TEILHET SCHOLARSHIP FUND

	January 1, 2020 to December 31, 2020	January 1, 2019 to December 31, 2019	January 1, 2018 to December 31, 2018
REVENUE			
Per Capita Tax Allocation	\$ 81,684	\$ 85,313	\$ 88,482
Refunds	-	-	1,000
Interest Income	<u>755</u>	<u>1,084</u>	<u>219</u>
TOTAL REVENUE	\$ 82,439	\$ 86,397	\$ 89,701
EXPENSES			
Scholarships Awarded	89,000	97,000	88,000
Donations	<u>3,300</u>	<u>3,300</u>	<u>-</u>
TOTAL EXPENSES	<u>92,300</u>	<u>100,300</u>	<u>88,000</u>
NET INCREASE (DECREASE) FOR THE YEAR	<u>\$ (9,861)</u>	<u>\$ (13,903)</u>	<u>\$ 1,701</u>

CALIFORNIA FEDERATION OF TEACHERS
STATEMENTS OF ACTIVITIES
LEGAL DEFENSE FUND

	January 1, 2020 to December 31, 2020	January 1, 2019 to December 31, 2019	January 1, 2018 to December 31, 2018
REVENUE			
Per Capita Tax Allocation	\$ 488,068	\$ 631,392	\$ 686,987
AFT Reimbursements	-	-	161,622
Interest Income	<u>10,026</u>	<u>11,171</u>	<u>2,128</u>
TOTAL REVENUE	\$ 498,094	\$ 642,563	\$ 850,737
EXPENSES			
Defense Grants	126,686	153,534	63,555
Legal Services	17,888	35,119	-
Bank Charges	260	-	-
Miscellaneous	<u>-</u>	<u>10</u>	<u>633</u>
TOTAL EXPENSES	<u>144,834</u>	<u>188,663</u>	<u>64,188</u>
NET INCREASE FOR THE YEAR	<u>\$ 353,260</u>	<u>\$ 453,900</u>	<u>\$ 786,549</u>

CALIFORNIA FEDERATION OF TEACHERS
STATEMENTS OF ACTIVITIES
WESTERN STATES INSURANCE TRUST

	January 1, 2020 to <u>December 31, 2020</u>	January 1, 2019 to <u>December 31, 2019</u>	January 1, 2018 to <u>December 31, 2018</u>
REVENUE			
Royalty Income	\$ -	\$ -	\$ -
EXPENSES			
Bank Charges	<u>2</u>	<u>-</u>	<u>-</u>
NET (DECREASE) FOR THE YEAR	<u>\$ (2)</u>	<u>\$ -</u>	<u>\$ -</u>

CALIFORNIA FEDERATION OF TEACHERS
STATEMENTS OF ACTIVITIES
DUES COLLECTION FUND

	January 1, 2020 to <u>December 31, 2020</u>	January 1, 2019 to <u>December 31, 2019</u>	January 1, 2018 to <u>December 31, 2018</u>
REVENUE	\$ -	\$ -	\$ -
EXPENSES	<u>-</u>	<u>-</u>	<u>-</u>
NET INCREASE FOR THE YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CALIFORNIA FEDERATION OF TEACHERS
STATEMENTS OF ACTIVITIES
PROPOSITION AND BALLOT INITIATIVES COPE COMMITTEE

	January 1, 2020 to December 31, 2020	January 1, 2019 to December 31, 2019	January 1, 2018 to December 31, 2018
REVENUE			
Per Capita Tax Allocation and Other Contributions	\$ 2,208,208	\$ 2,436,412	\$ 1,722,258
Refunds and Reimbursements	455	1,921	100,050
Interest Income	21,027	23,871	6,117
Prior Year Voided Checks	<u>-</u>	<u>6,000</u>	<u>25,000</u>
TOTAL REVENUE	\$ 2,229,690	\$ 2,468,204	\$ 1,853,425
EXPENSES			
Contributions to State Ballot Measures	1,473,975	483,000	998,949
Contributions to Local Ballot Measures	10,606	10,000	17,375
Independent Expenditures	-	-	4,450
Salaries and Salary Related Expenses	685,659	645,240	754,775
Member Communications	266,261	26,601	10,933
Accounting and Legal Fees	32,390	21,348	22,029
Charitable/Civic Donations	129,500	133,860	153,275
Staff/Volunteer Travel Expenses	-	11,560	1,060
Surveys/Signature Gatherers	27,965	45,150	-
Office Supplies	-	-	6,930
Postage and Shipping	9,677	7,241	733
Printing	-	6,447	-
Taxes	250	50	50
Consulting Services	7,656	-	-
Membership/Subscription	6,300	5,000	-
Receptions/Retreats Expense	6,149	32,559	15,693
Miscellaneous	<u>68</u>	<u>3,400</u>	<u>35</u>
TOTAL EXPENSES	<u>2,656,456</u>	<u>1,431,456</u>	<u>1,986,287</u>
NET INCREASE (DECREASE) FOR THE YEAR	<u>\$ (426,766)</u>	<u>\$ 1,036,748</u>	<u>\$ (132,862)</u>

CALIFORNIA FEDERATION OF TEACHERS
STATEMENTS OF ACTIVITIES
COPE CANDIDATE COMMITTEE

	January 1, 2020 to December 31, 2020	January 1, 2019 to December 31, 2019	January 1, 2018 to December 31, 2018
REVENUE			
Per Capita Tax Allocation and Other Contributions	\$ 937,739	\$ 977,372	\$ 1,499,483
Refunds and Reimbursements	1,244	26,257	17,223
Interest Income	4,267	4,547	1,019
Prior Year Voided Checks	-	1,518	45
	<u> </u>	<u> </u>	<u> </u>
TOTAL REVENUE	\$ 943,250	\$ 1,009,694	\$ 1,517,770
EXPENSES			
State/Local Candidates and Other Political Contributions	1,195,286	564,850	2,195,332
Travel and Other Reimbursements	1,700	33,292	18,824
Accounting and Legal Fees	43,742	26,207	47,640
Taxes	3,860	576	50
Independent Expenditures	37,305	-	167,744
Member Communications	18,814	-	198,233
Printing	-	-	4,629
Information Technology	-	-	4,059
Charitable/Civic Donations	-	-	3,500
Surveys/Signature Gatherers	5,875	-	-
Miscellaneous	-	10,809	6,539
	<u> </u>	<u> </u>	<u> </u>
TOTAL EXPENSES	1,306,582	635,734	2,646,550
NET INCREASE (DECREASE) FOR THE YEAR	<u>\$ (363,332)</u>	<u>\$ 373,960</u>	<u>\$ (1,128,780)</u>

CALIFORNIA FEDERATION OF TEACHERS
STATEMENTS OF ACTIVITIES
MILITANCY FUND

	January 1, 2020 to December 31, 2020	January 1, 2019 to December 31, 2019	January 1, 2018 to December 31, 2018
REVENUE			
Per Capita Tax Allocation	\$ 40,842	\$ 42,656	\$ 44,241
Interest Income	<u>2,059</u>	<u>2,641</u>	<u>604</u>
TOTAL REVENUE	\$ 42,901	\$ 45,297	\$ 44,845
EXPENSES			
Militancy Grant	<u>-</u>	<u>10,000</u>	<u>-</u>
NET INCREASE FOR THE YEAR	<u>\$ 42,901</u>	<u>\$ 35,297</u>	<u>\$ 44,845</u>

CALIFORNIA FEDERATION OF TEACHERS
STATEMENTS OF ACTIVITIES
DISASTER RELIEF FUND

	January 1, 2020 to December 31, 2020	January 1, 2019 to December 31, 2019	January 1, 2018 to December 31, 2018
REVENUE			
AFT Donations	\$ 10,000	\$ -	\$ -
CFT Donations	10,000	-	-
Other Donations	<u>1,000</u>	<u>1,750</u>	<u>-</u>
TOTAL REVENUE	\$ 21,000	\$ 1,750	\$ -
EXPENSES			
Donations	5,000	-	150
Other Expenses	<u>-</u>	<u>35</u>	<u>285</u>
TOTAL EXPENSES	<u>5,000</u>	<u>35</u>	<u>435</u>
NET INCREASE (DECREASE) FOR THE YEAR	<u><u>\$ 16,000</u></u>	<u><u>\$ 1,715</u></u>	<u><u>\$ (435)</u></u>

CALIFORNIA FEDERATION OF TEACHERS
STATEMENTS OF ACTIVITIES
STRATEGIC ORGANIZING FUND

	January 1, 2020 to December 31, 2020	January 1, 2019 to December 31, 2019	January 1, 2018 to December 31, 2018
REVENUE			
Per Capita Tax Allocation	\$ 539,343	\$ 651,947	\$ 422,487
AFT Contribution	-	-	29,751
Interest Income	<u>6,212</u>	<u>5,166</u>	<u>-</u>
TOTAL REVENUE	\$ 545,555	\$ 657,113	\$ 452,238
EXPENSES			
Release Time Organizer	-	6,750	41,931
Travel and Lodging	-	-	1,923
Communications	85,116	38,800	114,799
Training	<u>-</u>	<u>-</u>	<u>293</u>
TOTAL EXPENSES	<u>85,116</u>	<u>45,550</u>	<u>158,946</u>
NET INCREASE FOR THE YEAR	<u><u>\$ 460,439</u></u>	<u><u>\$ 611,563</u></u>	<u><u>\$ 293,292</u></u>

CALIFORNIA FEDERATION OF TEACHERS
STATEMENTS OF CASH FLOWS
GENERAL FUND

	January 1, 2020 to December 31, 2020	January 1, 2019 to December 31, 2019	January 1, 2018 to December 31, 2018
CASH FLOWS FROM OPERATING ACTIVITIES			
CHANGE IN NET ASSETS (LIABILITIES)	\$ 7,857,381	\$ 8,929,971	\$ 1,479,343
Adjustments to Reconcile Change in Net Assets (Liabilities) to Net Cash Provided by Operating Activities:			
Depreciation	\$ 16,155	\$ 10,631	\$ 18,059
Transfer to Strategic Organizing Fund	-	-	(601,856)
Decrease (Increase) in Receivables	(1,085,443)	161,810	280,422
Increase (Decrease) in Due to Other Funds	109,023	(206,492)	232,078
Decrease in Deposits	-	3,500	8,939
Decrease (Increase) in Prepaid Expenses	(15,913)	(8,551)	59,756
(Increase) in Pension Benefits Assets - Management/F.R.U. - Overfunded Portion	(5,231,721)	(13,139)	-
Increase (Decrease) in Expenses Payable	(67,884)	88,543	(64,112)
Increase (Decrease) in Accrued Vacation and Sick Time Payable	84,045	(28,752)	(102,063)
Increase (Decrease) in Financial Assistance Payable	(108,403)	(347,060)	52,026
Increase (Decrease) in Financial Assistance Accrual	505,869	(312,692)	320,643
Increase (Decrease) in Postretirement Medical Benefits Liability - Management/F.R.U.	(26,305)	19,544	4,215
Increase (Decrease) in Pension Benefits Liability - Management/F.R.U. - Unfunded	-	(5,677,209)	1,744,045
Increase (Decrease) in O.P.E.I.U. Postretirement Medical Benefits Liability	78,374	(8,574)	(286,622)
	<u>78,374</u>	<u>(8,574)</u>	<u>(286,622)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	2,115,178	2,611,530	3,144,873
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Office Furniture and Equipment	(15,711)	(30,238)	(4,088)
Investment in Cal Mesa Office Building	(7,296)	(17,834)	740
	<u>(23,007)</u>	<u>(48,072)</u>	<u>(3,348)</u>
NET CASH (USED) BY INVESTING ACTIVITIES	(23,007)	(48,072)	(3,348)
NET INCREASE IN CASH	2,092,171	2,563,458	3,141,525
CASH AT BEGINNING OF YEAR	9,272,045	6,708,587	3,567,062
CASH AT END OF YEAR	\$ 11,364,216	\$ 9,272,045	\$ 6,708,587

CALIFORNIA FEDERATION OF TEACHERS
STATEMENTS OF CASH FLOWS
ALL FUNDS EXCEPT GENERAL FUND

	January 1, 2020 to December 31, 2020	January 1, 2019 to December 31, 2019	January 1, 2018 to December 31, 2018
CASH FLOWS FROM OPERATING ACTIVITIES			
CHANGE IN NET ASSETS	\$ 72,639	\$ 2,499,280	\$ (135,690)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:			
Transfer from General Fund to Strategic Organizing Fund	\$ -	\$ -	\$ 601,856
Decrease (Increase) in Due from General Fund	(109,023)	206,492	(232,078)
Decrease (Increase) in Receivables	183	23,133	(20,127)
Increase (Decrease) in Expenses Payable	6,802	5,000	(7,000)
Increase (Decrease) in Accrued Vacation and Sick Time Payable	1,306	(7,387)	75,585
Increase (Decrease) in Due to Affiliates	(4,244)	2,413	(954)
	<u>(104,976)</u>	<u>229,651</u>	<u>417,282</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(32,337)</u>	<u>2,728,931</u>	<u>281,592</u>
NET INCREASE (DECREASE) IN CASH	(32,337)	2,728,931	281,592
CASH AT BEGINNING OF YEAR	<u>10,100,646</u>	<u>7,371,715</u>	<u>7,090,123</u>
CASH AT END OF YEAR	<u>\$ 10,068,309</u>	<u>\$ 10,100,646</u>	<u>\$ 7,371,715</u>

CALIFORNIA FEDERATION OF TEACHERS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020, 2019 AND 2018

NOTE 1 - DESCRIPTION OF THE ORGANIZATION

The California Federation of Teachers (the "CFT") was formed to organize the educational employees of California into locals chartered by the American Federation of Teachers (the "AFT"), and to bring them into relations of mutual assistance and cooperation; to obtain for them all the rights and benefits to which they are entitled; to raise the standards of the educational profession and to secure conditions essential to the best professional service; and to promote such democratization of the educational institutions as will enable them better to equip their students to take their places in the economic, social and political life of the community; to strive for equal educational opportunities for all; and to initiate and support state legislation to benefit students and educational employees of the State of California.

The CFT consists of locals of AFT members chartered in California by the AFT. The CFT consists of public and private school educational employees. The CFT has members-at-large who work in areas where there is not a CFT local. Additionally, active members who retire are admitted as CFT retiree members. The CFT has approximately 80,000 members. The primary source of revenue for the CFT is from per capita taxes.

General Fund

General operations of the CFT.

Educational Issues Fund

The CFT has established an Educational Issues Fund to develop and publicize CFT positions of educational issues. The Educational Issues Fund is funded by a specific allocation of per capita taxes collected by the General Fund.

The Educational Issues Fund is part of the General Fund.

Raoul Teilhet Scholarship Fund

The Fund was established to assist some well deserving high school students with funds that will assist them in pursuing their college education. The Raoul Teilhet Scholarship Fund is funded by a specific allocation of per capita taxes collected by the General Fund and funds received directly from various affiliated local unions.

Legal Defense Fund

The CFT has established a Legal Defense Fund to support cases that particular affiliated local unions file against specific school districts. The Legal Defense Fund is funded by a specific allocation of per capita taxes collected by the General Fund.

Western States Insurance Trust

The Trust collects royalties received from various insurance companies for members participation in various insurance programs.

Dues Collection Fund

The Fund collects dues on behalf of various small affiliated local unions who do not have a mechanism in place to collect union dues. The dues are collected on behalf of these specific local unions and distributed to them.

CALIFORNIA FEDERATION OF TEACHERS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020, 2019 AND 2018

NOTE 1 - DESCRIPTION OF THE ORGANIZATION (Continued)

Proposition and Ballot Initiatives COPE Committee

The CFT has established this committee for the purpose of supporting state and local ballot initiatives which the CFT believes further the goals of education and students. The committee is funded by a specific allocation of per capita taxes from the General Fund and other contributions.

COPE Candidate Committee

The CFT has established this committee for the purpose of supporting state and local candidates running for public office and other political contributions who further the goals of the CFT and its membership. The committee is funded by a specific allocation of per capita taxes from the General Fund and other contributions.

Militancy Fund

The CFT has established a Militancy Fund to help and defend persons who have been targeted for retaliation by employers as a result of their CFT union activities and other similar purposes as determined by the Executive Council. The Militancy Fund is funded by a specific allocation of per capita taxes collected by the General Fund.

Disaster Relief Fund

The CFT has established a Disaster Relief Fund to assist members, staff and other union activists who have been impacted by disasters, and is being funded through donations from CFT's affiliates, employees and others.

Strategic Organizing Fund

The CFT has established a Strategic Organizing Fund which is focused on protecting and improving quality education in California through securement of proper funding for adequate resources. The Fund's emphasis is the building of representation and involvement of the communities and its membership through organizing. The Strategic Organizing Fund is funded by a specific allocation of per capita taxes from the General Fund and other contributions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The financial statements are presented using the accrual basis of accounting. The use of the accrual basis recognizes revenue when earned or otherwise available and recognizes expenses when incurred.

B. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

CALIFORNIA FEDERATION OF TEACHERS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020, 2019 AND 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Cash

Cash consists of cash deposited with financial institutions in checking accounts.

D. Office Furniture and Equipment

Office furniture and equipment are stated at cost. Depreciation is determined for related groups of assets under the straight-line method, based upon their estimated useful lives, which range from 3 to 5 years. Minor renewals or replacements, and maintenance and repairs are expensed. Major replacements and improvements are capitalized.

E. Tax-Exempt Status

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the CFT and recognize a tax liability if the CFT has taken a tax position that more likely than not would not be sustained upon examination by a tax authority. The CFT is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

No provision for federal or state income tax is made. The CFT and the Legal Defense Fund have received tax-exempt status from the federal government under Internal Revenue Code Section 501(c)(5) and the state of California under Revenue and Taxation Code Section 23701a.

The General, Scholarship, Dues Collections, Proposition and Ballot Initiatives COPE Committee, Militancy and Strategic Organizing Funds share the same federal and state employer identification numbers and are included in the same returns.

The Western States Insurance Trust is a taxable complex trust.

The COPE Candidate Committee is subject to taxation under Internal Revenue Code Section 527 and the state of California Revenue and Taxation Code Section 23701r on investment income in excess of \$100.

The Disaster Relief Fund has received tax-exempt status from the federal government under Internal Revenue Code Section 501(c)(3) and the state of California under Revenue and Taxation Code Section 23701d.

F. Accrued Vacation and Sick Time Payable

The CFT accrues accumulated vacation expense as it is earned by its employees under various contracts and agreements. Accumulated sick leave of over 20 days is payable to clerical employees at 50% of their regular pay rate.

G. Liquidity

Management of the CFT believes that existing cash and investment resources and expected per capita taxes and other revenues will be sufficient to meet cash needs for general expenditures within one year of the date of the statements of financial position.

CALIFORNIA FEDERATION OF TEACHERS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020, 2019 AND 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Revenue Recognition

In May 2014, the Financial Accounting Standard Board issued Accounting Standards Update 2014-09, Revenue from Contracts with Customers (Topic 606), ("ASC 606"). The underlying principle of ASC 606 is to recognize revenue to depict the transfer of goods or services to customers at the amount expected to be collected. ASC 606 creates a five-step model that requires entities to exercise judgment when considering the terms of contract(s), which include (1) identifying the contract or agreement with a customer, (2) identifying our performance obligations in the contract or agreement, (3) determining the transaction price, (4) allocating the transaction price to the separate performance obligations, and (5) recognizing revenue as each performance obligation is satisfied. The CFT adopted ASC 606 effective January 1, 2020, and adoption of such standard had no effect on previously reported balances.

NOTE 3 - LEASE COMMITMENTS

The CFT leases office space in various cities throughout California under lease agreements. The estimated future lease payments for years ending after December 31, 2020 are as follows:

2021	\$ 519,640
2022	576,365
2023	372,909
2024	164,190
2025	161,418
Thereafter	<u>71,316</u>
TOTAL	<u>\$ 1,865,838</u>

The CFT leases office equipment under operating lease agreements. The estimated future lease payments for years ending after December 31, 2020 are as follows:

2021	\$ 30,314
2022	11,389
2023	11,389
2024	8,228
2025	3,804
Thereafter	<u>951</u>
TOTAL	<u>\$ 66,075</u>

NOTE 4 - CONCENTRATION OF CREDIT RISK

As of December 31, 2020, the CFT maintained bank accounts with cash balances in excess of the federally insured limits of \$250,000 per bank. The amount in excess of the limits was subject to risk if the financial Institution did not perform. The CFT has not incurred any losses on the uninsured balances.

CALIFORNIA FEDERATION OF TEACHERS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020, 2019 AND 2018

NOTE 5 - INVESTMENT

Accounting standards establish a fair value hierarchy that prioritizes valuation inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 – Inputs are quoted prices in active markets.

Level 2 – Inputs are based on quoted prices for similar instruments and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data.

Level 3 – Inputs are generally unobservable and typically reflect management’s estimates of assumptions that market participants would use in pricing the asset or liability.

The following tables summarize the CFT investment at December 31, 2020, 2019 and 2018 based on the input used to value them:

	December 31, 2020			
	Level 1	Level 2	Level 3	Total
Partnership in the Cal MESA Office Building, an LLC	\$ -	\$ -	\$ 242,622	\$ 242,622
	December 31, 2019			
	Level 1	Level 2	Level 3	Total
Partnership in the Cal MESA Office Building, an LLC	\$ -	\$ -	\$ 235,326	\$ 235,326
	December 31, 2018			
	Level 1	Level 2	Level 3	Total
Partnership in the Cal MESA Office Building, an LLC	\$ -	\$ -	\$ 217,492	\$ 217,492
	December 31, 2020	December 31, 2019	December 31, 2018	
	Level 3	Level 3	Level 3	
Balance as of Beginning of the Year	\$ 235,326	\$ 217,492	\$ 218,232	
Undistributed Partnership Income (Loss)	7,296	17,834	(740)	
Balance as of End of Year	\$ 242,622	\$ 235,326	\$ 217,492	

The Level 3 investment consists of a partnership in a real estate LLC for which market quotations are not readily available and is recorded at cost.

NOTE 6 - POSTRETIREMENT MEDICAL BENEFITS LIABILITY - MANAGEMENT/F.R.U.

The CFT provides postretirement medical benefits to certain employees. The postretirement medical benefits liability and other related amounts are calculated by the CFT’s actuary.

The CFT adopted the Employers’ Accounting for Defined Benefit Pension and Other Postretirement Plans, which requires that the funded status of defined pension and other postretirement plans be fully recognized in the statement of financial position. The items not yet recognized as a periodic expense and included as a separate charge or credit to net assets at December 31, 2020, 2019 and 2018 are:

CALIFORNIA FEDERATION OF TEACHERS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020, 2019 AND 2018

NOTE 6 - POSTRETIREMENT MEDICAL BENEFITS LIABILITY - MANAGEMENT/F.R.U. (Continued)

	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Net Actuarial Gain (Loss)	\$ 13,734	\$ (33,218)	\$ 11,339
Net Amount	<u>\$ 13,734</u>	<u>\$ (33,218)</u>	<u>\$ 11,339</u>

Net postretirement benefit cost for the years ended December 31, 2020, 2019 and 2018, included the following:

	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Service Cost	\$ 77,122	\$ 69,378	\$ 81,931
Interest Cost	79,551	107,086	90,286
Amortization of Prior Service Cost	<u>4,491</u>	<u>4,491</u>	<u>4,491</u>
	161,164	180,955	176,708
Less: Recognized Net Actuarial (Gain)	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL COST	<u>\$ 161,164</u>	<u>\$ 180,955</u>	<u>\$ 176,708</u>

The following schedule reports the changes in postretirement medical benefit liability during:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Balance - January 1	\$ 2,753,521	\$ 2,733,977	\$ 2,729,762
Net Unrecognized (Income) Loss (Credited) Charged to Net Assets at December 31	(13,734)	33,218	(11,339)
Total Cost for the Year Ended December 31	161,164	180,955	176,708
Benefits Paid During the Year Ended December 31	(169,244)	(190,138)	(156,663)
Amortization of Prior Service Cost	<u>(4,491)</u>	<u>(4,491)</u>	<u>(4,491)</u>
Balance - December 31,	<u>\$ 2,727,216</u>	<u>\$ 2,753,521</u>	<u>\$ 2,733,977</u>

The significant actuarial assumptions used are as follows:

	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>December 31, 2018</u>
• Interest Rate Used to Calculate Net Periodic Benefit Cost	3.00%	4.05%	3.41%
• Interest Rate Used to Calculate Year End Disclosure Information	2.21%	3.00%	4.05%
• Expected Return on Plan Assets	0.00%	0.00%	0.00%
• Rate of Compensation Increase	0.00%	0.00%	0.00%

The cost for medical benefits has a significant effect on the postretirement medical benefits liability reported. A 1% increase in medical benefit cost would increase the postretirement medical benefits liability as of December 31, 2020, 2019 and 2018 by \$179,251, \$198,079 and \$198,079, respectively.

CALIFORNIA FEDERATION OF TEACHERS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020, 2019 AND 2018

NOTE 6 - POSTRETIREMENT MEDICAL BENEFITS LIABILITY - MANAGEMENT/F.R.U. (Continued)

The following is a projection of expected future benefits to be paid as of December 31, 2020:

<u>Year Ending December 31,</u>	<u>Projected Benefits</u>
2021	\$ 201,834
2022	184,481
2023	194,833
2024	170,603
2025	136,060
2026-2030	614,885

NOTE 7 - PENSION BENEFITS - MANAGEMENT/F.R.U.

The CFT sponsors a defined benefit pension plan (single employer plan) to provide pension benefits to its employees. The benefit obligation and other related amounts are calculated by the CFT's actuary.

The CFT adopted the Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans, which requires that the funded status of defined pension and other postretirement plans be fully recognized in the statement of financial position. The following are various reconciliations, schedules and relevant disclosures that are required under the Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans:

- Computation of changes in benefit obligations for the year ended:

	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Benefit Obligations at the Beginning of the Year	\$ 31,825,641	\$ 31,834,616	\$ 32,137,143
Service Cost	400,706	502,567	555,002
Employee Contributions	183,684	177,515	125,126
Interest Cost	1,625,359	1,629,722	1,649,545
Actuarial (Gain)	(672,830)	(789,419)	(1,223,653)
Benefits Paid	<u>(1,574,666)</u>	<u>(1,529,360)</u>	<u>(1,408,547)</u>
Benefit Obligations at the End of the Year	<u>\$ 31,787,894</u>	<u>\$ 31,825,641</u>	<u>\$ 31,834,616</u>

- Computation of changes in plan assets for pension benefits for the year ended:

	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Plan Assets at the Beginning of the Year	\$ 31,838,780	\$ 26,157,407	\$ 28,203,979
Actual Return (Cost) on Plan Assets	5,499,568	5,940,018	(2,026,978)
Employer Contributions	1,085,388	1,093,200	1,263,827
Employee Contributions	183,684	177,515	125,126
Benefits Paid	<u>(1,574,666)</u>	<u>(1,529,360)</u>	<u>(1,408,547)</u>
Plan Assets at the End of the Year	<u>\$ 37,032,754</u>	<u>\$ 31,838,780</u>	<u>\$ 26,157,407</u>

CALIFORNIA FEDERATION OF TEACHERS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020, 2019 AND 2018

NOTE 7 - PENSION BENEFITS - MANAGEMENT/F.R.U. (Continued)

- Overfunded (Unfunded) status at the end of the year:

	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Accrued Pension Cost	\$ (416,820)	\$ (1,381,422)	\$ (1,838,664)
Unrecognized Net Actuarial Gain (Loss)	5,554,509	1,269,304	(3,981,888)
Unrecognized Prior Service Credit	<u>107,171</u>	<u>125,257</u>	<u>143,343</u>
Overfunded (Unfunded) Plan Benefit Obligations	<u>\$ 5,244,860</u>	<u>\$ 13,139</u>	<u>\$ (5,677,209)</u>

- Significant actuarial assumptions used at:

	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Interest Rate Used to Calculate Net Periodic Pension Cost	5.50%	5.25%	5.25%
Interest Rate Used to Calculate Year End Disclosure Information	5.50%	5.25%	5.25%
Expected Return on Plan Assets	5.50%	5.50%	5.50%
Salary Scale to Calculate Net Periodic Pension Cost at the Beginning of the Year	2.00%	2.00%	2.00%
Salary Scale for Disclosure Information as of Year End	2.00%	2.00%	2.00%

- Components of net periodic benefit cost:

	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Service Cost	\$ 400,706	\$ 502,567	\$ 555,002
Interest Cost	1,625,359	1,629,722	1,649,545
Expected Return on Plan Assets	(1,703,509)	(1,395,107)	(1,511,794)
Unrecognized Loss	-	94,377	-
Amortization of Prior Service Cost	<u>(18,086)</u>	<u>(18,086)</u>	<u>(18,086)</u>
Net Periodic Benefit Cost*	<u>\$ 304,470</u>	<u>\$ 813,473</u>	<u>\$ 674,667</u>

- * The CFT's portion of the net periodic benefit cost is reduced by employee contributions.

- Projection of benefits for next ten years:

<u>Year Ending December 31,</u>	<u>Projected Benefits</u>
2021	\$ 1,820,197
2022	1,840,022
2023	1,917,894
2024	1,929,788
2025	2,007,131
2026-2030	10,548,058

CALIFORNIA FEDERATION OF TEACHERS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020, 2019 AND 2018

NOTE 8 - O.P.E.I.U. POSTRETIREMENT MEDICAL BENEFITS LIABILITY

Effective January 1, 2009, the CFT provides postretirement medical benefits to its O.P.E.I.U. employees. The postretirement medical benefits liability and other related amounts are calculated by the CFT's actuary.

The CFT adopted the Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans, which requires that the funded status of defined pension and other postretirement plans be fully recognized in the statement of financial position. The items not yet recognized as a periodic expense and included as a separate charge or credit to net assets at December 31, 2020, 2019 and 2018 are:

	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Net Transition (Obligation)	\$ (60,641)	\$ (112,402)	\$ (164,163)
Net Actuarial Gain	<u>259,925</u>	<u>326,452</u>	<u>287,007</u>
Net Amount	<u>\$ 199,284</u>	<u>\$ 214,050</u>	<u>\$ 122,844</u>

Net postretirement benefit cost for the years ended December 31, 2020, 2019 and 2018, included the following:

	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Cost at the Beginning of the Year	\$ 1,307,151	\$ 1,224,519	\$ 1,110,141
Service Cost	27,749	29,052	46,509
Interest Cost	32,541	43,767	46,429
Amortization of Unrecognized (Gain)	(15,433)	(11,892)	-
Amortization of Transition Obligation	<u>51,761</u>	<u>51,761</u>	<u>51,761</u>
	1,403,769	1,337,207	1,254,840
Less: Contributions Made	<u>(33,010)</u>	<u>(30,056)</u>	<u>(30,321)</u>
TOTAL COST	<u>\$ 1,370,759</u>	<u>\$ 1,307,151</u>	<u>\$ 1,224,519</u>

The following schedule reports the changes in postretirement medical benefit liability during:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Balance - January 1	\$ 1,093,101	\$ 1,101,675	\$ 1,388,297
Net Recognized (Revenue) Expense (Credited)			
Charged to Net Assets at December 31	14,766	(91,206)	(401,000)
Total Cost for the Year Ended December 31	96,618	112,688	144,699
Benefits Paid During the Year Ended December 31	<u>(33,010)</u>	<u>(30,056)</u>	<u>(30,321)</u>
Balance - December 31,	<u>\$ 1,171,475</u>	<u>\$ 1,093,101</u>	<u>\$ 1,101,675</u>

CALIFORNIA FEDERATION OF TEACHERS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020, 2019 AND 2018

NOTE 8 - O.P.E.I.U. POSTRETIREMENT MEDICAL BENEFITS LIABILITY (Continued)

In February 2009, the CFT opened a bank account which holds the funds for the O.P.E.I.U. Postretirement Medical Benefit. The account had balances of \$754,383, \$751,215 and \$747,063 as of December 31, 2020, 2019 and 2018, respectively, and were not reflected on the O.P.E.I.U. Postretirement Medical Benefits Liability as of December 31, 2020, 2019 and 2018.

The bank account was not funded in 2020, 2019 and 2018, other than the interest income received.

The significant actuarial assumptions used are as follows:

	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>December 31, 2018</u>
• Interest Rate Used to Calculate Net Periodic Benefit Cost	3.07%	4.09%	3.42%
• Interest Rate Used to Calculate Year End Disclosure Information	2.31%	3.07%	4.09%
• Expected Return on Plan Assets	0.00%	0.00%	0.00%
• Rate of Compensation Increase	0.00%	0.00%	0.00%

The following is a projection of expected future benefits to be paid as of December 31, 2020:

<u>Year Ending December 31,</u>	<u>Projected Benefits</u>
2021	\$ 60,082
2022	76,750
2023	54,796
2024	62,079
2025	32,047
2026-2030	179,365

NOTE 9 - POSTRETIREMENT HEALTH BENEFITS

The CFT participates in the OPE Welfare Fund, a defined benefit multiemployer health plan that provides postretirement benefits to retired employees. The cost of these benefits was \$151,803, \$145,992 and \$210,090 in 2020, 2019 and 2018, respectively. The CFT's per individual contribution rate per month at December 31, 2020, 2019 and 2018 was \$1,919, \$1,919 and \$1,896, respectively.

The CFT participates in the Office and Professional Employees Locals 30 and 537 Trust Fund, a defined benefit multiemployer health plan that provides postretirement benefits to retired employees. The cost of these benefits was \$132,617, \$125,325 and \$123,582 in 2020, 2019 and 2018, respectively. The CFT's per individual contribution rate per month at December 31, 2020, 2019 and 2018 was \$1,475, \$1,425 and \$1,375, respectively.

NOTE 10 - MULTIEMPLOYER PENSION PLANS

The CFT contributes to the Office and Professional Employees Locals 30 & 537 Retirement Trust Funds and to the Western States Office and Professional Employees Pension Fund. These are multiemployer defined benefit pension plans that covers its employees under the terms of collective bargaining agreements. Contributions to these plans are based on employee hours worked and rates are based upon contractual arrangements. The risks of participating in these multiemployer plans are different from single-employer plans in the following respects:

CALIFORNIA FEDERATION OF TEACHERS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020, 2019 AND 2018

NOTE 10 - MULTIEMPLOYER PENSION PLANS (Continued)

- Assets contributed to a multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer stops contributing to a plan, the unfunded obligation of the plan may be borne by the remaining participating employers.
- If the CFT chooses to stop participating in any of its multiemployer plans, the CFT may be required to pay those plans an amount based on the underfunded status of the plans, referred to as a withdrawal liability.

The CFT's participation in these plans for the years ended December 31, 2020, 2019 and 2018 is outlined in the table below. The information included in this table is as follows:

- The "EIN/Pension Plan Number" column provides the employer identification number ("EIN") and the three-digit plan number.
- The Pension Protection Act of 2006 ("PPA") zone status is based on information that the CFT received from the pension plan and is certified by the pension plan's actuaries. Among other factors, pension plans in the red zone are generally less than 65% funded, pension plans in the yellow and orange zones are less than 80% funded or are projected to become insolvent within seven years, and pension plans in the green zone are at least 80% funded. Unless otherwise noted, the PPA zone status for 2020, 2019 and 2018 are for the pension plans' years ended at December 31, 2019, 2018 and 2017, respectively.
- The "FIP/RP Status" column indicates pension plans for which a funding improvement plan ("FIP") or a rehabilitation plan ("RP") is either pending or has been implemented.
- The column "Surcharge Imposed" indicates whether the CFT was required to pay a surcharge to the pension plan.
- The last column lists the expiration date of the collective bargaining agreement to which the pension plan is subject.

Pension Fund	EIN/Pension Plan Number	PPA Zone Status			FIP/RP Status	Contributions by the CFT			Surcharge Imposed	Expiration Date of Collective Bargaining Agreement
		2019	2018	2017		2020	2019	2018		
Office and Professional Employees Locals 30 & 537 Retirement Trust Funds*	95-6072309/ 001	Green	Green	Green	No	\$ 50,419	\$ 49,982	\$ 50,845	No	N/A
Western States Office and Professional Employees Pension Fund	94-6076144/ 001	Yellow	Red	Red	Yes	76,769	68,310	95,633	Yes	N/A
						<u>\$ 127,188</u>	<u>\$ 118,292</u>	<u>\$ 146,478</u>		

* January 31, 2020, 2019 and 2018

The management of the CFT has expressed no intent to withdraw from the Plans and the withdrawal liability, if any, to the CFT has not been computed.

There have been no significant changes that affect the comparability of 2020, 2019, and 2018 contributions.

The CFT also contributes to the Western States 401(k) Retirement Fund of OPEIU and to The Principal Financial Group. Total contributions made by the CFT to the Western States 401(k) Retirement Fund of OPEIU were \$19,312, \$17,378 and \$21,105 in 2020, 2019 and 2018, respectively, and total contributions made by the CFT to Principal Financial Group were \$128,272, \$125,652 and \$153,839 in 2020, 2019 and 2018, respectively.

CALIFORNIA FEDERATION OF TEACHERS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020, 2019 AND 2018

NOTE 11 - SUMMARY OF EXPENSES BY NATURAL AND FUNCTIONAL CLASSIFICATIONS

The following tables provide a summary of the CFT's total expenses by both their natural and functional classification, e.g. major class of program services and supporting activity, as required by accounting principles generally accepted in the United States of America:

	January 1, 2020 to December 31, 2020											
	Membership Representation	General and Administrative	Financial Assistance to Affiliates	Communications and Publications	Government Relations	Information Technology	Leadership Development and Training	Research	Contributions and Scholarships	Political Activities	Postretirement Pension and Medical Benefits	Total
Personnel Expenses:	\$ -	\$ 952,024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 952,024
Management F.R.U.	3,147,773	-	-	-	-	-	-	-	491,596	-	-	3,639,369
O.P.E.I.U.	-	1,263,363	-	-	-	-	-	-	30,767	-	-	1,294,130
Other Personnel-Related Expenses	239,475	539,307	-	-	-	-	-	-	131,790	385,873	-	1,296,445
Operating Expenses	61,310	987,568	-	-	-	-	-	-	7,918	-	-	1,056,796
Financial Assistance to Locals	-	-	8,325,289	-	-	-	-	-	-	-	-	8,325,289
Departments:												
Communications and Publications	-	-	-	100,293	-	-	-	-	-	-	-	100,293
Governmental Relations	-	-	-	-	8,467	-	-	-	-	-	-	8,467
Information Technology	-	-	-	-	-	11,178	-	-	-	-	-	11,178
Leadership Development and Training	-	-	-	-	-	8,764	-	-	-	-	-	8,764
Research	-	-	-	-	-	-	8,500	-	-	-	-	8,500
Organizing	435,000	-	-	-	-	-	-	-	-	-	-	435,000
Councils:												
Community College Council	89,174	-	-	-	-	-	-	-	-	-	-	89,174
Council of Classified Employees	125,179	-	-	-	-	-	-	-	-	-	-	125,179
EC/K-12 Council	184,099	-	-	-	-	-	-	-	-	-	-	184,099
Retiree Council	-	213	-	-	-	-	-	-	-	-	-	213
Governance	-	117,353	-	-	-	-	-	-	-	-	-	117,353
Committees and Task Forces	-	3,008	-	-	-	-	-	-	-	-	-	3,008
Professional Services	66,507	195,147	-	-	-	-	-	-	10,612	-	-	272,266
Miscellaneous	-	223,784	-	-	-	-	-	11,970	-	-	-	235,754
Raoul Teihet Scholarship Fund Expenses	-	-	-	-	-	-	-	92,300	-	-	-	92,300
Legal Defense Fund Expenses	144,834	-	-	-	-	-	-	-	-	-	-	144,834
Western States Insurance Trust Expenses	-	2	-	-	-	-	-	-	-	-	-	2
Proposition and Ballot Initiatives	-	-	-	-	-	-	-	-	-	-	-	-
COPE Committee Expenses	-	-	-	-	-	-	-	-	2,002,303	-	-	2,002,303
COPE Candidate Committee Expenses	-	-	-	-	-	-	-	-	1,306,582	-	-	1,306,582
Disaster Relief Fund Expenses	-	-	-	-	-	-	-	5,000	-	-	-	5,000
Strategic Organizing Fund Expenses	85,116	-	-	-	-	-	-	-	-	-	-	85,116
Postretirement Medical Benefits - Management/F.R.U.	-	-	-	-	-	-	-	-	-	(13,734)	-	(13,734)
Pension Benefits - Management/F.R.U.	-	-	-	-	-	-	-	-	-	-	(4,267,119)	(4,267,119)
O.P.E.I.U. Postretirement Medical Benefits	-	-	-	-	-	-	-	-	-	-	(199,284)	(199,284)
TOTAL EXPENSES	\$ 4,578,467	\$ 4,281,769	\$ 8,325,289	\$ 100,293	\$ 8,467	\$ 11,178	\$ 8,764	\$ 8,500	\$ 109,270	\$ 3,981,568	\$ (4,094,264)	\$ 17,319,301

CALIFORNIA FEDERATION OF TEACHERS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020, 2019 AND 2018

NOTE 11 - SUMMARY OF EXPENSES BY NATURAL AND FUNCTIONAL CLASSIFICATIONS (Continued)

	January 1, 2019 to December 31, 2019																																																																																																																																																																																																																																																																																																																																																																																																																																																								
	Membership Representation	General and Administrative	Financial Assistance to Affiliates	Communications and Publications	Government Relations	Information Technology	Leadership Development and Training	Research	Contributions and Scholarships	Political Activities	Postretirement Pension and Medical Benefits	Total																																																																																																																																																																																																																																																																																																																																																																																																																																													
Personnel Expenses:													Management F.R.U.	\$ 2,928,178	\$ 1,060,106	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,060,106	O.P.E.I.U.	-	1,219,541	-	-	-	-	-	-	459,750	-	-	3,387,928	Other Personnel-Related Expenses	143,585	501,662	-	-	-	-	-	-	49,022	-	-	1,268,563	Operating Expenses	195,869	1,045,665	-	-	-	-	-	-	142,856	827,760	-	1,615,863	Financial Assistance to Locals	-	-	8,034,886	-	-	-	-	-	36,643	-	-	1,278,177	Departments:													Communications and Publications	-	-	-	79,681	-	-	-	-	-	-	-	79,681	Governmental Relations	-	-	-	-	14,485	-	-	-	-	-	-	14,485	Information Technology	-	-	-	-	13,706	-	-	-	-	-	-	13,706	Leadership Development and Training	-	-	-	-	-	8,105	-	-	-	-	-	8,105	Research	-	-	-	-	-	-	8,500	-	-	-	-	8,500	Organizing	385,000	-	-	-	-	-	-	-	-	-	-	385,000	Councils:													Community College Council	104,600	-	-	-	-	-	-	-	-	-	-	104,600	Council of Classified Employees	182,646	-	-	-	-	-	-	-	-	-	-	182,646	EC/K-12 Council	221,649	-	-	-	-	-	-	-	-	-	-	221,649	Retiree Council	-	5,126	-	-	-	-	-	-	-	-	-	5,126	Governance	-	596,816	-	-	-	-	-	-	-	-	-	596,816	Committees and Task Forces	-	18,337	-	-	-	-	-	-	-	-	-	18,337	Professional Services	34,918	171,269	-	-	-	-	-	-	5,877	-	-	212,064	Miscellaneous	-	43,909	-	-	-	-	-	-	-	-	-	64,009	Racou Teihnet Scholarship Fund Expenses	-	-	-	-	-	-	-	-	20,100	-	-	100,300	Legal Defense Fund Expenses	-	-	-	-	-	-	-	-	100,300	-	-	100,300	Proposition and Ballot Initiatives	188,663	-	-	-	-	-	-	-	-	-	-	188,663	COPE Committee Expenses	-	-	-	-	-	-	-	133,860	-	-	-	779,828	COPE Candidate Committee Expenses	-	-	-	-	-	-	-	-	645,968	-	-	635,734	Military Fund Expenses	10,000	-	-	-	-	-	-	-	635,734	-	-	10,000	Disaster Relief Fund Expenses	-	-	-	-	-	-	-	-	-	-	-	35	Strategic Organizing Fund Expenses	45,550	-	-	-	-	-	-	-	-	-	-	45,550	Postretirement Medical Benefits - Management/F.R.U.	-	-	-	-	-	-	-	-	-	33,218	-	33,218	Pension Benefits - Management/ F.R.U.	-	-	-	-	-	-	-	-	-	-	(5,233,106)	(5,233,106)	O.P.E.I.U. Postretirement Medical Benefits	-	-	-	-	-	-	-	-	-	-	(214,050)	(214,050)	TOTAL EXPENSES	\$ 4,440,658	\$ 4,662,431	\$ 8,034,886	\$ 79,681	\$ 14,485	\$ 13,706	\$ 8,105	\$ 8,500	\$ 254,295	\$ 1,975,850	\$ (4,586,178)	\$ 14,906,419
Management F.R.U.	\$ 2,928,178	\$ 1,060,106	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,060,106																																																																																																																																																																																																																																																																																																																																																																																																																																													
O.P.E.I.U.	-	1,219,541	-	-	-	-	-	-	459,750	-	-	3,387,928																																																																																																																																																																																																																																																																																																																																																																																																																																													
Other Personnel-Related Expenses	143,585	501,662	-	-	-	-	-	-	49,022	-	-	1,268,563																																																																																																																																																																																																																																																																																																																																																																																																																																													
Operating Expenses	195,869	1,045,665	-	-	-	-	-	-	142,856	827,760	-	1,615,863																																																																																																																																																																																																																																																																																																																																																																																																																																													
Financial Assistance to Locals	-	-	8,034,886	-	-	-	-	-	36,643	-	-	1,278,177																																																																																																																																																																																																																																																																																																																																																																																																																																													
Departments:													Communications and Publications	-	-	-	79,681	-	-	-	-	-	-	-	79,681	Governmental Relations	-	-	-	-	14,485	-	-	-	-	-	-	14,485	Information Technology	-	-	-	-	13,706	-	-	-	-	-	-	13,706	Leadership Development and Training	-	-	-	-	-	8,105	-	-	-	-	-	8,105	Research	-	-	-	-	-	-	8,500	-	-	-	-	8,500	Organizing	385,000	-	-	-	-	-	-	-	-	-	-	385,000	Councils:													Community College Council	104,600	-	-	-	-	-	-	-	-	-	-	104,600	Council of Classified Employees	182,646	-	-	-	-	-	-	-	-	-	-	182,646	EC/K-12 Council	221,649	-	-	-	-	-	-	-	-	-	-	221,649	Retiree Council	-	5,126	-	-	-	-	-	-	-	-	-	5,126	Governance	-	596,816	-	-	-	-	-	-	-	-	-	596,816	Committees and Task Forces	-	18,337	-	-	-	-	-	-	-	-	-	18,337	Professional Services	34,918	171,269	-	-	-	-	-	-	5,877	-	-	212,064	Miscellaneous	-	43,909	-	-	-	-	-	-	-	-	-	64,009	Racou Teihnet Scholarship Fund Expenses	-	-	-	-	-	-	-	-	20,100	-	-	100,300	Legal Defense Fund Expenses	-	-	-	-	-	-	-	-	100,300	-	-	100,300	Proposition and Ballot Initiatives	188,663	-	-	-	-	-	-	-	-	-	-	188,663	COPE Committee Expenses	-	-	-	-	-	-	-	133,860	-	-	-	779,828	COPE Candidate Committee Expenses	-	-	-	-	-	-	-	-	645,968	-	-	635,734	Military Fund Expenses	10,000	-	-	-	-	-	-	-	635,734	-	-	10,000	Disaster Relief Fund Expenses	-	-	-	-	-	-	-	-	-	-	-	35	Strategic Organizing Fund Expenses	45,550	-	-	-	-	-	-	-	-	-	-	45,550	Postretirement Medical Benefits - Management/F.R.U.	-	-	-	-	-	-	-	-	-	33,218	-	33,218	Pension Benefits - Management/ F.R.U.	-	-	-	-	-	-	-	-	-	-	(5,233,106)	(5,233,106)	O.P.E.I.U. Postretirement Medical Benefits	-	-	-	-	-	-	-	-	-	-	(214,050)	(214,050)	TOTAL EXPENSES	\$ 4,440,658	\$ 4,662,431	\$ 8,034,886	\$ 79,681	\$ 14,485	\$ 13,706	\$ 8,105	\$ 8,500	\$ 254,295	\$ 1,975,850	\$ (4,586,178)	\$ 14,906,419																																																																														
Communications and Publications	-	-	-	79,681	-	-	-	-	-	-	-	79,681																																																																																																																																																																																																																																																																																																																																																																																																																																													
Governmental Relations	-	-	-	-	14,485	-	-	-	-	-	-	14,485																																																																																																																																																																																																																																																																																																																																																																																																																																													
Information Technology	-	-	-	-	13,706	-	-	-	-	-	-	13,706																																																																																																																																																																																																																																																																																																																																																																																																																																													
Leadership Development and Training	-	-	-	-	-	8,105	-	-	-	-	-	8,105																																																																																																																																																																																																																																																																																																																																																																																																																																													
Research	-	-	-	-	-	-	8,500	-	-	-	-	8,500																																																																																																																																																																																																																																																																																																																																																																																																																																													
Organizing	385,000	-	-	-	-	-	-	-	-	-	-	385,000																																																																																																																																																																																																																																																																																																																																																																																																																																													
Councils:													Community College Council	104,600	-	-	-	-	-	-	-	-	-	-	104,600	Council of Classified Employees	182,646	-	-	-	-	-	-	-	-	-	-	182,646	EC/K-12 Council	221,649	-	-	-	-	-	-	-	-	-	-	221,649	Retiree Council	-	5,126	-	-	-	-	-	-	-	-	-	5,126	Governance	-	596,816	-	-	-	-	-	-	-	-	-	596,816	Committees and Task Forces	-	18,337	-	-	-	-	-	-	-	-	-	18,337	Professional Services	34,918	171,269	-	-	-	-	-	-	5,877	-	-	212,064	Miscellaneous	-	43,909	-	-	-	-	-	-	-	-	-	64,009	Racou Teihnet Scholarship Fund Expenses	-	-	-	-	-	-	-	-	20,100	-	-	100,300	Legal Defense Fund Expenses	-	-	-	-	-	-	-	-	100,300	-	-	100,300	Proposition and Ballot Initiatives	188,663	-	-	-	-	-	-	-	-	-	-	188,663	COPE Committee Expenses	-	-	-	-	-	-	-	133,860	-	-	-	779,828	COPE Candidate Committee Expenses	-	-	-	-	-	-	-	-	645,968	-	-	635,734	Military Fund Expenses	10,000	-	-	-	-	-	-	-	635,734	-	-	10,000	Disaster Relief Fund Expenses	-	-	-	-	-	-	-	-	-	-	-	35	Strategic Organizing Fund Expenses	45,550	-	-	-	-	-	-	-	-	-	-	45,550	Postretirement Medical Benefits - Management/F.R.U.	-	-	-	-	-	-	-	-	-	33,218	-	33,218	Pension Benefits - Management/ F.R.U.	-	-	-	-	-	-	-	-	-	-	(5,233,106)	(5,233,106)	O.P.E.I.U. Postretirement Medical Benefits	-	-	-	-	-	-	-	-	-	-	(214,050)	(214,050)	TOTAL EXPENSES	\$ 4,440,658	\$ 4,662,431	\$ 8,034,886	\$ 79,681	\$ 14,485	\$ 13,706	\$ 8,105	\$ 8,500	\$ 254,295	\$ 1,975,850	\$ (4,586,178)	\$ 14,906,419																																																																																																																																																																									
Community College Council	104,600	-	-	-	-	-	-	-	-	-	-	104,600																																																																																																																																																																																																																																																																																																																																																																																																																																													
Council of Classified Employees	182,646	-	-	-	-	-	-	-	-	-	-	182,646																																																																																																																																																																																																																																																																																																																																																																																																																																													
EC/K-12 Council	221,649	-	-	-	-	-	-	-	-	-	-	221,649																																																																																																																																																																																																																																																																																																																																																																																																																																													
Retiree Council	-	5,126	-	-	-	-	-	-	-	-	-	5,126																																																																																																																																																																																																																																																																																																																																																																																																																																													
Governance	-	596,816	-	-	-	-	-	-	-	-	-	596,816																																																																																																																																																																																																																																																																																																																																																																																																																																													
Committees and Task Forces	-	18,337	-	-	-	-	-	-	-	-	-	18,337																																																																																																																																																																																																																																																																																																																																																																																																																																													
Professional Services	34,918	171,269	-	-	-	-	-	-	5,877	-	-	212,064																																																																																																																																																																																																																																																																																																																																																																																																																																													
Miscellaneous	-	43,909	-	-	-	-	-	-	-	-	-	64,009																																																																																																																																																																																																																																																																																																																																																																																																																																													
Racou Teihnet Scholarship Fund Expenses	-	-	-	-	-	-	-	-	20,100	-	-	100,300																																																																																																																																																																																																																																																																																																																																																																																																																																													
Legal Defense Fund Expenses	-	-	-	-	-	-	-	-	100,300	-	-	100,300																																																																																																																																																																																																																																																																																																																																																																																																																																													
Proposition and Ballot Initiatives	188,663	-	-	-	-	-	-	-	-	-	-	188,663																																																																																																																																																																																																																																																																																																																																																																																																																																													
COPE Committee Expenses	-	-	-	-	-	-	-	133,860	-	-	-	779,828																																																																																																																																																																																																																																																																																																																																																																																																																																													
COPE Candidate Committee Expenses	-	-	-	-	-	-	-	-	645,968	-	-	635,734																																																																																																																																																																																																																																																																																																																																																																																																																																													
Military Fund Expenses	10,000	-	-	-	-	-	-	-	635,734	-	-	10,000																																																																																																																																																																																																																																																																																																																																																																																																																																													
Disaster Relief Fund Expenses	-	-	-	-	-	-	-	-	-	-	-	35																																																																																																																																																																																																																																																																																																																																																																																																																																													
Strategic Organizing Fund Expenses	45,550	-	-	-	-	-	-	-	-	-	-	45,550																																																																																																																																																																																																																																																																																																																																																																																																																																													
Postretirement Medical Benefits - Management/F.R.U.	-	-	-	-	-	-	-	-	-	33,218	-	33,218																																																																																																																																																																																																																																																																																																																																																																																																																																													
Pension Benefits - Management/ F.R.U.	-	-	-	-	-	-	-	-	-	-	(5,233,106)	(5,233,106)																																																																																																																																																																																																																																																																																																																																																																																																																																													
O.P.E.I.U. Postretirement Medical Benefits	-	-	-	-	-	-	-	-	-	-	(214,050)	(214,050)																																																																																																																																																																																																																																																																																																																																																																																																																																													
TOTAL EXPENSES	\$ 4,440,658	\$ 4,662,431	\$ 8,034,886	\$ 79,681	\$ 14,485	\$ 13,706	\$ 8,105	\$ 8,500	\$ 254,295	\$ 1,975,850	\$ (4,586,178)	\$ 14,906,419																																																																																																																																																																																																																																																																																																																																																																																																																																													

CALIFORNIA FEDERATION OF TEACHERS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020, 2019 AND 2018

NOTE 11 - SUMMARY OF EXPENSES BY NATURAL AND FUNCTIONAL CLASSIFICATIONS (Continued)

	January 1, 2018 to December 31, 2018											Total
	Membership Representation	General and Administrative	Financial Assistance to Affiliates	Communications and Publications	Government Relations	Information Technology	Leadership Development and Training	Research	Contributions and Scholarships	Political Activities	Postretirement Pension and Medical Benefits	
Personnel Expenses:												
Management	\$ -	\$ 1,055,182	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,055,182
F.R.U.	2,969,088	-	-	-	-	-	-	-	513,340	-	-	3,482,428
O.P.E.I.U.	-	1,491,875	-	-	-	-	-	-	31,907	-	-	1,523,782
Other Personnel-Related Expenses	107,920	498,657	-	-	-	-	-	-	146,488	-	401,317	1,154,382
Operating Expenses	226,225	1,056,811	-	-	-	-	-	-	4,198	-	-	1,287,234
Financial Assistance to Locals	-	-	7,919,772	-	-	-	-	-	-	-	-	7,919,772
Departments:												
Communications and Publications	-	-	-	223,625	-	-	-	-	-	-	-	223,625
Governmental Relations	-	-	-	-	10,817	-	-	-	-	-	-	10,817
Information Technology	-	-	-	-	-	14,616	-	-	-	-	-	14,616
Leadership Development and Training	-	-	-	-	-	154,863	-	-	-	-	-	154,863
Research	-	-	-	-	-	-	9,603	-	-	-	-	9,603
Organizing	396,970	-	-	-	-	-	-	-	-	-	-	396,970
Councils:												
Community College Council	150,206	-	-	-	-	-	-	-	-	-	-	150,206
Council of Classified Employees	154,754	-	-	-	-	-	-	-	-	-	-	154,754
EC/K-12 Council	166,225	-	-	-	-	-	-	-	-	-	-	166,225
Retiree Council	-	3,549	-	-	-	-	-	-	-	-	-	3,549
Governance	-	420,657	-	-	-	-	-	-	-	-	-	420,657
Committees and Task Forces	-	7,973	-	-	-	-	-	-	-	-	-	7,973
Professional Services	12,709	163,770	-	-	-	-	-	-	2,556	-	-	179,035
Miscellaneous	-	61,461	-	-	-	-	-	14,425	-	-	-	75,886
Raoul Teillet Scholarship Fund Expenses	64,188	-	-	-	-	-	-	88,000	-	-	-	152,188
Legal Defense Fund Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Proposition and Ballot Initiatives	-	-	-	-	-	-	-	-	-	-	-	-
COPE Committee Expenses	-	-	-	-	-	-	-	153,275	-	-	-	153,275
COPE Candidate Committee Expenses	-	-	-	-	-	-	-	3,500	-	-	-	3,500
Disaster Relief Fund Expenses	-	-	-	-	-	-	-	435	-	-	-	435
Strategic Organizing Fund Expenses	158,946	-	-	-	-	-	-	-	-	-	-	158,946
Postretirement Medical Benefits - Management/F.R.U.	-	-	-	-	-	-	-	-	-	(11,339)	-	(11,339)
Pension Benefits - Management/ F.R.U.	-	-	-	-	-	-	-	-	-	-	2,458,331	2,458,331
O.P.E.I.U. Postretirement Medical Benefits	-	-	-	-	-	-	-	-	-	-	(122,844)	(122,844)
TOTAL EXPENSES	\$ 4,407,231	\$ 4,759,935	\$ 7,919,772	\$ 223,625	\$ 10,817	\$ 14,616	\$ 154,863	\$ 9,603	\$ 259,635	\$ 4,478,618	\$ 2,725,465	\$ 24,964,180

CALIFORNIA FEDERATION OF TEACHERS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020, 2019 AND 2018

NOTE 11 - SUMMARY OF EXPENSES BY NATURAL AND FUNCTIONAL CLASSIFICATIONS (Continued)

The financial statements report certain categories of expenses that are attributable to one or more functional expenses classification of the CFT. Those expenses include personnel expenses, operating expenses, professional services, miscellaneous, proposition and ballot initiatives COPE committee expenses and COPE candidate committee expenses. Those expenses are allocated on the basis of estimates of time, effort, and purpose of the expense.

NOTE 12 - RISKS AND UNCERTAINTIES

The actuarial present value of pension benefits liabilities and the postretirement medical benefits liabilities are reported based on certain assumptions that are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

NOTE 13 - COMMITMENTS AND CONTINGENCIES

The CFT is involved in various lawsuits and claims where the outcome or financial ramifications have yet to be determined. The financial statements have not been adjusted to reflect any potential negative impact on the CFT's finances.

NOTE 14 - COVID-19

In March 2020, the World Health Organization declared coronavirus (COVID-19) a global pandemic. The COVID-19 outbreak in the United States has resulted in government mandated closures of all nonessential businesses and directives aimed at restricting movement for residents of many states. The CFT's management is unable to quantify the potential effects of the pandemic on the financial status of the CFT's.

NOTE 15 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through July 13, 2021, the date on which these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosures in these financial statements.