



AGC 2017 January Financial Notes

Net Operating Income – see Consolidated Statement of Operations (Page 9)

As of January 31, 2017 the preliminary Net Operating Income (NOI) equals \$1.638mm vs. a year-to-date budget NOI of \$1.210mm creating a favorable year-to-date total budget variance of \$428K.

The year-to-date positive revenue variance of \$412K combined with the positive expense variance of \$16K produces the total favorable year-to-date budget variance of \$428K.

Income Variance

The year-to-date positive revenue variance of \$412K (see Consolidated Statement of Operations – YTD Variance column) is from above budget revenue in most all revenue categories.

Expense Variance

The year-to-date positive expense variance of \$16K is comprised of under budget expenses in most all expense categories except Event Expense.

Accounts Receivable

	Building	Marina	AR Parking	AGCEF	Other AR	Total
December	1,179	39,900	18,892	22,498	76,120	158,589
January	(23,033)	46,490	30,357	19,338	288,060	361,212

Note: AR Building primarily represents past billings from building tenants.
AR Marina primarily represents past billings from moorage tenants.
AR Parking primarily represents receivables for parking.
AR AGCEF represents billings to AGC Education Foundation
AR Other represents billings outstanding for purchases and events (i.e. annual meeting, sponsorships, membership dues, Retro, etc.).

AGC Actual / Forecast - see 12 Month Actual / Forecast to Budget

As of January 31, 2017, AGC's 2017 annual forecast net operating income equals \$294K versus an annual budget net operating income of \$54K.

AGC Building:

Occupancy rate is **100%** as of January 31, 2017.

AGC of Washington 2017 Cash Activity Forecast			
	2017 Total Actual / Forecast	2017 Total Budget	Variance *
Retro Plan Income	1,742,760	1,742,760	0
Retro Exp Gross	(1,517,760)	(1,517,760)	(0)
Net Retro Income	225,000	225,000	(0)
REVENUES			
Membership Dues	1,864,606	1,725,000	139,606 P
Program Revenue / Grant Revenue	178,138	179,930	(1,792) T
Event Revenue	351,955	281,800	70,155 T
Building / Retail Rent (Seattle, Marina, Fife)	3,116,073	3,106,408	9,665 T
Other Rent Revenue (Parking, Moorage)	1,014,483	1,010,000	4,483 T
Other Revenue / CAM	84,255	85,800	(1,545) P
Misc Income	16,279	16,155	124 T
Operating Revenue	6,625,789	6,405,093	220,696 3.4%
TOTAL REVENUE	6,850,788	6,630,093	220,695
EXPENSES			
Salaries	2,386,837	2,390,453	3,616 T
Payroll Burden Taxes & Benefits	683,211	685,752	2,541 P
Auto Expense / Corporate Travel	37,513	40,348	2,835 T
Miscellaneous Meetings	99,942	117,760	17,818 T
Consultant Fees	65,165	69,035	3,870 T
Office Expense	80,053	83,410	3,357 T
Membership Dues/Donations	226,069	227,095	1,026 T
Rent	66,824	66,634	(190) P
Technology Expense	80,206	84,420	4,214 T
Phone Exp.	35,224	35,690	466 T
Program / Grant Expense	125,631	132,110	6,479 T
Membership Promotion	225,390	229,700	4,310 T
Event Exp	381,395	342,553	(38,842) P
Insurance / Tax / Training	75,863	79,950	4,087 T
Building / Marina Expense	1,322,559	1,327,135	4,576 P
Leasing Comm. Amortization	64,092	64,092	0 P
Depreciation	600,858	600,370	(488) P
TOTAL EXPENSES	6,556,834	6,576,507	19,673 -0.3%
OPERATING INCOME (LOSS)	293,955	53,586	240,369
NET OPERATING INCOME (LOSS) - FORECAST VS. BUDGET	293,955	53,586	240,369
Non-Operating Investment Income (Loss)	12,000	12,000	0 P
NET INCOME (LOSS)	305,955	65,586	240,369
Gain/Loss on Disposal of Asset	0	0	0
TOTAL INCOME	305,955	65,586	240,369
Working Capital			
Net Operating Income	293,955	53,586	240,369
Amortization	64,092	64,092	0
Depreciation	600,858	600,370	488
Available Cash (Working Capital)	958,905	718,048	240,857
Less:			
Capital Expenditures - Association	104,500	104,500	0
Capital Expenditures - Seattle Building	220,500	220,500	0
Capital Expenditures - Marina	210,000	210,000	0
Tenant Improvements - Building	110,000	110,000	0
Lease Commissions	60,000	60,000	0
Total Deductions	705,000	705,000	0
Cash (Working Capital) Variance Favorable (Unfavorable)	253,905	13,048	240,857

Associated General Contractors of Washington
Statement of Financial Position
For the Period Ending 01/31/2017

[INTERNAL REPORT]

	01/31/2017 Unaudited	12/31/2016 Audited
ASSETS		
Current Assets		
Cash	3,365,362	3,430,157
Building Savings	602,045	601,943
Short-Term Investments	168,850	210,965
Accounts Receivable	361,212	173,379
Prepaid Expenses	276,150	138,626
Total Current Assets	<u>4,773,620</u>	<u>4,555,071</u>
Group Retrospective Rating Plan Assets	20,976,488	21,105,073
Prepaid Lease Commissions	101,150	101,552
Long Term Investments	2,785,082	2,712,952
Property and Equipment		
Land and Land Improvements	2,393,339	2,393,339
Buildings	13,778,252	13,753,048
Leasehold Improvements	1,381,905	1,381,905
Furniture and Equipment	1,004,009	985,879
Automobiles	43,774	43,774
Marina	1,550,564	1,550,564
Total Property Plant and Equipment	<u>20,151,843</u>	<u>20,108,509</u>
Less: Accumulated Depreciation	<u>(11,389,604)</u>	<u>(11,339,086)</u>
Net Property Plant and Equipment	<u>8,762,239</u>	<u>8,769,424</u>
TOTAL ASSETS	<u>37,398,579</u>	<u>37,244,071</u>
LIABILITIES & NET ASSETS		
Current Liabilities		
Accounts Payable	762,749	698,907
Accrued Expenses	59,673	60,977
Deferred Income	-	1,447,832
Current Portion - LT Debt	981	1,112
	<u>823,403</u>	<u>2,208,828</u>
Group Retrospective Rating Plan Liability	20,976,488	21,105,073
Long Term Debt, Less Current Portion	-	0
Tenant Deposits	218,173	217,753
Total Liabilities	<u>22,018,064</u>	<u>23,531,653</u>
Net Assets		
Unrestricted	11,880,514	10,212,418
Board Designated	3,500,000	3,500,000
TOTAL UNRESTRICTED NET ASSETS	<u>15,380,514</u>	<u>13,712,418</u>
TOTAL LIABILITIES AND NET ASSETS	<u>37,398,579</u>	<u>37,244,071</u>

**Associated General Contractors of Washington
Cash Flow Statement
For the 01 Month(s) ending 01/31/2017**

	Unaudited
Changes in Net Assets	1,668,096
Adjustments to Changes in Net Assets to Cash Provided by Operating Activities	
Depreciation	50,519
(Gain) Loss on Disposal of Property	-
(Gain) Loss on Sales of Investments	(910)
(Gain) Loss on Investments @ Market	(32,766)
(Increase) / Decrease in accounts:	
Accounts Receivable	(187,832)
Prepaid Expenses and Other Assets	(137,121)
Increase / (Decrease) in accounts:	
Accounts Payable	63,842
Accrued Expenses	(1,304)
Tenant Deposits	420
Deferred Income	(1,447,832)
Net Cash Provided / (Used) by Operating Activities	(24,889)
Cash Flow From Investing Activities:	
Purchase of Long Term Investment	(38,454)
Leasehold Improvements - Seattle Bldg	-
Capital Improvements on Seattle Bldg	(25,204)
Capital Improvements on Marina	-
Purchase of property, equipment and automobile	(18,130)
Net Cash Provided / (Used) by Investing Activities	(81,787)
Cash Flow from Financing Activities:	
Current Long Term Debt	(131)
Long Term Debt / Loan Payments	-
Net Cash Provided / (Used) by Financing Activities	(131)
Net Increase (Decrease) in Cash	(106,807)
Cash, Beginning of Year	4,032,100
Cash Equivalents Beginning of Year	210,965
Total Cash and Cash Equivalents, Beginning of Year	4,243,065
Cash, End of Period	3,967,408
Cash Equivalents, End of Period	168,850
Total Cash and Cash Equivalents, End of Period	4,136,258

Associated General Contractors of Washington

(INTERNAL REPORT)

01/31/2017

Schedule of Reserve Funds

	Balance
Operations	900,000
Plant & Equipment	2,500,000
Special Projects	100,000
	3,500,000
Seattle Building Savings Account	602,045

**** Statement of Capital Expenditures**

(** Designed for Budget Monitoring Purposes)

		2017	Balance
	01/31/2017	Approved Budget	Remaining
Computer Hardware/Software	1513-10-000	11,880	(11,880)
Member Services Database	1514-10-036	6,250	104,500
SEA Bldg - Tenant Improvements	1550-50-000	-	110,000
SEA Bldg - Capital Improvements	1551-50-000	25,204	220,500
SEA Bldg - Lease Commissions	1402-50-050	-	60,000
Seattle Marina	1575-75-000	-	210,000
		43,334	705,000
			661,666

General Asset Capitalization Policy

- computer hardware, software, office equipment, and furniture with useful life of at least one year and \$2,000 or more must be capitalized
- capital assets for properties must be at least \$5,000 to be capitalized
- depreciation expense per year is based on estimated useful life
- depreciation expense may be prorated in the 1st year of a new purchase

Schedule of Depreciation Expenses

		Actual	01/31/2017 Budget	Variance
Seattle District Office	6950-12-000	79	-	(79)
Southern District Office	6950-14-000	61	61	0
Technology	6950-17-000	1,650	2,346	696
Administration	6950-18-000	1,589	1,351	(238)
Accounting	6950-19-000	165	76	(89)
State Government	6950-30-000	1,385	1,234	(151)
Labor Relations	6950-34-000	77	-	(77)
Membership	6950-36-000	1,724	1,678	(46)
Safety	6950-42-000	925	730	(196)
Northern District	6950-46-000	142	64	(78)
Central District	6950-48-000	90	34	(56)
Seattle Building	6950-50-000	34,053	33,912	(141)
Seattle Marina	6950-75-000	5,465	5,431	(34)
Fife Building	6950-85-000	3,115	3,115	(0)
		50,519	50,031	(488)

Board Contingency Expenses:

5120-13-054

	YTD 01/31/2017	2017 Approved Board Contingency	Balance Remaining Board Contingency
CTE Showcase of Skills - Gold Level Sponsorship		7,500	
	50,000	7,500	42,500

Associated General Contractors of Washington
Unaudited Statement of Activities by Cost Center
For the 01 Month(s) ending 01/31/2017

YTD

	REVENUE			EXPENSES			REVENUE OVER EXPENSES		
	ACTUAL	BUDGET	VAR	ACTUAL	BUDGET	VAR	ACTUAL	BUDGET	VAR
I. Building & Properties:									
a) Seattle Building	297,024	287,669	9,356	120,253	121,932	(1,679)	176,771	165,737	11,035
b) Seattle Marina	64,967	61,696	3,271	52,545	58,170	(5,624)	12,422	3,526	8,896
c) Fife Building	4,721	4,720	1	12,418	13,480	(1,062)	(7,697)	(8,760)	1,063
Total Building & Properties	366,712	354,084	12,628	185,216	193,582	(8,365)	181,496	160,503	20,993
II. Association:									
1. Financial Assets	0	0	0	0	0	0	0	0	0
2. Admin. & Management									
a) Board of Trustees	0	0	0	10,881	6,719	4,162	(10,881)	(6,719)	(4,162)
b) Technology	0	0	0	21,424	26,514	(5,090)	(21,424)	(26,514)	5,090
c) Administration	0	0	0	38,201	41,571	(3,370)	(38,201)	(41,571)	3,370
d) Accounting	0	0	0	19,316	24,118	(4,802)	(19,316)	(24,118)	4,802
	0	0	0	89,822	98,922	(9,100)	(89,822)	(98,922)	9,100
3. Member Services									
a) Communications	0	1,800	(1,800)	19,191	18,563	628	(19,191)	(16,763)	(2,428)
b) Meetings & Events	0	0	0	3,777	17,350	(13,573)	(3,777)	(17,350)	13,573
c) Special Events	106,155	60,000	46,155	119,699	73,205	46,493	(13,544)	(13,205)	(338)
d) Member Service	1,747,606	1,426,100	321,506	14,729	15,017	(288)	1,732,877	1,411,083	321,793
e) Future Leadership Forum	0	0	0	3,802	10,167	(6,365)	(3,802)	(10,167)	6,365
	1,853,761	1,487,900	365,861	161,198	134,301	26,896	1,692,563	1,353,599	338,964
4. Education & Training Service									
a) Workforce Development	0	0	0	12,682	15,523	(2,840)	(12,682)	(15,523)	2,840
b) Safety	6,636	4,675	1,961	39,710	54,974	(15,264)	(33,074)	(50,299)	17,225
c) Group Retro	110,000	126,480	(16,480)	110,000	126,480	(16,480)	0	(0)	0
	116,636	131,155	(14,519)	162,393	196,977	(34,584)	(45,756)	(65,822)	20,066
5. Government Relations									
a) Government Affairs Council	9,815	9,000	815	47,601	53,029	(5,427)	(37,786)	(44,029)	6,242
b) Build-Pac	0	0	0	2,587	3,532	(945)	(2,587)	(3,532)	945
c) AGC - Federal Facilities	0	0	0	639	606	33	(639)	(606)	(33)
	9,815	9,000	815	50,827	57,166	(6,339)	(41,012)	(48,166)	7,154
6. Industry Relations									
a) Labor	0	0	0	24,303	25,187	(884)	(24,303)	(25,187)	884
b) Open Shop	0	0	0	1,183	1,546	(362)	(1,183)	(1,546)	362
	0	0	0	25,486	26,732	(1,246)	(25,486)	(26,732)	1,246
7. Districts									
a) Seattle District	29,845	1,700	28,145	24,678	25,131	(453)	5,167	(23,431)	28,598
b) Southern District	3,150	0	3,150	18,641	18,596	45	(15,491)	(18,596)	3,105
c) Northern District	0	0	0	11,622	10,378	1,244	(11,622)	(10,378)	(1,244)
d) Central WA District	0	150	(150)	11,955	12,372	(417)	(11,955)	(12,222)	267
	32,995	1,850	31,145	66,896	66,477	419	(33,901)	(64,627)	30,726
Total Association	2,013,207	1,629,905	383,302	556,622	580,576	(23,954)	1,456,585	1,049,329	407,256
Total of Assoc. & Prop	2,379,919	1,983,989	395,930	741,839	774,157	(32,319)	1,638,081	1,209,832	428,249
Non-Operating Income (Loss)	33,676	2,000	31,676	3,661	0	3,661	30,015	2,000	28,015
Grand Total	2,413,596	1,985,989	427,606	745,500	774,157	(28,658)	1,668,096	1,211,832	456,264

Associated General Contractors of Washington
Unaudited Statement of Activities by Cost Center
For the Month ending 01/31/2017

MTD

	REVENUE			EXPENSES			REVENUE OVER EXPENSE		
	ACTUAL	BUDGET	VAR	ACTUAL	BUDGET	VAR	ACTUAL	BUDGET	VAR
I. Building & Properties:									
a) Seattle Building	297,024	287,669	9,356	120,253	121,932	(1,679)	176,771	165,737	11,035
b) Seattle Marina	64,967	61,696	3,271	52,545	58,170	(5,624)	12,422	3,526	8,896
c) Fife Building	4,721	4,720	1	12,418	13,480	(1,062)	(7,697)	(8,760)	1,063
Total Building & Properties	366,712	354,084	12,628	185,216	193,582	(8,365)	181,496	160,503	20,993
II. Association:									
1. Financial Assets	0	0	0	0	0	0	0	0	0
2. Admin. & Management									
a) Board of Trustees	0	0	0	10,881	6,719	4,162	(10,881)	(6,719)	(4,162)
b) Technology	0	0	0	21,424	26,514	(5,090)	(21,424)	(26,514)	5,090
c) Administration	0	0	0	38,201	41,571	(3,370)	(38,201)	(41,571)	3,370
d) Accounting	0	0	0	19,316	24,118	(4,802)	(19,316)	(24,118)	4,802
	0	0	0	89,822	98,922	(9,100)	(89,822)	(98,922)	9,100
3. Member Services									
a) Communications	0	1,800	(1,800)	19,191	18,563	628	(19,191)	(16,763)	(2,428)
b) Meetings & Events	0	0	0	3,777	17,350	(13,573)	(3,777)	(17,350)	13,573
c) Special Events	106,155	60,000	46,155	119,699	73,205	46,493	(13,544)	(13,205)	(338)
d) Member Service	1,747,606	1,426,100	321,506	14,729	15,017	(288)	1,732,877	1,411,083	321,793
e) Future Leadership Forum	0	0	0	3,802	10,167	(6,365)	(3,802)	(10,167)	6,365
	1,853,761	1,487,900	365,861	161,198	134,301	26,896	1,692,563	1,353,599	338,964
4. Education & Training Service									
a) Workforce Development	0	0	0	12,682	15,523	(2,840)	(12,682)	(15,523)	2,840
b) Safety	6,636	4,675	1,961	39,710	54,974	(15,264)	(33,074)	(50,299)	17,225
c) Group Retro	110,000	126,480	(16,480)	110,000	126,480	(16,480)	0	(0)	0
	116,636	131,155	(14,519)	162,393	196,977	(34,584)	(45,756)	(65,822)	20,066
5. Government Relations									
a) Government Affairs Council	9,815	9,000	815	47,601	53,029	(5,427)	(37,786)	(44,029)	6,242
b) Build-Pac	0	0	0	2,587	3,532	(945)	(2,587)	(3,532)	945
c) AGC - Federal Facilities	0	0	0	639	606	33	(639)	(606)	(33)
	9,815	9,000	815	50,827	57,166	(6,339)	(41,012)	(48,166)	7,154
6. Industry Relations									
a) Labor	0	0	0	24,303	25,187	(884)	(24,303)	(25,187)	884
b) Open Shop	0	0	0	1,183	1,546	(362)	(1,183)	(1,546)	362
	0	0	0	25,486	26,732	(1,246)	(25,486)	(26,732)	1,246
7. Districts									
a) Seattle District	29,845	1,700	28,145	24,678	25,131	(453)	5,167	(23,431)	28,598
b) Southern District	3,150	0	3,150	18,641	18,596	45	(15,491)	(18,596)	3,105
c) Northern District	0	0	0	11,622	10,378	1,244	(11,622)	(10,378)	(1,244)
d) Central WA District	0	150	(150)	11,955	12,372	(417)	(11,955)	(12,222)	267
	32,995	1,850	31,145	66,896	66,477	419	(33,901)	(64,627)	30,726
Total Association	2,013,207	1,629,905	383,302	556,622	580,576	(23,954)	1,456,585	1,049,329	407,256
Total of Assoc. & Prop	2,379,919	1,983,989	395,930	741,839	774,157	(32,319)	1,638,081	1,209,832	428,249
Non-Operating Income (Loss)	33,676	2,000	31,676	3,661	0	3,661	30,015	2,000	28,015
Grand Total	2,413,596	1,985,989	427,606	745,500	774,157	(28,658)	1,668,096	1,211,832	456,264

Associated General Contractors of Washington
Statement of Operations
CONSOLIDATED
For the 01 Month(s) ending 01/31/2017

	JAN ACTUAL	JAN BUDGET	YTD ACTUAL	YTD BUDGET	YTD Variance	Annual BUDGET	Budget Remaining
Retro Plan Income	110,000	126,480	110,000	126,480	(16,480)	1,742,760	1,632,760
Retro Exp Gross	(110,000)	(126,480)	(110,000)	(126,480)	16,480	(1,517,760)	(1,407,760)
Net Retro Income	0	(0)	0	(0)	0	225,000	225,000
Membership Dues	1,747,606	1,426,100	1,747,606	1,426,100	321,506	1,725,000	(22,606)
Program / Grant Revenue	25,248	17,225	25,248	17,225	8,023	179,930	154,682
Event Revenue	130,155	60,000	130,155	60,000	70,155	281,800	151,645
Building / Retail Rent	272,432	262,768	272,432	262,768	9,664	3,106,408	2,833,977
Other Rent Revenue	88,650	84,167	88,650	84,167	4,483	1,010,000	921,350
Other Revenue / CAM	5,605	7,150	5,605	7,150	(1,545)	85,800	80,195
Misc Income	224	100	224	100	124	16,155	15,932
Total Revenue	2,269,919	1,857,509	2,269,919	1,857,509	412,410	6,630,093	4,360,174
Salaries	183,852	187,468	183,852	187,468	(3,616)	2,390,453	2,206,601
Payroll Burden Taxes and Benefits	55,976	58,517	55,976	58,517	(2,541)	685,752	629,776
Auto Expense / Corporate Travel	2,009	4,844	2,009	4,844	(2,835)	40,348	38,339
Miscellaneous Meetings	7,537	21,520	7,537	21,520	(13,983)	117,760	110,223
Consultant Fees	3,410	7,280	3,410	7,280	(3,869)	69,035	65,625
Office Expense	6,584	9,941	6,584	9,941	(3,357)	83,410	76,826
Membership Dues/Donations	14,651	15,677	14,651	15,677	(1,026)	227,095	212,444
Rent	5,811	5,621	5,811	5,621	190	66,634	60,823
Technology Expense	17,653	21,867	17,653	21,867	(4,214)	84,420	66,767
Phone Expense	2,504	2,970	2,504	2,970	(466)	35,690	33,186
Program/Grant Expense	21,043	27,522	21,043	27,522	(6,478)	132,110	111,067
Membership Promotion	15,615	19,925	15,615	19,925	(4,310)	229,700	214,085
Event Expense	117,967	79,125	117,967	79,125	38,842	342,553	224,586
Insurance/Tax/Training	15,863	19,950	15,863	19,950	(4,087)	79,950	64,087
Building / Marina Expense	105,504	110,080	105,504	110,080	(4,576)	1,327,135	1,221,631
Leasing Comm. Amort.	5,341	5,341	5,341	5,341	0	64,092	58,751
Depreciation	50,519	50,031	50,519	50,031	488	600,370	549,851
Total Expenses	631,839	647,677	631,839	647,677	(15,839)	6,576,507	5,944,668
Net Operating Income (Loss)	1,638,081	1,209,832	1,638,081	1,209,832	428,249	53,586	(1,584,494)
LT Inv - Dividends/Interest	910	2,000	910	2,000	(1,090)	24,000	23,090
LT Inv - Net Gain (Loss)	32,766	0	32,766	0	32,766	0	(32,766)
Investment Consultant Fee	(3,661)	0	(3,661)	0	(3,661)	(12,000)	(8,339)
Non-Operating Income (Loss)	30,015	2,000	30,015	2,000	28,015	12,000	(18,015)
Gain / Loss on Disposal of Asset	0	0	0	0	0	0	0
Grand Total	1,668,096	1,211,832	1,668,096	1,211,832	456,264	65,586	(1,602,510)