



AGC 2017 March Financial Notes

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

As of March 31, 2017 the preliminary Net Operating Income (NOI) equals \$1.438mm vs. a year-to-date budget NOI of \$1.078mm creating a favorable year-to-date total budget variance of \$360K.

The year-to-date positive revenue variance of \$267K combined with the positive expense variance of \$93K produces the total favorable year-to-date budget variance of \$360K.

Income Variance

The year-to-date positive revenue variance of \$267K (see Consolidated Statement of Operations – YTD Variance column) is from above budget revenue in most all revenue categories except Other Revenue/CAM.

Expense Variance

The year-to-date positive expense variance of \$93K is comprised of under budget expenses in most all expense categories except Event Expense.

Accounts Receivable

	Building	Marina	AR Parking	AGCEF	Other AR	Total
February	(4,448)	59,217	27,707	30,816	174,595	287,887
March	1,981	28,090	25,294	12,031	105,861	173,258

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 March 31, 2017, AGC's 2017 annual forecast net operating income equals \$273K versus an annual budget net operating income of \$54K.

AGC Building:

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

Associated General Contractors of Washington
Statement of Financial Position
For the Period Ending 03/31/2017

[INTERNAL REPORT]

	Mar Unaudited	Dec Audited
ASSETS		
Current Assets		
Cash	2,656,887	3,430,157
Building Savings	802,252	601,943
Short-Term Investments	164,891	210,965
Accounts Receivable	173,258	173,379
Prepaid Expenses	262,235	138,626
Total Current Assets	<u>4,059,523</u>	<u>4,555,071</u>
Group Retrospective Rating Plan Assets	20,769,414	21,105,073
Prepaid Lease Commissions	100,344	101,552
Long Term Investments	2,854,330	2,712,952
Property and Equipment		
Land and Land Improvements	2,393,339	2,393,339
Buildings	13,853,386	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>20,226,977</u>	<u>20,108,509</u>
Less: Accumulated Depreciation	<u>(11,490,642)</u>	<u>(11,339,086)</u>
Net Property Plant and Equipment	<u>8,736,336</u>	<u>8,769,424</u>
TOTAL ASSETS	<u>36,519,947</u>	<u>37,244,071</u>
LIABILITIES & NET ASSETS		
Current Liabilities		
Accounts Payable	215,403	698,907
Accrued Expenses	61,451	60,977
Deferred Income	8,300	1,447,832
Current Portion - LT Debt	713	1,112
	<u>285,866</u>	<u>2,208,828</u>
Group Retrospective Rating Plan Liability	20,769,414	21,105,073
Long Term Debt, Less Current Portion	-	0
Tenant Deposits	218,873	217,753
Total Liabilities	<u>21,274,153</u>	<u>23,531,653</u>
Net Assets		
Unrestricted	11,745,794	10,212,418
Board Designated	3,500,000	3,500,000
TOTAL UNRESTRICTED NET ASSETS	<u>15,245,794</u>	<u>13,712,418</u>
TOTAL LIABILITIES AND NET ASSETS	<u>36,519,947</u>	<u>37,244,071</u>

**Associated General Contractors of Washington
Cash Flow Statement
For the 03 Month(s) ending 03/31/2017**

	Unaudited
Changes in Net Assets	1,533,376
Adjustments to Changes in Net Assets to Cash Provided by Operating Activities	
Depreciation	151,556
(Gain) Loss on Disposal of Property	-
(Gain) Loss on Sales of Investments	(6,564)
(Gain) Loss on Investments @ Market	(92,402)
(Increase) / Decrease in accounts:	
Accounts Receivable	122
Prepaid Expenses and Other Assets	(122,401)
Increase / (Decrease) in accounts:	
Accounts Payable	(483,504)
Accrued Expenses	474
Tenant Deposits	1,120
Deferred Income	(1,439,532)
Net Cash Provided / (Used) by Operating Activities	(457,755)
Cash Flow From Investing Activities:	
Purchase of Long Term Investment	(42,413)
Leasehold Improvements - Seattle Bldg	-
Capital Improvements on Seattle Bldg	(100,338)
Capital Improvements on Marina	-
Purchase of property, equipment and automobile	(18,130)
Net Cash Provided / (Used) by Investing Activities	(160,881)
Cash Flow from Financing Activities:	
Current Long Term Debt	(399)
Long Term Debt / Loan Payments	-
Net Cash Provided / (Used) by Financing Activities	(399)
Net Increase (Decrease) in Cash	(619,035)
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	3,459,139
Cash Equivalents, End of Period	164,891
Total Cash and Cash Equivalents, End of Period	3,624,030

Associated General Contractors of Washington

(INTERNAL REPORT)

3/31/2017

Schedule of Reserve Funds

	Balance
Operations	900,000
Plant & Equipment	2,500,000
Special Projects	100,000
	3,500,000
Seattle Building Savings Account	802,252

**** Statement of Capital Expenditures**

(** Designed for Budget Monitoring Purposes)

		2017	Balance
	3/31/2017	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	100,338	220,500
SEA Bldg - Lease Commissions	1402-50-050	-	60,000
Seattle Marina	1575-75-000	-	210,000
		118,468	705,000
			586,532

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	3/31/2017 Budget	Variance
Seattle District Office	6950-12-000	236	-	(236)
Southern District Office	6950-14-000	183	183	0
Technology	6950-17-000	4,951	7,039	2,089
Administration	6950-18-000	4,767	4,052	(715)
Accounting	6950-19-000	495	228	(266)
State Government	6950-30-000	4,154	3,701	(453)
Labor Relations	6950-34-000	232	-	(232)
Membership	6950-36-000	5,172	5,035	(137)
Safety	6950-42-000	2,775	2,189	(587)
Northern District	6950-46-000	425	192	(233)
Central District	6950-48-000	271	103	(168)
Seattle Building	6950-50-000	102,158	101,735	(423)
Seattle Marina	6950-75-000	16,395	16,292	(103)
Fife Building	6950-85-000	9,344	9,344	(0)
		151,556	150,092	(1,464)

Board Contingency Expenses:

5120-13-054

	YTD 3/31/2017	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 03 Month(s) ending 03/31/2017

YTD

	REVENUE			EXPENSES			REVENUE OVER EXPENSES		
	ACTUAL	BUDGET	VAR	ACTUAL	BUDGET	VAR	ACTUAL	BUDGET	VAR
I. Building & Properties:									
a) Seattle Building	879,281	843,621	35,661	527,625	522,306	5,319	351,656	321,315	30,341
b) Seattle Marina	188,446	185,087	3,359	140,346	141,089	(743)	48,100	43,998	4,102
c) Fife Building	14,162	14,160	2	42,100	44,345	(2,245)	(27,938)	(30,185)	2,247
Total Building & Properties	1,081,890	1,042,868	39,022	710,071	707,740	2,332	371,818	335,128	36,690
II. Association:									
1. Financial Assets	0	0	0	0	0	0	0	0	0
2. Admin. & Management									
a) Board of Trustees	0	0	0	21,728	24,058	(2,329)	(21,728)	(24,058)	2,329
b) Technology	0	0	0	38,402	52,061	(13,659)	(38,402)	(52,061)	13,659
c) Administration	11,816	9,950	1,866	93,650	105,075	(11,425)	(81,833)	(95,125)	13,292
d) Accounting	9,135	9,135	0	58,499	66,194	(7,694)	(49,364)	(57,059)	7,694
	20,951	19,085	1,866	212,279	247,388	(35,108)	(191,328)	(228,303)	36,975
3. Member Services									
a) Communications	0	5,400	(5,400)	43,066	49,058	(5,992)	(43,066)	(43,658)	592
b) Meetings & Events	0	0	0	23,287	45,450	(22,163)	(23,287)	(45,450)	22,163
c) Special Events	111,905	105,000	6,905	134,087	108,316	25,771	(22,182)	(3,316)	(18,866)
d) Member Service	1,859,646	1,689,500	170,146	45,276	43,650	1,627	1,814,370	1,645,850	168,519
e) Future Leadership Forum	2,060	0	2,060	11,900	30,500	(18,601)	(9,840)	(30,500)	20,661
	1,973,611	1,799,900	173,711	257,616	276,974	(19,358)	1,715,995	1,522,926	193,069
4. Education & Training Service									
a) Workforce Development	0	0	0	38,628	61,569	(22,940)	(38,628)	(61,569)	22,940
b) Safety	33,260	13,655	19,605	123,296	124,532	(1,236)	(90,036)	(110,877)	20,841
c) Group Retro	404,198	379,440	24,758	404,198	379,440	24,758	0	(0)	0
	437,458	393,095	44,363	566,123	565,541	582	(128,665)	(172,446)	43,782
5. Government Relations									
a) Government Affairs Council	9,815	9,000	815	125,237	136,886	(11,650)	(115,422)	(127,886)	12,465
b) Build-Pac	0	0	0	5,320	6,396	(1,076)	(5,320)	(6,396)	1,076
c) AGC - Federal Facilities	0	0	0	2,260	1,566	693	(2,260)	(1,566)	(693)
	9,815	9,000	815	132,816	144,848	(12,032)	(123,001)	(135,848)	12,847
6. Industry Relations									
a) Labor	0	0	0	72,548	75,560	(3,012)	(72,548)	(75,560)	3,012
b) Open Shop	0	0	0	5,489	4,612	877	(5,489)	(4,612)	(877)
	0	0	0	78,037	80,172	(2,134)	(78,037)	(80,172)	2,134
7. Districts									
a) Seattle District	60,645	30,100	30,545	66,541	68,024	(1,483)	(5,896)	(37,924)	32,028
b) Southern District	8,300	6,000	2,300	65,077	64,787	289	(56,777)	(58,787)	2,011
c) Northern District	0	0	0	31,520	31,960	(440)	(31,520)	(31,960)	440
d) Central WA District	48	150	(102)	34,566	35,043	(477)	(34,518)	(34,893)	375
	68,993	36,250	32,743	197,703	199,814	(2,111)	(128,710)	(163,564)	34,854
Total Association	2,510,828	2,257,330	253,498	1,444,575	1,514,737	(70,162)	1,066,253	742,593	323,660
Total of Assoc. & Prop	3,592,718	3,300,198	292,520	2,154,647	2,222,477	(67,830)	1,438,071	1,077,721	360,350
Non-Operating Income (Loss)	98,965	6,000	92,965	3,661	3,000	661	95,304	3,000	92,304
Grand Total	3,691,683	3,306,198	385,486	2,158,308	2,225,477	(67,169)	1,533,376	1,080,721	452,655

Associated General Contractors of Washington
Unaudited Statement of Activities by Cost Center
For the Month ending 03/31/2017

MTD

	REVENUE			EXPENSES			REVENUE OVER EXPENSE		
	ACTUAL	BUDGET	VAR	ACTUAL	BUDGET	VAR	ACTUAL	BUDGET	VAR
I. Building & Properties:									
a) Seattle Building	287,522	275,074	12,448	291,717	270,382	21,336	(4,195)	4,692	(8,887)
b) Seattle Marina	62,538	61,696	842	64,426	55,050	9,377	(1,888)	6,646	(8,534)
c) Fife Building	4,721	4,720	1	22,867	24,495	(1,628)	(18,147)	(19,775)	1,628
Total Building & Properties	354,781	341,490	13,291	379,011	349,927	29,085	(24,230)	(8,437)	(15,793)
II. Association:									
1. Financial Assets	0	0	0	0	0	0	0	0	0
2. Admin. & Management									
a) Board of Trustees	0	0	0	6,687	3,119	3,568	(6,687)	(3,119)	(3,568)
b) Technology	0	0	0	9,062	11,964	(2,902)	(9,062)	(11,964)	2,902
c) Administration	11,666	7,300	4,366	28,002	31,797	(3,795)	(16,336)	(24,497)	8,161
d) Accounting	0	0	0	22,987	21,243	1,744	(22,987)	(21,243)	(1,744)
	11,666	7,300	4,366	66,738	68,123	(1,385)	(55,072)	(60,823)	5,751
3. Member Services									
a) Communications	0	1,800	(1,800)	12,046	15,983	(3,937)	(12,046)	(14,183)	2,137
b) Meetings & Events	0	0	0	12,766	18,050	(5,284)	(12,766)	(18,050)	5,284
c) Special Events	0	25,000	(25,000)	2,966	22,105	(19,139)	(2,966)	2,895	(5,861)
d) Member Service	31,212	40,700	(9,488)	16,773	14,317	2,456	14,439	26,383	(11,945)
e) Future Leadership Forum	2,060	0	2,060	5,439	10,167	(4,728)	(3,379)	(10,167)	6,788
	33,272	67,500	(34,228)	49,990	80,621	(30,631)	(16,718)	(13,121)	(3,597)
4. Education & Training Service									
a) Workforce Development	0	0	0	13,270	30,523	(17,253)	(13,270)	(30,523)	17,253
b) Safety	16,063	5,130	10,933	40,283	34,584	5,698	(24,220)	(29,454)	5,234
c) Group Retro	184,198	126,480	57,718	184,198	126,480	57,718	0	(0)	0
	200,261	131,610	68,651	237,751	191,587	46,164	(37,490)	(59,977)	22,487
5. Government Relations									
a) Government Affairs Council	0	0	0	35,917	39,079	(3,162)	(35,917)	(39,079)	3,162
b) Build-Pac	0	0	0	1,377	1,432	(55)	(1,377)	(1,432)	55
c) AGC - Federal Facilities	0	0	0	983	354	629	(983)	(354)	(629)
	0	0	0	38,277	40,865	(2,588)	(38,277)	(40,865)	2,588
6. Industry Relations									
a) Labor	0	0	0	24,447	25,187	(740)	(24,447)	(25,187)	740
b) Open Shop	0	0	0	3,043	1,671	1,372	(3,043)	(1,671)	(1,372)
	0	0	0	27,490	26,857	632	(27,490)	(26,857)	(632)
7. Districts									
a) Seattle District	23,855	24,200	(345)	16,914	16,762	152	6,941	7,438	(497)
b) Southern District	2,150	3,000	(850)	22,987	23,096	(108)	(20,837)	(20,096)	(742)
c) Northern District	0	0	0	8,933	10,213	(1,281)	(8,933)	(10,213)	1,281
d) Central WA District	48	0	48	11,243	11,901	(658)	(11,195)	(11,901)	706
	26,053	27,200	(1,147)	60,077	61,972	(1,895)	(34,024)	(34,772)	748
Total Association	271,252	233,610	37,642	480,322	470,025	10,297	(209,070)	(236,415)	27,345
Total of Assoc. & Prop	626,033	575,100	50,933	859,333	819,951	39,382	(233,300)	(244,852)	11,551
Non-Operating Income (Loss)	13,245	2,000	11,245	0	3,000	(3,000)	13,245	(1,000)	14,245
Grand Total	639,278	577,100	62,178	859,333	822,951	36,382	(220,055)	(245,852)	25,796

Associated General Contractors of Washington
Statement of Operations
CONSOLIDATED
For the 03 Month(s) ending 03/31/2017

	MAR ACTUAL	MAR BUDGET	YTD ACTUAL	YTD BUDGET	YTD Variance	Annual BUDGET	Budget Remaining
Retro Plan Income	184,198	126,480	404,198	379,440	24,758	1,742,760	1,338,562
Retro Exp Gross	(184,198)	(126,480)	(404,198)	(379,440)	(24,758)	(1,517,760)	(1,113,562)
Net Retro Income	0	(0)	0	(0)	0	225,000	225,000
Membership Dues	31,212	40,700	1,859,646	1,689,500	170,146	1,725,000	(134,646)
Program / Grant Revenue	21,148	18,330	59,421	48,005	11,416	179,930	120,509
Event Revenue	34,565	48,000	178,020	131,000	47,020	281,800	103,780
Building / Retail Rent	268,588	259,340	813,976	781,251	32,725	3,106,408	2,292,433
Other Rent Revenue	81,065	75,000	251,695	240,167	11,528	1,010,000	758,305
Other Revenue / CAM	5,128	7,150	16,194	21,450	(5,256)	85,800	69,606
Misc Income	129	100	9,568	9,385	183	16,155	6,587
Total Revenue	441,834	448,620	3,188,520	2,920,758	267,762	6,630,093	3,441,574
Salaries	178,562	179,167	547,543	554,102	(6,559)	2,390,453	1,842,910
Payroll Burden Taxes and Benefits	55,275	56,872	166,788	173,906	(7,118)	685,752	518,965
Auto Expense / Corporate Travel	6,749	2,679	12,259	10,317	1,942	40,348	28,089
Miscellaneous Meetings	21,605	20,995	36,877	55,436	(18,559)	117,760	80,883
Consultant Fees	18,021	12,010	23,814	24,844	(1,030)	69,035	45,221
Office Expense	4,839	5,662	16,094	21,355	(5,261)	83,410	67,316
Membership Dues/Donations	11,932	27,012	45,613	62,730	(17,117)	227,095	181,482
Rent	4,893	5,500	16,195	16,621	(426)	66,634	50,439
Technology Expense	5,163	7,317	26,919	38,120	(11,201)	84,420	57,501
Phone Expense	2,790	2,995	7,488	8,970	(1,482)	35,690	28,202
Program/Grant Expense	5,987	4,122	38,427	47,340	(8,913)	132,110	93,683
Membership Promotion	12,323	18,825	38,007	56,925	(18,918)	229,700	191,693
Event Expense	167	26,725	128,918	121,475	7,443	342,553	213,635
Insurance/Tax/Training	3,405	4,500	20,233	28,750	(8,517)	79,950	59,717
Building / Marina Expense	287,566	263,720	457,694	456,030	1,664	1,327,135	869,441
Leasing Comm. Amort.	5,341	5,341	16,023	16,023	0	64,092	48,069
Depreciation	50,519	50,031	151,556	150,092	1,464	600,370	448,814
Total Expenses	675,135	693,471	1,750,448	1,843,036	(92,588)	6,576,507	4,826,059
Net Operating Income (Loss)	(233,300)	(244,852)	1,438,071	1,077,721	360,350	53,586	(1,384,485)
LT Inv - Dividends/Interest	3,192	2,000	6,564	6,000	564	24,000	17,436
LT Inv - Net Gain (Loss)	10,053	0	92,402	0	92,402	0	(92,402)
Investment Consultant Fee	0	(3,000)	(3,661)	(3,000)	(661)	(12,000)	(8,339)
Non-Operating Income (Loss)	13,245	(1,000)	95,304	3,000	92,304	12,000	(83,304)
Gain / Loss on Disposal of Asset	0	0	0	0	0	0	0
Grand Total	(220,055)	(245,852)	1,533,376	1,080,721	452,655	65,586	(1,467,789)