



EXECUTIVE COMMITTEE MEETING

Wednesday, May 20, 2020 | 2:00-4:00 pm
Zoom Conference Call

| <u>TIME</u> | <u>ITEM</u> | <u>PRESENTER</u> |
|---------------------|--|---|
| 2:00 pm | 1. Review the agenda | Russ |
| 2:05 pm (20 min) | 2. MANAGE a) COVID-19 Update: Chapter Response b) Financials | Mike/Russ Mike Joe/Jennifer |
| 2:25 pm (30 min) | 3. ADVOCATE – Protect the construction industry and strengthen AGC’s impact on public policy a) Challenging Governor’s “Carbon Emissions Reduction” Executive Order b) Ballot Measure Limiting Campaign Contributions c) Potential Summer 2020 Special Session | Russ/Dee/Tom/ Dee/John Tom/John Dee/Tom/John |
| 2:55 pm (20 min) | 4. GROW – Grow and develop the construction workforce and leadership of the future a) Educator Externship Update b) Communications Strategy Development c) Workforce & Professional Development Updates | Yohn/Aaron/Frosti Frosti Aaron Written Report |
| 3:15 pm (15 min) | 5. ENGAGE – Provide relevant products, services, and events to connect and engage our membership a) March and April Membership Report b) Specialty Contractors Council Update c) Professional & Industry Associates Council Update d) Construction Leadership Council Update e) Centennial Committee Update f) Member Recruitment Initiative Update g) Summer Event Update | Scott/Ali Written Report Written Report Written Report Written Report Written Report Ali/Russ Written Report |
| 3:30 pm (20 min) | 6. SAFETY – Deliver industry-leading health and safety services to our members a) COVID-19 Safety Response b) COVID-19 Joint Construction Safety Task Force c) AGC/SAIF Group Update • COVID-19 Worker Safety Fund • Incident Review | Steve/Dennis Dennis Dennis Dennis |
| 3:50 pm (5 min) | 7. Review Board Meeting Agenda: June 5, 2020 | Russ/Mike |
| 3:55 pm (5 min) | 8. New Business | Russ |
| 4:00 pm | 9. Adjourn | Russ |



MANAGE

Chapter Response to COVID-19 Situation

Mike Salsgiver

May 20, 2020

Summary

- In mid-March at the 2020 AGC National Convention, coronavirus storm clouds were gathering
- Governments at all levels were beginning to respond by generally closing down the economy – that happened on March 22-23
- AGC moved quickly and successfully to develop measures to keep the industry operating in Oregon; not successful in Washington
- Chapter was prepared to move to remote work posture -- did that seamlessly
- Major changes in chapter events, committee & council meetings
- Business generally has continued – *and* we have added six new members!

Safety and Health

- This is where the chapter really shined:
 - ✓ First to draft job site safety and health guidelines – drafted and moved these out into the field in about a week – major kudos to Dennis, Paige
 - ✓ Full consultation and coordination with OR-OSHA, State of Oregon
 - ✓ Chapter’s materials were adopted by state and local agencies, as well as nationally and with other associations
- SMC team in touch with members by delivering materials, and providing safety services virtually
- Joint Labor-Management Safety Task Force
- Construction is seen as *the* example of how an industry sector should operate during the current situation

Communications

- In less than a week, retooled the chapter website to make posting and finding relevant information easier – constantly updated (almost by the hour)
- Proactive leadership and member communication
- Worked with CLC, Specialty Contractors Council, and Associates Council to develop webinars with timely and useful information
- Proactive media outreach, immediate response – AGC is the go-to organization for industry-specific COVID-19 information
- Increased coordination with other construction, business associations

Advocacy

- The world of advocacy changed overnight – unable to meet with anyone in government personally – makes work more difficult
- Relationships that have been built over many years have shown their value
- Focus on keeping construction open for business, minimizing economic damage – generally accomplished these goals, although many leaders in government slow to recognize that the world had changed
- Actively working to prepare for special legislative session, which will likely happen sometime in June
- The world of political action and contributions has changed for several reasons, almost overnight – chapter has some serious thinking to do on that front – you will hear more about that later in today's agenda

Events

- By Governor's Executive Order, face-to-face meetings and events were effectively canceled
- This impacted:
 - ✓ Southern Oregon Golf Tournament
 - ✓ Top Shot
 - ✓ Chapter Golf Tournament
 - ✓ Wide Open Golf Tournament
 - ✓ 2020 Summer convention
 - ✓ TopGolf
 - ✓ All council and committee meetings
- Most councils and committees moved to virtual meetings and have continued their work

Engage

- A silver lining in this situation has been that an increasing number of companies are seeing AGC's value
- In April and into May, we have *added* six new members
- Members have taken the time to call or write and let us know they appreciate the work that has been done on the industry's behalf
- As phased re-openings continue, we will be moving back out into the field to visit with members through the chapter's area councils
- Need to redouble our efforts to reach out to prospective members – AGC has shown its value – now we have to drive that message

Grow

- Efforts to grow workforce of the future has not stopped
- Work on understanding how to realign the industry training system continues
- Work on phase 1 of communications strategy has launched
- Frosti and Aaron have been visible, driving AGC workforce messages
- Coalition and committee work continues without pause
 - June Coalition meeting will seek to understand COVID impact on workforce and begin identifying possible solutions

Grow (cont.)

- Educator Externship has been modified to include both virtual and some face to face pieces as the re-opening varies around the state and in SW Washington
- Army Corps Quality Management classes have been cancelled pending approval for the USACE trainers to facilitate those classes
- CESCL erosion classes have gone ahead on a reduced capacity per meeting restrictions of 10 people
- There have been several "customer service" emails and phone calls as these classes with certifications impact our members' ability to work on certain jobs. Addressing the issues with certifying agencies
- Online professional development has proceeded and amplifies an example of what professional development will look like in the future

Finance

- Chapter remains in good financial shape – we have withstood a severe financial market adjustment, government-imposed economic depression
- 2019 volumes continued to show some growth – having discussions internally now about whether dues adjustments should be limited due to Q1'2020 turbulence – do not want to be deaf to what is going on with our members – recommendation coming
- Circumstances required some unplanned spending – there will be budget variances – as things settle down, we will better understand what has changed and bring that information to chapter leadership

**QUESTIONS?
DISCUSSION**

MARCH 2020 DRAFT FINANCIAL STATEMENTS

Date: May 10, 2020

To: Joe McDonnell

Income Statement Highlights

Revenue

- A.** The membership count finished 2019 at 821. In the first quarter, AGC added eight new members and resigned two for a net gain of 6, finishing the first quarter of 2020 at 827 members.
- Dues revenues are slightly ahead of budget for the quarter by \$7K, or approximately 1%. This number is about \$20,000 ahead of the first quarter 2019. Revenues for Q1 2020 vs Q1 2019 are up approximately \$34K or 4%.
- B.** 2020 Charter fee, net of credit will be \$435K compared to \$421K for 2019. Fee is recognized ratably throughout the year.
- C.** Core Services revenues were approximately \$51K for the month of March and \$91K for Q1. Core services revenue is ~\$9K under budget. Variance from budget is related to the ODOT conference in February (\$7K) and lower than budgeted interest and dividend income on the investments (\$2K). For the first quarter Core Services revenue is made up of the following:
- UCG Reimbursement \$78K
 - Interest & Dividends \$ 6.6K
 - Rouge Valley Poker \$ 4.5K
 - Misc. \$ 2.7K
- D.** Products and Services revenues were approximately \$9K for the month of March. YTD Products and Services revenue was \$108K and approximately \$12K, or 12.5% ahead of budget. For the first quarter, Products and Services revenue is made up of the following:
- ABM Revenue \$53K
 - Safety Training \$23.5K
 - AGCU Professional Development \$22K
 - Group Product Revenue Share \$ 5K
 - Misc. \$ 4K

See ABM detail on Page 6.

- E. Workers Comp Contract is right on budget for the quarter, with revenues of \$464K.
- F. Overall, operating revenues were approximately \$10K above budget for Q1 2020.

Expenses

- G. For the month of March, general and administrative expenses were approximately \$50K. Q1 2020 G&A was \$310K and \$42K below budget. Decline in expenses is consistent with the reduction in chapter activities associated with shutdown. Compared to Q1 2019, G&A is down approximately \$16K.
- H. Salaries expense was ~\$254K for the month of March and \$818 YTD. Salaries expense was approximately \$66K or 8% over budget, which is primarily attributed to the \$54K of vacation accrual attributed to accruing the minimum of 160 hours per employee for the vacation payable. Salaries were expected to finish the year over budget due to executive committee approved increases after the budget was finalized. YoY, salaries expense increased \$85K. Increase is attributed to increased head count and executive committee approved salary increases.
- I. Travel and entertainment expenses were approximately \$32.5K in the month of March and \$81K for Q1. YTD, T&E is \$4K under budget due to reduction in travel due to COVID-19. Travel and Entertainment is expected to significantly impacted for the first half of 2020. YoY, travel and entertainment increased \$23K primarily due to timing of annual AGC conference.
- J. Contract labor was approximately \$28K for March and \$102K for Q1. As of Q1, contract labor was \$3.5K or 3% under budget, primarily due to cancellation of training classes. YoY, contract labor decreased \$23K.
- K. Operating income for the month of March \$100K. YTD the chapter has operating income of \$103K. January and February had significantly higher operating expenses as result of the ABM and ODOT conferences. YoY, operating income increased approximately \$27K.
- L. For the month March investments incurred unrealized losses of approximately \$234K. YTD, the Chapter Reserve has recognized unrealized losses on investments of approximately \$351K including management fees.
- M. During the month of March, the facility fund investments incurred unrealized losses of approximately \$213K. YTD, the facilities fund has recognized unrealized losses on investments of approximately \$2292K including management fees.
- N. Overall, net assets decreased by \$515K through Q1 2020, \$643K of which is due to investment losses related COVID-19 market volatility occurring in March.

OREGON-COLUMBIA CHAPTER ASSOCIATED GENERAL CONTRACTORS OF AMERICA, INC.

Draft Income Statement

For the month of March and the thrid month ending March 31, 2020

| | Month to Date Actual | Year to Date Actual | Year to Date Budget | Year to Date Variance | Dynamic Budget | Board Approved 2020 Annual Budget |
|--|-------------------------|---------------------------|------------------------|--------------------------|-------------------|---|
| Operating Revenue | | | | | | |
| Dues Revenue | | | | | | |
| General Contractor | 141,215 | 423,642 | 420,174 | 3,468 | 1,655,688 | 1,655,688 |
| Specialty Contractor | 144,785 | 433,546 | 431,487 | 2,059 | 1,720,548 | 1,720,548 |
| Associates | 19,885 | 59,375 | 57,885 | 1,490 | 224,580 | 224,580 |
| Subtotal Dues Revenue | 305,885 | 916,563 | 909,546 | 7,017 | 3,600,816 | 3,600,816 A |
| AGCA Charter Fee | (36,292) | (108,875) | (108,875) | - | (437,750) | (437,750) B |
| PAC Funds Included | - | - | - | - | (299,000) | (299,000) |
| Discounts Taken - Dues | - | - | - | - | - | - |
| Net Dues Revenue | 269,593 | 807,688 | 800,671 | 7,017 | 2,864,066 | 2,864,066 |
| Non-Dues Revenue | | | | | | |
| Core Services | 51,464 | 91,935 | 101,589 | (9,654) | 386,806 | 386,806 C |
| Product and Services | 9,231 | 108,930 | 96,805 | 12,125 | 528,070 | 528,070 D |
| Ore. Workers' Comp Contract | 154,660 | 463,803 | 463,275 | 528 | 1,852,900 | 1,852,900 E |
| Net Non-Dues Revenue | 215,356 | 664,667 | 661,669 | 2,998 | 2,767,776 | 2,767,776 |
| Total Operating Revenue | 484,948 | 1,472,355 | 1,462,340 | 10,015 | 5,631,842 | 5,631,842 F |
| Operating Expenses | | | | | | |
| General & Administrative | 49,687 | 310,371 | 352,394 | (42,023) | 1,490,903 | 1,490,903 G |
| Salaries | 254,381 | 818,061 | 751,863 | 66,198 | 3,077,511 | 3,077,511 H |
| Travel & Entertainment | 32,495 | 81,126 | 85,156 | (4,030) | 232,606 | 232,606 I |
| Contract Labor | 28,741 | 102,647 | 106,105 | (3,458) | 460,720 | 460,720 J |
| Programs | - | - | - | - | 128,000 | 128,000 |
| Rent | 19,771 | 57,178 | 57,542 | (364) | 240,077 | 240,077 |
| Total Operating Expenses | 385,076 | 1,369,384 | 1,353,060 | 16,323 | 5,629,818 | 5,629,818 |
| Total Operating Income / (Loss) | 99,872 | 102,971 | 109,280 | (6,308) | 2,024 | 2,024 K |
| Non Operating Revenue | | | | | | |
| Unrealized Investment Gains/(Loss) | (233,798) | (347,126) | - | (347,126) | - | - |
| Fund Managers Fee | (1,412) | (4,274) | (4,375) | 101 | (17,500) | (17,500) L |
| Total Non Operating Income | (235,210) | (351,399) L | (4,375) | (347,024) | (17,500) | (17,500) |
| Increase/(Decrease) in Net Assets (excluding Facilities Fund) | (135,338) | (248,428) | 104,905 | (353,333) | (15,476) | (15,476) |
| Facilities Fund | | | | | | |
| AGC Center Gain/(Loss) | 6,190 | 18,569 | 18,569 | - | 74,274 | 74,274 |
| Interest and Dividend Income | 4,188 | 6,992 | 4,300 | 2,692 | 17,200 | 17,200 |
| Unrealized Investment Gains/(Loss) | (212,924) | (287,672) | - | (287,672) | - | - M |
| Fund Managers Fee | (1,516) | (4,532) | (4,300) | (232) | (17,200) | (17,200) |
| Total Facilities Fund Income/(Loss) | (204,062) | (266,644) M | 18,568 | (285,213) | 74,274 | 74,274 |
| Total Increase/(Decrease) in Net Assets (including Facilities Fund) | (339,400) | (515,072) N | 123,472 | (638,547) | 58,798 | 58,798 N |

**OREGON-COLUMBIA CHAPTER
ASSOCIATED GENERAL CONTRACTORS OF AMERICA, INC.**

Balance Sheet

March 31, 2020

Assets

| | MAR 2020 | FEB 2020 | MAR 2019 | Dec 2019 | Δ From Prior Month \$ Value | % Change |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------------------|---------------|
| Current Assets | | | | | | |
| Cash | \$350,141 | \$175,996 | \$177,218 | \$241,472 | \$174,145 | 98.9% |
| Restricted cash - Centennial Fund | \$199,931 | \$199,931 | - | - | | |
| Accounts Receivable | \$129,824 | \$74,940 | \$220,733 | \$116,670 | \$54,883 | 73.2% |
| Prepaid Expenses | \$474,144 | \$530,831 | \$431,343 | \$163,567 | (\$56,687) | -10.7% |
| Short Term Investments | \$529,399 | \$1,079,399 | \$1,171,657 | \$1,778,789 | (\$550,000) | -51.0% |
| Total Current Assets | \$1,683,438 | \$2,061,097 | \$2,000,950 | \$2,300,497 | (\$377,659) | -18.3% |
| Long Term Investments | | | | | | |
| Securities Portfolio | \$1,712,131 | \$1,943,807 | \$1,887,516 | \$2,058,413 | (\$231,676) | -11.9% |
| Facilities Fund | \$1,877,602 | \$2,087,854 | \$2,010,574 | \$2,162,815 | (\$210,252) | -10.1% |
| Total Long Term Investments | \$3,589,733 | \$4,031,661 | \$3,898,090 | \$4,221,228 | (\$441,928) | -11.0% |
| Depreciable Assets | \$397,293 | \$409,819 | \$489,562 | \$444,740 | (\$12,526) | -3.1% |
| Total Assets | \$5,670,464 | \$6,502,577 | \$6,388,602 | \$6,966,465 | (\$832,113) | -12.8% |

Liabilities and Net Asset Balance

| | MAR 2020 | FEB 2020 | MAR 2019 | DEC 2019 | | |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|---------------|
| Current Liabilities | | | | | | |
| Accounts Payable | \$40,375 | \$162,014 | \$303,171 | \$125,949 | (\$121,639) | -75.1% |
| PAC Contributions Payable | \$798 | \$798 | \$1,900 | \$798 | \$0 | 0.0% |
| Taxes & Pension Payable | \$116 | \$66 | \$28 | \$230 | \$50 | 75.6% |
| Accrued Vacation Payable | \$171,153 | \$170,350 | \$134,890 | \$115,495 | \$803 | 0.5% |
| Contract liabilities - Deferred dues | \$769,830 | \$1,075,218 | \$886,713 | \$1,566,724 | (\$305,389) | -28.4% |
| Contract liabilities - Unearned income | \$100,049 | \$157,241 | \$313,422 | \$19,635 | (\$57,192) | -36.4% |
| Total Current Liabilities | \$1,082,320 | \$1,565,687 | \$1,640,124 | \$1,828,831 | (\$483,367) | -30.9% |
| Long Term Liabilities | | | | | | |
| Deferred Income - AGC Center | \$55,711 | \$61,901 | \$207,966 | \$74,280 | (\$6,190) | -10.0% |
| Notes Payable (Vehicles) | \$69,230 | \$72,387 | \$109,686 | \$78,635 | (\$3,156) | -4.4% |
| Total Long Term Liabilities | \$124,941 | \$134,287 | \$317,651 | \$152,914 | (\$9,346) | -7.0% |
| Net Assets | | | | | | |
| Other Net Assets | \$1,160,418 | \$1,289,566 | \$1,195,002 | \$1,596,654 | (\$129,148) | -10.0% |
| Restricted Centennial Fund | \$199,931 | \$199,931 | - | - | - | - |
| Restricted Facilities Fund | \$1,877,602 | \$2,087,854 | \$2,010,574 | \$2,162,815 | (\$210,252) | -10.1% |
| Designated Financial Reserve | \$1,225,251 | \$1,225,251 | \$1,225,251 | \$1,225,251 | \$0 | 0.0% |
| Total Net Assets | \$4,463,202 | \$4,802,602 | \$4,430,827 | \$4,984,720 | (\$339,400) | -7.1% |
| Total Liabilities and Net Asset Balance | \$5,670,464 | \$6,502,577 | \$6,388,602 | \$6,966,465 | (\$832,113) | -12.8% |

Jan - Mar 20

OPERATING ACTIVITIES

| | |
|--|--------------|
| Net Income | (515,072.22) |
| Adjustments to reconcile Net Income to net cash provided by operations: | |
| 1050 · ACCOUNTS RECEIVABLE | 15,262.65 |
| 1051 · A/R - Atlas | 26,077.00 |
| 1052 · A/R - OTHER | (43,786.86) |
| 1101 · MORGAN STANLEY INVESTMENT | 346,281.65 |
| 1102 · FACILITIES FUND | 285,212.71 |
| 1211 · PREPAID EXPENSES | (320,940.22) |
| 1212 · PREPAID INSURANCE | 10,362.99 |
| 2010 · ACCOUNTS PAYABLE | (115,216.16) |
| 2011 · A/P - CORPORATE CREDIT CARDS | 1,120.69 |
| 2012 · A/P - OTHER | 10,999.00 |
| 2030 · PENSION PAYABLE | (113.59) |
| 2050 · VACATION PAYABLE | 55,657.60 |
| 2100 · REFUND ACCOUNT-AMS CREDIT CARD | (2,467.75) |
| 2340 · EMPLOYEE ELECTIVES PAYABLE | (0.23) |
| 2344 · UNEARNED REV. - EVENTS | (7,500.00) |
| 2345 · UNEARNED REV. - SAIF | (1.00) |
| 2349 · UNEARNED REV. - SPONSORS | 97,200.00 |
| 2390 · UNEARNED DUES - GC | (360,633.75) |
| 2395 · UNEARNED DUES - SC | (378,676.00) |
| 2396 · UNEARNED DUES - PA | (23,115.00) |
| 2397 · UNEARNED DUES - IA | (34,470.00) |
| 2400 · Deferred Income - AGC Center | (18,568.50) |

Net cash provided by Operating Activities (972,386.99)

INVESTING ACTIVITIES

| | |
|--------------------------------|-----------|
| 1401 · ACCUM. DEPR. - OFFICE | 187.62 |
| 1411 · ACCUM DEPR. - CLUB | 176.37 |
| 1421 · ACCUM DEPR - LEASEHOLD | 2,512.56 |
| 1441 · ACCUM DEPR. - AUTO | 13,324.25 |
| 1461 · ACCUM DEPR - COMPUTER | 15,975.00 |
| 1475 · ACCUM DEPR - SAIF EQUIP | 8,826.00 |

Net cash provided by Investing Activities 41,001.80

FINANCING ACTIVITIES

| | |
|----------------------------|------------|
| 2330 · NOTE PAYABLE - AUTO | (9,404.31) |
|----------------------------|------------|

Net cash provided by Financing Activities (9,404.31)

Net cash increase for period (940,789.50)

Cash at beginning of period 2,020,260.73

Cash at end of period 1,079,471.23

ABM Profit & Loss Comparison

| | 2020 | | | 2019 | | |
|----------|------------------|-------------------|-----------------|-------------------|-------------------|------------------|
| | Actuals | Budget | Variance | Actuals | Budget | Variance |
| Income | \$53,065 | \$40,500 | \$12,565 | \$46,255 | \$44,500 | \$1,755 |
| Expenses | \$62,692 | \$66,650 | -\$3,958 | \$64,273 | \$55,550 | \$8,723 |
| Net loss | <u>(\$9,627)</u> | <u>(\$26,150)</u> | <u>\$16,523</u> | <u>(\$18,018)</u> | <u>(\$11,050)</u> | <u>(\$6,968)</u> |

Oregon-Columbia Chapter
Associated General Contractors of America, Inc.
2020 vs 2019
Income Statement Comparison

| | 2020 Draft Year to Date Actual | 2019 Final Year to Date Actual | | |
|--|---|---|-----------|----------|
| Operating Revenue | | | | |
| Dues Revenue | | | \$ Value | % Change |
| General Contractor | 423,642.00 | 403,438.45 | 20,204 | 5.01% |
| Specialty Contractor | 433,545.99 | 422,137.24 | 11,409 | 2.70% |
| Associates | 59,375.00 | 57,166.25 | 2,209 | 3.86% |
| Subtotal Dues Revenue | 916,562.99 | 882,741.94 | 33,821 | 3.83% |
| AGCA Charter Fee | (108,875.01) | (112,883.73) | 4,009 | -3.55% |
| PAC Funds Included | 0.00 | 0.00 | - | |
| Discounts Taken - Dues | 0.00 | 0.00 | - | |
| Net Dues Revenue | 807,687.98 | 769,858.21 | 37,830 | 4.91% |
| Non-Dues Revenue | | | - | |
| Core Services | 91,934.70 | 98,570.07 | (6,635) | -6.73% |
| Product and Services | 108,929.79 | 112,966.37 | (4,037) | -3.57% |
| Ore. Workers' Comp Contract | 463,802.50 | 397,789.37 | 66,013 | 16.59% |
| Net Non-Dues Revenue | 664,666.99 | 609,325.81 | 55,341 | 9.08% |
| | | | - | |
| Total Operating Revenue | 1,472,354.97 | 1,379,184.02 | 93,171 | 6.76% |
| | | | - | |
| Operating Expenses | | | | |
| General & Administrative | 310,371.47 | 326,687.94 | (16,316) | -4.99% |
| Salaries | 818,061.09 | 733,057.72 | 85,003 | 11.60% |
| Travel & Entertainment | 81,126.30 | 58,001.97 | 23,124 | 39.87% |
| Contract Labor | 102,646.91 | 125,810.37 | (23,163) | -18.41% |
| Programs | 0.00 | 0.00 | - | |
| Rent | 57,177.79 | 60,021.38 | (2,844) | -4.74% |
| Total Operating Expenses | 1,369,383.56 | 1,303,579.38 | 65,804 | 5.05% |
| | | | - | |
| Total Operating Income / (Loss) | 102,971.41 | 75,604.64 | 27,367 | 36.20% |
| | | | - | |
| Non Operating Revenue | | | | |
| Unrealized Investment Gains/(Loss) | (347,125.87) | 152,705.74 | (499,832) | -327.32% |
| Fund Managers Fee | (4,273.55) | (3,721.84) | (552) | 14.82% |
| Total Non Operating Income | (351,399.42) | 148,983.90 | (500,383) | -335.86% |
| | | | - | |
| Increase/(Decrease) in Net Assets (excluding Facilities Fund) | (248,428.01) | 224,588.54 | (473,017) | -210.61% |
| | | | - | |
| | | | - | |
| Facilities Fund | | | | |
| AGC Center Gain/(Loss) | 18,568.50 | 44,562.03 | (25,994) | -58.33% |
| Interest and Dividend Income | 6,991.88 | 8,773.68 | (1,782) | -20.31% |
| Unrealized Investment Gains/(Loss) | (287,672.33) | 101,976.66 | (389,649) | -382.10% |
| Fund Managers Fee | (4,532.26) | (4,087.39) | (445) | 10.88% |
| Total Facilities Fund Income/(Loss) | (266,644.21) | 151,224.98 | (417,869) | -276.32% |
| | | | - | |
| Total Increase/(Decrease) in Net Assets (including Facilities Fund) | (515,072.22) | 375,813.52 | (890,886) | -237.06% |



National Travel Memo

Date: May 19, 2020

To: Mike Salsgiver
Executive Director

From: Jennifer Brown
Controller

National Travel Reimbursement Amount

The current \$2,500 limit per member company per year for national travel reimbursement was established in 2010.

At the last Finance Committee meeting, there was discussion about, and recommendations were made to increase the amount from \$2,500 to \$3,000 to offset increasing costs associated with AGC of America national committee travel expenses.

With the implementation of the increase, each July national committee members will now be asked to notify the controller or executive director which meetings they anticipate traveling to the following year. This will help the accuracy of our budget forecasting.



MOTION

It is moved that the Board approve the increase of the annual member company travel expense reimbursement limit of \$2,500 to \$3,000.

TRAVEL AND BUSINESS ENTERTAINMENT

Officer and Executive Committee Member Business Travel

At the conclusion of an AGC business trip, an Officer or Executive Committee Member, that has incurred business-related expenses should complete an Expense Report in accordance with the following policies:

1. Identify each separately incurred business expense (i.e. do not group all expenses associated with one trip together)
2. All expenses require original, itemized receipts or invoices, except mileage or expenses. In the event a receipt is lost or accidentally destroyed, the individual should attempt to get another from the vendor. If a receipt is unable to be obtained, personal credit card statements should be a last resort for receipt support. The individual should document sufficiently the business reason for the transaction.
3. For all lodging and any expenditure other than meals, vendor receipts/invoices must be submitted.
4. For airfare, airline-issued receipts should be obtained. If a traveler fails to obtain a receipt, other evidence must be submitted indicating that a trip was taken and the amount paid (for example, a combination of an itinerary, a credit card receipt, and boarding passes).
5. Mileage may be reimbursed at the standard federal rates currently in effect, as published each year by the IRS. There will be no reimbursement for mileage for the following situations:
 - a. Optional chapter sponsored events.
6. The business purpose of each trip must be adequately explained on each report.
7. All expense reports must be signed and dated by the officer, executive committee member or their designee.
8. All expenses must be submitted within 60 days of the date incurred. All expenses outside of 60 days must be approved by the Treasurer and/or the Executive Director.

Officer and Executive Committee Member - Special Rules Pertaining to Air Travel

The following additional rules apply to air travel:

- Class of service:** Domestic and international flights under three hours shall be booked in coach class using the most cost-effective routing. A flight of greater than three consecutive hours may be booked in business class/or domestic first class. Upgrades will not be reimbursed greater than \$500. Higher priced tickets to accommodate personal airline preferences are not allowed. **Tickets purchased in advance:** Prices are typically best when flights are booked 21 or more days in advance. All flights should be booked as far in advance as possible to take advantage of lower fares.
1. **Non-reimbursable expenses:**
 - a. Memberships in airline flight clubs is not reimbursable.
 - b. The cost of flight/travel insurance is not reimbursable.
 - c. Travelers must identify and pay for all personal flights, even if such flights are incorporated into a flight schedule that serves business purposes (i.e. AGC will not reimburse for the personal legs of a trip)

Employee and Director (Board member) Business Travel

At the conclusion of an AGC business trip, an employee or member of the board of directors (excluding officers and executive committee members) that has incurred business-related expenses should complete an Expense Report in accordance with the following policies:

1. Identify each separately incurred business expense (i.e. do not group all expenses associated with one trip together)
2. All expenses require original, itemized receipts or invoices, except mileage. Monthly credit card expenses should not be provided in lieu of a receipt. In the event a receipt is lost or accidentally destroyed, the individual should attempt to get another invoice from the vendor. If a receipt is unable to be obtained, personal credit card statements should be provided and subject to approval from the Treasurer or Executive Director.
3. For all lodging and any expenditure other than meals, vendor receipts/invoices must be submitted.
4. For airfare, airline-issued receipts should be obtained. If a traveler fails to obtain a receipt, other evidence must be submitted indicating that a trip was taken and the amount paid (for example, a combination of an itinerary, a credit card receipt, and boarding passes).
5. Mileage may be reimbursed at the standard federal rates currently in effect, as published each year by the IRS. There will be no reimbursement for mileage for the following situations:
 - a. Optional chapter sponsored events.
6. The business purpose of each trip must be adequately explained on each report.
7. All expense reports must be signed and dated by the employee.
8. All expenses must be submitted within 60 days of the date incurred. All expenses outside of 60 days must be approved by the Treasurer and/or the Executive Director.
9. Project/function codes must be identified for all expenditures.
10. For all meals and other business entertainment, the following must be clearly identified:
 - a. Names, titles, organizations, and business relationships of all persons
 - b. The business purpose of the entertainment (topics discussed, etc.)
11. All employee expense reports must be approved by the employee's Department Director.
12. Only one expense report form should be prepared for each trip.

An employee will not be reimbursed for expense reports not meeting the preceding criteria.

Special Rules Pertaining to Air Travel

The following additional rules apply to air travel:

1. **Class of service:** Domestic and international flights under three hours shall be booked in coach class using the most cost-effective routing. A flight of more than three hours may be booked at one class higher than coach. Upgrades will not be reimbursed greater than \$100. Higher priced tickets to accommodate personal airline preferences are not allowed. Travelers can upgrade as long as there is no additional cost to AGC (for example, by using personal airline miles or frequent flyer status).
2. **Tickets purchased in advance:** Prices are typically best when flights are booked 21 or more days in advance. All flights should be booked as far in advance as possible to take advantage of lower fares.
3. **Non-reimbursable expenses:**
 - a. Memberships in airline flight clubs is not reimbursable.
 - b. Cost of flight insurance is not reimbursable.

- c. Travelers must identify and pay for all personal flights, even if such flights are incorporated into a flight schedule that serves business purposes (i.e. AGC will not reimburse for the personal legs of a trip)

Reasonableness of Travel Costs

AGC shall reimburse travelers only for those business-related costs that are reasonably incurred. Accordingly, the following guidelines shall apply:

1. Suites and other upgraded rooms at hotels shall not be allowed; Travelers should stay in standard rooms
2. When utilizing rental cars, travelers should rent midsize or smaller vehicles; Share rental cars whenever possible
3. Travelers are encouraged to use the safest and most economical modes of transportation available to them. Consider taxis, Ubers, Lyfts, hotel shuttles, and public transportation between airports, your home, and the departure point or between the arrival point and your meeting place or lodging. Car services are authorized as an alternative when other options are impractical, more expensive, unavailable, or potentially unsafe. The actual fare plus tip for these modes of transportation will be reimbursed subject to documentation requirements noted above.
4. Business travel may necessitate hosting meals and providing other entertainment for members, prospective members, and other AGC personnel. Good judgment should be used regarding the types and costs of these events, and the most senior AGC employee or Officer in attendance should pay using a corporate or personal card. The actual cost of the business meal plus tip will be authorized.
5. Tips for meals and ground transportation should not exceed reasonable standards. Reasonable tips for baggage handling shall be reimbursed but should not exceed \$20 maximum per day.

Spouse/Partner Travel

It is the policy of AGC not to reimburse any employee or board member for separate travel costs (air fare, etc.) associated with his/her spouse or partner except for the executive director and executive committee officers. The cost of a shared hotel room need not be allocated between employee/director and spouse/partner for purposes of this policy.

Member Request for Expense Reimbursement

Member Name: _____

Meeting: _____

Location: _____ **Meeting Dates:** _____

| | |
|---|-----------|
| Transportation (attach receipts) | \$ |
| Per Diem (attach meeting agenda and receipts) \$250 x Number of Meeting Days | \$ |
| Registration Fee (if applicable) | \$ |
| Total | \$ |

Payable to: _____

Address: _____

City: _____ **State:** _____ **Zip:** _____

Signature: _____

Expenses must be submitted within 60 days of travel; for travel in November and December, all expenses must be submitted no later than January 15 of the following year.

Attach copies of all receipts and the meeting agenda. Receipts are required for all expenses.

Submit a written report (meeting content and actions taken) to mikes@agc-oregon.org.

Leadership Allowances

President – All necessary/reasonable expenses related to chapter activities (includes companion).

VPs and Secretary – All necessary and reasonable expenses related to Western Chapters Conference, AGCA Convention, and National Leadership Conference (includes companion). Per diem guidelines for all other eligible travel.

Treasurer – Per diem guidelines for the Summer Convention and Annual Business Meeting.

AGCA Directors and AGCA Committee Members – Chapter will reimburse lowest available airfare, basic registration fee, and per diem expenses for each day of the AGCA Convention and AGCA meetings. Expense reimbursement is limited to \$3,000 per member company per year.

Per Diem Guidelines – Expense reimbursement of up to \$250 per day for out-of-pocket expenses such as lodging, meals, ground transportation, etc. Leisure expenses like golf are not reimbursable.



Chapter Travel Administrative Guidelines

General Policy Statement

These guidelines apply to all authorized travel contained in the chapter budget, as well as other travel authorized by chapter board president. AGC travel must be forecasted and submitted in July of the prior budget year to the executive director and pre-approved by the chapter board president. Authorized travel is encouraged within budget constraints. Reimbursement levels **aren't established to cover all travel expenses**. Eligible travel usually includes AGCA annual convention, AGCA committees, AGCA National Leadership Conference, and regional chapter meetings. Members make their own travel arrangements and are responsible for payment of all related costs. Expenses must be reported on Member Request for Expense Reimbursement form (copy attached) and be submitted with proper documentation **within 60 days of travel (November and December reimbursement information must be submitted by January 15 of the following year)**. Requests over 60 days must have approval of executive director, chapter board president, and treasurer.

Proper Documentation Means:

- Receipts for airfare. Receipts for all other expenses, including basic registration fees, out of pocket expenses, hotel stay, etc. ***Receipts are required for reimbursement.***
- Meeting agenda
- Written report containing the following elements:
 - Committee name
 - Date and location of meeting
 - Brief summary of meeting content including substantive actions taken

This report can be submitted via email to: mikes@agc-oregon.org.

It is also expected that attendees will make verbal reports at board meetings when requested. If there are any questions about appropriate expenses, members should get *prior approval*. Members are must advise AGC of anticipated attendance at national events in the coming year. These guidelines are provided to every board member, and it's suggested that the policy be reviewed at each budget cycle.





**Audit Review Meeting Agenda
May 20, 2020**

1. Introduction
 - Shane Graves Partner
 - Ian Gelfand Audit Manager
 - Ben Wyckoff Audit Manager

2. Consolidated Financial Statements
 - Review of the audit report
 - Review of significant financial items
 - Highlight changes in presentation due to new revenue recognition standards

3. Audit Letter
 - Review sections of the audit letter
 - Review of schedule of audit adjustments and waived journal entries

4. Suggestions for Improvement
 - No Material Weaknesses or Significant Deficiencies
 - Update of prior year matters

5. Other items
 - Testing of employee credit card purchases
 - Tested 3 employees over 2 months
 - \$187 in missing receipts over the 2 months (2.5% of total tested)
 - Delayed implementation date for lease accounting
 - Any questions or comments



CONSOLIDATED FINANCIAL STATEMENTS

Years Ended December 31, 2019 and 2018

and

Consolidating Information

with

Independent Auditors' Reports

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

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Independent Auditors' Report

The Board of Directors
Oregon-Columbia Chapter of the Associated
General Contractors of America

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the Oregon-Columbia Chapter of the Associated General Contractors of America, AGC Oregon-Columbia Chapter Foundation, Union Contractor Group, AGC Committee for Action, and Building a Better Oregon, which comprise the consolidated statements of financial position as of December 31, 2019 and 2018, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Oregon-Columbia Chapter of the Associated General Contractors of America, AGC Oregon-Columbia Chapter Foundation, Union Contractor Group, AGC Committee for Action, and Building a Better Oregon as of December 31, 2019 and 2018, and the consolidated changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in Note 2 to the consolidated financial statements, the Oregon-Columbia Chapter of the Associated General Contractors of America, AGC Oregon-Columbia Chapter Foundation, Union Contractor Group, AGC Committee for Action, and Building a Better Oregon have adopted Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606). Our opinion is not modified with respect to this matter.

Lake Oswego, Oregon

[DATE]

DRAFT

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Consolidated Statements of Financial Position

| December 31, | 2019 | 2018 |
|---|----------------------------|----------------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 2,547,338 | \$ 2,702,348 |
| Accounts receivable (net of allowance for doubtful accounts of \$3,000) | 96,421 | 142,403 |
| Prepaid expenses | 163,567 | 92,302 |
| Investments (Notes 4 and 13) | 5,860,771 | 5,033,493 |
| Chapter equipment and leasehold improvements - net (Notes 6 and 7) | 438,295 | 533,305 |
| Total assets | <u>\$ 9,106,392</u> | <u>\$ 8,503,851</u> |
| LIABILITIES AND NET ASSETS | | |
| Liabilities: | | |
| Accounts payable | \$ 131,737 | \$ 146,672 |
| Pledges payable (Note 3) | 67,500 | 101,500 |
| Accrued vacation | 115,725 | 96,436 |
| Contract liabilities (Note 2) | 1,577,077 | 2,161,947 |
| Deferred gain on sale of LLC building (Note 5) | 74,277 | 252,525 |
| Notes payable (Note 7) | 78,635 | 120,427 |
| Total liabilities | 2,044,951 | 2,879,507 |
| Commitments (Notes 7, 10, and 12) | | |
| Net assets without donor restrictions: | | |
| AGC Chapter: | | |
| Undesignated | 1,590,209 | 926,244 |
| Board designated Chapter Financial Reserve (Note 4) | 1,225,251 | 1,225,251 |
| Board designated Chapter Facility Fund (Note 4) | 2,162,815 | 1,903,911 |
| AGC Chapter Foundation | 568,746 | 465,812 |
| Union Contractor Group | 1,029,742 | 882,605 |
| AGC Committee for Action | 483,737 | 218,316 |
| Building a Better Oregon | 941 | 2,205 |
| Total net assets without donor restrictions | <u>7,061,441</u> | <u>5,624,344</u> |
| Total liabilities and net assets | <u>\$ 9,106,392</u> | <u>\$ 8,503,851</u> |

The accompanying notes are an integral part of the consolidated financial statements.

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Consolidated Statements of Activities

| Years Ended December 31, | 2019 | 2018 |
|---|---------------------|---------------------|
| Revenues: | | |
| Membership dues, net | \$ 3,135,520 | \$ 3,064,304 |
| SAIF Loss Control contract | 1,756,381 | 1,800,531 |
| Training, services, and sponsorships | 235,300 | 215,345 |
| Events | 350,829 | 334,466 |
| Investment returns: | | |
| Interest and dividends | 226,815 | 198,534 |
| Realized gain on investments | 491 | 49,943 |
| Unrealized gain (loss) on investments | 601,939 | (446,717) |
| Net investment returns (losses) | 829,245 | (198,240) |
| Third party contributions: | | |
| Union contributions | 380,517 | 361,551 |
| AGC Chapter Foundation | 43,981 | 33,977 |
| AGC Committee for Action | 29,000 | 24,000 |
| Total contributions | 453,498 | 419,528 |
| Other revenue | 27,667 | 118,751 |
| Total revenues | 6,788,440 | 5,754,685 |
| Expenses: | | |
| Management and operations | 875,369 | 963,320 |
| Public affairs | 925,748 | 1,464,526 |
| SAIF contract | 1,744,042 | 1,800,531 |
| Events | 711,959 | 648,202 |
| Membership services | 206,935 | 183,928 |
| Workforce | 520,193 | 479,713 |
| Training | 131,174 | 141,638 |
| Councils and committees | 164,011 | 143,454 |
| Labor relations | 357,357 | 252,982 |
| Foundation | 56,938 | 169,307 |
| Total expenses | 5,693,726 | 6,247,601 |
| Increase (decrease) in net assets without donor restrictions from operations | 1,094,714 | (492,916) |
| Gain on sale of AGC Center LLC building <i>(Note 5)</i> | 178,248 | 178,251 |
| Increase (decrease) in net assets without donor restrictions | 1,272,962 | (314,665) |
| Net assets without donor restrictions as of December 31, 2018 and 2017, respectively | 5,624,344 | 5,939,009 |
| ASC 606 adoption effective January 1, 2019 <i>(Note 2)</i> | 164,135 | - |
| Net assets without donor restrictions as of January 1, 2019 and 2018, respectively | 5,788,479 | 5,939,009 |
| Net assets without donor restrictions as of December 31, 2019 and 2018, respectively | \$ 7,061,441 | \$ 5,624,344 |

The accompanying notes are an integral part of the consolidated financial statements.

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Consolidated Statement of Functional Expenses

Years Ended December 31, 2019 (With Comparative Totals for 2018)

| | Program Services | | | | | | | | | | Total | |
|--|-------------------|---------------------|-------------------|------------------------|-------------------|-------------------|----------------------------|--------------------|-------------------|------------------------------|---------------------|---------------------|
| | Public Affairs | SAIF Contract | Events | Membership Services | Workforce | Training | Councils and Committees | Labor Relations | AGC Foundation | Management and Operations | 2019 | 2018 |
| Salaries and benefits | \$ 491,553 | \$ 1,251,768 | \$ 287,389 | \$ 132,827 | \$ 202,667 | \$ 30,332 | \$ 45,376 | \$ 186,449 | \$ - | \$ 393,685 | \$ 3,022,046 | \$ 2,923,208 |
| Consulting and contract labor | 244,817 | 118,100 | 853 | 19,916 | 46,517 | 60,850 | 320 | 67,764 | 6,000 | 152,914 | 718,051 | 606,541 |
| Office expenses | 21,616 | 28,870 | 26,631 | 2,945 | 9,260 | 2,683 | 14,621 | 6,241 | 86 | 21,840 | 134,793 | 112,766 |
| Telephone and internet | 4,778 | 22,063 | 3,250 | 1,189 | 3,014 | 1,700 | - | 1,423 | 75 | 15,694 | 53,186 | 53,599 |
| Minor equipment, rentals, repairs, and vehicle expenses | 9,525 | 30,992 | 32,839 | 11,315 | 16,749 | 191 | 19 | 9,476 | - | 9,263 | 120,369 | 133,539 |
| Advertising and promotion | 49,743 | 38,173 | 253,763 | 9,671 | 92,796 | 5,868 | 79,331 | 24,859 | - | 9,385 | 563,589 | 471,775 |
| Meetings and seminars | 1,443 | 1,332 | 29,736 | 2,090 | 1,491 | 2,635 | 2,154 | 2,688 | - | 55,103 | 98,672 | 111,847 |
| Travel | 9,940 | 55,194 | 17,991 | 8,010 | 8,123 | 1,548 | 10,456 | 24,648 | - | 42,424 | 178,334 | 151,619 |
| Rent | 23,864 | 24,350 | 34,631 | 15,792 | 15,792 | 21,455 | 11,139 | 15,793 | - | 64,344 | 227,160 | 218,299 |
| Insurance | 1,861 | 36,305 | - | - | - | - | - | 750 | - | 6,980 | 45,896 | 45,512 |
| Grants, donations, and gifts | 54,350 | 1,024 | 10,884 | - | 122,340 | - | - | 7,422 | 50,775 | 3,185 | 249,980 | 1,085,366 |
| Depreciation and amortization | 5,313 | 108,769 | - | - | - | - | - | - | - | 82,176 | 196,258 | 227,016 |
| Other | 6,945 | 27,102 | 13,992 | 3,180 | 1,444 | 3,912 | 595 | 9,844 | 2 | 18,376 | 85,392 | 106,514 |
| | \$ 925,748 | \$ 1,744,042 | \$ 711,959 | \$ 206,935 | \$ 520,193 | \$ 131,174 | \$ 164,011 | \$ 357,357 | \$ 56,938 | \$ 875,369 | \$ 5,693,726 | \$ 6,247,601 |

The accompanying notes are an integral part of the consolidated financial statements.

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Consolidated Statements of Cash Flows

| Years Ended December 31, | 2019 | 2018 |
|---|---------------------|---------------------|
| Cash flows from operating activities: | | |
| Cash received from: | | |
| Membership dues | \$ 3,233,182 | \$ 3,079,117 |
| SAIF Loss Control contract | 1,317,426 | 2,106,608 |
| Training, services, and sponsorships | 235,300 | 215,345 |
| Events | 317,369 | 372,882 |
| Interest and dividends | 226,815 | 198,534 |
| Contributions | 453,498 | 408,878 |
| Other | 27,667 | 118,754 |
| | <hr/> | <hr/> |
| Total cash received | 5,811,257 | 6,500,118 |
| Cash paid for: | | |
| Payroll and related expenses | (3,002,757) | (2,929,184) |
| Other operating expenses | (2,608,992) | (3,083,693) |
| Interest | (3,373) | (3,624) |
| Taxes | (670) | (1,300) |
| | <hr/> | <hr/> |
| Total cash paid | (5,615,792) | (6,017,801) |
| | <hr/> | <hr/> |
| Net cash provided by operating activities | 195,465 | 482,317 |
| Cash flows from investing activities: | | |
| Proceeds from sales of investments | 138,530 | 213,264 |
| Purchases of investments | (363,378) | (418,973) |
| Proceeds from sale of Chapter equipment | 8,500 | 19,950 |
| Purchase of Chapter equipment and leasehold improvements | (92,335) | (97,956) |
| | <hr/> | <hr/> |
| Net cash used by investing activities | (308,683) | (283,715) |
| Cash flows from financing activities: | | |
| Payments on notes payable | (41,792) | (46,496) |
| | <hr/> | <hr/> |
| Net cash used by financing activities | (41,792) | (46,496) |
| | <hr/> | <hr/> |
| Net increase (decrease) in cash and cash equivalents | (155,010) | 152,106 |
| Cash and cash equivalents, beginning of year | 2,702,348 | 2,550,242 |
| | <hr/> | <hr/> |
| Cash and cash equivalents, end of year | \$ 2,547,338 | \$ 2,702,348 |
| | <hr/> | <hr/> |

The accompanying notes are an integral part of the consolidated financial statements.

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Consolidated Statements of Cash Flows - Continued

| Years Ended December 31, | 2019 | 2018 |
|--|--------------------------|--------------------------|
| Reconciliation of increase (decrease) in net assets to net cash provided by operating activities: | | |
| Increase (decrease) in net assets | \$ 1,272,962 | \$ (314,665) |
| Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities: | | |
| Depreciation and amortization | 196,258 | 227,016 |
| Net realized and unrealized (gain) loss on investments | (602,430) | 396,774 |
| Gain on sale of Chapter equipment | (7,288) | (18,982) |
| Deferred gain on sale | (178,248) | (178,251) |
| (Increase) decrease in: | | |
| Accounts receivable | 45,982 | (56,104) |
| Prepaid expenses | (71,265) | (6,856) |
| Increase (decrease) in: | | |
| Accounts payable | (25,060) | (12,824) |
| Pledges payable | (34,000) | 66,000 |
| Accrued vacation | 19,289 | (5,976) |
| Contract liabilities | (420,735) | 386,185 |
| Net cash provided by operating activities | <u>\$ 195,465</u> | <u>\$ 482,317</u> |
| Supplemental disclosure of cash flow information: | | |
| Cash paid during the year for interest | \$ 3,373 | \$ 3,624 |
| Cash paid during the year for taxes | 670 | 1,300 |
| Supplemental disclosures of noncash investing and financing transactions: | | |
| Equipment purchased in exchange for notes payable | \$ - | \$ 67,976 |
| Equipment purchased in accounts payable | 10,125 | - |

The accompanying notes are an integral part of the consolidated financial statements.

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Notes to Consolidated Financial Statements

1. Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities - The Oregon-Columbia Chapter of the Associated General Contractors of America (the Chapter) is a trade association organized to perform a variety of services for member contractors primarily located in Oregon and southwest Washington. Such services include collective bargaining, group insurance programs, trust administration, legislative affairs, safety training, continuing education, and apprenticeship administration.

AGC Oregon-Columbia Chapter Foundation - The AGC Oregon-Columbia Chapter Foundation (the Foundation) was established in July 1999, as a not-for-profit corporation whose mission is to exclusively carry out charitable purposes related to and in support of construction industry promotion, construction training and education, and construction-related relief efforts; and to provide a vehicle for the Chapter members to make targeted contributions to both construction and non-construction related causes. The Chapter has majority representation on the Board of Directors of the Foundation and the ability to appoint individuals that constitute a majority.

Union Contractor Group - The Union Contractor Group (the UCG), formerly the Contract Administration Fund, was established in 1991, as a not-for-profit corporation for the purpose of establishing and maintaining a fund to assist and promote programs of industry education, training, and negotiation and administration of collective bargaining agreements. The Chapter has majority representation on the Board of Directors of the UCG and the ability to appoint individuals that constitute a majority. The Chapter incurred expenses of \$311,509 and \$227,739 during the years ended December 31, 2019 and 2018, respectively, for services performed on behalf of the UCG. These expenses were netted against Union Contributions on the consolidating statement of activities and eliminated on the consolidated statements of activities.

AGC Committee for Action - The AGC Committee for Action (the Committee) was established as a political action committee to support state candidates and measures. The Chapter has majority representation on the Board of Directors of the Committee and the ability to appoint individuals that constitute a majority.

Building a Better Oregon - Building a Better Oregon (the BBO) was established as a political action committee to support local candidates and measures. The Chapter has majority representation on the Board of Directors of the BBO and the ability to appoint individuals that constitute a majority.

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Notes to Consolidated Financial Statements - Continued

1. Nature of Activities and Summary of Significant Accounting Policies - Continued

Summary of Significant Accounting Policies - The significant accounting policies followed by the Chapter, the Foundation, the UCG, the Committee, and the BBO (together, the Organizations) are described below to enhance the usefulness of the consolidated financial statements to the reader.

Basis of Presentation - Net assets and all balances and transactions are presented based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets not subject to donor-imposed stipulations.

Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

Consolidated Financial Statements - The consolidated financial statements include the accounts of the Chapter, the Foundation, the UCG, the Committee, and the BBO. All significant inter-entity balances and transactions have been eliminated.

Use of Estimates - The preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) 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 consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Estimates are used in accounting for, among other things, depreciation, amortization, and allowance for doubtful accounts.

Adoption of New Accounting Standards - The Organizations have adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU), 2014-09, *Revenue from Contracts with Customers* (Topic 606). This ASU and all subsequently issued clarifying ASUs replaced most existing revenue recognition guidance in GAAP. The new standard requires companies to recognize revenue when control of promised goods or services is transferred to customers at an amount that reflects the consideration to which the company expects to be entitled in exchange for the goods or services. The new model requires companies to identify contractual performance obligations and determine whether revenue should be recognized at a point in time or over time for each of these obligations. The ASU also requires expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers that fall within its scope. The standard is effective for annual periods beginning after December 15, 2018 and, as such, the Organizations adopted the new standard effective January 1, 2019. Refer to Note 2 for further details.

Cash and Cash Equivalents - For purposes of the consolidated financial statements, cash equivalents include debt instruments with original maturities of less than three months at date of purchase.

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Notes to Consolidated Financial Statements - Continued

1. Nature of Activities and Summary of Significant Accounting Policies - Continued

Summary of Significant Accounting Policies - Continued

Accounts Receivable - Accounts receivable are recognized as services are provided. At the discretion of management, certain delinquent accounts may be assessed finance charges, which are recognized as income when charged. The balance of accounts receivable outstanding over 90 days was \$-0- and \$5,100 at December 31, 2019 and 2018, respectively. The Chapter grants credit to its customers/members on an unsecured basis.

Allowance for Doubtful Accounts - The Chapter uses the allowance method to account for uncollectible accounts receivable. The allowance for doubtful accounts is estimated by management based on various factors, including past history and current economic conditions. Management will write off any balance that remains after it has exhausted all reasonable collection efforts.

Investments - Investments are carried at fair value in the consolidated statements of financial position. Unrealized gains are included in the consolidated statements of activities. See *Note 14* for further discussion relating to fair value measurements.

Equipment and Leasehold Improvements - The Chapter follows the policy of capitalizing, at cost, all expenditures for equipment and leasehold improvements in excess of \$1,000.

Depreciation and Amortization - Equipment, consisting of furniture, equipment, and vehicles, are stated at cost and is depreciated over the estimated useful lives of 3 to 15 years using the straight-line method. Leasehold improvements are stated at cost and are amortized over the shorter of the lease period or the estimated useful life using the straight-line method.

Tax on Lobbying Activities - The Chapter reports the nondeductible portion of membership dues to the Chapter members. The Chapter does not anticipate incurring tax on its lobbying activities. Any lobbying expense incurred in excess of that reported to members as nondeductible will be offset in future years by a nondeductible portion in excess of the amount actually incurred.

Income Taxes - The Chapter is a tax-exempt organization under Section 501(c)(6) of the Internal Revenue Code (IRC) and similar state provisions; however, the Chapter administers programs and provides services unrelated to the functions of a trade association which may result in unrelated business taxable income. The Chapter had no unrelated business income tax due in 2019 and 2018.

The Foundation is exempt from income taxes under Section 501(c)(3) of the IRC and similar state provisions. The Foundation is not classified as a private foundation.

The UCG is a tax-exempt organization under Section 501(c)(6) of the IRC and similar state provisions.

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Notes to Consolidated Financial Statements - Continued

1. Nature of Activities and Summary of Significant Accounting Policies - Continued

Summary of Significant Accounting Policies - Continued

Income Taxes - Continued - The Committee is exempt from income taxes under Section 527 of the IRC and similar state provisions, but is taxed on interest and dividends earned from its interest-bearing accounts and investments. The Committee's business activities resulted in taxes of \$533 and \$150 in 2019 and 2018, respectively.

The BBO is exempt from income taxes under Section 527 of the IRC and similar state provisions, but is taxed on interest and dividends earned from its interest-bearing accounts and investments. The BBO's business activities resulted in taxes of \$150 in 2019 and 2018.

Management does not believe the Organizations have any tax positions that do not meet the more likely than not criteria. Accordingly, the Organizations have not recorded any liability for uncertain tax positions to their major tax jurisdictions. The Organizations did not record any penalty or interest related to their tax positions and if any were recorded, those amounts would be included in operating expenses. There are currently no tax audits in progress for any periods.

Advertising - The Chapter expenses all advertising costs as they are incurred. Advertising expenses totaled \$563,589 and \$471,775 for the years ended December 31, 2019 and 2018, respectively.

Functional Allocation of Expenses - The costs of providing the various member services and other activities have been summarized on a functional basis in the consolidated statement of functional expenses. Accordingly, certain costs have been allocated using various methods, including specific identification, square footage, and estimates of time and effort. The allocated expenses include salaries and benefits allocated using estimates of time and effort and occupancy costs allocated based on estimated benefit. The Organizations grouped expenses into the following categories:

Public Affairs - Focused on protecting the interests of the commercial construction industry, Public Affairs works with a broad range of elected and non-elected public officials and organizations to shape industry sensitive legislation and regulations that impact contractors.

SAIF Contract - The Chapter supports its members in accomplishing safety goals through various programs, services, activities, and resources. Professional expertise, creative solutions, relevant focused training, and value-added tools and resources help members identify, develop, maintain, and improve sound safety solutions.

Events - Every year the Chapter offers quality events, creating the opportunity for its members to network, build their teams, continue industry education, and have fun.

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Notes to Consolidated Financial Statements - Continued

1. Nature of Activities and Summary of Significant Accounting Policies - Continued

Summary of Significant Accounting Policies - Continued

Functional Allocation of Expenses - Continued

Membership Services - Membership Services continue to review/research products and services that will benefit our members. The Chapter currently offers its members human resource advice, a turnkey retirement and 401(k) pension plan, a health insurance program, and discounts through partner programs.

Workforce - The Chapter partners with members and organizations to enhance the development and recruitment of a highly skilled and diverse construction workforce.

Training - The Chapter offers numerous live, on-demand, and online safety training and professional certification programs to help contractors improve safety and reduce accidents, meet industry and agency requirements, and meet the education needs of the construction industry.

Councils and Committees - Members join councils and committees to build strong industry relationships, share best practices, give back to local communities, to further personal and professional growth, and contribute to the future success of the Chapter and the industry.

Labor Relations - The Chapter and UCG provide assistance to all its contractors with labor issues, including contract interpretation, advice on grievances and contractual obligations regarding discipline and discharge, wage and fringe benefit information, prevailing wage laws, and the Davis Bacon Act.

Foundation - A not-for-profit corporation whose mission is to exclusively carry out charitable purposes related to and in support of construction industry promotion, construction training and education, and construction-related relief efforts; and to provide a vehicle for the Chapter members to make targeted contributions to both construction and non-construction related causes.

Management & Operations - Responsible for the oversight and coordination of five distinct entities; coordinating relations with the local board of directors and the Chapter of America; annual development of the Chapter budget and financial reporting; and oversight of the health and pension trusts.

Summarized Comparative Information - The accompanying consolidated financial statements include certain prior year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organizations' 2018 consolidated financial statements, from which the summarized information was derived.

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Notes to Consolidated Financial Statements - Continued

2. Revenue and Revenue Recognition

On January 1, 2019, the Organizations adopted ASC 606, *Revenue from Contracts with Customers*, using the modified retrospective approach method applied to those contracts that were not completed as of January 1, 2019. In adoption of ASC 606, the Organizations changed their policy for revenue recognition. The cumulative effect of applying the guidance was recorded on January 1, 2019, as an increase to net asset without donor restrictions in the amount \$164,135. Results for periods prior to January 1, 2019, are not adjusted and continue to be reported in accordance with the Organizations' historic accounting under ASC 605. However, the Chapter has reclassified prior year consolidated statements of financial position and cash flow amounts to be in accordance with current year presentation.

The Organizations' policy for the recognition of revenues is as follows:

Membership Dues - The Chapter's membership is comprised of general contractor, specialty contractor, and associate and affiliate members. Contractor members are billed on revenue volume reported. Industry associates are billed based on employees reported. Professional associates and affiliate members are billed based on a fixed fee schedule. The membership period runs on a fiscal year from July 1 to June 30 with members making payments to the Chapter either annually or quarterly.

National AGC imposes a charter fee for their portion of the dues based on the Chapter's three year rolling average of total membership dues. The Chapter bills its members at a dues rate which includes a consideration of the charter fees that will be paid to National AGC. During 2019 and 2018, the Chapter recognized charter fees of \$451,535 and \$418,070, respectively, in the consolidated statement of activities as a reduction of membership dues.

Revenue from contracts with members for dues is reported at the amount that reflects the consideration to which the Chapter expects to be entitled in exchange for membership privileges. Revenues are recognized ratably over the contract period as our services are expended evenly, and the customer receives and consumes the benefits of our performance throughout the membership term. Membership dues received in advance that have not been earned are reported as contract liabilities in the accompanying consolidating statement of financial position.

SAIF Loss Control Contract - The Chapter has entered into a group workers' compensation insurance service agreement with the State Accident Insurance Fund (SAIF). Under this agreement, the Chapter endorses SAIF as its workers' compensation carrier and provides members with loss prevention and claim management services. The annual contracts run from October through September and contain a single performance obligation to provide safety services over that period. Revenue is recognized as the performance obligation is satisfied, which is ratably over the contract term. Payments received in advance that have not been earned are reported as contract liabilities in the accompanying consolidating statement of financial position.

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Notes to Consolidated Financial Statements - Continued

2. Revenue and Revenue Recognition - Continued

Training, Services, and Sponsorships and Events - The Chapter provides educational conferences and classes as well as various member events during the year. Revenue is recognized when earned, which is when the related services are provided. Payments received in advance that have not been earned are reported as deferred revenue in the accompanying consolidating statement of financial position.

Contribution Recognition - Contributions, which include unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. The Organizations do not incur significant costs to solicit contributions.

The Organizations report gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the consolidated statements of activities as net assets released from restrictions. Donor restricted contributions are classified as without donor restriction when the restriction is satisfied in the same fiscal year the contribution is received.

Other Operating Revenues - Revenues are not recognized until earned, which is generally when services are provided.

The caption "contract liabilities" in the consolidated statements of financial position represents consideration received in excess of amounts earned. Contracts liabilities consist of unearned revenue from amounts received by the Organizations from members in advances of services provided.

Contract liabilities consisted of the following as of December 31:

| | 2019 | 2018 | 2017 |
|---------------------|---------------------|---------------------|---------------------|
| Membership dues | \$ 1,566,724 | \$ 1,515,044 | \$ 1,473,352 |
| SAIF | - | 597,012 | 275,793 |
| Events and deposits | 6,670 | 40,130 | 11,475 |
| Other | 3,683 | 9,761 | 15,142 |
| | <u>\$ 1,577,077</u> | <u>\$ 2,161,947</u> | <u>\$ 1,775,762</u> |

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Notes to Consolidated Financial Statements - Continued

3. Pledges Payable

At December 31 pledges payable are as follows:

| | 2019 | 2018 |
|-----------------------|-------------------------|--------------------------|
| OSU Foundation | \$ 50,000 | \$ 75,000 |
| Junior Achievement | <u>17,500</u> | <u>26,500</u> |
| Total pledges payable | <u><u>\$ 67,500</u></u> | <u><u>\$ 101,500</u></u> |

At December 31 total pledges are payable as follows:

| | 2019 | 2018 |
|-------------------------------|-------------------------|--------------------------|
| Payable in less than one year | \$ 59,000 | \$ 34,000 |
| Payable in one to five years | <u>8,500</u> | <u>67,500</u> |
| | <u><u>\$ 67,500</u></u> | <u><u>\$ 101,500</u></u> |

Management has not discounted the pledges above to present value. Management believes, given the low interest rates available as of December 31, 2019 and 2018, the effects of discounting the aforementioned pledges would be immaterial, individually and in the aggregate, to the consolidated financial statements.

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Notes to Consolidated Financial Statements - Continued

4. Investments

The components of the investments are as follows as of December 31:

| | 2019 | 2018 |
|--------------------------|----------------------------|----------------------------|
| Mutual funds | \$ 3,276,210 | \$ 2,593,887 |
| Exchange traded funds | 2,047,852 | 1,982,098 |
| Money market funds | 536,709 | 457,508 |
| Total investments | <u>\$ 5,860,771</u> | <u>\$ 5,033,493</u> |

At December 31 the investments are intended and available for use as follows:

| | 2019 | 2018 |
|--|----------------------------|----------------------------|
| The Foundation | \$ 622,178 | \$ 548,514 |
| The UCG | 1,017,365 | 847,272 |
| The Chapter: | | |
| Board designated Chapter Financial Reserve ^A | 1,225,251 | 1,225,251 |
| Board designated Chapter Facility Fund | 2,162,815 | 1,903,911 |
| Amount undesignated and available for current and future operations and obligations | <u>833,162</u> | <u>508,545</u> |
| Total the Chapter | <u>4,221,228</u> | <u>3,637,707</u> |
| Total investments | <u>\$ 5,860,771</u> | <u>\$ 5,033,493</u> |

^A In August 1999, the Chapter's Board of Directors adopted a reserve policy, establishing a separate Board designated fund with an initial value of \$1,350,000. This amount was based on certain Board assumptions and estimates to assure the Chapter's future financial stability. In 2004, the Chapter's Board of Directors approved the use of the financial reserve to forgive the note receivable from the Committee for SAIF Keeping and, accordingly, the reserve was decreased by \$661,542. In 2010, the Chapter increased the financial reserve to \$1,151,397 and then increased it to \$1,225,251 in 2011. In 2019, the Board reviewed the financial reserve policy and determined no changes were necessary.

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Notes to Consolidated Financial Statements - Continued

5. AGC Center LLC Rental Property

On October 22, 2014, the AGC Center LLC (the LLC) entered into an agreement with a third party to sell the LLC rental property. The agreement was finalized and the LLC rental property was sold for a price of \$4,025,000 on February 27, 2015. In conjunction with the sale, the Chapter entered into a long-term lease agreement with the purchaser to lease the Chapter's current office space that expires May 2020 (*Note 10*).

The agreement assigns all rental agreements to the purchaser and the LLC will have no further involvement in the operations of the building.

Accounting standards require an owner who sells property and leases a portion of the property back from the buyer to recognize only the portion of the gain in the year of sale that exceeds the present value of total lease payments and amortize the remaining portion of the gain over the life of the lease. The balance of the deferred gain at December 31, 2019 and 2018, is \$74,277 and \$252,525, respectively. The Chapter recognized \$178,248 and \$178,251 in the years ended December 31, 2019 and 2018, respectively, as gain related to the sale of the property.

Future deferred gain on the sale of the building as of December 31, 2019, is \$74,277 and will be recognized in 2020.

6. Chapter Equipment and Leasehold Improvements

Chapter equipment and leasehold improvements consisted of the following at December 31:

| | 2019 | 2018 |
|--|--------------------|--------------------|
| Furniture and equipment | \$ 950,454 | \$ 943,109 |
| Vehicles | 397,464 | 396,190 |
| Leasehold improvements | <u>372,761</u> | <u>372,761</u> |
| | 1,720,679 | 1,712,060 |
| Less accumulated depreciation and amortization | <u>(1,282,384)</u> | <u>(1,178,755)</u> |
| Chapter equipment and leasehold improvements - net | <u>\$ 438,295</u> | <u>\$ 533,305</u> |

Depreciation and amortization expense on the Chapter equipment and leasehold improvements totaled \$196,258 and \$227,016 for the years ended December 31, 2019 and 2018, respectively.

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Notes to Consolidated Financial Statements - Continued

7. Notes Payable

Chapter notes payable consisted of the following at December 31:

| | 2019 | 2018 |
|---|------------------|-------------------|
| Notes payable to Toyota Financial Services in monthly installments of \$2,930 including interest ranging from 0.9 to 4.99 percent with payments due through April 2023. Secured by vehicles with a net carrying value of \$90,517 at December 31, 2019. | \$ 77,418 | \$ 114,591 |
| Note payable to Ford Credit in monthly installments of \$408 including interest of 4.99 percent with payments due through March 2020. Secured by a vehicle with a net carrying value of \$885 at December 31, 2019. | <u>1,217</u> | <u>5,836</u> |
| | <u>\$ 78,635</u> | <u>\$ 120,427</u> |

Interest expense related to the Chapter notes payable totaled \$3,374 and \$3,625 for the years ended December 31, 2019 and 2018, respectively.

Future principal maturities on notes payable are as follows at December 31, 2019:

| Years Ending December 31, | | |
|--------------------------------------|--|------------------|
| 2020 | | \$ 30,461 |
| 2021 | | 26,237 |
| 2022 | | 14,410 |
| 2023 | | <u>7,527</u> |
| | | <u>\$ 78,635</u> |

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Notes to Consolidated Financial Statements - Continued

8. Line of Credit

The Chapter has an agreement with Morgan Stanley that allows the Chapter to receive advances under a revolving loan agreement. The agreement is collateralized by investments maintained at Morgan Stanley, and the amount available to borrow is based on a percentage of the market value of the funds held. Interest is variable and is based on Morgan Stanley's base loan rate. No interest was paid on borrowings during the years ended December 31, 2019 and 2018. There were no outstanding borrowings as of December 31, 2019 and 2018.

9. Liquidity and Availability of Financial Assets

The Organizations' financial assets available for expenditure within one year of the consolidated statement of financial position date are as follows:

| | |
|-----------------------------------|----------------------------|
| Cash and cash equivalents | \$ 2,547,338 |
| Accounts receivable | 96,421 |
| Investments | <u>5,860,771</u> |
| | 8,504,530 |
| Less board designated investments | <u>(3,388,066)</u> |
| | <u><u>\$ 5,116,464</u></u> |

The Organizations' Board designated funds are a component of net assets without donor restriction. Although management intends to use these funds in accordance with provisions outlined by the Board of Directors, amounts could be available for current operations, if approved by the Board.

The Organizations maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organizations also maintains a line of credit which can be drawn upon in the event of unanticipated liquidity needs.

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Notes to Consolidated Financial Statements - Continued

10. Commitments

The Chapter leases office space in Salem, Oregon, under an operating lease agreement through December 2021. The lease calls for current monthly lease payments of \$694, increasing over the life of the lease.

As a part of the LLC sales agreement (*Note 4*), the Chapter entered into a lease agreement with the purchaser to lease office space through May 2020. The lease calls for current monthly lease payments of \$17,832, increasing over the life of the lease.

In February 2019, the Chapter signed an extension to this lease commencing March 2020 through May 2025 with increasing monthly payments from \$18,900 to \$21,269 over the life of the lease.

Future minimum lease payments are as follows at December 31, 2019:

| Years Ending December 31, | |
|--------------------------------------|----------------------------|
| 2020 | \$ 232,990 |
| 2021 | 240,963 |
| 2022 | 239,454 |
| 2023 | 246,600 |
| 2024 | 253,992 |
| Thereafter | <u>106,346</u> |
| | <u><u>\$ 1,320,345</u></u> |

Total rent expense for the years ended December 31, 2019 and 2018, was \$227,160 and \$218,299, respectively.

11. Financial Instruments with Concentrations of Risk

Financial instruments that potentially subject the Organizations to credit risk consist of cash equivalents, accounts receivable, and investments. The Chapter and its consolidated entities maintain cash balances in banks and managed funds administered by investment managers in excess of federally insured limits. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investments, it is reasonably possible changes in the values of investments will occur in the near term and such changes could materially affect account balances and the amounts reported in the consolidated financial statements.

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Notes to Consolidated Financial Statements - Continued

12. Defined Contribution Pension Plan

The Chapter maintains a defined contribution pension plan (the Plan) which covers all full-time employees with six months or more of service. Employer contributions to the Plan are 7 percent of the respective employees' compensation. Contributions less forfeitures are funded monthly and become fully vested after three years of service. The employer contribution for the years ended December 31, 2019 and 2018, was \$161,514 and \$142,399, respectively.

13. Fair Value Measurements for Financial Instruments

Accounting standards pertaining to fair value measurements establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels. The Organizations use appropriate valuation techniques based on the available inputs to measure the fair value of their investments. When available, the Organizations measure fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value, and Level 3 inputs are only used when Level 1 or Level 2 inputs are not available. The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets the Organizations have the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets in active markets;
- quoted prices for identical or similar assets in inactive markets;
- inputs derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs to the valuation methodology that are unobservable and significant to the fair value measurement.

Financial instruments measured at fair value on a recurring basis are comprised of the Organizations' investments in equity securities, mutual funds, exchange traded funds, and money market funds.

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Notes to Consolidated Financial Statements - Continued

13. Fair Value Measurements for Financial Instruments - Continued

Fair value as of December 31 was determined as follows:

| | 2019 | | 2018 | |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|
| | Level 1 | Total | Level 1 | Total |
| Exchange traded funds: | | | | |
| Small cap | \$ 151,433 | \$ 151,433 | \$ 89,770 | \$ 89,770 |
| Mid cap | 149,014 | 149,014 | 91,499 | 91,499 |
| Large cap | 757,802 | 757,802 | 479,237 | 479,237 |
| International | 40,826 | 40,826 | 103,974 | 103,974 |
| Fixed income | 948,777 | 948,777 | 1,178,697 | 1,178,697 |
| Alternative | - | - | 38,921 | 38,921 |
| | | | | |
| Total exchange traded funds | 2,047,852 | 2,047,852 | 1,982,098 | 1,982,098 |
| Mutual funds: | | | | |
| Small cap | 127,900 | 127,900 | 81,152 | 81,152 |
| Mid cap | 273,905 | 273,905 | 179,455 | 179,455 |
| Large cap | 1,459,577 | 1,459,577 | 926,904 | 926,904 |
| International | 409,166 | 409,166 | 334,930 | 334,930 |
| Fixed income | 833,761 | 833,761 | 886,363 | 886,363 |
| Alternative | 171,902 | 171,902 | 185,083 | 185,083 |
| | | | | |
| Total mutual funds | 3,276,211 | 3,276,211 | 2,593,887 | 2,593,887 |
| Money market funds | 536,708 | 536,708 | 457,508 | 457,508 |
| | | | | |
| | <u>\$ 5,860,771</u> | <u>\$ 5,860,771</u> | <u>\$ 5,033,493</u> | <u>\$ 5,033,493</u> |

Fair value for equity securities, mutual funds, exchange traded funds, and money market funds is determined by reference to quoted market prices and is, therefore, classified as Level 1. The Chapter does not hold any investments which have been classified as Level 2 or 3 at December 31, 2019.

14. Subsequent Events

Management has evaluated subsequent events through **May 21, 2019**, the date the consolidated financial statements were available for issue. As of that date financial markets and economic conditions in general had undergone a significant negative impact as a result of the COVID-19 health crisis. The extent of the impact of COVID-19 on the Organizations' operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on members, employees, and vendors all of which are uncertain and cannot be predicted. As such, the extent to which COVID-19 may impact the Organizations' financial position and results of operations cannot be reasonably estimated at this time.

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Consolidating Information

DRAFT

Independent Auditors' Report on Consolidating Information

The Board of Directors
Oregon-Columbia Chapter of the Associated
General Contractors of America

We have audited the consolidated financial statements of Oregon-Columbia Chapter of the Associated General Contractors of America, AGC Oregon-Columbia Chapter Foundation, Union Contractor Group, AGC Committee for Action, and Building a Better Oregon as of and for the years ended December 31, 2019 and 2018, and our report thereon dated **May 21, 2019**, which expressed an unmodified opinion on those consolidated financial statements, appears on page 1. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules on pages 24 through 26 as of and for the years ended December 31, 2019 and 2018, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The consolidating information on pages 24 through 26 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and changes in net assets of the individual entities. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements.

The information has been subjected to the auditing procedures applied in the audit of those consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information on pages 24 through 26 is fairly stated in all material respects in relation to the consolidated financial statements from which it has been derived.

May 21, 2019

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Consolidating Schedule of Financial Position

December 31, 2019

| | AGC Chapter | AGC Chapter Foundation | Union Contractor Group | AGC Committee for Action | Building a Better Oregon | Total Balance | Elimination of Inter-entity Transactions | Consolidated Balance |
|--|----------------------------|------------------------------|------------------------------|--------------------------------|--------------------------------|----------------------------|--|----------------------------|
| Assets: | | | | | | | | |
| Cash and cash equivalents | \$ 2,020,261 | \$ 15,130 | \$ 42,269 | \$ 468,737 | \$ 941 | \$ 2,547,338 | \$ - | \$ 2,547,338 |
| Accounts receivable - net | 127,375 | - | 59,230 | 15,000 | - | 201,605 | (105,184) | 96,421 |
| Prepaid expenses | 163,567 | - | - | - | - | 163,567 | - | 163,567 |
| Investments | 4,221,228 | 622,178 | 1,017,365 | - | - | 5,860,771 | - | 5,860,771 |
| Equipment and leasehold improvements - net | 438,295 | - | - | - | - | 438,295 | - | 438,295 |
| Total assets | <u>\$ 6,970,726</u> | <u>\$ 637,308</u> | <u>\$ 1,118,864</u> | <u>\$ 483,737</u> | <u>\$ 941</u> | <u>\$ 9,211,576</u> | <u>\$ (105,184)</u> | <u>\$ 9,106,392</u> |
| Liabilities and net assets without donor restrictions | | | | | | | | |
| Liabilities: | | | | | | | | |
| Accounts payable | \$ 146,737 | \$ 1,062 | \$ 89,122 | \$ - | \$ - | \$ 236,921 | \$ (105,184) | \$ 131,737 |
| Pledges payable | - | 67,500 | - | - | - | 67,500 | - | 67,500 |
| Accrued vacation | 115,725 | - | - | - | - | 115,725 | - | 115,725 |
| Contract liabilities | 1,577,077 | - | - | - | - | 1,577,077 | - | 1,577,077 |
| Deferred gain on sale of LLC building | 74,277 | - | - | - | - | 74,277 | - | 74,277 |
| Notes payable | 78,635 | - | - | - | - | 78,635 | - | 78,635 |
| Total liabilities | 1,992,451 | 68,562 | 89,122 | - | - | 2,150,135 | (105,184) | 2,044,951 |
| Total net assets without donor restrictions | <u>4,978,275</u> | <u>568,746</u> | <u>1,029,742</u> | <u>483,737</u> | <u>941</u> | <u>7,061,441</u> | <u>-</u> | <u>7,061,441</u> |
| Total liabilities and net assets without donor restrictions | <u>\$ 6,970,726</u> | <u>\$ 637,308</u> | <u>\$ 1,118,864</u> | <u>\$ 483,737</u> | <u>\$ 941</u> | <u>\$ 9,211,576</u> | <u>\$ (105,184)</u> | <u>\$ 9,106,392</u> |

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Consolidating Schedule of Activities

Year Ended December 31, 2019

| | AGC Chapter | AGC Chapter Foundation | Union Contractor Group | AGC Committee for Action | Building a Better Oregon | Total Balance | Elimination of Inter-entity Transactions | Consolidated Balance |
|---|---------------------|------------------------------|------------------------------|--------------------------------|--------------------------------|---------------------|--|-------------------------|
| Revenues: | | | | | | | | |
| Membership dues, net | \$ 3,135,520 | \$ - | \$ - | \$ - | \$ - | \$ 3,135,520 | \$ - | \$ 3,135,520 |
| SAIF Loss Control contract | 1,756,381 | - | - | - | - | 1,756,381 | - | 1,756,381 |
| Training, services, and sponsorships | 235,300 | - | - | - | - | 235,300 | - | 235,300 |
| Events | 350,829 | - | - | - | - | 350,829 | - | 350,829 |
| Union Contractor Group grant | 311,509 | - | - | - | - | 311,509 | (311,509) | - |
| Interest and dividends | 170,760 | 24,848 | 30,294 | 913 | - | 226,815 | - | 226,815 |
| Realized gain (loss) on investments | (3,060) | 5,196 | (1,645) | - | - | 491 | - | 491 |
| Unrealized loss on investments | 458,940 | 85,847 | 57,152 | - | - | 601,939 | - | 601,939 |
| Union contributions, net | - | - | 69,008 | - | - | 69,008 | 311,509 | 380,517 |
| Contributions | - | 43,981 | - | 322,350 | - | 366,331 | (293,350) | 72,981 |
| Other revenue | 22,939 | - | 3,828 | 900 | - | 27,667 | - | 27,667 |
| Total revenues | 6,439,118 | 159,872 | 158,637 | 324,163 | - | 7,081,790 | (293,350) | 6,788,440 |
| Operating expenses: | | | | | | | | |
| Management and operations | 875,369 | - | - | - | - | 875,369 | - | 875,369 |
| Public affairs | 1,135,092 | - | - | 58,742 | 1,264 | 1,195,098 | (269,350) | 925,748 |
| SAIF contract | 1,744,042 | - | - | - | - | 1,744,042 | - | 1,744,042 |
| Events | 735,959 | - | - | - | - | 735,959 | (24,000) | 711,959 |
| Membership services | 206,935 | - | - | - | - | 206,935 | - | 206,935 |
| Workforce | 520,193 | - | - | - | - | 520,193 | - | 520,193 |
| Training | 131,174 | - | - | - | - | 131,174 | - | 131,174 |
| Councils and committees | 164,011 | - | - | - | - | 164,011 | - | 164,011 |
| Labor relations | 345,857 | - | 11,500 | - | - | 357,357 | - | 357,357 |
| Foundation | - | 56,938 | - | - | - | 56,938 | - | 56,938 |
| Total operating expenses | 5,858,632 | 56,938 | 11,500 | 58,742 | 1,264 | 5,987,076 | (293,350) | 5,693,726 |
| Increase (decrease) in net assets without donor restrictions from operations | 580,486 | 102,934 | 147,137 | 265,421 | (1,264) | 1,094,714 | - | 1,094,714 |
| Gain on sale of AGC Center LLC building | 178,248 | - | - | - | - | 178,248 | - | 178,248 |
| Increase (decrease) in net assets without donor restrictions | 758,734 | 102,934 | 147,137 | 265,421 | (1,264) | 1,272,962 | - | 1,272,962 |
| Net assets without donor restrictions, beginning of year | 4,055,406 | 465,812 | 882,605 | 218,316 | 2,205 | 5,624,344 | - | 5,624,344 |
| Cumulative impact ASC 606 adoption | 164,135 | - | - | - | - | 164,135 | - | 164,135 |
| Net assets without donor restrictions, end of year | \$ 4,978,275 | \$ 568,746 | \$ 1,029,742 | \$ 483,737 | \$ 941 | \$ 7,061,441 | \$ - | \$ 7,061,441 |

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

Schedule of Chapter Revenues and Operating Expenses

| Years Ended December 31, | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|-------------------|------------------|-------------------|-------------------|-------------------|
| Operating revenues: | | | | | |
| Membership dues: | | | | | |
| General contractors | \$ 1,652,666 | \$ 1,609,604 | \$ 1,593,816 | \$ 1,523,258 | \$ 1,172,046 |
| Specialty contractors | 1,707,427 | 1,650,299 | 1,548,079 | 1,464,923 | 1,308,587 |
| Associates and affiliates | 230,141 | 226,195 | 235,086 | 250,220 | 225,770 |
| Discount | (3,179) | (3,724) | (2,801) | (2,581) | (3,526) |
| Less: Charter fee to AGC National | (451,535) | (418,070) | (391,991) | (302,501) | (175,328) |
| Total membership dues | 3,135,520 | 3,064,304 | 2,982,189 | 2,933,319 | 2,527,549 |
| Other revenues: | | | | | |
| SAIF Loss Control contract | 1,756,381 | 1,800,531 | 1,733,757 | 1,695,913 | 1,490,929 |
| Union Contractor Group grant | 311,509 | 227,739 | 179,015 | 78,958 | 150,549 |
| Interest and dividends | 170,760 | 147,645 | 117,418 | 98,459 | 85,743 |
| Other revenue | 22,939 | 118,751 | 17,817 | 28,378 | 24,874 |
| Total other revenues | 2,261,589 | 2,294,666 | 2,048,007 | 1,901,708 | 1,752,095 |
| Program revenue | 586,129 | 549,811 | 508,567 | 541,768 | 404,348 |
| Total operating revenues | 5,983,238 | 5,908,781 | 5,538,763 | 5,376,795 | 4,683,992 |
| Operating expenses: | | | | | |
| Salaries, payroll taxes, and benefits | 3,022,046 | 2,923,209 | 2,729,206 | 2,592,322 | 2,502,952 |
| Travel and entertainment | 178,333 | 218,749 | 169,187 | 163,158 | 140,684 |
| Promotions and advertising | 563,589 | 321,487 | 283,103 | 199,589 | 164,444 |
| Meeting and seminar expense | 98,672 | 186,659 | 189,365 | 200,764 | 209,860 |
| Office operations | 134,706 | 112,646 | 105,223 | 113,140 | 91,308 |
| Consulting and contract services | 708,933 | 595,307 | 578,831 | 595,950 | 493,618 |
| Insurance | 45,895 | 45,513 | 41,680 | 41,773 | 41,989 |
| Telephone | 53,111 | 53,582 | 60,190 | 51,504 | 56,815 |
| Rent | 227,161 | 218,299 | 195,582 | 188,842 | 184,691 |
| Grants, donations, and gifts | 165,493 | 220,309 | 228,070 | 183,255 | 180,805 |
| Minor equipment repairs, rental, and vehicles expense | 120,369 | 133,539 | 97,165 | 87,608 | 90,482 |
| PAC Fund | 269,350 | 421,000 | 262,833 | 250,431 | 223,678 |
| Depreciation and amortization | 196,257 | 227,016 | 206,250 | 185,442 | 172,342 |
| Other | 74,717 | 96,498 | 60,572 | 72,932 | 62,040 |
| Total operating expenses | 5,858,632 | 5,773,813 | 5,207,257 | 4,926,710 | 4,615,708 |
| Increase in net assets from the Chapter operations | 124,606 | 134,968 | 331,506 | 450,085 | 68,284 |
| Non-operating items: | | | | | |
| Income from the LLC building | 178,248 | 178,251 | 178,251 | 178,251 | 434,763 |
| Realized gain (loss) on investments | (3,060) | 31,760 | 50,268 | (44,215) | 138,619 |
| Unrealized gain (loss) on investments | 458,940 | (331,436) | 221,357 | 190,177 | (285,248) |
| Net non-operating items | 634,128 | (121,425) | 449,876 | 324,213 | 288,134 |
| Increase in net assets | \$ 758,734 | \$ 13,543 | \$ 781,382 | \$ 774,298 | \$ 356,418 |

Communication with Those Charged with Governance

The Board of Directors
Oregon-Columbia Chapter of the Associated
General Contractors of America

We have audited the consolidated financial statements of Oregon-Columbia Chapter of the Associated General Contractors of America, AGC Oregon-Columbia Chapter Foundation, Union Contractor Group, AGC Committee for Action, and Building a Better Oregon (collectively, the Organizations) as of and for the year ended December 31, 2019, and have issued our report thereon dated [REDACTED]. Professional standards require that we provide you with the following information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter dated February 7, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Organizations are described in *Note 1* to the consolidated financial statements. In the current year, the Organizations adopted the provisions of ASU 2014-09 *Revenue from Contracts with Customers (Topic 606)* for operating revenue. Accordingly, these accounting changes have been applied on a modified retrospective approach. No other new accounting policies were adopted, and the application of all other existing policies was not changed during 2019. We noted no transaction entered into by the entities during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the consolidated financial statements in the proper period.

Accounting estimates are an integral part of the consolidated financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the consolidated financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There are no sensitive estimates in the consolidated financial statements that we consider to be significant and that would require discussion in this letter.

The consolidated financial statement disclosures are neutral, consistent, and clear.

Significant Audit Findings - Continued

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. An audit adjustment may or may not indicate matters that could have a significant effect on the Organizations' financial reporting process (that is, cause future financial statements to be materially misstated). In addition, management of the Organizations proposed certain adjustments that were recorded as part of the audit process. These entries were made collaboratively with management. For these reasons, we do not consider the adjustments to represent significant adjustments as defined above. Our audit adjustments and certain year-end closing adjustments from management are summarized on page 4.

The attached schedule on page 5 summarizes uncorrected misstatements of the consolidated financial statements. Management has determined their effects are immaterial, both individually and in the aggregate, to the consolidated financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the consolidated financial statements or the auditors' report. We are pleased to report no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated [REDACTED].

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organizations' consolidated financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organizations' auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition to our retention.

Other Matters

With respect to the supplemental information accompanying the consolidated financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the consolidated financial statements. We compared and reconciled the supplementary financial information to the underlying accounting records used to prepare the consolidated financial statements or to the consolidated financial statements themselves.

* * * * *

This communication is intended solely for the information and use of the Board of Directors and management of Oregon-Columbia Chapter of the Associated General Contractors of America, AGC Oregon-Columbia Chapter Foundation, Union Contractor Group, AGC Committee for Action, and Building a Better Oregon and is not intended to be, and should not, be used by anyone other than these specified parties.

Lake Oswego, Oregon


**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA
Schedule of Audit Adjustments
December 31, 2019**

| | Increase (Decrease) in | | | | Current Net Assets |
|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | Assets | Liabilities | Revenues | Expenses | |
| Pre-audit totals | \$ 9,102,132 | \$ 2,014,255 | \$ 6,940,611 | \$ 5,637,475 | \$ 7,091,615 |
| Other adjustments:* | | | | | |
| Chapter | 4,260 | 10,706 | 19,991 | 30,242 | (10,252) |
| Other entities | - | 19,991 | 6,086 | 26,009 | (19,923) |
| Total adjustments | 4,260 | 30,696 | 26,077 | 56,251 | (30,174) |
| Audited totals | <u>\$ 9,106,392</u> | <u>\$ 2,044,951</u> | <u>\$ 6,966,688</u> | <u>\$ 5,693,726</u> | <u>\$ 7,061,441</u> |

*Adjustments/reclassifications individually less than \$50,000

**OREGON-COLUMBIA CHAPTER OF THE
ASSOCIATED GENERAL CONTRACTORS OF AMERICA
Schedule of Waived Adjustments
December 31, 2019**

| | Increase (Decrease) in | | | | Current | Beginning |
|---|------------------------|-----------------|-------------|--------------------|------------------|--------------------|
| | Assets | Liabilities | Revenues | Expenses | Net Assets | Net Assets |
| Current period waived adjustments: | | | | | | |
| To record deferred rent expense | \$ - | \$ 3,354 | \$ - | \$ (19,256) | \$ 19,256 | \$ (22,610) |
| Total of waived adjustments | \$ - | \$ 3,354 | \$ - | \$ (19,256) | \$ 19,256 | \$ (22,610) |

**Oregon Columbia Chapter of the Associated General Contractors
Suggestions for Improvements
December 31, 2019**

In planning and performing our audit of the consolidated financial statements for the Oregon Columbia Chapter of the Associated General Contractors and their affiliated entities (together, the Organization), we consider the effectiveness of internal controls throughout the Organization. While we do not express an opinion on the effectiveness of the Organization's internal controls, we did become aware of several opportunities for strengthening internal controls and operating effectiveness.

1. During our examination of member billings, we noted management was unable to support the membership fee level for the selected Industry Associate member. Membership fee levels are determined through voluntary reporting of volumes or number of employees. Member response to these voluntary requests is about 50 percent and some members have not responded since 2018. We recommend management consider an alternative method for determining member levels when members do not self-report. We also recommend management adopt a retention policy when members do report to support the membership fees charged.

Through our procedures, we noted the following control exceptions which we feel were not resolved in the current year:

1. **Noted in Prior Year:** We noted that the controller prepares financial reports for the board and the Board Treasurer reviews before issuance. Due to the nature of a volunteer board, there is a limited amount of time that is available for this function and can result in a delay of monthly financial reporting. We recommend that a checklist for review procedures is created to allow a self-review procedure before the financial reports are submitted to the Board Treasurer.

Current Year Update: During the current year audit, we noted no changes in this process. Per discussions with management, the process of developing a month-end checklist has started and they anticipate it will be completed in the next year.

Through our procedures, we noted the following control exceptions from the prior year which we feel were resolved in the current year:

1. **Noted in Prior Year:** During our prior year review of the Foundation bank reconciliations, we noted a deposit in transit for \$3,000. Per our discussion with management, we noted this was a check received before year-end that was deposited in the bank on January 14, 2019. Best practice is for checks to be deposited into the bank account within 1 to 2 business days to protect against them being lost or stolen. We recommend management review this process to ensure checks are deposited more timely.

Current Year Update: During the current year audit, we did not note any similar issues. As such, we will consider this matter resolved.

- 2. Noted in Prior Year:** During our prior year examination of the SAIF expenses and revenue, we noted a formula error on the SAIF spreadsheet which lead to AGC recognizing approximately \$50,000 in additional revenue for 2018 than was initially recognized. The error appeared to be the result of adding wages for new employees to the spreadsheet and the sum formula not including those new cells. This was partially offset by an adjustment to the overhead expenses recognized. We noted the actual expenses recorded for SAIF appeared correct; the error only affected the amount of revenue recognized on the grant in 2018. We recommended management review the process for calculating the amount of revenue to recognize under the SAIF contract. We recommend a focus be on eliminating as many of the manual processes as possible to limit human error. We also recommended a system of review be implemented which checks direct expenses recorded on the spreadsheet to the general ledger balances as well as reviews of the calculation of overhead.

Current Year Update: During our current year examination of the SAIF spreadsheet, we did not note any formula errors. We continue to recommend review of the amounts reported on the spreadsheet to avoid possible future errors. We consider this matter resolved.

- 3. Noted in Prior Year:** During our analysis of the month-end process, we noted 22 of 25 employees had credit cards, which led to excessive time to reconcile monthly balances. The number of credit card statements and charges causes delays in the month-end close process. We suggested management review the list of card holders and reduce the number if possible.

Current Year Update: During our current year audit, we noted no significant change in the number of credit cards. However, in the current year management moved to a new software platform called Concur that improved efficiency and provides additional control over credit card expenses. As such, we consider this matter resolved.



ADVOCATE

Governor Brown:

On March 10, 2020, you signed Executive Order 20-04, directing state agencies to take actions to reduce and regulate greenhouse gas emissions. The order applies to 19 state agencies and commissions in total and specifically directs them to expedite the rulemaking process to the full extent allowed by law. The order also tasks the majority of the agencies subject to its provisions to report back to your office by May 15, 2020 with their proposed actions to reduce GHG emissions and mitigate the impacts of climate change.

Since this order was issued, the outbreak of COVID-19 has created an unprecedented economic and public health crisis in Oregon. This crisis has forced many of the industries in our state to focus their attention on complying with physical distancing mandates and new workplace restrictions while also trying to find ways to stay afloat amid such a sudden decline in sales and liquidity. Your administration, too, has been forced to work around the clock in an effort to respond to the outbreak and its impacts.

In recognizing the seriousness of the COVID-19 crisis and its longevity, we ask that you consider suspending Executive Order 20-04 immediately for the following reasons:

- E.O. 20-04 places an enormous burden on the state agencies subject to its provisions. Many of these agencies are currently focused on responding to the COVID-19 crisis and will be for the foreseeable future. Asking them to prioritize this order risks them being forced to pull time and resources away from their COVID-19 response efforts.
- E.O. 20-04 will require substantial financial resources to administer. Revenue projections are expected to be bleak, and Oregonians should anticipate substantial programmatic cuts in both the current and subsequent biennia. The state should continue to focus existing taxpayer dollars on COVID-19 response and recovery, not ramping up new programs that will cost tens of millions of dollars to implement.
- E.O. 20-04 will result in the direct regulation of dozens of industries through a variety of avenues. Virtually every one of these industries are struggling to survive the COVID-19 crisis and do not have the capacity due to lay-offs or furloughs to participate in a highly technical, expansive and expensive rulemaking process.
- Many of the industries that would be regulated under the order are currently engaged in essential business operations including manufacturing and trucking. These industries do not have the bandwidth to keep supply lines open and moving during this crisis while expending additional resources to comply with such an expansive new administrative program. The mandates required by E.O. 20-04 would jeopardize some of the very businesses that are most critical to keeping Oregonians safe and in their homes during this crisis.
- Current physical distancing requirements limit opportunities for meaningful public input. Oregonians need a full and fair opportunity to weigh in on such significant changes in state policies.

We acknowledge that Executive Order 20-04 is a priority for your administration and we understand the important role our industries play in protecting Oregon's environment, but we hope you will recognize the necessity of suspending this order's implementation until the COVID-19 crisis subsides. This action is paramount to protecting our economy from further retraction, preventing additional layoffs and assuring that essential industries can remain operational. Thank you for your consideration and for your leadership on behalf of Oregonians during this critical time.





KATE BROWN
Governor

April 17, 2020

Shaun Jillions
Executive Director
Oregon Manufacturers & Commerce
3080 25th Street SE
Salem, OR 97301

Dear Mr. Jillions,

I am in receipt of your letter dated April 10, 2020 requesting that I direct state agencies to immediately stop work on implementing my executive order to reduce greenhouse gas emissions.

This executive order was a last resort after years of attempts to find a legislative path forward. In fact, as you and the other signatories to your letter know, in both of the last legislative sessions we had majorities of both chambers and a broad coalition of businesses and community groups supportive of legislation, only to have the Legislature grind to a halt when virtually all Republicans fled the state to deny quorum.

I have been clear and consistent on this issue, so let me restate my position again for you and others: climate change is crucial and urgent. We have heard that message loud and clear, especially from Oregon's youth. If we don't take immediate action, it is the next generation that will pay the price. We are seeing evidence that already points to another challenging summer season of drought, forest fire, and smoke. While certain actions to reduce greenhouse gas emissions have been achieved over the past several years, progress on setting a clear, science-based cap on carbon emissions has been thwarted with every delay tactic imaginable.

I will not use the excuse of one global crisis – COVID-19 – to further delay or slow the response to another global crisis, climate change.

Executive Order 20-04 establishes science-based emissions reduction goals for Oregon for the years 2035 and 2050, and directs state agencies to exercise their statutory authority to facilitate achievement of those goals. Executive Order 20-04 also provides specific directives to state agencies; for example, it directs the Oregon Public Utility Commission to work with utilities to implement wildfire mitigation plans to protect public safety and directs the Oregon Department of Energy to update energy efficiency standards for appliances.

Shaun Jillions
April 17, 2020
Page 2

By May 15 of this year, agencies named in Executive Order 20-04 will report to me on proposed actions, including plans and timelines for program scoping, rulemaking, and stakeholder engagement. This is the first step in the process of implementing Executive Order 20-04, with different timelines anticipated for different agencies moving forward. For example, directives to the Environmental Quality Commission and Department of Environmental Quality to cap and reduce emissions from certain sources does not have to be operational until 2022. Formal rulemaking, in that case, is not likely to commence until later this year at the earliest and will comply with the requirements of Oregon's Administrative Procedures Act (ORS 183).

Agencies will consider the challenges and uncertainties created by the pandemic and Oregon's changed fiscal and economic climate as they develop implementation plans for their May 15 reports. My team and I will review those agency plans to ensure that timelines are flexible and appropriate, and that actions can be adequately resourced and aligned with my public health, climate, and economic priorities.

Vast numbers of business leaders across the country, from businesses small and large, agree with me that climate action and widespread economic growth are not mutually exclusive. Self-interested businesses and dark money groups have cynically and continuously spread misinformation on climate change. They have spent millions on lobbyists and political donations to stop advancements in climate policy. I suppose it should not be a surprise to me that industries dependent on polluting the climate are using the current COVID-19 crisis to further delay action and place the health and economic burdens of greenhouse gas pollution onto future generations. But it is a huge disappointment.

As Oregon and the nation confront unprecedented circumstances stemming from the COVID-19 pandemic, my primary focus is protecting the health and wellbeing of all Oregonians. My second focus is getting our economy back up and running as quickly as possible. I appreciate the efforts of many Oregon businesses during this crisis to protect jobs, the health of employees, the provision of essential services, and the viability of enterprises.

As Governor, it is my responsibility to safeguard the health and wellbeing of Oregonians. While COVID-19 presents an immediate and unprecedented challenge for Oregon, the state must respond aggressively to the pandemic without ceasing work on the other critical priority of climate change. We face significant economic challenges in the weeks and months ahead. Collaboration with Oregon's business community will be essential as we chart the course of economic recovery. I know you and the other signatories have the potential of being a productive, collaborative participant in this recovery effort.

Shaun Jillions
April 17, 2020
Page 3

You and others have worked relentlessly to stop attempts at setting a cap on carbon pollution and reducing greenhouse gas emissions in a predictable, responsible way. Now, I ask you to please cease your cynical attempts to use the devastating COVID-19 crisis in supporting polluting industries on your path of obstruction.

Sincerely,

A handwritten signature in black ink that reads "Kate Brown" with a long horizontal flourish extending to the right.

Governor Kate Brown



EXECUTIVE ORDER NO. 20-04

**DIRECTING STATE AGENCIES TO TAKE ACTIONS TO REDUCE AND
REGULATE GREENHOUSE GAS EMISSIONS**

WHEREAS, climate change and ocean acidification caused by greenhouse gas (GHG) emissions are having significant detrimental effects on public health and on Oregon's economic vitality, natural resources, and environment; and

WHEREAS, climate change has a disproportionate effect on the physical, mental, financial, and cultural wellbeing of impacted communities, such as Native American tribes, communities of color, rural communities, coastal communities, lower-income households, and other communities traditionally underrepresented in public processes, who typically have fewer resources for adapting to climate change and are therefore the most vulnerable to displacement, adverse health effects, job loss, property damage, and other effects of climate change; and

WHEREAS, climate change is contributing to an increase in the frequency and severity of wildfires in Oregon, endangering public health and safety and damaging rural economies; and

WHEREAS, the world's leading climate scientists, including those in the Oregon Climate Change Research Institute, predict that these serious impacts of climate change will worsen if prompt action is not taken to curb emissions; and

WHEREAS, the Intergovernmental Panel on Climate Change has identified limiting global warming to 2 degrees Celsius or less as necessary to avoid potentially catastrophic climate change impacts, and remaining below this threshold requires accelerated reductions in GHG emissions to levels at least 80 percent below 1990 levels by 2050; and

WHEREAS, Oregon, as a member of the U.S. Climate Alliance, has committed to implementing policies to advance the emissions reduction goals of the international Paris Agreement; and

WHEREAS, GHG emissions present a significant threat to Oregon's public health, economy, safety, and environment; and



EXECUTIVE ORDER NO. 20-04

PAGE TWO

WHEREAS, the transition from fossil fuels to cleaner energy resources can significantly reduce emissions and increase energy security and the resilience of Oregon communities in the face of climate change; and

WHEREAS, emissions from the transportation sector are the single largest source of GHG emissions in Oregon; and

WHEREAS, actions to reduce GHG emissions in Oregon's transportation sector will provide substantial public health co-benefits by reducing air pollutants from the combustion of gasoline and diesel fuel that are harmful to human health; and

WHEREAS, the rapid transition from internal combustion engines to zero-emission vehicles will play a key role in reducing emissions from the transportation sector and advancing the state's GHG emissions reduction goals; and

WHEREAS, zero-emission vehicles provide multiple benefits to Oregonians, including lower operating, maintenance, and fuel costs, and lower emissions of GHGs and other pollutants; and

WHEREAS, the Legislature established ambitious goals for the adoption of zero-emission vehicles in Senate Bill 1044 (2019); and

WHEREAS, rapid actions and investments by Oregon's utility sector to reduce GHG emissions and improve the resilience of the energy system in the face of climate change and wildfire risk can reduce risks for utility customers; and

WHEREAS, transitioning the traditional natural gas supply to renewable natural gas can significantly reduce GHG emissions; and

WHEREAS, energy efficiency standards in the built environment can reduce operating costs, save renters and homeowners money on their utility bills, improve the comfort and habitability of dwellings, and reduce GHG emissions; and

WHEREAS, product energy efficiency standards reduce costs for consumers, save energy, and reduce GHG emissions; and



EXECUTIVE ORDER NO. 20-04

PAGE THREE

WHEREAS, in the absence of effective federal engagement on these issues, it is the responsibility of individual states to take immediate actions to address climate change and ocean acidification; and

WHEREAS, after thorough hearings within the Oregon Legislature, a majority of both chambers support addressing climate change, and the failure of the Oregon Legislature to attain quorum has thwarted legislative action to achieve science-based GHG emissions reduction goals; and

WHEREAS, given the urgency and severity of the risks from climate change and ocean acidification, and the failure of the Legislature to address these immediate harms, the executive branch has a responsibility to the electorate, and a scientific, economic, and moral imperative to reduce GHG emissions and to reduce the worst risks of climate change and ocean acidification for future generations, to the greatest extent possible within existing laws; and

WHEREAS, existing laws grant authority to state agencies to take actions to regulate and encourage a reduction of GHG emissions in a variety of circumstances; and

WHEREAS, the Legislature through the Emergency Board took action on March 9, 2020, to provide permanent funding to the executive branch to pursue executive action on reducing GHG emissions; and

WHEREAS, considering climate change in agency planning and decision making will help inform decisions regarding climate change risks and avoid higher mitigation and adaptation costs in the future; and

WHEREAS, all agencies with jurisdiction over the sources of GHG emissions will need to continue to develop and implement programs that reduce emissions to reach the state's GHG goals; and

WHEREAS, all agencies with jurisdiction over natural and working landscapes in Oregon will need to prepare and plan for the impacts of climate change and take actions to encourage carbon sequestration and storage; and



EXECUTIVE ORDER NO. 20-04

PAGE FOUR

WHEREAS, the Legislature previously established the goal of achieving GHG levels “at least 75 percent below 1990 levels” by 2050, and our State has an urgent, moral obligation to set and achieve more ambitious GHG reduction goals.

NOW, THEREFORE, IT IS HEREBY DIRECTED AND ORDERED:

1. **State Agencies.** The following state commissions and state agencies are subject to the directives set forth in this Executive Order:
 - A. Business Oregon;
 - B. Department of Administrative Services (DAS);
 - C. Department of Consumer and Business Services Building Codes Division (BCD);
 - D. Department of Land Conservation and Development (DLCD) and Land Conservation and Development Commission (LCDC);
 - E. Environmental Justice Task Force;
 - F. Environmental Quality Commission (EQC) and Department of Environmental Quality (DEQ);
 - G. Oregon Department of Agriculture (ODA);
 - H. Oregon Department of Energy (ODOE);
 - I. Oregon Department of Fish and Wildlife (ODFW);
 - J. Oregon Department of Forestry (ODF);
 - K. Oregon Department of Transportation (ODOT) and Oregon Transportation Commission (OTC);
 - L. Oregon Global Warming Commission;
 - M. Oregon Health Authority (OHA);
 - N. Oregon Water Resources Department (OWRD);
 - O. Oregon Watershed Enhancement Board (OWEB); and
 - P. Public Utility Commission of Oregon (PUC).



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2. **GHG Emissions Reduction Goals.** Consistent with the minimum GHG reduction goals set forth in ORS 468A.205(1)(c), this Executive Order establishes science-based GHG emissions reduction goals, and calls for the State of Oregon to reduce its GHG emissions (1) at least 45 percent below 1990 emissions levels by 2035; and (2) at least 80 percent below 1990 emissions levels by 2050.

3. **General Directives to State Agencies.** From the date of this Executive Order, the state commissions and state agencies listed in paragraph 1 are directed to take the following actions:
 - A. **GHG Reduction Goals.** Agencies shall exercise any and all authority and discretion vested in them by law to help facilitate Oregon's achievement of the GHG emissions reduction goals set forth in paragraph 2 of this Executive Order.
 - B. **Expedited Agency Processes.** To the full extent allowed by law, agencies shall prioritize and expedite any processes and procedures, including but not limited to rulemaking processes and agency dockets, that could accelerate reductions in GHG emissions.
 - C. **Agency Decisions.** To the full extent allowed by law, agencies shall consider and integrate climate change, climate change impacts, and the state's GHG emissions reduction goals into their planning, budgets, investments, and policy making decisions. While carrying out that directive, agencies are directed to:
 - (1) Prioritize actions that reduce GHG emissions in a cost-effective manner;
 - (2) Prioritize actions that will help vulnerable populations and impacted communities adapt to climate change impacts; and
 - (3) Consult with the Environmental Justice Task Force when evaluating climate change mitigation and adaptation priorities and actions.
 - D. **Report on Proposed Actions.** The following agencies are directed to report to the Governor by May 15, 2020, on proposed actions within their statutory authority to reduce GHG emissions and mitigate climate change impacts: DEQ, DLCD, ODA, ODOE, ODFW, ODF, ODOT, OWRD, OWEB, and PUC.



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E. Participation in Interagency Workgroup on Climate Impacts to Impacted Communities. The Governor's Office will convene an interagency workgroup on climate impacts to impacted communities to develop strategies to guide state climate actions, with participation by the following agencies and commissions: DEQ, DLCD, ODA, ODF, ODFW, ODOE, ODOT, OHA, OWEB, OWRD, PUC, Environmental Justice Task Force, Oregon Global Warming Commission, Oregon Parks and Recreation Department, and Oregon Sustainability Board.

4. Directives to the Environmental Quality Commission and the Department of Environmental Quality. In addition to the general directives set forth in paragraph 3, the EQC and DEQ are directed to take the following actions:

- A. Oregon's Clean Fuel Standards. Pursuant to its authority under ORS 468A.265 *et seq.* and other applicable laws, the EQC and DEQ shall take actions necessary to amend the low carbon fuel standards, and the schedule to phase in implementation of those standards, with the goal of reducing the average amount of GHG emissions per unit of fuel energy by 20 percent below 2015 levels by 2030, and 25 percent below 2015 levels by 2035.
- B. Clean Fuel Credits for Electrification. The EQC and DEQ are directed to advance methods accelerating the generation and aggregation of clean fuels credits by utilities that can advance the transportation electrification goals set forth in Senate Bill 1044 (2019).
- C. Sector-specific GHG Cap and Reduce Program. Pursuant to its authority under ORS 468A.005 *et seq.* and other applicable laws, the EQC and DEQ shall take actions necessary to:
- (1) Cap and reduce GHG emissions from large stationary sources of GHG emissions, consistent with the science-based emissions reduction goals set forth in paragraph 2 of this Executive Order;
 - (2) Cap and reduce GHG emissions from transportation fuels, including gasoline and diesel fuel, consistent with the science-based emissions reduction goals set forth in paragraph 2 of this Executive Order; and



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- (3) Cap and reduce GHG emissions from all other liquid and gaseous fuels, including natural gas, consistent with the science-based emissions reduction goals set forth in paragraph 2 of this Executive Order.
 - D. Regulation of Landfill Methane Emissions. The EQC and DEQ shall take actions necessary to reduce methane gas emissions from landfills, as defined in ORS 459.005(14), that are aligned with the most stringent standards and requirements for reducing methane gas emissions from landfills adopted among the states having a boundary with Oregon.
 - E. Reduction of Food Waste. The EQC and DEQ are directed to take actions necessary to prevent and recover food waste, with the goal of reducing food waste by 50 percent by 2030, to reduce GHG emissions resulting from such waste, including but not limited to engaging with states and other jurisdictions, industry, food retailers, and brand manufacturers to develop and implement strategies to prevent and recover food waste.
 - F. Timeline and Implementation.
 - (1) No later than May 15, 2020, DEQ shall submit a report to the Governor regarding an estimated timeline for rulemaking necessary for implementing the directives of paragraph 4(A)–(B) and paragraph 4(D)–(E), above.
 - (2) DEQ shall submit a preliminary report to the Governor by May 15, 2020, regarding program options to cap and reduce emissions from large stationary sources, transportation fuels, and other liquid and gaseous fuels that can commence no later than January 1, 2022. A final report shall be due by June 30, 2020.
 - (3) Reports submitted pursuant to paragraph 4 of this Executive Order also should detail DEQ’s plans to engage impacted communities during the rulemaking process, in a manner consistent with ORS chapter 183.
5. Directives to the Public Utility Commission of Oregon. In addition to the general directives set forth in paragraph 3, the PUC is directed to consider the following factors and values, consistent with state law:



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- A. Statement of Public Interest. It is in the interest of utility customers and the public generally for the utility sector to take actions that result in rapid reductions of GHG emissions, at reasonable costs, to levels consistent with the GHG emissions reduction goals set forth in paragraph 2 of this Executive Order, including transitioning to clean energy resources and expanding low carbon transportation choices for Oregonians.
- B. Regulatory Considerations. Executive Order 00-06, which ensures that the PUC maintains its independence in decision making, is reaffirmed. The directives in this Executive Order are consistent with Executive Order 00-06. When carrying out its regulatory functions, the PUC is directed to:
- (1) Determine whether utility portfolios and customer programs reduce risks and costs to utility customers by making rapid progress towards reducing GHG emissions consistent with Oregon's reduction goals;
 - (2) Encourage electric companies to support transportation electrification infrastructure that supports GHG reductions, helps achieve the transportation electrification goals set forth in Senate Bill 1044 (2019), and is reasonably expected to result in long-term benefit to customers;
 - (3) Prioritize proceedings and activities, to the extent consistent with other legal requirements, that advance decarbonization in the utility sector, and exercise its broad statutory authority to reduce GHG emissions, mitigate energy burden experienced by utility customers, and ensure system reliability and resource adequacy;
 - (4) Evaluate electric companies' risk-based wildfire protection plans and planned activities to protect public safety, reduce risks to utility customers, and promote energy system resilience in the face of increased wildfire frequency and severity, and in consideration of the recommendations made by the Governor's Council on Wildfire Response 2019 Report and Recommendations;



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- (5) Convening periodic workshops for purposes of assisting electric companies, consumer-owned utilities, and operators of electrical distribution systems to develop and share best practices for mitigating wildfire risk; and
- (6) In cooperation with Oregon Housing and Community Services, establish a public process to address and mitigate differential energy burdens and other inequities of affordability and environmental justice, including rate design and other programs to mitigate energy burden.

6. **Directives to the Department of Consumer and Business Services Building Codes Division.** In addition to the general directives set forth in paragraph 3, BCD is directed to take the following actions:

- A. **Energy Efficiency Goal for New Construction.** BCD, through its advisory boards and committees, and in cooperation with ODOE, is directed to adopt building energy efficiency goals for 2030 for new residential and commercial construction. That goal shall represent at least a 60 percent reduction in new building annual site consumption of energy, excluding electricity used for transportation or appliances, from the 2006 Oregon residential and commercial codes.
- B. **Code Progress and Updates.** BCD, through its advisory boards and committees, and in cooperation with ODOE, is directed to evaluate and report on Oregon's current progress toward achieving the goal for new residential and commercial buildings, pursuant to paragraph 6(A) of this Executive Order, and options for achieving steady progress toward the goal over the next three code cycles (2023, 2026, and 2029). Pursuant to its authority under ORS 455.500, BCD also is directed to update the Reach Code on the same timeline. No later than September 15, 2020, BCD should submit a report to the Governor on current progress and options for achieving the goals over the next three code cycles. The report should be updated every three years thereafter.
- C. **Baseline Metrics and Reductions.** BCD, in cooperation with ODOE, is directed to agree on metrics, based on best practice and academic research, to inform the baseline and reductions associated with the code updates set forth in paragraph 6(B).



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7. **Directives to the Oregon Department of Energy.** In addition to the general directives set forth in paragraph 3, ODOE is directed to take the following actions:
- A. **Energy Efficiency Standards.** ODOE is directed to pursue emissions reductions by establishing and updating energy efficiency standards for products at least to levels equivalent to the most stringent standards among West Coast jurisdictions, including grid-connected appliances that can be utilized to manage end-use flexible electrical loads. ODOE also is directed to periodically evaluate and update those standards, as practicable, to remain at least equivalent to the most stringent standards among West Coast jurisdictions.
 - B. **Rulemaking.** ODOE is directed to take actions necessary to establish and update energy efficiency standards for products sold or installed in Oregon that include but are not limited to the following:
 - (1) High CRI fluorescent lamps;
 - (2) Computers and computer monitors;
 - (3) Faucets;
 - (4) Shower heads;
 - (5) Commercial fryers;
 - (6) Commercial dishwashers;
 - (7) Commercial steam cookers;
 - (8) Residential ventilating fans;
 - (9) Electric storage water heaters; and
 - (10) Portable electric spas.
 - C. **Timeline.** Any rulemaking necessary to implement the directives set forth in paragraph 7(B) should be completed by September 1, 2020.
 - D. **Third-Party Validation for Cost Savings.** ODOE, in cooperation with BCD, is directed to contract with a third party consulting firm to assess cost implications, including long-term energy cost savings, of the energy efficiency and building code actions set forth in paragraph 6(A)–(B) of this Executive Order.



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8. **Directives to the Department of Administrative Services.** In addition to the general directives set forth in paragraph 3, DAS is directed to take the following actions:
- A. **Procurement Model for Zero-Emission Vehicles.** DAS is directed to develop a statewide policy and plan for state agencies to follow for procuring zero-emission vehicles, which local governments and special government bodies may use as a model program for furthering adoption of zero-emission vehicles for their fleets. The model program shall provide for a rate of procurement of zero-emission vehicles consistent with the findings and goals set forth in ORS 283.398 and the provisions of ORS 283.327. The model program may provide for DAS to participate in, sponsor, conduct, or administer cooperative procurements in accordance with ORS 279A.200 to ORS 279A.225, under which DAS, local governments, and special government bodies may procure zero-emission vehicles.
 - B. **GHG Implications of Contracting.** DAS is directed to review existing state procurement laws and practices to identify potential improvements that can reduce GHG emissions, consistent with the GHG reduction goals set forth in paragraph 2 of this Executive Order. DAS shall provide a report to the Governor no later than September 15, 2020, detailing options.
 - C. **GHG Reduction Goals and Electrification Goals.** DAS is directed to support the state in meeting the GHG reduction goals set forth in paragraph 2 of this Executive Order, and the zero-emission vehicle adoption goals set forth in Senate Bill 1044 (2019), through the rapid conversion of state fleets to zero-emission vehicles, and the expansion of electric vehicle charging infrastructure for public buildings. DAS shall provide a report to the Governor no later than September 15, 2020, detailing its plan.
9. **Directives to the Oregon Transportation Commission, Oregon Department of Transportation, Land Conservation and Development Commission, Environmental Quality Commission, and Oregon Department of Energy.**



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- A. In a letter from the Governor, dated September 23, 2019, the OTC, LCDC, EQC, and ODOE were directed to prioritize implementation of the Statewide Transportation Strategy, adopted by the OTC. Those agencies are further directed to include the following elements in their implementation of the Statewide Transportation Strategy:
 - (1) Establishment of GHG emissions reduction performance metrics; and
 - (2) Amendments to the Transportation Planning Rule that direct changes to the transportation plans of metropolitan planning areas to meet GHG reduction goals.
 - B. ODOT and DLCD are directed to identify and implement means to provide financial and technical assistance to metropolitan planning areas for amendment to transportation and land use plans that meet the state GHG reduction goals, or more stringent goals adopted by a metropolitan planning area.
 - C. Implementation of the directives set forth in paragraph 9(A)–(B) shall be at the highest level within the agencies, with regular and direct reporting to the Governor. The first report shall be made to the Governor no later than June 30, 2020.
10. **Directives to the Oregon Department of Transportation.** In addition to the general directives set forth in paragraph 3, ODOT is directed to take the following actions:
- A. In consultation with DEQ, ODOE, other appropriate state agencies, and public utilities, ODOT is directed to conduct a statewide transportation electrification infrastructure needs analysis, with particular focus on rural areas of the state, across use types and vehicle classes, to facilitate the transportation electrification goals set forth in Senate Bill 1044 (2019). The study should be completed no later than June 30, 2021.
 - B. ODOT is directed to develop and apply a process for evaluating the GHG emissions implications of transportation projects as part of its regular capital planning and Statewide Transportation Improvement Program planning processes. ODOT shall provide a report on the process to the Governor no later than June 30, 2021.



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11. **Directives to Oregon Health Authority.** In addition to the general directives set forth in paragraph 3, OHA is directed to take the following actions:
 - A. OHA is directed to deliver a report to the Governor, the Oregon Global Warming Commission, and the Environmental Justice Task Force no later than September 1, 2020, on the public health impacts of climate change in Oregon, with particular emphasis on the risks faced by vulnerable communities, including Oregon's nine federally recognized Native American tribes, communities of color, low income communities, and rural communities. OHA is directed to update the report annually.
 - B. OHA is directed to study the impacts of climate change on youth depression and mental health in Oregon and deliver a report to the Governor no later than June 30, 2021.
 - C. OHA and the Oregon Occupational Safety and Health Administration (OSHA) are directed to jointly develop a proposal for standards to protect workplace employees from exposure to wildfire smoke and excessive heat. The proposal should be completed no later than June 30, 2021.

12. **Directives to Oregon Global Warming Commission.** In addition to the general directives set forth in paragraph 3, the Global Warming Commission is directed to take the following actions:
 - A. In coordination with ODA, ODF, and OWEB, the Oregon Global Warming Commission is directed to submit a proposal to the Governor for consideration of adoption of state goals for carbon sequestration and storage by Oregon's natural and working landscapes, including forests, wetlands, and agricultural lands, based on best available science. The proposal shall be submitted no later than June 30, 2021.
 - B. Consistent with its reporting requirements in House Bill 3543 (2007), the Oregon Global Warming Commission shall also include reporting on progress toward the GHG reduction goals set forth in paragraph 2 of this Executive Order, and the zero-emission vehicle adoption goals set forth in SB 1044 (2019).



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13. **Effectiveness.** This Executive Order will remain in effect unless and until it is superseded by statute or another Executive Order.

Done at Salem, Oregon, this 10th day of March, 2020.

Handwritten signature of Kate Brown in blue ink.

Kate Brown
GOVERNOR



ATTEST:

Handwritten signature of Bev Clarno in blue ink.

Bev Clarno
SECRETARY OF STATE

1. Oregon News

Gov. Kate Brown quietly takes lead role on Oregon campaign finance measure

Posted May 05, 2020

Posted May 05, 2020



Oregon Gov. Kate Brown during a press conference at the state Capitol, January 17, 2020. Beth Nakamura/The Oregonian

By [Hillary Borrud | The Oregonian/OregonLive](#)

Gov. Kate Brown is using her well-funded political action committee to back a November ballot [measure](#) that would amend the state Constitution to allow limits on money in politics. On April 30, the campaign to pass the constitutional amendment reported that the governor's [political action committee](#) provided \$8,333 in "management services," according to state campaign finance records.

That the governor would use some of her roughly \$1 million in political cash-on-hand to push for the donation caps isn't the only irony: She's was doing so even as the state Supreme Court [ruled](#) April 23 that campaign contribution limits do not violate free speech protections in the Oregon Constitution. In the opinion, justices upended decades of legal precedent that halted or prevented donation caps from taking effect.

Still, the strict limits on political money that voters passed in 2006 are not being enforced. On Friday, Secretary of State Bev Clarno's administration announced Oregon political candidates can continue to accept huge contributions.

Clarno concluded, based on a verbal opinion from the Oregon Department of Justice, that the Supreme Court's ruling on Portland metro-area contribution limits did not revive the state level limits that Oregon voters approved under Measure 47 in 2006. Both the Secretary of State's office and Department of Justice declined to outline the legal analysis. The author of the 2006 initiative, Dan Meek, disagreed and said he might ask the Supreme Court to clarify its ruling on that point.

The extent of Brown's involvement with the constitutional amendment campaign is still unclear. Two political consultants who advise Brown and manage her political action committees, Thomas Wheatley and Kevin Looper, could not be reached Monday afternoon.

Since the governor won reelection in 2018, she has largely avoided explaining how she plans to use the [large sums she continued to raise](#). Her disclosures in the state campaign finance system are some of the only clues as to how Brown plans to deploy the money.

Brown's other top expenditures reported so far for April include \$13,000 on salaries and health insurance through Providence and a \$5,000 contribution to the campaign to pass a high-earners and business tax measure to pay for homeless services in the Portland metro area.

The campaign to pass the constitutional amendment, which the Legislature voted last year to put before voters in November 2020, is just getting started. Its political action committee "Yes for fair and honest elections" formed April 2. So far, it's received one other noteworthy contribution: \$10,000 from AFSCME Council 75, a union that largely represents city, county and state employees across the state, according to state records.

-- Hillary Borrud: hborrud@oregonian.com; @hborrud
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MOTION

Executive Committee Meeting | May 20, 2020

It is hereby moved the Executive Committee recommend the AGC Board support and authorize an amount not to exceed \$25,000 from the current public affairs budget for litigation costs associated with legally challenging the governor's Carbon Emissions Reduction Executive Order 20-04.



GROW

AGC – Oregon & SW Washington: Communications Roadmap
Phase 1: Discovery

Project Goal: Improve recruitment and retention of workers in the construction industry across Oregon and Southwest Washington.

Discovery Overview: We will start by working across AGC’s member organizations to garner a deep understanding of your audiences, communications channels and existing programs along with reviewing the recent training sector report findings. At the conclusion of this phase we will present a comprehensive marketing research report to inform key findings.

Project Breakout

| Date | Project | Tasks |
|-------------|---|---|
| 4/20-5/1 | <ul style="list-style-type: none"> Review research and prior campaigns to gain key insights | <ul style="list-style-type: none"> Read findings from training sector report Read previous marketing campaigns and materials |
| 5/4-6/5 | <ul style="list-style-type: none"> Conduct an online survey of member company influencers to get an understanding of the current landscape, existing programs | <ul style="list-style-type: none"> Deliver v1 questions 5/4 Finalize questions 5/11 Launch survey 5/18 Market survey 5/19-6/1 Close survey 6/5 |
| 5/11-6/5 | <ul style="list-style-type: none"> Conduct 10 in-depth interviews (IDIs) with community partners and industry influencers to understand the marketplace | <ul style="list-style-type: none"> Deliver v1 questions 5/11 Finalize questions 5/15 Start scheduling 5/18 Interviews 5/20-6/5 |
| Week of 6/3 | <ul style="list-style-type: none"> Lead a 90-minute message mapping session with the workforce development committee | <ul style="list-style-type: none"> Deliver v1 session plan 5/25 Finalize session plan 5/29 Hold session: 6/3 |
| 6/5-16 | <ul style="list-style-type: none"> Comprehensive marketing research report to inform key findings | <ul style="list-style-type: none"> Deliver v1 6/9 Deliver final 6/16 |

Strategic Objective #3: Grow and develop the construction workforce of the future.

Communications Strategy Development

- We have transitioned to the development of a comprehensive construction careers communication strategy with Quinn Thomas. The first step is the implementation of Phase 1 – Discovery. During this phase, Quinn Thomas, is reviewing current & past efforts of AGC, researching similar regional and national campaigns, conducting in-depth interviews with AGC members and partners, convening a focus group of new hires, and distribution of a survey to AGC members and workforce partners. The basis of this data collection will be used to develop a marketing research report which will be used to develop the actual strategy in phase 2.
 - Phase 1 Overview Attached

Training Sector Analysis – Implementation Plan

- ECONorthwest delivered their final report in March, this include six recommendations. This report has formed the foundation of the work Quinn Thomas has initiated. Additionally, we are identifying and looking at implementation options to address each recommendation. These will become a part of AGC's Workforce Development teams yearly workplan.

AGC Workforce Development Grants

- The Workforce and Professional Development Committee met to review and award the 2020 Workforce Development grant applications. This year 21 grant application were received, this included two internal requests to support Educator Externship, and three requests from AGC Chapters at OSU and OIT. The committee awarded at least partial funding to 20 applications, the last was referred to the AGC Foundation. In total, \$138,000 was distributed to a variety of projects within the training continuum across the state. Award notices will be sent in June, and funding will be disbursed in August.

Construction Workforce Coalition Update

- The March meeting brought together Watts Heating & Cooling and Airefco to discuss their innovative approach to developing entry level talent by utilizing the industry supply chain. The conversation and interest from participants were high and the Coalition is looking for opportunities to support this work. We hope to learn more over the summer as the program moves to implementation, pending COVID disruption. The May meeting was cancelled due to COVID but the June meeting is scheduled and on track to occur. The agenda is still in development, but we are looking at how to use the Coalition as a forum for workforce stakeholders to understand and address construction workforce challenges now presented by COVID.

Pre-Apprenticeship Development

- There has been substantial development of pre-apprenticeship programs, in partnership with BOLI, across the state at the high school and community college level. This includes initiatives in Central Oregon, Lane County and Southern Oregon. This includes the development of registered pre-apprenticeship programs at the high school level, strengthening existing community college basic training classes, and the development of a community-based program in Central Oregon. These are good developments that help build a training continuum in regions that have lacked an adequate construction training system.

Educator Externship

- Educator Externship continues to work through the COVID restrictions in place right now. We have a tentative 5 day schedule that includes some virtual tours of training programs and apprenticeship and higher education facilities. We are still hoping to do face to face tours pending guidelines from the governor.
- SW Washington Educator Externship is off to a great start. We have 5 confirmed and 5 tentative participants, and right now the only schools targeted have been small rural schools. There is a very robust partnership growing there, including AGC members that we have not contacted before.

Work-Based Learning

- Frosti and Cherie spoke on a panel for a national webinar with Transeo about our partnership in various initiatives. Transeo is a platform for students to connect with potential employers through a Willamette ESD sponsored partnership with employers. AGC members are providing company information, virtual tours, and employability skills, to give students an overview of a potential career opportunity, including filling out an application if a job is available.

Professional Development

- COVID wreaked havoc on many of our face to face classes so far this spring. We have had to cancel or cut back on seven different classes that we historically sponsor. Trainers are reluctant to go virtual, so it has been difficult to meet AGC member needs to provide certifications classes such as CESCL and ACQM.

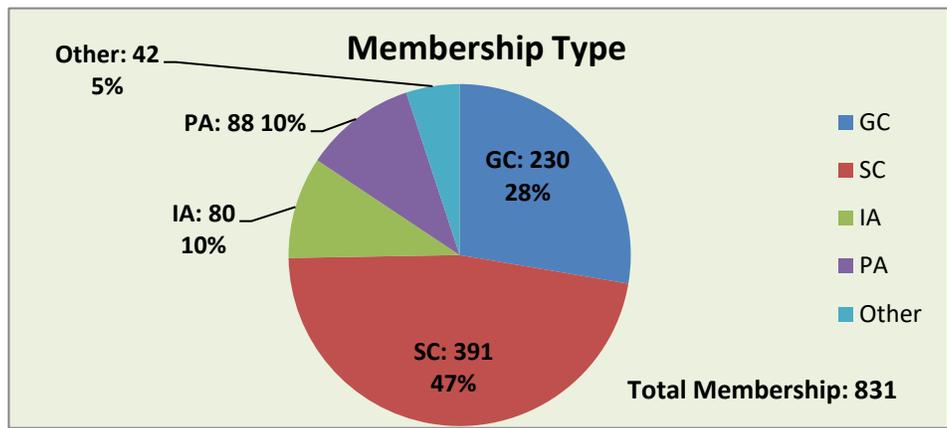
Veterans Outreach

- Chambers Construction has been very active volunteering at Camp Alma in Eugene. They have sent apprentices several times and the Camp is now approved for occupancy. There are 6 formerly homeless veterans living there, getting some social and employability skills, and the plan is that Mark Harrington from Chambers will be working with Frosti on adding a construction skills training program.
- We continue to receive applications from veterans looking to enter the workforce from case managers. Frosti contacts those people and then guides them to companies personally, company websites, or to Build Oregon.

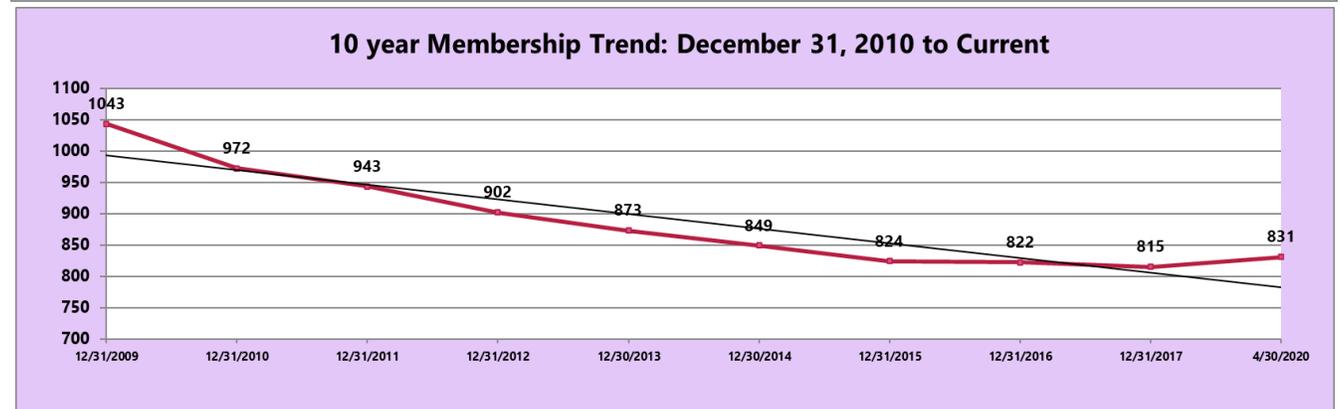
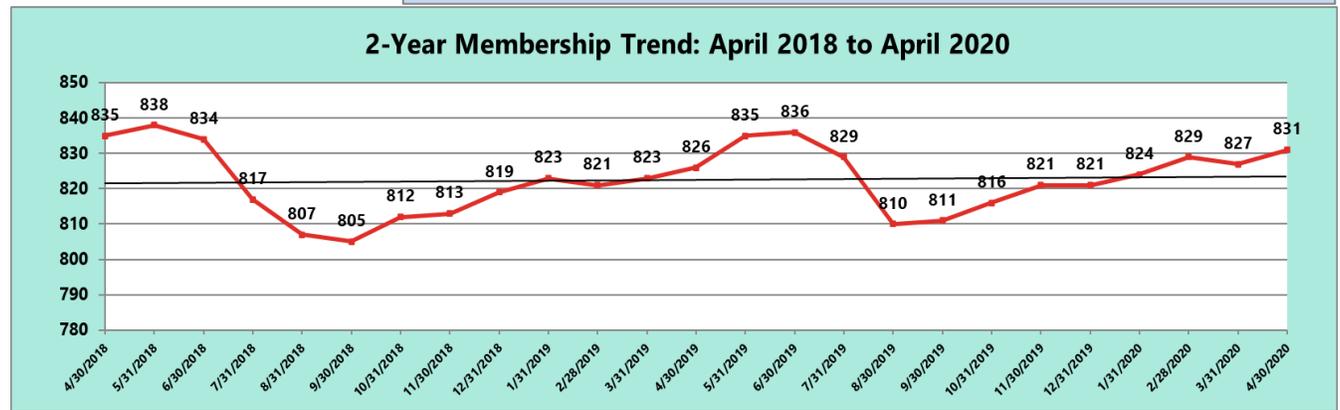
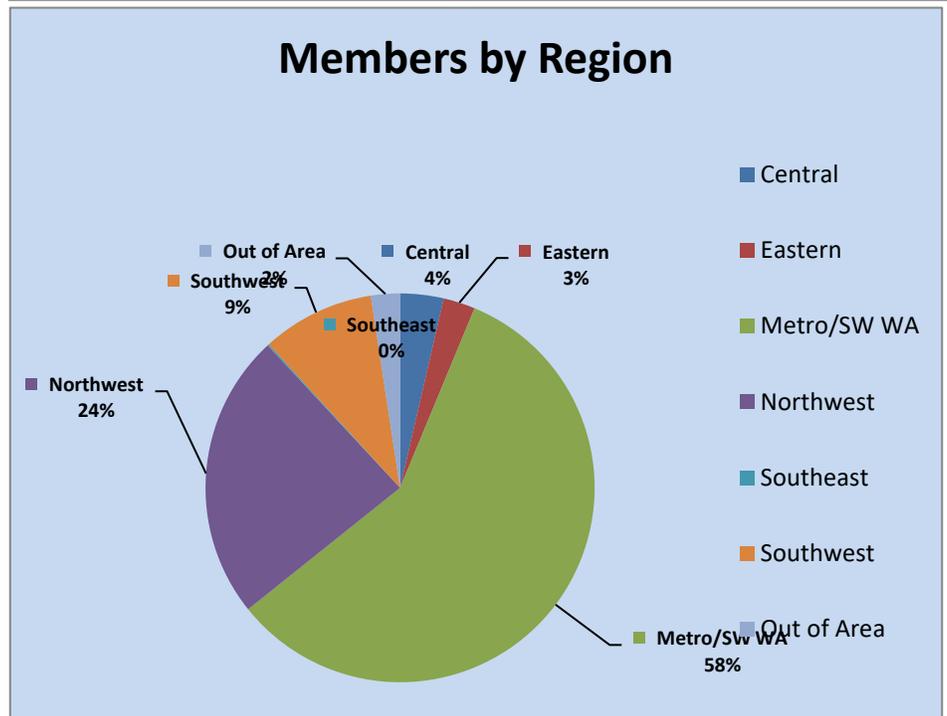


ENGAGE

| Category | Number |
|--------------|------------|
| GC | 230 |
| SC | 391 |
| IA | 80 |
| PA | 88 |
| Other | 42 |
| Total | 831 |



| Region | Number |
|-------------|--------|
| Central | 30 |
| Eastern | 22 |
| Metro/SW WA | 482 |
| Northwest | 198 |
| Southeast | 1 |
| Southwest | 78 |
| Out of Area | 20 |



Membership Marketing Activities

For the Month of April 2020

4/30/2020

| General Cont. Classification | | | Metro/ SW | North | Out of | South | South | Total |
|---------------------------------|-----------|-----------|--------------|-----------|-----------|----------|-----------|------------|
| | Central | Eastern | WA | West | Area | East | West | |
| \$0 - \$1 Million | 0 | 3 | 11 | 6 | 1 | 0 | 9 | 30 |
| \$1 - \$2 Million | 1 | 1 | 7 | 6 | 1 | 1 | 3 | 20 |
| \$2 - \$5 Million | 4 | 3 | 18 | 14 | 0 | 0 | 7 | 46 |
| \$5 - \$10 Million | 3 | 1 | 12 | 13 | 0 | 0 | 5 | 34 |
| \$10 - \$15 Million | 2 | 0 | 16 | 8 | 0 | 0 | 2 | 28 |
| \$15 - \$20 Million | 0 | 1 | 5 | 10 | 0 | 0 | 3 | 19 |
| \$20 - \$45 Million | 2 | 1 | 17 | 6 | 0 | 0 | 1 | 27 |
| Over \$45 Million | 0 | 0 | 18 | 7 | 0 | 0 | 1 | 26 |
| TOTAL FOR GC | 12 | 10 | 104 | 70 | 2 | 1 | 31 | 230 |

| Specialty Cont. Classification | | | Metro/ SW | North | Out of | South | South | Total |
|-----------------------------------|-----------|----------|--------------|-----------|-----------|----------|-----------|------------|
| | Central | Eastern | WA | West | Area | East | West | |
| \$0 - \$1 Million | 3 | 2 | 24 | 17 | 0 | 0 | 11 | 57 |
| \$1 - \$2 Million | 0 | 1 | 36 | 23 | 0 | 0 | 6 | 66 |
| \$2 - \$5 Million | 2 | 2 | 68 | 22 | 1 | 0 | 7 | 102 |
| \$5 - \$10 Million | 5 | 1 | 44 | 22 | 3 | 0 | 4 | 79 |
| \$10 - \$15 Million | 0 | 0 | 21 | 8 | 0 | 0 | 3 | 32 |
| \$15 - \$20 Million | 1 | 0 | 11 | 3 | 0 | 0 | 0 | 15 |
| \$20 - \$45 Million | 1 | 0 | 24 | 3 | 1 | 0 | 1 | 30 |
| Over \$45 Million | 0 | 0 | 9 | 1 | 0 | 0 | 0 | 10 |
| TOTAL FOR SC | 12 | 6 | 237 | 99 | 5 | 0 | 32 | 391 |

| Industry Assoc. Classification | | | Metro/ SW | North | Out of | South | South | Total |
|-----------------------------------|----------|----------|--------------|-----------|-----------|----------|----------|-----------|
| | Central | Eastern | WA | West | Area | East | West | |
| 0-20 Employees | 2 | 3 | 15 | 4 | 1 | 0 | 0 | 25 |
| 21-50 Employees | 0 | 2 | 20 | 4 | 1 | 0 | 4 | 31 |
| Over 50 Employees | 0 | 0 | 20 | 4 | 0 | 0 | 0 | 24 |
| TOTAL FOR EMPLOYEES | 2 | 5 | 55 | 12 | 2 | 0 | 4 | 80 |

| Classification | | | Metro/ SW | North | Out of | South | South | Total |
|-------------------------|----------|----------|--------------|-----------|-----------|----------|-----------|------------|
| | Central | Eastern | WA | West | Area | East | West | |
| Professional Associate | 2 | 0 | 62 | 9 | 9 | 0 | 6 | 88 |
| Affiliate | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Emerging Small Business | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| Honorary Member | 2 | 1 | 13 | 6 | 2 | 0 | 5 | 29 |
| Mentor Protege | 0 | 0 | 10 | 2 | 0 | 0 | 0 | 12 |
| TOTAL | 4 | 1 | 86 | 17 | 11 | 0 | 11 | 130 |

| GRAND TOTAL | | | Metro/ SW | North | Out of | South | South | Total |
|-------------|-----------|-----------|--------------|------------|-----------|----------|-----------|------------|
| | Central | Eastern | WA | West | Area | East | West | |
| | 30 | 22 | 482 | 198 | 20 | 1 | 78 | 831 |

AGC Membership Status Report

April 2020

New Members

| Classification | Company | Work Type | Location |
|----------------|------------------------------------|---|--------------|
| SC | Bridgeport Interiors, Inc. | Metals Thermal and Moisture Protection Finishes Specialties | Tigard, OR |
| IA | City of Roses Disposal & Recycling | General Requirements Trucking and Hauling | Portland, OR |
| SC | River Hawk Construction, LLC | Specialties Special Construction | Corbett, OR |
| SC | RK Concrete Construction | General Requirements Concrete Earthwork Exterior Improvements Utilities Trucking and Hauling | Otis, OR |

Resignations/Terminations

| Classification | Company | Resignation Code |
|----------------|---------|------------------|
| | | |
| | | |

Reinstatements

| Classification | Company | |
|----------------|---------|--|
| | | |
| | | |

Classification Change

| | |
|-------------------|----------|
| American Sani-Can | SC to IA |
| | |

Legend for Termination Codes:

- | | |
|--|--|
| A – Non-payment of dues | G – Lack of time to participate |
| B – Dues too high | H – Dissatisfied with AGC |
| C – Out of business | I – Other (Retire, Death, Merger, Etc.) |
| D – Economic conditions/no work in area | J – Healthcare benefit costs |
| E – Joined similar association | K – Workers Comp issues |
| F – Does not utilize products & services | L – Did not meet networking expectations |

SUCCESS EDU SERIES

True Confessions

THE PICKING OF THE SUBS

Join us for a candid panel discussion with three top GCs to share their experience and insights!

Pat Clemons, Senior Project Manager of Mortenson Construction

Marcus Klein, Senior Project Manager of Fortis Construction

Ted Jeffery, Senior Project Manager of Emerick Construction Company

- Besides the lowest number, what is a GC looking for during a bid review before a contract is awarded?
- Does the owner have a say?
- Does company culture affect the decision?
- Do relationships really come into play?
- What about personality conflicts on previous jobs?
- What can I do to be a sub of choice?
- What can I change to become a team regular?

RSVP TO: ALI GADBAUGH, ALIG@AGC-OREGON.ORG, 503-685-8308

WEDNESDAY, MAY 20, 2020

7:00 – 9:00 AM

AGCLIVE 

LIVESTREAM ONLY

The AGC Specialty Contractors Council provides access to specialty contractors by way of general contractors and service providers. We are committed to helping our specialty contractor members grow in their business by opening a path of communication, relationships, and problem solving.

This session is FREE for AGC members. This session earns two credit hours for your CCB licensing requirement.

CORONA, CORONA, I DIDN'T WANNA KNOW YA!

How to Address the Impacts of COVID-19 and Get Paid for Them!

TUNE IN ONLINE TO JOIN OUR WELL KNOWN LEGAL GUYS:

- Gary Christensen, Partner, Miller Nash Graham & Dunn, LLP
- Jeremy Vermilyea, Owner, Vermilyea Law, PC

Discover the best practices to see if we can get paid for the impacts that are both
here and looming!

- Suspensions/terminations
- Force majeure and other possible remedies when you can't continue to perform
- Workforce issues, safety protocols, etc.: Time that we may be reimbursed for

*Get ready...you will also have the chance to ask these two lawyers questions!
Look forward to seeing you on ZOOM...*

RSVP TO: ALI GADBAUGH, ALIG@AGC-OREGON.ORG, 503-685-8308

WEDNESDAY, APRIL 15, 2020

7:00 - 9:00 AM

ZOOM WEBINAR

BatzerHelpers

The latest BOD helpers and announcements

In This Issue

How to Grow the Workforce in the Construction Industry

AGC Board of Directors President Sets Goal of 100% Board Participation
No Nay's Were Accounted For

Many Hands Make Light Work

Ali Gadbaugh, AGC

o. 503-685-8308

e. alig@agc-oregon.org

a. 9450 SW Commerce Circle #200
Wilsonville, OR 97070



Pretend this is Ali and Russ...

WE NEED YOUR HELP

Russ' initiative needs some help! He is expecting 100% completion on this initiative. There have been four board members that have responded and been in compliance BUT we are still waiting on 67 board members to send out letters. Help us help you as a board member by expanding the AGC Oregon-Columbia Chapter message.

Kudos to:

- Yohn Baldwin
- Tim Sissel
- Cindy Schmeck
- Dave Alexander

NAVIGATING COVID-19 PART 1: CONTRACTING IN THE TIME OF COVID-19

Presented by the AGC Professional and Industry Associates Council and Legal Operating Committee

KEY CONTRACT PROVISIONS AND OTHER CONSIDERATIONS

Force Majeure and Delays Provisions
Existing Conditions
Safety and Emergency

Notice of Claims
Termination and Suspension
Dispute Resolution

PANELISTS



Mario Nicholas,
Stoel Rives LLP



Darien Loiselle,
Schwabe Williamson & Wyatt



Antonija Krizanac,
Stoel Rives LLP



Sean Gay,
Stoel Rives LLP



Gary Christensen,
Miller Nash Graham & Dunn LLP



Angie Otto,
Ball Janik LLP

FRIDAY, APRIL 24, 2020 • 7:30–8:30 AM
ZOOM WEBINAR

NAVIGATING COVID-19 PART II: EMPLOYMENT CONSIDERATIONS IN THE ERA OF COVID

Presented by the AGC Professional and Industry Associates Council and Legal Operating Committee

RE-OPENING FOR BUSINESS: WHEN AND HOW TO RE-OPEN YOUR BUSINESS AND EMPLOYMENT LAWS RELEVANT TO RE- ONBOARDING

State and Federal Guidelines on When Employers Can Re-Open
Tips for Developing a Comprehensive Re-Opening Plan
Employee Testing and Monitoring Best Practices
Social Distancing and Physical Workspace Considerations
Relevant Employment Policy and Benefit Issues
COVID-19-Related Requests for Accommodation

PANELIST



Andrew Schpak,
Barran Liebman

FRIDAY, MAY 1, 2020 • 7:30–8:30 AM
ZOOM WEBINAR

NAVIGATING COVID-19 PART III: THE IMPORTANCE OF PRESERVING PAYMENT RIGHTS IN THE TIME OF COVID-19

Presented by the AGC Professional and Industry Associates Council and Legal Operating Committee

GENERAL AND SPECIALTY CONTRACTORS WILL LEARN:

Preserving lien rights
Making claims against bonds
Pay-if-Paid v. Pay-when-Paid

Notice and change orders
Owner assurances regarding financing
Knowing if/when it's time to walk



Darien Loiselle,
Schwabe Williamson & Wyatt



Paige Spratt,
Schwabe Williamson & Wyatt

**FRIDAY, MAY 8, 2020 • 7:30–8:30 AM
ZOOM WEBINAR**

NAVIGATING COVID-19 PART IV: THE STOCK MARKET IN A CORONAVIRUS WORLD

Presented by the AGC Professional and Industry Associates Council and Legal Operating Committee

FINANCIAL ADVISOR WEIGHS IN ON THE UNCHARTED WATERS OF PANDEMICS AND HOW THIS ONE COMPARES TO OTHERS IN THE PAST

Current shocks in historical perspective
What's going on in our heads
Living with market volatility

SPEAKER



Tommy Elrod,
Merrill Lynch Wealth Management

FRIDAY, MAY 15, 2020 • 7:30–8:30 AM
ZOOM WEBINAR

Register online today!

*If you need assistance with your AGC web portal login, contact Ali Gadbaugh
at alig@agc-oregon.org.*

NAVIGATING COVID-19 PART V: RISK MANAGEMENT AND INSURANCE CONSIDERATIONS FOR COVID-19

Presented by the AGC Professional and Industry Associates Council and Legal Operating Committee

HEAR FROM THE INSURANCE PERSPECTIVE ON:

Overview of Pandemics and Insurance Coverage
Insurance Market: What's Coming and How to Be Prepared
Risk Control and Recovery in a Post-COVID World
Procor Solutions and AGC of America: Takeaways for Our Region
(PNW)



Steven Williams,
Brown & Brown Northwest



Brian Shahum,
Brown & Brown Northwest

PANELISTS

THURSDAY, MAY 21, 2020 • 7:30–8:30 AM
ZOOM WEBINAR

CENTRAL OREGON REGIONAL SAFETY WEBINAR

Join us for a webinar covering safety topics tailored for our members in Central Oregon. Features three members of the AGC safety team:

- **Travis Stone, CHST:** safety topics like fall protection, competent person, etc. and AGC Safety Services
- **Barb Epstien, MPH, CIH:** Lead-containing and asbestos-containing materials
- **Dennis Barlow, CSP, CMSP, CRIS:** COVID-19 information and social distancing

MAY 20, 2020 | 7:30–8:30 AM

ZOOM WEBINAR

RSVP required.

Register online at www.agc-oregon.org.

QUESTIONS?

Contact Ali Gadbaugh: alig@agc-oregon.org or 503-685-8308

AGC Oregon
Columbia
Chapter
ASSOCIATED GENERAL CONTRACTORS



NORTH COAST REGIONAL SAFETY WEBINAR

JOIN US

for a webinar featuring information from our safety team designed for our members in Oregon's Northern Coast region.

1

CHRIS MILLER, AGC

Safety topics like fall protection, competent person, etc. and AGC Safety Services.

2

BARB EPSTIEN, AGC

Lead containing and asbestos containing materials.

3

DENNIS BARLOW, AGC

COVID-19 information and social distancing.

MAY 7, 2020 | 7:30-8:30 AM | ZOOM WEBINAR

**REGISTER ONLINE OR CONTACT ALI GADBAUGH
AT ALIG@AGC-OREGON.ORG**

ENGAGE STRATEGIC OBJECTIVE UPDATE

Date: May 15, 2020

To: AGC Executive Committee

From: Ali Gadbaugh, Member Engagement Manager
Viktoria Schulz, Event Manager

Membership:

- At the close of April, the chapter had 833 members overall, welcoming four new companies to the chapter.
- The 2020 new member recruitment initiative is ramping back up after a bit of dormancy due to COVID-19. Russ e-mailed members of the board directly who have yet to submit their recruitment letters to Ali asking them to help and reiterating that he wants 100% board participation. To date, we've had 9 board members complete the initial request to revise Russ' recruitment letter template and provide AGC with their company letterhead and logo envelopes (13% participation).

CLC:

- Unfortunately, the CLC steering committee has reluctantly decided to cancel all events for the remainder of 2020. The committee felt that the value from the ENGAGE Leadership Series speaker events was found in the networking and in-person interaction the attendees and speakers when deciding whether to move the events to an online platform.
- The steering committee will continue to meet virtually on our regularly scheduled dates throughout the rest of the year to stay connected and prepare for 2021.

Specialty Contractors Council:

- All Specialty Contractors Council meetings have been moved to an online platform for the remainder of 2020. We have already hosted one very successful Zoom webinar (flyer attached), and the next session will be livestreamed from AGC on Wednesday, May 20 (flyer attached). There will be one more session on June 24 before we break for the summer.

Associates Council:

- Due to COVID-19, the Associates Council steering committee has agreed to move all future events to online platforms for the rest of 2020. This includes the previously scheduled quarterly education session on Thursday, October 22 with HR Answers.
- The Associates Council has been partnering with the Legal Operating Committee to deliver a 5-part webinar series titled *Navigating COVID-19*. The sessions have taken place each Friday since April 24 and are drawing great attendance from our contractor members and associate members alike. Flyers for each of the sessions are included here.

- The Associates Council will also be sponsoring another two-part webinar series beginning on May 28 or 29 regarding PPP loan forgiveness. More details to come.

Central Oregon Area Council:

- The Central Oregon Regional Safety Webinar (flyer attached) will take place on Wednesday, May 20 via Zoom. This event was scheduled in place of the canceled March 18 legislative update and May 15 workforce update.
- The plan is to host at least one more webinar for the Central Oregon region later in the year, hopefully with John Rakowitz for a legislative update.

North Coast Area Council:

- The North Coast Regional Safety Webinar (flyer attached) took place on Thursday, May 7 via Zoom. We had great participation from the members in that region. This event replaced the previously scheduled July 8 safety breakfast in Astoria.
- The plan is to host one more webinar for the North Coast region later in the year, preferably a legislative update with John Rakowitz.

Klamath Area Council:

- Due to COVID related concerns, the Southern Oregon Golf Tournament planning committee made the decision to move the tournament to Friday, October 9.
- The Klamath 2020 Christmas Party is still scheduled for Saturday, December 5.

Rogue Valley Area Council:

- Due to COVID related concerns, the Southern Oregon Golf Tournament planning committee made the decision to move the tournament to Friday, October 9.
- There is a tentative Poker Tournament scheduled for November (depending on large event guidelines)

Centennial Committee:

- All sub-committees to finalize projects and event proposals
- The full committee has met to review the complete budget
- The chairs will be proposing the budget to the finance committee on Wednesday, May 20

EVENT UPDATE

Date: May 15, 2020

To: AGC Executive Committee

From: Viktoria Schulz, Events Manager
 Ali Gadbaugh, Member Engagement Manager

| Event | Date | Location |
|---|--|---------------------------------------|
| Professional and Industry Associates Council: Navigating COVID-19 Part V | May 21, 2020 | ZOOM Webinar |
| Professional and Industry Associates Council | May 29, 2020 | ZOOM Webinar |
| Specialty Contractors Council | June 24, 2020 | ONLINE |
| Safety & Health Council | July 23, 2020 | TBD |
| Summer Convention Speaker Series | Every Tuesday–Thursday in August, 2020 | ONLINE |
| AGC Golf Tournament | August 17, 2020 | Langdon Farms Golf Course |
| Southern Oregon Golf Tournament | October 9, 2020 | Running Y Ranch Resort, Klamath Falls |

Top Shot: Canceled (*originally scheduled for June 15, 2020*)

AGC Wide Open Golf Tournament: Canceled (*originally scheduled for August 6, 2020*)

SIR Awards Gala: Canceled (*originally scheduled for August 8, 2020*)



SAFETY

COVID-19 Job Site Practices

All contractors should incorporate COVID-19 transmission and prevention into all job hazard analyses (JHAs) and pre-task safety planning for all aspects of the work. This tool is provided solely as a guideline for contractors and is not to be relied upon to prevent the spread or transmission of COVID-19, or prevent a safety violation from being issued by a jurisdictional authority. This is not legal advice. Contractors should continually evaluate the specific hazards at their job sites along with the [Centers for Disease Control and Prevention \(CDC\) recommendations](#) to determine the most appropriate job hazard analysis for the project/task as it relates to the spread and/or transmission of COVID-19.

Worker Personal Responsibilities

- Employees need to take steps to protect themselves. Refer to CDC guideline: [How to Protect Yourself](#).
- If employees have symptoms of acute respiratory illness (i.e., **fever, cough, shortness of breath**), they must stay home and not come to work until free of symptoms for at least 72 hours, without the use of medicine, or as recommended by the CDC. Refer to CDC guideline: [What To Do if You Are Sick](#).
- Employees must notify their supervisors and stay home if they are sick. They must consult medical attention if they develop symptoms of acute respiratory illness. Refer to CDC guideline: [What To Do if You Are Sick](#).
- Workers must adhere to the Social Distancing Policies of the job site.

Social Distancing

- **Work in occupied areas should be limited to only those tasks that are strictly necessary.**
 - Ensure workers are maintaining six feet of separation at all times. No more than one employee per vehicle.
 - If a task requires workers to be closer than six feet, refer to site management for a task-specific job hazard analysis (JHA). Use the hierarchy of controls to determine the plan, which may include re-engineering the task, using an impermeable barrier between workers or additional PPE that may include N95 face masks or face-shields.
 - Limit jobsite meetings and replace them with phone or online meetings.
 - Take breaks and lunches in shifts to reduce the size of the group in the lunch area at any one time to **less than 10 people**.
 - Subcontractor foremen and project managers should communicate with their general contractors about prohibiting large gatherings (currently no more than 10 people) on the job site, such as the all-hands meeting and all-hands lunches.

General Job Site / Office Practices

- Employers should reference the CDC's [Interim Guidance for Businesses and Employers](#). Employers should check CDC recommendations frequently and update JHAs and safety plans accordingly.
 - Employers should consider designating a representative to monitor for signs of illness in the workplace, and if someone is showing symptoms, ask them to leave. They should **NOT** be allowed to enter any occupied area before leaving.

- Employers should consider designating a representative to take employees' temperatures with a non-contact thermometer such as a temporal scanner that is disinfected appropriately between applications. Note that some people with COVID-19 may not have a fever, so this should not be the only means of detection.
- If an employee is well but has a family member at home with COVID-19, they should notify their supervisor. Refer to [CDC guidance for how to conduct a risk assessment](#).
- If an employee is confirmed to have COVID-19, inform fellow employees of possible exposure to COVID-19 in the workplace, but maintain confidentiality as required by the Americans With Disabilities Act (ADA). Ask the affected employee to identify those other employees whom he/she came into contact with before the employee departs. Employees who worked in close proximity (3- to 6-feet) to a coworker with confirmed COVID-19 should also be sent home and referred to [CDC guidance for how to conduct a risk assessment](#).
- Attendance at safety meetings should be communicated verbally and the foreman/superintendent will sign in each attendee. Contractors should not pass around a sign-in sheet or mobile device (iPad, tablet, or mobile phone) to confirm attendance.
 - iPad and mobile device use should be limited to a single user.

Personal Protective Equipment (PPE)

- **Gloves:** Gloves should be worn at all times while on site. The type of glove worn should be appropriate to the task. If gloves are not typically required for the task, then any type of glove is acceptable, including latex gloves.
- **Eye protection:** Eye protection should be worn all times while on site.
- **The CDC is currently not recommending that healthy people wear N95 face masks but as of April 3, 2020 they are advising the use of cloth face coverings in public settings where social distancing measures are difficult to maintain.** On March 17, 2020, the government asked all construction companies to donate N95 face masks to local hospitals and forego future orders for the time being. Contractors should continue to provide and direct employees to wear N95 face masks or ½ mask cartridge respirators if required by the task. Cloth face coverings are recommended where the task does not require N95 face mask or ½ mask cartridge respirator, and are not to be a substitute for social distancing. Cloth face coverings shall not interfere with PPE required to perform the work task.

Sanitation and Cleanliness

- Promote **frequent and thorough hand washing with soap and running water** for at least **20 seconds**. Employers should also provide hand sanitizer when hand washing facilities are not available. Refer to CDC guideline: [When and How to Wash Your Hands](#).
 - All workers should **wash hands often**, especially before eating, smoking, or drinking, and after blowing your nose, coughing, or sneezing. Workers should refrain from touching their face.
 - All sites should have hand washing stations readily available to all workers on site. If you have a large site, get a hand washing station from your portable job site toilet provider.
 - Providing hand sanitizer is acceptable in the interim between availability of hand washing facilities.
 - All workers should wash hands before and after entering any unit, as well as regularly and periodically throughout the day.
 - Some job sites may have access to hot water for hand washing. If this is an option, please get permission from the facility owner to use their sink and disinfect frequently.
 - If on a remote project, fill an Igloo-type water cooler with water (hot water, if available) and label "hand washing only." This is a good option for vehicles as well. The CDC has [posters](#) and [fact sheets](#) available for posting.
 - Subcontractor foremen and project managers shall communicate with their general contractor as to what steps the general contractor is taking to provide adequate sanitary/handwashing facilities on the project.

- **Portable job site toilets** should be cleaned by the leasing company at least twice per week (disinfected on the inside). Double check that hand sanitizer dispensers are filled—if not, fill them. Frequently touched items (i.e., door pulls and toilet seats) should be disinfected frequently, ideally after each use.
- Job site offices/trailers and break/lunchrooms must be cleaned at least twice per day.
- Employees performing cleaning will be issued proper PPE, such as nitrile gloves and eye or face protection as needed.
- Maintain Safety Data Sheets (SDS) of all disinfectants on site.
- Employers should **provide tissues and encourage employees to cover their noses and mouths** with a tissue (or elbow or shoulder if a tissue is not available) when coughing or sneezing. Wash your hands after each time you cough, sneeze, or blow your nose, and any time before touching your face or food. Refer to CDC guideline: [Coughing & Sneezing](#).
- Any trash from the trailers or the job site should be changed frequently by someone wearing gloves. After changing the trash, the employee should throw the gloves away and wash their hands.

Job Site Visitors

- Restrict the number of visitors to the job site, including the trailer or office.
- All visitors should be screened in advance. If the visitor can answer “yes” to any of the following questions (without identifying which question applies), the visitor will not be permitted to access the facility.
 - Have you been asked to self-quarantine since December 2019?
 - Have you been in close contact with any person(s) who has been asked to self-quarantine since December 2019?
 - Have you experienced a recent onset of any illness-related symptoms, such as fever, cough, or shortness of breath?
 - Have you traveled outside of North America in the past 14 days?
 - Have you been in close contact with any person(s) who have traveled outside of North America in the last 14 days?
 - Have you been in close contact with any person(s) who has been diagnosed with COVID-19?

Workers Entering Occupied Buildings and Homes

Many contractors and service technicians perform construction and maintenance activities within occupied homes, office buildings, and other establishments. Although these are not large job sites, these work locations present their own unique hazards with regards to COVID-19 exposures. Plumbers, electricians, and heating, ventilation, and air conditioning (HVAC) technicians are examples of these types of workers. All such workers should evaluate the specific hazards when determining best practices related to COVID-19.

- Require the customer to clean and sanitize the work area prior to the workers’ arrival on site.
- Technicians should sanitize the work areas themselves upon arrival, throughout the workday, and immediately before departure. Refer to CDC guideline: [Clean & Disinfect](#).
- Require customers to keep household pets away from work area.
- Ask that occupants keep a personal distance of 10 feet at minimum.
- Do not accept payments on site (no cash or checks exchanged). Require electronic payments over the phone or online.
- Workers should wash hands immediately before starting and after completing the work. Refer to CDC guideline: [When and How to Wash Your Hands](#).

COVID-19 Social Distancing Officer (SDO) Responsibilities

Construction, it's our industry. Keep it together, keep your distance!

[COMPANY] has designated [NAME] as the SDO for this facility [JOB SITE]. The primary responsibilities of the SDO are to establish, implement, and enforce social distancing policies for the protection of our employees, suppliers, visitors, and other personnel at this operation. Every contractor performing work at this site must have a designated SDO.

The SDO should consider the following when establishing a social distancing policy:

- Ensure workers are traveling to and from the job site separately. No more than one employee per vehicle.
- Ensure all workers are maintaining six feet of separation at all times.
- If a task requires workers to be closer than 6 feet, refer to site management for a task-specific job hazard analysis (JHA). Use the hierarchy of controls to determine the plan, which may include re-engineering the task, using an impermeable barrier between workers or additional PPE that may include N95 face masks or face-shields.
- Ensure all gatherings are no more than 10 people, maintaining 6-foot social distancing, when required to meet, even when conducted outside.
- For stand-down meetings, disseminate information electronically and have each trade conduct the training in their own groups, not to exceed 10 people, maintaining social distancing.
- Do not allow workers to share a pen or tablet device to sign for attendance. The meeting leader can sign on the workers' behalf.
- Do not allow the use of a common water cooler.
- Ensure all doors are propped open when safe to do so.
- Do not allow trade stacking in the same space.
- Ensure adequate hand wash stations are installed/maintained at building entrances, break areas, food truck areas, offices, trailers, and job site egress areas.
- Encourage and direct workers to wash hands at breaks and as frequently as possible.
- Ensure gloves and safety glasses are worn at all times. Do not allow sharing of any PPE.
- Shared tools and equipment must be wiped down with sanitizing wipes or soap and water prior to the next worker using the tool or equipment.
- Encourage employees to bring their own lunch and consider eliminating food truck where possible.
- Ensure 6-foot Social Distancing and gatherings of no more than 10 people are being observed in food truck lines and while eating and on breaks.

If the SDO observes a violation of the social distancing policy, then the worker may be subject to the company's progressive discipline policy.

BE SMART: STAY 6 FEET APART



Wash
Your Hands



Cover
Mouth and Nose



Avoid
Touching Eyes,
Nose, and Mouth



Distance
Yourself 6 Feet
From Others

AGC
Oregon
Construction
Association



www.agc-oregon.org

COVID-19 JOBSITE PRACTICES

EMPLOYERS

Social distancing:
Plan work for 6 feet of separation between workers

Designate a social distancing officer (SDO)

Plan gatherings and breaks for groups of 10 or less

Clean and disinfect surfaces

Ensure you have adequate hand washing stations

Provide PPE to prevent transmission

Restrict the number of visitors to the jobsite

Screen visitors prior to arrival

EMPLOYEES

Prevent transmission:
stay home if you're sick or have symptoms

Cover your cough

Wash your hands often

Avoid touching your face

Avoid sharing transportation to and from the job site

Wear PPE at all times to prevent transmission

Inform your employer of symptoms or possible exposure to COVID-19

Please refer to www.agc-oregon.org for additional accurate and updated information.

BE SMART: STAY 6 FEET APART



Wash
Your Hands



Cover
Mouth and Nose



Avoid
Touching Eyes,
Nose, and Mouth



Distance
Yourself 6 Feet
From Others

AGC Oregon
Columbia
Chapter
ASSOCIATED GENERAL CONTRACTORS

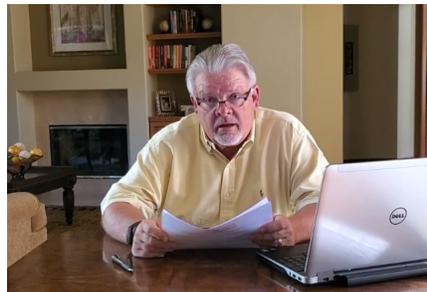


www.agc-oregon.org

COVID-19 Stand Up Video Messages



Russ Batzer, JB Steel, Inc
President, AGC Board of Directors



Scott Williams, Hamilton Construction Company
Second Vice President, AGC Board of Directors



Steve Malany, P & C Construction
Secretary, AGC Board of Directors

COVID-19 Safety Training

COVID-19 SAFETY TRAINING

Please enter your information below to enter online training.

First Name

Last Name

Company Name

Last 4 of Social
Security #

ENTER

CERTIFICATE OF COMPLETION

This certifies that

Lisa Wisler

has successfully completed the AGC Oregon-Columbia Chapter
COVID-19 Safety Training



DENNIS BARLOW

Director of Safety Services

April 3, 2020

AGC & HBA Leadership / OSHA Leadership

A number of media reports have caused confusion and concern regarding the construction industry's continued operation during this time. AGC has done a lot of work educating members on what it means to be in compliance, but there is a perception that the construction industry may be part of the problem in the state. Dennis Barlow and Mike Salsgiver decided it would be best for AGC leadership to hear directly from OSHA.

Michael Woods/Renee Stapleton:

Touched on some broad points. There has not been much time to pull guidelines together. Generally, OSHA allows 60-120 days for review. OSHA does not issue citations on the spot. The process takes weeks or months.

COVID issues will be pushed along faster partly due to the media coverage.

OSHA did not "leak" info to the media. They responded to a public record request. All complaints are immediately public record. They don't discuss status or preliminary findings, but if reporters ask for complaints, they have to release that information.

Media gives the impression when there is a complaint, there is guilt. This is not OSHA's stance. They feel if there is a complaint, they have to investigate.

Over 2,000 COVID related complaints since a week ago Mon. (Access to sanitation supplies is one of the biggest complaints.) Some from workers, some from citizens concerned about workers, some from folks raising issues OSHA does not address. Many are anonymous. This is different from confidential.

OSHA is selectively doing inspections from this group of complaints. They do not send inspectors to collect fines on the spot. (There are scammers out there taking advantage.)

HBA and AGC have both created guidance documents. The important things to stress are sanitation and distance. If work can't be completed without the 6 ft separation, then maybe it should wait? If it can't wait, then protection is needed with a JAH.

One issue is with PPE. OSHA has just posted clarification. Masks should not be used in lieu of distance, but to supplement when 6 feet can't be maintained. One issue is the short supply of masks.

Dennis Barlow:

Introduced the S&H Council members, Michelle Brunetto and Brian McMuldren. They reached out to the steering committee for questions/issues of concern.

Bremik has issued face shields for use in situations where a 6 foot separation cannot be maintained, including cleaning. Does this fit in line with what OSHA is looking for? Potentially yes. The important thing is for both employees to wear the shields, not just one. The shield protects the other person more than the wearer. This is an option when 6 ft of separation can't be achieved.

What are the common violations OSHA is seeing? Most of what's alleged either relates to social distancing or employees who feel their coworkers are sick and employers are not protecting them. Also, access to sanitation supplies. There is a scarcity of supplies on job sites.

Are there additional postings that are required at this time? Strictly speaking, there are no new postings required.

As an engineering control, will plexiglass or welding shields be considered acceptable barriers? Yes, as long as it has full coverage and an impervious surface. This is not an option for vehicles. All employees must ride separately in company vehicles. Personal vehicles are harder to control.

Gov order requires people must maintain 6 ft unless you live in the same household. Does this apply on job sites with people that live in the same household? The household accommodation is about feasibility. It is still a good idea to separate on the job site, especially if they are doing work that requires exertion in breathing. Perception is the issue here. Onlookers don't know these people are roommates. Also, there is validity in creating workgroups that are static so you aren't constantly changing the group you are exposed to.

Is there an upside to documenting COVID training? (The AGC training has just been rolled out.) Strictly speaking, it is not required. However, it is always a good idea to document any training. Employees will understand the risk is real and the steps you are taking as a company to keep them safe.

There has been confusion on 3 feet vs 6 feet? The 6 foot rule is a recommendation. It is not a barrier to work. Do it unless you can't.

Previously, OSHA shared statics on % of complaints on construction. Is there an update on those stats? Last report is through last Sunday night. Of the 1,200 complaints, 99 were construction/landscaping related. (8.1% of all complaints received.) Fewer than 10 of these were landscaping. Many of the complaints are retail businesses.

There has been a concern that OSHA is targeting construction with 75 inspectors? OSHA will have a selective presence. The overwhelming majority of the complaints are handled with a phone call. The in person inspection is reserved for egregious violations or those that are not responding and paying attention to previous OSHA contact.

Safety & Health Council
Professional & Industry Associates Council

RETURN TO WORK BEST PRACTICES

Join us for a *VIRTUAL* town hall
discussion featuring:

DENNIS BARLOW
AGC DIRECTOR OF SAFETY SERVICES

AMANDA GAMBLIN
SCHWABE, WILLIAMSON & WYATT

Reopening workplaces as the quarantine ends brings an entirely new set of questions to be considered. How do employees return to offices, warehouses, equipment yards, and retail establishments in a safe way? Safety professionals will play a key role in the development of new guidelines and processes to help this second wave of employees adapt and adjust to a "new normal" in the same way construction sites did at the start of this pandemic. Register today!

Visit www.agc-oregon.org to register. For questions and more information, contact Lisa Wisler: 503-685-8306 or lisaw@agc-oregon.org

WHEN MAY 19, 7-9 AM

WHERE ONLINE/VIRTUAL MEETING
INSTRUCTIONS FOR JOINING THE MEETING WILL BE SENT
THE DAY BEFORE

AGC Oregon
Columbia
Chapter
ASSOCIATED GENERAL CONTRACTORS

COVID-19 AGC/SAIF Group Update

SAIF COVID-19 Worker Safety Fund

- 365 Applications from the AGC /SAIF group members
- \$120 requests up to \$300,000
- As of 5/15/2020 SAIF has approved \$1,370,562 reimbursements to AGC/SAIF group
- Fully Approved / Partially Approved / Declined / Pending
- Approvals will total \$25M - To date only paid out \$2M
- Delay is due to policy holders lag time in submitting receipts and backup

Incident Review

- SAIF Claims for all policy holders have decreased 50% from same timeframe last year.
- AGC/SAIF Claims have decreased 33% yet manhours have only slightly decreased.

Mar 13 – May 13, 2019

285 claims

Cost incurred \$2,779,712
Paid \$1,616,412

Mar 13 – May 13, 2020

191 claims

Cost incurred \$368,542
Paid \$111,432

Board of Directors Meeting

Friday, June 5, 2020

7:30–9:30 am

Zoom Meeting

Please note: This meeting will be recorded.

| Call to Order | | | | |
|----------------|----|--|---|---|
| 7:30 am | | Call to Order / Pledge of Allegiance | | Russ Batzer |
| | | Antitrust Policy | | Russ Batzer |
| | | New Business | | Russ Batzer |
| | | Roll Call | | Mike Salsgiver |
| Consent Agenda | | | | |
| 7:32 am | 1. | Approve Board Minutes: March 20, 2020 | Action | Russ Batzer |
| | 2. | Chapter Financials | Action | Joe McDonnell/Jennifer Brown |
| | 3. | | Action | |
| Regular Agenda | | | | |
| | 4. | ADVOCATE – Protect the construction industry and strengthen AGC’s impact on public policy a) b) | | Russ Batzer/Dee Burch/ Tom Gerding/John Rakowitz |
| | 5. | GROW – Grow and develop the construction workforce and leadership of the future a) Educator Externship update b) | | Yohn Baldwin/Aaron Bouchane/ Frosti Adams |
| | 6. | ENGAGE – Provide relevant products, services, and events to connect and engage our membership a) 2020 Recruitment Initiative Update b) XX Membership Report c) Specialty Contractors Council d) Professional and Industry Associates Council e) Construction Leadership Council f) Centennial Committee g) Events Update | Information Written Written Written Written Written Written | Scott Williams/Ali Gadbaugh Ali Gadbaugh/Russ Batzer Ali Gadbaugh Bryna Gibson Paige Spratt Josh Smith Walt Gamble/Todd Duwe Viktoria Schulz |
| | 7. | SAFETY – Deliver industry-leading health and safety services to our members a) COVID-19 Safety Response b) COVID-19 Joint Construction Safety Task Force c) AGC/SAIF Group Update • COVID-19 Worker Safety Fund • Incident Review | | Steve Malany/Dennis Barlow |
| | 8 | New Business | Information | Russ Batzer |
| 9:30 am | 9 | Next Meeting: Friday, August 7, 8:00–9:30 am, Zoom Meeting | Information | Russ Batzer |