



Business & Issue Information

CIRT Activities Report

Financial Reports

Officer Slate

Membership Report

Workforce / Talent Development

Design + Construction Competition

2023 FMI Talent Study (select pages)

Save the Dates:

- *Safety Week*
- *Infrastructure Week*
- *Construction Inclusion Week*



Construction Industry Round Table

a network of leading design & construction firms in the United States

CIRT Activities Report

SPRING 2023 CONFERENCE

PRESENTED BY
MARK A. CASSO, PRESIDENT

Introduction

CIRT continued its efforts to represent the interests of the member firms with activities, programs, and events of benefit or value.

The general economy and individual market segments have been steady, stabilizing in positive ground according to our most recent CIRT Sentiment Index report for the 1st Qtr./2023. The members' sentiment seems to be a mix reflecting optimistic/positive view – tempered by concerns regarding inflationary pressures on the two major inputs of materials and labor. Coupled with supply chain disruptions, these factors have put client budgets and expectation behind the curve when it comes to the realities of pricing for upcoming projects.

In the policy and political arena, the Biden Administration continues to move forward through the regulatory rulemaking front, with loss of the House of Representatives. As a result, we have seen challenges dealing with subjects such as: (a) use of PLAs and Davis-Bacon expansion tied to funding, (2) DOL regulatory proposals regarding overtime and salary exemption levels, (3) FTC rules seeking to ban “noncomplete agreements,” and (4) concerns the EEOC has focused on the industry for enforcement against discrimination claims, etc. Countering this is the implementation of the infrastructure bill and other activities focused streamlining permitting and on expanding markets.

CIRT concluded 2022 in a strong positive financial position, with a record number of net members. This year's “*National Design + Construction Competition*” returned to the more robust numbers of entries seen before COVID-19 shutdowns, with the three *Worthy Finalist* teams making in-person presentations at the spring conference.

The Activity Report is presented in accordance with the major objectives set forth in the revamped CIRT Strategic Plan. This includes a mixture of external and internal Round Table activities intended to make membership of benefit, and to improve the environment in which you and your firm must operate.



Objective 1: FOSTER networking / relationship building and education of members.

Strategies:

Peer-to-peer networking.

Relationship building.

Frank/open conversations.

Valuable, informative, timely subjects/speaker sessions.

Shared experiences, social time, camaraderie, etc.

- **CIRT Conferences:** The Round Table continues to be blessed with strong member turn out for its conferences – the spring '23 event being one of the largest gatherings in D.C. at the Willard Intercontinental Hotel.
- **Speakers/Program Sessions:** A mixture of speakers on current conditions affected by the intersection of policies and politics was joined with sessions on wellness awareness, supply chain challenges, safety gear initiatives, and workforce/talent concerns. These program sessions were presented in a mix of approaches, including members on panel sessions. In addition, CIRT hosted a special guest, the Honorable Secretary of Commerce, Gina Raimondo joining the conference for a “fire side chat.” The goal is to stimulate and engage the members on pertinent topics of interest, as well as challenges beliefs and assumptions to elicit the most benefit from the conferences.
- **Focus Groups:** Further tweaks have been done to the newly organized groups with smaller numbers, slightly more meeting time (90 minutes), and increased groups including some around discipline were deployed for the first time with a goal to improve frank exchanges, and overall value.
- **Social/Networking:** Part of the value of CIRT is to build friendship/relationships through shared experiences and time together, with several events and outings, along with special dinner venue, etc.
- **Webinars:** Between conferences members participated in exclusive webinars hosted by CIRT to discuss important issues in a timely manner.

Objective 2: PROMOTE the industry's image and role to critical audiences.

Strategies:

Single voice on vital matters to clients, parties, and public, etc..

Sharing information, benchmarking, and promoting best practices.

Educating on current trends, market analysis, economic forecasting, etc.

Stressing importance of Talent/Workforce and image issues.

Maintain presence, information sources, clearing-house, website, national events.



- **White Paper:** CIRT worked in concert with FMI to assemble, develop, and disseminate a comprehensive paper on the challenges related to Workforce/Talent in our industry. The report seeks to address the means of attracting, training, and fostering career development of the member firms' number one asset – their employees.
- **24/7 Website:** CIRT maintains a website that seeks to serve as the organization's key communications device to its members and general public. The purpose of the website is to provide 24/7 access to CIRT activities/events and important information that affects the members. Key RESOURCES and updated CHARTS/DATA are maintained for the members' convenience.
- **Talent/Workforce Issues.** CIRT continues focus resources and time on this vital subject matter, including:
 - Talent Wars Panel Session: The '23 Spring Conference held a major panel session on the myriad of HR and labor related matters facing the industry – many driven by federal policy initiatives – that *directly* affect our member firms.
 - CIRT Efforts with ACE Students: The Round Table maintains its annual national competition in coordination with ACE Mentor Program of America. This year the final round presentations were held at the spring conference to crown a “National Champion.” (See, below in “Objective 4” for details).
 - Construction Career Alliance: CIRT has taken the lead to revisit and energize this cross section of parties along with potentially launch a Industry Group in DC to create a stronger voice for the industry around HR, employee-management issues being affected by public policy changes.
 - Opportunity America Jobs and Careers Coalition: As part of the Coalition, CIRT has participated in dedicated efforts to earmark federal funds and recognize apprenticeship programs in our industry (especially related to skilled/craft trades).

CIRT Sentiment Index. The latest report (1st Qtr./2023) provides not only insights from our CEO members on where markets are headed but also interesting results from issue-oriented questions that are relevant to the A/E/C community/industry. [For the Sentiment Index Reports go to: www.cirt.org].

- **Member Views/Opinions:** The Round Table continues to conduct opinion polls and other surveys to gauge member views, benchmarking, research, market analysis, and trends.
 - *CIRT Sentiment Index: 1st Quarter 2023:* [Index 53.3/Design Index 66.8]. CIRT's 1st-Quarter Report tested the members' sentiments on the following:
 - *Hiring Expectations in the Coming Year:* For 2023 the members split between somewhat higher (40%) and about the same at (36%), with only (12%) saying significantly higher goals and (11%) anticipating lower levels. This is a large change from 2022, when significantly higher was (32%), somewhat higher (52%), with only (14%) about the same, and almost no one (2%) likely to decrease FTEs.



- o **Backlog**: Nearly two-thirds (65%) of the members backlogs are higher now than they were a year ago, with nearly (90%) reporting at least 12-months of which just under half (47%) had backlogs exceeding 18-months.
 - o **Capacity**: When it came to firm capacity going into 2023, some (31%) said the workload was (91-100%), (39%) place it at (81-90%), and (23%) put it at (71-80%). Compared to 2022, the number saying workload is over 81% capacity is very similar for the coming year.
 - o **Top Risks for 2023**: The most commonly anticipated risks in order are: (1) limited supply of skilled workers/crafts (48%), (2) identifying, developing and retaining talent (45%), (3) economic slowdown (36%), (4) limited supply of field supervision, and (5) limited supply of professional/mgmt. staff, (6) project delays and/or cancellations, (7) cost escalation in materials/labor, and regulatory/legislative changes (16%).
 - o **Policy Impacts**: Members were asked about passage of such bills as IIJA, IRA, and CHIPS. Some (57%) expect at least modest impact to revenue in 2023, but only (7.0%) thought it would be high vs. (12%) expecting no impact from the bills. Notwithstanding, (55%) said YES, the bill did impact their business/strategy planning. The top areas being -- hiring plans (70%), segment market expansion (46%), geographic market expansion (38%), internal processes (24%), acquisition strategy at (24%).
- **CIRT Sentiment Index: 4th Quarter 2022**: [Index 74.9/Design Index 83.4] CIRT's 4th-Quarter Report included specific policy/issue questions:
- o **Interest Rate Sensitivity**: Considering interest rates over the next 12-18 months, (60%) of the members said they had low/very low backlog sensitivity; but a fairly large number (40%) responded with modest or elevated backlog concerns.
 - o **Project Delays**: A large majority (71%) reported delays to project starts, the most cited reason by far -- (61%) said it was owner issues (e.g., financing, economic conditions, etc.); followed by (27%) supply chain constraints with material pricing and/or availability being the culprit.
 - o **Project Cancellations**: Fewer members experienced canceled projects, with some (33%) reporting such, mostly in residential, multifamily, and mixed use (43%); while commercial/retail was second at (35%), closely followed by office (30%) and lodging (30%), with education and transportation each at (22%).
 - o **[NOTE: 4th Qtr./22 one of the top concerns was: Supply Chain Issues]**: A vast majority (82%) of CIRT members experienced delays due to supply chain issues; with (72%) experiencing project cancelled due to this matter. If this persists (next 12 months), members say they will change purchasing behavior, with (a) readiness and willingness to consider substitute products/materials the most often cited at a (56%) increase, followed by (43%) increase impacting supplier/channel relationships, and (31%) and (29%)



respectively increasing frequency of material orders, and/or inventory levels to combat supply chain impacts.

- o **Business Growth Trends:** Members were asked about significant changes to various parts of their businesses and what is anticipated. Past: most significant their ability to acquire and retain talent, develop it, and create internal HR programs; Next five years: utilization of data and technology, ongoing evolution of talent acquisition, retention, development. For the future: the ability to acquire and retain talent.

Objective 3: ADVOCATE public policy creating a positive business environment.

Strategies:

Advocate on legislative, regulatory, and judicial matters pertinent to the members.
Coordinate with allied groups, coalitions, and individuals.
Leverage resources working with coalitions, groups, and other associations.
Efficient cost effect contract procedures, delivery methods, risk allocation, etc.

CIRT acts in concert with a cross-section of industry groups and the larger business community to promote, inform, and influence the direction of initiatives that are of prime importance to our community in creating a positive business environment.

- **CIRT's External/Public Policy Advocacy:** CIRT meets with policy makers (e.g., Sec. of Commerce) to raise the design/construction industry issues like: infrastructure focused expenditures, use of the private sector for public projects, concerns over excessive regulations, and to promote improvements in the business environment (financial markets, timely spending, streamlined processes, market-based reforms to health care, taxes, etc.)
 - *CIRT Government Relations Committee:* Members, allied organizations, and Washington reps, met during this spring conference event to share views on key legislative/regulatory goals and to prioritize them to better coordinate a single voice.
- **Positive Business Environment:**
Policies impacting the complex relationships with employees have been enacted or are being proposed that will have repercussions for the CIRT members:
 - **Repeal Provisions of Inflation Reduction Act:** CIRT supports the *Family and Small Business Taxpayer Protection Act* (H.R. 23) to rescind portions the IRA of '22 that funds billions for tens of thousands of new IRS agents.
 - **Tax Proposals:** CIRT has opposed increases to corporate/partner/S-corp. tax levels generally found in the Administration's budget proposal, as well as any attempts to cap Section 199A deductions, increase the capital gains tax, etc.



- *Death Tax Repeal*: CIRT as a member of the Family Business Estate Tax Coalitions supports passage of the *Death Tax Repeal Act of 2023* to permanently end the federal estate tax.
- *The “Fair and Open Competition Act”*: CIRT supports reliance on the private sector to deliver needed goods and services to the public sector.
- *Apprenticeships/Education*: As a member of the Opportunity America Coalition, CIRT seeks more involvement of divergent views that reflect market needs and private sector apprenticeship/training programs.

(1) **Infrastructure Policy**: Details related to the \$1.2 trillion comprehensive infrastructure investment package have emerged, including: slowing down projects with re-introduction of NEPA rules, undercutting use of long-term financing, impacts on bond markets with so much federal cash flooded markets, off-loading of state/local commitments, unprecedented “discretionary” spending shifting authority to federal bureaucracy vs. state/local, & the fate of the Interstate Highway System.

(2) **Regulatory Matters**: CIRT has been an advocate for regulatory reform and reduction, particularly when it comes to “streamlining” the process to improve its efficiency. We will continue to work with other groups, such as the Regulatory Improvement Coalition (RIC), of which we have been a long-standing and active member.

- *DOL Wage & Hour Proposal*: CIRT has been concerned about the proposal to increase the base salary of employees (possibly doubling) to qualify for overtime exemption. In the past, the DOL has used a single arbitrary number for the entire country that ignores market forces, cost differences – and therefore enjoined by federal court order.
- *Mandatory PLAs*: CIRT opposes “mandatory” application or requirements by the federal government to impose PLAs directly or indirectly through funding to state/local projects. [E.g., Dept. of Commerce favors application of PLAs under the new CHIPS Act extending it to *private sector* owners].
- *FTC Ban on Non-Compete Agreements*: The Federal Trade Commission [proposed a new rule](#) that would ban employers from imposing non-compete clauses on their workers which it views: suppresses wages, hampers innovation, and blocks entrepreneurs from starting new businesses. The proposed rule claims to be based on a preliminary finding that non-competes constitute an unfair method of competition and therefore violate Section 5 of the Federal Trade Commission Act.
- *Davis-Bacon Expansion*: CIRT joined other industry groups to oppose legislative and regulatory efforts to expand the scope of the DBA—and its costly regulatory burdens estimated to add 7.2% to jobs—onto public *and private* construction projects in which it has not been previously required.
- *EPA Water Rule*: After surviving a Congressional attempt to cancel it, the “*Waters of the U.S.*” rule (first proposed under President Obama) and now again under President Biden will likely result in expanding the EPA's Clean Water Act jurisdiction to essentially go well



upstream of water tributaries across the country. This new authority may still be blocked through the courts as in the Obama era.

- EEOC Enforcement Plans: CIRT has concerns over EEOC's characterization and highlighting as part of its Strategic Enforcement Plan the construction industry for discrimination and lack of diversity compliance activity.
- USDOT Effort to Accelerate Surface Transportation Project Delivery: The U.S. Department of Transportation is seeking comments from the public regarding possible ways to speed up environmental permitting.

(3) **Judicial Matters:** As a member of ATRA – CIRT supports improving the legal environment in which our businesses must operate through legal reform and amicus activities.

Objective 4: CHAMPION Industry improvements.

Strategies:

Scaling and supporting industry-wide initiatives.

Information, data, intelligence gathering (research), etc.

Surveys, reports, studies, and other information of importance to members.

Application of IT, cybersecurity, data use, etc. to improve means, methods, and techniques in the built environment.

Maintain a robust strong organization to deliver on the members goals.

- **CIRT National Design + Construction Competition:** For the 17th year, CIRT conducted a national design/construction competition that invites mentor teams from ACE Mentor Affiliates/Chapters to participate for national recognition. The entries were judged by distinguished members of the community. Winners received financial contributions to their Affiliate/Chapter organizations to use as they see fit. [This initiative is a legacy program commemorating CIRT's 20th Anniversary Celebration in 2007].
 - Online Platform: The competition is housed on a digital platform that allows for greater online collaboration for the team members.
 - Information: A detailed information package was developed and distributed to all interested mentor teams (as well as being included in the ACE National Newsletter).
 - Stats: The program was open to over 75 ACE Affiliates/Chapters across the country, with (48) teams submitting entries for the competition from (22) Affiliates/Chapters.
 - Judging: A preliminary cut was made to select the three national finalists.
 - Presentation Stage: The “Worthy Finalist” teams made their live presentations to a panel of judges assembled at CIRT's spring conference. (The competition was also live streamed to an online audience).
 - Awards: The top Award is \$5,000 for the national winning team was presented, along with \$3,000 for second and \$2,000 for third. In addition, the other six teams won \$1,000 and \$500 respectively for (1st/2nd Runner-Up for the different design challenges).



- **Industry Initiatives.** CIRT provides support and information in the form of sponsorship to assist in scaling initiatives to be industry wide activities:
 - “Safety Week”: Again, this year CIRT members/firms lead an industry wide IIF program initiative during the first week in May to highlight attention on the importance of safety in our companies and on our projects. [NOTE: A working/planning session was conducted at the fall conference in Sea Island, GA; and a PODCAST was produced to promote and advertise the value of the program to CIRT members].
 - DEI Construction Consortium: CIRT has supported and scaled a DEI coalition composed of a core of member companies, included the inaugural industry-wide activity with the first ever “Construction Inclusion Week” event. [NOTE: Future programs are being planned that will be reported on at our spring conference Membership Breakfast].
- **Business Information/Resources.** The Round Table seeks to provide its members with timely, convenient, and pertinent economic/business news that is of value to our industry. To that end, CIRT has tracked or alerted members to various item such as:
 - Monthly Construction in Place Statistics: On a monthly basis, usually on the day the information is released, CIRT posts to its web site the latest U.S. Department of Commerce figures on construction in place. It also provides other pertinent data when available.
 - Unemployment Statistics: The monthly unemployment levels for the construction industry and overall economy are posted on the CIRT website for easy tracking and trend analysis.
 - Quarterly GDP: This key general market indicator (and its monthly comparisons and historical levels) is posted on a quarterly basis for the member’s information.
 - Leadership and Business Forums/Conferences: As we have in the past, CIRT tries to alert members to valuable conferences and/or programs that are pertinent to or geared for our community (e.g., FMI’s Leadership Forum, TSIP, ConsensusDoc, etc.)
 - Economic Reports: CIRT provides members access to economic and/or market reports like those produced by ENR, FMI Corporation, Tort Reform, and others.
 - The Construction Industry Ethics & Compliance Initiative: Again, this year CIECI hosted their meeting in conjunction with CIRT’s conference in Washington, DC.
 - ConsensusDocs: CIRT is a member of a coalition of 40 leading design and construction industry associations that publish model contracts with the intent to advance the project results from all the parties’ perspectives.
- **Financial Matters:** CIRT completed 2022 with a healthy “positive” position, after reaching a new record in net member at 126. The Board will redirect some of those funds to enhance conference programming/speakers at its spring BoD Meeting.

04/25/2023

Construction Industry Round Table
Financial Report for 4th
Quarter 2022

			1st Quarter (61) @ 10,500	2nd Quarter (4) @ 10,500	3rd Quarter (52) @10,500	4th Quarter (9) @10,500	Actual YTD (126) -	% of Budget
			2022 Budget (120) @ 10,500					
Membership Estimates								
INCOME								
Membership Dues			\$ 1,260,000.00	\$ 42,000.00	\$546,000.00	\$ 94,500.00	\$ 1,323,000.00	105.0%
Interest			\$ 4,000.00	\$ 957.59	\$ 2,062.17	\$ 2,882.94	\$ 6,361.23	159.0%
BOD Budget Adjustment			\$ -	\$ -	\$ -	\$ -	\$ -	
Misc Income (Reg Fees etc)			\$ -				\$ -	
Total Income			\$ 1,264,000.00	\$ 42,957.59	\$ 548,062.17	\$ 97,382.94	\$ 1,329,361.23	105.2%
LABOR RELATED EXP								
Compensation			\$ 598,000.00	\$ 128,996.25	\$ 128,996.25	\$255,996.25	\$ 642,985.00	107.5%
Payroll Benefits / Taxes			\$ 156,500.00	\$ 80,339.26	\$ 25,698.24	\$ 20,337.81	\$ 155,238.44	99.2%
Reimbursable Expenses			\$ 19,000.00	\$ 1,109.39	\$ 3,547.56	\$ 4,750.25	\$ 12,502.90	65.8%
PROGRAM EXPENSES								
Meeting Costs			\$ 135,000.00	\$ (428.37)	\$ 283.19	\$ 99,745.32	\$ 149,778.58	110.9%
Speaker Fees/Program			\$ 170,000.00	\$ 2,099.14	\$ 64,365.06	\$ -	\$ 93,530.61	55.0%
Misc.			\$ 6,000.00	\$ 578.57	\$ 1,134.80	\$ -	\$ 5,375.25	89.6%
GA Program			\$ 23,000.00	\$ 3,000.00	\$ 2,999.75	\$ 18,298.25	\$ 27,297.75	118.7%
IT / Technical Services			\$ 20,000.00	\$ 1,441.60	\$ 8,904.63	\$ 1,174.92	\$ 13,803.71	69.0%
Communications /Competition/Workforce			\$ 40,000.00	\$ 4,484.63	\$ 17,821.96	\$ 4,440.44	\$ 38,034.43	95.1%
OPERATING EXPENSES								
Rental Expenses			\$ 36,000.00	\$ 5,695.98	\$ 8,543.97	\$ 11,391.96	\$ 34,175.88	94.9%
Supplies			\$ 4,000.00	\$ 171.15	\$ 117.00	\$ 1,678.76	\$ 3,050.14	76.3%
Telephone/Postage			\$ 10,000.00	\$ 3,365.51	\$ 1,431.53	\$ 1,220.13	\$ 10,239.56	102.4%
Printing/Production			\$ 7,500.00	\$ -	\$ -	\$ 1,635.47	\$ 1,635.47	21.8%
Professional Services			\$ 7,000.00	\$ 956.68	\$ 2,818.89	\$ 1,555.32	\$ 8,230.44	117.6%
Legal/Insurance/Audit			\$ 17,000.00	\$ 1,923.46	\$ 8,750.00	\$ 1,557.79	\$ 14,620.25	86.0%
Misc. / Maintenance			\$ 4,000.00	\$ 140.00	\$ 428.63	\$ 231.00	\$ 1,940.49	48.5%
Opportunity / Advance Fund			\$ 10,000.00	\$ 10,000.00	\$ -	\$ 15,781.25	\$ 35,781.25	357.8%
Total Expenses			\$ 1,263,000.00	\$ 243,873.25	\$ 176,115.03	\$ 492,495.16	\$ 1,248,220.15	98.8%
Deprec./Leasehold			\$ 1,000.00	\$ 68.12	\$ 68.12	\$ 53.13	\$ 257.49	25.7%
Total Expenditures			\$ 1,264,000.00	\$ 243,941.37	\$ 176,183.15	\$ 492,548.29	\$ 1,248,477.64	98.8%
Net + for Year							\$80,883.59	
ASSETS								
Cash in Bank			\$ 177,957.15	\$ 575,042.43	\$ 279,060.29	\$ 651,007.43	\$255,895.21	
CD Investment Principle			\$ 800,000.00	\$ 800,000.00	\$ 800,000.00	\$ 800,000.00	\$800,000.00	
Net Office Equip&Lease/Deprec.			\$ 257.49	\$ 189.37	\$ 53.13	\$ -	\$ -	
Assets for Budget Column are Actual (12/31/21)								

Construction Industry Round Table
Financial Report for 1st
Quarter 2023

				2023 Budget (123) @ 10,950	1st Quarter (65) @ 10,950	2nd Quarter	3rd Quarter	4th Quarter	Actual YTD	% of Budget
Membership Estimates										
INCOME										
Membership Dues				\$ 1,346,850.00	\$ 711,750.00				\$ 711,750.00	52.8%
Interest				\$ 16,150.00	\$ 4,270.33				\$ 4,270.33	26.4%
BOD Budget Adjustment*									\$ -	
Misc Income (Reg Fees etc)				\$ -					\$ -	
Total Income				\$ 1,363,000.00	\$ 716,020.33	\$ -	\$ -	\$ -	\$ 716,020.33	52.5%
LABOR RELATED EXP										
Compensation				\$ 622,000.00	\$ 134,500.00				\$ 134,500.00	21.6%
Payroll Benefits / Taxes				\$ 161,500.00	\$ 83,427.82				\$ 83,427.82	51.7%
Reimbursable Expenses				\$ 22,500.00	\$ 2,408.07				\$ 2,408.07	10.7%
PROGRAM EXPENSES										
Meeting Costs				\$ 150,000.00	\$ (19,419.77)				\$ (19,419.77)	-12.9%
Speaker Fees/Program				\$ 175,000.00	\$ 18,530.00				\$ 18,530.00	10.6%
Misc.				\$ 7,000.00	\$ -				\$ -	0.0%
GA Program				\$ 26,000.00	\$ 2,999.75				\$ 2,999.75	11.5%
IT / Technical Services				\$ 26,000.00	\$ 3,408.87				\$ 3,408.87	13.1%
Communications / Comp / Workforce				\$ 45,000.00	\$ 21,755.67				\$ 21,755.67	48.3%
OPERATING EXPENSES										
Rental Expenses				\$ 36,000.00	\$ 5,695.98				\$ 5,695.98	15.8%
Supplies				\$ 5,000.00	\$ 1,306.13				\$ 1,306.13	26.1%
Telephone/Postage				\$ 13,000.00	\$ 1,136.20				\$ 1,136.20	8.7%
Printing/Production				\$ 8,500.00	\$ -				\$ -	0.0%
Professional Services				\$ 9,000.00	\$ 1,168.94				\$ 1,168.94	13.0%
Legal/Insurance/Audit				\$ 17,000.00	\$ 1,704.00				\$ 1,704.00	10.0%
Misc. / Maintenance				\$ 4,000.00	\$ 184.00				\$ 184.00	4.6%
Opportunity Fund				\$ 35,000.00	\$ -				\$ -	0.0%
Total Expenses				\$ 1,362,500.00	\$ 258,805.66	\$ -	\$ -	\$ -	\$ 258,805.66	19.0%
Deprec./Leasehold				\$ 500.00	\$ -				\$ -	0.0%
Total Expenditures				\$ 1,363,000.00	\$ 258,805.66	\$ -	\$ -	\$ -	\$ 258,805.66	19.0%
Net + for Year										
ASSETS										
Cash in Bank					\$ 713,609.86				\$ 713,609.86	
CD Investment Principle					\$ 800,000.00				\$ 800,000.00	
Net Office Equip&Lease/Deprec.					\$ -				\$ -	
<i>Assets for Budget Column are Actual (12/31/22)</i>										



Construction Industry Round Table

OFFICER SLATE - 2023 NOMINEES

EXECUTIVE COMMITTEE (TERM: 2023-2024)

Chairman:	Henry Massman, CEO, Massman Construction
Vice-Chair:	Deryl McKissack, CEO, McKissack & McKissack
Treasurer:	Tom Reilly, Executive Vice President, Turner Const.
Past Chair*:	Peter Emmons, CEO, Structural Group

*The immediate Past Chairman is a member of the Executive Committee by function of Bylaw Article VII (1).

BOARD OF DIRECTORS (TERM: 2023 – 2026)

- **John Gavan, President, KPFF Consulting Engineers**
- **Les Hiscoe, CEO, Shawmut Design & Construction**
- **Dan Johnson, CEO, Mortenson**
- **Brian Jones, President & CEO, Gray Construction**



Construction Industry Round Table

MEMBERSHIP STATUS REPORT (AS OF MARCH 30, 2023)

No. of Firms

126 TOTAL MEMBER COMPANIES AS OF 1/01/2023

- 1 CONFIRMED LOSSES FOR 2023:
- Zachry Corp. – John Zachry
- 125 ADJUSTED MEMBERSHIP
- 8 OUTSTANDING MEMBERSHIP DUES TO DATE
- +9 NEW MEMBERS TO-DATE IN 2023:
1. CBNA (*a Bouygues company*) – Joe Folco
 2. COLAS – John Harrington
 3. DN Tanks – Tom Christie
 4. ECS Corp Services – Shyam Veeramachenini
 5. Flintco – Steve Eikanger
 6. Kraemer North America (*an Obayashi company*)– Dave Zanetell
 7. Martin Concrete Construction – Cory Lee
 8. OWL Services – Greg Ergenbright
 9. Wharton-Smith, Inc. – Tim Smith

125 - 134 POTENTIAL NET MEMBERSHIPS (*depending on retention*)

Membership Criteria Tier	Elements in Tier
56.7% Tier 1 members: (35) C's; (28) D's; (13) SPC's	
Tier 1 (Pre-qualified for membership.)	In the Top 50 on either the <u>ENR</u> design or construction firm lists.
90.3% of all CIRT members fall within Tier 1 and Tier 2	
Tier 2 (Automatically eligible for the Board prospects list.)	Among the second group (i.e., 51-150) on either of the <u>ENR</u> TOP Lists.
8.3% of all CIRT members fall within Tier 3	
Tier 3 (At least two elements should be present to consider inclusion on the Board prospects list.) (Approximately 25% of the total firms can be from Tiers 3 & 4)	Consideration of firms <u>ENR</u> ranked 151-250 should include: <ul style="list-style-type: none"> • Former CIRT member • Formerly in the Top 100 rank. • Int'l firm with equivalent size to rank in U.S. Top 100. • Professional prestige of prospective member, based on personal recommendation of CIRT member and/or President. • Major player in region or market segment. • Diversity or specialty interest.
1.4% of all CIRT members fall within Tier 4	
Tier 4 (At least two-three elements should be present to consider inclusion on the Board prospects list.)	Consideration of firms above <u>ENR</u> rank 200 should include: <ul style="list-style-type: none"> • Former CIRT member • Professional prestige of prospective member, based on strong personal contacts with CIRT member/President. • Major niche player in regional market or market segment. • Strong value in diversity or specialty interests.

C = Construction; D = Design; SPC = Specialty



Construction Industry Round Table

2023 NATIONAL CIRT DESIGN & CONSTRUCTION COMPETITION FINAL REPORT

“Believe you can, and you're halfway there.” - Theodore Roosevelt, 26th US President

The 2023 CIRT National Design & Construction Competition invites ACE Mentor Affiliate teams from across the country to design solutions for one of three challenges: a school of the future, a humanitarian center / border relief, or a city park / open space.

The competition is maintained, coordinated and juried by the Construction Industry Round Table (CIRT), in coordination with ACE Mentor Program of America. The 2023 theme celebrates the innovations and contributions the design and construction community make to the quality of American life, while understanding the issues and challenges the industry faces to deliver on this legacy.

HIGHLIGHTS

- 48 Entries
- 22 ACE different affiliates
- 14 States
- 32 Cities
- 11 entries from Florida; 5 different Affiliates

FINALISTS

“Worthy” National Finalists:*

- ACE Mentor Program of Illinois - Chicago Team 11, School of the Future
- ACE Mentor Program of Colorado - Colorado Springs, City Park / Open Spaces
- ACE Mentor Program of Southern Nevada - Magnum Opus Design

Second Place Finalists:

- ACE Mentor Program of Greater Milwaukee - Milwaukee Team H, School of the Future
- ACE Mentor Program Inland Empire - Team Green Land Park
- ACE Mentor Program of Illinois - Chicago Team 7, Humanitarian Center / Border Relief

Third Place Finalists:

- ACE Mentor Program of Illinois - Chicago Team 1, School of the Future
- ACE Mentor Program of Greater Washington Metro Area, Inc. - McKinley Tech High School
- ACE Mentor Los Angeles Metropolitan Area - STEM Academy of Hollywood, Humanitarian Center / Border Relief

ENTRIES FROM EACH STATE (Total States: 14)

- 5 California
- 2 Colorado
- 3 Connecticut
- **11 Florida!** (representing 5 different ACE affiliates)
- 1 Iowa
- 6 Illinois
- 1 Maryland
- 3 New Jersey
- 5 Nevada
- 2 New York
- 1 Rhode island
- 4 Texas
- 2 Virginia (D.C.)
- 2 Wisconsin

2023 PARTICIPATING ACE AFFILIATES (Total: 22)

ACE Mentor Inland Empire	ACE Mentor Program of Greater San Antonio
ACE Mentor Los Angeles Metropolitan Area	ACE Mentor Program of Greater
ACE Mentor of Greater Miami	Washington Metro Area, Inc.
ACE Mentor Program Frederick Affiliate	ACE Mentor Program of Illinois
ACE Mentor Program Houston	ACE Mentor Program of New Jersey
ACE Mentor Program of Broward County	ACE Mentor Program of RI
ACE Mentor Program of Central Florida	ACE Mentor Program of Southern Nevada
ACE Mentor Program of Central Iowa, Inc. (Des Moines)	ACE Mentor San Diego
ACE Mentor Program of Colorado	ACE Mentor San Francisco Bay Area, Inc.
ACE Mentor Program of Connecticut	ACE Northeast Florida
ACE Mentor Program of Greater Milwaukee	ACE Polk County
ACE Mentor Program of Greater NY	

ABOUT ACE MENTOR

Founded in 1994, the ACE Mentor Program of America (ACE) is a free, award-winning, afterschool program designed to **attract high school students into pursuing careers in the Architecture, Construction and Engineering industry**, including skilled trades. ACE serves over 10,000 students annually. ACE is a federation of more than 75 affiliates (chapters), operating in 38 states and Canada, and largely based in metropolitan areas. A national office supports the affiliate programs. More information can be found at www.acementor.org.

**The Worthy National Finalists are named in honor of the late Ed Worthy, a longstanding and influential leader in the ACE Mentor Program*

2023 CIRT COMPETITION CHALLENGES



SCHOOL OF THE FUTURE

This competition's objective is to envision and reimagine a sustainable, *net-zero*, viable design/construction solution for a school of the future (elementary, secondary, or college levels). To succeed the team should consider all the elements in such a project, from site selection to construction materials, methods, timelines, and budgets, etc. Outside of the box approaches and thinking should take into consideration: meeting the educational, health, safety, food service, technical application, security, and social needs/norms through use of

design and construction techniques. In this spirit, the entry must use construction materials and approaches that will provide spaces that will balance, all the competing needs with in-person and/or remote educational instruction, as well as the other ancillary valuable social exchanges critical for mental health and wellbeing can transpire and be achieved.



CITY PARK / OPEN SPACE

With the recent experiences from COVID, urban dwellers are seeking alternatives to their dense, tight living conditions (causing some to flee urban centers). This challenge asks the teams to provide another alternative by creating sustainable, inviting, secure open spaces that will provide relief, activities, to a welcoming useful area. Site selection is critical; however, the space may be an empty lot or formerly occupied by a series of office buildings, storefronts, or even housing that is abandoned, in ill-use and repair, or otherwise prime for reuse or demolition. The open space can also be designed/constructed for

special events/occasions etc. The spaces can be designed and built with landscaping, innovative temporary structure that provides shelter, shade, and seating for a wide range of public events, and/or permanent buildings to facilitate and enhance the area overall.



HUMANITARIAN CENTER OR FACILITY

Every day thousands, if not more, of people arrive along the border of the United States, overwhelming even the most basic humanitarian support from health care, hygiene, food supplies, to temporary housing as they await disposition and legal processing. Teams are challenged to address this urgent need through use of design and construction techniques that will help direct the flow to centers envisioned and created to handle the multitude of needs while dealing with the difficulties of security, safety, language, gender, ages, varied timelines and comfort of the influx of people. Your

solution should be done as a prototype or model that can be replicated along the 1,000-mile border in various hot spots or heavily traveled corridors.



2023 FMI **TALENT STUDY**

The full report of this study can be found on CIRT's website.



March 2023

The Talent Cliff

93%

of respondents reported difficulties hiring qualified talent

More than half

reported that talent shortages are having a high to severe impact on their companies...

...but only

19%

have succession plans for key strategic roles

Shortages will intensify in the next five years:

22%

turnover for executives



30%

turnover for field managers



▶ The top two reasons for attracting and retaining talent are a strong company culture and brand.

▶ The built environment has long faced a shortage of talent, and the problem is getting worse.

Fixing the Pipeline

Talent shortages have plagued engineering and construction (E&C) firms for decades, but the situation has been exacerbated in recent years by a wave of exits as the last of the [baby boomers](#) hit retirement age, and by the Great Resignation, a broad term for the [exodus of talent](#) through the pandemic and competition from other industries.

In October 2022, Bureau of Labor Statistics data showed that the quits rate for construction remained steady at [2.4%](#) after peaking at 3.3% in March 2022. The transportation, warehousing and utilities sectors had a 3.1% quits rate. For comparison, information services had a quits rate of just 0.9%.

A [2021 analysis by Associated Builders and Contractors](#) showed slightly higher inflows than outflows of staff to construction, but the problem remains that incoming workers do not have the necessary skills, experience and training to keep up with current backlogs.

The pipeline is broken. Respondents to [FMI's 2023 Talent Survey](#) reported a rise in expected exits over the next five years at all levels, and **93%** of those surveyed reported **difficulties finding qualified talent** currently. This is having a moderate- to

severe impact on firms, according to most respondents, and will be particularly pronounced as the nonresidential sector continues to enjoy robust backlogs and companies face resulting risks of burnout, difficulty growing and wage pressures.

While attracting and retaining talent is an industrywide problem, the survey also revealed that companies can do much more to counter the issue. Many firms are missing the opportunity to develop and plan for crucial field leaders and other strategically important positions.

Skilled field leaders reported disillusionment amid a growing workload and lack of support. Likewise, a formalized look at succession planning beyond the C-suite will support broader enterprise thinking and expand bench strength.

To retain existing talent and attract new workers, companies in the built environment can focus on creating a more inclusive work culture and improving hiring practices. Our research also shows that companies supporting diversity efforts consistently and across the board enjoy a healthier corporate culture.

There is talent out there, but companies need to be smart and strategic about how to find, attract and keep it.



Understanding the Depth of the Problem

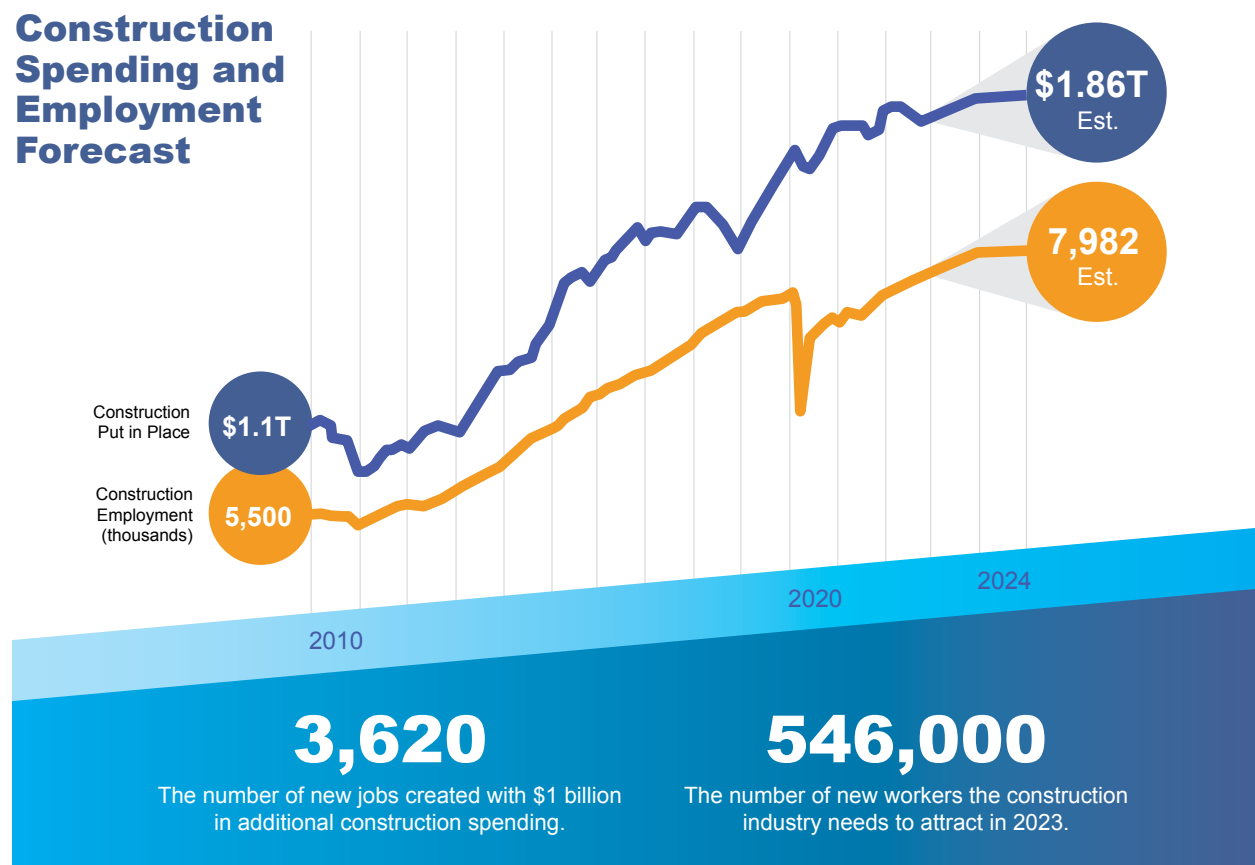
Before the Great Recession, construction employment peaked at just under [8 million jobs](#) in January 2007, per the St. Louis Federal Reserve, dropping to about 5 million in 2010 and initiating a slow climb in the decade following. As of late 2022, employment finally exceeded pre-global financial crisis levels, but staffing is still an uphill battle.

Job openings remain [high](#), with a period of intense public infrastructure spending ahead that will place greater demands on staffing. In fact, according to a [proprietary model](#) developed by Associated Builders and Contractors (ABC), **“the construction industry will need to attract**

an estimated 546,000 additional workers on top of the normal pace of hiring in 2023 to meet the demand for labor” (see Figure 1).

As part of a broader talent initiative, FMI surveyed more than 400 people (100 field leaders and more than 300 executives, including CEOs from the [Construction Industry Round Table](#)) working in the E&C industry to get a better understanding of the extent of labor shortages and the qualitative issues driving them. Responses were collected during the summer of 2022, and interviews were conducted through fall 2022.

Figure 1: As construction spending grows, employment shortfalls will become more pronounced.



Source: Associated Builders and Contractors (ABC)

Construction and engineering firms have a moment in which to act to prevent the worst effects of the talent cliff. The number of construction workers aged 25-54 [fell 8%](#) from 2011 to 2021, reported ABC's Chief Economist Anirban Basu. Meanwhile, **1 in 5 construction workers are older than 55** and approaching retirement.

Attracting younger workers, recruiting from other industries and investing in tomorrow's leaders are part of a multipronged approach to the talent crisis. Here we explore crucial missed opportunities across three key themes for firms looking to set themselves up for a decade of public investment and post-pandemic growth.

The background of the page features a stylized, low-poly illustration of a rugged, mountainous landscape in shades of dark blue. Silhouettes of construction workers in hard hats are positioned at various points along the ridges and peaks of the mountains. One worker on the far right is shown climbing a steep slope using a rope. The overall aesthetic is modern and industrial, symbolizing the challenges and scale of the construction industry.

“

The labor market has shifted since the pandemic in ways that may make it even more difficult for contractors to attract and keep workers. Other industries now offer flexible hours, remote or hybrid locations and the possibility of taking a break on short notice. These conditions aren't possible for on-site construction jobs.

Ken Simonson, Chief Economist, AGC



CONSTRUCTION SAFETY WEEK

JOIN US
MAY 1-5, 2023



INFRASTRUCTURE WEEK 2023 MAY 15-19

SIGN UP AT [UNITEDFORINFRASTRUCTURE.ORG](https://unitedforinfrastructure.org)

United For 
Infrastructure



ConstructionSM Inclusion Week

Save the Date for Construction Inclusion WeekSM 2023:
October 16, 2022 - October 20, 2023