

Fall 2025
Issue 1 Vol. 3



Building Excellence



AGC

NEBRASKA BUILDING CHAPTER
THE CONSTRUCTION ASSOCIATION

Table of Contents

| | |
|--|----|
| Looking Back | 2 |
| President's Message | 3 |
| Calendar of Events | 4 |
| 2025 Board of Directors | 4 |
| Executive Director's Message | 5 |
| 2024-2025 Sponsors | 6 |
| AGC of America Updated Login Process | 5 |
| Considerations for Incentive Plans for Key Contractor Personnel, <i>Dvorak Law Group</i> | 7 |
| Why Work with an Independent Insurance Agent?, <i>FNIC</i> | 8 |
| LB 415: Nebraska Healthy Families & Workplaces Act Amendments, <i>Woods Aitken</i> | 9 |
| Ask Anything | 10 |
| Unmanaged Risk Plays Major Impact on Your Business Valuation, <i>Ellerbrock-Norris</i> | 11 |
| Tax Methods of Accounting for Construction Contractors, <i>Lutz</i> | 12 |
| What is EOS – and Should My Construction Company Use It?, <i>Gene Lilly Surety Bonds</i> | 13 |
| Safety Corner | 14 |
| Safety Doesn't Take a Season Off, <i>UNICO Group</i> | 15 |
| Which Retirement Plan is Right for your Business? <i>Union Bank & Trust</i> | 16 |
| The Value of Membership | 17 |

Looking Back . . .

Don Wrieth Golf Tournament

In July, Sheila and Grace attended the Don Wrieth Memorial Tradition of Excellence Golf Tournament. It was great to see so many members and friends on the course who support The Durham School of Architectural Engineering and Construction.



Construction Supervision Fundamentals

With such a busy summer we were glad to have 16 individuals join us for the in-person sessions of Construction Supervision Fundamentals that kicked off on August 8, 2025. These classes are an essential interactive first step on the path to developing construction supervisors. CSF includes building skills such project and team leadership, productivity and cost control, risk management and much more.

Governor's Youth Summit held in Kearney August 14

Sheila and Grace had the honor of joining an incredible team of leaders to help connect students with professionals and opportunities such as scholarships, internships, and career opportunities through [CareerPathway.com](https://www.careerpathway.com).

The Summit became the single largest state-led youth workforce development initiative in a single day – powered by the Governor's Office and the Nebraska Department of Economic Development.

And the numbers speak for themselves:

- **SOLD OUT** in its inaugural year with almost 400 attendees.
- **918** meaningful career connections made in just one day.
- **117** Nebraska companies showcased – discovered, followed, and explored by students on [CareerPathway.com](https://www.careerpathway.com).
- Of the 30 Sponsor companies, nearly **1,900** industry explorations of students following and learning about career paths.
- **Over 250** scholarship, internship, and job applications submitted.
- **Manufacturing** in real time we saw the emerging trends of the next generations interested in helping guide us.
- **32 professional career leaders** gave their time and guidance to empower Nebraska's next generation, (Jereme Montgomery, Stephens and Smith; Grace and Sheila were career leaders.)
- **18 incredible student leaders** helped build and run this summit from the ground up.





AGC
NEBRASKA BUILDING CHAPTER
THE CONSTRUCTION ASSOCIATION

Our Mission:

The Nebraska Building Chapter is dedicated to:

- Represent the best interest of members in the commercial construction industry and the greater business environment;
- Support and encourage the advancement of skill, integrity, and responsibility within member firms; and
- Stimulate and promote progress, innovation, and safety in the industry.

Building Excellence is published quarterly by the AGC Nebraska Building Chapter, the known office of publication is Suite 200, 301 South 13th Street, Lincoln NE 68508. Requests for permission to reprint materials and reader comments are welcome.

Send mail to:

Building Excellence
AGC Nebraska Building Chapter,
301 South 13th Street Suite 200
Lincoln, NE 68508.

Views express in *Building Excellence* do not necessarily reflect the official position of the AGC Nebraska Building Chapter.

Editorial Queries:

Vicki Hancock:
vicki@agcnebuilders.com

Advertising Queries:

Vicki Hancock:
vicki@agcnebuilders.com

Information is deemed correct and factual at time of publishing. We regret any errors or omissions.

President's Message

Why Recognition Matters—From One Builder to Another

In construction, we're used to putting our heads down and getting the job done. We're problem-solvers. We're doers. We take pride in our work—but we don't always take time to talk about it.

Over the years, I've realized something: recognizing hard work makes a real difference. It lifts morale. It builds connection. And it reminds people that what they do matters.

As a longtime member of this Chapter, I've had a front-row seat to some of the best people and projects in the industry. And if we don't take a moment to shine a light on their efforts—who will?

This Chapter Runs on People

We're a member-driven organization, and every success we've had—whether it's advancing safety, building our workforce, or shaping the future of the industry—has happened because our members stepped up and got involved.

Sometimes that means being a member of or even leading a committee. Sometimes it's mentoring a young worker, weighing in on legislation, or stepping up in times of need. Big or small, those everyday actions are what keep our Chapter strong.

So here's my ask:

Are you staying involved? Are you attending events, using our education and safety programs, and encouraging others to participate—coworkers, subs, service providers, even competitors?

And if you've got rising stars on your team, let's help them grow. Invite them to get involved—attend an event, join a committee, take a class. It builds confidence, expands networks, and strengthens the future for all of us.

Because when our people grow, we all win.

Why We Celebrate

We don't hand out recognition just to check a box. We do it because it reflects who we are: leaders, craftspeople, mentors, and proud members of a strong construction community.

When we recognize someone, we're saying:

- Thank you for being involved with and giving your best
- We see the impact you're making
- Keep going—you're inspiring others
- You're part of something bigger



Rick Wintermute,
Kingery Construction
2025 AGC Nebraska Building
Chapter President

Continued on page 4

Celebrating the Standouts

One of my favorite things we do is honor people and projects through the Quality People Awards and Build Nebraska Awards. These recognitions aren't just pats on the back—they tell the stories of individuals and teams raising the bar for our entire industry.

We also recognize members in tangible ways—through programs like National Purchasing Partners (NPP) and AGC of America's discount benefits, helping you save on equipment, technology, vehicles, and more. That's recognition that pays off—literally.

The Small Stuff Counts, Too

Recognition doesn't always come with a plaque or a stage. Sometimes it's a quick thank-you, a shout-out at a meeting, or a social media post. Those small moments build a culture where people feel seen, appreciated, and motivated to stay engaged—and to bring others with them.

We're in This Together

As a contractor—and as President of this Chapter—I'm proud of the work we've done and who we've done it with. More than anything I am excited about the where the chapter is going.

Our members are the reason we succeed. And recognizing that—loudly and often—isn't just a nice gesture. It's what keeps this organization strong, connected, and ready for what's next.

Let's keep showing up.

Let's keep building.

And let's keep celebrating the people who make it all possible.

Calendar of Events

A few events to put on your calendar now!

Visit agcnebuilders.com/events for a full list of upcoming events.

| | |
|---------------------|---|
| August 25 | Construction Coalition 8:00-9:00am Nebraska Building Chapter AGC 301 S 13th St Ste 200 Lincoln |
| September 11 | Fall Shoot Event 12:00 noon-5:00pm Oak Creek Sporting Club 2890 West Road Brainard |
| September 24 | Crisis! Are you ready? with Anthony Huey Round the Bend Steakhouse-Conference Center 30801 E Park Highway Ashland 8:30-11:30am |
| September 25 | Silica Safety for Construction Training Round the Bend Steakhouse-Conference Center 30801 E Park Highway Ashland 8:00-11:00am OR 1:00-4:00pm |
| October 30 | Fall GC & SC Roundtable—SAVE THE DATE Round the Bend Steakhouse-Conference Center 3:00-5:00pm |
| November 6 | Fall Social and Awards Dinner—SAVE THE DATE Nebraska Innovation Campus, Lincoln 5:30-9:00pm |

2025 Board of Directors

Executive Committee

Rick Wintermute, *President*
Kingery Construction, Lincoln

Roger Bullington, *Vice President*
Chief Construction, Grand Island

Chris Hill, *Treasurer*
AOI Corporation, Omaha

Joe Beckenhauer,
Past President
Beckenhauer Construction,
Norfolk

Directors

Chris Mischnick
Walter Mischnick Contractors &
Builders Inc., Alliance

Stuart Johnson
Sampson Construction, Kearney

Austin Larson
BD Construction Inc./Kearney

Kyle Marler
Kiewit Building Group, Omaha

Dan Zimmerman
The Waldinger Corporation,
La Vista

Steve Johnson
TK Elevator Corporation, Omaha

Ryan Cook
Lutz, Lincoln

Dustin Cooper
FNIC, Omaha

Executive Director's Message



Rewards and Recognition: Why They Matter

In construction, we're known for getting things done. No fuss, no spotlight—just results. At AGC Nebraska Building Chapter, we believe it's important to take a step back and recognize the people who make that possible.

Recognition isn't just about awards—it's about showing appreciation for the leaders, mentors, and hard-working professionals who push our industry forward. When we recognize that kind of effort, we're not just celebrating individuals—we're strengthening our entire community.

Recognizing the People Who Make It Happen

Behind every successful project, safety win, or workforce initiative is a member who gave their time, talent, and energy to make it happen. From mentoring a new apprentice to speaking up on key policy issues, our members are leading in big and small ways.

When we take the time to recognize that, we reinforce what matters most:

- Taking pride in the work we do
- Leading by example
- Acting with integrity
- Supporting one another and the industry as a whole

It's our way of saying: You matter. And we're better because of you.

Why It Matters

Recognition goes a long way. It boosts morale, builds momentum, and encourages others to step up. It helps:

- Keep members engaged and motivated
- Showcase what makes our industry great
- Attract and inspire the next generation of leaders
- Build stronger connections across teams and companies

And let's be honest—people are more likely to stay involved when they feel seen and valued.

It's About Value, Too

Recognition is just one part of the value members get from being part of AGC Nebraska Building Chapter.

We're always working to give you something back—whether that's through:

- Real cost savings with National Purchasing Partners (NPP) and AGC of America discounts on equipment, fuel, tech, and more
- Training, safety resources, and workforce development to help your teams grow and succeed
- Advocacy and support for the issues that impact your business

These are real dollars saved and real challenges addressed—things that make membership more than just a plaque on the wall.

Everyday Recognition

Not every thank-you needs to come with a trophy. A shoutout at a meeting, a mention in an email, or a quick post on social media can make someone's day. These small gestures build a culture where people feel respected, included, and appreciated—and that goes a long way in keeping teams strong.

Looking Ahead

At the end of the day, it's all about people. When we take time to celebrate the individuals who show up, speak out, and give back, we're not just recognizing hard work—we're investing in the future of our industry.

Because when our members succeed, our whole industry gets stronger. And that's a return worth celebrating.

Sheila O'Connor Executive Director

SAFE + SOUND

Thank you to everyone who participated in Safe and Sound Week 2025, a week to recognize the importance of workplace safety and health programs and recognizing how companies make safety a core value every single day.

We're excited to announce the winner of our **Safe and Sound Week Video Competition - Chief Construction!** Chief's videos highlight what it truly means to commit to safety every single day. Thank you for your dedication to creating a safe workplace and supporting a safer community.



AGC

NEBRASKA BUILDING CHAPTER
THE CONSTRUCTION ASSOCIATION

2024-2025 Sponsors

DIAMOND



PLATINUM



GOLD



SILVER



AGC of America Updated Login Process

AGC of America is implementing a **NEW** login process. Your credentials have been transferred over to the new system with the **SAME** email that you previously had on file.

As part of this upgrade, **all members will need to create a new password to access their AGC of America account.** This one-time step helps ensure the security of your information in the new system.

To reset your password and log in:

- Start at <https://agc-community.agc.org/s/login/>
- Next click on **Reset your password?**
- Enter your username (your email address) and click **Send Password Reset Email.**
- Click **Back to login.**
- Navigate to your email client. You will receive an email from a Salesforce email address. Click on the hyperlink. Please remember to check your spam filters if you do not receive an email within a few minutes.
- Your browser will open. Click on **Reset Password.**
- Provide an answer to the Security Question and click **Continue.**
- Enter your New Password in both fields. Note the password requirements. You cannot reuse any of the last 3 old passwords. Click **Change Password.**
- Once completed, return to <https://www.agc.org/> or any other AGC site to use the new system with your new password.
- Once logged in, you'll have access to your member profile, upcoming events, educational offerings, and other member resources—now through a more streamlined and user-friendly system.

If you need help, contact Vicki, 402-438-0400 or vicki@agcnebuilders.com.

Considerations for Incentive Plans for Key Contractor Personnel



Patrick Tefft, Partner, Dvorak Law Group

As competition remains tight across the construction industry, it is imperative for contractors to attract and retain top talent. While salary increases and periodic bonuses can often help to move the needle for employees, many business owners are looking for additional compensation options to further incentivize high performers. As such, many owners are exploring the sale or issuance of equity, phantom equity, or appreciation rights or other incentive plans to bolster employee retention and to align their key employees' success with the success of their business.

This article will provide a high-level overview of certain equity or phantom equity-type arrangements and important factors and questions to consider when determining which type may make sense for a company.

While the following list is not exhaustive, some commonly used types of equity compensation interests that a company could grant or sell to incentivize its key employees include:

- Granting a key employee an option to purchase shares/units of the company's equity at a specified exercise price at the end of a specified vesting period (i.e., a requirement that an employee stay with the company for a certain number of years in order to receive the full benefit of an interest).
- Granting a key employee restricted shares/units of the company's equity subject to certain voting (or non-voting) rights, forfeiture (or repurchase) provisions or other restrictions until the restricted shares/units vest.
- Granting a key employee phantom shares/units, which are not actual equity but are a contractual arrangement with a key employee in which the company promises to transfer a payment equal to the value of a share/unit of the company's equity at a specific time in the future.
- Stock/unit appreciation rights that provide a key employee the right to receive a payment equal to the appreciation in the value of a certain number of shares / units of the company (i.e., a percentage of the increase in the value of the company) during a specific period.

Business owners should carefully consider their priorities and have a thorough understanding as to the implications of any equity / phantom equity type plan implemented for

the company's key employees. While many factors should be analyzed in determining which option is best suited for a particular company, the following are important questions to consider:

- What is the plan's potential economic impact on the company and its owners, both now and in a future sale or liquidation of the business? What is the current value of the interest to be offered as part of the plan and does the company anticipate significant future growth?
- Should the key employee receive an interest in both the current value of the company and its future growth or only its future growth?
- What is the tax impact on both the company and the key employee both now and in the future following a vesting period or subsequent sale of an interest? Should the company award the interest to the key employee, or should the key employee be required to purchase the interest? What options may be available to help position each of the parties from a tax perspective?
- Should the interests be subject to specific vesting periods and/or certain performance objectives/thresholds before the key employee can receive the full benefit of the interest and how long should those vesting periods last and what should those performance objectives/thresholds be?
- What rights should the key employee be subject to by owning the interest? Should the key employee be permitted to vote on company matters? Should the key employee be permitted to participate in periodic distributions? Should the key employee be subject to restrictive covenants or other limitations?
- What is the overall burden and complexity of granting and administering the interest?
- Does the sale or issuance of the interest fit within the overall business succession plan of the company?

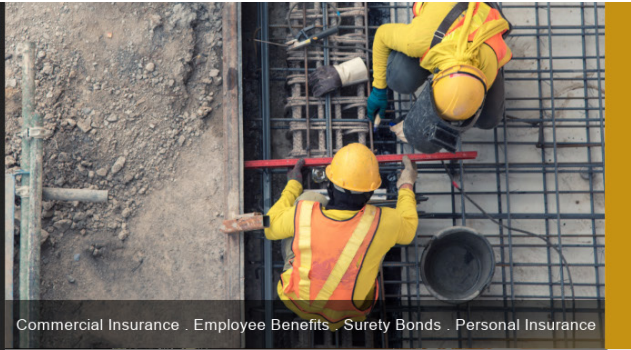
Before moving forward with any incentive plan for its key employees, it is recommended that business owners consult with their legal, tax, accounting and other advisors to discuss how these considerations factor into the present and future plans for the company and its owners. Advisors can play an important role in helping business owners structure and implement a plan that meets their business and personal objectives.



We Manage Risk with You

We build relationships and get to know you because your risks are unique. We pay attention to the details and offer innovative solutions.

Commercial Insurance · Employee Benefits · Surety Bonds · Personal Insurance



Why Work with an Independent Insurance Agent?

From the staff at FNIC Group

In construction, managing risk is crucial. While buying insurance online may seem convenient, working with an independent insurance agent—like FNIC—offers personalized service, professional guidance, and access to a broader range of coverage options tailored to your needs.

FNIC

FNIC has over 100 years of experience in construction risk management. With deep regional roots and industry knowledge, FNIC delivers insurance solutions built around your specific risks and goals. By focusing on your business objectives and risks, we ensure that your policies are not just generic solutions but are designed to protect what matters most to you.

Insurance Solutions

We provides a full suite of insurance products designed for the construction industry:

- **Property Insurance:** Covers tools, equipment, and property against theft, loss, or damage.
- **Liability Insurance:** Protects your business from third-party claims related to accidents or property damage on-site.
- **Commercial Auto Insurance:** Covers damage, liability, and accidents involving company vehicles.
- **Business Interruption Insurance:** Compensates for income lost due to project delays from weather, equipment failure, or supply chain issues.
- **Cyber Liability Insurance:** Shields your business from data breaches and other cyber threats that can compromise sensitive information.

Workers' Compensation

FNIC helps design workers' comp programs that fit your budget while prioritizing employee safety. With tools like ModMaster, along with services like claim

reviews and loss control, FNIC creates customized strategies to manage costs, improve safety, and stay compliant.

Loss Control Services

Our Loss Control team can conduct site inspections, review written safety policies and procedures, and provide guidance on formulating and implementing cost-effective loss prevention strategies. Working closely with carrier partners and leveraging their resources provides you with a wealth of knowledge and training opportunities to reduce risk.

Claims Support

FNIC makes the claims process easier and less stressful. From initial reporting to ongoing follow-ups, their team supports you every step of the way—working to ensure fair and timely settlements while advocating for your interests.

Surety Bonds

FNIC also provides performance, bid, and other surety bonds to meet compliance requirements and assure project owners of your reliability. Their long-standing relationships with bonding companies help streamline the bonding process and enhance your credibility.

Cost Savings

As an independent agency, FNIC isn't tied to a single carrier. We compare multiple insurers to find competitive pricing and tailored coverage—potentially leading to meaningful cost savings.

A True Strategic Partner

With FNIC, you're not just buying insurance, you're gaining a strategic partner committed to your success. From risk management and coverage placement to claims and safety, FNIC is here to support every aspect of your construction business.

To learn more, visit fnicgroup.com.

LB 415: Nebraska Healthy Families & Workplaces Act Amendments



WOODS|AITKEN

Erin L. Ebeler, Attorney, Woods Aitken LLP



On June 4, 2025, Governor Pillen approved LB 415, which amended the Nebraska Healthy Families and Workplaces Act (NE HFWA). These amendments provide practical clarifications with regard to the law's implementation and also

make substantive changes to which employers and employees are affected by the law.

Key Amendments:

- The definition of “employ” has been clarified to explicitly refer to an employment relationship, excluding independent contractors.
- The following workers are now expressly excluded from paid sick leave eligibility:
 - o Individual owner-operators
 - o Independent contractors
 - o Individuals in “agricultural employment of a seasonal or other temporary nature” (excluding year-round agricultural workers)
 - o Individuals under 16 years of age

As with the original initiative language, individuals who work in Nebraska for fewer than 80 hours in a calendar year and those subject to the federal Railroad Unemployment Insurance Act remain excluded from the NE HFWA.

- Employers with 10 or fewer employees are exempt from providing paid sick leave.
- Employees begin accruing paid sick time only “after eighty hours of consecutive employment”. This clarifies accrual requirements for employees who may not initially be expected to work 80 hours in Nebraska (but later do) and clarifies eligibility verification for employers with new employees.
- Paid sick time provided between January 1, 2025, and October 1, 2025, counts towards fulfilling an employer’s obligation in 2025.
- Employers with existing paid leave policies that meet or exceed NE HFWA requirements are not required to allow accrual or carryover beyond their policy.

- Confirms that employers are not required to pay for unused sick leave upon an employee’s separation.
- The private right of action has been removed, meaning employees cannot sue independently for non-compliance. Citations can only be issued by the Nebraska Commissioner of Labor.
- The four-year statute of limitations has been removed, with no new time limit specified.
- Additional guidance is provided for calculating paid sick leave for employees exempt from overtime due to Department of Transportation regulation (e.g., motor carrier employees) and for workers paid on commission, piece-rate, mileage, or fee-for-service.

Action Items for Employers:

Review employment policies and practices for compliance with the new requirements, especially with the law taking effect on October 1, 2025.

- Provide written notice to all employees by September 15, or upon hiring (whichever is later), detailing specific aspects of the NE HFWA as set forth in the statute.
- Post the official poster from the Nebraska Department of Labor (available at: <https://dol.nebraska.gov/webdocs/Resources/Items/Poster%20Paid%20Sick%20Time.pdf>).
- Adapt payroll procedures to include required information on each paycheck regarding paid sick leave available, used, and paid out.
- Seek legal guidance if necessary for proper implementation.

More Education Opportunities:

Please join us for our next Wednesdays with Woods Aitken program, “Update on Paid Sick Leave and Medical Marijuana Ballot Initiatives – What Employers Need to Know,” at noon on August 20, 2025. This presentation will include updates based on information put forth by the Nebraska Department of Labor, including the newly released FAQs. Learn more and register at [Wednesdays with Woods Aitken](#).

Ask Anything

Ask Anything segment, where we dedicate space to answering questions submitted by our members. Whether it's about safety, legislative issues, education, training or industry updates, we're here to provide the answers you need. Please email sheila@agcnebuilders.com with any questions you may have.

Build Nebraska Awards & Quality People Awards

What do the award program represent?

At their core, the **Build Nebraska Awards** and **Quality People Awards** are about recognizing incredible people and projects that shape our industry and our communities throughout the state of Nebraska. These programs aren't just about competition, they're about celebrating excellence, highlighting innovation and reflecting on what your teams have done. These awards are a reflection of the values that define Nebraska's construction industry, dedication, excellence, and pride in our people and work. Getting to celebrate our members in this way is a powerful reminder of the impact our members make every day, on projects, in companies, and throughout our own communities.

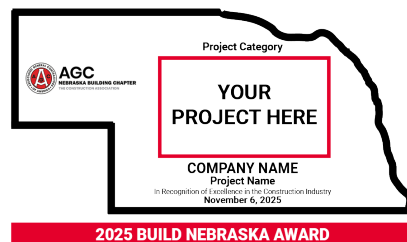
How do I apply?

Visit www.agcnebuilders.com/events/awardsprogram/ for all the award information. For the

Build Nebraska Awards you need to submit an [Intent to Enter form](#), along with your first non-refundable entry fee by September 8. You can email the form and mail your check separately. When compiling your submission for the BNA be sure to follow the [criteria](#) and include all of your pictures in a separate folder on your flash drive.

The **Quality People Awards** are a simple, [single-page form](#) with no entry fee. We will need a professional head shot of your nominee.

Don't forget to give examples in your submissions. Tell us a story about why your project is unique



or what this person did that makes them worthy of a Quality People nomination.

Both the Build Nebraska Award project submissions and the Quality People nominations are due by 5:00pm on Tuesday, September 30.

Winners are announced during the Fall Social and Awards Dinner on Thursday, November 6, at the Innovation Campus in Lincoln.

Who won in 2024?

Award winners are posted on our website: [Build Nebraska Award winners](#) and [Quality People award winners](#). In addition to posting the winners on our website, we also use social media to promote the winners.

I apply and don't win, why should I continue to apply?

Being part of the awards process is about more than the award itself; It's about celebrating the dedication behind your work and connecting with our industry that values that commitment. As our Chapter continues to grow, so has the awards program. Every submission becomes a part of something bigger.

Applying gives you a moment to reflect on your team's achievements, recognize how far you've come, and contribute to excellence within the Building Chapter. Even if you don't take home an award, your work still inspires others and strengthens the foundation of our industry.

Additionally, our awards program is structured similarly to AGC of America's, giving you the opportunity to submit there as well. You never know what exciting recognition your company could earn!

Build America Award Program:

<https://www.agc.org/BAA>

Member Benefits & Discounts

I'm new to Nebraska Building Chapter, what do benefits look like?

Every member has the opportunity to take advantage of our exclusive member benefits, regardless of the level of membership. We encourage our members to take advantage of these opportunities, including attending events, discounts and more.

Visit https://www.agcnebuilders.com/members/memberbenefits_discounts.html to learn more. If you need any help signing up for the benefits or have any questions, contact Vicki, vicki@agcnebuilders.com.

Unmanaged Risk Plays Major Impact on Your Business Valuation

Andy Bassett, CEO, Ellerbrock-Norris



When you're in the day-to-day of running a business, often you're only worried about the surface level of risk. Will you complete the project on time? Why didn't this employee show up to work today? When will I find time to run payroll?

You're stuck working in the business rather than working on the business.

There are times you're going to have to roll up your sleeves, sure. But if you find yourself in a daily grind, you're actually hurting the overall value of your business.

Think about it this way: What do you think your business is worth today? Now, what would it be worth if you passed away suddenly, with all your processes and knowledge lost?

The business would lose tremendous value instantly. And your family would be the one stuck with the poor valuation.

To maximize the value of your business, you first must minimize risk.

Decide today who would take over the business if you had to step away. Decide today how you or your family will be compensated for the full valuation. Decide today what key people you need to incentivize because they are vital to growth and operations. Decide today how to create a safe culture that is favorable to anyone taking over. Decide today.

The 10 impact areas of risk are: safety, business exit planning, key personnel planning, insurance, employee benefits and retention, contracts and legal, compliance, business continuity, current and emerging risks, and overall risk strategy.

Each area is interconnected with and influences the others. That means that a gap in one area can quickly affect the rest.

Most companies think that risk management stops at insurance. But that's just one small piece of the puzzle. Think about it – insurance doesn't prevent a fire, it just pays for the damage. To truly protect your business, you need a plan that prevents the fire to begin with.

“ Most companies think that risk management stops at insurance. But that's just one small piece of the puzzle. ”

I recently published a book on our philosophy around risk management: *My Business, My Life, My Future: How Business Owners Can Maximize Value By Minimizing Risk*. You can find the book on Amazon, or just shoot me an [email](#) and I can look at getting you a copy.

And if you're ready to start thinking differently about risk management in your business, we're here to help.

“ To maximize the value of your business, you first must minimize risk. ”

We call these the 10 impact areas of risk. They are the backbone of any organization, but particularly trades businesses. By shoring up all 10 impact areas, you're creating a greater valuation and defining your future today – no matter how long you think you'll remain in the business.



Ellerbrock-Norris

PROTECT YOUR PURPOSE

Risk management solutions built around your purpose.

MY BUSINESS MY LIFE MY FUTURE



LUTZ PROUDLY SERVES **530+**
CONSTRUCTION CLIENTS!

Accounting + Financial + Tech + M&A + Talent
LEARN MORE TODAY AT WWW.LUTZ.US

Tax Methods of Accounting for Construction Contractors

Zach Weis, Lutz

Construction contractors managing projects that span multiple tax years must navigate specific tax reporting requirements under Internal Revenue Code (IRC) Section 460. This section mandates using the percentage of completion method (PCM) for most construction contracts. However, understanding available exceptions and alternative methods can significantly impact a contractor's financial strategy.

PCM Requirements and Exceptions

Under PCM, revenue recognition is based on the percentage of costs incurred compared to total estimated costs multiplied by the contract price. While this method provides consistent income recognition and immediate loss reporting, it requires tax payments before project completion, potentially affecting cash flow for other projects.

Exceptions to PCM requirements exist for:

- Home construction contractors (where 80% of costs relate to dwelling units)
- Eligible small contractors with three-year average gross receipts under \$26 million and projects completed within two years

Alternative Methods for Exempt Contracts

Contractors qualifying for PCM exemption can choose from several reporting methods, though consistency is required across exempt contracts:

1. The **Completed Contract Method** defers revenue recognition until 95% of estimated costs are incurred, offering tax deferment and improved cash flow but potentially creating significant income fluctuations.
2. The **Cash Method** recognizes revenue upon collection and expenses upon payment, aligning taxable income with cash flows but potentially

misrepresenting profitability and treating advance payments as immediate income.

3. The **Accrual Method** recognizes revenue when earned (typically upon billing) and expenses when incurred, providing better economic representation but potentially misaligning taxable income with cash flows.

Important Considerations

Contractors should note that exempt contracts not using PCM face Alternative Minimum Tax (AMT) adjustments, except for home construction contracts. The AMT calculation requires revenue recognition under PCM, with adjustments made for differences between the chosen method and PCM.

What You Need to Know

- PCM is required for most long-term construction contracts unless specific exceptions apply
- Small contractors under \$26 million in gross receipts may qualify for alternative methods
- Each tax method offers distinct advantages and challenges for cash flow management
- Method selection impacts both immediate tax obligations and long-term financial planning
- AMT considerations apply to most exempt contracts, affecting overall tax strategy

Selecting the optimal tax method requires careful consideration of your business's specific circumstances, cash flow needs, and long-term financial strategy. Professional guidance ensures compliance while maximizing financial advantages for your construction operation.

What is EOS - and Should My Construction Company Use It?

Tom King, Gene Lilly Surety Bonds

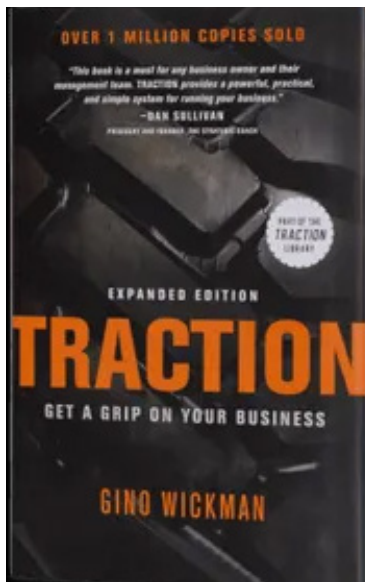
You may have heard another contractor mention “EOS” and wondered if it’s just another buzzword. Here’s a quick breakdown:

1. What is EOS?

EOS stands for Entrepreneurial Operating System. It’s a framework designed to help companies get better at three things: **vision, traction, and durability**. In plain terms – it helps leadership teams align on long-term goals, build accountability, and create a business that can last beyond the next job. The book [Traction](#), by Geno Wickham lays out the processes and procedure outline.

2. How is it implemented?

At its core, EOS uses simple tools to clarify your structure, people, goals, and processes. You define your 10-year vision, break it into 3-year goals, 1-year plans, and 90-day “Rocks.” Everyone gets a seat, a role, and a number. Leadership teams meet weekly for Level 10 meetings that focus on solving real issues – not spinning in circles.



3. Is it a fad?

Not really. It’s been used by over 100,000 businesses, including many in construction. And while it’s not for everyone, it forces leadership teams to answer tough questions:

- Do we have the **right people** in the **right seats**?
- Does each team member **Get it, Want it, and have the Capacity to do it**?
- Are we actually executing what we say we will?

We’re not EOS implementers, but we do see how it’s helping contractors build more stable, transferable businesses – which sureties value. If you’re curious, we’re happy to share what we’ve seen work in the field. We also have a couple of implementation specialists that we think highly of. If you want to talk to someone who does this every day, let us know.

“What is EOS: Entrepreneurial Operating System. It’s a framework designed to help companies get better at three things: vision, traction, and durability.”



GENE LILLY
SURETY BONDS

www.glsbinc.com



Surety Agents for
Professional Contractors

A surety relationship you can count on

LINCOLN OFFICE
735 South 56th Street
Lincoln, NE 68510
402.475.7700

OMAHA OFFICE
9375 Burt Street, Suite 102
Omaha, NE 68114
402.397.1040

Jim King
jim@glbinc.com

Tom King
tom@glbinc.com

Jake Buss
jake@glbinc.com

Seth Weedin
seth@glbinc.com

Bob Cirone
bcirone@glbinc.com

Cyber Hygiene

As construction becomes more connected with mobile devices, cloud-based software, and smart tools on the jobsite, protecting your digital information is more important than ever. That's where cyber hygiene comes in.

What is cyber hygiene?

Cyber hygiene refers to the basic practices used to protect your devices, accounts, and data from cyber threats like hacking, phishing, and malware. Just like regular maintenance keeps your equipment running safely, good cyber hygiene keeps your digital tools secure and reliable.

Here are some best cyber hygiene practices for your team:

- **Use strong, unique passwords**
Don't use the same password for everything. Use a password manager if needed.
- **Keep software and apps updated**
Whether it's project management software, BIM tools, or field apps, updates often include important security patches.
- **Watch out for suspicious links**
Don't click on strange emails or texts, even if they seem to come from a coworker or supplier. Always verify.
- **Enable multi-factor authentication (MFA)**
MFA adds an extra layer of protection to your accounts beyond just a password.
- **Learn how to spot phishing attempts. Stay alert.**
- **Only visit trusted websites**
Unfamiliar websites can be loaded with malware, stick to known, secure sources.
- **Secure your data**
Backup important files and keep sensitive data encrypted, especially when working off-site or using shared devices.
- **Be careful on social media. Are you putting too much information out there?**
- **Use secure networks and firewalls**
Don't rely on public Wi-Fi when accessing company systems. Use secure connections or VPNs when possible.

Text Trap: A Job Text Scam Alert



How it works:

Scammers send random texts or WhatsApp messages claiming to be recruiters. They offer easy "jobs" like clicking ads or rating products with promises of high pay. You'll see fake earnings grow on a platform - then they'll ask you to deposit money (often in crypto) to "unlock" your pay. Once you send money, it's gone.

How to spot it:

- Ignore unexpected job texts or DMs
- Real jobs don't ask you to pay upfront
- Be wary of "tasks" that promise fast money for clicks
- Don't trust employers who only use messaging apps

Stay alert — if it sounds too easy or too good, it's probably a scam.

Financial Tracking as an Important Safety Measure

To protect your projects, it's essential to monitor costs regularly. Identifying budget issues early allows you to take corrective action before they become major problems. Using project management software with financial tracking features enhances this visibility, helping teams spot issues in real time and respond quickly.

Cost forecasting is another important safety tool. By predicting future expenses based on past trends and current activity, you can prepare for upcoming financial needs and avoid unexpected shortfalls. Still, surprises can happen. Have a plan designed to cover unexpected cost increases and keep the project on track.

Working closely with your partners, including general contractors, suppliers, and subcontractors can help establish more reliable and predictable pricing, which adds another layer of financial security. Just as you document safety checks on site, it's vital to keep detailed records of all project expenses. This protects you during audits and supports informed decision-making.

Regular financial audits serve as a check-up on your business's health, identifying inefficiencies or fraud before they escalate. And by training project managers on financial safety practices, you empower them to manage resources wisely and avoid costly mistakes.



UNICO



Certified construction risk specialists



Builders risk solutions



Workers' comp expertise



Loss control & safety consultants

Building Your Insurance Plan

Connect with an Advisor at unicogroup.com

Safety Doesn't Take a Season Off

Ezra Schlecht, CSHO, SSH, CRIS, Safety and Loss Control Consultant

As we transition from the heat of summer into the cooler months, it's important to remember that while the weather may change, our commitment to safety should not. Construction remains a vital and rewarding industry, delivering long-term value to our communities, even if it comes with temporary inconveniences like noise and detours. But safety must remain at the forefront before, during and after every project phase.



It's important to remember that while the weather may change, our commitment to safety should not."

Cooler temperatures may bring relief, but they also introduce new hazards. Frost and condensation can form on working surfaces, increasing the risk of slips, trips and falls. Take a moment to pause and assess before transitioning to a new task or environment, especially as work moves from outdoor to indoor settings. Each change presents its own unique risks that deserve your full attention and careful consideration.

Inside, hazards shift to slippery floors, dust-covered obstructions, poor housekeeping and congested walkways. Before placing materials, debris, or tools, ask: Is this the safest and most efficient location? Keeping walking and working surfaces clean, dry and organized is a foundational step in injury prevention, creating a more productive work environment for everyone.

Regular job site inspections and toolbox talks are critical tools in identifying and mitigating hazards. As the seasons shift, be extra mindful of:

- Housekeeping practices
- Material laydown areas
- Gang box placement
- Air quality and dust control
- Daily atmospheric and temperature fluctuations

Safety is not a one-time action, it's a culture that must be maintained and reinforced every day. Focusing on what's ahead and acting with intention, we can all contribute to a safer, more prepared community. Every season brings new safety challenges and new opportunities to reinforce overall safe habits.

The fall season offers a powerful reminder to stay vigilant and proactive in these areas. If your team needs support conducting job site inspections or delivering toolbox talks, [contact UNICO Group](#) for expert guidance and assistance.



Safety is not a one-time action, it's a culture that must be maintained and reinforced every day."

Feel good about a retirement plan that *sets your people up for success.*

Contact Stacy for a free plan review to ensure you're getting what you need, at the right price.



Stacy Gutschenritter
Vice President, Retirement Plan Services
402.323.1768
stacy.gutschenritter@ubt.com

Investment products: Not FDIC Insured—No Bank Guarantee—May Lose Value

Which retirement plan is right for your business?

Stacy Gutschenritter, Vice President – Retirement Plan Services at Union Bank & Trust

Retirement plans are frequently in the spotlight, especially in discussions about taxes and Social Security. While the 401(k) often dominates the conversation, it's not the only option. Let's explore a few retirement plan options that might suit your business.

“While the 401(k) often dominates the conversation, it's not the only option.”

401(k)s

The 401(k) is the most popular group retirement plan, especially among larger companies. It offers tax-advantaged savings, access to investment options not typically available to retail investors, and strong legal protections for participants.

Employees can contribute pre-tax (traditional 401(k)) or post-tax (Roth 401(k)), giving them flexibility in how and when they pay taxes. Employers may also choose to match contributions. High deferral limits make this plan attractive for both employers and employees.

403(b)s

Designed for employees in public education, churches, and nonprofits, 403(b) plans are similar to 401(k)s. Participants can defer part of their salary and delay taxes until withdrawal. For qualifying organizations, the 403(b) plan design option is a dependable choice.

SIMPLE IRAs

For startups or small businesses that want a retirement plan without the administrative burden of a 401(k), the SIMPLE IRA (which stands for **S**avings **I**ncentive **M**atch **P**lan for **E**mployees) is a great option. It allows tax-deferred contributions into a retirement investment account with fewer compliance requirements.

Though deferral limits are lower than a 401(k), SIMPLE IRAs don't require filing Form 5500, plan testing, or high administrative costs. This makes them ideal for businesses just starting to offer retirement benefits, providing a manageable way to support employees' futures.

If you're unsure which plan fits your business best, we're happy to help you explore your options and find the right fit. To start a conversation, reach out to Stacy Gutschenritter at 402.323.1768 or stacy.gutschenritter@ubt.com.

“The 401(k) is the most popular group retirement plan, especially among larger companies.”

Investment products: Not FDIC Insured – No Bank Guarantee – May Lose Value.

THE VALUE OF MEMBERSHIP

Welcome to AGC!

Your company's membership at the **Nebraska Building Chapter** automatically enrolls the entire firm (including all employees) as members of AGC of America. Apart from the perks offered by the **Nebraska Building Chapter**, you also have access to a wide range of benefits from AGC of America. Any company employee may create an account to begin enjoying benefits, exclusive discounts, and specialized resources.



News & Information

Stay updated on the latest industry news, information, and best practices through Constructor magazine, news releases, topic-focused newsletters, the ConstructorCast podcast, email updates, and additional exclusive member only content.



Network and Connect with Peers

Connect with peers, exchange ideas, and share advice. Expand your network during conferences, engage in your market segment division, in member forums, and through volunteer roles. Visit your member profile to identify your interest areas.



Professional Development & Education

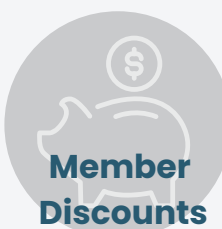
Live and Virtual programs designed to enhance your career development. Topics include BIM, Lean, Construction Supervision, Project Management, Safety, industry hot topics, and more! Join us at:

- Conferences
- In-Seat programs
- AGC EDGE Virtual programs
- Free Webinars



Industry Trends, Data, and Resources

Staying informed about industry priorities, trends, and economic data is crucial to your company's strategic planning. Members receive updates on construction employment, material price fluctuations and spending, and topic focused resources through dedicated reports, fact sheets, toolbox talks, sample documents, and more.



Member Discounts

AGC partners with various companies to offer members discounts on a variety of products and services. Members saved over \$15 million last year by taking advantage of these programs.



Voice of the Industry

Supporting the industry by influencing legislation to protect your interests. Get involved by:

- Receiving legislative and regulatory news
- Responding to action alerts and interacting with lawmakers
- Supporting financially by donating to the PAC and the Construction Advocacy Fund.

www.agcnebuilders.com
www.agc.org