Risk Factors Comparison 2024-02-28 to 2023-03-15 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text Moved Text Section

Risks Related to Our Business and Operations ~~If we are unable to accurately estimate contract risks, revenue or costs, economic factors such as inflation, the timing of new awards, or the pace of project execution, we may incur a loss or achieve lower than anticipated profit. Accounting for contract- related revenue and costs requires management to make significant estimates and assumptions that may change substantially throughout the project lifecycle, which has previously resulted, and in the future could result, in a material impact to our consolidated financial statements. In addition, cost overruns, including unanticipated cost increases on fixed price contracts (including contracts performed under the design- build project delivery method, in which we assume the risks associated with the design of the project) and guaranteed maximum price contracts, have previously resulted, and in the future may result, in lower profits or losses. Economic factors, including inflation, have also previously, and could in the future, subject us to higher costs, which we may not be able to fully recover in future projects that we are bidding, and may also decrease profit on our existing contracts, in particular with respect to our fixed price, unit price and guaranteed maximum price contracts. Changes in laws, policies or regulations, including tariffs and taxes, have previously impacted, and in the future could impact, the prices for materials or equipment. Further, our results of operations have historically fluctuated, and may continue to fluctuate, quarterly and annually depending on when new awards occur and the commencement and progress of work on projects already awarded.~~ We are involved in a significant number of legal proceedings which, if determined unfavorable to us, could adversely affect our financial results and / or cash flows, harm our reputation and / or preclude us from bidding on future projects. We also may invest significant working capital on projects while legal proceedings are being settled. We are involved in various lawsuits, including the legal proceedings described under Note 8 of the Notes to Consolidated Financial Statements. Litigation is inherently uncertain, and it is not possible to accurately predict what the final outcome will be of any legal proceeding. We must make certain assumptions and rely on estimates, which are inherently subject to risks and uncertainties, regarding potential outcomes of legal proceedings in order to determine an appropriate contingent liability and charge to income. Any adverse legal proceeding outcome or settlement that is materially different from our expectations and estimates could have a material adverse effect on our financial condition, results of operations and cash flows. This may include requiring us to record an expense or reduce revenue that we previously recorded based on our expectations or estimates, requiring us to pay damages or reducing cash collections that we had expected to receive. For example, ~~during December~~ **in April** ~~2022~~ **2023** , we received an adverse ~~appellate court~~ decision **from the U. S. Court of Appeals for the Second Circuit** involving ~~the electrical component of~~ **a long- standing dispute on** a completed ~~mass~~ **mixed** - ~~transit~~ **use** project in New York ~~in the Specialty Contractors segment~~ , which resulted in a non- cash charge of $ ~~43~~ **83** . ~~2~~ **6** million. In addition, any future adverse judgments could harm our reputation and preclude us from bidding on future projects. We may bring claims against project owners for additional cost exceeding the contract price or for amounts not included in the original contract price. When these types of events occur and unresolved claims are pending, we may invest significant working capital in projects to cover cost overruns pending the resolution of the relevant claims. A failure to promptly recover on these types of claims has had and could continue to have a material adverse effect on our liquidity and financial results and could result in further legal proceedings. ~~A significant slowdown~~ **If we are unable to accurately estimate contract risks, revenue** or ~~decline in~~ **costs,** economic **factors** ~~conditions,~~ such as **inflation,** ~~those~~ -- **the** ~~presented during a recession~~ **timing of new awards** , ~~could adversely affect our~~ - **or** ~~operations~~ **the pace of project execution, we may incur a loss or achieve lower than anticipated profit** . ~~Any~~ **Accounting for contract- related revenue and costs requires management to make** significant ~~decline in economic conditions, such as~~ **estimates and assumptions that may change substantially throughout** ~~those~~ -- **the project lifecycle** ~~presented during a recession~~ , **which** ~~in any of the markets we serve or uncertainty regarding the economic outlook~~ has **previously** resulted **,** and in the future could result **,** in a **material impact to our consolidated financial statements** ~~decline in demand for infrastructure projects and commercial building developments~~ . In addition, ~~any instability in the financial~~ **cost overruns, including unanticipated cost increases on fixed price contracts** and ~~credit markets has negatively~~ **guaranteed maximum price contracts, have previously resulted, and in the future may result, in lower profits or losses. Economic factors, including inflation, have also previously subjected us, and could in the future subject us, to higher costs, which we may not be able to fully recover in future projects that we are bidding, and may also decrease profit on our existing contracts, in particular with respect to our fixed price, unit price and guaranteed maximum price contracts. Changes in laws, policies or regulations, including tariffs and taxes, have previously** impacted **,** and in the future could ~~negatively~~ impact ~~our customers' ability to pay us on a timely basis~~ , **the prices** ~~or at all,~~ for **materials or equipment. Further, our results of operations have historically fluctuated, and may continue to fluctuate, quarterly and annually depending on when new awards occur and the commencement and progress of** work on projects already **awarded** ~~under construction, has caused and in the future could cause our customers to delay or cancel construction projects in our backlog and could create difficulties for customers to obtain adequate financing to fund new construction projects. Such consequences have had and in the future could continue to have an adverse impact on our operating results. Lastly, we are more susceptible to adverse economic conditions in New York and California, as a significant portion of our operations are concentrated in those states~~ . Competition for new project awards is intense, and our failure to compete effectively could reduce our market share and profits. New project awards are determined through either a competitive bid basis or on a negotiated basis. Projects may be awarded based solely upon price, but often take into account other factors, such as technical qualifications, proposed project team, schedule and past performance on similar projects. Within our industry, we compete with many international, regional and local construction firms. If we are unable to compete successfully in such markets, our relative market share and profits could be reduced. Our contracts often require us to perform extra work beyond the initial project scope, which can result in disputes or claims and adversely affect our working capital, profits and cash flows. Our contracts often require us to perform extra work beyond the initial project scope as directed by the customer even if the customer has not agreed in advance on the scope and / or price of the work to be performed. This process has resulted and in the future could result in disputes or claims over whether the work performed is beyond the scope of work directed by the customer and / or exceeds the price the customer is willing to pay for the work performed, which has resulted in significant cash flow constraints in the past. To the extent we do not recover our costs for this work or there are delays in the recovery of these costs, whether as a result of an unfavorable outcome in a litigation or arbitration or as a result of a settlement in which we agree to accept less than we had expected, our working capital, profits and cash flows have been and could continue to be adversely impacted. Our actual results could differ from the **estimates and** assumptions ~~and estimates~~ used to prepare our financial statements. In preparing our financial statements, we are required under generally accepted accounting principles in the United States (" GAAP ") to make estimates and assumptions as of the date of the financial statements. These estimates and assumptions affect the reported values of assets, liabilities, revenue and expenses, and the disclosure of contingent assets and liabilities. Areas requiring significant estimates by our management include, but are not limited to: • recognition of contract revenue, costs, profits or losses in applying the principles of revenue accounting; • recognition of revenue related to project incentives or awards we expect to receive; • recognition of recoveries under unapproved change orders or claims; • estimated amounts for expected project losses, warranty costs, contract closeout or other costs; • collectability of billed and unbilled accounts receivable; • asset valuations; • income tax provisions and related valuation allowances; • determination of expense and potential liabilities under pension and other post- retirement benefit programs; and • accruals for other estimated liabilities, including litigation and insurance reserves. Our actual business and financial results could differ from our estimates of such results. These differences, including those which have resulted, and in the future could result, from unfavorable litigation or arbitration outcomes and settlements in which we agree to accept less than previously estimated amounts, have had and could continue to have a material adverse impact on our financial condition and reported results of operations. Our decision ~~during~~ **in** 2022 to prioritize efforts to seek faster resolution of certain disputed matters, primarily in the Specialty Contractors segment in New York, and convert related balances to cash more quickly has resulted, and may in the future result, in other situations **where** ~~in which~~ amounts that we collect are lower than estimated amounts, even **in cases** where our estimates **have** ~~take~~ **taken into** account ~~of~~ the recent shift in our operational priorities **. A significant slowdown or decline in economic conditions, such as those presented during a recession, could adversely affect our operations. A significant decline in economic conditions, such as those presented during a recession, in any of the markets we serve or uncertainty regarding the economic outlook has resulted and in the future could result in a decline in demand for infrastructure projects and commercial building developments. In addition, instability in the financial and credit markets has negatively impacted and in the future could negatively impact our customers' ability to pay us on a timely basis, or at all, for work on projects already under construction, has caused and in the future could cause our customers to delay or cancel construction projects in our backlog and could create difficulties for customers to obtain adequate financing to fund new construction projects. Such consequences have had and in the future could continue to have an adverse impact on our operating results. Lastly, we are more susceptible to adverse economic conditions in New York and California, as a significant portion of our operations are concentrated in those states** . The construction services industry is highly schedule driven, and our failure to meet the schedule requirements of our contracts could adversely affect our reputation and / or expose us to financial liability. Many of our contracts are subject to specific completion schedule requirements. Failure to meet contractual schedule requirements has subjected us, and in the future could subject us, to liquidated damages, liability for our customer' s actual cost arising out of our delay and damage to our reputation . Systems and information technology interruption and...... material adverse impact on our financial results . We require substantial personnel, including construction and project managers and specialty subcontractor resources, to execute and perform on our contracts in backlog. The successful execution of our business strategies is also dependent upon our ability to attract and retain our key officers, as well as adequately plan for their succession. Our ability to execute and perform on our contracts in backlog depends in large part upon our ability to hire and retain highly skilled personnel, including project and construction management and trade labor resources, such as carpenters, masons and other skilled workers. In the event we are unable to attract, hire and retain the requisite personnel and subcontractors necessary to execute and perform on our contracts in backlog, we may experience delays in completing projects in accordance with project schedules or an increase in expected costs, both of which could have a material adverse effect on our financial results, our reputation and our relationships. In addition, if we lack the personnel and specialty subcontractors necessary to perform on our current contract backlog, we may find it necessary to curtail our pursuit of new projects. A significant, rapid growth in our backlog has led, and could continue to lead, to situations in which labor resources become constrained. The execution of our business strategies also substantially depends on our ability to retain several key members of our management. Losing any of these individuals could adversely affect our business. The majority of these key individuals are not bound by employment agreements. Volatility or lack of positive performance in our stock price may adversely affect our ability to retain key individuals to whom we have provided share- based compensation. We have experienced changes in senior management in the past ~~,~~ **. Our long- time Chairman** and **CEO has agreed to transition to the role of Executive Chairman at the end of 2024, and we will have a new CEO. Changes in management, including as a result of succession or voluntary or involuntary termination, including as a result of retirement, death or disability, could adversely affect our business and financial results, particularly** if we **are not able** ~~lose any key officer due~~ to ~~voluntary~~ **identify, engage, and retain qualified successors or if** ~~or~~ **our business** ~~involuntary termination~~ , **customers** ~~including as a result of death or disability~~ , ~~and we~~ **or employees** do not ~~have qualified successors~~ **respond positively to such changes. Systems and information technology interruption and breaches** in ~~place,~~ **data security and / or privacy could adversely impact our ability to operate and negatively impact** our operating results **.We** rely on computer,information and communication technology and other related systems,some of which are hosted by third **-** party providers,for various business processes and activities,including project management,accounting,financial reporting and business development.These systems **are** ~~have been and may,in the future,be~~ subject to interruptions or damage by a variety of factors including,but not limited to,cyber- attacks,natural disasters,power loss,telecommunications failures,acts of war,computer viruses,email phishing,obsolescence and physical damage.Such interruptions can result in a loss of critical data,a delay in operations,damage to our reputation or an unintentional disclosure of customer confidential or personally identifiable information,any of which could have a material adverse impact on us and our consolidated financial statements.Cybersecurity risks include potential attacks on both our information technology infrastructure and those of third parties (**both on premises and in the** ~~could~~ **cloud) attempting to gain unauthorized access to our confidential or other proprietary information, classified information, or information relating to our employees, customers and other third parties. We dedicate considerable attention and resources to the safeguarding of our information technology systems. Nevertheless, due to the evolving nature, persistence, sophistication and volume of cyber- attacks, we may not** be ~~harmed we may not be~~ successful in defending our systems against all such attacks.Consequently,we have engaged,and may again need to engage,significant resources to remediate the impact of,or further mitigate the risk of,such an attack.Any successful cyber- attack can result in the criminal,or otherwise illegitimate use of,confidential data,including our data or third- party data for which we have the responsibility for safekeeping.Additionally,such an attack could have a material adverse impact on our operations,reputation and financial results.In addition,various privacy and security laws and regulations requiring us to protect sensitive and confidential information from disclosure continue to evolve and pose increasingly complex compliance challenges.Compliance with evolving data privacy laws and regulations may cause us to incur additional costs,and any violation could result in damage to our reputation and / or subject us to fines,payment of damages,lawsuits and restrictions on our use of data,which could have a material adverse impact **on our financial results** . Our international operations expose us to economic, political, regulatory and other risks, as well as uncertainty related to U. S. government funding, which could adversely affect our revenue and earnings. For the year ended December 31, ~~2022~~ **2023** , we derived $ ~~366~~ **442** . ~~2~~ **3** million of revenue from our work on projects located outside of the United States. Our international operations expose us to risks inherent in doing business in certain hostile regions outside the United States, including political risks; risks of loss due to acts of war; unstable economic, financial and market conditions; potential incompatibility with foreign subcontractors and vendors; foreign currency controls and fluctuations; trade restrictions; economic and trade sanctions; logistical challenges; variations in taxes; and changes in labor conditions, labor strikes and difficulties in staffing and managing international operations. Failure to successfully manage risks associated with our international operations could result in higher operating costs than anticipated or could delay or limit our ability to generate revenue and income from construction operations in key international markets. The U. S. federal government has approved various spending bills for the construction of defense- and diplomacy- related projects and has allocated significant funds to the defense of U. S. interests around the world from the threat of terrorism. The federal government has also approved funds for development in conjunction with the relocation of military personnel into Guam. However, federal government funding levels for construction projects in the Middle East have decreased significantly over the past several years as the U. S. government has reduced the number of military troops and support personnel in the region. As a result, we have seen a decrease in the number and size of federal government projects available to us in this region. Any decrease in U. S. federal government funding for projects in Guam or in other U. S. Territories or countries in which we are pursuing work may result in project delays or cancellations, which could reduce our revenue and earnings. The level of federal, state and local government spending for infrastructure and other public projects could adversely affect the number of projects available to us in the future. The civil construction and public- works building markets are dependent on the amount of work funded by various government agencies, which depends on many factors, including the condition of the existing infrastructure and buildings; the need for new or expanded infrastructure and buildings; and federal, state and local government spending levels. As a result, our future operating results could be negatively impacted by any decrease in demand for public projects or decrease or delay in government funding (even with the passage of the BIL), which could result from a variety of factors, including extended government shutdowns, delays in the sale of voter- approved bonds, budget shortfalls, credit rating downgrades or long- term impairment in the ability of state and local governments to raise capital in the municipal bond market. **Weather conditions and other events outside our control can significantly affect our revenue and profitability. Inclement weather conditions, such as significant storms and unusual temperatures, as well as natural or man- made disasters or other catastrophic events, can impact or prevent our ability to perform work. These conditions and events have caused, and may in the future cause, delays or terminations and increases in project costs, resulting in variability in our revenue and profitability. We may not fully realize the revenue value reported in our backlog due to cancellations or reductions in scope. As of December 31, 2023, our backlog of uncompleted construction work was approximately $ 10. 2 billion. The revenue currently projected in our backlog may not be fully realized and, in some cases, if realized, may not result in profits or may be less profitable than expected. The cancellation or reduction in scope of significant projects included in our backlog could have a material adverse effect on our financial condition, results of operations and cash flows. We are subject to risks related to government contracts and related procurement regulations. Our contracts with U. S. federal, as well as state, local and foreign, government entities are subject to various procurement regulations and other requirements relating to their formation, administration and performance. We are subject to audits and investigations relating to our government contracts, and any violations could result in various civil and criminal penalties and administrative sanctions, including termination of contract, refunding or suspending of payments, forfeiture of profits, payment of fines and suspension or debarment from future government business. In addition, most of these contracts provide for termination or renegotiation by the government at any time, without cause, which could have an adverse effect on our business and operations. The percentage of our business coming from government entities has continued to increase in recent years,**

and as of December 31, 2023 accounted for nearly 90 % of our backlog. As a result, the risks of adverse consequences related to government contracting and procurement are increasingly fundamental to our business. Our participation in construction joint ventures exposes us to liability and / or harm to our reputation for failures by our partners. As part of our business, we enter into joint venture arrangements typically to jointly bid on and execute particular projects, thereby reducing our risk profile while enhancing execution capabilities and increasing surety bonding capacity. Success on these joint projects depends in large part on whether our joint venture partners satisfy their contractual obligations and comply with all applicable regulatory requirements. Generally, we and our joint venture partners are jointly and severally liable for all liabilities and obligations of our joint ventures. If a joint venture partner fails to perform or is financially unable to bear its portion of required capital contributions or other obligations, including liabilities stemming from lawsuits, we could be required to make additional investments, provide additional services or pay more than our proportionate share of a liability to make up for our partner' s shortfall. Further, if we are unable to adequately address our partner' s performance issues, the customer may terminate the project, which could result in legal liability to us, harm our reputation, reduce our profit on a project or, in some cases, result in a loss. ~~Weather can significantly affect our revenue and profitability. Inclement weather conditions, such as significant storms and unusual temperatures, can impact our ability to perform work. Adverse weather conditions can cause delays and increases in project costs, resulting in variability in our revenue and profitability.~~ We **could be adversely affected by violations of the U** ~~are subject to risks related to government contracts and related procurement regulations~~ . ~~Our contracts~~ **S. Foreign Corrupt Practices Act and similar worldwide anti- bribery laws. The U. S. Foreign Corrupt Practices Act of 1977, the U. K. Bribery Act of 2010, and similar anti- bribery laws in other jurisdictions generally prohibit companies and their intermediaries from making improper payments for the purpose of obtaining or retaining business. While our policies mandate compliance** with ~~U. S. federal~~ **these anti- bribery laws** , ~~as well as state, local and foreign, government entities are subject to various procurement regulations and other~~ - **there is no assurance that our policies** ~~requirements relating to their formation, administration~~ and **procedures will protect us from circumstances** ~~performance. We are subject to audits and investigations relating to our~~ - **or actions that** ~~government contracts, and any violations~~ could result in **possible** ~~various civil and~~ criminal penalties ~~and administrative~~ **or other** sanctions, including ~~termination of~~ contract **cancellations** ~~, refunding or suspending of payments, forfeiture of profits, payment of fines and suspension~~ or debarment ~~from future government business. In addition~~ , **and harm to** ~~most of these contracts provide for termination or~~ **our reputation,** ~~renegotiation by the government at~~ any **of** ~~time, without cause,~~ which ~~could have an adverse effect on our business and operations. We may not fully realize the revenue value reported in our backlog due to cancellations or reductions in scope. As of December 31, 2022, our backlog of uncompleted construction work was approximately $ 7. 9 billion. The revenue currently projected in our backlog may not be fully realized and, in some cases, if realized, may not result in profits or may be less profitable than expected. The cancellation or reduction in scope of significant projects included in our backlog~~ could have a material adverse ~~effect~~ **impact** on our **business,** financial condition, **and** results of operations ~~and cash flows~~ . Public health crises, such as ~~the~~ COVID- 19 ~~pandemic~~ , have adversely impacted, and could in the future adversely impact, our business, financial condition and results of operations. Pandemics, epidemics or other public health crises can adversely impact our business or the business of our suppliers, subcontractors or customers. For example, ~~the recent~~ **particularly in 2020 and 2021,** COVID- 19 ~~pandemic~~ created volatility, uncertainty and economic disruption for the Company, our customers, subcontractors and suppliers, and the markets in which we do business **, and certain of the impacts of this disruption have continued** . ~~The~~ COVID- 19 ~~pandemic~~ also caused delays in certain bidding activities and contract awards, particularly for large civil projects, ~~as well as~~ **which adversely affected both our revenue and our backlog. We also faced substantial postponements and other** delays in legal proceedings and settlement discussions where we have claims against project owners for additional costs exceeding the contract price or for amounts not included in the original contract price. Consequently, our ability to resolve and recover on these types of claims has been and may continue to be delayed, which may adversely affect our liquidity and financial results. While the adverse effects of ~~the~~ COVID- 19 ~~pandemic~~ have largely subsided, should future ~~negative developments~~ **public health crises** occur ~~, such as the emergence of new strains or outbreaks of COVID- 19~~ , this could have a further adverse impact on our business, financial condition and results of operations. Further, any future volatile economic conditions resulting from ~~the pandemic, as well as reactions to future resurgences of COVID- 19 or outbreaks of other~~ public health crises ~~,~~ could also aggravate or heighten the risks posed by other risk factors that we have identified in this Annual Report on Form 10- K, which in turn could materially and adversely affect our business, financial condition and results of operations. ~~We could be adversely affected by violations of the U. S. Foreign Corrupt Practices Act and similar worldwide anti- bribery laws. The U. S. Foreign Corrupt Practices Act of 1977, the U. K. Bribery Act of 2010, and similar anti- bribery laws in other jurisdictions generally prohibit companies and their intermediaries from making improper payments for the purpose of obtaining or retaining business. While our policies mandate compliance with these anti- bribery laws, there is no assurance that our policies and procedures will protect us from circumstances or actions that could result in possible criminal penalties or other sanctions, including contract cancellations or debarment and loss of reputation, any of which could have a material adverse impact on our business, financial condition, and results of operations.~~ Physical and regulatory risks related to climate change could have a material adverse impact on our business, financial condition and results of operations. As a business that builds new infrastructure and improves existing infrastructure for customers around the world, physical risks related to climate change, such as rising sea levels and temperatures, severe storms, and energy and technological disruptions, could cause delays and increases in project costs, resulting in variability in our revenue and profitability, as well as potentially adverse impacts to our operating results and financial condition. In addition, growing public concern about climate change has resulted in the increased focus of local, state, regional, national and international regulatory bodies on greenhouse gas emissions and climate change issues. Legislation to regulate greenhouse gas emissions has periodically been introduced in the U. S. Congress and in the legislatures of various states in which we operate, and there has been a wide- ranging policy debate, both in the United States and internationally, regarding the impact of these gases and possible means for their regulation. Such policy changes, including any enactment of increasingly stringent emissions or other environmental regulations, could increase the costs of projects for us and for our clients and, in some cases, delay or even prevent a project from going forward, thereby potentially reducing demand for our services. Consequently, this could result in a material adverse impact on our business. In connection with mergers and acquisitions, we have recorded goodwill and other intangible assets that could become impaired and adversely affect our operating results. Assessing whether impairment has occurred requires us to make significant judgments and assumptions about the future, which are inherently subject to risks and uncertainties, and if actual events turn out to be materially less favorable than the judgments we make and the assumptions we use, we may be required to record impairment charges in the future. We had $ 255. 6 million of goodwill and indefinite- lived intangible assets recorded on our Consolidated Balance ~~Sheets~~ **Sheet** as of December 31, ~~2022~~ **2023** . We assess these assets for impairment annually, or more often if required. Our assessments involve a number of estimates and assumptions that are inherently subjective, require significant judgment and involve highly uncertain matters that are subject to change. The use of different assumptions or estimates could materially affect the determination as to whether or not an impairment has occurred. In addition, if future events are less favorable than what we assumed or estimated in our impairment analysis, we may be required to record an impairment charge, which could have a material adverse impact on our consolidated financial statements. We have, in the past, recorded significant asset impairment charges and could have additional such charges in the future. Risks Related to Our Capital Structure ~~Downgrades~~ **As a result of the " spring- forward " maturity provision** in **our Revolver and Term Loan B facility, we will need to repay, refinance,** ~~our~~ **or obtain amendments or waivers with respect to some or all of our substantial outstanding indebtedness. If we are unsuccessful, the maturity of our Revolver and Term Loan B facility will accelerate, and a failure to repay then- outstanding amounts would cause us to be in default, which would materially and adversely affect our business and our financial condition. Under the terms of our 2020 Credit Agreement, as amended, if any of the 2017 Senior Notes are outstanding on January 30, 2025 (which is 91 days prior to the maturity of the 2017 Senior Notes), the maturity date of 10. 2 % of the outstanding Term Loan B principal and any amounts outstanding under the Revolver would accelerate to January 30, 2025, and the commitments available under the Revolver would be reduced to zero on January 30, 2025. The maturity of the remaining 89. 8 % of the outstanding Term Loan B principal would accelerate to April 21, 2025 (which is 10 days prior to the maturity of the 2017 Senior Notes), if any of the 2017 Senior Notes are outstanding as of this date. We refer to this as the " spring- forward maturity " provision of our 2020 Credit Agreement. Absent the applicability of the spring- forward maturity provision, the maturity date of the Term Loan B is August 18, 2027 and of the Revolver is August 18, 2025. As a result of the spring- forward maturity provision, after January 30, 2024, any outstanding indebtedness under the Revolver and 10. 2 % of outstanding indebtedness under the Term Loan B will be reclassified as current indebtedness. After April 21, 2024, the remaining 89. 8 % of outstanding indebtedness under the Term Loan B will be reclassified as current indebtedness. We will need to repay, refinance, or obtain amendments or waivers with respect to our indebtedness related to the 2020 Credit Agreement and / or the 2017 Senior Notes before the January 30, 2025 and, if applicable, April 21, 2025 acceleration dates. While our cash collections have improved significantly since 2021 and are expected to remain strong, we do not currently have available cash and borrowings sufficient to repay the 2017 Senior Notes, which have an outstanding balance of $ 500. 0 million as of December 31, 2023. If we are unable to pay off or refinance the 2017 Senior Notes prior to the above- mentioned acceleration dates, or to otherwise address the acceleration of outstanding indebtedness under our 2020 Credit Agreement due to the spring- forward maturity provision, our liquidity, business, operations and financial condition will be materially and adversely affected. In this event, we may not have sufficient funds available for timely repayment of our indebtedness, and we may not have the ability to borrow or obtain sufficient funds to replace the indebtedness on terms acceptable to us, or at all, in which case an event of default would occur under our 2020 Credit Agreement. We are working to refinance the 2017 Senior Notes and anticipate that we will complete a refinancing transaction by the end of April 2024, although there can be no assurance that we will be able to complete a refinancing on terms that we consider acceptable. We expect the terms of any refinanced debt to include interest rates that are higher than those of our current issuances under the 2017 Senior Notes. An inability to obtain bonding could have a negative impact on our operations and results. We are often required to provide surety bonds securing our performance under our contracts. Our ability to obtain surety bonds primarily depends on our working capital, past performance, capitalization,** credit ~~ratings~~ **rating, management expertise, overall capacity of the surety market and other factors. If we are unable to obtain reasonably priced surety bonds in the future, it** could **significantly affect our ability to be awarded new contracts and could, consequently,** have a material adverse effect on our business **, results of operations** and financial condition. The credit ratings assigned to us and...... to any new or refinanced debt. We have a substantial amount of indebtedness **with restrictive covenants** which could adversely affect our financial position and prevent us from fulfilling our obligations under our debt agreements, especially in a high interest rate environment. We currently have, and expect to continue to have, a substantial amount of indebtedness. As of December 31, ~~2022~~ **2023** , our total debt was $ ~~958~~ **899** . ~~4~~ **7** million, with $ ~~70~~ **117** . ~~3~~ **4** million classified as current debt. A significant amount of debt under our credit agreement contains financial covenants, including one covenant to maintain a maximum First Lien Net Leverage Ratio (as defined in the 2020 Credit Agreement (as defined below)), which has required us to obtain two amendments, the First Amendment, dated as of October 31, 2022 and the Second Amendment, dated as of March 10, 2023, to the 2020 Credit Agreement in order to remain in compliance with this covenant. There is a risk that we may need to seek further amendments to this covenant or other covenants in the future should our operating results or financial condition differ materially from our projections. If we are unable to meet the terms of the financial covenants or fail to comply with any of the other restrictions contained in the agreements governing our indebtedness, an event of default could occur, causing the debt related to such agreements to become immediately due. If such acceleration occurs, we may not be able to repay such indebtedness as required. Since indebtedness under our credit agreement entered into on August 18, 2020 (as amended, the " 2020 Credit Agreement ") with BMO Harris Bank N. A., as Administrative Agent, Swing Line Lender and L / C Issuer and other lenders is secured by substantially all of our assets, acceleration of this debt could result in foreclosure of those assets and a negative impact on our operations. In addition, a failure to meet the terms of our 2020 Credit Agreement could result in a reduction of future borrowing capacity or additional restrictions under the 2020 Credit Agreement that could negatively impact our liquidity and financial condition. A loss of liquidity could adversely impact our ability to execute projects in our backlog, obtain new projects, engage subcontractors, and attract and retain key employees. Furthermore, we had approximately $ ~~422~~ **373** . ~~4~~ **5** million of outstanding borrowings at December 31, ~~2022~~ **2023** with variable interest rates. Higher market interest rates could also negatively impact our liquidity and financial condition. **Downgrades in** ~~An inability to obtain bonding could have a negative impact on~~ our ~~operations and results. We are often required to provide surety bonds securing our performance under our contracts. Our ability to obtain surety bonds primarily depends on our working capital, past performance, capitalization,~~ credit ~~rating~~ **ratings** ~~, management expertise, overall capacity of the surety market and other factors. If we are unable to obtain reasonably priced surety bonds in the future, it~~ could ~~significantly affect our ability to be awarded new contracts and could, consequently,~~ have a material adverse effect on our business ~~, results of operations~~ and financial condition ~~.~~ The credit ratings assigned to us and our debt are subject to ongoing evaluation by credit rating agencies and could change based upon,among other things,our results of operations and financial condition.Actual or anticipated changes or downgrades in our credit ratings,including any announcement that our ratings are under review for a downgrade,could have a material adverse effect on our costs and availability of capital,which could in turn have a material adverse effect on our financial condition,results of operations,cash flows and our ability to satisfy our debt service obligations.Negative changes in our credit ratings could also result in more stringent covenants and higher interest rates with regard to any new or refinanced debt **.** . Risk Related to Our Stock Ownership Our chairman and chief executive officer could exert influence over the Company due to his position and significant ownership interest. As of December 31, ~~2022~~ **2023** , our chairman and chief executive officer, Ronald N. Tutor, and three trusts controlled by Mr. Tutor (the " Tutor Group ") owned approximately 14 % of the outstanding shares of our common stock. Additionally, one of our current directors was appointed by Mr. Tutor pursuant to Mr. Tutor' s right to nominate one member to our Board of Directors, so long as the Tutor Group owns at least 11. 25 % of the outstanding shares of our common stock. Accordingly, Mr. Tutor could exert influence over the outcome of a range of corporate matters, including the election of directors and the approval or rejection of other extraordinary transactions, such as a takeover attempt or sale of the Company or its assets. General Risk Factor The market price of our common stock may fluctuate significantly, which could result in substantial losses for stockholders and subject us to litigation. The market price of our common stock has been, and in the future may be, subject to significant fluctuations due to numerous factors, including but not limited to the risks described in this Risk Factors section. These factors may materially harm the market price of our common stock and potentially expose us to securities class- action litigation, which, even if unsuccessful, could result in substantial costs and divert management' s attention and resources from our business and have a material adverse effect on our financial condition, results of operations and cash flows. **16**