

BUSINESS OWNER STRATEGIES WORKBOOK

Completion of this workbook will help:

- Identify your dominant needs
- Prioritize those needs
- Define next steps

Every business needs a plan; a strategy that defines your goals and how to reach them. Whether you are newly self-employed, or already have years invested, a well planned strategy can take you to the next level. Our firm offers a full range of financial consulting services specifically tailored to help you grow and manage your business.

Small Business Consulting Services

We offer a full range of consulting services specifically tailored for the self-employed small business owner, to help you grow and manage your business.

COMMON CONCERNS OF BUSINESS OWNERS

More often than not, many decide to start a business without preparation or sufficient information or experience. Being a small business owner is fun, challenging, but never easy. Whether you are just starting a business or already running one, there are a number of common concerns shared by entrepreneurs:

Attracting and Retaining Employees

- Competition for talent
- Retaining your “stars”
- Long-term care insurance

Planning for Business Succession

- To whom?
- At what price?
- Source of funds?
- Provision for estate taxes?

Managing Short-Term Cash

- Higher yields
- Increased liquidity

Building and Protecting Personal Wealth

- How to accumulate?
- How to protect?

Managing Personal and Business Taxes

- Increase efficiency
- Reduce liability

SOLUTIONS FOR BUSINESS OWNERS

One important planning step often skipped is development of a solid financial plan. A financial plan gives you a better grasp of the financial requirements of your new business, and clarifying your financial picture can help you develop better strategies, pinpoint trouble spots early, and optimize your business for growth.

Business Strategies

- Attract and Retain Employees
 - 401(k), SEP IRA, SIMPLE IRA
 - Deferred compensation
 - 412(e)3 defined benefit
 - Group long-term care, disability insurance
- Planning for Business Succession
 - Valuation
 - Key man
 - Buy/sell
 - 1031
- Managing Short-Term Cash
 - Cash sweep
 - Cash enhancement
 - Cash management
 - Income management
- Build and Protect Personal Wealth
 - Life insurance, disability, long-term care
 - Advisory and trust services
 - Retirement services
- Managing Personal and Business Taxes
 - Selective benefit plans – insurance and retirement services
 - Personal financial needs analysis

BUSINESS INFORMATION

Name of Business _____

Address _____

Contact Person Phone _____ Email _____

Nature of Business _____

Business Entity (Check one)

C-CORP S-CORP PA/PC LLC Partnership Sole Proprietorship

Type of Qualified Plan _____

Total # Employees _____ Monthly Payroll _____ If plan in place currently, # _____

Participating Employees

CPA Name _____ Phone _____

Lawyer Name _____ Phone _____

Bank Name _____ Branch _____

Bank Contact Phone _____

Ownership Census

1. Name _____ Date of birth: ___/___/___ Owns _____ %

Spouse _____ Date of birth: ___/___/___

2. Name _____ Date of birth: ___/___/___ Owns _____ %

Spouse _____ Date of birth: ___/___/___

3. Name _____ Date of birth: ___/___/___ Owns _____ %

Spouse _____ Date of birth: ___/___/___

4. Name _____ Date of birth: ___/___/___ Owns _____ %

Spouse _____ Date of birth: ___/___/___

Is it important for you to assist or provide employees with benefit plans for:

- Retirement? (In addition to Social Security) Yes No
- Health insurance? Yes No
- Disability income insurance? Yes No
- Life insurance? Yes No
- Voluntary employee benefit programs? Yes No

Do you feel that your existing employee benefit plans:

- Attract and retain quality employees? Yes No
- Enhance employee performance? Yes No
- Are understood and appreciated by employees? Yes No
- Require more company resources than desired? Yes No

How concerned are you about providing retirement, disability, or surviving benefits for:

- Yourself? Very concerned Somewhat concerned Not concerned
- Employee shareholders/ partners? Very concerned Somewhat concerned Not concerned
- Executives? Very concerned Somewhat concerned Not concerned
- Key employees? Very concerned Somewhat concerned Not concerned

Have you ever considered implementing a selective benefit program that provides:

- Tax-deferred accumulation of plan assets? Yes No
- Tax-advantaged distributions from plan assets? Yes No
- Protection from claims of creditors? Yes No

How concerned are you about upsetting the flow of business and protecting your company against the loss of a key employee due to:

- Death? Very concerned Somewhat concerned Not concerned
- Disability? Very concerned Somewhat concerned Not concerned
- Being hired by a competitor? Very concerned Somewhat concerned Not concerned

Which features do you feel would create an attractive benefit program for select participants?

(Please check at least one)

- Funded through a combination of employee & employer contributions
- Funded through employee contributions
- Funded through employer contributions
- Availability of diversified investment options
- Ability to select plan participants
- Ability to provide greater benefits for selected employees
- Ability to control when benefits are paid
- Provisions for benefits upon retirement
- Provisions for benefits in the event of disability
- Provisions for benefits in the event of death

Which tax advantage of a selective benefit program would you prefer? *(Please check at least one)*

- Current tax deduction of contributions when made
- Deferred deduction of future benefits when paid

Have you already made plans for what happens to your business in the event of your: *(Please check at least one)*

- Retirement? Disability? Death?

In the event of your retirement, disability or death, have you already made plans:

- Regarding whether there is sufficient capital to continue operating the business? Yes No
- Who will run the business? Yes No
- Who will control your business? Yes No

Do you want your business to be:

- Retained by your family Yes No
- Sold Yes No
- Liquidated Yes No

Do you have a *written* business transfer plan which:

- Is mandatory for both the buyer and the seller? Yes No
- Sets the price that you or your heirs will receive? Yes No
- Assures that the buyer will have funds to purchase the business? Yes No
- Accurately reflects your share of the fair market value including goodwill? Yes No
- Sets the value of your interest for estate tax purposes? Yes No
- Creates an arrangement that achieves the desired management and ownership? Yes No

ANTICIPATED CHANGES

Check all that are likely to occur in the next 12 months:

- Expansion of business
- Opening of new location(s)
- Hiring additional employees
- Promoting key employees
- Purchase new equipment
- Acquire more property
- Acquire more space
- Change business type
- Review of benefit plans
- Add new benefit plan(s)
- Modify existing benefit plan(s)
- Review business transfer plan
- Change ownership arrangement
- Review business transfer funding
- Terminate existing benefit plan(s)

FINANCIAL OVERVIEW

Annual sales or receipts

- Under \$100,000
- \$100,000 - \$250,000
- \$250,000 - \$500,000
- \$500,000 - \$750,000
- \$750,000 - \$1 million
- \$1 million - \$1.5 million
- \$1.5 million - \$2 million
- \$2 million - \$2.5 million
- \$2.5 million - \$5 million
- \$5 million - \$7.5 million
- \$7.5 million - \$10 million
- \$10 million or more

Annual profits or net income

- Under \$100,000
- \$100,000 - \$250,000
- \$250,000 - \$500,000
- \$500,000 - \$750,000
- \$750,000 - \$1 million
- \$1 million - \$1.5 million
- \$1.5 million - \$2 million
- \$2 million - \$2.5 million
- \$2.5 million - \$5 million
- \$5 million - \$7.5 million
- \$7.5 million - \$10 million
- \$10 million or more

Current employee benefit plans

- 401(k)
- Cafeteria plan
- Defined benefit
- Employee stock option plans
- Group health insurance
- Group life - dependents
- Group life - employees
- Long-term disability insurance
- Money purchase
- Profit sharing
- SEP IRA
- Short-term disability insurance
- SIMPLE IRA
- Other _____

Current executive or key employee benefit plans

- Death benefit only
- Deferred compensation
- Disability carve out
- Executive bonus
- Group life carve out
- Key person
- Long-term care insurance
- Salary continuation
- Severance pay
- Split dollar
- Wage continuation

EMPLOYEE CENSUS

Complete for everyone employed as of the current date. *(Please print legibly)*

	Name	Date of Birth (mo/day/yr)	Date Employed (mo/day/yr)	Key Employee	Annual Compensation	Ownership %	Part-time	Tobacco (circle one)
1.							<input type="checkbox"/>	Y / N
2.							<input type="checkbox"/>	Y / N
3.							<input type="checkbox"/>	Y / N
4.							<input type="checkbox"/>	Y / N
5.							<input type="checkbox"/>	Y / N
6.							<input type="checkbox"/>	Y / N
7.							<input type="checkbox"/>	Y / N
8.							<input type="checkbox"/>	Y / N
9.							<input type="checkbox"/>	Y / N
10.							<input type="checkbox"/>	Y / N
11.							<input type="checkbox"/>	Y / N
12.							<input type="checkbox"/>	Y / N
13.							<input type="checkbox"/>	Y / N
14.							<input type="checkbox"/>	Y / N
15.							<input type="checkbox"/>	Y / N

¹ Use K to indicate an officer or an owner

² S-Corps: List W-2 compensation only; K-1 income not eligible. Sole Proprietors, Partnerships and LLCs: List net income before reduction for pension contribution and self-employment tax

³ Part-time employees are those who have worked less than 1,000 hours during each 12-month period following date of employment

DOCUMENTS NEEDED FOR ANALYSIS

Business transfer plan

- Buy/Sell Agreement
- Business Valuation
- Census Data for Shareholders
- Statements for Funding Vehicles
- Key Person Agreement
- _____

Executive/key employee benefit plans

- Deferred Compensation
- Salary Continuation
- Wage Continuation
- Salary Continuation
- Executive Bonus
- Split Dollar
- Group Carve Out
- Statements for Funding Vehicles
- Business Overhead Expense
- _____

Financial statements

- Balance Sheet (Last 3 years)
- Income Statement (Last 3 years)
- Income Tax Returns (Last 3 years)
- _____

Qualified retirement plan

- Adoption Agreement
- Trust Agreement
- Summary Plan Description
- Plan Funding Statements
- Census Data - Covered Employees
- Sample Employee Statement
- Name/Address - Plan Administrator
- _____

Employee benefit plans

- Group Life - Plan Description
- Group Health - Plan Description
- Census Data - Covered Employees
- Short-Term Disability Insurance
- Long-Term Disability Insurance
- Cafeteria Plan
- _____

**Don't overlook your business planning strategy.
Plan today and reap the benefits for years to come.**

