



Calculating Your Way to a *Potential* Raise

Presented by: Zeb Smith, CPA

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Game Time!



ROCK



SCISSORS



PAPER

Rules:

- 1. Everyone must play***
- 2. Go on 'Shoot'***
- 3. Cheer for your victor***
- 4. One winner***

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Zebulon Booth





Stage 1 – Plan it: Start with you

- ▶ Personal, financial, & business goals

Stage 2 – Map it: Study the financial landscape

- ▶ Discover to ins and outs of outfitter finances
- ▶ Employee pay, benefits, & bonuses – What you do matters

Stage 3 – Send it! Get 'er done

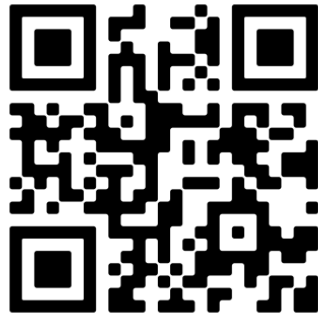
- ▶ Apply the knowledge to earn a *potential* raise

Work Smarter, Play Harder, and Make More Money

To make the most of today...



- ▶ Engage & contribute – The more you put it, the more you'll get out.
- ▶ Speak up – No judgment here.
- ▶ Treat this like a groover gab...

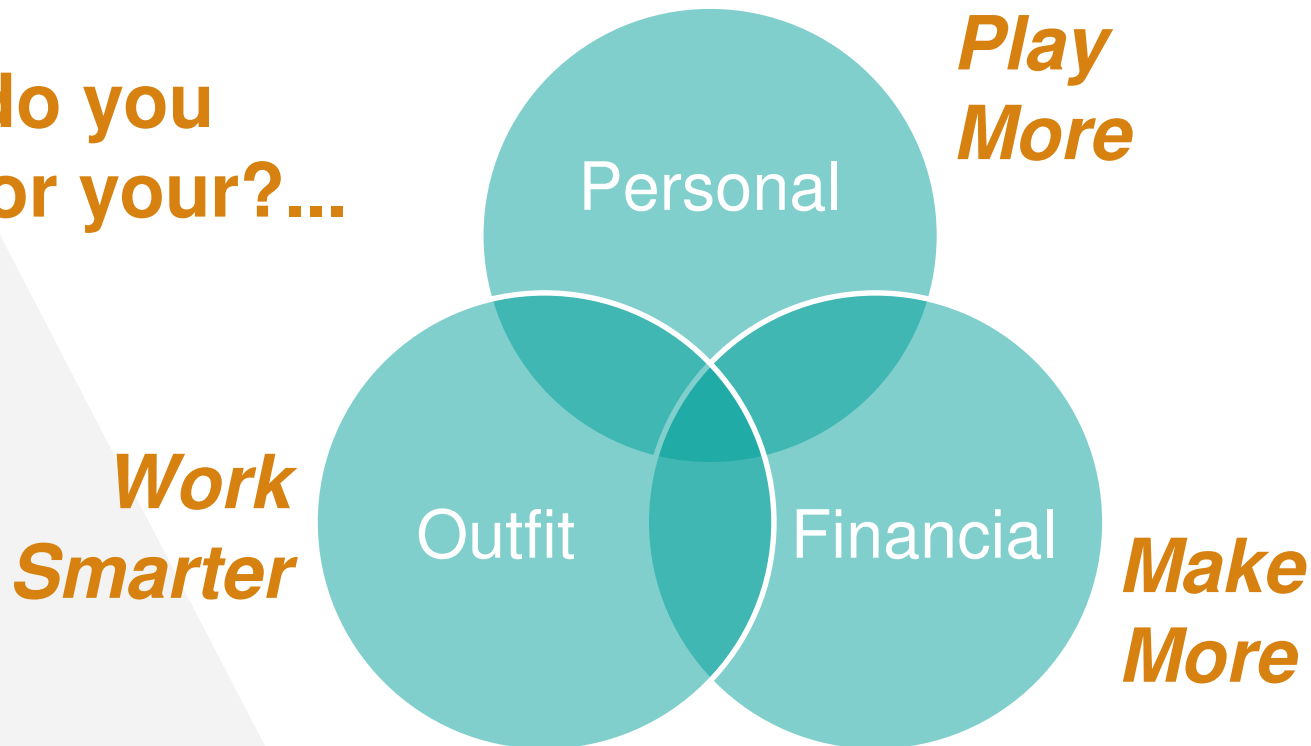


Stage 1 – Plan it

Start with you



**What do you
want for your?...**



Stage 2 – Map it

Study the financial landscape

Guide Math Intro



	Per Raft	Per Season
Revenue	-	-
Direct Costs		
- Guide Wage	-	-
- Driver Wage	-	-
- Fuel	-	-
- Equipment	-	-
- Meals	-	-
- Other	-	-
Total Direct Costs	-	-
Indirect Expenses		
- Employee Wages	-	-
- Advertising	-	-
- Other	-	-
Total Indirect Expenses	-	-
Profit	-	-
# Rafts	1	2,000
# Pax	5	10,000



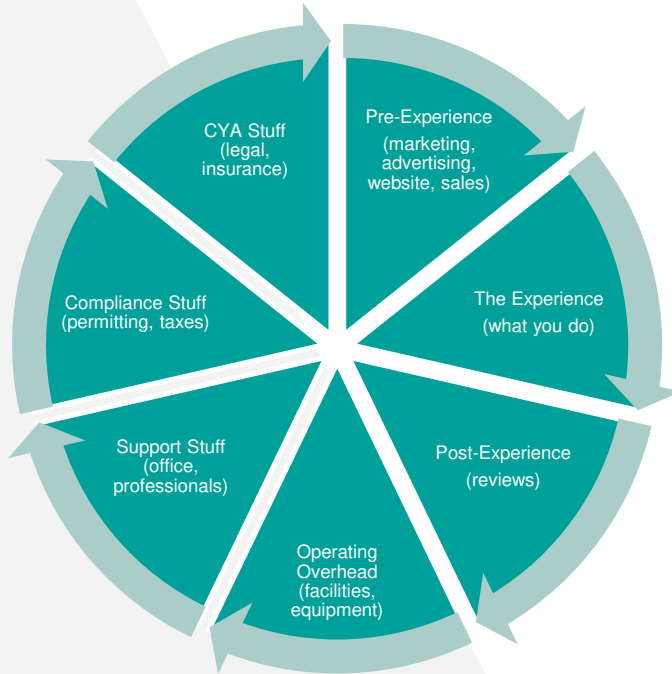
	Per Raft	Per Season	
Revenue	500	1,000,000	
Direct Costs			
- Guide Wage	50	100,000	
- Driver Wage	15	30,000	
- Fuel	10	20,000	
- Equipment	5	10,000	
- Meals	25	50,000	
- Other	3	6,000	
Total Direct Costs	108	216,000	
Indirect Expenses			
- Employee Wages	75	150,000	
- Advertising	5	10,000	
- Other	15	30,000	
Total Indirect Expenses	95	190,000	
Profit	297	594,000	<- So much \$\$\$!
# Rafts	1	2,000	
# Pax	5	10,000	

The truth of the matter...



	Per Raft	Per Season	
Revenue	500	1,000,000	
Direct Costs			
- Guide Wage	75	150,000	
- Driver Wage	15	30,000	
- Fuel	10	20,000	
- Equipment	5	10,000	
- Meals	25	50,000	
- Other	3	6,000	
Total Direct Costs	133	266,000	
Indirect Expenses			
- Employee Wages	175	350,000	
- Advertising	50	100,000	
- Other	100	200,000	
Total Indirect Expenses	325	650,000	
Profit	42	84,000	<- Pre-tax - Has to last all year
# Rafts	1	2,000	
# Pax	5	10,000	

The truth of the matter...



Profit	84,000	
Income Taxes	35,000	<-- Typically 20% to 30%
Equipment Purchases	15,000	
Facility Improvements	10,000	
Debt Pay-Down	15,000	
Owner Items	4,000	
Cash Savings	5,000	
Target Profit Low	150,000	
Target Profit Mid	300,000	
Target Profit High	500,000	

Next up! We're going to answer this Q...



- ▶ Q: How can you help the business make more money so it can pay you more via raises, bonuses, and benefits?

The “Salary Cap” – Understand your impact



- ▶ + \$Revenue
- ▶ - \$Target Profits
- ▶ - \$Non-Employee Expenses
- ▶ = \$Available For Employees

The “Salary Cap” – Understand your impact



Salary Cap	2022
Revenue	1,000,000
Profit	84,000
Non-Employee Expenses	386,000
Available for Employees	530,000

Salary Cap	2023
Revenue	1,000,000
Profit	160,000 <- Sustainable target
Non-Employee Expenses	463,200 <- 20% increase
Available for Employees	376,800
	(153,200) <- Drop (well crap)

The “Salary Cap” – Understand your impact



Salary Cap	2023
Revenue	1,160,000
Profit	160,000
Non-Employee Expenses	463,200
Available for Employees	536,800
	6,800
# Trips	2,320
# Pax	11,600

Become Employee-Owners



The “Salary Cap” – Understand your impact



Next Year Salary Cap	2023	Janitor	
Revenue	1,160,000	1,160,000	
Profit	160,000	160,000	
Non-Employee Expenses	463,200	458,200	<- Saved \$5k
Available for Employees	536,800	541,800	
		5,000	<- Add'l \$5k available

The "Salary Cap" – Understand your impact



	2022	2023	
Available for Employees	536,800	536,800	
Guide wages	150,000	163,500	<- Reduces funds available to lead guides
Driver wages	35,000	38,150	
Admin wages	40,000	43,600	
Cook wages	25,000	27,250	
Manager wages	80,000	80,000	
Owner wages	75,000	75,000	
Payroll taxes	32,400	36,338	<- Increases with higher min wage & new tax
Worker's comp insurance	25,000	28,000	<- Increases b/c guide claims
Recruitment	20,000	20,000	
Training	10,000	10,000	
Meals	15,000	15,000	
Raises, benefits & bonuses	29,400	(38)	

Stage 3 – Send it!

Get 'er done in your outfit

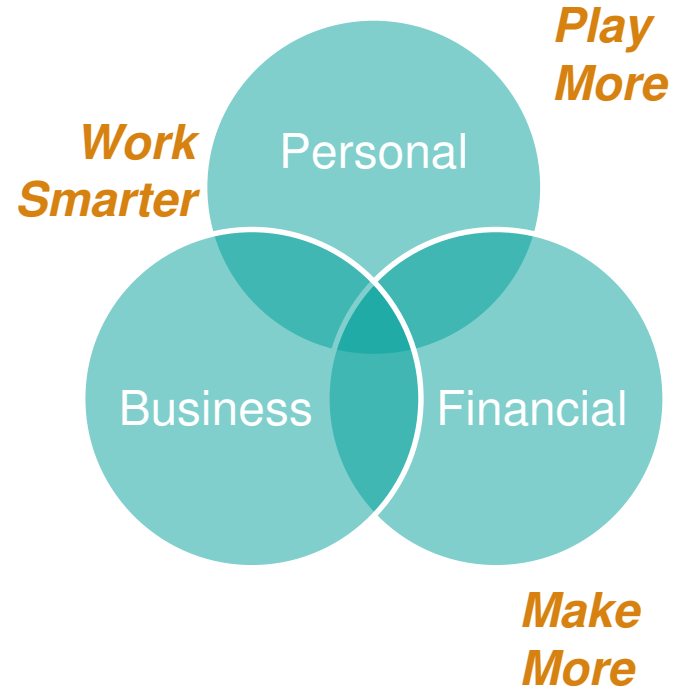


- ▶ **“As a leader, what are you going to do to increase your outfit’s *funds available for employees* in 2023?”**
- ▶ Reflect on:
 - ▶ Your personal & financial goals
 - ▶ Financial knowledge gained today
 - ▶ Influence with your peers & supervisors

Take-aways



1. Articulate your personal, financial, & business goals
2. Understand the ins and outs of your outfit's finances
3. Take lead, get outside, have fun, and Send It!





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