

Agenda

- Personal Objectives
- Vision
- Breakout Session
- Licensing, Permits and Insurance
- Next Steps
- Worksheet Review



“It takes as much
energy to wish, as it
does to plan.”
– Eleanor Roosevelt

Ground Rules

By remembering to be confidential, this will help you and your group members create a relationship based on trust and honesty.

Listen to your trainer and group members feedback, while using the tools you have been given to fully evaluate the value of the feedback for your business.

Communication will be delivered with care. Creating space for others will only enhance our listening skills and make us better verbal communicators.





The Big Assumption

“Just because you know how to do the work of the business,
means you know how to do the business of that work”

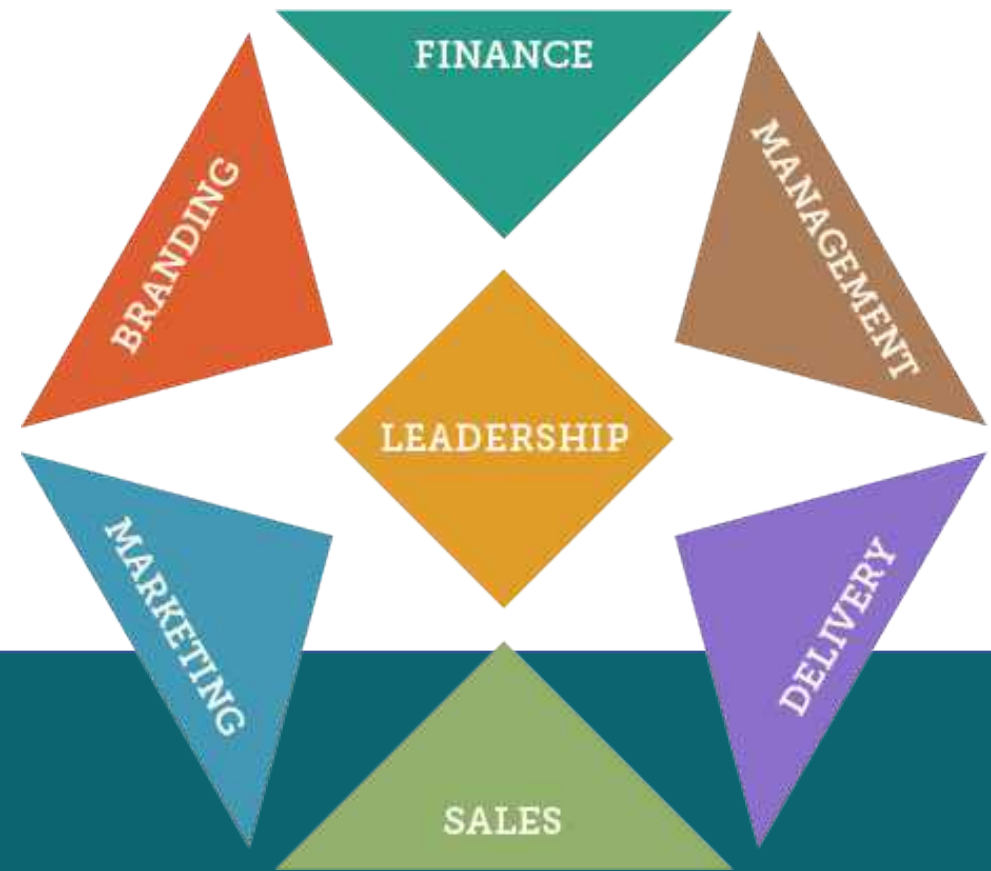
-M.Gerber, The EMyth Revisited.”

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Business Functions

Structure for a business that works

Organizing your business with structure will help you grow in a way that doesn't consume you. This will become the blueprint you use to systemize the workflow, hiring, growth strategy and management.



What is your Vision?

By creating your vision first, you will be able to develop your infrastructure relevant for your needs. Some areas may grow at different speeds than others.



Leadership First

Leadership is the conduit for the systemic connections throughout your business. It helps individuals, work flow and departments connect when they should and need to. Making leadership a priority, will enhance everything else you may still be doing in the business, nonetheless grow it.

Personal Objectives

Aristotle said, “People are goal seeking animals. Their lives only have meaning if they are reaching out and striving for meaningful goals.” Whether you have set goals intentionally or not, we all have goals. Some of us may think we don’t have goals, but we do.



Leadership Means Life, then Business

While you may not always be able to prioritize your time, you must think of yourself first, then you can build a business that supports that.



Goals and Planning

Dreaming of your goals is only the first step towards achieving your goals. The next crucial step is then planning; which takes forecasting, organizing, self management systems and consistency.

Business Vision

Turning Your Ideas into Action

Documenting a vision provides a sense of purpose and direction towards the future, inspiration for you and your employees, transfers ownership and becomes a basis for decision making, planning, and business development activities.



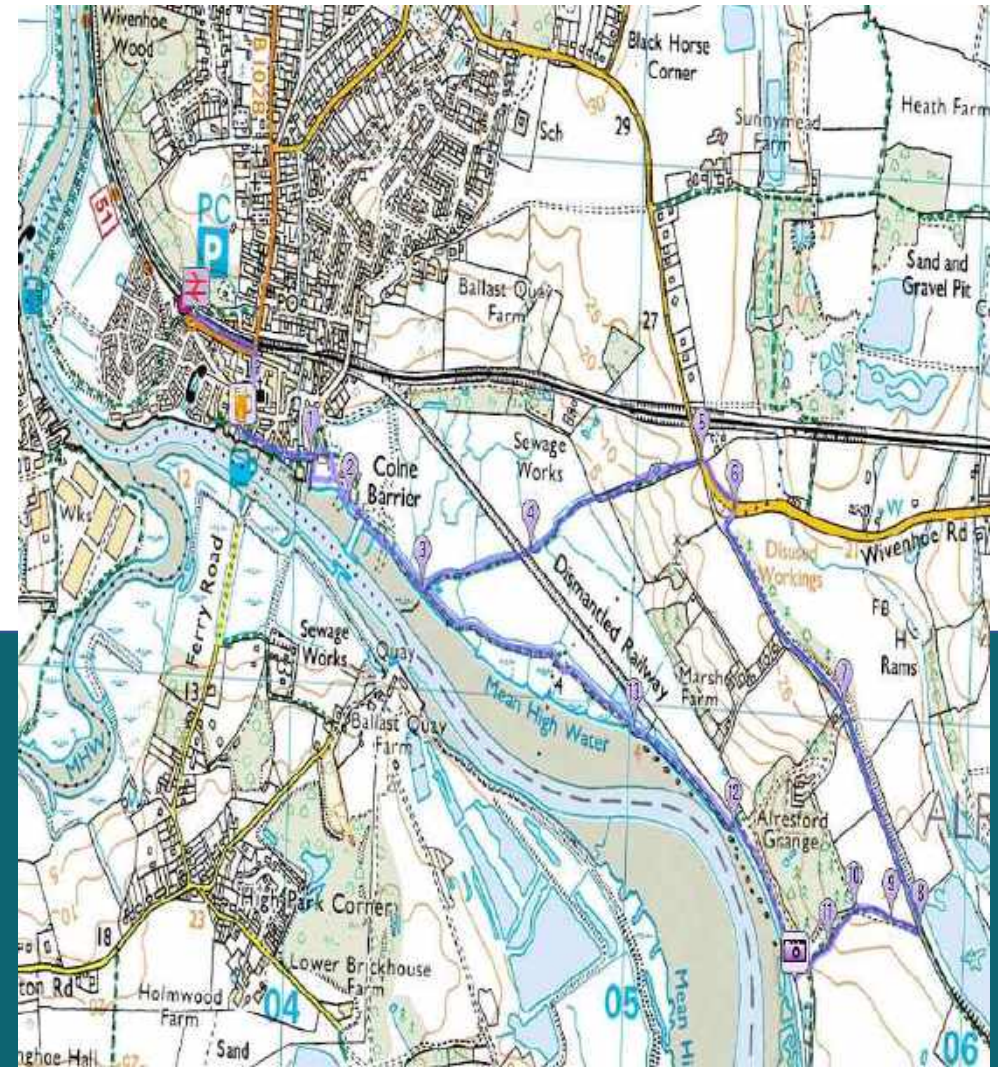
Design First, Build Second

Creating your business first will ensure you build something that achieves what you want. Do you remember what you first dreamt about when opening your business?



Your Commitment becomes The Commitment

Building the business of your dreams is only possible if others can help. Your dreams are probably bigger than what you can do by yourself. By creating your vision first, others can be part of helping you create what you want.





What Next?

Three Years From Today

When beginning your exploration, think of the the end result you desire. For many, speaking and writing your vision in the present tense helps remove any current barriers that may keep you from your truest vision. It is important to remember not to worry about how you are going to create your vision but focus on what your vision is.

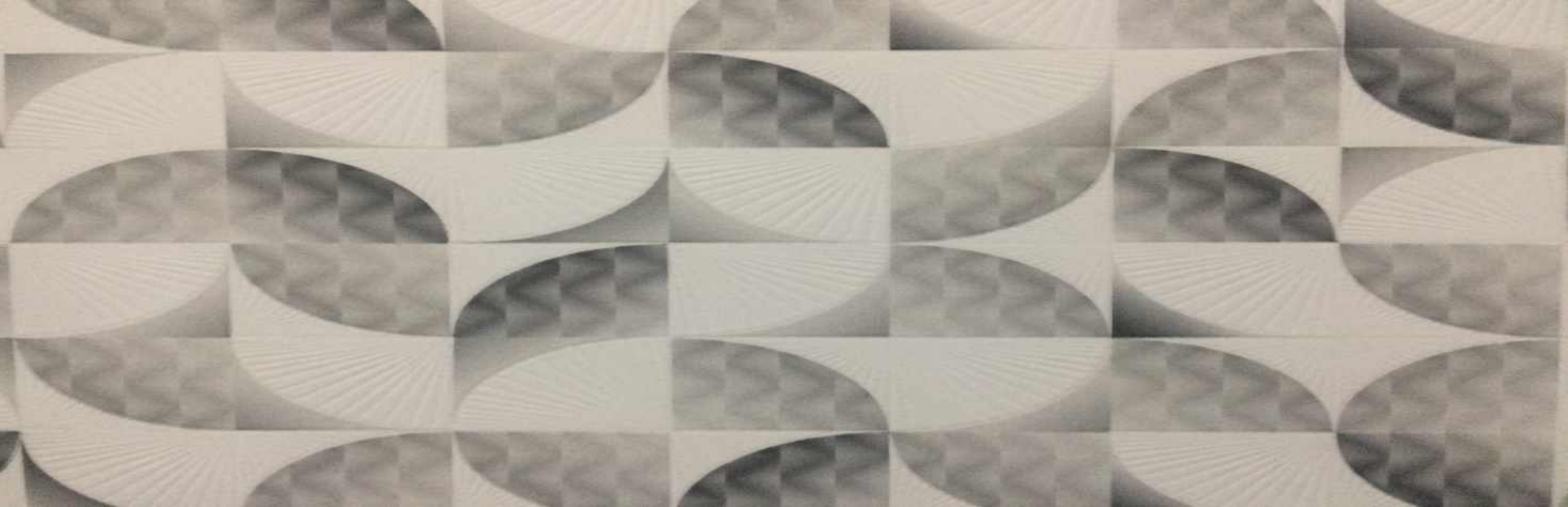


Discover Your Vision

Your vision should be a documented vision for what your business looks like when it is “done”. It should be written for 3-5 years in the future, and only contain what you want it to look like, not how.

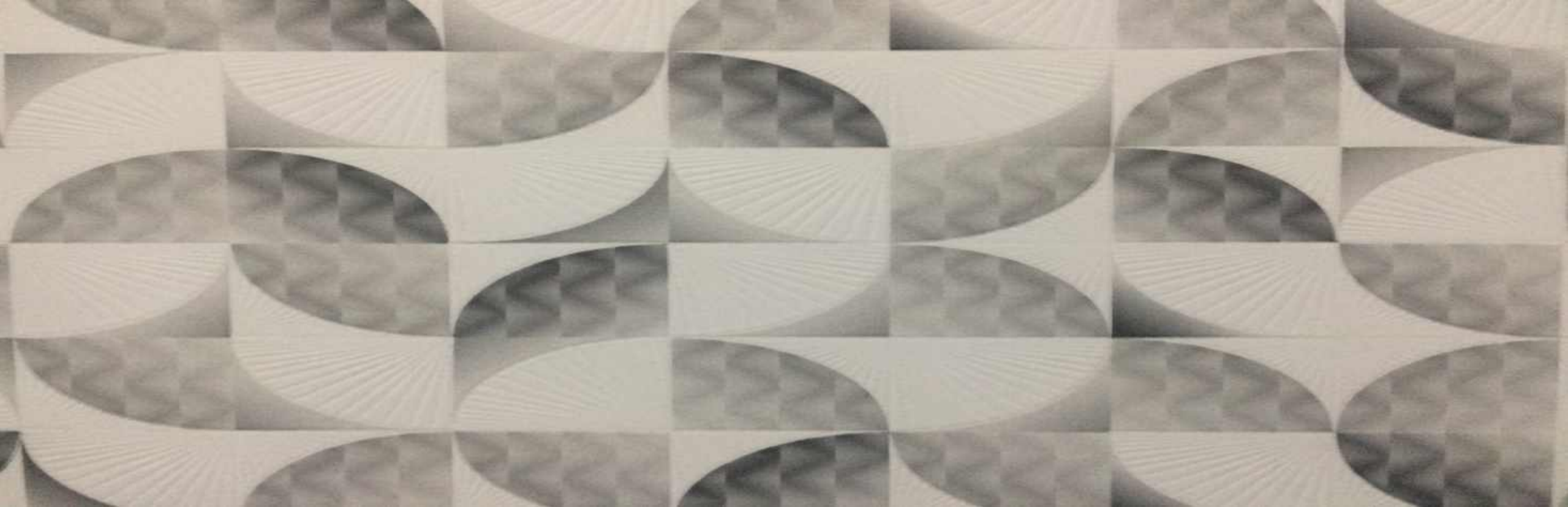
How will you use it?

Your vision will be the blueprint for your business plan. Using it to guide all planning and decision making. When a vision has a comprehensive outline of what the business will look like, tangible and intangible, when it is done, a leader can always know they are making the right decisions for the business and themselves.



Breakout Session

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Self Management is a Process, Not a Destination

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Self Management



What is Self Management?

Doing what is important vs what is interesting

Following Through: Doing what you say, when you say it

Being focused, saying no or parking lot the right things

Modeling responsibility for your people

Take The Quiz

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Organization and Planning Yourself

Task manage monthly, weekly and daily

Prioritize

Stay focused

Just say no

Stop letting your email check you

Limit your availability through different communication channels

Don't overbook

Set Routines

Set Deadlines

Divide and Conquer big jobs



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Business Structure

Your business structure affects how much you pay in taxes, your ability to raise money, the paperwork you need to file, and your personal liability.

You'll need to choose a business structure before you register your business with the state.

Choose carefully. While you may convert to a different business structure in the future, something that you can use as long as possible will prove to be the most cost effective.

"You must keep your mind on the objective, not on the obstacle." --William Randolph



Sole Proprietorship

- A sole proprietorship is easy to form and gives you complete control of your business. You're automatically considered to be a sole proprietorship if you do business activities but don't register as any other kind of business.
- Sole proprietorships do not produce a separate business entity. This means your business assets and liabilities are not separate from your personal assets and liabilities. You can be held personally liable for the debts and obligations of the business. Sole proprietors are still able to get a trademark. It can also be hard to raise money because you can't sell stock, and banks are hesitant to lend to sole proprietorships.
- Sole proprietorships can be a good choice for low-risk businesses and owners who want to test their business idea before forming a more formal business.



Partnership

- Partnerships are the simplest structure for two or more people to own a business together. There are two common kinds of partnerships: limited partnerships (LP) and limited liability partnerships (LLP).
- Limited partnerships have only one general partner with unlimited liability, and all other partners have limited liability. The partners with limited liability also tend to have limited control over the company, which is documented in a partnership agreement. Profits are passed through to personal tax returns, and the general partner — the partner without limited liability — must also pay self-employment taxes.
- Limited liability partnerships are similar to limited partnerships but give limited liability to every owner. An LLP protects each partner from debts against the partnership, they won't be responsible for the actions of other partners.
- Partnerships can be a good choice for businesses with multiple owners, professional groups (like attorneys), and groups who want to test their business idea before forming a more formal business.



Limited Liability Corp(LLC)

• An LLC lets you take advantage of the benefits of both the corporation and partnership business structures.

• LLCs protect you from personal liability in most instances, your personal assets — like your vehicle, house, and savings accounts — won't be at risk in case your LLC faces bankruptcy or lawsuits.

• Profits and losses can get passed through to your personal income without facing corporate taxes. However, members of an LLC are considered self-employed and must pay self-employment tax contributions towards Medicare and Social Security.

• LLCs can have a limited life in many states. When a member joins or leaves an LLC, some states may require the LLC to be dissolved and re-formed with new membership — unless there's already an agreement in place within the LLC for buying, selling, and transferring ownership.

• LLCs can be a good choice for medium- or higher-risk businesses, owners with significant personal assets they want protected, and owners who want to pay a lower tax rate than they would with a corporation.



Corporation

•C corp

A corporation, sometimes called a C corp, is a legal entity that's separate from its owners. Corporations can make a profit, be taxed, and can be held legally liable.

•S corp

An S corporation, sometimes called an S corp, is a special type of corporation that's designed to avoid the double taxation drawback of regular C corps. S corps allow profits, and some losses, to be passed through directly to owners' personal income without ever being subject to corporate tax rates.

•B corp

A benefit corporation, sometimes called a B corp, is a for-profit corporation recognized by a majority of U.S. states. B corps are different from C corps in purpose, accountability, and transparency, but aren't different in how they're taxed. B corps are driven by both mission and profit. Shareholders hold the company accountable to produce some sort of public benefit in addition to a financial profit. Some states require B corps to submit annual benefit reports that demonstrate their contribution to the public good.

•Nonprofit corporation

Nonprofit corporations are organized to do charity, education, religious, literary, or scientific work. Because their work benefits the public, nonprofits can receive tax-exempt status, meaning they don't pay state or federal income taxes on any profits it makes.



Cooperative

A cooperative is a business or organization owned by and operated for the benefit of those using its services. Profits and earnings generated by the cooperative are distributed among the members, also known as user-owners. Typically, an elected board of directors and officers run the cooperative while regular members have voting power to control the direction of the cooperative. Members can become part of the cooperative by purchasing shares, though the amount of shares they hold does not affect the weight of their vote.

Taxes

The business structure you set up will determine what type of taxes and how you pay those taxes.

There are five general areas of tax that most businesses will pay.

"Taxation is the price which civilized communities pay for the opportunity of remaining civilized."
- *Albert Bushnell Hart*



Income Tax

- All businesses except partnerships must file an annual income tax return. Partnerships file an information return. The form you use depends on how your business is organized.
- The federal income tax is a pay-as-you-go tax. You must pay the tax as you earn or receive income during the year. An employee usually has income tax withheld from his or her pay. If you do not pay your tax through withholding, or do not pay enough tax that way, you might have to pay estimated tax. If you are not required to make estimated tax payments, you may pay any tax due when you file your return.



Self-Employment Tax

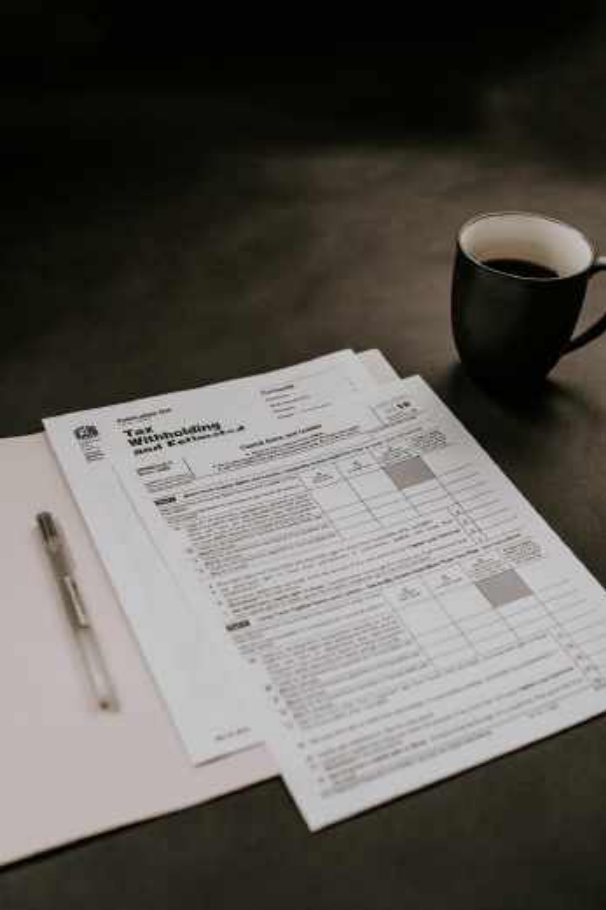
Self-employment tax (SE tax) is a social security and Medicare tax primarily for individuals who work for themselves. Your payments of SE tax contribute to your coverage under the social security system. Social security coverage provides you with retirement benefits, disability benefits, survivor benefits, and hospital insurance (Medicare) benefits.

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Employment Taxes

- When you have employees, you as the employer have certain employment tax responsibilities that you must pay and forms you must file. Employment taxes include the following:
- Social security and Medicare taxes
- Federal income tax withholding
- Federal unemployment (FUTA) tax



Excise Tax

An excise tax is a tax imposed on a specific good or activity. Excise taxes are commonly levied on cigarettes, alcoholic beverages, soda, gasoline, insurance premiums, amusement activities, environmental impacts, some transportation and betting,

Licenses and Permits

Need a Permit or License?

All businesses in Mendocino County, whether in the city limits or unincorporated areas will need licenses to operate in their region, industry and with the public depending on what you are doing and how you are doing it.





What Do I Need for Mendocino?

Treasurer Tax - Collector

- Business License
- TOT Registration

Agriculture

- Device Registration
- Pesticide Use

Planning and Building Services

- Use Permit
- Variance
- General Plan Amendment
- Building Permit
- Certificate of Compliance
- Coastal Development Permit
- Boundary Line Adjustment
- Subdivision

Environmental Health Consumer Protection: Animal Care Services

- Facility Permit to Operate
- Community Event Permit
- Temporary Food Vendor Permit
- Swimming Pool/Spa Permit
- Body Art Permit

- Body Art Practitioner
- Cottage Food Permits
- Septic Tank Replacement Permit
- Water Well Permit
- UST Repair or Construction Permit

- UST Removal Permit

Transportation

- Encroachment Permits
- Transportation Permits
- Street Closure Permits

- Pet License

Marriage License

Air Quality Management District

- Burn Permit
- Renovation and Demolition Notification
- Grading Permit
- Diesel Engine Permit

Mendocino County Sherriff

- ABC Permits
- Concealed Carry Permit
- Explosives Permit
- Itinerant Permit

State and Federal Licenses

According to former University of South Carolina Law Professor William Quirk's Law Review article, "Nature of a Business License Tax," the foundation for the business license tax was laid when the General Assembly passed an act in 1872 to provide for a general license law.



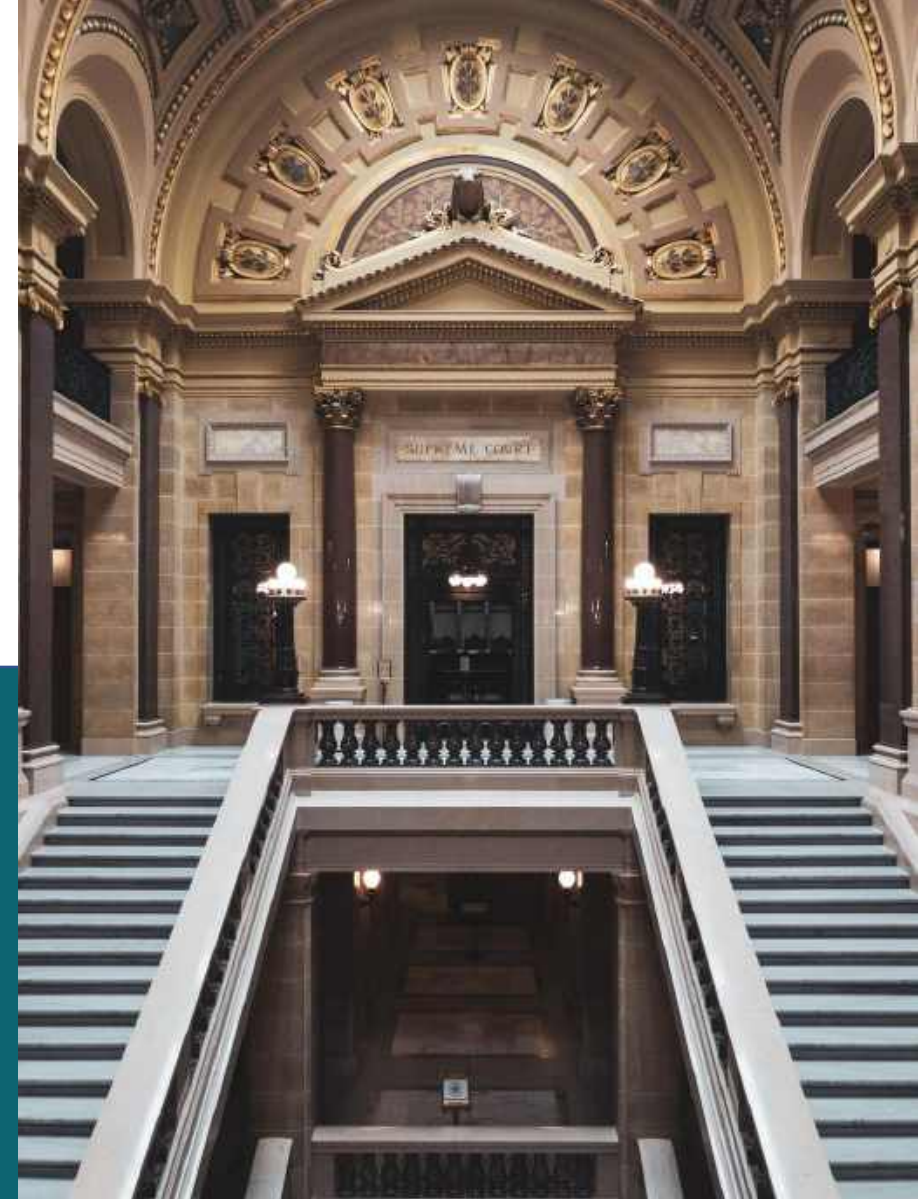
California

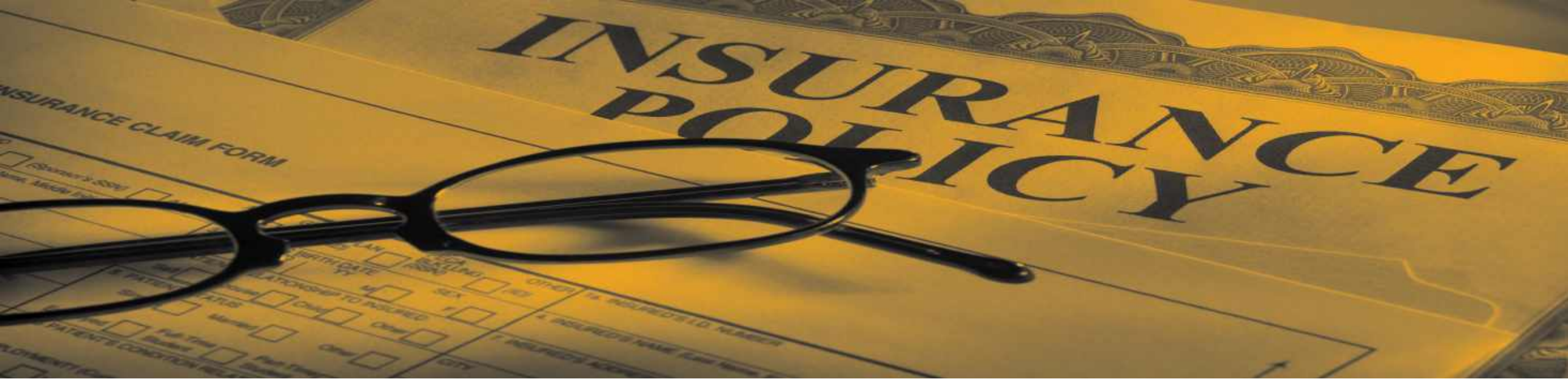
Resellers Certificate: If you make three or more sales in a 12 month period.



Federal

The federal government regulates advertising, labor, environmental impact, privacy and health and safety. Check to see if you need further licenses to operate if your business falls or is connected to one of these.





What Is Insurance?

Insurance is a contract, represented by a policy, in which an individual or entity receives financial protection or reimbursement against losses from an insurance company. The company pools clients' risks to make payments more affordable for the insured.

Insurance policies are used to assist against the risk of financial losses, both big and small, that may result from damage to the insured property, or from liability for damage or injury caused to a third party.

What Insurance Do I Need?

When purchasing business insurance, it's important to obtain the right amount. Be sure that your business is neither over insured nor underinsured. To help you decide the amount of property insurance you need, refer to your company's assets list. You can buy property insurance on the basis of the property's actual value (the replacement cost minus depreciation) or its replacement value (the cost of replacing the item without deducting for depreciation). An agent and insurance company familiar with the risks typically involved with your type of operation can help you decide on a reasonable amount of liability.



Property and Renters Insurance



Liability Insurance



Business Vehicle Insurance



Workers Comp Insurance



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Next Steps

- Personal Objectives Worksheet
- Vision Drafted
- 7 Ingredients of a Successful Business
- Review and Confirm Business Structure and Insurance Needs

Worksheet Review

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