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U.S. NATIONAL DEBT AS OF:

**February 2025**

**\$36,222,211,606,919**

**February 2024**

**\$24,323,109,744,912**

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What's Happening?

*Welcome New Clients  
Happy Anniversaries  
Establish an 'Exit Readiness Baseline'*

Our CFO'S:

- Todd Rammler
- Brian Bach
- Lauren Pecoraro
- Daniel Beardslee
- Sanford Wexler
- Dennis Weist
- Paul Carnarvon
- Tom Carbone
- Scott Reed
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## The 'Silver Tsunami' is Approaching

It's no secret that baby boomers and even some early Gen X'rs are nearing retirement. And as this happens, the largest number of business owners in history will be looking to "exit" or sell in one form or another. You've probably also heard that Private Equity firms (PE's) are working down the food chain, so to speak, into smaller and "less sexy" businesses to uncover additional investment opportunities. Private Equity Pours Millions Into HVAC, Plumbing Trades: [rebrand.ly/WSJ24](http://rebrand.ly/WSJ24) PE is not just for larger, sexy tech businesses anymore.

Seeing this trend, we began searching for a structured approach to assessing and improving business value over time, to improve the odds of a successful transaction, or simply to improve operations and EBITDA and retain this more profitable/valuable business with less owner involvement – even "absentee" ownership - the best of both worlds.

This led us to **Value Builder**, which we believe is one of the best tools on the market to support our CFOs process of assessing value, an owner's



- Roughly **10 million small companies**, or 65-75% of all small firms, will likely go up for sale in the next decade as baby boomers start to exit the marketplace.
- With **10,000 Boomers turning sixty-five every day**, many businesses will soon change hands.
- More than **half of business owners are 55 years or older**, according to the U.S. Census Bureau's Annual Business Survey.
- The Exit Planning Institute found in a recent study that **75% of business owners would like to exit their businesses within the next 10 years.**

We are definitely seeing this trend. Over the last few years, more and more of our clients are receiving unsolicited interest and offers from private equity and other investors, even competitors. While it can be flattering to receive this interest, it is typically not the way to maximize value and is also very inefficient and distracting to the management or leadership team. We've seen a few successful exits from this method, but more often a lot of time & energy spent on a process that falls apart for one reason or another due to lack of planning or unrealistic expectations. Being prepared for both the inquiries as well as what you really want is key.

**The number one fear of business owners in a sale is leaving money on the table.** Only 12% of owners are actually happy with the net proceeds from their exit. There are things that can be done to combat that fear and mitigate the issue. A few of those are: learn the process and the language of a transaction; prepare well in advance of a sale (ideally a few years), run a structured sale process once you're ready to sell – this means marketing your business to many potential suitors in order to introduce competition and get the best possible deal for you. To be clear, the best possible deal may be structure or terms, rather than price.

readiness to sell, and the amount needed for financial freedom in the next phase of life.

As a result, last fall we decided to partner with Value Builder, and had a few of our team members become certified in the process of gauging current business value and then bringing an intentional focus of targeting improvements in the eight "value drivers" that can dramatically increase business value over time.

Most businesses are valued on a "multiple" of earnings, or EBITDA. So every lasting improvement you make to earnings has a multiplier effect on the value of your business. Furthermore, this intentional improvement is important even if you're not ready to sell anytime soon; it's better to always be ready, incase the right opportunity presents itself. And wouldn't you rather own a more valuable asset regardless of selling or not selling?

**If you'd like to explore Value Builder**, use this link [rebrand.ly/MicfoVB](http://rebrand.ly/MicfoVB) or email any of our team members and we'll share with you how it works and why it's so important. If nothing else, get a baseline of where things stand today along with a review of where the biggest opportunities for improvements lie in your specific situation.

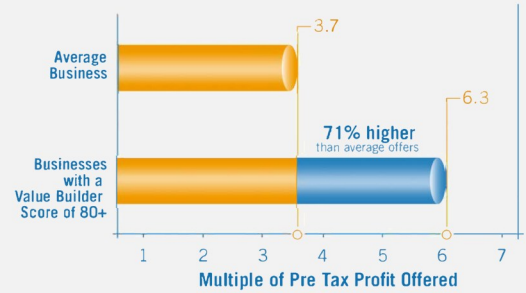
*Todd Rammler*

How to  
**INCREASE**  
the value of your  
business by up to  
**71%**

## Establish an 'Exit Readiness Baseline' with 3 Distinct Assessments:

- 1. Value Builder Score** – What's your company currently worth, and what drivers have the greatest impact on improving this value?
- 2. Freedom Score** – What amount of cash from an exit will create the personal financial freedom you need?
- 3. The PREScore Assessment** – How ready are you to exit your business mentally and emotionally? For many of us, our identity is tied up in being a business owner/entrepreneur, and this can be a very difficult transition to make.

### The Value Builder Premium



**75% of owners have regrets one year after they exit.**

## Spring!

fun facts:

- We've used the word "spring" for the season since the 16th century.
- The earliest known use of the term "spring cleaning" was in 1857.
- The first spring flowers are usually daffodils, dandelions, lillies, tulips, iris and lilacs.
- On the first day of spring, the sunrise and sunset are about 12 hours apart everywhere on earth.



Brian & Sandy celebrating

## Baton Rouge Photos

from Brian's recent travels.



Home decked out for Mardi Gras

## WELCOME, New Clients!



**Aldea Home & Baby**  
Household Furnishings

[aldeahome.com](http://aldeahome.com)



**Complete Prototype Services**  
Manufacturing, Design  
& Engineering

[completeprototype.com](http://completeprototype.com)



**Endoplus**  
Manufacturing Surgical  
Instruments

[endoplususa.com](http://endoplususa.com)



**StaffWorks Group**  
National Staffing Agency

[staffworks.com](http://staffworks.com)

## Happy Anniversary!

- |                 |   |
|-----------------|---|
| <b>15 Years</b> | <b>Giffels—Webster</b><br><a href="http://giffelswebster.com">giffelswebster.com</a>              |
| <b>13 Years</b> | <b>Unitex Direct</b><br><a href="http://unitexdirect.com">unitexdirect.com</a>                    |
| <b>10 Years</b> | <b>Right Brain Networks</b><br><a href="http://rightbrainnetworks.com">rightbrainnetworks.com</a> |
| <b>8 Years</b>  | <b>Aluminum Blanking</b><br><a href="http://abl.com">abl.com</a>                                  |
| <b>7 Years</b>  | <b>RHK Technologies</b><br><a href="http://rhk-tech.com">rhk-tech.com</a>                         |

*Thank you for trusting us  
with your business.*



# 10 Tips for Managing Business Finance

in 2025

It's a New Year, and many business owners we've talked with are optimistic in growing their business in the coming year. They've worked hard on developing their brand, honing their market messaging and streamlining their operations. But what about looking at the financial side of the business and making sure they have the financial systems and resources to keep up with the sales and operational growth.

Managing small business' finances effectively is crucial for current and long-term success. Here are 10 essential financial management tips to enhance a business's financial position:

**Maintain Accurate Financial Records and Review on an Ongoing Basis** – this may seem obvious however many businesses think of their accounting as an after-thought. Properly recorded and maintained income, expenses and cash flow accounting provides valuable information for tracking and analysis while determining your profitability and tax liability.

**Separate Business and Personal Finances** – DO NOT mix personal and business because it confuses your true accounting picture and opens up tax audit exposure. Have a dedicated business bank account, and business credit card used exclusively for the business. Pay through a salary instead of withdrawing irregular amounts.

**Create and Stick to a Budget** – we do this for ALL our clients because it is a valuable planning tool that can be used throughout the year. Forecasting sales determines what success looks like, and budgeting expenses avoids overspending. Make the budget flexible and adjust as needs or market conditions change throughout the year.

**Improve Cash Flow Management** – cash is king so pay attention to promptly invoicing customer and following up on overdue payments. Offer multiple ways to pay with ACH being the simplest. On the outflow negotiate better payment terms with vendors. Having a way to manage cash-flow is essential so don't "wing it"!

**Reduce Unnecessary Expenses** – it's easy to manage expenses by using a monthly budget. This way expenses can be controlled by comparing actual to budget to prevent overspending. Also, periodically shop your services like casualty and health insurance. Consider outsourcing tasks instead of hiring full-time employees.

**Manage Debt Wisely** – ideally, avoid taking on debt if possible. As part of the annual budgeting process plan out capital expenditures and determine what financing will be necessary and if the cash-flow can support the additional payments. If there are many loans it may be better to consolidate and/or pay off high-interest debts first.

**Set Aside Cash for Taxes and Emergencies** – It's important to plan for taxes and unexpected cash needs. Set up a saving account and put away a percentage of revenue each month as an emergency fund. This will help avoid year-end stress.

**Reinvest in Business Growth** – business growth requires reinvesting back into a business. Investing in marketing, technology and staff training keeps a business current and competitive. If possible, diversify income streams to reduce financial risk coming from only one sector of the business.

**Monitor Key Financial Metrics** – these go hand in hand with establishing a budget. It's easy to track profit margins, revenue growth, and expense once you have established a budget to compare against. This is where timely, accurate and properly formatted internal financial reporting, that includes actual to budget comparisons, can be invaluable in making informed decisions.

**Seek Professional Help** – no, this is not a commercial to hire us, it's just a fact that a business owner can't know everything. Hiring an accountant or financial advisor along with a tax professional provides expert guidance and can keep a business on course for success.

It's a New Year! Managing the finances of a business requires paying attention to a lot of different areas. Profits are important but so is cash management and tracking performance. Creating and using a budget and comparing against actual throughout the year is a cornerstone to keeping on track and determining success.

Stay safe and well in 2025!

*Brian Bach*



*"In a chronically leaking boat, energy devoted to changing vessels is more productive than energy devoted to patching leaks".*

-Warren Buffett





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**CFO**  
ASSOCIATES

The CFOs for Small-Business

 Hello  
Spring

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NEWSLETTER

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