

WORKSHEET - Prepared in 2001

USE THIS TO DETERMINE IF YOU ARE MAKING A "LIVING!"

(Remember, this is an estimate of annual costs you fill in the blanks)

ANNUAL MY COSTS

1 MAXI-VAN (2000 -purchased new \$26,000) five year payment plan @ \$500.00 per month	\$ 6,000.00	
2. Vehicle repairs and maintenance (oil, minorrepairs,etc.).....	700.00	
3. Gasoline (average 60 miles per day x 51 weeks) 15,300 miles annually @ \$1.45 per gallon x 2,000 gallons	2,900.00	
4. Assistant's wages(\$9.00 per Hr.).....	18,360.00	
7.65% match Social Security taxes (6.20% FICA & 1.45% MedicareTax...	1,404.54	
Federal Unemployment Tax (.08 of 1% of the first \$7,000.00 earned)....	56.00	
State Unemployment Tax (First \$7,500.00 earned - assume 1%.....	75.00	
FOR EVERY \$100 earned, the Employer pays \$20-\$22 in taxes and workers' compensation —costs per CPA figures including administrative costs		
5. WORKERS COMPENSATION INSURANCE (Class 9521).....	3,680.00	
Missouri - \$6.62 per \$100 annual payroll which is 3% surcharge		
6. INSURANCE - Liability coverage \$100,00.00.....	1,218.08	
CONTENTS OF VEHICLE - \$15,000,00.....	562.50	
VEHICLE COMPREHENSIVE COVERAGE (\$250.00 deductible).....	1,196.00	
HOSPITALIZATION (\$500.00 deductible -family - age 30).....	3,195.00	
HOSPITALIZATION for Assistant (\$500 deductible -family - age 30)....	3,195.00	
7. CITY OCCUPATIONAL LICENSE (based on gross receipts) Estimated.....	50.00	
8. WEEKLY LAUNDRY (service of 10 sets of work clothes - \$1050) or purchase of 10 shirts & 10 pants three times per year \$562.50 + \$825.....	1,387.50	
9. TOOLS - Replacement, repair or purchase of new small items.....	500.00	
10. PURCHASE OF NEW OSHA REQUIRED EQUIPMENT.....	693.00	
11. <i>INSTALLATION SUPPLIES</i> required to perform work according to cost list	17,655.44	
330 s/y tackstrip/wood x 51 weeks - 17,850 s/y x \$.5515 s/y =.....	\$ 9,844.28	
60 s/y tackstrip/concrete x 51 weeks = 3,060 s/y x \$.998 s/y.....	3,053.88	
70 s/y direct glue x 51 weeks = 3,570 s/y x \$.744 s/y	2,656.08	
20 s/y double glue x 51 weeks = 1,020 s/y x \$2.06 s/y.....	2,101.20	
12. OFFICE COST (invoicing, postage, checking, etc.) (does not include outside assistance).....	650.00	
13. TELEPHONE, Pager.....	3,600.00	
14. SALES TAXES (supplies, equipment, etc.).....	1,170.00	
15. MISCELLANEOUS EXPENDITURES.....	500.00	
16. _____		
17. _____		
18. _____		
WORK IS THE GREATEST THING IN THE WORLD, SO.... WE SHOULD ALWAYS SAVE SOME FOR TOMORROW!	TOTAL	\$ 68,748.06

Now....are you REALLY making a “living?”

	Assumed Cost	My Cost
GROSS INCOME.....S/Y times \$3.00.....	\$76,500.00	
LESS EXPENSES LISTED.....	68,748.06	
NET INCOME.....	7,751.94	
Deduct the following expenses for the Installer/Owner		
Less WORKERS COMPENSATION.....	1,560.00	
Less 15.30% SOCIAL SECURITY & MEDICARE.....	1,186.05	
Less FEDERAL UNEMPLOYMENT TAX.....	75.00	
AMOUNT REMAINING.....	\$4,930.89	
***NOW, deduct taxes according to individual circumstances		
Less Federal Income Tax.....		
Less State Income Tax.....		
Less Local Income Tax.....		
NET INCOME! SCARY!!!		

When Retailers decided that they could no longer afford to pay for quality workmanship OR employ Installers on an hourly basis AND encouraged the Installer to become a “business,” no thought was given that the Installer must charge for operating a business, income for himself and income for his assistant. Today, far too many carpet installers are leaving the trade because they are not pricing their work according to a business operation. It is the goal of this form to assist the professional installer in this manner and keep professional installers in the trade.

It is the intent of the CFI to educate and inform, not to set installation prices. However, if the installer is not aware of the actual cost to perform the work, how can the job be bid correctly? How will he not lose money?
A THOROUGH UNDERSTANDING OF THE COST TO PERFORM THE WORK IS CRITICAL!

Many costs continue to increase, which means the end result looks worse. Installation for some reason is not considered in the same manner as the need for increases from the carpet manufacture, which are received on a regular basis. Costs increase for ALL! The time required to perform the work must also be considered — **INSTALLERS SELL TIME and TALENT!** There are many variables in the preparation of these worksheets. The amount paid for workers compensation, required taxes, various types of installations performed, cost of materials, miles driven, cost of vehicle, etc. This is designed to show where the money IS, where the money GOES, and IF the money is being spent as the law directs. The end result is left to the individual to compute. The form is designed to assist in determining IF the Installer is conducting a profitable business and IF all legal requirements are met.

REMEMBER, no more effort is required to aim high in life, to demand abundance and prosperity, than is required to accept misery and poverty. **ONE SHOULD ALWAYS BE PROUD OF THE WORK PERFORMED!** Installers are like true artists — we paint a picture for all to see and turn around at the end of the day saying, “I did this! It’s MY signature! I love my work and I am proud!” Consider the words of Napoleon Hill.....

I bargained with life for a penny and LIFE would pay no more,
 However, I begged at evening when I counted my scanty store.
 For LIFE is just an employer, it gives you what you ask...
 But once you have set the wages, then you must bear the task.
 I worked for a menial’s hire, only to learn quite dismayed,
 That any wage I had asked of LIFE, LIFE would have willingly paid.

THEN 1947-1997 NOW

From KIPLINGER'S PERSONAL FINANCE MAGAZINE

In 1947, a young man could throw on a pair of jeans (\$3.50), rev up the new Chevy (\$1,220) and take his favorite girl to the movie (\$.75). Now... the jeans cost 40 bucks, the basic family sedan goes for \$20,000 and a pair of tickets to a flick set you back \$13.00, *and oh! the popcorn!* Ah, inflation! The consumer price index is up 637%! The inflation rate in 1946 was 18.1% It hasn't been that high since. It did reach 13.3% in 1979. Over the past five decades, prices have risen an average of 4.1% per year. In 1997 dollars, median family income grew from \$19,700.00 in 1947 to \$41,910.00 in 1997!

<p>PENSION PRESIDENT \$0 for Hoover \$148,500 Bush, Carter, Ford, Reagan</p> <p>MONTHLY SOCIAL SECURITY \$30.00 NOW \$720.00</p> <p>RATIO OF WORKERS To Each Social Security Check Then — 16.5 Now — 3.1</p> <p>ROUND OF GOLF / PEBBLE BEACH Then \$2.00 Now \$225.00</p> <p>TICKETS TO YANKEE'S GAME \$2.50 \$19.00</p> <p>PRICE OF A RECORD ALBUM \$ 1.00 - \$ 3.00 \$17.00</p> <p>MCDONALD'S HAMBURGER (1955) 15 cents Now 59 cents</p> <p>Cup of coffee at Woolworth's 5 cents At Starbuck's \$1.27 Today</p> <p>NUMBER OF FARMS 5.9 million NOW 2.1 million</p> <p>NUMBER OF GROCERY STORES 529,000 (1950) 128,000 (1997)</p> <p>GALLON OF GAS 23 cents NOW \$1.22</p> <p>ONE DAY IN INTENSIVE CARE \$35.00 NOW \$2,300.00</p>	<p>NUMBER OF BARBIE DOLLS SOLD (1959) 351, 000 (1997) 100 million</p> <p>ADULT ADMISSION DISNEYLAND (1956) \$1.00 (1997) \$34.00</p> <p>% SMOKING POPULATION 1949 44% 1994 26%</p> <p>BROOKS BROTHERS SUIT \$70.00 NOW \$598.00</p> <p>FIRST CLASS POSTAGE 3 cents NOW 32 cents</p> <p>HAIRCUT IN MT. AIRY, NC 65 cents NOW \$6.00</p> <p>FEDERAL BUDGET ('47) \$ 4 billion surplus ('95) \$164 billion deficit</p> <p>AVERAGE FED. INCOME TAX \$328.00 NOW \$4,585.00</p> <p>FAMILY DOCTOR ('51) \$13,440.00 ('97) \$182,000.00</p> <p>TEACHER \$2, 640 NOW \$37, 850</p> <p>MEDIAN HOME PRICE '50 \$7,350.00 '96 \$131,500.00</p> <p>COMPUTER '47 \$500,000.00 '97 \$2,500.00 Laptop</p>	<p>PRESIDENT OF THE US \$75,000.00 NOW \$200,000.00</p> <p>US CONGRESSMAN \$12,500.00 NOW \$133,600.00</p> <p>MAIL CARRIER \$2,100.00 NOW \$26,060.00</p> <p>UNION Members as % of Workers 33.7% NOW 14.9%</p> <p>WOMEN OVER 25 WHO WORK 29.9% NOW 58.7%</p> <p>TUITION AT HARVARD \$525.00 NOW \$19,770.00</p> <p>TUITION AT IOWA \$130.00 NOW \$2,470.00</p> <p>POPULATION WITH HS DIPLOMA 33% NOW 80%</p> <p>ANNUAL PUPIL COST NEW YORK CITY \$263.00 NOW \$8,300.00</p> <p>COST OF A NEW CAR '47 Chevy \$1,220 '97 Taurus \$18, 545</p> <p>LIFE EXPECTANCY '50 - 68.2 years '94 - 76.3 years</p> <p>SILK STOCKINGS '47 \$10.00 '97 \$4.00</p>
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INSTALLER PAY IN 1947

\$1.00 (from the library) times 7.37 for inflation

SHOULD BE \$7.37 per square yard 1997 AND

\$1.00 times Congress' actual 10.69 inflation rate would make the price of installation.....

\$10.69 square yard!