

# ANNUAL REVIEW

2023

Davan Enterprises Insurance Agency, LLC |  
Davan@DavanEnterprises.com



# SUMMARY

This past year was a great year for the business as we saw record growth which paved way for us to reform the business from a Sole-Proprietorship into an LLC.

As we continue into 2024 we hope for an even better year as we transition our revenue from the majority being fee-based non-residual income to more residual/renewal income.



# INTRODUCTION

## WHERE ARE WE?

Currently we are in a new phase of agency growth and establishment with the transition of forming the company into an LLC. Client and revenue growth continues to be on an upward trend as well as profit but still struggle to pay the company owner a regular salary.

## WHERE DO WE WANT TO GO?

Continue agency growth in revenue and client acquisition thru referral partners and clients as well as increase agency brand recognition while being able to not only regularly pay the company owner but also add staffing.

## HOW ARE WE GOING TO GET THERE?

Through strategic partnership, increased brand awareness, referral partners, and lead acquisition we will become more a credible and trusted agency. Part of the goals is also to acquire a specialist designation to continue being an expert in the field as well as brand awareness through vehicle advertising.

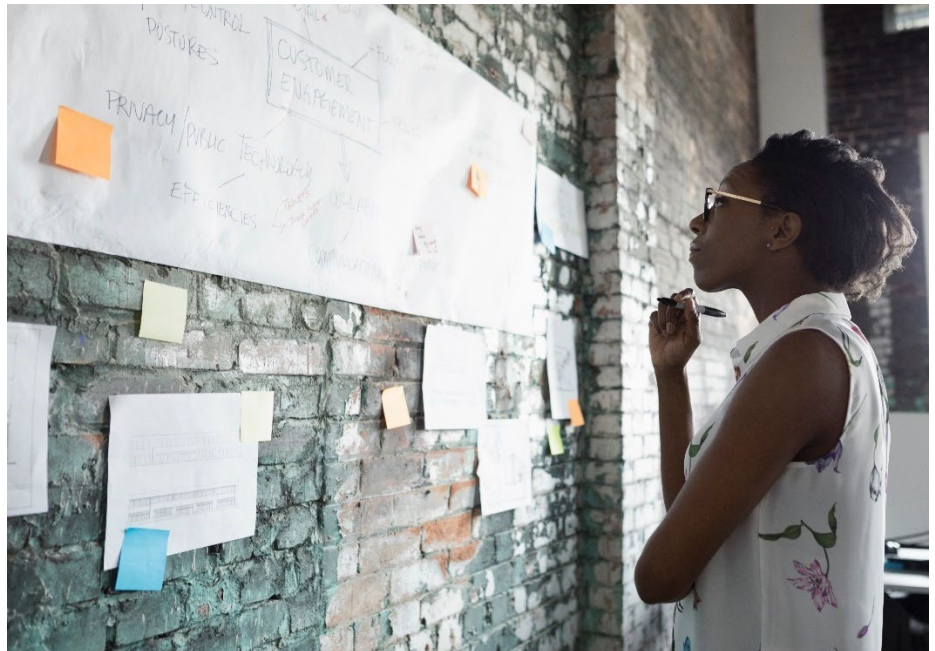


Figure 1



# GOALS FOR 2024



## BUSINESS PRIORITIES

- Increase Customer Growth
- Fiscal Responsibility



## ADDED PRIORITIES

- Identify and Maintain Referral Partnerships
- Consistently Participate in a Networking Group



## EMPLOYEE OPPORTUNITIES

- On-Boarding Associate Producer
- On-Boarding Service Agent or Virtual Assistant

## CLIENT INTERESTS FIRST

In keeping with our first company value we will continue to grow and provide for our clients. Our goal is to purchase additional marketplace leads and grow at least another 100-150 clients thereby reducing the need for fee-based consulting revenue while also being able to add additional staff to serve clients. We will also be part of and participate in professional networks or membership to stay abreast of legislation and industry changes.

## CONTINUOUS IMPROVEMENT

As we get bigger we want to get better. Better systematic process for client on-boarding and servicing as well as adding additional staffing. Also, we want to continue being a specialist in our field by working towards another designation, Social Security & Medicare Specialist. To increase brand awareness we also want to try to get our vehicle wrap for advertising.

## STEWARDSHIP

While our revenue continues to grow we acknowledge we will need to be better stewards and fiscally responsible. Especially as the company is now formed as an LLC with the potential for investors. We have engaged a new accounting program and will better monitor expenses in the agency while also trying to provide charitable opportunities. Our goal to fund the Private Johnson-Mullins Family Foundation to form as a non-profit under the company and help provide support to youth programs in the area.



# WHAT'S NEXT

As we continue transitioning everything under the LLC we are still moving contracts and revenues to the new business accounts. The plan is to hire an associate producer to help grow the agency and possibly add on either a virtual assistant or servicing agent for reception and booking client appointments.

We are amending the operating agreement to include different classes of ownership or membership as well as establishing revenue splits for deferred compensation and tax liability.

As an LLC we will need to file a few documents for compliance purposes such as the Beneficial Ownership Disclosure by end of the year as well as the Annual Report and Franchise Fee to the State of Tennessee by April 1<sup>st</sup>, 2024.

We hope to keep an eye for future opportunity for a physical office space for the agency as long as revenue permits.

**“As we get  
Bigger, we  
want to get  
Better!”**

# RESULTS FROM LAST YEAR

Client gain was significant this year over the previous. Partly due to a new client acquisition strategy discovered in the 3<sup>rd</sup> quarter for ACA/Marketplace clients but also in natural or organic referral sources leading to the increase in commission revenue. At the end of last year we had an expected renewal/residual income of \$13,641 for the year. However, with the growth of this year (2023) our expected renewal or residual income is now \$30,794 which is an increase of \$17,153. 2023 has the greatest client and revenue growth so far since the business began in 2012.

	2021	2022	2023	2024
Income	\$49,616	\$66,064	\$75,285	\$83,873
Profit	\$-2,231	\$31,016	\$40,425	\$37,910
Clients	42	230	329	446

## GROWTH BY SECTOR

