



CNB BUSINESS[®] BROADCAST

NEWSLETTER FOR BUSINESS CLIENTS OF CANANDAIGUA NATIONAL BANK & TRUST

Why is Cash Management Important to my Business?

What exactly is cash management? Simply put, it is the process of managing revenues and expenditures that flow into and out of any business. It takes many shapes and forms, for all different types and sizes of businesses.

In years past, the standard process was relatively simple: the business collected cash or checks from rent payments, sales or operations and then went to the bank to deposit the funds. In many cases, a lag would occur from the time a sale was made, or services rendered, to when payment was received. Once revenue was received and deposited, payments would be made by the business in the form of checks to vendors and suppliers. Knowing when payments would be made to your business and matching that up to when your business needs to pay expenses, became a challenge – known as “timing difference”.

Businesses face that same challenge today. The good news, though, is that there are a number of solutions today to the age old “timing difference” that weren’t available 20, 15, or even 10 years ago. Financial institutions have invested extensive resources in technology that allow business clients to “speed up” the collection of receivables (inflows) and match that up with payments to vendors/suppliers (outflows). Thus, bridging that timing difference, increasing the efficiency of operations and ultimately saving the business money. What are some of these solutions?

- **Online Banking** – Provides the ability to view account balances on demand, so reconciliation can be done daily, instead of monthly. Funds can be transferred instantly with a simple click of a button, so they can be in the account they need to be in, when they need to be there. Electronic statements are available and easy to access, saving time and paper. Many banking functions can now be done online and on the go with the use of online banking.
- **Electronic Transmission of Funds** - The ability to send money electronically and automatically, to individuals, businesses, vendors, suppliers, etc. This can help decrease the need and expense of checks and postage.
- **Electronic Collection of Funds** - Collect payments from customers/clients, allowing you the ability to know exactly when you will be paid, bridging the timing difference. Customers can be set up for recurring payments, reducing collection expenses and challenges.
- **Make Deposits Directly from your Business** - With remote deposit capture, you can deposit checks directly from the office. This service can provide a huge savings of employee time, travel expenses, and an increase of efficiencies within the office.
- **Credit & Debit Card Acceptance** - The ability to take a credit or debit card as a method of payment from clients and vendors, in person, over the phone, or online.
- **Business Credit Card** - Make purchases of office supplies, gas, etc. with varying rates, repayment terms, and rewards options. A great way to track expenditures.
- **Fraud Prevention Services** – These services offer ways to aid in protecting accounts against fraudulent activity and to manage account transaction history.

The need for these services transcends across all different business sizes and sectors. Many business owners will tell you that cash management is critical to the vitality and success for their business. Since the onset of the pandemic, cash management services continue to offer solutions and alternatives to keep many businesses running.

Though, with all the great technology available, it still comes down to people. Individuals that will help you set up these useful services, train and educate employees on their use, and be there for support when questions arise – that is the great differentiator of services. In addition, a support staff that is at the cutting edge of technology – as new and more efficient ways to manage money evolve in the future. Ultimately, it is the relationship between the bank and the business – partners in its health and success.

Contact Bethany today to learn more about CNB’s Cash Management Solutions and how they can benefit your business.

*Bethany Arnold is a Vice President
and Cash Management Officer with our
Commercial Services Team.*

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2021 Paycheck Protection Program Extended Through May 31

In 2020 CNB successfully assisted over 4,100 local businesses secure funding through the Paycheck Protection Program (PPP). The Program strives to provide funding to primarily small businesses experiencing financial challenges as a result of the pandemic. CNB can assist with first and second draw applications, even if the initial PPP funding was from another financial institution. The deadline to submit PPP loan applications to CNB has been extended to May 31, 2021. All applications must then be verified by CNB and submitted to the SBA by June 30, 2021.

SBA Interim Final Rule (IFR)

SBA releases new interim final rule (IFR), effective March 5, 2021. Highlights of the IFR include: revised loan calculation formula for Form 1040, Schedule C sole proprietors, independent contractors, and self-employed individuals to use gross income (re: line 7) instead of net income (re: line 31), allowing for larger loan requests; this new calculation is applicable for new applications or loans not yet disbursed, not retroactive to disbursed loans; \$1 billion has been set aside for PPP loans to businesses in this category who do not have employees and are located in low- or moderate-income areas; elimination of qualifying restrictions for small-business owners delinquent on their federal student loans or with prior non-fraud felony convictions.

Schedule C Filers

The new PPP application for Schedule C filers is live. For applicants where line 31 (net income) is \$100,000 or more, the current available application can be used as it is not impacted by the new IFR. Visit CNBank.com to apply.

Please Note: CNB will be accepting applications through our online portal only. If you have already established a user name and password as part of the loan forgiveness application process for your initial PPP loan, you will use these credentials when accessing the First Draw or Second Draw Loan applications. Otherwise, you will be guided through the process to establish your credentials within the portal.

For more information and to apply for a first or second draw, visit CNBank.com/2021PPP.

CNB Community Shred Days

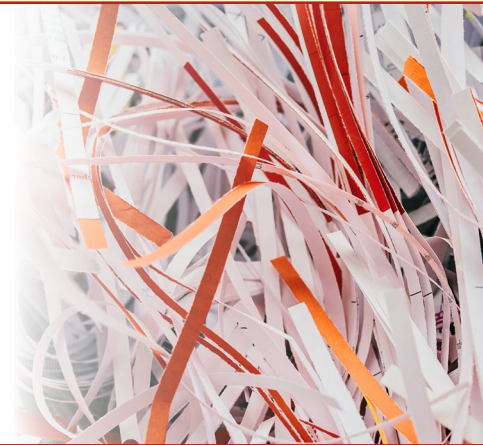
Canandaigua National Bank & Trust is offering **complimentary shredding** with a secure provider. Simply collect the documents that you would like to securely dispose of and bring them to the **location/date** that is most convenient for you.* Masks are required for participation. We ask that you remain in your vehicle throughout the drop off and shredding process.

Canandaigua-Main
Sat., April 17, 9am - 1pm
72 S Main Street
Canandaigua, NY 14424

Honeoye Falls
Sat., April 24, 9am - 1pm
99 West Main Street
Honeoye Falls, NY 14472

Greece Latta & Long Pond
Sat., May 1, 9am - 1pm
3204 Latta Rd
Rochester, NY 14612

*Consult retention guidelines before disposing of a document. Limit of 10 boxes/bags per vehicle.



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2021 Shows — Saturdays at 8:00pm

May 29 • July 31 • September 25 • November 27

Tune in to WHAM 1180 or listen online at wham1180.com to hear our trusted advisors.
Times subject to change.

Geneva Bank Office

OPENING
SUMMER
2021!

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For more information, visit CNBank.com/Commercial, one of our Community Bank Offices, or call us at (585) 394-4260.