

# REMCA Financial Managers Conference

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CoBank Update

Cash Management Overview

Leasing Overview



**Collections:** Accelerate inflow of funds, reduce clearing and mail float, timely update of accounts receivable, manage & enhance control of system users and cash flows.

- Remote Deposit – Image Cash Letter and/or Remote Deposit Capture
- Lockbox Services
- ACH Customer Billing
- Merchant Services

**Cash Concentration:** Reduce idle account balances, simplify management of your cash, gain greater control of funds flow, maximize return opportunity.

- Investment and/or Loan Sweep
- Automated Cash Concentration (bank-to-bank sweep)

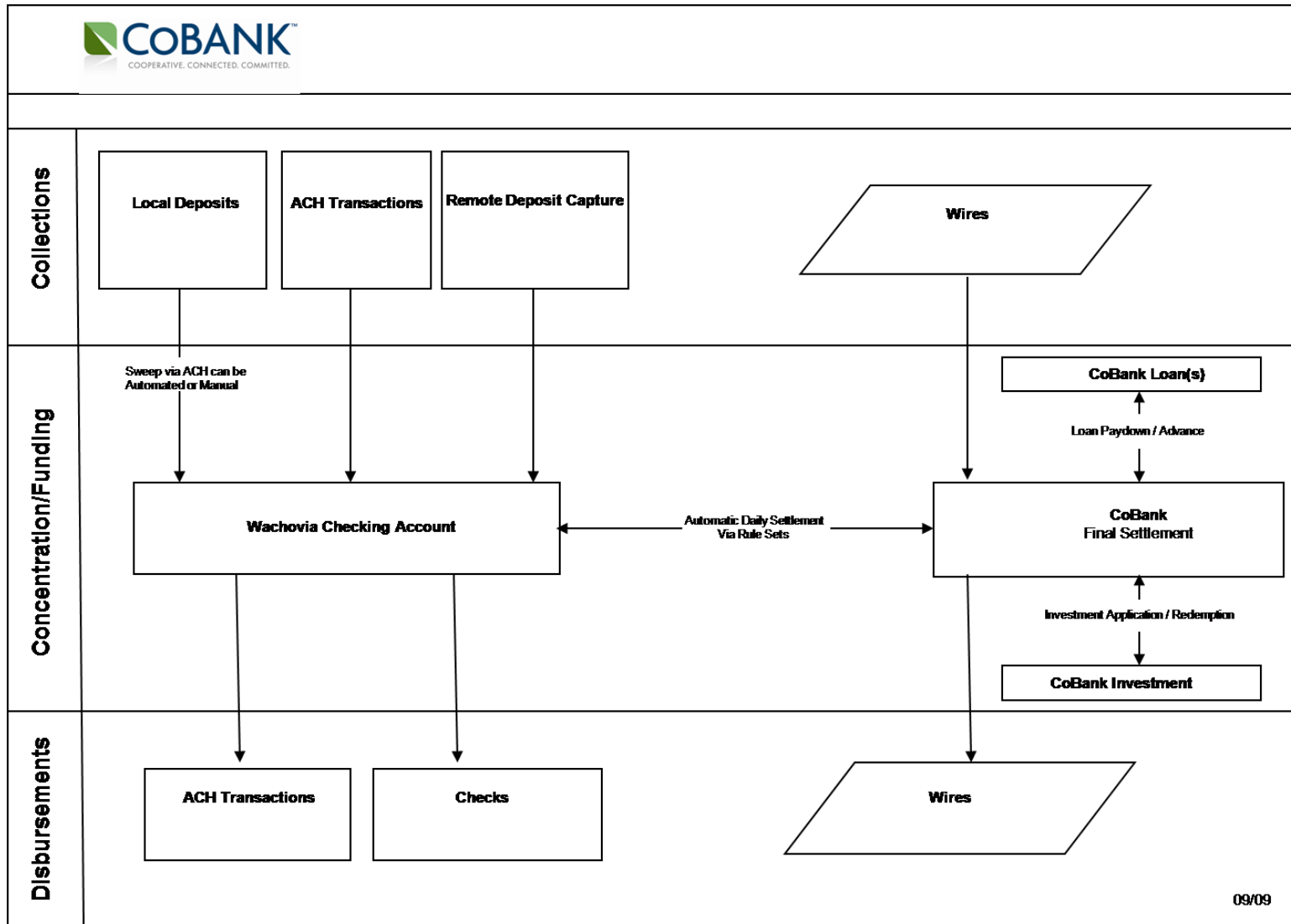
**Disbursements:** Manage the use of your funds, extend or control float (“just-in-time” funding), timely clearing information, ensure payment matches, prevent fraud & errors.

- Controlled Disbursement
- Positive Pay Fraud Protection – Checks & ACH
- Paid Check Imaging

# Remote Deposit – Scanning Equipment



# CoBank Cash Manager Flow Chart





## Topics Of Discussion

- The What?
- The How?
- The Why?
- A few comments about proposed changes to lease accounting



## The What?

- Options
- Flexibility
- Price savings



## The How?

- Preserving cash flow and maintaining liquidity is helpful in managing your financial resources and dealing with unexpected costs and expenses.
- Having flexibility with a vehicle, for example, removes the burden of ownership, allowing you to return a vehicle before maintenance expenses out-weigh the value of the vehicle.
- By paying for a vehicle over a period of time as you use the asset, allows you to budget only your use of the vehicle by way of a monthly lease payment instead of budgeting the full cost of the vehicle. Not only does this free up limited budgeted dollars, but it also matches the budgeted payment to the use of the asset, so it allows for better allocating of funds to the asset.



## The Why?

- Many coops are facing cash crunches while dealing with increased expenses in power costs and uncertainty with what any additional legislation or regulation will bring to the coops in terms of increased cost.
- Many coops are faced with putting more maintenance dollars into an aging fleet in hopes of getting as much out of the asset as possible. However, having an aging fleet could effect efficiency with down times. In addition, an aging fleet sometimes doesn't reflect the image the coop wishes to portray in the community.
- Ordering vehicles through CoBank provides price savings to the coop, while maintaining local presence through delivery.



Questions?

Thank –You!