

Business Spotlight

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(800) 314-2265
www.ffsbky.com

Effective Cash Flow in Challenging Economic Times

Owners of many small and medium sized businesses point to effective cash flow management as a top survival strategy in these tough economic times.

According to the April members survey of the National Federation of Independent Business (NFIB), 32% of respondents said weak sales was the top problem facing their businesses, compared to just 17% who listed sales as the top problem in April of 2008. So it is no surprise that, in this economy, small businesses must remain vigilant of their cash positions at all times.

Understand Your Cash Flow

Most experts agree that the first step to managing cash effectively is to understand the cash inflows and outflows of your business. If you're not using online cash management technologies as part of your business checking account, now is a good time to begin.

AXIS Cash Management from First Federal is provided free to clients with all of our business checking accounts. Through AXIS, you can view your company's account balances real-time, as well as download your historical transactions into your accounting software or into a spreadsheet to gain a better understanding of your cash flow cycles. Once you understand your cash inflows and outflows, you can begin to take action.

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Free HR Seminars

First Federal invites you to attend a free seminar entitled *Keeping it Simple: Answers to Some of the Most Common Human Resource Questions* conducted by Susan Simmons, Senior Vice President, SPHR, First Federal Savings Bank.

Susan Simmons has been with First Federal Savings Bank for 23 years and is a board member of the Elizabethtown Society for Human Resource Management which was chartered under her leadership in 2003. She has served on the board of Kentucky SHRM for several years, acting as Secretary in 2005 and 2006 and has been a District Director since 2007.

She received her designation as SPHR (Senior Professional in Human Resources) in 2002 and has taught the certification prep course for this designation the last 2 years. She is also a graduate of the University of Wisconsin-Madison's Human Resource Management School and of the Kentucky Bankers Association Banking School.

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Give Your Staff the Employee Advantage

Employee Advantage is a special program that gives your employees a number of unique rewards and discounts not available to other banking customers.

With Employee Advantage, your employees can have their pay deposited directly into a First Federal checking account, even if they've been denied a checking account in the past. This saves you the hassle and costs of creating payroll checks for employees who do not have checking accounts. For your employees, this program gives them a "fresh start" in banking, including a free debit card, free online banking and bill pay, and much more.

How It Works

As an Employee Advantage company, your employees receive additional points from our Debit Card Rewards program, the program that allows our customers to build points for banking with us. They receive these additional points whenever they reach

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Business Lending

Whether you need money for day-to-day working capital, purchases of inventory and equipment, or long-term fixed asset financing, we will work with you to create a flexible financial package that meets your needs.

First Federal has a number of commercial lending options available, including:

- Term Loans
- Revolving Lines of Credit
- SBA Loans
- Commercial Real Estate Loans
- Construction Loans
- Vehicle Loans
- Leasing Services

Contact us today if your current bank isn't meeting the lines and terms your business needs. Call us at (800) 314-BANK or stop by the First Federal location in your neighborhood.

Effective Cash Flow in Challenging Economic Times

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Speed Receivables

The first imperative to improving your cash position is to improve upon your Days Sales Outstanding (DSO) or the average number of days it takes to get paid for the products or services you offer.

"In this economy, small businesses must remain vigilant of their cash positions at all times."

In general, your business DSO will be shortened by using electronic payments instead of traditional paper check payment processes. First Federal offers electronic payment services like remote check deposit and ACH payment services that typically mean your time to receive credit for customer payments is at least a day or two faster than with check processing.



Likewise, if you offer trade credit to your customers—or have begun to experience more late payments from your clients—now may be the time for you to consider First Federal's merchant card services. First Federal offers card processing from Louisville's NPC and can provide your company with solutions for point-of-sale, telephone, and online card acceptance so that more of your customers pay you today rather than 30 or 45 days from now.

If your business is experiencing a number of returned checks from customers, ask First Federal about our free ChecXchange™ automated check recovery services. ChecXchange collects funds on bad checks written to you, taking the collection process out of your hands without costing you anything.

Manage Outflows

The opposite is true for managing outflows: you want to maximize DSO on your purchases so that you can make the most of those funds. First Federal offers Visa® debit and credit card programs for your business, allowing you to better manage many of your expenses through your card statements.



Likewise, the AXIS cash management solution gives you full control of how you make business payments, including giving you an online portal to schedule ACH payments and wires to vendors, employee direct deposit, tax payments, and more.

AXIS also comes with free business bill payment services which allows you set up and manage how all of your payments are made. Through this process, you can schedule vendor payments to be made at maximum DSO, but before you incur any late fees. You can even schedule account-to-account transfers such that you keep your funds in high yield investment accounts until time to make payments.

"First Federal will be conducting free cash management seminars later this year, so look for more information in the coming weeks."

For More Information

To receive more information about First Federal's Cash Management services, or to arrange for a free consultation and demonstration, contact us today at (800) 314-BANK or stop by the First Federal office in your neighborhood.

What You'll Learn

This comprehensive presentation will cover a number of important topics to help you better manage the Human Resources function at your business, including:

- Payroll Considerations, including Minimum Wage, overtime, and withholding processes.
- Regulations, including COBRA, HIPAA, FMLA, and ADA.
- Equal employment, discrimination, child labor, rest period requirements, and more.
- Hiring skills and best practices, including lawful interview questions.



Keith Johnson and Susan Simmons accepting the award for Best Places to Work in Kentucky

For More Information

Seminars will be conducted in Elizabethtown, Louisville, and Mount Washington in June, with meals and refreshments served. Contact us at (800) 314-BANK for more information or to reserve your spot.

Give Your Staff the Employee Advantage

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“milestones” in the program, like opening an account, using their debit card for the first time, paying a bill online the first time, and signing up for online statements.

They can then redeem these points at any time for gifts like home appliances, electronics, gift cards and much more. They can choose from hundreds of items in the Debit Rewards catalog, and those gifts will be shipped right to their homes. They can also receive special discounts as part of the program, including a free box of checks and discounts on mortgage closing costs.

“Save the hassle and costs of creating payroll checks for employees without checking accounts.”

Health Savings Accounts

The Employee Advantage program is just another way that First Federal can assist your business in offering a better workplace for your employees. We also offer Health Savings Accounts (HSAs) that, when combined with a qualified High Deductible Health Plan (HDHP), let you offer your employees health coverage at a cost affordable to you.



Our HSA makes it simple for you and your employees to participate. We manage the entire process for your business, including sending monthly statements, issuing a Visa debit card and HSA checks to your employees to make qualified medical payments, and providing 24/7 online and telephone employee access to their accounts.

For More Information

To learn more about how your company can give your staff more with Employee Advantage and HSAs, contact us at (800) 314-BANK, via email at InternetServices@ffsbky.com or visit the First Federal office in your neighborhood.

Spotlight Your Business

Showcase your business' products and services at the First Federal in your neighborhood...absolutely FREE!

First Federal's Business Spotlight program lets you set up a display for a full week in the lobby of any of over 22 locations in the following cities:

Bardstown
Brandenburg
Cedar Grove
Corydon
Elizabeth
Elizabethtown
Flaherty
Fort Knox
Georgetown
Hillview
Jeffersontown
Lanesville
Middletown
Mount Washington
Munfordville
Radcliff
Shepherdsville

Your display will be seen by hundreds of First Federal customers, and some of our locations have “reader boards” that will broadcast when your display is in our lobby.

Schedule your Business Spotlight time today. Stop by the First Federal location in your neighborhood or give us a call at
(800) 314-BANK



**First Federal
Savings Bank**

Seminar Series

Keeping it Simple: Answers to Some of the Most Common Human Resource Questions

June 9th, 8:00 AM to 9:00 AM
First Federal Mortgage Center
(Next to Headquarters)
101 Financial Drive
Elizabethtown, KY 42701

June 16th, 8:00 AM to 9:00 AM
Hillview Banking Center
(Off Preston Hwy)
11810 Interchange Drive
Louisville, KY 40229

June 23rd, 8:00 AM to 9:00 AM
Mount Washington Banking Center
(Downtown)
279 N. Bardstown Road
Mount Washington, KY 40047

Locations To Serve You

**Bardstown · Brandenburg · Cedar Grove · Corydon · Elizabeth · Elizabethtown · Flaherty · Fort Knox
Georgetown · Lanesville · Louisville · Mount Washington · Munfordville · Radcliff · Shepherdsville**

Reservations are required, so please contact us to secure your spot:

(800) 314-BANK (2265)

InternetServices@ffsbky.com

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