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A blue rectangular graphic with white and red text. On the left, there are two red, spiky virus-like icons. The text reads: "COVID-19" in large white and red letters, "RESPONSE TEAM" in white, and "COVID19@APPLEGROWTH.COM" in smaller white letters. At the bottom left, it says "APPLE GROW+H PARTNERS Healthy Growth." and at the bottom right, "YOUR PARTNERS FOR NAVIGATING COVID-19 UPDATES FOR BUSINESS OWNERS".

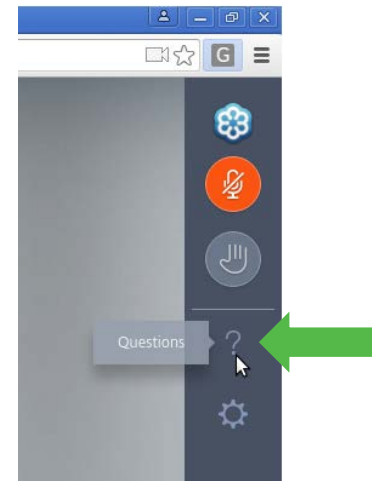
COVID-19
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YOUR PARTNERS FOR NAVIGATING
COVID-19 UPDATES FOR BUSINESS OWNERS

Cash Management and Optimizing the PPP Loan

PRESENTED BY DAVE GAINO, MATT SILLA, BRANDON FREDERICKS

Welcome

- + All attendees are placed on listen-only mode
- + Submit a confidential question at any time
- + Questions will be reviewed by our team and followed up after the webinar
- + Contact information will be provided
- + Today's webinar recording will be sent via email within 2 hours



Disclaimer

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COVID-19 Response Team

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Sue Peirce, CPA, MTax
Principal, COVID-19 Leader



Kathy Davis
Senior Manager



Brandon Fredericks, CPA
Senior Manager



Dave Gaino, CPA
Principal



Robert Jackson, CPA
Senior Manager



Toby Kaye, CPA, MTax
Manager



Bethany Lawrence
Senior Associate



Taylor Lorenz, MAcc
Supervisor



A'Shira Nelson, CPA
Manager



Matt Silla, ASA, CFA
Senior Manager


Webinar Objectives

- + Shift in mindset
- + Managing cash flow - key pillars
 - + Cash flow management & modeling
 - + Optimizing the PPP loan
- + Interactive case study



Shift in mindset

Phase 1 – How do we obtain COVID-19 stimulus funding?



Phase 2 – How do we navigate our business the next quarter?



Phase 3 – How do we position our business to thrive long-term?

Managing Cash Flow



Leading
through
a crisis



Surveying the business landscape



Refocus on supply chain risk



Prioritizing the 'king' – CASH!



Communicating with your lender



Outside the 'four walls' thinking

Interactive case study

+ COMPANY BACKGROUND

- + Better Times Ahead, Inc.
- + Manufacturing company for inputs and components into other manufactured goods
- + Running on 2 shifts (Mon-Fri); x1 shift (Sat) as needed
- + COVID 19 Classification = **Non-Essential**
- + Locally owned and operated in NE Ohio for 34 years
- + Would be described “pre” COVID-19 as stable and profitable business
- + Applied for and received \$1 million PPP loan with funds distributed on April 15th

Interactive case study

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Cash flow modeling & modeling



Optimizing the PPP loan

Final thoughts

- + Delay the receipt of PPP loan funds—but don't lose out.
- + Look to maximize forgiveness. Do the math!
- + Make good business decisions – the worst case is you'll have working capital to deal with whatever comes next.
- + Make sure you understand what it means to be an eligible expense, i.e. paid AND incurred. Accelerate payments if needed.
- + Evaluate all of your non-payroll eligible expenses i.e. rent, utilities, and interest expense- make sure they are paid within the 8-week period.
- + Evaluate retirement plan contributions paid and incurred during your 8-week period.
- + Keep good documentation, ledgers, payroll registers, check stubs and bank statements- audit details expected to follow.
- + Regulations to follow - stay connected with your engagement team, AGP email blasts, etc. as the details will matter
- + The rehire by June 30th rule may come with an obligation to retain workers to year end

Final thoughts

+ Cash Management Key Questions

- + *Does your model allow for scenario planning?*
- + *Do you know the capabilities of all your funding and financing levers?*
- + *What is your contingency plan?*
- + *Who is handling your communication to the stakeholders?*

+ Cash Management call to action

- + *Assess your situation*
- + *Take action*
- + *Communicate the plan*
- + *Manage and monitor*

+ Focusing on what's on the horizon

- + PPP status
- + Main Street Program
- + Macro environment



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Thank You

Part 8 – COVID-19 Legislation & Planning Opportunities

Monday, April 20 | 1 – 1:30 PM

Register at applegrowth.com/COVID19