

Smart Safe

JPMC Solutions for Cash Deposits | May 2019

Village of Romeoville

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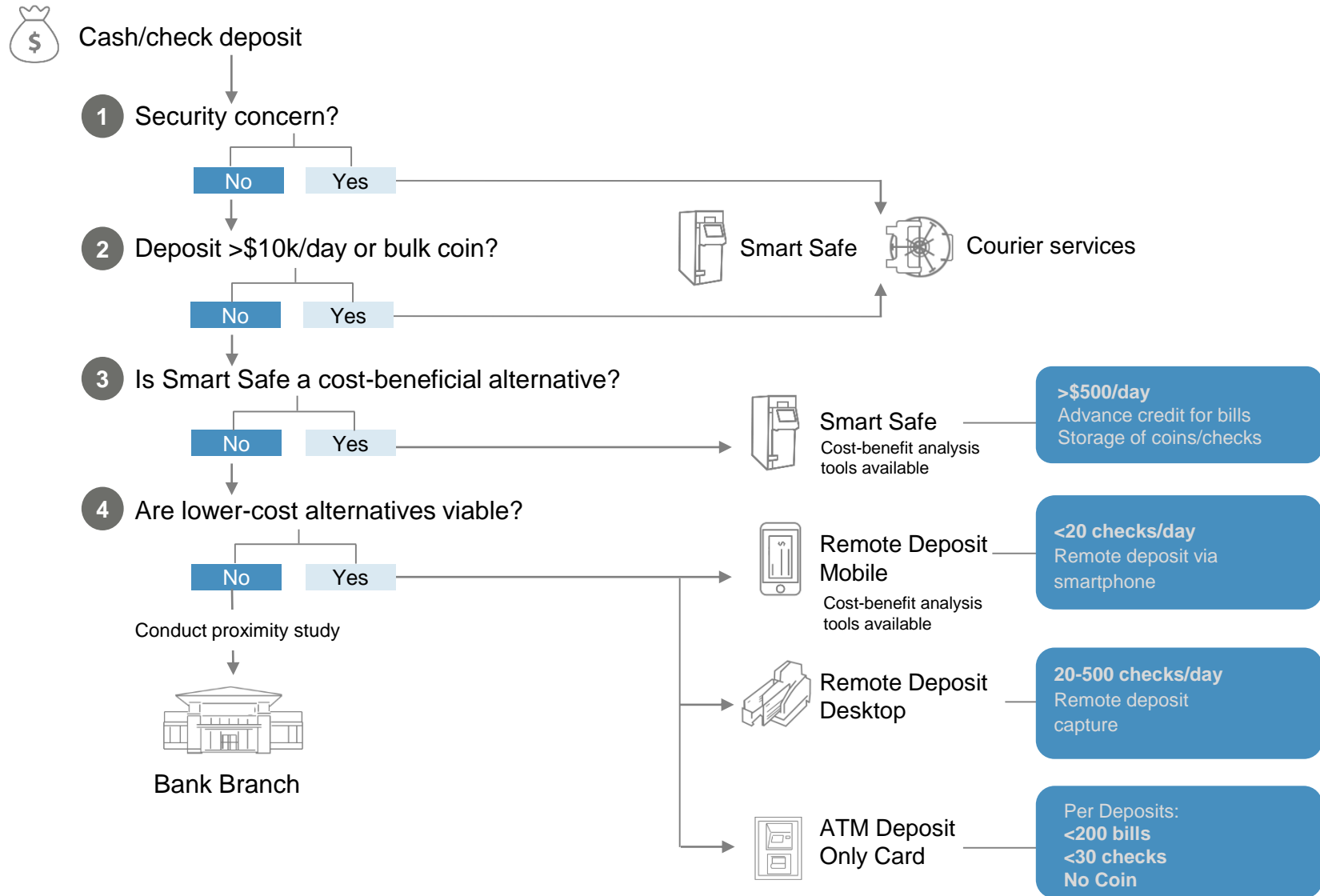
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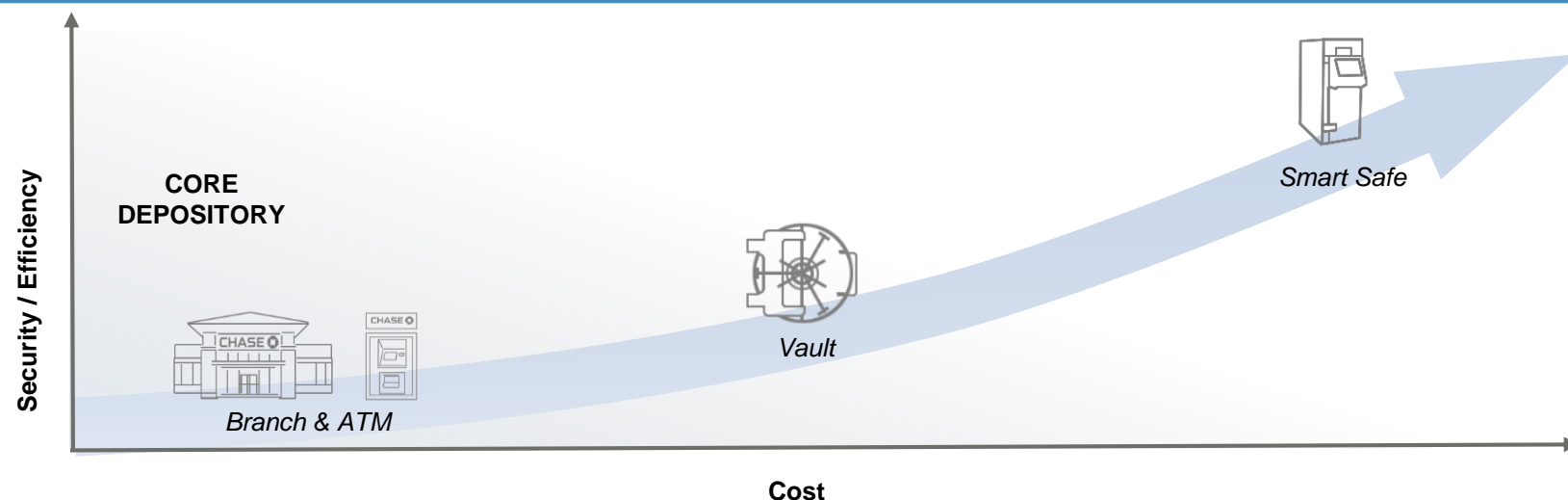
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Understanding what depository solutions are appropriate for cash needs



Understanding your Options for Depositing Cash



	Branch / ATM	Vault	Smart Safe
Cost Drivers	<ul style="list-style-type: none"> Frequency and counting errors Teller vs. Night Drop vs. ATM FED vs. non standard strap fees Employee reimbursements for mileage 	<ul style="list-style-type: none"> Frequency of pickups FED vs. non-standard strap fees Courier provider, number of locations and pick up route 	<ul style="list-style-type: none"> Cost to lease device Frequency of pickups Servicing cost (if applicable)
Operational Impact	<ul style="list-style-type: none"> Flexible solution Least secure Some training required Low deposit cost but most employee time spent cash handling and depositing 	<ul style="list-style-type: none"> Eliminate trips for deposits; more time in front of customer Increased security 	<ul style="list-style-type: none"> Lowest employee time spent cash handling Maximize time in front of customers Robust reporting available Same day provisional credit
Implementation	<ul style="list-style-type: none"> Fewest barriers to entry Quickest to implement Requires close proximity to branch 	<ul style="list-style-type: none"> Back office capacity is decreased Courier selection and contract process 	<ul style="list-style-type: none"> Size of safe Device must be integrated into operating procedures

Easily collect, verify, store and transmit cash deposits with Smart Safe

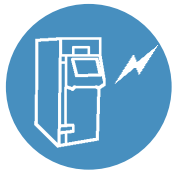
Deposit Solutions

Here's how it works

Day 1



Cashiers deposit cash into the Smart Safe bill reader until business day-end



Your safe will transmit business-day totals to the armored car vendor



Armored car vendor will transmit the totals to us



We provide provisional credit for the deposit into your account

Day 2



Your provisional credit for the previous day's deposit may be viewed via our online banking portal

Weekly



Physical cash picked up from safe at your locations by the armored car vendor



Physical cash is verified by vendor and placed into our inventory. We review the cash deposit for any adjustments.



Additional thoughts for evaluating a Smart Safe solution

Implementation Considerations	Cost Impacts	Operational Efficiencies
<ul style="list-style-type: none"> ■ Understand your Smart Safe's error rates ■ Ask vendors about counterfeit note detection systems/methods ■ Ask banking providers about establishing connectivity to your Smart Safe ■ Consider the cost and process required for maintenance/service requests ■ Designate secure physical locations for Smart Safe units ■ Target locations for rollout <ul style="list-style-type: none"> ■ High performing stores are recommended ■ Establish a timeline for rollout <ul style="list-style-type: none"> ■ Between 6 months to a year is typical ■ Leverage business volume and scale for vendor pricing/servicing benefits 	<ul style="list-style-type: none"> ■ Reduction in frequency of deposits/pickups ■ Improve fund availability via provisional credit ■ Reduce on-site cash on hand requirements ■ Minimize cash counting errors ■ Streamline branch deposits using drop boxes vs. teller lines ■ Centralize deposit strategy among banking providers 	<ul style="list-style-type: none"> ■ Simplified daily deposit preparation ■ Sort, count, face/strap currency ■ Automated change requests ■ Streamlined documentation & verification of register cash-pulls ■ Simplify reconciliation <ul style="list-style-type: none"> ■ At end of day and/or by employee work shifts ■ Reduced exchanges between cashier and supervisor ■ Increased staff productivity and cash accounting accuracy ■ Real-time in-store cash information availability ■ Accelerated funds availability ■ Potential for file integration

Evaluating a Smart Safe solution – Pro Forma Pricing Changes

BANKING CENTER SERVICES

1306 - BRANCH CREDITS POSTED	100000	77	\$3.5500	\$273.35	\$332,575.83
1318 - BRANCH ORDER - COIN ROLL	100044	98	\$0.1400	\$13.72	\$16,692.67
1319 - BRANCH ORDER CURRENCY STRAP	10004A	15	\$0.7500	\$11.25	\$13,687.50
1333 - BRANCH ORDER PROCESSED	100040	9	\$2.5000	\$22.50	\$27,375.00
7174 - TELLER LINE CASH VERIFICATION	100000	84,912	\$0.0026	\$220.77	\$268,603.50

Subtotal

\$541.59 \$658,934.50

VAULT SERVICES

++ 1310 - VAULT DEPOSIT	100100	5	\$2.0000	\$10.00	\$12,166.67
++ 1459 - VAULT DEPOSIT PER \$1,000	10011Z	92	\$0.5000	\$46.00	\$55,966.67
++ 1467 - VAULT MAINTENANCE	100199	0	\$0.0000	\$0.00	\$0.00
++ 1475 - VAULT DEPOSIT ROLLED COIN	100110	0	\$0.1000	\$0.00	\$0.00
++ 1476 - VAULT ORDER COIN ROLLS	100144	98	\$0.1200	\$11.76	\$14,308.00
++ 1477 - VAULT ORDER - COIN ROLL BOX	100146	0	\$0.1200	\$0.00	\$0.00
++ 1479 - VAULT ORDER COIN BAG LOOSE	100147	0	\$3.7500	\$0.00	\$0.00
++ 1482 - VAULT DEPOSIT STD STRAP - NOTE	100115	4,823	\$0.0000	\$0.00	\$0.00
++ 1486 - VAULT DEP NON STD STRAP - NOTE	100114	1,206	\$0.0000	\$0.00	\$0.00
++ 1493 - VAULT DEPOSIT IN NON STD BAG	100199	0	\$0.6000	\$0.00	\$0.00
++ 1495 - VAULT STANDARD ORDERS	100141	9	\$8.5000	\$76.50	\$93,075.00
++ 1497 - VAULT ORDER CURRENCY STD STRAP	10014A	15	\$0.7500	\$11.25	\$13,687.50
++ 1498 - VAULT EXPEDITED SPECIAL ORDERS	100143	0	\$25.0000	\$0.00	\$0.00
++ 1499 - VAULT ORDER CURR NON STD STRAP	100148	0	\$0.0350	\$0.00	\$0.00
++ 1506 - VAULT DEP PARTIAL OR MIXED BAG	100111	0	\$5.0000	\$0.00	\$0.00
++ 1525 - VAULT DEPOSIT STD COIN BAG	100113	0	\$2.0000	\$0.00	\$0.00
++ 1617 - VAULT DEPOSIT ADJUSTMENT	100501	0	\$6.0000	\$0.00	\$0.00
++ 1620 - SMART SAFE MAINTENANCE	100199	1	\$35.0000	\$35.00	\$42,583.33
++ 1621 - SMART SAFE ADVANCE CREDIT	100199	31	\$2.5000	\$77.50	\$94,291.67

Subtotal

\$268.01 \$326,078.83

Smart Safe Cost-Benefit Model

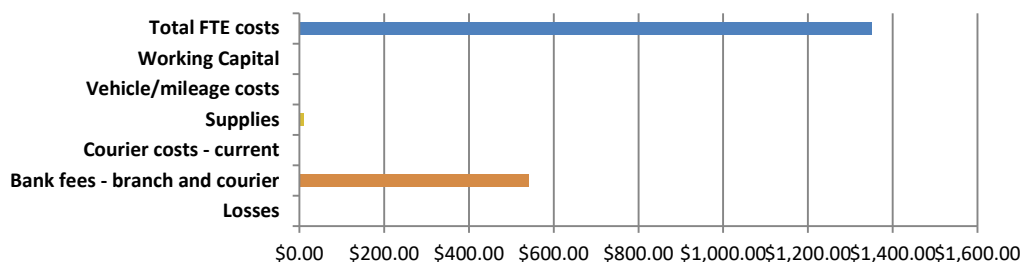
Smart Safe Cost-Benefit Model Results

The results below are based on the data and assumptions provided .

	Total Costs - Savings	
	Monthly	Annual
Current In-house Costs	\$1,902	\$22,823
Proposed Smart Safe solution*	\$618	\$7,416
Total Cost or Benefit	\$1,284	\$15,407

Current In-house Monthly Costs

\$1,902



FTE Costs

Supervisor time - balancing	\$168.00
Preparing the bank Deposit	\$572.80
Net Branch trips to deposit	\$560.00
Adjustments and reconciling	\$49.15
Total FTE costs	\$1,349.95

Working Capital

Working Capital	\$0.00
Vehicle/mileage costs	\$0.00
Supplies	\$10.00
Courier costs - current	\$0.00
Bank fees - branch and courier	\$542.00
Losses	\$0.00

Assumptions

- Dual control is used (a supervisor and cashier) when preparing bank deposit which will no longer be needed with Smart Safe.
- For daily balancing (by cashier) - the supervisor would no longer need to be present with smart safe
- Supervisor is travelling to branch to make deposit (if applicable)
- For mileage reimbursement assumes \$0.56/mile (if applicable)
- Branch deposits: assumes branch is 5 miles away and that it takes 3 min per mile
- 5 minutes is spent at the branch depositing per deposit
- All full-time employees receive benefits; calculated as 28% of annual salary
- Part-time cashiers do not receive benefits
- Current monthly supply costs by location of \$10 for branch, \$10 for vault

Results based on the following primary inputs

Locations moving to Smart Safe: Branch: 1, Vault:
 Average # of registers used per working day: 1
 Min to balance per cashier: 10
 Min to prepare bank deposit: 30
 Average # of working days per month: 21
 Average hourly pay of supervisor 38

This presentation is a tool for general estimation of cost savings to be used in conjunction with other factors in the client's overall evaluation of whether to use a certain product and is no guaranty of actual cost savings.