

Recovery Solutions Virtual Bank

VIRTUAL BANK consists of a series of programs that facilitate:

1. Bank asset, personnel, and building area projections.
2. Budgeting of all Fixed Assets needed for bank operation.
3. Tracking of Bank performance to anticipate expansion schedule.
4. Acceleration of Depreciation to enhance cash flow and pay for services.
5. Capital Structure comparisons to ensure adequacy of capital for growth.

Programs are cross-disciplined, and encompass planning, design, construction, selection and acquisition of all the physical requirements of a banking office. The formats are interlinked, providing dynamic adjustment for variables of input regarding capital, asset growth rates, employee ratios, area use, unit costs, discount rate, etc.

The resulting studies are utilized for submission to regulatory authorities as part of a de novo bank application, as a branch bank or new main office acquisition and a test for bank boards and organizer's use in a "deal or no deal" decision.

For existing institutions, a "look-back" at past performance aids in future predictions, whereas de novo programs utilize ninety six year averages from our data base, albeit influenced by recent trends. The consulting programs offer assistance to smaller or newer banks that may have little experience with the process of opening a bank office. Facilities managers at larger multi-branch banks are given a tool that brings order and direction to the branch network, increasing efficiency and cost effectiveness.

While the programs utilize elements, methods and data we have devised, tested and improved over the past forty five years, the addition of new facets and combining of the various systems have created a new product with a greater usefulness for our bank clients.

The Depreciation Studies also offer a "look-back" feature for existing banks to capture benefits from 15 prior years of missed allowable depreciation. Tax benefits flowing from the full use of the programs pay all fees and increase cash flow benefits.

Reasons why we believe these programs are worthy of an Innovative Solutions Award:

1. The programs are comprehensive, combinatory, flexible and complete.
2. Results of their use are quantified, effective and useful.
3. They combine and unify diverse needs previously addressed by multiple analysts.
4. Introduction of the IRS MACRS program into the process enhances cash flow and assists bank accountants with Cost Segregation, Quantity Surveying and Tax Reduction services that they normally are not staffed to offer.
5. They supply a unique service not offered by legal, marketing, demographic, personnel, advisory, service bureau and other advisers of banks and bank organizers by address in the physical plant fixed assets of financial institutions.

