

Week Three
APPENDIX B
*Financial Transaction Integration
 with Quicken®*



Your financial transactions can be summarized in the following categories. With each of those categories is the most efficient manner of integration with Quicken®. The drawbacks to each method are also listed in terms of an accurate daily update to your Quicken® Budget Report, with the best solution in bold type.

Transaction Type	Quicken® Integration	Weakness in Integration/Solution
Cash Purchases	Cash Account Summaries	Weekly input delays accuracy. Input cash summaries daily.
Manual Checks	Quicken® Checks or Bill Pay	Computer checks are time-consuming. Sign up for Quicken® Bill Pay and enter manual checks daily.
Bank Debit Cards	Manual Entry	Tendency to neglect Quicken® entry. Input debit payments daily.
Automatic EFT*	Scheduled Transactions	Can result in overdrafts. Monitor account balance in Quicken® after posting scheduled transactions. Arrange for overdraft protection at your bank.
Computer Checks	Check payment In Quicken®	Manual process—takes time. Convert to Online Bill Pay.
Credit Cards	Credit Card Downloads	One- to two-day delay; ease of use can result in tendency to overspend. Carefully monitor budget.
Online Bill Pay	Quicken® Bill Pay	Minimal—manual entry of nonrecurring bills. Monthly fee. Set up recurring transactions as scheduled online payments, requiring no action on your part.

*Electronic Funds Transfer



Advantages of Quicken® Bill Pay:

- 1) Recurring bills can be paid automatically, even if the vendor does not provide for automatic electronic bank withdrawals. This eliminates the problem of late fees and the time it takes to repeat this process each month. You can even prompt Quicken® to send e-mail inquiries re: how these payments have been posted to your account.
- 2) New bills and payments, even to private parties, can all be paid with Quicken® Bill Pay. All that is required is that the payee has an address and phone number.
- 3) Unlike downloaded bank transactions, bills paid via the Bill Pay feature are precategorized, so there is no need to enter a category for each downloaded transaction. This helps immensely in staying current with actual and budgeted spending awareness and saves time as well.
- 4) You can use up to 10 different bank accounts from which to pay bills—at no extra charge. There's no need to do away with multiple accounts that serve particular purposes. Ginger's Nurse Network account can access the same bill payment features that she and Greg use for their personal checking accounts.
- 5) You can even set up many of your bills to be sent to you online and view and pay your bills from the Web in the event you are away from home and want to see the status of your bills.
- 6) The service is very affordable—\$9.95/month for the first 20 transactions and \$2.49/set for an additional five transactions. Twenty (20) stamps alone would cost \$7.40/month!

Review the Week Three TEN WEEKS CD for guidelines as to how to sign up for this service.

Week Three
APPENDIX C
Report Organization



**YOUR SPENDING AND BUDGET—WHAT IS IT
YOU REALLY WANT?**

PART I

Planning Report Format

See Attached Reports with example of notations

PART 2

Report and Document Organization

- 1. Historical financial documents and reports that tell us what has happened with our money for a period of time—usually on a monthly basis.**

The following is the order of documents and Quicken® reports located in your Authentic Money Guide monthly dividers with the Quicken® reports highlighted.

Authentic Money Guide Monthly Divider Contents

Financial Documents and Reports:

1. Pay Stubs
2. Income Receipts—Rents, Royalties, Gifts, etc.
3. Business Income Summaries
4. Investment Account Statements
5. Credit Card Statements
6. Mortgage Statements
7. Other Loan Statements
8. Savings Account Statements
9. Checking Account Statements



Quicken® Reports:

1. Bank Reconciliation Reports
 2. Transaction Report
 3. Budget Report
 4. Cash Flow Comparison Report
 5. Cash Flow Report
 6. Net Worth Report
- 2. Budget and planning reports that reflect the changes that are flowing into our actual life experience through the Authentic Money Guide creation.**

These reports give us a target that represents our current commitments to align our money decisions with what we really want. Since the most recent budget is critical to our current course of action, it should be filed in the “Action Items—AMG” Tab of the Authentic Money Guide binder. The contents of the “Action Items—AMG” section of the binder includes the following items:

Budget Report—Year-to-date

Week Three Appendix A—Authentic Money Guide scenario summary

Most recent (highest #) Planning Scenario that has been chosen

3. Planning Scenario Reports

Using Quicken® Planner, we will summarize different scenarios and file them chronologically in the My Options section of the Authentic Money Guide binder. Each set of reports should be numbered, and the highest numbered analysis should be on top.

Each scenario should be entered on Appendix A so you can easily see the changes that have taken place since you started with your Base Plan.

Use the planning report format to clearly identify each scenario’s change from the prior scenario as outlined in Part 1 of this Appendix.

#4—AMG Trips

Choose a goal type

Special expense ▾

What if I:

- Change the timing?
- Change the amount?
- Remove the expense?
- Take out a loan?
-
-
-

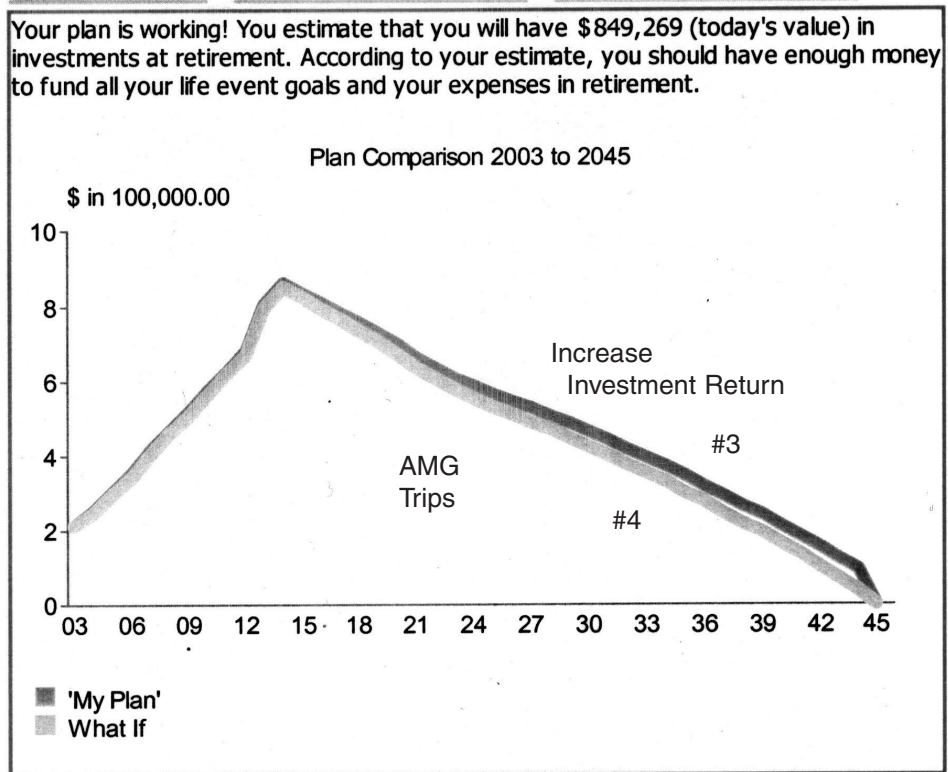
Or, change any assumption:

- About you
- Salary
- Retirement benefits
- Other income
- Tax rate
- Inflation
- Savings
- Investments
- Rate of return
- Current homes & assets
- Future homes & assets
- Current loans
- Future loans
- Debt reduction
- Living expenses
- Adjustments
- College
- Special expenses

You can temporarily change any of your assumptions or goals (and even exclude goals) to see the effect. If you like the changes, you can save them.

Reset What If Save What If as Plan Close Without Saving

Your plan is working! You estimate that you will have \$849,269 (today's value) in investments at retirement. According to your estimate, you should have enough money to fund all your life event goals and your expenses in retirement.



Detail of Changes

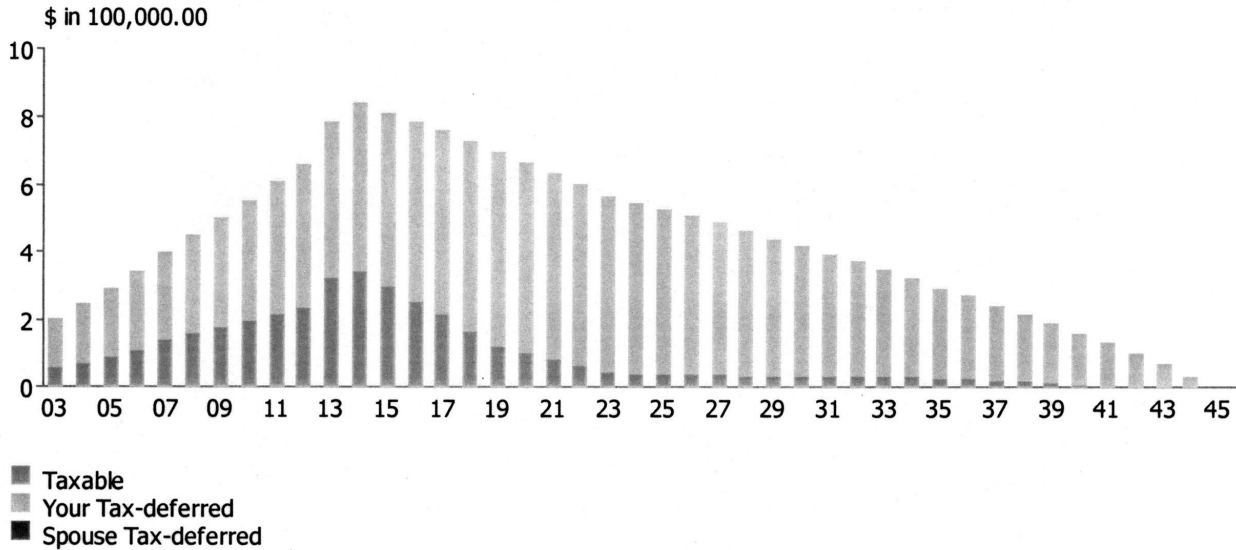
Assumption Change	Description	Amount
#1	2003 Canada Trip (2003 only)	\$2,000
#2	Quarterly Getaways (2003 →)	\$2,000/year



#4—AMG Trips

Your plan is working! You estimate that you will have \$849,269 (today's value) in investments at retirement. According to your estimate, you should have enough money to fund all your life event goals and your expenses in retirement.

Account Balances 2003 to 2045



Ev...

2003	Regular Repairs	2003	Insurance
2003	College expense for Gil	2003	Greg's 2003 Tacoma
2003	Quarterly Get Aways	2004	Rental Repairs—extra
2007	Ginger's 2007 Car	2011	Greg's Car Purchase Fund
2013	Ginger's Car Purchase Fund	2014	Greg retires
2015	Greg retires		

#4—AMG Trips

Plan Summary (2003)

(All amounts are reported in today's value.)

Income Summary

Income

Salaries

Greg's Salary	\$36,000
Community Hospital	\$25,000
Nurse Network Income	\$5,400
Total Salaries	\$66,400

Employer Contributions

Greg's 401(k): Profit Sharing	\$2,988
Total Employer Contributions	\$2,988

Social Security Benefits

Self	\$0
Spouse	\$0
Total Social Security Benefits	\$0

Withdrawals

Taxable	\$10,535
Your Tax-deferred	\$0
Total Withdrawals	\$10,535

College Incomes

Financial Aid for Gil	\$2,400
Student Contribution for Gil	\$4,400
Gifts Contribution for Gil	\$1,000
Total College Incomes	\$7,800

Special Income

Interest Income -Jill & John's Loan	\$75
Income from Serenity Rental	\$9,000
Total Special Income	\$9,075

Gross proceeds from asset/home sales

Ginger's Prius	\$0
Greg's Tacoma	\$14,100
Nurse Network	\$0
Serenity Rental	\$0
Total Gross proceeds from asset/home sales	\$14,100

Total Income \$110,898

Expenses Summary

Expenses

Living Expenses

Living Expenses	\$24,570
Living Expenses	\$0
Total Living Expenses	\$24,570

Savings

Taxable	
Total Taxable	\$1,500
Your Tax-deferred	
Total Your Tax-deferred	\$9,988
Total Savings	\$11,488

Loan Payments

Mortgage loan for Ginger & Greg's House	\$4,046
First loan for Ginger's Prius	\$1,623
Balloon pmt from First loan for Greg's Boat	\$0



TEN WEEKS TO FINANCIAL AWAKENING

#4—AMG Trips

Plan Summary (2003)

(All amounts are reported in today's value.)

First loan for Greg's Boat	\$1,487
First loan for Greg's Tacoma	\$609
First loan for Serenity Rental	\$5,000
Loan for Greg's 2003 Tacoma	\$1,268
Loan for Ginger's 2007 Car	\$0
Total Loan Payments	\$14,033
Special Expenses	
2003 Canada Trip	\$2,000
Quarterly Get Aways	\$500
Greg's Car Purchase Fund	\$0
Ginger's Car Purchase Fund	\$0
Greg & Ginger's House Insurance	\$240
Taxes on Serenity Rental	\$570
Regular Repairs	\$300
Insurance	\$300
Rental Repairs - extra	\$0
Total Special Expenses	\$3,910
College Expenses	
College Expense for Gil	\$10,820
Total College Expenses	\$10,820
Invest special income	
Interest Income -Jill & John's Loan	\$64
Income from Serenity Rental	\$7,650
Total Invest special income	\$7,714
Invest proceeds from asset/home sales	
Ginger's Prius	\$0
Greg's Tacoma	\$14,100
Nurse Network	\$0
Serenity Rental	\$0
Total Invest proceeds from asset/home sales	\$14,100
Down payment on assets/homes	
Greg's 2003 Tacoma	\$7,000
Ginger's 2007 Car	\$0
Total Down payment on assets/homes	\$7,000
Taxes	
Social Security & Medicare Taxes	\$5,493
Tax on Salaries and Benefits	\$9,960
Tax on Special Income	\$1,361
Property Tax	\$450
Tax on sale of assets/homes	\$0
Tax on Withdrawals	\$0
Total Taxes	\$17,264
Total Expenses	\$110,899
Total Summary	
Portfolio Value	
Taxable	
Plus: Deposits	\$23,314
Plus: Gains	\$1,836
Less: Tax on gains	-\$275
Less: Withdrawals	-\$10,535
Less: Inflation	\$0
Total Taxable	\$60,268



#4—AMG Trips

Plan Summary (2003)

Page 3

(All amounts are reported in today's value.)

Your Tax-deferred		
Plus: Deposits		\$9,988
Plus: Gains		\$4,896
Less: Withdrawals		\$0
Less: Inflation		\$0
Total Your Tax-deferred		\$151,384
Spouse Tax-deferred		
Plus: Deposits		\$0
Plus: Gains		\$0
Less: Withdrawals		\$0
Total Spouse Tax-deferred		\$0
Total Portfolio Value	2045 = \$32,000	\$211,652



#4—AMG Trips

Budget *

7/1/2003 Through 7/31/2003 Using My Budget

Category Description	7/1/2003 Actual	Budget	7/31/2003 Difference
Telephone	0.00	75.00	75.00
Water	25.00	25.00	0.00
TOTAL Utilities	224.00	319.00	95.00
Vacation	1,400.00	2,400.00	1,000.00
2003 Canada Trip	0.00	2,000.00 *	2,000.00
Lodging	0.00	0.00	0.00
Quarterly Get Aways	0.00	166.66 *	166.66
TOTAL Vacation	1,400.00	4,566.66	3,166.66
TO Greg & Ginger's Savings	1,157.17	250.00	-907.17
TO Spouse's Flex Spending	100.00	100.00	0.00
TO Ginger & Greg's House Loan 1	173.74	153.00	-20.74
TO Ginger's Prius Loan	226.01	232.00	3.99
TO Greg's Tacoma Loan	292.40	250.00	-42.40
TO Serenity Rental Loan	122.48	123.00	0.52
TO Ginger's IRA	0.00	250.00	250.00
TO Greg's 401(k)	1,500.00	1,500.00	0.00
TOTAL EXPENSES	15,040.33	15,550.49	510.16
OVERALL TOTAL	-1,443.61	-2,300.49	856.88

* Sample Page from Budget Showing Scenario #4 Changes