

Goals vs. Expenses

This user guide will demonstrate how to set up Goals and Expenses. A Goal is established in the Client's Basic Facts under Goals, and ties directly into the Goal Planner tool. In the system, a Goal is also an expense and will automatically be listed in the Client's Expenses & Taxes, but it is NOT duplicated in the cash flow simulation. An Expense can be created from the Basic Facts and the Advanced Facts. This guide will also illustrate how to include an Advanced Facts Expense in the Goal Planner tool.

1. From the Client Overview page, click **Facts** then click **Goals**. Note, if Advanced Facts is your default you will need to click **Basic**.

The screenshot shows the eMoney Knowledge Base interface for a client named 'Katie and Tim Stevens'. The top navigation bar includes 'Home', 'Clients', 'Connections', 'Analytics', 'Applications', 'More', 'Settings', 'Help', and 'Sign Out'. The main navigation bar has 'OVERVIEW', 'FACTS', 'PLANS', 'REPORTS', and 'VAULT'. The 'FACTS' tab is selected and highlighted with a red box. Below the navigation, there is a 'Go back to Advanced Facts' link and buttons for 'Advanced' and 'Go to Presentation'. The 'Facts' section is divided into two columns. The left column contains a list of categories: 'Family & Friends', 'Financial Priorities', 'Goals' (highlighted with a red box), 'Net Worth', 'Income', and 'Expenses & Taxes'. The right column, titled 'Goals', contains two goal cards: 'Retirement' (Katie and Tim would both like to retire at 65. They estimated that they would need \$200,000 in today's terms.) and 'Leave to Heirs' (Katie and Tim would like to leave \$0 to their heirs.). An 'Add' button is visible in the top right of the 'Goals' section.

Please Note: Every Client profile will have a Retirement & Leave to Heirs goal by default. The **Retirement** goal includes what age the Client and Spouse wish to retire and the estimated living expenses during retirement. The **Leave to Heirs** goal asks if they are planning to leave money to their heirs and how much. Both goals will be present in the Goal Planner and flow through to other applicable areas of the Facts.

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- In this example we will add an **Education Goal**. The inputs for each type of Goal will vary, but each will include: Start and Stop year, Annual amount, Indexed At percentage, Dedicated Funding, and An option to Fund a Shortfall With Other Accounts.
- Dedicated funding** allows you to assign a specific asset to fund the Goal, but you also have the option to choose All Assets, which would follow the systems liquidation strategy. In other words, this will fund the Goal through normal cash flow.

- Complete the appropriate fields then click the **Advanced** button. This will save your inputs and take you to the Advanced area.

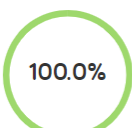
Goals vs. Expenses

5. The Advanced area allows you to see a more detailed view of the Goal and make additional inputs.

Go back to Facts

Education Expense

Basic Worksheet **Funding** Timing Notes



Expense		Funding	Details
Annual Cost	\$63,612	Dedicated	\$0
Growing at	3.78%	Non-Dedicated	\$279,420
Starting/Ending	2021/2024		
Total Cost	\$279,420	Total Funding	\$279,420

Dedicated Funding Sources
No funding sources have been specified for this expense.
[Add a Funding Source](#)

If Dedicated Funding is exhausted...

Fund the Expense Through Normal Cash Flow
Use Dedicated Funding Sources first, then liquidate other assets if necessary

Stop Funding the Expense
Use ONLY Dedicated Funding Sources

Options
Savings Rate for Solution Reports: No Growth (0.00%)

[Save](#) [Cancel](#) [Delete](#)

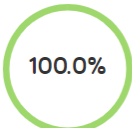
Please Note: Each Goal includes a Funding tab, which will show the percentage of projected funding. This page also outlines the Expense itself and the Dedicated and Non-Dedicated funding details.

6. To indicate that a Goal is to be funded by a specific source, such as a 529 Plan, first click **Add a Funding Source**.

Go back to Facts

Education Expense

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No funding sources have been specified for this expense.
[Add a Funding Source](#)

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7. In the pop-up, choose an **asset** from the drop-down menu. If needed, you can choose multiple assets and assign a funding priority. You also have the option to limit the total amount of withdrawals to a specific dollar amount. To do this, select **Specific Dollar Amount**, enter the **Amount**, and choose a growth rate from the **Indexed at** field. Once complete, click **Save**.

Add a Funding Source

Choose an Asset: Eva's 529 (\$58,000) ▼

Priority:

Limit Total Amount of Withdrawals to:

100% of Future Asset Value (No Limit)

Specific Dollar Amount

Amount: ➔

Indexed at: No Growth (0.00%) ▼
until 2031

Help

To add a funding source, choose the asset from which funds will be withdrawn. You can limit the total amount of funds to be used or allow the expense to fully deplete the selected asset if necessary.

Click **Save** when finished to add this source to your expense.

Save

8. If Dedicated Funding is exhausted...:

Fund the Expense through Normal Cash Flow – this option will liquidate other assets, if necessary, based on the Liquidation Strategy only after all funding sources have been exhausted. The Liquidation Strategy is specified under Liquidation Strategy in the Advanced Facts.

Stop Funding the Expense – this option will only use the assets specified under Dedicated Funding Sources to fund the expense. If the Dedicated Funding Sources have been exhausted, the remainder of the Goal amount will not be covered.

If Dedicated Funding is exhausted...

Fund the Expense Through Normal Cash Flow
Use Dedicated Funding Sources first, then liquidate other assets if necessary

Stop Funding the Expense
Use ONLY Dedicated Funding Sources

Goals vs. Expenses

9. The Projected Funding score card will show if the expense has a shortfall or is fully funded.

Education Expense > Education Expense

Basic Worksheet **Funding** Timing Notes

Expense		Funding	
Annual Cost	\$63,612	Dedicated	\$263,589
Growing at	3.78%	Non-Dedicated	\$0
Starting/Ending	2031/2034		
Total Cost	\$404,935	Total Funding	\$263,589
		Shortfall	\$141,346

Dedicated Funding Sources
Funds will be drawn from the following assets to pay for this expense.

Asset	Asset Type	Currently Available	Maximum Amount	Priority
Eva's 529	529 Plan	\$58,000	No Max	1

Add a Funding Source

10. Once you save the Education Expense, you will notice that the Goal is now listed under the **Expenses & Taxes** section of the Client's Basic Facts.

Katie and Tim Stevens ▾

OVERVIEW **FACTS** PLANS REPORTS VAULT

Go back to Advanced Facts

Facts Advanced Go to Presentation

- Family & Friends
- Financial Priorities
- Goals
- Net Worth
- Income
- Expenses & Taxes**
- Savings & Contributions
- Asset Allocation
- Protection
- Observations & Next Steps

Expenses & Taxes Add ▾

Living Expenses	Starts	Annual Amount
Current	Active	—
Retirement	When Katie is 65 (2045)	\$200,000
After Katie Passes	Katie's Death (Age 95 in 2075)	\$200,000
Liability Payments	Annual Amount	
Mortgage		\$20,051
Education Goals	Starts	Annual Amount
Education Expense	Calendar Year 2031	\$63,612
Insurance Premiums	Annual Amount	
Katie's Term Life		\$800

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11. To view a Goal in the Advanced Facts, click **Expenses**. Depending on the type of goal you selected i.e. Home improvement, Wedding, Education, etc. the Goal will be listed under **Education** or **Other Expenses**. In our example, our Education Goal is listed under Education.

The screenshot shows the 'Advanced Facts' page for 'Katie and Tim Stevens'. The 'FACTS' tab is selected. On the left, a navigation tree shows 'Expenses' and 'Education' highlighted with red boxes. The main area displays 'Education Expenses' with a table:

Name	Index At	Amount
Education Expense	3.78%	\$63,612

On the right, a 'Help' box contains instructions: 'You may edit or delete any of the listed educational expenses or' followed by buttons for 'Add an Educational Expense' and 'Add an Other Expense'. Below this is a 'Task Completed' checkbox.

12. If you initially added an **Other Expense** in the Advanced Facts, it will NOT automatically be included as a Goal in the Goal Planner or show up as a Goal in the Basic Facts, although it is still accounted for in the cash flows. To designate this expense as a Goal so it populates in both areas, navigate to the **expense** then click the **Funding** tab. At the bottom of the page, check the box **Include in Goal Reports**.

The dialog box titled 'If Dedicated Funding is exhausted...' has two radio button options: 'Fund the Expense Through Normal Cash Flow' (selected) and 'Stop Funding the Expense'. Below these are 'Options' including a dropdown for 'Savings Rate for Solution Reports' set to 'No Growth (0.00%)'. A checkbox labeled 'Include in Goal Reports' is checked and highlighted with a red box. At the bottom are 'Delete', 'Reset', 'Save', and 'Done' buttons.