



# eMoney Customer Service: What Happens to Surplus Cash Flow Each Year?

This question is especially important for unique events that cause very large cash flow surpluses such as downsizing a home, selling a business, or cashing in options.

## CLIENT SETTING

For any year where the net cash flow is positive, you have the option to assume the excess is spent or saved or create a schedule. This can be found for any client in the Advanced Fact Finder > Savings and Transfers > Year End Saving. See Fig 1.

If saving the excess, don't forget to enter the account(s) where excess cash flow is directed. Otherwise, any excess accumulates in the core cash account and earns 0%.

## SYSTEM DEFAULT SETTING

The system default is to spend any excess. You can change the system default in the general Settings area (Fig 2) and going to the Fact Defaults section. If you set the default to save, you still have to identify the specific account(s) within each client.

A common practice is to set this feature to "spend" until retirement and then "save" during the retirement years. Excess cash flow can occur during retirement if RMDs are significant. This design allows excess RMDs to be reinvested while still creating a conservative plan during the accumulation years.

## SPECIAL DESTINATION ACCOUNTS FOR SALE OF CAPITAL ASSETS AND OPTIONS

For these situations it is recommended to use the Surplus Account feature specifically provided in the Buy-Sell Transaction and Stock Option areas. These will direct the net proceeds into the selected account before the end of year save/spend process is triggered. See Fig 3.

### Year-End Savings

Basic

#### Savings Schedule

How should year-end savings be handled for all years?

Save 100%

Leave in the Core Cash Account or direct to accounts specified in Savings Allocation, below.

Spend 100%

Savings will be cleared from the Core Cash Account at the end of each year.

[Customize Savings Schedule](#)

#### Savings Allocation

Savings will be directed to the following accounts:

Asset/Type	Current Value	Percent
Brokerage Account	\$537,815	100%
Taxable Investment		

Fig 1. Year End Saving/Spending Area

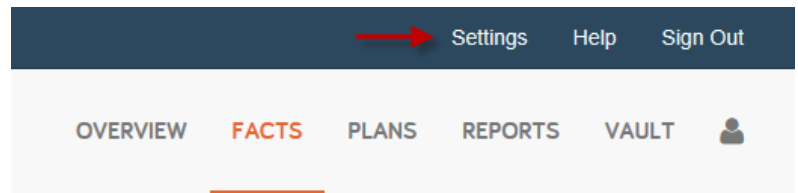


Fig 2. Settings link

Assets to Sell		Assets to Buy / Loans	
Home (Real Estate)		<input checked="" type="radio"/> Smaller Home (Real Estate)	
Amount:	\$957,238	Amount:	\$500,000
<b>Total Net Proceeds:</b>	<b>\$957,238</b>	<b>Total Net Cost:</b>	<b>\$500,000</b>
Deficit Account		Surplus Account	
In the event of a <b>shortage of funding</b> , draw additional funds from:		In the event of an <b>excess of funding</b> , deposit excess funds into:	
Default Liquidation Priority <input type="checkbox"/>		Brokerage Account (\$537,815) <input type="checkbox"/>	

Fig 3. Buy-Sell Transaction Area – Surplus Account