Compass Best Practice Techniques

Building Your Annual Budget

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How do we budget?

Volume	Pricing	Prepayments
Taxes	Dividends	Reports

VOLUME

Work in the PROJECTIONS tab only

- Start at Folder level and work inward

Forecast

- Detail larger accounts
- Quick edits are Manual
- Copy/Paste from Excel

Don’t neglect Future Years

PRICING

Rateworks.mdb

- Contains driver rates and models
- Shared by any plan in the same folder
- High & Low scenarios available for forecasting

Accounts

- Variable (Floating) accounts with floors/ceilings require a Driver Model
- Accounts with Modeled Rates show detailed income reaction to market changes

PREPAYMENTS

Apply Models where you experience prepayment behavior, i.e. long-term fixed		
Simple Monthly Percentages	Detailed Model showing changes	Callable Accounts should NOT use prepayment model

Do you have the prepayment utility tracker?

TAXES & DIVIDENDS

Taxes	Dividends
• Projections/Tax Information • Entered in Dollars	• Utilities/Options/Dividends • Entered in Thousands

REPORTS & CHARTS

Reports

- Chart of Accounts report to review account settings
- Assumption Reports for easy review
- Script report packages
- Export to Excel

Charts

- Double click columns in Projections Tab
- Double click accounts/ratios in reports
- Adjust properties in chart templates

Helpful Hints and Tips

- Always Compute!
- Save and save often
- Turn on Reinvest Net Income in Utilities/Options/Chart of Accts
- Use the Notes Tab for tracking
- Use High/Low Compute options for quick Market Rate change analysis
- Help Menu for Online User Guide & Tutorials
- Use the Checklist to regularly review assumptions
- Request a Plan Review from Plansmith

Locking the Budget

Compute to balance the forecast

Review reports or accounts to validate the numbers

Locking will move Projections to static Budget Tab

Archive your plan for a point-in-time copy

Thanks for attending!

Plansmith

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Questions?

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