

# PowerPay

## Power Save

July 2009



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## PowerSave Web site (Utah State University-Extension)



<https://powerpay.org>

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## Choose Montana

### Welcome to PowerPay 5.0!

Please Choose a State from the table below to Enter the site.

Alaska	Georgia	Maryland	New Hampshire	South Carolina	Wyoming
Alabama	Hawaii	Maine	New Jersey	South Dakota	--OTHER--
Arkansas	Iowa	Michigan	New Mexico	Tennessee	
Arizona	Idaho	Minnesota	Nevada	Texas	
California	Illinois	Missouri	New York	Utah	
Colorado	Indiana	Mississippi	Ohio	Virginia	
Connecticut	Kansas	Montana	Oklahoma	Vermont	
District of Columbia	Kentucky	North Carolina	Oregon	Washington	
Delaware	Louisiana	North Dakota	Pennsylvania	Wisconsin	
Florida	Massachusetts	Nebraska	Rhode Island	West Virginia	

## User Login

### Welcome to PowerPay 5.0!

Below are a few exciting features of PowerPay 5.0. Login to the right and start gaining control of your financial future today!

- **PowerPay:** How soon can I be out of debt?  
Eliminate debt faster by making power payments.
- **Spending Plan:** How much am I spending?  
Compare what you spend to that recommended by financial experts.
- **PowerSave:** How much am I saving?  
Project savings using the different PowerSave options.
- **Calculators:** How can I look at my finances quickly?  
Calculate house and transportation costs, emergency savings and more.
- **Education Center:** How can I learn more?  
View PowerPoint presentations, articles and fact sheets about various financial topics.

- If new member, click [New? Sign up now]

You must login before using PowerPay.

Username:

Password:

[Go!](#)

[Forgot Password?](#)

[New? Sign Up Now](#)

## Enter New User Information, Click Submit

### New User

First Name:

Last Name:

Email:

#### Login Information.

You may use any combination of letters and/or numbers. Your username and password must be at least 6 characters in length. Do not use special characters (\*, #, @, ect.) or spaces.

Username:

Password:

Retype Password:

#### Preferences

Language:   
 English  
 Espanol

By default PowerPay reports are displayed in a new browser window (i.e. pop up window) for easy comparison. If you do not want reports to appear in a new window, please indicate below.  
 Turn off pop up reports.

# PowerSave



- Project future value of savings
  - Compare different PowerSave options

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# PowerSave Options

1. Fixed savings payments
2. Invest a lump sum
3. Reach a savings goal
4. Withdraw for a specified time
5. Withdraw a specified amount



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# Click PowerSave Tab

PowerPay Spending **PowerSave** Calculators Education My P

Eliminate debt faster. *Investing power payments.*

### Profiles

Create a profile for a client or family member, or work with a new scenario for yourself without changing information.

Default Profile: Ker Hayes

**New Profile**

Name:

Email:

### My Information

First Name:

Last Name:

Email:

**Login Information.**

My account number is 12345678901234567890. My account and account number are 12345678901234567890.

PowerPay Spending PowerSave Calculators Education My Profile Español Es

Fixed Savings Payment Invest a Lump Sum Reach a Savings Goal Withdraw for a Specified Time Withdraw a Specified Amount Learn the Time Value of Money

As debt is eliminated, saving and investing become possible. PowerSave enables users to identify the steps to save or invest money.

**Fixed Savings Payment:** If I invest a regular amount at a fixed interest rate and period, how much will I earn?

**Invest a Lump Sum:** How much will I earn if I invest a lump sum now for a given time and interest rate?

**Reach a Savings Goal:** How much do I have to invest regularly at a fixed rate to reach a certain savings goal?

**Withdraw for a Specified Time:** How much can I regularly withdraw from a lump sum to last a specific amount of time?

**Withdraw a Specified Amount:** How much would a lump sum of money drawn down at regular intervals and amounts last?

**Learn the Time Value of Money:** What is an example demonstrating the time value of money?

# Fixed Savings Payment



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# Fixed Savings Payment

- Save regular amount at fixed interest rate & period:
  - How much will be earned?



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## Click on Fixed Savings Payment

Fixed Savings Payment | Invest a Lump Sum | Reach a Savings Goal | Withdraw for a Specified Time | Withdraw a Specified Amount | Learn

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## Saving Frequency

- Annually
- Semi-annually
- Quarterly
- Monthly
- Two weeks
- Weekly



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## Example: Save \$100 monthly, 10 years

Initial Balance (optional)	0
Deposit Amount	100
Frequency of Deposit	Monthly
Time Period (Years)	10
Time Period (Months)	0
Annual Interest Rate	5
Compounding Period	Daily
Estimated Inflation Rate	3.5

Calculate

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## Results: Save \$100 monthly, 10 years

Total Deposits	\$12000.00
Total Interest	\$3601.40
Ending Value	\$15601.40
Ending Value Adjusted for Inflation	\$12954.81

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The Power of saving and investing.

### Fixed Savings Payment

Enter the following information:

Initial Balance (optional)

Deposit Amount

Frequency of Deposit

Time Period  
years   
months

Annual Interest Rate

Compounding Period

Estimated Inflation Rate

Calculate

### Results

Total Deposits: \$12000.00  
Total Interest: \$3601.40  
Ending Value: \$15601.40  
Ending Value adjusted for inflation: \$12954.81

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## Fixed Savings Payment Summary

- Use when want to determine how much I'll have if I save a fixed amount at fixed interest rate for fixed time period.



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# Invest a Lump Sum



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# Invest a Lump Sum

- For a given time  
– Months/years
- Interest Rate
- How much will be earned?



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## Click Invest a Lump Sum

[Fixed Savings Payment](#) | [Invest a Lump Sum](#) | [Reach a Savings Goal](#) | [Withdraw for a Specified Time](#) | [Withdraw a Specified Amount](#) | [Learn](#)

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**Learn the Time Value of Money:** What is an example demonstrating the time value of money?

## Example: Invest \$2,000, 10 yrs

Deposit Amount	2000
Time Period (Years)	10
Time Period (Months)	0
Annual Interest Rate	3
Compounding Period	Daily
Estimated Inflation Rate	3.5

Calculate

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## Results: Invest \$2,000, 10 yrs 3% 3.5 Inflation

Total Interest	699.68
Ending Value	2699.68
Ending Value Adjusted for Inflation	1902.46

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### Invest a Lump Sum

Enter the following information:

Deposit Amount

Time Period  
years   
months

Annual Interest Rate

Compounding Period

Estimated Inflation Rate

Calculate



### Results

Total Interest: \$699.68  
Ending Value: \$2699.68  
Ending Value adjusted for inflation: \$1902.46

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## Invest a Lump Sum *Summary*

- How much will I have if I invest a lump sum for fixed period of time.



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## Reach a Savings Goal



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## Reach a Goal

- How much must be saved regularly at a fixed rate to reach savings goal?



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## Click Reach a Savings Goal

[Fixed Savings Payment](#) | [Invest a Lump Sum](#) | [Reach a Savings Goal](#) | [Withdraw for a Specified Time](#) | [Withdraw a Specified Amount](#) | [Learn More](#)

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**Learn the Time Value of Money:** What is an example demonstrating the time value of money?

### Example: Goal \$20,000 in 5 yrs

Initial Balance (optional)	0
Goal Amount	20000
Frequency of Deposit	Monthly
Time Period (Years)	5
Time Period (Months)	0
Annual Interest Rate	3
Compounding Period	Daily
Estimate Inflation Rate	3.8

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Calculate

### Results: Goal \$20,000 in 5 yrs

Amount to save monthly to reach goal	\$308.57
Goal amount adjusted for inflation	\$16544.15
Goal amount adjusted to match the today's value adjusted for inflation	\$24099.98
Amount to save monthly to reach goal amount matching today's value	\$340.16

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**Reach a Savings Goal**

Enter the following information:

Initial Balance (optional)

Goal Amount

Frequency of Deposit

Time Period  
 years   
 months

Annual Interest Rate

Compounding Period

Estimated Inflation Rate

**Results**

Amount to save to reach goal: \$308.57  
 Goal amount adjusted for inflation: \$16544.15  
 Goal amount adjusted to match the todays value adjusted for inflation: \$24099.98  
 Amount to save to reach goal amount matching todays value: \$340.16

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## Reach a Savings Goal Summary

- How much must I save regularly at fixed rate to reach my savings goal?



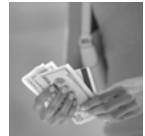
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## Withdraw for a specified time



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## Withdraw for a specified time



- How much can I withdraw from a lump sum if I want it to last a specific amount of time?

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## Click Withdraw for a Specified Time

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**Learn the Time Value of Money:** What is an example demonstrating the time value of money?

## Example: Withdraw for a Specified Time

Initial Amount	100000
Frequency of Withdrawal	Monthly
Time Period Years	25
Time Period Month	0
Annual Interest Rate	3
Compounding Period	Daily
Estimated Inflation Rate	3.8

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## Results: Withdraw for a Specified Time

<b>Withdraw Amount</b>	<b>\$473.22</b>
<b>Last payment value adjusted for inflation</b>	<b>\$183.29</b>

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### Withdraw for a Specified Time

**Enter the following information:**

Initial Amount

Frequency of Withdrawal

Time Period  
 years   
 months

Annual Interest Rate

Compounding Period

Estimated Inflation Rate

---

#### Results

Withdraw amount: \$473.22  
 Last payment value adjusted for inflation: \$183.29

Screen Example

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## Withdraw for a Specified Time Summary

- How much can I withdraw from a lump sum if I want it to last a specific amount of time?



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## Withdraw a specified amount



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## Withdraw a Specified Amount

- How long would a lump sum of money drawn down at regular intervals and amounts last?



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## Click Withdraw a Specified Amount

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 [Invest a Lump Sum](#) | 
 [Reach a Savings Goal](#) | 
 [Withdraw for a Specified Time](#) | 
 [Withdraw a Specified Amount](#) | 
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## Retirement Monthly Income

Age	Monthly	Yearly
55 – 64	\$4,232	\$50,789
65 – 74	\$3,413	\$40,960
75 +	\$2,409	\$28,904



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## Example: Withdraw a Specified Amount

Initial Amount	100000
Annual Interest Rate	6
Compounding Period	Daily
Estimate Inflation Rate	3.8
Monthly Income Needed	4232

Calculate

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## Withdraw a Specified Amount Results

Monthly income will last	2 years 1 month
Last payment value adjusted for inflation	\$3893.14

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**Withdraw a Specified Amount**

Enter the following information:

Initial Amount

Annual Interest Rate

Compounding Period

Estimated Inflation Rate

Monthly income needed:

Calculate

**Screen Example**

**Results**

Your monthly income will last this long: 2 years 1 months  
Last payment value adjusted for inflation: \$3893.14

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## Withdraw a Specified Amount Summary



- If I withdraw a certain amount from a lump sum, how long will it last?

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## PowerSave



- Project future value of savings
  - Compare different PowerSave options

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## PowerPay *Power Save*

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