

SINKING FUNDS WORKSHEET

www.HassleFreeSavings.com

N/W	ITEM	GOAL/DUE	AMT	CAP	AMT/MO

WANTS

NEEDS

TOTAL =



WORKSHEET DEFINITIONS

What is a Sinking Fund?

A sinking fund is a way to budget for items you don't necessarily purchase each month but want to be sure to budget for so you have the money when the time comes to pay for something or spend from that category.

W/N = Classify items as wants or needs

Want = Charge that isn't guaranteed to happen or that you could do without if you absolutely had to. If you have a true emergency come up (i.e. job loss, major medical, etc) these items could be completely eliminated.

Need = No matter what, you are going to have to pay for this.

Goal / Due = When is this item due?

Do you need this money by a specific date? If so put that date in this column and in parenthesis the # of months. There are two scenarios 1) Did you have room in the budget this month? If so, include this month. 2) Are you going to start saving for this category next month? If so reduce # of months by 1.

Ex) 1000 Christmas fund by December 15. Current date = Apr 19. If current months income does not allow for saving in this category do (8) which means May - Dec you will budget. If you have enough in April's budget to cover this item do (9).

Amt = The known amount.

Ex) You know your car insurance is 123.64 due on 06/18 and every month thereafter

Cap = The maximum amount for this fund.

For items with a specific amount, this doesn't apply. You know what you need to pay. For items with variable or undetermined amounts set a cap. This is the maximum you want to save in this category. It is OK for some categories to have no cap i.e. down payment savings. Other categories it makes sense to budget a max (i.e. Christmas savings)

Amt / Mo = Amount per Month

There are three possible ways to calculate this value:

1) Amt Due / # mo = Amount per Month

i.e. Amt Due = \$125 #months left until bill due = (5)

Amt due / mo = $\$125 / 5 = \15

2) Cap / # mo you think is reasonable = Amount per month

i.e. Down Payment fund might be 5 year goal at \$30k.

$\$30k / 5 \text{ yrs} = \$6k / \text{yr. } \$6k / 12 = \$500 / \text{mo}$

3) \$ you want to put in fund each month

Lets say you want to save for a new couch that is \$800 and you think you can afford \$20 / month. Put in the \$20. Save more when you can but otherwise, the fund will reach \$800 when it reaches \$800.

POSSIBLE CATEGORIES

These are just some ideas of categories that could be considered "Sinking Funds"

- Amazon Prime
- Back 2 School
- Books
- Car Insurance
- Car Repairs
- Christmas
- College Fund
- Crafting
- Decor
- Domain Registration
- Emergency Fund
- Fully Funded
Emergency Fund
(FFEF)
- Gifts
- Health Insurance (co-
pays, medicine, etc)
- HOA Fees
- Home Maintenance
- Hosting
- House Downpayment
- Legal
- Liability Insurance
- Life Insurance
(annual)
- New Car
- New Computer
- New Roof
- Propane
- Property Taxes
- Renters Insurance
- Vacation / Travel
- Vehicle Maintenance
- Vehicle Registration