



THE GOATED PLANNER

the greatest planners of all time

Build a Sinking Fund in 20 Minutes (And Never Fear December Again)

December isn't expensive because you overspent. It's expensive because twelve months of costs all arrive in the same four weeks — gifts, travel, food, the tree, the tips, the parties. None of it is a surprise. It happens every single year, on the same date. And anything that predictable can be planned for.

That's what a sinking fund is for.

What a Sinking Fund Actually Is

A sinking fund is a small, dedicated savings bucket for one known future expense. Not your emergency fund — that's for the *unexpected*. A sinking fund is for the expected-but-lumpy costs that wreck budgets by arriving all at once: Christmas, annual insurance premiums, car registration, back-to-school, birthdays, vacations, property taxes, the subscription that renews every June.

Instead of absorbing a \$600 December in December, you "sink" a small amount into the category every month, so when the bill arrives, the money is already sitting there with its name on it.

Step 1: Pick Your Categories (5 Minutes)

Write down every expense you know is coming in the next 12 months that isn't monthly. Most households land on four to six:

- Christmas & holidays
- Car insurance / registration
- Birthdays
- Back-to-school
- Annual subscriptions & renewals
- Vacation

That's your list. Don't overthink it — you can add categories later.

Step 2: Do the Math (5 Minutes)

One formula, no spreadsheet degree required:

Monthly amount = Target ÷ Months remaining until you need it

Worked example: Christmas gifts and hosting, \$600 target, starting in February — that's 10 months until December.

\$600 ÷ 10 months = \$60/month.

Sixty dollars a month, moved quietly, and December becomes a paid-for event instead of a credit-card season. Starting later just changes the divisor — \$600 ÷ 6 months = \$100/month — which is exactly why starting now beats starting in October.

□ *Want the math done for you on paper? The free Weekly Budget Snapshot includes a simple planning page you can print and fill in by hand: [Get the free Snapshot](#)*

Step 3: Decide Where It Lives (5 Minutes)

Three workable options, in order of reliability:

1. **A separate savings account** — out of sight, out of spending range. Best if willpower around a growing balance is a concern.
2. **Sub-accounts / vaults / buckets** — many banks and apps let you split one account into named buckets ("Christmas," "Car Stuff"). Best balance of simple and visible.
3. **A tracked category inside your regular savings** — works if, and only if, you track the balance per category somewhere. Untracked "mental buckets" are how sinking funds quietly become vacation money.

Whichever you choose, the category needs a *number somewhere* — a balance you can look at that says exactly how much of that account belongs to December.

Step 4: Automate the Transfer (5 Minutes)

Set an automatic transfer for the day after payday, for the monthly amount, into wherever the fund lives. Twenty minutes of setup, and from here the system runs itself: the money moves before you can spend it, the balance grows without willpower, and the category is funded before it's needed.

Then, when December comes, you spend from the fund — guilt-free, because this money had one job.

When You're Ready to Track It Properly

A notebook works. A note in your phone works. But once you have four or five categories at different targets and dates, a dedicated tracker earns its keep — one page per category, contributions logged, progress toward each target visible at a glance.

The shop's **Sinking Funds Tracker** was built for exactly that: set the target and the date, log each contribution, and watch every category fill. Find it in the shop on Etsy (search **TheGoatedPlanner**) or on Gumroad at thegoatedplanner.gumroad.com.

And if you haven't yet, start with the free one: the **Weekly Budget Snapshot** is a free printable from The Goated Planner — twenty minutes, one page, and December stops being scary.

A note about the products mentioned in this post:

This digital product has been created with the assistance of AI Tools, then refined by me, the seller