

HOW MUCH DO I NEED FOR EMERGENCIES?

Date: June 5, 2025



INTRODUCTION

It is prudent planning to have at least three to six months of liquid/cash assets set aside in the event of a loss of job, medical emergency, short-term disability, etc. Use this calculator to help determine how much you need to set aside monthly or as a lump sum to create an emergency fund.

SUMMARY OF INPUT

Current gross monthly income	\$5,000
Current emergency funds available	\$0
Number of months for funds to last	6
Before tax return on savings	8.00%
Marginal tax bracket	22.00%
Number of months to accumulate funds	36
Total monthly living expenses, if plan to itemize below then leave at 0.	\$0
Mortgage payment or rent	\$950
Vacation home (mortgage)	\$0
Automobile loan(s)	\$0
Personal loan(s)	\$150
Charge accounts	\$0
Federal income taxes	\$0
State income taxes	\$0
FICA (social security taxes)	\$0
Real estate taxes	\$0
Other taxes	\$0
Utilities	\$600
Household repairs and maintenance	\$50
Food	\$400
Clothing and laundry	\$100
Educational expenses	\$0
Child care	\$0
Automobile expenses (gas, repairs, etc.)	\$400
Other transportation expenses	\$0
Life insurance premiums	\$0
Homeowners (renters) insurance	\$30
Automobile insurance	\$52
Medical, dental and disability insurance	\$0
Entertainment and dining	\$0
Recreation and travel	\$0
Club dues	\$0
Hobbies	\$20
Gifts	\$20
Major home improvements and furnishings	\$0
Professional services	\$20
Charitable contributions	\$0
Other and miscellaneous expenses	\$100

This information may help you analyze your financial needs. It is based on information and assumptions provided by you regarding your goals, expectations and financial situation. The calculations do not infer that the company assumes any fiduciary duties. The calculations provided should not be construed as financial, legal or tax advice. In addition, such information should not be relied upon as the only source of information. This information is supplied from sources we believe to be reliable but we cannot guarantee its accuracy. Hypothetical illustrations may provide historical or current performance information. Past performance does not guarantee nor indicate future results.

ANALYSIS

Based on the assumptions you entered, you may be able to fund your desired emergency fund by adding a single lump sum of \$14,397 or by saving \$437 per month for the next 36 months.

Emergency fund analysis

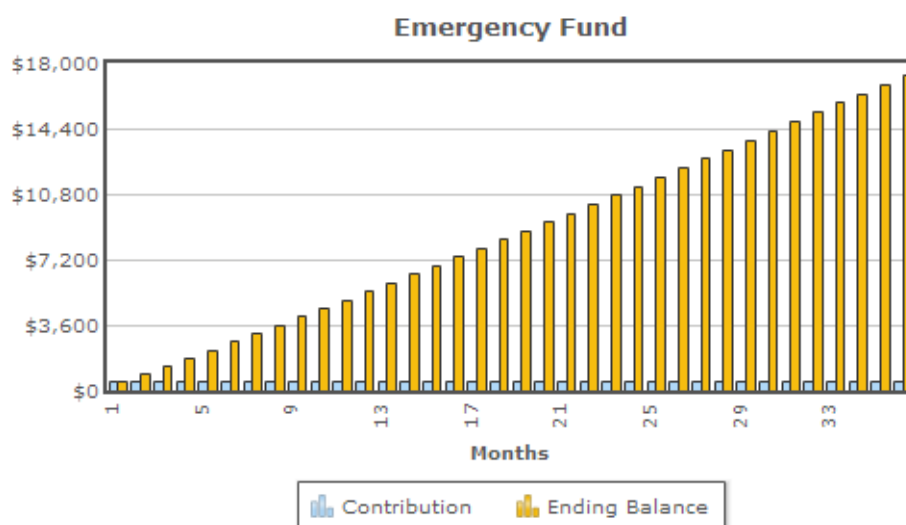
Total monthly living expenses \$2,892
 x Number of months 6
 = Emergency fund needed \$17,352
 - Emergency fund (cash) available \$0
 = Emergency fund shortfall/(surplus) \$17,352

Recommended savings

Lump sum needed to fund shortfall/(surplus) \$14,397
 OR
 Monthly savings needed to fund shortfall/(surplus) \$437
 Monthly cash available for savings \$2,108

Ratio analysis

Living expenses/earned income 57.8%
 Recommended savings/earned income 8.7%



Month	Beginning Balance	Contribution	Earnings	Ending Balance
1	\$0	\$437	\$2	\$440
2	440	437	5	881
3	881	437	7	1,325

This information may help you analyze your financial needs. It is based on information and assumptions provided by you regarding your goals, expectations and financial situation. The calculations do not infer that the company assumes any fiduciary duties. The calculations provided should not be construed as financial, legal or tax advice. In addition, such information should not be relied upon as the only source of information. This information is supplied from sources we believe to be reliable but we cannot guarantee its accuracy. Hypothetical illustrations may provide historical or current performance information. Past performance does not guarantee nor indicate future results.

4	1,325	437	9	1,772
5	1,772	437	11	2,221
6	2,221	437	14	2,672
7	2,672	437	16	3,125
8	3,125	437	19	3,581
9	3,581	437	21	4,039
10	4,039	437	23	4,500
11	4,500	437	26	4,963
12	4,963	437	28	5,428
13	5,428	437	30	5,896
14	5,896	437	33	6,366
15	6,366	437	35	6,839
16	6,839	437	38	7,314
17	7,314	437	40	7,791
18	7,791	437	43	8,271
19	8,271	437	45	8,754
20	8,754	437	48	9,239
21	9,239	437	50	9,727
22	9,727	437	53	10,217
23	10,217	437	55	10,709
24	10,709	437	58	11,205
25	11,205	437	61	11,702
26	11,702	437	63	12,203
27	12,203	437	66	12,706
28	12,706	437	68	13,211
29	13,211	437	71	13,720
30	13,720	437	74	14,230
31	14,230	437	76	14,744
32	14,744	437	79	15,260
33	15,260	437	82	15,779
34	15,779	437	84	16,301
35	16,301	437	87	16,825
36	\$16,825	\$437	\$90	\$17,352

This information may help you analyze your financial needs. It is based on information and assumptions provided by you regarding your goals, expectations and financial situation. The calculations do not infer that the company assumes any fiduciary duties. The calculations provided should not be construed as financial, legal or tax advice. In addition, such information should not be relied upon as the only source of information. This information is supplied from sources we believe to be reliable but we cannot guarantee its accuracy. Hypothetical illustrations may provide historical or current performance information. Past performance does not guarantee nor indicate future results.
