

**CONTINUING RESOLUTION**  
**St. Luke's Lutheran Church**  
**Sacramento, CA**

**Number:** CR-2014-1  
**Title:** Reserve Fund  
**Board/Committee:** Finance Board  
**Effective Date:** March 18, 2014  
**Voided Date:**

**References:** Constitution – C5.03(e) & (g), C12.05; Bylaws – B12.04.01(e), B12.05.01(f), B13.18.08(d); Continuing Resolution – CR-2000-1.

**RESOLUTION:** A Reserve Fund shall be established, maintained, and administered as outlined in this resolution.

**Definitions:**

- Reserve Fund: A special fund created to meet “emergency situations” as provided for in section C12.05(c) of the Constitution.
- Emergency Situation: An unforeseen situation that must be remedied (corrected, repaired, fixed, etc.) immediately, and such remedy cannot be delayed until the next budget cycle without a critical, adverse effect on the operations and/or programs of the church.

**Procedures:**

1. The Reserve Fund shall be a “Special Fund”, as provided for in Continuing Resolution, CR-2000-1, “Special Funds, Definition & Procedures” and shall be established (with designated funds), maintained, and accounted for as specified in CR-2000-1.
2. Reserve Fund monies shall be expended only for needs that are required to resolve a declared emergency situation.
3. The Finance Board shall manage the Reserve Fund and, in cooperation with the Executive Board, recommend expenditures from the Reserve Fund to the Congregational Council.
4. The Congregational Council shall strive, at all times, to maintain the Reserve Fund account at a level of at least \$25,000, but not greater than \$40,000. The Reserve Fund level shall be reviewed at least annually by the Congregational Council. When the level falls below the minimum, the Council shall take action to identify sources for replenishing the Reserve Fund to the minimum level.
5. The Reserve Fund balance, as of December 1, shall be reported to the congregation in note on the annual budget.
6. The Reserve Fund is **not** a substitute for proper planning. If a critical appliance, device, or other item is becoming obsolete, functioning poorly, or requiring excessive maintenance, a replacement should be planned and budgeted during the normal, annual budget preparation and adoption cycle.

**APPROVED:**

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*Signature of Church Secretary (officer)*      *Date Approved*

**VOIDED:**

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*Signature of Church Secretary (officer)*      *Date Voided*