**Background for Carver’s Proposed Capital Reserve**

**Carver Capital Planning Overview:**

* In recent years, Carver has invested in major maintenance and capital improvement projects including boiler replacement, kitchen enhancements, laptop purchases, and IT upgrades totaling ~$1.5M in spending since 2022.
* Given the roof and façade replacement and parking lot pavement plus other projects expected to follow in the next several years, proactive financial planning is needed to address both planned as well as potential emergency repairs and capital improvements.
* In the last several years, Carver has been investing **surplus funds into treasury bills** and as of May 2025, those investments are valued at **~ $654,000**.
* According to Financial Policy, **surplus funds can be set up as a reserve dedicated to capital improvements** if approved by the Executive Committee of the board.
* Based on the preliminary 2026 fiscal year capital plan, the Finance Committee on Weds May 28th approved the capital reserve of **$500,000** as a source for major planned capital improvement projects, such as the roof replacement and parking lot paving projects.
* Other sources of funding if needed are the $400,000 board designated funds invested at Vanguard and a $500,000 lined of credit.

**Resolution Proposed to Board Members:**

* Anne Bradner and the Carver Finance Committee have proposed a board resolution to reserve **$500,000** currently invested in treasury bills for capital. In other words, the funds will stay invested and be held in a capital reserve.

**Resolution of the Board of Directors of the Carver Center**

*Whereas the Carver Center, a New York not-for-profit organization (“Carver”), has been building reserves from surplus funds which now total just over $650,000.*

*Whereas Anne Bradner and the Finance Committee recommend that surplus funds would best be utilized at this time as a reserve set aside for the capital needs of the building and property*

*The Board hereby* ***RESOLVES*** *as follows:*

1. *The Board authorizes $500,000 in surplus funds to be designated as a capital reserve; and*
2. *The Board directs Anne Bradner, as CEO, to accept this Board designated reserve for investment in building and property maintenance and capital improvements*

Dated: June 4, 2025

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Jill Maitland

Secretary of the Board