

Stewardship Simplified: Bucket Funds by Time Horizons



	Risk/Reward Desired	Notes
General Operating	None	- Cash in / Cash out - Held in checking
Operating Reserves & Imminent Capital Exp. – <1 Year	Little to None	3-6 months for large parishes; Up to 12 months for smaller parishes - Based on offertory stability, possible ‘excess’ layer of cash reserves for financial stability, liquidity
Capital Reserves – 1-5 Years	Low to Medium	Reserve investment portfolio orientation to hold non-endowed funds as a backstop, earn additional income. - Potential avenues range from bond-only vehicles to ‘balanced’ investment funds
Long Term Savings & Endowments – 3-5 Years+	High	- Emphasize long-term growth and real value of assets, as well as annual spending Recommend considering fully invested portfolios, with a growth objective, for these types of funds.