



Title: Reserves
Number: CP2025-13
Effective Date: December 15, 2025
Responsible Business Unit: Finance

1. PURPOSE

- 1.1 The purpose of this policy is to promote good governance, accountability and transparency in the use of reserve funds for The City of Calgary (the City).
- 1.2 This policy directs reserve funds to be included in The City's multi-year business planning and budgeting process.
- 1.3 This Council policy specifies requirements for City Administration to report to Council on the use of reserve funds with the established quarterly and annual financial reporting submissions.
- 1.4 This Council policy supports the following goals:
 - a) Ensure reserve funds are prioritized and strategically aligned with Council directions and plans;
 - b) Enable a wholistic view of resources available and allocated to Council's strategic priorities;
 - c) Provide timely reporting to support appropriate governance and oversight of reserve funds and risk mitigation plans as unexpected events arise;
 - d) Support a coordinated and collaborative approach to effective resource usage across The City to better meet sustainability needs over the longer term; and
 - e) Reduce complexity and cost of administration of reserve funds where possible by streamlining reserve fund planning, budgeting and reporting and integrating into existing practices.

2. APPLICABILITY

- 2.1 This Council policy applies to members of Council and to City Administration.

3. POLICY STATEMENT

- 3.1 The City of Calgary will use this policy to outline and clarify the roles of Council and City Administration related to the planning and budgeting, reporting and ongoing management of reserve funds.

4. ROLES AND RESPONSIBILITIES

- 4.1 Council is responsible for approving the total Department Operating and/or Capital Budgets that are to include the planned use of and allocation of financial resources to reserve funds.
- 4.2 City Administration is responsible for:
- a) Informing Council and the public about the actual use and projected balance of reserve funds as a component of quarterly reports provided to the Executive Committee;
 - b) Reporting reserves information annually to:
 - i. Executive Committee as an annual report accompanying the Executive Leadership Team's Summary of Activity report; and
 - ii. Audit Committee and to Council in the Notes to the Financial Statements section of the Annual Financial Report.

5. DEFINITIONS

- 5.1 In this Council policy:
- a) **City Administration** means the Chief Administrative Officer of The City or an employee accountable to the Chief Administrative Officer;
 - b) **Capital Budget** means the aggregate budget for The City's approved capital expenditures for all approved years, including the current year portion for those relating to all approved multi-year capital project budgets;
 - c) **City** or **The City** means The City of Calgary;
 - d) **Department** means a subset of The City that is dedicated to developing and implementing a distinct service or set of responsibilities and is led by a Department Head;
 - e) **Department Head** means any General Manager, Chief, Commission or Board that oversees a Department;
 - f) **Executive Leadership Team** means the team of most senior administrative officials of The City that exists to understand, make decisions about, and co-ordinate the various programs, projects and initiatives that have broad corporate scope and influence to balance priorities in the best interests of the city community as a whole;
 - g) **Multi-year** means all years for which Council has approved a budget or plan;
 - h) **Operating Budget** means items of revenue, recoveries and expenditures pertaining to The City's ongoing day-to-day operations, which budget is generally exhausted within one year; and
 - i) **Reserve** means funds authorized by the Executive Leadership Team to be set aside for funding of future expenditures.

6. ASSOCIATED GOVERNANCE

6.1 This policy aligns with the *Multi-Year Business Planning and Budgeting policy* and the *Budget Spend Authorization and Delegation policy*.

7. HISTORY

Action	Date	Approval	Description
Amendment	2026 Jan 27	EC2026-0023	Changed to reflect Council direction given at Council meetings on December 3, 2025 and December 9, 2025.
Minor Revision	2016 Nov 03	Bylaw 44M2006 Bylaw 60M2011	Minor revisions to reflect: <ul style="list-style-type: none">• Change from Standing Policy Committee on Finance and Corporate Services (SPC on FCS) to Priorities and Finance Committee (PFC) (Procedure Bylaw 44M2006, as amended by Bylaw 60M2011).• Name change from Reserves Report to the Annual Reserves Report.
New	2010 Dec 06	FCS2010-25	New policy replaces FB98-27 that was approved by Council May 5, 1998