

Governance Policy G-12 Reserve Funds Policy

Policy Purpose

The Reserve Funds Policy ensures that the Calgary Metropolitan Region Board retains enough reserves in its accounts to fund core operating expenses for a six-month period.

Scope

This policy applies to all CMRB budgeting and banking activities.

Policy

The Calgary Metropolitan Region Board shall, in each budget year, determine a reserve fund minimum, below which reserves funds are not allowed to fall. The reserve fund minimum will represent six (6) months of the average of budgeted core operating expenses for the current fiscal year and the upcoming fiscal year.

Core expenses are Staffing, Lease, Office Operation, Meeting and Travel Expenses.

The reserve fund minimum shall be calculated as follows:

Fifty (50) percent of the Average of Current Fiscal Year Budgeted Core Expenses and Upcoming Fiscal Year Budgeted Core Expenses.

This figure will be reported in budget documents for review by the Governance Committee and approval by Board.

Effective Date

This policy was passed at the January 29, 2021 Board Meeting.



Christopher Sheard
Chair



Date