



## CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

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**SUBMITTER:** John Connet, City Manager      **MEETING DATE:** 2/12/2025  
**AGENDA SECTION:** NEW BUSINESS      **DEPARTMENT:** Administration  
**TITLE OF ITEM:** Fund Balance Restoration Plan and City Management Response to Local Government Commission – *John Connet, City Manager*

**SUGGESTED MOTION(S):**

NA

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**SUMMARY:**

In accordance with the City's Fund Balance Policy, if the City's unrestricted fund balance drops below 25% of expenditures the City Manager must provide a financial plan to increase fund balance above the 25% threshold. The City's fund dropped to 23.8% at the end of FY 2023-24. Therefore, I will provide a financial plan to bring our fund balance above the 25% threshold. This plan will be also be provided to the North Carolina Local Government Commission.

**BUDGET IMPACT:** \$ TBD

**Is this expenditure approved in the current fiscal year budget?** NA

**If no, describe how it will be funded.** NA

**ATTACHMENTS:**