



## CITY COUNCIL MEMORANDUM

**FROM:** The Office of the City Manager   **DATE:** February 10, 2025

**SUBJECT:** Discuss Proposed Fund Balance Policy

**PRESENTER:** Jay Patel, Director of Finance

### **SUMMARY:**

The City of North Richland Hills is proposing a fund balance policy to create a comprehensive framework that aligns with our city's unique operational needs and supports our long-term strategic planning efforts. This policy aims to enhance our financial stability, improve risk management, steward the public's money well, and ensure the continued delivery of high-quality services to our community.

This policy will serve as an essential tool in maintaining our city's fiscal health, securing favorable bond ratings, and providing a buffer against economic uncertainties. It aligns with best practices recommended by the Government Finance Officers Association (GFOA) while tailoring these guidelines to the specific needs of North Richland Hills. By adopting this comprehensive fund balance policy, we aim to strengthen our financial planning processes, enhance transparency, and ensure the long-term sustainability of our city's operations. Staff will provide an overview of the proposed policy changes.