



THE TOWN OF
BOILING SPRINGS
NORTH CAROLINA

January 9, 2023

The Local Government Commission
North Carolina Department of State Treasurer
3200 Atlantic Avenue
Raleigh, North Carolina 27604

Re: Town of Boiling Springs' response to the Financial Performance Indicators of Concern (FPIC)

State and Local Government Finance Division Staff:

The Town Council of the Town of Boiling Springs is aware that the fund balance available for appropriation fell slightly below the minimum threshold in the audited financial statements for June 30, 2022. This was the result of a couple of appropriations the Town made from fund balance. One appropriation was to replace a dump truck (\$74,000) for the Town's sanitation department. The dump truck to be replaced was purchased used 20 years ago. To properly serve our citizens, Council determined that a new truck was needed. The Town also appropriated \$164,000 for preliminary engineering work for improvements to our downtown area. Council views this expense as an investment that will eventually increase our property values and attract businesses and future residents to our town. These are not annual expenses, and fund balance was not appropriated to pay for operating expenses.

All other performance indicators are healthy, and the Town's fund balance available for appropriation was only .13% below the threshold. The Town raised the garbage rates for our approximately 1,800 customers by \$1 per can per month and did not appropriate any fund balance in its 2022-2023 operating budget. We feel this FPIC is temporary, and there will be no FPIC finding for the 2022-2023 fiscal year.

Sincerely,

Town of Boiling Springs

Mayor Daniel Thomas

Mayor Pro-Tempore Patrick Litton

Councilmember Caleb Edwards

Councilmember Tonya Gantt

Councilmember Tommy Greene

Councilmember Marty Thomas

Justin Longino, Town Manager

Rhonda Allen, CPA, Finance Director