

Quick Assessment FY 2025 Audit

The 2024-2025 drafted fiscal year audit was presented at the May 12, 2026 regular BOC meeting. The audit was an unmodified audit which means that it was a clean audit. An unmodified audit opinion under GASB standards (issued by the Governmental Accounting Standards Board) is a "clean" or unqualified opinion. It means the government's financial statements are presented fairly and conform, in all material respects, to Generally Accepted Accounting Principles (GAAP). When an independent auditor issues an unmodified opinion it means that the financial records accurately adhere to GAAP as established by the GASB, the numbers presented are free from major errors or fraud, and all necessary disclosures and financial statements are included and properly formulated.

There were a few findings in the audit relating to late submittal of the audit, budget, and fund balance deficits. The city is handling these immediately and expecting these findings to be cleared with the FY 2025-2026 audit report.

The City of Boiling Spring Lakes is on a financial trend since FY 2023-2024. With the FY 2024 -2025 audit, it was shown that the city made huge strides to improve their financial position.

	FY 2025	FY 2024
Total Fund Balance – General Fund	\$5,666,413	\$4,563,045
Unassigned Fund Balance	\$3,269,382	\$352,687
Unassigned Fund Balance as % of General Fund Expenditures	48.82%	6.22%

When comparing FY 2024 to FY 2025 audit, the city had an increase in total General Fund – Fund Balance of \$1,103,368. This is an approximate 19.47% increase from FY 2024 audited statements.

Unassigned Fund Balance, which is the balance that the city is able to utilize with BOC approval, has increased significantly. The total increase was \$2,916,695 and it resulted in the city's General Fund- Fund Balance percentage to increase by 42.60%. This has been the largest amount seen in years for the City.

The city financials are healthy and continues to trend upward.