BUDGET MESSAGE

Foxfire Village, North Carolina
Fiscal Year 2026-2027

The FY 2026-2027 Village budget has been prepared in accordance with NC G.S. 159 and in compliance with the NC Local Government Fiscal Control Act. It is presented for the Council's consideration.

The FY 2026-2027 budget being presented is balanced. For both the Village General Fund and Water Fund the projected expenses are equal to the projected revenues.

The Village property tax rate for FY 2026-2027 will remain unchanged at 29 cents per $100.00 of property value.

Other Information

- The Village will continue to use First Bank and North Carolina Capital Management Trust for its banking needs. These depository accounts are maintained for General Fund and Water Fund monies.
- The annual audit of Foxfire Village is contracted to be performed by Thompson, Price, Adams, Scott & Co., P.A, 1626 South Madison St, Whiteville, NC 28472.
- The Village continues to operate debt free.
- Council member Mary Gilroy remains as the designated Finance Officer and Budget Officer for FY 2026-2027.

General Fund Expenses

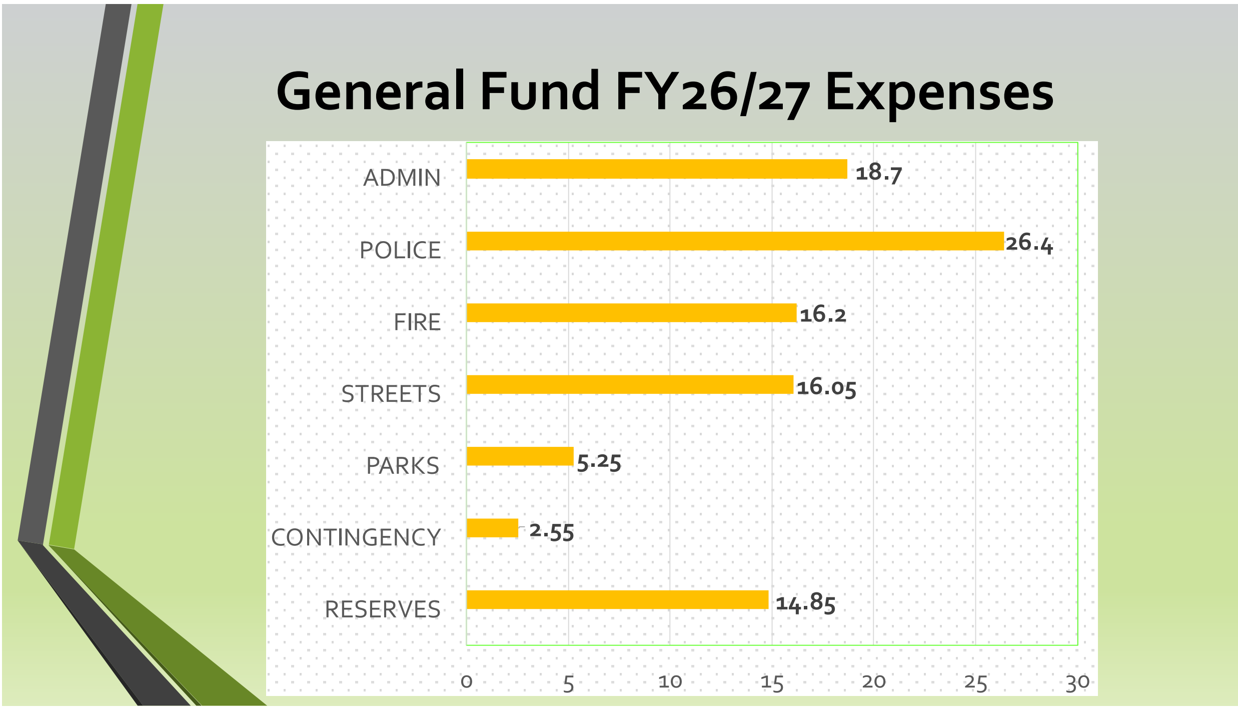
General Fund FY26/27 Expenses By Amount

- Admin $371,850
- Police $524,600
- Fire $321,900
- Streets $318,800
- Parks $104,550
- Contingency $50,500

Reserves $295,000

-- Police Vehicle $30,000
-- Public Safety $15,000
-- Streets $125,000
--Separation Allowance $15,000
-- Recreational Reserve $35,000
-- Employee Compensation $25,000
-- Maintenance Reserve $50,000

TOTAL EXPENSES $1,987,200



Administration

- Slight increase in Admin expenses from FY26/27 of 6% primarily due to the addition of IT Services as a part-time contract position.

Police and Fire

- Increase in police expenses from FY26/27 of 15% due to primarily to salary and benefits increases and a new police vehicle.
- For FY26/27 Foxfire Village has agreed to pay WEFRD the Moore County fire tax rate of 8.75%. We believe this is the best way to ensure continuous uninterrupted fire service from year to year. For FY26/27 we will pay WERFD $321,900.

Streets and Roads

- The paving project for this year is Forest Lake Drive which is scheduled for late June into early July.
- The estimate is about $20,000 lower than originally negotiated giving some flexibility to do other minor road repairs

Park

- FY26/27 has an increase in funding of 40%. Funds are budgeted for a disc golf course, new pickleball fence, dog waste station and increased planned maintenance. Additionally, expenses assigned to the pool, i.e. mowing, internet service, utilities, landscaping, etc., have been transferred to the park, along with the Rick Rhyne Memorial.

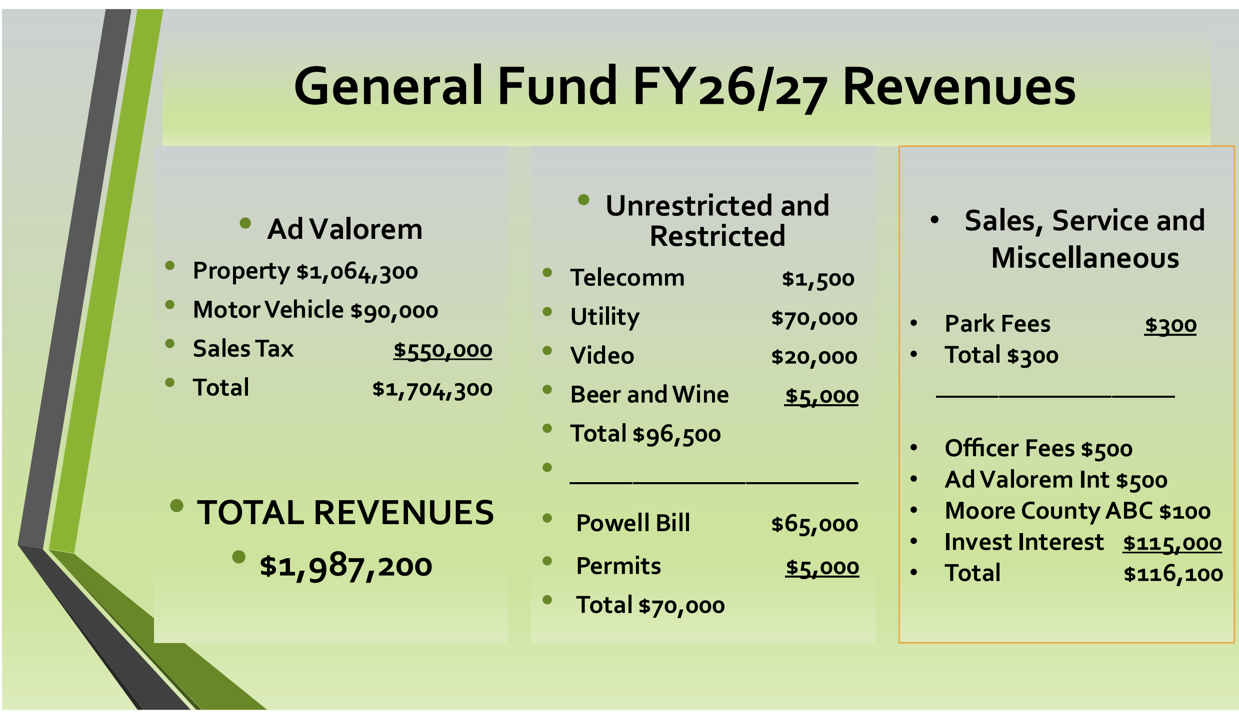
Pool

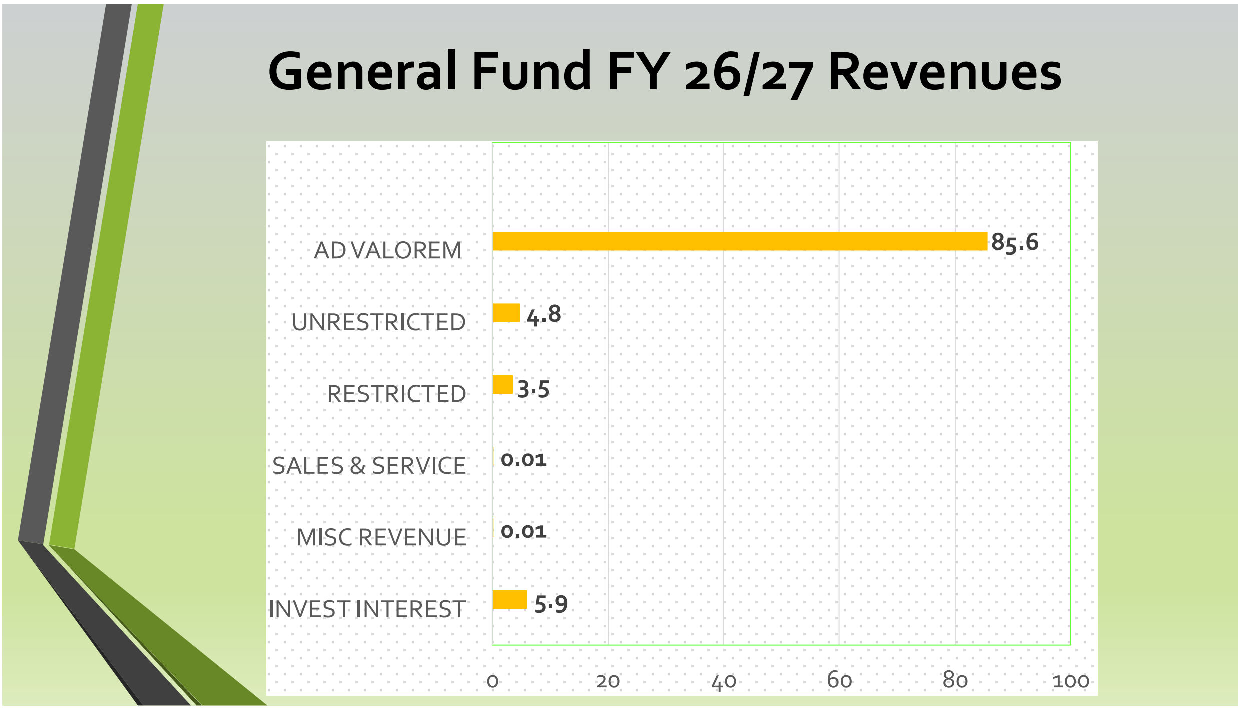
- Funds are not budgeted in FY26/27. Any expenses would require a budget amendment.

Reserve and Contingency Funding

• Police Reserve	$30,000
• Public Safety Reserve	$15,000
• Street Reserve	$125,000
• Separation Allowance	$15,000
• Recreational Reserve (formerly Pool Reserve)	$35,000
• Employee Compensation Reserve	$25,000
• Maintenance Reserve (New)	$50,000
• Contingency	$50,500

General Fund Revenues





Real Property and Motor Vehicle Taxes

- The property valuation of $366,995,154 used in this budget is based on estimates provided by the Moore County Tax Department. This is an increase over the FY26/27 valuation of $23,695,154 and generates an additional $68,715 of projected revenue.
- Based on past experience, the budget assumes a collection rate of 99%.
- Revenue generated by real property and motor vehicle tax is estimated to be $1,154,300 or 58% of general fund revenue.

Local Option Sales Tax

- Sales tax revenue is estimated at 28% of the budget or $550,000. The FY26/27 projection is $95,000 higher than FY25/26 and was based on a review of revenue generated from 2020 to date.

Unrestricted Intergovernmental

- Telecommunications is estimated at the current amount of $1,500.
- Utility Franchise is increased in FY26/27 to $60,000. The utility franchise tax is assessed as a percentage of the utility's taxable gross receipts. These funds are weather sensitive.
- Video Programming Revenue remains unchanged at $20,000. NC taxes downloads of e-books, music and streaming services.

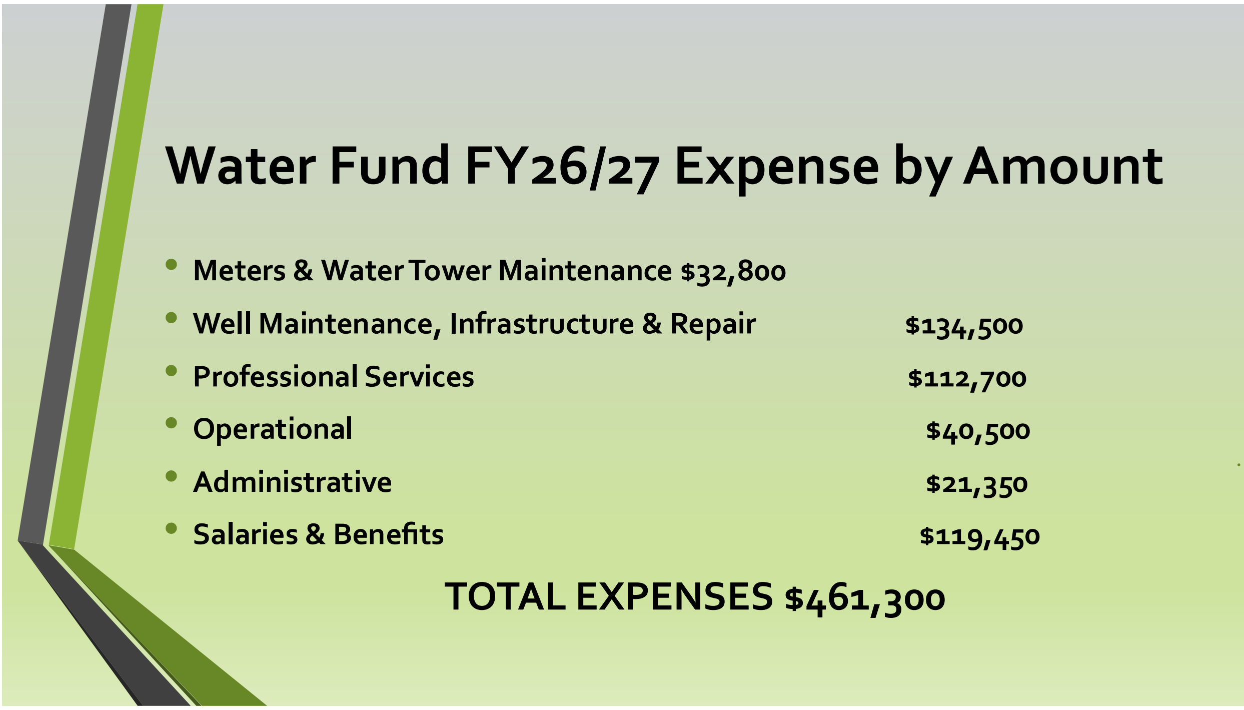
Restricted Intergovernmental

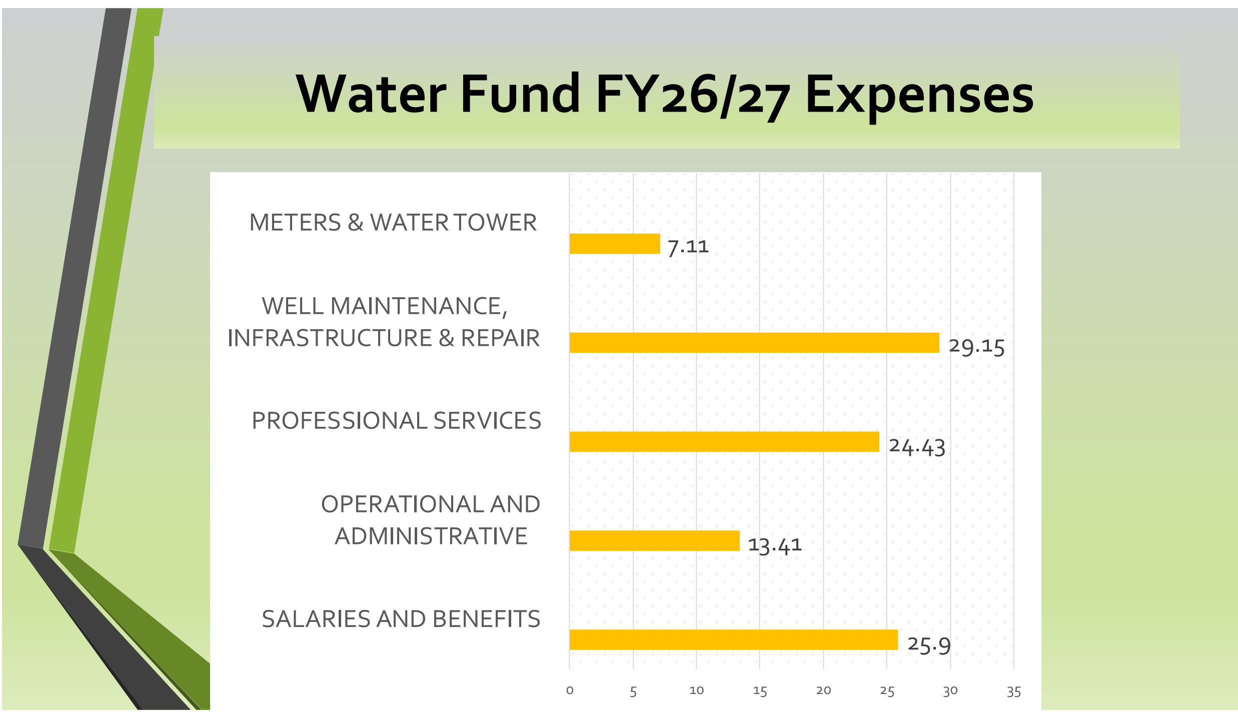
- Projected Powell Bill funds have been increased to $65,000 based on a review amounts received in prior years.
- Powell bill funds pay at the end of September and December and are based on miles of Village maintained roads and population.
- Building permits are estimated at $5,000, a decrease from FY26/27 based on fewer home permits.

Miscellaneous Revenue/Investment Earnings

- Interest on investments is estimated at $115,000 for FY26/27 subject to interest rates.
- Officer Fees is a payment made for Police Officers appearing in court and Ad Valorem interest is monies paid for late motor vehicle renewals.

Water Fund Expenses



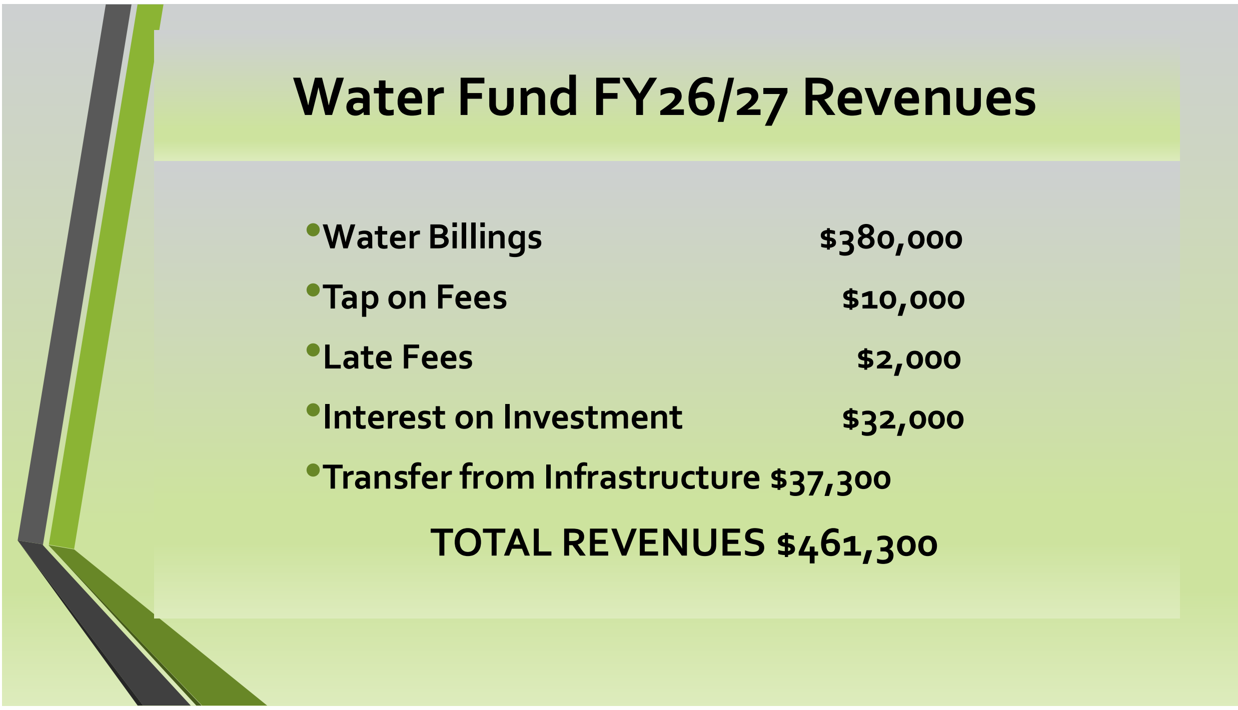


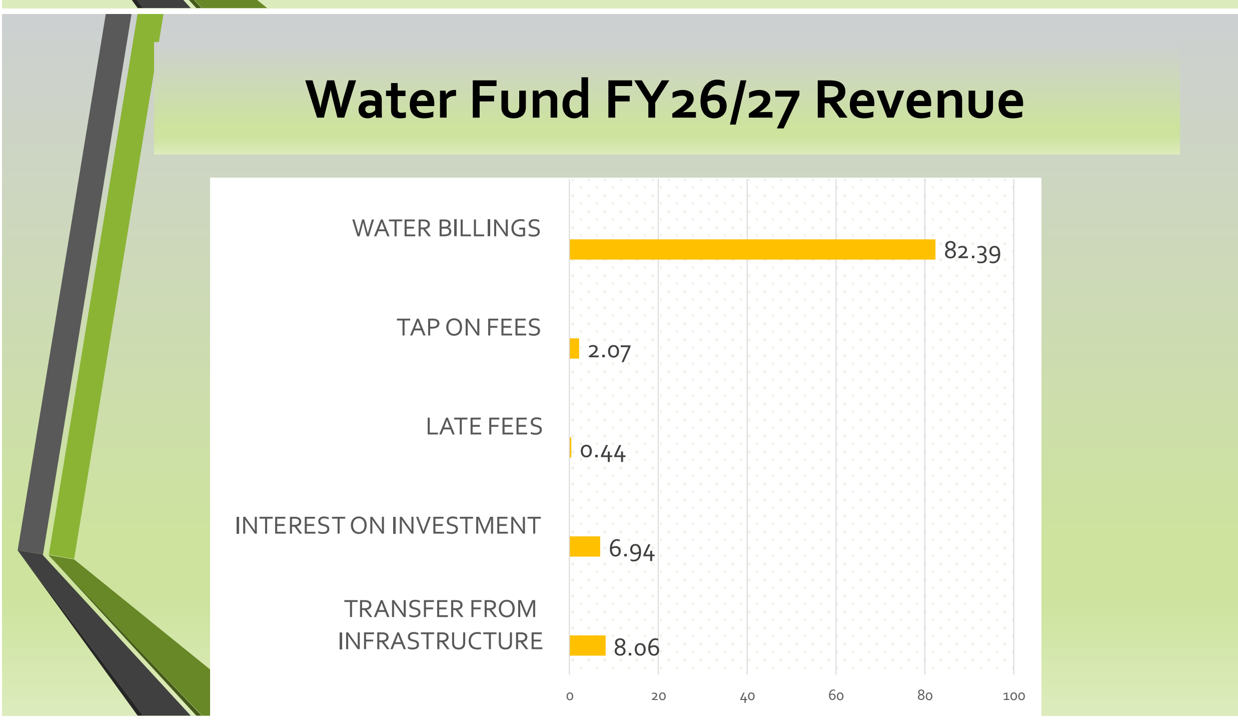
Water Fund Expenses

- One hundred percent (100%) of the administrative assistant and ten percent (10%) of the bookkeeper salaries are assigned to the Water Fund for FY26/27. This is a change from FY25/26 of 70% and 30% respectively.
- Well Maintenance, Infrastructure and Repair includes a one-time expense of $80,000 for a new Supervisory Control and Data Acquisition (SCADA) system that allows for remote monitoring and control of our wells.

- Professional Services includes two one-time expenses: an estimated $60,000 for engineering services for water tower maintenance and $20,000 for installation of new water meters.

Water Fund Revenues





Water Fund Revenues

- Fund revenues are increased by 8% over FY25/26 based on water billings and late fees.