

MINUTES
FOXFIRE VILLAGE COUNCIL
SPECIAL PUBLIC HEARING – 2025-2026 FY Budget
Village Hall Meeting Room – June 17, 2025 - 6:00 PM

Mayor Janice Gregorich called the special meeting to order at 6:00 PM.

Those in attendance were Mayor Pro Temp Janet Nauman, and Councilmembers Mary Gilroy and Don Nelson. Council member Warren Morgan was absent.

Finance Director, Mary Gilroy, began by asking attendees to refrain from speaking during the presentation. If there are questions, she could not answer tonight, she would get back to them after the meeting. She proceeded to read aloud the FY 25/26 Budget Message which is made part of these minutes as “**Attachment A**”. She provided further details or explanations to some portions of the message.

1. Public Hearing – 2025-2026 FY Budget

Mayor Pro Temp Nauman moved to open the 2025-2026 FY Budget Public Hearing, seconded by Councilmember Gilroy and unanimously carried.

Leslie Frusco – 7 Hillside Drive asked the following:

1. How much does the Village have in the Capital Reserve account now? The Village continues to add to them, what is the goal of the council because the revenues in the general fund are handling most of the expenses.

Gilroy responded she did not have the current reserve amounts available but would get back to Leslie with those amounts.

2. Why is there a projected decrease in the Powell Bill fund since our population and street mileage has not decreased. The Village took in 65,000 in the current year. Does the Village expect the legislature to do away with Powell Bill or reducing the allocation?

Mayor Gregorich responded that she has heard rumbling that they want to end Powell Bill for certain sized communities but being very non-specific. This is just an item we don’t want to overestimate.

3. What are the plans for the reserve water fund? There are significant repairs built into the budget that will come from it. What are you anticipating and what is the discussion in regard to raising water rates? In your comment, you said the current rates are not sustainable, yet they were raised in 2025. The Village has not received the fruition of the increase yet because the water demand has not yet increased for the summer months.

Gilroy responded the Village needs to sustain the water fund. We are currently down \$67,000 and there are some additional expenses that have come in which will raise that. We have doubled our population, and she is not sure that water rates will help. Additionally, two years ago we had tap-on fees of \$70,000, this year we didn’t even break \$30,000. Having an additional water rate increase is something the council needs to talk about.

Gerard Frederique – 27 Eagle Drive asked the following:

1. What is the intention of having professional services for the water fund?

Gilroy responded that it is for an outside consultant to evaluate our water system because of its age. The Local government Commission monitors water systems and their integrity. Because of our systems age, we need a consultant to thoroughly go through and give us an evaluation of what it looks like and what it looks like further down the road. We have not identified a consultant yet so the number is just a placeholder that could certainly change. She expects the consultant to be able to provide a clear detailed picture of what we have, its capabilities, repairs it needs, and how growth will impact it.

2. Mr. Frederique said from what he sees, the water capacity is under par. What is the Village doing to keep ahead of the growth and why is the Village not accelerating the pace for drilling new wells.

He also questioned why the Village was on stage one water restriction.

Gregorich responded that we are working on a new well now, looking at bringing another one back online, and looking at a third site for a well. All of this takes time, and we have state approvals and testing requirements. We cannot accelerate these processes. She also provided a detailed response to his voluntary water restriction inquiry.

3. Mr. Frederique questioned the estimated building permit revenues and the pool/park fee revenues. Gilroy provided details on each.

Leslie Frusco – 7 Hillside Drive commented:

She thanked the Council for all the volunteer hours they put in to prepare the budget. She asked if the council started to consider hiring a town manager now that the population has increased.

Gilroy responded she had read that municipalities in North Carolina with less than 2,500 residents typically do not have a manager. She is not saying this wouldn't be considered at some point, but Foxfire is not going to be a large metropolis. Mayor Gregorich added we would still need a council, and the manager works at the pleasure of the council. Brief discussion followed.

Colleen Schlenker – 2 Sunset Lane commented:

Agreed with Leslie Frusco that a village manager should be considered in the future.

She asked what the budgeted accessory building was for. Gregorich responded it would be placed somewhere on the administration office property and used to store items currently not in use or those being stored in offices. All departments would be able to store items inside the building.

Mayor Pro Temp Nauman moved to close the public hearing, seconded by Councilmember Gilroy and unanimously carried.

Councilmember Gilroy reported there are some changes needed to the water department budget. She provided this information to the council via email. The council discussed each of the proposed changes and their need in detail. The changes are as follows:

Expenditures

Meters	\$ 28,000
Well Maintenance Infrastructure & Repair	\$ 86,500
New Well Construction Capital Project	\$220,000
Salaries and Benefits	\$138,950
Total Water Fund Expenditures	\$695,450

Revenues

Change "Transfer from Infrastructure" to read "Fund Balance Appropriation".	
Fund Balance Appropriation	\$161,581
Total Water Fund Revenues	\$695,450

Mayor Gregorich moved to adopt the 2025/2026 FY Budget as amended at the close of the public hearing, seconded by Councilmember Gilroy and unanimously carried.

Mayor Pro Temp Nauman moved to adjourn the meeting, seconded by Mayor Gregorich and unanimously carried. The meeting adjourned at 7:00 PM.



Lisa A. Kivett, MMC, NCCMC, CZO
Village Administrator/Clerk



Janice Gregorich
Mayor