



**Village of Forest Hills
Public Hearing
June 2nd, 2026
6:50:PM**

Call to order: Mayor Mau

Public Hearing

Item 1: 2026-2027 Budget



Village of Forest Hills
Annual Budget
2026-2027



ANNUAL BUDGET SUMMARY

FISCAL YEAR 2026–2027

Budget Committee

Stephanie Gibson, Finance Officer
Ron Mau, Mayor
Larry Ingersoll, Council Member, Mayor Pro Tem
May 2026

Village Council,

INTRODUCTION

Enclosed is the proposed budget for the fiscal year beginning July 1, 2026, and ending June 30, 2027, for your consideration. The budget was prepared in accordance with applicable laws, policies, and procedures while considering the priorities identified by the Council and the community. An updated Schedule of Village Fees is also included as part of the budget document; new fees will become effective July 1, 2026.

The total proposed budget for Fiscal Year 2026–2027 is \$128,000, an increase of \$10,700 (9.1%) over the prior year budget of \$117,300. The primary driver of this increase is a significant investment in street maintenance and improvements, with combined street spending rising from \$28,000 to \$34,530. The budget is fully balanced by regular recurring revenues with no fund balance transfers required. The Village tax rate is recommended to remain unchanged at \$0.13 per \$100 of assessed property valuation.

TAX RATE

The Village has one fund, the General Fund. This budget is based on the tax rate remaining the same as the previous year. The Budget Committee recommends that the Village tax rate remain at \$0.13 per \$100 of property valuation.

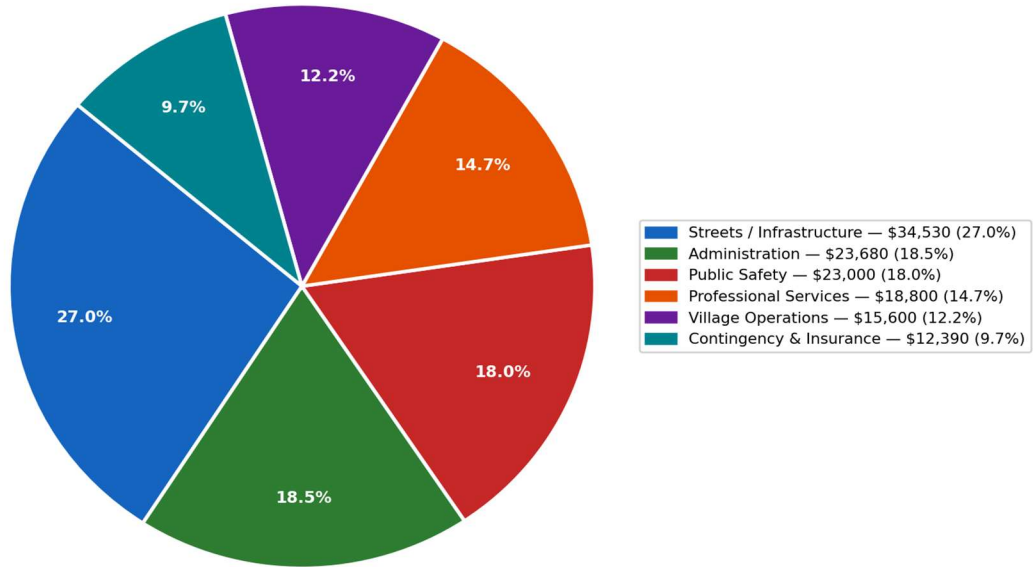
We estimate Ad Valorem revenues of \$75,000 for Fiscal Year 2026–2027. This estimate is based on current valuation information provided by Jackson County and reflects anticipated increases in property values resulting from recent reappraisals by the Jackson County Tax Administration. Jackson County maintains an approximate 97.5% tax collection rate.

BUDGET SUMMARY

The total budget is \$128,000, fully supported by regular recurring revenues. No fund balance transfers are included in this budget. Revenue sources total \$128,000 and include Ad Valorem taxes, sales tax, Powell Bill funds, franchise and utility taxes, alcohol taxes, and interest earnings.

Expenditure Highlights by Category

FY 2026-2027 Expenditures by Category
Total Budget: \$128,000



The following table presents all expenditure line items with amounts and percentage of the total budget:

Expenditure	Amount	% of Total
Street Maintenance / Improvements, Non-Powell	\$19,030	14.9%
Street Maintenance / Improvements, Powell	\$15,500	12.1%
Salaries	\$13,080	10.2%
Police Patrol / Safety	\$13,000	10.2%
Attorney	\$10,800	8.4%
Fire Protection (Cullowhee Fire Dept.)	\$10,000	7.8%
Contingency	\$8,390	6.6%
Audit (CPA)	\$8,000	6.3%
Village Entrance — Operating	\$6,200	4.8%
Village Social (2 events/year)	\$4,500	3.5%

Expenditure	Amount	% of Total
Insurance, Bonds	\$4,000	3.1%
Travel, Workshops	\$3,000	2.3%
Office / Administrative	\$3,000	2.3%
Planning Board Support	\$2,500	2.0%
Website Hosting	\$2,500	2.0%
Assembly Hall (Expenses & Taxes)	\$2,400	1.9%
Memberships, Dues	\$1,500	1.2%
Notices, Advertisements	\$600	0.5%
Board of Elections	—	—
TOTAL BUDGET	\$128,000	100.0%

DEBT

The Village currently has no debt service. There are no outstanding bonds, notes, or other long-term obligations carried by the Village.

CAPITALIZATION THRESHOLD

The capitalization threshold will remain at \$5,000 for Fiscal Year 2026–2027 for all capital purchases or improvements.

SCHEDULE OF FEES

An updated Schedule of Village Fees is included as part of the FY 2026–2027 budget document.

MINIMUM FUND BALANCE POLICY

The Village should maintain a minimum of \$100,000 in unreserved funds. See the policy statement below.

Village of Forest Hills
Minimum Fund Balance Policy

Originally adopted April 1, 2014 | Amended August 1, 2017

After careful consideration of the current and potential future needs of the Village, assessing potential risks, and considering the services provided to the taxpayers, the board unanimously voted in favor of retaining \$100,000 as a minimum undesignated fund balance policy. This will secure and maintain investment grade credit ratings, meet cash flow requirements, and reduce susceptibility to emergency or unanticipated expenditures or to revenue shortfalls.

In the event the fund balance is greater than \$100,000 at the end of any fiscal year, the excess may be used for any expenditures pre-approved by the Council.

If at the end of a fiscal year the fund balance falls below \$100,000, the Budget Committee shall prepare and submit a plan for expenditure reductions and/or revenue increases to the Council. The

Council shall act as necessary to restore the minimum, undesignated fund balance to the acceptable level within one year.

This policy shall remain in place until modified by motion of the board. A review of this policy should be done every three years, or before the onset of any change to the scope of the Village boundaries, budget, or services.

MAJOR BUDGET COMMITTEE RECOMMENDATIONS

1. The Budget Committee recommends a significant investment in Street Maintenance and Improvements for FY 2026–2027, with \$19,030 allocated to Non-Powell street maintenance and \$15,500 to Powell Bill-funded streets, for a combined total of \$34,530. This represents the largest expenditure category at 27% of the total budget and reflects the Committee's commitment to maintaining Village infrastructure.
2. The Budget Committee recommends maintaining the Fire Protection allocation for the Cullowhee Fire Department at \$10,000 for this fiscal year. The Committee will continue to evaluate this amount as discussions progress regarding the potential Cullowhee Fire Tax from Jackson County.
3. The Budget Committee recommends \$10,800 for Attorney Services, reflecting anticipated legal needs for the fiscal year. The Committee will monitor legal activity and adjust as necessary.
4. The Budget Committee recommends maintaining the following compensation levels: \$110/month for the Mayor; \$55/month for each sitting Councilmember; \$55/month for the Ordinance Administrator; and \$650/month for the Finance Officer/Clerk position.
5. The Budget Committee recommends adoption of the updated Schedule of Village Fees, effective July 1, 2026. The updated fee schedule is included with this budget document.
6. The Budget Committee notes that the Board of Elections line item is \$0 for FY 2026–2027 as there is no Village-specific municipal election scheduled this year. The funds previously budgeted for elections (\$4,500) have been incorporated into the contingency line item. For future budget planning, the Committee recommends budgeting approximately \$4,725 (reflecting a 5% increase from the most recent election cost) in the next fiscal year when an election is anticipated, subject to verification with the Board of Elections.
7. The Budget Committee recommends continued research into grant opportunities that could assist with defined Village goals, such as acquiring permanent green space, trail connectivity, or other community assets.
8. The Budget Committee has started the development of a long-range capital improvement plan (CIP). No budgetary resources are anticipated. The plan will be completed in this fiscal year.

CONCLUSION

The Budget Committee has worked to allocate the largest share of expenditures to direct services benefiting Village residents — most notably Street Maintenance and Improvements, Police Patrol/Safety, and Fire Protection. This budget reflects a responsible and balanced approach, fully funded by recurring revenues without any reliance on fund balance transfers.

Other line-item expenditures were evaluated and considered based on historical costs, verified projected needs, and the Council's identified priorities. The budget as presented is balanced, maintains

the Village’s tax rate at \$0.13 per \$100 of assessed value, and positions the Village on a sound fiscal footing for the coming year.

A public hearing on the proposed FY 2026–2027 budget is scheduled as follows:

PUBLIC HEARING
Tuesday, June 2, 2026 | 6:50 PM
Proposed FY 2026–2027 Budget — Village of Forest Hills

The public is encouraged to attend and provide comments. The Council will consider adoption of the final budget following the public hearing.

Respectfully submitted,

Stephanie Gibson, Finance Officer
Ron Mau, Mayor
Larry Ingersoll, Council Member, Mayor Pro Tem



The Village of Forest Hills

Budget for Fiscal Year 07.01.26 – 06.30.27

	Estimate 12 Months	% of Total
REVENUE SOURCES		
Ad Valorem Taxes (1.5 mil)	\$75,000	58.6%
Sales Tax	\$30,000	23.4%
Powell Bill - State	\$13,000	10.2%
Interest Earnings	\$4,800	3.8%
Franchise & Utility Tax	\$4,000	3.1%
Alcohol Tax	\$1,200	0.9%
Revenue Funds	\$128,000	100.0%
Other (i.e. transfers)	\$0	
Total Funds	\$128,000	
EXPENDITURES		
Street Maint./Improvements, Non-Powell	\$19,030	14.9%
Street Maint./Improvements, Powell	\$15,500	12.1%
Salaries	\$13,080	10.2%
Police Patrol / Safety	\$13,000	10.2%
Attorney	\$10,800	8.4%
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Contingency	\$8,390	6.6%
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Village Social x 2/yr.	\$4,500	3.5%
Insurance, Bonds	\$4,000	3.1%
Travel, Workshops	\$3,000	2.3%
Office/Administrative	\$3,000	2.3%
Planning Board Support	\$2,500	2.0%
Website Hosting	\$2,500	2.0%
Assembly Hall (Expenses & Taxes)	\$2,400	1.9%
Memberships, Dues	\$1,500	1.2%
Notices, Ads	\$600	0.5%
Board of Elections*	-	0.0%
TOTAL EXPENDITURES	\$128,000	100.0%

* Board of Elections is zero for this year as there is no VFH-specific municipal election. The \$4,500 budgeted in prior year for elections has been moved into contingency. For the next fiscal year budget, consider an amount of \$4,725 (5% increase) from most recent election expense, but verify estimate with the Board of Elections.



SCHEDULE OF FEES

Effective July 1, 2026 — Fiscal Year 2026–2027

Fee Description	FY 2026–2027 Fee
Permits	
Zoning Permit	\$65
Sign Permit	\$65
Rezoning Request (Zoning Text or Map Amendment)	
Less than 2 acres	\$275
2 to 5 acres	\$400
More than 5 acres	\$650
Conditional Use Permit	
Less than 2 acres	\$400
2 to 5 acres	\$650
More than 5 acres	\$950
Variance & Appeals	
Variance	\$130
Administrative Appeal	\$200
Subdivision Plat Review	
Family Subdivision	No Fee
Minor Subdivision (base fee)	\$65
Minor Subdivision (per lot or structure)	\$30
Major Subdivision (base fee)	\$325
Major Subdivision (per lot or structure)	\$65
Final Plat (base fee)	\$130
Final Plat (per lot or structure)	\$15
Variance	\$130
Appeal	\$200

Fee Description	FY 2026–2027 Fee
Vested Rights Review	\$175
Vested Rights — Minor Subdivision (per lot or structure)	\$30
Vested Rights — Major Subdivision (per lot or structure)	\$65

Professional Services

The Village Council may secure the services of a qualified professional (e.g., licensed architect, attorney, engineer, landscape architect, arborist, surveyor, or planner) to assist in the review of any development application. Professional services include but are not limited to: review of proposed public infrastructure or stormwater systems, traffic impact analyses, specialized legal services, planning/zoning consultation, and such other services as may be deemed necessary in the review of an application.

The true cost of professional services shall be the responsibility of the applicant. The applicant shall be informed of the Village’s intention to secure professional services and shall be provided all associated reports and copies of all statements/receipts. The applicant shall reimburse the Village in accordance with the terms of a written agreement promulgated by the Mayor.

** All Jackson County fees and forms must be submitted directly to Jackson County. Contact Jackson County Planning for their complete current fee schedule.*

Adopted by the Village Council of Forest Hills, effective July 1, 2026.