

Town of Maggie Valley  
Budget Retreat  
February 24, 2023  
Minutes

**Members Present:**

Mayor Mike Eveland  
Mayor Pro-Tem Jim Owens  
Alderwoman Tammy Wight  
Alderman Phillip Wight  
Alderman John Hinton

**Staff Present:**

Vickie Best, Town Manager  
Mike Mehaffey, Public Works Director  
Russ Gilliland, Police Chief  
Autumn Lyvers, Finance Director  
Kaitland Finkle, Town Planner  
Sam Cullen, Assistant Town Planner  
Kathy Johnson, Town Clerk

**Media Present:**

Kathy Ross, Waynesville Mountaineer

**Others Present:**

Two others present

**Agenda**

9:30 am      Call to Order  
FY-2022/2023 Budget Overview - Trends & Forecasts  
FY-2022/FY2023 Budget Overview  
Trends/Forecasts  
Commercial/Residential Breakdown  
Fund Balance Review  
Project Updates:  
Festival Grounds  
Soco Road Pedestrian Safety Action Plan  
Maggie Valley LUP/Comp Plan Update  
On the Horizon:  
Electronic Document Management  
Board Discussion  
Goals & Priorities

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**Call to Order**

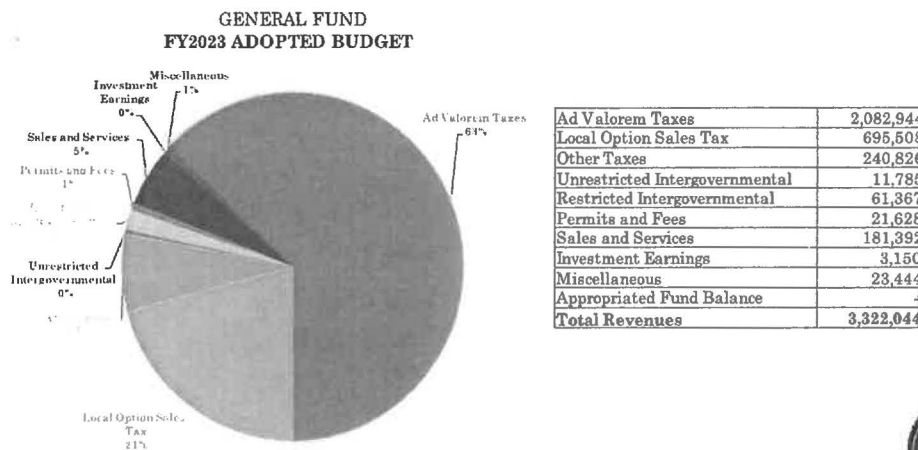
Mayor Mike Eveland called the meeting to order at 9:33 am on Friday February 24, 2023 in the Town Hall Boardroom at 3987 Soco Road, Maggie Valley, NC 28751.

**FY-2022/2023 Budget Overview**

Town Manager Vickie Best Invited Finance Director Autumn Lyvers to begin her presentation. Ms. Lyvers went through her power point presentation as follows:

- General fund \$3,322,044 - Amended Budget = \$4,037,213
- Sewer Fund \$1,022,508 - Amended Budget = \$1,391,411
- All Funds \$ 4,344,552 – Amended Budget = \$5,428,624

**FY2022/2023 Budget Summary Revenues**

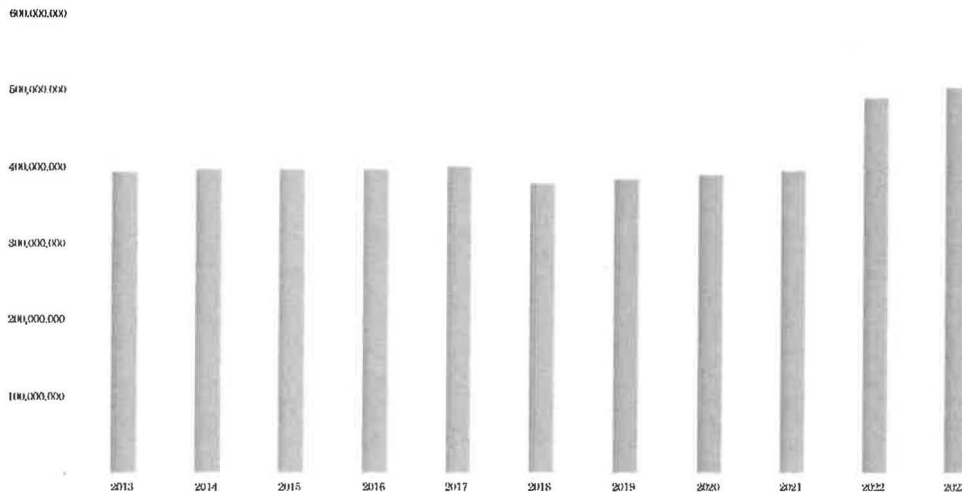


## Property Tax

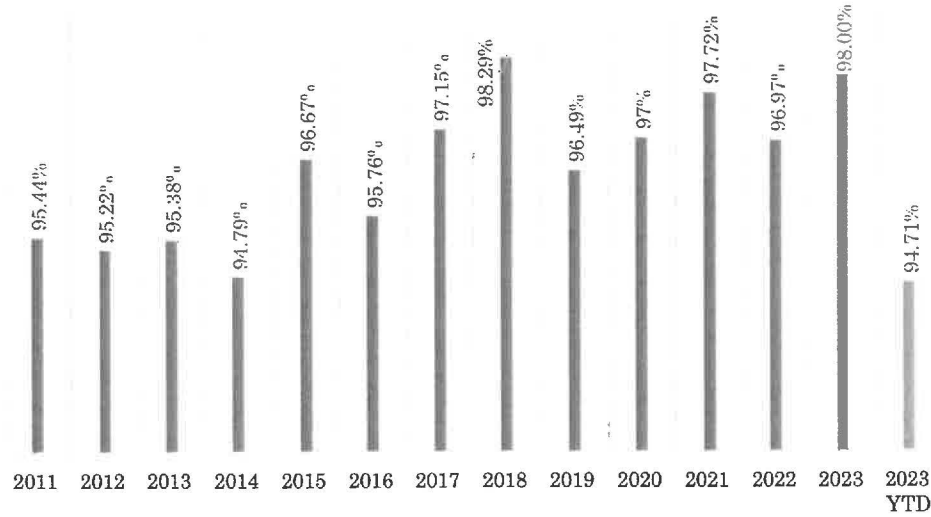
- **Tax rate - \$0.40 per \$100 assessed value**
  - Tax Rate is Lowest Municipal Rate in Haywood County
    - Canton (Current) = \$0.54
    - Clyde (Current) = \$0.43
    - Waynesville (Current) = \$0.4392
- Property Tax is the largest source of revenue for the Town and is based upon real property assessments performed by Haywood County



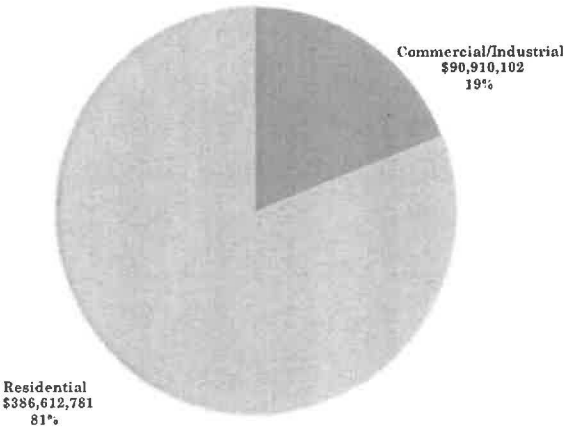
## Assessed Value



# Tax Collection Rate By Budget Year



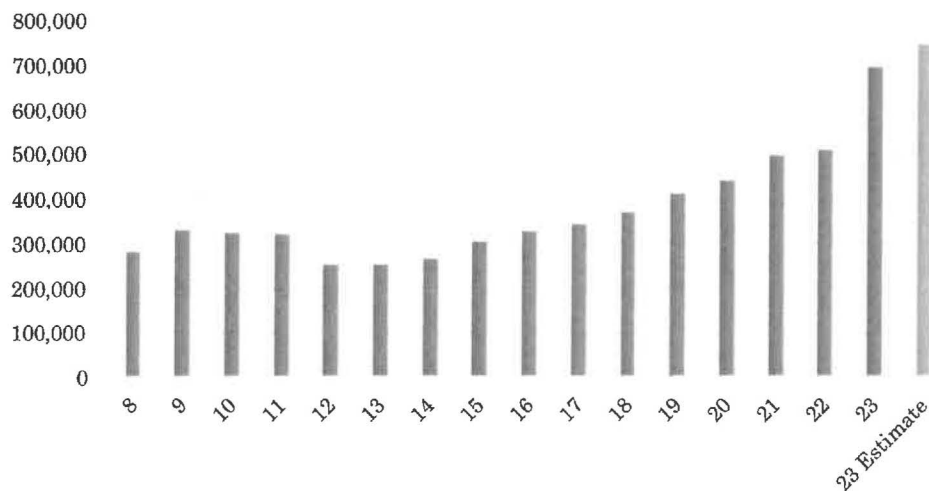
# Tax Base



## Sales Tax

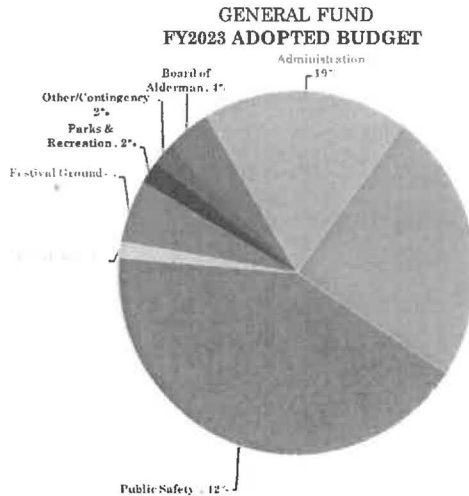
- Sales tax is the second largest revenue source for the Town's General Fund.
- Sales Tax distribution can occur using the Ad Valorem or Population method.
- It is each county's prerogative to establish how sales tax is distributed
  - Haywood County has chosen the population formula

## Sales Tax Revenues: FY 08FY23



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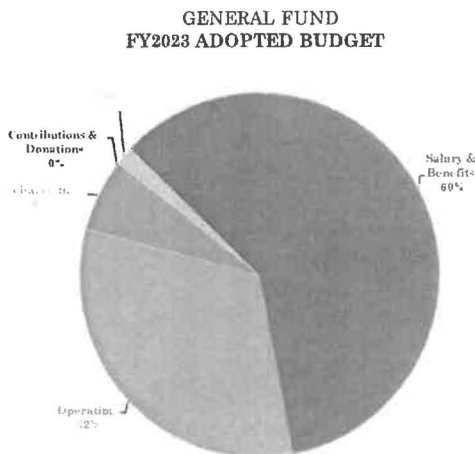
## FY2022/2023 Budget Summary Expenditures



|                           |                  |
|---------------------------|------------------|
| Board of Alderman         | 140,999          |
| Administration            | 618,256          |
| Public Works              | 803,649          |
| Public Safety             | 1,397,384        |
| Powell Bill               | 47,967           |
| Festival Grounds          | 185,053          |
| Parks & Recreation        | 68,737           |
| Other/Contingency         | 60,000           |
| <b>Total Expenditures</b> | <b>3,322,044</b> |



## FY2022/2023 Budget Summary Expenditures



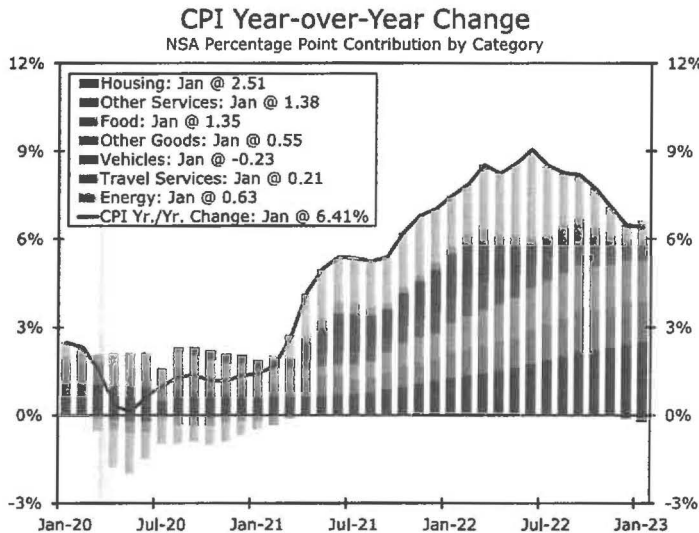
|                           |                  |
|---------------------------|------------------|
| Salary & Benefits         | 1,981,934        |
| Operating                 | 1,070,734        |
| Capital Outlay            | 204,870          |
| Contributions & Donations | 4,500            |
| Contingency               | 60,000           |
| Debt Service              | -                |
| <b>Total Expenditures</b> | <b>3,322,044</b> |

- **26 Full Time Employees**
  - Administration (6)
  - Police (12)
  - Public Works (5)
  - Sewer (3)



## Forecast for the Economy

- We expect the combination of **persistent inflation, tighter financial conditions and weaker global growth** will tip the economy into a mild recession in the first half of 2023. Risks of a recession in the U.S. remain uncomfortably high moving into 2023, although risks to the forecast appear to be improving.
- In a recent poll of economists, the World Economic Forum found that **nearly two-thirds of the respondents believe there will be a recession in 2023**. But here's the good news: Many analysts expect a relatively mild and short recession, or what is sometimes referred to as recession with a small r.



Source: US Dept of Labor and Wells Fargo Economics

### Consumer Price Index

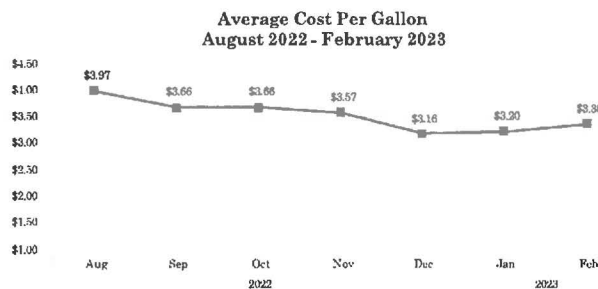
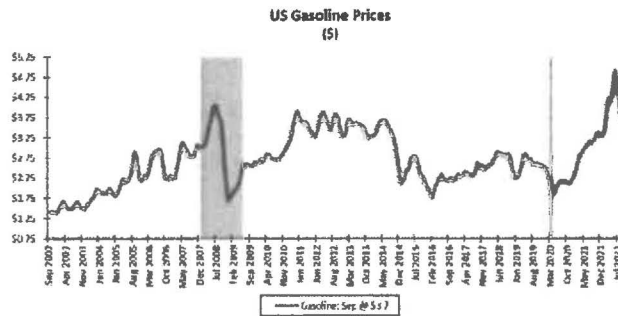
A measure of the average change over time in prices paid by consumers for goods and services.

Over the last 12 months, the Consumer Price Index rose 6.4%.

Trend is downward, but we should still expect increases in prices for goods and services we purchase this coming budget year.



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## Fund Balance

- “Fund balance available” is the statutory concept that describes the amount of funds local governments legally have available to be appropriated in the coming fiscal year
- Best practice is to utilize fund balance for onetime expenditures, not recurring operating expenses
- The Local Government Commission requires all municipalities to keep at least 8% in unappropriated fund balance their recommended levels for small towns is much higher
  - In 2003 Town Received LGC warning for low fund balance at 26.77%
  - 8% in Fund Balance = 1 Month of Operating Expenses
- Statewide Maggie Valley falls into the General Fund Expenditure Group of \$1M-\$10M Exp. This group currently has an average available fund balance of 91.97%





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## FY2023 Fund Balance Projection

Fiscal Year Ending June 30, 2022 - Available Fund Balance \$ 4,445,990 168%

Current & Future Projects:

|  |             |
|--|-------------|
| Soco Road - Pedestrian Safety Action Plan          | \$ 420,000  |
| Soco Road Cost Overruns                            | TBD         |
| Festival Grounds Property Purchase (Ferguson Prop) | \$ 436,000  |
| Festival Grounds Property Bldg Removal             | \$ 67,500   |
| TDA Grant Offset                                   | \$ (60,000) |
| Festival Grounds Property Asbestos Removal         | \$ 21,000   |
| Festival Grounds Parking (Sweetbriar)              | \$ 225,000  |
| TDA Grant Offset                                   | \$ (96,000) |
| Bethel Village Street Paving                       | \$ 105,000  |
| Comprehensive Plan (LUP)                           | \$ 77,050   |
| Festival Grounds Appearance                        | TBD         |
| Public Works Seasonal Storage Building             | TBD         |
| Electronic Document Management                     | TBD         |

Total Project Costs \$ 1,195,550

Remaining Fund Balance Projected \$ 3,250,440



There was discussion between Board members and staff as they reviewed the power point presentation. Ms. Best explained the cost of the last election was \$7400 and it is estimated the cost will be more this year. She stated due to issues at the ABC Dellwood site, it is unclear how much money the Town will be receiving from the ABC Board for the General Fund to offset the police officer salaries.

There was discussion about approaching Guayabitos with a possible lease agreement for the land behind the restaurant.

Manager Best said there has been discussion in the past on upgrading the hall and cafeteria in Town Hall. She said the windows need replacing in the cafeteria. We are still awaiting the doors that have already been paid for to be installed on the sides of Town Hall.

Manager Best stated the Town will start sending out quarterly newsletters on the sunshine list and there will be copies available at Town Hall. She will see if the Chamber will send it out to their members. This will keep everyone up to date.

Ms. Best said there have been discussions on live streaming the monthly Board meeting on YouTube and she asked members of the Board for input on the topic. There was discussion between Board members and discussion on possibly being able to use Zoom to watch the Board meeting.

There was much discussion between Board members and staff on replacing their laptops with tablets and updating to electronic file management with existing paper documents. Board members determined

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there was no need to update to tablets and the upgrade to electronic filing would be important to save time for staff when searching for records. Ms. Best stated electronic filing was a priority.

Manager Best said since the clearing of the Ferguson property at the festival grounds, there needs to be something put up to screen the view of the bathrooms.

Public Works Director Mike Mehaffey updated the Board on the upcoming Soco Rd Project. He said two things that would need to be looked at if the power poles were removed: 1) there would be no street lighting in that area, and 2) no pole to put decorations on. He said he would be able to give a budgeting number for the underground wiring cost when he talks to Duke. All of the concrete work has been contracted out and should be completed by May. The side walk part will be starting on Monday 27<sup>th</sup> on the North side of the highway traveling west bound and turn and start back. He said DOT has put guidelines on the contractor for rerouting pedestrian traffic while the project is being done. There has to be an ADA approved area to reroute sidewalk traffic. There was discussion on lane closures and how it would affect upcoming events. Mr. Mehaffey answered questions from the Board.

Planner Kaitland Finkle read through the draft Vision Statement for the Comprehensive Plan:

*Maggie Valley strives to establish a strong sense of place through the safeguarding of its natural beauty, sense of community, and simple, familiar way of life. As a small town nestled between the Blue Ridge and Great Smoky Mountains, we find that it is imperative to develop a further appreciation of our location within the landscape. Our prime position is ripe with opportunity for balanced economic growth with specific attention to outdoor recreation and environmental preservation. We aim to protect the slopes and rivers that constitute our mountains and valleys. We encourage inclusion and diversity to build a sustainable resident base of all ages and abilities, acknowledging that the great outdoors is truly a place for all. Through sustainable development and responsible planning measures, Maggie Valley will remain the desirable destination it is today, where residents and visitors alike, are able to benefit from the natural beauty and quality of life that is essential to the fabric of our valley.*

Ms. Finkle read through the shorter, more streamlined vision statement, that can be placed on flyers, pamphlets, or easily remembered:

*A small town nestled between the Blue Ridge and Great Smoky Mountains, Maggie Valley's vision is to be a welcoming community, focused on fostering a thriving and growing economy through sustainable development and responsible planning measures that preserves the environment and encourages outdoor recreation while creating a sense of place for visitors and residents of all ages and abilities.*

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Ms. Finkle discussed the draft Vision Statements with Board members and explained this vision statement was only for the Comprehensive Plan. She reviewed the Goals for the Comprehensive Plan and explained they are in no specific order; they are all considered a priority.

GOALS

Encourage Sustainable Development: Encourage development in areas of the Town where utilities and services are available and environmental resources do not constrain development. Promote infill and adaptive reuse while encouraging attractive, well-planned, new growth areas. Plan and provide for safe and efficient mobility throughout the Valley.

Provide Diverse Housing Options: Ensure Maggie Valley has a variety of housing choices, living arrangements, and building styles available. Plan and design housing to meet the needs of residents of all ages, abilities, income levels, and stages of life.

Support Pedestrian and Recreational Opportunities: Provide planning, advocacy, and funding for an interconnected network of open spaces, parks and greenway corridors that support the active and passive recreational needs of the residents and visitors of Maggie Valley. Encourage multi-modal transportation options in future transportation and recreation efforts.

Promote Commercial Development and Redevelopment: Support existing and new commercial endeavors which provide retail and service opportunities. Promote the adaptive and creative reuse of existing, underutilized facilities and structures while being cognizant of development constraints. Encourage services, housing, and training to retain an active workforce. Implementing strong economic development efforts to maintain the Valley as a destination.

Protect Environmental Resources: Protect resources and encourage appropriate, well-designed development that is sensitive to the natural beauty of Maggie Valley. Safeguard the integrity of steep slopes, floodplain, trout streams and tributaries, and watershed areas.

Improve the Town's Infrastructure and Services: Address the necessities of a growing community through the expansion of modern and reliable infrastructure. Plan, identify, and fund the short-and long-range needs of the Town, through cooperation with outside agencies. Provide for the health, safety, and welfare of the residents in a fiscally-responsible manner.

Continue to Build Community: Encourage participation in Town activities and events and provide opportunities for volunteerism. Continue to support a diverse population, which includes retirees and an emerging youth cohort while attracting families and an active work force. Allow for community gathering spaces, connectivity between neighborhoods, and a mix of uses that encourage walkability and interactions of citizens.

Ms. Finkle explained the goals were not rules but more like guidelines to use when zoning. Referencing a handout that had updates on the Planning Department 2022 permit overview, she explained there were

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a total of 257 permits issued in 2022. A breakdown of those permits was: Eighty-one commercial, seventy-three residential, (twenty-four Single-Family Residences), twenty floodplain, forty-nine zoning compliance, thirty-four miscellaneous request and fifty-one notices of violation. There was discussion between Board members and staff on how the numbers compared to past years and how the new construction will affect the tax revenue.

Ms. Best asked the Board what are some things they would like to see done in the upcoming year.

Alderman Tammy Wight stated Maggie Valley is growing, and with growth come more drugs and crime. We have seen the effects drugs and crime have had on a neighboring tourist town. Tourism is our number one industry. We need to implement measures now to protect the safety of our community. I want an ordinance to include no unauthorized camping on any town owned property, no panhandling, and a ban on needle exchange and a ban on mobile needle exchange. I would be ok with a one for one exchange at a licensed medical facility.

Alderman Phillip Wight said by setting the rules, it would give the police department tools to enforce them. Mayor Eveland said as the growth continues, the Town will need to remain diligent.

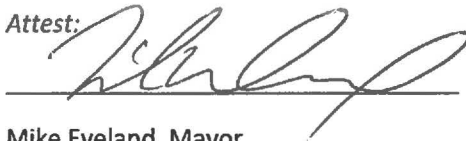
Mayor Eveland said over the past year, there have been a lot of projects completed. He feels the projects that have been started should be finished before starting new ones. Board members discussed the importance of getting the electronic records management started.


Manager Best stated Attorney Craig Justus was working on the waterfall deed so the property can be put back on the market.

**Adjourn**

***A motion was made by Alderman Tammy Wight to adjourn the Budget Retreat at 11:18 am. The motion carried unanimously.***

Attest:

  
Mike Eveland, Mayor

  
Vickie Best, Town Manager

  
Kathy Johnson, Town Clerk