

**Town of Maggie Valley**  
**Board of Aldermen Budget Workshop**  
**May 25, 2010**  
**MINUTES**

Members Present: Mayor Roger McElroy, Aldermen: Saralyn Price, Colin Edwards,  
Phil Aldridge and Scott Pauley  
Staff Present: Manager Tim Barth, Finance Director Shayne Wheeler, Festival  
Director Audrey Hagar and Town Clerk Vickie Best

The Budget Workshop began at 1:00 p.m. in the Town Hall Boardroom.

☞ Before the meeting started Mayor McElroy asked that Manager Barth begin investigating the process for enacting a Food and Beverage Tax.

☞ Mr. Griff Jones with the NCLM Insurance Program addressed Council explaining that NCLM covers approximately 330 groups in the insurance pool. The groups are categorized by size. The cap for larger cities was a 22% rate increase. The rate could have increased as much as 29%. Mr. Jones distributed a packet of information comparing one plan against another as well as overall rate increase chart for the past five years. (This is the second year the Town has been with the NCLM.)

Council directed staff to compare rates with other companies.

☞ The Festival Grounds: The Maggie Valley 1% Occupancy Tax pays for the lighting payment (extra electric panels) and one-half of the Festival Director's salary.

Alderman Aldridge felt the rental fees are too high. "It would be better to generate 100 visitors to the Valley than have the festival grounds sit empty."

Director Hagar explained that Council has discussed revising the rental contract because the purpose of the Festival Grounds is to put heads in beds and customers in the retail stores and restaurants. "There is not a demand for the Festival Grounds. Small Festivals do not put a lot of heads in beds. Promoters will be looking to develop long-term relationships with the Town. There are currently sixteen events per season on the books. That leaves few choice weekends during the tourist season."

As a trial run for the Town, Council has agreed to allow the Town of Maggie Valley to obtain a temporary ABC Permit for the "Red, White, and Boom" July 4<sup>th</sup> celebration.

Director Hagar was awarded \$20,000 for advertising from the 1% Subcommittee. One of the most important aspects of Ms. Hagar job is selling the Festival Grounds to promoters. Ms. Hagar needs to network and make contact with promoters by attending trade shows, etc. Thus the need for a booth to set up and show the beauty of Maggie Valley at the different trade shows. Funding is needed to accomplish these goals.

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Funds have to be transferred from the Fund Balance to help the sewer department due to the treatment plant expansion. The expansion was accomplished through a low interest 20-year loan.

Council agreed to allocate \$24,793 from contingency and \$24,793 from the Appropriated Fund Balance.

Council will give this some thought to providing health care to Ms. Hagar. Council will discuss the issue at the next budget workshop.

There was a brief discussion regarding the 2010 Trout Festival. There is value to the festival, but does the cost out weigh the value. There was discussion on the employees giving their time to work at the Trout Festival. Mayor McElroy felt that the festival needs to be advertised more widely and the need for more educational booths /presentations.

As for the Sewer Department, taps fees are down tremendously due to the slow down in new construction.

The Treatment Plant is treating the County's leachate (garbage juice) from the White Oak Landfill. The revenues for the Town treating the County's leachate are estimated to be \$1,000 per week. The new health care facility will increase revenues as well.

In the Enterprise Capital Outlay, \$40,000 has been allocated for the Rueben Branch Road sewer line extension.

The Treatment Plant now has duplicate equipment for back up as required by State Law.

The sewer revenue picture should improve over the next fiscal year.

Council will go into closed session at the end of the June 14, 2010 regularly scheduled meeting to discuss Manager Barth's evaluations/contract.

There being no further business to discuss, the workshop ended at 3:20 p.m.

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Mayor Roger McElroy

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Vickie Best, CMC, Town Clerk

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