

**Town of Bluefield  
Town Council  
Work Session  
June 11, 2019**

The Bluefield, Virginia Town Council held a Work Session on Tuesday, June 11, 2019 at 6:30 p.m. in the Council Chambers of the Town Hall located at 112 Huffard Drive, Bluefield, Virginia.

**TOWN COUNCIL PRESENT**

Don Harris, Mayor  
Ron Holt, Councilmember  
Chuck Presley, Councilmember  
Anglis Trigg, Jr., Vice-Mayor  
Jarrod Bailey, Councilmember

**ALSO PRESENT**

Mike Watson, Town Manager  
Lesley Catron, Town Clerk  
Matt Freedman, Town Attorney  
Billie Roberts, Comm. Dev. Coordinator

**ABSENT**

Jimmy Jones, Councilmember

**CALL TO ORDER**

Mayor Harris opened the Work Session at 6:35 p.m.

***General Fund***

Mr. Watson passed out the proposed operating budget (attached at end of minutes) for the Recreational Facilities. He stated that the budget was advertised and a Public Hearing would be held at 7 p.m. He stated that there were some changes to the General Fund and within the last week we received Federal Grant money for \$600k which would be added to Revenue for Federal Government and taken out of Expenses for FEMA Capital Projects. He stated that it was a wash but we should receive reimbursement for staff hours and that we were the lead applicant and we would be offered along with the City of Bluefield money to do Phase I and Phase II.

Mr. Presley asked if it we could put that towards the \$41 million appraisal.

Mr. Watson stated it was \$28 million after appreciation. He stated that the changes to the General Fund included paving and was \$9,134,219.

***Water Fund***

Mr. Watson stated that the Water Fund would be going to \$3,214,833 because of the \$1.979 million capital project. He stated that it would be after July 1<sup>st</sup> before any money was spent. He stated that we had received approval to move forward with the purchase of some materials however if something fell through then they would not get reimbursed so we would not be purchasing anything until we knew we would be reimbursed.

***Recreational Facilities***

Mr. Watson stated that proposed 2019/2020 budget included the food income and that was why we seen a big jump. He stated that the \$924,500 that was advertised was put into the Food Service Income and it also included the purchase of the facility for \$1.9 million that went in revenue and out expenditures. He stated that the last page showed that we needed to offset \$180,612 for the first year. He stated that the number would change to \$3,345,724 for Recreational Facilities.

Mr. Presley asked what would happen if no one wanted to lease out the restaurant.

Mr. Watson stated that if we decided to buy it then we would run it but hopefully that would not happen. He stated that the budget was huge in all directions but we had a lot of projects going on. He stated that the water fund had a 2% increase for the next five years.

Mr. Presley asked what the \$600k went for.

Mr. Watson stated engineering, studies and Phase I.

Mr. Presley asked if it could be used for Phase II.

Mr. Watson stated that we already had the money for Phase II.

Mr. Presley asked if it was allocated only for that.

Mr. Watson stated that it could not be used for anything else but there was money out there we could try and apply for.

Mr. Presley asked if it was state funded.

Mr. Watson stated yes and once we received the Phase II report we could see what needed to be done.

Mr. Presley asked about the Rich Property.

Mr. Watson stated that we had contracted an agent/attorney to do the sale and they were working on it. He stated that they had talked to them yesterday and was trying to rush them.

Mr. Presley asked what their game plan was.

Mr. Watson stated that he had called DEQ and we could clean it up but to put a lake in, it was going to be a lot of work. He stated that he would like to start with cleaning it off then shooting some elevations and maybe put in a grass field, the size of a soccer field. He stated that they could possibly use the green space at the park as well.

Mr. Presley stated that they could always raise that road too.

Mr. Watson stated that would have to be done to get the length of a football field. He stated that you could possibly do a baseball tournament twice a year to raise some money.

Mayor Harris stated that the elevation looked almost level.

Mr. Presley stated that it was about 1/10 difference from the road to the creek but the bottom part flooded.

Mr. Watson stated that you would shoot the elevations at the part that staggered up. He stated that they could fill it and level it out.

Mr. Presley stated that they were tearing down the mountain at the mall.

Mr. Watson stated that he called to see if he could get some dirt but they said no. He stated that the mobility cost of it was too expensive and they were using strip mine equipment to do it.

Mr. Presley stated that the City wanted to take out the water source at Tinder White but would have to do redo the creek somehow.

Mr. Watson stated that they originally wanted to fill from Tinder White to 460 and back to Grassy Branch.

Mayor Harris stated that it would be nice to clean the pond out at Richwood.

Mr. Presley agreed and stated that it would be nice to have an extra water source.

Mr. Watson stated in the last year it they went and looked, we have cleaned our intake.

Mr. Presley agreed with the Mayor and stated that he would like to see it 5ft. across. He asked what ever happened to the project with the trails on the mountain.

Mrs. Roberts stated that it had not moved forward and the last time we had talked to them they would not sell it but would consider a use agreement.

Mr. Presley asked if the ditches had been cleaned out on the mountain.

Mr. Watson stated that he had not looked this week.

Mr. Presley asked about the Chopra and Sedgewood issue.

Mr. Watson stated that he had not brought it back up yet that he was working on other projects.

Mayor Harris stated that he was fixing those Townhouses up.

Mr. Presley stated that he had put a lot of work into them. He asked about the AEP substation across from Ammar's.

Mr. Watson stated that they had bought the property but it would take them a while to get it in because they worked at their own pace.

**ADJOURN**

Mayor Harris adjourned the Work Session at 6:55 p.m.

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Don Harris, Mayor

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Lesley Catron, Town Clerk

# Fincastle Property Proposed Operating Budget 2019-2024

<u>REVENUE</u>	<u>2019-2020</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>
Food Service Income	550,000	577,500	594,825	612,670	631,050
Tax income	32,500	37,538	38,664	39,824	41,018
Facility Rental/ Lease	15,000	15,000	15,000	15,000	15,000
Golf Revenue	350,000	367,500	385,875	405,169	425,427
Pro shop revenue	12,000	12,240	12,485	12,734	12,989
Pool Revenue	25,000	25,000	25,000	25,000	25,000
Memberships	190,000	199,500	209,475	219,949	230,946
Gifts and Donations	10,000	10,000	10,000	10,000	10,000
Misc Revenue (Driving Range, non golf events)	30,000	30,000	30,000	30,000	30,000
Grants	0	0	0	0	0
Total Revenue:	1,214,500	1,274,278	1,321,323	1,370,345	1,421,431

## Golf Course/ Associated Expenses:

Salaries (Director & Summer Crew)	80,000	81,600	83,232	84,897	86,595
Salaries - Overtime	5,000	5,100	5,202	5,306	5,412
Part-Time Salaries - Regular	35,000	35,700	36,414	37,142	37,885
Part-Time Salaries - Overtime	5,000	5,100	5,202	5,306	5,412
Hybrid/VLDP (Employer)	3,000	3,060	3,121	3,184	3,247
Employer's FICA	9,563	9,754	9,949	10,148	10,351
VRS	2,000	2,040	2,081	2,122	2,165
Hybrid/ICMA Retire (Employer)	1,000	1,020	1,040	1,061	1,082
Health Insurance - (Town Share 80%)	24,000	24,480	24,970	25,469	25,978
Group Life Insurance - VRS	1,461	1,490	1,520	1,550	1,581
Worker's Comp	3,200	3,264	3,329	3,396	3,464
Community Center Dues/Employer	580	580	580	580	580
Repairs & Maintenance	4,000	4,000	4,000	4,000	4,000
Maintenance and Service Contracts	3,000	3,000	3,000	3,000	3,000
Advertising	2,000	2,000	2,000	2,000	2,000
Uniforms/Clothing	1,500	1,500	1,500	1,500	1,500
Electrical Services	2,000	2,000	2,000	2,000	2,000
Heating Services	500	500	500	500	500
Water & Sewer	1,500	1,500	1,500	1,500	1,500
Postage	1,000	1,000	1,000	1,000	1,000
Telecommunications	600	600	600	600	600
Travel & Training	1,200	1,200	1,200	1,200	1,200
Office Supplies	800	800	800	800	800
Food Supplies	500	500	500	500	500
Agricultural Supplies	40,000	40,800	41,616	42,448	43,297
First Aid/safety supplies	291	297	303	309	315
Housekeeping Supplies	500	510	520	531	541
Repair & Maintenance Supplies	500	510	520	531	541
Vehicle & Powered Equipment Fuels	1,200	1,224	1,248	1,273	1,299

Vehicle & Powered Equipment Supplies	1,616	1,648	1,681	1,715	1,749
Recreational Supplies	3,000	3,060	3,121	3,184	3,247
Other Operating Supplies(or programs)	11,000	12,100	12,342	12,589	12,841
Small Tools	500	500	500	500	500
Equipment Purchase	15,000	15,000	15,000	15,000	15,000
Machinery & Equipment	5,000	5,000	5,000	5,000	5,000
Other Supplies	1,000	1,000	1,000	1,000	1,000
Grant Expenses	300	300	300	300	300
Contingency	20,000	20,000	20,000	20,000	20,000
<b>Total Golf Course Expenses:</b>	<b>288,311</b>	<b>293,737</b>	<b>298,392</b>	<b>303,140</b>	<b>307,984</b>

**Facilities**

Salaries (Director & Summer Crew)	219,943	224,342	228,829	233,405	238,074
Salaries - Overtime	10,873	11,090	11,312	11,538	11,769
Part-Time Salaries - Regular	86,765	88,501	90,271	92,076	93,917
Part-Time Salaries - Overtime	4,053	4,134	4,216	4,301	4,387
Hybrid/VLDP (Employer)	9,600	9,792	9,988	10,188	10,391
Employer's FICA	15,850	16,167	16,490	16,820	17,157
VRS	5,200	5,304	5,410	5,518	5,629
Hybrid/ICMA Retire (Employer)	2,000	2,040	2,081	2,122	2,165
Health Insurance -	72,000	73,440	74,909	76,407	77,935
Group Life Insurance - VRS	2,389	2,437	2,486	2,535	2,586
Worker's Comp	8,016	8,176	8,340	8,507	8,677
Community Center Dues/Employer	500	500	500	500	500
Repairs & Maintenance	7,653	7,806	7,962	8,121	8,284
Maintenance and Service Contracts	1,600	1,600	1,600	1,600	1,600
Advertising	3,000	3,000	3,000	3,000	3,000
Uniforms/Clothing	2,000	2,040	2,081	2,122	2,165
Electrical Services	17,000	17,340	17,687	18,041	18,401
Heating Services	22,739	23,194	23,658	24,131	24,613
Water & Sewer	3,200	3,264	3,329	3,396	3,464
Postage	1,500				
Telecommunications	3,953	4,032	4,113	4,195	4,279
Travel & Training	1,000	1,000	1,000	1,000	1,000
Contingency	48,360	48,360	48,360	48,360	48,360
Other Programs & Events	45,000	45,000	45,000	45,000	45,000
Membership Dues	250	250	250	250	250
Office Supplies	1,000	1,020	1,040	1,061	1,082
Food Supplies	310,000	316,200	322,524	328,974	335,554
Agricultural Supplies	300	300	300	300	300
First Aid/safety supplies	219	219	219	219	219
Housekeeping Supplies	3,955	4,034	4,115	4,197	4,281
Repair & Maintenance Supplies	16,672	17,006	17,346	17,693	18,047
Vehicle & Powered Equipment Fuels	201	205	209	213	217
Vehicle & Powered Equipment Supplies	331	337	344	351	358
Recreational Supplies	3,000	3,060	3,121	3,184	3,247

Other Operating Supplies(or programs)	10,000	10,200	10,404	10,612	10,824
Small Tools	1,180	1,204	1,228	1,252	1,277
Equipment Purchase	4,500	4,590	4,682	4,775	4,871
Machinery & Equipment	31,000	31,620	32,252	32,897	33,555
<b>Expenses:</b>	<b>976,802</b>	<b>992,803</b>	<b>1,010,655</b>	<b>1,028,863</b>	<b>1,047,436</b>
<b>Total Expenses:</b>	<b>1,265,112</b>	<b>1,286,540</b>	<b>1,309,047</b>	<b>1,332,004</b>	<b>1,355,420</b>
<b>Net (loss)/ gain</b>	<b>(50,612)</b>	<b>(12,263)</b>	<b>12,276</b>	<b>38,342</b>	<b>66,011</b>

	<b>Net (loss)/ gain</b>	(50,612)	(12,263)	12,276	38,342	66,011
Debt Service		130,000	130,000	130,000	130,000	130,000
Local Subsidy for Debt Service/ Operations		180,612	142,263	117,724	91,658	63,989

Subsidy based on a \$1,900,000/15 year bond

	<b>Net (loss)/ gain</b>	(50,612)	(12,263)	12,276	38,342	66,011
Debt Service		<u>65,000</u>	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>
Local Subsidy for Debt Service/ Operations		115,612	77,263	52,724	26,658	(1,011)

Subsidy based on a \$850,000/15 year bond