

**MINUTES OF THE COMMON COUNCIL
IN SPECIAL SESSION
APRIL 24, 2007**

A special session of the Winchester Common Council was held on Tuesday, April 24, 2007, in the Council Chambers, Rouss City Hall. President Charles T. Gaynor called the meeting to order at 5:33 p.m.

PRESENT: President Gaynor, Vice-President Griffin, Mayor Minor, Vice-Mayor Buettner and Councilors Clark, Coyne, Helm, Major, Masters, Nelson. (10)

ABSENT: Councilor Butler. (1)

REPORT OF THE PRESIDENT

- Public Hearing: AN ORDINANCE TO AMEND AND RE-ENACT SECTION 27-10 OF THE WINCHESTER CITY CODE BY CHANGING THE TAX RATE ON REAL PROPERTY FROM SIXTY-NINE CENTS (\$.69) FOR EVERY ONE HUNDRED DOLLARS (\$100.00) OF THE ASSESSED VALUE THEREFORE TO SIXTY-NINE CENTS (\$.69) FOR EVERY ONE HUNDRED DOLLARS (\$100.00) OF THE ASSESSED VALUE THEREFORE

Councilor Nelson arrived at 5:34 p.m.

George Schember, 226 Amherst St., Winchester, VA 22601, was present to address Council regarding the tax increase. Mr. Schember spoke of his disappointment in Council for the past few years and also how retirees were low maintenance but had a high value in the community.

Mayor Minor arrived at 5:37 p.m.

Ed Baylis, 307 W. Piccadilly Street, Winchester, VA 22601, was present to address Council in opposition. Vice-Mayor Buettner let him know that the City needed to keep 25% in the General Fund to keep our Bonds rated. Mr. Baylis then asked the amount of debt the City had total. City Manager Edwin Daley responded “approximately \$100 million.”

Robert Palmer, 320 Russelcroft Rd., Winchester, VA 22601, was present in opposition to address Council. Mr. Palmer told Council how “totally unacceptable” the tax increase was. He also let Council know that he understands how unexpected expenses sometimes arise, but “some retirees may have to go to the bank to pay for this increase.”

Jerome Sanfino, 336 Shenandoah Avenue, Winchester, VA 22601 was present in opposition to address Council. Mr. Sanfino let Council know that he was not a retiree but he was “middle class.” Mr. Sanfino also wanted to ask the Councilors to “try different formulas” or “tax the first \$100,000 dollars assessed value at \$.50 cents.”

Frances Oar, 1833 Rosser Lane, Winchester, VA 22601 was present in opposition to address Council. Mrs. Oar let the Councilors know that she was on a pension income and could not afford the new tax. She also said that the homeowners in her community spent \$30,000 dollars for street repair and repairing sidewalks with no rebar underneath them.

Steve Bush, 1850 Kershaw Lane, Winchester, VA 22601 was present in opposition to address Council. Mr. Bush told Councilors that he was one of the original owners in the Dan Ryan homes on Willow Lane. He also said that his neighbor, a 65 year old woman, was working two jobs to be able to pay for her taxes and other expenses.

Bruce Santilly, 1937 Sully Court, Winchester, VA 22601 was present in opposition to address Council. Mr. Santilly explained to Council how the real estate assessment went up 42% for him and his real estate tax has increased 37%. He also stated that Frederick County was not raising their tax rate.

John Applin, 506 W. Clifford Street, Winchester, VA 22601 was present in opposition to address Council. Mr. Applin wanted to let councilors know that he hoped they would listen to what was being said and that they had not already made up their minds.

Rick Brown, 125 Armistead Street, Winchester, VA 22601 was present in opposition to address Council. Mr. Brown asked Council why the County did not raise their taxes but the City had to raise theirs so much. Vice-Mayor Buettner then told Mr. Brown how hard it was to compare a city to a county and then explained that the City provided things that the County could not, such as trash pick up, recycling, response times in the police and fire and rescue departments, etc. Mr. Brown then suggested that the tax increase should be on a referendum during election.

Bobby Grimm, 303 S. Washington Street, Winchester, VA 22601 was present in opposition to address Council. He wanted to tell Councilors to figure out where the money was coming from before they approve it.

Bill Pifer, 515 Tennyson Avenue, Winchester, VA 22601 was present in opposition to address Council. Mr. Pifer said he knew that the decisions were not made lightly. He then continued his thought by saying he had “seen a decrease of city services such as a reduction of trash pickup in multi-family homes.”

Mary Anne Shuster, 2631 Middle Road, Winchester, VA 22601 was present in opposition to address Council. She said she had not prepared a speech of statistics for the Councilors. Mrs. Shuster did say that the new assessments were based on price values two years ago and that she could not sell her house for what it was assessed.

Beau Johnson, 219 Jefferson Street, Winchester, VA 22601 was present in opposition to address Council. He expressed his concerns about the City’s funding saying “Handley [was] an exorbitant cost.”

George Botschin, 2962 Valley Avenue, Winchester, VA 22601 was present in opposition to address Council. Mr. Botschin expressed his concerns asking, “What have we been spending our money on?”

Barbara Fogle, 605 Baker Lane, Winchester, VA 22601 was present in opposition to address Council. She explained to the Councilors that she used to live in the county and she “compared penny for penny before [she] moved back to the City” and now everything had changed. She

said she knew very early on in her life the difference between wants and needs and said “it [was] time for the City to learn to do the same.”

Dan Ramsberg was present in opposition to address Council. Mr. Ramsburg let the Councilors know that he had suffered a 54% increase and for the first time his property was assessed higher than the market value.

Bill Sutherland, 10 Rifleman Lane, Winchester, VA 22601 was present in opposition to address Council. Mr. Sutherland asked Council to please reconsider.

Barbara Bledsoe, 1006 Heth Place, Winchester, VA 22601 was present in opposition to address Council and said that she had not heard one person say they agreed with the tax increase.

Don Carulli, 818 S. Stewart Street, Winchester, VA 22601 was present in opposition to address Council. He stated that his real estate assessment had a 157% increase.

William Sullenville, 647 Battle Avenue, Winchester, VA 22601 was present in opposition to address Council. Mr. Sullenville stated that he had a 40% increase from 2004-2006. He also wanted to remind Council of Vice-Mayor Buettner’s article in The Winchester Star on November 9th stating council would lower the tax rate.

Robin Link read a letter from Mary Kinnaman, 212 Parkway Street, Winchester, VA 22601. The letter stated “the taxpayers should not be burdened with tax increases due to poor planning by Council...The middle class homeowner can not afford to stay in Winchester with the taxes increasing at this rate.”

Harold Mummert, 1516 Pondview Dr., Winchester, VA 22601 was present in opposition to address Council. He told Council that over the past seven years, his taxes have increased a total of 66.5%.

President Gaynor then went through some of the various expenses of the City. The Handley library needed \$8 million to be repaired. Daniel Morgan Middle School needed \$32 million to solve the overcrowding problem. The \$32 million prevented the cost of building a new elementary school. John Handley High School was a gift to the City of Winchester and was renovated back in 1980. The school had an air quality problem and was getting bad. The City spent \$50 million on John Handley High School and the rest of the costs were raised in fundraising and \$8 million in tax credits. President Gaynor also said that when the citizens’ houses were assessed, they were at peak. “A high property value is a good thing. A person’s primary asset is their house.” President Gaynor then spoke regarding the differences between living in the city and living in the county. “The City provides trash and recycling pick-up. Also, the City’s 911 response time is 3.5 minutes as opposed to 15 minutes in the county.” President Gaynor then said that out of the \$82 million for Daniel Morgan Middle School and John Handley High School, \$22 million was still left to fund. This budget had \$16 million of it. For the next budget, \$6 million would be needed which is 2 cents in real estate tax.

Michael Burton, 524 Lanny Drive, Winchester, VA 22601, then asked Council why the problems with John Handley High School were not addressed previously.

Robert Palmer then asked President Gaynor if he said the real estate tax would increase 2 cents next year.

A woman then stood up and asked “when is the greed going to stop?” She then stated that 17 years ago, the taxes were \$389 dollars a year and now, she pays \$2000 dollars a year. She continued to say, “Only 25% of citizens have children in school.” She also said the Commissioner of Revenue, Mr. Russell did not take the time to speak with her. However, the Economic Redevelopment Director Mr. Deskins spoke with her for over an hour. She then stated that she “had not seen a whole lot of revitalization.”

J.T. Kremer Jr., 705 Mahoney Drive, Winchester, VA 22601, asked Council where the money was going. He said “We can’t plan problems but we can plan to address problems.” He continued by asking, “Is this meeting after the fact? Does it amount to anything?”

President Gaynor asked if anyone wanted to address Council for the first time.

Rick Brown asked what the difference would be if the rate were \$.55 instead of \$.65.

Vice-Mayor Buettner replied, “We wouldn’t be able to repay the bonds which would be devastating.”

President Gaynor declared the public hearing closed at 7:09 p.m.

FINANCE AND ADMINISTRATION

Vice-Mayor Buettner presented the following:

- Second Reading, by title, for adoption: AN ORDINANCE TO AMEND AND RE-ENACT SECTION 27-10 OF THE WINCHESTER CITY CODE BY CHANGING THE TAX RATE ON REAL PROPERTY FROM SIXTY-NINE CENTS (\$.69) FOR EVERY ONE HUNDRED DOLLARS (\$100.00) OF THE ASSESSED VALUE THEREFORE TO SIXTY-NINE CENTS (\$.69) FOR EVERY ONE HUNDRED DOLLARS (\$100.00) OF THE ASSESSED VALUE THEREFORE

Councilor Coyne made a motion to amend the ordinance from sixty-nine cents (\$.69) for every one hundred dollars (\$100.00) to sixty-five cents (\$.65) for every one hundred dollars (\$100.00) for the real property tax increase. *The motion to amend the ordinance was seconded by Vice-President Griffin and adopted by the affirmative roll-call vote of a majority of all members of the Common Council, the ayes and nays being recorded as shown below:*

<u>MEMBER</u>	<u>VOTE</u>
Vice-Mayor Buettner	Aye
Councilor Clark	Aye
Councilor Coyne	Aye
Vice-President Griffin	Aye
Councilor Helm	Aye
Councilor Major	Aye
Councilor Masters	Nay

Mayor Minor	Aye
Councilor Nelson	Aye
President Gaynor	Aye

Chairman Buettner said that he understood the burden of the rise in taxes, but the function of government changes. Mr. Buettner also stated that renovating the schools was the right thing to do. It created a different learning environment and the City did not have land to build. The City was able to build a completely new school inside the old shell. Chairman Buettner said that he was going to be paying taxes to support schools when his children were not attending them anymore. Of the \$.14 tax increase, \$.02 went to the jail for debts; \$.04 went to John Handley High School and Daniel Morgan Middle School; and another \$.04 went to school operations. Mr. Buettner went on to say that money was still needed to repave streets, put up street lights on dark streets, and fix gridlock and traffic. Mr. Buettner said that the City was starting to do the things that should have been done 20 years earlier.

Vice-Chairman Coyne spoke regarding the tax rate saying that Council appreciated everyone speaking and it did have an impact. Mr. Coyne went on to say that they had to set priorities for the present and the future. The City could not engage in deficit budgets. He also said that the county did not raise their taxes because they have growth. Mr. Coyne continued by saying, "I was not elected to go with the wind. I have to make a rational decision based on the information I have."

Councilor Masters said that every one of the Councilors is honorable but he did not agree with the tax increase. Mr. Master did say, however, that he did support Council's decision. He said he was opposed but that did not mean that everyone else was wrong. He said he would support the minimum but could not support the full amount. Councilor Masters also asked everyone to, "Bear with us. We are trying."

Councilor Helm said that none of the councilors sought the positions they were in. He said they were obligated to come up with solutions to problems that arise. He said that he did not see any other way than to raise the tax rate. Councilor Helm also stated that he was disappointed in the disinformation; a lot of the numbers he had heard from the citizens were incorrect. He stated that he would support the amendment as approved.

Councilor Clark wanted to let everyone know that there were no hidden expenditures the City was spending money on. He also said that they were not funding schools as requested. If the City stayed at revenue neutral, it would fail. Councilor Clark also said that he was not excited about the rate increase.

Councilor Griffin said that she could see this coming. In the early 1990's, the reserves only contained a little over \$2 million. She said they were planning for the future.

Mayor Minor stated that it was a difficult decision for them to make and she hated to see her taxes go up but she supported the increase.

Councilor Major said that he loved it here and Winchester was a great City, but we needed to put money into it in order to keep it a great place to live. He also said to look at the increase as an investment.

Councilor Nelson stated that he could not support the increase. He said that we needed to get John Handley High School paid for and behind us. He said he was in favor of an increase but no more than 21%.

President Gaynor said that he looked at building up reserves. He said that they tried, but did not start soon enough. He stated that he could see the light at the end of the tunnel.

The motion was then adopted by the affirmative roll-call vote of a majority of all members of the Common Council, the ayes and nays being recorded as shown below:

<u>MEMBER</u>	<u>VOTE</u>
Vice-Mayor Buettner	Aye
Councilor Clark	Aye
Councilor Coyne	Aye
Vice-President Griffin	Aye
Councilor Helm	Aye
Councilor Major	Aye
Councilor Masters	Nay
Mayor Minor	Aye
Councilor Nelson	Nay
President Gaynor	Aye

ADJOURNMENT – With no further business to discuss, President Gaynor moved that the meeting adjourn. *The motion was unanimously approved by voice-vote, and the meeting adjourned at 8:10 p.m.*

Cody A. Doland
Deputy Clerk of the Common Council