West Virginia State Code §8-1-5a (m) provides:

"Commencing December 1, 2015, and each year thereafter, each participating municipality shall give a progress report to the Municipal Home Rule Board and commencing January 1, 2016, and each year thereafter, the Municipal Home Rule Board shall give a summary report of all the participating municipalities to the Joint Committee on Government and Finance."

The Municipal Home Rule Board has developed this standard format for Home Rule Program participating municipalities to prepare and submit their respective Annual Progress Reports. The intent of this standard format is to gather and compile information in a consistent, easily understood, and efficient manner that will be used to develop a concise and practical summary report to the Joint Committee on Government and Finance.

Annual Progress Reports must be submitted electronically as an individual file in PDF format no later than the close of business on the first business day of December, by emailing to WV Municipal Home Rule Board at MunicipalHomeRule@wv.gov.

A. General Information

Name of Municipality: Town of Wardensville
Certifying Official: Betsy Orndoff-Sayers
Title: Mayor
Contact Person: Betsy Orndoff-Sayers
Title: Mayor
Address: PO Box 7
City, State, Zip: Wardensville WV 26851-0007
Telephone Number: 304.874.3905
Fax Number: 304.874.4044
E-Mail Address: betsy@wardensville.com
2010 Census Population: 271

B. Municipal Classification

☐ Class I  ☐ Class II  ☐ Class III  ☐ Class IV

C. Attest

I hereby confirm that I am the authorized official for this municipality and certify that the information submitted herein and attached hereto is true and accurate and that this report addresses each and every initiative included in the original Home Rule Pilot Program Plan Application for this municipality and any subsequent amendments, if applicable.

Betsy Orndoff-Sayers

Type Name of Certifying Official  Signature of Certifying Official  Date

11/30/2020
Please use this page to report progress on each **non-tax related initiative** included in your Home Rule Application and Amendment(s). Each non-tax related initiative must be listed on a separate page.

### Initiative: Standardize Business License Categories and Fees

<table>
<thead>
<tr>
<th><strong>Was this non-tax initiative a part of your original plan application</strong> ☐ or a plan amendment ☑?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Has the ordinance(s) needed to implement this initiative been enacted?</strong>  ☑ Yes ☐ No</td>
</tr>
<tr>
<td><strong>If yes, when was the ordinance enacted?</strong>  <strong>December 9, 2019</strong></td>
</tr>
<tr>
<td><strong>If no, please describe challenges faced in enacting the related ordinance(s).</strong></td>
</tr>
</tbody>
</table>

**SUCCESSES** – In the space below, please provide a brief narrative which highlights successes realized through the implementation of this initiative and any metrics used to track performance.

There has been wide approval in the business community to the new clarified, flat-fee license structure. Minor reduction in revenues from this specific income category occurred as expected (see original Wardensville Home Rule proposal), but improved compliance due to ease of application and renewal resulted in lesser negative impact on this income area than expected. After minor bumps during transition (see “Lessons Learned,” below), new forms and procedures have led to overall improvement of staff productivity and clarity in both the new business license permitting and annual renewal processes.

**LESSONS LEARNED** – In the space below, please provide a brief narrative highlighting lessons learned during implementation of this revenue initiative that would benefit other municipalities.

Some initial confusion over the new licensing rates and the use of older application and renewal templates led to some missteps early in the transition process. However, a new, simplified and highly successful new license application form was developed. Also, the annual business renewal process will be overhauled prior to the 2021 renewal period (May-June) to clarify and simplify this workflow moving forward.
Please use this page to report progress on each non-tax related initiative included in your Home Rule Application and Amendment(s). Each non-tax related initiative must be listed on a separate page.

<table>
<thead>
<tr>
<th>Initiative: Adjust the Number of Members of the Development Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Was this non-tax initiative a part of your original plan application  ■ or a plan amendment □?</td>
</tr>
<tr>
<td>Has the ordinance(s) needed to implement this initiative been enacted? □ Yes □ No</td>
</tr>
<tr>
<td>If yes, when was the ordinance enacted? October 14, 2019</td>
</tr>
<tr>
<td>If no, please describe challenges faced in enacting the related ordinance(s).</td>
</tr>
</tbody>
</table>

**SUCCESSES** – In the space below, please provide a brief narrative which highlights successes realized through the implementation of this initiative and any metrics used to track performance.

After recruiting a new and reconstituted five-member board for the Wardensville Development Authority in the fourth quarter of 2019, the new WDA board established new priorities and identified key projects to undertake, including an upgraded municipally-owned parking lot on Main Street. However, the onset of the COVID pandemic has made it difficult for the board to meet and operate regularly (see “Lessons Learned” below), so progress to date has been slow.

**LESSONS LEARNED** – In the space below, please provide a brief narrative highlighting lessons learned during implementation of this revenue initiative that would benefit other municipalities.

The onset of the COVID pandemic shortly after our newly-reconstituted WDA board was created has led to some operational setbacks. Meetings could not be convened remotely due to varying levels of technical expertise and capabilities of the board members, and project work was delayed or postponed due to lack of available resources. Like other small governments, we are dealing with these issues by embracing new procedures and technologies, and the WDA board is resolved to get back on track in calendar 2021.
Please use this page to report progress on each **tax related initiative** included in your Home Rule Application. Each tax related initiative must be listed on a separate page.

| Initiative: **Impose a 1% Sales Tax and Reduce or Eliminate Selected Business and Occupation Tax Categories** |
| Was this tax initiative a part of your original plan application ■ or a plan amendment □ or N/A □ |
| Has the ordinance(s) needed to implement this initiative been enacted? ■ Yes □ No |
| If yes, when was the ordinance enacted? **December 9, 2019** |
| If no, please describe challenges faced in enacting the related ordinance(s). |

**REVENUES** – In the space below, please provide a brief narrative highlighting revenue amounts and revenue categories realized; revenue amounts and revenue categories reduced; net revenue gain; and, any metrics used to track performance.

The new municipal sales and use tax was designated for the areas of public safety, parks and recreation, and grant matching. Income for the tax in 2020 (only one quarter payable, since the tax took effect on July 1, 2020) was $9,054. This was a large increase over B&O tax revenues on specific businesses paying the new sales tax for a similar period ($2,900 in 2019). Keeping the B&O tax in place for businesses not liable for the sales and use tax (banks, contractors, etc.) resulted in only minor reduction in those revenues. A more comprehensive report of the effective changes in revenue amounts per category will be produced at the end of FY 2021, after the new B&O and sales/use tax structures have been in effect for a full year.

**SUCCESSES** – In the space below, please provide a brief narrative highlighting projects, improvements, programming, etc. realized through the implementation of this revenue initiative and any metrics used to track performance.

Since the new tax structure became effective on July 1, 2020 (and no new income was realized from the change until mid-October after the end of the first quarter), we are still evaluating the overall impact on Town finances. However, the surplus revenues added to the public safety and recreation funds allowed the Town to contract with an engineering firm to ascertain the status of our Wardensville Capon Valley Community Center building and begin to address deferred maintenance issues there.

**LESSONS LEARNED** – In the space below, please provide a brief narrative highlighting lessons learned during implementation of this revenue initiative that would benefit other municipalities.

The transition from B&O Tax to Sales Tax for our retail and restaurant businesses had a few bumps. There was some confusion among some of our bigger taxpayers (for instance, the 7-Eleven) about the change. On balance, the Town could have provided clearer and more frequent information to businesses directly affected by the change. Also, it is difficult to know without comprehensive reporting office (itemized by business) from the W.Va. tax which businesses are complying with the new tax structure and which are not. However, we expect these bumps to be smoothed out after the first few quarters of the new system.