

Morgan County Commission
Public Hearing
Hotel/Motel Tax Increase
March 16, 2011

Members Present: President Stacy Dugan, Commissioner Brenda Hutchinson and Commissioner Brad Close

Others in attendance: Susan Webster, Tom Zahnow, Stephanie Rebant, Ryan Rebant, Bobby Dugan, Barb Wolfe, Steve Hutchinson, Kate Shunney, Marti Sikes, Laura Breeden, Dawn White, Hedy Kuemmel, Tricia Strader, Bruce Beadenkopf, Dale Wimstead and Roger Robles

President Dugan opened the public hearing meeting at 7:00 p.m. and explained that the purpose of the public hearing is to hear public comment regarding changes to the hotel/motel occupancy tax. President Dugan stated that the proposed change is to increase the hotel/motel occupancy tax from 3% to 4%.

Susan Webster, Mayor of the Town of Bath, stated that the town council supports whatever the community is in favor of.

Ryan Rebant, Town Councilman, stated that he realizes there was a system failure with collecting the taxes, and the town council promises to set the system back into place so this doesn't happen again.

President Dugan read a statement from Sandy Kay, Local Business Owner. The statement read: Sandy Kay is ok with the increase of the taxes if Travel Berkeley Springs thinks it is an option; however, she is not ok with the amount of money in taxes owed by the Country Inn.

Susan Webster stated that the Town of Bath has received 2 payments from the Country Inn for January 2011 and February 2011. The amounts were \$832.23 for January and \$941.61 for February.

Susan Webster stated that the Town Council has instructed Attorney Richard Gay to file suit to clear up all monies owed.

Jeanne Mozier asked if the Town Council planned to impose penalties and Ms. Webster stated yes.

Dawn White suggested initiating involuntary bankruptcy on the Country Inn to have a trustee distribute monies in payment of the taxes. Ms. Webster stated that she will discuss this with the attorney.

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President Dugan asked the public if they had any comments.

Tom Zahnow stated that he is in favor of the tax increase. Mr. Zahnow stated that we have a problem, and the problem is how the taxes are collected. Mr. Zahnow stated that before we do anything, we need to fix the problem. Commissioner Hutchinson stated that on the county level, the problem has been fixed. Susan Webster stated that the town is working on solving the problems. Mr. Zahnow suggested looking at the state in general and stated if you are going to raise the taxes, raise it at one time and raise it to match the majority of the counties in WV. Mr. Zahnow stated that he would like to see the increase go up to 6%.

Stephanie Rebant stated that Travel Berkeley Springs will withdraw the increase request if it is over 1% and stated that the tourist industry will only support a 1% increase. Ms. Rebant stated that Travel Berkeley Springs provides information about Berkeley Springs with brochures and also provides advertisement for the music festivals, art shows, the water tasting contest, girlfriend weekend and the annual Apple Butter Festival. Ms. Rebant stated that Travel Berkeley Springs has seen a 60% reduction and the board members have made budget cuts. Ms. Rebant stated that Travel Berkeley Springs supports the 1% increase.

Jeanne Mozier stated that the members of Travel Berkeley Springs support the 1% increase but will not support more than 1% increase. Ms. Mozier stated that 2 years ago, Travel Berkeley Springs thought they would have enough revenue but they have had to cut everything they possibly can. Ms. Mozier stated that Travel Berkeley Springs has one staff member; everyone else volunteers their time and work. Ms. Mozier stated that she hopes it is raised 1% so revenues can start coming in and businesses can start making money.

Dawn White stated that somewhere in the ordinance it should state that that the tax is due when it is collected.

Jeanne Mozier stated that the collection date is in the WV state code, and the County Commission does not have the authority the change the payment schedule.

President Dugan thanked everyone for attending and for their comments. President Dugan stated that the decision on the increase will be decided at the County Commission meeting on April 7, 2011.

President Dugan adjourned the meeting at 7:30 p.m.