

**Mayor:** Ethan J. Barnes  
**Recorder-Treasurer:** Darlene Wilson  
**Council Members:** Penny Allen, Tony Berry  
Mark Gordon, Laura Smith  
Sue Taylor, Herbert Wise  
**City Attorney:** Joe Grider

# City of Hardy, Arkansas

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**Minutes of Special Meeting  
Hardy City Council  
February 21, 2023 • 4:00 p.m.  
Hardy City Hall**

Mayor Ethan J. Barnes called the meeting to order at 4:02 p.m. Tuesday, February 21, 2023, at the Hardy City Hall, 124 Woodland Hills Road, Hardy, Arkansas. Mayor Barnes led all present in the pledge of allegiance to the flag of our country. Councilman Berry gave the invocation. Mayor Barnes made note of the absence of Recorder-Treasurer Darlene Wilson due to a prior commitment to attend a meeting in Little Rock. In her absence, Mayor Barnes asked Deputy Clerk Katlyn Murphy to call the roll. The following council members answered to their names: Penny Allen, Tony Berry, Mark Gordon, Laura Smith, and Sue Taylor. Herbert Wise was absent. With five council members present, there was a quorum. Attorney Grider was also in attendance.

Mayor Barnes announced that the special meeting had been called to address two items that were publicized and on the agenda. Those two items are Ward 2, Position 1 Alderman/Arkansas Attorney General's Opinion 2023-006, and proposed Ordinance 2023-3, the Levy of Gross Receipts Tax on Lodging, Prepared Food and Beverage.

**Subject 1 – Ward 2, Position 1 Alderman/Arkansas Attorney General's Opinion No. 2023-006**

Mayor Barnes asked the council members to review the Attorney General's Opinion which was a letter dated February 15, 2023. He stated that the city council had met the previous week on Monday, February 13<sup>th</sup>, and four days later on Thursday, February 16<sup>th</sup> in the afternoon he had received the letter. He read the portion of the letter which stated the facts of the opinion which was that a vacancy in the election had occurred and that the incumbent which had been in office previously was therefore continued in office unless that person had resigned. Since a vacancy in the election had occurred, Mr. Herbert Wise, the councilman serving in the position previously was therefore considered to still be the councilman in that position.

Councilwoman Allen made a motion to rescind the January 17, 2023 vote which declared a vacancy in office, based on the Arkansas Attorney General's Opinion 2023-006; Councilman Gordon seconded the motion. Mayor Barnes requested a roll call vote. Allen – yes; Berry – yes; Gordon – yes; Smith – yes; Taylor – yes. All in favor; motion passed.

Councilwoman Allen made a motion to rescind the February 13, 2023 vote that had placed Jason Creasey in the Ward 2, Position 1 Alderman position, based on the Arkansas Attorney General's Opinion 2023-006; Councilman Gordon seconded the motion. Mayor Barnes requested a roll call vote. Allen – yes; Berry – yes; Gordon – yes; Smith – yes; Taylor – yes. All in favor; motion passed.

Councilwoman Smith made a motion to declare a vacancy in the election due to the fact that the winner of the election for Ward 2, Position 1 Alderman position withdrew his candidacy after the certification of the ballot; Councilwoman Taylor seconded the motion. Mayor Barnes requested a roll call vote. Allen – yes; Berry – yes; Gordon – yes; Smith – yes; Taylor – yes. All in favor; motion passed.

**Subject 2 – Ordinance 2023-3 Levy Gross Receipts Tax on Lodging, Prepared Food and Beverage**

Mayor Barnes referred council members to their packets which contained the proposed ordinance along with some statistics on comparable HMR tax rates of other cities in Arkansas. He then provided some additional documents containing a slide presentation which explained the proposal, and he read through it asking the council members to follow along. After the presentation, Councilwoman Allen spoke regarding some specific other cities' tax rates, most of which were lower. She also stated that she was not for raising taxes just for the A&P, but that she thought it would be more fair to raise taxes on groceries and everything so that everyone would have to be a

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part of it instead of just one specific group and that it would generate more money. Councilman Gordon made note that he would also be potentially in favor of considering an extra tax on all business, but that the extra penny or so on the dollar that was being proposed by this ordinance could be done now without any extra paperwork or costs on food and lodging businesses and that it would generate needed revenue to help the City catch up. Councilwoman Smith also spoke in favor of enacting this small amount of extra tax which would potentially be paid mostly by tourists to the town who would not object to paying it, while the revenue generated would help the City. After discussion, Councilman Berry made a motion to read Ordinance 2023-3, An Ordinance Amending Chapter 2.56, Section 03 of the City of Hardy Code of Ordinances to Levy a Gross Receipts Tax on Lodging and Prepared Food and Beverage, Providing for the Emergency Clause, and for Other Purposes. Councilwoman Smith seconded the motion. Mayor Barnes called for a roll call vote. Allen – abstain; Berry – yes; Gordon – yes; Smith – yes; Taylor – yes. With four in favor; motion passed. Attorney Grider then read Ordinance 2023-3.

Councilwoman Smith made a motion to waive the second and third readings and to read the ordinance by title only; Councilwoman Taylor seconded the motion. Mayor Barnes called for a roll call vote. Allen – yes; Berry – yes; Gordon – yes; Smith – yes; Taylor – yes. All in favor; motion passed. Attorney then read the Ordinance 2023-3 by title only.

Councilwoman Smith made a motion to enact Ordinance 2023-3, An Ordinance Amending Chapter 2.56, Section 03 of the City of Hardy Code of Ordinances to Levy a Gross Receipts Tax on Lodging and Prepared Food and Beverage, Providing for the Emergency Clause, and for Other Purposes. Councilman Berry seconded the motion. Mayor Barnes called for a roll call vote. Allen – yes; Berry – yes; Gordon – yes; Smith – yes; Taylor – yes. All in favor; motion passed.

Councilman Gordon made a motion to enact the emergency clause allowing the ordinance to become effective immediately. Councilwoman Smith seconded the motion. Mayor Barnes called for a roll call vote. Allen – yes; Berry – yes; Gordon – yes; Smith – yes; Taylor – yes. All in favor; motion passed.

**ADJOURN**

Councilwoman Taylor made a motion to adjourn the meeting; Councilwoman Allen seconded the motion. All in favor; motion passed, and Mayor Barnes declared the meeting adjourned at 4:56 p.m.

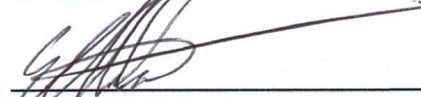
The next regular meeting of the Hardy City Council is scheduled for Monday, March 13, 2023 at 6:00 p.m. at Hardy City Hall, 124 Woodland Hills Road in Hardy, Arkansas.

Respectfully submitted,

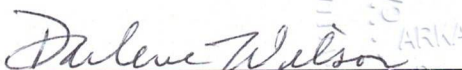
Katlyn Murphy, Deputy Clerk for  
Darlene Wilson, Recorder-Treasurer

PASSED AND APPROVED THIS 13<sup>th</sup> DAY OF March, 2023

APPROVED:

  
Ethan J. Barnes, Mayor

ATTEST:

  
Darlene Wilson, Recorder-Treasurer