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News Release

Health Care Sales Tax town hall planned at Frances Willard School

Meeting begins at 7 p.m. Thursday in school's media center, 201 N. Fourth St.

ARKANSAS CITY, Kan. (August 20, 2018) — The City Commission of Arkansas City, which also serves as the South Central Kansas Medical Center Board of Trustees, will be host to its night town hall on the Health Care Sales Tax proposal at **7 p.m. Thursday** at Frances Willard Elementary School.

The meeting will be in the school's library/media center and should last one to two hours. The public is invited to attend and ask questions about the upcoming tax vote. Doors will be open from 6 to 8 p.m.

Please use the main entrance near the corner of North Fourth Street and Walnut Avenue to enter.

This will be preceded by a presentation to the Soroptimists of Arkansas City at **noon Wednesday** in the president's dining room at Cowley College's McAtee Dining Center, located at 206 S. Fourth St.

"We really want everyone to have the opportunity to be informed and a part of the process," said Commissioner Kanyon Gingher, who serves as vice chair of the SCKMC Board of Trustees.

Mail-in ballots started arriving today in the mailboxes of registered voters living within the city limits of Ark City. Ballots are due back to the county clerk and must be postmarked by noon Sept. 6.

If you registered prior to Aug. 16 and do not receive a ballot by Wednesday, contact the Cowley County Clerk's Office at (620) 441-4500.

If the proposed one-cent general sales tax is approved by voters, it would replace the current one-cent and half-cent sales taxes that benefit SCKMC.

This would have the effect of reducing the current sales tax rate in Arkansas City from 9 percent to 8.5 percent, bringing Ark City more into line with the sales tax rates of many neighboring communities.

One final town hall meeting currently is scheduled for **7 p.m. Aug. 30** at Arkansas City High School, located at 1200 W. Radio Lane.

For immediate release

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Tax not intended to be permanent

State law does not allow the proposed sales tax to have a sunset date, but as part of a resolution it approved in June, the City Commission stated for the record that its intent is for the tax to be retired once hospital bonds are paid off.

“The Governing Body of the City of Arkansas City may take action to eliminate this sales tax when the original or refinanced Hospital Bonds are paid,” the resolution states. “It is the intent of the Governing Body to eliminate this ... sales tax when the hospital’s bonds are paid.

“While this stated intent cannot bind a future Governing Body of the City of Arkansas City to require it to terminate the sales tax on a specific date, this provides guidance to those future elected officials as to the intent of the Governing Body and the citizens of the City of Arkansas City when they approved and supported this 1-percent sales tax election.”

City and hospital officials hope that approval of the Health Care Sales Tax, which would generate about \$1.6 million annually to secure the remaining 20 years of debt payments, will provide the City with the opportunity to refinance the bonds to a lower average interest rate in 2019.

This potentially could save taxpayers \$4 to \$8 million in interest over the course of the remaining payments. But refinancing is not possible without approval of a tax that lasts for the life of the bonds.

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