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# News Release

## Final Health Care Sales Tax town hall meeting planned at ACHS

*Meeting begins at 7 p.m. Thursday in library, located at 1200 W. Radio Lane*

ARKANSAS CITY, Kan. (August 28, 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 final town hall on the Health Care Sales Tax proposal at 7 p.m. Thursday at Arkansas City High School.

The meeting will be in the school's library and should last around one hour. 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 off the front drive, just north of Radio Lane, to enter the school. Take a left turn at the first hallway and follow it west until you see the library entrance on the right (north) side.

Mail-in ballots started arriving last week 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 **received** by noon Sept. 6.

If you are planning to return your ballot by mail, please mail it back no later than **noon Sept. 5**.

If you registered to vote prior to Aug. 16 and have not yet received a ballot, please call 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.

### **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.

**For immediate release**

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“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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