

# City Commission of Arkansas City Meeting Minutes

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The Arkansas City Board of City Commissioners met in regular session at 5:30 p.m. November 7, 2017, in the Commission Room at City Hall, 118 W. Central Ave., in Arkansas City.

Mayor Dan Jurkovich called the meeting to order. Those also present at roll call were Commissioner Duane L. Oestmann, Commissioner Charles Tweedy III, Commissioner Jay Warren and Commissioner Karen Welch.

City employees present at the meeting were City Manager Nick Hernandez, City Attorney Tamara Niles, City Clerk Lesley Shook, Public Information Officer Andrew Lawson, Finance Director Kathy Cornwell, Fire Chief Bobby Wolfe, Police Chief Dan Ward and Human Resources Manager Marla McFarland.

South Central Kansas Medical Center was represented by Chief Executive Officer Virgil Watson and Chief Financial Officer Holly Harper. Revere Healthcare Solutions Inc. was represented by Chairman and Chief Executive Officer Carmine Di Palo and nurse practitioner Cherie Bahm.

Citizens in attendance included Dr. Carson Abrams, Kanyon Gingher, Vicki Jackson and Ark City Daily Bytes reporter Jeni McGee. Walmart Manager Mark Chickadonz also was in attendance.

Commissioner Warren offered the opening prayer. Mayor Jurkovich led the pledge of allegiance.

## **Agenda Approval**

Commissioner Tweedy made a motion to approve the agenda as presented. Commissioner Oestmann seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Jurkovich declared the agenda approved.

## **Awards and Proclamations**

Mayor Jurkovich presented a Good Neighbor Award to Mark Chickadonz for his local volunteerism efforts.

Public Information Officer Lawson said the Beautification and Tree Advisory Board voted unanimously to award Chickadonz for his large donation of food, as well as his own time, to the Wilson Park train re-dedication event.

Mayor Jurkovich issued a proclamation that November is National Adoption Awareness Month and November 18, 2017, is National Adoption Day in Arkansas City. No one was present to receive the proclamation due to illness.

## **Recognition of Visitors**

South Central Kansas Medical Center CFO Holly Harper presented the hospital's September financials. Average daily census has remained above 18 for the first seven months of the year, due mainly to the Senior Health Unit.

There was a downturn in Senior Health Unit admissions in September, but the numbers bounced back in October. Commissioner Warren asked why the dip occurred. SCKMC CEO Virgil Watson attributed it to staff attrition and turnover in that department. He said there now is a renewed focus on the goal of 260 patient days per month.

Surgeries are down 17 percent from this time last year, Harper said, but outpatients and ER visits are up slightly.

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There was a slight uptick in surgery production from July to October thanks to additional orthopedic surgeries.

Harper showed the 2017 year-to-date financials in comparison to 2016, broken out into four categories comprising SCKMC, South Central Kansas Clinic, the Senior Health Unit and the expiring Lab Outreach program.

The hospital operation has posted a 2017 loss of \$821,666 and the clinic a loss of \$60,930 after sales tax revenues of \$1.8 million were added to the equation, but this was offset by profitable (and not enhanced by any sales tax) returns of \$359,228 from the Senior Health Unit and \$1.074 million from the Lab Outreach program.

The totality of the four operations yielded a current profit of \$550,718 (or a loss of \$1,294,602 before sales tax), compared to a total loss (after tax revenues of \$698,832) of just more than \$1.35 million at this time last year.

Harper said the amount due to SCKMC from SCKC has declined ever so slightly. It now is down to \$756,374. She still anticipates the clinic to be in the black by the end of the year, but it will take much longer to pay this off.

She said the goal is to work through replacing the Lab Outreach program with other initiatives such as the 340B program, hospital-based Rural Health Clinic status at Winfield Medical Arts and the CPSI/TruBridge program.

This last program is designed to help the hospital to collect its accounts receivable more quickly and go back to collect more dollars owed from prior accounts within a certain time frame. Harper said she is excited about it.

Accounts receivable is up to just more than \$6.59 million as of September 2017, compared with \$4.96 million in December 2016, primarily due to the uptick in Medicare (up nearly \$743,000) payments in the Senior Health Unit.

But private pay is climbing from \$1.94 million to \$2.383 million, due to the Medicaid gap and high deductibles.

From February 2016 to September 2017, the 121-plus-days portion of accounts payable has been eliminated completely, while the 91-120 days wedge has doubled from last month to \$192,036. The 61-90 days part has increased from \$177,657 to \$261,823. Current accounts payable have risen from \$717,908 to \$2.058 million.

Commissioner Warren asked how quickly the TruBridge program can make an impact. Harper said that on average, Kansas hospitals in the first year increase their cash by 13 percent. Her hopes are more conservative.

If TruBridge does not reach the goals SCKMC sets, it will have to pay financial penalties. But Harper said SCKMC also could face penalties if it does not complete the necessary charts and paperwork in a timely manner.

Commissioner Warren asked how the physicians will stay current. Harper said that situation has improved somewhat since she first joined the hospital thanks to the use of scribes who assist with data and paperwork.

Commissioner Oestmann asked how this will be different from the Rycan software modules SCKMC purchased earlier in the year. Harper said that just was the software — this is TruBridge coming in with its own expertise.

Mayor Jurkovich and Harper said this is different than the clinical documentation improvement project. This service will look at what other comparable hospitals have done for best practices in revenue cycle management.

Mayor Jurkovich asked if TruBridge will be helping to increase gross revenue or working to reduce deductions, or a little of both. Harper said it will be a combination of both aspects, with an emphasis on minimized deductions.

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## **City Manager Updates**

City Manager Hernandez mentioned the pending Direct Primary Care (DPC) clinic agreement. SCKMC CEO Virgil Watson said he is working with Human Resources Manager McFarland to see if the City will join in this effort.

He also introduced Cherie Bahm, who will be the nurse practitioner for the new clinic, located in Patterson Park.

Some physicians currently in the Outpatient Services Building will move to Winfield Medical Arts, Watson said.

Hernandez said the City still is working on some models, but it probably will cost the City around \$50 per month per person covered by the program, or about \$17,500 per month for the 350 people on City health insurance.

One model uses the money SCKMC owes the City to pay down the cost of the clinic, reducing the overall cost to the City to around \$12 to \$14 a month per person, Hernandez said. This essentially would be the same as SCKMC paying cash repayments to the City, which it would turn around and apply back to the original clinic cost.

To put that into perspective, Hernandez pointed out the City is pays more than \$100,000 a month for insurance.

Commissioner Oestmann made a motion to set a study session to discuss the DPC agreement at noon November 17 in the City Manager's Office at City Hall, 118 W. Central Ave. Commissioner Warren seconded the motion.

A voice vote was unanimous in favor of the motion. Mayor Jurkovich declared the motion approved.

## **Consent Agenda**

Commissioner Tweedy made a motion to approve the consent agenda as presented, including the following:

1. Approving the October 17, 2017, regular meeting minutes as written.
2. Ratifying Mayor Jurkovich's appointments of JoAnn Bierle to the Community Spirit Award Committee and Angela Bruce to the Public Building Commission.

Commissioner Oestmann seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Jurkovich declared the consent agenda approved.

## **Old Business**

### **Vaccination of Dogs and Cats** **Ordinance No. 2017-11-4443**

City Clerk Shook presented for discussion a second reading of an ordinance modifying Arkansas City Municipal Code Section 10-7, regarding the vaccination of dogs and cats.

City Manager Hernandez said he has not heard any comments about this proposed ordinance.

Dr. Carson Abrams, 1024 N. Seventh St., urged commissioners to pass the ordinance to allow three-year vaccinations of these animals, in addition to the current one-year vaccinations allowed by law.

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He provided them with a national compendium on vaccine selection that urges a minimum of three years for vaccines as part of a municipal or state rabies control program. Forty U.S. states specifically call for three years.

Kansas is one of the other 10 states that leave it up to local authorities. Under the ordinance, Abrams said, kittens and puppies would be vaccinated at 3 to 4 months, followed by a one- or three-year booster a year later.

Commissioner Oestmann asked about the cost difference. Abrams said the vaccines are very similar in price, so offering the three-year vaccine can save many pet owners a substantial amount of money.

Commissioner Warren made a motion to approve the ordinance. Commissioner Tweedy seconded the motion.

A roll call vote resulted in five aye votes and no nay votes. Mayor Jurkovich declared the motion approved and given Ordinance No. 2017-11-4443.

## **Land Bank Board of Trustees** **Ordinance No. 2017-11-4444**

City Clerk Shook presented for discussion a second reading of an ordinance amending Arkansas City Municipal Code Chapter 2, Article III, Division 6 to create a new section, titled "Land Bank."

City Attorney Niles said the City has had a land bank program since 2001, but this ordinance would bring it into compliance with state land bank statutes. It also creates a Board of Trustees that consists of the commissioners.

The ordinance allows the City to take title to properties with unpaid taxes or assessments and erase the charges.

The City then could sell or title the properties to another owner who will keep up maintenance and tax payments.

Niles said this allows the City to take title to any property not sold at a tax sale, or owners can deed homes over to the City. But she added that the Board of Trustees does not have to take on any property it does not want.

Commissioner Warren made a motion to approve the ordinance. Commissioner Oestmann seconded the motion.

A roll call vote resulted in five aye votes and no nay votes. Mayor Jurkovich declared the motion approved and given Ordinance No. 2017-11-4444.

## **Land Bank Bylaws & Directives** **Resolution No. 2017-11-3136**

City Clerk Shook presented for discussion a resolution adopting bylaws for the newly created City of Arkansas City Land Bank Board of Trustees and the Land Bank's policy directives.

Mayor Jurkovich made a motion to approve the resolution. Commissioner Welch seconded the motion.

A voice vote was unanimous in favor of the motion. Mayor Jurkovich declared the motion approved and given Resolution No. 2017-11-3136.

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## **New Business**

### **Fire-EMS Command Vehicle** **Resolution No. 2017-11-3137**

City Clerk Shook presented for discussion a resolution authorizing the purchase of a 2016 2500 HD Chevrolet command vehicle for the Arkansas City Fire-EMS Department from Superior Emergency Response Vehicles, of Andover, for a total amount not to exceed \$56,000.00.

Fire Chief Wolfe said this vehicle will replace the current battalion vehicle, which runs 24-7. The new vehicle comes with an Incident Command chart and is prewired for all radios to keep track of the different jurisdictions.

The old battalion vehicle will become Wolfe's new vehicle. His current vehicle will become an inspection vehicle that also can be used for travel to out-of-town training. It will replace a 2001 Crown Victoria that will be sold.

Wolfe also showed the storage areas in the demonstration vehicle he wants to purchase. These are used to store a variety of important, specialized pieces of equipment, such as emergency rescue breathing equipment.

He showed a current example of the sort of paperwork he has to fill out during an Incident Command System event. This paperwork will be simplified through the use of the rollout command module on the new vehicle.

Commissioner Welch made a motion to approve the resolution. Commissioner Oestmann seconded the motion.

A voice vote was unanimous in favor of the motion. Mayor Jurkovich declared the motion approved and given Resolution No. 2017-11-3137.

## **City Manager Updates (continued)**

City Manager Hernandez reminded commissioners that City Hall will be closed November 10 for Veterans Day.

He said he will not be in town November 15 due to a Kansas Association of City Managers conference in Lenexa, and again on November 17 due to his addressing a city clerks' conference in Wichita on emergency management.

Hernandez finished by congratulating Principal Planner Josh White for passing his test to become a Certified Planner. Hernandez said he is fairly certain White is the first-ever Certified Planner in Arkansas City's history.

## **Other Business**

Police Chief Ward reminded the commissioners that the annual Veterans Day parade will be at 11 a.m. November 11 in downtown Arkansas City, followed immediately by the Cowley County ABATE Toy Run.

## **Adjournment**

Commissioner Oestmann moved to adjourn the meeting. Commissioner Tweedy seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Jurkovich declared the meeting adjourned at 6:53 p.m.

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THE ARKANSAS CITY  
BOARD OF CITY COMMISSIONERS

\_\_\_\_\_  
Dan Jurkovich, Mayor

ATTEST:

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Lesley Shook, City Clerk

Prepared by:

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Andrew Lawson, Public Information Officer