

Salina Airport Authority Board of Directors Regular Meeting

DECEMBER 16, 2020



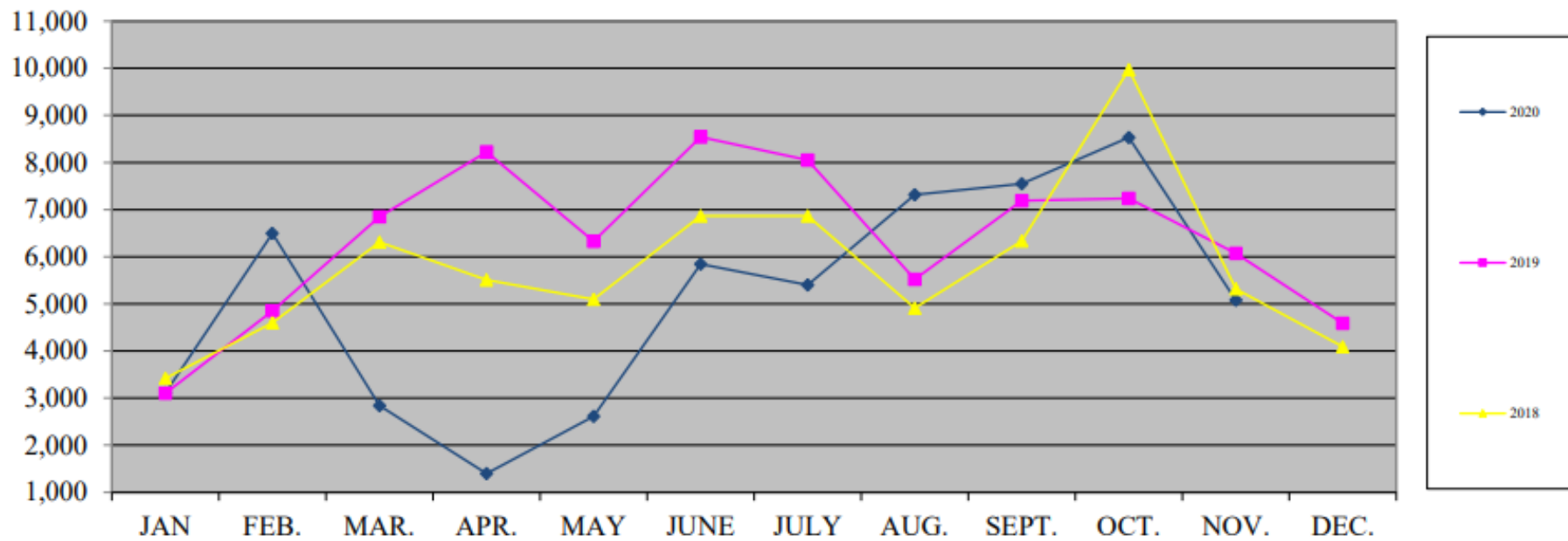
Agenda Review

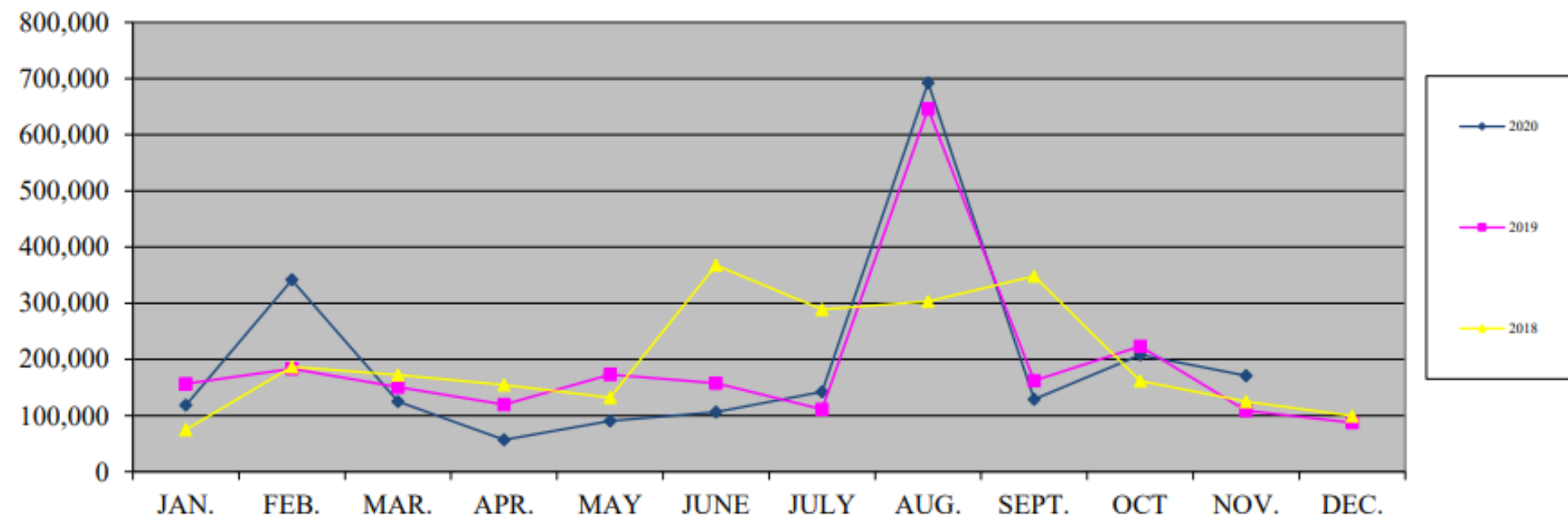
- Approval of the SAA's 2021 Operating Plan and Budget
- Complete the executive director's 2020 performance evaluation

Review of Airport Activity and Financial Reports for the Month ending November 30, 2020

TIM ROGERS, A.A.E.

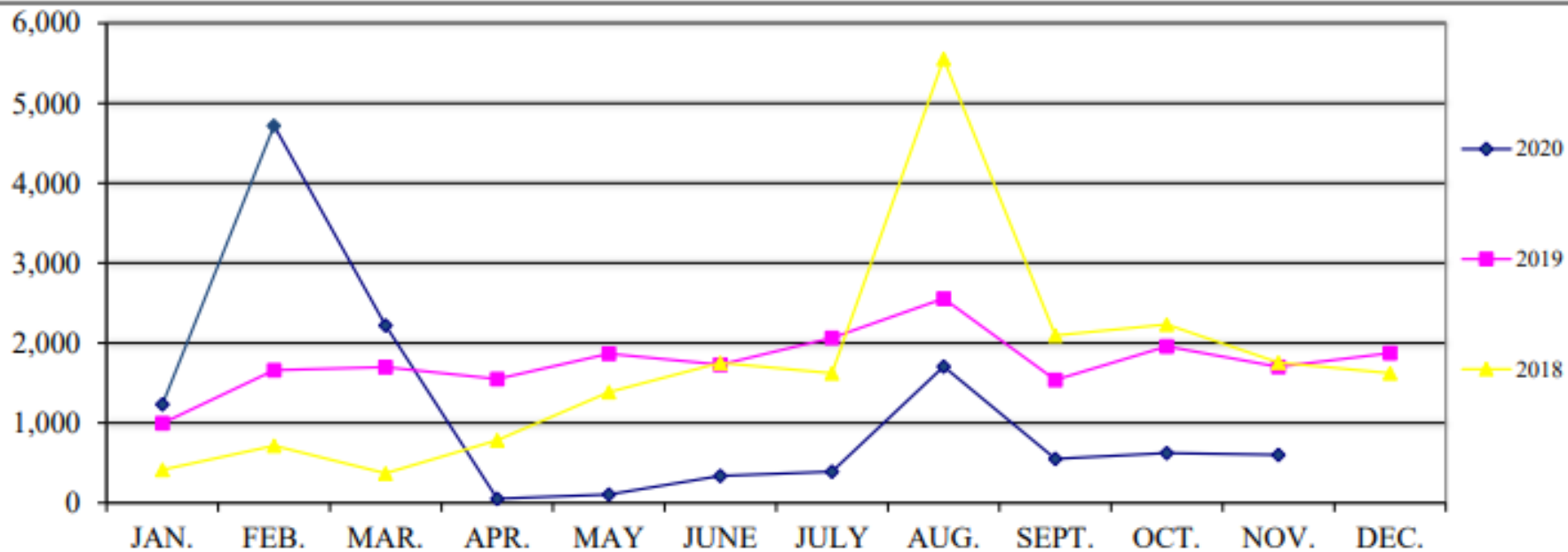
SHELLI SWANSON, C.M.





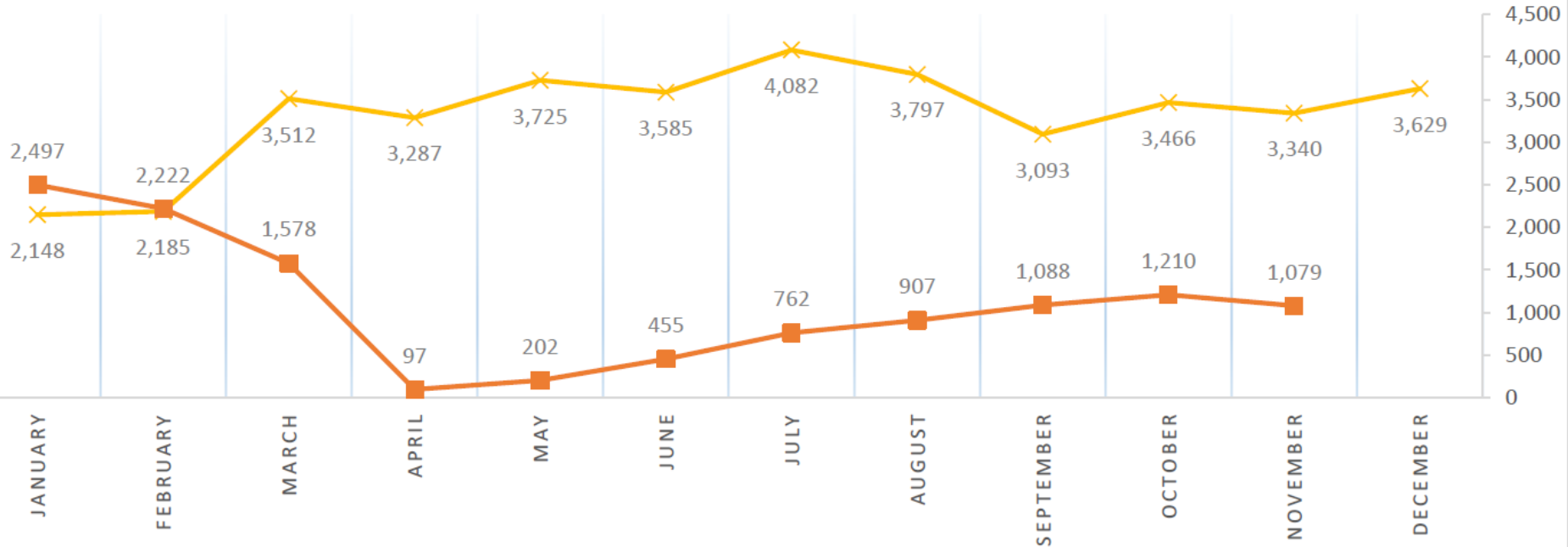


Enplanements



SLN PASSENGERS - PER MONTH

✕ 2019 TOTAL ■ 2020 TOTAL



2019 - 2020 SkyWest Airlines

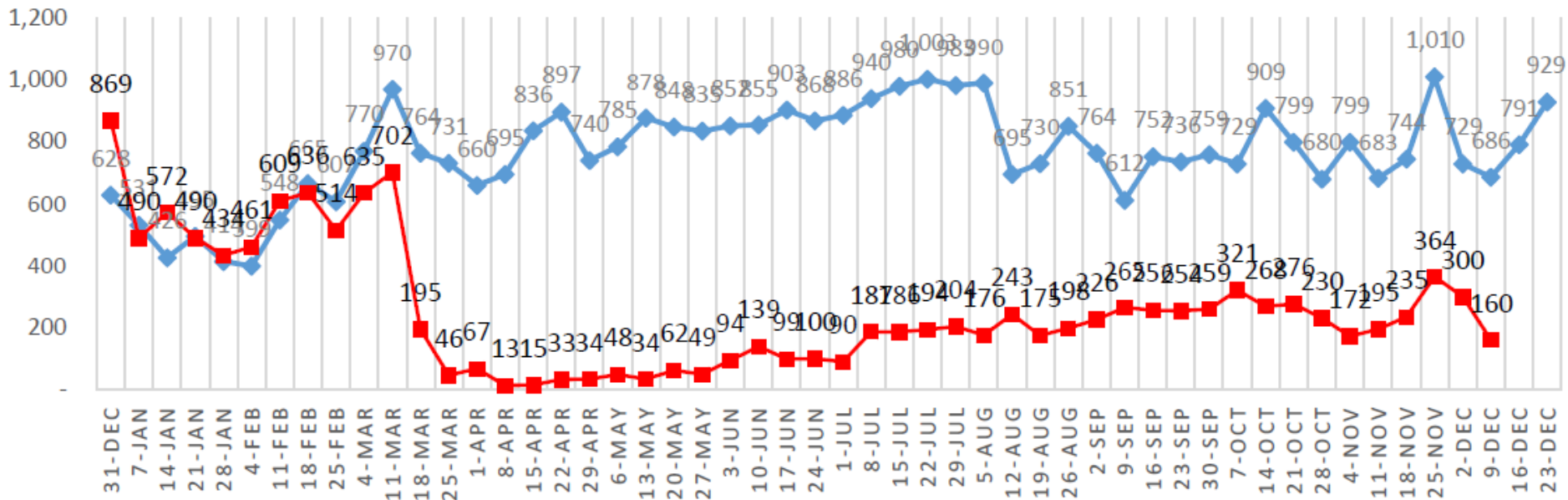
Weekly Enplane and Deplane (Monday thru Sunday)

Note: SKW EAS service at SLN started on April 9, 2018

TOTAL SLN PASSENGERS - PER WEEK

◆ 2019 TOTAL

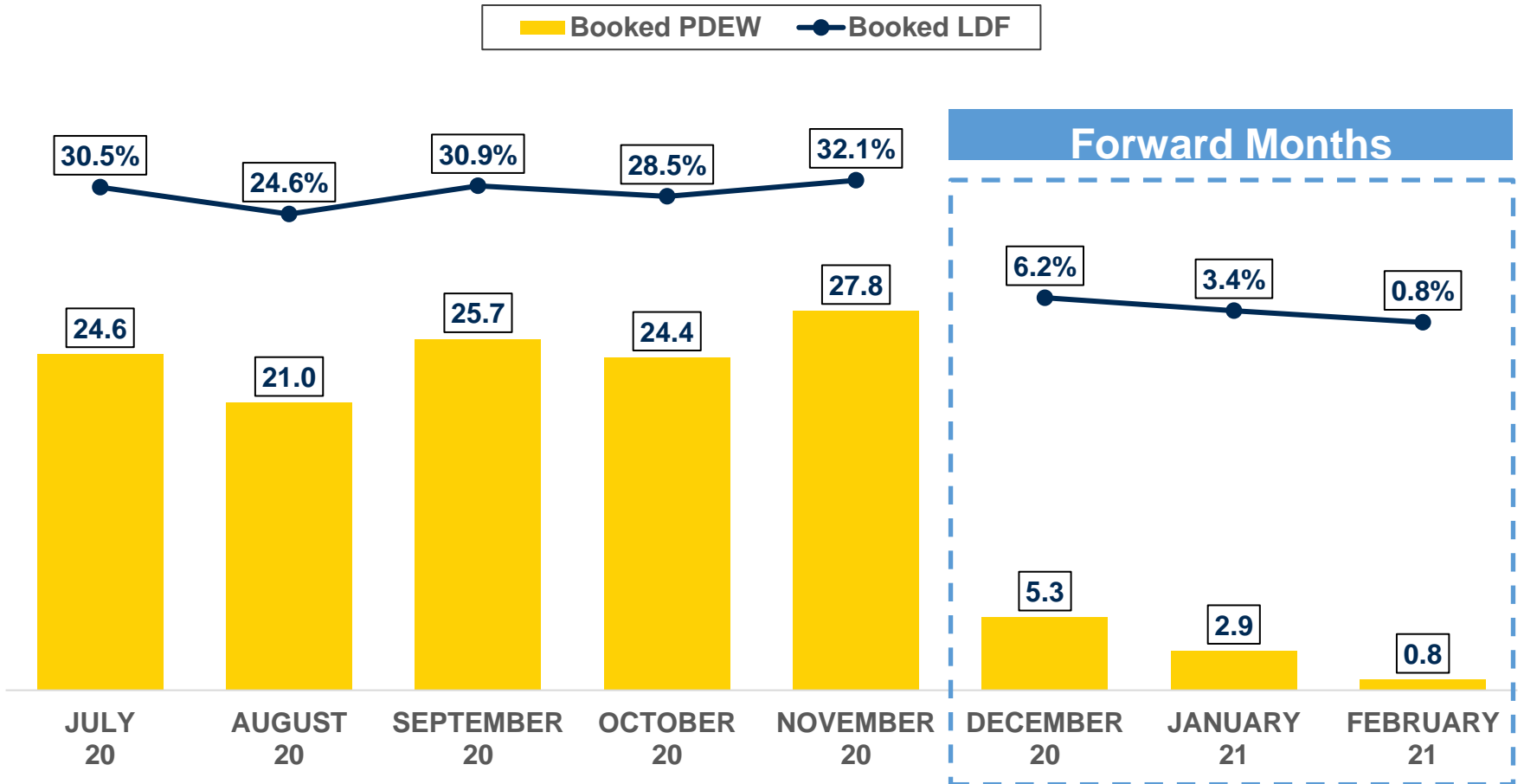
■ 2020 TOTAL



Bookings

November's booked load factor was strong prior to the CDC warning not to travel which drove significant cancellations

Booked Passengers and Load Factor at Salina, as of December 8
July 2020 to February 2021



“Back in Business” Media

- A ‘Business’ Interest Group is available to market to made up of approximately 1,500 individuals with frequent midweek travel who live in the Salina Catchment Area

- These individuals would be in addition to general marketing to those who use ICT / MCI or have ‘demonstrated’ travel interest

- Separate from the outbound market, we can reach “Business Travelers” who have visited Salina nationwide
 - While higher cost, this would likely generate a higher return
 - Would involve the purchase of device IDs

- Given cost considerations, a Beta test focused on the outbound market, travelers to Chicago and travelers to Denver may be pursued

“Back in Business” Media Themes

→ Media is being developed for your consideration with the following themes that catchy “Calls to Action” would be driven from

- **“It’s time to see your customers... before your competitors do”**
- **“Bonding and Zoom don’t fit in the same sentence”**
- **“Bonding means Being There”**
- **“It’s easier to close the deal over dinner...”**
- **“It’s easier to close the deal on the back nine...”**
- **“Don’t you miss wearing pants and dress shoes with socks?”**
- **“Good Bye, Zoom! Hello, United!!!”**
- **“Here’s the Real Teams!”**
- **“Creativity is seeing the light in their eyes”**
- **“Creativity comes from different ways of seeing things” (show a team around a conference room table)**

A Sample of Media

Creativity comes from different ways of seeing things. It's time.

United Airlines

“Back in Business” Media Themes



A Sample of Media

“Back in Business” Media Themes



A Sample of Media

“Back in Business” Media Themes



Financial Reports

Salina Airport Authority
Profit & Loss Prev Year Comparison
 January through November 2020

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 12/10/2020
 Accrual Basis

	<u>Jan - Nov 20</u>	<u>Jan - Nov 19</u>	<u>\$ Change</u>	<u>% Change</u>
Ordinary Income/Expense				
Income				
Total Airfield revenue	876,786.67	879,855.11	-3,068.44	-0.35%
Total Building and land rent	1,430,181.11	1,252,695.66	177,485.45	14.17%
Total Other revenue	162,660.95	141,316.79	21,344.16	15.1%
Total Income	<u>2,469,628.73</u>	<u>2,273,867.56</u>	<u>195,761.17</u>	<u>8.61%</u>
Gross Profit	2,469,628.73	2,273,867.56	195,761.17	8.61%
Expense				
Total Administrative expenses	1,404,871.57	1,394,768.91	10,102.66	0.72%
Total Maintenance expenses	761,223.03	770,629.28	-9,406.25	-1.22%
Total Expense	<u>2,166,094.60</u>	<u>2,165,398.19</u>	<u>696.41</u>	<u>0.03%</u>
Net Ordinary Income	303,534.13	108,469.37	195,064.76	179.83%
Other Income/Expense				
Total Other Income	1,557,763.26	3,026,734.63	-1,468,971.37	-48.53%
Total Other Expense	3,187,566.05	3,186,990.18	575.87	0.02%
Net Other Income	<u>-1,629,802.79</u>	<u>-160,255.55</u>	<u>-1,469,547.24</u>	<u>-917.0%</u>
Net Income	<u><u>-1,326,268.66</u></u>	<u><u>-51,786.18</u></u>	<u><u>-1,274,482.48</u></u>	<u><u>-2,461.05%</u></u>

Financial Reports

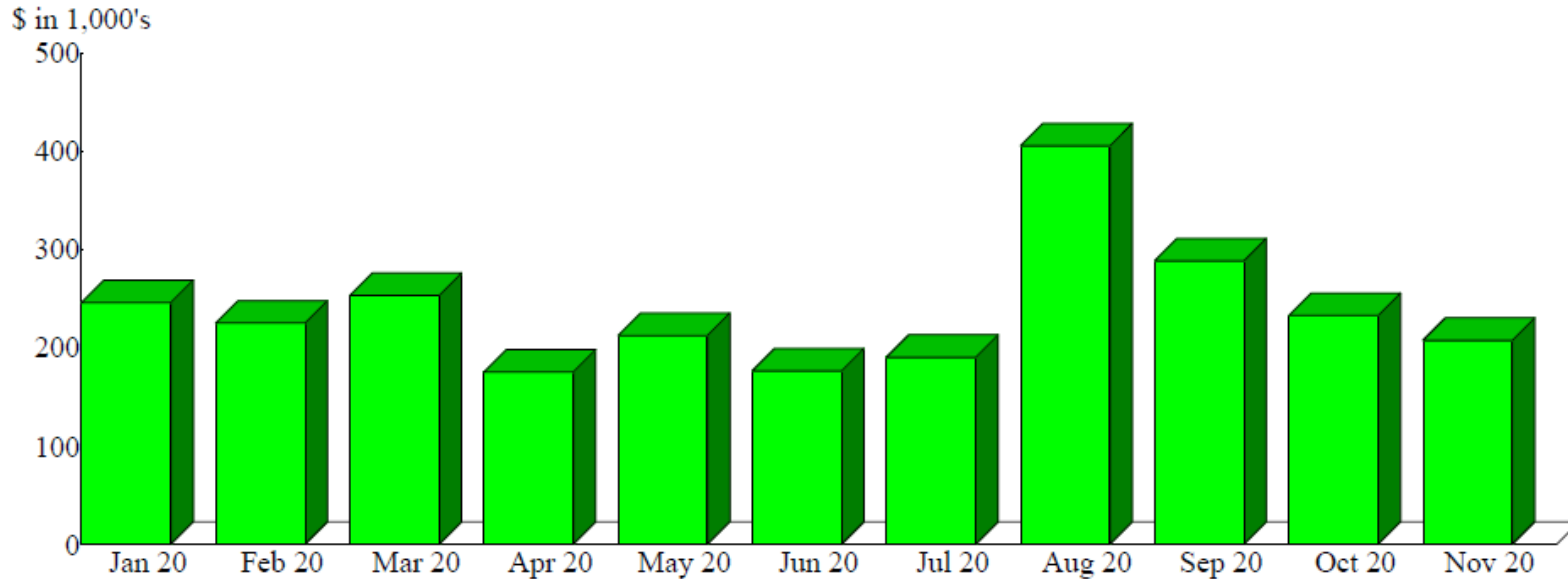
Salina Airport Authority
Capital Additions Budget vs. Actual
 As of November 30, 2020

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 Accrual Basis

	Nov 20	Jan- Nov. 20	Annual Budget	+/- Annual Budget	% of Annual Budget
ASSETS					
Fixed Assets					
Fixed assets at cost					
Total Airfeld	13,370	560,322	480,000	80,322	117%
Total Buildings & Improvements	119,144	660,008	705,002	-44,994	94%
Total Equipment	31,099	110,338	473,500	-363,162	23%
Total Land	4,364	147,936	75,001	72,935	197%
Total Fixed assets at cost	167,977	1,478,604	1,733,503	-254,899	85%

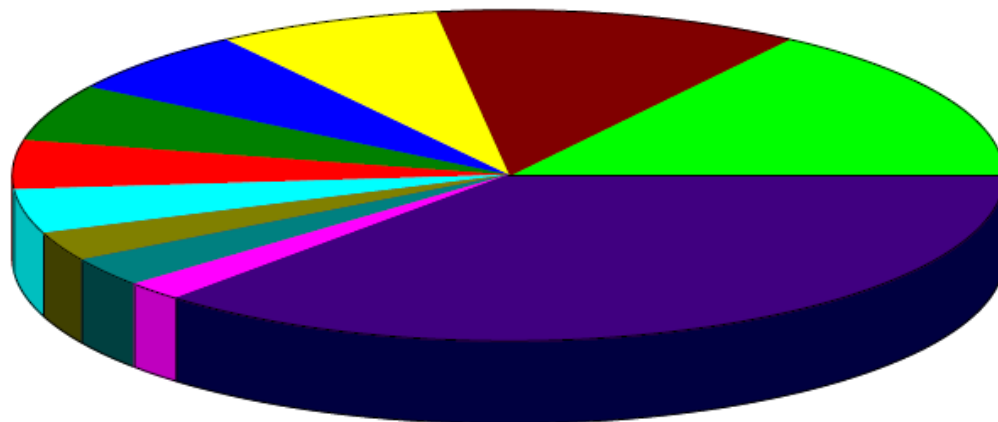
Sales by Month
January through November 2020

Dollar Sales



Sales Summary
January through November 2020

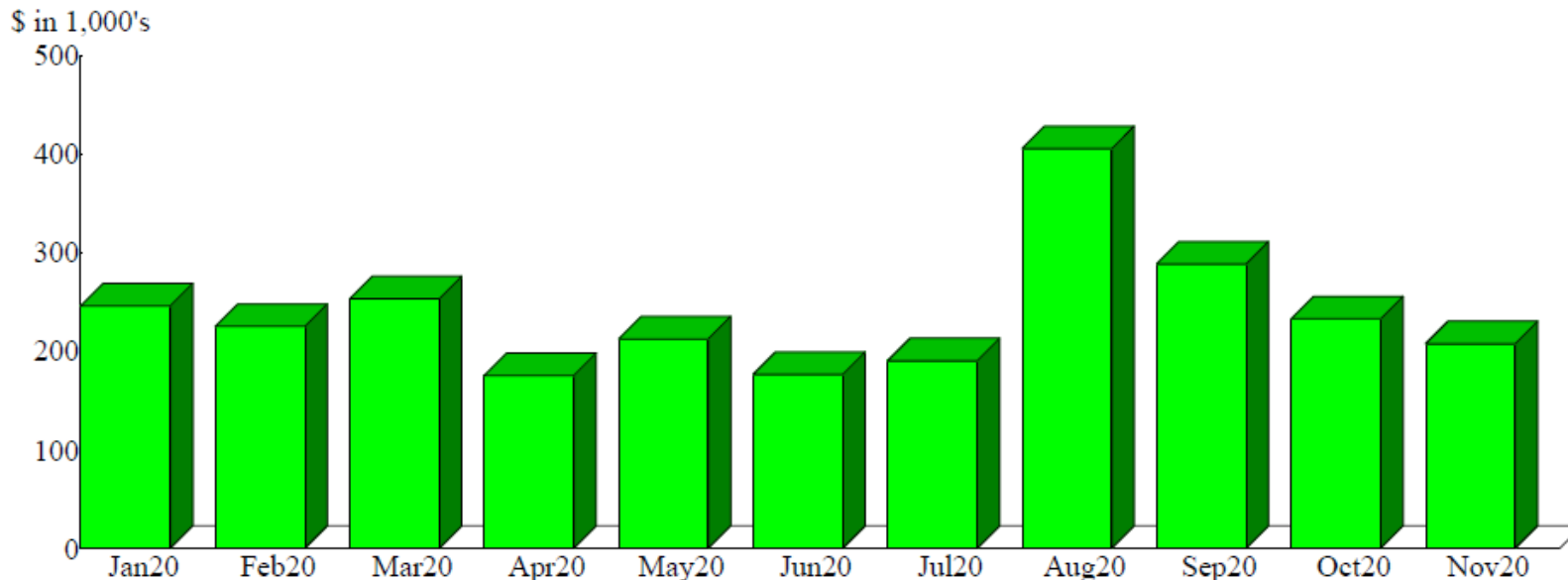
Kansas Erosion Products, LLC.	15.58%
Avflight Salina	12.08
1 Vision Aviation, PLLC	7.46
Exide	6.45
USSOCOM (Jaded Thunder)	5.64
SFC Global Supply Chain	4.77
Universal Forest Products (UFP)	4.42
Kansas State Polytechnic - Salina	2.99
Nellis AFB	2.89
Saline County	1.91
Other	35.81
Total	\$2,612,643.47



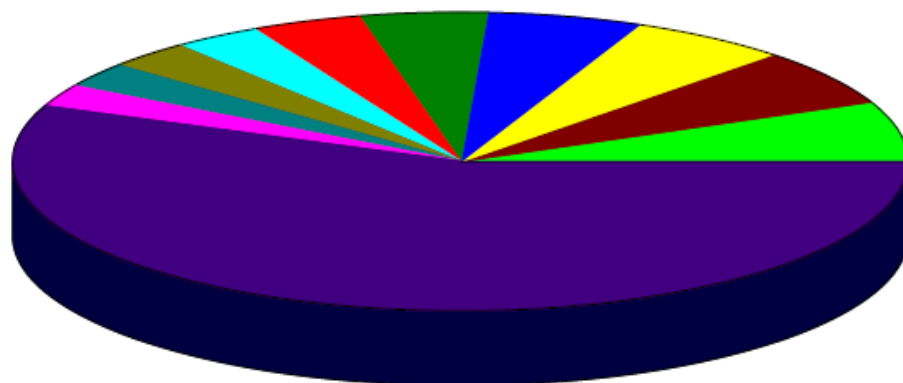
By Customer

Sales by Month
January through November 2020

Dollar Sales



Sales Summary
January through November 2020



FFF-Avflight Salina (Fuel Flowage Fee @	6.54%
H-00959-1 (Hangar Facility H959 - 2044 S	6.22
B-01021 (Building #1021 located at 3600	5.81
Utility Reimbursement (Utility Reimburse	5.67
B-00655-3 (Bldg. #655 (56,961 SF) - 2656	4.77
B-00620-1 (Building #620 (30,000 SF) an	3.99
H-0600-1 (Hangar 600 - 20,217 sq. ft.)	3.19
B-00626-1 (Manufacturing facility #626 (3.10
B-00655-4 (Bldg. #655 (33,992 SF) - 2656	2.74
H-00409-1 (FBO Hangar - 2010 Rogers Ct.)	2.52
Other	55.45
Total	\$2,612,643.47

Presentation and discussion of the 2021 Salina Airport Authority Operating Plan and Budget

Shelli Swanson, C.M.

Tim Rogers, A.A.E.

**Salina Airport Authority
2021
Budget Summary**

12/11/2020								
	2018 Actual	2019 Actual	2020 Budget	Projected 2020 Actual	Proposed 2021 Budget	2020/2021 (Budget YOY)		
							+/-	%
Operating Income								
Airfield revenue								
Fuel Flowage Fees	\$ 194,647	\$ 185,249	\$ 202,000	\$ 202,000	\$ 185,000	\$ (17,000)	-8.4%	
Hangar rent	478,573	652,896	645,000	645,000	660,000	15,000	2.3%	
Landing fees	60,238	35,693	25,500	50,000	30,000	4,500	17.6%	
Ramp rent	47,298	54,085	50,250	60,000	57,335	7,085	14.1%	
Total Airfield revenue	780,756	927,923	922,750	957,000	932,335	9,585	1.0%	
Building and land rent								
Agri land rent	70,689	72,673	56,000	65,759	66,760	10,760	19.2%	
Building rents	1,089,002	1,045,989	1,100,000	1,217,854	1,121,750	21,750	2.0%	
Land rent	210,955	217,490	230,593	263,740	242,010	11,417	5.0%	
Tank rent	12,636	13,635	11,970	14,000	13,500	1,530	12.8%	
Total Building and land rent	1,383,282	1,349,787	1,398,563	1,561,353	1,444,020	45,457	3.3%	
Other revenue								
Airport Promotion	144,863	68,380	70,000	60,420	25,000	-45,000	-64.3%	
Commissions	25,746	33,977	35,100	14,000	21,060	-14,040	-40.0%	
Other income	165,246	52,892	65,000	90,000	77,000	12,000	18.5%	
Total Other revenue	335,855	155,249	170,100	164,420	123,060	-47,040	-27.7%	
Gross Operating Income	\$ 2,499,893	\$ 2,432,959	\$ 2,491,413	\$ 2,682,773	\$ 2,499,415	\$ 8,002	0.3%	
Operating Expense								
Administrative expenses								
A/E, consultants, brokers	21,072	33,401	21,500	15,000	32,000	10,500	48.8%	
Airport promotion	232,500	159,176	135,000	175,000	100,000	(35,000)	-25.9%	
Bad Debt Expense	10,390	2,709	10,000	47,000	5,000	(5,000)	-50.0%	
Computer/Network Admin.	13,809	20,523	20,000	43,000	30,000	10,000	50.0%	
Dues and subscriptions	23,165	25,432	24,000	25,000	25,000	1,000	4.2%	
Employee retirement	39,856	62,632	84,500	80,275	85,345	845	1.0%	
FICA and medicare tax expense	60,404	59,373	65,188	61,929	65,840	652	1.0%	
Industrial development	50,000	31,071	43,000	43,000	43,500	500	1.2%	
Insurance, property/liability	148,115	188,029	179,375	179,375	205,000	25,625	14.3%	
Insurance, medical	210,799	172,412	228,375	194,119	215,000	(13,375)	-5.9%	
Kansas unemployment tax	815	818	1,000	950	1,000	-	0.0%	
Legal and accounting	43,055	47,346	35,000	36,400	37,000	2,000	5.7%	
Office salaries	506,160	519,382	507,099	507,099	516,062	8,963	1.8%	
Office Supplies	13,317	9,588	6,000	6,150	6,500	500	8.3%	
Other administrative expense	9,835	11,192	10,875	14,355	15,000	4,125	37.9%	
Postage	4,025	2,077	2,500	2,500	2,500	-	0.0%	
Property appraisal expense	-	-	-	-	-	-	0.0%	
Property tax expense	145,976	142,350	165,878	165,878	170,854	4,976	3.0%	
Special Events	436	2,084	1,000	1,000	1,000	-	0.0%	
Telephone	19,133	20,617	18,500	15,725	16,000	(2,500)	-13.5%	
Training	6,639	2,235	5,000	5,300	5,000	-	0.0%	
Travel and meetings	8,013	12,450	12,000	9,600	10,000	(2,000)	-16.7%	
Total Administrative expenses	\$ 1,567,514	\$ 1,524,897	\$ 1,575,790	\$ 1,628,654	\$ 1,587,601	\$ 11,811	0.7%	
Maintenance expenses								
Airfield maintenance	32,025	26,315	31,000	74,000	50,000	19,000	61.3%	
Airport Security	2,414	3,892	4,000	2,000	2,500	-1,500	-37.5%	
Building maintenance	83,586	76,461	50,000	77,000	75,000	25,000	50.0%	
Equipment fuel and repairs	111,685	85,199	90,500	75,000	60,000	-30,500	-33.7%	
Fire Services	16,521	16,108	18,500	25,000	25,500	7,000	37.8%	
Grounds maintenance	3,416	6,405	4,500	12,000	7,500	3,000	66.7%	
Maintenance salaries	344,740	323,608	381,032	304,826	380,187	-845	-0.2%	
Other maintenance expenses	14,803	13,381	16,000	24,000	25,000	9,000	56.3%	
Snow removal expense	5,674	22,580	20,000	20,000	20,000	0	0.0%	
Utilities	248,792	256,587	230,000	220,000	220,000	-10,000	-4.3%	
Total Maintenance expenses	863,656	\$ 830,536	845,532	833,826	865,687	20,155	2.4%	
Total Expense	2,431,170	\$ 2,355,433	2,421,322	2,462,480	2,453,288	31,966	1.3%	
Total Operating Net Before Depreciation	\$ 68,723	\$ 77,526	\$ 70,091	\$ 220,293	\$ 46,127	\$ (23,964)	-34.2%	

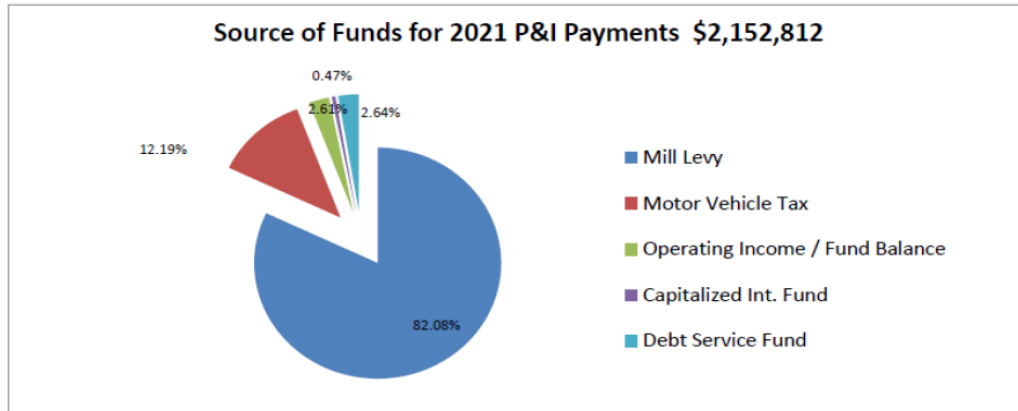
**Salina Airport Authority
2021
Budget Summary**

	2018 Actual	2019 Actual	2020 Budget	Projected 2020 Actual	Proposed 2021 Budget	2020/2021 (Budget YOY)	
						+/ -	%
<i>Non Operating Income / Expense</i>							
Capital Contributed	1,474,356	1,727,674	3,161,220	1,700,000	525,000	-1,175,000	-37.2%
Gain (Loss) on sale of assets	5,375	21,263	0	-2,305,610	20,000	2,325,610	-
Interest Income on Deposits	3,744	17,954	1,650	1,700	1,500	-200	-12.1%
Mill Levy	2,338,967	2,371,463	2,445,216	2,447,789	2,534,669	86,880	3.6%
Bond Issue Costs	0	-73,185	-40,000	-44,885	-45,000	115	0.3%
Interest Expense	-827,143	-840,389	-636,142	-636,142	-643,250	7,108	1.1%
Depreciation Expense	-2,761,019	-2,898,650	-2,729,237	-2,792,237	-2,848,082	55,845	2.0%
Total Non Operating Income/Expense	\$ 234,280	\$ 326,130	\$ 2,202,707	\$ (1,629,385)	\$ (455,163)	\$ 1,300,358	59.0%
Net Income	\$ 303,003	\$ 403,656	\$ 2,272,798	\$ (1,409,092)	\$ (409,036)	\$ 1,276,394	56.2%

*Debt Service (principal & interest) &
Special Assessments*

Salina Airport Authority
2021 Debt Service Payments Analysis
Sources of Repayment



Long-Term Liability	2021 Payment Schedule and Source of Funds - \$2,152,812					Total
	Mill Levy	Motor Vehicle Tax	Capitalized Int. Fund	Debt Service Fund	Operating Income / Fund Balance	
2015-A	188,368					188,368
2017-A	366,958					366,958
2017-B	167,300					167,300
2019-A	76,483					76,483
2019-B	967,974	262,506				1,230,480
2019-1 Temp Notes ¹			56,250			56,250
2020-1 Temp Notes				10,080		10,080
2020-Lease Purchase Agreement					54,328	54,328
Special Assessments (Hangar 600)					2,565	2,565
Totals	\$ 1,767,083	\$ 262,506	\$ 56,250	\$ 10,080	\$ 56,893	\$ 2,152,812



Notes:

1. The 2019-1 Temp notes mature 9-1-2021 and will be permanently financed with GO Bonds

Capital Budget Programming

A	B	C	D	E	H	I	J	K	L	M	N		
Salina Airport Authority, Salina, KS													
Updated for 2021 Capital Budget Programming - Preliminary; subject to 2020 year end balances													
12/9/2020													
				COSTS		FUNDING							
CAPITAL PROJECT BUDGET	PROJECT DESCRIPTION	PN	REMARKS	TOTAL PROJECT	FY PROJECTED	FAA/KDOT GRANT	BOND PROCEEDS	MILL LEVY	OPERATING	OTHER	TBD		
FISCAL YEAR 2021													
67	AIP-42		Design - Rehabilitate Rwy 17/35 (South 7,500+/-) - Continued from 2020	3-20-0072-42	Design	654,502	470,000	423,000		47,000			
68	Airfield		Design - Rehabilitate Rwy 17/35 (North 4,800+/-)		Design	100,000	100,000			100,000			
69	Airfield Pavement Imps.		Other pavement repairs (aprons, ramps, taxiways, heaves)			25,000	25,000				25,000		
90	Airfield Lighting, Signage & Access Imps.		LED signs, gate openers			20,000	20,000				20,000		
91	Terminal Bldg.		MJ Kennedy Air Terminal Remodel and Expansion		In development								
92	GA aircraft storage hangars		Project design and construction		In development								
93	Bldg. 394 Imps.		Sidewalk to CDL lot, IT room security, HVAC		Salina DMV location	15,000	15,000				15,000		
94	Other Bldg. Imps.		HVAC, roofing, asbestos abatement			30,000	30,000				30,000		
95	Hangar 626		Conversion to aeronautical use		In development								
96	Other Hangar Imps.		HVAC, roofing, asbestos abatement			40,000	40,000				40,000		
97	ARFF Equipment		Aircraft Rescue and Firefighting tools and equipment			10,000	10,000				10,000		
98	Comm Equipment		ARFF/MX radios			10,000	10,000				10,000		
99	Computer Equipment		Scheduled computer equip. replacements			15,000	15,000				15,000		
100	Office Equipment		Board room, terminal bldg. furniture			10,000	10,000				10,000		
101	Other Equipment		Contingency ARFF/Mx tools and equipment			15,000	15,000				15,000		
102	Shop Equipment		Building and hangar maintenance tools and equipment			15,000	15,000				15,000		
103	Railroad Imps.		Rail spur upgrades			10,000	10,000				10,000		
104	Airport Industrial Center Imps.		Contingency for AICS signage, water/sewer/fire service line improvements			15,000	15,000				15,000		
105	2021 SUBTOTAL					\$ 984,502	\$ 800,000	\$ 423,000	\$ -	\$ 147,000	\$ 230,000	\$ -	\$ -

Staff Reports

TIM ROGERS, A.A.E.

Directors' Forum

ALAN EICHELBERGER, CHAIRMAN

Visitor's Questions & Comments

Announcements

KASEY WINDHORST

Executive Session



Adjournment
