

DATE: August 14, 2015
TO: SAA Board of Directors
FROM: Tim Rogers and Shelli Swanson
SUBJECT: **August 19, 2015 SAA Regular Board Meeting**

Enclosed are items for your review prior to Wednesday's board meeting. Please note the change in meeting time. The board meeting is scheduled for **3:00p.m. at the M.J. Kennedy Air Terminal** in order to accommodate and be prepared to take action on the day's noon bond sale.

Please note the following agenda comments.

50 Years Ago – August, 1965

The Airport Authority board of directors approved the acceptance of surplus USAF equipment that would be useful for airfield and industrial center maintenance and operations. To this day, the Airport Authority benefits from the federal surplus property program that is a source of much needed equipment for use by SAA staff.

Agenda Item #5 – Review of airport activity and financial reports for the month ending July 31, 2015
(Rogers and Swanson)

Airport Activity – Air Traffic (Rogers)

During July 2015 KSLN air traffic controllers handled 8,089 air traffic operations which was a 9% increase over the July 2014 total of 7,423. For the year-to-date, a total of 54,857 operations were recorded which was 5.5% more than the 2014 YTD total of 51,989.

Total itinerant operations continue to trend upward. Through July 2015, itinerant operations are up 6% compared to 2014. This year's increase in itinerant operations has been a factor in increased aviation fuel sales.

Airport Activity – Fuel Flowage (Rogers)

July 2015 was another good month for fuel flowage at KSLN. A total of 237,783 gallons was delivered to aircraft which was a 130% increase over the July 2014 total of 103,109 gallons. For the year-to-date, total fuel flowage is 1,280,475 gallons which is a 34% increase over the 2014 YTD total of 955,431 gallons.

Airport Activity – Passenger Enplanements (Rogers)

Seaport enplanements fell to a new low of 77 passengers. The airline has reduced its schedule in an attempt to limit flight cancellations due to the pilot shortage that has impacted multiple regional air carriers.

Financial Reports – Comments and Notes (Swanson)

At the end of July fuel flowage fee revenue arrived at 11% or nearly \$10,000 over budget and 34% over the same period in 2014. Although hangar rent is still lagging 9% under the YTD budget, the line item did receive a boost in July with Bombardier leasing an additional 23,426 sq. in H959 for the month and NASA leasing space in Hangar 600 for Project Pecan. It's worth noting that hangar rent is tracking 2% over the same period last year.

Total building and land rent is tracking 1% over budget or \$3,500. Short-term building leasing came in \$1,982 short of the YTD budget; however, with the 3 month lease that began on Aug. 1 for B713, we will arrive within \$2,050 of the \$47,600 budget even if we secure no additional short-building leases through the end of 2015. Our "other income" category is the significant factor in bringing total revenue over budget YTD by \$7,175 or 1%.

The composition of other income YTD includes SAA equipment rental of over \$17,000 and nearly \$15,000 in ARFF standby fees.

Total administrative expenses arrived 1% or \$3,599 over budget at the end of July with total maintenance expenses ending the month at nearly the same amount under budget (1% and -\$3,996) which resulted in total operating expenses arrived right on the line for 2015 YTD. A significant operating expense for the month included \$14,600 to Clubine and Rettele, Chtd. for the SAA's 2014 financial audit. Net operating income before depreciation for July was \$2,500 and - \$4,068 for Jan. – July 2015.

The significant item in fixed asset additions for July was \$5,814 to replace a portion of the fire system supply line north of Bldg. 655. Total fixed asset additions YTD arrived at \$127,535 or 83% of the annual budget.

Financial Reports – July 2015 Significant Expenditures/Payables Report Enclosed

Financial Reports – Accounts Receivable Past Due 31 days or more as of August 13, 2015 (Swanson)

<u>Account</u>	<u>Amount</u>	<u>Days</u>	<u>Comments</u>
Terry Belcher	\$107.00	31-60	T-hgr. rent
Brian Schaulis	\$86.00	31-60	T-hgr. rent
Tischlerei	\$37,378.75	31-90	Bldg. rent and FC

Agenda Item #6 – Consideration of bids received for the sale of general obligation bonds (Swanson and Arteberry)

Shelli Swanson and David Arteberry with George K. Baum will present the results of the SAA's Series 2015-A bid process. Bids are due by 12:00 Noon on Wednesday, August 19. David Arteberry and George K. Baum staff will evaluate each bid received. A tabulation of the bids will be presented to the board with an explanation of how to best evaluate the bids.

Acceptance of a bid will lead to consideration of Agenda Item #7.

Moody's Investor Service has assigned the Series 2015-A bond issue a Aa3 rating. The Aa3 rating is the same rating that was assigned to the City of Salina earlier this year. The SAA's Aa3 rating is defined by Moody's rating scale as "obligations rated Aa are judged to be of high quality and are subject to very low credit risk."

Moody's does use the numerical modifiers 1,2 and 3 to each rating classification from Aa through Caa. The modifier 1 indicates that a bond issue rank at the highest end; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking at the lower end of the category.

Agenda Item #7 – Consideration of Resolution No. 15-07 authorizing and directing the issuance, sale and delivery of taxable general obligation bonds, Series 2015-A, of the Salina Airport Authority. (Swanson and Riekhoff)

Should the board accept the bid received in Agenda Item No. 6, the next step would be passing a resolution to authorize the issuance, sale and delivery of the bonds and providing for the levy and collection of an annual tax for the purpose of paying the principal and interest on the bonds as they become due and making certain covenants and agreements as provided for in the enclosed Resolution No. 15-07.

The SAA's bond counsel, Gina Riekhof, with Gilmore and Bell will be at the meeting to review the enclosed resolution and undertaking associated with the issuance of the 2015-A bonds.

Recommendation: Should the SAA receive a satisfactory bid in Agenda Item No. 7, the recommendation is to approve Resolution No. 15-07 authorizing and directing the issuance, sale and delivery of taxable general obligation bonds, Series 2015-A, of the Salina Airport Authority.

Agenda Item #8 – Consideration of SAA Resolution No. 15-08 providing for the adoption of an omnibus continuing disclosure undertaking relating to obligations issued and to be issued by the Salina Airport Authority. (Swanson and Riekhof)

When the Authority issues bonds, it has an obligation to meet specific continuing disclosure standards in compliance with the Securities and Exchange Commission (SEC) under Rule 15c2-12. The Omnibus Continuing Disclosure Undertaking (OCDU) consolidates all of our existing continuing disclosure undertakings, from previous bond issues, into one document in order that all of our disclosure obligations are consistent. The OCDU does not change the quantity or the quality of information the Authority is required to provide post general obligation bond issuance, it simply allows the staff to streamline the administrative process of knowing what is required to be filed and when and it represents a best management practice for post issuance compliance under 15c2-12. The Resolution is enclosed for your review.

Recommendation: Approval of SAA Resolution No. 15-08 providing for the adoption of an omnibus continuing disclosure undertaking relating to obligations issued and to be issued by the Salina Airport Authority. (Swanson and Riekhof)

Agenda Item #9 – Consideration of SAA Resolution No. 15-09 providing for the adoption of a disclosure compliance procedure relating to financial obligations issued and to be issued by the Salina Airport Authority. (Swanson and Riekhof)

The enclosed Resolution No. 15-09 would have the Authority develop a written procedure that the SEC recommends issuers develop to assist in compliance with federal securities law. It addresses both continuing disclosure and primary market disclosure (The preliminary and official statements for new bond issues.) This new procedure that would be developed would be beyond what the SAA is currently performing and it would include an annual checklist to confirm compliance with the OCDU addressed above in Agenda Item No. 8.

Recommendation: Approval of SAA Resolution No. 15-09 providing for the adoption of a disclosure compliance procedure relating to financial obligations issued and to be issued by the Salina Airport Authority. (Swanson and Riekhof)

Agenda Item #10 – Consideration of SAA Resolution No. 15-10 providing for the adoption of a tax compliance procedure relating to obligations issued and to be issued by the Salina Airport Authority. (Swanson and Riekhof)

Adoption of the enclosed resolution would set the stage for the Authority's development of a written tax compliance procedure that the IRS recommends issuers put in place for ongoing monitoring of post-issuance compliance with federal tax laws. Although the 2015-A issue is a taxable issue (the interest income will be subject to federal income tax for the purchaser) it is another best management practice for governmental entities who have tax-exempt bonds outstanding. This procedure will also have an annual checklist to confirm compliance with the Federal Tax Certificates applicable to all outstanding tax-exempt bonds.

Recommendation: Approval of SAA Resolution No. 15-10 providing for the adoption of a tax compliance procedure relating to obligations issued and to be issued by the Salina Airport Authority.

Agenda Item #11 – Consideration of SAA Resolution No. 15-11 (Rogers and Swanson)

Enclosed is a copy of SAA Resolution No. 15-11 that sets the SAA's 2015 mill levy at 4.396 mills for the purpose of paying G.O. bond debt service in 2016. The proposed mill levy is consistent with our projections for the SAA's 2016 budget that were reviewed with the board at previous board meetings.

Recommendation: Approval of SAA Resolution No. 15-11

Please contact me if you have any questions or comments.

SALINA AIRPORT AUTHORITY REGULAR BOARD MEETING
M.J. KENNEDY AIR TERMINAL
August 19, 2015 – 3:00 PM

AGENDA

Action Items

1. Call to order and determine a quorum is present. (Hoppock)
2. Recognition of guests. (Hoppock)
3. Additions to the agenda. (Rogers)
4. Approval of the minutes of the July 15, 2015 regular board meeting and August 5, 2015 special board meeting. (Hoppock)
5. Review of airport activity and financial reports for the month ending July 31, 2015. (Rogers and Swanson)
6. Consideration of bids received for the sale of general obligation bonds, Series 2015-A. (Swanson & Arteberry)
7. Consideration of SAA Resolution No. 15-07 authorizing and directing the issuance, sale and delivery of Taxable General Obligation Bonds, Series 2015-A, of the Salina Airport Authority. (Swanson & Arteberry)
8. Consideration of SAA Resolution No. 15-08 providing for the adoption of an omnibus continuing disclosure undertaking relating to obligations issued and to be issued by the Salina Airport Authority. (Swanson and Riekhof)
9. Consideration of SAA Resolution No. 15-09 providing for the adoption of a disclosure compliance procedure relating to financial obligations issued and to be issued by the Salina Airport Authority. (Swanson and Riekhof)
10. Consideration of SAA Resolution No. 15-10 providing for the adoption of a tax compliance procedure relating to obligations issued and to be issued by the Salina Airport Authority. (Swanson and Riekhof)
11. Consideration of SAA Resolution No. 15-11 setting the Salina Airport Authority's mill levy for the 2016 budget year. (Rogers and Swanson)

Directors' Forum (Hoppock)

Visitor's Questions and Comments (Hoppock)



Staff Reports (Rogers)

Announcements (Rogers)

Adjournment (Hoppock)



**MINUTES OF THE REGULAR MEETING OF THE BOARD OF
DIRECTORS OF THE SALINA AIRPORT AUTHORITY
JULY 15, 2015
M. J. KENNEDY AIR TERMINAL CONFERENCE ROOM**

Call to Order

The meeting was called to order at 8:00 A.M. by Chairman Hoppock.

Attendance

Attendance was taken. Chairman Hoppock, Directors Maes, Platten and Vancil were present. Also present were Executive Director Tim Rogers; Director of Finance and Administration Shelli Swanson; Director of Facilities and Operations Kenny Bieker; Manager of Public Affairs and Communications Melissa McCoy; Office Manager Kasey Windhorst; Airport Management Intern Joshua Sellards; and Board Attorney Greg Bengtson. Leslie Corbett, Clubine & Rettele Chartered were guests.

Additions to the Agenda

Chairman Hoppock asked if there were additions to the agenda. Rogers noted agenda item 8 reviewing the economic development organization partnership agreement would be discussed in Executive Session.

50 Years Ago

The Airport Authority board of directors initiated discussions with the City of Salina and Saline County to adopt a proper and adequate zoning plan for the former Schilling AFB property. The board had already started reviewing and commenting on new radio tower construction in close proximity to the airfield.

Minutes

Chairman Hoppock asked if the board members had any additions or corrections to the minutes of the June 17, 2015 board meeting. Director Vancil moved, seconded by Director Platten, to approve the minutes of the June 17, 2015 regular board meeting as prepared. Motion passed unanimously.

2015 Priorities

Executive Director Rogers reviewed the SAA's 2015 priorities and results ending the 2nd quarter. Rogers reviewed budget management and expense control and reported a decrease in net income before depreciation. Fuel flowage growth is trending ahead of annual goal. Rogers noted Seaport Airlines has finalized the acquisition of Aerodynamics, Inc. (ADI). Building and Hangar leasing continue to see to increased prospect activity. The Schilling project resulted in a change order for the scope of work but is progressing on schedule.

Airport Activity and Financial Reports

Executive Director Rogers reported on airport activity for the month of June 2015. KSLN controllers recorded a total of 7,268 operations for the month which results in a 5% increase for the year-to-date total ending June 2014. Itinerant operations resulted in an increase of 7% for the year-to-date total. During June 2015 a total of 126,428 gallons was delivered on the airport which was 55% less than June 2014.

The decrease is due to the Jaded Thunder exercise that occurred June 2014. Seaport boarded a total of 88 passengers for the month of June 2015 and a total of 674 passenger's year-to-date. Salina Airport Authority and Avflight Salina staff is working with the Ft. Riley Installation Transportation Office on upcoming APOE flights.

Director of Finance and Administration Swanson reported on the financial statements for the end of 2nd quarter and the month of June 2015. Total operating income arrived within 2% of the total annual budget while total operating expenses ended the quarter at \$10,408 under year-to-date budget. Fuel flowage fees at the end of June are \$4,396 ahead of the total budget. Short-term leasing increased during the month of June due to Wal-Mart B655 warehouse lease. Swanson commented on several significant capital expenditures during the month of June. Chairman Hoppock directed the staff to file the financials for audit.

2014 Comprehensive Annual Financial Report (CAFR)

Swanson presented the SAA's 2014 Comprehensive Annual Financial Report (CAFR) to the board. Auditor Leslie Corbett, Clubine and Rettele discussed several significant items related to the report. The CAFR was prepared in accordance with Generally Accepted Accounting Principles (GAAP) and pursuant Kansas statutes. The 2014 CAFR will be submitted to the Government Finance Officers Association (GFOA) for review.

SAA Resolution 15-05

Rogers reviewed SAA Resolution 15-05 which approves the sale of taxable general obligation bonds of the Airport Authority. The purpose of the bond issue is to refund the balances due on the SAA Series 2005- A and Series 2007-A bond issues. Refunding the bonds could realize a savings of approximately \$120,000. The proposed bond will also provide funding for H959 capital costs, improvements and equipment at the M.J. Kennedy Air Terminal and airfield improvements.

Director Vancil moved, seconded by Director Platten, to approve SAA Resolution No. 15-05 approving the issuance of taxable general obligation bonds of the Salina Airport Authority for the purpose of financing the cost of certain capital improvements at the Salina Airport and Industrial Center and refunding certain outstanding general obligation bonds. Motion passed unanimously.

Director Maes moved to approve the Fiduciary Engagement Agreement with George K. Baum & Company. Seconded by Director Vancil. Motion passed unanimously.

Staff Reports

Rogers noted the City of Salina will be hosting a Centennial Road design meeting in the M.J. Kennedy Air Terminal conference room on Thursday, July 23rd at 3:00pm.

Rogers reviewed the KSLN airspace zoning map in conjunction with AIP-35 Airport Master Plan update. Zoning text amendment applications have been submitted to the City and County for updates to their respective airport airspace zoning ordinances.

Rogers thanked Manager of Public Affairs and Communications Melissa McCoy for her years of service and contributions to the success of the Salina Airport Authority.

Executive Session

At 9:15 A.M. Maes moved to recess the open meeting until 9:45 A.M. for an executive session for the following:

Discussing confidential data relating to financial affairs or trade secrets of a corporation for the reason that public discussion of that information would unfairly disadvantage the business in relation to its competitors, and

Discussion of a matter related to security measures at the Salina Regional Airport for the reason that public discussion of such security measures would jeopardize measures that protect against criminal activity.

The open meeting shall resume in the M.J. Kennedy Air Terminal conference room at 9:45 A.M. Director Platten seconded the motion. Motion carried unanimously.

The open meeting resumed at 9:45 A.M.

Upon a motion duly made, the meeting adjourned at 9:45 A.M.

Minutes approved at the August 19, 2015 board meeting.

Secretary

(SEAL)

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF
DIRECTORS OF THE SALINA AIRPORT AUTHORITY
AUGUST 5, 2015
VISIT SALINA ANNEX, ROOM B**

Call to Order

The meeting was called to order at 4:00 P.M. by Chairman Hoppock.

Attendance

Attendance was taken. Chairman Hoppock, Directors Neuschafer, Maes and Platten were present. Also present were Executive Director Tim Rogers and Board Attorney Greg Bengtson.

Additions to the Agenda

Chairman Hoppock asked if there were additions to the agenda. Executive Director Rogers stated there were no additions to the agenda.

2016 Operating Revenue and Expenses

Rogers reviewed the first draft of the Airport Authority 2016 Budget Summary. The summary forecasts a 2% increase in operating income and a 1.8% increase in operating expense. Operating revenue projections are based upon lease revenue currently contracted for. Operating expenses anticipate a 2.6% decrease in total wages and salaries. The projected decrease still allows for merit pay increases for staff.

Executive Session

At 4:18 P.M. Director Neuschafer moved to recess the open meeting until 4:48 P.M. for an executive session for the following:

Discussing confidential data relating to financial affairs or trade secrets of a corporation for the reason that public discussion of that information would unfairly disadvantage the business in relation to its competitors, and

Consultation with SAA's legal counsel on a matter deemed to be attorney-client privileged for the reason that public discussion would breach the attorney-client confidentiality.

The open meeting shall resume in the Visit Salina Annex, Room B at 4:48 P.M. Director Maes seconded the motion. Motion carried unanimously.

The open meeting resumed at 4:48 P.M.

At 4:48 P.M. Director Neuschafer moved to extend the executive session until 4:55 P.M. Director Platten seconded the motion. Motion carried unanimously.

The open meeting resumed at 4:55 P.M.

EDO Board Appointment

The SAA board members discussed candidates for appointments by the Airport Authority to a new EDO board of directors.

Upon a motion duly made, the meeting adjourned at 5:05 P.M.

Minutes approved at the August 19, 2015 board meeting.

Secretary

(SEAL)

**SALINA AIRPORT AUTHORITY
AIRPORT ACTIVITY REPORT
2015**

AIR TRAFFIC/ATCT

July, 2015	8,089 Operations 641 Instrument Operations 485 Peak Day
July, 2014	7,423 Operations 856 Instrument Operations 488 Peak Day
January 2015 - July 2015	54,857 Operations
January 2014 - July 2014	51,989 Operations
January 2013 - July 2013	49,599 Operations

FUEL FLOWAGE

July, 2015	237,783 Gallons
July, 2014	103,109 Gallons
January 2015 - July 2015	1,280,475 Gallons
January 2014 - July 2014	955,431 Gallons
January 2013 - July 2013	1,101,250 Gallons

		Avflight	
		Military/Gov't	Self-fuel
KSU-S	Avflight Salina	Portion	Station Portion
12,041	225,742	128,171	1,411
9,599	93,510	15,393	1,147
76,245	1,204,230	368,811	5,745
67,051	886,748	261,291	5,316
75,856	1,019,861	223,905	5,533

ENPLANEMENTS - SEAPORT

		LOAD FACTOR
July, 2015	77 Passengers	36%
July, 2014	282 Passengers	29%
January 2015 - July 2015	751 Passengers	23%
January 2014 - July 2014	1,193 Passengers	25%
January 2013 - July 2013	1,362 Passengers	29%

TOTAL ENPLANEMENTS - Scheduled Flights & Charter Flights

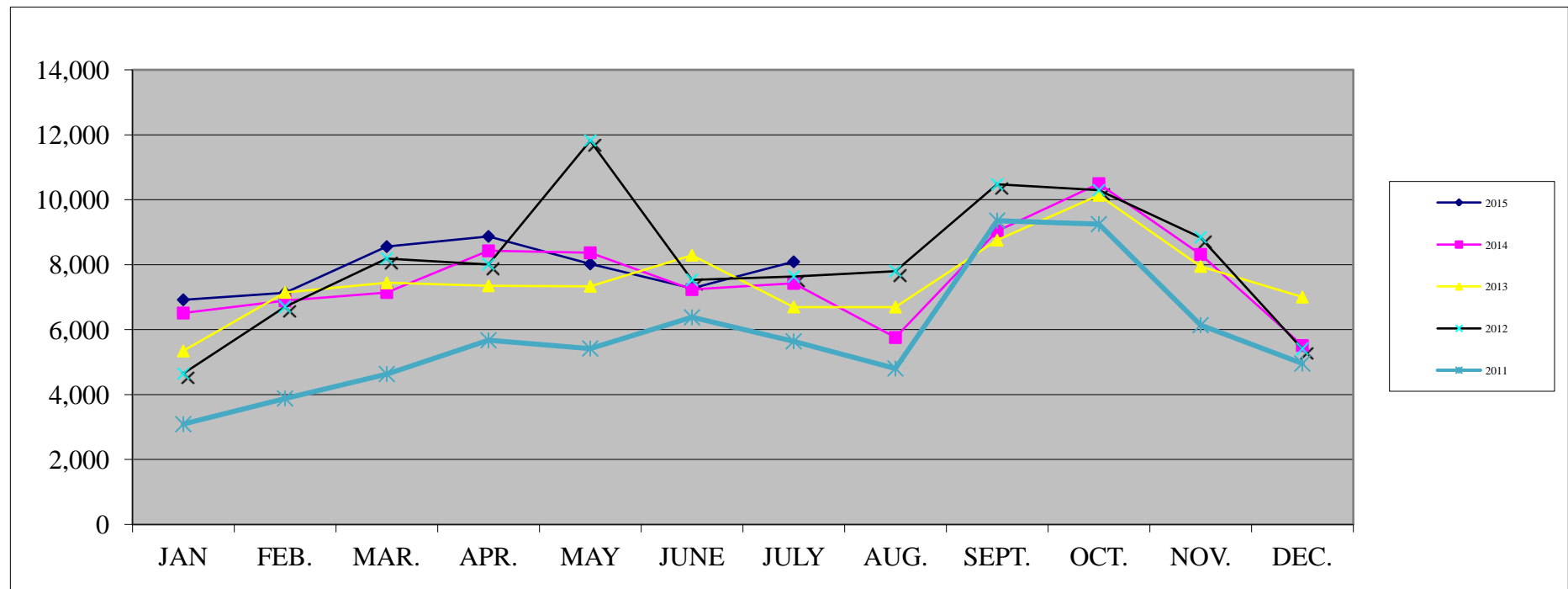
July, 2015	77 Passengers
July, 2014	282 Passengers
January 2015 - July 2015	6,003 Passengers
January 2014 - July 2014	1,389 Passengers
January 2013 - July 2013	1,439 Passengers

**AIRPORT TRAFFIC RECORD
2014 - 2015**

	ITINERANT					LOCAL			Total Operations
	AC	AT	GA	MI	Total Itinerant	Civil	Military	Total Local	
2015									
January, 15	7	1,543	723	138	2,411	4,243	264	4,507	6,918
February, 15	6	1,937	779	138	2,860	3,997	276	4,273	7,133
March, 15	68	2,086	814	176	3,144	5,079	334	5,413	8,557
April, 15	21	2,160	665	290	3,136	5,168	566	5,734	8,870
May, 15	72	1,774	733	207	2,786	4,790	446	5,236	8,022
June, 15	2	1,793	847	236	2,878	4,076	314	4,390	7,268
July, 15	169	1,771	786	102	2,828	5,050	211	5,261	8,089
August, 15									
September, 15									
October, 15									
November, 15									
December, 15									
Totals January - July	345	13,064	5,347	1,287	20,043	32,403	2,411	34,814	54,857
2014									
January, 14	0	1,544	573	174	2,291	4,078	142	4,220	6,511
February, 14	0	1,752	558	153	2,463	4,260	164	4,424	6,887
March, 14	10	1,791	684	132	2,617	4,162	364	4,526	7,143
April, 14	0	1,974	681	196	2,851	5,148	427	5,575	8,426
May, 14	1	1,680	993	186	2,860	5,193	312	5,505	8,365
June, 14	6	1,601	791	549	2,947	4,017	270	4,287	7,234
July, 14	0	1,757	754	299	2,810	4,075	538	4,613	7,423
August, 14									
September, 14									
October, 14									
November, 14									
December, 14									
Totals January - July	17	12,099	5,034	1,689	18,839	30,933	2,217	33,150	51,989
Difference	328	965	313	-402	1,204	1,470	194	1,664	2,868
YTD % Change	1929%	8%	6%	-24%	6%	5%	9%	5%	6%

AIR TRAFFIC

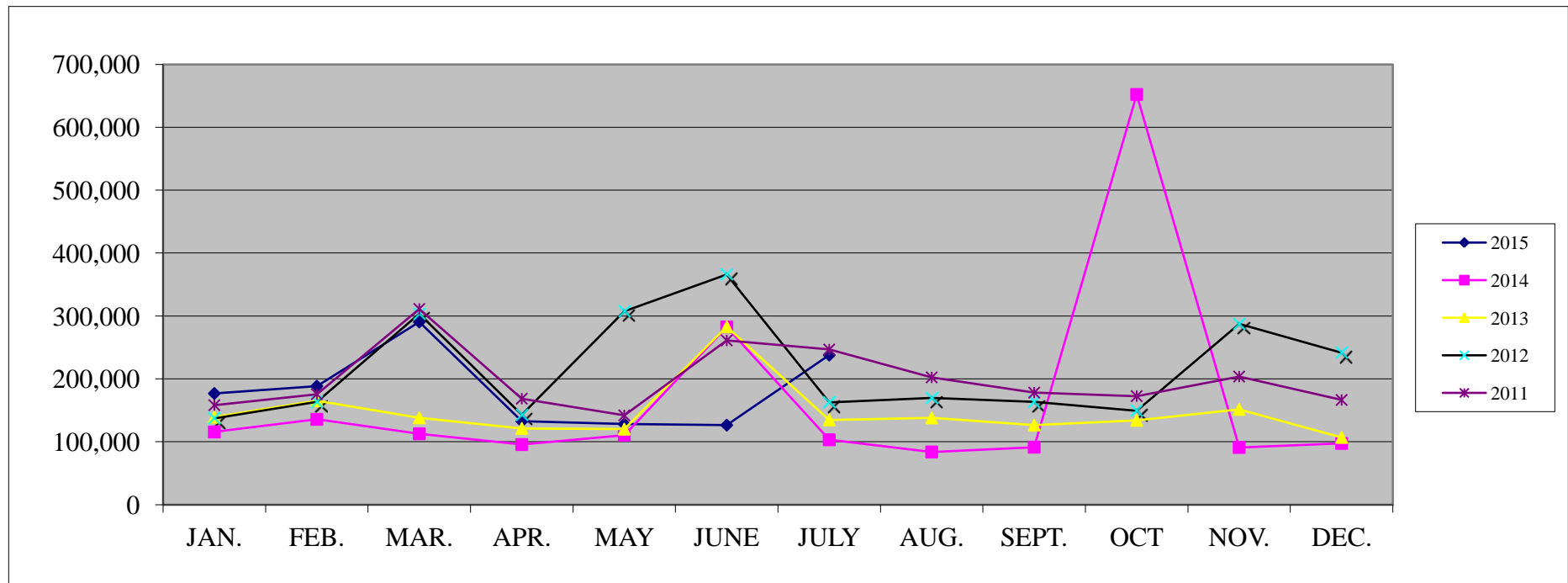
	<u>JAN</u>	<u>FEB.</u>	<u>MAR.</u>	<u>APR.</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG.</u>	<u>SEPT.</u>	<u>OCT.</u>	<u>NOV.</u>	<u>DEC.</u>	<u>TOTAL</u>
2015	6,918	7,133	8,557	8,870	8,022	7,268	8,089						54,857
2014	6,511	6,887	7,143	8,426	8,365	7,234	7,423	5,756	9,035	10,496	8,316	5,509	91,101
2013	5,341	7,146	7,440	7,349	7,336	8,291	6,696	6,694	8,755	10,136	7,946	7,001	90,131
2012	4,642	6,700	8,189	8,002	11,819	7,532	7,635	7,802	10,478	10,292	8,838	5,409	97,338
2011	3,088	3,880	4,632	5,671	5,418	6,379	5,639	4,804	9,355	9,249	6,138	4,954	69,207
2010	2,760	4,430	5,743	5,964	4,611	4,572	4,364	4,009	6,816	7,653	5,100	4,429	60,451
2009	4,345	6,822	5,675	5,888	6,209	5,883	5,082	3,860	6,470	5,258	5,775	3,795	65,062
2008	4,233	6,749	6,063	6,291	5,530	6,345	5,356	4,112	7,425	8,125	6,571	4,775	71,575
2007	5,606	5,726	6,005	7,264	6,087	6,788	6,232	5,531	8,637	7,425	7,498	3,680	76,479
2006	5,660	6,886	6,468	6,719	6,958	6,411	5,074	6,370	8,692	9,410	6,894	5,922	81,464
2005	4,504	6,931	7,125	11,801	6,358	5,969	5,664	6,224	9,925	8,949	6,953	5,889	86,292



FUEL FLOWAGE

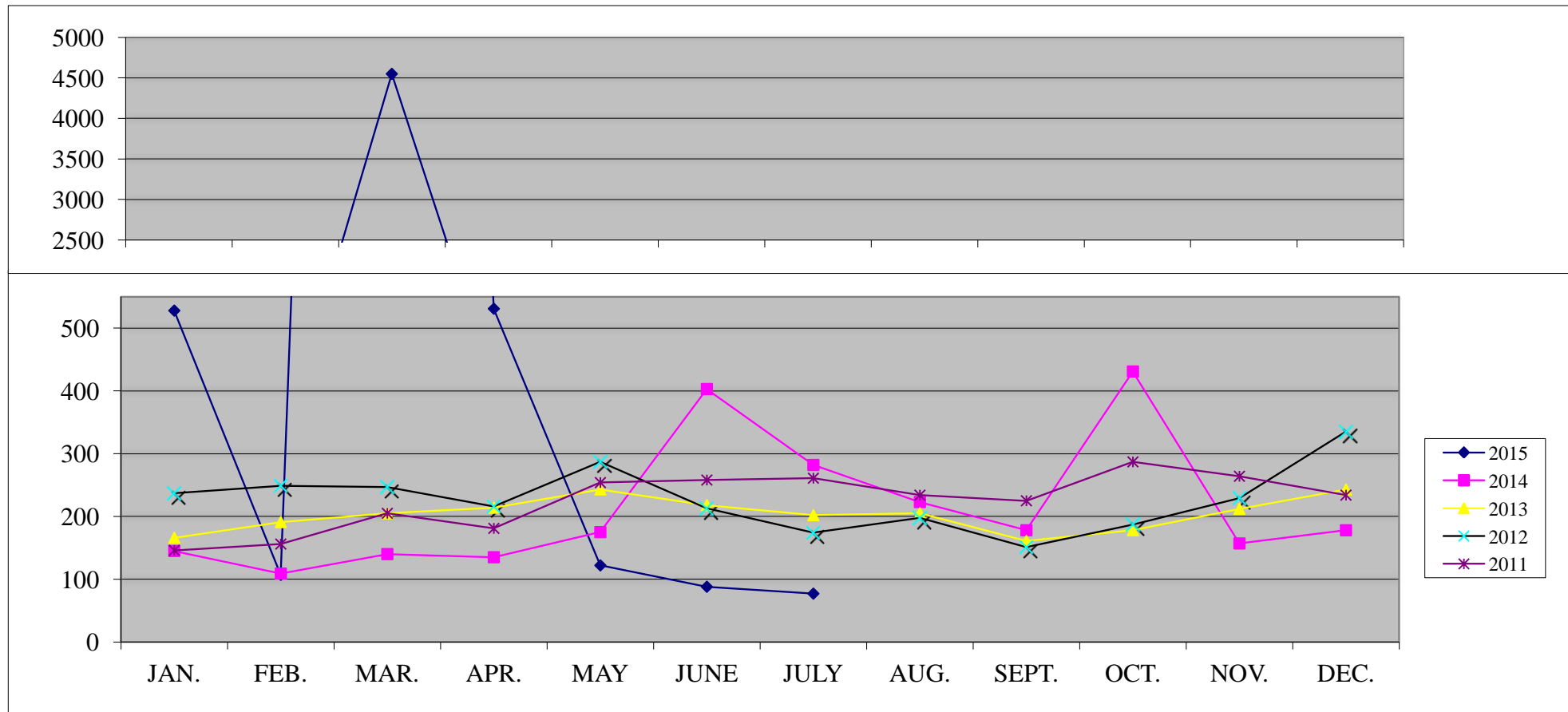
Gallons of Fuel Sold at SLN

	<u>JAN.</u>	<u>FEB.</u>	<u>MAR.</u>	<u>APR.</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG.</u>	<u>SEPT.</u>	<u>OCT</u>	<u>NOV.</u>	<u>DEC.</u>	<u>TOTAL</u>
2015	176,746	188,406	290,470	132,543	128,100	126,428	237,783						1,280,476
2014	115,573	135,651	112,694	95,549	110,387	282,468	103,108	83,757	91,423	652,207	90,948	97,295	1,971,061
2013	139,227	165,167	138,056	121,295	120,083	282,743	134,677	137,840	126,523	134,024	151,427	106,917	1,757,981
2012	136,995	163,253	303,472	142,770	307,541	365,938	162,584	169,534	163,515	149,404	287,619	241,424	2,594,049
2011	158,199	175,703	311,254	168,490	141,986	261,097	246,687	202,390	178,133	172,586	203,684	166,461	2,386,670
2010	140,149	174,668	276,837	195,019	195,859	333,684	271,029	212,013	170,735	209,067	315,010	269,921	2,763,991
2009	202,765	239,649	182,205	183,738	192,029	306,421	222,991	145,268	171,251	216,190	256,904	162,174	2,481,585
2008	240,060	298,097	293,841	231,396	212,675	319,814	218,666	236,294	245,330	374,857	236,718	206,767	3,114,515
2007	301,504	331,456	315,827	300,209	306,483	433,448	292,410	317,909	323,365	294,420	327,122	234,641	3,778,794
2006	267,924	311,776	297,888	287,710	286,273	286,903	324,655	413,395	388,262	321,437	314,458	316,431	3,817,112
2005	239,422	321,501	338,175	287,489	314,404	289,621	373,194	419,212	380,853	325,869	315,672	557,475	4,162,887



ENPLANEMENTS

	<u>JAN.</u>	<u>FEB.</u>	<u>MAR.</u>	<u>APR.</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG.</u>	<u>SEPT.</u>	<u>OCT.</u>	<u>NOV.</u>	<u>DEC.</u>	<u>FAA</u> <u>Adjustment</u>	<u>TOTAL</u>
2015	528	107	4,550	531	122	88	77							6,003
2014	145	109	140	135	175	403	282	223	178	431	157	178		2,556
2013	166	191	205	214	243	218	202	205	161	178	212	243	391	2,829
2012	237	249	247	216	287	213	174	198	151	187	229	335	803	3,526
2011	146	156	205	181	254	258	261	234	225	287	264	234	152	2,857
2010	81	97	139	116	668	166	162	154	178	436	234	510	203	3,144
2009	224	227	275	223	232	210	225	242	439	190	223	129	29	2,868
2008	228	147	224	283	372	396	393	450	524	930	309	398	516	5,170
2007	109	81	133	107	185	226	221	285	241	325	679	353	1,182	4,127
2006	163	140	230	121	176	179	161	150	161	147	293	108	848	2,877
2005	267	257	258	186	150	218	162	134	225	135	192	155	466	2,805
2004	367	159	214	185	189	265	250	311	208	244	338	244	3,127	6,101



**Adjustment based on Nonscheduled/On-Demand Air Carrier Filings FAA Form 1800-31

Salina Airport Authority
Statement of Net Assets Prev Year Comparison
As of July 31, 2015

	<u>Jul 31, 15</u>	<u>Jun 30, 15</u>	<u>\$ Change</u>	<u>Jul 31, 14</u>	<u>\$ Change</u>	<u>% Change</u>
ASSETS						
Current Assets						
Checking/Savings						
Cash in bank & Petty Cash-Op	1,302,058	1,321,436	-19,378	1,772,842	-470,784	-27%
Total Checking/Savings	<u>1,302,058</u>	<u>1,321,436</u>	<u>-19,378</u>	<u>1,772,842</u>	<u>-470,784</u>	<u>-27%</u>
Accounts Receivable						
Accounts Receivable	124,118	114,608	9,510	67,503	56,615	84%
Total Accounts Receivable	<u>124,118</u>	<u>114,608</u>	<u>9,510</u>	<u>67,503</u>	<u>56,615</u>	<u>84%</u>
Other Current Assets						
Agri Land Receivable	58,000	58,000	0	55,000	3,000	5%
Mill Levy receivable	147,232	147,232	0	208,163	-60,931	-29%
Other current assets	150,314	147,920	2,394	151,724	-1,410	-1%
Total Other Current Assets	<u>355,546</u>	<u>353,152</u>	<u>2,394</u>	<u>414,887</u>	<u>-59,341</u>	<u>-14%</u>
Total Current Assets	<u>1,781,722</u>	<u>1,789,196</u>	<u>-7,474</u>	<u>2,255,232</u>	<u>-473,510</u>	<u>-21%</u>
Fixed Assets						
Fixed assets at cost	81,989,207	81,983,393	5,814	80,901,773	1,087,434	1%
Less accumulated depreciation	-35,695,448	-35,481,698	-213,750	-33,099,549	-2,595,899	-8%
Total Fixed Assets	<u>46,293,759</u>	<u>46,501,695</u>	<u>-207,936</u>	<u>47,802,224</u>	<u>-1,508,465</u>	<u>-3%</u>
TOTAL ASSETS	<u><u>48,075,481</u></u>	<u><u>48,290,891</u></u>	<u><u>-215,410</u></u>	<u><u>50,057,456</u></u>	<u><u>-1,981,975</u></u>	<u><u>-4%</u></u>
LIABILITIES & EQUITY						
Liabilities						
Current Liabilities						
Accounts Payable						
Accounts payable	42,723	70,021	-27,298	118,726	-76,003	-64%
Total Accounts Payable	<u>42,723</u>	<u>70,021</u>	<u>-27,298</u>	<u>118,726</u>	<u>-76,003</u>	<u>-64%</u>
Total Credit Cards	0	343	-343	174	-174	-100%
Other Current Liabilities						
Accrued debt interest payable	447,831	359,012	88,819	450,599	-2,768	-1%
Debt, current portion	1,025,674	1,025,674	0	991,702	33,972	3%
Deferred Agri Land Revenue	24,167	29,000	-4,833	22,917	1,250	5%
Deferred Mill Levy revenue	829,694	995,633	-165,939	830,361	-667	-0%
Other current liabilities	198,995	170,736	28,259	165,231	33,764	20%
Total Other Current Liabilities	<u>2,526,361</u>	<u>2,580,055</u>	<u>-53,694</u>	<u>2,460,810</u>	<u>65,551</u>	<u>3%</u>
Total Current Liabilities	<u>2,569,084</u>	<u>2,650,419</u>	<u>-81,335</u>	<u>2,579,710</u>	<u>-10,626</u>	<u>-0%</u>
Long Term Liabilities						
Capital Lease Payable	82,296	82,296	0	132,817	-50,521	-38%
Debt - Long Term	23,023,503	23,023,503	0	23,947,408	-923,905	-4%
Less current portion	-1,025,674	-1,025,674	0	-991,702	-33,972	-3%
Security Deposits Returnable	36,529	36,529	0	20,089	16,440	82%
Total Long Term Liabilities	<u>22,116,654</u>	<u>22,116,654</u>	<u>0</u>	<u>23,108,612</u>	<u>-991,958</u>	<u>-4%</u>
Total Liabilities	<u>24,685,738</u>	<u>24,767,073</u>	<u>-81,335</u>	<u>25,688,322</u>	<u>-1,002,584</u>	<u>-4%</u>
Equity						
Invested in Capital Assets net	23,187,960	23,394,884	-206,924	23,748,896	-560,936	-2%
Net assets, Designated	90,000	90,000	0	90,000	0	0%
Net assets, Unrestricted	969,560	762,636	206,924	1,389,523	-419,963	-30%
Net Income	-857,775	-723,702	-134,073	-859,284	1,509	0%
Total Equity	<u>23,389,745</u>	<u>23,523,818</u>	<u>-134,073</u>	<u>24,369,135</u>	<u>-979,390</u>	<u>-4%</u>
TOTAL LIABILITIES & EQUITY	<u><u>48,075,483</u></u>	<u><u>48,290,891</u></u>	<u><u>-215,408</u></u>	<u><u>50,057,457</u></u>	<u><u>-1,981,974</u></u>	<u><u>-4%</u></u>

Salina Airport Authority
Profit & Loss Budget Performance
July 2015

	Jul 15	Budget	\$ Over Budget	% of Budget	Jan - Jul 15	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
Ordinary Income/Expense									
Income									
Airfield revenue									
Fuel Flowage Fees	17,715	12,500	5,215	142%	97,111	87,500	9,611	111%	150,000
Hangar rent	55,967	47,670	8,297	117%	284,689	313,286	-28,597	91%	531,639
Landing fees	110	276	-166	40%	3,972	1,931	2,041	206%	3,310
Ramp rent	4,177	4,096	81	102%	28,915	28,672	243	101%	49,152
Total Airfield revenue	77,969	64,542	13,427	121%	414,687	431,389	-16,702	96%	734,101
Building and land rent									
Agri land rent	4,833	4,833	0	100%	34,333	33,833	500	101%	58,000
Building rents									
Short-term leasing	2,485	3,967	-1,482	63%	25,785	27,767	-1,982	93%	47,600
Building rents - Other	61,535	61,429	106	100%	430,575	429,809	766	100%	732,400
Total Building rents	64,020	65,396	-1,376	98%	456,360	457,576	-1,216	100%	780,000
Land rent									
Basic Land Rent	5,658	5,513	145	103%	42,502	38,576	3,926	110%	66,210
Property tax - tenant share	13,000	13,000	0	100%	91,000	91,000	0	100%	156,000
Total Land rent	18,658	18,513	145	101%	133,502	129,576	3,926	103%	222,210
Tank rent	791	742	49	107%	5,534	5,192	342	107%	8,900
Total Building and land rent	88,302	89,484	-1,182	99%	629,729	626,177	3,552	101%	1,069,110
Other revenue									
Commissions	0	1,750	-1,750	0%	8,942	12,250	-3,308	73%	21,000
Other income	15,245	2,500	12,745	610%	41,133	17,500	23,633	235%	30,000
Total Other revenue	15,245	4,250	10,995	359%	50,075	29,750	20,325	168%	51,000
Gross Income	181,516	158,276	23,240	115%	1,094,491	1,087,316	7,175	101%	1,854,211
Expense									
Administrative expenses									
A/E, consultants, brokers	0	0	0	0%	0	0	0	0%	0
Airport promotion	524	708	-184	74%	6,425	4,958	1,467	130%	8,500
Bad Debt Expense	0	0	0	0%	3,422	0	3,422	100%	0
Computer/Network Admin.	-278	833	-1,111	-33%	3,816	5,833	-2,017	65%	10,000
Dues and subscriptions	1,280	833	447	154%	12,159	5,833	6,326	208%	10,000
Employee retirement	8,336	8,094	242	103%	43,585	43,168	417	101%	70,148
FICA and medicare tax expense	6,161	6,166	-5	100%	31,879	32,886	-1,007	97%	53,440
Industrial development	0	0	0	0%	0	0	0	0%	0
Insurance , property	12,917	12,917	0	100%	90,724	90,417	307	100%	155,000
Insurance, medical	15,124	16,039	-915	94%	107,366	112,272	-4,906	96%	192,466
Kansas unemployment tax	151	0	151	100%	336	500	-164	67%	1,000
Legal and accounting	14,600	2,500	12,100	584%	31,157	17,500	13,657	178%	30,000
Office salaries	45,686	46,757	-1,071	98%	235,514	249,373	-13,859	94%	405,231
Office Supplies	1,048	583	465	180%	3,081	4,083	-1,002	75%	7,000

Salina Airport Authority
Profit & Loss Budget Performance
July 2015

	Jul 15	Budget	\$ Over Budget	% of Budget	Jan - Jul 15	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
Other administrative expense									
Merchant Processing Fees	353	35	318	1,009%	515	245	270	210%	420
Other administrative expense - (1,019	278	741	367%	2,666	1,943	723	137%	3,330
Total Other administrative expense	1,372	313	1,059	438%	3,181	2,188	993	145%	3,750
Postage	15	267	-252	6%	1,011	1,867	-856	54%	3,200
Property appraisal expense	0	0	0	0%	0	0	0	0%	0
Property tax expense	12,917	12,917	0	100%	90,417	90,417	0	100%	155,000
Special Events	0	83	-83	0%	0	583	-583	0%	1,000
Telephone	1,187	1,375	-188	86%	9,590	9,625	-35	100%	16,500
Training	0	500	-500	0%	3,180	3,500	-320	91%	6,000
Travel and meetings	1,230	667	563	184%	6,426	4,667	1,759	138%	8,000
Total Administrative expenses	122,270	111,552	10,718	110%	683,269	679,670	3,599	101%	1,136,235
Maintenance expenses									
Airfield maintenance	1,206	1,292	-86	93%	9,577	9,042	535	106%	15,500
Airport Security	0	42	-42	0%	7	292	-285	2%	500
Building maintenance	-2,537	3,333	-5,870	-76%	16,220	23,333	-7,113	70%	40,000
Equipment fuel and repairs	5,013	4,167	846	120%	36,241	29,167	7,074	124%	50,000
Fire Services	0	125	-125	0%	250	875	-625	29%	1,500
Grounds maintenance	117	292	-175	40%	1,328	2,042	-714	65%	3,500
Maintenance salaries	35,908	38,077	-2,169	94%	187,867	203,077	-15,210	93%	330,000
Other maintenance expenses	853	1,542	-689	55%	7,665	10,792	-3,127	71%	18,500
Snow removal expense	0	0	0	0%	0	7,500	-7,500	0%	15,000
Utilities	16,186	14,834	1,352	109%	156,153	133,154	22,999	117%	215,000
Total Maintenance expenses	56,746	63,704	-6,958	89%	415,308	419,274	-3,966	99%	689,500
Total Expense	179,016	175,256	3,760	102%	1,098,577	1,098,944	-367	100%	1,825,735
Net Ordinary Income	2,500	-16,980	19,480	-15%	-4,086	-11,628	7,542	35%	28,476
Other Income/Expense									
Other Income									
Capital contributed	0	11,174	-11,174	0%	92,414	78,223	14,191	118%	134,093
Gain on sale of assets	0	0	0	0%	8,371	8,000	371	105%	15,000
Interest income									
Interest income on deposits	56	42	14	133%	186	292	-106	64%	500
Total Interest income	56	42	14	133%	186	292	-106	64%	500
Mill levy income	165,939	165,939	0	100%	1,163,319	1,161,571	1,748	100%	1,991,265
Total Other Income	165,995	177,155	-11,160	94%	1,264,290	1,248,086	16,204	101%	2,140,858
Other Expense									
Debt interest expense net									
Interest Expense on Debt	88,819	88,819	0	100%	621,730	621,730	0	100%	1,065,822
Total Debt interest expense net	88,819	88,819	0	100%	621,730	621,730	0	100%	1,065,822
Depreciation expense	213,750	213,750	0	100%	1,496,250	1,496,250	0	100%	2,565,000
Total Other Expense	302,569	302,569	0	100%	2,117,980	2,117,980	0	100%	3,630,822
Net Other Income	-136,574	-125,414	-11,160	109%	-853,690	-869,894	16,204	98%	-1,489,964
Net Income	-134,074	-142,394	8,320	94%	-857,776	-881,522	23,746	97%	-1,461,488

Salina Airport Authority
Capital Additions Budget vs. Actual
As of July 31, 2015

	<u>Jul 15</u>	<u>Jan - Jul 15</u>	<u>Annual Budget</u>	<u>+/- Annual Budget</u>	<u>% of Annual Budget</u>
ASSETS					
Fixed Assets					
Fixed assets at cost					
Airfield					
AIP-37 Taxiway B & E Reconst.		47,568	92,077	-44,509	52%
Airfield Improvements					
AMP - Economic Impact Study		5,875	11,750	-5,875	50%
Airfield Improvements - Other		10,007	3,250	6,757	308%
Total Airfield Improvements	<u>0</u>	<u>15,882</u>	<u>15,000</u>	<u>882</u>	<u>106%</u>
Term., Public View, Museum Dev.		5,130	5,000	130	103%
Total Airfield	<u>0</u>	<u>68,580</u>	<u>112,077</u>	<u>-43,497</u>	<u>61%</u>
Buildings & Improvements					
Building improvements					
Bldg. Imps. Other	5,814	10,452	5,000	5,452	209%
Hangar 959 Rehabilitation		27,818	10,000	17,818	278%
Total Building improvements	<u>5,814</u>	<u>38,270</u>	<u>15,000</u>	<u>23,270</u>	<u>255%</u>
Pumphouse 305		0	5,000	-5,000	0%
Total Buildings & Improvements	<u>5,814</u>	<u>38,270</u>	<u>20,000</u>	<u>18,270</u>	<u>191%</u>
Equipment					
Communications equipment		0	1,000	-1,000	0%
Computer equipment		0	1,000	-1,000	0%
Other Equipment		6,179	5,000	1,179	124%
Total Equipment	<u>0</u>	<u>6,179</u>	<u>7,000</u>	<u>-821</u>	<u>88%</u>
Land					
Environmental					
Environmental - SAFB		14,506	15,455	-949	94%
Total Environmental	<u>0</u>	<u>14,506</u>	<u>15,455</u>	<u>-949</u>	<u>94%</u>
Total Land	<u>0</u>	<u>14,506</u>	<u>15,455</u>	<u>-949</u>	<u>94%</u>
Total Fixed assets at cost	<u>5,814</u>	<u>127,535</u>	<u>154,532</u>	<u>-26,997</u>	<u>83%</u>

08/13/15

Salina Airport Authority

Significant Capital Expenditures Detail

July 2015

Type	Date	Name	Memo	Amount	Balance
Fixed assets at cost					
Buildings & Improvements					
Building improvements					
Bldg. Imps. Other					
Bill	07/02/2015	Superior Plumbing and Heating, I...	Bldg. 655 - repair fire service main	5,814.00	5,814.00
		Total Bldg. Imps. Other		<u>5,814.00</u>	<u>5,814.00</u>
		Total Building improvements		<u>5,814.00</u>	<u>5,814.00</u>
		Total Buildings & Improvements		<u>5,814.00</u>	<u>5,814.00</u>
		Total Fixed assets at cost		<u>5,814.00</u>	<u>5,814.00</u>
TOTAL				<u>5,814.00</u>	<u>5,814.00</u>

[G.O. BASIC DOCUMENTS]

- A. Excerpt of Minutes of Meeting approving sale, approving Bond Resolution
- B. Bond Resolution

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE SALINA AIRPORT AUTHORITY
(SALINA, KANSAS)
HELD ON AUGUST 19, 2015**

The governing body met in regular session at the usual meeting place, at 3:00 p.m., the following members being present and participating, to-wit:

_____.

Absent: _____.

The Chairman declared that a quorum was present and called the meeting to order.

* * * * *

(Other Proceedings)

The Secretary reported that pursuant to the Notice of Bond Sale heretofore duly given, bids for the purchase of Taxable General Obligation Bonds, Series 2015-A, dated August 28, 2015, of the Salina Airport Authority had been received. A tabulation of said bids is set forth as *EXHIBIT A* hereto.

Thereupon, the governing body reviewed and considered the bids and it was found and determined that the bid of _____, _____, _____, was the best bid for the Bonds, a copy of which is attached hereto as *EXHIBIT B*.

Thereupon, there was presented a Resolution entitled:

A RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE, SALE AND DELIVERY OF TAXABLE GENERAL OBLIGATION BONDS, SERIES 2015-A, OF THE SALINA AIRPORT AUTHORITY (SALINA, KANSAS); PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.

Thereupon, Director _____ moved that said Resolution be adopted. The motion was seconded by Director _____. Said Resolution was duly read and considered, and upon being put, the motion for the adoption of said Resolution was carried by the vote of the governing body, the vote being as follows:

Yea: _____.

Nay: _____.

Thereupon, the Chairman declared said Resolution duly adopted and the Resolution was then duly numbered Resolution No. 15-07 and was signed by the Chairman and attested by the Secretary.

(Other Proceedings)

On motion duly made, seconded and carried, the meeting thereupon adjourned.

CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the Salina Airport Authority (Salina, Kansas), held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

Secretary

EXHIBIT A
BID TABULATION

SALINA AIRPORT AUTHORITY
(SALINA, KANSAS)
TAXABLE GENERAL OBLIGATION BONDS
SERIES 2015-A

EXHIBIT B
BID OF PURCHASER

**SALINA AIRPORT AUTHORITY
(SALINA, KANSAS)
TAXABLE GENERAL OBLIGATION BONDS
SERIES 2015-A**

RESOLUTION NO. 15-07

OF

SALINA AIRPORT AUTHORITY (SALINA, KANSAS)

ADOPTED

AUGUST 19, 2015

**TAXABLE GENERAL OBLIGATION BONDS
SERIES 2015-A**

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RESOLUTION NO. 15-07

A RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE, SALE AND DELIVERY OF TAXABLE GENERAL OBLIGATION BONDS, SERIES 2015-A, OF THE SALINA AIRPORT AUTHORITY (SALINA, KANSAS); PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.

WHEREAS, the Salina Airport Authority (Salina, Kansas) (the “Issuer”) is a public airport authority, duly created, organized and existing under the Constitution and laws of the State; and

WHEREAS, pursuant to K.S.A. 10-101 *et seq.* and K.S.A. 27-315 *et seq.*, all as amended, and all other provisions of the laws of the State of Kansas applicable thereto, by proceedings duly had and other actions duly and legally taken, the Issuer is proceeding with the acquiring, constructing, improving, furnishing and equipping of capital improvements located at the Salina Municipal Airport and Airport Industrial Center, including, but not limited to (a) rehabilitation of Hangar 959, including electrical modifications, sprinkler system reactivation, fire alarm system and sensor installation, upgrades to the HVAC systems, electrical system modifications, fencing and burying of exterior overhead electrical lines to accommodate large passenger jets; (b) renovation and equipment acquisition and installation at the M.J. Kennedy Air Terminal Building in order to accommodate expanded commercial air service including a passenger screening and holding area and offices for Transportation Security Administration Employees; and (c) other various capital improvements at the Salina Regional Airport (collectively, the “Improvements”), and

WHEREAS, the governing body of the Issuer is authorized by law to issue the Bonds to pay a portion of the costs of the Improvements; and

WHEREAS, the Issuer has previously issued and has Outstanding the Refunded Bonds and is authorized by K.S.A. 10-427 *et seq.* to issue general obligation refunding bonds of the Issuer for the purpose of refunding the Refunded Bonds; and

WHEREAS, in order to achieve interest cost savings through early redemption of the Refunded Bonds and provide an orderly plan of finance for the Issuer, it has become desirable and in the best interest of the Issuer and its inhabitants to authorize the issuance and delivery of the Bonds in order to provided funds to refund the Refunded Bonds; and

WHEREAS, in order to provide for the payment of the Refunded Bonds it is desirable to enter into an Escrow Trust Agreement, by and between the Issuer and the Escrow Agent; and

WHEREAS, the governing body of the Issuer has advertised the sale of the Bonds in accordance with the law and at a meeting held on this date, awarded the sale of such Bonds to the lowest bidder; and

WHEREAS, the governing body of the Issuer hereby finds and determines that it is necessary for the Issuer to authorize the issuance and delivery of the Bonds in the principal amount of \$[PRINCIPAL AMOUNT] to pay a portion of the costs of the Improvements and refund the Refunded Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE SALINA AIRPORT AUTHORITY (SALINA, KANSAS), AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, the following words and terms as used in this Bond Resolution shall have the meanings hereinafter set forth. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

“Act” means the Constitution and statutes of the State including K.S.A. 10-101 *et seq.*, K.S.A. 10-427 *et seq.* and K.S.A. 27-315 to 27-326 inclusive, all as amended and supplemented from time to time.

“Authorized Denomination” means \$5,000 or any integral multiples thereof.

“Beneficial Owner” of the Bonds includes any Owner of the Bonds and any other Person who, directly or indirectly has the investment power with respect to such Bonds.

“Bond and Interest Fund” means the Bond and Interest Fund of the Issuer for its general obligation bonds.

“Bond Counsel” means the firm of Gilmore & Bell, P.C., or any other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to the Issuer.

“Bond Register” means the books for the registration, transfer and exchange of Bonds kept at the office of the Bond Registrar.

“Bond Registrar” means the State Treasurer, and any successors and assigns.

“Bond Resolution” means this resolution relating to the Bonds.

“Bonds” means the Taxable General Obligation Bonds, Series 2015-A, authorized and issued by the Issuer pursuant to this Bond Resolution.

“Business Day” means a day other than a Saturday, Sunday or any day designated as a holiday by the Congress of the United States or by the legislature of the State and on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its operations.

“Cede & Co.” means Cede & Co., as nominee of DTC and any successor nominee of DTC.

“Chairman” means the duly elected and acting Chairman, or in the Chairman’s absence, the duly appointed and/or elected Vice Chairman or Acting Chairman of the Issuer.

“**Code**” means the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder by the United States Department of the Treasury.

“**Costs of Issuance**” means all costs of issuing the Bonds, including but not limited to all publication, printing, signing and mailing expenses in connection therewith, registration fees, financial advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, expenses incurred in connection with compliance with the Code, all expenses incurred in connection with receiving ratings on the Bonds, and any premiums or expenses incurred in obtaining municipal bond insurance on the Bonds.

“**Costs of Issuance Account**” means the Costs of Issuance Account for Taxable General Obligation Bonds, Series 2015-A created pursuant to *Section 501* hereof.

“**Dated Date**” means August 28, 2015.

“**Debt Service Account**” means the Debt Service Account for Taxable General Obligation Bonds, Series 2015-A (within the Bond and Interest Fund) created pursuant to *Section 501* hereof.

“**Debt Service Requirements**” means the aggregate principal payments (whether at maturity or pursuant to scheduled mandatory sinking fund redemption requirements) and interest payments on the Bonds for the period of time for which calculated; provided, however, that for purposes of calculating such amount, principal and interest shall be excluded from the determination of Debt Service Requirements to the extent that such principal or interest is payable from amounts deposited in trust, escrowed or otherwise set aside for the payment thereof with the Paying Agent or other commercial bank or trust company located in the State and having full trust powers.

“**Defaulted Interest**” means interest on any Bond which is payable but not paid on any Interest Payment Date.

“**Defeasance Obligations**” means any of the following obligations:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) such obligations are rated in a rating category by Moody's or Standard & Poor's that is no lower than the rating category then assigned by that Rating Agency to United States Government Obligations.

“Derivative” means any investment instrument whose market price is derived from the fluctuating value of an underlying asset, index, currency, futures contract, including futures, options and collateralized mortgage obligations.

“Disclosure Undertaking” means the Issuer’s Omnibus Continuing Disclosure Undertaking, as may be amended and supplemented, relating to certain obligations contained in the SEC Rule.

“DTC” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns, including any successor securities depository duly appointed.

“DTC Representation Letter” means the Blanket Letter of Representation from the Issuer and the Paying Agent to DTC which provides for a book-entry system, or any agreement between the Issuer and Paying Agent and a successor securities depository duly appointed.

“Escrow Agent” means Security Bank of Kansas City, Kansas City, Kansas, and its successors and assigns.

“Escrow Agreement” means the Escrow Trust Agreement, dated as of August 28, 2015, between the Issuer and the Escrow Agent.

“Escrow Fund” means the Escrow Fund for Series 2007-A Refunded Bonds referred to in *Section 501* hereof.

“Escrowed Securities” means the obligations described in the Escrow Agreement.

“Event of Default” means each of the following occurrences or events:

(a) Payment of the principal and of the redemption premium, if any, of any of the Bonds shall not be made when the same shall become due and payable, either at Stated Maturity or by proceedings for redemption or otherwise;

(b) Payment of any installment of interest on any of the Bonds shall not be made when the same shall become due; or

(c) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Bond Resolution (other than the covenants relating to continuing disclosure requirements contained herein and in the Disclosure Undertaking) on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the Owner of any of the Bonds then Outstanding.

“Financeable Costs” means the amount of expenditure for an Improvement which has been duly authorized by action of the governing body of the Issuer to be financed by general obligation bonds, less:

(a) the amount of any temporary notes or general obligation bonds of the Issuer which are currently Outstanding and available to pay such Financeable Costs; and (b) any amount of Financeable Costs which has been previously paid by the Issuer or by any eligible source of funds unless such amounts are entitled to be reimbursed to the Issuer under State or federal law.

“Fiscal Year” means the twelve month period ending on December 31.

“Funds and Accounts” means funds and accounts created pursuant to or referred to in *Section 501* hereof.

“Improvement Fund” means the Improvement Fund for Taxable General Obligation Bonds, Series 2015-A created pursuant to *Section 501* hereof.

“Improvements” means the improvements referred to in the preamble to this Bond Resolution and any Substitute Improvements.

“Independent Accountant” means an independent certified public accountant or firm of independent certified public accountants at the time employed by the Issuer for the purpose of carrying out the duties imposed on the Independent Accountant by this Bond Resolution.

“Interest Payment Date(s)” means the Stated Maturity of an installment of interest on any Bond which shall be March 1 and September 1 of each year, commencing March 1, 2016.

“Issue Date” means the date when the Issuer delivers the Bonds to the Purchaser in exchange for the Purchase Price.

“Issuer” means the Salina Airport Authority (Salina, Kansas).

“Maturity” when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or call for redemption or otherwise.

“Moody’s” means Moody’s Investors Service, a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

“Notice Address” means with respect to the following entities:

(a) To the Issuer at:

Salina Airport Authority (Salina, Kansas)
3237 Arnold Ave
Salina, Kansas 67401
Phone No. 785-827-3914
Fax No. 785-827-2221

(b) To the Paying Agent at:

State Treasurer of the State of Kansas
Landon Office Building

900 Southwest Jackson, Suite 201
Topeka, Kansas 66612-1235
Fax: (785) 296-6976

(c) To the Purchaser:

(d) To the Rating Agency(ies):

Moody's Municipal Rating Desk
7 World Trade Center
250 Greenwich Street
23rd Floor
New York, New York 10007

(e) To the Escrow Agent at:

Security Bank of Kansas City
Corporate Trust Department
701 Minnesota Avenue
Suite 206, P.O. Box 171297
Kansas City, Kansas 66117
Fax: (913) 279-7960

or such other address as is furnished in writing to the other parties referenced herein.

“Notice Representative” means:

- (a) With respect to the Issuer, the Secretary.
- (b) With respect to the Bond Registrar and Paying Agent, the Director of Bond Services.
- (c) With respect to any Purchaser, the manager of its Municipal Bond Department.
- (d) With respect to any Rating Agency, any Vice President thereof.
- (e) With respect to the Escrow Agent, the Manager of the Corporate Trust Department.

“Official Statement” means Issuer's Official Statement, dated August 19, 2015, relating to the Bonds.

“Outstanding” means, when used with reference to the Bonds, as of a particular date of determination, all Bonds theretofore authenticated and delivered, except the following Bonds:

- (a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;

- (b) Bonds deemed to be paid in accordance with the provisions of *Article VII* hereof; and
- (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered hereunder.

“Owner” when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register. Whenever consent of the Owners is required pursuant to the terms of this Bond Resolution, and the Owner of the Bonds, as set forth on the Bond Register, is Cede & Co., the term Owner shall be deemed to be the Beneficial Owner of the Bonds.

“Participants” means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

“Paying Agent” means the State Treasurer, and any successors and assigns.

“Permitted Investments” shall mean the investments hereinafter described, provided, however, no moneys or funds shall be invested in a Derivative: (a) investments authorized by K.S.A. 12-1675 and amendments thereto; (b) the municipal investment pool established pursuant to K.S.A. 12-1677a, and amendments thereto; (c) direct obligations of the United States Government or any agency thereof; (d) the Issuer’s temporary notes issued pursuant to K.S.A. 10-123 and amendments thereto; (e) interest-bearing time deposits in commercial banks or trust companies located in the county or counties in which the Issuer is located; (f) obligations of the federal national mortgage association, federal home loan banks, federal home loan mortgage corporation or government national mortgage association; (g) repurchase agreements for securities described in (c) or (f); (h) investment agreements or other obligations of a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody’s or Standard & Poor’s; (i) investments and shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities described in (c) or (f); (j) receipts evidencing ownership interests in securities or portions thereof described in (c) or (f); (k) municipal bonds or other obligations issued by any municipality of the State as defined in K.S.A. 10-1101 which are general obligations of the municipality issuing the same; or (l) bonds of any municipality of the State as defined in K.S.A. 10-1101 which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of securities described in (c) or (f) all as may be further restricted or modified by amendments to applicable State law.

“Person” means any natural person, corporation, partnership, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

“Purchase Price” means the principal amount of the Bonds plus accrued interest to the date of delivery[, plus a premium of \$_____][, less an underwriting discount of \$_____][, less an original issue discount of \$_____].

“Purchaser” means [_____, _____, _____], the original purchaser of the Bonds, and any successor and assigns.

“Rating Agency” means any company, agency or entity that provides, pursuant to request of the Issuer, financial ratings for the Bonds.

“Record Dates” for the interest payable on any Interest Payment Date means the fifteenth day (whether or not a Business Day) of the calendar month next preceding each Interest Payment Date.

“Redemption Date” means, when used with respect to any Bond to be redeemed, the date fixed for the redemption of such Bond pursuant to the terms of this Bond Resolution.

“Redemption Fund” means the Redemption Fund for the Series 2005-A Refunded Bonds created pursuant to *Section 501* hereof.

“Redemption Price” means, when used with respect to any Bond to be redeemed, the price at which such Bond is to be redeemed pursuant to the terms of this Bond Resolution, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

“Refunded Bonds” means collectively: (a) the Series 2005-A Bonds maturing in the years 2016 to 2020, inclusive, in the principal amount of \$1,805,000; and (b) the Series 2007-A Bonds maturing in the years 2016 to 2022, inclusive, in the principal amount of \$565,000.

“Refunded Bonds Paying Agent” means the respective paying agent for each of the Refunded Bonds as designated in the respective Refunded Bonds Resolution, and any successor or successors at the time acting as paying agent for any of the Refunded Bonds.

“Refunded Bonds Redemption Date” means collectively: (a) September 1, 2015 for the Series 2005-A Bonds; and (b) September, 1 2016 for the Series 2007-A Bonds.

“Refunded Bonds Resolution” means each resolution that authorized the Refunded Bonds.

“Replacement Bonds” means Bonds issued to the Beneficial Owners of the Bonds in accordance with *Section 210* hereof.

“SEC Rule” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

“Securities Depository” means, initially, DTC, and its successors and assigns.

“Secretary” means the duly appointed and/or elected Secretary or, in the Secretary’s absence, the duly appointed deputy Secretary or acting Secretary of the Issuer.

“Series 2005-A Bonds” means the Issuer’s Taxable General Obligation Bonds, Series 2005-A, dated August 1, 2005.

“Series 2007-A Bonds” means the Issuer’s Taxable General Obligation Bonds, Series 2007-A, dated December 15, 2007.

“Special Record Date” means the date fixed by the Paying Agent pursuant to *Article II* hereof for the payment of Defaulted Interest.

“Standard & Poor’s” means Standard & Poor’s Ratings Services, a Division of McGraw-Hill Financial, Inc., a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform

the functions of a securities rating agency, Standard & Poor's shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

"State" means the state of Kansas.

"State Treasurer" means the duly elected Treasurer or, in the Treasurer's absence, the duly appointed Deputy Treasurer or acting Treasurer of the State.

"Stated Maturity" when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and this Bond Resolution as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

"Substitute Improvements" means the substitute or additional improvements of the Issuer described in *Article V* hereof.

[**"Term Bonds"** means the Bonds scheduled to mature in the year 20__]

[**"20__ Term Bonds"** means the Bonds scheduled to mature in the year 20__.]

[**"20__ Term Bonds"** means the Bonds scheduled to mature in the year 20__.]

[**"Term Bonds"** means collectively, the 20__ Term Bonds and the 20__ Term Bonds.]

"Treasurer" means the duly appointed and/or elected Treasurer of the Issuer or, in the Treasurer's absence, the duly appointed Deputy Treasurer or acting Treasurer of the Issuer.

"United States Government Obligations" means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payment on obligations issued by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the highest rating category by a nationally recognized rating service and such obligations are held in a custodial account for the benefit of the Issuer.

ARTICLE II

AUTHORIZATION AND DETAILS OF THE BONDS

Section 201. Authorization of the Bonds. There shall be issued and hereby are authorized and directed to be issued the Taxable General Obligation Bonds, Series 2015-A, of the Issuer in the principal amount of \$[PRINCIPAL AMOUNT], for the purpose of providing funds to: (a) pay a portion of the costs of the Improvements; (b) refund the Refunded Bonds; and (c) pay Costs of Issuance.

Section 202. Description of the Bonds. The Bonds shall consist of fully registered bonds in an Authorized Denomination, and shall be numbered in such manner as the Bond Registrar shall determine. All of the Bonds shall be dated as of the Dated Date, shall become due in the amounts, on the Stated Maturities, subject to redemption and payment prior to their Stated Maturities as provided in *Article III* hereof, and shall bear interest at the rates per annum as follows:

SERIAL BONDS

<u>Stated Maturity September 1</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>	<u>Stated Maturity September 1</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>
2015	\$ _____	_____ %	2021	\$ _____	_____ %
2016	_____	_____ %	2022	_____	_____ %
2017	_____	_____ %	2023	_____	_____ %
2018	_____	_____ %	2024	_____	_____ %
2019	_____	_____ %	2025	_____	_____ %
2020	_____	_____ %			

[TERM BONDS

<u>Stated Maturity September 1</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>
20__	\$ _____	_____ %

]

The Bonds shall bear interest at the above specified rates (computed on the basis of a 360-day year of twelve 30-day months) from the later of the Dated Date or the most recent Interest Payment Date to which interest has been paid on the Interest Payment Dates in the manner set forth in **Section 204** hereof.

Each of the Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be printed in accordance with the format required by the Attorney General of the State and shall be substantially in the form attached hereto as **EXHIBIT A** or as may be required by the Attorney General pursuant to the Notice of Systems of Registration for Kansas Municipal Bonds, 2 Kan. Reg. 921 (1983), in accordance with the Kansas Bond Registration Law, K.S.A. 10-620 *et seq.*

Section 203. Designation of Paying Agent and Bond Registrar. The State Treasurer is hereby designated as the Paying Agent for the payment of principal of and interest on the Bonds and Bond Registrar with respect to the registration, transfer and exchange of Bonds. The Chairman of the Issuer is hereby authorized and empowered to execute on behalf of the Issuer an agreement with the Bond Registrar and Paying Agent for the Bonds.

The Issuer will at all times maintain a Paying Agent and Bond Registrar meeting the qualifications herein described for the performance of the duties hereunder. The Issuer reserves the right to appoint a successor Paying Agent or Bond Registrar by (a) filing with the Paying Agent or Bond Registrar then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent or Bond Registrar and appointing a successor, and (b) causing notice of appointment of the successor Paying Agent and Bond Registrar to be given by first class mail to each Owner. No resignation or removal of the Paying Agent or Bond Registrar shall become effective until a successor has been appointed and has accepted the duties of Paying Agent or Bond Registrar.

Every Paying Agent or Bond Registrar appointed hereunder shall at all times meet the requirements of K.S.A. 10-501 *et seq.* and K.S.A. 10-620 *et seq.*, respectively.

Section 204. Method and Place of Payment of the Bonds. The principal of, or Redemption Price, and interest on the Bonds shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

The principal or Redemption Price of each Bond shall be paid at Maturity to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the principal office of the Paying Agent.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Owner; or (b) in the case of an interest payment to Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank ABA routing number and account number to which such Owner wishes to have such transfer directed.

Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Bond shall cease to be payable to the Owner of such Bond on the relevant Record Date and shall be payable to the Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The Issuer shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefore to be mailed, by first class mail, postage prepaid, to each Owner of a Bond entitled to such notice at the address of such Owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

The Paying Agent shall keep a record of payment of principal and Redemption Price of and interest on all Bonds and at least annually shall forward a copy or summary of such records to the Issuer.

Section 205. Payments Due on Saturdays, Sundays and Holidays. In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

Section 206. Registration, Transfer and Exchange of Bonds. The Issuer covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Bond Registrar as herein provided. Each Bond when issued shall be registered in the name of the Owner thereof on the Bond Register.

Bonds may be transferred and exchanged only on the Bond Register as provided in this Section. Upon surrender of any Bond at the principal office of the Bond Registrar, the Bond Registrar shall transfer or exchange such Bond for a new Bond or Bonds in any Authorized Denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange.

Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Bond Registrar, duly executed by the Owner thereof or by the Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Bond Resolution. The Issuer shall pay the fees and expenses of the Bond Registrar for the registration, transfer and exchange of Bonds provided for by this Bond Resolution and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, are the responsibility of the Owners of the Bonds. In the event any Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Code § 3406, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Owner hereunder or under the Bonds.

The Issuer and the Bond Registrar shall not be required (a) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent pursuant to *Article III* hereof and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to *Article II* hereof.

The Issuer and the Paying Agent may deem and treat the Person in whose name any Bond is registered on the Bond Register as the absolute Owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and interest on said Bond and for all other purposes. All payments so made to any such Owner or upon the Owner's order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Paying Agent shall be affected by any notice to the contrary.

At reasonable times and under reasonable regulations established by the Bond Registrar, the Bond Register may be inspected and copied by the Owners (or a designated representative thereof) of 10% or more in principal amount of the Bonds then Outstanding or any designated representative of such Owners whose authority is evidenced to the satisfaction of the Bond Registrar.

Section 207. Execution, Registration, Authentication and Delivery of Bonds. Each of the Bonds, including any Bonds issued in exchange or as substitutions for the Bonds initially delivered, shall be executed for and on behalf of the Issuer by the manual or facsimile signature of the Chairman, attested by the manual or facsimile signature of the Secretary and the seal of the Issuer shall be affixed thereto or imprinted thereon. The Chairman and Secretary are hereby authorized and directed to prepare and execute the Bonds in the manner herein specified, and to cause the Bonds to be registered in the office of the Secretary, which registration shall be evidenced by the manual or facsimile signature of the Secretary with the seal of the Issuer affixed thereto or imprinted thereon, and registered in the office of the Clerk of Saline County, Kansas, which registration shall be evidenced by the manual or facsimile signature of the Clerk of Saline County, Kansas with the seal of Saline County, Kansas affixed thereto or imprinted thereon. The Bonds shall also be registered in the office of the State Treasurer, which registration shall be evidenced by the manual or facsimile signature of the State Treasurer with the seal of the State Treasurer affixed thereto or imprinted thereon. In case any officer whose signature appears on any Bonds ceases to

be such officer before the delivery of such Bonds, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The Chairman and Secretary are hereby authorized and directed to prepare and execute the Bonds as herein specified, and when duly executed, to deliver the Bonds to the Bond Registrar for authentication.

The Bonds shall have endorsed thereon a certificate of authentication substantially in the form attached hereto as **EXHIBIT A** hereof, which shall be manually executed by an authorized officer or employee of the Bond Registrar, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Bond shall be entitled to any security or benefit under this Bond Resolution or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Bond Registrar. Such executed certificate of authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Bond Resolution. Upon authentication, the Bond Registrar shall deliver the Bonds to the Purchaser upon instructions of the Issuer or its representative.

Section 208. Mutilated, Lost, Stolen or Destroyed Bonds. If (a) any mutilated Bond is surrendered to the Bond Registrar or the Bond Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Issuer and the Bond Registrar such security or indemnity as may be required by each of them, then, in the absence of notice to the Issuer or the Bond Registrar that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and, upon the Issuer's request, the Bond Registrar shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Issuer, in its discretion, may pay such Bond instead of issuing a new Bond.

Upon the issuance of any new Bond under this Section, the Issuer and the Paying Agent may require the payment by the Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Every new Bond issued pursuant to this Section shall constitute a replacement of the prior obligation of the Issuer, and shall be entitled to all the benefits of this Bond Resolution equally and ratably with all other Outstanding Bonds.

Section 209. Cancellation and Destruction of Bonds Upon Payment. All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and destroyed and shall file an executed counterpart of such certificate with the Issuer.

Section 210. Book-Entry Bonds; Securities Depository. The Issuer and Paying Agent have entered into a DTC Representation Letter with DTC. The Bonds shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive certificates representing their respective interests in the Bonds, except in the event the Bond Registrar issues

Replacement Bonds as provided in this Section. It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Bonds to the Participants until and unless the Bond Registrar authenticates and delivers Replacement Bonds to the Beneficial Owners as described in the following paragraph.

The Issuer may decide, subject to the requirements of the Operational Arrangements of DTC (or a successor Securities Depository), and the following provisions of this section to discontinue use of the system of book-entry transfers through DTC (or a successor Securities Depository):

(a) If the Issuer determines (1) that the Securities Depository is unable to properly discharge its responsibilities, or (2) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (3) that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds; or

(b) if the Bond Registrar receives written notice from Participants having interests in not less than 50% of the Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds, then the Bond Registrar shall notify the Owners of such determination or such notice and of the availability of certificates to Owners requesting the same, and the Bond Registrar shall register in the name of and authenticate and deliver Replacement Bonds to the Beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (a)(1) or (a)(2) of this paragraph, the Issuer, with the consent of the Bond Registrar, may select a successor securities depository in accordance with the following paragraph to effect book-entry transfers.

In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository has possession of at least one Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Bond Registrar, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the Issuer, the Bond Registrar or Owners are unable to locate a qualified successor of the Securities Depository in accordance with the following paragraph, then the Bond Registrar shall authenticate and cause delivery of Replacement Bonds to Owners, as provided herein. The Bond Registrar may rely on information from the Securities Depository and its Participants as to the names of the Beneficial Owners of the Bonds. The cost of printing, registration, authentication, and delivery of Replacement Bonds shall be paid for by the Issuer.

In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the Issuer may appoint a successor Securities Depository provided the Bond Registrar receives written evidence satisfactory to the Bond Registrar with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Bond Registrar upon its receipt of a Bond or Bonds for cancellation shall cause the delivery of Bonds to the successor Securities Depository in an Authorized Denominations and form as provided herein.

Section 211. Nonpresentment of Bonds. If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Bond Resolution or on, or with respect to, said Bond. If any Bond is not presented for payment within four (4) years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay, without liability for interest thereon, to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 212. Preliminary and Final Official Statement. The Official Statement is hereby authorized to be prepared by supplementing, amending and completing the Preliminary Official Statement dated August 12, 2015, with such changes and additions thereto as are necessary to conform to and describe the transaction. The Chairman or chief financial officer of the Issuer are hereby authorized to execute the Official Statement as so supplemented, amended and completed, and the use and public distribution of the Official Statement by the Purchaser in connection with the reoffering of the Bonds is hereby authorized. The proper officials of the Issuer are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the Issue Date.

The Issuer agrees to provide to the Purchaser within seven business days of the date of the sale of Bonds sufficient copies of the Official Statement to enable the Purchaser to comply with the requirements of the SEC Rule and Rule G-32 of the Municipal Securities Rulemaking Board.

Section 213. Sale of the Bonds. The sale of the Bonds to the Purchaser is hereby ratified and confirmed. The Chairman and Secretary are hereby authorized to execute the official bid form submitted by the Purchaser. Delivery of the Bonds shall be made to the Purchaser on the Issue Date (which shall be as soon as practicable after the adoption of this Bond Resolution), upon payment of the Purchase Price.

Section 214. Authorization of Escrow Agreement. The Issuer is hereby authorized to enter into the Escrow Agreement and the Chairman and Secretary are hereby authorized and directed to execute the Escrow Agreement with such changes therein as such officials may deem appropriate, for and on behalf of and as the act and deed of the Issuer. The Escrow Agent is hereby authorized to carry out, on behalf of the Issuer, the duties, terms and provisions of the Escrow Agreement, and the Escrow Agent, the Purchaser and Bond Counsel are authorized to take all necessary actions for the subscription and purchase of the Escrowed Securities described therein.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption by Issuer.

Optional Redemption. At the option of the Issuer, Bonds maturing on September 1 in the years 2024, and thereafter, will be subject to redemption and payment prior to their Stated Maturity on September 1, 2023, and thereafter, as a whole or in part (selection of maturities and the amount of Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the Redemption Date.

[**Mandatory Redemption.** (a) 20[] Term Bonds. The 20[] Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements of this Section at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The taxes levied in **Article IV** hereof which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on September 1 in each year, the following principal amounts of such 20[] Term Bonds:

<u>Principal Amount</u>	<u>Year</u>
\$ _____	_____
_____	_____
_____	_____*

*Final Maturity

(b) 20[] Term Bonds. The 20[] Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements of this Section at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The taxes levied in **Article IV** hereof which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on September 1 in each year, the following principal amounts of such 20[] Term Bonds:

<u>Principal Amount</u>	<u>Year</u>
\$ _____	_____
_____	_____
_____	_____*

*Final Maturity

At its option, to be exercised on or before the 45th day next preceding any mandatory Redemption Date, the Issuer may: (1) deliver to the Paying Agent for cancellation Term Bonds subject to mandatory redemption on said mandatory Redemption Date, in any aggregate principal amount desired; or (2) furnish the Paying Agent funds, together with appropriate instructions, for the purpose of purchasing any Term Bonds subject to mandatory redemption on said mandatory Redemption Date from any Owner thereof whereupon the Paying Agent shall expend such funds for such purpose to such extent as may be practical; or (3) receive a credit with respect to the mandatory redemption obligation of the

Issuer under this Section for any Term Bonds subject to mandatory redemption on said mandatory Redemption Date which, prior to such date, have been redeemed (other than through the operation of the mandatory redemption requirements of this subsection) and cancelled by the Paying Agent and not theretofore applied as a credit against any redemption obligation under this subsection. Each Term Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation of the Issuer to redeem Term Bonds of the same Stated Maturity on such mandatory Redemption Date, and any excess of such amount shall be credited on future mandatory redemption obligations for Term Bonds of the same Stated Maturity as designated by the Issuer, and the principal amount of Term Bonds to be redeemed by operation of the requirements of this Section shall be accordingly reduced. If the Issuer intends to exercise any option granted by the provisions of clauses (1), (2) or (3) above, the Issuer will, on or before the 45th day next preceding each mandatory Redemption Date, furnish the Paying Agent a written certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with, with respect to such mandatory redemption payment.]

Section 302. Selection of Bonds to be Redeemed. Bonds shall be redeemed only in an Authorized Denomination. When less than all of the Bonds are to be redeemed and paid prior to their Stated Maturity, such Bonds shall be redeemed in such manner as the Issuer shall determine. Bonds of less than a full Stated Maturity shall be selected by the Bond Registrar in a minimum Authorized Denomination of principal amount in such equitable manner as the Bond Registrar may determine.

In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than a minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption a minimum Authorized Denomination of face value shall be treated as though it were a separate Bond of the denomination of a minimum Authorized Denomination. If it is determined that one or more, but not all, of a minimum Authorized Denomination of face value represented by any Bond is selected for redemption, then upon notice of intention to redeem a minimum Authorized Denomination, the Owner or the Owner's duly authorized agent shall forthwith present and surrender such Bond to the Bond Registrar: (1) for payment of the Redemption Price and interest to the Redemption Date of a minimum Authorized Denomination of face value called for redemption, and (2) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the redemption date to the extent of a minimum Authorized Denomination of face value called for redemption (and to that extent only).

Section 303. Notice and Effect of Call for Redemption. In the event the Issuer desires to call the Bonds for redemption prior to maturity, written notice of such intent shall be provided to the Bond Registrar in accordance with K.S.A. 10-129, as amended, not less than 45 days prior to the Redemption Date. The Bond Registrar shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Bond Registrar at least 45 days prior to the Redemption Date of written instructions of the Issuer specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption. [The foregoing provisions of this paragraph shall not apply in the case of any mandatory redemption of Term Bonds hereunder, and Term Bonds shall be called by the Paying Agent for redemption pursuant to such mandatory redemption requirements without the necessity of any action by the Issuer and whether or not the Paying Agent holds moneys available and sufficient to effect the required redemption.]

Unless waived by any Owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the Stated Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar. In addition, the Issuer shall cause the Bond

Registrar to give written notice of redemption to the Owners of said Bonds. Each of said written notices shall be deposited in the United States first class mail not less than 30 days prior to the Redemption Date.

All official notices of redemption shall be dated and shall contain the following information:

- (a) the Redemption Date;
- (b) the Redemption Price;
- (c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed;
- (d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and
- (e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal office of the Paying Agent.

The failure of any Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on such Redemption Date.

For so long as the Securities Depository is effecting book-entry transfers of the Bonds, the Bond Registrar shall provide the notices specified in this Section to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Bond Registrar, the Securities Depository, a Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Issuer defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided herein. All Bonds that have been surrendered for redemption shall be cancelled and destroyed by the Paying Agent as provided herein and shall not be reissued.

In addition to the foregoing notice, the Issuer shall provide such notices of redemption as are required by the Disclosure Undertaking. Further notice may be given by the Issuer or the Bond Registrar on behalf of the Issuer as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if official notice thereof is given as above prescribed:

(a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (1) the CUSIP numbers of all Bonds being redeemed; (2) the date of issue of the Bonds as originally issued; (3) the rate of interest borne by each Bond being redeemed; (4) the maturity date of each Bond being redeemed; and (5) any other descriptive information needed to identify accurately the Bonds being redeemed.

(b) Each further notice of redemption shall be sent at least one day before the mailing of notice to Owners by first class, registered or certified mail or overnight delivery, as determined by the Bond Registrar, to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(c) Each check or other transfer of funds issued for the payment of the Redemption Price of Bonds being redeemed shall bear or have enclosed the CUSIP number of the Bonds being redeemed with the proceeds of such check or other transfer.

The Paying Agent is also directed to comply with any mandatory standards then in effect for processing redemptions of municipal securities established by the State or the Securities and Exchange Commission. Failure to comply with such standards shall not affect or invalidate the redemption of any Bond.

ARTICLE IV

SECURITY FOR BONDS

Section 401. Security for the Bonds. The Bonds shall be general obligations of the Issuer payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Section 402. Levy and Collection of Annual Tax; Transfer to Debt Service Account. The governing body of the Issuer shall annually make provision for the payment of principal of, premium, if any, and interest on the Bonds as the same become due by, to the extent necessary, levying and collecting the necessary taxes upon all of the taxable tangible property within the Issuer in the manner provided by law.

The taxes referred to above shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the Issuer are levied and collected. The proceeds derived from said taxes shall be deposited in the Bond and Interest Fund, shall be kept separate and apart from all other funds of the Issuer shall thereafter be deposited in the Debt Service Account and shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due, taking into account any scheduled mandatory redemptions, and the fees and expenses of the Paying Agent.

If at any time said taxes are not collected in time to pay the principal of or interest on the Bonds when due, the Treasurer is hereby authorized and directed to pay said principal or interest out of the general funds of the Issuer and to reimburse said general funds for money so expended when said taxes are collected.

ARTICLE V

ESTABLISHMENT OF FUNDS AND ACCOUNTS DEPOSIT AND APPLICATION OF BOND PROCEEDS

Section 501. Creation of Funds and Accounts. Simultaneously with the issuance of the Bonds, there shall be created within the Treasury of the Issuer the following Funds and Accounts:

- (a) Improvement Fund for Taxable General Obligation Bonds, Series 2015-A.
- (b) Debt Service Account for Taxable General Obligation Bonds, Series 2015-A.
- (c) Costs of Issuance Account for Taxable General Obligation Bonds, Series 2015-A.
- (d) Redemption Fund for the Series 2005-A Refunded Bonds.

The Funds and Accounts established herein shall be administered in accordance with the provisions of this Bond Resolution so long as the Bonds are Outstanding.

In addition to the Funds and Accounts described above, the Escrow Agreement establishes the Escrow Fund for the Series 2007-A Refunded Bonds to be held and administered by the Escrow Agent in accordance with the provisions of the Escrow Agreement.

Section 502. Deposit of Bond Proceeds. The net proceeds received from the sale of the Bonds shall be deposited simultaneously with the delivery of the Bonds as follows:

- (a) All accrued interest received from the sale of the Bonds shall be deposited in the Debt Service Account.
- (b) The sum of \$[_____] shall be transferred to the Escrow Agent for deposit in the Escrow Fund and applied in accordance with the Escrow Agreement.
- (c) The sum of \$[_____] shall be deposited in the Redemption Fund.
- (d) The sum of \$[_____] shall be deposited in the Improvement Fund.
- (e) The remaining balance of the proceeds derived from the sale of the Bonds shall be deposited in the Costs of Issuance Account.

Section 503. Application of Moneys in the Redemption Fund. shall be paid and transferred to the Series 2005-A Refunded Bonds Paying Agent, with irrevocable instructions to apply such amount to the payment of the Series 2005-A Refunded Bonds on the Series 2005-A Refunded Bonds Redemption Date. Any moneys remaining in the Redemption Fund not needed to retire the Series 2005-A Refunded Bonds shall be transferred to the Debt Service Account.

Section 504. Application of Moneys in the Escrow Fund. Under the Escrow Agreement, the Escrow Agent will apply moneys in the Escrow Fund to purchase the Escrowed Securities and to establish an initial cash balance in accordance with the Escrow Agreement. The cash and Escrowed Securities held

in the Escrow Fund will be applied by the Escrow Agent solely in the manner authorized by the Escrow Agreement. All money deposited with the Escrow Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in the Series 2007-A Bond Resolution and the Escrow Agreement.

Section 505. Application of Moneys in the Costs of Issuance Account. Moneys in the Costs of Issuance Account shall be used by the Issuer to pay the Costs of Issuance. Any funds remaining in the Costs of Issuance Account, after payment of all Costs of Issuance, but not later than the later of 30 days prior to the first Stated Maturity of principal or one year after the date of issuance of the Bonds, shall be transferred to the Debt Service Account.

Section 506. Application of Moneys in the Improvement Fund. Moneys in the Improvement Fund shall be used for the sole purpose of paying the costs of the Improvements, in accordance with the plans and specifications therefor approved by the governing body of the Issuer and on file in the office of the Secretary, including any alterations in or amendments to said plans and specifications deemed advisable and approved by the governing body of the Issuer.

Withdrawals from the Improvement Fund shall be made only when authorized by the governing body of the Issuer. Upon completion of the Improvements, any surplus remaining in the Improvement Fund shall be deposited in the Debt Service Account.

Section 507. Substitution of Improvements; Reallocation of Proceeds.

(a) The Issuer may elect for any reason to substitute or add other public improvements to be financed with proceeds of the Bonds provided the following conditions are met: (1) the Substitute Improvement and the issuance of general obligation bonds to pay the cost of the Substitute Improvement has been duly authorized by the governing body of the Issuer in accordance with the laws of the State; (2) a resolution authorizing the use of the proceeds of the Bonds to pay the Financeable Costs of the Substitute Improvement has been duly adopted by the governing body of the Issuer pursuant to this Section and (3) the Attorney General of the State has approved the amendment made by such resolution to the transcript of proceedings for the Bonds to include the Substitute Improvements.

(b) The Issuer may reallocate expenditure of Bond proceeds among all Improvements financed by the Bonds; provided the following conditions are met: (1) the reallocation is approved by the governing body of the Issuer and (2) the reallocation shall not cause the proceeds of the Bonds allocated to any Improvement to exceed the Financeable Costs of the Improvement.

Section 508. Application of Moneys in Debt Service Account. All amounts paid and credited to the Debt Service Account shall be expended and used by the Issuer for the sole purpose of paying the principal or Redemption Price of and interest on the Bonds as and when the same become due and the usual and customary fees and expenses of the Bond Registrar and Paying Agent. The Treasurer is authorized and directed to withdraw from the Debt Service Account sums sufficient to pay both principal or Redemption Price of and interest on the Bonds and the fees and expenses of the Bond Registrar and Paying Agent as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Bond Registrar and Paying Agent will become due. If, through the lapse of time or otherwise, the Owners of Bonds are no longer entitled to enforce payment of the Bonds or the interest thereon, the Paying Agent shall return said funds to the Issuer. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Bond Resolution and

shall be held in trust by the Paying Agent for the benefit of the Owners of the Bonds entitled to payment from such moneys.

Any moneys or investments remaining in the Debt Service Account after the retirement of the Bonds shall be transferred and paid into the Bond and Interest Fund.

Section 509. Deposits and Investment of Moneys. Moneys in each of the Funds and Accounts shall be deposited in accordance with laws of the State, in a bank, savings and loan association or savings bank organized under the laws of the State, any other state or the United States: (a) which has a main or branch office located in the City of the Issuer; or (b) if no such entity has a main or branch office located in the City of the Issuer, with such an entity that has a main or branch office located in the county or counties in which the Issuer is located. All such depositories shall be members of the Federal Deposit Insurance Corporation, or otherwise as permitted by State law. All such deposits shall be invested in Permitted Investments as set forth in this Article or shall be adequately secured as provided by the laws of the State. All moneys held in the Funds and Accounts shall be kept separate and apart from all other funds of the Issuer so that there shall be no commingling with any other funds of the Issuer.

Moneys held in any Fund or Account other than the Escrow Fund and Redemption Fund may be invested in accordance with this Bond Resolution in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any Fund or Account shall accrue to and become a part of such Fund or Account; provided that, during the period of construction of the Improvements, earnings on the investment of such funds may be credited to the Debt Service Account.

Section 510. Redemption of Refunded Bonds. The Refunded Bonds are hereby called for redemption and payment prior to maturity on the Refunded Bonds Redemption Date. Said Refunded Bonds shall be redeemed in accordance with the Refunded Bonds Resolution by the payment of the principal thereof, together with the redemption premium and accrued interest thereon to such Refunded Bonds Redemption Date. The Secretary is hereby directed to cause notice of the call for redemption and payment of said Refunded Bonds to be given in the manner provided in the Refunded Bonds Resolution. The officers of the Issuer and the Refunded Bonds Paying Agent are hereby authorized and directed to take such other action as may be necessary in order to effect the redemption and payment of said Refunded Bonds as herein provided.

ARTICLE VI

DEFAULT AND REMEDIES

Section 601. Remedies. The provisions of the Bond Resolution, including the covenants and agreements herein contained, shall constitute a contract between the Issuer and the Owners of the Bonds. If an Event of Default occurs and shall be continuing, the Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Owners of Bonds similarly situated:

(a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Owner or Owners against the Issuer and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of the Bond Resolution or by the Constitution and laws of the State;

(b) by suit, action or other proceedings in equity or at law to require the Issuer, its officers, agents and employees to account as if they were the trustees of an express trust; and

(c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Bonds.

Section 602. Limitation on Rights of Owners. The covenants and agreements of the Issuer contained herein and in the Bonds shall be for the equal benefit, protection, and security of the Owners of any or all of the Bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Bond Resolution. No one or more Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Outstanding Bonds.

Section 603. Remedies Cumulative. No remedy conferred herein upon the Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Owners of the Bonds by this Bond Resolution may be enforced and exercised from time to time and as often as may be deemed expedient. If action or proceedings taken by any Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or shall have been determined adversely to such Owner, then, and in every such case, the Issuer and the Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

ARTICLE VII

DEFEASANCE

Section 701. Defeasance. When any or all of the Bonds, redemption premium, if any, or scheduled interest payments thereon have been paid and discharged, then the requirements contained in this Bond Resolution and the pledge of the Issuer's faith and credit hereunder and all other rights granted hereby shall terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds, redemption premium, if any, or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Bond Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of or Redemption Price of said Bonds and/or interest accrued to the Stated

Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments. If the amount to be so deposited is based on the Redemption Price of any Bonds, no such satisfaction shall occur until (a) the Issuer has elected to redeem such Bonds, and (b) either notice of such redemption has been given, or the Issuer has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Bond Registrar to give such notice of redemption in compliance with *Article III* hereof. Any money and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the Issuer, for the purpose of paying and discharging any of the Bonds, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Owners of the Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or such bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of this Bond Resolution..

ARTICLE VIII

[RESERVED]

ARTICLE IX

CONTINUING DISCLOSURE REQUIREMENTS

Section 901. Disclosure Requirements. The Issuer hereby covenants with the Purchaser and the Beneficial Owners to provide and disseminate such information as is required by the SEC Rule and as further set forth in the Disclosure Undertaking, the provisions of which are incorporated herein by reference. Such covenant shall be for the benefit of and enforceable by the Purchaser and the Beneficial Owners.

Section 902. Failure to Comply with Continuing Disclosure Requirements. In the event the Issuer fails to comply in a timely manner with its covenants contained in the preceding section, the Purchaser and/or any Beneficial Owner may make demand for such compliance by written notice to the Issuer. In the event the Issuer does not remedy such noncompliance within 10 days of receipt of such written notice, the Purchaser or any Beneficial Owner may in its discretion, without notice or demand, proceed to enforce compliance by a suit or suits in equity for the specific performance of such covenant or agreement contained in the preceding section or for the enforcement of any other appropriate legal or equitable remedy, as the Purchaser and/or any Beneficial Owner shall deem effectual to protect and enforce any of the duties of the Issuer under such preceding section. Notwithstanding any other provision of this Bond Resolution, failure of the Issuer to comply with its covenants contained in the preceding section shall not be considered an Event of Default under this Bond Resolution.

ARTICLE X

MISCELLANEOUS PROVISIONS

Section 1001. Annual Audit. Annually, promptly after the end of the Fiscal Year, the Issuer will cause an audit to be made of the financial statements of the Issuer for the preceding Fiscal Year by an Independent Accountant. Within 30 days after the completion of each such audit, a copy thereof shall be

filed in the office of the Secretary. Such audit shall at all times during the usual business hours be open to the examination and inspection by any taxpayer, any Owner of any of the Bonds, or by anyone acting for or on behalf of such taxpayer or Owner. Upon payment of the reasonable cost of preparing and mailing the same, a copy of any annual audit will, upon request, be sent to any Owner or prospective Owner. As soon as possible after the completion of the annual audit, the governing body of the Issuer shall review such audit, and if the audit discloses that proper provision has not been made for all of the requirements of this Bond Resolution, the Issuer shall promptly cure such deficiency.

Section 1002. Amendments. The rights and duties of the Issuer and the Owners, and the terms and provisions of the Bonds or of this Bond Resolution, may be amended or modified at any time in any respect by resolution of the Issuer with the written consent of the Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the Secretary, but no such modification or alteration shall:

- (a) extend the maturity of any payment of principal or interest due upon any Bond;
- (b) effect a reduction in the amount which the Issuer is required to pay as principal of or interest on any Bond;
- (c) permit preference or priority of any Bond over any other Bond; or
- (d) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Bond Resolution.

Any provision of the Bonds or of this Bond Resolution may, however, be amended or modified by resolution duly adopted by the governing body of the Issuer at any time in any legal respect with the written consent of the Owners of all of the Bonds at the time Outstanding.

Without notice to or the consent of any Owners, the Issuer may amend or supplement this Bond Resolution for the purpose of curing any formal defect, omission, inconsistency or ambiguity herein, to grant to or confer upon the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners, to more precisely identify the Improvements, to reallocate proceeds of the Bonds among Improvements, to provide for Substitute Improvements, or in connection with any other change therein which is not materially adverse to the interests of the Owners.

Every amendment or modification of the provisions of the Bonds or of this Bond Resolution, to which the written consent of the Owners is given, as above provided, shall be expressed in a resolution adopted by the governing body of the Issuer amending or supplementing the provisions of this Bond Resolution and shall be deemed to be a part of this Bond Resolution. A certified copy of every such amendatory or supplemental resolution, if any, and a certified copy of this Bond Resolution shall always be kept on file in the office of the Secretary, and shall be made available for inspection by the Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Bond Resolution, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental resolution or of this Bond Resolution will be sent by the Secretary to any such Owner or prospective Owner.

Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the Secretary a copy of the resolution of the Issuer hereinabove provided for, duly certified, as well as proof of any required consent to such modification by the Owners of the

Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification.

The Issuer shall furnish to the Paying Agent a copy of any amendment to the Bonds or this Bond Resolution which affects the duties or obligations of the Paying Agent under this Bond Resolution.

Section 1003. Notices, Consents and Other Instruments by Owners. Any notice, consent, request, direction, approval or other instrument to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Bond Resolution, and shall be conclusive in favor of the Issuer and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

(a) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register.

In determining whether the Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Bond Resolution, Bonds owned by the Issuer shall be disregarded and deemed not to be Outstanding under this Bond Resolution, except that, in determining whether the Owners shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Owners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Owners the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Issuer.

Section 1004. Notices. Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Bond Resolution shall be in writing, given to the Notice Representative at the Notice Address and shall be deemed duly given or filed if the same shall be: (a) duly mailed by registered or certified mail, postage prepaid; or (b) communicated via fax, with electronic or telephonic confirmation of receipt. Copies of such notices shall also be given to the Paying Agent. The Issuer, the Paying Agent and the Purchaser may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent.

All notices given by: (a) certified or registered mail as aforesaid shall be deemed duly given as of the date they are so mailed; (b) fax as aforesaid shall be deemed duly given as of the date of confirmation of receipt. If, because of the temporary or permanent suspension of regular mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such other form of notice as shall be made with the approval of the Paying Agent shall constitute a sufficient notice.

Section 1005. Electronic Transactions. The issuance of the Bonds and the transactions related thereto and described herein may be conducted and documents may be stored by electronic means.

Section 1006. Further Authority. The officers and officials of the Issuer, including the Chairman and Secretary, are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Bond Resolution and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 1007. Severability. If any section or other part of this Bond Resolution, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Bond Resolution.

Section 1008. Governing Law. This Bond Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 1009. Effective Date. This Bond Resolution shall take effect and be in full force from and after its adoption by the governing body of the Issuer.

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ADOPTED by the governing body of the Issuer on August 19, 2015.

(SEAL)

Chairman

ATTEST:

Secretary

**EXHIBIT A
(FORM OF BONDS)**

**REGISTERED
NUMBER** __

**REGISTERED
\$**

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York Corporation (“DTC”), to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

**UNITED STATES OF AMERICA
STATE OF KANSAS
COUNTY OF SALINE
SALINA AIRPORT AUTHORITY
(SALINA, KANSAS)
TAXABLE GENERAL OBLIGATION BOND
SERIES 2015-A**

**Interest
Rate:**

**Maturity
Date:**

**Dated
Date: August 28, 2015**

CUSIP:

REGISTERED OWNER:

PRINCIPAL AMOUNT:

KNOW ALL PERSONS BY THESE PRESENTS: That the Salina Airport Authority (Salina, Kansas), in the County of Saline, State of Kansas (the “Issuer”), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner shown above, or registered assigns, but solely from the source and in the manner herein specified, the Principal Amount shown above on the Maturity Date shown above, unless called for redemption prior to said Maturity Date, and to pay interest thereon at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months), from the Dated Date shown above, or from the most recent date to which interest has been paid or duly provided for, payable semiannually on March 1 and September 1 of each year, commencing March 1, 2016 (the “Interest Payment Dates”), until the Principal Amount has been paid.

Method and Place of Payment. The principal or redemption price of this Bond shall be paid at maturity or upon earlier redemption to the person in whose name this Bond is registered at the maturity or redemption date thereof, upon presentation and surrender of this Bond at the principal office of the Kansas State Treasurer, Topeka, Kansas (the “Paying Agent” and “Bond Registrar”). The interest payable on this Bond on any Interest Payment Date shall be paid to the person in whose name this Bond is registered on the registration books maintained by the Bond Registrar at the close of business on the

Record Date(s) for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding the Interest Payment Date. Such interest shall be payable (a) by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Registered Owner; or, (b) in the case of an interest payment to Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank, ABA routing number and account number to which such Registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the Bonds shall be payable in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. Interest not punctually paid will be paid in the manner established in the within defined Bond Resolution.

Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the hereinafter defined Bond Resolution.

Authorization of Bonds. This Bond is one of an authorized series of Bonds of the Issuer designated “Taxable General Obligation Bonds, Series 2015-A,” aggregating the principal amount of \$[PRINCIPAL AMOUNT] (the “Bonds”) issued for the purposes set forth in the Resolution of the Issuer authorizing the issuance of the Bonds (the “Bond Resolution”). The Bonds are issued by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and laws of the State of Kansas, including K.S.A. 10-101 *et seq.*, K.S.A. 10-427 *et seq.* and K.S.A. 27-315 *et seq.*, all as amended, as amended, and all other provisions of the laws of the State of Kansas applicable thereto.

General Obligations. The Bonds constitute general obligations of the Issuer payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are hereby pledged for the payment of the principal of and interest on this Bond and the issue of which it is a part as the same respectively become due.

Redemption Prior to Maturity. The Bonds are subject to redemption prior to maturity, as provided in the Bond Resolution.

Book-Entry System. The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Bond Resolution. One Bond certificate with respect to each date on which the Bonds are stated to mature or with respect to each form of Bonds, registered in the nominee name of the Securities Depository, is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system will evidence positions held in the Bonds by the Securities Depository’s participants, beneficial ownership of the Bonds in authorized denominations being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants. The Issuer and the Bond Registrar will recognize the Securities Depository nominee, while the Registered Owner of this Bond, as the owner of this Bond for all purposes, including (i) payments of principal of, and redemption premium, if any, and interest on, this Bond, (ii) notices and (iii) voting. Transfer of principal, interest and any redemption premium payments to participants of the Securities Depository, and transfer of principal, interest and any redemption premium payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Issuer and the Bond Registrar will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its participants or persons acting through such

participants. While the Securities Depository nominee is the owner of this Bond, notwithstanding the provision hereinabove contained, payments of principal of, redemption premium, if any, and interest on this Bond shall be made in accordance with existing arrangements among the Issuer, the Bond Registrar and the Securities Depository.

Transfer and Exchange. EXCEPT AS OTHERWISE PROVIDED IN THE BOND RESOLUTION, THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY. This Bond may be transferred or exchanged, as provided in the Bond Resolution, only on the Bond Register kept for that purpose at the principal office of the Bond Registrar, upon surrender of this Bond, together with a written instrument of transfer or authorization for exchange satisfactory to the Bond Registrar duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Bond or Bonds in any Authorized Denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Bond Resolution and upon payment of the charges therein prescribed. The Issuer shall pay all costs incurred in connection with the issuance, payment and initial registration of the Bonds and the cost of a reasonable supply of bond blanks. The Issuer and the Paying Agent may deem and treat the person in whose name this Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes. The Bonds are issued in fully registered form in Authorized Denominations.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the hereinafter defined Bond Resolution until the Certificate of Authentication and Registration hereon shall have been lawfully executed by the Bond Registrar.

IT IS HEREBY DECLARED AND CERTIFIED that all acts, conditions, and things required to be done and to exist precedent to and in the issuance of this Bond have been properly done and performed and do exist in due and regular form and manner as required by the Constitution and laws of the State of Kansas, and that the total indebtedness of the Issuer, including this series of bonds, does not exceed any constitutional or statutory limitation.

BOND ASSIGNMENT

FOR VALUE RECEIVED, the undersigned do(es) hereby sell, assign and transfer to

(Name and Address)

(Social Security or Taxpayer Identification No.)

the Bond to which this assignment is affixed in the outstanding principal amount of \$_____, standing in the name of the undersigned on the books of the Bond Registrar. The undersigned do(es) hereby irrevocably constitute and appoint _____ as agent to transfer said Bond on the books of said Bond Registrar with full power of substitution in the premises.

Dated _____

Name

Social Security or
Taxpayer Identification No.

Signature (Sign here exactly as name(s)
appear on the face of Certificate)

Signature guarantee:

By _____

LEGAL OPINION

The following is a true and correct copy of the approving legal opinion of Gilmore & Bell, P.C., Bond Counsel, which was dated and issued as of the date of original issuance and delivery of such Bonds:

GILMORE & BELL, P.C.
Attorneys at Law
2405 Grand Boulevard
Suite 1100
Kansas City, Missouri 64108

(PRINTED LEGAL OPINION)

**SALINA AIRPORT AUTHORITY
SALINA, KANSAS**

OMNIBUS CONTINUING DISCLOSURE UNDERTAKING

DATED AS OF AUGUST 19, 2015

OMNIBUS CONTINUING DISCLOSURE UNDERTAKING

THIS OMNIBUS CONTINUING DISCLOSURE UNDERTAKING (the “Disclosure Undertaking”), dated as of August 19, 2015, is executed and delivered by the Salina Airport Authority, Salina, Kansas (the “Issuer”).

RECITALS

1. This Disclosure Undertaking is executed and delivered by the Issuer, pursuant to a resolution adopted by the governing body of the Issuer to consolidate the continuing disclosure obligations of the Issuer with respect to the Bonds and the Prior Undertakings, both as defined below, to enhance efficiency of the administration of Prior Undertakings and promote timely disclosure by the Issuer.

2. The Issuer is executing this Disclosure Undertaking for the benefit of the Beneficial Owners of the Bonds and in order to assist each Participating Underwriter in complying with the SEC Rule, as defined below. The Issuer is the only “obligated person,” as defined in the SEC Rule, with responsibility for continuing disclosure hereunder.

3. This Disclosure Undertaking shall apply with respect to any series of Bonds issued prior to the effective date hereof and subject to the SEC Rule.

In consideration of the foregoing, the Issuer covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth in the Bond Resolution, which apply to any capitalized term used in this Disclosure Undertaking, unless otherwise defined herein, the following capitalized terms shall have the following meanings:

“**Annual Report**” means any Annual Report filed by the Issuer pursuant to, and as described in, *Section 2* of this Disclosure Undertaking, which may include the Issuer’s CAFR, so long as the CAFR contains the Financial Information and Operating Data.

“**Beneficial Owner**” means, with respect to a series of Bonds, any registered owner of any Bonds of such series and any person which: (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds of such series (including persons holding Bonds through nominees, depositories or other intermediaries); or (b) is treated as the owner of any Bonds of such series for federal income tax purposes.

“**Bond Insurer**” means the provider of the bond insurance policy, if any, for any series of Bonds.

“**Bond Resolution**” means collectively the ordinance(s) and/or resolution(s) of the governing body of the Issuer authorizing the issuance of each series of the Bonds.

“**Bonds**” means all bonds, notes, installment sale agreements, leases or certificates intended to be a debt obligation of the Issuer identified on *Schedule 1* as such schedule may be supplemented and amended and, as context may require, the Bonds of any particular series identified on *Schedule 1*. The Issuer may make future series of Bonds subject to this Disclosure Undertaking by incorporating by reference in a Bond Resolution or executing a certificate to such effect in conjunction with the issuance of such series of Bonds.

“Business Day” means a day other than: (a) a Saturday, Sunday or legal holiday; (b) a day on which banks located in any city in which the principal corporate trust office or designated payment office of the trustee, any paying agent or a Dissemination Agent, as applicable, is located are required or authorized by law to remain closed; or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

“CAFR” means the Issuer's Comprehensive Annual Financial Report.

“Designated Agent” means Gilmore & Bell, P.C. or one or more other entities designated in writing by the Issuer to serve as a designated agent of the Issuer for purposes of this Disclosure Undertaking.

“Dissemination Agent” means any entity designated in writing by the Issuer to serve as dissemination agent pursuant to this Disclosure Undertaking and which has filed with the Issuer a written acceptance of such designation substantially in the form attached hereto as *Exhibit C*.

“EMMA” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

“Financial Information” means the financial information of the Issuer described in *Section 2(a)(1)* hereof.

“Fiscal Year” means the one-year period ending December 31, or such other date or dates as may be adopted by the Issuer for its general accounting purposes.

“GAAP” means generally accepted accounting principles, as applied to governmental units, as in effect at the time of the preparation of the Financial Information.

“Issuer” means the Salina Airport Authority, Salina, Kansas, and any successors or assigns.

“Material Events” means any of the events listed in *Section 3(a)* hereof.

“MSRB” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the SEC Rule.

“Official Statement” means collectively the Issuer's Official Statement(s) for each series of the Bonds, including all appendices and exhibits thereto.

“Operating Data” means the operating data of the Issuer described in *Section 2(a)(2)* hereof.

“Participating Underwriter” means each of the original underwriters of a series of Bonds required to comply with the SEC Rule in connection with the offering of such Bonds.

“Prior Undertakings” means the prior continuing disclosure undertakings of the Issuer under the SEC Rule.

“Repository” means the MSRB via EMMA.

“SEC” means the Securities and Exchange Commission of the United States.

“SEC Rule” means Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934.

Section 2. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, file the Issuer's Annual Report with the Repository not later than 180 days after the end of the Issuer's Fiscal Year every year, beginning with the Fiscal Year ended December 31, 2015. The Annual Report shall consist of the Financial Information and Operating Data described as follows:

(1) **Financial Information.** The financial statements of the Issuer for such prior Fiscal Year, accompanied by an audit report resulting from an audit conducted by an Independent Accountant in conformity with generally accepted auditing standards. Such financial statements will be prepared in accordance with GAAP. A more detailed explanation of the accounting basis is contained in the Official Statement. If such audit report is not available by the time the Annual Report is required to be filed pursuant to this Section, the Annual Report shall contain summary unaudited financial information and the audit report and accompanying financial statements shall be filed in the same manner as the Annual Report promptly after they become available. The method of preparation and basis of accounting of the Financial Information may not be changed to a basis less comprehensive than contained in the Official Statement, unless the Issuer provides notice of such change in the same manner as for a Material Event under **Section 3(b)** hereof.

(2) **Operating Data.** Updates as of the end of the Fiscal Year of certain financial information and operating data described in **Exhibit A**, with such modifications to the formatting and general presentation thereof as deemed appropriate by the Issuer; provided, any substantive change to information provided shall be effected only in accordance with **Section 6** hereof.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an "obligated person" (as defined by the SEC Rule), which have been filed with the Repository, the MSRB or the SEC. If the document included by reference is a final official statement, it must be available from the Repository. The Issuer shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audit report and accompanying financial statements may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer's Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3(b)**.

(b) From and after such time that Section (b)(5) of the SEC Rule applies to any series of Bonds, if the Annual Report is not filed within the time period specified in **subsection (a)** hereof, the Issuer shall send a notice to the Repository in a timely manner, in substantially the form attached as **Exhibit B**.

(c) Pursuant to Section (d)(3) of the SEC Rule, the provisions of **Section 2(a)(1)** hereof shall not apply to any Bonds with a stated maturity of 18 months or less.

Section 3. Reporting of Material Events.

(a) No later than 10 Business Days after the occurrence of any of the following Material Events, the Issuer shall give, or cause to be given, to the Repository notice of the occurrence of any of the following Material Events with respect to the Bonds, with copies to the Bond Insurer:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of bondholders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the Issuer (which shall be deemed to occur as provided in the SEC Rule);
- (13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) appointment of a successor or additional paying agent or trustee or the change of name of the paying agent or trustee, if material.

(b) Notwithstanding the foregoing, notice of Material Events described in *subsections (a)(8)* and *(9)* need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the Owners of affected Bonds pursuant to the Bond Resolution.

Section 4. Dissemination Agent.

(a) **General.** The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign as Dissemination Agent hereunder at any time upon 30 days prior written notice to the Issuer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the Issuer pursuant to this Disclosure Undertaking.

(b) **Annual Reports.** Except as provided in **Section 2(c)** hereof, if a Dissemination Agent is appointed, not later than 15 Business Days prior to the date specified in **Section 2(a)** for providing the Annual Report to the Repository, the Issuer shall provide the Annual Report to the Dissemination Agent or the Repository. The Dissemination Agent shall file a report with the Issuer certifying that the Annual Report has been filed pursuant to this Disclosure Undertaking, stating the date it was filed, or that the Issuer has certified to the Dissemination Agent that the Issuer has filed the Annual Report with the Repository. Except as provided in **Section 2(b)** hereof, if the Dissemination Agent has not received an Annual Report or has not received a written notice from the Issuer that it has filed an Annual Report with the Repository, by the date required in **Section 2(a)**, the Dissemination Agent shall send a notice to the Repository in substantially the form attached as **Exhibit A**.

(c) **Material Event Notices.**

(1) The Dissemination Agent shall, promptly after obtaining actual knowledge of the occurrence of any event that it believes may constitute a Material Event, contact the chief financial officer of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Dissemination Agent from time to time, inform such person of the event, and request that the Issuer promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to **Section 4(c)(3)**.

(2) Whenever the Issuer obtains knowledge of the occurrence of an event, because of a notice from the Dissemination Agent pursuant to **Section 4(c)(1)** or otherwise, the Issuer shall promptly determine if such event constitutes a Material Event and shall promptly notify the Dissemination Agent of such determination. If appropriate, such writing shall instruct the Dissemination Agent to report the occurrence pursuant to **Section 4(c)(3)**.

(3) If the Dissemination Agent has been given written instructions by the Issuer to report the occurrence of a Material Event pursuant to **Section 4(c)(2)**, the Dissemination Agent shall promptly file a notice of such Material Event with the Repository and provide a copy thereof to the Issuer and the Bond Insurer. Notwithstanding the foregoing, notice of Material Events described in **Sections 3(a)(8)** and **(9)** need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the Owners of affected Bonds pursuant to the Bond Resolution.

(d) **Duties, Immunities and Liabilities of Dissemination Agent.** The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Undertaking. The Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Undertaking.

(e) **Other Designated Agents.** The Issuer may, from time to time, appoint or designate a Designated Agent to submit Annual Reports, Material Event notices, and other notices or reports pursuant to this Disclosure Undertaking. The Issuer hereby appoints the Dissemination Agent and the Designated Agent(s) solely for the purpose of submitting Issuer-approved Annual Reports, Material Event notices,

and other notices or reports pursuant to this Disclosure Undertaking. The Issuer may revoke this designation at any time upon written notice to the Designated Agent.

Section 5. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Undertaking for a particular series of Bonds shall terminate upon the legal defeasance, prior redemption or payment in full of that series of Bonds. If the Issuer's obligations hereunder are assumed in full by some other entity as permitted in the Bond Resolution, such person shall be responsible for compliance with under this Disclosure Undertaking in the same manner as if it were the Issuer, and the Issuer shall have no further responsibility hereunder. If such termination or assumption occurs prior to the final maturity of such Bonds, the Issuer shall give notice of such termination or assumption in the same manner as for a Material Event under *Section 3(b)*.

Section 6. Bonds Subject to this Disclosure Undertaking; Amendment; Waiver.

(a) All outstanding Bonds as of the date of this Disclosure Undertaking shown on *Schedule I* are hereby made subject to this Disclosure Undertaking. The Issuer may make any future series of Bonds subject to this Disclosure Undertaking by incorporating by reference in a Bond Resolution or executing a certificate to such effect in conjunction with the issuance of such series of Bonds.

(b) All references to the "Bonds" in this Disclosure Undertaking shall apply separately to each series of Bonds that are or become subject to this Disclosure Undertaking, without further amendment hereto.

(c) Notwithstanding the provisions of *subsection (d)* or anything else contained in this Disclosure Undertaking to the contrary, in conjunction with the public offering of any series of Bonds, the Issuer and the Dissemination Agent may amend the categories of Operating Data to be updated as set forth in *Section 2(a)(2)* and *Exhibit A* to conform to the operating data included in the final Official Statement for such series of Bonds, in conformance with the requirements and interpretations of the SEC Rule as of the date of such final Official Statement, without further amendment to this Disclosure Undertaking. Thereafter, the Operating Data to be filed by the Issuer with the Repository with respect to the Bonds (and all other series of Bonds then subject to this Disclosure Undertaking) shall be deemed to be amended to reflect the requirements of the revised *Exhibit A* for the new series of Bonds.

(d) Except as otherwise provided in *subsection (c)*, the Issuer may amend this Disclosure Undertaking and any provision of this Disclosure Undertaking may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Issuer with its written opinion that the undertaking of the Issuer contained herein, as so amended or after giving effect to such waiver, is in compliance with the SEC Rule and all current amendments thereto and interpretations thereof that are applicable to this Disclosure Undertaking; provided, however, that this Disclosure Undertaking, including *Schedule I* hereto, may be amended for the purpose of (1) extending the coverage of this Disclosure Undertaking to any additional series of Bonds or (2) removing reference to any series of Bonds for which the Issuer's reporting obligations have terminated in accordance with *Section 5* hereof, each without the provision of a written opinion as otherwise required by this paragraph.

(e) If a provision of this Disclosure Undertaking is amended or waived with respect to a series of Bonds pursuant to *subsection (d)*, the Issuer shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements: (1) notice of such change shall be given in the same manner as for a Material Event under *Section 3(b)*; and

(2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Undertaking. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Disclosure Undertaking, the Issuer shall have no obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Noncompliance. In the event of a failure of the Issuer or the Dissemination Agent, if any, to comply with any provision of this Disclosure Undertaking with respect to a series of Bonds, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer or the Dissemination Agent, if any, as the case may be, to comply with its obligations under this Disclosure Undertaking. Noncompliance with the provisions of this Disclosure Undertaking shall not be deemed an Event of Default under the Bond Resolution or the Bonds, and the sole remedy under this Disclosure Undertaking in the event of any failure of the Issuer or the Dissemination Agent, if any, to comply with this Disclosure Undertaking shall be an action to compel performance.

Section 9. Notices. Any notices or communications to or among the parties referenced in this Disclosure Undertaking shall be given the Notice Representatives at the Notice Addresses set forth in the Bond Resolution for each series of Bonds; provided notice to the Dissemination Agent shall be given at the Notice Address set forth on *Exhibit C* hereto.

Section 10. Electronic Transactions. Actions taken hereunder and the arrangement described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 11. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the Issuer, the Dissemination Agent, if any, each Participating Underwriter and Beneficial Owners from time to time with respect to a series of Bonds, and shall create no rights in any other person or entity.

Section 12. Severability. If any provision in this Disclosure Undertaking, the Bond Resolution or the Bonds relating hereto, shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Disclosure Undertaking shall not in any way be affected or impaired thereby.

Section 13. Governing Law. This Disclosure Undertaking shall be governed by and construed in accordance with the laws of the State of Kansas.

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IN WITNESS WHEREOF, the Issuer has caused this Disclosure Undertaking to be executed as of August 19, 2015.

**SALINA AIRPORT AUTHORITY
(SALINA, KANSAS)**

(SEAL)

Chairman

Secretary

SCHEDULE 1

DESCRIPTION OF BONDS SUBJECT TO DISCLOSURE UNDERTAKING

<u>Purpose</u>	<u>Series</u>	<u>Final Maturity</u>
Taxable General Obligation Bonds	2005-A	09-01-20
Taxable General Obligation Bonds	2007-A	09-01-22
General Obligation Bonds	2009-A	09-01-29
Taxable General Obligation Bonds	2009-B	09-01-26
Taxable General Obligation Bonds	2011-A	09-01-30
General Obligation Bonds	2011-B	09-01-31
Taxable General Obligation Bonds	2015-A	09-01-25

EXHIBIT A

OPERATING DATA TO BE INCLUDED IN ANNUAL REPORT

The Operating Data in the sections and tables contained in the Series 2015-A Official Statement (with such modifications to the formatting and general presentation thereof as deemed appropriate by the Issuer) generally described as follows:

“FINANCIAL INFORMATION”

- Assessed Valuation
- Estimated Actual Valuation
- Largest Taxpayers
- Property Tax Collections
- Tax Levies

“DEBT SUMMARY OF THE AUTHORITY”

- Current Indebtedness of the Authority

EXHIBIT B

NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Salina Airport Authority, Salina, Kansas
Name of Bond Issue: [Description of Bonds], Series [____], dated as of [Bonds Dated Date]
Name of Obligated Person: Salina Airport Authority, Salina, Kansas
Date of Issuance: [Bonds Closing Date]

NOTICE IS GIVEN that the Salina Airport Authority, Salina, Kansas (the “Issuer”) has not provided an Annual Report with respect to the above-named Bonds as required by the Issuer’s Omnibus Continuing Disclosure Undertaking. The Issuer anticipates that the Annual Report will be filed by _____.

Dated: _____

**SALINA AIRPORT AUTHORITY
SALINA, KANSAS**

By _____

By _____, as
Dissemination Agent

cc: Salina Airport Authority, Salina, Kansas

EXHIBIT C

ACCEPTANCE OF DISSEMINATION AGENT

Name of Issuer: Salina Airport Authority, Salina, Kansas

Name of Bond Issue: [Description of Bonds], Series [____], dated as of [Bonds Dated Date]

Dissemination Agent:

Notice Address of Dissemination Agent:

_____, having been duly appointed by the Salina Airport Authority, Salina, Kansas to act in the capacity of Dissemination Agent pursuant to the Disclosure Undertaking, to which this acceptance is attached, accepts such duties and responsibilities set forth therein.

Dated: _____

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE SALINA AIRPORT AUTHORITY
(SALINA, KANSAS)
HELD ON AUGUST 19, 2015**

The governing body met in regular session at the usual meeting place, at 3:00 p.m., the following members being present and participating, to-wit:

_____.

Absent: _____.

The Chairman declared that a quorum was present and called the meeting to order.

* * * * *

(Other Proceedings)

Thereupon, there was presented a Resolution entitled:

A RESOLUTION PROVIDING FOR THE ADOPTION OF AN OMNIBUS CONTINUING DISCLOSURE UNDERTAKING RELATING TO OBLIGATIONS ISSUED AND TO BE ISSUED BY THE SALINA AIRPORT AUTHORITY, SALINA, KANSAS.

Thereupon, Director _____ moved that said Resolution be adopted. The motion was seconded by Director _____. Said Resolution was duly read and considered, and upon being put, the motion for the adoption of said Resolution was carried by the vote of the governing body, the vote being as follows:

Aye: _____.

Nay: _____.

Thereupon, the Chairman declared said Resolution duly adopted and the Resolution was then duly numbered Resolution No. 15-08 and was signed by the Chairman and attested by the Secretary.

* * * * *

(Other Proceedings)

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CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the Salina Airport Authority, Salina, Kansas held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

Secretary

RESOLUTION NO. 15-08

A RESOLUTION PROVIDING FOR THE ADOPTION OF AN OMNIBUS CONTINUING DISCLOSURE UNDERTAKING RELATING TO OBLIGATIONS ISSUED AND TO BE ISSUED BY THE SALINA AIRPORT AUTHORITY, SALINA, KANSAS.

WHEREAS, the Salina Airport Authority, Salina, Kansas (the “Issuer”) is a political subdivision, duly created, organized and existing under the Constitution and laws of the State of Kansas (the “State”); and

WHEREAS, pursuant to the Constitution and statutes of the State, the Issuer is authorized to issue bonds, notes, leases, certificates and other instruments that evidence indebtedness (collectively, the “Obligations”) to finance certain improvements, projects and programs of the Issuer; and

WHEREAS, the Securities and Exchange Commission (the “SEC”) has promulgated Rule 15c2-12 adopted under the Securities Exchange Act of 1934, as amended (the “Rule”), which relates to filing of certain financial information and operating data on an annual basis and notices of certain material events; and

WHEREAS, the Issuer has previously issued certain Obligations and anticipates future issuances of additional Obligations which are or will be subject to the Rule (collectively, the “Bonds”); and

WHEREAS, the Issuer is committed to timely and accurate secondary market disclosure relating to the Bonds that are consistent with the Rule; and

WHEREAS, in connection with the issuance of one or more prior issues of Bonds, the Issuer entered into one or more continuing disclosure undertakings (collectively, the “Prior Undertakings”) to assist the underwriter of such Bonds in complying with its obligations under the Rule; and

WHEREAS, in pursuance of the Rule, the Issuer desires to adopt an omnibus continuing disclosure undertaking that will consolidate the obligations of the Issuer under the Rule with respect to the Bonds and the Prior Undertakings to enhance efficiency of the administration of Prior Undertakings and promote timely disclosure by the Issuer.

THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE SALINA AIRPORT AUTHORITY, SALINA, KANSAS:

Section 1. Omnibus Continuing Disclosure Undertaking. In order to comply with the provisions of the Rule and directives of the SEC, the governing body of the Issuer hereby approves the form of the Omnibus Continuing Disclosure Undertaking, substantially in the form presented herewith (the “Omnibus Undertaking”). The Chairman is hereby directed to execute the Omnibus Undertaking, with such changes as legal counsel to the Issuer and the Chairman shall approve (whose signature thereon shall constitute conclusive evidence of such approval).

Section 2. Permanent Record. A copy of the Omnibus Undertaking shall be placed in the permanent records of the Issuer and shall be available for public inspection during regular business hours of the Issuer.

Section 3. Effective Date. This Resolution shall take effect and be in full force from and after its adoption by the governing body of the Issuer.

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ADOPTED AND APPROVED by the governing body of the Salina Airport Authority, Salina, Kansas, on August 19, 2015.

(Seal)

Chairman

ATTEST:

Secretary

**SALINA AIRPORT AUTHORITY
(SALINA, KANSAS)**

DISCLOSURE COMPLIANCE PROCEDURE

Dated as of August 19, 2015

August 19, 2015

DISCLOSURE COMPLIANCE PROCEDURE

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DISCLOSURE COMPLIANCE PROCEDURE

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Capitalized words and terms used in this Compliance Procedure have the following meanings:

“**Annual Continuing Disclosure Compliance Checklist**” means the checklist attached as **Exhibit B**.

“**Annual Report**” means the information, consisting of annual financial information and operating data, required by the Continuing Disclosure Undertaking to be filed annually on EMMA.

“**Bonds**” means any outstanding bond, note, installment sale agreement, lease or certificate in connection with the issuance of which the Issuer entered into or enters into a Continuing Disclosure Undertaking. A list of all Bonds outstanding and subject to this Compliance Procedure as of August 19, 2015, is included on **Exhibit A**.

“**Bond Counsel**” means a law firm selected by the Issuer to provide a legal opinion regarding the tax status of interest on the Tax-Exempt Bonds as of the issue date.

“**Compliance Procedure**” means this Disclosure Compliance Procedure.

“**Continuing Disclosure Compliance File**” means documents and records which may consist of paper and electronic medium, maintained for the Bonds, consisting of the following:

- (a) List of Bonds;
- (b) Description of the deadline applicable to each Annual Report;
- (c) Description of the financial information and operating data required to be included in each Annual Report;
- (d) List of events requiring an Event Notice under the Continuing Disclosure Undertaking for each series of Bonds; and
- (e) Information about the Issuer’s compliance during the prior five years with the Continuing Disclosure Undertaking then in effect.

“**Continuing Disclosure Undertaking**” means the Continuing Disclosure Agreement(s), Continuing Disclosure Undertaking(s), Continuing Disclosure Instructions or other written certification(s) or agreement(s) entered into by the Issuer in connection with the issuance of the Bonds for the purpose of assisting the underwriters of such Bonds in complying with the Rule.

“**Disclosure Compliance Officer**” means the Issuer’s Director of Administration and Finance or, if the position of Director of Administration and Finance is vacant, the person filling the responsibilities of the Director of Administration and Finance for the Issuer.

“**EMMA**” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org, or any successor system designated as the means through which municipal securities disclosures are submitted to the MSRB.

“**Event Notice**” means information about the occurrence of an event for which notice is required by the Continuing Disclosure Undertaking to be filed on EMMA.

“**Governing Body**” means the Board of Directors of the Issuer.

“**Issuer**” means the Salina Airport Authority, Salina, Kansas.

“**MSRB**” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

“**Primary Disclosure Document**” means any official statement or offering document relating to an offering or remarketing of Bonds by or on behalf of the Issuer after the date of this Procedure.

“**Rule**” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

ARTICLE II

PURPOSE AND SCOPE

Section 2.1. Purpose of Compliance Procedure.

(a) Disclosure Responsibilities. The Issuer recognizes that the issuance of Bonds involves accessing the public capital markets and involves certain obligations arising out of the federal securities laws, including entering into the Continuing Disclosure Undertaking and properly communicating with investors.

(b) Issuer Commitment. The Issuer is committed to full compliance with applicable securities law requirements for all of its outstanding and future financings. This Compliance Procedure is adopted by the Governing Body to improve and promote securities law compliance and documentation.

Section 2.2. Scope of Compliance Procedure; Conflicts. This Compliance Procedure applies to all Bonds currently outstanding and all Bonds issued in the future. If the provisions of this Compliance Procedure conflict with a Continuing Disclosure Undertaking or any other specific written instructions of counsel, the terms of the Continuing Disclosure Undertaking or specific written instructions of counsel will supersede and govern in lieu of this Compliance Procedure.

Section 2.3. Amendments and Publication of Compliance Procedure. This Compliance Procedure may be amended from time-to-time by the Governing Body. Copies of this Compliance Procedure and any amendments will be included in the permanent records of the Issuer.

ARTICLE III

DISCLOSURE COMPLIANCE OFFICER; TRAINING

Section 3.1. Disclosure Compliance Officer Duties. The Disclosure Compliance Officer is responsible for implementing this Compliance Procedure. The Disclosure Compliance Officer will

consult with Bond Counsel, other counsel, accountants, and other outside consultants to the extent necessary to carry out the purposes of this Compliance Procedure.

Section 3.2. Training.

(a) Training Programs. When appropriate, the Disclosure Compliance Officer and/or other employees of the Issuer under the direction of the Disclosure Compliance Officer will attend training programs offered by the SEC, the MSRB, Bond Counsel, or other industry professionals regarding securities law and disclosure requirements applicable to the Issuer.

(b) Change in Disclosure Compliance Officer. Any time an individual acting as the Disclosure Compliance Officer passes the responsibilities for carrying out the provisions of this Compliance Procedure to another individual, the Issuer will ensure the incoming individual acting as Disclosure Compliance Officer is trained on how to implement the policies and procedures included in this Compliance Procedure to ensure the Issuer's continued compliance with the provisions of this Compliance Procedure.

ARTICLE IV

CONTINUING DISCLOSURE COMPLIANCE FILE

Section 4.1. Compilation and Maintenance of Continuing Disclosure Compliance File. The Disclosure Compliance Officer shall compile and maintain the Continuing Disclosure Compliance File.

Section 4.2. Annual Review of Continuing Disclosure Compliance File. Within 180 days after the end of each fiscal year of the Issuer, the Disclosure Compliance Officer will complete the Annual Continuing Disclosure Compliance Checklist and update the Continuing Disclosure Compliance File as indicated by the Annual Continuing Disclosure Compliance Checklist.

Section 4.3. Remediating Non-compliance. If the Disclosure Compliance Officer identifies any non-compliance with the Continuing Disclosure Undertaking as a result of the annual review or otherwise, the Disclosure Compliance Officer shall promptly take steps to remedy the noncompliance, including by making any necessary remedial filings. In the event the Disclosure Compliance Officer identifies any such noncompliance, the Disclosure Compliance Officer shall update the Continuing Disclosure Compliance File to reflect the noncompliance in the Issuer's five-year history of compliance.

ARTICLE V

ISSUANCE OF NEW BONDS

Section 5.1. Review Primary Offering Documents.

(a) The Disclosure Compliance Officer will review a draft of the Primary Offering Document for each new issue of Bonds. The Issuer is primarily responsible for the accuracy and completeness of the information in the Primary Offering Document relating to the Issuer. The Disclosure Compliance Officer will coordinate the Issuer's efforts to ensure that the information in each Primary Disclosure Document relating to the Issuer does not contain any untrue statements of a material fact or omit to state any material fact necessary to make the statements contained therein, in light of the

circumstances under which they were made, not misleading. In the review and preparation of Primary Offering Documents, the Disclosure Compliance Officer shall consult with internal or external counsel and other appropriate officials, employees and agents of the Issuer. The Disclosure Compliance Officer may designate internal or external counsel or other officials, employees or agents of the Issuer, as appropriate, to assist in the preparation of each Primary Disclosure Document or portions thereof and should discuss with internal or external counsel questions relating to the material accuracy and completeness of any information included in any Primary Disclosure Document.

(b) The Disclosure Compliance Officer will review any statement in a Primary Offering Document related to the Issuer's past compliance with the Continuing Disclosure Undertaking to determine whether such Primary Offering Document accurately describes such past compliance.

Section 5.2. Review Continuing Disclosure Undertakings. The Disclosure Compliance Officer will review each Continuing Disclosure Undertaking related to a new issuance of Bonds. If necessary, the Disclosure Compliance Officer will confer with Bond Counsel or other counsel regarding the meaning and scope of each obligation contained in the Continuing Disclosure Undertaking.

Section 5.3. Update Continuing Disclosure Compliance File. As soon as practicable after the issuance of any new Bonds, the Disclosure Compliance Officer will be responsible for updating the Continuing Disclosure Compliance File to reflect the issuance of such new Bonds.

ARTICLE VI

ANNUAL REPORT AND EVENT NOTICE FILING

Section 6.1. Annual Report Preparation and Submission. The Disclosure Compliance Officer will prepare or cause the preparation of the Annual Report each year. The Disclosure Compliance Officer will cause the Annual Report to be filed with the MSRB on EMMA each year before the deadline required by the Continuing Disclosure Undertaking. If the Issuer has engaged a third-party to submit the Annual Report on the Issuer's behalf, the Disclosure Compliance Officer will request and review confirmation that such filing has been timely made as required.

Section 6.2. Event Notice Submissions. As necessary, the Disclosure Compliance Officer shall coordinate with those other employees and agents of the Issuer most likely to become aware of the occurrence of a Material Event to ensure such employee or agent promptly notifies the Disclosure Compliance Officer upon the occurrence of a Material Event. After obtaining actual knowledge of the occurrence of any event that the Disclosure Compliance Officer believes may constitute an event requiring an Event Notice, the Disclosure Compliance Officer will consult with counsel to assist with the determination of whether an Event Notice is required under the Continuing Disclosure Undertaking. If it is determined that an Event Notice is required, the Disclosure Compliance Officer will cause an Event Notice to be filed on EMMA.

ADOPTED BY THE SALINA AIRPORT AUTHORITY
(SALINA, KANSAS)
August 19, 2015

EXHIBIT A

LIST OF BONDS COVERED BY THIS COMPLIANCE PROCEDURE

<u>Purpose</u>	<u>Series</u>	<u>Final Maturity</u>
Taxable General Obligation Bonds	2005-A	09-01-20
Taxable General Obligation Bonds	2007-A	09-01-22
General Obligation Bonds	2009-A	09-01-29
Taxable General Obligation Bonds	2009-B	09-01-26
Taxable General Obligation Bonds	2011-A	09-01-31
General Obligation Bonds	2011-B	09-01-31
Taxable General Obligation Bonds	2015-A	09-01-25

EXHIBIT B

ANNUAL CONTINUING DISCLOSURE COMPLIANCE CHECKLIST

Name of Disclosure Compliance Officer:	_____
Period covered by checklist ("Annual Period"):	_____
Date:	_____

Item	Question	Response
1 New/Defeased Bonds	Were any Bonds issued, refunded or defeased during the Annual Period?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was "Yes," update the Continuing Disclosure Compliance File to reflect the Bonds currently outstanding and changes, if any, to the deadline for filing or the content of information required under the Continuing Disclosure Undertaking.	
2 Annual Report Filings	During the Annual Period, was the required Annual Report filed on EMMA by the due date?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<p>If answer above was "No," file the required Annual Report on EMMA, if not yet filed, and any required Notice of Failure to File.</p> <p>In either case, update the Disclosure Compliance File to reflect the date the Annual Report was filed.</p>	
3 Material Event Filings	<p>During the Annual Period, did any of the following Material Events occur?</p> <ul style="list-style-type: none"> • principal and interest payment delinquencies; • non-payment related defaults, if material; • unscheduled draws on debt service reserves reflecting financial difficulties; • unscheduled draws on credit enhancements reflecting financial difficulties; • substitution of credit or liquidity providers, or their failure to perform; • adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; • modifications to rights of bondholders, if material; • bond calls, if material, and tender offers; • defeasances; • release, substitution or sale of property securing repayment of the Bonds, if material; • rating changes; • bankruptcy, insolvency, receivership or similar event of the obligated person; <p align="right"><i>[Continued on next page]</i></p>	<input type="checkbox"/> Yes <input type="checkbox"/> No

	<ul style="list-style-type: none"> the consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and appointment of a successor or additional trustee or the change of name of the trustee, if material 	
	<p>If answer above was “Yes,” was an Event Notice filed on EMMA within 10 business days?</p> <p>If No, file an Event Notice on EMMA.</p> <p>If a Material Event occurred, update the Continuing Disclosure Compliance File to reflect the occurrence of the Material Event and the date the required notice was filed.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>4 Upcoming Annual Report</p>	<p>Has the Annual Report for the most recent fiscal year been prepared?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<p>If answer above was “No,” prepare and file or cause the preparation and filing of the Annual Report for the most recent fiscal year as soon as practicable prior to the deadline.</p>	

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE SALINA AIRPORT AUTHORITY
(SALINA, KANSAS)
HELD ON AUGUST 19, 2015**

The governing body met in regular session at the usual meeting place, at 3:00 p.m., the following members being present and participating, to-wit:

Present: _____.

Absent: _____.

The Chairman declared that a quorum was present and called the meeting to order.

* * * * *

(Other Proceedings)

Thereupon, there was presented a Resolution entitled:

A RESOLUTION PROVIDING FOR THE ADOPTION OF A DISCLOSURE COMPLIANCE PROCEDURE RELATING TO FINANCIAL OBLIGATIONS ISSUED AND TO BE ISSUED BY THE SALINA AIRPORT AUTHORITY, SALINA, KANSAS.

Thereupon, Director _____ moved that said Resolution be adopted. The motion was seconded by Director _____. Said Resolution was duly read and considered, and upon being put, the motion for the adoption of said Resolution was carried by the vote of the governing body, the vote being as follows:

Yea: _____.

Nay: _____.

The Chairman declared the Resolution duly adopted; the Secretary designating the same Resolution No. 15-09.

* * * * *

(Other Proceedings)

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CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the Salina Airport Authority, Salina, Kansas, held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

Secretary

RESOLUTION NO. 15-09

A RESOLUTION PROVIDING FOR THE ADOPTION OF A DISCLOSURE COMPLIANCE PROCEDURE RELATING TO FINANCIAL OBLIGATIONS ISSUED AND TO BE ISSUED BY THE SALINA AIRPORT AUTHORITY, SALINA, KANSAS.

WHEREAS, the Salina Airport Authority, Salina, Kansas (the “Issuer”) is a political subdivision, duly created, organized and existing under the Constitution and laws of the State of Kansas (the “State”); and

WHEREAS, pursuant to the Constitution and statutes of the State, the Issuer is authorized to issue bonds, notes, leases, certificates and other instruments that evidence indebtedness (collectively, the “Obligations”) to finance certain improvements, projects and programs of the Issuer; and

WHEREAS, the Securities and Exchange Commission (the “SEC”) has promulgated Rule 15c2-12 adopted under the Securities Exchange Act of 1934, as amended (the “Rule”), which relates to filing of certain financial information and operating data on an annual basis and notices of certain material events; and

WHEREAS, the Issuer has previously issued certain Obligations and anticipates future issuances of additional Obligations which are or will be subject to the Rule (collectively, the “Bonds”); and

WHEREAS, the Issuer is committed to timely and accurate secondary market disclosure relating to the Bonds that are consistent with the Rule; and

WHEREAS, in order to assist the Issuer and its staff in promoting compliance with the Rule and other applicable federal securities law requirements related to the Bonds, the Issuer desires to adopt the Disclosure Compliance Procedure attached hereto as *Exhibit A*.

THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE SALINA AIRPORT AUTHORITY, SALINA, KANSAS:

Section 1. Disclosure Compliance Procedure. In order to assist the Issuer and its staff in complying with the provisions of the Rule and directives of the SEC, the governing body of the Issuer hereby approves the Disclosure Compliance Procedure.

Section 2. Permanent Record. A copy of the Disclosure Compliance Procedure shall be placed in the permanent records of the Issuer and shall be available for public inspection during regular business hours of the Issuer.

Section 3. Effective Date. This Resolution shall take effect and be in full force from and after its adoption by the governing body of the Issuer.

ADOPTED AND APPROVED by the governing body of the Salina Airport Authority, Salina, Kansas, on August 19, 2015.

(Seal)

Chairman

ATTEST:

Secretary

(Signature page to Resolution)

**SALINA AIRPORT AUTHORITY
(SALINA, KANSAS)**

TAX COMPLIANCE PROCEDURE

Dated as of August 19, 2015

August 19, 2015

TAX COMPLIANCE PROCEDURE

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TAX COMPLIANCE PROCEDURE

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Capitalized words and terms used in this Compliance Procedure have the following meanings:

“**Annual Compliance Checklist**” means a questionnaire and/or checklist described in **Section 6.1** hereof that is completed each year for the Tax-Exempt Bonds.

“**Annual Continuing Disclosure Compliance Checklist**” means the checklist attached as **Exhibit B**.

“**Annual Report**” means the information, consisting of annual financial information and operating data, required by the Continuing Disclosure Undertaking to be filed annually on EMMA.

“**Bond Compliance Officer**” means the Issuer’s Director of Administration and Finance or, if the position of Director of Administration and Finance is vacant, the person filling the responsibilities of the Director of Administration and Finance for the Issuer.

“**Bonds**” means Tax-Exempt Bonds. A list of all Tax-Exempt Bonds outstanding and subject to this Compliance Procedure as of August 19, 2015, is included on **Exhibit A**.

“**Bond Counsel**” means a law firm selected by the Issuer to provide a legal opinion regarding the tax status of interest on the Tax-Exempt Bonds as of the issue date or the law firm selected to advise the Issuer on matters referenced in this Compliance Procedure.

“**Bond Restricted Funds**” means the funds, accounts, and investments that are subject to arbitrage rebate and/or yield restriction rules that have been identified in the Tax Compliance Agreement for the Tax-Exempt Bonds.

“**Bond Transcript**” means the “transcript of proceedings” or other similarly titled set of transaction documents assembled by Bond Counsel following the issuance of the Tax-Exempt Bonds.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Compliance Procedure**” means this Tax Compliance Procedure.

“**Continuing Disclosure Undertaking**” means the Omnibus Continuing Disclosure Undertaking, dated August 19, 2015, entered into by the Issuer for the purpose of assisting the underwriters in complying with the Rule.

“**Cost**” or “**Costs**” means all costs and expenses paid for the acquisition, design, construction, equipping or improvement of a Project Facility or costs of issuing Tax-Exempt Bonds for a Project Facility.

“**EMMA**” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org, or

any successor system designated as the means through which municipal securities disclosures are submitted to the MSRB.

“**Final Written Allocation**” means the Final Written Allocation of Tax-Exempt Bond proceeds prepared pursuant to **Section 5.4** of this Compliance Procedure.

“**Financed Assets**” means that part of a Project Facility treated as financed with Tax-Exempt Bond proceeds as reflected in a Final Written Allocation or, if no Final Written Allocation was prepared, the accounting records of the Issuer and the Tax Compliance Agreement for the Tax-Exempt Bonds.

“**Governing Body**” means the Board of Directors of the Issuer.

“**Intent Resolution**” means a resolution of the Issuer stating (1) the intent of the Issuer to finance all or a portion of the Project Facility, (2) the expected maximum size of the financing and (3) the intent of the Issuer to reimburse Costs of the Project Facility paid by the Issuer from proceeds of the Tax-Exempt Bonds.

“**IRS**” means the Internal Revenue Service.

“**Issuer**” means the Salina Airport Authority, Salina, Kansas.

“**MSRB**” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

“**Placed In Service**” means that date (as determined by the Bond Compliance Officer) when the Project Facility is substantially complete and in operation at substantially its design level.

“**Primary Disclosure Document**” means any official statement or offering document relating to an offering or remarketing of bonds or other obligations by or on behalf of the Issuer after the date of this Procedure.

“**Project Facility**” means all tangible or intangible property financed in whole or in part with Tax-Exempt Bonds that are (1) functionally related or integrated in use, (2) located on the same physical site or proximate sites, and (3) expected to be Placed In Service within a one-year period of each other.

“**Rebate Analyst**” means the rebate analyst for the Tax-Exempt Bonds selected pursuant to the Tax Compliance Agreement.

“**Regulations**” means all regulations issued by the U.S. Treasury Department to implement the provisions of Code §§ 103 and 141 through 150 and applicable to tax-exempt obligations.

“**Rule**” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

“**Tax Compliance Agreement**” means the Federal Tax Certificate, Tax Compliance Agreement, Arbitrage Agreement, or other written certification or agreement of the Issuer setting out representations and covenants for satisfying the post-issuance tax compliance requirements for the Tax-Exempt Bonds.

“**Tax-Exempt Bonds**” means any bond, note, installment sale agreement, lease or certificate intended to be a debt obligation of the Issuer or another political subdivision or government instrumentality, the proceeds of which are to be loaned or otherwise made available to the Issuer, and the

interest on which is excludable from gross income for federal income tax purposes. A list of all Tax-Exempt Bonds outstanding and subject to this Compliance Procedure as of August 19, 2015, is included on **Exhibit A**.

“**Tax-Exempt Bond File**” means documents and records which may consist of paper and electronic medium, maintained for the Tax-Exempt Bonds. Each Tax-Exempt Bond File will include the following information if applicable:

- (a) Intent Resolution.
- (b) Bond Transcript.
- (c) Final Written Allocation and/or all available accounting records related to the Project Facility showing expenditures allocated to the proceeds of the Tax-Exempt Bonds and expenditures (if any) allocated to other sources of funds.
- (d) All rebate and yield reduction payment calculations performed by the Rebate Analyst and all investment records provided to the Rebate Analyst for purposes of preparing the calculations.
- (e) Forms 8038-T together with proof of filing and payment of rebate.
- (f) Investment agreement bid documents (unless included in the Bond Transcript) including:
 - (1) bid solicitation, bid responses, certificate of broker;
 - (2) written summary of reasons for deviations from the terms of the solicitation that are incorporated into the investment agreement; and
 - (3) copies of the investment agreement and any amendments.
- (g) Any item required to be maintained by the terms of the Tax Compliance Agreement involving the use of the Project Facility or expenditures related to tax compliance for the Tax-Exempt Bonds.
- (h) Any opinion of Bond Counsel regarding the Tax-Exempt Bonds not included in the Bond Transcript.
- (i) Amendments, modifications or substitute agreements to any agreement contained in the Bond Transcript.
- (j) Any correspondence with the IRS relating to the Tax-Exempt Bonds including all correspondence relating to an audit by the IRS of the Tax-Exempt Bonds or any proceedings under the Tax-Exempt Bonds Voluntary Closing Agreement Program (VCAP).
- (k) Any available questionnaires or correspondence substantiating the use of the Project Facility in accordance with the terms of the Tax Compliance Agreement for the Tax-Exempt Bonds.
- (l) For refunding bond issues, the Tax-Exempt Bond File for the refunded Tax-Exempt Bonds.

ARTICLE II

PURPOSE AND SCOPE

Section 2.1. Purpose of Compliance Procedure.

(a) Issuer’s Use of Tax-Exempt Bonds. The Issuer uses Tax-Exempt Bonds to fund Costs of a Project Facility. The Issuer understands that in exchange for the right to issue Tax-Exempt Bonds at favorable interest rates and terms, the Code and Regulations impose ongoing requirements related to the proceeds of the Tax-Exempt Bonds and the Project Facility financed by the Tax-Exempt Bonds. These

requirements focus on the investment, use and expenditure of proceeds of the Tax-Exempt Bonds and related funds as well as restrictions on the use of the Project Facility.

(b) IRS Recommends Separate Written Procedures. The Issuer recognizes that the IRS has stated that all issuers of Tax-Exempt Bonds should have separate written procedures regarding ongoing compliance with the federal tax requirements for Tax-Exempt Bonds.

(c) Issuer Commitment. The Issuer is committed to full compliance with the federal tax requirements applicable to its outstanding and future financings. This Compliance Procedure is adopted by the Governing Body to improve and promote tax law compliance and documentation.

Section 2.2. Scope of Compliance Procedure; Conflicts. This Compliance Procedure applies to all Bonds currently outstanding and all Bonds issued in the future. If the provisions of this Compliance Procedure conflict with a Tax Compliance Agreement, Continuing Disclosure Undertaking or any other specific written instructions of Bond Counsel, the terms of the Tax Compliance Agreement, Continuing Disclosure Undertaking or specific written instructions of Bond Counsel will supersede and govern in lieu of this Compliance Procedure. Any exception to this Compliance Procedure required by Bond Counsel as part of a future issue of Tax-Exempt Bonds will be incorporated in the Tax Compliance Agreement for the future issue. Any requirements imposed on the Issuer in the Tax Compliance Agreement, will be noted by the Bond Compliance Officer and incorporated into the Annual Compliance Checklist.

Section 2.3. Amendments and Publication of Compliance Procedure. This Compliance Procedure may be amended from time-to-time by the Governing Body. Copies of this Compliance Procedure and any amendments will be included in the permanent records of the Issuer.

ARTICLE III

BOND COMPLIANCE OFFICER; TRAINING

Section 3.1. Bond Compliance Officer Duties. The Bond Compliance Officer is responsible for implementing this Compliance Procedure. The Bond Compliance Officer will work with other employees that use the Project Facility to assist in implementing this Compliance Procedure. The Bond Compliance Officer will consult with Bond Counsel, legal counsel to the Issuer, accountants, tax return preparers and other outside consultants to the extent necessary to carry out the purposes of this Compliance Procedure.

Section 3.2. Training.

(a) Training Programs. When appropriate, the Bond Compliance Officer and/or other employees of the Issuer under the direction of the Bond Compliance Officer will attend training programs offered by the IRS or other industry professionals regarding Tax-Exempt Bonds that are relevant to the Issuer.

(b) Change in Bond Compliance Officer. Any time an individual acting as the Bond Compliance Officer passes the responsibilities for carrying out the provisions of this Compliance Procedure to another individual, the Issuer will ensure the incoming individual acting as Bond Compliance Officer is trained on how to implement the policies and procedures included in this Compliance Procedure to ensure the Issuer's continued compliance with the provisions of this Compliance Procedure and all Tax Compliance Agreements for any outstanding Tax-Exempt Bonds.

ARTICLE IV

TAX-EXEMPT BONDS CURRENTLY OUTSTANDING

Section 4.1. Tax-Exempt Bonds Covered by Article IV Procedures. This Article IV applies to all Tax-Exempt Bonds issued prior to the date of this Compliance Procedure that are currently outstanding. These Tax-Exempt Bonds are listed on **Exhibit A**.

Section 4.2. Tax-Exempt Bond File. As soon as practical, the Bond Compliance Officer will attempt to assemble as much of the Tax-Exempt Bond File as is available for the Tax-Exempt Bonds listed on **Exhibit A**.

Section 4.3. Annual Compliance Checklists. As soon as practical following the adoption of this Compliance Procedure, the Bond Compliance Officer will work with Bond Counsel and/or legal counsel to the Issuer and cause Annual Compliance Checklists to be completed for all outstanding Tax-Exempt Bonds and will follow the procedures specified in Article VI to complete the Annual Compliance Checklists and thereafter include each completed Annual Compliance Checklist in the Tax-Exempt Bond File.

Section 4.4. Correcting Prior Deficiencies in Compliance. In the event the Bond Compliance Officer determines any deficiency in compliance with a Tax Compliance Agreement for an outstanding Tax-Exempt Bond listed on **Exhibit A**, the Bond Compliance Officer will consult with Bond Counsel and, as necessary, follow the procedures described in the Regulations or the Tax-Exempt Bonds Voluntary Closing Agreement Program (VCAP) to remediate the noncompliance. If remediation of the noncompliance requires the Issuer to submit a request under VCAP, the Bond Compliance Officer will undertake this step only after reporting the violation to the Governing Body and obtaining its approval.

ARTICLE V

COMPLIANCE PROCEDURE FOR NEW TAX-EXEMPT BOND ISSUES

Section 5.1. Application. This Article V applies to Tax-Exempt Bonds issued on or after the date of this Compliance Procedure.

Section 5.2. Prior to Issuance of Tax-Exempt Bonds.

(a) Intent Resolution. The Governing Body will authorize and approve the issuance of Tax-Exempt Bonds. Prior to or as a part of the authorizing resolution or ordinance, the Governing Body may adopt an Intent Resolution.

(b) Directions to Bond Counsel. The Bond Compliance Officer will provide a copy of this Compliance Procedure to Bond Counsel with directions for Bond Counsel to structure the documentation and procedural steps taken prior to issuing the Tax-Exempt Bonds so that they conform to the requirements of this Compliance Procedure, except to the extent Bond Counsel determines that different procedures are required. The Bond Compliance Officer will consult with Bond Counsel so that appropriate provisions are made to fund or reimburse the Issuer's costs and expenses incurred to implement this Compliance Procedure.

(c) Tax Compliance Agreement. For each issuance of Tax-Exempt Bonds, a Tax Compliance Agreement will be signed by the Bond Compliance Officer. The Tax Compliance Agreement will (1) describe the Project Facility and the anticipated Financed Assets, (2) identify all Bond Restricted Funds and provide for arbitrage and rebate compliance, (3) for new money financings, require a Final Written Allocation, and (4) contain a form of the Annual Compliance Checklist for the Tax-Exempt Bonds. The Bond Compliance Officer will confer with Bond Counsel and the Issuer's counsel regarding the meaning and scope of each representation and covenant contained in the Tax Compliance Agreement.

(d) Preliminary Cost Allocations. For each issuance of Tax-Exempt Bonds, the Bond Compliance Officer in consultation with Bond Counsel, will prepare a preliminary cost allocation plan for the Project Facility. The preliminary cost allocation plan will identify the assets and expected costs for the Project Facility, and when necessary, will break-out the portions of Costs that are expected to be financed with proceeds of the Tax-Exempt Bonds (the "Financed Assets") and the portions, if any, expected to be financed from other sources.

(e) Tax Review with Bond Counsel. Prior to the sale of Tax-Exempt Bonds, the Bond Compliance Officer and Bond Counsel will review this Compliance Procedure together with the draft Tax Compliance Agreement to ensure that any tax compliance issues in the new financing are adequately addressed by this Compliance Procedure and/or the Tax Compliance Agreement. If Bond Counsel determines that this Compliance Procedure conflicts with the Tax Compliance Agreement, or must be supplemented to account for special issues or requirements for the Tax-Exempt Bonds, the Bond Compliance Officer will ask Bond Counsel to include the written modifications or additions in the final Tax Compliance Agreement. The Bond Compliance Officer will request Bond Counsel to prepare a form of Annual Compliance Checklist for use in monitoring the ongoing compliance requirements for the Tax-Exempt Bonds.

Section 5.3. Accounting and Recordkeeping.

(a) Accounting for New Money Projects. The Bond Compliance Officer will be responsible for accounting for the investment and allocation of proceeds of the Tax-Exempt Bonds. The Bond Compliance Officer will establish separate accounts or subaccounts to record expenditures for Costs of the Project Facility. Where appropriate, the Bond Compliance Officer may use accounts established as part of the Issuer's financial records for this purpose. In recording Costs for the Project Facility, the Bond Compliance Officer will ensure that the accounting system will include the following information: (1) identity of person or business paid, along with any other available narrative description of the purpose for the payment, (2) date of payment, (3) amount paid, and (4) invoice number or other identifying reference.

(b) Accounting for Refunded Bonds and Related Refunded Bond Accounts. For Tax-Exempt Bonds that are issued to refund prior Tax-Exempt Bonds, the Tax Compliance Agreement will set out special accounting and allocation procedures for the proceeds of the financing, and if necessary proceeds of the refinanced Tax-Exempt Bonds.

(c) Tax-Exempt Bond File. The Bond Compliance Officer will be responsible for assembling and maintaining the Tax-Exempt Bond File.

Section 5.4. Final Allocation of Tax-Exempt Bond Proceeds.

(a) Preparation of Final Written Allocation; Timing. The Bond Compliance Officer is responsible for making a written allocation of proceeds of Tax-Exempt Bonds to expenditures and identifying the Financed Assets. This process will be memorialized in the Final Written Allocation. For

a new money financing, the Bond Compliance Officer will commence this process as of the earliest of (1) the requisition of all Tax-Exempt Bond proceeds from any segregated Tax-Exempt Bond funded account, (2) the date the Project Facility has been substantially completed or (3) four and one-half years following the issue date of the Tax-Exempt Bonds. For Tax-Exempt Bonds issued only to refund a prior issue of Tax-Exempt Bonds, the Bond Compliance Officer will work with Bond Counsel to prepare and/or document the Final Written Allocation for the Project Facility financed by the refunded Tax-Exempt Bonds and include it in the Tax Compliance Agreement.

(b) Contents and Procedure. The Bond Compliance Officer will consult the Tax Compliance Agreement and, if necessary, contact Bond Counsel to seek advice regarding any special allocation of Tax-Exempt Bond proceeds and other money of the Issuer to the Costs of the Project Facility. If no special allocation is required or recommended, the Bond Compliance Officer will allocate Costs of the Project Facility to the proceeds of the Tax-Exempt Bonds in accordance with the Issuer's accounting records. Each Final Written Allocation will contain the following: (1) a reconciliation of the actual sources and uses to Costs of the Project Facility, (2) the percentage of the cost of the Project Facility financed with proceeds of the Tax-Exempt Bonds (sale proceeds plus any investment earnings on those sale proceeds), (3) the Project Facility's Placed in Service date, (4) the estimated economic useful life of the Project Facility, and (5) any special procedures to be followed in completing the Annual Compliance Checklist (e.g., limiting the Annual Compliance Checklist to specific areas of the Project Facility that the Final Written Allocation or the Tax Compliance Agreement treats as having been financed by Tax-Exempt Bonds).

(c) Finalize Annual Compliance Checklist. As part of the preparation of the Final Written Allocation, the Bond Compliance Officer will update the draft Annual Compliance Checklist contained in the relevant Tax Compliance Agreement. The Bond Compliance Officer will include reminders for all subsequent arbitrage rebate computations required for the Tax-Exempt Bonds in the Annual Compliance Checklist.

(d) Review of Final Written Allocation and Annual Compliance Checklist. Each Final Written Allocation and Annual Compliance Checklist will be reviewed by legal counsel to the Issuer or Bond Counsel for sufficiency and compliance with the Tax Compliance Agreement and this Compliance Procedure. Following the completion of the review, the Bond Compliance Officer will execute the Final Written Allocation.

ARTICLE VI

ONGOING MONITORING PROCEDURES

Section 6.1. Annual Compliance Checklist. An Annual Compliance Checklist will be completed by the Bond Compliance Officer each year following completion of the Final Written Allocation. Each Annual Compliance Checklist will be designed and completed for the purpose of identifying potential noncompliance with the terms of the Tax Compliance Agreement or this Compliance Procedure and obtaining documents (such as investment records, arbitrage calculations, or other documentation for the Project Facility) that are required to be incorporated in the Tax-Exempt Bond File. The Bond Compliance Officer will refer any responses indicating a violation of the terms of the Tax Compliance Agreement to legal counsel to the Issuer or Bond Counsel and, if recommended by counsel, will follow the procedure set out in **Section 4.4** hereof to remediate the non-compliance.

Section 6.2. Arbitrage and Rebate Compliance. The Bond Compliance Officer will monitor the investment of Bond Restricted Funds and provide investment records to the Rebate Analyst

on a timely basis. The Bond Compliance Officer will follow the directions of the Rebate Analyst with respect to the preparation of and the timing of rebate or yield reduction computations.

ADOPTED BY THE SALINA AIRPORT AUTHORITY
(SALINA, KANSAS)
August 19, 2015

EXHIBIT A

LIST OF TAX-EXEMPT BONDS COVERED BY THIS COMPLIANCE PROCEDURE

<u>Purpose</u>	<u>Series</u>	<u>Final Maturity</u>
General Obligation Bonds	2009-A	09-01-29
General Obligation Bonds	2011-B	09-01-31

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE SALINA AIRPORT AUTHORITY
(SALINA, KANSAS)
HELD ON AUGUST 19, 2015**

The governing body met in regular session at the usual meeting place, at 3:00 p.m., the following members being present and participating, to-wit:

_____.

Absent: _____.

The Chairman declared that a quorum was present and called the meeting to order.

* * * * *

(Other Proceedings)

Thereupon, there was presented a Resolution entitled:

**A RESOLUTION PROVIDING FOR THE ADOPTION OF A TAX
COMPLIANCE PROCEDURE RELATING TO OBLIGATIONS ISSUED AND
TO BE ISSUED BY THE SALINA AIRPORT AUTHORITY, SALINA, KANSAS.**

Thereupon, Director _____ moved that said Resolution be adopted. The motion was seconded by Director _____. Said Resolution was duly read and considered, and upon being put, the motion for the adoption of said Resolution was carried by the vote of the governing body, the vote being as follows:

Aye: _____.

Nay: _____.

Thereupon, the Chairman declared said Resolution duly adopted and the Resolution was then duly numbered Resolution No. 15-10 and was signed by the Chairman and attested by the Secretary.

* * * * *

(Other Proceedings)

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CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the Salina Airport Authority, Salina, Kansas held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

Secretary

RESOLUTION NO. 15-10

A RESOLUTION PROVIDING FOR THE ADOPTION OF A TAX COMPLIANCE PROCEDURE RELATING TO OBLIGATIONS ISSUED AND TO BE ISSUED BY THE SALINA AIRPORT AUTHORITY, SALINA, KANSAS.

WHEREAS, the Salina Airport Authority, Salina, Kansas (the “Issuer”) is a political subdivision, duly created, organized and existing under the Constitution and laws of the State of Kansas (the “State”); and

WHEREAS, the Issuer is authorized, pursuant to the Constitution and statutes of the State to issue bonds, notes, leases, certificates and other instruments that evidence indebtedness (collectively, the “Obligations”) to finance certain improvements, projects and programs of the Issuer (collectively, the “Project Facilities”); and

WHEREAS, the Issuer has previously issued certain Obligations and anticipates future issuances of additional Obligations by the Issuer or another governmental entity on behalf of the Issuer, the interest on which is intended to be excluded from gross income for federal income tax purposes or which is subsidized by the federal government (e.g. Build America Bonds) (the “Tax-Advantaged Obligations”); and

WHEREAS, the Internal Revenue Code of 1986, as amended and regulations promulgated thereunder (collectively, the “Code”), impose ongoing requirements related to the investment, use and expenditure of proceeds of Tax-Advantaged Obligations and related funds and restrictions on use of the Project Facilities financed by such Tax-Advantaged Obligations; and

WHEREAS, the Issuer is committed to full compliance with all such requirements with respect to the Tax-Advantaged Obligations.

THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE SALINA AIRPORT AUTHORITY, SALINA, KANSAS:

Section 1. Compliance Procedure. In order to comply with the requirements of the Code and directives of the Internal Revenue Service and to improve tax compliance and documentation, the governing body of the Issuer hereby adopts the Tax Compliance Procedure, dated as of August 19, 2015 (the “Compliance Procedure”).

Section 2. Permanent Record. A copy of the Compliance Procedure shall be placed in the permanent records of the Issuer and shall be available for public inspection during regular business hours of the Issuer.

Section 3. Effective Date. This Resolution shall take effect and be in full force from and after its adoption by the governing body of the Issuer.

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ADOPTED AND APPROVED by the governing body of the Salina Airport Authority, Salina, Kansas, on August 19, 2015.

(Seal)

Chairman

ATTEST:

Secretary

(Signature Page to Resolution)

SALINA AIRPORT AUTHORITY

SAA RESOLUTION NO. 15-11

A RESOLUTION LEVYING A TAX OF 4.396 MILLS ON ALL TAXABLE TANGIBLE PROPERTY WITHIN THE CITY OF SALINA, KANSAS FOR THE PURPOSE OF PAYING THE INTEREST ON AND PRINCIPAL OF GENERAL OBLIGATION BONDS OF THE SALINA AIRPORT AUTHORITY PURSUANT TO K.S.A. (2008 Supp.) 27-323(a).

WHEREAS, the Salina Airport Authority has prepared a general obligation bond debt service budget for calendar year 2016 relating to general obligation bonds (the "Bonds") issued by the Salina Airport Authority and approved by the governing body of the City of Salina, Kansas, all pursuant to K.S.A. (2008 Supp.) 27-323(a); and

WHEREAS, the Board of Directors has determined that sufficient funds are not available from operating revenues for such general obligation bond debt service; and

WHEREAS, the Salina Airport Authority is authorized by K.S.A. (2008 Supp.) 27-323(a) to annually levy a tax on all taxable tangible property within the City of Salina, Kansas, in addition to all other levies authorized by law and without the consent of the governing body of the City, in an amount sufficient to pay the interest on and principal of the Bonds as the same become due;

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE SALINA AIRPORT AUTHORITY THAT:

1. The Salina Airport Authority levies a tax of 4.396 mills on each dollar of the assessed valuation of the taxable tangible property within the City of Salina, Kansas, for the year 2015 for the purpose of paying general obligation bond debt service in 2016 as detailed below:

	<u>General Obligation Bond Description</u>	<u>Debt Service Amount</u>
a.	2009-A (AIP matching funds airfield improvements, equipment, airport perimeter road, and water main relocation)	\$85,647
b.	2009-B (Economic development, SLN Aviation Service Center facility improvements and SAFB environmental restoration project)	\$548,662
c.	2011-A (Hangar 600, Hangar 606 rehabilitation, Bldg. 620, museum/terminal concept design)	\$584,839
d.	2011-B (ARFF Station construction)	\$103,331
e.	2015-A (Refunded 2005-A & 2007-A, Fund terminal bldg. and H959 improvements)	\$507,135
	TOTAL DEBT SERVICE	\$1,829,614
	TOTAL MILLS (Rounded to nearest thousandth and calculated on \$416,174,805 in City of Salina assessed valuation)	4.396



2. This levy shall be certified to the County Clerk of Saline County, Kansas, by the delivery of a signed copy of this Resolution to the office of the County Clerk of Saline County, Kansas, on or before August 25, 2015.

ADOPTED by the Board of Directors of the Salina Airport Authority this 19th day of August, 2015.

SALINA AIRPORT AUTHORITY

By: _____
Michael L. Hoppock, Chairman

ATTEST:

By: _____
Daran R. Neuschafer, Vice Chairman

(SEAL)

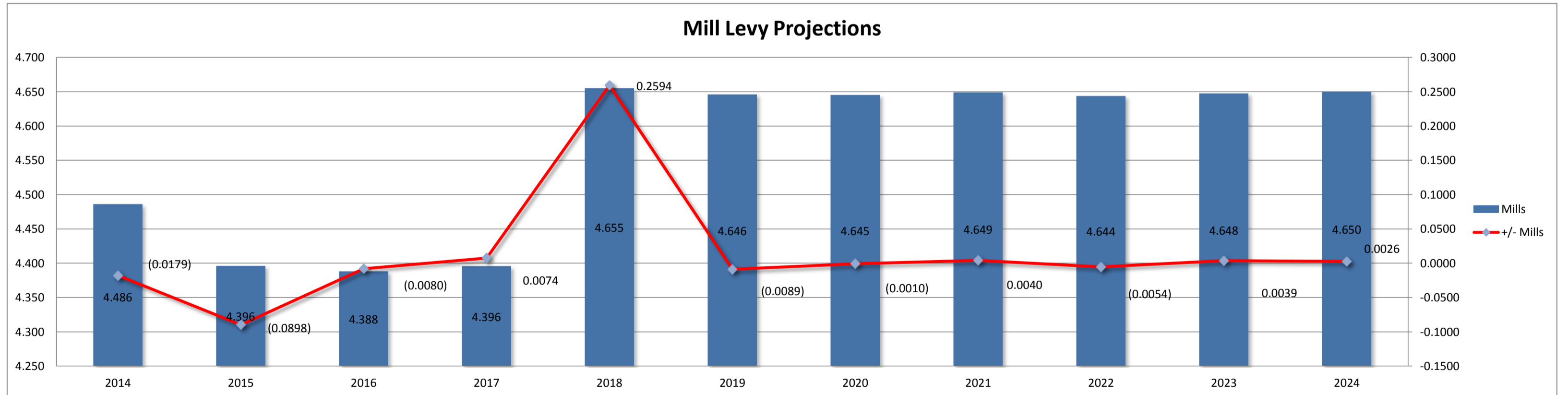


SALINA AIRPORT AUTHORITY
Mill Levy Projections
2015-2024

<i>Projections as of 7/6/15</i>				2005-A GO DEBT SERVICE (Shown as Refunded in 2015-A Issue)	2007 GO DEBT SERVICE (Shown as Refunded in 2015-A Issue)	2009-A GO DEBT SERVICE	2009-B GO DEBT SERVICE	2011-A GO DEBT SERVICE	2011-B GO DEBT SERVICE	2015-A GO DEBT SERVICE (Estimated)	Less Estimated Motor Vehicle Tax Revenue	TOTAL MILL LEVY									
YEAR BUDGET PREPARED	FISCAL YEAR	ASSESSED VALUATION (1)	% +/-	Mills	\$	Mills	\$	Mills	\$	Mills	\$	Mills	\$	Mills	\$	Mills	\$	Mills	\$	Mills	\$
2014	2015	\$ 407,875,142	0.02%	1.004	\$409,613	0.238	\$ 96,983	0.210	\$ 85,648	1.349	\$550,038	1.828	\$ 745,653	0.253	\$103,331	0.000	\$ -	-0.396	\$(161,500)	4.486	\$ 1,829,765
2015	2016	\$ 416,174,805	2.03%					0.206	\$ 85,647	1.318	\$548,662	1.793	\$ 746,363	0.248	\$103,331	1.219	\$ 507,135	-0.388	\$(161,524)	4.396	\$ 1,829,614
2016	2017	\$ 416,237,231	0.02%					0.206	\$ 85,647	1.310	\$545,262	1.803	\$ 750,665	0.248	\$103,331	1.209	\$ 503,110	-0.388	\$(161,548)	4.388	\$ 1,826,467
2017	2018	\$ 416,299,667	0.02%					0.206	\$ 85,648	1.313	\$546,462	1.787	\$ 743,927	0.248	\$103,331	1.230	\$ 511,950	-0.388	\$(161,572)	4.396	\$ 1,829,746
2018	2019	\$ 416,362,112	0.02%					0.206	\$ 85,648	1.312	\$546,162	1.779	\$ 740,815	0.248	\$103,331	1.498	\$ 623,533	-0.388	\$(161,597)	4.655	\$ 1,937,892
2019	2020	\$ 416,424,566	0.02%					0.206	\$ 85,648	1.319	\$549,287	1.757	\$ 731,855	0.248	\$103,331	1.504	\$ 625,883	-0.388	\$(161,621)	4.646	\$ 1,934,383
2020	2021	\$ 416,487,030	0.02%					0.206	\$ 85,647	1.319	\$549,537	2.777	\$1,156,775	0.248	\$103,331	0.483	\$ 200,838	-0.388	\$(161,645)	4.645	\$ 1,934,483
2021	2022	\$ 416,549,503	0.02%					0.206	\$ 85,647	1.317	\$548,787	2.772	\$1,154,605	0.248	\$103,331	0.494	\$ 205,708	-0.388	\$(161,669)	4.649	\$ 1,936,409
2022	2023	\$ 416,611,985	0.02%					0.206	\$ 85,648	1.313	\$547,037	3.013	\$1,255,375	0.248	\$103,331	0.252	\$ 104,818	-0.388	\$(161,694)	4.644	\$ 1,934,515
2023	2024	\$ 416,674,477	0.02%					0.206	\$ 85,648	1.316	\$548,150	3.022	\$1,259,270	0.248	\$103,331	0.244	\$ 101,730	-0.388	\$(161,718)	4.648	\$ 1,936,411
2024	2025	\$ 416,736,978	0.02%					0.206	\$ 85,647	1.313	\$547,349	3.023	\$1,259,684	0.248	\$103,333	0.249	\$ 103,500	-0.388	\$(161,742)	4.650	\$ 1,937,771

NOTES:

- Estimated Assessed Valuation at July 1, 2015 as provided by the Saline County Clerk's Office.
 Future Assessed Valuation assumed to grow annually at a rate of .02%



DATE: 08/19/15
TO: SAA Board of Directors
FROM: Kenny Bieker
Director of Facilities and Operations
SUBJECT: Project Updates

AIP Project No. 37 – Taxiway Alpha, Bravo & Echo Design

We had a conference call with FAA on July 21, 2015 to discuss where we are in the design and establish a timeline on final reviews and design for the project. This meeting was also to point out new developments on the airport which may have an impact on the Design Group and how it affects the design criteria and eligible – ineligible portions of the project.

Water Flow Test, Hangar 600

No Change: Simplex Grinnell will be doing a water flow test at hangar 600 for the fire protection system. This will reconfirm that no reduction in water to the fire protection system has occurred since the system has been put in operation back in 2009.

Ramp Heaving

We had additional heaves on the ramp this past month. The latest one is 16' wide and 166' long shown in the photo.



Other smaller heaves north of this heave have occurred but are much smaller. APAC is scheduled to place the patches this Saturday Aug. 15.