

# **SALINA AIRPORT AUTHORITY**

**YEAR 2011  
BUDGET & FINANCIAL REPORTS**

***SALINA AIRPORT / AIRPORT INDUSTRIAL CENTER***

**PREPARED BY: Salina Airport Authority Staff**



**2011 BUDGET REPORT  
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## Mission Statement

Develop and operate the premier Airport and Airport Industrial Center in the State of Kansas. Provide the citizens of the City of Salina, Saline County and North Central Kansas with safe and efficient access to the national air transportation system. The SAA will also be proactive in providing the citizens of the City of Salina, Saline County and North Central Kansas with an aviation service center and industrial center that supports business and industry which, in turn, provides jobs and payrolls that benefit the region.





## *Code of Ethics Statement*

All members of the Salina Airport Authority Board of Directors and Staff are entrusted to ensure that all Salina Municipal Airport and Salina Airport Industrial Center stakeholders' interests are appropriately balanced, protected and preserved. This Code of Ethics Statement provides the principles that Salina Airport Authority Board members and Staff are expected to adhere to and advocate. They embody rules regarding the responsibility of all Board members and employees to the Salina Airport Authority, the public and other stakeholders.

Members of the Salina Airport Authority Board of Directors and Staff will:

1. Act with honesty and integrity, avoiding actual or apparent conflicts of interest in personal and professional relationships.
2. Provide constituents with information that is accurate, complete, objective, relevant, timely, and understandable.
3. Comply with rules and regulations of federal, state and local governments, and other appropriate private and public regulatory agencies.
4. Act in good faith; responsibly; and with due care, competence, and diligence, without misrepresenting material facts or allowing one's independent judgment to be subordinated.
5. Respect the confidentiality of information acquired in the course of one's work except when authorized or otherwise legally obligated to disclose. Confidential information acquired in the course of one's work will not be used for personal advantage.
6. Share knowledge and maintain skills important and relevant to constituents' needs.
7. Proactively promote ethical behavior as a responsible partner among peers, in the work environment, and in the community.
8. Achieve responsible use of and control over all assets and resources employed or entrusted.

# CALENDAR OF PUBLIC EVENTS

## January

12/31/10	New Year's Day
17	Martin Luther King
19	8 a.m. Board of Directors' Meeting
22	8 a.m. Winter Airport Users' Breakfast

## February

16	8 a.m. Board of Directors' Meeting
21	Presidents' Day

## March

16	8 a.m. Board of Directors' Meeting
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## April

20	8 a.m. Board of Directors' Meeting
23	8 a.m. Spring Airport Users' Breakfast
TBD	Salina Open A flight derby

## May

18	8 a.m. Board of Directors' Meeting
30	Memorial Day

## June

15	8 a.m. Board of Directors' Meeting
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## July

4	Independence Day
20	8 a.m. Board of Directors' Meeting
23	8 a.m. Summer Airport Users' Breakfast

## August

17	8 a.m. Board of Directors' Meeting
TBD	Wings of Freedom

## September

5	Labor Day
21	8 a.m. Board of Directors' Meeting

## October

19	8 a.m. Board of Directors' Meeting
22	8 a.m. Fall Airport Users' Breakfast

## November

10	2 p.m. Marine Corps Birthday/ Veterans' Day Celebration
11	Veterans' Day
16	8 a.m. Board of Directors' Meeting
24	Thanksgiving Day
25	Thanksgiving Day Holiday

## December

3	2 p.m. Candy Canes & Airplanes
21	8 a.m. Board of Directors' Meeting
26	Christmas Holiday

# SALINA AIRPORT AUTHORITY

## SUMMARY OF 2010 ACCOMPLISHMENTS & SIGNIFICANT EVENTS

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### SALINA AIRPORT

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**ARFF Facility-** New facility received design grant funding.

**Taxiway Alpha-** Airport Improvement Program 29, 31 & 32; Project resurfacing from Bravo to K-State entrance.

**Taxiway Alpha-** Kansas AIP 2011; Project resurfacing from K-State entrance to north end.

**18-36 PAPI's-** Design for new precision approach path indicators was completed.

**Guard ramp-** Ramp construction began in late 2010.

**Hangar 606-** Asbestos abatement completed.

**Building demolition-** 809, 814 and 816 were demoed and removed from site.

**Designs-** The north aviation service center T-hangars, civil and water have been completed.

**Environmental-** Phase I site assessments were done at two locations of the Salina Airport Industrial Center.

**Building 120-** The M. J. Kennedy Terminal had new HVAC units installed.

**Building 120-** Lobby remodeled.

**Building 1080-** Salina Airport Authority purchased Building 1080 and power was brought in for light and heat.

**A & E selection-** Architects were selected for approximately 10 facilities for remodeling.

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### SALINA AIRPORT INDUSTRIAL CENTER

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**Building 412-** Building completely renovated for Kansas National Guard use as a schoolhouse.

**RSMS storage lot-** Five acres were added to the existing parking lot.

**Airport road waterline-** A new water line installed along Airport Road.

**FedEx Facility-** After working with a site selector since the fall of 2008, the Airport Authority successfully closed the deal on the sale of 6.77 acres of land in the SAIC that will be a new FedEx Ground site to include the construction of an initial 32,000-square-foot facility with the potential to add up to 16,000 square feet.

**Max Fire-** Unit 6 leased to Max Fire.

**FTZ-** Saline County commissioners signed a letter supporting expansion of the Sedgwick County foreign trade zone to Saline and five other neighboring counties.

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#### FINANCE AND ADMINISTRATION

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**Aeronautical Center** – Transferred ownership of the K-State Salina Aeronautical Center to the Kansas Board of Regents ending a 20-year direct finance lease that demonstrated the Airport Authority’s ability to finance and build to suit capabilities.

**Financial reporting**– The Airport Authority received a “clean” audit report with no corrective action on the 2009 financial statements. In addition, the Airport Authority received the Government Finance Officer Association’s Certificate of Achievement for Excellence in Financial Report on its Comprehensive Annual Financial Report.

**Risk Finance Program** – Following a competitive RFP process for the Airport Authority’s 2011 broker selection and property/casualty insurance coverages, the Airport Authority was able to lower its risk financing costs over the previous year and improve coverage.

**Federal grant funds-** Through the Federal Aviation Administration’s Airport Improvement Program, the Airport Authority received \$705,696 in grant funds.

**State grant funds-** Through the Kansas Department of Transportation’s Airport Improvement Program, the Airport Authority received \$371,615 in grant funds.

**Mill Levy-** The SAA’s tax levy for 2010 was reduced to 4.055 mills. Representing a decrease of .26 mills over the previous year.

**Wings Over Salina Air Museum Funds** established through the Greater Salina Community Foundation to receive donations through a provisional and endowment fund.

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#### MEDIA

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**Media interviews** were directly conducted with more than 45 external media outlets.

**External news stories** pertaining to the Airport Authority numbered more than 250.

**Recruiting tours** conducted in Oklahoma and Texas, and on both coasts.

**Project Riviera news conference** (*August 24*) Informed media and local public of the particulars of Project Riviera and its benefit to the community.

**Media Tour** (*October 7*) Local media toured the airfield for update on Hawker buildings.

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## EVENTS & TOURS

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**1st ID Combat Aviation Brigade briefing and tour** (*January 26*) Airport Authority staff and local leaders visit Ft. Riley partners to get more familiarized with one another.

**CF-18 Open House** (*March 5*) Community members invited to tour CF-18 and other gear the Canadian 425 Tactical Fighter Squadron brought with them.

**USD 305 Air Ops** (*March 10*) Students tour airport to learn about aviation.

**Gen. McKinley visit** (*March 26*) Kansas Guard generals meet with Airport Authority staff to discuss opportunities for partnership between the area military installations and Salina Airport.

**SeaPort Airlines Open House** (*April 20*) The ribbon was cut and area residents encouraged to come meet the SeaPort crew and learn about opportunities to use SeaPort.

**Spring Airport Users' Meeting** (*April 28*) Airport Authority staff meets with airport users to discuss airport issues.

**SeaPort Tours** (*May*) Local travel agencies and banks tour SeaPort operations.

**Starbase** (*June 9*) Thirty grade school students tour SLN to learn about aviation.

**SeaPort Chamber After Hours** (*June 10*) More than 150 people attend the open house.

**Eaglecrest retirement community tour** (*June 18*) Group tours SLN.

**Starbase** (*June 18*) Thirty grade school students tour SLN to learn about aviation.

**"Tailgate" Party** (*June 18*) Salina Military Affairs Council hosts barbeque for Canadians at Hangar 600.

**America Jet Pancake Fly-In and Open House** (*June 19*) FBO hosts public for breakfast and aviation displays.

**Canada Day Celebration** (*July 2*) Canadian 409 TFS invites Airport Authority staff to join their Canada Day Celebration.

**Wings of Freedom** (July 12-14) brought a P-51 Mustang, B-17 Flying Fortress and B-24 Liberator. More than 3000 area residents came out to see the planes. We expect them back in 2011.

**287th Special Troop Battalion Change of Command** (*August 8*) Troops use H600 for ceremony.

**Women in Aviation Wash and Wax Weekend** (*October 9 & November 13*) Women wash and wax airplanes to raise funds for their organization.

**SAFECON Regional Competition** (*October 16- 23*) Aviation schools in the region compete for national competition.

**Meadowlark and Stewart ESL field trip** (*October 20*) Elementary school students tour airport to learn about aviation opportunities.

**Crisis City Tour** (*October 21*) Board members and local officials tour Crisis City.

**Fall Airport Users' Breakfast** (*October 23*) Airport Authority staff meets with area airport users.

**Candy Canes and Airplanes Fly-In and Open House** (*December 4*) More than 300 people come to H600 for Christmas event for the aviation and general public.

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#### NEW DOCUMENTS

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**GlobalFlyer video** (*July*) Video updated to include new interviews and fresh photos of the airfield.

**GlobalFlyer Monument** (*February*) Worked with Bergens to develop a concept for a monument to the late Steve Fossett.

**Staff and board photos** (*February*) Board and staff photos for website and other distribution updated.

**Prospect package** designed and maintained to aid potential tenants in their search for the right building.

**Website** initial redesign begins.

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#### OPERATIONS

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**SeaPort Airlines** takes over as Salina's new essential air service provider.

**GPJTC convoy training** (*April 1- 2*) Approximately 50 trucks used Building 939 and the north ramp for training.

**K-State Salina Foreign Object Debris Walk** (*March 6*) Students perform a FOD walk as part of a class community service project.

**State Troopers Search and Recovery Team Training** (*May 6*) Local law enforcement uses Building 122 for training.

**113th Air Support Operations Squadron deployment** (*June 7- 18*) Two C-17s with troops from Indiana deploy to SLN for Joint Terminal Air Controller training.

**AVSAFE Flight Testing** (*June 14- June 17*) Group bases out of America Jet to perform testing on a Hawker 400.

**Canadian TFS Squadron 409** (*June 16- July 15*) Squadron deploys to SLN to train JTACs.

**A-10 operations** (*August 16- 19*) Planes from Whiteman use SLN for training.

**Salina Police Department Training** (*October 12-14*) Local law enforcement use Building 939 for training.

**Canadian Tactical Fighter Squadron 425** (*November 11- December 9*) Squadron deploys to SLN to train JTACs.

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#### AWARDS & RECOGNITION

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**Patriot Medal** (*March 26*) Tim Rogers awarded the first ever Patriot Medal by Gen. McKinley and Major Gen. Bunting.

**Bond rating-** In conjunction with the 2010 \$11.7 million taxable general obligation bond temporary notes, the Airport Authority received a MIG1 Moody's Investor Service Rating. In addition, Moody's affirmed the Aa2 rating on all the Airport Authority's outstanding general obligation tax-backed debt of \$13.9 million.

**Kansas Asphalt Pavement Association Award** received for Taxiway Alpha.

**Certificate of Achievement for Excellence in Financial Reporting** from the Government Finance Officers Association (GFOA) received.

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#### STAFF TRAINING

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**Kansas Association of Airports Winter Workshop** (*February 2*) Airport Authority staff met with other members of the KAA for the regularly scheduled workshop.

**State Capital Area Firefighters Association training** (*March 11- 13*) Dave Nease and Alan Mason received training in leadership, hazardous materials, cardio cerebral resuscitation and emergency Spanish.

**New hire** (*March 23*) Alan Anderson received Equal Employment Opportunity, Drug-Free Workplace, and personnel manual training.

**Credit Card Compliance** (*April 4*) Shelli Swanson and Kasey Windhorst participated in the Payment Card Industry credit card compliance seminar related to the new standards in accepting credit card payments.

**Financial disclosure** (*June 8, 2010*) Shelli Swanson received training on the continuing disclosure documents and reporting to the Municipal Securities Rulemaking Board as required through our bond covenants.

**KAA Summer Workshop** (*June 24- 25*) Airport Authority staff met with other members of the KAA for the regularly scheduled workshop.

**Watchfire** (*August 26*) Melissa McCoy trains to use and update the Watchfire sign in front of the terminal building.

**Media Workshop** (*September 8*) Melissa McCoy trains with local media representatives for better media relations.

**National Association of State Aviation Officials Annual Convention** (*September 11-14*) Airport Authority staff gather with other aviation representatives share ideas and information.

**FAA Central Region Airports Conference** (*September 27-29*) Airport Authority staff gathers with other Central Region Airport representatives to share ideas and information.

**Video Camera Class** (*October 21*) Melissa McCoy receives videographer training.

**Kansas Public Employees Retirement System** (*October 26*) Kasey Windhorst attended the annual Kansas Public Retirement System workshop for employers.

**GFOA** (*November 5*) Shelli Swanson attended the 2010 Government Finance Officers Association Annual Generally Accepted Accounting Principles update.

# Salina Airport Authority

Summary of Goals and Objectives for 2011

The Salina Airport Authority is responsible for the development and operation of the Salina Airport and Salina Airport Industrial Center. Since 1965, the Airport Authority's primary objective has been to utilize available buildings, development lots and a world-class airport to retain and attract jobs and payroll. The Airport Authority partners with a variety of governmental agencies and nonprofit organizations to make the Salina Airport and Airport Industrial Center a vital contribution to the Salina and Saline County economies.

By annually establishing aggressive goals and objectives, the Airport Authority Board of Directors and staff have successfully remained focused on the need to provide business and industry a premier location for business expansion and job growth.

***Tim Rogers, A.A.E.***  
***Executive Director***

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**A**s executive director of the Airport Authority, Tim Rogers, A.A.E., has leasing facilities vacated or soon to be vacated as a result of Hawker Beechcraft Corporation closing its Salina operations as number one on his priority list as we enter the new year. Leasing those facilities will help replace the jobs and payroll lost by the Salina community. It will also mean maintaining and replacing the lease revenue stream to the Airport Authority's operating budget. This is vital in order for the Airport Authority to continue to provide the services necessary to operate a world-class airport and airport industrial center.

The completion of capital improvements to existing facilities and the Airport Industrial Center are also a top priority. There is a Capital Improvement Program in place that details more than \$60 million worth of projects to take place through 2015. These improvements will aid the Airport Authority in filling unused space and continue to offer the superior services and facilities the aviation community has come to expect from Salina.

Another top goal is the development of a capital finance plan to provide the Airport Authority with a blueprint more the more than \$60 million needed to complete capital improvements through 2015.

Other top goals for 2011 include:

✦ Continuation of essential air service development program and activities.

✦ Maintain intense momentum in recruiting businesses to the Salina Aviation Service Center.

- ✦ Reach a settlement agreement with the Department of Justice to fund the cleanup of environmental contamination caused by operations at the formerly used defense sites.
- ✦ Completion of preliminary design and feasibility work for the Wings Over Salina Air Museum.
- ✦ Establishment of new Air Traffic Control procedures to take advantage of the improved radar coverage for civilian and military aircraft operations in the airspace around Salina.
- ✦ Continuation of support for K-State Salina and their Applied Aviation Research Center and Unmanned Aerial Systems Program Office.
- ✦ Completion of Hangar 606 renovations for military operations at forward operating location Salina.
- ✦ Support continued growth and development of the Great Plains Joint Training Center.
- ✦ Support continued growth and development of Crisis City.
- ✦ Professional Development: to complete additional continuing educational credits in support of accredited airport executive designation.

***Michelle Swanson***  
***Manager of Administration and Finance***

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**A**s the manager of administration and finance, Shelli Swanson has provided accurate and reliable data for decision makers for more than a decade.

The most significant goal for 2011 is the formulation of a five year capital project financing plan. The current capital improvement plan identifies more than \$60 million in capital improvements between 2011 and 2015. This objective will develop a plan that enables the Airport Authority to continue growth of the Salina Airport and Airport Industrial Center.

Another important financial goal for the coming three years is to increase cash reserves. The goal is to cash reserves to \$1.3 million. This is a critical objective to maintain the Airport Authority’s Aa3 bond rating.

The next top goal is developing policies and procedures which will continue to update the Airport Rules and Regulations and Minimum Standards. These policies and procedures will further document, clarify and define doing business, operating or conducting activities at the Salina Municipal Airport and Salina Airport Industrial Center.

Other top goals for 2011 include:

- ✦ To again receive a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the 2010

- Comprehensive Annual Financial Report.
- ✦ To receive an unqualified opinion on the 2010 financial statement audit with no audit findings or corrective action required.
  - ✦ Early implementation and compliance with all new Governmental Accounting Standards Board statements.
  - ✦ Develop safety management system.
  - ✦ Implement Kansas Public Employees Retirement System changes.
  - ✦ Transition Aircraft Rescue and Firefighting personnel to the Kansas Police and Firefighters Retirement System.
  - ✦ Prepare 2011- 2015 multi-year finance plans.
  - ✦ Update of the employee handbook.
  - ✦ Professional Development: AAAE Airport Finance & Administration Conference; AAAE Sponsorship Assurances, Leasing Policies and Minimum Standards Workshop; GFOA Annual GAAP Update; start the AAAE Accreditation Program.

***Kenny Bieker***  
***Manager of Facilities and Construction***

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**K**enny Bieker’s primary focus is to ensure the Salina Airport Industrial Center is prepared for new tenants to set up and expand their operations.

To do this Bieker’s number one goal is to complete surface repair on the north ramp. This repair will require milling the existing concrete two inches deep and then bringing in two inches of asphalt overlay. These improvements are the next step in beginning operations for two prospective tenants who will bring more than 300 jobs to the Salina area. Not only will this mean jobs but it is a vital revenue source for the Airport Authority to continue to run a first-rate operation.

A close second to these repairs is the north ramp utility project, which entails putting in a fire main, domestic water main and sanitary utility sewer line. A dedicated fire main will allow all the industrial center facilities to be served with fire protection without additional pumps. These improvements will support current and future airport and airport industrial center development plans.

Another primary goal is the remodel of Hangar 606. This former Hawker Beechcraft hangar is expected to be used to house two important operations to the city of Salina. The anticipated use of the south half of the hangar is to serve as a dedicated forward operating location for military units deployed to Salina for training. The other half has been designated to host Operation Cog Hill, a permanent tenant which intends to establish a flight training facility for high performance turbine aircraft.

Other top goals for 2011 include:

- ✦ Design and remodel of Hangar 959.
- ✦ Coordinate with the U.S. Army Corps of Engineers investigation activities.
- ✦ Design and remodel of Hangar 626 and 614.
- ✦ Evaluate wind and solar options for electricity to determine advantages of net metering savings.
- ✦ Design and remodel of Building 620.
- ✦ Coordinate Hawker Beechcraft Corporation's move out of Salina Airport Authority buildings.
- ✦ Design and remodel of Building 824.
- ✦ Airfield vegetation control.
- ✦ Code foot print for Building 655.
- ✦ Begin design of Hangar 724.
- ✦ Begin design of Hangar 713.
- ✦ Update of Airport Industrial Center guidance signage.
- ✦ Pump house 305 upgrades to include filters, strainers, meters and monitoring.

*David Wiles*  
*Manager of Operations*

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David “Gunner” Wiles oversees the day to day operations of the airport and the duties of the aircraft rescue and firefighting and maintenance crews on the Salina Airport. He is also responsible for staff training and professional development, as well as safety and security on the airfield.

At the top of his priority list for 2011 is the training of the rural fire departments in aircraft rescue and firefighting tactics and aircraft familiarization. Aircraft fly daily over the jurisdiction of area fire departments and bird strikes as well as a myriad of other aircraft emergencies could put a downed aircraft outside the confines of the Salina Airport. Not only will this training aid firefighters and pilots, but it will strengthen the relationship between the Salina ARFF team and the area fire departments.

Another main goal for the coming year is completion of the mobile ARFF trainer. The trainer will need to be permanently mounted on a trailer, will require a smoke machine and generator and needs to be painted. The completion of the mobile ARFF trainer will aid the ARFF crew in achieving their number one goal of training rural fire departments as well as serve as another venue for Crisis City to train first responders coming to use that facility.

Supporting medical emergencies in the Salina Airport Industrial Center is also leading the priority list. All of the Salina ARFF crewmembers are also emergency medical technicians, and are certified to provide emergency medical care on and off the airfield. With more than 80 businesses operating on the Salina Aviation Service Center and Salina Airport Industrial Center, the firefighters can respond in as little as two minutes to an emergency medical call at one of these facilities. This provides the additional aid and protection to those businesses and their employees along with the opportunity to exercise the skills of the firefighters.

Other top goals for 2011 include:

- ✦ Obtain fire inspector certification for ARFF.
- ✦ Conduct fire inspections in the Salina Airport Industrial Center.
- ✦ Relocation of maintenance crew into Building 314.
- ✦ Modernization of the Airport Authority maintenance shop.
- ✦ Expand use of security cameras.
- ✦ Implement the recommendations outlined in the 2010 USDA wildlife hazard assessment report for an aggressive a wildlife mitigation program.
- ✦ Conduct firearm and hunter safety training for ARFF personnel.
- ✦ Support event management using safety management systems best practices.
- ✦ Integrate new maintenance van into everyday use.
- ✦ Develop and implement a wildlife hazard management plan.
- ✦ Implement safety management system Part 139 compliance.
- ✦ Further develop the role of military liaison and unit recruitment opportunities.

### *Melissa McCoy* *Manager of Public Affairs and Communications*

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**A**s manager of public affairs and communications, Melissa McCoy is responsible for media and community relations as well as advertising and marketing at the Salina Airport.

The most important goal for the public affairs and communication office is to increase the visibility and quality of marketing materials for the former Hawker Beechcraft Corporation facilities. This entails keeping the Salina Airport Prospectus up-to-date and readily available both in hard copy and digitally. It also requires making the necessary changes to target each company. Doing this will ensure Salina's maximum potential will be relayed to prospective companies to fill those vacancies.

Another chief goal is to improve enplanements on Salina's essential air service provider SeaPort Airlines. Accomplishing this will mean more direct marketing to those individuals who could benefit from fast, efficient service to and from Kansas City. It will also include a greater distribution of marketing materials to the Salina residents. Increasing enplanements will not only benefit the EAS carrier but will ensure air service to the Salina Community for years to come.

The creation of three major "anchor" events is also a principle goal. The Salina Open in May, a flight competition for the general aviation pilot; Wings of Freedom in or close to July, featuring at least three World War II era planes; and Candy Canes and Airplanes the first Saturday in December, a welcome party for kids to visit Santa as he uses the Salina Airport to base his operations, as well as tour a variety of aircraft are

three events to bring area aviators as well as the surrounding community out to the airport. This will increase visibility of the airport, foster positive community relations and increase fuel flowage to our fixed base operators and the SLN Self-fueling pump.

Other top goals for 2011 include:

- ✦ Improve communication with based pilots.
- ✦ Implement a fundraising program for the Wings Over Salina Air Museum.
- ✦ Take full advantage of social media and networking opportunities.
- ✦ Finish website turnover.
- ✦ Improve use of paid advertising.
- ✦ Post at least three photos each week of airport happenings on the website and social media sites.
- ✦ Establishment of M. J. Kennedy Award for civic leadership.
- ✦ Establishment of Col. David C. Schilling award for military service and leadership.
- ✦ Continue to foster good community relations and networking through the Salina Military Affairs Council and Salina AMBUCS.
- ✦ Professional Development: Finish the KWU Public Relations bachelor's degree program.

### *Dave Nease* *ARFF Team Lead*

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**A**s we enter 2011, Dave Nease has high aspirations for the Aircraft Rescue and Firefighting team. His primary goal is to improve the ARFF Training Program by training every weekday afternoon as time permits. The Salina ARFF team receives far fewer calls than the regular Salina fire departments, thus more and consistent training is necessary to keep their skills sharpened and ready for the next call.

A goal that will aid in this training is the completion of the Jet Commander Mobile ARFF Trainer. Finishing the trainer will mean cutting close to five feet off the back end, patching a hole and remodeling the duct work to mount a smoke machine as well as putting the seats back in when it is all but done. The Jet Commander will also need to be bolted down to the trailer to make it mobile. By completing the trainer the ARFF and other area FDs will be able to train more and more often for aircraft incidents and mishaps, which will keep the Salina-area aviation community safe.

Going hand and hand with improving training and finishing the trainer is the ongoing goal of strengthening the relationship between the Salina ARFF crew and other firefighting stations including the Salina FDs, and those at Wichita Mid-Continent Airport, Kansas City International Airport and Ft. Riley. These relationships are important so all the firefighters can learn from one another. Mid-Continent's ARFF department has live fire training available, so the Salina crewmen can see exactly how their firefighting agents work on fuel fires. Ft. Riley offers a Blackhawk fire trainer, which is important to Salina as the home of the Kansas Army National Guard's Army

Aviation Support Facility. Kansas City is important because with the ease of using SeaPort Airlines to fly between the two airports, Salina crewmen can see how a larger station is run and take advantage of the training opportunities there. These diverse training opportunities keep firefighters' skills sharp which creates a safer environment here in Salina.

Other top goals for 2011 include:

- ✦ Continued development of a training program for rural fire districts.
- ✦ Completion of tanker truck.
- ✦ Take advantage of more classes through Kansas University's fire training program.
- ✦ Strengthen relationships with existing tenants.
- ✦ Continue medical education.
- ✦ Move into the new fire station.

### **Loren Carleton** **Maintenance Lead**

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**L**oren Carleton and his team have the expansive task of maintaining the Salina Aviation Service Center and Salina Airport Industrial Center.

With new buildings coming available for lease all the time, the maintenance staff's number one goal is to keep all the buildings show-ready for prospective tenants. This means keeping them clean, ensuring everything is in working condition, the heat or air conditioning is at a comfortable level, grass is mowed and the plumbing is on to make the experience as positive as possible for the future tenant. Prospective tenants becoming future tenants means more jobs and payroll and revenue for the Airport Authority as well as the continued growth of the SASC and SAIC.

The maintenance crew also works to keep the Salina Municipal Airport part 139 compliant by maintaining signs, pavement, markings, windsocks, lighting the like. This ensures the traveling public's safety and makes the airport a place people and businesses want to come to and stay.

Continuing to strengthen the relationships between the maintenance department and the existing tenants by keeping an open door policy is also a major priority. Continuing to maintain high-quality service in a timely fashion is vital to retain businesses and grow aviation business.

Other top goals for 2011 are:

- ✦ Acquisition of new equipment.
- ✦ Get two crewmembers certified to spray chemicals to eliminate the need to pay a contractor.
- ✦ Improve the quality of the maintenance crew with additional hirers.
- ✦ Complete 2011 coming in under budget.

✦ Upgrade the maintenance facility after the ARFF move.

✦ Get maintenance more involved in new projects.

With targeted direction, experienced staff and superior leadership the Salina Airport is where business takes off.



# 2011 Salina Aviation Service Center Marketing and Recruiting Plan



## **2011 Salina Aviation Service Center Marketing and Recruiting Plan**

In partnership with the City of Salina, Saline County, the Salina Area Chamber of Commerce, Kansas State University and the Kansas Department of Commerce, the Salina Airport Authority will market 12 buildings totaling 595,690 sq. ft. ranging in size from 9,340 sq. ft. to the large 137,328 sq. ft. Big Bertha hangar. The buildings and hangars can support a wide variety of commercial aviation and industrial employers. The possibilities range from UAS development to air carrier aircraft MRO. A common denominator is that all available buildings have access to SLN's 12,300 ft. primary runway.

### **Understanding the Market**

The MRO industry segment is positioned for recovery and new growth. According to *Aviation Week and Space Technology* magazine, a number of companies are making plans for projects that require building and hangar space in 2011 and 2012. **“Despite the industry’s dips and shifts, an MRO or aerospace plant remains the ripest of prizes among industrial recruiters.”**

### **Positioning**

With space available to lease, Salina is positioned to take advantage of the upcoming changes. The consulting firm AeroStrategy suggests that comparative advantage is shifting, with new regional hotbeds emerging for engineering, manufacturing, and MRO. Industry stakeholders, including firms and governments, must adopt new strategies to survive and prosper. This shift is aligned with the Salina Airport Authority's strategy to develop the SLN Aviation Service Center.

However, global MRO strategy shifts also signal challenges that are changing the landscape of aerospace maintenance infrastructure. Brazil, Mexico, and Central America are attracting investments for labor intensive activities such as airframe heavy maintenance that complement existing MRO clusters in Southern California, the Central U.S., South Florida and Quebec. These pressures reinforce the need for aggressive marketing strategies to maintain competitive.

### **Competition**

The Salina Airport Authority continues to monitor other communities that offer available hangar and airport facilities. Communities in Texas, Alabama, South Carolina, Florida and Mississippi are noteworthy in their efforts to recruit aerospace industry. There are many more hangar and airport facilities on the market today than at any time in recent memory, as a direct result of the fall off in aviation activity.

### **Unusual Times Require Heightened Marketing Activity**

It is against this challenging backdrop in the aerospace and MRO industry that this plan to market available buildings and hangars is being prepared. Difficult economic times many times require heightened efforts and focused activities in order to be successful.

Below are a number of airport facility marketing initiatives designed to take advantage of Salina's central location, excellent facilities and industry realities. Such initiatives will be conducted in partnership with the City, County, Chamber, K-State and KDOC. The Salina Airport offers the necessary infrastructure and support for the MRO industry. The key ingredients are available runways, buildings, workforce, workforce training and effective incentives.

### **Advertising & Internet Presence**

The Salina Airport Authority will place advertising in targeted publications and low cost Web-based publications to drive interested parties to the SAA Website with complete details of existing and upcoming available space. We will continue to utilize the SLN Reporting Points newsletter to remind possible lessees of facility information. Additionally, we will use direct mail to contact potential prospects, site selectors and aviation consultants.

### **Earned Media**

In order to position the community to obtain earned media, the Airport Authority will maintain contact with key aviation trade publications to promote the SLN Aviation Service Center marketing plan.

### **Zimmer Real Estate Services**

With a total of more than 550,000 square feet of space at the Salina Airport and Airport Industrial Center on the market, prospective lessees could very well come from throughout the Nation and outside the U.S.A. Zimmer has the staff and services to support the SAA with national and international real estate services and a full-service marketing department to help plan and execute state-of-the-art property promotions. Zimmer specializes in commercial and industrial properties can also recommend other uses for SAA buildings and assist in setting competitive rental values.

Zimmer complements the Kansas Department of Commerce regional representatives that work directly with businesses and site selection consultants.

### **Re-Contacts**

We will personally re-contact prospects on our prospect list. Even during a recession firms are preparing plans for new programs and consolidation of facilities. Consolidations and mergers may also have created opportunities that didn't exist when last we met with some prospects. We will personally hand them information packets to place Salina top-of-mind.

**MRO Clusters**

We will visit the nation's aviation clusters to hand-deliver leasehold information packets to prospective tenants. Because the industry is relatively small, we may be able to gain additional industry knowledge about future expansions and potential strategic moves within the industry that will benefit our efforts.

**Visit Expanding Aviation Businesses**

Even in the current down industry cycle, some limited companies are expanding their footprint in order to be ready when the market rebounds. We will visit with the decision-makers in these companies to ensure they are aware of the availability and advantages of our real estate assets.

**Initial Targets**

Potential private sector marketing targets that fit one or more of the categories above are grouped geographically below in order of priority; targeting area and regional companies first. In addition, the Airport Authority will use its connection with military organizations to actively market the available space. Personal visits will be planned to those organizations where it is economical to do so. Research provided by Zimmer Real Estate Services will target firms across the country. Recruiting trips will be scheduled for California, East coast, Southeast states, Oklahoma and Texas.



**SLN Aviation Service Center  
Recruitment and Development Briefing**

**for the**

**Salina Airport Authority  
Board of Directors**

**Wednesday, December 8, 2010  
Updated – December 30, 2010**

**Introduction**

In partnership with the City of Salina, Saline County, the Kansas Department of Commerce and the Salina Area Chamber of Commerce the Salina Airport Authority is actively recruiting aviation and aerospace business to the SLN Aviation Service Center complex of buildings, hangars and development lots at the Salina Municipal Airport. Interested firms have the option of leasing existing buildings and hangars or constructing new facilities.

Marketing and recruiting efforts are enhanced by the services of aviation industry veteran Jim Gregory and Zimmer Real Estate Services, Inc. Jim Gregory leads the James Gregory Consultancy and is an industry leader specializing in media relations, marketing and business recruitment.

Zimmer Real Estate Services, Inc. is the Airport Authority's real estate agent and is a national leader in industrial park development. The firm has a national and international network of associated real estate brokers. The Zimmer team is led by Mark Long and Tracey Mann.

The SLN Aviation Service Center development team uses extensive research to target firms that will benefit from locating at the Salina Airport. The combination of a 12,300 foot primary runway, available hangars, build to suit options, workforce training, R&D opportunities with Kansas State University at Salina and excellent workforce make the Salina Airport a premier location for growth.

The efforts of the SLN Aviation Service Center development team has produced significant prospective projects from a cross section of aerospace industry leaders. The list of active prospects offer the potential of adding over 1,325 new jobs,

\$47.5 million in new payroll, and over \$77.5 million in capital investment to the local and state economy.

Additional benefits would include & increase fuel sales and aircraft operations at the Salina Airport.

- Estimated increase in annual fuel sales: 1.75 million gallons per year
- Estimated increase in annual aircraft operations: 30,000 per year

**Active Prospects for the SLN Aviation Service Center (aviation & aerospace)**

**Project Spyglass** – A fast growing aerospace engineering design, prototyping, manufacturing and flight test firm. The firm’s new SLN Aviation Service Center location will provide Spyglass the opportunity to construct a state of the art facility and improve the firm’s ability to support national and international customers.

- Estimated new jobs: 65
- Estimated Capital investment: \$5 million

Notes:

**Project Copperhead** – An international flight test facility. The SLN Aviation Service Center offers the ideal combination of available hangar space, long runway, open airspace and airport authority financing for the establishment of a world class flight test facility.

- Estimated new jobs: 250
- Estimated Capital investment: \$5.5 million

Notes:

**Project Cog Hill** – Cog Hill is preparing to establish a flight training facility for high performance turbine aircraft. The firm will utilize the Salina Airport’s 12,300 foot primary runway and low density airspace, excellent air traffic control,

improved radar facilities, and available hangar space to train special mission pilots.

Notes:

**Project Pebble** – An international aerospace firm, Pebble has selected the SLN Aviation Service Center as its North American warehouse and distribution center for aircraft modification work and supports for U.S. aircraft manufacturers.

- Estimated new jobs: 20
- Estimated Capital investment: \$750,000

Notes:

**Project Ridgewood** – Ridgewood is a provider of MRO services to U.S. and international air carriers. The firm is seeking expanded hangars, shop and office space for its growing North American operations.

- Estimated new jobs: 200
- Estimated Capital investment: \$14 million

Notes:

**Project Deerfield** – Deerfield is a MRO provider requiring a location with a long runway for narrow and wide body air carrier aircraft. The company also needs an existing hangar or a build to suit facility.

- Estimated new jobs: 125
- Estimated Capital investment: \$6.75 million

Notes:

**Project Riverfront** – Riverfront is a provider of aircraft maintenance services to general aviation aircraft owners and operators. The company is looking for a facility to expand services to aircraft ranging in size from small single engine airplane to business jets.

- Estimated new jobs: 15
- Estimated Capital investment: \$1.5 million

Notes:

**Project Amelia** – Amelia is looking for a site for an aircraft assembly operation. The new venture would also include activities such as aircraft completion, flight test and delivery of a high performance jet.

- Estimated new jobs: 400
- Estimated Capital investment: \$20 million

Notes:

**Project Boot** – Boot is conducting a national search for an aircraft assembly facility at an airport and community able to meet numerous requirements. The company appears to prefer new construction over leasing existing buildings.

- Estimated new jobs: 300
- Estimated Capital investment: \$24 million

Notes:

**Project Silverstone** – Airport Authority staff prepared a RFI response on short notice. The response was submitted to Hickey & Associates. The RFI was for “qualified airfields to establish an aircraft training operation center.” The RFI reflected the need for a 3-5 acre training campus supporting 20-80 fixed-wing jet aircraft.

- Estimated new jobs: TBD
- Estimated Capital investment: TBD

Notes: 12/30/10 update

**Project Wildfire** – Wildflower is a company working with the K-State Applied Aviation Research Center’s (AARC) UAS Program Office. The company is a top five UAS OEM and is interested in the possibility of establishing a presence at the Salina Airport. Wildfire is attracted to the support available from K-State, access to the Crisis City COA UAS operations area and potential use of R-3601A. Wildfire is the first leading UAS OEM to express interest in Salina. The company’s interest affirms local and state support for establishing the K-State UAS Program Office.

- Estimated new jobs: TBD
- Estimated Capital investment: TBD

Notes: 12/30/10 update

### **Active Prospects for the Salina Airport Industrial Center (non-aeronautical)**

**Project Green** – Green is interested in a 21 acre lot at the Salina Airport Industrial Center to build a 100,000 SF building. The company is not an aerospace firm, but would benefit from an airport industrial center location. The Salina Airport Industrial Center location provides Green with easy access to scheduled air service and business aviation travel.

- Estimated new jobs: 100
- Estimated Capital investment: \$7.5 million

Notes:

### **Support from Federal, State and Local Sources**

Assistance from federal, state and local sources will be necessary to secure new jobs and capital investment at the SLN Aviation Service Center. The Salina Airport Authority will be requesting the following types of assistance:

- **U.S. Department of Commerce** – An Economic Development Administration (EDA) grant for certain infrastructures and site improvements.
- **The Kansas State University at Salina Applied Aviation Research Center (AARC)** - AARC is the university's aviation commitment to supporting the aviation and aerospace industry.

AARC staff and faculty can take on a wider variety of R&D projects in support of manned and unmanned aircraft operations.

AARC's UAS Program office is a national leader in developing airframes, sensors and procedures for the use of unmanned aircraft for emergency management response.

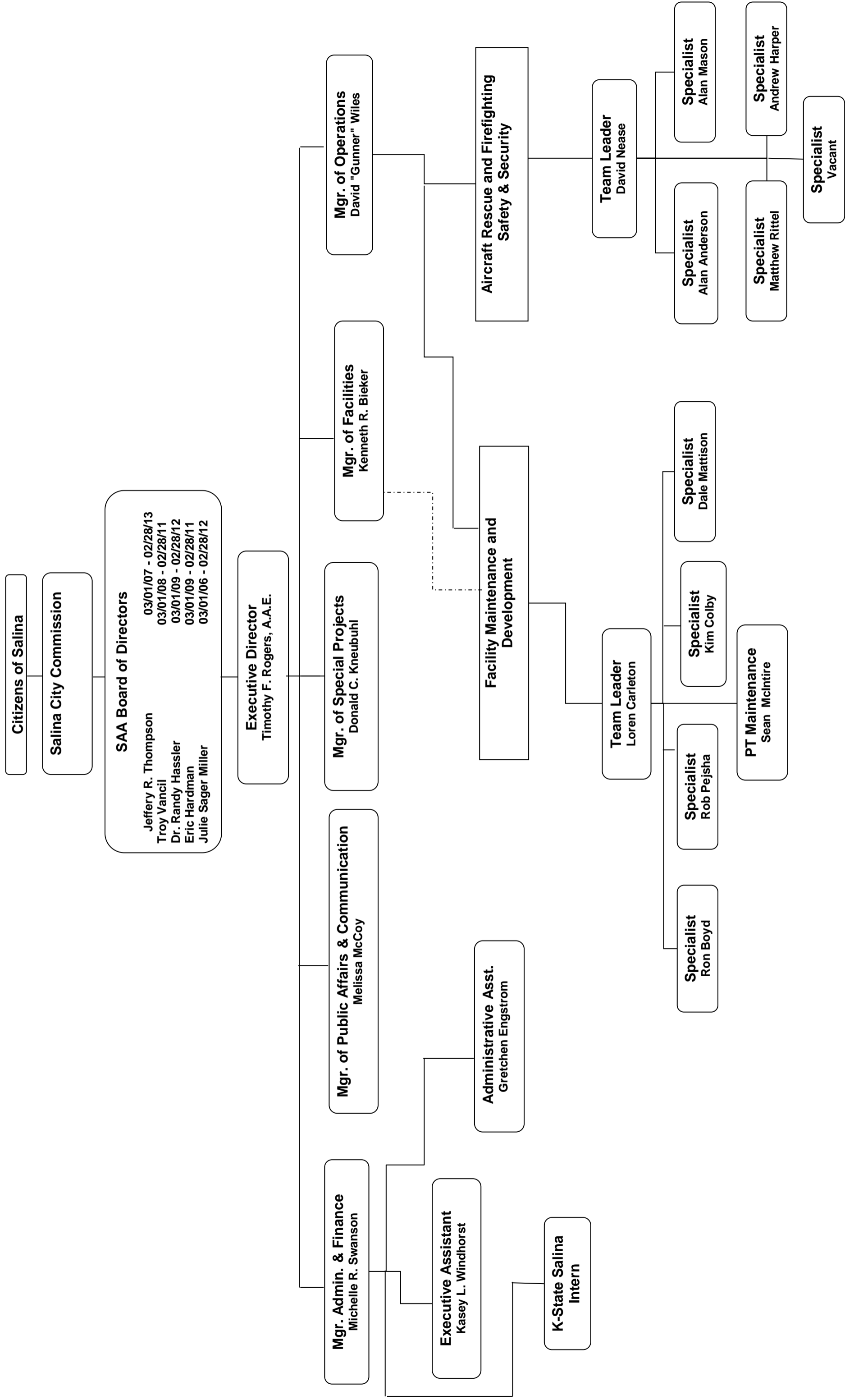
- **Kansas Department of Commerce** – Assistance in preparing projects specific economic development incentives proposals.
- **Kansas Department of Transportation** – A KDOT airport improvement program grant for the resurfacing of Taxiway Golf and hangar H959 aircraft parking apron will lead to new jobs.
- **City of Salina** – The construction of new waterline, sewer line and fire main utilities will support all projects considering a location at the SLN Aviation Service Center. City staff is completing engineering design for major utility line improvements.
- **Salina Economic Development Incentives Council (SEDIC)** – SEDIC grants will assist companies locating at the Salina Airport with workflow training, equipment purchases and facility acquisitions.

### **Conclusion**

The list of quality prospects is evidence that marketing and recruiting efforts have resulted in multiple opportunities for new business growth. Keeping the “pipeline” full of quality prospects will result in more opportunities for new jobs, payroll and capital investment benefiting Salina, Saline County, and Kansas.



**Organization Chart**  
January 1, 2011



**SAA 2011 Staffing Plan  
Wages & Salaries**

	2011 Budget	2010 Budget	Change from projected 2010 Actual to 2011 Budget		2010 Estimated Actual (Annualized)	2009 Actual	Change from 2009 Actual to Projected 2010 Actual	
<b>Administrative Salaries</b>	\$472,708	\$454,815	4.10%	\$18,611	\$454,097	\$440,682	3.21%	\$14,133
<b>Maintenance Salaries</b>	\$377,609	\$368,123	-1.58%	-\$6,068	\$383,677	\$390,397	-5.71%	-\$22,274
<b>Total Salary Expense</b>	850,317	\$822,938	1.50%	12,543	837,774	831,079	-0.98%	-8,141

**Notes:**

1. All salary/wages are based upon employee retention objectives, position market value and merit.
2. All wages contingent upon final Board approval of the respective FY budgets.
3. The 2009 actual data represents the actual cash outlay and does not include year end adjustment for accrued wages and benefits payable.

**SALINA AIRPORT AUTHORITY  
2011 WAGE & SALARY PLAN**

Airport Maintenance, Operations and ARFF Employees Wage Scale

No change between 2009  
and 2011 in Step Plan

	<b>2011 Hourly Rate</b>	<b>2010 Hourly Rate</b>	<b>2009 Hourly Rate</b>	<b>2011 Annualized</b>	<b>2010 Annualized</b>	<b>2009 Annualized</b>
<b>Step 1</b>	11.18	11.18	11.18	23,254	23,254	23,254
<b>Step 2</b>	11.76	11.76	11.76	24,461	24,461	24,461
<b>Step 3</b>	12.34	12.34	12.34	25,667	25,667	25,667
<b>Step 4</b>	13.00	13.00	13.00	27,040	27,040	27,040
<b>Step 5</b>	13.61	13.61	13.61	28,309	28,309	28,309
<b>Step 6</b>	14.31	14.31	14.31	29,765	29,765	29,765
<b>Step 7</b>	15.04	15.04	15.04	31,283	31,283	31,283
<b>Step 8</b>	15.79	15.79	15.79	32,843	32,843	32,843
<b>Step 9</b>	16.60	16.60	16.60	34,528	34,528	34,528
<b>Step 10</b>	17.42	17.42	17.42	36,234	36,234	36,234
<b>Step 11</b>	18.26	18.26	18.26	37,981	37,981	37,981
<b>Step 12</b>	19.18	19.18	19.18	39,894	39,894	39,894

**Notes:**

1. All salary/wages are based upon employee retention objectives, position market value and merit.
2. Annual salary excludes overtime pay. Based upon 2,080 regular working hours.

**Salina Airport Authority  
2011  
Budget Summary**

Revised 1-9-11

	2009 Actual	Jan - Dec 2010 Actual	2010 Budget	2011 Budget
<b>Operating Income</b>				
<b>Airfield revenue</b>				
Fuel Flowage Fees	\$ 154,482	\$ 191,026	\$ 192,000	\$ 201,600
Hangar rent	329,863	564,443	430,000	495,000
Landing fees	7,741	4,554	7,500	5,000
Ramp rent	91,968	98,446	90,000	85,000
<b>Total Airfield revenue</b>	<b>584,054</b>	<b>858,469</b>	<b>719,500</b>	<b>786,600</b>
<b>Building and land rent</b>				
Agri land rent	55,277	56,337	53,000	55,000
Building rents	1,009,703	1,194,366	1,210,000	1,200,000
Land rent	218,392	239,829	250,000	255,000
Tank rent	7,590	7,943	10,000	7,500
<b>Total Building and land rent</b>	<b>1,290,962</b>	<b>1,498,475</b>	<b>1,523,000</b>	<b>1,517,500</b>
<b>Other revenue</b>				
ARFF Training	6,650	6,390	15,000	0
Commissions	12,607	10,982	16,000	13,500
Other income	6,403	48,141	15,000	32,500
<b>Total Other revenue</b>	<b>25,660</b>	<b>65,513</b>	<b>46,000</b>	<b>46,000</b>
<b>Total Operating Income</b>	<b>1,900,676</b>	<b>2,422,457</b>	<b>2,288,500</b>	<b>2,350,100</b>
<b>Cost of Goods Sold - Avgas</b>	<b>2,433</b>	<b>21,173</b>	<b>24,000</b>	<b>25,000</b>
<b>Gross Operating Income</b>	<b>1,898,243</b>	<b>2,401,284</b>	<b>2,264,500</b>	<b>2,325,100</b>
<b>Operating Expense</b>				
<b>Administrative expenses</b>				
A/E, consultants, brokers	57,682	51,862	46,500	47,430
Airport promotion	26,894	56,932	20,000	29,100
Bad Debt Expense	-	-	-	-
Computer/Network Admin.	14,129	17,642	12,500	12,750
Dues and subscriptions	24,900	28,842	26,000	26,520
Employee retirement	45,181	65,285	57,830	64,540
FICA and medicare tax expense	55,267	59,418	62,955	63,902
Industrial development	27,500	30,000	30,000	30,600
Insurance, property/liability	144,859	136,905	135,000	137,700
Insurance, medical	187,560	210,984	216,192	210,000
Kansas unemployment tax	581	828	775	1,000
Legal and accounting	31,977	36,225	35,000	35,700
Office salaries	407,267	442,202	454,815	469,200
Office Supplies	8,299	13,200	8,250	8,415
Other administrative expense	12,947	15,212	13,000	13,260
Postage	3,287	3,611	3,850	3,927
Property appraisal expense	0	0	2,500	2,550
Property tax expense	142,164	155,706	162,500	165,750
Special Events	3,427	5,047	5,000	5,100
Telephone	18,630	20,174	17,500	17,850
Travel and meetings	20,723	21,616	22,000	21,440
<b>Total Administrative expenses</b>	<b>1,233,274</b>	<b>1,371,691</b>	<b>1,332,167</b>	<b>1,366,734</b>

**Salina Airport Authority  
2011  
Budget Summary**

	2009 Actual	Jan - Dec 2010 Actual	2010 Budget	2011 Budget
<b>Maintenance expenses</b>				
Airfield maintenance	49,811	16,533	23,750	24,225
Airport Security	48	-1,799	5,000	1,250
Building maintenance	45,931	53,702	52,500	53,550
Equipment fuel and repairs	96,691	92,060	65,000	66,300
Fire Services	30,244	28,079	20,000	20,400
Grounds maintenance	2,267	1,677	500	1,500
Maintenance salaries	356,253	381,005	368,123	377,609
Other maintenance expenses	20,137	28,910	20,000	20,400
Snow removal expense	5,003	10,685	35,000	27,150
Utilities	175,278	209,948	185,900	189,618
<b>Total Maintenance expenses</b>	<u>781,663</u>	<u>820,800</u>	<u>775,773</u>	<u>782,002</u>
<b>Total Expense</b>	<u>2,014,937</u>	<u>2,192,491</u>	<u>2,107,940</u>	<u>2,148,736</u>
<b>Total Operating Net Before Depreciation</b>	<b>\$ (116,694)</b>	<b>\$ 208,793</b>	<b>\$ 156,560</b>	<b>\$ 176,364</b>
<b>Non Operating Funds</b>				
FAA / KAIP Grant Funds /Contributed Capital	\$ 3,541,960	1,077,311	625,000	\$ 395,000
Bond Issue Proceeds	4,092,255	12,055,000		
Direct Finance Lease Payments	189,446	165,396	189,446	
Proceeds from Sale of Assets		115,060		
Interest Income on Deposits	15,002	9,142	17,500	12,200
Mill Levy	1,299,200	1,851,378	1,849,957	1,833,239
<b>Total Non Operating Funds</b>	<u>\$ 9,137,863</u>	<u>\$ 15,273,287</u>	<u>\$ 2,681,903</u>	<u>\$ 2,240,439</u>

**Salina Airport Authority  
2011  
Budget Summary**

	2009 Actual	Jan - Dec 2010 Actual	2010 Budget	2011 Budget
<b>Debt Service (principal &amp; interest) &amp; Special Assessments</b>				
GO Bonds, Series 1998-A <i>Secondary Street Project</i> (Orig issue \$4,400,000; balance \$0; maturity 2008)				
GO Bonds, Series 1999B <i>Refinance of 1990B</i> (Original issue \$550,000; balance \$135,000; maturity 2010)	71,995	73,640	73,640	
GO Bonds, Series 2001-A <i>Airport/Industrial Center Internal Imps.</i> (Original issue \$1,385,000; balance \$650,000; maturity 2012)	185,316	187,514	187,514	183,867
Special Assessments, 2001 <i>Airport Industrial Center Sub. Imps.</i> (Original issue \$344,202; balance \$229,001; 2016 maturity)	30,505	30,505	30,505	23,937
GO Bonds, Series 2002-A <i>Runway 17R/35L and matching funds for AIP-22 (17L/35R Rehab)</i> (Original issue \$2,635,000; balance \$1,160,000; 2012 maturity)	315,680	316,880	316,880	316,905
GO Bonds, Series 2005-A <i>for Bldg. 1021, Flower CSC, Hangars 509 &amp; 703, other capital</i> (Original issue \$3,635,000; balance \$3,635,000; 2020 maturity)	404,675	408,125	408,125	405,788
GO Temp Notes, Series 2007-1 <i>Hangar 600 Development Airfield imp, other capital</i> (Original issue \$10,975,000, balance \$10,975,000; 2010 maturity)	614,600	197,400	197,400	0
GO Bonds, Series, 2007-A <i>Acquisition Bldg. 217 Hangar 509, other capital Permanent financing balance 2006-1 Temp Notes</i> (Original issue \$1,005,000; balance \$945,000, maturity 2022)	93,690	95,990	95,990	93,240
Capital Lease - BofA <i>Acquisition of Bldg. 412</i> (Original issue \$425,000; balance \$358,853; maturity 2016)	58,472	58,472	58,472	58,472
Special Assessments, 2007 <i>Hangar 600 Sewer Extension</i> (Original issue \$27,599; balance \$26,268; maturity 2021)	2,565	2,565	2,565	2,565
GO Bonds, Series 2009-A <i>AIP matching funds, airfield improvements equipment, airport perimeter road and water main relocation</i> (Original issue \$2,025,000, balance \$1,932,154; 2029 maturity)		107,059	107,059	85,648
GO Bonds, Series 2009-B <i>Economic development, SLN Aviation Service Center facility improvements and SAFB environmental restoration project</i> (Original issue \$6,080,000, balance \$6,080,000; 2029 maturity)		524,406	524,406	546,825
<b>Total Debt Service</b>	<b>\$ 1,777,498</b>	<b>\$ 2,002,556</b>	<b>\$ 2,002,556</b>	<b>\$ 1,717,247</b>

**SALINA AIRPORT AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
2011 Budget Summary

As of 1-14-11

	2008 (Actual)	2009 (Actual)	2010 Actual	2011 Projected
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from sales, commissions, fees and rents	\$ 2,426,455	2,156,971	2,542,500	2,369,470
Cash paid to employees for services	(790,936)	(864,192)	(835,820)	(846,809)
Cash paid to suppliers for goods and services	(1,475,036)	(1,418,939)	(1,428,798)	(1,295,782)
Net Cash Provided (Used) in Operating Activity	160,483	-126,160	277,882	226,879
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Acquisition and const. of property, plant and equip.	(8,663,391)	(7,385,816)	(3,418,746)	(4,564,850)
Purchases in satisfaction of maintenance agreement	(7,912)	(3,500)	(86,500)	0
Proceeds from capital grants	1,552,002	3,674,507	1,097,000	395,000
Proceeds from Mill Levy	1,256,816	1,327,647	1,849,957	1,833,239
Principal payments on debt	(3,946,317)	(4,739,437)	(1,052,734)	(1,030,348)
Proceeds of new borrowing	0	8,248,978	4,488,454	0
Principal received on financing lease	122,855	133,242	144,485	0
Interest received on financing lease	66,592	56,204	20,911	0
Bond issue costs paid	0	(75,546)	0	0
Interest paid on long-term debt	(1,249,490)	(963,021)	(1,147,222)	(686,899)
Net Cash Provided (Used) in Capital and Related Financing Activities	(10,868,845)	273,257	1,895,605	(4,053,858)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest received on investments	125,309	15,500	9,142	12,200
<b>INCREASE (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	(10,583,053)	162,597	2,182,629	(3,814,779)
<b>CASH BALANCE - January 1</b>	12,455,052	1,871,999	2,034,596	4,217,225
<b>CASH BALANCE - December 31</b>	1,871,999	2,034,596	4,217,225	402,446
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR CONSISTS OF:</b>				
Unrestricted/undesignated Cash	\$ 1,781,999	\$ 1,944,596	\$ 4,127,225	\$ 312,446
Restricted cash and cash equivalent				
Designated cash and cash equivalent	90,000	90,000	90,000	90,000
	\$ 1,871,999	\$ 2,034,596	\$ 4,217,225	\$ 402,446

**Salina Airport Authority**  
**2011 Debt Service Payments Analysis**  
**Sources of Repayment**

**2011 Payment Schedule and Source of Funds - \$1,717,247**

Long-Term Liability	Mill Levy	Capitalized Interest Funds	Operating Income / Fund Balance
2001-A	183,867		
2002-A	316,905		
2005-A	405,788		
2007-A	93,240		
2009-A	85,648		
2009-B	546,825		
Capital Lease (BOA)			58,472
Special Assessments (Lt 1 Blk 4, AIC)			9,550
Special Assessments (Lt 2 Blk 4, AIC)			4,621
Special Assessments (Lt3 Blk 4, AIC)			9,766
Special Assessments (Lot 17, Block 4, Sub 5 Sewer extension - Hangar 600 Area)			1,635
Special Assessments (Lot 3, Block 4, Sub 5 Sewer extension - Hangar 600 Area)			930
<b>Totals</b>	<b>\$ 1,632,273</b>	<b>\$ -</b>	<b>\$ 84,974</b>

